

ANALYSIS

Pending STB changes could reshape US rail sector

The US rail industry could change dramatically this year if the Surface Transportation Board acts on long-pending proposals.

US commodity shippers are eager for the agency to issue a final rule on a 2016 proposal to allow widespread reciprocal switching. The plan would allow shippers reliant on a single railroad to switch carriers at a point enroute if such a change would be practical and in the public interest or necessary to provide rail competition.

STB said in October that it expected to move forward on the plan in February 2023. The agency missed an August 2022 deadline after reallocating staff to focus on last year's massive rail service crisis.

STB resources could become more overwhelmed if it approves the proposal. Staff would have to review and approve each request, which could cause delays if multiple shippers seek to switch carriers.

Shippers could gain access to new destinations, but railroads could be forced to scramble if multiple customers seek to change the routing on shipments.

Metals shippers are eager for STB to act on its review of regulatory exemptions for iron and steel products, including scrap. Those commodities do not fall under STB's jurisdiction, meaning shippers cannot appeal to the agency on rate and service matters.

If regulators act on that proposal, shippers across the US could challenge metals rail rates or seek STB intervention into service problems. But the agency has not announced a deadline for its next steps in the matter.

Even more shippers could seek STB relief from service woes if the STB adopts proposed amendments to its emergency service regulations. The board in April proposed changes to make it faster and easier for regulators to issue emergency orders.

STB planned to act on the emergency rules proposal in October and then extended its timetable to December. But no decision has been announced, with the STB citing the need to put more resources into responding to the service crisis.

By Abby Caplan

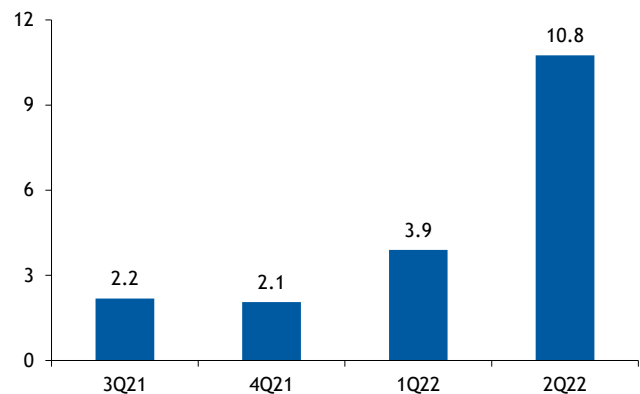
QUARTERLY COMMODITY STATISTICS

Intermodal products, 2Q22					
	Revenues \$mn	Volumes railcars	±2Q22/ 2Q21 railcars	Revenue/ railcar \$	±2Q22/ 2Q21 \$
BNSF	151.5	249,591	-32,828	607	+81.00
Canadian National	14.7	35,013	+1,182	419	+62.00
Canadian Pacific	4.6	14,616	-595	312	+64.00
CSX	43.6	95,730	+10,767	456	+57.00
Kansas City Southern	6.5	21,110	+4,639	309	+83.00
Norfolk Southern	44.2	109,042	-23,069	405	+76.00
Union Pacific	71.2	104,059	-16,835	684	+109.00

— Argus rail analytics database

Change in intermodal products revenue/car

%

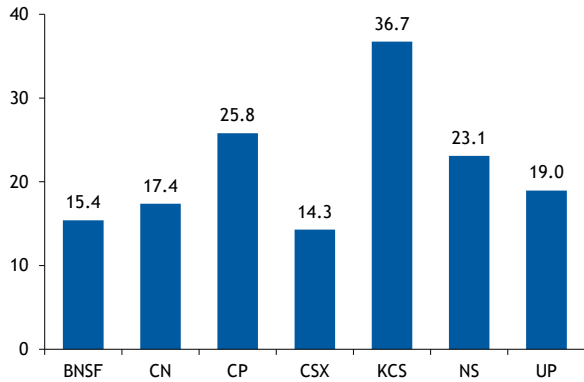


CONTENTS

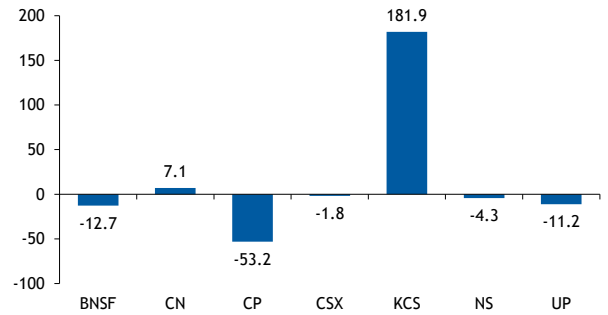
Quarterly commodity statistics	2
Service metrics	2-3
Waybill analysis	4
Diesel fuel prices and carload fuel surcharges	5
News	6

QUARTERLY COMMODITY STATISTICS

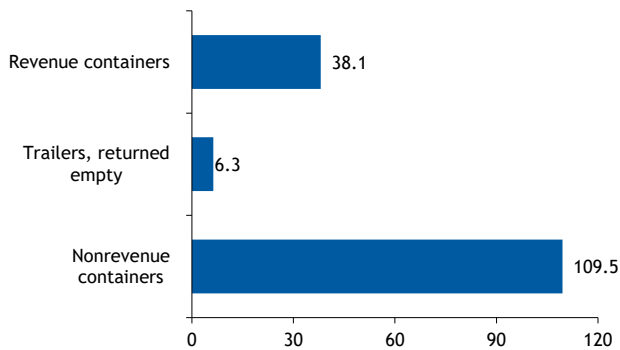
2Q revenue/car change over year



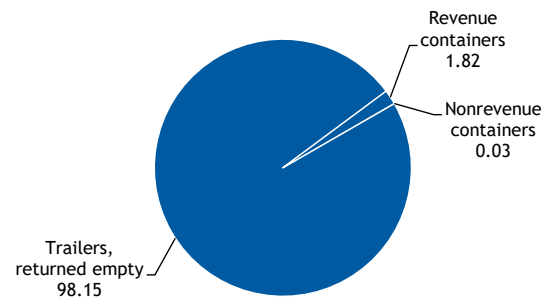
% 2Q revenue growth on year by railroad



2Q revenue growth on year by commodity



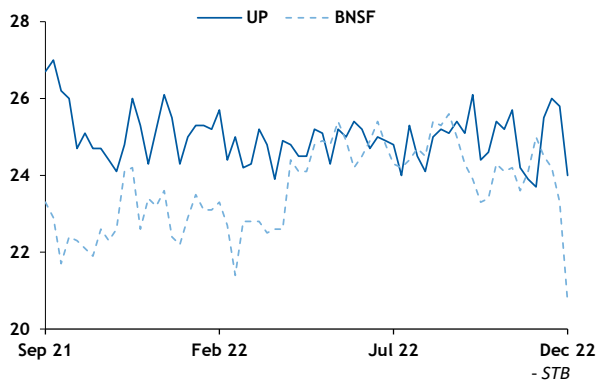
% 2Q intermodal products mix



SERVICE METRICS

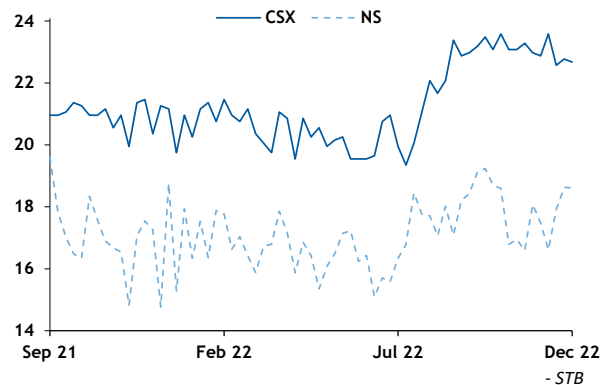
UP vs BNSF coal train speeds

mph



CSX vs NS coal train speeds

mph



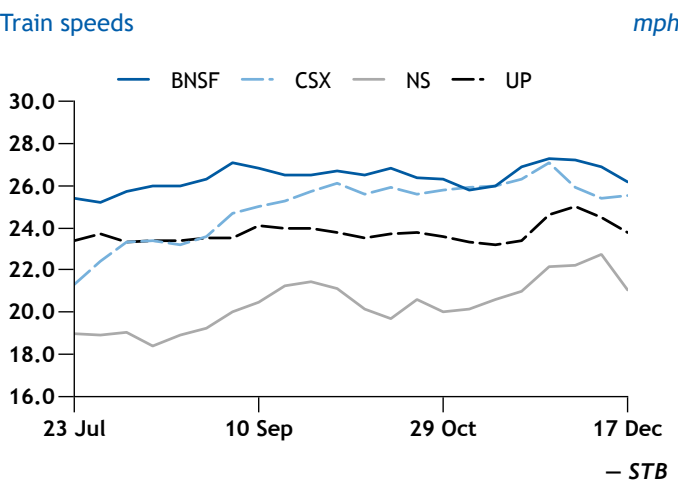
SERVICE METRICS

Average train speeds				mph	
	Average four weeks ended 23 Dec 22	Average four weeks ended 24 Dec 21	±	±%	
BNSF	26.9	25.8	+1.1	4.3%	
CSX	26.0	23.6	+2.4	10.2%	
KCS	26.2	26.8	-0.6	-2.2%	
NS	22.0	18.2	+3.8	20.9%	
UP	24.5	24.7	-0.2	-0.8%	
CP	24.5	26.5	-2.0	-7.5%	
CN	24.4	24.3	+0.1	0.4%	

Dwell times				hours	
	Average four weeks ended 23 Dec 22	Average four weeks ended 24 Dec 21	±	±%	
BNSF	26.6	25.9	+0.7	2.7%	
CSX	20.5	23.0	-2.5	-10.9%	
KCS	20.3	18.8	+1.5	8.0%	
NS	23.5	26.6	-3.1	-11.7%	
UP	24.2	23.8	+0.4	1.7%	
CP	20.6	16.5	+4.1	24.8%	
CN	15.1	16.3	-1.2	-7.4%	

– Railroad data supplied to the US Surface Transportation Board

Train speeds

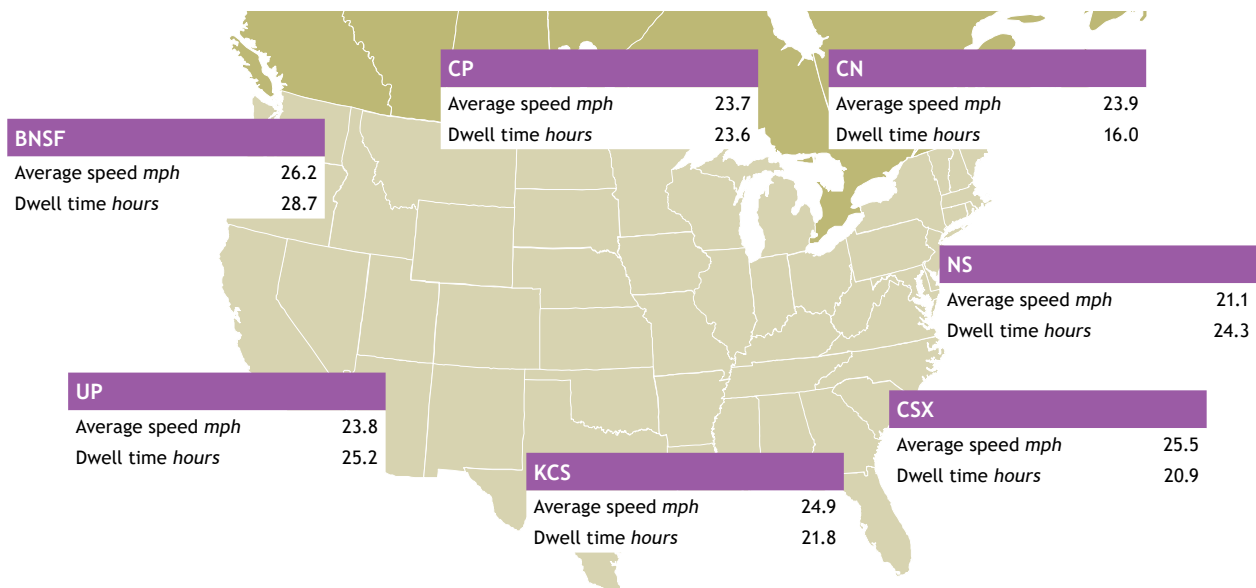


■ Total US traffic during the 51 weeks ended on 24 December was 25.16mn carloads and intermodal units, down by 2.7pc during the same period in 2021, according to Association of American Railroads data.

■ Average train speed during the four weeks ended on 23 December rose at some Class I railroads compared with the same time in 2021, US Surface Transportation Board data show. But speed fell at Canadian Pacific (CP), Kansas City Southern (KCS) and Union Pacific (UP).

■ Terminal dwell increased at four carriers during the latest four-week period compared with last year. Dwell time rose at CP, KCS, UP and BNSF.

Average speed and dwell times, 23 Dec

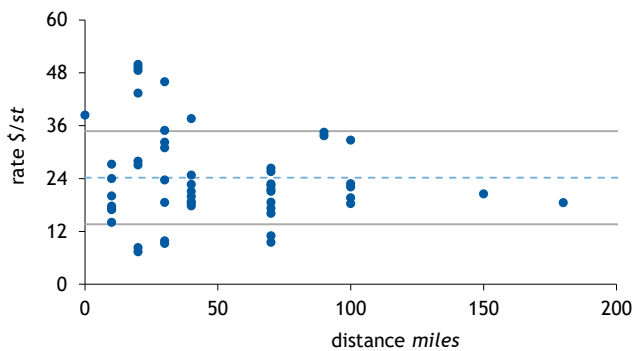


WAYBILL ANALYSIS

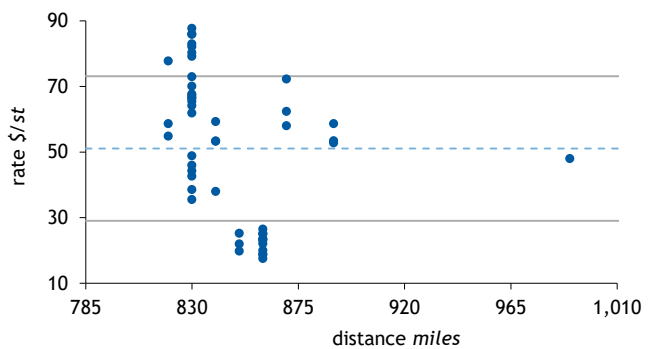
Surface Transportation Board 2019-20 Waybill sample rates for glycols (28185)					
BEA Destination area, including:		BEA Origin area, including: Houston & Galveston, Texas (BEA 131)			
		2019	2020	±	±%
Houston & Galveston, Texas (BEA 131)	\$/st	21.61	24.19	2.58	11.9%
	\$/carload	1,949.49	1,998.57	49.08	2.5%
	total carloads available	76	77	1	1.3%
St Louis, Missouri (BEA 96)	\$/st	51.85	51.08	-0.77	-1.5%
	\$/carload	4,713.74	4,666.90	-46.84	-1.0%
	total carloads available	61	50	-11	-18.0%

– Argus analysis of Surface Transportation Board Public Use Waybill File

Houston & Galveston, Texas to Houston & Galveston, Texas



Houston & Galveston, Texas to St Louis, Missouri



Dashed line denotes average rate; upper solid line, average rate plus one standard deviation; and lower solid line, average rate minus one standard deviation

The Surface Transportation Board’s public waybill samples show movements of commodities moving from one origin in the country to several other destination regions. It shows a pricing sample for commodity traffic moving in specific lanes on the US railroads. The waybill, although not completely representative of movements and rates in given lanes, offers a sense of direction in rates and traffic patterns over time.

SERVICE METRICS

Average ethanol rail metrics, 29 Oct 22 to 23 Dec 22													
		Speed mph	Dwell time hours	Trains held short	Loaded cars not moved >48 hrs	Empty cars not moved >48 hrs			Speed mph	Dwell time hours	Trains held short	Loaded cars not moved >48 hrs	Empty cars not moved >48 hrs
BNSF	Last 4 weeks	24.3	44.4	2.0	335.6	276.6	CSX	Last 4 weeks	27.4	65.9	0.0	22.7	19.3
	Prior 4 weeks	23.1	44.9	1.9	256.9	239.7		Prior 4 weeks	27.1	48.3	0.0	20.5	27.9
	±%	+5.2%	-1.1%	+5.3%	+30.6%	+15.4%		±%	+1.1%	+36.4%	nc	+10.7%	-30.8%
CN	Last 4 weeks	24.8	5.2	0.0	2.4	2.7	NS	Last 4 weeks	20.6	29.5	2.0	129.4	25.6
	Prior 4 weeks	24.8	5.8	0.0	0.5	2.2		Prior 4 weeks	16.8	33.1	2.0	114.7	74.6
	±%	nc	-10.3%	nc	+380.0%	+22.7%		±%	+22.6%	-10.9%	nc	+12.8%	-65.7%
CP	Last 4 weeks	26.1	40.7	0.5	56.0	21.3	UP	Last 4 weeks	21.0	51.5	3.8	74.5	87.0
	Prior 4 weeks	27.3	20.8	0.0	22.8	16.5		Prior 4 weeks	19.0	40.0	4.3	73.8	62.5
	±%	-4.4%	+95.7%	na	+145.6%	+29.1%		±%	+10.5%	+28.8%	-11.6%	+0.9%	+39.2%

DIESEL FUEL PRICES AND CARLOAD FUEL SURCHARGES

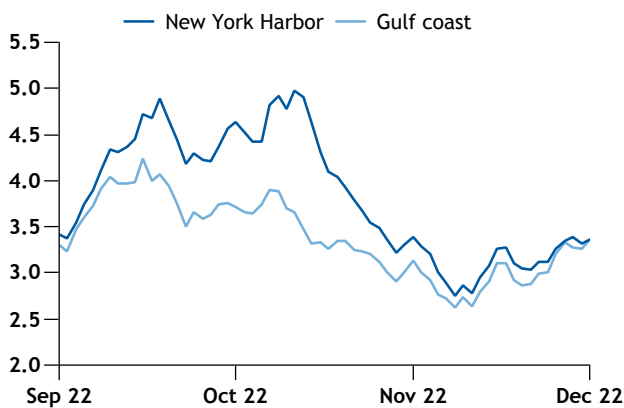
Diesel prices	\$/USG		
	Nov 22	Oct 22	22 Dec - 28 Dec avg
San Francisco spot ULSD	3.46	3.91	-0.46
Houston spot ULS	3.35	3.79	-0.45
New York spot ULS	4.08	4.34	-0.26
Los Angeles spot ULS	3.34	3.86	-0.53
Chicago spot ULS	3.60	3.85	-0.25
Tulsa spot ULS	3.39	4.00	-0.61
DOE retail on highway diesel	5.26	5.21	+0.05

Jan 23	Estimated carload fuel surcharge			
	Strike price \$/USG	\$/mile	500 miles \$	1000 miles \$
CN (\$US)	2.30	0.77	386.50	773.00
CP (\$US)	2.25	0.64	320.00	640.00
CSX	2.00	0.82	410.00	820.00
KCS	2.30	0.78	390.00	780.00
UP	2.30	0.64	320.00	640.00

When the diesel price meets or exceeds the strike price, the railroad will begin to apply its mileage-based surcharge at the above rate. CP value covers from 1 Jan
 - Class I railroads

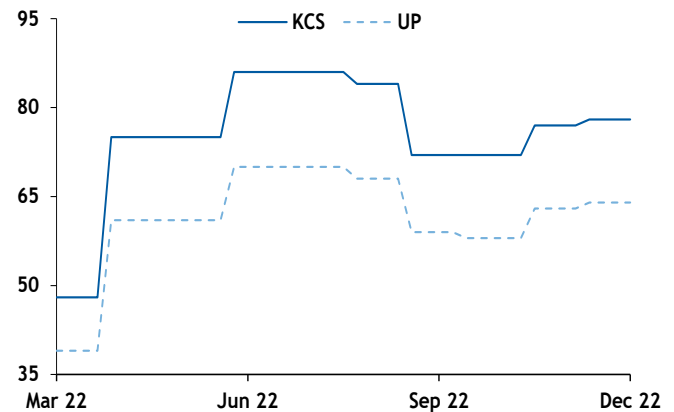
Argus diesel: New York Harbor vs Gulf coast

\$/USG

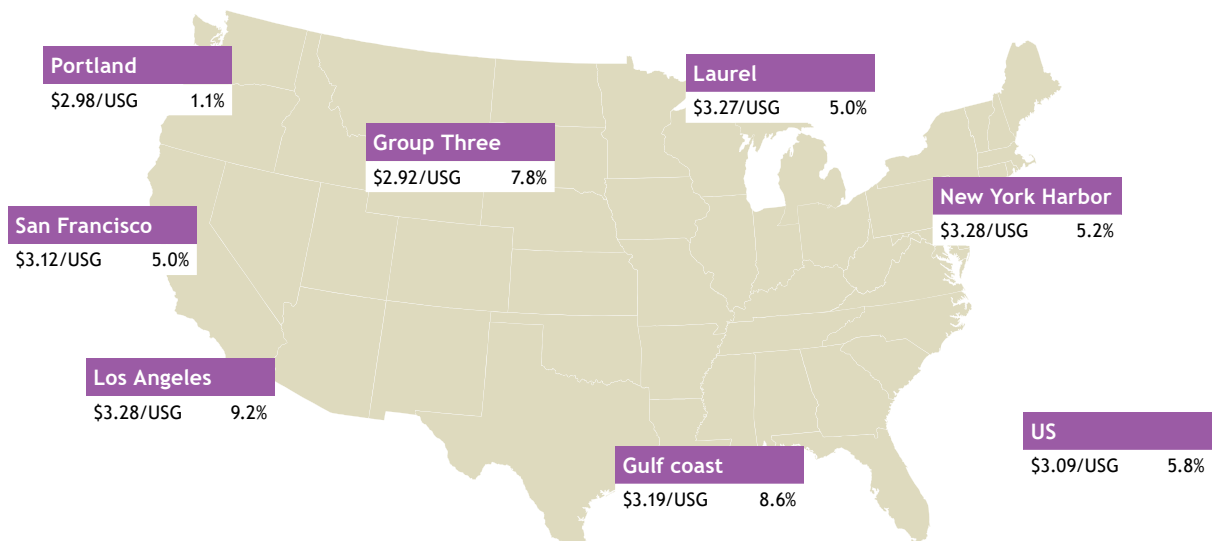


Fuel surcharges: KCS vs UP

¢/mile



Average diesel prices, 22 Dec through 28 Dec



Average diesel prices are based on a rolling five-day average of days assessed. Change reflects the average of the five days preceding the current five days. The US price is the average of the other listed prices.

NEWS

US rail service to improve in 2023

US railroad performance will likely improve next year as long as carriers continue to hire new employees and avoid new service difficulties.

Commodity shippers say rail service has finally started to turn in the right direction, although it remains below expected levels. A sign of improvement has been a rise this month in average train speed to 25.2mph, the fastest since January 2021 when system-wide speed reached 25.4mph, US Surface Transportation Board (STB) data show.

Rail service worsened in 2021 but performance plunged early this year with shippers complaining widely about longer transit times, missed shipments, a lack of crews and locomotives, and a wide variety of other problems.

Multiple shippers, trade associations and even members of Congress reached out to STB, calling on the rail regulator to step in and force railroads to make improvements.

Falling train speed highlighted the situation, which left shippers waiting for deliveries. Nationwide train speed at the seven Class I railroads fell in March 2022 to 22.7mph, down by 4.2pc from 23.7mph during the same month in 2021.

STB held a hearing in late April, taking comments from carriers and shippers about the problem. US railroads widely blamed service woes on a lack of employees. Employment dropped in January 2022 to its lowest level in more than a decade.

STB chairman Martin Oberman lambasted railroads days after the hearing.

The service crisis was caused by “railroads’ longstanding practice of reducing operating ratios by cutting employment levels, mothballing locomotives and eliminating other essential resources,” Oberman said on 6 May.

Carriers pledged to increase hiring but have struggled to meet those goals. A nationwide employment shortage contributed to the problem, as did wariness from former employees afraid of being furloughed again. The location of job openings has also played a part. More jobs are available in relatively remote locations where the population is more limited.

Railroads have added hiring bonuses, particularly in rural areas, and increased wages.

Those additions slowly paid off this year, resulting in a rise in Class I railroad employment. The number of people employed at US railroads has increased this year, rising in November by 4.4pc compared with a year earlier, but the number

Average grain rail metrics, 29 Oct 22 to 23 Dec 22							
		Trains			Cars		
		Speed mph	Dwell time hours	Loaded cars not moved >48 hrs	Empty cars not moved >48 hrs	Orders placed	Orders filled
BNSF	Last 4 weeks	25.0	21.2	897.1	632.3	1093.3	1,591.5
	Prior 4 weeks	25.0	20.3	618.6	580.9	849.0	1,961.5
	±%	nc	+4.4%	+45.0%	+8.8%	+28.8%	-18.9%
CN	Last 4 weeks	24.3	15.9	8.2	8.4	1098.0	636.8
	Prior 4 weeks	24.1	14.7	13.9	4.7	1221.0	689.5
	±%	+0.8%	+8.2%	-41.0%	+78.7%	-10.1%	-7.6%
CP	Last 4 weeks	24.6	25.0	137.5	48.5	601.8	1,830.3
	Prior 4 weeks	26.3	14.4	86.0	30.8	733.5	2,076.0
	±%	-6.5%	+73.6%	+59.9%	+57.5%	-18.0%	-11.8%
CSX	Last 4 weeks	22.9	42.2	37.2	17.8	164.0	59.3
	Prior 4 weeks	23.4	44.6	81.2	28.4	122.8	48.0
	±%	-2.1%	-5.4%	-54.2%	-37.3%	+33.6%	+23.5%
KCS	Last 4 weeks	24.2	10.9	9.0	113.0	708.8	532.5
	Prior 4 weeks	23.8	11.3	35.5	65.0	776.3	588.8
	±%	+1.7%	-3.5%	-74.6%	+73.8%	-8.7%	-9.6%
NS	Last 4 weeks	18.4	27.0	171.7	10.9	63.0	14.3
	Prior 4 weeks	16.9	34.9	211.3	14.3	41.3	19.3
	±%	+8.9%	-22.6%	-18.7%	-23.8%	+52.5%	-25.9%
UP	Last 4 weeks	22.4	29.5	162.5	173.3	4047.3	1,208.8
	Prior 4 weeks	21.2	26.3	193.3	139.0	3656.0	1,135.0
	±%	+5.7%	+12.2%	-15.9%	+24.7%	+10.7%	+6.5%

Prior month grain turns, reported as of 17 Dec 22				
		Plan	Turns	% met
Western grain				
Pacific Northwest	BNSF	2.6	2.5	96.2%
	CP	2.2	2.4	109.1%
	UP	2.0	2.6	130.0%
California	BNSF	2.6	2.2	84.6%
California/Arizona	UP	2.5	2.1	84.0%
Arizona/Texas	UP	2.5	2.9	116.0%
West Texas	BNSF	3.6	4.0	111.1%
Eastern grain				
Eastern	CSX	na	na	na
Gulf	BNSF	2.8	2.5	89.3%
	UP	2.5	2.2	88.0%
Illinois to Louisiana	CN	na	na	na
Iowa to Louisiana	CN	na	na	na
Mississippi to Louisiana	CN	na	na	na
General grain				
Franchise	KCS	na	na	na
System	BNSF	2.7	2.6	96.3%
Mexico	BNSF	1.6	1.6	100.0%
	UP	1.5	1.7	113.3%
Other	CP	2.2	2.2	100.0%
River	UP	na	na	na

NEWS

of workers remains below pre-Covid-19 levels, according to STB data.

Possible changes in 2023

Service will likely improve next year as long as railroads are able to continue hiring. But carriers and shippers will face a number of new challenges.

STB in 2023 is likely to approve Canadian Pacific's purchase of Kansas City Southern, creating the first railroad running directly from Canada to Mexico.

But past major railroad transactions have led to nationwide service delays amid the merging of two large networks. And organizing changes in three different nations could cause problems.

STB is also widely expected to act on a longstanding proposal to allow reciprocal switching. If instituted, many shippers would be able to gain access to another railroad if it can show the change is practical and in the public interest or is necessary to provide competitive rail service.

Railroads already perform some switching, but not for every shipper.

If the right to switching is expanded, carriers may be overwhelmed, and service delayed as they reroute traffic to meet new service requirements.

When STB will act on reciprocal switching is unclear. The agency had indicated in July 2022 that it would act on the rulemaking in August, but that deadline passed with no action.

US shippers and railroads are hoping recent service improvements will continue into 2023. That trend is likely to continue as long as the sector can continue to add employees.
By Abby Caplan

STB orders UP to deliver shipper's corn trains

The US Surface Transportation Board (STB) has ordered western US railroad Union Pacific (UP) to deliver five trains of corn to three poultry farms in California while the agency considers if it should add more service requirements.

STB is considering a wider emergency service order setting specifics for UP service at Foster Poultry Farms' facilities in Traver, Turlock, and Delhi, California.

Foster petitioned STB on 29 December, saying that UP service had declined. STB late on 30 December, after reviewing information from UP and Foster, ordered the train deliveries. The railroad was also required to provide the board an update on the situation by today.

UP blames the situation on recent harsh weather along its network.

"Extreme cold temperatures and blizzard conditions in late December have impacted 20 of the 23 states where we operate, with more severe weather continuing into the new year," the railroad told *Argus* today.

UP said it will continue to "have open dialogue" with its shippers and STB as it seeks to recover from recent weather problems.

This is not Foster's first problem with UP. The poultry company petitioned STB for help last year after delays in corn train deliveries.

STB last June issued a [rare emergency service order](#) after UP service failures forced the shipper to temporarily idle its operations.

STB ordered the railroad to give "preference and priority" to corn trains being shipped from the Midwest to Foster's facilities in Traver and Turlock. The order remained in effect from 17 June - 17 July 2022. The agency [declined to extend the order further](#) but kept the docket open in case it determined other action was needed.

That order has been the only emergency service order issued by the board since March 2022 when it began investigating the ongoing rail service crisis across the US.

A proposal to [change STB's emergency rules](#) to handle acute service issues was introduced in April 2023, but no action has been taken. The proposal came just days ahead of a 26-27 April 2022 [hearing on a variety of service problems](#).
By Abby Caplan

Coal producer claims BNSF breached contract

Coal producer Navajo Transitional Energy Company (NTEC) is suing US western railroad BNSF for allegedly failing to honor the terms of the companies' coal export services agreement this year.

In a 19 December complaint filed with the US District Court for the District of Montana, NTEC claimed railroad disruptions have prevented the coal producer from meeting obligations to ship 4.6mn short tons (4.2mn metric tonnes) of coal to international customers this year. It accused BNSF of breaching a contract made in December 2021 to move as much as 5.5mn st of coal this year from the Spring Creek mine in Montana to Westshore Terminals in Canada for export.

Through 30 November, BNSF had moved about 2.99mn st of

NEWS

coal from Spring Creek to Westshore, NTEC said. In May, the railroad told NTEC that it would transport only 3.1mn st of the producer's coal this year.

BNSF's actions "threatened NTEC's contractual relationships with its export coal purchasers" and cost the coal producer more than \$150mn in lost revenue, "not including spot sales that NTEC declined to make recognizing that BNSF was not meeting its contractual commitments," the coal producer said. NTEC also claims to have paid more than \$15mn in demurrage charges at Westshore because it was not able to load vessels "in a timely manner."

Through the beginning of August, vessels this year had waited an average of 41.8 days to be loaded with NTEC's coal. "That figure is significantly higher than 2021 levels," NTEC said.

BNSF did not immediately comment on the lawsuit.

In attempt to mitigate future potential demurrage charges, NTEC in June declared *force majeure* under its export coal sales contracts. NTEC would not say if the *force majeure* is still in place.

NTEC also accused BNSF of "electing" not to move more of the coal producer's shipments. According to NTEC, BNSF's total coal train movements to Westshore increased to 570 in the first eight months of this year from 561 in the same period of 2021.

"BNSF is, simply put, abusing its monopoly power and picking winners and losers," NTEC vice president of sales and marketing Matt Babcock said. "And it's not only at the expense of our business and our customers, but at the expense of the Navajo Nation."

NTEC and BNSF have failed to reach agreement on future service. The two sides started discussions in August, but BNSF wanted to impose "onerous" conditions that NTEC would not accept, the coal producer said. Those proposed conditions included a broad waiver of any claims NTEC might have against BNSF's 2022 service.

BNSF is the only rail carrier that can provide single-line direct service from Spring Creek to Westshore.

BNSF as of 10 December had shipped 1.8pc more US coal this year than it had during the same period a year earlier, US Surface Transportation Board data show. BNSF volumes rose to 1.47mn carloads from 1.44mn carloads in the same period of 2021.

By Elena Vasilyeva

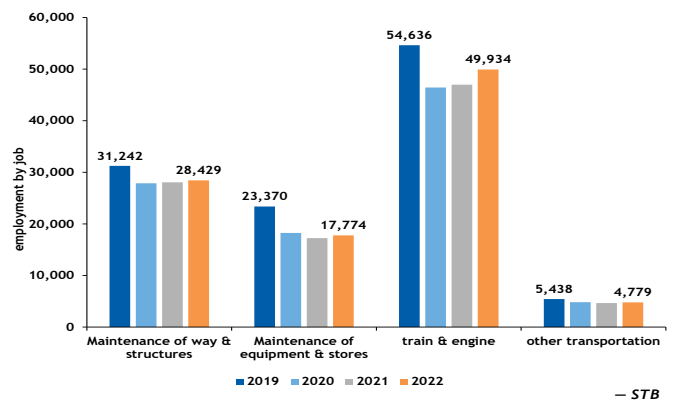
US railroad workforce rose in November

Total US railroad jobs in November rose by 4.4pc compared with a year-earlier, but the number of workers remains below pre-Covid-19 levels.

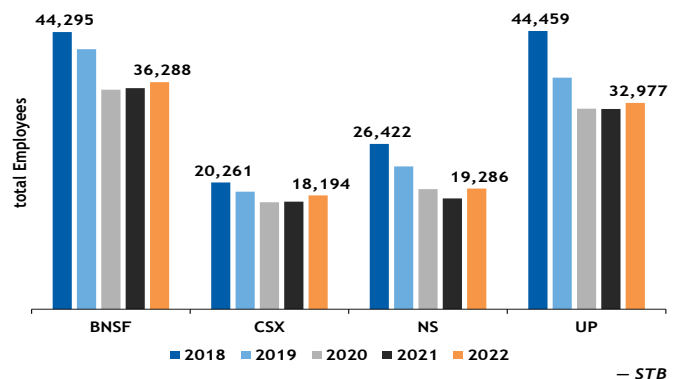
The Class I railroads, including the US arms of Canadian Pacific (CP) and Canadian National (CN), had 118,994 employees in November, up from 114,447 workers during the same month last year, US Surface Transportation Board (STB) data show. But the number of employees remains down by 11pc compared with 113,957 workers in November 2019, just a few months before the pandemic began reducing rail staffing.

US railroads this year have *blamed service struggles on a lack of employees*. Carriers have increased efforts to hire new workers, but those programs have been stymied by nationwide hiring problems as well as recurring furloughs at US railroads that have caused employees to seek jobs elsewhere.

November Class I employment by role

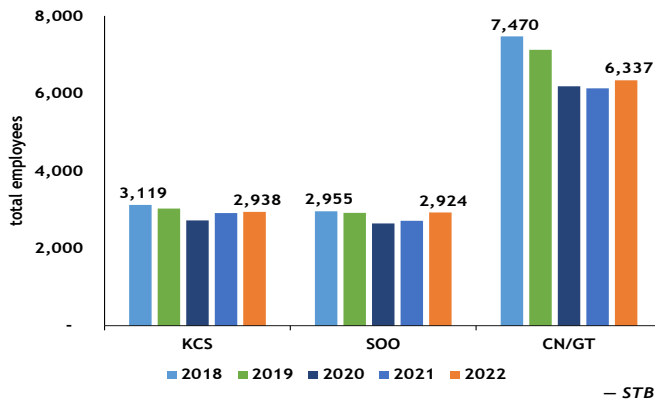


November large Class I railroad employment



NEWS

November small Class I railroad employment



Despite the year-on-year increase, the railroad workforce last month was down by 20pc compared with November 2018 when several railroads were just beginning to implement the precision scheduled railroading operating model. This model is intended to increase railroad efficiency and cut costs, in part by reducing the number of crews and equipment.

Eastern railroad Norfolk Southern has increased its workforce the most, expanding by 9pc, or 1,587 employees, to 19,286 workers compared with November 2021. The next largest increase occurred at rival eastern carrier CSX, which added 1,006 workers, increasing its staff by 5.9pc to 18,194 employees.

Western railroad Union Pacific (UP) added 983 workers in November, growing its workforce by 3.1pc, to 32,977 staff members. Fellow western carrier BNSF added 957 workers, expanding its staff by 2.7pc, to 36,288 employees.

Kansas City Southern’s (KCS) staff rose by 30 employees year-on-year. The 1pc increase brought the KCS’ staff to 2,938 workers.

CP’s US arm, known as the Soo Line, added 216 workers to expand to 2,924 employees. CP’s US workforce next year likely will include KCS. It owns the railroad in a trust until STB approves the acquisition.

CN, which operates in the US as Grand Trunk Railroad, added 208 workers, growing its staff to 6,337 employees.

By Abby Caplan

US rail traffic declines in harsh winter weather

Total US carload volume last week was the lowest for any week since February 2021 when traffic was affected by harsh weather conditions across much of the country.

Extreme winter weather impacted portions of railroads’ network in the US last week. Some customers on 20 December were notified that railroads expect extended delays on shipments in the affected areas until weather conditions improve. Union Pacific (UP) and CSX additionally notified customers on 28 December to expect shipment delays, and CSX indicated that those delays could last through the New Year’s weekend.

US-based railroads hauled 193,195 carloads in the seven days ended on 24 December, according to the Association of American Railroads (AAR). That was 4.1pc lower than in the same week of 2021. The last time shipments were lower was during the week ended on 20 February 2021 when 171,642 railcars were loaded.

Coal shipments, the largest sector for US-based railroads, fell by 15.6pc to 50,264 carloads from a year earlier. That was also the lowest volume level since the week of 20 February 2021 when 48,745 railcars of coal were loaded.

Three of the five US-based Class I railroads – BNSF, UP and Kansas City Southern— reported to the Surface Transportation Board (STB) lower coal carloads last week than in the same period of 2021. Western carriers UP’s and BNSF’s coal loadings decreased by 21pc and 41pc. The other two –CSX and Norfolk Southern (NS) – handled more coal compared with year-earlier levels.

Still, US coal production at eastern mines was up from year-earlier levels, US Energy Information Administration (EIA) estimates show. Output from Appalachian and Illinois basin mines this year through the week ended on 24 December rose compared with the same period in 2021. Production from Appalachian mines increased by 2.4pc, and output from the Illinois basin rose by 5.5pc. Coal production from Wyoming and Montana mines has also climbed by 3.8pc from year-earlier levels, EIA data show. But last week production at both eastern and western mines declined by as much as 16pc compared to the same week in 2021.

AAR data showed volume declined in five out of its 10 major commodity categories last week.

Other sectors that had lower volumes last week than a year earlier included chemicals and farm products excluding grain and food, which declined by 3.5pc and 1.4pc, respectively. Grain and forest products traffic fell by 5.2pc and 9.1pc, respectively, compared with the same time in 2021.

For the year to date, some commodities have increased volume compared with the same 51 weeks in 2021. Those categories include coal, chemicals, nonmetallic minerals, motor

NEWS

vehicles and farm products excluding grain and food products.

Canadian railroad traffic, including Canadian Pacific and Canadian National's US shipments, also fell amid freezing weather conditions by 13.8pc last week to 110,525 carloads and intermodal units. Those railroads hauled 3,435 coal rail-

cars last week, a 48.4pc decrease from a year earlier.

At Mexican railroads, coal traffic last week increased by 39.3pc to 39 railcars, and total rail volume increased by 31.9pc to 36,332 railcars and intermodal units from a year earlier.

By Elena Vasilyeva

NEWS IN BRIEF

STB energy advisory panel seeks 9 new members

US rail regulators are seeking nine new members for a panel that advises them on the transportation of energy commodities such as coal, crude and biofuels.

Membership of the Surface Transportation Board's (STB) Rail Energy Transportation Advisory Committee has shrunk during the last few years following the Covid-19 pandemic and the economy as well as individual job changes and retirements. The panel is designed to have 25 members.

The committee provides "independent, candid policy advice" on emerging issues related to the shipment of energy resources. The panel has slots for 25 individuals representing large and small railroads, coal producers, electric utilities, the biofuels and petroleum industries as well as the private railcar sector.

The STB had already been [seeking three representatives from US coal producers](#). The agency is expanding its search, seeing a single representative from electric utilities as well as one member from biofuel feedstock growers, providers and biofuel refiners, processors, and distributors. The agency also wants a representative from private railcar owners, car lessors or car makers.

The panel also needs two representatives from renewable energy sources and one member from a labor organization.

All the vacancies are for three-year terms ending on 30 September 2026. The advisory panel usually meets twice a year at the STB's Washington, DC, headquarters.

Nominations for membership are due by 26 January 2023.
By Abby Caplan

Canadian crude-by-rail exports rebound in Oct

Canadian crude-by-rail exports in October rebounded from the prior month, when the threat of a railroad strike eroded volumes.

Crude-by-rail exports in October rose to 156,000 b/d, up

from 127,000 in September and up from 133,000 b/d in October last year, according to Canada Energy Regulator (CER) data.

The spread between Western Canadian Select (WCS) at Hardisty, Alberta, and WCS at Houston, Texas, averaged about \$10/bl during October, around \$1/bl wider than in the month previous. Typically, a spread of \$15-20/bl makes crude-by-rail more viable for most shippers without crude-by-rail commitments.

October volumes nominated to Enbridge's 3mn b/d Mainline were apportioned by 2pc, allowing shippers to transport 98pc of their desired capacity. Crude-by-rail demand typically increases as pipeline capacity becomes scarce.

Railroad companies and labor unions reached a tentative agreement on 15 September after a labor dispute, averting a strike. The dispute unnerved shippers in September, as shipped volumes were curtailed in anticipation of US strike action.

By Sam Duffy

US truck tonnage fell 2.5pc in November: ATA

US truck tonnage in November fell by 2.5pc, the largest month-over-month decrease since the start of the Covid-19 pandemic, the American Trucking Associations (ATA) said.

November's seasonally adjusted index for truck tonnage declined to 114.7, falling from 117.7 in October. A "soft" autumn freight season and a weak housing-related freight segment pressed the index lower, the ATA said.

Compared with November 2021, the index was up by 0.8pc, the 15th straight year-over-year gain but also the smallest increase over the period.

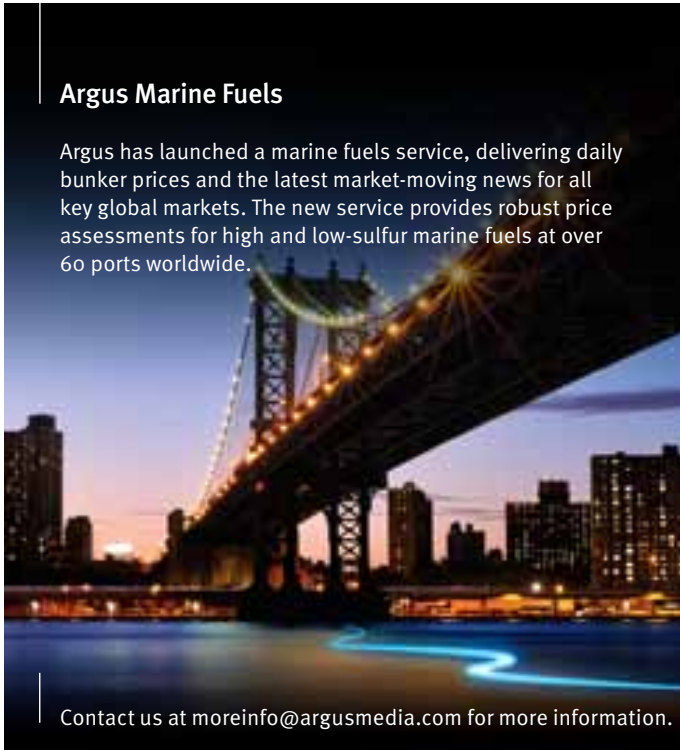
This year through November, tonnage was up by 3.7pc, according to ATA data.

The index uses 100 as a base for truck tonnage in 2015 and is calculated on surveys of tonnage hauled by fleets.

By Jason Metko

Argus Marine Fuels

Argus has launched a marine fuels service, delivering daily bunker prices and the latest market-moving news for all key global markets. The new service provides robust price assessments for high and low-sulfur marine fuels at over 60 ports worldwide.



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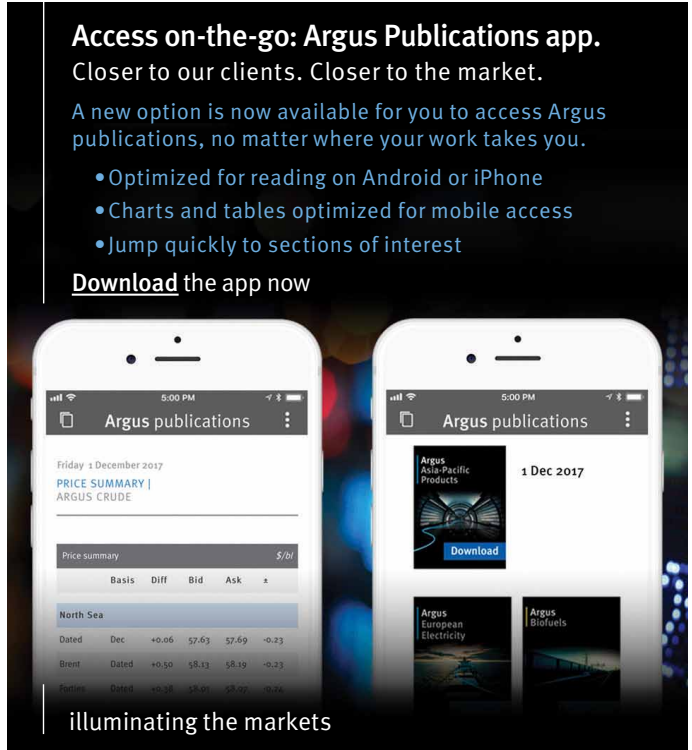
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