December 22, 2015

The Honorable Daniel R. Elliott III, Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Ann D. Begeman, Vice Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Debra Miller
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Dear Chairman Elliott and Surface Transportation Board Members:

I am writing to you regarding Canadian Pacific Railway’s proposal to acquire Norfolk Southern Corporation. As the Minority Leader of the West Virginia Senate, I am concerned about the effects of the proposed merger on the State of West Virginia and its workforce.

Canadian Pacific’s Chief Executive Officer made statements about reductions to Norfolk Southern’s physical plant and employment levels on November 19, 2015, that indicate significant cuts in Norfolk Southern resources will be a primary focus of any takeover. Such a move leads me to believe that there would be negative implications for employment and service levels if a merger were to occur. I am particularly concerned about the Prichard Intermodal Facility in which the State of West Virginia made a significant investment of $30 million dollars.

The State of West Virginia has a great working relationship with the people of Norfolk Southern. West Virginia’s energy and manufacturing sectors represent a significant employer base and Norfolk Southern plays an integral role in the movement of its products and bi-products not only through our state but throughout the country. The impact that a railroad merger would have on the many businesses in West Virginia and across the country that depend on railroads to get their products to market cannot be overstated. I am also concerned that a cost-cutting transaction as proposed by Canadian Pacific would result in decreased investments in our transportation infrastructure, the railroads infrastructure, and ultimately raise concerns regarding public safety.
For these reasons I do not believe a Canadian Pacific acquisition of Norfolk Southern is in the best interest of the people of West Virginia. I feel this acquisition would be detrimental to the people and businesses of the State. I intend to follow future developments between Canadian Pacific and Norfolk Southern closely. I urge the Surface Transportation Board to do the same. Thank you for your careful consideration of this important matter.

Sincerely,

Jeffrey V. Kessler