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February 7, 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

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ENTERED
Office of Proceedings
February 8, 2022
Part of
Public Record

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

Dear Ms. Brown:

Regional Rail LLC is located in Kennett Square, PA, and relies on the freight rail service provided by CSX Transportation, Inc. I write on behalf of Regional Rail to express concerns regarding the potential precedent setting impact on our nation's efficient freight rail network if Amtrak's proposed Gulf Coast passenger service between New Orleans, Louisiana and Mobile, Alabama is allowed to proceed without evaluating impacts on connecting short lines' ability to efficiently compete and serve its customers.

Regional Rail is a short line operator in 5 states* that relies on Class 1 railroads, such as CSXT, to connect to the national freight network. Consistent, reliable, and cost efficient Class 1 rail service is critical to the success of our business and our customers. The quality of service CSXT provides makes freight rail the most efficient transportation alternative to maintain and grow our business. Introducing new passenger services that limit rail capacity without regard to understanding the impacts on freight rail efficiency and the ability to meet the demands of our customers is a significant concern.

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, higher dwell times and extreme operational variability. 4 of our 8 shortline railroads are located in Florida, so any potential impact on CSXT service to or from

Florida is of great concern to our company and our customers. Also, we share the common concern over the precedent of proceeding without proper due diligence.

Regional Rail does not oppose 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 our class 1 partners such as CSXT. 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 our shortlines rely upon. Regional Rail 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 our shippers. Shippers 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 former scenario poses a real threat to the viability of short line operators who may only have a limited number of customers. Every carload is critical and the loss of one major customer could result in cutbacks and job losses in that community. Attracting new industries is the lifeblood of every short line. Increased delivered costs due to unreliable service and delayed shipments severely impacts our ability to grow and contribute to the local economies.

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 or any Rail 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. Regional Rail 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,
/s/

Alfred Sauer

Alfred M Sauer

Regional Rail LLC

‘*’ Short lines represented by state

Short Line Name	State of Operation
Florida Central Railroad	Florida
Florida Northern Railroad	Florida
Florida Midland Railroad	Florida
Port Manatee Railroad	Florida
Carolina Coastal Railway	North Carolina
East Penn Railroad	Delaware & Pennsylvania
Tyburn Railroad	Pennsylvania
Middletown & New Jersey Railroad	New York

cc: FD 36496 Service List