

October 2, 2017

Surface Transportation Board
395 E Street, SW
Washington DC 20423

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RE: Letter of Intent to Speak at CSX Rail Service Listening Session

I am writing you requesting the opportunity to speak at the CSX Listening session scheduled for Oct. 11th. I apologize for not submitting prior to this as I was traveling on business or on vacation the past two weeks.

The reason I wish to speak is that CSX's (a Class I railroad) current service delays and changes are significantly impacting Cristal's ability to continue business. To prevent any adverse impacts to the broader U.S. economy, as well as local jobs for the Ashtabula area, we urge you to do everything in your power to take action that would result in a resolution to the CSX problem.

The viability of Cristal's business is dependent upon the production of Titanium Dioxide (TiO₂), and the ability to ship TiO₂ Slurry products by rail along with local rail switches to place raw materials at manufacturing sites. Uninterrupted rail transportation and local rail service is critical to the continued delivery of TiO₂ for its many uses. Without interference from the government, Cristal is concerned that CSX will continue to worsen its service delays and have a negative ripple effect throughout the TiO₂ supply chain.

Service Issues and Delay Impact from CSX's Service:

- Afraid grow our business due to poor rail service
- Lack of communication/notice of CSX changes that directly impact Cristal's ability to do business.
- Increasing transit times has placed customers at risk and caused Cristal to service them with tank trucks. Cristal has also to increase inventory levels of inbound raw materials. The cost impact to Cristal is over \$600,000 YTD.
- YTD transit times to our primary customers are up 18-30% over 2016 and Q3 has been the most severe at 31-48% increase over 2016 times.
- The On-Time-Delivery rate to our customers is 71% YTD versus 2016 at 79% (please note CSX reported OTD is significantly worse at 63-44% for 2017).
- Closure of the CSX Ashtabula switch yard. The Ashtabula switch yard needs to remain open to support localized rail service needs
- Contractual language allows CSX to not "guarantee" service without penalties



Cristal urges you to help resolve the service issues many customers, as well as other railroads, are experiencing with CSX. By doing this, you will play a critical role in alleviating commercial burdens throughout the TiO₂ industry and the U.S. economy. Resolving the current state of rail transportation on the CSX network will bring comfort that Cristal will not have to face shutting its doors to its customers, and it will allow industry to continue providing needed goods consumer goods to the public.

Sincerely,

Lisa A. Powers
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