

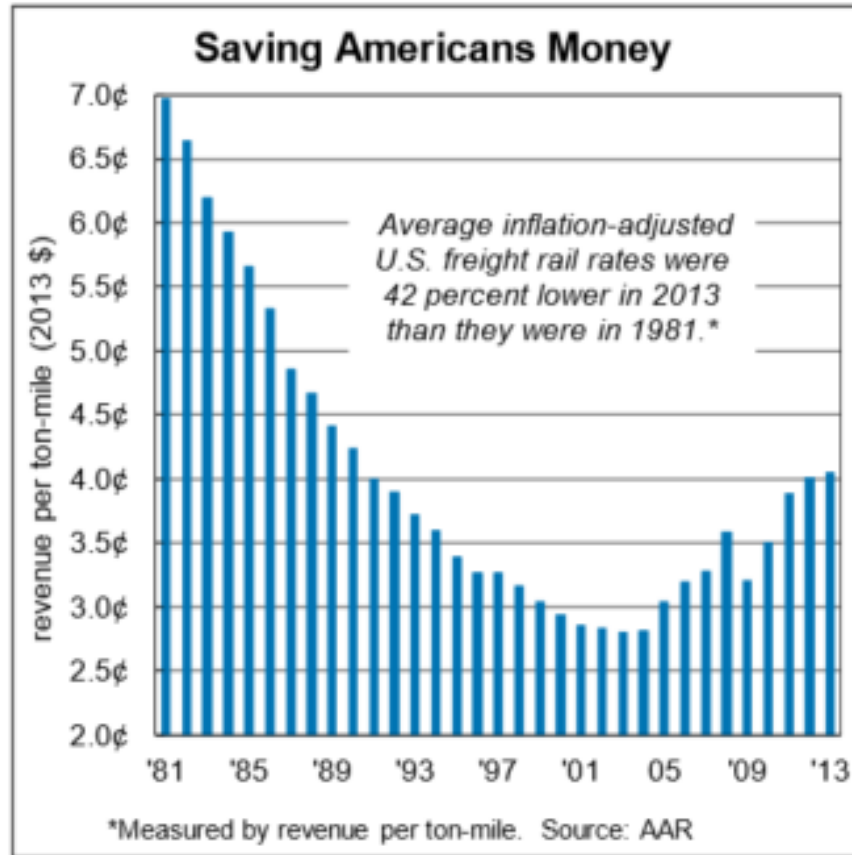
Remarks on Rail Transportation of Energy Resources

John R. Birge
The University of Chicago
Booth School of Business

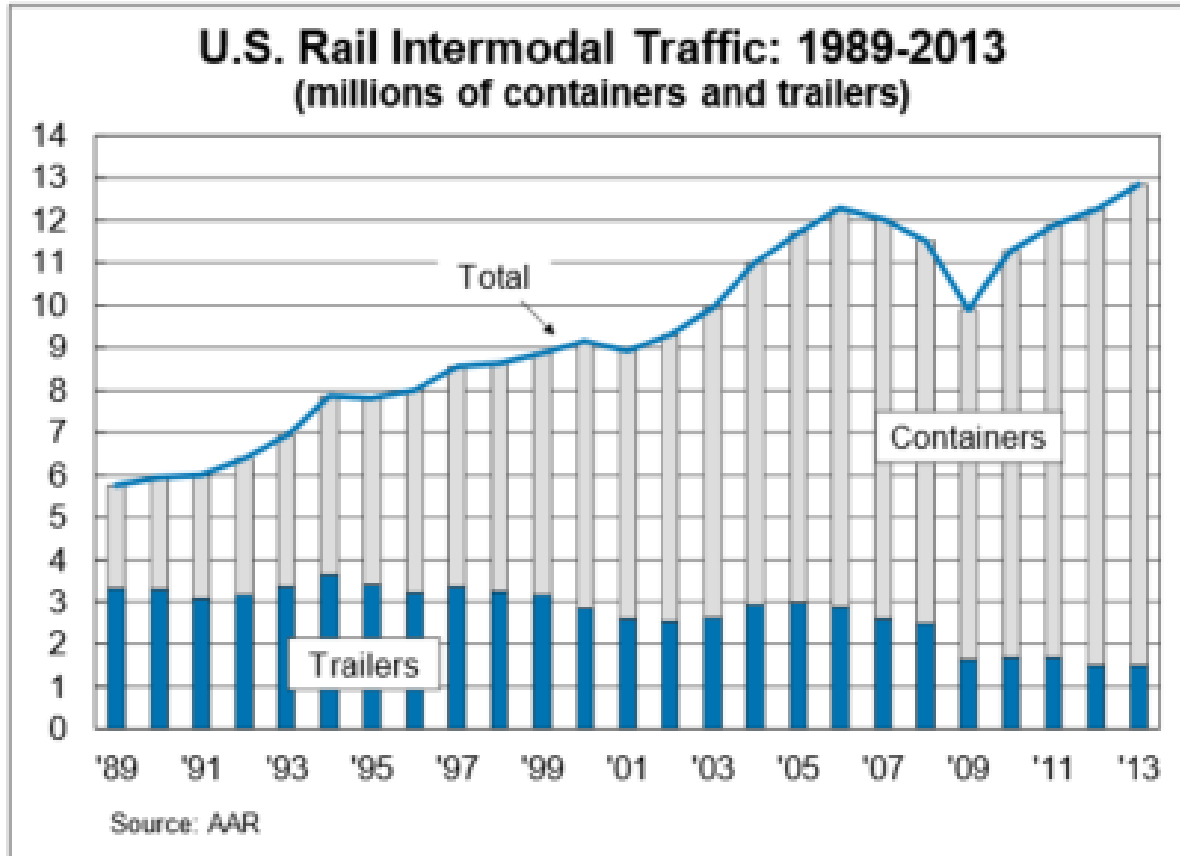
Outline

- Industry basics
- Policy impacts
- Coal policy
- Crude oil policy
- Alternative energy uses
- Important issues for policy evaluation

Prices since Deregulation



US Rail Intermodal Traffic



Type of Freight

Type of Freight Carried for Year 2013

Commodity Group	Tons Originated		Gross Revenue**	
	(000)	% of Total	(million)	% of Total
Coal	693,788	39.5 %	\$14,329	19.9 %
Chemicals & allied products	176,357	10.0	10,006	13.9
Non-metallic minerals	142,243	8.1	3,231	4.5
Farm products	130,479	7.4	5,181	7.2
Misc. mixed shipments*	115,138	6.6	9,375	13.0
Food & kindred products	100,179	5.7	5,588	7.8
Metallic ores	72,067	4.1	740	1.0
Metals & products	50,142	2.9	2,842	3.9
Refined petroleum & coke	46,147	2.6	2,478	3.4
Stone, clay & glass products	44,788	2.5	1,838	2.6
Waste & scrap materials	40,063	2.3	1,293	1.8
Crude petroleum, nat. gas	39,261	2.2	2,199	3.1
Pulp, paper & allied prod.	33,034	1.9	2,313	3.2
Lumber & wood products	26,593	1.5	1,766	2.5
Motor vehicles & equip.	20,233	1.2	5,447	7.6
All other commodities	27,137	1.5	3,430	4.8
Total	1,757,650	100.0 %	\$72,056	100.0 %

* Miscellaneous mixed shipments (STCC 46) is almost all intermodal traffic. Some intermodal traffic is also included in commodity-specific categories. STCC 46 accounts for about 60 percent of intermodal tonnage.

** Gross Revenue is not adjusted for absorption (incentive rebates etc.) or correction.