



# American Short Line and Regional Railroad Association

SHRP2 R16 Peer Exchange

Miami, FL

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# The Short Line Industry

## THE SHORT LINE AND REGIONAL RAILROAD INDUSTRY

Nearly  
10,000  
customers

49  
states

Invest 24%  
of revenue in  
capital &  
maintenance

47,500  
miles  
of track

Nearly  
18,000  
employees

\$4.63  
billion in  
revenue

603  
short  
lines

29%  
of total track  
in U.S.

**1** in **5** cars are moved by short lines



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# The Short Line Industry

While we have big impact, we are a small business industry!

- Average Employees – 30. Half have 8 or less!
- Average length of haul – 38 miles
- Average number of customers – 18
- Total route miles on average – 79 miles





## Short lines are:

**Safe** – marked a record 18 months fatality free, July 2018

**Capital intensive** – 24% Operating Revenue spent annually on maintenance/improvements.

**Privately held** – not government subsidized!

**Gateways to markets** – particularly in rural America, we are often the only way to access the national economy!

**Local** source of high paying **jobs**.

**Interdependent** - on our Class I interchange partners.

## Hallmarks of the Short Line Industry



### Customer Focus

As the first and last mile of the shipment, short lines provide flexibility and responsiveness to the unique needs of each customer.



### Entrepreneurial Spirit

These small businesses operate the most vulnerable segments of the railroad system. They succeed by competing aggressively for business, and investing significant revenues in rail infrastructure.



### Connecting Customers to Markets

For large parts of rural and small town America, short line and regional railroads are the only direct connection to the national rail network.



# TRAFFIC TYPE

## LOCAL

moved completely on a short line's rail.



9%

## ORIGINATED

moved partially on a short line and shipped to the final destination by another transportation mode.

33%

## TERMINATED

transferred from a Class I train to a short line for final delivery.

48%

10%

## BRIDGED

moved from one Class I line to another by an intermediate short line.

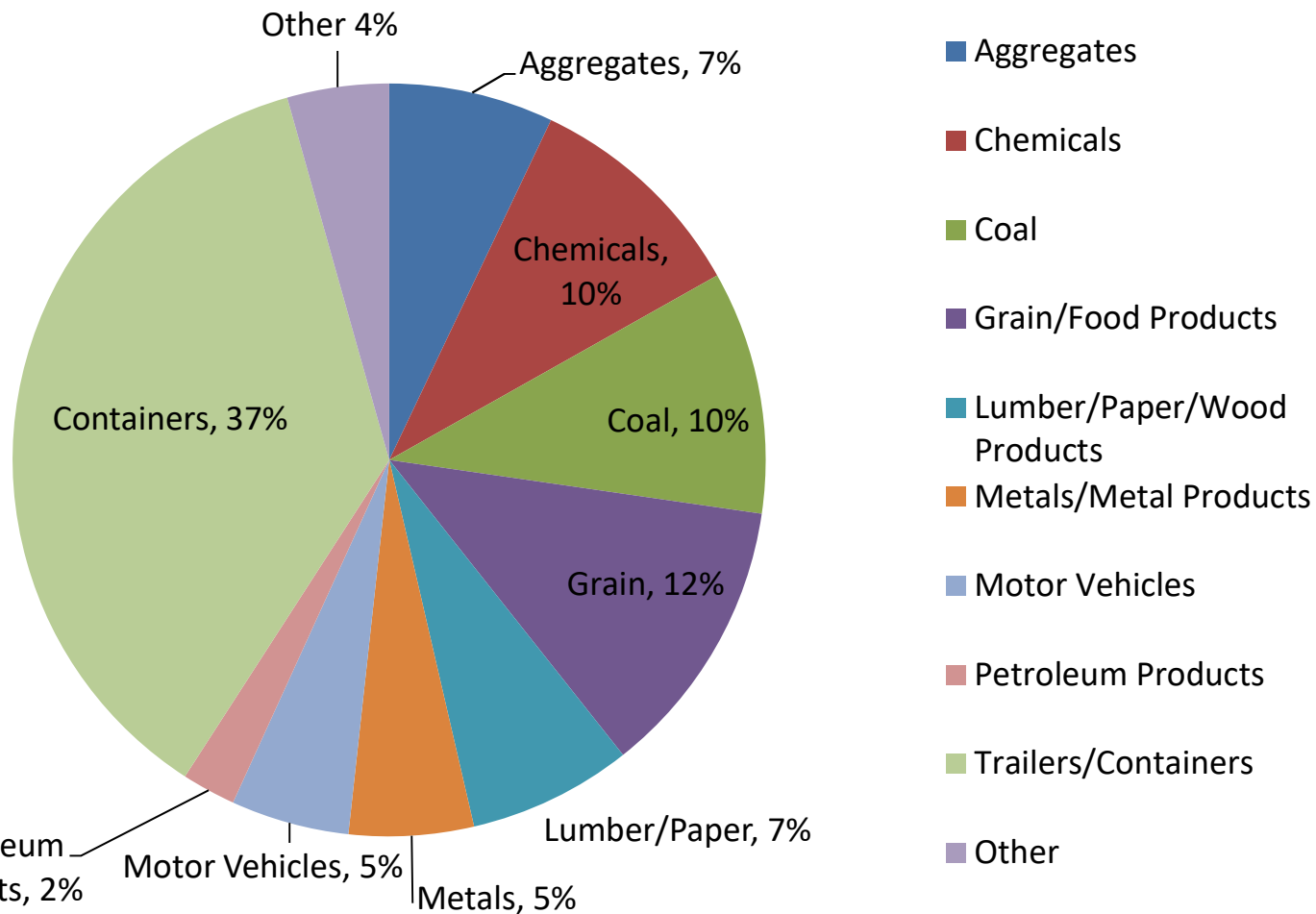
## 1 in 5 Carloads Touch a Short Line or Regional RR

- The carload business is our lifeblood.
- Short lines work in partnership with Class I and other short lines to move goods from A to B.
- 9% of all cars move solely on a short line.



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# The Short Lines haul all commodities!





# Industry Challenges - Regulatory

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Agency – Federal Railroad Administration

ASLRRA supports regulations that a) are based on proven safety advantages, and b) are implementable in a small business environment.

*Regulations that have been influenced by our advocacy:*

PTC – more availability of FRA and DOT funds toward this effort

Training Templates – adjusted to our small business needs



# Industry Challenges - Legislative



ASLRRA often testifies on behalf of the Short Line Industry:

For permanence of Short Line Tax Credit (45G)

For funding for short line railroads for maintenance or technology

To educate on small business perspective/requirements





# Association Highlights

- Advocacy
- Legal Support
- Regulatory Support
- Training
- Networking
- Engagement via Committee work





# Strategic Plan 2017

- Educate short lines concerning the implications of both internal and external applications of TECHNOLOGY
- Promote short line carload and business development
- Reduce capital cost through a permanent 45G tax credit
- Foster a positive relationship with policy makers and Class 1s
- Increase industry knowledge through strong data



# Short Line Safety Institute

Through the end of 2018,  
the SLSI provided:

- 56 Assessments in 24 states
- 29 webinar training sessions,  
impacting over 5,000  
railroaders



For more information on SLSI's programs and services visit  
[www.shortlinesafety.org](http://www.shortlinesafety.org).

# SLSI Hazmat Instructor Training Program

The training provides

- Train-the-Trainer
- Direct Employee, and
- Drills

As of September 2018, the SLSI provided:

- 11 events in 9 states
- 175 railroad employees trained
- 25 railroad



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# New Services in 2018

- Shipper Visibility Project – creating a digital platform to build opportunities to ship via rail
  - Sharing of data between Class 1s, Shippers and Short Lines
  - Result: Identify opportunities for carload growth, reduction of operating stresses (bottlenecks, etc.)
  - Blockchain in Transport Alliance (BiTA)
- Taking advantage of new transportation funding
  - Grant Writing Program
  - PTC Project
  - Working with Agencies to ensure short line participation in grant programs





# Upcoming Meetings

## Regional Meetings

Southern – New Orleans, LA, Sept 24-26

- DER Training

Eastern – Burlington, VT, Oct 8-10

- Roadway Worker Training

Central/Pacific – San Diego, CA, Nov 14-16

- OSHA – 10 hr.

## General Counsel/F & A Training

San Diego, CA, Nov 14-16





# Questions?

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