

*Surface Transportation Board
Washington, D.C. 20423-0001
Office of Economics*

November 6, 2024

Jackson C. Novak
University of Colorado, Boulder
Department of Economics
Economics Building
Boulder, Colorado 80309

Re: Waybill Request WB24-49

Dear Mr. Novak:

This letter responds to your request under 49 C.F.R. § 1244.9(c) of September 23, 2024 for access to the unmasked Confidential Carload Waybill Sample (CCWS) for the years of 1990-2018. You requested the data in order to “extend [your] previous investigation of the Board’s ability under 49 U.S.C § 10502 to exempt some traffic from rail price regulation while revoking existing exemptions on other traffic,” which you state “was limited by insufficient data preceding the class exemptions being implemented.” Notice of your request was published in the Federal Register on October 3, 2024 (89 Fed. Reg. 192, 80624), and no objections were received.

The CCWS contains data that is highly confidential to both rail shippers and railroads. Unmasked revenue data, for example, are among the most commercially sensitive information that railroads possess. The Board has, under appropriate circumstances, granted access to the CCWS for academic professionals who are working on a research project where the proposed project is adequately defined, and the request makes clear why the data requested are necessary and how the data will be used in the analysis. The Board’s regulations require both a complete and detailed explanation of the purpose for which the data are requested and a detailed justification for why the specific data requested are needed. See 49 C.F.R § 1244.9(e)(1)(i-iii). Although you have provided some limited information in your letter about your proposed use of the full, unmasked CCWS data, your request does not provide sufficient information. I am therefore denying your request.

First, you have provided insufficient information about your affiliations and the proposed end product of your research. Although your request is on letterhead for the University of Colorado Boulder Department of Economics, you do not explain your affiliation with the University. And although your letter states that you “will use the data strictly for academic research,” more information is needed to understand your research and the anticipated end product in order to ensure that the data will not be used for private, commercial use, which has been rejected by the Board. See, e.g., Request for Waybill Data (Trinity Industries, Inc.), WB20-50 (STB served Dec. 4, 2020) (denying waybill access for private commercial use); Request for Waybill Data (U.S. Wheat Associates), WB20-40 (STB served Nov. 20, 2020) (same).

Second, your brief description of your intended use of the data is likely not supported by the data you requested. You explain that your “main objectives” are “(1) to assess the economic impact of commodity class exemptions, (2) to quantify how changes in a commodity’s exemption status influence various shipping conditions, and (3) to identify inefficiencies in rate regulation,” and state certain theses about what the data will show. However, you do not explain how the CCWS data you seek would permit you to conduct such an analysis, particularly given the limited changes in exemption status during the time period in your request.

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Finally, you have provided insufficient information about your methodology and econometric model. You assert that the Public Use Waybill Sample and other data sources “lack sufficient price data to meaningfully study class exemptions,” and you “request the full data set including nonexempt commodities so that [you] can compare traffic volume and pricing between exempt and nonexempt commodities before and after policy changes.” However, as indicated above, more information would be needed about your methodology and modeling in order to assess whether release of the requested CCWS is warranted.

To resubmit your request with the additional information discussed above, please follow the procedure detailed in 49 C.F.R. §§ 1244.9(c) and (e). In addition, pursuant to 49 C.F.R. § 1244.9 (d)(4)(iii), you may appeal this determination within 10 days of the date of this letter. Under the Board’s regulations, “[a]ppeals are not favored and will be granted only in exceptional circumstances to correct a clear error of judgment or to prevent manifest injustice.” 49 C.F.R. § 1011.6(b). Replies must be filed within 10 days after the due date for appeals.

Sincerely,

**KRISTEN
MONACO**

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KRISTEN MONACO
Date: 2024.11.06
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Kristen Monaco, PhD
Director
Office of Economics

September 23, 2024

Dr. William J. Brennan
Director, Office of Economics
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Dear Dr. Brennan:

Please consider this request for confidential Carload Waybill Sample data to benefit my ongoing research. The research would extend my previous investigation of the Board's ability under 49 U.S.C. § 10502 to exempt some traffic from rail price regulation while revoking existing exemptions on other traffic. Although class exemptions broadly affect rail transportation markets, very little public research exists on the topic to date. My previous research on this topic was limited by insufficient data preceding the class exemptions being implemented.

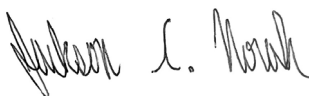
I am motivated by the Board's March 2016 decision, EP-704, which considers revoking the exempt status of five commodity categories—crushed or broken stone or rip rap; hydraulic cement; coke produced from coal; primary iron or steel products; and iron or steel scrap, wastes or tailings. The Board's decision suggests these commodities are subject to increasing market power from railroads and may require regulation to counteract price trends.

My main objectives are: (1) to assess the economic impact of commodity class exemptions, (2) to quantify how changes in a commodity's exemption status influence various shipping conditions, and (3) to identify inefficiencies in rate regulation. Further, I hope this research will provide important takeaways in every commodity market—both exempt and not—by revealing the industry benefit from access to rate cases.

I request access to the full, unmasked 900-byte waybill samples for the waybill years ranging from 1990 through 2018. Other datasets, such as the Public Use Carload Waybill Sample, lack sufficient price data to meaningfully study class exemptions. I request the full data set including nonexempt commodities so that I can compare traffic volume and pricing between exempt and nonexempt commodities before and after policy changes.

I understand these data are highly sensitive and that they must remain confidential. Should this request be approved, I will comply with the confidentiality standards of the waybill and will use the data strictly for academic research.

Sincerely,



Jackson C. Novak