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KARL MORELL



January 21, 2005

213063

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 715
Washington, DC 20423-0001

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Office of Proceedings

JAN 24 2005

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Public Record

Re: Finance Docket No. 34653, Appalachian & Ohio Railroad, Inc. – Lease
Exemption – CSX Transportation, Inc.

Dear Secretary Williams:

Appalachian & Ohio Railroad, Inc. ("AO"), hereby certifies that on January 21, 2005, AO had posted the attached Notice at the workplace of the employees on the rail lines that are the subject of this transaction and on January 19, 2005, AO served a copy of the Notice on the national offices of all labor unions with employees on the affected line.

Please time and date stamp the extra copy of this letter and return it with our messenger.

If you have any questions regarding this matter, please contact me.

Sincerely,

Karl Morell

Enclosure

NOTICE

JANUARY 19, 2005

The **Appalachian & Ohio Railroad, Inc.** ("AO"), will lease approximately 158.22 miles of track from CSX Transportation, Inc. ("CSXT"). The rail lines are located between: (1) Milepost BUC 0.0, at Berkeley Run Jct., WV, and Milepost BUC 119.0, at Cowen, WV; (2) Milepost BUN 0.0, at Berryburg Jct., WV, and Milepost BUN 4.0, at the Sentinel Mine near Berryburg, Jct., WV; (3) Milepost BUO 0.0, at Century Jct., WV, and Milepost BUO 5.05, at the Century Mine, near Century Jct., WV; (4) Milepost BUJ 0.0, at Buckhannon, WV, and Milepost BUJ 1.65, near Buckhannon, WV; (5) Milepost BUF 0.0, at Burnsville, WV, and Milepost BUF 6.2, at Gilmer, WV; (6) Milepost BUR 0.0, at Cowen, WV, and Milepost BUR 1.0, near Cowen, WV; (7) Milepost BUH 0.0, at Hampton Jct., WV, and Milepost BUH 17.0, at Alexander, WV; and (8) Milepost BTF 0.0, at Island Creek Jct., WV, and Milepost BTF 4.32, near Island Creek Jct., WV.

As a result of the operation of these rail lines leased from CSXT, AO expects to have employment opportunities in the following areas:

General Manager:

Approximately 1 Position located in Buckhannon, West Virginia. This position requires the following minimum skills and/or qualifications:

- Prefer College degree in Management.
- Must have at least 5 - 10 years of railroading experience in a supervisory and/or managerial role.
- Ability to manage all activities related to operations and development of company products/services.
- Must have the ability to create short and long range plans and budgets based on broad corporate goals and growth objectives.
- Ensure sound operating procedures according to FRA and Corporate Safety rules.
- Must ensure that emphasis is placed on a strong Customer Focus.

Road Master:

Approximately 1 position located in Buckhannon, West Virginia. This position requires the following minimum skills and/or qualifications:

- Must be able to lead and manage track maintenance crews day to day in the safe, efficient operation to ensure operations are maintained within FRA and AO standards.
- Must have 3-5 years experience in operations.
- Prior supervisory experience in train operations.
- Must be self motivated with good communication skills to work with other departments and governmental/public agencies.

Safety Officer:

Approximately 1 position located in Buckhannon, West Virginia. This position requires the following minimum skills and/or qualifications:

- Must serve as a specialist in safety by developing, planning, implementing, and managing the overall safety program.
- Must know and promote GCOR, FRA, and AO rules and standards.
- Must be certified currently as a Locomotive Engineer in accordance with the FRA standards.
- Must possess a high school education or GED, and a minimum of 2 years job-related experience; or equivalent combination of education and experience.
- Willingness to attend training sessions and to conduct training sessions.

Train Specialist II:

Approximately 14 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- At least 1 year experience as a Locomotive Engineer.
- Must possess a valid Engineer's certificate issued by a program in compliance with 49 CFR Part 240.
- Must be able to meet all hearing and vision requirements of 49 CFR Part 240.
- Must have an understanding of air brake and mechanical systems of a train and locomotives, and pass a written test to verify competency.

Train Masters:

Approximately 3 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Supervises and coordinates activities of train crews engaged in switching/RR operations.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.
- Must possess a valid Engineer's certificate issued by a program in compliance with 49 CFR Part 240.
- Must be able to meet all hearing and vision requirements of 49 CFR Part 240.
- Must have an understanding of air brake and mechanical systems of a train and locomotives, and pass a written test to verify competency.

Track Foremen:

Approximately 2 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Manages others in the Installation and repair of RR track on specified territory of Railroad.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.
- Must possess a working knowledge of hand and power tools.
- Must be knowledgeable of and comply with FRA standards.
- Responsible for the safe condition of track structure.
- Must have expert knowledge of Road Way Worker Protection Laws.
- Ability to supervise track crew.

Track Laborers:

Approximately 8 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Installs and repairs track on specified territory of Railroad using various hand and power tools.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.

- Required to operate track repair equipment safely/efficiently.

Clerks:

Approximately 2 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Involved in day to day record keeping, billing, filing, and typing and general office duties.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.
- This position will be accountable to all managers within the operation and is responsible for office coordination of activities.
- Other duties as assigned.

Locomotive Electrical:

Approximately 4 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Makes repairs and performs scheduled maintenance to both inbound and outbound locomotives.
- Must have knowledge of and comply with FRA standards.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.
- Prefer background in technical training in Electrical maintenance/repair.
- Demonstrated knowledge and ability in using required hand and power tools.

Carmen:

Approximately 2 positions located in Buckhannon, West Virginia. These positions require the following minimum skills and/or qualifications:

- Responsible for rail car inspection and maintenance in accordance with FRA standards.
- Familiar with AAR office manual, ability to identify AAR/FRA when present on railcars.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.
- Comply with all FRA and Watco safety standards.
- Other duties as assigned.

Track Inspector:

Approximately 1 position located in Buckhannon, West Virginia. This position requires the following minimum skills and/or qualifications:

- Supervises activities of workers engaged in the installation and repair of railroad track on specified Railroad territory.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.
- Demonstrated knowledge and ability in using required hand and power tools.
- Responsible for the safe condition of track structure.
- Other duties as assigned.

The most qualified candidates will be selected from the available pool of applicants without regard to race, creed, color, religion, national origin, sex, age, marital status, disability or veteran status. The selection criteria will be job-related skills and attributes as outlined above. Successful candidates must have a stable work record and exhibit safe work practices. The

ability to work in a team environment with a focus on customer service is critical. Applicants must be able to read and comprehend regulations and instructions in English, as well as possess good oral communication skills. Successful applicants will be required to pass a pre-employment drug and alcohol screen and complete a medical questionnaire. Every employee is an at-will employee. All employees are expected to know and abide by the standard code of Employee Conduct.

Appalachian & Ohio Railroad, Inc.
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