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Sappi North America

**Shared Service Center
South Portland**

11 February 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

Re: Gulf Coast Passenger Service Between New Orleans and Mobile
STB Finance Docket No. 36496

Dear Ms. Brown:

Sappi North America relies on the freight rail service provided by CSX Transportation, Inc. for a number of our business segments across the country. I write on behalf of Sappi North America to express concerns regarding the impact on that freight rail service of Amtrak's proposed Gulf Coast passenger service between New Orleans, Louisiana and Mobile, Alabama.

Sappi North America produces graphic paper, packaging products, and dissolving wood pulp and relies on the railroads to transport raw materials to our facility and finished products to our customers. Freight rail service is critical to the success of our business and, in particular, access to the port of Mobile is vital.

CSXT and Norfolk Southern Railway Company have submitted evidence, including a Rail Traffic Controller study, that shows the introduction of Gulf Coast passenger service between New Orleans and Mobile will cause significant harm to freight service. This harm will manifest itself through decreased freight train speeds, increased congestion, safety concerns, as well as, extreme operational variability. Sappi North America is deeply concerned about our ability to meet the demands of our customers and the resultant financial impacts if there is any disruption to the service at the port of Mobile. The port is our primary export hub for dissolving pulp



and we are supporting the local economy through the utilization of a local transload facility, the local rail carrier, and drayage service providers.

Sappi North America does not oppose Gulf Coast passenger service and expresses no opinion on the merits of that service. However, it is important that the introduction of this passenger service does not decrease the quality of freight service provided by CSXT or other associated rail providers. It is our understanding that CSXT and NSR have proposed infrastructure projects that would support Amtrak's desired passenger service while protecting the quality of freight service that Sappi North America relies on. Sappi North America urges the Board to seriously consider the merits of these projects.

It is unfair for Amtrak to insist on operating passenger service without regard to the businesses it will share the corridor with. If Amtrak is permitted to commence passenger service without paying its own way, the cost of that service will inevitably fall on the shoulders of shippers. Shippers like Sappi North America will either be forced to turn to more expensive and less efficient alternatives to rail or will wind up subsidizing passenger service through increased rail service costs as CSXT and NSR are pressed to add infrastructure to stem the degradation to freight service.

The Board has an obligation to protect the interests of all parties that rely on the national rail network, not just those of passenger rail. Amtrak's desire for access to the Gulf Coast Corridor with no strings attached is not only harmful to freight rail service, but untenable given the substantial funding it received from Congress last year. Sappi North America requests that the Board require Amtrak to fund and facilitate the construction of infrastructure projects so as to avoid any harm to freight rail service.

Respectfully submitted,



Michael G. Segal
Director, Logistics and Ops Planning
Sappi North America

cc: FD 36496 Service List