



November 24, 2025

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Via electronic submission

The Honorable Patrick Fuchs, Chair
The Honorable Michelle Schultz, Vice Chair
The Honorable Karen Hedlund, Member
Surface Transportation Board (STB)
395 E Street SW
Washington, DC 20423-0001

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Office of Chief Counsel
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Public Record

**RE: Docket No. EP 787, “Updating Class I Rail Carrier Reporting Requirements,” (90 FR 46779),
September 30, 2025.**

Dear Chair Fuchs, Vice Chair Schultz, and Member Hedlund:

The Fertilizer Institute (TFI)¹ submits these comments in response to the Surface Transportation Board’s September 30, 2025, notice of proposed rulemaking (NPRM) proposing “to require Class I carriers to report two service metrics on a weekly basis...that would advance the Board’s objective of ensuring rail service reliability.”²

The Fertilizer Supply Chain Depends on Reliable Rail Service

Today, it would be impossible to feed the planet without fertilizers. Indeed, over one half of all food grown around the world today, both for people and for animals, is made possible only through the responsible use of fertilizers. Rail transportation is essential to the multimodal fertilizer supply chain. Fertilizers are bulk products that often must travel long distances from a production facility or terminal to a distribution point. Over 60 percent of fertilizers move at some point via rail in the United States. Rail is often the safest and most efficient form of transportation for all but final delivery of products to the farm for application. The entire agricultural sector relies on consistent rail service as fertilizer must be pre-positioned ahead of busy application seasons for food, feed, fiber, and fuel crops. Disruption to the efficient transportation of fertilizer by rail has knock-on effects across agriculture, impacting farmers large and small.

¹ The Fertilizer Institute (TFI) proudly serves as the national trade association for the fertilizer industry, and our more than 250 member companies include fertilizer manufacturers, distributors, retailers, and others across the supply chain focused on meeting the plant nutrient needs of America’s farmers.

² NPRM at 46779.

Enhanced First-Mile/Last-Mile Service Reporting Addresses Persistent and Costly Rail Service Issues

TFI thanks the Board for its continued focus on rail service issues, especially those at the first-mile/last-mile (FMLM) point where breakdowns often cause significant disruption and increased costs for rail shippers and their ultimate customers. TFI welcomes the Board's September 30, 2025 proposal to require service metric reporting on two key indicators of FMLM service reliability as an important step toward bringing greater attention to these issues. Publicly reporting FMLM service performance supports shippers as they mitigate the impacts of service disruptions, enables shippers and rail carriers to see the same baseline information when discussing service issues, helps rail carriers identify and address the root causes of service disruptions, and provides the Board with needed information to actively oversee railroad FMLM service performance. TFI supports the Board's final adoption of the proposal and encourages it to make further improvements to the reporting requirements as outlined below.

In past submissions to the Board, TFI and other rail shipper associations have illustrated how common, costly, and disruptive poor FMLM service is, focusing particularly on canceled and inconsistent switches, car delivery and pickup failures, and local yard dwell.³ The Board's September 30, 2025 proposal rightly and clearly describes how these service failures impact shipper and railroad operations.⁴ While data from rail carriers and feedback from TFI members show marked improvement in rail service consistency since the 2022 service failure peak, TFI members still report that FMLM service issues disrupt their operations, hinder their ability to serve customers, and cause them to incur demurrage charges. Over the past year, TFI staff have frequently intervened on behalf of member companies, working with Class I rail carrier management to resolve local delivery and pickup failures that were disrupting fertilizer production. In some cases, the railroad proposed to charge the customer demurrage for car movement delays caused by the railroad's own action (or, more accurately, inaction) within its network.

Collecting and publicly reporting accurate, material, complete, and timely FMLM rail service data is essential to give the Board, shippers, and other stakeholders a full and clear picture of rail service at this critical transportation stage. FMLM service issues are generally difficult to identify within the broader, network-focused rail performance indicators the Board currently requires carriers to report. These requirements largely focus on the overall performance and fluidity of a rail carrier's overall network. Because the Board does not currently require the data submission necessary to assess railroad performance at the FMLM level, it and rail customers cannot proactively monitor this critical aspect of rail service to spot and address FMLM service issues as they develop.

³ See, for example, "Opening Comments of the American Chemistry Council, American Fuel & Petrochemical Manufacturers, and The Fertilizer Institute," to STB Docket No. EP 767, "First-Mile / Last-Mile Service," December 17, 2021 and "Opening Comments Submitted by The Coalition Associations," to STB Docket No. EP 711 (Sub-No. 2), "Reciprocal Switching for Inadequate Service," November 7, 2023.

⁴ NPRM at 46781.

The Board Should Enhance Its Proposed Reporting to Better Capture FMLM Service Issue Severity and Prevent Gaming

The Board's proposed "Original Estimated Time of Arrival" (OETA) metric reflects the "On-Time Placement Percentage" metric that shipper associations previously proposed in Docket No. EP 767.⁵ Paired with FMLM reporting, this percentage-based metric will help the Board and other stakeholders understand how many shipments an FMLM service disruption impacts. Weekly reporting of this metric will also help illustrate the scope of that disruption over time. TFI encourages the Board to enhance the OETA metric and adopt a measure like the "On-Time Placement Variation" measure that TFI and other associations proposed in Docket No. EP 767.⁶ That measure would capture the absolute difference between a shipment's OETA and its actual arrival time.⁷ Such a measure would expand the OETA metric's utility and further detail the scale of an FMLM service disruption.⁸ On its own, the OETA metric does not indicate a delay's magnitude, leaving shippers without important information to make internal adjustments and limiting the Board's ability to assess a disruption's severity.

The proposed "Industry Spot and Pull" (ISP) metric modifies the ISP metric the Board adopted as a performance standard in EP 711 (Sub-No. 2), "Reciprocal Switching for Inadequate Service." TFI supports adopting this reporting requirement. It further encourages the Board to improve the ISP metric's utility in three areas: 1) require additional reporting of instances when a railroad fails to show for a spot or pull during a planned service window; 2) require reporting of the percentage of service windows the carrier cancels for reasons other than the shipper's or receiver's request; and 3) require that a service window's duration comply with the carrier's established protocols, not to exceed 12 hours. These mechanisms would help prevent rail carriers from gaming the reporting system by establishing excessively long service windows. They would also provide information about service window failures—which can disproportionately impact rail customers compared to failures to switch a particular car—and help capture phantom service reductions from canceled windows.

These updated reporting requirements represent an important initial step in increasing the public reporting of FMLM service performance by Class I railroads. In comments filed on STB Docket No. EP 767, "First-Mile / Last-Mile Service," TFI and other rail shipper associations proposed several additional FMLM performance indicators, including "Terminal Dwell Time," "Serving Day Performance," and "First-Mile" and "Last-Mile Dwell Time."⁹ These metrics, along with those the Board proposes here and the enhancements outlined above, would provide rail shippers the comprehensive information they need to mitigate FMLM issues and engage railroads in commercial discussions about FMLM service. They would also give the Board the information needed to obtain a complete picture of FMLM service performance at many different levels, including specific information on local challenges on a railroad-by-railroad basis. This information is critical to the Board's oversight role. Again, while an important step forward, the

⁵ "Opening Comments of the American Chemistry Council, American Fuel & Petrochemical Manufacturers, and The Fertilizer Institute," December 17, 2021 at 19.

⁶ *Id.* at 21-23.

⁷ *Id.* at 21.

⁸ *Id.* at 21-23.

⁹ *Id.* at 17-30.

proposed reporting requirements will not provide that level of detail. TFI encourages the Board to work with stakeholders on further improvements in FMLM performance reporting, especially as it advances “a broader effort to enhance, focus, and automate the agency’s data collection.”

The Board Should Continually Enhance Reporting Requirements as Technology and Data Collection Improve

Technologies like telematics systems, which railroads and rail car owners increasingly adopt, are simplifying how railroads collect and organize service data. While rail carriers provide some of these service metrics to individual shippers, this information mostly focuses on carload tracking and does not cover critical switch performance data, such as canceled switches or switch errors. This information and more are important for shippers, the Board, and other stakeholders to observe long-term trends and assess changes in service levels. As technology improves and enhances the ability of railroads to collect relevant FMLM service data, the Board should examine whether these advancements create opportunities for further improvements to the data publicly reported to the Board and made available to stakeholders.

The Board Must Use Collected Data for Active Oversight and to Promote Greater Accountability in Rail Service Performance

While collecting and publicly reporting data are important, the Board also has a responsibility under the Staggers Act and subsequent laws to use this data for active oversight of railroad FMLM performance. As noted, FMLM service disruptions directly impact rail customers operationally and financially. Persistent switching delays force shippers to invest in additional rail cars and storage track. Reduced service frequencies and yard dwells reduce production operations due to an inability to load or ship goods. These and other impacts make it harder for domestic fertilizer companies to efficiently, reliably, and economically meet the essential plant nutrient needs of America’s farmers. The Board has a responsibility to “ensure...a sound rail transportation system...to meet the needs of the public...,”¹⁰ which includes addressing the impacts of FMLM service failures. This oversight can take many forms, including engaging stakeholders to address rail service issues, initiating proceedings to highlight and identify the root causes of FMLM service challenges, and establishing national and local FMLM performance expectations for railroads, especially in response to service disruptions.

Notwithstanding these efforts, this proceeding must be viewed within the broader context of the relationship between railroad carriers and their carload shipper customers. ***TFI members remain frustrated by the imbalance in service performance and accountability between shippers and rail carriers.***

Shippers, especially those moving goods by carload, largely have no recourse when railroads miss deliveries or pickups, arbitrarily reduce service frequencies, or have performance issues that delay critical cargo. The Board, TFI, and others have noted how these disruptions impact shipper operations. But outside of elevating these issues to the Board and other policymakers, carload shippers cannot hold

¹⁰ 49 USC 10101(4).

railroads accountable. Shippers cannot assess financial penalties on railroads for missed switches, spots, pulls, or other FMLM service disruptions. Further, due to statutory limitations, railroads generally face no regulatory repercussions for the costs their service failures impose on customers. For example, when technology issues at Canadian Pacific Kansas City caused customer delays and missed switches this summer, the Board was limited to demanding a Service Action Plan from the railroad. Yet railroads are generally free to assess demurrage and other fees on shippers for impacts to “network performance.”

The economic repercussions for railroads are also limited. Fertilizers, agricultural products, aggregates, and other bulk products cannot be transported efficiently long distances by truck. Indeed, not enough bulk trailers, tractors, and drivers are available to meet even a material portion of the carload sector’s needs. Shippers cannot shift their product transportation to trucks, and most shipper locations cannot access a competing railroad to take advantage of better service. Looking beyond this proceeding, the Board, Congress, and other policymakers must act to bring needed balance to the relationship between railroad carriers and carload shipper customers.

Active oversight by the Board, driven by the data collected under this proposal, would be a welcome step toward balancing the shipper-railroad relationship on service quality. Given how FMLM service disruptions impact shipper operations and the broader economy, TFI also sees an opportunity for the Board to engage Congress on adjusting its statutory authorities to provide the tools needed to hold railroads accountable for FMLM service failures.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Bowley', with a stylized, cursive script.

Ryan Bowley
Vice President, Government Affairs
The Fertilizer Institute