



## American Short Line and Regional Railroad Association

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Secretary Buttigieg  
United States Department of Transportation  
1200 New Jersey Ave. SE  
Washington, DC 20590

November 19, 2021

Dear Secretary Buttigieg,

This letter is in response to the Department of Transportation's Climate Action Plan, published in August 2021. The American Short Line and Regional Railroad Association and its members are in a unique position to help address and promote several initiatives outlined in the plan.

The ASLRRRA represents the nation's 600 Class II and Class III small business railroads and hundreds of railroad industry suppliers. Class II and Class III railroads, commonly referred to as short line railroads, are the "first-mile, last-mile" of the freight rail network. Short lines operate nearly 50,000 miles of track, or approximately 30 percent of the national rail network; connecting thousands of manufacturers, businesses and farmers in communities and small towns to larger markets, urban centers, and ports. We operate in 49 states, and in some cases, we account for the state's entire rail network. As an industry, short lines support 478,820 jobs, \$26.1 billion in labor income, and \$56.2 billion in value-add to the economy by hauling all types of commodities. Although we provide service to all industries, manufacturing, energy and agriculture are particularly reliant on short line service.

Short lines are part of the larger freight rail community, a very safe and environmentally friendly method of transportation, accounting for only 2.1 percent of transportation-related greenhouse gas emissions, while providing for at least 40 percent of long-distance freight volume. We move one ton of freight more than 470 miles with a single gallon of diesel fuel, which is 3-4 times more efficient than our trucking competition on the nation's highways.

The agency's priority action to improve climate education and research on resilience is of particular interest to the ASLRRRA and its small business members. Short line railroads are small businesses with an average of fewer than 30 employees. The ASLRRRA has encountered challenges in messaging to smaller businesses on how they can benefit from investing in greener technologies. Short lines tend to have small profit margins and invest between 25% - 30% of those profits back into infrastructure maintenance annually. Obtaining buy-in from upper management to look at green technology has been challenging and we are looking for innovative ways to promote technologies that will help increase revenues, while curbing emissions. We are working with the Federal Railroad Administration on climate based research initiatives and plan to share data generated from this partnership with short lines across America. We hope that the

Office of the Secretary will be supportive of research involving the short line railroad industry. The research initiatives include developing affordable options for short lines to make green decisions, which is necessary to encourage their adoption in an industry full of small capital intensive businesses.

As a transportation industry stakeholder, we appreciate the opportunity to engage with the Office of the Secretary, the Federal Railroad Administration and other transportation modes on implementing the Climate Action Plan. We appreciate your support for the inclusion of short line railroads into this plan as it is implemented. As always, we are a resource for your team and bring unique industrial supply chain and small business expertise to the table.

Please feel free to reach out if there are questions or if you would be interested in speaking on the Climate Action Plan further.

Best Regards,

A handwritten signature in black ink, appearing to read 'C. Baker', written over a horizontal line.

Chuck Baker  
President