

July 31, 2017

The Honorable Ann D. Begeman Acting Chairman Surface Transportation Board 395 E Street, SW Washington, DC 20423

Dear Acting Chairman Begeman:

We write regarding the Surface Transportation Board (STB)'s recent quarterly reports to Congress in which you indicate the Board has placed several of its most consequential rulemaking proceedings on hold.

In the Board's First Quarter 2017 Report on Pending STB Regulatory Proceedings on April 3, 2017, you noted the current three-Member Board is in a period of transition and has postponed action on important rulemaking decisions until a full complement of five Members may consider the issues. Accordingly, target dates for already long-delayed issues—including reciprocal switching, railroad revenue adequacy, new large-case maximum rate standards, rail fuel surcharges, and commodity exemptions, were referred to as "TBD" or otherwise undetermined timelines. The Second Quarter report to Congress on July 3, 2017 confirmed the continued delays.

The delays initiated by the Board in its First and Second Quarter reports, however well intentioned, are uncalled for and inconsistent with Congress's intent to eliminate unnecessary delays and increased costs to consumers through the Surface Transportation Board Reauthorization Act of 2015 (P.L. 114-110). That bipartisan legislation acknowledged wasteful and unnecessary delays at the STB harm rail shippers, freight operators and consumers who pay higher costs. For those reasons, the reauthorization included a number of provisions that both encouraged and directed the STB to expedite proceedings.

We appreciate the progress the STB has made in implementing the Act. However, we remain concerned these delays are holding up much needed reforms of great importance to freight rail shippers. Delaying action on these reforms are not in the best interest of shippers in manufacturing, agriculture, energy and other industries that have dedicated time and resources to participate in these proceedings, and they are not in the best interest of consumers.

The Administration has not yet nominated individuals to serve as Members on the STB. In the interim, we encourage the STB to provide a timely and decisive regulatory process and urge you to return these proceedings – many of which already have been pending for years—to the docket for active consideration by the Board.

Thank you for your attention to this important matter. We look forward to your response.

Sincerely,

Tammy Baldwin United States Senator Al Franken United States Senator Amy Klobuchar United States Senator

CC: The Honorable Daniel R. Elliott, Vice Chairman, Surface Transportation Board

The Honorable Deb Miller, Member, Surface Transportation Board

The Honorable John Thune, Chairman, Senate Committee on Commerce, Science and Transportation

The Honorable Bill Nelson, Ranking Member, Senate Committee on Commerce, Science and Transportation