



NEW ORLEANS PUBLIC BELT RAILROAD

304958

July 12, 2022

Via Electronic Filing

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings
July 12, 2022
Part of
Public Record

Re: *Canadian Pacific Railway Limited, et al. – Control – Kansas City Southern, et al.*
Response to Responsive Application of Norfolk Southern Railroad
STB Finance Docket No. FD 36500 (Sub-No. 5)

Dear Ms. Brown:

In furtherance of its Notice of Intent to Participate filed on June 16, 2021 in the FD 36500-related proceedings, the New Orleans Public Belt Railroad Commission for the Port of New Orleans, along with the Board of Commissioners of the Port of New Orleans, submits this letter in response to the Responsive Application filed by Norfolk Southern Railroad (“NSR”) in the above-referenced matter.

The New Orleans Public Belt Railroad Commission for the Port of New Orleans is an independent political subdivision of the State of Louisiana operating the New Orleans Public Belt Railroad (“NOPB”) – a Class III switching railroad with a mission of serving the Port of New Orleans, local customers, and the New Orleans rail gateway. The NOPB connects six Class I railroads to each other and to properties in and near the Port NOLA complex. The NOPB interchanges with Applicant Kansas City Southern (“KCS”) on a daily basis.

Port NOLA is also a political subdivision of the State of Louisiana charged with the regulation of maritime commerce through the Port of New Orleans – a diverse deep-water port strategically located on the Mississippi River near the Gulf of Mexico with access to over thirty (30) major inland hubs such as Dallas, Memphis, Chicago and Canada via 14,500 miles of waterways, six Class I railroads and the interstate highway system. Port NOLA works jointly with Applicant KCS on international intermodal business moving between the Port of New Orleans and the KCS rail terminal in Wylie, Texas, serving the Dallas-Fort Worth market. Additionally, KCS provides rail service to Port NOLA’s industrial real estate tenants via the NOPB.

Both Port NOLA and NOPB have benefitted from a strong relationship with KCS and have worked even more closely on growing volumes moving by rail through the New Orleans corridor since the re-start of intermodal service between New Orleans and Wylie in 2018. The KCS Shreveport – Wylie segment is an important corridor for rail traffic originating from and destined for the Port of New Orleans, the NOPB and customers. Consequently, the segment is also important for the economy of southeast Louisiana. This corridor performs at a high level today, as operations over the corridor are not suffering the sort of service-related problems experienced elsewhere on the national rail system at the present time.

Both Port NOLA and NOPB fully appreciate that NSR's request in its Responsive Application for trackage rights over the KCS Shreveport-Wylie segment is contingent on the presumptively merged CPKC's performance on current haulage obligations to NSR. For such trackage rights to be triggered would indicate that the capacity of the segment would be exceeded, a situation that NSR warns of in its Responsive Application.

Should such a situation arise, however, the granting of trackage rights alone to NSR, while giving NSR a measure of control over its own trains, would not resolve the congestion issues that triggered the contingency in the first place. In fact, adding more trains run by a second carrier over the segment would likely exacerbate the problem. The increased capacity on the segment would necessarily impact the fluidity of freight transportation of all customers that currently rely on that free-flowing route, including that of NOPB, Port NOLA and their customers.

Accordingly, NOPB and Port NOLA oppose the granting of NSR's request for contingent trackage rights across the segment of the KCS line between Wylie, Texas, and Shreveport, Louisiana, unless, as a condition to granting any such rights, an effective plan to resolve any congestion issues that may have triggered those rights and to provide for future growth is agreed on and implemented by the presumptively merged CPKC and NSR. Such a requirement would ensure that all customers, including Port NOLA, whose freight may be routed on that segment or who may use the Wylie terminal will enjoy the high level of service that Applicant KCS provides today, and that the prospective CPKC holds itself out to provide.

NOPB and Port NOLA requests your most favorable consideration of the concerns raised herein during your review and ultimate determination of this matter.

Sincerely,



Brandy D. Christian
President & CEO, Port NOLA

Sincerely,



Tomeka Bryant
General Manager, NOPB

cc: All Persons on the Service List for FD 36500 and FD 36500 Sub-Numbered Dockets