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## Runyon Industries

October 25, 2016

Cynthia Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

Re: STB Ex Parte No. 711 (Sub-No. 1), *Reciprocal Switching*

Dear Ms. Brown:

My name is Stan Runyon and I am the owner of Runyon Industries, Inc. I strongly support the adoption of new reciprocal switching rules that will help facilitate greater rail competition. My company has one facility that is served by a single class I rail carrier. My facility has been held hostage to a Rule 11 move costing over \$800 per car just to get across town and access other class I rail carriers due to being designated "closed to reciprocal switching" by the CN railroad. This has been ongoing through the last 20 years and is in spite of numerous efforts to change.

My competitor in the same business that I am in enjoys reciprocal switching and I am at a distinct cost disadvantage on both my inbound cars and outbound cars. I bring in over 65,000 tons of material and ship over 25,000 tons of material via rail every year and the lack of reciprocal switching has cost my company over \$250,000 in just the last two years alone.

In my case, there are existing facilities near me that enjoy reciprocal switching due to being grandfathered many years ago. In several of these instances, the same switch crew and the same engine switch them the same day the CN serves me and the cars flow through the same existing interchange yard. I suspect there are many cases just like mine where the interchange already exists, it is maintained and operated daily. But simply due to deregulation of the rail industry, the Industry has put imaginary obstacles in the way to enhance profit. All to the detriment of my access to competitive rail transportation.

I would be glad to travel to Washington to discuss this one on one with Board members if given the opportunity.

I applaud the Surface Transportation Board ("STB") for opening this rulemaking proceeding and agree that new switching rules are needed. The rail industry today is vastly different than the industry of the 1980s and no shipper has ever obtained reciprocal switching under the current rules.

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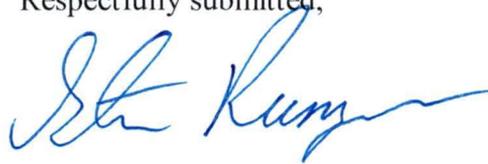
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We encourage the Board to adopt new switching standards that will result in streamlined proceedings before the Board. If switching cases are too complex, timely and costly then the new rules will be ineffective and will not be used. We also believe that the Board should change its proposal to address the following:

- Shortlines should be able to benefit from the rule by serving as the interchange carrier.
- Interchanges that require minimal investment to be paid by the shipper or interchange carrier should qualify as a “working interchange”. Interchanges that already exist and are used and maintained that require no additional expenditure on behalf of industry or the railroad should automatically qualify for reciprocal switching.
- The Board should adopt reasonable and straightforward procedures to establish the access fee either when the railroads cannot agree on the fee or when the party seeking the switch believes the fee is not reasonable.

We appreciate the Board’s consideration of this letter and urge the agency to promptly adopt new reciprocal rules.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John Rump", is written below the text "Respectfully submitted,".