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Hon. Martin Oberman
Chairman
Surface Transportation Board

Hon. Patrick Fuchs
Member
Surface Transportation Board

Hon. Karen Hedlund
Member
Surface Transportation Board

Hon. Robert Primus
Vice Chairman
Surface Transportation Board

Hon. Michelle Schultz
Member
Surface Transportation Board

Re: Proposed Rule on Reciprocal Switching (Docket No. EP 711) (Sub No. 1)

My name is Haley Glick Rountree, and I am the Vice President for Tri-State Iron & Metal Company in Texarkana, Arkansas. Tri-State Iron & Metal Company is a generational family business with operations in Texarkana, AR. This facility is dependent on rail service for 90-95% of its outbound shipments. Tri-State strongly supports the adoption of the Board's proposed reciprocal switching rules that will help facilitate greater rail competition.

Tri-State's main steel shredding facility is served only by the Union Pacific, and we have a reciprocal switch agreement with the Kansas City Southern. By having this reciprocal switch available to us we have access to mills serviced by both railroads, access to two different pools of system gondola cars, and some competitiveness regarding freight rates to mention just a few benefits. The class I carrier that serves our facility is less interested in our business and helping us grow. As a smaller family business, I have no doubt that access to reciprocal switching has made a significant difference in our ability to obtain more reliable service and better serve the demands of our customers.

We applaud the Surface Transportation Board's ("STB") decision to proceed with this rulemaking and agree that new switching rules are needed. The Staggers Act of 1980 specifically empowers the STB to grant reciprocal switching when it is in the public interest or necessary to provide competitive rail service. The Board's existing rules impose such high regulatory hurdles that no shipper has ever been able to successfully request switching.



The rail industry today is vastly different than the industry of the 1980s and there are far fewer competitive options. The Board's recent Annual Rail Rate Index Study shows that since 2004, real rail rates (adjusted for inflation) have increased by 30%. Many shippers remain captive to their railroad, even when reciprocal switching could help relieve railroad service disruptions and congestion.

Based on the extensive evidence already submitted in this proceeding, we believe reciprocal switching can be implemented without compromising railroads' ability to invest in the rail network or harming service for other rail customers. The proposed case-by-case approach allows the Board to appropriately consider the interests of all stakeholders based upon the facts of each individual switching request.

We encourage the Board to finalize reciprocal switching rules that will provide shippers with greater access to competitive rail options. This would help create a more responsive and competitive freight rail system.

We appreciate the Board's consideration of this letter. Please feel free to reach out to me for any questions and I would like to re extend my offer to have come see Tri-State Iron and Metal Co. the next time you are down Southernly.

Respectfully submitted,

A handwritten signature in cursive script that reads "Haley Glick Rountree". The signature is written in dark ink on a light-colored, slightly textured background.

Haley Glick Rountree