

BEFORE THE
SURFACE TRANSPORTATION BOARD

ENTERED
Office of Chief Counsel
November 24, 2025
Part of
Public Record

STB Ex Parte No. 787

UPDATING CLASS I RAIL CARRIER REPORTING REQUIREMENTS

COMMENTS OF THE ASSOCIATION OF AMERICAN RAILROADS

The Association of American Railroads (“AAR”) respectfully submits these comments in response to the September 30, 2025 notice of proposed rulemaking of the Surface Transportation Board (“STB” or “Board”) to terminate certain reporting requirements with regard to positive train control (“PTC”) expenditures and to require Class I rail carriers to report two service metrics weekly.¹ AAR generally supports the efforts to eliminate PTC reporting and suggests certain modifications to the service reporting requirements.

I. Elimination of PTC R-1 Reporting

As the Board is aware, in 2008, Congress mandated the installation of PTC on certain track by December 31, 2015.² On October 13, 2011, the Board opened a rulemaking that

¹ See Notice of Proposed Rulemaking, *Updating Class I Rail Carrier Reporting Requirements*, EP 787, at 1 (STB served Sep. 30, 2025) (“NPRM”).

² See *Rail Safety Improvement Act of 2008*, Pub. L. No. 110-432, Div. A, title I, § 104 (Oct. 16, 2008) 122 Stat. 4848, 4856 (“RSIA”). In 2015, the installation date for PTC was subsequently extended. See *Positive Train Control Enforcement and Implementation Act of 2015*, Pub. L. 114-73, title I, § 1302(b),(c) (Oct. 29, 2015), 129 Stat. 576, 582 (“PTCEIA”).

proposed carriers file certain supplemental PTC schedules alongside their Annual Report of Finances and Operations. This Annual Report, which is known as the R-1, contains information about carriers' finances and operating statistics. At the time, AAR filed comments in support of the proposed rule, noting that "a major portion of the overall cost of PTC will be spent over the next several years as railroads develop and install PTC technologies on their lines."³ AAR further requested that the Board "provide for review of these reporting requirements one year after that implementation date for PTC."⁴ On August 13, 2013, the Board adopted its final rule, requiring rail carriers that submit R-1 reports to separately report their capital and operating expenditures for PTC in a supplement, but rejecting AAR's request for later review of the reporting requirements.⁵

On August 26, 2024, AAR filed a petition to reopen the proceeding for the purpose of terminating the PTC supplement requirement.⁶ AAR argued that continued separate reporting of PTC-related costs no longer served the purpose it once did.⁷ Because Class I rail carriers have implemented PTC as required by RSIA and PTCEIA, separately reporting the expenses associated with the development and implementation of PTC is no longer necessary. Notably, no other stakeholder filed comments in opposition to AAR's petition. As the Board recognizes, the Class I railroads continue to incur costs and time preparing the separate PTC R-1 supplements, and

³ AAR Comments, *Reporting Requirements for Positive Train Control Expenses and Investments*, EP 706, at 7 (Dec. 12, 2011) ("EP 706 Comments").

⁴ EP 706 Comments, at 6.

⁵ See *Reporting Requirements for Positive Train Control Expenses and Investments*, EP 706, at 1 (STB served Aug. 14, 2013).

⁶ See AAR Petition, *Reporting Requirements for Positive Train Control Expenses and Investments*, EP 706 (Aug. 26, 2024).

⁷ See *id.* at 4.

there are no longer any benefits to requiring continued reporting. AAR, therefore, strongly supports the NPRM's proposal to remove these reporting requirements.

However, AAR requests clarification with respect to the Board's proposal to "require all Class I carriers to submit a one-time summary document identifying individual line items in their respective R-1 reports that contain PTC-related expenditures representing at least 15% of the line-item amounts."⁸ More specificity about this requirement would assist AAR in its evaluation of this proposal, as the NPRM did not provide an explanation for why the one-time summary document is necessary or how the Board would use this information. It is also not clear which of the PTC R-1 schedules line items require calculation to determine whether it meets the 15% threshold. For example, do railroads only need to make the determination for Schedule 410, or is the proposal broader? Knowing the extent of the requirement will help AAR's members understand the impacts. If the proposal is broader, then the railroads will be required to prepare all the PTC supplement schedules for 2025 to determine which line items reach the 15% threshold—effectively eliminating the reduction in burden that the NPRM espouses, at least for 2025.⁹ AAR does not believe that the one-time documentation is necessary, and requests more information regarding the requirement and its necessity.

II. Service Data Reporting

The NPRM also proposes to require weekly reporting by Class I rail carriers of two additional service metrics to assist the Board in monitoring service reliability. The first is an

⁸ NPRM at 4.

⁹ *See id.* at 3 ("Given that PTC has been fully implemented, the Board finds the benefits from the supplemental reporting, *see Reporting Requirements*, EP 706, at 3, no longer justify the burden of generating and reporting the detailed information required by 49 CFR 1241.11(b).").

original estimated time of arrival (“OETA”) metric, which is defined as “the estimated time of arrival that the rail carrier provides when the shipper tenders the bill of lading or when the rail carrier receives the shipment from an interchanging carrier.”¹⁰ It is proposed for manifest service only. The second metric is an industry spot and pull (“ISP”) metric, which “would be calculated by comparing the number of cars for which the carrier successfully completed the requested placements or pick-ups to the number of cars for which the shipper or receiver, by the applicable cut-off time, requested a placement or pick-up.”¹¹ The ISP metric would not be required for unit trains or intermodal traffic.

1. Utilization of Systemwide Metrics

If the Board adopts a final rule requiring the reporting of systemwide metrics, it should make clear that any such metrics are not conclusive evidence of service quality. AAR recognizes that the two metrics proposed are directionally similar to those adopted in *Reciprocal Switching for Inadequate Service*.¹² While that regulation was vacated by the U.S. Court of Appeals for the Seventh Circuit, the final rule in that matter made very clear that the metrics (which in that proceeding were used as performance standards that could result in a forced switching order) were not by themselves indicative of the appropriateness of a rail carrier’s operations or service in an individual matter.¹³ Although the purpose of this proposal is much more limited—

¹⁰ *Id.* at 5.

¹¹ *Id.* at 6.

¹² See *Reciprocal Switching for Inadequate Service*, EP 711 (Sub-No. 2) (STB served April 30, 2024) (“*Reciprocal Switching*”).

¹³ See *Reciprocal Switching*, at 4 (The OETA and ISP “standards do not by themselves establish whether a carrier’s operations are otherwise appropriate. The Board does not view it as appropriate to apply or draw from the standards when regulating or enforcing the common carrier obligation. Likewise, the performance standards do not define what constitutes adequate rail service.”) (citations omitted); see also *Reciprocal Switching*, EP 711

specifically, monitoring—the Board should clarify that neither metric, regardless of the reported percentage or changes thereto, can be utilized to infer anything about a carrier’s operations for individual shippers or circumstances. Furthermore, the Board should clarify that it is not appropriate to draw any conclusions regarding a railroad’s compliance with its common carrier obligation from the systemwide metrics, or changes thereto. Instead, each matter brought to the Board regarding alleged service issues should be evaluated on the specific facts and circumstances of the particular complaint.

2. Application of Metrics to Unit Trains and Intermodal Traffic

AAR agrees with the Board that its proposed metrics should not apply to unit trains or intermodal traffic. The nature of both types of traffic is different than manifest traffic. As the Board recognizes, not all unit trains have schedules, meaning an OETA metric would not be pertinent.¹⁴ Similarly, the Board appropriately recognizes that unit trains are not spotted and pulled in the manner as manifest traffic; therefore, a metric like ISP would simply not make

(Sub-No. 1), et al., at 10-11 (STB served Sep. 5, 2023) (“[T]he performance standards set forth in this NPRM ... are in no way to be construed as constituting standards by which a railroad’s compliance with the common carrier obligation under § 11101(a) is to be measured.... [A] failure to comply with the performance standards ... does not, standing alone, establish a basis under other laws for seeking damages, or other remedies related to the common carrier obligation, for service problems. ... the Board does not intend the performance standards therein to serve as a standard for performance by rail carriers (whether as a baseline or as a cap) that would provide the basis for relief under laws of common carriage, for relief under laws that govern bills of lading, for prescribed access to an alternate rail carrier under part 1147, for the prescription of emergency service under part 1146, or for applying any other law.”).

¹⁴ See NPRM at 6-7 (“As it pertains to OETA, the Board has stated that, based on the agency’s experience, unit trains generally do not have schedules and run at various, usually irregular times. ... the most recent information collected by the Board suggests some railroads do not currently produce trip plans for unit trains.”); *Reciprocal Switching* at 38 (“Based on Board experience, while manifest traffic runs on scheduled trains, unit trains generally do not have schedules. They run at various, usually irregular times. And, although some railroads have trip plans based on the unique schedule for each unit train that are applied to each car on the train, CN, CSXT, and NSR do not currently produce trip plans for unit trains. It would be unduly burdensome to require those carriers to produce trip plans (including an OETA) for unit trains.”).

sense.¹⁵ For example, for some railroads, the number of unit trains delivered is based on the shipper's monthly demand, as opposed to a plan for delivery in a particular day's service window.

In addition, as the Board recognizes, intermodal traffic does not lend itself to either the OETA or ISP metrics.¹⁶ With intermodal traffic, the containers are unloaded at an intermodal facility and then either placed on a chassis or stacked at the facility as they await pick up from a truck. Accordingly, spotting or pulling does not occur in the same way as manifest traffic. Given the differences in the operations of unit trains and intermodal traffic, reporting of these service metrics for such traffic would not make sense, and is not useful to the Board. AAR agrees with the proposal to only apply the metrics to manifest traffic.

The Board should, however, clarify that neither service metric applies to cars carrying automotive products. Some railroads include automotive products in manifest traffic, which is a defined term in the proposed rule, while others do not. Thus, AAR suggests that the Board revise the definition of "manifest traffic" to state "shipments that move in carload or non-unit train service, excluding any cars carrying automotive products."

3. Utilization of Existing Metrics

At the outset, AAR notes that prescriptive reporting requirements are burdensome to the railroads due to the differences in their data reporting systems and operating requirements. The Board can achieve its goal of monitoring service reliability by setting basic parameters and

¹⁵ See NPRM at 7; *Reciprocal Switching* at 38.

¹⁶ See NPRM at 5-6.

then allowing carriers to report based on their existing systems, and in the manner with which their customers are already acquainted. In the past, the Board has allowed railroads to define and explain their metrics in a methodology document, then required each railroad to report metrics based on those definitions. Doing so would eliminate the need for certain clarifications and provide more regulatory flexibility to the railroads to utilize their own versions of each metric, rather than involving costly and time-consuming modifications to existing practices. This would also still serve the Board's goal of providing a mechanism to measure each railroad against its own performance over time.

In the alternative to this preferred approach, AAR sets forth below several proposed changes and considerations for the Board with respect to the proposed OETA and ISP metrics.

a. OETA Improvements

While it is similar to the OETA standard proposed in *Reciprocal Switching*, the newly proposed OETA metric is appropriately refined such that early deliveries do not count against the carrier's OETA metric. If the Board is going to adopt a new OETA reporting metric, it should also incorporate the suggestions below.

First, OETA is proposed to be defined as "the estimated time of arrival that the rail carrier provides when the shipper tenders the bill of lading or when the rail carrier receives the shipment from an interchanging carrier."¹⁷ AAR believes that OETA should not be measured from the time at which the shipper tenders the bill of lading. It is the railroads' experience that the bill of lading does not always indicate a car is ready for pick up. Indeed, for some railroads,

¹⁷ *Id.* at 5.

receipt of the bill of lading is not always what triggers issuance of a trip plan or, for the proposal's purposes, an OETA.¹⁸ It is not uncommon for a bill of lading to contain incorrect or incomplete information, requiring correction before a trip plan can be issued. Rather, to account for differences in carrier systems, the rule should base OETA on the generation of the trip plan – which for some carriers may be the waybill creation event while for others it may be the time the shipper formally releases a car to the railroad. Indeed, the Board's own rules already require railroads to generate an OETA based on the release of a car to a railroad in the demurrage context, so that should be sufficient here.¹⁹

Second, the OETA metric is proposed to be determined by “the percentage of shipments on a carrier's system that moved in manifest service and were delivered to the designated destination no later than 24 hours after the OETA, out of all shipments on the carrier's system that moved in manifest service during that week.”²⁰ AAR believes that OETA should be measured based on shipments that were delivered to the designated destination no later than the end of the calendar day following the OETA. Railroad customers are generally focused on what day their shipments are delivered, not whether those shipments are delivered within 24 hours of the specific hour/minute of the carrier's original estimated time of arrival. In addition, the railroad industry runs by service days, not by specific service hours. Thus, revising the OETA metric this

¹⁸ At least two of the 6 Class I carriers do not currently generate OETA at tender of the bill of lading. See CSX Methodology (filed Sept. 25, 2024); Grand Trunk Corp. Methodology (filed Sept. 25, 2024).

¹⁹ See 49 C.F.R. § 1333.4 (d)(1) (requiring carriers to provide with demurrage invoices the dates and times of the original estimated time of arrival of a car “as generated promptly following interchange or release of shipment to the invoicing carrier and as based on the first movement of the invoicing carrier.”).

²⁰ NPRM at 13.

way and treating deliveries that occur by the end of the calendar day following the OETA as successes is better aligned with the industry's service schedules and customer expectations.

Third, the Board should clarify that if a car is delayed due to an event that occurs in transit and is outside the rail carrier's control, that car will not be included for purposes of calculating the carrier's OETA metric. For example, if a car is bad ordered during the movement, held for issues related to customs paperwork, or held because of an embargo, that car should not be counted for the purposes of the OETA metric. Additionally, if there is an act of God or other event, like a line outage outside the rail carrier's control, that car's "miss" should not be counted for the OETA metric. Similarly, the Board should clarify what constitutes a "change to the original trip plan made by the shipper."²¹ AAR requests that the Board clarify that such shipper changes include customer diversions or re-routes and customer exceptions (*e.g.*, if a customer notifies the railroad that the cars are not actually available to be pulled, blue flags, etc.).

b. ISP Improvements

As with the OETA metric, the Board's newly proposed ISP metric fixes one of the more prominent problems with the ISP performance standard in *Reciprocal Switching*, by measuring the ISP metric on a per-car, not per-window basis. The per-car basis proposed in the current NPRM is more appropriate; however, the metric should be refined and clarified as discussed below.

²¹ *Id.*

First, certain types of “misses” for delivery in a service window should not be counted against the railroad’s metric performance. Specifically, if a shipper requests more cars than it has the capacity to handle, such circumstances should be considered a customer-caused miss for the purpose of proposed section 1251.2(b)(1)(iv). Additionally, proposed section 1251.2(b)(1)(iii) requires that all service-window cancellations count against the railroad unless the cancellation is upon a “shipper’s or receiver’s request.”²² This carve-out should be expanded to include service windows that are cancelled for any reason outside the railroad’s control, such as cancellations because of a lawful embargo, because placements cannot be made due to a bad order for a car(s), or because of an act of God. None of these situations are the fault of the rail carrier, but under the proposal would be counted against them in measuring the metric. Similarly, section 1251.2(b)(1)(i) should be struck because the railroad’s ISP should not be measured against a railroad’s failure to spot constructively placed cars in a particular window after the customer orders the cars into the facility. Constructively placed cars are stopped short of delivery to a customer’s facility because the customer has requested that they be constructively placed at the rail yard, the facility does not have enough open spots to accept the cars, the customer has sufficient cars on hand at their facility, or some other customer-caused condition. If this change is not made, then the railroad’s ISP metric will not reflect an accurate depiction of the railroad’s spot and pull performance by including these customer-caused exception events.

²² *Id.* at 14.

Second, some railroads include railroad-supplied empties in their current ISP calculations, while others do not. In proposed section 1251.1, the last sentence of the definition of “industry spot and pull” requires railroad-supplied empties to be included in the calculation. This should be revised to allow railroads the option to include such empties or not, so long as the reporting railroad makes clear whether they have included them or not. Allowing for this option would be consistent with the comment, *supra*, that carriers be permitted to report based on their existing systems, with which their customers are already acquainted.

Third, in proposed section 1251.1, the definition of “service window” includes language that the “service window must be made available by a rail carrier with reasonable advance notice to the shipper or receiver and in accordance with the carrier’s established protocol.”²³ This prescriptive language appears to be a holdover from the definition contained in *Reciprocal Switching*. A rule intended for reporting systemwide or regional service metrics, should have less prescriptive language, such as: “A service window must be made available by a rail carrier in accordance with the carrier’s established protocol.” Such changes to the proposal will help clarify the metrics for monitoring railroad performance.

Finally, proposed section 1251.2(b)(2) regarding applicability of the ISP metric should be revised to state that, in addition to unit trains and intermodal traffic, the ISP metric does not include any manifest traffic moved to any third-party facilities such as storage facilities.

²³ *Id.* at 12.

4. Other Miscellaneous Issues

If the Board decides to adopt a final rule requiring the metrics be reported to monitor railroad performance, the Board should also close the open proceeding in *First Mile / Last Mile Service*.²⁴ As the Board admits, “the OETA and ISP metrics proposed here implicate, and will assist the Board in monitoring, the issues raised in [FMLM].”²⁵ In particular, the ISP metric is designed to measure the quality of first-mile/ last-mile service. Similarly, the Board should also close its related open dockets in *Urgent Issues in Freight Rail Service*, EP 770, and *Urgent Issues in Freight Rail Service—Railroad Reporting*, EP 770-1. Both of those dockets were opened over three years ago to monitor rail service, and service has improved since that time; indeed, the data reporting period in EP 770-1 ends in December 2025. The purpose of the proposed rule and the collection of data in EP 770-1 were similar – to monitor rail service.²⁶ If the Board decides to permanently collect service data reporting, it would no longer be necessary to maintain the other service-related dockets open. Furthermore, in the interest of conserving Board resources and serving the deregulatory mandates of the Administration, the Board should close these dockets.

Finally, if the Board adopts service metrics it should develop templates or another mechanism to simplify the ingestion and processing of the data. Following the Administration’s

²⁴ See *First-Mile / Last-Mile Service*, EP 767 (STB served Sept. 2, 2021) (“FMLM”).

²⁵ NPRM at 4, fn. 5.

²⁶ See *id.* at 4-5 (“Reporting of these metrics would allow the Board to better monitor service reliability and address possible future regional and national service lapses.”); *Urgent Issues in Freight Rail Service—Railroad Reporting*, EP 770-1, at 4 (STB served May 6, 2022) (“The reporting requirements, which are delineated below, will give the agency and stakeholders access to data needed for a more timely understanding of the extent and location of the acute service issues and labor and equipment shortages.”).

Executive Orders to reduce regulatory barriers, the Board has recently undertaken efforts to reduce regulatory burdens.²⁷ Simplifying the data collection processes for existing and new collections would serve those goals.

Conclusion

AAR supports the Board's efforts to eliminate the unnecessary and burdensome reporting of the PTC R-1 schedule. In addition, if the Board adopts a rule with the proposed ISP and OETA service metrics, it should incorporate the suggestions above.

Respectfully submitted,



Kathryn D. Kirmayer
J. Frederick Miller Jr.
Amber L. McDonald
Association of American Railroads
425 Third Street, S.W.
Suite 1000
Washington, D.C. 20024
(202) 639-2100

*Counsel for the Association of
American Railroads*

November 24, 2025

²⁷ STB, *Press Release: Chairman Fuchs Kicks Off Meetings on Improving Competition and Reducing Regulatory Barriers* (July 21, 2025) (quoting Chairman Fuchs' "Recognizing the voluminous reports, detailed submissions, and wide-ranging ideas over the years, I intend for this initiative to help us set a focused, actionable agenda that quickly delivers meaningful results for the American people. I expect the Board to act expeditiously to further competition and break down regulatory barriers.").