



ROSEBUD MINING COMPANY

301 Market Street Kittanning, PA 16201
Phone: (724) 545-6222 FAX: (724) 543-6375
Web Site: www.rosebudmining.com

March 23, 2011

Chairman Daniel R. Elliott III
Surface Transportation Board
395 E Street, S. W.
Suite 1220
Washington, DC 20423-0001

Dear Chairman Elliott:

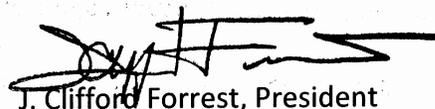
I am writing concerning the STB proceeding in Ex Parte No. 705, the purpose of which is to review competition in the railroad industry. My company, Rosebud Mining Company, is a producer of bituminous coal in the states of Pennsylvania and Ohio. Railroads are key to our survival as they haul large quantities of coal from our coal mines to our customers.

Since the passage of the Staggers Act in 1980, the nation's railroads have evolved from being an industry in serious decline to an industry that is competing in the freight transportation world. One of the main reasons for this success is the foresight shown by Congress, the Interstate Commerce Commission before 1996, and the STB after that time in providing the appropriate regulatory structure that promotes, enhances and grows the railroad industry. I applaud our government for nurturing the rebirth of our railroad industry.

I know that some customers believe that changing the regulatory structure will benefit their own specific interests. However, such a shift actually could harm many more shippers in the long run. We are very concerned that allowing customers to segment routes or forcing railroads to provide access to one another will have adverse consequences on our shipments. We are afraid that less coal would be shipped, which would not be good for electricity generation, manufacturing or the booming export coal market. Further, we are concerned that railroads would have to spend an excess amount of their limited capital resources trying to build additional infrastructure to make these operations work rather than spending that money to expand capacity of track, buy new cars and new locomotives which benefit all customers.

I appreciate your consideration of my views, and I hope the Board will work to ensure a healthy freight rail network that continues to provide a true public benefit to our nation.

Sincerely,



J. Clifford Forrest, President