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Office of Proceedings
April 8, 2021
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April 1, 2021

Ms. Allison Davis
Director, Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20423

Re: Surface Transportation Board Docket
FD_36496 ID 301767 - Gulf Coast
Passenger Service Between New Orleans,
LA and Mobile, AL

Dear Ms. Davis.

I am writing to urge the Surface Transportation Board to deny Amtrak an Order to restore passenger service between Mobile, Alabama and New Orleans, Louisiana, and compel Amtrak to complete its Rail Traffic Control Study with supplemental engineering and cost report.

APM Terminals operates a 135-acre container terminal in the Port of Mobile which is projected to handle 540,000 TEU of import and export shipments in 2021. The Port of Mobile regularly ranks as one of the fastest growing ports in North America for containerized cargo, and volumes are on pace to grow by 25% in 2021. The terminal currently supports container vessels up to 9,500 TEU capacity, with larger vessels expected to call our facility in coming years. This growth potential is further highlighted by the beginning of the USACE's ship channel deepening and widening project that is beginning in the Port of Mobile.

APM Terminals also operates an 80-acre Intermodal Container Transfer Facility in the Port of Mobile which handles the vast majority of containerized rail shipments in the port. This facility is accessible by 5 Class-1 Railroads including Canadian National, CSX, Norfolk Southern, Kansas City Southern, and Burlington Northern Santa Fe.

APM Terminals does not oppose passenger rail into the City of Mobile, but we do have deep concerns regarding Amtrak's impact on servicing current freight rail as well as servicing future freight capacity demand on the CSX corridor. Since Amtrak left the corridor in 2005, APM Terminals has invested \$250 million in the Port of Mobile and Intermodal Container Transfer Facility, with large additional investments currently planned through 2023.

The Alabama State Port Authority's Terminal Railway, services container intermodal trains as well as all railed freight in and out of the port's public terminals, as well as provides switching services between eight railroads using the seaport. We are knowledgeable of the corridor's attributes and limitations and fear priority access for passenger rail without proper study or investment would degrade freight rail service, generate unmanageable levels of congestion, and adversely affect shipper transportation cost metrics and their market competitiveness.

To address our concerns, we and many other concerned stakeholders strongly urged Amtrak to conduct the necessary operational modeling and corridor capacity assessments prior to

initiating new service on the primarily single-track CSX corridor. Further, the State of Alabama and the City of Mobile funding for the passenger rail service was conditional to the completion of that study. In January 2020, Amtrak initiated that study, in cooperation with the CSX and the Norfolk Southern. In January 2021,

Amtrak refused to extend that study to complete that work and then petitioned the Surface Transportation Board (STB) to compel host railroads to provide access. Amtrak's STB petition deprives our seaport, our shippers and our freight railroads of appropriate assessments to preserve the safety and reliability of freight rail service at one of the nation's larger seaports.

APM Terminals believes it is imperative that Amtrak return to the table to complete the modeling study along with infrastructure and cost assessments to support passenger rail without degrading freight service or safety. I appreciate your attention in this important matter.

CC: Parties of Record

Sincerely,

Brian L. Harold
Managing Director
APM Terminal Mobile, LLC