

# United States Senate

WASHINGTON, DC 20510

COMMITTEES:  
APPROPRIATIONS  
COMMERCE  
HEALTH, EDUCATION,  
LABOR, AND PENSIONS

May 15, 2024

Mr. Keith Creel  
President and Chief Executive Officer  
Canadian Pacific Kansas City  
7550 Ogden Dale Road S.E.  
Calgary, Alberta  
T2C 4X9

Dear Mr. Creel:

With over 3,300 miles of active train tracks across Wisconsin and 140,000 miles nationwide, reliable rail service is essential for businesses large and small to move their goods to market. Farmers, manufacturers, paper mills, energy producers and many other industries are dependent on efficient and cost-effective freight rail. In recent years, service levels from Class I railroads experienced severe disruptions and certain metrics, particularly staffing, have yet to return to pre-pandemic levels for many. Unfortunately, recent trends suggest much of the industry is reversing any progress that was made, leaving the system brittle and vulnerable to future service problems and safety incidents moving forward. I ask that you provide an update on your long-term staffing strategies to avoid the challenges of recent years.

Following the Surface Transportation Board (STB)'s Hearing on Urgent Issues in Freight Rail Service in April 2022, Class I railroads were required to submit documentation on rail service and employment for six months, as well as service recovery plans from the four largest railroads.<sup>1</sup> In January 2024, the STB extended the reporting requirements for employment data for the four largest railroads, citing significantly lower employment levels compared to pre-pandemic levels. As the STB noted in its decision, staffing shortages were often cited as a major reason for the exceptionally poor service levels in the April 2022 hearing.

I am concerned that recent actions taken by a few Class I railroads could lead to troubling trends across the industry, including future disruptions. Unfortunately, as then-STB Chairman Marty Oberman outlined in a speech earlier this year, some Class I railroads are already reverting to damaging and short-sighted staffing cuts, despite still being well below their staffing levels prior to the COVID-19 pandemic.<sup>2</sup> In that speech, he noted that the Class I railroads cut their staffing by an astonishing 30% since implementing precision scheduled railroading, only to find themselves facing a "service crisis" in 2022.

I continue to hear from Wisconsin businesses concerned about service levels from Class I railroads returning to the unacceptable levels documented in the STB's hearing in 2022. Given the impacts staffing shortages had in contributing to the service meltdown at that time, it is

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<sup>1</sup> BNSF Railway Company (BNSF), CSX Transportation, Inc. (CSX), Norfolk Southern Railway Company (NS), and Union Pacific Railroad Company (UP)

<sup>2</sup> [https://www.stb.gov/wp-content/uploads/02-29-24\\_Oberman\\_SEARS-speech.pdf](https://www.stb.gov/wp-content/uploads/02-29-24_Oberman_SEARS-speech.pdf)

evident that a shrinking workforce will only compound service issues in the future, as well as increase the risk of derailments and accidents.

I ask that you provide CPKC's outlook for operations and staffing for the remainder of this year, including whether the railroad plans on conducting any furloughs. In your response, please address the following issues:

- Service: Please discuss whether your current train and engine employee headcount is adequate to meet current and projected service demand.
- Safety: Please discuss whether CPKC's current and projected staffing levels are sufficient to meet the highest level of safety for employees and communities where your railroads operate and what your specific hiring goals are for this year for each of the six employment categories reported to the STB.
- Fulfillment of merger agreement conditions: As part of the Canadian Pacific-Kansas City merger agreement, the STB "expects the merger to increase employment, adding 800 new union-represented operating positions in the United States."<sup>3</sup> Please provide an update on CPKC's steps toward fulfilling the Board's expectation on increased employment from the merger.
- Capacity constraints: Please identify any specific locations on your network currently experiencing sustained congestion due in whole or in part to staff limitations and capacity constraints, and what actions are being taken to alleviate congestion, including re-routes and/or infrastructure enhancement.
- Number of train starts: Please provide the total number of trains operated on a monthly basis, as the FRA is currently proposing to require, to better understand the impact of changes in operations on safety and service.
- Communication: Please describe initiatives to proactively communicate with shippers regarding service issues, and potential alternative solutions that are available when normal service is disrupted.

Thank you for your attention to this request.

Sincerely,

A handwritten signature in blue ink that reads "Tammy Baldwin". The signature is written in a cursive, flowing style.

Tammy Baldwin  
United States Senator

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<sup>3</sup> <https://www.stb.gov/news-communications/latest-news/pr-23-07/>