

220246



MICHIGAN HOUSE OF REPRESENTATIVES

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August 1, 2007

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Charles Nottingham, Chairman
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423-0001

RE: Finance Docket #s: **35063 – Michigan Central Railway, Llc**
 35064 – Watco Companies Inc.
 35065 – Norfolk Southern Railway Company

Dear Mr. Nottingham:

I am contacting you, on behalf of my constituents in the 60th Michigan House District, to express my district's concern and opposition, unless certain conditions are met, to the proposed rail venture between Norfolk Southern Corporation's Michigan rail lines from Ypsilanti to Kalamazoo, Grand Rapids to Elkhart, Indiana, and the Lansing Secondary.

The Michigan Line is part of a major international commercial corridor earning the designation as a federal corridor for the future and it is the only high-speed rail corridor outside of the east coast to achieve operating speeds of more than 79 mph. This line carries the state's busiest high-speed Amtrak train, the "Wolverine," which travels from Detroit to Chicago. Amtrak officials have expressed concerns about a new owner's ability to maintain higher speeds on tracks. Slower speeds will negatively impact patronage on these trains at a time when fuel prices are at an all-time high for the traveling public.

The rail capacity on this line is vital to the future development of the growing life sciences industry corridor, including the University Research Corridor, which are so vital to Michigan's new economy. Other industries, including the emerging biodiesel and ethanol fuel plants, are proposed for this rail corridor, as well as along the I-94 corridor next to the rail line.

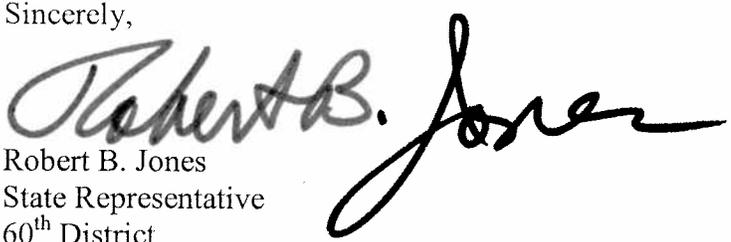
Up to this point, Norfolk Southern has been a good corporation and partner in our Great Lakes' State. NS has an excellent record for safety and maintenance of its tracks. We would have great concerns about any other railroad being able to maintain this level of service, but we are especially alarmed about the lines' joint venture by a Class Two operator.

There are many things to be concerned about regarding the proposed venture of the rail line from Norfolk Southern, a Class One operator, to Watco Companies, a Class Two operator. Norfolk Southern earns revenue in excess of \$250 million annually. They have the capacity to maintain and promote the use of these lines over that of a Class Two operator that can earn as little as \$20 million annually. We have serious questions about their ability to maintain the track, thus increasing the chance of accidents, and leading to concerns about the future of the rail line.

Our agribusiness community is strongly opposed to this sale. Our shippers, including International Paper and Pfizer, share concerns about maintenance of the track and safety issues. We estimate the five shippers in my district could be negatively impacted. Specifically, there are potentially severe issues with public safety, the degradation of public services, the ability of the lessee to fulfill current standards of rail service and maintenance, as well as Amtrak stability and speed of service. The needs of our industries are only going to increase, thus requiring rail lines which are well-maintained and able to accommodate increased demand. Unless I receive written verification on the ability of Watco, in partnership with Norfolk Southern, to maintain the current level of service, I will have no choice but to oppose the proposed rail venture between Norfolk Southern and Watco. Michigan needs to be able to compete in the 21st century and we need fast and dependable rail service to do that.

For these reasons, we ask for your intervention on behalf of the passengers, shippers and agribusiness community of the State of Michigan. We urge you to put into place, in the terms of this sale, conditions that are favorable to Michigan business in order to preserve the integrity of this important rail corridor.

Sincerely,


Robert B. Jones
State Representative
60th District

rbj/jv

I, Robert B. Jones, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this pleading.

Executed September 5, 2007


Robert B. Jones

CERTIFICATE OF SERVICE

_____ This is to certify that a copy of the foregoing communication from the Honorable Robert B. Jones, Michigan State Representative, on behalf of the citizens of the 60th Michigan House District, has been served this 12th day of September, 2007 via first-class, postage pre-paid mail upon the following:

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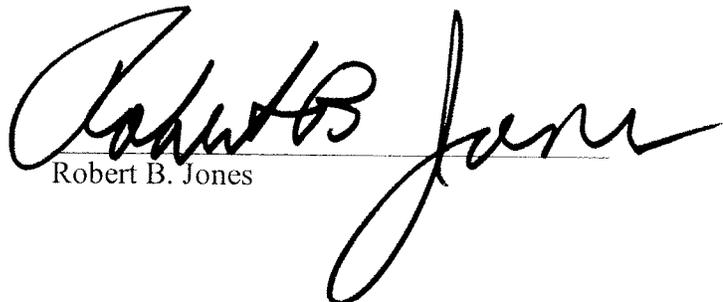
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