Presentation to the Transportation Legislation Review Committee July 24, 2023

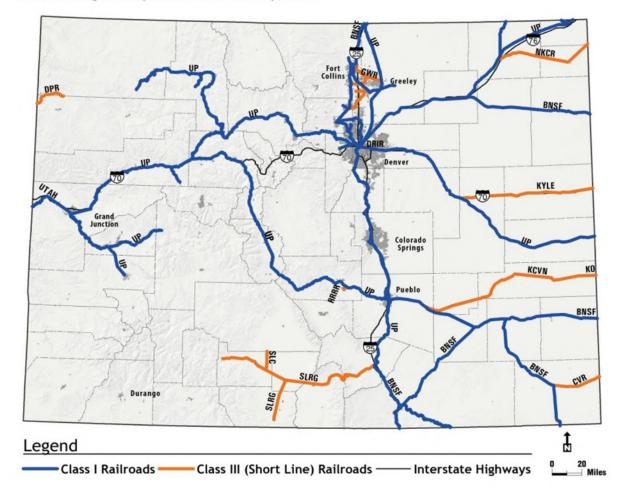
On Behalf of the Colorado Short Line Freight Railroads

By

Michael Ogborn, Senior Advisor, ASLRRA



Colorado Freight Rail System and Railroads Map, 2018



COLORADO Freight Rail System

X



What Are Short Lines?

- Short lines are measured not by length of track miles but by annual revenue any railroad with revenues of \$40 million or less are Class 3 short lines
- There are approximately 605 short line freight railroads in the United States in every state except Hawaii and Nevada
- Short lines are characterized by short lengths of haul, slower speeds, high fixed costs, large capital needs to update their infrastructure, and pervasive competition from trucks, barges, and transloading operations for freight traffic
- Short line railroads operate 47,500 miles of freight rail in the United States (29% of the freight rail infrastructure)
- On average, short line railroads employ fewer than 30 people, run an average of only 79 miles, and have \$7.7 million or less in revenue
- Colorado has eleven Class 3 freight railroads



THE SHORT LINE CONNECTION: A CRITICAL PIECE OF THE U.S. FREIGHT RAIL SYSTEM

First and Last Mile of Service

for 1 in 5 cars moving throughout the system each year. 29% of the freight rail network in the U.S.

10,000+

customers are served by short lines



Short lines provide 100% of rail service in some states, AND more than 25% in 36 states.

Short lines were created by entrepreneurs who took large financial risks to save marginal or money-losing Class 1 railroad branch lines from abandonment.



Dedication to Safety Is Number One for Short Lines

Resources Provided to Short Lines:

- Safety and Security Resources
 - > PTC Resources
- Disaster Preparedness Resource
 - Compliance Assessments
- Safety and Compliance Training
 - Safety Awards Programs
 - > Operation Life Saver
- Model Programs and Templates
- > Short Line Training Center with IANR
 - > Short Line Safety Institute



SLSI's Mission and Focus Are Both Clear





MISSION

Enhance the SAFETY CULTURE and SAFETY PERFORMANCE of short line and regional railroads through meaningful and productive partnerships



FOCUS

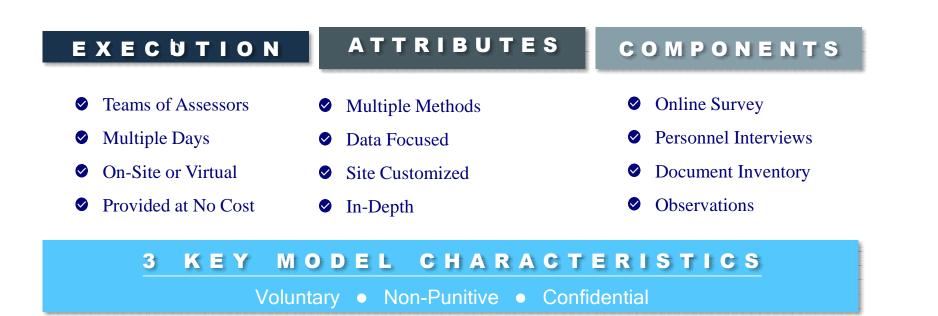


SAFETY CULTURE

HAZARDOUS MATERIALS



SLSI Safety Culture Assessment Model







T R A I N I N G P R O G R A M S









Hazardous Materials Training Emergency Preparedness, Reporting & Response Exercises Transportation Emergency Response Plans Assistance to Local Emergency Responders Training



FREIGHT BY RAIL - The Most Environmentally Friendly Surface Mode

PROTECTING THE ENVIRONMENT



ONE TON



of freight moved

479 miles by rail uses only



GALLON of diesel fuel Railroads account for 40% of U.S. freight movement, but only 2.1% of U.S. transportationrelated greenhouse gas emissions.*





Reduction in greenhouse gases vs. trucks.



*According to the U.S. Environmental Protection Agency (EPA).

Short Line Environmental Activities

- ASLRRA joined the EPA SmartWay program that provides a system for tracking, documenting and sharing information about fuel use and freight emissions, offsets environmental risk for companies, and reduces freight transportation-related emissions by accelerating the use of advanced fuel-saving technologies
- ASLRRA participates in the AAR Locomotive committee to help facilitate the use of bio-diesel and renewable fuels
- > Examples of how short lines address environmental issues:
 - Adopting operational fixes to reduce fuel use such as advances in lubrication techniques reduce friction, ultimately decreasing drag and saving fuel
 - Installing idling-reduction technologies such systems that shut down a locomotive when it is not in use and restart it as needed
 - Training employees and contractors to help locomotive engineers and other personnel develop and implement best practices and improve awareness of fuel-efficient operations



PROGRAMS THAT COULD ENHANCE SAFETY

Consolidated Rail Infrastructure and Safety Improvements (CRISI)

- This program is critical for short line and regional railroads to fund projects to improve the safety, efficiency, and reliability of freight rail
- A competitive grant program and eligible applicants include short line and regional railroads
- Eligible projects include safety projects, developing and deploying railroad technology, capital projects, grade crossing improvements, development and implementation of measures to prevent trespassing, and reduce injuries

Railroad Crossing Elimination Program (RCE)

- A \$3 Billion five-year grant program for highway-rail or pathway-rail crossing improvement projects that focus on improving the safety and mobility of people and goods, including elimination of crossings frequently blocked by trains, to improve the health and safety of communities, and to reduce the impacts on freight movement and railroad operations
- Eligible applicants include states, Indian Tribes, local governments, metropolitan planning organizations but not railroads
- Applicant has to have approval of the project by the involved railroad
- Related highway crossing program now provides 100% of the funding to each state per a formula
- House THUD Committee zeroed out funding

