



February 14, 2022

Hon. Martin Oberman
Chairman
Surface Transportation Board

Hon. Robert Primus
Vice-Chairman
Surface Transportation Board

Hon. Patrick Fuchs
Member
Surface Transportation Board

Hon. Michelle Schultz
Member
Surface Transportation Board

Hon. Karen Hedlund
Member

Surface Transportation Board

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

My name is Paul Delp and I am the President of Lansdale Warehouse Company. Lansdale Warehouse strongly supports the adoption of the Board's proposed reciprocal switching rules that will help facilitate greater rail competition. My company has two facilities that are served by a shortline railroad that has railcars supplied by a single Class I rail carrier. The inbound cars headed to our facilities are mostly high-cube Plate F cars for which there is only one route to our serving yard. Ironically, these high cars must travel through a serving yard of another Class 1 yard just 10 miles from our serving yard and yet that Class 1 rail carrier cannot deliver cars to our yard. We are hopeful Reciprocal Switching will bring efficient, common-sense railcar movement to our serving yard. We've invested 3 decades of time and effort to get those last 10 miles to the reliable condition we have today. It sure would be beneficial for our customers to see a few days saved in transit times.

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.

Respectfully submitted,



W Paul Delp
President