

Surface Transportation Board Washington, D.C. 20423-0001

August 30, 2024

The Honorable Tammy Baldwin 141 Hart Senate Office Building Washington, D.C. 20510

Dear Senator Baldwin,

Thank you for your recent letter regarding the Surface Transportation Board's (Board) efforts to improve rail service on the nation's rail network. We appreciate hearing your views about potential modifications to the current commodity exemptions under 49 C.F.R. Part 1039 and exemption revocations under 49 U.S.C. §10502(d).

As you know, the Board has been reviewing these issues in Review of Commodity, Boxcar, and TOFC/COFC Exemptions, Docket No. EP 704 (Sub-No. 1). Most recently, the Board sought public comment on a new approach that had been developed for possible use in considering class exemption and revocations, and Board staff held a technical conference to discuss that approach with stakeholders. The Board has received and reviewed numerous comments from railroads, rail customers, and other stakeholders, and we are in the process of considering the next steps in this proceeding. Because the case remains ongoing, we cannot comment further at this time.

Similarly, as noted in the Board's final rule in <u>Reciprocal Switching for Inadequate Service</u>, Docket No. EP 711 (Sub-No. 2), the Board intends to explore whether it should partially revoke exemptions on its own initiative to allow for reciprocal switching petitions. The final rule has been challenged in the United States Court of Appeals for the Seventh Circuit, and the agency is currently litigating that appeal.

Thank you again for sharing your views with the Board about commodity exemptions. A copy of your letter and this reply have been placed on the Board's website as non-docketed public correspondence. If you have any questions, please contact Ms. Janie Sheng, Director of the Board's Office of Public Assistance, Governmental Affairs, and Compliance, at 202-245-0238.

Sincerely,

200

Robert Primus Chairman Karen J. Hedlund Vice Chair

Patrick J. Fuchs Member Michelle A. Schultz

Midle L. S

Member