First of Three Regional Meetings Features Elections, Awards

New members were elected to ASLRA’s Central Region Board of Directors and the Pacific Region Board of Directors during the Association’s annual Central Pacific Regional Meeting held Sept. 11-13 in San Antonio.

Tracy Alves, vice president of sales and marketing at Modesto and Empire Traction Company, was elected to her first term, while Clark Hopp, chief operating officer at Alaska Railroad was elected to his second term, joining current members Alan Matheson, assistant superintendent, Tacoma Rail; Jeff Van Schaick, assistant vice president government affairs, Genesee & Wyoming Railroad Services, Inc.; and Regional Vice President Otis Cliatt II, president, Pacific Harbor Line, Inc.

Alves replaces Barbara O’Neill, vice president of marketing, Richmond Pacific Railroad, whose term expired this year. ASLRA recognized O’Neill for her service to the board.

For the Central Region, Scott Traylor, executive vice president, Rio Grande Pacific Corporation, was elected to his first term, and Alan Thiem, assistant vice president, industry relations at OmniTRAX, was re-elected to a second term. The remaining board members are Regional Vice President Barry McClure, executive vice president, Ironhorse Resources, Inc.; Joe Arbona, assistant vice president government affairs, Genesee & Wyoming Railroad Services, Inc.; Kristin Bevil, general counsel, Indiana Rail Road Company; Stefan Loeb, executive vice president and CCO, Watco Companies, LLC; and Mark Wegner, president, Twin Cities & Western Railroad Company.

In addition, ASLRA’s President’s Awards were presented at the meeting, honoring railroads for outstanding safety performance in each region.

“The recipients of our President’s Award lead our industry in safety, striving each and every day to value safety above all competing priorities,” said ASLRA President Chuck Baker. “Their impressive performance, with either zero reportable accidents, or the best safety rate below the industry average per man-hour of operations, has led the way to record levels of safety performance for the short line industry.”

The Central Region President’s Award recipients are:
Most Hours of Injury-Free Operation - Rapid City, Pierre & Eastern Railroad, Inc.
Best Safety Rate, greater than 500,000 man-hours - Indiana Harbor Belt Railroad Co.
Best Safety Rate, 250-500,000 man-hours - Rapid City, Pierre & Eastern Railroad, Inc.
Best Safety Rate, 150-250,000 man-hours - SGS Petroleum Service Corporation
Best Safety Rate, 50-150,000 man-hours - Arkansas & Missouri Railroad
Best Safety Rate, less than 50,000 man-hours - Baton Rouge Southern Railroad

The Pacific Region President’s Award recipients are:
Most Hours of Injury-Free Operation - Central Oregon & Pacific Railroad
Best Safety Rate, 250-500,000 man-hours - Portland & Western Railroad
Best Safety Rate, 50-150,000 man-hours - Central Oregon & Pacific Railroad
Supporters of House Bill to Make Short Line Tax Credit Permanent Reaches Record Number

A record number of representatives are having expressed their support of H.R. 510, the Building Rail Access for Customers and the Economy (BRACE) Act of 2019, which would make the short line railroad track maintenance tax credit permanent.

There are currently 272 co-sponsors of the bill, not including the original sponsor, Representative Earl Blumenauer. Support for the bill is overwhelmingly bipartisan, with 137 Republicans and 136 Democrats signing on.

“Congressional leadership must work together to secure certainty and renewed investment for the thousands of small communities and small businesses served by short line railroads,” said ASLRRA President Chuck Baker in a press release. “This BRACE Act bill has an overwhelming amount of bipartisan support, with an almost exactly even split of Democrats and Republicans. The credit has the clear support of Congress and it has been reviewed and recommended for renewal by both the House Ways and Means Committee and the Senate Finance Committee within the past year. Evidence provided in an independent study completed by PwC is clear - this is simply smart public policy that maximizes investment in efficient, safe, and environmentally friendly freight transportation for thousands of shippers throughout the country, particularly in the agricultural, energy, and manufacturing industries, and it also drives employment and growth in the railroad supplier community and in the regional economies where railroads operate.”

This historic number comes only a week after the Senate set a similar record for its 60 co-sponsors, featuring 30 Democrats, 29 Republicans and one Independent.

ASLRRA members recently completed a slew of meetings to advocate for the tax credit, also known as 45G. They met with over 40 Congressional offices on Sept. 10, working to find a way to get 45G passed in some form before the end of the year.

The tax credit offers a $.50 credit for every dollar spent on freight rail upgrades and maintenance, with a cap of $3,500 per track mile. It was first introduced in 2005 and renewed six times since then, but has been expired since the end of 2017.
Newly Proposed STB Rules Look to Improve Rate Review Procedures

The Surface Transportation Board has proposed new rules to help make its rate review procedures more accessible, efficient and transparent.

Based on work done by the Rate Reform Task Force, the STB put forth a new rate review option for smaller cases, and a more streamlined market dominance process for use in any rate review proceeding.

The new rate review option, the Final Offer Rate Review, utilizes procedural controls to limit the cost and complexity of a rate case, offering a more accessible option to complainants with smaller cases who might have avoided challenging a rate due to the current cost of doing so.

The streamlined market dominance approach should reduce the burden on rate case parties, and would be available to complainants under any STB rate review methodologies. This approach allows complainants to prove market dominance by showing evidence that meets six criteria. Defendant railroads will still have the opportunity to refute a complainant's evidence.

Comments on the STB's proposed rules are due Nov. 12, and replies to the comments are due Jan. 10, 2020. ASLRA will be closely monitoring for any impact to short line railroads.

NTSB Removes Three Safety Recommendations from Its Annual Most Wanted List

Three more safety recommendations have been completed and removed from the National Transportation Safety Board's 2019-2020 Most Wanted List of Transportation Safety Improvements. The NTSB closed P-18-001, P-18-007 and P-18-009 on Sept. 4 after acceptable action was taken to address the issues, which were related to pipeline safety.

The NTSB issued safety recommendation P-18-001 to the Pipeline and Hazardous Materials Safety Administration (PHMSA) after a fatal accident involving a natural gas explosion and fire in Millersville, Pa. The recommendation called for PHMSA to take action to prevent the incorrect installation of PermaLock mechanical tapping tee assemblies in gas distribution systems.

NiSource, Inc. received both recommendations P-18-007 and P-18-009 after the release of high-pressure natural gas into a low-pressure gas distribution system resulted in a series of explosions and fires in Merrimack Valley, Mass., destroying at least five homes, damaging 131 structures, killing one person and injuring 28. The NTSB suggested NiSource review records and documentation of its natural gas systems and develop and implement control procedures during gas main modifications to mitigate risks.

With the three recently removed issues, the NTSB has closed 11 safety recommendations since it launched its current Most Wanted campaign on Feb. 4.

Federal Railroad Administration Releases Second Quarter 2019 Status Updates for PTC Implementation

On Sept. 9 the Federal Railroad Administration released its quarterly report on positive train control (PTC) implementation, which shows railroads making steady progress toward full installation and operation of PTC systems.

In the second quarter there was a 4% increase in the number of route miles on which PTC systems were in operation, up to approximately 50,300 of the 58,000 route miles required to be equipped.
Despite having roughly 87% of all mandated route miles equipped with PTC systems, railroads still have a significant amount of work to complete in order to meet the Dec. 31, 2020 deadline. This includes activating PTC systems on the remaining lines and achieving interoperability with tenant railroads.

To help short lines, ASLRRA will host a two-part webinar series for PTC tenant railroads covering important requirements for operating on a host railroad’s PTC territory. Part 1 of the webinar series will be held Sept. 26 and is free for members. Follow the link for more information or to register.

Senate Committee to Work on Transportation, Housing and Urban Development Appropriations Bill

The Senate Transportation, Housing and Urban Development, and Related Agencies (T-HUD) Appropriations Subcommittee approved its FY2020 appropriations bill on Sept. 17. The bill now moves to the full Senate Appropriations Committee for markup on Sept. 19.

The bill includes $86.6 billion for the U.S. Department of Transportation, $167 million more than in the 2019 budget. Of that amount, $1 billion is slated for Better Utilizing Investments to Leverage Development (BUILD) grants. The Federal Railroad Administration will get $2.8 billion, and $255 and $300 million are authorized for Consolidated Rail Infrastructure and Safety Improvement (CRISI) grants and Federal-State Partnership for State of Good Repair grants, respectively.

ASLRRA will be monitoring the Senate’s action on the Transportation, Housing and Urban Development bill, as previous appropriations bills have also included the 45G short line infrastructure investment tax credit.
Representatives Meet With New Jersey Assemblyman to Discuss Railroad Issues

Rail industry representatives visited the office of New Jersey Assemblyman Dan Benson on Sept. 13 to discuss freight rail both in the state and at the federal level.

Participants thanked Benson for his support of the 45G short line infrastructure investment tax credit. Benson and other New Jersey state legislators recently sent letters advocating for 45G permanency to members of New Jersey’s congressional delegation.

Ohio Representative Tours ASLRRA Member Ashland Railway, Participates in Policy Discussion

Representative Troy Balderson (R-Ohio 12th District) visited ASLRRA member Ashland Railway on Sept. 16 in Mansfield, Ohio, touring the company’s Mid-Ohio Rail Terminal, Mansfield Railport and a transload facility. Participants in the tour, led by Ashland Railway officials, included the mayor of Mansfield Tim Theaker and other local leaders.

In addition to the tour, Balderson and others participated in a policy discussion that emphasized the importance of the 45G short line tax credit, which helps small railroads fund infrastructure investments. The group also talked about the effects of federal policy on local levels, noting some regulation proposals being considered by the Surface Transportation Board that would negatively impact railroads’ ability to innovate and compete with other industries.

Balderson is a co-sponsor of H.R. 510, the House bill to make the 45G tax credit permanent.

Railroad Multimodal Projects Eligible for Funds from Wisconsin DOT

Ohio Representative Troy Balderson, right, speaks with an employee of ASLRRA member Ashland Railway during a Sept. 16 tour of the company’s facilities in Mansfield, Ohio.
Wisconsin’s biennial budget allows $75 million for multimodal transportation projects on the local system through the Multimodal Local Supplement (MLS) program, with applications for new projects due Dec. 6.

Rail line rehabilitation and passenger rail and intermodal freight facilities are eligible for one-time general purpose revenue funding, which can pay up to 90% of total eligible costs. Scoring evaluation for railroad projects considers asset management and increased capacity and safety, and evaluation for all proposals looks at a project’s economic impact, connectivity, cost effectiveness and other factors.

To help interested parties, the Wisconsin Department of Transportation will offer three informational webinars on Sept. 30, Oct. 2 and Oct. 10. Each webinar contains similar information, and participation is optional. Follow the link above for more information, including the program application and instructions, guidelines, and how to sign up for the webinar.

ASLRRRA Out and About

Meet ASLRRRA Staff Members at This Year’s Railway Interchange Conference in Minneapolis

Please visit the ASLRRRA’s booth at Railway Interchange, the railway exhibition and technical conference held Sept. 22-25 in Minneapolis. Stop by booth #3565 in the RSI section to learn more about the Association’s upcoming meetings and training opportunities and meet staff members in person.

Several of ASLRRRA’s staff will work the booth on the show floor and attend educational sessions, including the League of Railway Women’s education sessions and various committee meetings. Look for ASLRRRA President Chuck Baker, JR Gelnar, Kathy Keeney, Crystal Gitchell, Fred Oelsner and Danialle Richards.

Additionally, several ASLRRRA members are in the speaker line-up, including Jack Hellmann of Genesee & Wyoming, Cathrin Banks of the Maryland and Delaware Railroad Company, and Kate Luce of Mississippi Export Railroad.

ASLRRRA Representatives Attend RSAC Working Group Meetings

ASLRRRA’s Senior Vice President of Safety and Regulatory Policy Jo Strang and Vice President of Safety and Compliance JR Gelnar attended two Federal Railroad Association Railroad Safety Advisory
Committee (RSAC) working group meetings on Sept. 4 and 5 at Department of Transportation headquarters in Washington, D.C.

The meetings focused on certification for train dispatchers and signal employees, with working group members assigned with reviewing tasks for each. The group will meet again next January.

**ASLRRA Announcements**

**ASLRRA Supports Short Lines with PTC Implementation**

Recognizing the financial and technical challenges that implementation presents for short line railroads, ASLRRA applied for and received a grant from the FY2016 Railroad Safety Technology Grant Funds to assist the industry in PTC implementation.

With the support of a $2.5 million grant, ASLRRA qualified sources, developed products and services and secured agreements that are now available to all Class II and III railroads. These companies are able to provide solutions that will assist short lines in lowering costs, accelerating implementation, and increasing interoperability between host and tenant operations.

These vendors are providing specific services, at prices designed to help short lines who are required to, or seek to implement PTC on their railroads.

Find out more by visiting our new [website pages](#).

**ASLRRA Welcomes New Manager of Membership and Marketing to Its Staff**

ASLRRA is pleased to announce that Danialle Richards joined our staff this week as Manager of Membership & Marketing. The Michigan native graduated from Michigan State University and relocated recently - with her two dogs - to our nation’s capital.

Richards’s background includes a variety of roles in customer service, membership, sales, and most recently recruiting and retention with the moving company Two Men and A Truck. She can be reached at [drichards@aslrra.org](mailto:drichards@aslrra.org) or (202) 585-3443.
ASLRRRA Webinars

Using Analytics & Automation to Simplify Crew Manager Tasks - Sept. 24, 2019

In this webinar, CloudMoyo’s Senior Railroad Consultant and Program Manager Shannon Bloxom will outline the challenges that crew managers face in their day-to-day jobs and look at how to automate processes for crew managers, streamlining their workflows as they leverage the power of crew analytics to drive efficiencies in crew management functions.

Meeting Positive Train Control (PTC) Host Requirements, Part 1 - Sept. 26, 2019

The first of a two-part webinar series discusses important requirements that PTC tenant railroads must meet to obtain and maintain permission to operate over a host railroad’s PTC territory. Part 1 focuses on interoperability, including industry initiatives to manage interoperable PTC and tenant security measures needed to keep the interoperable PTC communication pathways protected. This webinar will be led by C. Ed Tilley of BNSF Railway and Audrey Strathmeyer and Justin Smith of Rockwell Collins.

Effective On-the-Job Training Strategies - Oct. 2, 2019

In this webinar, Senior Railroad Consultant Ashok Madhavan of CloudMoyo will cover strategies that can make on-the-job training programs simple, effective, and compliant in today’s rail transportation industry.

Electronic Data Interchange (EDI) 101 Railroad Communications - Oct. 3, 2019

Learn what Electronic Data Interchange (EDI) is and how many different message types are used. Follow the sequence of events for a single railcar to see when these kinds of communication are needed and why and when each carrier communicates with connecting roads. JoAnne Miner, digital product manager at GE Transportation, will lead this webinar.

Maximizing Income Tax Savings Using Estate Tax - Oct. 16, 2019

William Kriesel, partner-in-charge at Bowers & Company CPAs, will discuss the impact of significantly increased estate tax exemption levels, as well as several ways estate planning should be changed to accomplish income tax savings by maximizing estate tax law opportunities.

Crossings: The Necessary Evil We Must Contend With - Oct. 23, 2019

Attorney Michael Barron of Fletcher and Sippel will focus on the risks and pitfalls of utility crossings and some tools railroads may have to deal with them. Barron will also discuss the current state and best practices of dealing with blocked crossing issues.

Click here for more ASLRRRA events.

Industry Events
Union Pacific's Free Online Publication Provides Varied Information to Industry Professionals

Union Pacific offers an online magazine, *Track Record*, for transportation and logistics professionals, helping improve supply-chain performance and provide information to achieve ideal transportation solutions.

New content is published each week in one of four categories: 101, covering transportation and logistics basics; Tips, featuring tactical advice; Insights, exploring big-picture topics; and Fun, offering entertaining and informative tidbits.

Subscription is free. Follow the link for more information or to sign up.

Click here for a listing of industry events.

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