



July 25, 2011

The Honorable Ann D. Begeman  
Vice Chairman  
Surface Transportation Board  
395 E Street SW  
Washington, D.C. 20423

Dear Vice Chairman Begeman:

During the hearing of the Board in Ex Parte No. 705 on June 23d, you asked me a question that I did not answer directly. The question was whether the rail dependent shipper community would rather have access to competition or an improved rate regulation process. You posed the question as an “either /or” proposition, referring to the limited resources of the Board.

I think you recognize my difficulty in answering your question from my position as a representative of a broad range of rail dependent shippers as Chairman of CURE and a diverse group of rail dependent coal generating facilities and our consumers as CEO of the National Rural Electric Cooperative Association. In fact, the difficulties I faced with respect to giving you a simple answer on June 23d persist today.

We obviously believe that there is not one simple improvement that will address the very real problems confronting rail dependent shippers, particularly since there is some uncertainty, as the Board recognizes, regarding whether the major railroads will compete even if the Board enables us to reach competing railroads. Nevertheless, we believe the post-Staggers regulatory regime is designed for a pro-competitive national rail system. Thus, increased access to competing rails is very important.

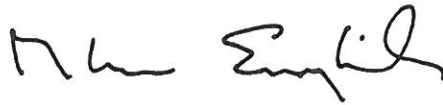
We also recognize that some rail dependent customers still would not gain access to competition even if pro-competitive access rules are adopted by the Board. Thus, we recommend one simple change in the current rate regulatory program and one clarifying statement by the Board regarding one key aspect of that program.

My thoughts are reflected more fully in Joint Supplemental Comments signed by a number of rail customer groups, which were filed with the Board Monday, July 25<sup>th</sup> and are incorporated into this letter by reference.

Commissioner, please let me congratulate you again for your new position on the Board. We appreciated your obvious engagement in the hearings and the “fresh” eyes you bring to the Board. We look forward to working with you in the months and years ahead.

With kindest personal regards,

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn English". The signature is fluid and cursive, with the first name "Glenn" written in a more compact, stylized manner and the last name "English" written in a more extended, flowing script.

Glenn English  
Chairman  
Consumers United for Rail Equity