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September 16, 2016

The Honorable Michael Capuano United States House of Representatives 1414 Longworth House Office Building Washington, D.C. 20515

Dear Ranking Member Capuano,

The Massachusetts Chemistry & Technology Alliance (MCTA) is writing to express our strong support for competitive switching. Last year, Congress passed common-sense reforms to help make the Surface Transportation Board (STB) a more viable and effective intermediary between railroads and their customers when rate and service issues exist. There is widespread recognition in Congress and among virtually all rail customers that modernization of current STB rules is badly needed. Recently, the Board has taken the first step to allow for competitive switching.

Competitive switching is among the most important potential reforms to outdated and excessively restrictive regulations that prevent competition among railroads. While it is expressly allowed by statute, it has never been permitted by the STB because of overly restrictive regulations at the Board. It is not a threat or untested theory; competitive switching has been available for decades in Canada, and it works well. The notion that an improved competitive environment will damage the fundamental economics of the U.S. freight rail system is simply unfounded and runs counter to basic free market principles.

MCTA supports the proposed rule and thinks that the STB should be allowed to complete its work without political interference. We look forward to continuing the work with Congress and the STB to modernize freight rail policy and create more competitive freight rail service.

MCTA represents the users, manufacturers and distributors of chemistry in the Commonwealth. Its mission is to inform members of developments on the state and national level that impact the industry; advocate for science-based policies, regulations, and legislation in the Commonwealth; and educate the public on chemistry and science-related issues.

If you have any questions, please do not hesitate to call me at 508-791-0445.

Sincerely,

Kathy Riter

Katherine Robertson Executive Director