



Consumer Federation of America



National Rural Electric Cooperative Association

A Touchstone Energy® Cooperative



NASUCA
NATIONAL ASSOCIATION
OF STATE UTILITY
CONSUMER ADVOCATES



February 25, 2010

Dear Chairman Rockefeller, Ranking Member Hutchison, Subcommittee Chairman Lautenberg, Subcommittee Ranking Member Thune and Senator Dorgan:

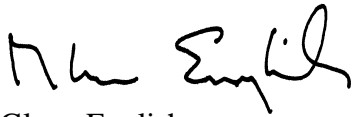
We are writing to thank you for introducing and successfully reporting from the Senate Commerce, Science, and Transportation Committee S.2889, the Surface Transportation Board Reauthorization Act of 2009. S.2889 is a bipartisan compromise bill that reauthorizes the Surface Transportation Board (STB) and addresses captive rail customer concerns by increasing competition in the railroad industry, improving access to the STB, and making the STB stronger and more robust to reflect the needs of today's rail industry. We appreciate the fact that despite the long intractability of the controversy over the proper role of competition and regulation in the freight rail industry, you devoted ten months of effort to develop this legislation through a process that provided a fair opportunity for both rail customers and railroads to have extensive input regarding the issues addressed in the bill.

Rail customers have not gotten everything we want in S. 2889. However, S.2889 is a significant improvement over the status quo for many rail customers, and it provides much needed reform at the STB. For example, S.2889 will increase competition by requiring major railroads to quote "bottleneck rates" and "terminal switching rates" and allowing parties to challenge existing and future paper barriers, and increase the STB's scrutiny of future railroad mergers. Additionally, S. 2889 will improve access to the STB by lowering filing fees for shippers to bring a complaint to the STB, it will allow the STB's simplified rate dispute methods to be used by more shippers and for larger cases, and it will allow certain cases to be resolved through arbitration. Finally, S.2889 will make the STB stronger and more robust, by updating the existing rail policy to reflect the current state of today's healthy rail industry and will provide the STB independent investigative authority so it can begin investigations on its own initiative, and will make the Board a truly independent agency.

S.2889 is important legislation that is needed if the principles of the Staggers Rail Act of 1980 are to be implemented fairly and fully. If enacted, the bill will diminish the current controversy between the major freight railroads and their customers. The STB will be more proactive regarding rail customer concerns and will have the resources it needs to promote a national freight rail system that works for the freight railroads, their customers, consumers and the nation. We also strongly support the inclusion of provisions from S.146, the Railroad Antitrust Enforcement Act of 2009, before S.2889 is considered by the full Senate.

We look forward to continuing to work with the Committee and others in the Senate as this bill moves to the floor and is enacted into law in 2010.

Sincerely,



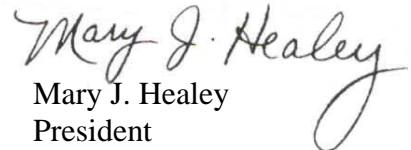
Glenn English
Chief Executive Officer
National Rural Electric Cooperative Association



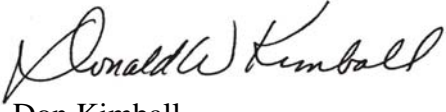
Bruce Carlton
President and Chief Executive
The National Industrial
Transportation League



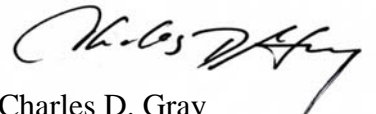
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American Chemistry Council




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Utility Consumer Advocates



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Consumers United for Rail Equity



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National Association of
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Donna Harman
President and Chief Executive Officer
American Forest & Paper Association



Kendell Keith
President
National Grain and Feed Association



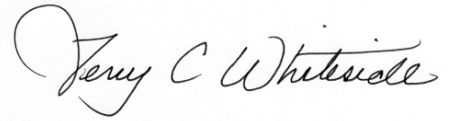
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