STB FD-33388 (SUB 91) 2-12-01 J 201486

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American Chemistry Council

Good Chemistry Makes It Possible

February 8, 2001

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Re: STB Finance Docket No. 33388 (Sub-No. 91), CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation [General Oversight]

Dear Secretary Williams:

The American Chemistry Council ("the Council" or "ACC") has reviewed the Conrail General Oversight decision that was issued on February 2, 2001, by the Surface Transportation Board ("the Board"). This letter explains the Council's views concerning how the Board addressed our comments in that important decision.

The Council appreciates that the Board recognized our praise for the safe manner in which CSX and Norfolk Southern implemented the Conrail transaction. Safety is the paramount concern of the Council's membership and the rail carriers who transport the products of the business of chemistry.

As the trade association representing the business of chemistry, the Council strives to provide complete and accurate information. For that reason, the Council is disturbed that the Board cited one of our comments out-of-context. "With respect to rates," as the Board noted on page 11 of its February 2 decision, "ACC indicates that the division of Conrail and the resulting new rail-to-rail competition have resulted in reduced rates for a number of its members." A comment to that effect appeared in our discussion under "Competition and Service" (ACC-2, page 3), which also quoted similar observations from the annual oversight reports that had been submitted by the two railroads. Our observation about rates was clearly a preamble to our concern about service:

> "Unfortunately, however, many of the same shippers have suffered from service disruptions during the past year."

But the Board chose to ignore our point about the quality of rail service, although "Service Instability" was the very first topic in the Board's own summary of the four days of testimony that it heard in STB Ex Parte No. 582, Public Views on Major Rail Consolidations. On March 17, 2000, the Board's decision in that proceeding said:

> "1. Service Instability. Rail mergers are pursued to increase efficiency and to improve service. At least at the beginning, however, service disruptions have accompanied the implementation of recent large mergers, and many shippers have experienced substantial adverse impacts in connection with the last round of mergers, beginning with the combination of the BN and SF systems, proceeding with the UP acquisition of the Southern Pacific (SP) system, and ending with the acquisition and division of Conrail by CSX and NS."

The Board certainly seemed concerned about post-merger service disruptions (including Conrail) when it decided that the "public interest" required a 15-month rail merger moratorium and a new merger guidelines rulemaking. Yet service disruptions did not appear to warrant the Board's own attention in the Conrail General Oversight decision. There, the Board responded (page 12) to concerns about service disruptions with the message that "operational and service issues generally will continue to be handled through operational monitoring by our Office of Compliance and Enforcement."

The Council also provided balanced comments based on our extensive experience on the Conrail Transaction Council ("CTC"). But the Board dismissed our observation that the CTC process had not resulted in the adoption of two important service-related measures that are of concern to rail customers: (1) corridor-specific transit time measures, and (2) pre-merger service benchmarks. The Board did note our recognition that the CTC had generally been a useful forum. But we also expected a fair examination of our specific concern that certain performance measures had not been resolved within the CTC.

The Board even denied the validity of our comment that the CTC process had not been used to provide shippers, through their participating trade associations, with information about the procedure each railroad would use to address freight claims relating to its service disruption. The Board wrote on page 13 of the decision:

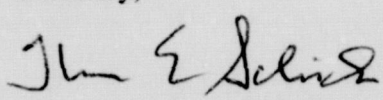
> "While the members of the CTC may certainly agree to include claims issues as part of their discussion agenda, it would be inappropriate for us to attempt to impose such a requirement on the privately negotiated CTC."

The Council finds this to be a remarkable – if not outrageous – statement. In 1998, the Board approved the Conrail transaction as being in the "public interest." An explicit condition of that approval was that the CTC would be a forum to review "the service-related aspects of the transaction" and the recent decision acknowledges the relevance of "claims issues." Most significantly, the Board is the only government

agency authorized to approve, condition and oversee rail mergers. How can the Board deem the substance of one of its own conditions to be merely a private matter?

In railroading, as in all other industries, service improvements arise from competition. Over the past two decades the Board and its predecessor have approved a series of mergers that have incrementally, but cumulatively, reduced rail competition in the United States to a substantial degree. The Council takes seriously its opportunities to comment in generic rulemakings, such as Ex Parte 582 (Sub-No. 1), and on specific transactions, including the Conrail General Oversight proceeding. We are therefore especially disappointed that the Board took a one-sided view of its oversight process and quoted so selectively from the Council's comments.

Sincerely,



Thomas E. Schick
Counsel
Distribution Team

cc: Honorable Linda J. Morgan
Honorable William Clyburn, Jr.
Honorable Wayne O. Burkes

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

Office of the Chairman

January 26, 2001

Mr. J. Justin Murphy
Chief of Staff
Four City Consortium
6949 Kennedy Avenue, Suite E
Hammond, Indiana 46323

Re: Conrail Oversight Proceeding/Four City Consortium

Dear Mr. Murphy:

Thank you for your letter of January 4th, updating me on the efforts of the Four City Consortium to reach agreement with CSX and Norfolk Southern (NS) on environmental mitigating conditions for the Four Cities area, and for your comments on the first of the quarterly community status reports requested by the Board.

I am pleased to learn that the Four City Consortium and railroad representatives have been meeting regularly on your issues, and that an agreement with CSX is imminent. It is unfortunate that outstanding issues remain unresolved between NS and the Four Cities Consortium.

We have been in contact with NS about this matter, and I will continue my efforts to ensure that there is an active and constructive dialogue in the private sector on these important issues. I also will make sure that you receive any relevant correspondence, as you have requested. In this regard, enclosed is a letter that I have received from NS in response to your letter. I will have your letter, my response, and the response from NS all placed in the docket for the Conrail proceeding. Please do not hesitate to keep me informed on developments as they occur.

Sincerely,

Linda J. Morgan

Linda J. Morgan

Enclosure

FILE IN DOCKET

Norfolk Southern Corporation
1500 K Street, N.W., Suite 375
Washington, D.C. 20005
202/383-4166
Direct: 202/383-4425
Fax: 202/383-4018
email: bmaestri@nscorp.com

Bruno Maestri
Vice President
Public Affairs

January 18, 2001

Honorable Linda J. Morgan
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: Response to Letter Dated January 4, 2001, from the Four City Consortium to the Surface Transportation Board

Dear Chairman Morgan:

Norfolk Southern ("NS") is in receipt of the above referenced letter from the Four City Consortium ("Four Cities"). Two overall themes seem to dominate that letter: 1) the Four Cities is critical of NS for failing to reach a settlement with it, when CSX did; and, 2) the Four Cities is critical of NS for instituting a court proceeding to determine the constitutionality of certain local and state laws associated with issues the Four Cities wishes to be dealt with in settlement. We take this opportunity to address several points raised by the Four Cities, including those two themes, but we necessarily must leave certain matters relevant to the federal litigation to adjudication in that forum.

Failure to Reach Settlement

In its letter, the Four Cities criticizes NS for the failure of the parties to reach a settlement regarding operations in the Four Cities area. The Four Cities seek assurances from NS that go far beyond compliance with the mitigating conditions the Surface Transportation Board ("Board") imposed in the Conrail Control Transaction. NS is in compliance with those conditions and, for the reasons already set forth in filings before the Board in the General Oversight Proceeding, NS does not believe that further mitigation is warranted. As such, any settlement NS and the Four Cities reach that requires operational modifications or the construction of infrastructure improvements beyond those required by the Board in its Decisions should be the result of a mutually beneficial and voluntary effort by the parties to resolve their differences. Although this has not yet occurred, it certainly is not the result of a lack of effort on the part of NS.

Federal Litigation

The Four Cities further criticizes NS's decision to exercise its right to seek a judicial determination of whether the City of Hammond's ("Hammond") enforcement of

certain local and state laws is preempted by federal law or otherwise unenforceable. At the time NS filed suit in federal court, the fine exposure for citations then pending was 2.7 million dollars. The total fine exposure now exceeds 3.2 million dollars. NS met with Hammond officials prior to filing suit in an effort to avoid litigation. Since filing suit, NS has remained open to possible settlement agreements, and has communicated with Hammond concerning settlement on numerous occasions. Hammond has either rejected, without a counter-proposal, or failed to respond at all, to NS's several attempts at settlement.

NS cannot, of course, address through this letter to the Board, a non-party, specific matters that are involved in the pending litigation. We do note, however, that the Four Cities attempts in its letter to marry an out-of-context excerpt from the Conrail FEIS with an out-of-context excerpt from the statement of NS Terminal Superintendent, Mr. Burl Scott, that was submitted in the federal court action, to obliquely raise concerns about the NS operating plan submitted in the 1997 application covering the Conrail Transaction. (These statements are taken out of context. For example, Mr. Scott made clear at his deposition, which Mr. Murphy attended, that NS has rerouted trains where feasible to the Lake Front Line.) Certain traffic must, of necessity, continue to use the Nickel Plate Line. NS has never contended differently. In short, the position taken by NS in the federal court action is wholly consistent with its representations to the Board and in no way undermines the credibility of that operating plan as a basis for the conclusions reached in the Conrail Control process. Moreover, it is worth noting that the Four Cities has previously raised these same allegations of inaccurate traffic projections with the Board. The Board rejected these allegations in Decision 96, served October 19, 1998.

Attendance at Joint Meetings

The Four Cities charges that NS "did not bring any knowledgeable operating personnel" to the joint meeting on October 19, 2000, a meeting that occurred under Condition 21 of Board Decision No. 114, served February 4, 1999. The mid-October meeting took place only four (4) days after Mr. Richard Juram was transferred to replace Mr. Scott as Terminal Superintendent – Chicago Terminal, as Mr. Scott had been transferred to our Columbus Terminal in Ohio. As such, neither Mr. Scott nor Mr. Juram was able to attend. The NS representatives who did attend explained, at the opening of the meeting, that an operations representative from NS was not able to attend due to these recent changes in staff.

Decision No. 114 requires NS to participate in regularly scheduled meetings to provide a forum for assessing certain specified matters and to provide a status report on the progress of operational and capital improvements required by the Board. NS has discharged these responsibilities. Absent unusual circumstances, NS has an operating representative attend the scheduled meetings in addition to the public affairs or other NS representatives. A failure to do so violates neither the spirit nor the letter of the Board's Decision.

Steps to Alleviate Traffic Congestion

NS wishes to inform the Board that NS, together with the Indiana Harbor Belt Railroad and CSX, have taken numerous concrete actions, beyond those required by the mitigation conditions in the Conrail Control Transaction, to address the Four Cities' concerns and to alleviate traffic congestion. NS disputes the Four Cities' characterization that only "a few steps" have been taken.

For example:

1. NS and the IHB completed their joint installation of power switches on the northeast wye at Osborn on December 16, 2000. Such installation now allows the IHB dispatchers to operate these switches by remote control. Previously, a crew member had to dismount the train and throw these switches by hand.

2. The Hohman interlocking is in the process of being converted from a manual interlocking system to a remote operation system. The conversion will enable dispatchers to monitor and better coordinate train traffic from a remote location.

3. NS has rerouted traffic from the Nickel Plate Line to the Lake Front Line.

4. NS issued special instructions, requested by Hammond, regarding blocked crossings to its Chicago Terminal train and engine crews.

5. Phone communications between our Cummins Bridge Operator and the IHB Dispatcher have been improved via the installation of a direct intercom system, which allows the dispatcher to better coordinate and anticipate train movements. As a result, fewer blocked crossing occur.

6. NS is presently undertaking a project that will update the signals between State Line and Calumet Yard. The update will allow trains to operate on either track in either direction at the track's maximum speed. Currently, trains are governed by directional running. If a train is operating on "the wrong side" of the tracks, it must operate at a restricted speed. This too will reduce the potential for blocked crossings.

NS has and will continue to implement prudent measures to address the operational impact on the Four Cities area. NS wishes to be a good corporate neighbor and will continue its efforts towards achieving that goal. At the same time, however, NS must pursue important legal concerns that it believes should be addressed in court. That is the position that NS presently finds itself in with respect to Hammond's efforts to enforce local and state laws that NS believes are unenforceable. NS would of course

prefer that the federal lawsuit be resolved amicably, but recognizes that it is not the Board's intent, through this informal reporting process, to become entwined in the pending litigation.

I trust that this explanation puts these short-term difficulties in perspective. I would be happy to provide any additional information you may require. Per his request, we have copied Mr. Murphy on this response and will send to him copies of each future informal quarterly community status report that we submit to you.

Sincerely,

Bruno Maestri

cc: Vice Chairman Clyburn
Commissioner Burkes
Mayor Bercik
Mayor Dedelow
Mayor King
Mayor Pastrick
Justin Murphy, Esquire

THE CITIES OF EAST CHICAGO, INDIANA; GARY, INDIANA;
HAMMOND, INDIANA; AND WHITING, INDIANA, COLLECTIVELY

THE FOUR CITY CONSORTIUM

FILE IN DOCKET

January 4, 2001

Robert A. Pastrick
MAYOR

Scott King
MAYOR

Duane Dedelow
MAYOR

Robert J. Bercik
MAYOR

Honorable Linda J. Morgan
Chairwoman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

COMMON ADDRESS:
6949 Kennedy Avenue, Suite E
Hammond, Indiana 46323
(219) 844-3025
Fax: 844-3400

Re: Conrail Oversight Proceeding/Four City Consortium

Dear Chairwoman Morgan:

I am writing on behalf of the Cities of East Chicago, Gary, Hammond and Whiting, Indiana (the "Four City Consortium") with respect to the first informal quarterly community status reports by CSX and NS concerning implementation of the environmental mitigating conditions for the Four City Consortium imposed by the STB in approving the Conrail transaction. These reports were submitted under cover of letters to you from Michael J. Ruehling of CSX and Bruno Maestri of NS dated November 15, 2000.

As indicated in the reports, representatives of the Four Cities and the two railroads have been meeting periodically (as required by the conditions imposed in Decision Nos. 89 and 114 in the Conrail control proceeding) to discuss railroad operations in the region and the continuing rail/highway grade crossing congestion and blockage problems. The railroads have been submitting informal quarterly progress reports on these issues.

In general, CSX's report is complete and accurate. For your information, the Consortium has reached an agreement in principle with CSX concerning further steps to alleviate the blocked-crossing problem and the rerouting of trains off the BOCT line onto the grade-separated Porter Branch/IHB corridor. The Consortium expects that a new settlement agreement will be executed in early January, and then submitted to the Board for adoption as a condition to its approval of the Conrail transaction. This agreement would obviate the need for the additional conditions with respect to CSX requested in the Consortium's July 14, 2000 Comments in the Conrail oversight proceeding.

Working Together to Build a Better Tomorrow

The situation with respect to NS is different. Its status report is incomplete and misleading. One item in the NS report is particularly troublesome. The last bullet paragraph on page 4 states that NS representatives attended a comprehensive joint meeting in mid-October. What the report fails to say is that NS did not bring any knowledgeable operating personnel to this meeting, and the Consortium's questions with respect to NS's progress in alleviating grade crossing congestion/blockage problems have largely gone unanswered. The Consortium believes NS's failure to bring knowledgeable operating people to these meetings violates the spirit, if not the letter, of Environmental Condition No. 21 in Decision No. 114.

In addition, although NS has taken a few steps to alleviate the rail/highway grade crossing problem on the Nickel Plate line in Hammond, the Consortium has been unable to reach a comprehensive settlement agreement with NS as it has with CSX. As a result, and due to increased grade crossing blockages on NS's Nickel Plate line by stopped trains due to the Conrail transaction, the Four Cities have had to enforce local crossing ordinances (and the Indiana state law) by issuing more than 500 citations to NS for often-lengthy blockages of rail/highway grade crossings. NS responded by filing a lawsuit in federal district court seeking to have Hammond's crossing ordinance and the state law declared unconstitutional on grounds of federal preemption. Hammond is defending this lawsuit vigorously.

Through this lawsuit, Hammond has also learned of additional facts which raise questions about the credibility of representations made by NS during the Conrail control proceeding as to its projected post-transaction operations in Northwest Indiana. In particular, with regard to the critical NS "Nickel Plate" line traversing the southern portions of Gary and Hammond, NS previously represented to the Board that traffic would decrease from 26.3 to 11.2 trains per day following the transaction due to its ability and intention to reroute trains to its alternative, Lakeshore Line extending to/from Chicago. The Board referenced this representation in developing environmental mitigation conditions affecting the Consortium. As stated in the Board's Final Environmental Impact Statement, "NS would reduce the congestion problems that it currently faces on the Nickel Plate Line segment by rerouting various trains to the Lakeshore Line" (formerly controlled by Conrail and acquired by NS as part of the Conrail Transaction). See Final EIS, Vol. 6C, at N-126.

In a recent federal court filing, NS's former Senior Superintendent of Terminals in the Chicago/Northwest Indiana region apparently contradicts NS's earlier representations. "I have also reviewed the portion of [the expert for the City of Hammond's affidavit where he says that Norfolk Southern can avoid blocking grade crossings in Hammond, by re-rerouting traffic to the Lake Front Main. There is no practical way for trains operating between Chicago and Fort Wayne over the Nickel Plate Line to be re-routed over the Lake Front Main." NS Reply Brief, Supplemental Declaration of Burl Scott, Norfolk Southern Railway Co. v. City of Hammond, Indiana, Cause No. 2:00CV357JM (N.D. Ind. filed June 6, 2000) at ¶ 14. The NS witness also confirms that NS is currently running approximately 25 trains per day over the Nickel Plate line -- a far cry from NS's earlier representations that it would achieve a 15.1 train per day reduction over the line and reduce congestion by moving trains to its grade-separated lines along the Lake Michigan lakefront.

Finally, while we received from CSX and NS copies of their first informal quarterly community status reports (and we are providing copies of this response to CSX and NS), we would request that copies of any such future correspondence (and any Board responses thereto) addressing issues affecting the interests of the Consortium be sent to the undersigned, so that the Consortium may be in a position to respond, as appropriate and as its interests may require.

Very truly yours,

FOUR CITY CONSORTIUM

BY: J. JUSTIN MURPHY
CHIEF OF STAFF

cc: Vice Chairman Burkes
Commissioner Clyburn
Mayor Bercik
Mayor Dedelow
Mayor King
Mayor Pastrick
Michael J. Ruehling (CSX)
Bruno Maestri (NS)
C. Michael Loftus/Christopher A. Mills

198803

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May 26, 2000

BY HAND

LIRC-2

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Case Control Unit
Attn: STB Finance Docket No. 33388 (Sub-No. 91)
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: STB Finance Docket No. 33388 (Sub-No. 91), CSX Corporation and CSX Transportation , Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation (General Oversight)

Dear Secretary Williams:

On February 17, 2000, Louisville & Indiana Railroad Company ("LIRC") filed its request to be placed on the service list as a party of record in the above-referenced proceeding. This letter is to notify the Surface Transportation Board (The "Board") of the change of address of LIRC's counsel, to whom materials in this proceeding should be sent. Please note the new address:

Mark H. Sidman
Weiner Brodsky Sidman Kider P.C.
1300 19th Street, N.W.
5th Floor
Washington, D.C. 20036-1609
(202) 628-2000 (telephone)
(202) 628-2011 (facsimile)

In accordance with Decision No.1 of the Board in this proceeding, served February 9, 2000, enclosed are 25 copies of this letter and a 3.5-inch disk containing the letter formatted in

Word Perfect. Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Very truly yours,

Rose-Michele Weinryb

cc: Dennis G. Lyons, Esq. (by hand)
Richard A. Allen, Esq. (by hand)

SLOVER & LOFTUS
ATTORNEYS AT LAW
1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036

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WRITER'S E-MAIL:

cam@sloverandloftus.com

May 12, 2000

BY HAND DELIVERY

Richard A. Allen, Esq.
Zuckert, Scoutt & Rasenberger, L.L.P.
888 Seventeenth Street, N.W.
Suite 600
Washington, D.C. 20006-3939

Re: Finance Docket No. 33388 (Sub-No. 91)
Conrail Control-General Oversight Proceeding

Dear Dick:

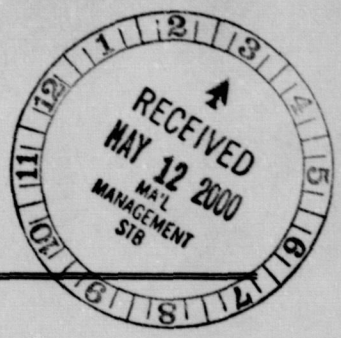
Enclosed are PSI Energy, Inc.'s Discovery Requests to Norfolk Southern Railway Company in the above-referenced proceeding. As indicated in the Discovery Requests, responses should be provided to the undersigned within thirty-one days of today's date, or by June 12, 2000.

Sincerely,

Christopher A. Mills

CAM/mfw
Enclosure

cc: Hon. Vernon L. Williams
Dennis G. Lyons, Esq.



BEFORE THE
SURFACE TRANSPORTATION BOARD

CSX CORPORATION AND CSX TRANSPORTATION, INC., NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY - CONTROL AND OPERATING LEASES/AGREEMENTS - CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION (GENERAL OVERSIGHT)	)	Finance Docket No. 33388 (Sub-No. 91)

PSI ENERGY, INC'S DISCOVERY REQUESTS TO NORFOLK SOUTHERN RAILWAY COMPANY

Pursuant to 49 C.F.R. §§ 1114.21-1114.31, PSI Energy, Inc. ("PSI") hereby directs the following discovery requests to Applicant Norfolk Southern Railway Company ("NS"). The purpose of these requests is to elicit information necessary to enable PSI to meaningfully review and evaluate the implementation of one of the conditions imposed by the Board in its Decision No. 89 in the lead docket which approved the application of CSX Corporation and CSX Transportation, Inc. (collectively "CSX") and Norfolk Southern Corporation and NS for control and division of the assets of Conrail Inc. and Consolidated Rail Corporation.

Unless otherwise agreed, responses to PSI's discovery requests should be delivered to the offices of Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, within thirty-one (31) days from the date hereof.

I.

DEFINITIONS

The following terms used herein are defined as follows:

1. "Board" means the Surface Transportation Board.

2. "Conrail" means Consolidated Rail Corporation, its parent, affiliates, and any of its or their present or former employees, agents, counsel, officers, directors, consultants, or any other person(s) acting on its or their behalf.

3. "CSXT" means CSX Transportation, Inc., its parent, affiliates, and any of its or their present or former employees, agents, counsel, officers, directors, consultants, or any other person(s) acting on its or their behalf.

4. "Communication" means the transmittal or exchange of information of any kind in any form, including oral, written or electronic form.

5. "Conrail transaction" means the transaction approved by the Board, with certain decisions, in Decision No. 89 as defined immediately below.

6. "Decision No. 89" means the decision of the Board served July 23, 1998, in Finance Docket No. 33388 approving, with certain conditions, (1) the acquisition of control of Conrail Inc. And Conrail by (a) CSX Corporation and CSXT (collectively "CSX") and (b) Norfolk Southern Corporation and NS; and (2) the

division of assets of Conrail Inc. and Conrail by and between CSX, on the one hand, and Norfolk Southern Corporation and NS on the other hand.

7. "Document" means any writing or other compilation of information, whether handwritten, typewritten, printed, recorded or produced or reproduced by any process, including, without limitation, business records; files; agreements; statements; pleadings; contracts; correspondence; letters; messages; facsimile transmissions; electronic mail messages; memoranda; studies; manuals; bulletins; tabulations; projections; summaries or records of telephone conversations or interviews; opinions or reports; calendars; journals; diaries; log books; notes; notebooks; forecasts; lists of persons attending meetings or conferences; minutes or records or summaries of meetings or conferences; computer tapes; computer disks; computer hard drives; computer models; computer programs; CD-ROM's; computer printouts; all stored data compilations of any kind that may be retrievable or machine-readable; and all other photographic and retrievable data (whether encoded, or taped and coded electronically, electromagnetically or otherwise). Further, the term "document" includes both original versions and copies that differ in any respect from original version, including without limitation copies that contain any marginal notes or comments.

9. "Gibson Station" means the Gibson Generating Station owned and operated by PSI and located near Carol, IN.

10. "Identify," when referring to a type of information, means to list and produce documents containing the specified information.

11. "Keensburg Line" means the line or lines of railroad owned and/or operated by NS extending between Keensburg, IL and Carol, IN via Mt. Carmel, IL, and used by NS to transport coal originated at RAG Coal's Wabash Mine near Keensburg to Gibson Station.

12. "NS" means Norfolk Southern Railway Company, its parent, affiliates, and any of its or their present or former employees, agents, counsel, officers, directors, consultants, or any other person(s) acting on its or their behalf.

13. "Person" means natural persons, corporations, institutions, partnerships, firms, joint ventures associations, political subdivisions or other legal entities, as the case may be.

14. "Possession, custody, or control" refers to and includes documents actually within the possession, custody or control of NS, and each employee, consultant, agent, officer, director, partner, or representative, including attorneys, of NS; or each former employee of NS; or each other person acting for or

in concert with NS; and refers to and includes documents prepared by, obtained, or placed in the possession, custody, or control of any such person within the scope of his or her duties or relationship to NS; and further refers to and includes documents having been placed in the temporary possession, custody, or control of any third party by any of the foregoing persons or NS. Documents are deemed to be in the possession, custody, or control of NS if NS has the right to secure the document, or a copy thereof, from another person or entity, whether public or private, having such actual physical possession, custody, or control thereof.

15. "Related," "Related to," and "Relating to" mean and include making a statement discussing, describing, referring to, reflecting, explaining, analyzing, or in any way pertaining to, in whole or in part, the subject matter of the Request.

16. "And," "or," and/or "each" shall be construed in the disjunctive or conjunctive as necessary in order to bring within the scope of each Interrogatory or Request all responsive information on documents which might otherwise be construed as outside the scope of the Interrogatory or Request. All use of the masculine gender shall be deemed to include the feminine.

II.

INSTRUCTIONS

1. Each paragraph below shall operate and be construed independently, and each discovery request should be answered separately and fully in writing. Unless otherwise indicated, no paragraph limits the scope of any other paragraph.

2. If the production of any responsive document is withheld under 49 C.F.R. § 1114.30(a)(1) on the basis of a claimed privilege or attorney work product, then for each such document, provide the following information: its date, type (e.g., letter, meeting, notes, memo, etc.), author (note if author is an attorney), addressee(s)/recipient(s) (note if addressee(s) or recipient(s) is an attorney), general subject matter, and basis for withholding the information.

3. If the answer to any interrogatory or the production of any responsive document is withheld for claimed grounds other than privilege or attorney work product, state with specificity the basis for such withholding.

4. These discovery requests are continuing in nature so as to require NS to supplement its responses in the manner provided in 49 C.F.R. § 1114.29.

5. All documents should be produced or made available for inspection in the form in which they are retained by NS in

its usual course of business (e.g., if the documents are in a file, the file containing the documents should be produced), unless otherwise agreed by PSI and NS. All files containing responsive documents should be identified by file name and number.

6. If a responsive document was, but is no longer, in NS's possession, custody or control, describe what disposition was made of it.

7. Please organize or number the documents produced in such a manner that PSI may readily determine which documents are being produced in response to each specific Interrogatory or Document Production Request. If no document is produced in response to any specific Interrogatory or Request, please so indicate in the response.

III.

INTERROGATORIES

INTERROGATORY NO. 1

State whether CSXT's trackage rights over the Keensburg Line, as transferred from Conrail to CSXT pursuant to the Board's direction in Decision No. 89, have lapsed or otherwise terminated or been terminated.

INTERROGATORY NO. 2

If the answer to any part of Interrogatory No. 1 is affirmative, describe the circumstances under which the lapse or termination occurred and identify any decisions, rules or orders by any government authority approving or permitting (either directly or indirectly) such lapse or termination.

INTERROGATORY NO. 3

Identify any and all agreements, contracts or understandings between NS and CSXT relating to CSXT's trackage rights over the Keensburg Line, including but not limited to any trackage rights agreement or operating agreement relating to such trackage rights.

INTERROGATORY NO. 4

To the extent not set forth in a contract, agreement or understanding identified in answering Interrogatory No. 3, describe (a) the compensation terms under which CSXT may use its trackage rights over the Keensburg Line to transport coal from Wabash Mine to Gibson Station, and (2) any restrictions or limitations on CSXT's ability to use its trackage rights over the Keensburg Line for purposes of delivering coal to Gibson Station or for any other purpose.

INTERROGATORY NO. 5

If NS does not presently have an agreement, contract or understanding with CSXT concerning CSXT's operations over and use of the Keensburg Line to transport coal from Wabash Mine to Gibson Station:

a. Describe any negotiations or discussions that have occurred between NS and CSXT concerning terms (including without limitation compensation or other financial terms) related to such operations and use; and

b. Identify and describe any offers or proposals related to such operations and use, including without limitation offers or proposals for compensation, that NS has prepared or presented to CSXT pertaining to such operations and use and that NS has received from CSXT pertaining to such operations and use.

INTERROGATORY NO. 6

Identify each natural person who assisted or provided any information used by NS in preparing its answers to these Interrogatories.

IV.

DOCUMENT PRODUCTION REQUESTS

REQUEST FOR PRODUCTION NO. 1

Produce all documents identified, described or referred to in the answers to Interrogatory Nos. 1 through 5 above.

REQUEST FOR PRODUCTION NO. 2

Produce all other documents in the possession, custody or control of NS relating to CSXT's or Conrail's trackage rights over the Keensburg Line for purposes of transporting coal to Gibson Station, including without limitation all trackage rights or operating agreements between NS and Conrail that were in effect during any part of the period from January 1, 1990 to and including the date of consummation of the Conrail transaction as approved by the Board in Decision No. 89.

PSI ENERGY, INC.

By: Donald P. Bogard
Associate General Counsel
PSI Energy, Inc.
1000 East Main Street
Plainfield, IN 46168

Christopher A. Mills
Daniel M. Jaffe
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
(202) 347-7170
Washington, D.C. 20036

Its Attorneys

OF COUNSEL:

Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: May 12, 2000

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Discovery Requests were served this 12th day of May, 2000 by hand delivery upon:

Richard A. Allen, Esq. (Counsel for NS)
Zuckert, Scoutt & Rasenberger, L.L.P.
888 Seventeenth Street, N.W.
Suite 600
Washington, D.C. 20006-3939

Dennis G. Lyons, Esq. (Counsel for CSX)
Arnold & Porter
555 12th Street, N.W.
Washington, D.C. 20004-1202

The Board has not yet issued a service list for this General Oversight Proceeding, and PSI Energy, Inc. is unaware of any other parties of record at this time.

Christopher A. Mills

198476

ARNOLD & PORTER
555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206
(202) 942-5000
FACSIMILE: (202) 942-5999

NEW YORK
DENVER
LOS ANGELES
LONDON

DENNIS G. LYONS
(202) 942-5858

May 9, 2000

BY HAND

The Honorable Vernon A. Williams, Secretary
Surface Transportation Board
Office of the Secretary
1925 K Street, NW
Washington, DC 20423-0001

Re: STB Finance Docket No. 33388 (Sub-No. 91) (Oversight)
CSX Corporation and CSX Transportation, Inc., *et al.*

Dear Secretary Williams:

We have received a copy of the letter to you from Michael F. McBride, Esq. and Bruce W. Neeley, Esq., on behalf of Indianapolis Power & Light Company ("IPL").

The letter indicates, as does the present litigation involving IPL, the Board, and CSX and Norfolk Southern ("NS") in the United States Court of Appeals for the Second Circuit, that there are differences of views, at least between IPL on the one hand and CSX and NS on the other, as to matters affecting IPL's plants in Indianapolis. The present correspondence seems to us to be no place to ventilate those issues. The Board has established an orderly oversight procedure in the Sub-No. 91 Docket identified above, in which the IPL conditions and all the other conditions imposed by the Board in approving the Conrail Transaction will be discussed. The procedure in that proceeding is for CSX and NS to state their views in a June 1, 2000 filing, and for other parties, including IPL or any other interested parties, to state theirs in response; to which CSX and NS will have the privilege of a reply. There is no reason to change this procedure.

We note that IPL also demands that NS and CSX be ordered to produce copies of trackage rights documentation, presumably meaning CSX/NS documentation for NS to operate out of Crawford Yard in connection with the movement to the Stout Plant, and INRD/NS documentation concerning NS' access to the Stout Plant. The Board in Decision No. 125 in the main proceeding denied IPL's requests in that regard, and that denial is now on appeal before the

Second Circuit. The letter of IPL's counsel does not offer any reasons justifying the Board to reverse its decision. CSX plans to discuss terms of the CSX/NS and INRD/NS arrangements in the June 1 filing.

Respectfully yours,

Dennis G. Lyons

Counsel for CSX Corporation and
CSX Transportation, Inc.

rjm
Enclosures
cc Michael F. McBride, Esq.
Karl Morell, Esq.
Richard A. Allen, Esq.
Michael Harmonis, Esq.
Julia Farr, Esq.

198462

ZUCKERT SCOUTT & RASENBERGER, L.L.P.
ATTORNEYS AT LAW

888 Seventeenth Street, NW, Washington, DC 20006-3309
Telephone [202] 298-8660 Fax [202] 342-0683
www.zsrlaw.com

RICHARD A. ALLEN
DIRECT DIAL (202) 973-7901
rallen@zsrlaw.com

May 9, 2000

BY HAND

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Re: ***CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company--Control and Operating Leases/Agreements--Conrail Inc. and Consolidated Rail Corporation*, Finance Docket No. 33388 (Sub-No. 91) (General Oversight)**

Dear Secretary Williams:

We have received a copy of the May 1, 2000 letter to you from Michael F. McBride and Bruce W. Neely, attorneys for the Indianapolis Power & Light Company ("IP&L"), asking the Board to order, among other things, that certain actions be taken by Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively, "NS"). I write to offer a brief response to that letter on behalf of NS.

In initiating this general oversight proceeding, the Board directed that the reports filed by CSX and NS discuss, among other things, "the workings of the various conditions" imposed by the Board in approving the Conrail transaction. Decision No. 1, slip op. at 3. One of those conditions, as the Board well knows, pertained to relief for IP&L's Stout Plant. Accordingly, NS will, of course, address that matter in its June 1 report. Under the procedure the Board established in Decision No. 1, IP&L will have an opportunity to review that report and comment on it to the Board, bringing to the Board's attention, in due course, whatever points it wishes to raise. NS will then have an opportunity to respond. IP&L is effectively seeking to change that procedure, obtaining for itself a preliminary bite at the apple, by attempting to dictate the specifics of the Applicants' initial reports. We do not believe that such a change in the procedure the Board established is warranted and do not think the Board should establish such a precedent.

Finally, IP&L demands that NS and CSX provide a copy of what it calls "the trackage rights agreement that CSX, NS and INRD entered into for service to the Stout Plant." IP&L Letter at 2. As the Board knows, in Decision No. 125 in the main proceeding the Board denied a similar request by IP&L, and that denial is now on appeal before the U.S. Court of Appeals for the Second Circuit as part of the consolidated appellate proceedings arising out of the Conrail transaction. IP&L offers no new reason justifying any reversal now of the Board's position on that matter.

Sincerely,

Richard A. Allen

Attorney for Norfolk Southern Corporation and Norfolk Southern Railway Company

cc: Michael F. McBride, Esq.
Karl Morell, Esq.
Dennis G. Lyons, Esq.
Michael Harmonis, Esq. (Dep't of Justice)

20000237

RECEIVED
SURFACE TRANSPORTATION BOARD

OF PROCEEDINGS

RECEIVED
MAR 27 2000
MANAGEMENT
STB

TATE & LYLE
North American Sugars Inc.

3900 E. Mexico Ave
Suite GL 10
Denver, CO 80210
Tel: (303) 830-3939
Fax: (303) 830-3941

March 23, 2000

FILE IN DOCKET
FD-33388
(Sub-No. 91)

Ms Andrea Richards
Surface Transportation Board
Office of Proceedings
Washington, D C 20423-0001

Dear Ms Richards:

This with regard to our telephone conversation on March 22, 2000, concerning STB Finance Docket No. 33388 (Sub-No. 91).

I have listed below the information you gave me, and just wanted to make certain that I have the correct information.

Surface Transportation Board
Office of the Secretary
Case Control Unit
1925 K North West
Washington, D C 204233-0001

Attention: STB Finance Docket No. 33388 (Sub-No. 91)

Richard A. Allen, Esq
Zuchert Scoutt & Rasenberger, LLP
888 17th Street North West
Washington, D C 20006-3939

Dennis G. Lyons, Esq
Arnold Porter
555 12th Street North West
Washington, D C 20004-1202

To file a service complaint:

Mr. Mel Clemens
Director - Office of Claims & Enforcement
Surface Transportation Board
Washington, D C 20423-0001

Please call me at 303-813-3551 and let me know if the aforementioned information is correct.

Sincerely,

N. Chet Whitehouse
Manager – Rail & Intermodal Transportation

TATE & LYLE
North American Sugars Inc.

3900 E. Mexico Ave
Suite GL 10
Denver, CO 80210
Tel: (303) 830-3939
Fax: (303) 830-3941

FILE IN DOCKET
FD - 33388
(Sub-No. 91)

March 16, 2000

Surface Transpo.tation Board
Office of Proceedings
Washington, D C 20423-0001

Dear Sir/Madam:

I understand that any person interested in participating in STB Finance Docket No. 33388 (Sub-No. 91) and wanting to be on the list of official participants for the general oversight proceeding and to receive copies of CSX's and NS's filings relating to the proceeding, must send written notification to the Surface Transportation Board and copies of such notification to CSX's and NS's representatives.

Please let me know whom, at the Surface Transportation Board, the CSX and the NS, I should address my formal request to become an official participant.

Is it possible to file a service complaint and receive a response from the Surface Transportation Board prior to aforementioned proceedings?

Sincerely,

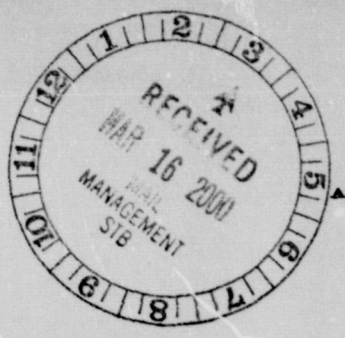
N. Chet Whitehouse
Manager – Rail & Intermodal Transportation
Tate & Lyle North American Sugars Inc.

20000223

STB FD-33388(SUB91) 3-16-00 J BUSINESS

ORIGINAL

LAW OFFICES
GORDON P. MACDOUGALL
1025 CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20036



TELEPHONE
AREA CODE 202
223-9738

March 16, 2000

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington DC 20423

Re: F.D. No. 33388 (Sub-No. 91)
CSX/NS-Conrail (Oversight)

Dear Mr. Williams:

This is in response to telephone request from your office today that an original and 25 copies of Notice of Intent, plus one diskette, be submitted for Village of Riverdale. I received the original of the Riverdale notice today from the city attorney, Timothy C. Lapp.

The additional copies and the diskette are attached. However, this is to protest your requirement. The Board on January 24, 2000, in Ex Parte No. 627, determined that diskettes were not required under the April 29, 1998 decision in that case, with the identical "all paper documents" language, insofar as notices of intent are concerned. (X-627, 1/24/00, 2 n.9).

Very truly yours,

Gordon P. MacDougall

cc: Dennis G. Lyons
Richard A. Allen

Timothy C. Lapp

ORIGINAL

LAW OFFICES
GORDON P. MACDOUGALL
1025 CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20036

TELEPHONE
AREA CODE 202
223-9738

February 25, 2000

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington DC 20423

Re: F.D. No. 33388 (Sub-No. 91)
CSX/NS-Conrail (Oversight)

Dear Mr. Williams:

This is in response to telephone request from your office today that a diskette be submitted for the Notice of Intent submitted by Joseph C. Szabo today in the entitled matter.

The diskette is attached. However, this is to protest your requirement. The Board on January 24, 2000, in Ex Parte No. 627, ruled that diskettes are not required in being placed on the service list and in becoming a party of record. Further, I note that a number of similar notices of intent have been filed in the instant proceeding without a diskette. These include American Short Line Railroad Assn., Winamac Southern Ry., W.W. Whitehurst & Asso., and perhaps others.

Very truly yours,

Gordon P. MacDougall

cc: Dennis G. Lyons
Richard A. Allen

LAW OFFICES
GORDON P. MACDOUGALL
1025 CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20036

TELEPHONE
AREA CODE 202
223-9738

February 25, 2000

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington DC 20423

Re: F.D. No. 33388 (Sub-No. 91)
CSX/NS-Conrail (Oversight)

Dear Mr. Williams:

This is in response to telephone request from your office today that a diskette be submitted for the Notice of Intent submitted by Joseph C. Szabo today in the entitled matter.

The diskette is attached. However, this is to protest your requirement. The Board on January 24, 2000, in Ex Parte No. 627, ruled that diskettes are not required in being placed on the service list and in becoming a party of record. Further, I note that a number of similar notices of intent have been filed in the instant proceeding without a diskette. These include American Short Line Railroad Assn., Winamac Southern Ry., W.W. Whitehurst & Asso., and perhaps others.

Very truly yours,

Gordon P. MacDougall

cc: Dennis G. Lyons
Richard A. Allen

JACK QUINN
30TH DISTRICT, NEW YORK

TRANSPORTATION AND INFRASTRUCTURE

SUBCOMMITTEES:

AVIATION
GROUND TRANSPORTATION
WATER RESOURCES AND ENVIRONMENT

VETERANS' AFFAIRS'

SUBCOMMITTEE CHAIRMAN:

BENEFITS

Congress of the United States

House of Representatives
Washington, D.C. 20515-3230

PLEASE RESPOND TO:

WASHINGTON OFFICE:
229 CANNON BUILDING
WASHINGTON, DC 20515
(202) 225-3306
FAX: (202) 226-0347

MAIN OFFICE:
403 MAIN STREET
SUITE 240
BUFFALO, NY 14203-2199
(716) 845-5257
FAX: (716) 847-0323

SATELLITE OFFICE:
1490 JEFFERSON AVENUE
BUFFALO, NY 14208
(716) 886-4076

February 2, 2000

The Honorable Linda J. Morgan
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Morgan: Linda

The Surface Transportation Board's July 23, 1998 decision which approved the acquisition and control of Conrail, Inc. (Conrail) by CSX Corporation (CSX) and Norfolk Southern Corporation (NS) stated:

> "Finally, while we believe the competitive and other benefits resulting from our approval of **this transaction will reduce rates and enhance service for rail shippers in the Buffalo area**, we have decided to take the additional step of initiating a 3-year rate study to assess whether our assessment proves to be correct, or whether Buffalo-area shippers will be subjected to higher rates because of this transaction." (Page 88) (emphasis added)

As can be seen, the Board's assessment was that the transaction would "reduce rates and enhance service for rail shippers in the Buffalo area." In the STB's recent decision served December 15, 1999, which formally initiated the 3-year study, however, the focus is on the study of railroad rates and no mention is made of the study of railroad service.

The STB has ordered CSX and NS to submit 100 percent waybill files to the Board for the period beginning June 1, 1997 and ending November 30, 1999. Therefore, this data would cover two years of Conrail data, but only six months of CSX and NS operations since the June 1, 1999 split date.

In evaluating this initial waybill data and subsequent waybill data submissions, as well as the comments submitted by the railroads and interested parties, I respectfully urge the Board to expand the scope of its focus to include an analysis of the railroad rates charged to Buffalo area railroad customers in conjunction with the railroad service they have received.

Based on my conversations with local business people and my constituents, I believe that the Board will find that rates in the Buffalo area have remained fairly constant since the split date, however, railroad service has significantly deteriorated. In other words, they are paying the same, but getting less - which is an effective rate increase. Moreover, other costs have increased, such as car costs and the costs associated with increased inventories. These companies have also lost business opportunities as a result of poor rates and service.

I appreciate the Board's initiation of the 3-year Buffalo rate study. In undertaking this study, however, I urge the Board to assess whether its assessment proves to be correct, i.e., that this transaction will reduce rates and enhance service for rail shippers in the Buffalo area.

Your timely consideration of this matter is deeply appreciated.

Sincerely,

Jack

Jack Quinn
Member of Congress

cc: The Hon. Wayne O. Burkes
The Hon. William Clyburn

SPENCER ABRAHAM
MICHIGAN

FILE IN DOCKET

United States Senate

WASHINGTON, DC 20510–2203

February 9, 2000

Case Control Unit
Office of the Secretary
Surface Transportation Board
Attn: STB Finance Docket No. 33388 (Sub-No. 91)
1925 K Street, N.W.
Washington, D.C. 20423

To whom it may concern:

Please add my office to your electronic service list. Please e-mail the messages to the following address: Bob_Carey@ abraham.senate.gov.

Sincerely,

Spencer Abraham
United States Senate

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

Office of the Chairman

February 16, 2000

The Honorable Jack Quinn
U.S. House of Representatives
Washington, D.C. 20515-3230

Dear Congressman Quinn:

Thank you for your recent letter regarding the Conrail acquisition transaction pursuant to which CSX Corporation (CSX) and Norfolk Southern Corporation (NS) acquired Conrail and divided its assets between them. You cite the service problems experienced by Buffalo-area shippers following the implementation of the Conrail transaction and ask the Board to consider service as part of its 3-year Buffalo rate study.

As you point out, the Board formally initiated the 3-year Buffalo rate study by decision served December 15, 1999. More recently, by decision issued February 9, 2000, the Board initiated a proceeding to implement the general oversight condition imposed in the Conrail acquisition proceeding. To the extent service issues may not be covered by the Buffalo rate study, interested parties may raise those issues as part of general oversight, as explained in the February 9 decision. For your information, I am enclosing a copy of that decision along with the press release on it.

I appreciate your continued interest in these matters. I will have your letter and my response made a part of the public docket for both the Buffalo rate study proceeding and the Conrail general oversight proceeding. I also will have your name added to the service list for these cases to ensure that you receive all future Board decisions in this matter. If I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan

Linda J. Morgan

Enclosures

JACK QUINN
30TH DISTRICT, NEW YORK

TRANSPORTATION AND INFRASTRUCTURE

SUBCOMMITTEES:

AVIATION
GROUND TRANSPORTATION
WATER RESOURCES AND ENVIRONMENT

VETERANS' AFFAIRS'

SUBCOMMITTEE CHAIRMAN:

BENEFITS

Congress of the United States

House of Representatives
Washington, D.C. 20515-3230

PLEASE RESPOND TO:

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FAX: (202) 226-0347

MAIN OFFICE:
403 MAIN STREET
SUITE 240
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(716) 845-5257
FAX: (716) 847-0323

SATELLITE OFFICE:
1490 JEFFERSON AVENUE
BUFFALO, NY 14208
(716) 886-4076

February 2, 2000

The Honorable Linda J. Morgan
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Morgan: Linda

The Surface Transportation Board's July 23, 1998 decision which approved the acquisition and control of Conrail, Inc. (Conrail) by CSX Corporation (CSX) and Norfolk Southern Corporation (NS) stated:

> "Finally, while we believe the competitive and other benefits resulting from our approval of **this transaction will reduce rates and enhance service for rail shippers in the Buffalo area**, we have decided to take the additional step of initiating a 3-year rate study to assess whether our assessment proves to be correct, or whether Buffalo-area shippers will be subjected to higher rates because of this transaction." (Page 88) (emphasis added)

As can be seen, the Board's assessment was that the transaction would "reduce rates and enhance service for rail shippers in the Buffalo area." In the STB's recent decision served December 15, 1999, which formally initiated the 3-year study, however, the focus is on the study of railroad rates and no mention is made of the study of railroad service.

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Based on my conversations with local business people and my constituents, I believe that the Board will find that rates in the Buffalo area have remained fairly constant since the split date, however, railroad service has significantly deteriorated. In other words, they are paying the same, but getting less - which is an effective rate increase. Moreover, other costs have increased, such as car costs and the costs associated with increased inventories. These companies have also lost business opportunities as a result of poor rates and service.

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Your timely consideration of this matter is deeply appreciated.

Sincerely,

Jack

Jack Quinn
Member of Congress

cc: The Hon. Wayne O. Burkes
The Hon. William Clyburn

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

Office of the Chairman

February 10, 2000

The Honorable Marcy Kaptur
U. S. House of Representatives
Washington, DC 20515-3509

Re: Norfolk Southern - Toledo

Dear Congresswoman Kaptur:

I appreciated our telephone conversation recently regarding your concerns about rail operations in the Toledo area, and in particular about the potential impact to the area of Norfolk Southern Railway Company's (NS) plans to resume service over the former Toledo Belt Line. This letter follows up on our conversation.

As I indicated I would do, I asked Mel Clemens, Director of the Board's Office of Compliance and Enforcement (OCE), to engage in discussions with NS regarding this operation and to work towards arranging a meeting with your staff, representatives of the City Council, and the railroad to discuss its plans. Director Clemens has been in touch with Dan Foote of your office, City Councilman McCloskey, and NS, and it is my understanding that a meeting has been scheduled to take place in Toledo to discuss your concerns.

I certainly share your interest in a satisfactory resolution of this matter in the near future, and I look forward to working with you on transportation issues of mutual concern.

Sincerely,

Linda J. Morgan

Linda J. Morgan