

**Surface Transportation Board
Ex Parte 711 (Sub-No. 1) Meetings
June 28, 2017**

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Acting Chairman Ann Begeman

Participants

TFI: Chris Jahn
Justin Louchheim

STB: Acting Chairman Ann Begeman
James Boles
Onika Williams
Amanda Gorski

Meeting Summary

TFI expressed general support for the opportunity to engage the STB in ex parte meetings, including Ex Parte 711.

TFI expressed support for STB's reciprocal switching proposal, noting that it would allow competition to have a greater role in the rail marketplace, reduce the need for STB rate regulation, and would provide more efficient service, competitive prices, and access to new markets. TFI also shared the view that reciprocal switching, if approved in a way that works efficiently, is likely to be used sparingly, but would be a positive factor in many negotiations to enhance service and make costs more competitive.

TFI shared that many of its member companies also ship in Canada, where reciprocal switching, known in Canada as inter-switching, has existed for about 100 years. Many TFI members operating in Canada have used inter-switching and indicate that it works efficiently and seamlessly in Canada.

TFI expressed concern that the STB's case-by-case approach could result in lengthy delays and substantial litigation costs. TFI asked that the current proposal be modified to insure that cases are handled efficiently, potentially including a hard time limit on proceedings and procedures for expeditiously submitting evidence.

Acting Chairman Begeman asked if this issue is a high priority for TFI members? TFI responded that switching is a high priority for its members. The Acting Chairman then asked whether TFI has any concerns about the Board handling switching on a case-by-case basis. TFI suggested a potential change in the proposal that allows a more clearly defined and efficient structure, similar to Canada's, whereby reciprocal switching is generally permitted within a define radius of approximately 30 miles while simultaneously allowing a case-by-case approach for situations beyond 30 miles. Recognizing that the interchanges, for example, in and around Chicago can be highly congested, TFI recognized that STB could consider excluding specific areas or interchanges from reciprocal switching and/or designate such interchanges as always being case-by-case.