

Henry Ricklefs
Vice President, Manufactured Products

P.O. Box 1990
Columbia Falls, Montana 59912-1990
406-892-6486 Fax: 406-892-6171
henry.ricklefs@plumcreek.com

October 14, 2005

214986



The Honorable Roger P. Nober
Chairman, Surface Transportation Board
1925 K Street NW
Washington, D.C. 20423



Dear Chairman Nober:

Plum Creek is a major shipper of forest products from our 9 manufacturing plants in the Northwest. We are also the nation's largest private forestland owner, supplying timber to many of the nation's largest paper and wood products producers. In our position, surface transportation is an extremely critical issue.

We endorse the efforts of the Surface Transportation Board in your role of providing oversight for this key part of the U.S. economy. As you commemorate the 25th Anniversary of the Staggers Rail Act, consideration needs to be given to future regulatory policies that recognize our nation's increased need for efficient transportation capacity. In particular, the railroad industry faces ever-increasing demands for capacity growth, while they simultaneously emerge from a long period of struggling to provide acceptable financial returns necessary to justify expansion capital.

We believe that the industry has definitely turned the corner on its financial performance. As America's railroads now pursue capacity enhancement, they need the certainty of a regulatory environment that supports this growth. At the same time, the railroads' many customers need to see policies that recognize and encourage a competitive and efficient transportation system.

One significant development in the railroad industry has been extensive consolidation. We would hope that future regulatory policies promote greater inter-line cooperation and mutual efforts to reduce the current high costs (i.e. high rates) of shipments that require transition from one carrier to another. These policies need to be integrated with efforts to encourage basic capacity growth in order to achieve the goal of railroad effectiveness.

Thank you for your time and consideration.

Sincerely,