



Office of the Chairman

Surface Transportation Board
Washington, D.C. 20423-0001

September 6, 2011

Mr. David L. Starling
President and COO
Kansas City Southern
PO Box 219335
Kansas City, MO 64121-9335

Re: End-of-Year 2011 Railroad Service Outlook

Dear David:

For several years, the Surface Transportation Board has asked KCS to provide a forward-looking assessment of its ability to meet end-of-year business demands for U.S. rail service. We are aware that freight rail volumes nationwide have rebounded strongly from the lows of the recession, but that overall carload volumes are still trailing pre-recession levels, and year-over-year growth appears to be slowing. Intermodal traffic has seen an even stronger resurgence, but, again, gains may be tapering off.

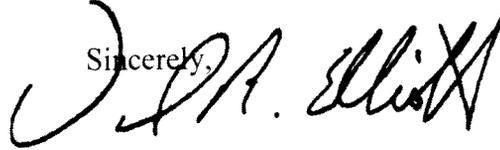
I ask that you provide the Board with a brief description of your plans and outlook for the balance of 2011, including:

- A summary of the impacts that recent flooding and other extreme weather conditions have had on KCS's system, and the effort your railroad has undertaken to restore damaged infrastructure and restore service;
- The overall actions your railroad will take to prepare for an end-of-year shipping season, with specific references to critical commodity areas such as: agriculture (e.g., grain, grain products, and ethanol), coal, chemicals and intermodal;
- A summary of the investments you have made in freight service and capacity improvements for the past year, and your anticipated rail congestion points and plans to improve them, with specific reference to the Corpus Christi terminal;
- Progress in developing U.S. container business through Mexican ports; and finally
- A report on your company's most recent customer service survey.

Please provide the Board with this information by September 27, 2011. Keep in mind that, as has been the case in the past, the Board expects to make your response

public. I look forward to your response and to continuing to work together to ensure that the shipping public has efficient and reliable rail service.

Sincerely,

A handwritten signature in black ink, appearing to read "D.R. Elliott III". The signature is written in a cursive style with a large initial "D" and "R".

Chairman Daniel R. Elliott III

cc: The Honorable Ann D. Begeman, Vice Chairman
The Honorable Francis P. Mulvey, Commissioner