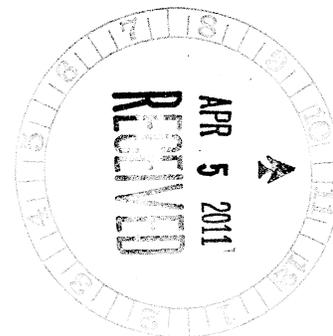


229114

The Honorable Daniel Elliot, III, Chairman  
Surface Transportation Board  
395 E Street, SW  
Suite 1220  
Washington DC, 20423-0001

RE: Doc. No EP 705



Dear Chairman Elliot:

Deregulation of railroads has created one of the most efficient, competitive, safe and reliable multi modal transportation systems in the history of our nation. The Staggers Act allowed railroads to become profitable and compete successfully with the trucking industry resulting in reducing shipping costs. This competition has fostered creative efficiencies that have led to the establishment of the integrated global multi modal transportation system, made up of ships, trains and trucks, we have today.

The completion this year of the Norfolk Southern Heartland Corridor and the CSX National Gateway project will finally bring Ohio and other Midwest markets directly into the integrated global multi modal system and form a cornerstone in the foundation of our economic recovery.

The integrated global system is competitive and will result in reducing costs for Ohio and Midwest shippers; however, re-regulating part of the integrated system, railroads, will result in increasing rates throughout the system by eliminating or reducing the competitive pressure of the railroads. Mandating lower rates through regulation in one part of the rail system will allow rates to float upwards in another part of the rail system to make up for lost revenue. Once that happens truck rates are quick to follow and the competitive advantages of multi modal transportation are lost to all shippers. This would be damaging to Ohio's and the Midwest's economic recovery and employment opportunities.

History also tells us that regulated companies organize their cost structure and intellectual resources to justify rate increases when the competitive forces of the market are removed. This is not what we want to have happen during our economic recovery.

I oppose any policy or regulatory changes that would reduce the railroads competitiveness and risk job creation across Ohio and the Midwest. The STB should not make any changes at this time.

Sincerely,

James E. Senev  
Executive Director (Retired)  
Ohio Rail Development Commission  
8010 Erie St. Sylvania, Ohio 43560  
Cc: Governor John Kasich  
Senator Rob Portman  
Senator Sherrod Brown

ENTERED  
Office of Proceedings  
APR - 5 2011  
Part of  
Public Record