

241836



**EVONIK**  
INDUSTRIES

ENTERED  
Office of Proceedings  
October 21, 2016  
Part of  
Public Record

October 21, 2016

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

Evonik Corporation  
299 Jefferson Road  
Parsippany, NJ 07054  
www.evonik.com/northamerica  
Phone +1 973.929.8008  
www.evonik.com

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

Dear Ms. Brown:

On behalf of Evonik Corporation, I write to strongly support the adoption of new reciprocal switching rules that will help facilitate greater rail competition. As you may know, Evonik is one of the world's leading specialty chemicals companies and employs approximately 4,000 individuals in the United States. Evonik has several facilities that are served by a single class I rail carrier. These facilities are subject to substantially higher rail rates and less reliable service than our facilities that have rail competition.

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.

I urge 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. I also believe that the Board should change its proposal to address the following:

- Short lines 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".
- 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.

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

Respectfully submitted,

\_\_\_\_\_  
President of Evonik Corporation