Freight Rail In Oklahoma

October 2025

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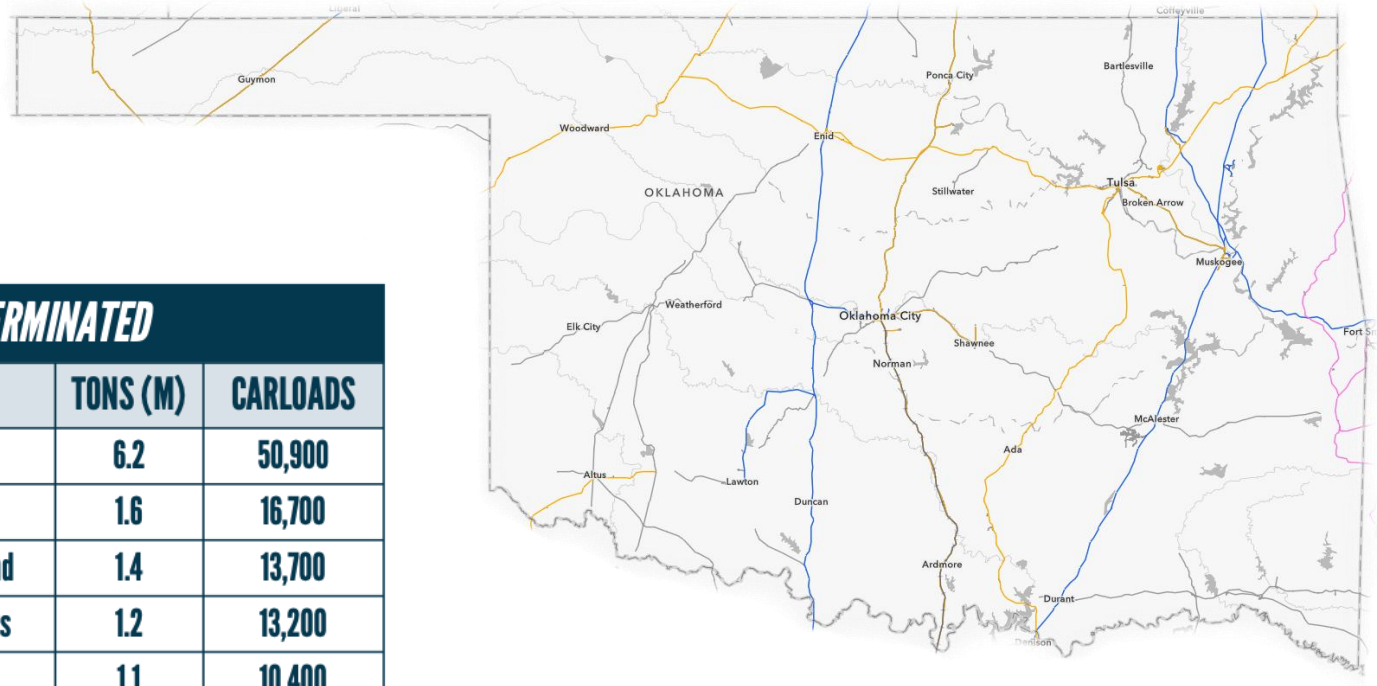
FREIGHT RR EMPLOYEES	FREIGHT RRS	FREIGHT RR MILEAGE	RR RETIREMENT BENEFICIARIES	RR RETIREMENT BENEFITS
1,788	19	3,225	5,400	$130M



RAIL TRAFFIC ORIGINATED

COMMODITY	TONS (M)	CARLOADS
Crushed stone & sand	13.6	123,600
Chemicals	3.2	32,800
Refined petrol. prod.	1.4	15,900
Pulp & paper	1.2	15,600
Grain	0.8	7,800
Other	3.9	56,500
TOTAL	24.2M	252.1K

RAIL TRAFFIC TERMINATED

COMMODITY	TONS (M)	CARLOADS
Coal	6.2	50,900
Food products	1.6	16,700
Crushed stone & sand	1.4	13,700
Petr. & coal products	1.2	13,200
Grain	1.1	10,400
Other	5.4	72,900
TOTAL	16.9M	177.8K

- It would take more than **14 million trucks** to handle freight that moves by rail in Oklahoma.

Network & Investments

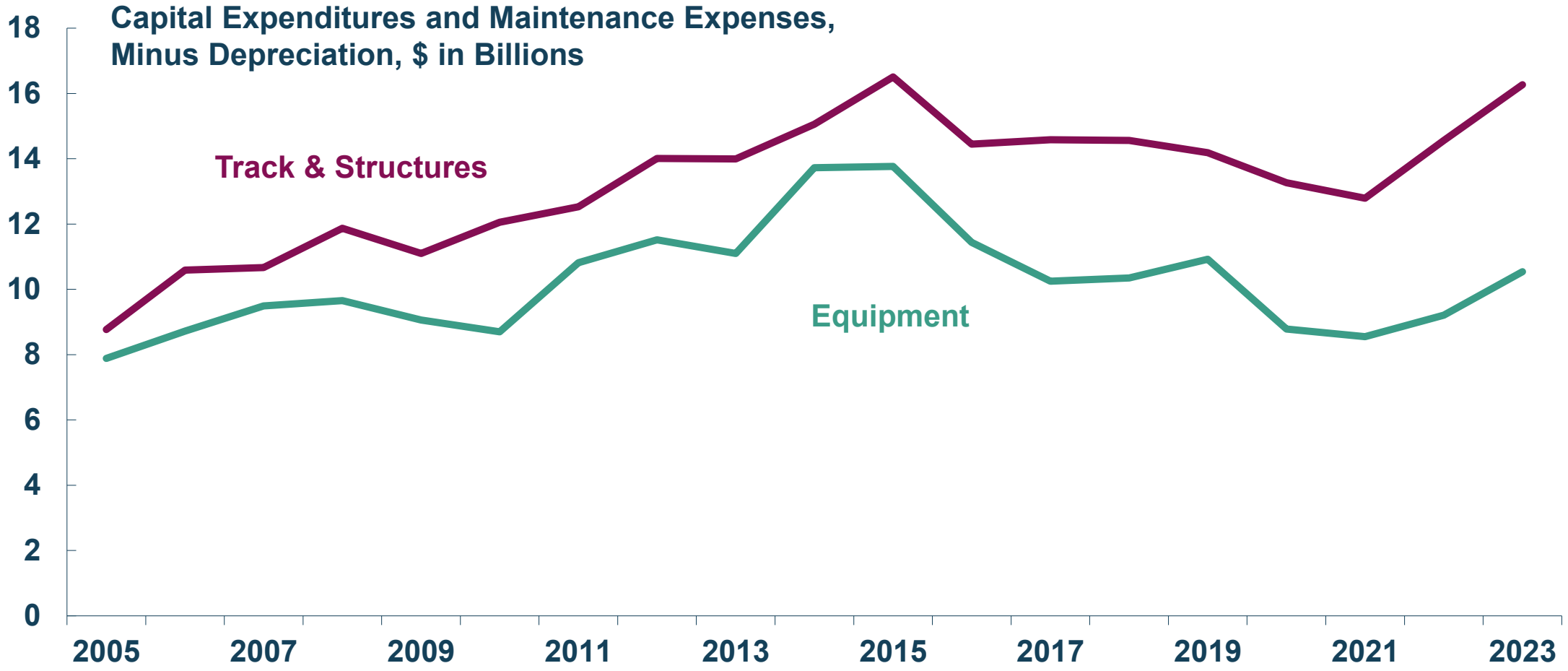
Network investment

- Railroads are not just meeting today's needs—they're building for tomorrow by investing in people, technology, and infrastructure to move America forward.

- Industry-Wide Investment Highlights

    - $23B annually in private investments—6x more than the average U.S. manufacturer
    - $26.8B invested in 2023 by Class I railroads
    - $12B projected in capital investments over the next five years

In the last 10 years, U.S. Class I railroads have spent nearly $254 billion on track & equipment.

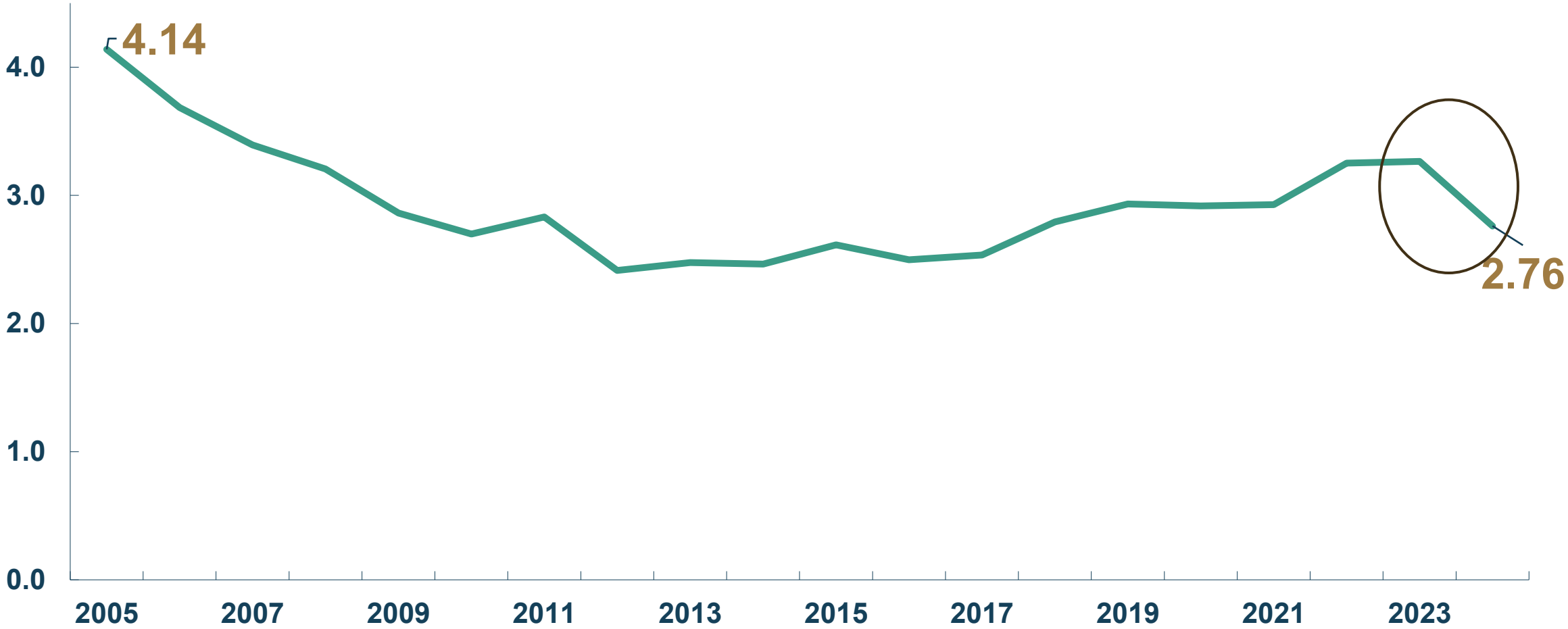


Sources: AAR, Analysis of Class I Railroads, 2000-2023, based on R-1 Reports submitted by each Class I railroad to the ICC/STB. Equipment: Lines 382+158-151-154-157. Track: Lines 378+149-147. Note: Current year dollars.

Safety Overview

Train accidents per million train-miles dropped 33% since 2005 and 15% since 2023.

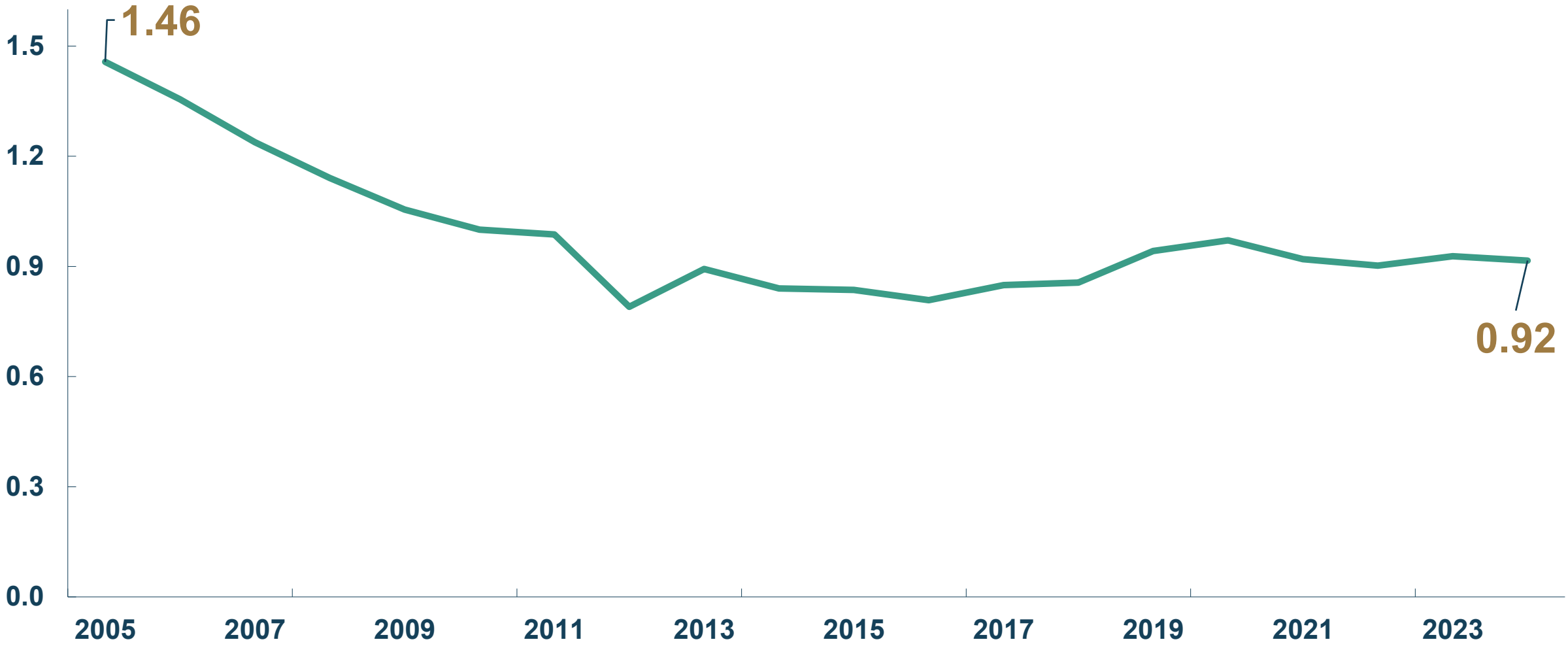
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx. Note: Excludes grade crossing accidents. Data for 2024 is preliminary, as of March 2025.

Mainline accidents per million mainline train-miles have dropped 37% since 2005.

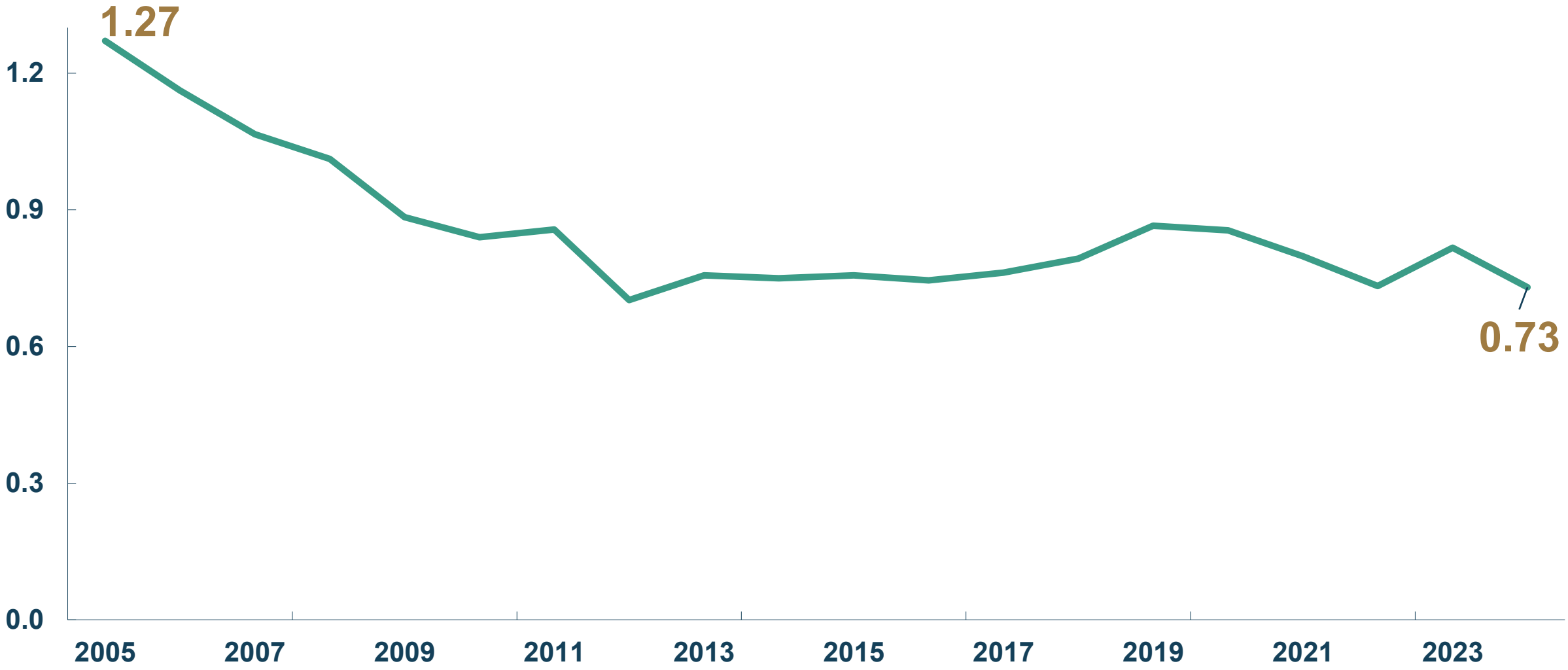
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx Note: Excludes grade crossing collisions. Includes accidents on main track only. Data for 2024 is preliminary, as of March 2025.

Class I Railroad Mainline Accidents per million mainline train-miles have dropped 43% since 2005 and 11% since 2023.

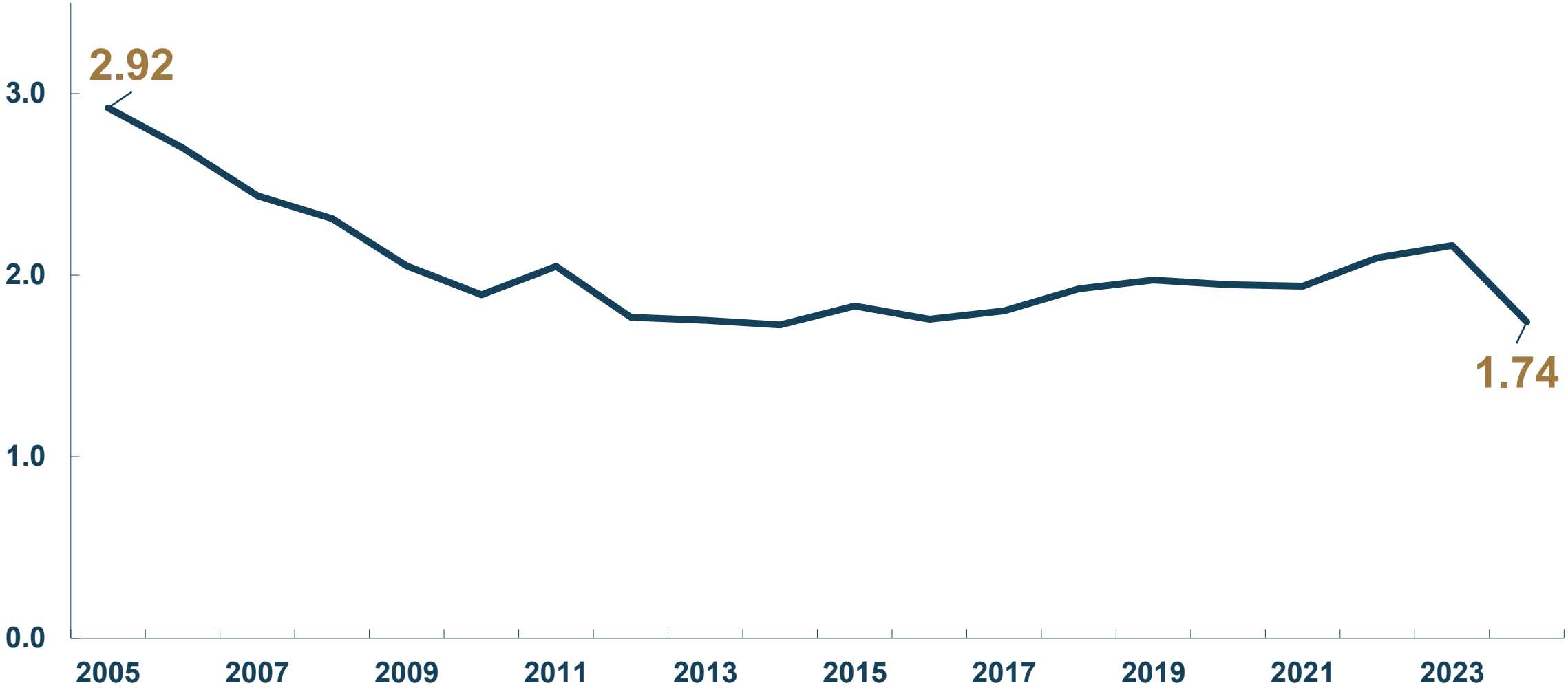
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx Note: Excludes grade crossing collisions. Includes accidents on main track only. Data for 2024 is preliminary, as of March 2025.

Industrywide, derailments per million train-miles fell 40% since 2005. 2024 was the second lowest on record.

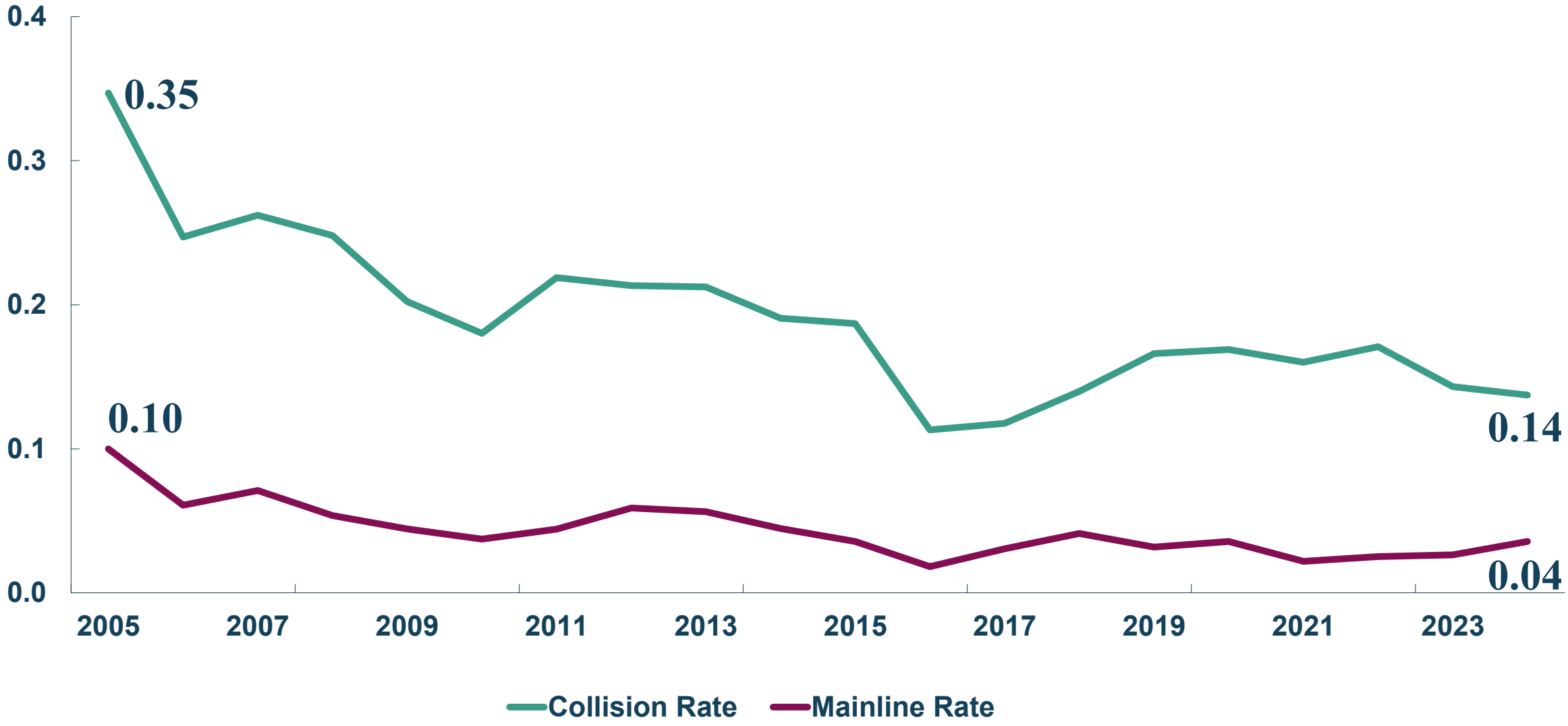
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx Note: Excludes grade crossing accidents. Data for 2024 is preliminary as of March 2025.

Train collisions per million train-miles have dropped 60% since 2005 and mainline collisions 64%.

Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx. Data for 2024 are preliminary, as of March 2025.

Train accidents per million train-miles by cause. Improvements across the board, especially in human factors.

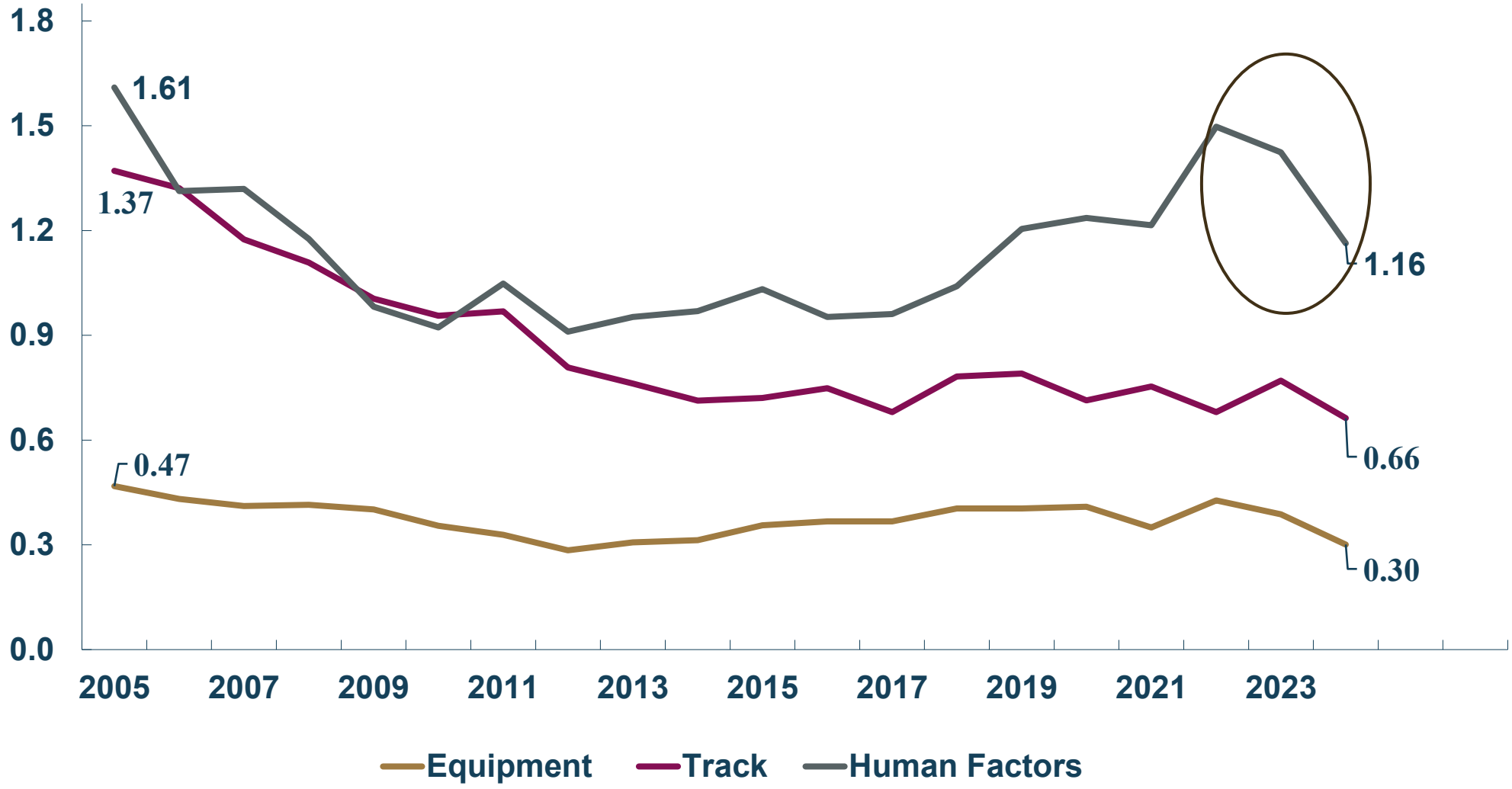
Oklahoma Railroad Association

Since 2005.

Human factors-caused accident rate down 28%.

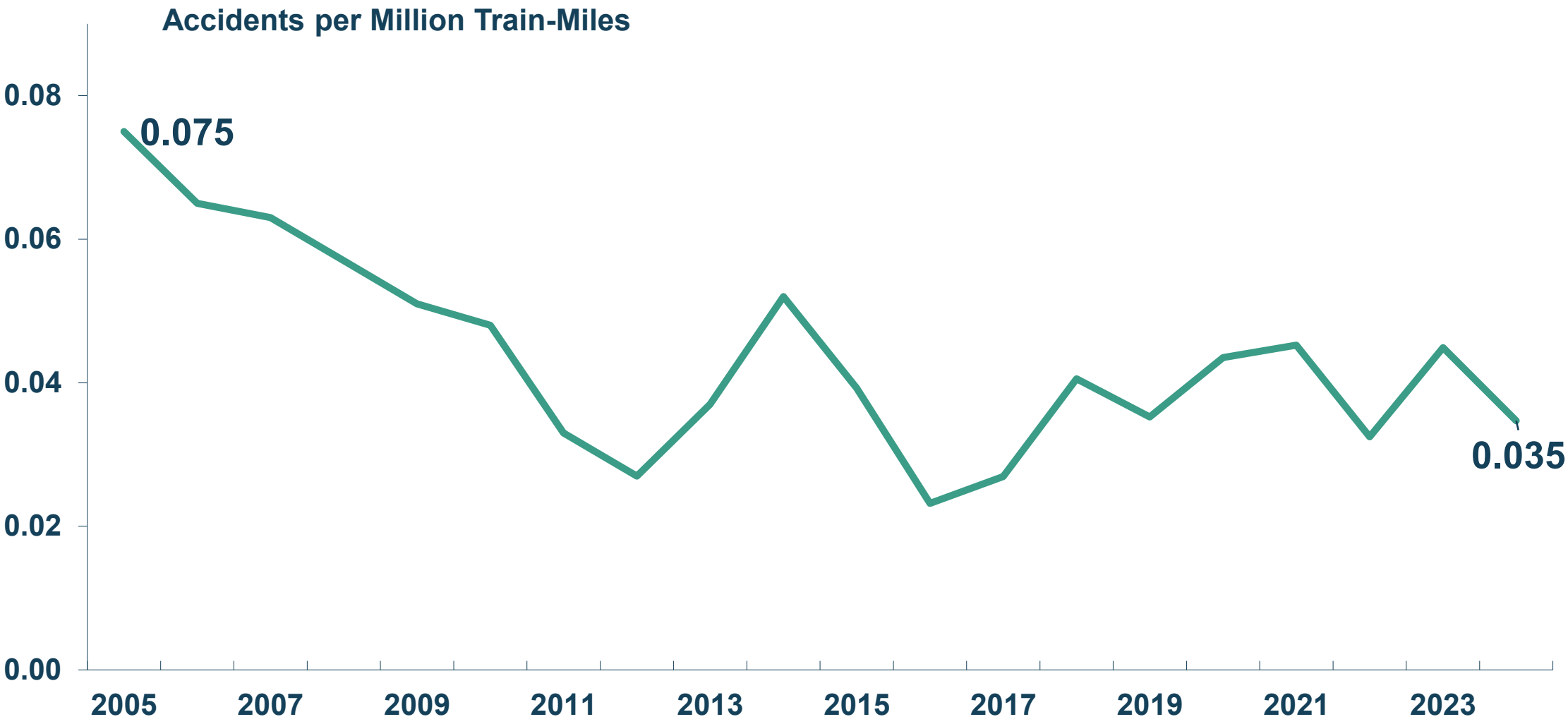
Track-caused accident rate down 52%. 2024 was an all-time low.

Equipment-caused accident rate down 36%.



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx Note: Excludes grade crossing accidents. Data for 2024 is preliminary, as of March 2025.

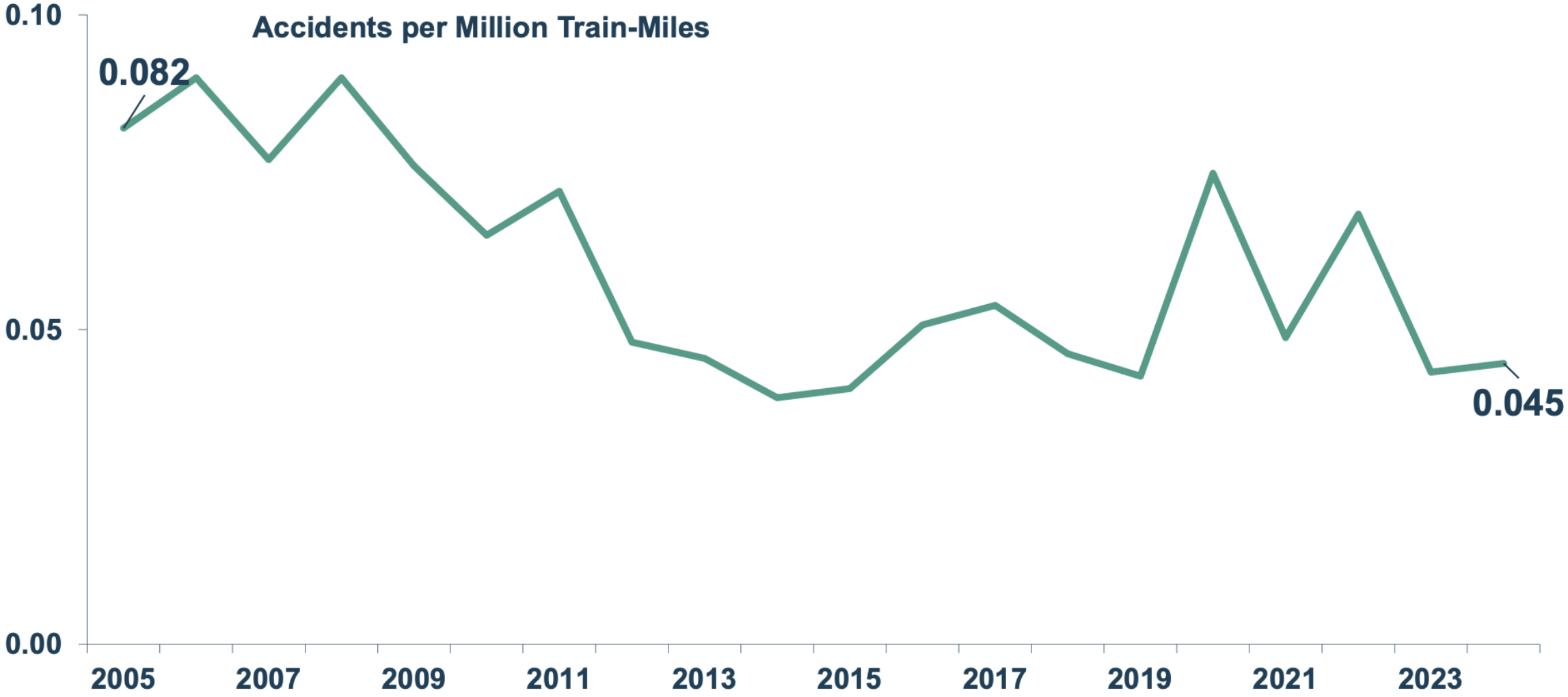
Axle and journal bearings-related train accident rate has dropped 54% since 2005.



Sources: AAR Analysis of FRA Train Accident Database as of March 2025. Note: Includes accidents due to locomotive axle or bearing defects. Data for 2024 is preliminary.

Truck component-related train accident rates are very low. They have dropped 46% since 2005.

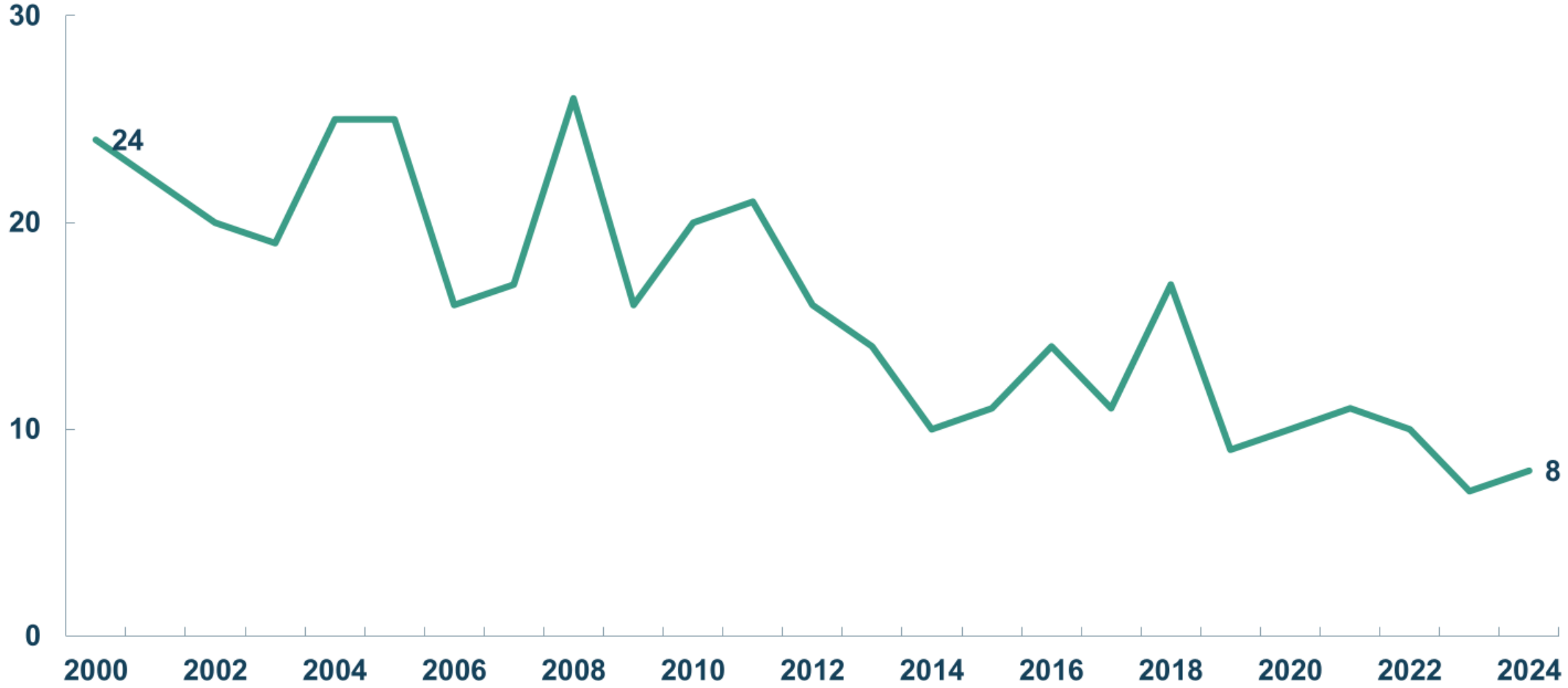
Oklahoma Railroad Association



Sources: AAR Analysis of FRA Train Accident Database as of March 2025. Note: Includes accidents due to locomotive truck component defects. Data for 2024 is preliminary.

Railroads have reduced employee on duty fatalities by 67% since 2005.

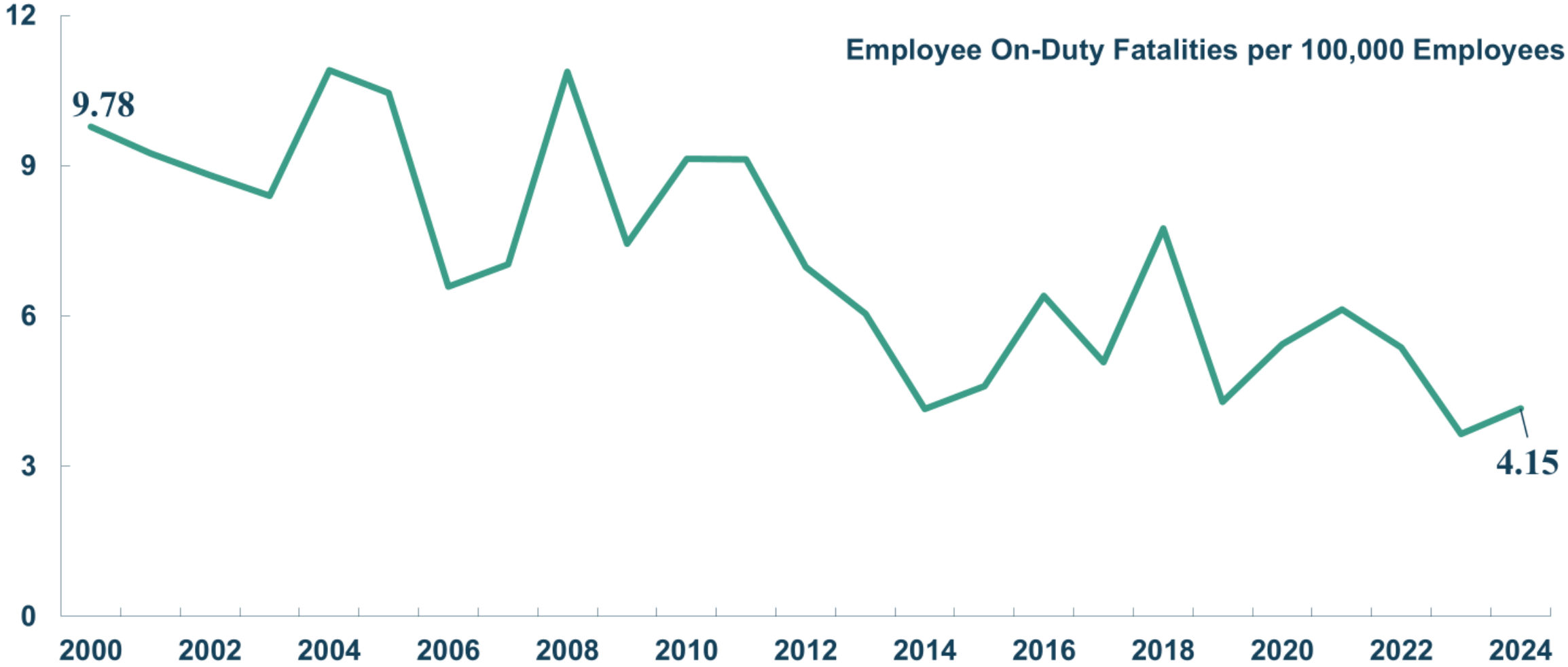
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx (2000-2024 data as of March 2025).

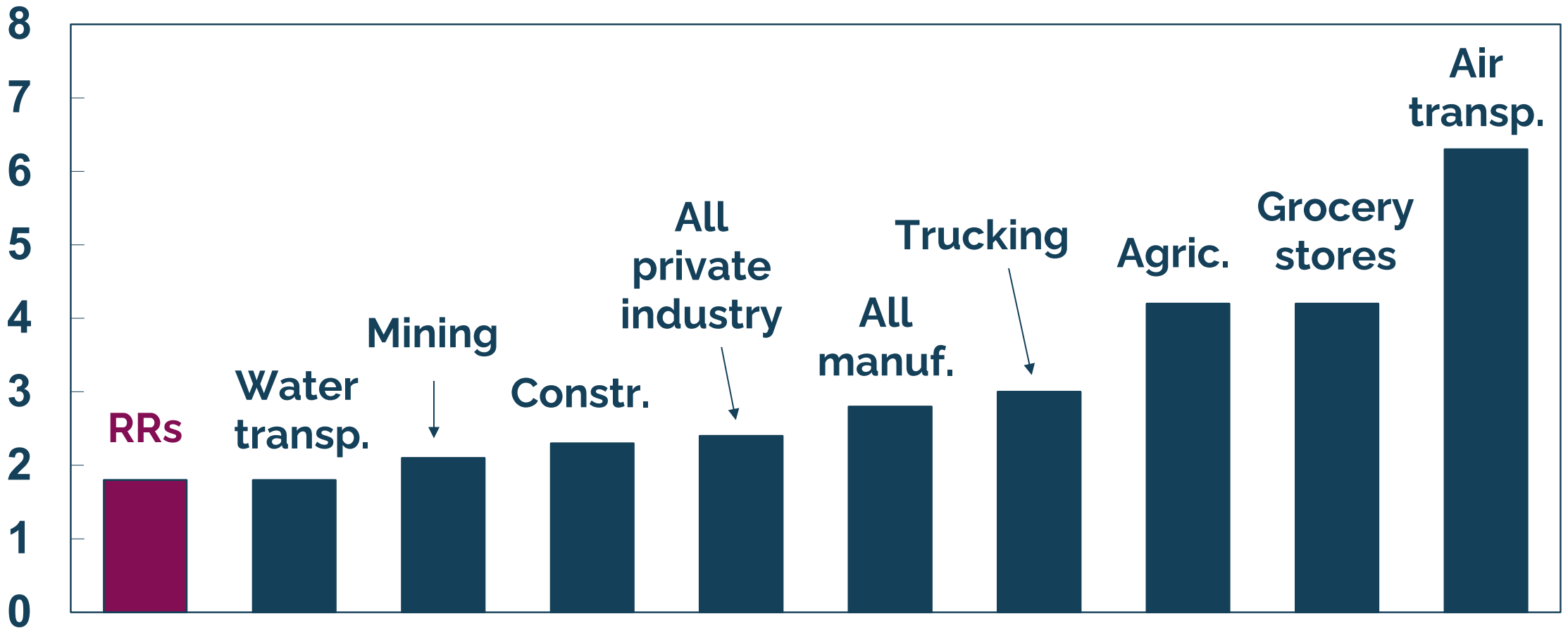
Railroads have reduced employee on duty fatality rates by 60% since 2005.

Oklahoma Railroad Association



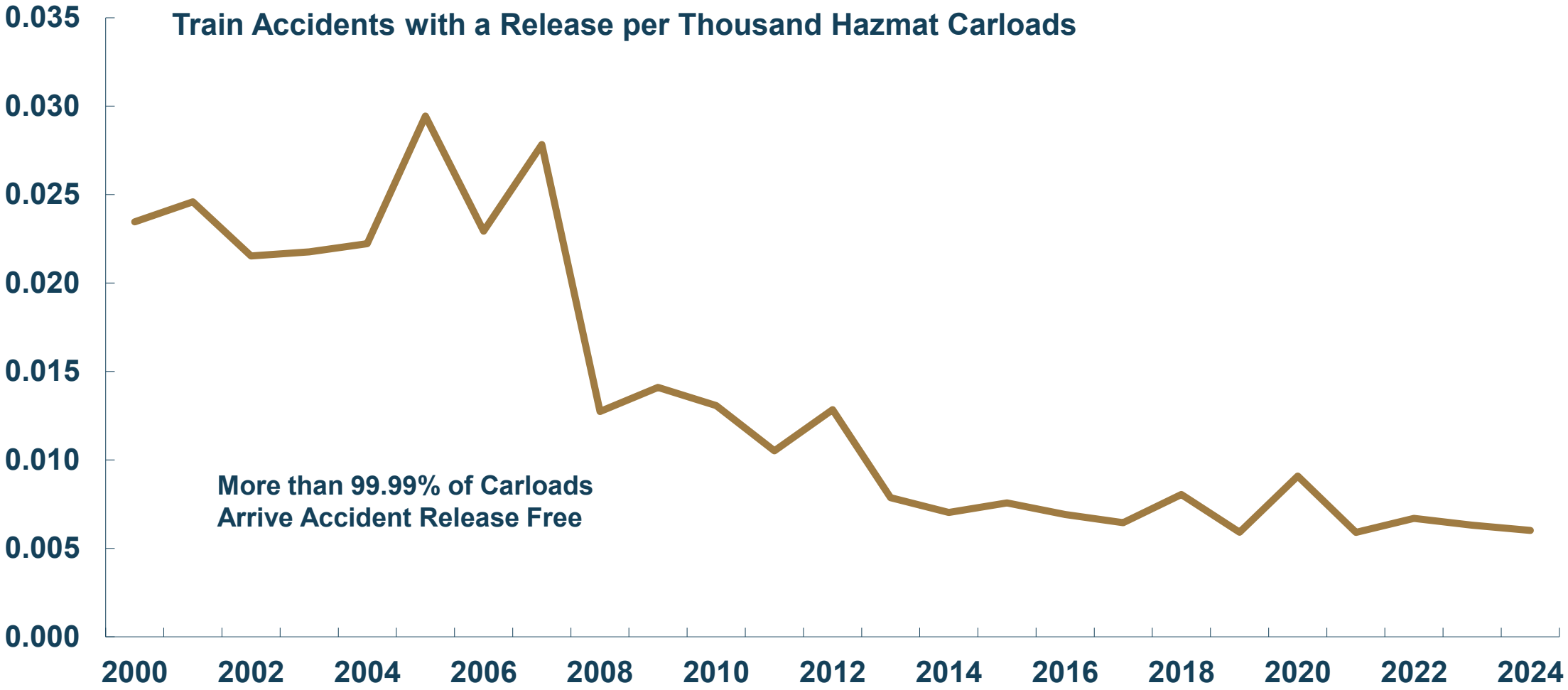
Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx 2005-2024 data, as of March 2025.

Railroads are safer than most other industries.



Data are for 2023. Source: FRA (for railroads), Bureau of Labor Statistics (for other industries)

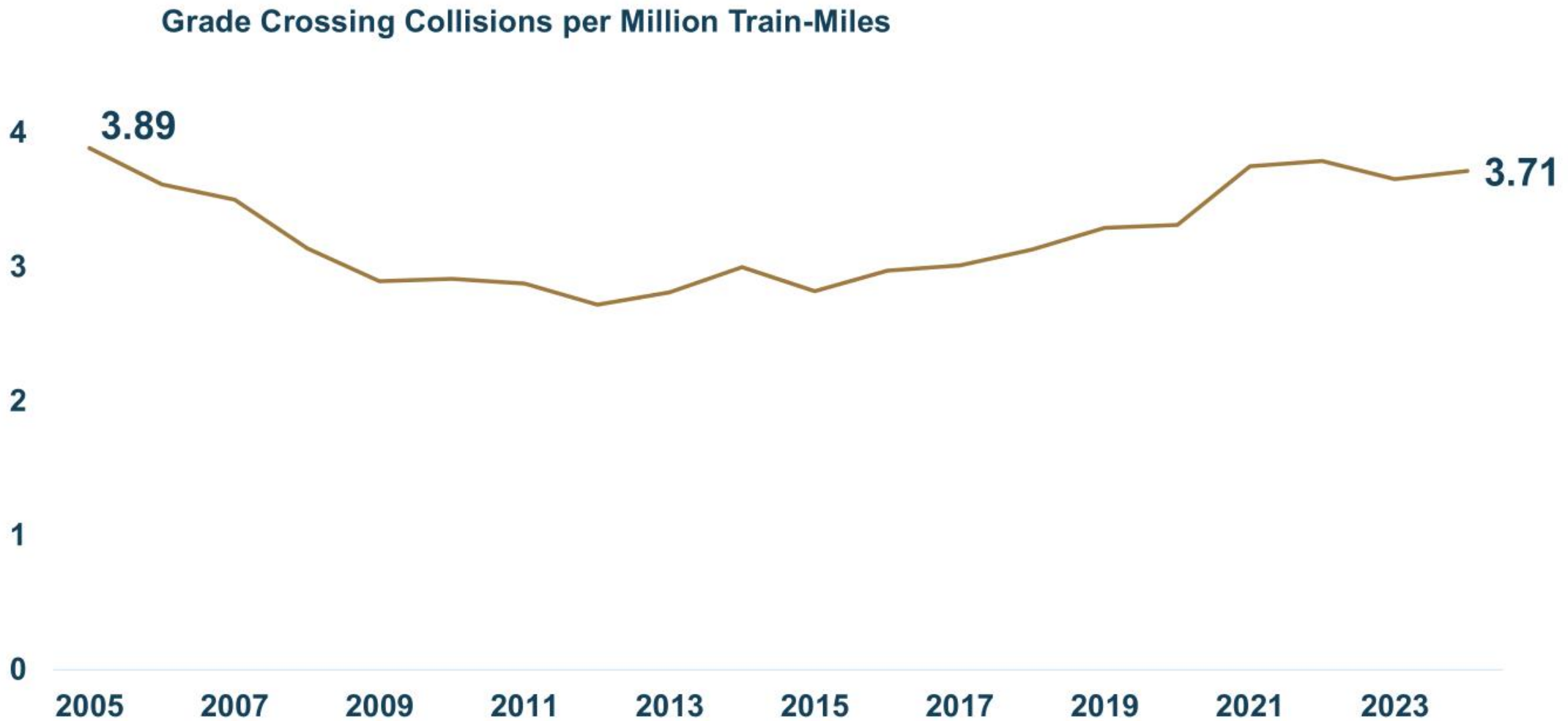
Hazmat accident rates have declined 80% since 2005 and 21% since 2015. Recent years have had the lowest rates.



Sources: AAR Analysis of FRA Train Accident Database, as of March 2024. Notes: Carloads terminated are from the Bureau of Explosives annual reports. Carload and accident data for 2024 is preliminary as of March 2025.

Grade crossing collision rates have declined 4% since 2005. They are a challenge.

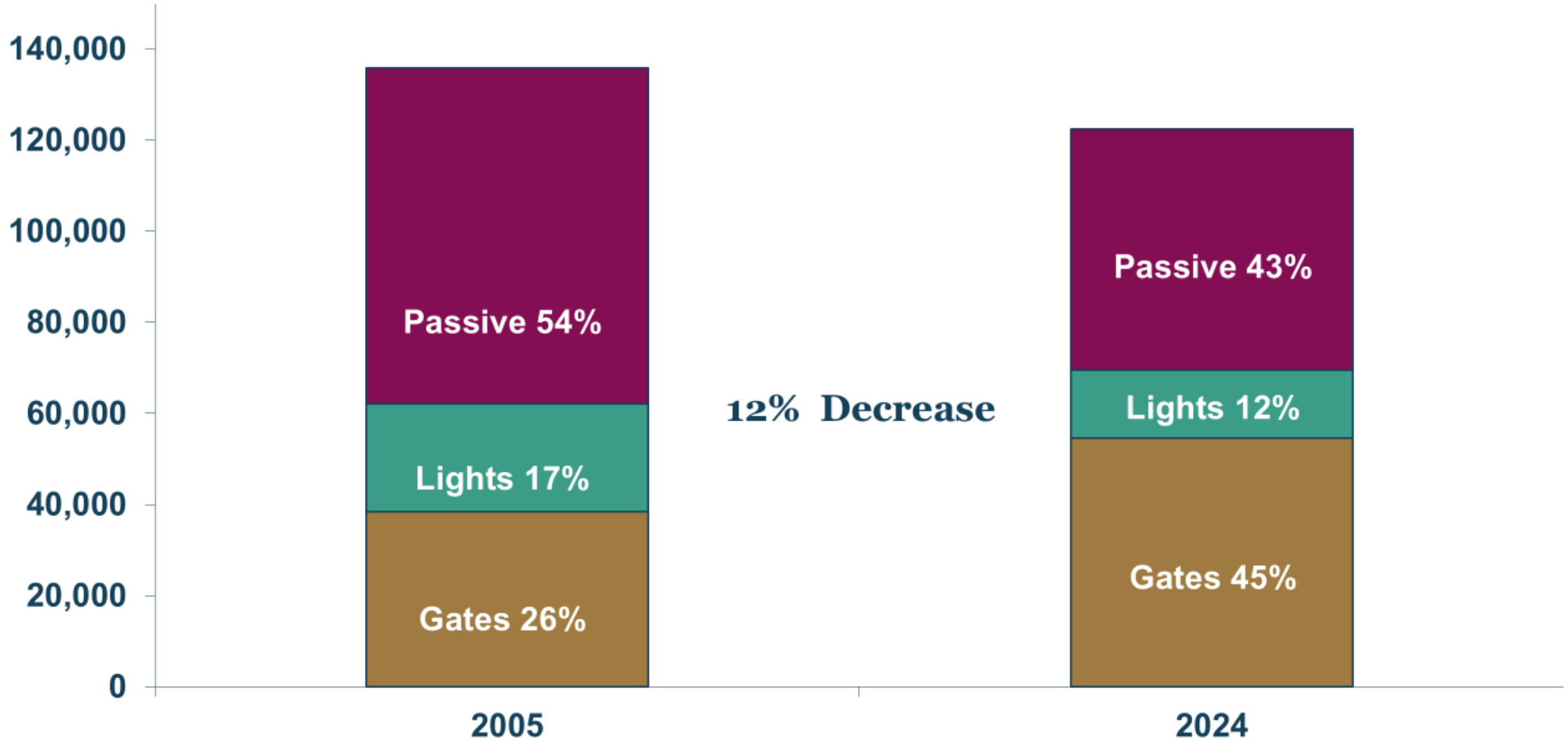
Oklahoma Railroad Association



Sources: http://safetydata.fra.dot.gov/officeofsafety/publicsite/summary.aspx Note: Includes accidents involving pedestrians and collisions at private crossings. Data for 2024 is preliminary, as of March 2025.

Since 2005, the total number of public crossings has declined 12%, while the number with gates has increased 42%.

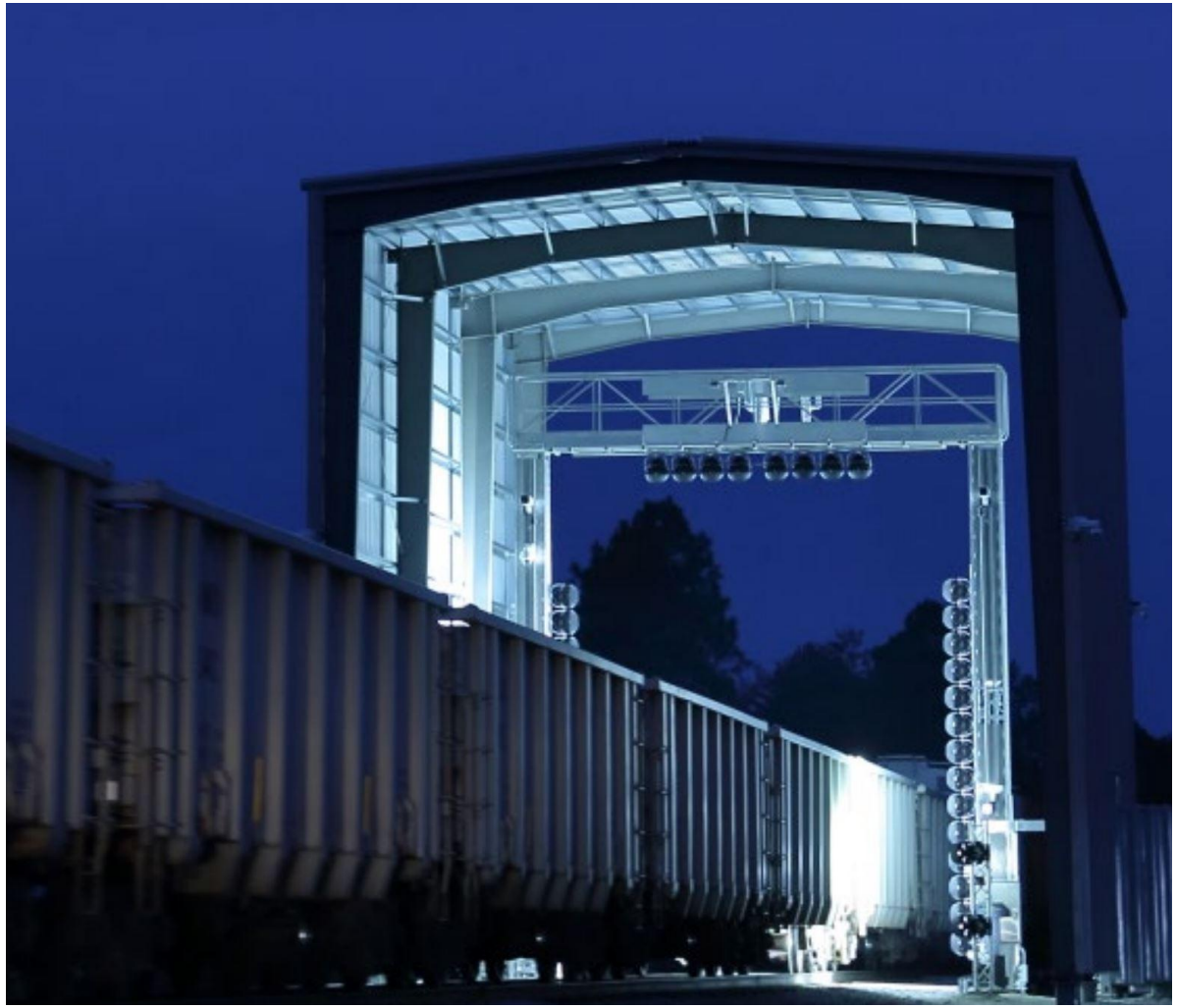
Oklahoma Railroad Association



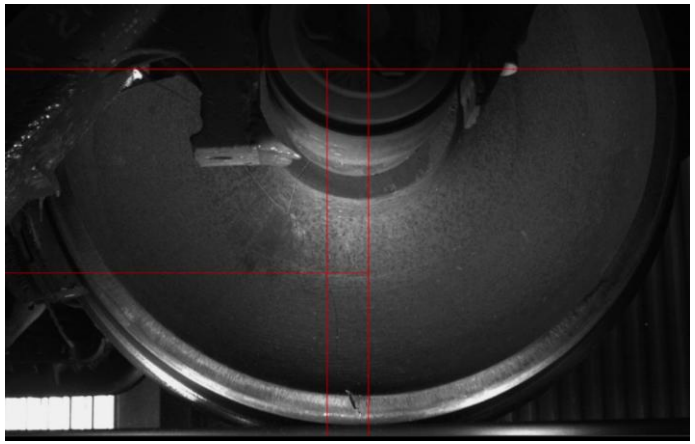
Sources: FRA Analysis of Grade Crossing Inventory for 2005. FRA analysis of Inventory as of December 31, 2024. Note: Percentages are rounded. Warning device information was not reported for some crossings.

Technology & Innovation

Wayside Technology

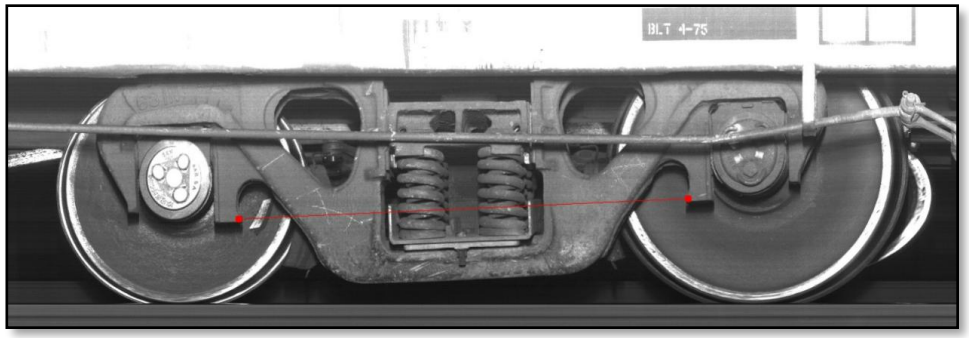


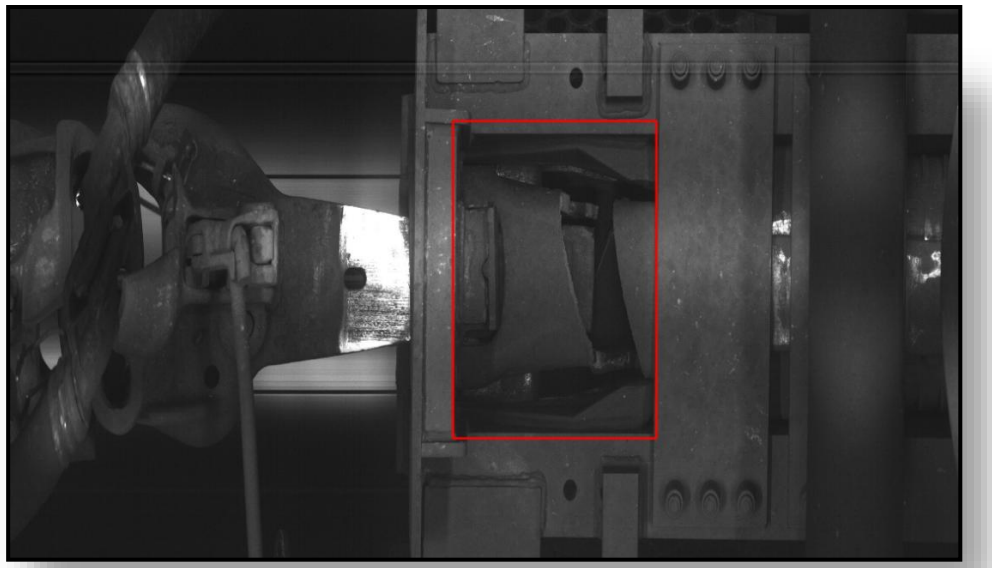
Machine Vision Portals
High speed cameras positioned to scan all sides of a railcar as it passes through the site. These cameras and the back-end algorithms can be trained to detect mechanical issues, door and gate securement, and other car health items.



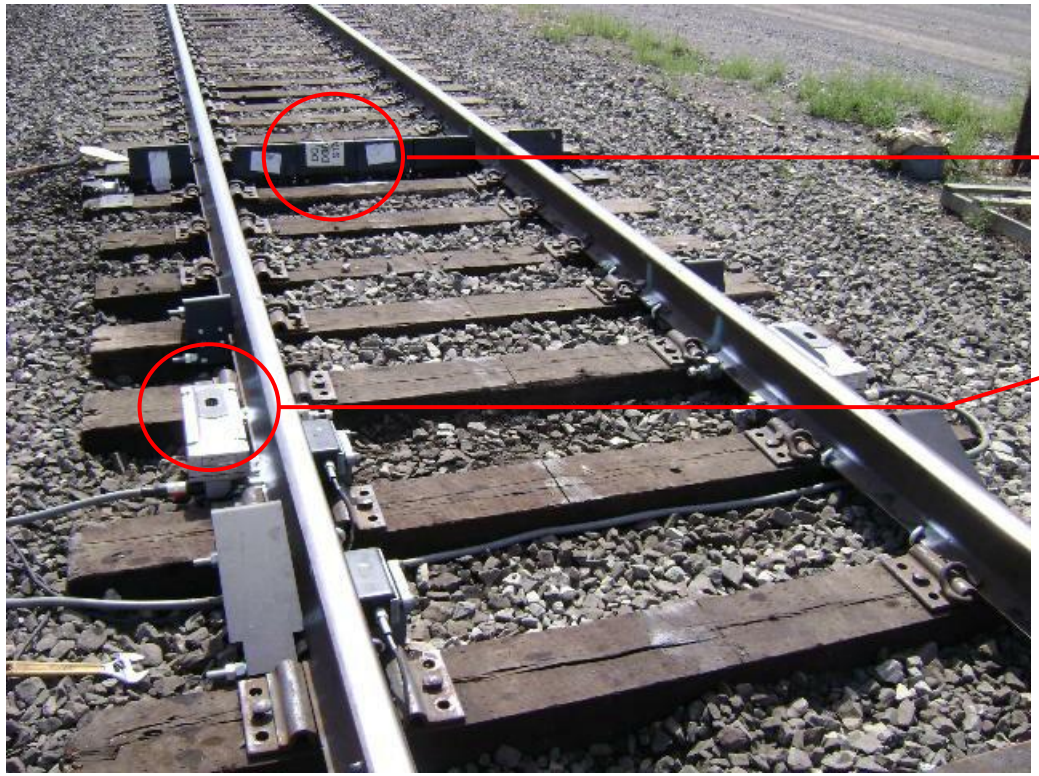
Machine Vision & AI

- Consistent and precise condition monitoring in different operating environments, at any time of day in all conditions 24/7/365
- Inspects trains passing at track speed to measure and evaluates cars in their natural dynamic state.
- Uses AI that “learns” and improves over time. Produces a visual representation that can be reviewed and monitored for accuracy.
- MV systems look at all angles and underneath the equipment, something not done during manual inspections of stopped trains.
- Allows inspectors to view the alert prior to physically inspecting and repairing the equipment.
- Virtually all defects found by Machine Vision systems were missed by humans during predeparture inspections.





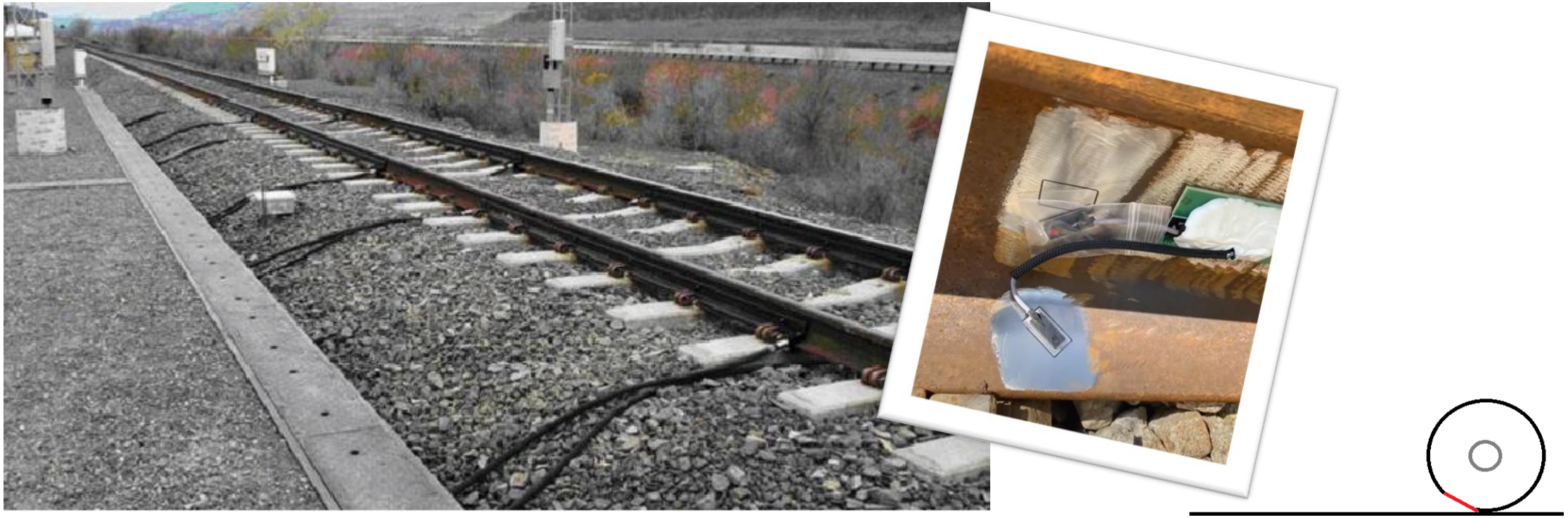
Wayside Technology



Co-located hot bearing detector and a dragging equipment detector.

- Dragging equipment detection paddle
- Wheel bearing scanner

Wayside Technology



Wheel Impact Load Detector site

The typical installation with a length of instrumented track that can detect the impacts caused by a flat spot on a wheel as it traverses through the section.

Wayside Technology

Acoustic Bearing Detector (ABD) site containing an array of highly sensitive microphones that can detect noises created by bearings in the very early stages of failure. These noises are often not detectable by human ears.

Advancing Rail Safety Through Wayside Detection Technologies

OKLAHOMA RAILROAD ASSOCIATION

Industry Collaboration & Leadership

- The **AAR** and its subsidiaries **Railinc** and **MxV Rail**, along with individual railroads, have long worked to develop, deploy, and improve wayside detection technologies and strategies.
- **Railroads and vendors** collaborate to design, test, and refine various types of detectors, enhancing both safety and efficiency.

Standards & Data Integration

- AAR's **Equipment Health Monitoring Committee (EHMC)** and **Asset Health Strategy Committee (AHSC)** set industry standards for detector use and alert thresholds.
- In 2023, the industry agreed to revise our standard for stopping and inspecting trains when a Hot Bearing Detector (HBD) reading exceeds 170°F, compared to a threshold of 200°F previously.
- AAR, Railinc and Class I railroads underwent a comprehensive analysis of 150 algorithms used by Class Is to pinpoint the most effective algorithm for detecting problematic bearings. In November 2023, railroads established a new, **industry-wide trending analysis rule** for proactively identifying bearings that may become problematic.

State & Federal Legislation

Ensuring a Uniform, National Rail System

OKLAHOMA RAILROAD ASSOCIATION

- Since the **Interstate Commerce Act of 1887**, railroads have been federally regulated to ensure the seamless flow of goods across states.

- The ICC Termination Act of 1995 (ICCTA) created the **Surface Transportation Board (STB)** with *exclusive* jurisdiction over "transportation by rail," preempting conflicting state and local laws.

- Courts have repeatedly affirmed that ICCTA preemption is one of the *broadest and most comprehensive* forms of preemption in U.S. law.

- On September 24, 2025 the STB wrote:
  - "…the core purpose of ICCTA preemption, which applies to both state and Federal law, is to ensure the free flow of interstate commerce, including by preventing a patchwork of differing regulations across states. Indeed, by ICCTA's express terms, it is difficult to imagine a broader statement of Congress's intent to **prevent balkanized rail regulation.**"
  - "In light of the potential benefits to the public, we are considering issuing a policy statement on preemption by the end of the calendar year."

Legislative Opportunities

- **Texas SB 1555** was recently signed into law. This legislation allocates **$250m** for **railroad grade separation** projects.

- SB 1555 requires TxDOT to award grants to political subdivisions for rail-roadway grade separation projects that are located at the intersection of railroads and roadways that are not part of the state highway system.

- Separating road-rail intersections improves quality of life for the public, reduces unexpected delays for first responders, increases safety and provides construction jobs across the state.


ORA
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