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February 9, 2022

By E-Filing

Cynthia T. Brown
Chief of the Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423

Re: Gulf Coast Passenger Service Between New Orleans and Mobile STB Finance Docket
No. 36496

Dear Ms. Brown:

Watco is a single-source transportation services company that owns and operates 46 short line railroads in the US, Canada and Australia. Several of our short line railroads connect to or interchange directly with CSX Transportation (CSXT). These short lines include the Alabama Southern Railroad (ABS), the Birmingham Terminal Railroad (BHRR), the Alabama Warrior Railroad, the Decatur & Eastern Illinois Railroad, the Ann Arbor Railroad, the Wisconsin & Southern Railroad, the Jacksonville Port Railroad and the Savannah & Old Fort Railroad.

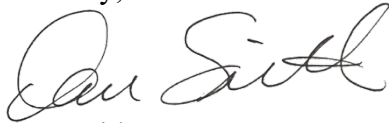
I write to express our concerns regarding the potential precedent-setting impact on our nation's efficient freight rail network if Amtrak's proposed Gulf Coast passenger service between New Orleans, Louisiana, and Mobile, Alabama, is allowed to **proceed without a full evaluation of the impacts on freight service and without necessary infrastructure investments to ensure fluidity of service.** Given the proximity of the ABS and BHRR to the proposed Gulf Coast service area for Amtrak, we are concerned about the effect resulting efficiency and fluidity impacts on CSXT will have on our railroads and customers.

Watco supports passenger service. However, it is important that the introduction of this passenger service does not decrease the quality of freight service provided by our Class I partners such as CSXT or Norfolk Southern (NS). It is our understanding that CSXT and NS proposed infrastructure projects that would support Amtrak's desired passenger service while protecting the quality of freight service on which we rely. Watco urges the Board to seriously consider the merits of these projects.

The bipartisan infrastructure law included unprecedented Federal funding for rail improvement projects, including significant enhancements to Amtrak funding. This investment affords us the opportunity to do this the right way. Rather than pit freight versus passenger and customers versus riders, as well as risk damaging freight service that the nation needs to meet its climate goals, the Board should ask Amtrak to plan for the future it wants in a way that allows for efficiency service for all parties. Allowing Amtrak to go forward without paying for the costs of its impacts will only damage both passenger and freight service and undermine the nation's commitment to rail as the most efficient way to move people and freight over land.

I respectfully request that the Board require Amtrak to fund and facilitate the construction of all infrastructure projects necessary to avoid any harm to freight rail service. Thank you for taking the time to consider Watco's thoughts on this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Smith", written in a cursive style.

Dan Smith
Chief Executive Officer

cc: All parties of record for FD 36496