

February 11, 2022

The Honorable Martin J. Oberman, Chairman
Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Oberman and Members of the Surface Transportation Board,

Wisconsin's nine freight railroads are a vital link supplying Wisconsin farms, forestry operations, and factories with the inputs they need to prosper and then connecting their goods to the global marketplace. Reliable rail lines are thus an economic development engine for communities across Wisconsin. We write today with this in mind and wanted to share our opposition to a proposed rule on forced reciprocal switching (EP 711-1) that could undermine Wisconsin's rail network.

A critical part of our national infrastructure, freight railroads are privately owned companies that pay to maintain and expand their networks out of private revenues. CN Railroad, the largest by track mileage in Wisconsin, has spent upward of \$970 million over the last five years on its infrastructure in our state alone.

For the many rail-served businesses and producers across Wisconsin, this spending means more efficient rail connections and a competitive advantage. Not to mention rail is the most efficient way to move freight over land, cutting down on emissions about 75% over trucking. We also have the most cost-effective freight rail network in the world, with customer rates nearly half of what they were in 1980 when adjusted for inflation.

But the introduction of new switching mandates could undermine these successes by disrupting rail operations and leading to service problems that push customers away from rail freight and toward over-the-road transportation. That's because reciprocal switching operations are complex, time consuming, and would reverberate across a rail network with 1.5 million rail cars at any given time. Major shippers like UPS or Hub Group have opposed forced switching in the past for its likely negative impact on service.

Forced switching is also opposed by Amtrak for its potential to interfere with passenger operations. Here in Wisconsin, we have been working with Minnesota and Illinois to expand intercity passenger rail options through the Twin Cities-Milwaukee-Chicago Passenger Rail Project (TCMC). Complications on the rail network related to switching have the potential to slow this effort and undermine Wisconsin's existing Amtrak routes, the Hiawatha Service and Empire Builder.

The railroad industry has long been a reliable and cost-effective partner for Wisconsin businesses, catalyzing industrial advancement across the state. They retained this 24/7 resiliency during the pandemic and ensuing supply chain disruption and could help lead logistics in the future.

But more regulation will muddle this vision. Proponents of switching may understate its likely negative rail network repercussions, but the policy is a significant departure from the balanced regulatory system “that has created enormous benefits for shippers, carriers, and consumers,” according to the National Taxpayers Union.

Wisconsin’s railroads set themselves apart with their consistent and high infrastructure spending. We urge you to reject any rail mandates—including the forced switching rule—that would make it harder for them to maintain this spending that our communities rely on. Thank you for your consideration.

Sincerely,

City of Chilton

Dave Considine
State Representative, District 81
Wisconsin State Assembly

Dan Devine
Mayor
City of West Allis

Paul Esser
Mayor
City of Sun Prairie

Mike Farrell
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Daniel J. Fedderly, P.E.; P.L.S.
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County Supervisor
Milwaukee County

Phil Hewitt
Highway Commissioner
Vernon County Highway Department

Jesse James
State Representative, District 68
Wisconsin State Assembly

Dave Murphy
State Representative, District 56
Wisconsin State Assembly

CC: Wisconsin Congressional Delegation