

Jan. 11. 2010 11:36AM

CONGRESSMAN BARON HILL

No. 8165 P. 2/3

BARON P. HILL

9TH DISTRICT, INDIANA

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January 11, 2010

Mr. Daniel R. Elliott III
Chairman
Surface Transportation Board
395 E. Street, S.W.
Washington, D.C. 20423-0001

Re: AB-55 (Sub. No. 698X) 226370
AB 295 (Sub-No. 7X) 226364

Dear Mr. Elliott:

It has recently come to my attention that CSX Transportation (CSXT) has filed a petition under STB Docket Number AB-55 (Sub-No. 698X) to discontinue service along approximately 62.3 miles of rail line between Milepost 00Q 251.7 near Mitchell, Indiana and continuing to Milepost 00Q 314.0 near New Albany, Indiana. This rail portion known as the Hoosier Subdivision is located in Clark, Floyd, Lawrence, Orange and Washington Counties which services a considerable portion of my Congressional District. I am writing to express my concerns about the petition to discontinue service on this rail line.

I am principally concerned that discontinuing service along this line will hurt the economic development in Southern Indiana. The rail line designated in your proposal is the sole line servicing the communities of Borden, Orleans, and Salem, Indiana and will restrict rail service in and around the City of New Albany, Indiana. The loss of rail transportation in these communities adversely restricts their ability to recruit and retain business investments. Many of these communities are economically disadvantaged and depend on the manufacturing sector to provide meaningful employment opportunities for Hoosiers.

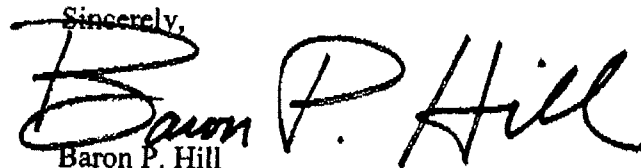
Additionally, several of the aforementioned communities have industrial parks and major transportation infrastructure located along or near the rail line to attract business ventures. These include the J.F. Helsel Commerce Park (Salem), the Orleans Industrial Site (Orleans) and the Mitchell Business and Industrial Park (Mitchell). Lehigh Cement Company recently announced plans to construct a new cement plant in Mitchell with the company intending to service customers by means of rail transportation. The loss of the Hoosier Subdivision line would adversely affect Lehigh's ability to transport their product and may jeopardize the company's expansion.

Several local officials have also expressed concern about the maintenance of this track if rail service is discontinued. Numerous state, city and county roads currently have at-grade crossings bisecting this rail line and local government depends upon your organization to repair and maintain these crossings.

Local officials in my district have also shared concerns regarding a related petition before the Surface Transportation Board filed by the Indiana Rail Road Company under AB 295 (Sub-No. 7X). The Indiana Rail Road has petitioned to abandon a connecting line between milepost 241.35 near Crane, Indiana and milepost 262.50 in Bedford, Indiana. This proposal would eliminate one of two rail access points to the Naval Surface Warfare Center, Crane Division in Crane, Indiana. Abandonment of the Indiana Rail Road Line coupled with discontinuing service along the Hoosier Subdivision would reduce Crane's logistical flexibility and allows for no alternative route if the western service line was disrupted.

I recognize that many businesses in Indiana are struggling as our country works its way out of the recession. The reduced traffic volume identified in your petition is understandable given these economic factors. CSXT and the Indiana Rail Road Company must find innovative methods to reduce costs and maximize service. However, Hoosiers lost 131,000 jobs over the last year and the state still has an unemployment rate of 9.3%. I believe discontinuing service on the only rail line servicing several Southern Indiana communities takes away an opportunity for future economic growth in the region and will diminish the communities' ability to recover from the recession.

Thank you for your consideration. If you have any questions regarding my concerns, please contact my Field Representative, Mr. Adam Dickey, at (812) 288 - 4193 Ext. 104.

Sincerely,

Baron P. Hill
Member of Congress

CC: CSX Transportation, 500 Water Street, Speed Code J200, Jacksonville, FL. 32202
Indiana Rail Road, 101 W. Ohio Street, Suite 1600, Indianapolis, IN 46204