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Office of Proceedings
November 3, 2021
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BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36496
APPLICATION OF THE NATIONAL PASSENGER RAILROAD CORPORATION UNDER
49 U.S.C. § 24308(E)—CSX TRANSPORTATION, INC., AND NORFOLK SOUTHERN
RAILWAY COMPANY

**OPENING COMMENTS AND EVIDENCE OF THE ALABAMA STATE PORT
AUTHORITY AND TERMINAL RAILWAY ALABAMA STATE DOCKS**

Robert A. Wimbish
Thomas J. Litwiler
Stephen J. Foland
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR ALABAMA STATE
PORT AUTHORITY AND TERMINAL
RAILWAY ALABAMA STATE DOCKS**

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The Alabama State Port Authority (“ASPA”) and its rail common carrier operating division, Terminal Railway Alabama State Docks (“TASD”) – collectively, the “Port” – hereby tender opening evidence and comments in the above-referenced proceeding in response to the application (the “Application”) of the National Railroad Passenger Corp. (“Amtrak”) filed on March 16, 2021. In that Application, filed pursuant to 49 U.S.C. § 24308(e) – *not* 49 U.S.C. § 24308(a) – Amtrak (a) has argued that CSX Transportation, Inc. (“CSXT”) and Norfolk Southern Railway Company (“NSR”) have “not agreed”¹ to permit Amtrak to initiate a two-daily-round-trip passenger train service between New Orleans, LA, and Mobile, AL (the “Gulf Coast Service”); and, therefore, (b) has applied to the Surface Transportation Board (the “Board”) for an order compelling CSXT and NSR to “allow for the operation of”² Amtrak’s requested trains.

¹ 49 U.S.C. § 24308(e).

² *Id.*

The applicable statute requires the Board to issue the requested order, unless that “order would impair unreasonably freight transportation.”³ The Port’s evidence will show that ordering Amtrak service to commence on Amtrak’s apparent terms *will* impair T ASD’s provision of freight transportation unreasonably, and, as such, that Amtrak’s application should be denied in keeping with the statute. If, on the other hand, CSXT and NSR have *not* refused categorically to accommodate Amtrak’s Gulf Coast Service (as the facts and Amtrak’s Application both reflect), but are instead mired in a dispute with Amtrak over the appropriate terms and conditions under which that passenger service can commence, then the Board should refrain at this time from engaging in an examination of the terms and conditions (freight-protecting mitigation) to govern Gulf Coast Service, because such action is beyond the scope of the Board’s Section 24308(e) mandate (and which would be appropriate, rather, in a proceeding initiated pursuant to Section 24308(a), which Amtrak has not invoked). However, to the extent that it may serve to reinforce the point that the initiation of the proposed Gulf Coast Service threatens potentially severe harm to T ASD freight service in and around Mobile, Alabama, the Port will offer herein recommended “infrastructure that [it] consider[s] necessary for Amtrak to operate additional trains by its proposed start date as well as infrastructure needed in the future to factor in anticipated growth in traffic.”⁴ The Port does so on the understanding that the Board will use such information only to “to assess whether the proposed additional train service can proceed without impairing unreasonably freight transportation” (*id.*).⁵

³ 49 U.S.C. § 24308(e)(2)(A).

⁴ Board Order, issued August 6, 2021 (“August 6 Order”), 7.

⁵ The foregoing quote from the August 6 Order, immediately precedes the Board’s assurance that this proceeding would provide a forum to assess the concerns of “Alabama state leadership” about “the potential impacts of passenger service on freight service.” *Id.*

BACKGROUND

A. Alabama State Port Authority and Terminal Railway Alabama State Docks

ASPA is the State of Alabama's statutory agency responsible for navigation at the Port of Mobile, and as such, it owns the public seaport terminals and, through TASD, operates railroad facilities supporting terminal freight activity. The Port of Mobile is currently the twelfth-largest seaport in the United States by volume of cargo handled, and is the second-largest steel port and third-largest coal port in America. It is also one of the fastest-growing container ports in North America. ASPA has invested over \$1.3 billion in recent years to expand and modernize the port facilities, and it is targeting another \$700 million in federal and state funding for additional port improvements, including \$360 million in federal funds to deepen and widen the Mobile Ship channel by 2025 to more efficiently accommodate post-Panamax and large bulk ships calling at the port. (This project will make the Port of Mobile among the deepest ports in the U.S. Gulf and the Southeast Atlantic seaboard.) The Port of Mobile is comprised of public and private cargo terminals and several shipyards located along a compact and limited five-mile-long stretch of the Mobile River. The Port's rail public terminals are located mostly on the west side of the Mobile River at the point of its outflow into Mobile Bay. None of the private terminals on the Mobile River are rail-supported. Within that limited area, and aside from TASD's yards, there are several rail facilities operated by various Class I and regional carriers providing service to the Port.

TASD is ASPA's federally-regulated railroad common carrier service division, operating a network of yard and terminal trackage in and around the Port of Mobile. All Class I

and regional railroads (eight total) must utilize TASD's principal facilities at Mobile to access the rail served public port include the following:⁶

- Interchange Yard, which is a yard serving in support of mixed carload traffic interchanged with multiple rail carriers operating to (or with a commercial presence at) Mobile.⁷ Among other things, Interchange Yard serves as a staging and sorting facility for international railroad traffic movements (rail ferry) shuttling across the Gulf of Mexico, between Mobile and Coatzacoalcos, Veracruz, Mexico, handled by CGRL.⁸ Interchange Yard is also the staging yard for all traffic flowing to or from TASD's Riverfront Yard (discussed immediately below), and handles all grain, pig iron, cement, various breakbulk commodities (such as coiled steel, iron and steel articles, aluminum ingots, wood pulp, lumber, paper, and plastics), some containerized, and over-dimensional cargoes, and through which substantial amounts of TASD-handled coal and intermodal (container-on-well car – "COWC") traffic is handled to and from other TASD facilities. Virtually all mixed carload traffic, coal and other bulk shipments, and containerized cargo shipments that TASD handles flow through Interchange Yard.
- Riverfront Yard, which is a terminal facility (and complex network of tracks) through which the aforementioned breakbulk, pig iron, grain, cement and CGRL ferries handling mixed carload traffic are loaded to and unloaded from ships. Riverfront Yard supports all ship-to-rail and rail-to-ship freight at the Port of Mobile, other than coal and containerized cargo.
- McDuffie Island Coal Terminal, which is coal transfer facility that supports rail-to-ship and ship-to-rail transfer coal shipments (most of which is outbound metallurgical coal).
- Intermodal Container Transfer Facility ("ICTF"), located on the west bank of Mobile Bay near the marine container terminal. ICTF handles the ship-to-rail, rail-to-ship,

⁶ Each of these TASD-operated facilities within the Mobile terminal area, and the respective location, function and importance of each is discussed in greater detail in the appended Verified Statement of Robert M. Golden (an evidentiary submission also discussed further below).

⁷ TASD directly interchanges with the following rail carriers at Mobile: CSXT, NSR, Alabama & Gulf Coast Railway, LLC ("AGR"), and Alabama Export Railroad, Inc. ("ALE") / Mississippi Export Railroad Company ("MSE"). In addition, TASD also provides terminal switching services for BNSF Railway Company (via intermediate AGR service), Illinois Central Railroad Company ("IC" – via an intermediate switch by ALE/MSE), The Kansas City Southern Railway Company (again, via an ALE intermediate switch), and CG Railway LLC ("CGRL"). As such, eight different rail carriers have actual, physical or commercial access to TASD and the port facilities TASD serves.

⁸ https://cgrailway.com/#m_tab-one-panel

and truck-to-rail transfers of containerized cargo of all kinds. The ICTF railroad intermodal flows are handled by IC between Mobile and Chicago. The ICTF is accessible by all five Class I carriers at Mobile via T ASD. This is the fastest-growing segment of the Port's commodity mix, as container shipping companies are finding Mobile is an uncongested, reliable port for the movement of container shipments between the Midwestern U.S. and overseas origins and destinations.

T ASD train operations are complex and involve handling considerable traffic volumes between T ASD-operated terminals located on either side of the CSXT corridor in Mobile over which Amtrak proposes to initiate passenger train service. As discussed below, T ASD's inter-facility operations depend upon traversing the CSXT corridor through two control point locations in Mobile, and none of these operations is anywhere near as simple as traversing a signaled, at-grade crossing of the CSXT. Far from it. Moreover, T ASD's cross-corridor trains are, on average, between 4,000 and 5,800 feet long, with some cross-corridor train movements being even longer than that.

In the pre-pandemic times of 2019, T ASD handled a total of 248,038 carloads, of which 226,916 carloads carrying freight or containers for international and domestic shippers utilizing the Port of Mobile crossed or transited the CSXT mainline where Amtrak proposes to operate. Commodities handled, aside from mixed carload and COWC traffic, include, grain, and coal. In the recently-concluded fiscal year 2021, T ASD handled on the CSXT mainline 182,532 carloads and 10,579 COWC cars.⁹ Rail car volume reductions in fiscal year 2021 can be attributed to two primary causes: pandemic-induced reductions in steel and advanced manufacturing, and the temporary closing of Alabama coal mines associated with coal pricing or labor contract negotiations. On the other hand, retail distribution of durable goods and cold cargoes, such as poultry and fish, and permanent supply chain shifts from U.S. West and East

⁹ See Exhibit A, T ASD historic railroad volume data, and ASPA railroad traffic growth forecasts 2021-2026.

coast ports through Mobile’s gateway have led to dramatic increases in railed container movements. T ASD anticipates that it will handle by rail as many as 15,100 additional COWC cars by 2026 – a roughly 30% year-over-year increase, which would make containerized freight traffic T ASD’s fastest-growing railroad-borne commodity.¹⁰

Further, Alabama’s metallurgical coal reserves and mine operators extracting that coal are making investments in new mines that will deliver an additional four to five million tons of export coal through the Port, of which roughly half will be shipped to the McDuffie Island Coal Terminal over a route that will involve T ASD handling that coal over the CSXT main line through downtown Mobile. Other known rail growth areas are tied to newly-delivered capacity on the GCRL rail ferry service. The added vessel capacity on this popular service will add 26,936 rail cars annually to train movements between the Interchange and Riverfront Yards beginning in January 2022. Lastly, the Port just delivered a new \$61 million automotive logistics roll-on-roll-off (or “RORO”) terminal to support domestic and international finished automobile movements for the Southeast U.S. and Mexico’s Original Equipment Manufacturers. Conservatively, and based on current terminal capacity, the Port projects between 4,400 and 7,500 additional rail cars annually will move between the Interchange and Riverfront Yards as this new RORO terminal ramps up in the next several years, beginning in Q1 2022.

Today, and not factoring the Port’s known volume growth, T ASD operates on an average week roughly three to four trains daily across the CSXT corridor to move traffic between Interchange and Riverfront Yards. Trains moving to and from the McDuffie Island Coal Terminal and ICTF account for roughly six train movements each weekday in total. All trains require movement through the CSXT-controlled CP Alabama State Docks. Each

¹⁰ See id.

McDuffie Coal Terminal and ICTF train movement across the CSXT corridor (to or from Interchange Yard) requires roughly 30 minutes to traverse CSXT trackage to reach these terminals. Each TASD train movement between Interchange Yard and TASD's Riverfront Yard – averaging three to four train movements daily and as many as six to eight train movements daily during grain season – requires roughly 60 minutes to complete its transit across the CSXT corridor.

B. Amtrak and its Proposed Gulf Coast Service

Amtrak last operated through Mobile roughly 16 years ago, when Amtrak offered through service between Los Angeles, California, and Orlando, Florida, by way of Amtrak's thrice-weekly Sunset Limited service. In the interim, much has changed, operationally, in and around the Mobile terminal. TASD commodity mixes have changed, as well, and overall volumes have grown. Also, Amtrak's last passenger service operated *through* Mobile a total of six times per week, while the Gulf Coast service, by comparison, contemplates on a weekly basis as many as 28 Amtrak trains originating and terminating at Mobile. And, because it appears, based on the proposed train schedules Amtrak has supplied in this docket, that at least some, if not all, of Amtrak's Gulf Coast Service trainsets will lay over somewhere in the Mobile terminal area in between runs, the total number of weekly Amtrak train movements in and around Mobile (including empty train movements to and from an off-main holding track) could well be more than *seven times* that encountered during the Sunset Limited's tenure. In any event, the Port's foregoing observations are merely for general context; the main objective of this filing is to address TASD operations within the Mobile terminal today (not as they may have existed in 2005 or even before that), and to explain how those current operations (and increasing demands for TASD's railroad transportation services) would be harmed by a Board order permitting

Amtrak's Gulf Coast Service (as the Port understands the scope of Amtrak's proposed operations at Mobile), absent appropriate freight-service-protecting mitigation.

ARGUMENT

A. Amtrak's Gulf Coast Service Cannot be Ordered under Section 24308(e), Because, Absent Appropriate Mitigation, the Proposed Passenger Operations Would Unreasonably Impair Freight Rail Transportation

The Port is not categorically opposed to the commencement of Amtrak's proposed Gulf Coast Service. The Port supports the concept behind the Gulf Coast Service initiative, provided that the service is implemented responsibly, with due regard for rail freight operations along and around passenger the service corridor, and on the condition that Amtrak will provide appropriate freight service-protecting infrastructure funding, consistent with the collective efforts and consultation that had preceded Amtrak's impatient, and potentially reckless, resort to the Board's procedures. But, because the current proposal – as best the Port understands it – lacks any infrastructure to protect against adverse freight service impacts, Amtrak's requested order threatens to introduce very serious service disruptions in and around the Mobile terminal. Accordingly, the Port has no choice but to protect its interstate commerce interests by opposing the Application, and it must do so strenuously, since the potential harm to the Port could be calamitous.

By law, the Board cannot permit Gulf Coast Service to commence, because Amtrak's requested order would impair freight transportation unreasonably. The Port (and, as best the Port can tell, CSXT and NSR) would be willing to accommodate Gulf Coast Service, provided Amtrak were to undertake appropriate freight service-protecting mitigation. Such mitigation would, among other things, require additional infrastructure in the Mobile terminal, intended not only to protect CSXT network fluidity, but also to assure TASP sufficient operating

windows over and across the CSXT corridor as necessary for T ASD to provide inter-terminal and cross-corridor services, which are integral to connecting all railroad carriers and their shippers to the rail served public seaport terminals at Mobile. But mitigation prescription is beyond the scope of Section 24308(e), and, thus, cannot be ordered under the statute that Amtrak has invoked, leaving the Board with no choice but to deny the Application.

Section 24308(e) provides, in pertinent part, that “[w]hen a rail carrier does not agree to provide, or allow Amtrak to provide, for the operation of additional trains over a rail line of the carrier, Amtrak may apply to the Board for an order requiring the carrier to provide or allow for the operation of the requested trains. After a hearing on the record, the Board may order the carrier, within 60 days, to provide or allow for the operation of the requested trains on a schedule based on legally permissible operating times.”¹¹ And, if the Board concludes that a hearing is warranted to resolve dispute, the Board “shall consider . . . whether an order would impair unreasonably freight transportation of the rail carrier, with the carrier having the burden of demonstrating that the additional trains will impair the freight transportation”.¹²

Although the Port sees the situation much differently, the Board has concluded that NSR and CSXT have not agreed to allow Amtrak to operate over the relevant lines, leaving the Board in a position where it must consider whether a hearing is warranted. The Board, however, has invited evidence on the issue of unreasonable impairment of freight transportation pursuant to its August 6 Order. In that order, the Board stated that this proceeding would provide a forum for the consideration of the concerns previously expressed by the Port in filings tendered on April 5, 2021 and April 26, 2021 (and errata tendered April 27, 2021). The Board

¹¹ 49 U.S.C. § 24308(e).

¹² 49 U.S.C. § 24308(e)(2)(A).

indicated that it intended to assure that all potential Amtrak-created freight rail impacts in the Mobile terminal area – not just those that CSXT might experience – would be evaluated. The Port has joined in these proceedings to show that Amtrak’s Gulf Coast Service, absent mitigation (which Amtrak has not offered), could seriously harm to TASD freight operations. Because Amtrak seeks access for its proposed Gulf Coast Service without undertaking *any* infrastructure to protect freight operations,¹³ Amtrak’s Section 24308(e) Application must be denied.

B. Absent Appropriate Mitigation, Amtrak’s Gulf Coast Service Will Unreasonably Impair TASD’s Freight Common Carrier Operations in the Mobile Terminal

The Port offers herewith the Verified Statement of Robert M. Golden (“V.S. Golden”), TASD’s General Manager (attached as Exhibit B). Mr. Golden’s testimony sets forth the scope and complexity of TASD’s facilities and operations in the Mobile terminal, substantiates the potentially serious adverse impacts to TASD railroad operations within the Mobile terminal that would result from the commencement of Amtrak’s Gulf Coast Service, and offers Mr. Golden’s expert opinion as to the sort of added infrastructure necessary to avoid unreasonable impairment of TASD’s freight operations in the Mobile terminal.

As explained in detail in the attached V.S. Golden, TASD’s terminal facilities are not directly integrated, in that they do not all connect with one another by way of TASD tracks. Rather, TASD’s facilities are separated from one another by CSXT’s single-track main line between New Orleans and Flomaton, Alabama (and by CSXT-controlled yard and terminal track adjacent to the CSXT main line through Mobile). To operate between such terminal facilities, TASD must exercise operating rights over substantial portions (up to 2.6 miles) of the CSXT corridor over which it appears that Amtrak intends to introduce a minimum of four train

¹³ Amtrak Reply to the CSXT/NSR Motion to Dismiss, 14-17.

movements per day associated with the service and as much as eight train movements per day factoring the additional train storage movements. T ASD’s cross-corridor operations are not as simple as running over an at-grade diamond, but rather entail the use of between one mile and 2.6 miles of CSXT trackage through critical CSXT control points at Mobile to operate between T ASD facilities on opposite sides of the CSXT main line. As Mr. Golden explains, such cross-corridor operations can involve lengthy trains and complex forward-and-reverse train movements, and, as always, are subject to, and conditioned upon, CSXT dispatcher authorization. V.S. Golden, 3–5.

Not only are T ASD’s cross-corridor operations complex and dependent upon CSXT’s capacity, but they are also dependent upon CSXT’s accommodation of local waterborne traffic, which often dictates temporary suspensions of CSXT operations into, out of, and within the Mobile terminal when local railroad swing bridges at Three Mile Creek and Chickasaw Creek must be closed to train operations to permit the movement of all waterborne traffic. Id., 5. In fact, under federal law, water-borne traffic takes priority over CSXT’s train operations, such that, in practice, T ASD’s cross-corridor train movements are last in priority behind water navigation (railroad bridge closures) and CSXT freight movements. Id.

Amtrak’s Gulf Coast Service proposal would add yet another layer to this traffic “pecking order,” leaving T ASD as the last of four interstate commerce operations in Mobile consuming CSXT main line capacity, behind, respectively, waterborne traffic, Amtrak, and CSXT. Id., 11–12. As Mr. Golden explains, the incremental impacts of Amtrak’s Gulf Coast Service proposal could affect T ASD operations dramatically. According to Mr. Golden, each of Amtrak’s passenger train movements into and out of Mobile, including empty Amtrak train movements headed to or from off-main-line storage (expected to be eight train movements a day,

total) will occur over CSXT's single-track line through the Mobile terminal. Not only will CSXT trains have to be held out of the terminal while such Amtrak train movements take place, but TASD's cross-corridor moves will also be stopped during these intervals. TASD cross-corridor operations will resume only after Amtrak has vacated the terminal track, and CSXT has addressed its own operating needs at Mobile, subject at all times, of course, to the vagaries of bridge closures to accommodate water traffic. *Id.*, 10–13.

As can be perceived from the above discussion, and as is set forth in Mr. Golden's verified statement, absent Amtrak's Gulf Coast Service, TASD's cross-corridor operations are complicated and difficult as it is, but TASD manages to obtain cross-corridor operating windows. Were Amtrak to operate into and out of downtown Mobile (and assuming no Board-imposed mitigation measures), it is entirely conceivable that CSXT would no longer possess the capacity regularly to accommodate TASD's cross-corridor trains – a potentially catastrophic outcome for freight operations within the Mobile, and, more generally, for the Port of Mobile.

The Port's concerns over potential TASD cross-corridor gridlock, as expressed in the attached V.S. Golden, are rooted in experience and are not merely hyperbolic expressions offered for effect. The Port would not have insisted on participating in this proceeding (and on doing so at the commitment of considerable Port time and resources) were it not also fully aware of the Gulf Coast Service's unique threat to TASD service absent appropriate mitigation. In part, the Port's concerns stem from full knowledge of rail movements in and out of the Port of Mobile, what it does *not* know about Amtrak's proposed operations, and the Port's assessment of Amtrak's proposal subject to CSXT's and Amtrak's operations modeling, which CSXT will be supplying today, and which Amtrak will tender at the reply phase of this proceeding. This is among the most frustrating elements of this proceeding for the Port, as it would much have much

preferred the collective development of a single rail service operating model among CSXT, NSR, Amtrak, and T ASD (potentially among others), rather than the inefficiencies and potential input inconsistencies of the “balkanized” modeling approach that the Board has recommended in its August 6 Order. While the Port understands the expediency of the approach adopted by the Board, that approach, compared to the alternative path of collective model development, is problematic for the Port (and Alabama State interests, generally), and undercuts the proposition that the state’s interests, including those manifested through the Port, can be adequately and fairly accommodated here.

Relatedly, although Amtrak’s Application is rather voluminous, the Application is largely devoid of operating detail. It appears from certain elements of the Application, that Amtrak plans to serve a downtown Mobile station (as the Gulf Coast Service’s eastern terminus) generally in keeping with past Amtrak operations, which ended some 16 years ago, although, here, also, Amtrak’s operating plan for the eastern terminus of its Gulf Coast Service is not entirely clear.¹⁴ Such a downtown Mobile station would be located within one of the busiest and most complex parts of the Mobile terminal. Based upon this, and T ASD’s current operating experience (and subject to the scope and results of CSXT and Amtrak traffic modeling), T ASD has little choice at this point, but to assume potential worst-case scenarios, and it must, for the time being at least, prepare accordingly for those possibilities.

¹⁴ The Port looks to Amtrak to provide more definitive plans for its Mobile operations either in direct consultation with the Port (constructive outreach that the Port would welcome) or in its reply filing in this proceeding, particularly to resolve perceived discrepancies in the Application regarding whether Amtrak will operate to a proposed downtown Mobile station (to be renovated), or whether it would instead terminate its Gulf Coast Service at a station to be located to the west of downtown Mobile (a point discussed in the mitigation section that follows).

In its haste to advance its Gulf Coast Service aspirations, Amtrak seems to have disregarded TASD's cross-corridor operations, and, as far as the Port knows, Amtrak has little, if any sense of (or regard for) – (a) how TASD operates in the terminal area; or (b) how its proposed operations could affect TASD's cross-corridor, terminal switching services in support of multiple rail carriers calling on the Port of Mobile. The Port knows for certain, however, that Amtrak has not met with TASD to discuss TASD's Mobile terminal operations, aside from a brief meeting with the Port Authority on February 10, 2021, at which time the Port's senior and TASD management provided an overview of its operations. Amtrak insisted throughout this meeting, dismissively to the dismay of Port representatives, that the CSXT corridor through Mobile was not fully utilized and that Amtrak's team had not witnessed any traffic on the line from the viewpoint of their Gulfport hotel room, which observation indicated to Amtrak that TASD and CSXT would experience no service disruptions from Amtrak's Gulf Coast Service. At that meeting, Amtrak expressed no interest in understanding TASD's terminal and cross-corridor operations, and focused its time and attention on its plans for renovation of its stations along the planned route.¹⁵

If Amtrak has attempted to understand the complexity of existing Mobile terminal operations, including TASD's inter-terminal traffic flows and volumes crossing and transiting the CSX corridor, then it must have obtained such information second-hand, and the Port will confidently challenge the validity of second-hand rail operational details, much less volumes handled. The Port Authority and its TASD is not in the habit of releasing such information to the public. As Mr. Golden recounts, Amtrak, in turn, has not offered TASD a detailed account of its

¹⁵ John C. Driscoll, ASPA's Director and Chief Executive Officer, corroborates the foregoing summary and characterization of this particular meeting in his verification, attached as Exhibit C.

future operating plans, including its expected consumption of CSXT corridor capacity, much less an explanation as to why Amtrak assumes that T ASD operations would not be harmed by the introduction of Amtrak service. *Id.*, 9–10.

In sum, Amtrak’s proposed Gulf Coast Service would introduce approximately 42 additional train movements (or more) per week into the Mobile terminal area, precisely in the way of T ASD’s complex and time-consuming cross-corridor operations. The increase is such that, even if Amtrak movements could be accommodated without the need for additional infrastructure at Mobile to protect CSXT service, it is clear that T ASD cross-corridor operations will suffer, and could even render such cross-corridor operations impossible. The threat to T ASD and the need for mitigation is further magnified by Port forecasts that project substantial growth in cross-corridor traffic volumes discussed above.

C. Appropriate Railroad Freight Service-Protecting Mitigation is Available, and the Board Should Require it as a Precondition to the Commencement of Amtrak’s Gulf Coast Service

Section 24308(e) provides a mechanism by which Amtrak may be able to obtain access to CSXT’s and NSR’ railroad facilities for purposes of commencing its proposed Gulf Coast Service over the objection of CSXT and NSR. The Port understands that Section 24308(e) would entitle Amtrak to a Board order overruling the individual or collective CSXT and/or NSR objections to access (if, indeed, such objections exist) under certain circumstances.¹⁶ If, on the

¹⁶ The Port does not interpret CSXT’s and NSR’s collective position as an unqualified objection to access as the Board appears to have interpreted it. Instead, the Port perceives a disagreement over the terms and conditions of Amtrak’s access. Amtrak’s Application itself characterizes the dispute as one revolving around terms and conditions. See Application, 2-3 (“But despite this time and effort, the parties remain very far apart in their positions on what is required to begin operating the Gulf Coast Service.”); 4 (“The parties’ attempts to bridge the gap between their very different positions on what is required to restart the Gulf Coast Service have been unsuccessful.”). On that note, the Port also disagrees with CSXT and NSR when both

other hand, the current disagreement is more accurately about preconditions to, or terms of, access, as even Amtrak's Application indicates, then the Port would have expected that Amtrak would have sought terms prescription under 49 U.S.C. § 24308(a), not Section 24308(e).¹⁷

For these reasons, the Port is uncertain about the purpose of the Board's solicitation of material in this proceeding to "detail any infrastructure that [may be] necessary for Amtrak to operate additional trains by its proposed start date as well as infrastructure needed in the future to factor in anticipated growth in traffic."¹⁸ This proceeding should stop, and Amtrak's Application should be denied, if the railroad parties carry their burden of proving that Amtrak's proposal, as tendered, would unreasonably impair freight transportation. That is, if freight service would be unreasonably harmed under Amtrak's service proposal, then the prevailing evidence of such harm should be enough to enable the Board to rule on the Application. The scope of the mitigation that would be needed to avoid such unreasonable harm should not be relevant. Rather, the fact that Amtrak has not agreed to provide any such mitigation should be enough to end the current inquiry.

Nevertheless, because the Board appears to have concluded that evidence on infrastructure needs will inform its decision on whether to grant Amtrak's Gulf Coast Service

contend that this proceeding requires the Board to "determine whether *and under what conditions* to order additional trains" (Motion to Dismiss, 20, emphasis added), because the Port considers the actions mentioned in the italicized phrase to entail an exercise beyond the scope of a Section 24308(e) proceeding. Under the circumstances, the Port notes with concern that the Board has acknowledged, but, evidently, also has elected to overlook, the critical distinction between relief sought under Sections 24308(a) and 24308(e), respectively, in moving forward with this proceeding. See August 6 Order, 6 n. 10.

¹⁷ See, e.g., *National Railroad Passenger Corporation – Petition for Declaratory Order – Weight of Rail*, FD 33697 (STB served Jan. 31, 2003), 3 (the Board has the statutory authority under Section 24308(a) "to prescribe terms of access"); *National R.R. Passenger Corp.–Applic.–49 U.S.C. 24308(a)*, 3 S.T.B. 157 (1998).

¹⁸ August 6 Order, 7.

Application as presented, the Port has tasked Mr. Golden with offering testimony on the infrastructure that the Port has determined would be necessary to protect TASD operations from unreasonable impairment. As Mr. Golden explains in greater detail in his verified statement, mitigation necessary to avoid unreasonable impairment of TASD freight operations in and around Mobile include the following:

- ***Originating, terminating, and holding Amtrak trains at a station railroad west of downtown Mobile – specifically at the Brookley Aeroplex – and not operating into downtown Mobile.*** The most significant and immediate threat to TASD freight operations would be Amtrak’s operation into downtown Mobile, within the confined and complex terminal area. V.S. Golden, 9–14. Were Amtrak to limit its Mobile Operations to Brookley and were it to stay out of the downtown Mobile terminal area, such an arrangement would slightly reduce, but not eliminate, pressure on the CSXT corridor assets upon which TASD relies. However, limiting Amtrak’s eastern terminus to the Brookley Aeroplex would raise certain (and still significant) operational challenges of its own for TASD, and TASD would address those impacts and infrastructure appropriate to address those impacts in a later phase of this proceeding, if Amtrak were to confirm upon Reply that it intends not to operate its trains into downtown Mobile.
- ***TASD Flyover Track.*** The most comprehensive solution to Amtrak’s operating impacts on TASD freight traffic is to require Amtrak to fund the construction of a flyover track that would provide TASD a direct link between Interchange Yard and Riverfront Yard, eliminate the need for TASD to use any part of the CSXT infrastructure at Mobile for trains moving between these two terminal facilities. This solution does not eliminate TASD’s need to transit the CSXT mainline for traffic flowing between Interchange Yard and the McDuffie Island Coal Terminal/ICTF. The flyover concept is discussed at in the V.S. Golden (at 15), and the concept is depicted at V.S. Golden, Appendix 8.
- ***Bob Hope Bypass Track.*** As explained in the V.S. Golden, the Bob Hope Bypass Track would serve as a less-effective alternative to the Flyover Track concept, in that, while it would reduce TASD’s usage time and occupancy of CSXT’s mainline to operate to and from TASD’s Riverfront facilities, the Bob Hope Bypass Track would not eliminate TASD’s dependence upon the CSXT corridor entirely.
- ***Virginia Street Lead.*** The proposed Virginia Street Lead project would facilitate swifter and more efficient TASD train movements between its Interchange Yard and the McDuffie Island coal terminal and ICTF, reducing both TASD and CSXT’s transit times over this segment of the CSXT’s main line, and improving TASD’s ability to obtain an operating window to move between the McDuffie Island Coal

Terminal/ICTF and Interchange Yard under circumstances where Amtrak service will substantially reduce freight operating windows.

CONCLUSION

For the foregoing reasons, the Port submits that the evidence (including the evidence it has offered above and in the attached exhibits) demonstrates show that Amtrak's Gulf Coast Service proposal will unreasonably impair freight transportation service, including T ASD's provision of such services for multiple rail carriers in the Mobile Terminal. While the Port would be amenable to working with Amtrak to reach an accord on appropriate mitigation, Amtrak has not yet offered to engage in any such dialogue with the Port, and any unresolved mitigation issues seem appropriate for a proceeding under Section 24308(a), not a proceeding initiated under Section 24308(e). But, because Amtrak has opted to seek an order under Section 24308(e), and the evidence has shown that, for the Mobile terminal at least, Amtrak's Gulf Coast Service, as proposed, will unreasonably impair rail freight service (specifically, T ASD's rail freight service), Amtrak's Application must be denied.

Respectfully submitted,

/s/ *R. A. Wimbish*

Robert A. Wimbish

Thomas J. Litwiler

Stephen J. Foland

Fletcher & Sippel LLC

29 North Wacker Drive

Suite 800

Chicago, Illinois 60606-3208

(312) 252-1500

**ATTORNEYS FOR ALABAMA STATE
PORT AUTHORITY AND TERMINAL
RAILWAY ALABAMA STATE DOCKS**

Dated: November 3, 2021

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36496
APPLICATION OF THE NATIONAL PASSENGER RAILROAD CORPORATION UNDER
49 U.S.C. § 24308(E)—CSX TRANSPORTATION, INC., AND NORFOLK SOUTHERN
RAILWAY COMPANY

**OPENING COMMENTS AND EVIDENCE OF THE ALABAMA STATE PORT
AUTHORITY AND TERMINAL RAILWAY ALABAMA STATE DOCKS**

EXHIBIT A

**TASD HISTORIC RAILROAD VOLUME DATA, AND
ASPA RAILROAD TRAFFIC GROWTH
FORECASTS: 2021-2026**

TASD Serviced Rail Car Volumes by Fiscal Year						
	2004	2005	2006	2019	2020	2021
All Carrier Riverfront Cars that Cross CSX Mainline (Except Grain)	50,604	34,520	37,248	59,786	68,248	63,580
Intermodal Traffic Transiting CSX Mainline (ICTF)	N/A	N/A	N/A	1,710	3,009	10,250
All Carrier Grain Cars that Cross CSX Mainline	included above	15,988	23,378	6,980	5,720	13,198
All Carrier Coal Cars Transiting CSX Mainline	100,700	97,806	88,912	158,440	115,696	108,670
Total Cars Crossing/Transiting CSX Mainline	151,304	148,314	149,538	226,916	192,673	195,698
% of Rail Car Volume that Crosses/Transits CSX	91.18%	74.60%	93.75%	91.48%	88.66%	90.28%
Total TASD Rail Car Volume (Portwide)*	165,946	198,806	159,512	248,038	217,314	216,774

* Some TASD car volumes are switched between railroads via the Interchange Yard only - do not interface with the CSX Mainline.

COMMODITY	TERMINAL	LOCATION	CURRENT TERMINAL ANNUAL THROUGHPUT FY21	TERMINAL ANNUAL THROUGHPUT CAPACITY	TERMINAL ANNUAL THROUGHPUT CAPACITY AT FULL BUILDOUT	1-2 NEW VOLUME GROWTH	1-2 FY-YEAR OVER YEAR NEW RAIL CAR INCREASE	3-5 FY-YEAR NEW VOLUME GROWTH	3-5 FY-YEAR NEW RAIL CAR INCREASE	NOTES
COAL	MCDUFFIE COAL TERMINAL	LOWER HARBOR	11,634,727 SHORT TONS	16,000,000 SHORT TONS	22,000,000 SHORT TONS	4,000,000 SHORT TONS	17,241 RAIL CARS	5,000,000 SHORT TONS	21,551 RAIL CARS	Warrior Met Coal (WMC) acqired Tuscaloosa County Alabama coal mines and rights from Walter Energy and announced in 2018, a \$19 million investment in Mine #7. Warrior Met Coal holds rights to one of the largest non-thermal, metallurgical grade coal deposits in Alabama. Learn more about these reserves and associated economic impact at: https://alabamamining.org/economic-impact-of-the-coal-industry/ http://investors.warriormetcoal.com/news-releases/2018/04-30-2018-135952502 Then, in 2020, WMC announced \$550-600 million investment over five years to develop the new "Blue Creek" mines. http://investors.warriormetcoal.com/news-releases/2020/02-19-2020-210444301 Concurrently, the Alabama State Port Authority (ASPA) announced \$45 million in enhancement and modernization programs at its McDuffie Terminal to support planned volume increases from its customers, including WMC. The McDuffie modernization program is underway. CSX, CN and the Nortfolk Southern all deliver coal into McDuffie Terminal via the ASPA Terminal Railway.
CONTAINERS	INTERMODAL CONTAINER TRANSFER FACILITY	LOWER HARBOR	21,445 TEU	146,000 TEU	262,000 TEU	6,433 -8,363 TEU INCREASE	3,216 TO 4,181 ADDITIONAL RAIL CAR GROWTH	8,942-15,112 TEU INCREASE	4,456-7,557 ADDITIONAL RAIL CAR GROWTH	This is a new container rail intermodal facility served by CN via the ASPA Terminal Railway TASD. Service out of the ICTF is double stack. The ASPA growth assumption is based on year over year performance. ASPA anticipates 30% increase year over year in the near term. In FY2020, the ICTF handled 6149 TEUs or 3,214 rail cars. In FY2021, we saw a 285% increase in containers or 10,722 rail cars. While 200%+ year over year growth is not expected, it is reasonable based on our market connectivity into heavily developed mid-West logistics and distribution markets. Further, ASPA is currently in negotiations for added services via the CSX (New Ramp at Montgomery, AL) and the NS (A-USA Corridor Birmingham, AL McCalla Ramp)
MIXED RAIL FREIGHT	CG RAIL FERRY TERMINAL	UPPER HARBOR MAIN DOCKS COMPLEX	7,047 RAIL CARS	22,386 RAIL CARS	26,936 RAIL CARS		26,936 RAIL CARS		26,936 RAIL CARS	CG Railway (Genessee & Wyoming venture with Seacor) took deliver of two new rail car ferry ships that provide 4-day service between Mobile and Mexico. See: https://media.gwrr.com/press-releases/news-details/2021/CG-Railway-Celebrates-Completion-of-New-Rail-Ferrys-Maiden-Voyage-Takes-Delivery-of-Second-Rail-Ferry/default.aspx These vessels expanded carriage capability by 4,550 rail cars. Assuming a 3rd vessel is not built to expand services, CG Rail's 1-5 year annual rail cars handled volume is 26,936 rail cars. The low base year volume of 7,047 was due to vessel failures/shipyard dwells. The first new build CHEROKEE vessel is running at capacity. The second ship, MAYAN, will be in service by Jan. 2022. CG Railway services forest products, chemical, metals, agribusiness shippers from the mid-West and Southeast US markets. The CG Railway through the ASPA Terminal Railway takes cars from five Class I railroads servicing the port.
AUTOMOBILES / ROLLING STOCK	AUTOMOBILE INTERNATIONA L TERMINAL	UPPER HARBOR MAIN DOCKS COMPLEX	0	150,000 UNITS	150,000 UNITS	at capacity	18 UNITS PER CAR - 2,500 RAIL CARS	at capacity	18 UNITS PER CAR - 4,166 RAIL CARS	AutoMobile Terminal International - a partnership of Terminal Zarante, Neltume Ports and ATCO - are experienced finished automobile logistics terminal operators serving global autmotive OEMs in Latin America. AIT and ASPA completed in Q3 2021, a \$61 million RO/RO terminal at Mobile. The industry's global OEM shipping contracts come up for renewal in Q4 2021 and Q1 2022. AIT is confident this terminal will begin moving cars at or near capacity. AIT advises 30% of the volumes handled in years 1-3 will be rail served and 50% of volumes in years 4-5. This terminal would support 5 Class I railroads via the ASPA Terminal Railway TASD.

BEFORE THE
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**OPENING COMMENTS AND EVIDENCE OF THE ALABAMA STATE PORT
AUTHORITY AND TERMINAL RAILWAY ALABAMA STATE DOCKS**

EXHIBIT B

VERIFIED STATEMENT OF ROBERT M. GOLDEN

VERIFIED STATEMENT OF ROBERT M. GOLDEN

My name is Robert M. Golden. I am General Manager of Terminal Railway Alabama State Docks (“TASD”), a common carrier freight railroad division of the Alabama State Port Authority (“ASPA”). TASD operates a number of interrelated facilities located within the compact and busy railroad terminal area in and around the Port of Mobile, Alabama. I have twenty-one years’ experience in the railroad industry. My career began at CSX Transportation, Inc. (“CSXT”), where I held positions in the transportation department as Train Dispatcher, Trainmaster, Director of Train Operations, Network Operations Manager, and Superintendent of Train Operations. I joined TASD as Assistant General Manager in 2017, and was promoted to General Manager in 2021. I report to ASPA’s Chief Operating Officer and Deputy Director of the Port of Mobile for all aspects of TASD’s operations, including train operations, crew management, planning, and customer service.

The purpose of this verified statement is to address TASD’s concerns regarding the application of the National Railroad Passenger Corporation (“Amtrak”) for an order from the Surface Transportation Board to initiate passenger rail service between New Orleans, Louisiana, and Mobile (the so-called “Gulf Coast Service”), including over the lines of CSXT. As detailed in the balance of my verified statement, it is my expert opinion that permitting Amtrak to initiate this service, absent appropriate added infrastructure designed to protect TASD service—none of which, as I understand it, Amtrak has offered—would substantially harm TASD’s freight railroad operations within the Mobile terminal area.

To demonstrate how the initiation of Amtrak’s proposed Gulf Coast Service would adversely impact TASD’s freight railroad operations, I will discuss in this verified statement the structure, scope and function of TASD’s terminal facilities; TASD’s terminal switching

operations; TASD’s operating relationship with other railroad carriers in the Mobile area; and how the proposed Gulf Coast Service would adversely impact TASD’s operations. I will also offer constructive solutions to mitigate these adverse impacts.

TASD’S TERMINAL FACILITIES

The Port of Mobile is a compact seaport confined within a limited geographic area, located on the west bank of the Mobile River at the point of its outflow into Mobile Bay and the Gulf of Mexico. Within this limited area, there are several freight railroad facilities operated by the various carriers providing service to the Port. TASD’s operations utilize eight locomotives working across approximately seventy-one track miles serving the Port of Mobile, oriented along a north-south axis within an area bounded on the east side by the Mobile River and Mobile Bay, on the south by downtown Mobile, and on the north and west by waterways known as Three-Mile Creek and Industrial Canal, with an additional service zone located further south along the Lower Mobile River (Appx. 1).

TASD’s main facilities are Interchange Yard, Riverfront Yard, and McDuffie Island, the latter of which contains a coal terminal and an Intermodal Container Transfer Facility (“ICTF”).

- Interchange Yard, as its name suggests, handles all interchange manifest traffic for which TASD supplies switching services to its connecting carriers. Among other things, Interchange Yard serves as a staging and sorting facility for international railroad traffic movements (rail ferry) shuttling across the Gulf of Mexico, between Mobile and Coatzacoalcos, Veracruz, Mexico, handled by Central Gulf Railway, LLC (“CGRL”).¹ Interchange Yard is also the staging yard for all traffic flowing to or from TASD’s Riverfront Yard (discussed immediately below), and handles all grain, pig iron, various break-bulk commodities (such as coiled steel, iron and steel articles, aluminum ingots, wood pulp, paper, lumber, over-dimensional cargo, and plastics), and through which substantial amounts of TASD-handled coal and container-on-well car traffic is handled to and from other TASD facilities. Virtually all mixed carload traffic and bulk shipments, aside from certain coal and containerized cargo shipments which TASD handles, flow through Interchange Yard. At its north end, Interchange Yard crosses Three Mile Creek (Appx. 1–2).

¹ https://cgrailway.com/#m_tab-one-panel

- Riverfront Yard is a complex of tracks along the west bank of the Mobile River situated immediately to the east of CSXT’s main line through Mobile. This is the terminal facility (and complex network of tracks) through which the aforementioned CGRL ferries handling mixed carload traffic are loaded and unloaded, and at which various bulk and break-bulk cargoes are loaded onto or unloaded from ships. Riverfront Yard supports all ship-to-rail and rail-to-ship freight at the Port of Mobile, other than coal and containerized cargo (Appx. 1–2).
- McDuffie Island is the site of a coal shipping terminal, located about three miles south of the Interchange and Riverfront Yards. McDuffie Island receives coal traffic from CSXT, Illinois Central Railroad Company (“IC”), BNSF Railway Company (“BNSF”), and Norfolk Southern Railway Company (“NSR”) (Appx. 1, 6).
- ICTF handles import and export container traffic, and is located directly alongside the ocean-going container vessels which dock there. Roughly half of this traffic travels through one interlocking control point (“CP”) known as CP Alabama State Docks through Interchange Yard, while the balance moves through another interlocking identified as CP IC Interlocking. The ICTF is accessible by all five Class I carriers via TASD. This is the fastest-growing segment of the Port’s commodity mix, as container shipping companies are finding Mobile is an uncongested, reliable port for the movement of container shipments between the Midwestern United States and overseas origins and destinations (Appx. 1, 6).

TASD’s facilities, aside from ICTF and the coal terminal at McDuffie Island, are not interconnected, and, in fact, TASD depends upon two key interlocking plants—CP Alabama State Docks and CP Choctaw, both of which are controlled by CSXT—to operate between these facilities. Another CXT-controlled interlocking, CP IC Interlocking, is also relevant to TASD’s cross-corridor operations. In most cases, TASD train movements require operating along roughly 2.6 miles of CSXT’s main line in the Mobile terminal, including through and over one or more of the interlocking plants. A discussion of these critical CSXT interlocking plants follows:

- CP Alabama State Docks is located at the south end of Interchange Yard and Riverfront Yard. Interchange Yard and Riverfront Yard are bifurcated by CSXT’s Sibert Yard, with access to the south end of all three of these yards controlled by this interlocking (Appx. 2–3).
- CP Choctaw is located at the north end of McDuffie Island, where CSXT’s main line between New Orleans and downtown Mobile converges with TASD’s line to McDuffie Island and ICTF (Appx. 5).

- CP IC Interlocking is a traditional diamond-style interlocking located on the CSXT main line between New Orleans and downtown Mobile, where CSXT's main line crosses T ASD (Appx. 1).

All T ASD traffic flowing between Interchange Yard and Riverfront Yard must pass through CP Alabama State Docks, taking headroom—sometimes over a mile—toward downtown Mobile, passing the Convention Center, in order to pull out of or shove into either yard (Appx. 3–4). Lengthy switching movements—for example, pulling a long cut of cars out of Interchange Yard for transfer to Riverfront Yard—require access through CP Alabama State Docks. This also applies to any movement which requires doubling traffic between the two yards while building outbound trains (Appx. 3). Each of these movements transfers between eighty and 120 cars and measures between 4,000 and 6,000 feet in length, with up to twenty such inter-facility movements every week. The movement of traffic often requires two or three separate movements through the interlockings for pulling, doubling, reversing, and shoving blocks of cars or trains (Appx. 3–4). To travel between Interchange Yard and McDuffie Island—which is the path for the majority of T ASD-handled container trains and coal traffic—T ASD trains travel along CSXT's single-track main line or along an adjacent running track through CP Alabama State Docks, downtown Mobile, and CP Choctaw. Another track, known as the Virginia Street Lead, is then used to get down to ICTF and McDuffie Island (Appx. 4–5).

CP Alabama State Docks and CP Choctaw are key interlockings which facilitate T ASD train movements between T ASD's three main rail yard facilities. It is important to note that CP Alabama State Docks and CP Choctaw are not merely diamond-style interlockings where all T ASD has to do is wait a few minutes for the trailing end of a CSXT movement to clear. They are instead complicated interlocking plants, with multiple leads converging on a handful of key switches, strictly limiting the options available for train movements for all trains moving through

the interlockings. Given the layout of these interlockings, TASD cannot move traffic between TASD facilities on one side of the CSXT main line to those on the other without using several thousand feet of CSXT's trackage and main line as headroom at CP Alabama State Docks or CP Choctaw, and all of these complicated TASD cross-corridor movements depend upon clearance from CSXT's dispatchers in Jacksonville, Florida.

There is an additional factor at work in the Port of Mobile as well, and that is the series of drawbridges at Three Mile Creek and Chickasaw Creek. By federal law, waterborne traffic has priority over railroad traffic traversing these drawbridges. These drawbridges, like CP Alabama State Docks and CP Choctaw, are controlled by CSXT. At the north ends of Interchange Yard and Riverfront Yard, CSXT uses the tracks over the drawbridges as switching leads (Appx. 1–2). TASD and CSXT trains must remain in the clear and away from these drawbridges while waterborne traffic passes. Any single drawbridge closure to rail traffic can last anywhere from seven minutes to half an hour. Since control of these bridges belongs to CSXT, and TASD operations must wait for CSXT, TASD is already in third place every time it comes to the movement of traffic through the Port of Mobile.

TASD'S TRAFFIC AND OPERATIONS

Through the end of fiscal year 2021, which ended on September 30, TASD moved a total of 216,774 railroad cars and 10,250 twenty-foot container equivalent units, supporting public port terminals which handled more than twenty-three million tons of cargo. On a typical day, TASD's traffic includes a variety of unit trains and mixed freight trains. These include, on average, two or three daily cross-corridor switching movements, or up to twenty movements per week, between Interchange Yard and Riverfront Yard. There is considerable bulk and manifest freight traffic for customers along the Mobile River. On top of that, an average of one

intermodal container train and four coal trains per day travel along the Virginia Street Lead or through CP IC Interlocking to and from McDuffie Island. T ASD’s cross-corridor trains average between 4,000 and 5,800 feet long, with the intermodal trains between 2,500 and 10,000 feet long, and the coal trains slightly longer, at about 6,000 feet (Appx. 1).

T ASD serves a major grain terminal located within the Riverfront Yard complex, which supports loading corn, soybeans, and winter wheat onto ocean-going vessels, with each vessel taking ten to fourteen trains per vessel. The corn and soybean traffic, like most grain traffic elsewhere in America, increases significantly with the autumn grain rush, usually loading between September and February each year, while the winter wheat can arrive in blocks on various manifest trains at any time of year. To get from Interchange Yard to Riverfront Yard, all of this traffic must move through CP Alabama State Docks (Appx. 3).

T ASD also serves CGRL’s ferry located at Riverfront Yard, which connects Mobile with Coatzacoalcos, Veracruz, Mexico. Every four days, T ASD loads between 125 and 140 cars of manifest traffic at Mobile for shipment across the Gulf of Mexico, and unloads an equal number of cars. CGRL traffic is expected to increase, as two new ferries add rail car capacity per voyage and can make the trip between Mobile and Mexico every three days instead of four, reducing the turnaround time between the ports and increasing capacity on a high-demand service lane. One of these new ferries entered service in September of this year, while the other will enter service in December. With both new ferries in service, T ASD will need to increase its Interchange Yard-to-Riverfront Yard switches in support of CGRL to six days per week, involving more than 26,000 carloads annually.

T ASD’s Riverfront Yard facilities also include a major automobile roll-on, roll-off (“RORO”) loading facility for cars being imported into and exported from the United States by

means of ocean-going vessels and rail traffic. Major RORO customers may include Ford, General Motors, Honda, Mazda, Mercedes-Benz and Toyota. Four of these companies have made considerable investments in their Alabama manufacturing plants and are looking to increase their overseas sales and related RORO traffic. All finished automobile train movements to and from the RORO facility must move through CP Alabama State Docks to move between Interchange Yard and Riverfront Yard (Appx. 3).

McDuffie Island Coal Terminal handles at least four coal trains per day. Like the other traffic around Mobile, coal volumes through the Port are expected to increase with the development of metallurgical coal—used in the production of steel—originating at mines in central Alabama. Roughly sixty percent of this coal traffic is expected to move by rail for export via Mobile. This coal traffic is expected to increase by more than 17,000 rail cars over the next few years as a result of these mine developments. ICTF has also seen rapid growth, over 200 percent from 2020 alone. On top of its recent growth, ICTF traffic is expected to increase even further, between 6,400 and 8,400 TEU per year, or between 3,200 and 4,100 additional railroad cars, adding to the number of switches T ASD will make at the facility to keep the limited space available clear. All movements from ICTF must travel either along the Virginia Street Lead through CP Choctaw or through CP IC Interlocking (Appx. 1, 5).

T ASD's operating environment is consistently busy, tightly constrained within a limited space, and heavily dependent on CSXT's capacity and ability to handle traffic flows through its control points. Thus, T ASD's cross-corridor movements will become even more challenging as its traffic volumes continue to grow. The operating environment in Mobile into which Amtrak seeks entry is much different than the environment which it left behind years ago.

TASD'S INTER-CARRIER RELATIONSHIPS

TASD provides terminal switching services for eight different railroads that originate or terminate traffic at Mobile, and that effect interchange with other carriers via TASD switching services. These railroads include Alabama Export Railroad, Inc. (“ALE”)/Mississippi Export Railroad (“MSE”); Alabama & Gulf Coast Railway, LLC (“AGR”); BNSF; CGRL; IC; Kansas City Southern Railway Company (“KCSR”); and NSR. In all, nine rail carriers, including TASD, are commercially present at the Port of Mobile, and TASD is the terminal carrier that links all of these other carriers at Mobile.

It is important to note that all carload traffic for these railroads converges at TASD’s Interchange Yard. This might be compared with the different situation at the Port of New Orleans, where six railroads provide service to the port, but do not all converge on a single facility—and some carriers rely on New Orleans terminal trackage merely to reach an interchange on another carrier. At Mobile, traffic from eight carriers converges at TASD’s Interchange Yard, where TASD acts as a switching agent and delivering carrier for the customers located along the Mobile River, McDuffie Island, and interchanging manifest traffic.

The largest player in Mobile, other than TASD, is CSXT, which provides much of its own service around, and controls access over its lines to provide service to, various customers at the Port of Mobile. CSXT has direct interchange with ALE/MSE, IC, and KCSR, and provides indirect interchange via TASD for AGR, NSR, and customers along the Mobile River. CSXT’s rail operations are thus closely intertwined with TASD’s operations.

IC delivers extensive container traffic and seasonal grain trains from the Midwest to TASD. IC’s burgeoning container traffic flows to and from Mobile—which move, generally, between Canada and Mobile via intermodal ramps at Chicago and Memphis—are interchanged with TASD at IC’s Beauregard Yard, one of the smaller facilities in the Mobile area. Like all the

rest of the traffic brought to T ASD for delivery to the Port, this is cross-corridor traffic which must cross CSXT's lines for interchange and delivery (Appx. 3).

Since CSXT controls CP Alabama State Docks, CP Choctaw, and CP IC Interlocking, T ASD depends on authorization from CSXT's train dispatchers in Jacksonville to move all cross-corridor traffic between Interchange Yard, Riverfront Yard, and McDuffie Island. Naturally, CSXT prioritizes its own traffic, leaving T ASD's trains to wait for CSXT's trains to clear these interlocking plants before they can proceed. While the operating relationship between T ASD and CSXT is usually collaborative, there can be differences at times between the carriers when it comes to movements across the corridor.

The bottom line here is that T ASD cannot move any traffic without close cooperation from CSXT, because CSXT controls the bottlenecks for all rail traffic at the Port of Mobile. If Amtrak introduces its proposed Gulf Coast Service to Mobile, CSXT will be required by law to give priority to Amtrak traffic on its main line, acting as the proverbial second domino—after waterborne traffic, which dictates local drawbridge closings—in a long chain, adding indeterminate requirements of track and time into an already-tight operating environment and adversely impacting T ASD's ability to provide efficient freight service to its customers in the Mobile terminal area, as discussed in greater detail immediately below.

ADVERSE IMPACTS OF AMTRAK SERVICE ON T ASD'S OPERATIONS

In March, Amtrak applied to the Surface Transportation Board for an order requiring CSXT and NSR to provide adequate facilities to host Amtrak's proposed Gulf Coast Service. That service, as I understand it, currently contemplates Amtrak trains operating within the Mobile terminal. But I do not know why Amtrak has failed come forward to talk about its proposed operations with T ASD.

Further, T ASD is not aware that Amtrak has completed any studies concerning how its proposed service would affect freight rail service in Mobile, including T ASD's operations. If Amtrak assumes that T ASD's operations would not be affected on the understanding that Amtrak's last operations through Mobile in 2005 were not terribly impactful, then Amtrak's assumption would be a dangerous one. The operating environment is much different now in Mobile than it was when Amtrak ended service after Hurricane Katrina.

Amtrak's train movements will consume essential capacity along CSXT's lines in Mobile that T ASD uses today. While T ASD knows very little about Amtrak's specific plans for its new Mobile service—since Amtrak has not made any effort to discuss these plans with T ASD—T ASD understands that Amtrak wants to originate and terminate trains twice daily in downtown Mobile. It is clear from the perspective of a career railroad operations manager that adding this train service, which to a layman might seem insignificant, would have impacts greater than might at first appear. T ASD assumes that CSXT has prepared traffic models which will account for T ASD operational crossings and transits, including T ASD's time spent on their corridor, in its analysis of Amtrak's new service, and if this is true, T ASD should not require an independent traffic model of its own. But it is important that in any traffic modeling which is done that T ASD's operations are accounted for.

Before Hurricane Katrina, Amtrak service between New Orleans and Mobile was a segment of the Sunset Limited service which provided passenger service between Orlando, Florida, and Los Angeles. Amtrak discontinued service between Orlando and New Orleans in 2005. Prior to ending passenger service, Amtrak trains traveled along CSXT's lines through downtown Mobile to reach a depot located on the west side of the tracks, between CP Alabama State Docks and CP Choctaw, alongside the Mobile River (Appx. 4). Passengers could only

enrain and detrain from the west side of the tracks into a CSXT-owned Amtrak depot which was also destroyed by Hurricane Katrina. Since Katrina, the depot has been demolished and the land sold to the City of Mobile, where it now serves as a pay parking lot for the Mobile Convention Center and IMAX Exploreum. This situation would not greatly change, as in October, 2021, Amtrak met with Mobile municipal officials expressing their interest to use what is left of the original platform and acquire leasing rights at the old downtown depot location.

To get to this old site, Amtrak trains inbound from New Orleans would have to pass through CP Choctaw, as would any trains returning from Mobile to New Orleans, crossing over from the single main line to the number two main on the east side in downtown Mobile (Appx. 1, 5). In addition, while at the depot to enrain or detrain passengers, these trains would have to stop along the east side, where they would block TASD's ability to take head room through CP Alabama State Docks for cross-corridor traffic between the Interchange Yard and the Riverfront Yard, and would likewise block TASD trains from passing down to the Virginia Street Lead and McDuffie Island (Appx. 4, 6). Since Amtrak's access to the depot location would require movement through CP Choctaw, Amtrak operations would impair TASD operations via the Virginia Street Lead to access the facilities at McDuffie Island from the north, and vice versa. All cross-corridor movement TASD has to make would be blocked while Amtrak trains occupy the tracks in downtown Mobile (Appx. 6).

Further, since CSXT would be required by law to expedite Amtrak service through the interlockings, there would be traffic holds and significant delays to CSXT and, in turn, TASD traffic, through the interlockings. TASD would also have to wait while Amtrak moved its trains into storage for the duration of their stay in Mobile. This would leave all TASD movements in fourth, instead of third, place, waiting first for waterborne traffic, waiting second while CSXT

holds the line clear for Amtrak, waiting third for CSXT to move its traffic, and finally being able to move only after all that traffic has cleared. This is a recipe for constant delays exacted at the expense of TASD's customers.

Another key point is to understand that Amtrak movements in and out of downtown Mobile will not be restricted to two simple "in-and-out" movements each day. In fact, there will be multiple train movements, multiple times per day, if Amtrak service is introduced. From what TASD knows of Amtrak's plans, Amtrak plans to store passenger trains between trips at CSXT's Choctaw Yard, between CP Alabama State Docks and CP Choctaw. This means any Amtrak movement into downtown Mobile for offloading passengers will be followed by a subsequent movement of the inbound train back south to Choctaw Yard. A subsequent movement of a train from storage to downtown Mobile to board outbound passengers will require the same movement in reverse. Two round trips per day plus these storage movements will actually count as eight movements, equating to roughly to six hours of train movement time for Amtrak alone. Further, each of these train movements will require traffic windows through the critical bottleneck at CP Choctaw (Appx. 1, 4). These additional movements may well make it impossible for TASD to get across CSXT, leading to delayed traffic, increased expenses in lost crews and overtime, and so on.

Thus, instead of two quick "in-and-out" movements through CSXT's corridor per day, as might be expected by those unfamiliar with the Mobile area, there could be eight movements per day: two into Mobile, two into storage, two from storage, and two out of Mobile. Eight train movements per day is forty train movements per week—several times more than the thrice-weekly movements through Mobile which Amtrak had before Hurricane Katrina. Amtrak is seeking to increase its total amount of traffic in Mobile to nearly seven times what it was before

the hurricane—and this in an environment in which freight traffic has increased significantly over the past fifteen years, and which will continue to increase in the future.

This difficulty can be illustrated using the suggested schedule for passenger trains which Amtrak submitted with its original application this past March. This schedule conceives of two trains, one operating each way between New Orleans and Mobile, every day. Westbound Train 23 is proposed to leave Mobile at 6:30 a.m., and Train 25 at 4:30 p.m. Eastbound Train 24 is proposed to arrive in Mobile at 10:58 a.m., and Train 26 is proposed to arrive in Mobile at 8:54 p.m. (Appl. of Nat'l R.R. Passenger Corp. under 49 U.S.C. § 24308(e)—CSX Transp., Inc., and Norfolk S. Corp. (Doc. No. 301767, March 16, 2021), at Appx. A).

If Amtrak's trains were operated according to this schedule, there will be movements through, for example, CP Choctaw every day around 7:00 a.m., 10:30 a.m., 4:00 p.m., and 8:30 p.m. This would require CSXT to hold the main through CP Choctaw clear for windows of time occupying up to four full hours for Amtrak movements through this interlocking while Amtrak's trains made their way into and out of downtown. While the main line to downtown Mobile is held clear for these trains—say between 6:30 and 7:30 a.m., 10:00 and 11:00 a.m., 3:30 and 4:30 p.m., and 8:00 and 9:00 p.m.—these same hours would be lost to any other traffic attempting to move through CP Choctaw. Combined with deadhead movements between downtown Mobile and the proposed storage tracks at Choctaw Yard—adding half an hour to each of these four windows in time to accommodate the deadhead movements—it is clear that *up to six hours every day* could be lost to T ASD movements while CSXT is holding the main clear for Amtrak traffic, *every day of the week*.

As pointed out before, Amtrak is not proposing to introduce a thrice-weekly long-haul train service *through* Mobile, but rather to multiply the number of weekly movements *into*

Mobile by up to seven times their old value. Taken together, these movements could consume up to a quarter of every working day, leaving T ASD shortchanged when attempting to coordinate its own heavy traffic through the interlockings and along CSXT's main line. It cannot be stressed enough that if Amtrak is permitted to introduce service to Mobile, the cascading effects on delays to freight service in the Port of Mobile will be far more significant than many who support such passenger traffic may realize.

It is difficult for T ASD to foretell all of the potential adverse impacts Amtrak operations would have on its services, largely because Amtrak has not made any effort to discuss the details of its proposed operations with T ASD. Regardless of its precise plans on that subject, however, it is clear that if CSXT is required to accommodate Amtrak movements, both for trains with embarked passengers and for deadhead movements made to and from the point wherever Amtrak decides to park in between trips, much of CSXT's capacity in Mobile would be consumed to accommodate these movements, to the detriment of T ASD and, ultimately, its freight customers at the Port of Mobile.

CONSTRUCTIVE SOLUTIONS TO MITIGATE AMTRAK'S IMPACTS

It is appropriate, should the Board require CSXT to accommodate Amtrak, that some mitigation should be made, and so T ASD would like to contribute to that discussion. Amtrak's new service to Mobile would have adverse impacts on T ASD's operations, so T ASD hopes Amtrak can be induced to cooperate in the mitigation of those impacts. Further, it is important to stress that all of these proposed solutions are helpful, but will not resolve all Amtrak impacts on T ASD's operations. Four required solutions for mitigation are locating Amtrak's new depot at a place called Brookley Aeroplex; constructing a flyover track; constructing a bypass track to ease

congestion along the CSXT main line; and constructing improvements to the Virginia Street Lead, shared between CSXT and TASD.

Locating Amtrak's Depot at Brookley Aeroplex

This mitigation would be for Amtrak to terminate its service from New Orleans at a new depot site at the Brookley Aeroplex, a large airfield and industrial complex located a few miles southwest of downtown Mobile. This possibility presents a few advantages, chief of which are the availability of land for the development of an all-new depot and siding for storage of trains, and obviating the need for Amtrak trains to move through the CSXT service corridor in downtown Mobile, leaving the interlockings at CP Alabama State Docks and CP Choctaw and the Virginia Street Lead clear to accommodate the movement of cross-corridor freight traffic through downtown Mobile (Appx. 7).

Constructing a Flyover Track

This mitigation would be the construction of a new track, specifically a flyover connecting Interchange Yard and Riverfront Yard. The flyover track would have a couple of distinct advantages for all parties concerned with train movements through Mobile. First, it would permit Amtrak's trains to enter and leave downtown Mobile without obstructing freight traffic passing moving between Interchange Yard and Riverfront Yard. This flyover track would enable TASD traffic to move without using CSXT's main line through CP Alabama State Docks. Second, the flyover track would allow CSXT to move their traffic through Mobile more efficiently to prepare for Amtrak's arrival (Appx. 8).

Constructing an Extension Track along Bob Hope Bridge

This mitigation would build an extension track alongside Bob Hope Bridge, easing the movement of traffic between Interchange Yard and Riverfront Yard by providing additional

headroom south of CP Alabama State Docks. This extension track would present a couple of advantages for all parties concerned with the movement of trains through Mobile. First, it would leave the CSXT main line between CP Alabama State Docks and CP Choctaw clear, allowing TASD to get on and off CSXT's lines more quickly, leaving more time for CSXT to coordinate Amtrak traffic. Second, constructing an extension track alongside Bob Hope Bridge would allow TASD to build a train in one piece, and thereby increase capacity on the CSXT main line for Amtrak and CSXT traffic (Appx. 9).

Improvements to Virginia Street Lead

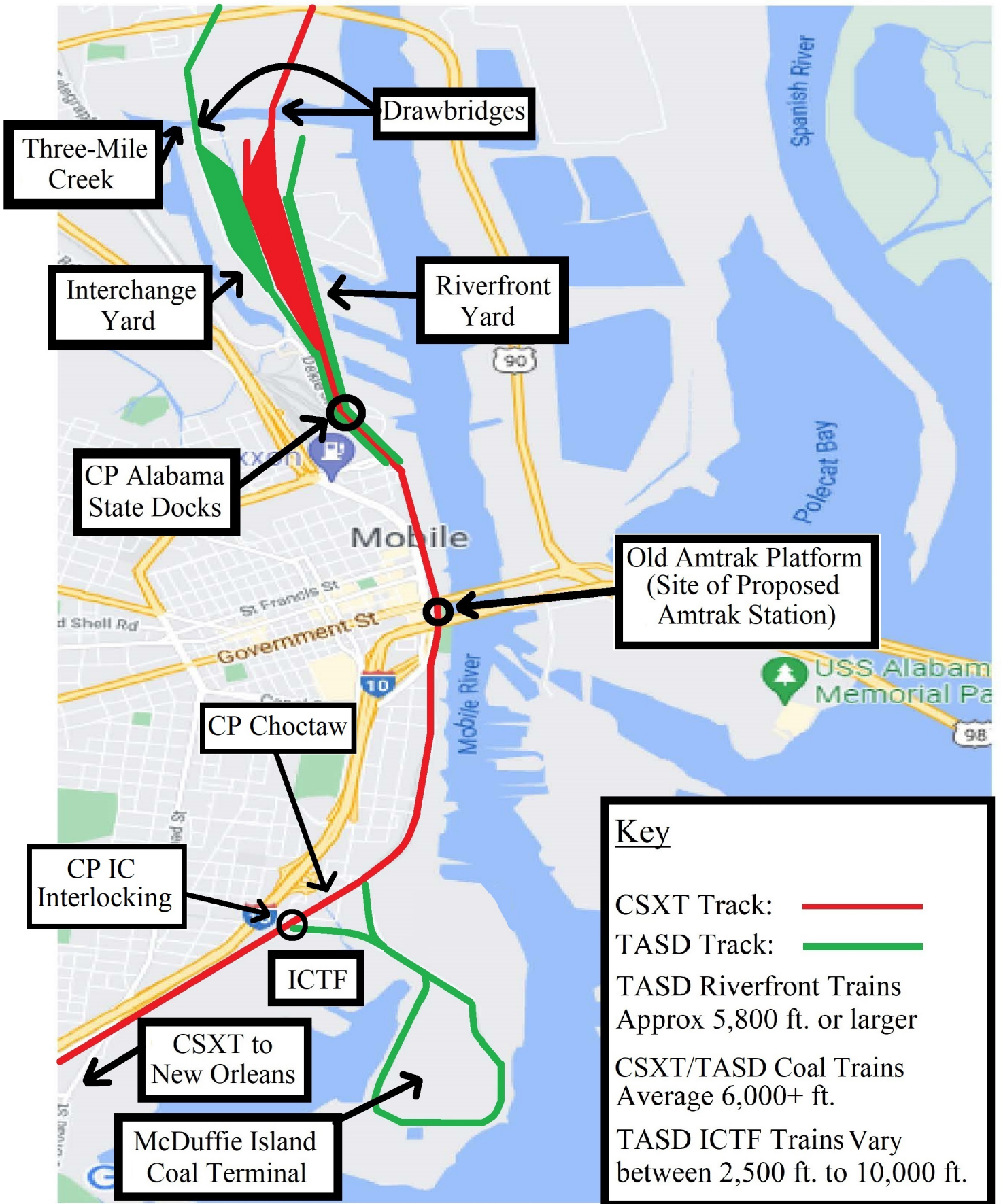
If this Board allows Amtrak service to downtown Mobile, this mitigation requires certain improvements to the Virginia Street Lead, by expanding the lead to two inbound-outbound tracks, partly on CSXT property and partly on TASD property, and modifying the placement of turnouts, creating a connection from the CSXT main line directly to the lead for ICTF and McDuffie Island. The chief advantage of this mitigation is that it would permit movement for TASD and CSXT traffic from Interchange Yard, through downtown Mobile, directly to ICTF and the McDuffie Island. In this way, the traffic would arrive whole, rather than stopping on the CSXT main line, tying up traffic while trains yard and depart those locations (Appx. 10).

CONCLUSION

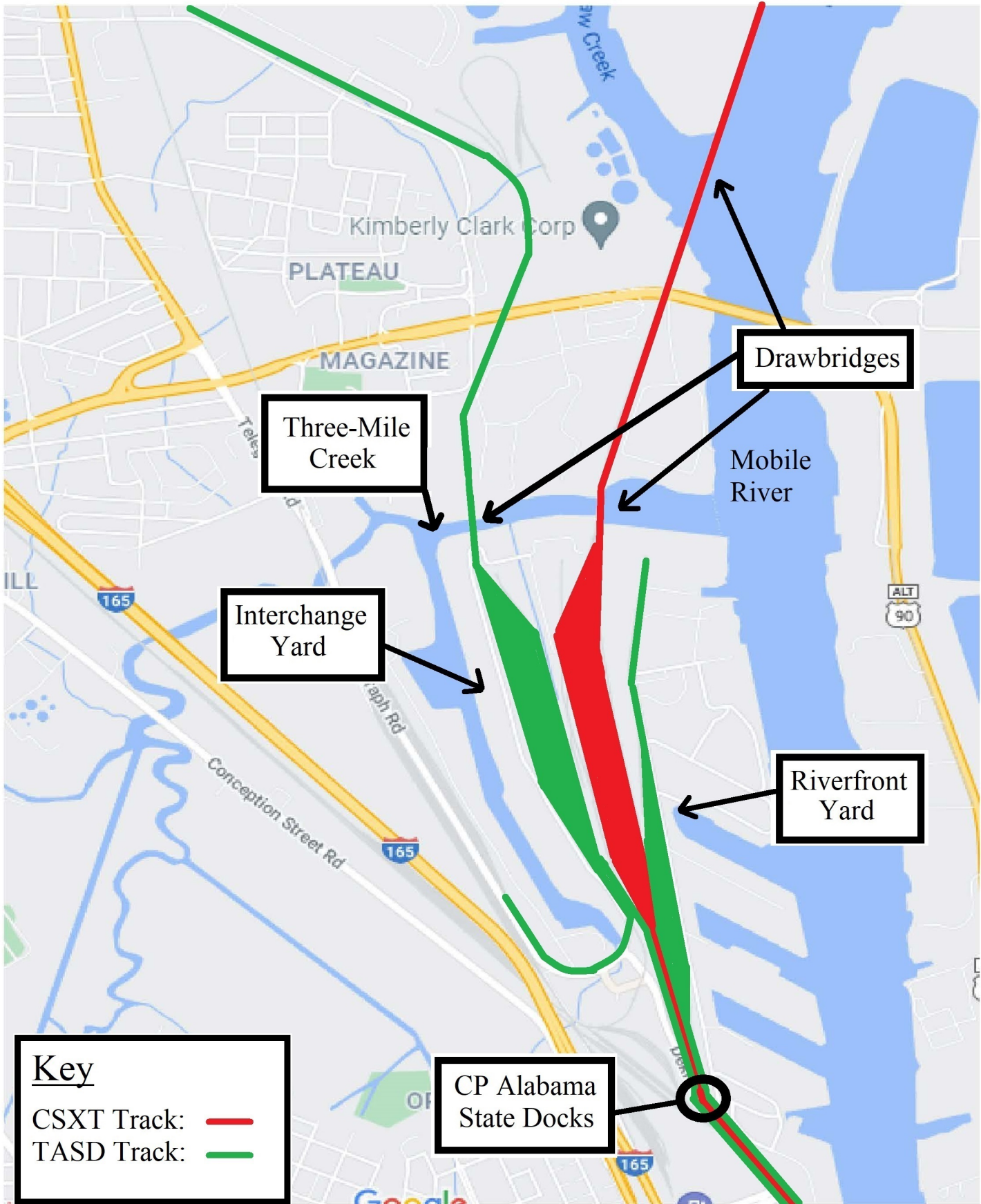
It is my expert opinion that the introduction of new Amtrak service between New Orleans and Mobile would significantly, and unreasonably, impair TASD's freight rail operations in and around the Mobile terminal. Absent additional infrastructure to protect local freight service. Amtrak's Gulf Coast Service would consume far more operating capacity within the Mobile terminal, blocking TASD cross-corridor train movements for as much as six hours each day. I understand that the Surface Transportation Board is entrusted by law to protect against harm to

freight service that would result from Amtrak service that would not be undertaken responsibly. If that is the case, then my assessment of the potential operating impacts of Amtrak's Gulf Coast Service, as I have discussed above, are such that the Board should not authorize new passenger train service as Amtrak has proposed.

TASD Facilities in Review Downtown Mobile



Interchange Yard and Riverfront Yard

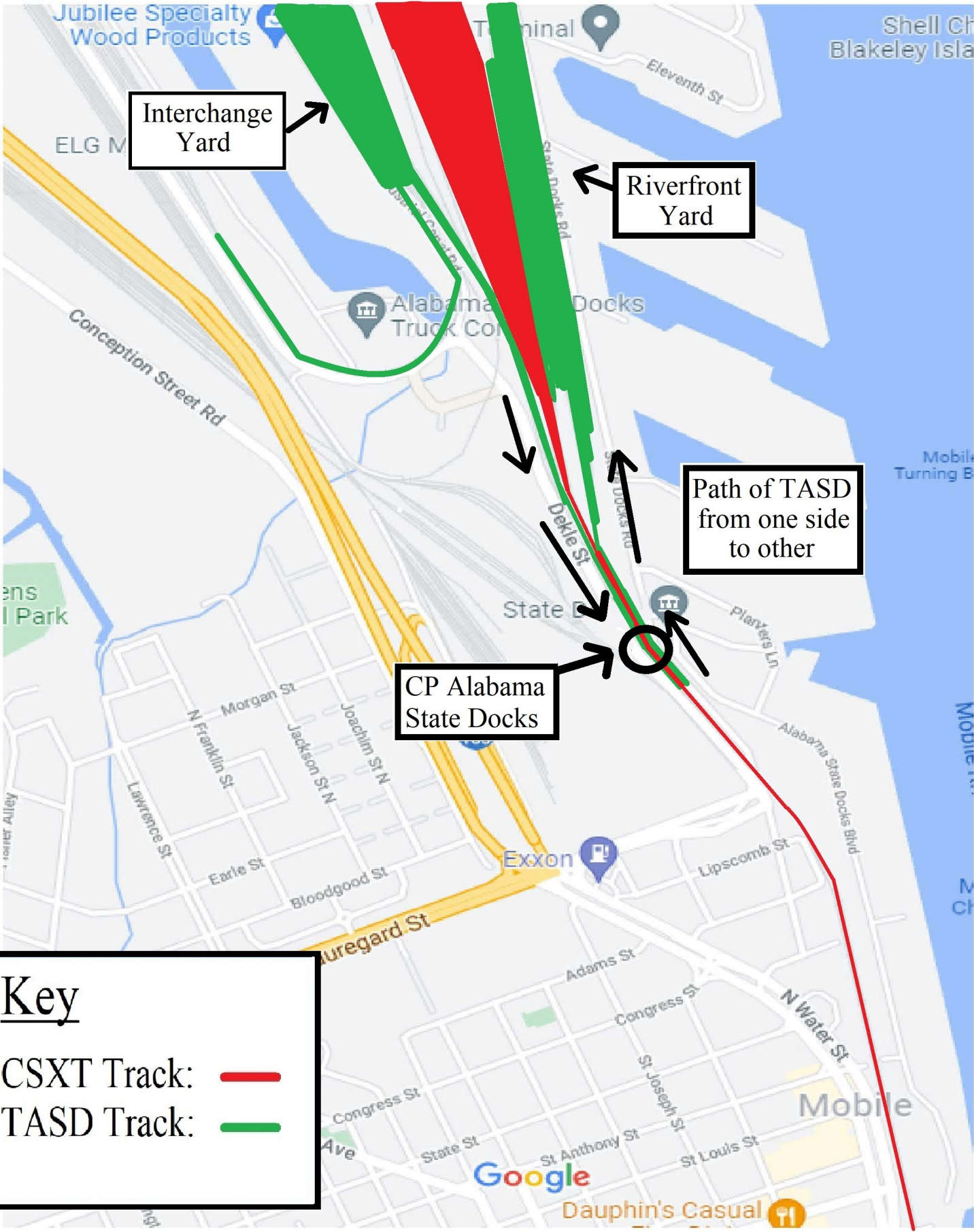


Key

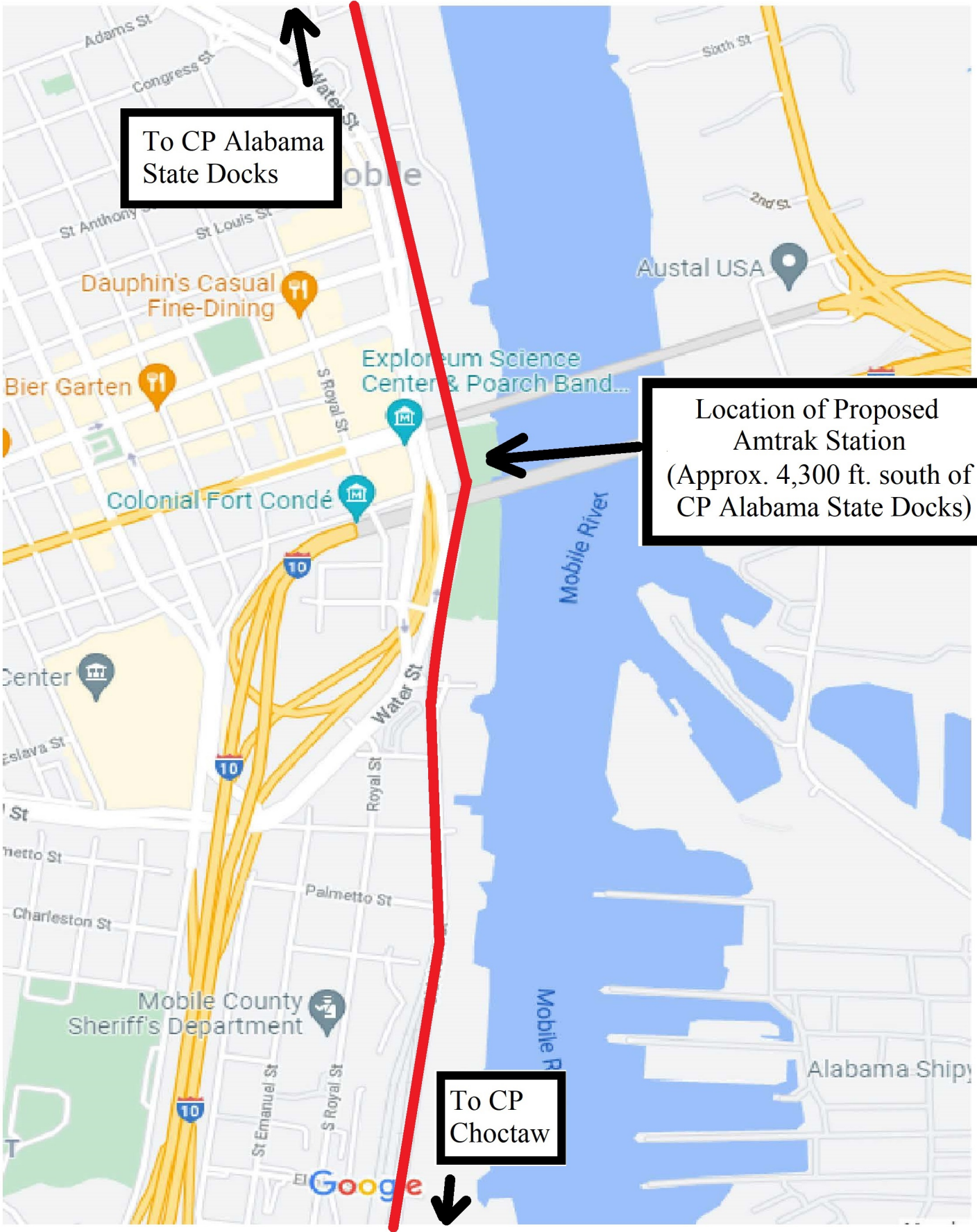
CSXT Track: — (red line)

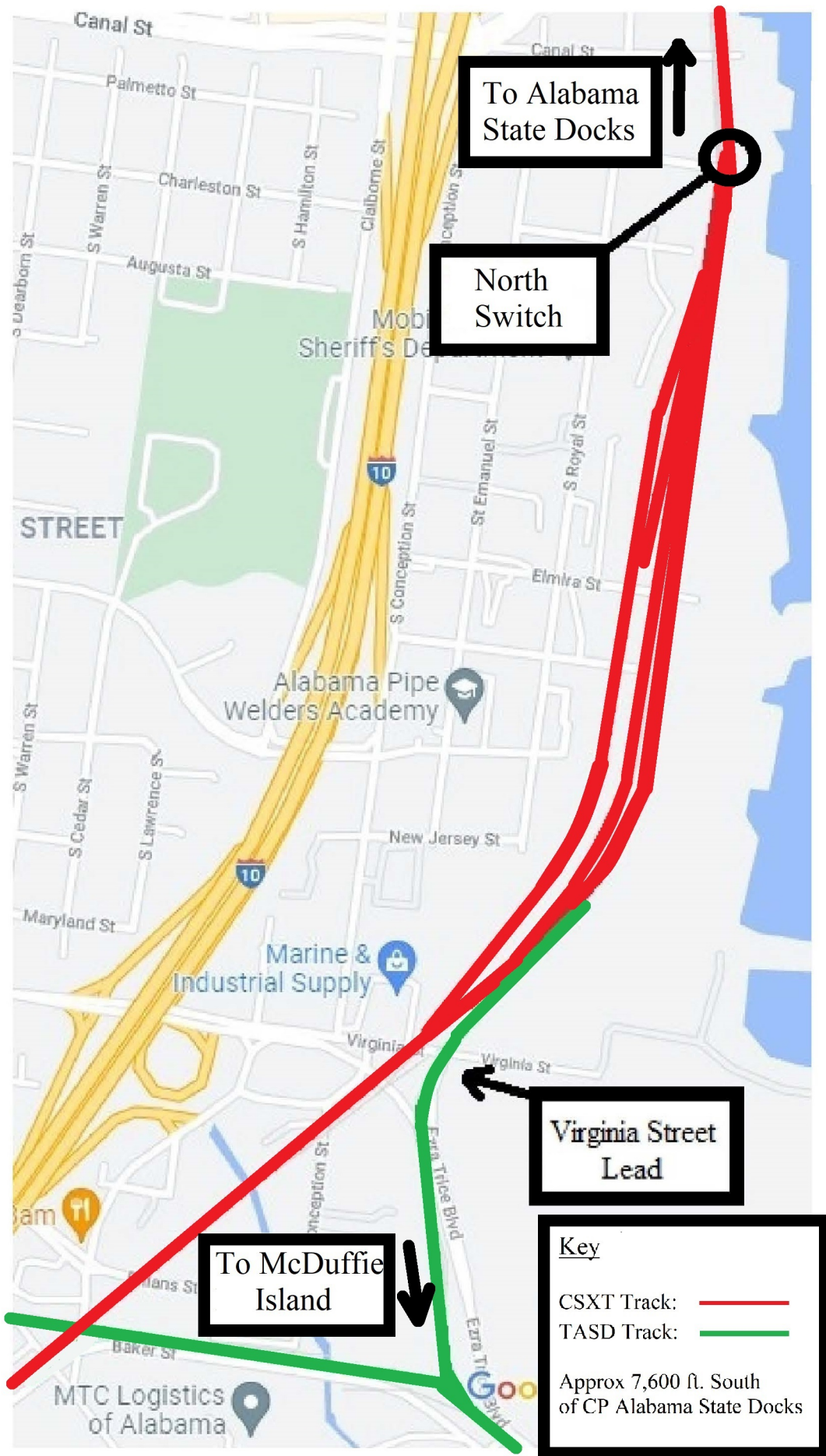
TASD Track: — (green line)

CP Alabama State Docks

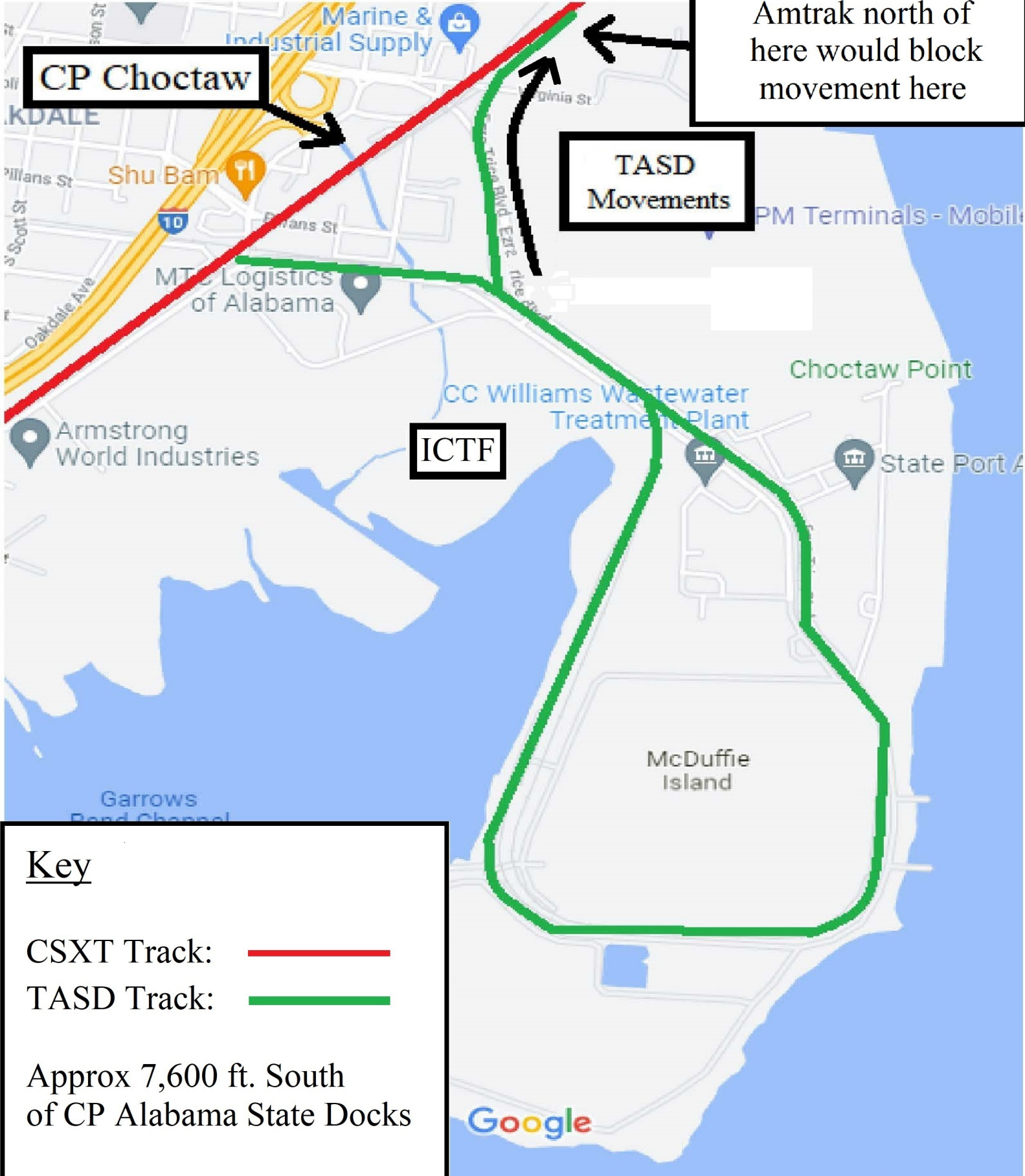


CSXT Mainline in Downtown Mobile





McDuffie Island



CP Choctaw

Amtrak north of here would block movement here

TASD Movements

ICTF

Key

CSXT Track: —


TASD Track: —


Approx 7,600 ft. South of CP Alabama State Docks

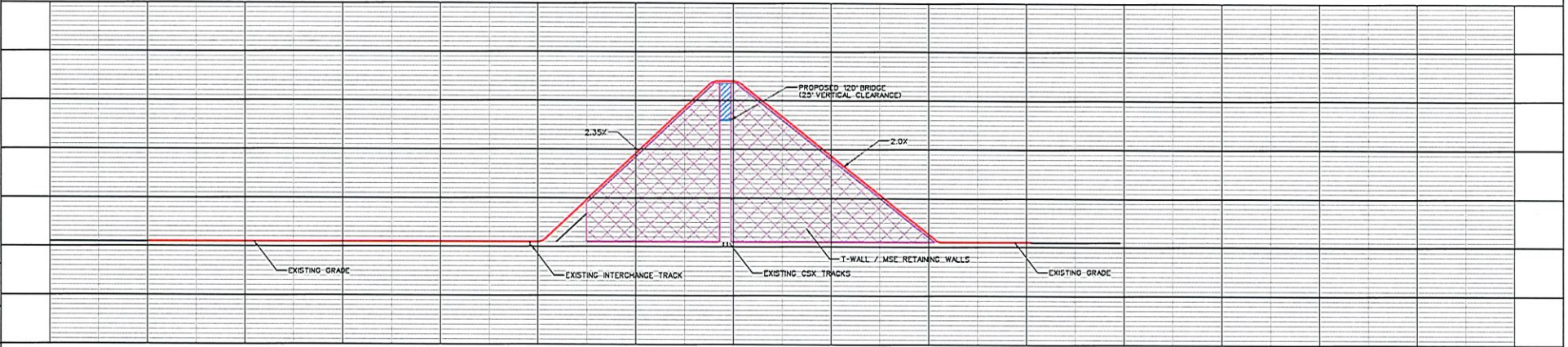
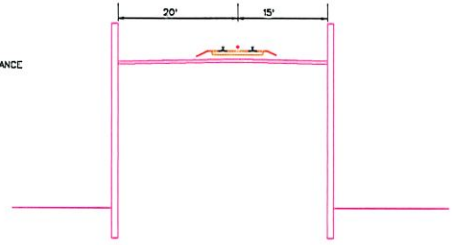
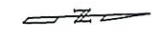
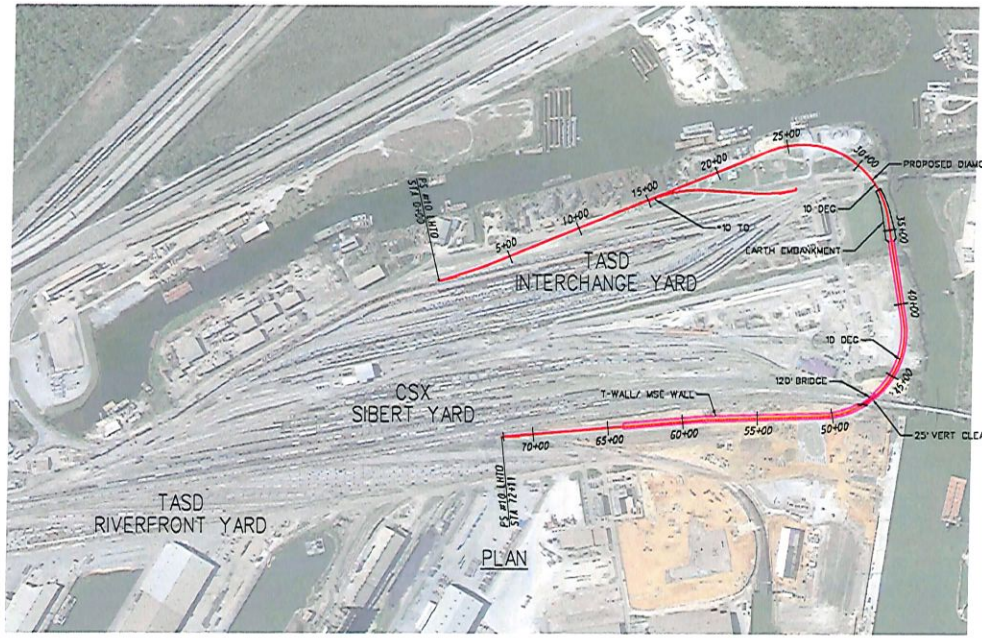
CP Choctaw and
Brookley Aeroplex



Key

CSXT Track: 

TASD Track: 



PROFILE

R:\Projects\Alabama State Docks\2001 - ASD-Truck Feasibility\ASD-Fly Over Plan.dgn 10/25/2021 10:25:21 AM

PROJECT NAME	CONTRACT NO.	DATE
LINE ITEM	DESIGNATION	
EST. ELEMENT		

NOT FOR CONSTRUCTION

DESIGNED BY	M. WILSON
DRAWN BY	M. WILSON
CHECKED BY	M. WILSON
APPROVED BY	M. BELL
DATE	OCTOBER 27, 2021

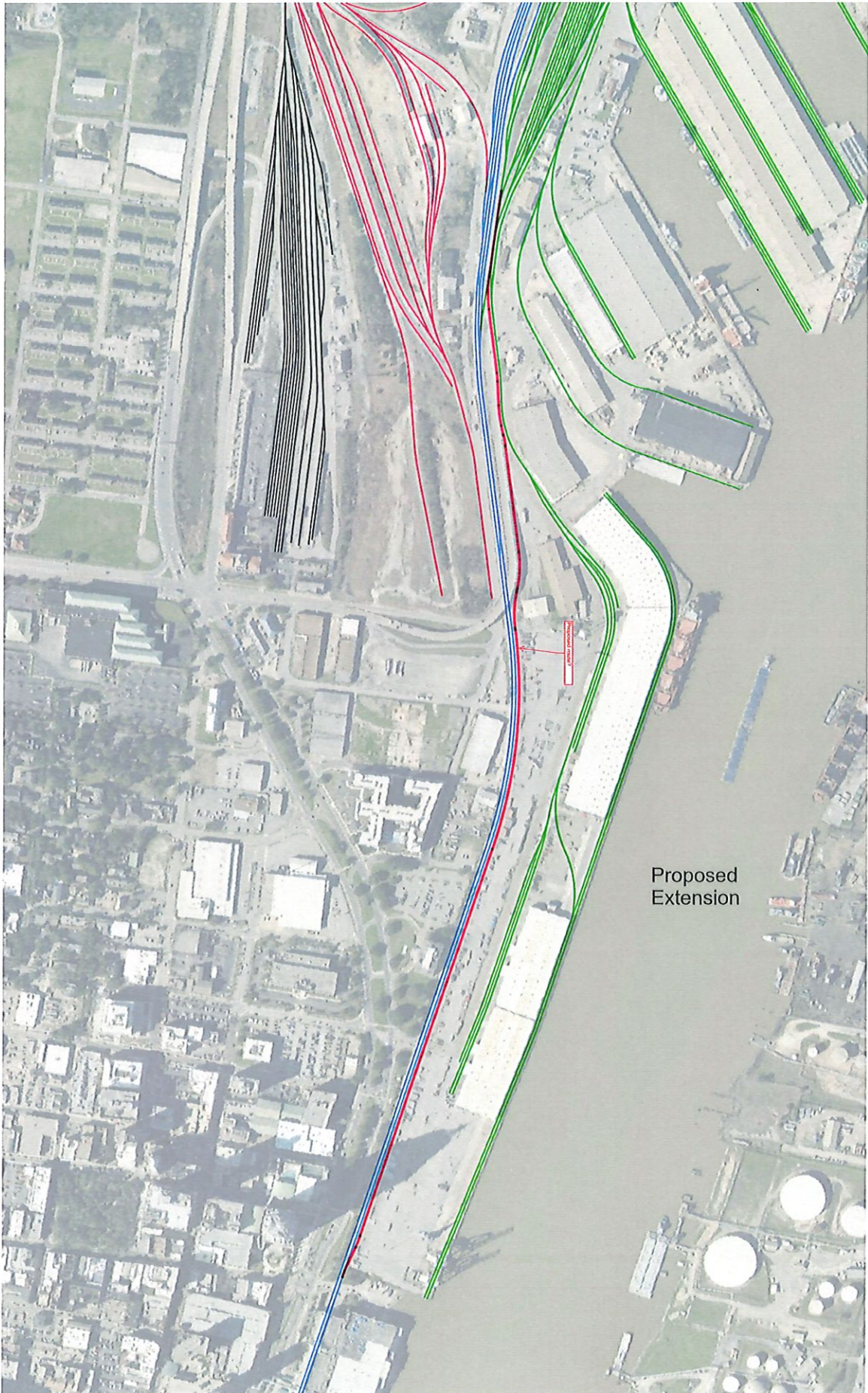
LJA Rail, LLC
 3600 W Sam Houston Parkway S
 Suite 600
 Houston, Texas 77042
 Phone 713.953.5200
 Fax 713.953.5026
 FRN - F-1388

VAL. SEC.
 V.11,N.C./11
 V08138

CONTRACT NO.	C-XXXX
DRAWING NO.	DN-XX
REVISION	0
SHEET NO.	1
SCALE	AS SHOWN

ALABAMA STATE DOCKS
 PROPOSED FLY OVER
 MOBILE, AL

REV	DATE	DESCRIPTION	BY	APP

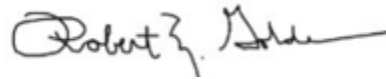




New McDuffie Virginia Street Lead - Half on CSX Transportations' Choctaw Yard and half on ASPA Port TASD Property as noted by the RED LINE

VERIFICATION

I, Robert M. Golden, verify under penalty of perjury that I have read this verified statement on behalf of the Alabama State Port Authority and the Terminal Railway Alabama State Docks, that I know the contents thereof, and that the same are true and correct. Further, I certify that I am qualified and authorized to file this verified statement on behalf of the Alabama State Port Authority and the Terminal Railway Alabama State Docks.



Robert M. Golden

Executed on November 3, 2021.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36496
APPLICATION OF THE NATIONAL PASSENGER RAILROAD CORPORATION UNDER
49 U.S.C. § 24308(E)—CSX TRANSPORTATION, INC., AND NORFOLK SOUTHERN
RAILWAY COMPANY

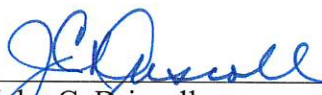
**OPENING COMMENTS AND EVIDENCE OF THE ALABAMA STATE PORT
AUTHORITY AND TERMINAL RAILWAY ALABAMA STATE DOCKS**

EXHIBIT C

VERIFICATION OF JOHN C. DRISCOLL

VERIFICATION

I, John C. Driscoll hereby verify under penalty of perjury that I am the Director and Chief Executive Officer of the Alabama State Port Authority (“ASPA”), and that I am duly authorized to offer this verification on behalf of ASPA in connection with the foregoing Opening Comments and Evidence. I have knowledge of the matters contained in the foregoing filing as they pertain specifically to the meeting among representatives of ASPA, Terminal Railway Alabama State Docks, and the National Railroad Passenger Corporation on February 10, 2021, as I had attended that meeting. Accordingly, I hereby verify that statements made in the foregoing filing concerning the aforementioned meeting are true and correct to the best of my knowledge, information and belief.



John C. Driscoll
Director & Chief Executive Officer
Alabama State Port Authority

Dated: November 3, 2021

CERTIFICATE OF SERVICE

I hereby certify that I have this 3rd day of November arranged to serve the foregoing Opening Comments and Evidence of the Alabama State Port Authority and Terminal Railway Alabama State Docks upon all parties of record by electronic service or, where such service is not available, by U.S. Mail, postage prepaid.

/s/ *R. A. Wimbish*
Robert A. Wimbish