



John K. Fiorilla  
856.914.2054  
jfiorilla@capehart.com

October 15, 2013

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Ms. Cynthia T. Brown, Chief  
Section of Administration  
Surface Transportation Board  
395 E Street S.W.  
Washington, D.C. 20423-0001

ENTERED  
Office of Proceedings  
October 18, 2013  
Part of the Public  
Record

Re: *STB Docket No. AB-1110; Lackawaxen-Honesdale Shipper Association; Stourbridge Railroad Company and Delaware Lackawaxen & Stourbridge Railroad Company- Adverse Discontinuance of Operating Authority. Morristown & Erie Railway Inc. d/b/a Stourbridge Railway for MP 0.0 at Lackawaxen PA to MP 24.80 at Honesdale, PA- Request for Arbitration or Dismissal*

Our File No. 6453-

Dear Ms. Brown:

This firm represents Morristown and Erie Railway, Inc. as General Counsel and in the above-captioned matter which was recently filed on behalf of the Lackawaxen-Honesdale Shipper Association ("LHSA").

In reviewing the filing, it appears that LHSA has misrepresented the position of Morristown & Erie regarding the operation of the Stourbridge Railway in Pennsylvania. While it is true that M&E currently has a dispute regarding its contract with the owner of the property upon which the Stourbridge Railroad would operate, that dispute springs primarily from the fact that there has been absolutely no traffic on the line for more than two years. In fact, if M&E was contacted by a shipper to operate the line for freight traffic, it would do so. With no freight traffic currently on the line, it made no sense for M&E to leave locomotives and employees on the line or to make repairs to track unless and until it could ascertain that there were freight customers who wanted to use the line.

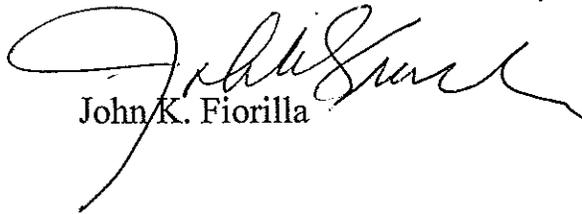
LHSA has also failed to note that M&E through my office contacted LHSA's counsel and suggested that the parties meet and review their concerns. Their counsel

however indicated that LHSA would prefer to file this Adverse Discontinuance action without a face to face meeting with M&E.

Under these circumstances, M&E would request that the Board provide notice to LHSA and request its voluntary agreement to arbitrate pursuant to 49 CFR § 1108.1 et seq. and to see if an agreement which would insure the continued operation of the line when freight service is required can be entered into. If LHSA refuses to arbitrate, then M&E requests that the STB deny the relief sought by LHSA since M&E continues to stand ready, able and willing to provide freight service on the Stourbridge Railway.

Sincerely,

CAPEHART & SCATCHARD, P.A.



John K. Fiorilla

JKF:cae

cc: Mr. Wesley Weis  
Richard R. Wilson, Esq.

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