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Congress of the United States
House of Representatives
Washington, DC 20515

March 10, 2011

The Honorable Daniel R. Elliot III
Chairman
Surface Transportation Board
395 E Street, SW
Washington, DC

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Dear Chairman Elliot:

We write to offer our perspective on rail regulatory framework in light of the Surface Transportation Board's upcoming hearing on rail competition. The Commonwealth of Pennsylvania has 58 freight railroads - more than any other state - and is fifth in the nation with 5,139 total rail miles. Freight rail is inestimably important to our state's economy, industry and its future growth.

Pennsylvania has experienced a shared history with its railroads. Because of a regional abundance of coal, iron, steel and now, natural gas, our state has depended on railroads to transport goods to markets across the nation and subsequently around the world. Several railroads in the commonwealth were in dire straits before 1980, and some were in bankruptcy, the most notable of which was the Penn Central. After the Staggers Act altered the regulatory framework, we have enjoyed a brighter economic picture where the two Class I railroads and 56 short line and regional railroads employ 7,017 people. These are good American jobs with an average wage of \$90,500. This real success story should not be forgotten in the debate about rail competition.

Railroads have seen impressive success in Pennsylvania even as other industries have declined, suffered recessions, and lost thousands of jobs. The railroad industry is a bright spot for our state as the Class I's and the smaller railroads continue to re-invest in new intermodal facilities and yards. We believe it is critical to our continued economic recovery and growth that railroads in Pennsylvania and elsewhere have an ability to invest in their infrastructure, and that ability is dependent on their continued profitability.

We trust that you and the Board will recognize the crucial place the freight railroad industry holds in Pennsylvania as you examine the current state of competition in the railroad industry. We urge you to refrain from actions that would be detrimental to the industry's continued vitality and ability to invest in our region.

Thank you as always for your consideration and service to our nation.

Sincerely,

Jason Altmire
Member of Congress

Tim Holden
Member of Congress