



Ansaldo STS USA

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

March 15, 2011

Dear Chairman Elliott:

I would like to bring an issue to your attention for consideration which has the potential to dramatically affect the rail industry. Changes in the regulatory structure of the rail industry not only affect railroads, but also rail supply companies like Ansaldo STS USA, Inc.

Our company has provided signaling services in the United States for 130 years, most of them as Union Switch & Signal, our name prior to acquisition by another leader in rail and signaling components, Italy-based Ansaldo STS. Based in Pittsburgh, Pennsylvania, a town well known for its rail infrastructure and history, we serve rail and transit customers in the United States, as well as globally. This makes Ansaldo STS USA a regional company, with strong Union Switch and Signal roots in the U.S., with a long history of international presence.

We are very concerned about changes to rail regulations in the United States that will result in significant negative impacts to railroads, as well as to suppliers, such as Ansaldo STS USA. The current rail regulatory framework, since the Staggers Act of 1980 was passed to deregulate the rail industry, has given rise to the safest, most efficient, reliable, and affordable freight rail system in the world with rates roughly half of what they were in 1980. Since the Act was passed, it has allowed railroads to thrive and to reinvest more than \$480 billion in the rail network. Freight railroads invest their own capital in the nation's rail system, which benefits the entire nation.

This issue is extremely important to our company, our business partners, our employees and all who depend on our transportation network. I urge you to oppose changes that would remove the reasonable economic regulations that have allowed for a rebirth of freight rail.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan E. Calegari".

Alan E. Calegari, Ph.D.

Dr. Alan E. Calegari

President & Chief Executive Officer
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