The Surface Transportation Board (STB) — the agency that oversees freight railroad economic regulations — recently withdrew a sweeping switching proposal. It is now considering a new service-based approach.

Advocates of forced switching seek below-market rate levels for their traffic at the expense of other customers and the fluidity of the network. Forced switching is a form of backdoor rate regulation that would hinder U.S. commerce and increase the costs of consumer goods. Railroads purposely concentrate and move traffic along certain routes to maximize operational efficiencies and network fluidity.

The railroads’ routing practices, honed over decades, consider the health and operation of the entire network, which benefits all customers, not just a few. Because switching operations on a track from one railroad to the next requires extensive work — a switch of one rail car requires many steps to occur — widespread forced switching would significantly compromise the efficiency of the nation’s rail network.

Railroads compete for business.

Railroads face fierce competition from trucks, barges and other market forces. To respond to a changing and competitive marketplace — and better serve emerging customers — railroads continually improve their networks through investments in infrastructure, equipment, training, operations and technology.

Network rationalization has been positive.

Railroad consolidation has not limited competition. Consolidation also is not a justification for forced access. Since 1960, shippers served by more than one railroad before a major rail merger are still served by more than one railroad after the merger. Additionally, consolidations brought greater efficiencies and more effective service that benefitted everyone. Most rail customers — including those served by only one railroad — do not need STB regulatory protection because market forces ensure competitive rates and service.
More switching could compromise safety.

Railroads’ holistic approach to rail safety focuses on four key areas: infrastructure and equipment investment, training and operational improvement, technology deployment, and community outreach and preparedness. Because switching operations are relatively riskier than line-haul operations, adding more switching puts workers at greater risk.

More switching could increase emissions.

Railroads are the most fuel-efficient way to move goods over land. Gumming up rail operations with more switches would not only hurt the many freight customers that depend on rail but also negatively affect the environment. Increased wait times in yards and on the mainline would be a step in the wrong direction of decarbonization for freight rail, which currently accounts for just 0.5% of total greenhouse gas emissions. In addition, if railroads become less efficient, traffic will shift to trucking, a significantly less fuel-efficient mode.

More switching could delay passengers.

70% of the train miles operated by Amtrak are on tracks owned by freight host railroads. Many passenger railroads depend on fluid freight operations to meet ambitious schedule goals. If freight is slowed because of increased switches and shared tracks are congested with more freight traffic, commuters and intercity passenger rail travelers will be impacted.

More switching could delay goods.

A less efficient railroad is less competitive with other modes of transportation, which would undermine this ability to invest, driving down railroads’ ability to meet future demands. Furthermore, introducing more switching into the network will be felt throughout the supply chain. More switching on the network will introduce more points of failure into already congested supply chains.