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July 25, 2017

Regulatory Reform Task Force  
Surface Transportation Board  
395 E Street, S.W.  
Washington, DC 20423-0001

Subject: Docket No. EP 738

Regulatory Reform Task Force Members:

Thank you for the opportunity to provide comments as you continue your important work of identifying areas of potential reform within the jurisdiction of the STB. Of primary interest to API and its rail shipper members is Docket EP 711 – Reciprocal Switching.

API strongly supports reciprocal switching and the Board's proposal to reform the way that these types of agreements are reviewed and approved. As such, API has filed extensive comments as part of the Shipper Coalition for Railroad Competition ("Shipper Coalition"). We have also met with each of the sitting commissioners to express our support for the Board's proposed reform to its existing regulations on reciprocal switching. I will briefly sum up our arguments here and direct the task force to our more extensive comments and meeting notes in the docket.

Reciprocal switching will increase competition in the rail industry, thereby promoting fair and reasonable rates for rail services. Currently, many shippers are captive to a single railroad and are unable to take advantage of lower cost as well as more efficient routes because they are locked into a particular route with a railroad. As has been demonstrated in the docket by a number of shippers, more efficient routing alternatives could be accessed that could reduce time and cost if reciprocal shipping agreements were in place.

Reciprocal switching will create benefits beyond the likelihood of reduced rates. It will provide an incentive for railroads to improve service and invest in new infrastructure. Competition in rail service will help promote growth and jobs in a broad range of sectors including manufacturing, agriculture, and, of course, energy.

A critical component to ensuring that reciprocal switching reform can be effectively utilized by shippers is a workable and efficient adjudicatory process. The Shipper Coalition has provided the STB with a very detailed proposal for how this process may be reformed. Some examples of reform include providing clear procedures to prevent unnecessarily complicated and expensive proceedings. For example, STB should establish firm requirements and timelines during the

discovery process and require parties to define the scope of issues and claims at the outset of each case.

The STB's proposal for reforming reciprocal switching is a clear embodiment of the Administration's goal of reducing and reforming regulations to improve the economy and we urge the Task Force to place reciprocal switching reform high on its list of priorities for the STB.

Sincerely,

A handwritten signature in black ink, appearing to read "Robin Rorick". The signature is fluid and cursive, with the first name "Robin" and last name "Rorick" clearly distinguishable.

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