



February 14, 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

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RE: RECIPROCAL SWITCHING - Docket No. EP 711 (Sub-No. 1)

Dear Ms. Brown:

The purpose of our letter is to encourage the Board to finalize reciprocal switching rules that will provide shippers with greater access to competitive rail options.

Cargill, Incorporated ("Cargill") is an international provider of food, agricultural, financial, and industrial products and services. Our 155,000 employees across 70 countries work relentlessly to achieve our purpose of nourishing the world in a safe, responsible and sustainable way. Every day, Cargill connects farmers with markets, customers with ingredients, and people and animals with the food they need to thrive. Cargill appreciates the opportunity to provide comments to the Surface Transportation Board (STB) and for its attention to this long-standing rulemaking proceeding regarding open/reciprocal switch access.

Cargill participates in the global supply chain to source, store, trade, process and distribution various grains, oilseeds, and other products to the U.S. domestic, import, and export markets. In a given year, Cargill will use rail transportation to haul transport over 300,000 rail carloads throughout the U.S. Various types of products include grain, oilseeds, processed grains, biofuel, fertilizer, animal feed, and other commodities or finished goods.

Cargill operates approximately 200 rail-connected facilities in the United States, with over two dozen of our facilities having access to more than one rail carrier through open/reciprocal switching. In our experience, we have found our facilities that are currently open to reciprocal switch often see the following benefits:

- Better economical access to more markets, enabling us to purchase or sell product to additional markets or customers;
- More competitive freight transportation costs in the geographical region the facilities are located in because more than one rail carrier has the ability to compete for the business; and

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- Ability to ship volumes on the rail carrier(s) that provide the most cost-effective and reliable rail service from the shipment origination location to the facility that receives the product. For example, if one carrier is experiencing ongoing congestion on their network or struggling with not moving rail cars in an efficient and consistent manor, we have used the option to ship on another carrier.

We have heard the railroad's concerns about the negative impact expanding reciprocal switch access can have on their operations. In our experience, we believe the railroads have shown they can provide effective reciprocal switching at the facilities that currently have access today. We have also observed that:

- Shippers/Receivers will not seek a switching remedy if they determine the alternative route provided will be less efficient or it will impede service;
- Shippers favor consistency and predictability, and it is not realistic to assume that traffic would routinely "switch" between carriers year over year. For this reason, the serving carrier will often retain the traffic; and
- Reciprocal switching is a common operation that occurs every day and the railroads understand how to interchange efficiently.

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. Cargill requests the final revised rules governing the Board's establishment of reciprocal switching arrangements follow a streamlined process to enable timely decisions on whether a reciprocal switch arrangement at a facility is established. Cargill would also like to see the process to reach a decision that is not a lengthy and costly administrative proceeding.

Cargill respectfully requests the STB adopt the proposed rules promptly. Please do not hesitate to contact me if I can provide additional information to support our position regarding the proposed rule.

Respectfully submitted,

Brock Lautenschlager

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