

RTA President Looks Ahead For 2018

The coming year marks the second year in the two-year term of Tim Ries as RTA's president. Ries is operations manager for Koppers Inc., in the company's Pittsburgh office. We met with Tim shortly after the RTA Conference in San Diego to discuss major RTA initiatives in the next year.

Please share some highlights of the 99th edition of the RTA Annual Conference.

There were two areas that I thought were especially pertinent to some of the challenges our industry is currently facing.

One session addressed railroad sustainability, while another focused on quality control. Koppers has 10 core values that help guide its employees' decision-making process. I believe that at least two of those core values—sustainability and transparency—are necessary for the entire tie industry to meet the challenges we face for years to come.

Could you talk a little about RTA's priorities for 2018 from a legislative perspective, including member participation in key industry events?

As in past years, a contingent from the RTA will spend a day in Washington supporting "Railroad Day on the Hill" and promoting the 45G short line tax credit, now known as the BRACE Act. This credit goes directly toward investing in infrastructure.

Additionally, RTA has an agreement with Chambers, Conlon & Hartwell to provide government relations services on an as-needed basis, which allows the association to have a strong, direct voice in Washington.

These two key things along with supporting our Class 1 railroads' legislative agenda (opposing larger trucks and weights, balanced regulation, etc.) form the backbone of our D.C. efforts.

I would also add that RTA, along with a coalition of other aligned associations and railroads, is working to make changes to the Non-Hazardous Secondary Materials (NHSM) rule. For example, we are working to revise the existing rule to eliminate the requirement for fuel oil nozzles in facilities

that are permitted to burn recovered ties, most notably affecting biomass-only plants. In addition, we are advocating to broaden the scope of the ties allowed to be burned as NHSM by supporting the second rule-making process for creosote-borate, copper naphthenate and copper naphthenate-borate ties.

How will RTA support the railroads' efforts to dispose of and recover energy from wood ties?

The RTA has put together a Tie Recovery Task Group to help promote and discover options in the areas of tie recovery/disposal. The RTA has also formed a remarkable partnership with the Railroad Sustainability Symposium, which held its sessions immediately following this year's conference. In fact, RTA volunteered to manage that event and RRSS organizers gave nothing but the highest of compliments to RTA staff for planning and executing the event.

What did attendees learn from the sawmillers in attendance?

There were strong opinions expressed that lumber and green crosstie prices may be under upward pressure in 2018 for a variety of reasons. One of these pressures comes from China. The Chinese consumer has become a powerhouse as it relates to demand for U.S. hardwood materials. Consequently, in addition to increased demand for certain hardwood lumber products, China has been importing a large volume of low-grade hardwood logs, which is pressuring domestic log availability. Competitive industrial wood products such as crane mats, board road material and pallets are also seeing increased demand. RTA is tracking these trends and provides transparency in these areas at www.rtastats.org.

More and more railroad groups are meeting with RTA each year. Would you comment on how the RTA leadership and staff hope to maximize this trend.

This trend continues to help support RTA's mission statement: "To ensure that the engi-

neered wood crosstie system continues to evolve and improve in order to remain cost effective and to meet the ever-changing requirements of track systems around the world."

The more railroad groups we meet with that are aligned with our interests, the better we understand their needs and the challenges they face.

At the conclusion of this year's event, RTA received a long-term commitment for AREMA Committee 30 to meet in conjunction with us through 2023, and we are working with RRSS to make future partnerships possible. We also believe that both REMSA and NRC's fall board meetings will continue to join us as often as possible. RTA recognizes this is what our future depends on as we address the challenges of the 21st century, and we intend to help these organizations realize their goals to the best of our ability as it relates to our products and their needs.

What do you see as the greatest opportunities in the industry in 2018?

There may be an opportunity for new legislation that is more beneficial to the crosstie industry. For example, making the 45 G tax credit permanent legislation. Also, given the trend toward deregulation and infrastructure investment, there could be a significant boost to overall U.S. and North American economic growth. Any additional growth coupled with a favorable business tax environment will enhance every tie industry producer's and supplier's sustainable business opportunities.

Can you share any details of the 2018 conference?

We are heading back to Hyatt Regency Coconut Point in Bonita Springs, Fla. We will be celebrating the 100th Annual RTA Technical Conference and Symposium Oct. 23-26, which will mark the start of a two-year-long centennial celebration! ■



RIES

RRSS AIMS TO ENHANCE INDUSTRY'S FUTURE

The 2017 Railroad Sustainability Symposium (RRSS) was held Nov. 2-3 at the Manchester Grand Hyatt in San Diego. The event was held immediately following the 99th Annual RTA Conference, allowing attendees to transition seamlessly from one conference to the other.

Following a welcome and overview of the upcoming sessions, attendees heard from Dr. Simon Croom, University of San Diego, on sustainable sourcing and supply chain resiliency. The Rail Tie Timber and Fiber Product session followed, with RTA Executive Director Jim Gauntt moderating a panel of experts. Other sessions addressed topics such as stakeholder engagement and conflict resolution, global issues, and greenhouse gasses.

The organizer and moderator for the event, Nathan Loftice of BNSF, working with the Environmental Affairs Committee (EAC) of the Association of American Railroads (AAR), asked RTA to coordinate and manage the event on site.

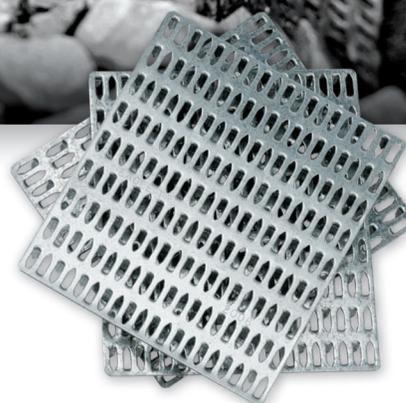
With tie recovery a hot topic and tie installations such a large portion of RR CapEx spend each year, Loftice and his associates felt it was a natural to link RRSS with RTA.

All but one Class 1 railroad, plus Amtrak, attended the event, and RTA staff provided pre-event planning and onsite event staffing to assure a smooth and professional symposium.

"We could not have been more proud that we were asked to provide support for such a prestigious event," Gauntt said. "We understand that as future events are planned, there may be annual opportunities to align our conference with RRSS again. If asked, we look forward to that challenge and to a process of coordinating our organizations' mutual interests of sustainability for RR products and services."

Gauntt also noted that in aligning with RRSS, RTA was able to magnify new efforts by its Tie Recovery Task Force and work directly with environmental-focused personnel at railroads on greater involvement of RTA members and Class 1s on tie recovery efforts. ■

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