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JUN 21 2011

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Chairman Daniel R. Elliott, III
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Dear Chairman Elliot:

EP 705

As the President of Poplar Bluff Industries and the Director of Economic Development for Poplar Bluff and Butler County, Missouri, I am writing with my concerns that the Surface Transportation Board is signaling it may consider changing the very rules that have fostered the railroad's role as a key economic driver.

This is not the time to promote policies that restrict rail earnings and threaten private investment. Attempts to re-regulate the freight rail industry will have catastrophic results. If earning returns on investment decrease railroads will be faced with huge revenue shortfalls costing decreased spending on infrastructure and equipment purchase will cease. Existing track and equipment will deteriorate and plans for new capacity will end. Rail service will become slower, less responsive, less affordable and less efficient.

All this will lead to consequences for businesses and consumers alike. The federal government should maintain the regulatory framework in place today that enables self-sustaining freight railroads to remain financially healthy and meet the challenges of building a 21st century transportation system.

As a railroad community, we know that our nation's railroads were instrumental in triggering economic expansion and job creation. Today, freight railroads continue to drive our economy. They create and support vital jobs, provide affordable and efficient service and get American goods to the global marketplace. Freight railroads, finance nearly all of their infrastructure and equipment spending themselves. For the last three years they have spent \$10 billion annually growing and modernizing a rail network that is considered the safest, most affordable and most efficient in the world.

The current regulatory framework is a reasonable balance between railroads and their customers. Since 1980 average railroad rates have fallen by 55%, the amount of traffic moved by freight rail has nearly doubled, accidents are down by 75% and service has improved.

With the government under increasing pressure to expand the economy and create jobs, while restraining spending growth, any action by the STB to adopt policies that would discourage private investment in our transportation infrastructure would be counterproductive. The STB should focus on actions to encourage investment and promote economic recovery.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Halter", with a horizontal line extending to the right from the end of the signature.

Steve Halter, President