



February 15, 2022

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Office of Proceedings
February 15, 2022
Part of
Public Record

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

Re: STB Docket No. EP (Sub-No. 1)
Reciprocal Switching

Dear Ms. Brown:

In accordance with the Board's December 28, 2021 Notice (in Reciprocal Switching Docket No. EP 711 (Sub-No. 1)) soliciting written and/or oral comments by February 14, 2022, interested parties from Missouri submitted a jointly signed letter to the Board via email.

The Board's Office of Public Assistance, Governmental Affairs & Compliance informed us that we improperly filed our letter and that we should have used the Board's formal docketing system. As such, we respectfully request leave to file the attached letter and for it to be included as part of the record in this proceeding. No parties will be prejudiced by grant of this leave because the Board has not yet held its public hearings in this proceeding.

If you have any questions related to this filing, please let me know.

Sincerely,

Mark Coulter

Enclosure

Port KC

110 Berkley Plaza, Kansas City, Missouri 64120
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February 14, 2022

The Honorable Martin J. Oberman, Chairman
Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Oberman and Members of the Surface Transportation Board,

Thank you for giving close consideration to the issue of reciprocal switching on our nation's freight railroads. As local leaders from Missouri, home to two critical hubs of the nation's rail network, we wanted to share our opposition to the proposed rule (EP 711-1) and emphasize why we think forced switching would be problematic for our state's logistics network.

The supply chain is under intense strain and facing record demand. Railroads have moved record volume—including more intermodal volume in the first half of 2021 than in any other similar period—while being a standout for reliability in the supply chain.

Eighteen different freight railroads haul 406 million tons of goods across Missouri annually, the fourth largest amount of freight tonnage in the nation. This system provides critical linkages between rural areas, river ports, and major rail hubs like St. Louis and Kansas City. Indeed, Kansas City and St. Louis are ranked as the second and third largest rail transportation centers in the nation, respectively.

By moving this sheer amount of cargo and facilitating passenger rail traffic, Missouri's railroads take millions of vehicle trips off our roads every year, reducing everything from congestion to wear and tear on local roads, as well as pollution. This is all while the industry covers the bulk of the cost of its own infrastructure (about \$25 billion annually in recent years), thus providing economic development and transportation opportunities to Missourians while saving taxpayer dollars.

It follows that policies that disrupt freight rail service, like mandated switching, could negatively impact Missouri communities. Switching operations are complex and take time, meaning that widespread use of this practice could lead to massive inefficiencies that likely worsen supply chain issues.

Many major rail shippers (for example UPS with its deep understanding of logistics), have agreed that less switching leads to better rail operations and have opposed forced switching in the past. The Small Business and Entrepreneurship Council has also pointed out that competition in freight transportation overall could suffer from mandated switching if it were to diminish private rail spending.

The potential impact on passenger rail operations hosted by freight railroads is another consideration. Amtrak, which operates two national routes through our state and the Missouri River Runner, has stated that implementation of a switching policy may increase rail network congestion that could adversely affect Amtrak trains.

Freight transportation is changing rapidly, as ecommerce and technological innovation alter the old foundations of our supply chain. Railroads face steep competition, not only from each other, but also from other modes like trucks. Short-sighted policies that jeopardize rail service and the private dollars that railroads spend on their networks only serve to disadvantage customers. Then we get less rail freight and more highway freight with taxpayers footing the bill.

Communities across Missouri that are connected to and rely on robust railroads will be impacted negatively if this rule were to be passed. We urge you to reject the proposed rule on mandated switching.

Sincerely,

Mark Coulter
Vice President & General Counsel
Port KC

Hon. Bill Falkner
State Representative
Missouri House District 10

Chris Gutierrez
President
Kansas City SmartPort

Hon. Josh Hurlbert
State Representative
Missouri House District 12

Dan Mehan
President & CEO
Missouri Chamber of Commerce & Industry

Hon. Dean Plocher
Majority Floor Leader
Missouri House of Representatives

Tony Robyn
Executive Director
MOKAN Economic Partnership

Hon. Wallace Ward
City Councilmember
City of Kirkwood

Tim Cowden
President & CEO
Kansas City Area Development Council

Hon. Liz Gibbons
City Councilmember
City of Kirkwood

Hon. Willard Haley
State Representative
Missouri House District 58

Hon. Glen Kolkmeier
Past Chair, House Transportation Committee
Missouri House of Representatives

Hon. Cindy O'Laughlin
State Senator
Missouri Senate District 18

Hon. Louis Riggs
State Representative
Missouri House District 5

Hon. John Simmons
State Representative
Missouri House District 109

Peg Weathers
President & CEO
Kirkwood-Des Peres Chamber of Commerce