July 21, 2000

Mr. Richard F. Timmons  
Resident Vice President  
Norfolk Southern Corporation  
Public Affairs Department  
4600 Deer Path Road, Suite 202  
Harrisburg, Pennsylvania 17110

Mr. John P. Cassellini  
Resident Vice President  
CSX Transportation  
Suite 560, National Place  
1331 Pennsylvania Avenue, N.W.  
Washington, DC 20004

Re: Buffalo Rail Infrastructure Meeting

Gentlemen:

Thank you for your joint letter of July 7, 2000, regarding your planned Buffalo rail infrastructure meeting in response to the Board’s recent directive in Finance Docket No. 33388 (Sub-No.93).

I appreciate being informed as to the date of the meeting and the individuals invited to participate. I am certain that the broad range of interests represented by the list of invited participants will result in an effective dialogue on Buffalo rail infrastructure issues and initiatives. In the interest of a full and comprehensive discussion, and because the meeting is occurring at Board direction, the Board will not be represented at the July 27th meeting. We will, however, look forward to your joint report in September on the public discussions regarding rail infrastructure initiatives for Buffalo.

Sincerely,

Linda J. Morgan

Linda J. Morgan
July 7, 2000

Ms. Linda Morgan  
Surface Transportation Board  
1925 K Street, N.W., Suite 820  
Washington, DC 20423-0001

Dear Ms. Morgan:

As you may know, the Surface Transportation Board recently directed Norfolk Southern and CSX to “meet with shippers, railroads and governmental and local interests in the Buffalo area to further assess existing rail infrastructure and to more fully develop proposals for related improvements for the area”.

In response to the Board, and consistent with our continued commitment to Western New York, and the Buffalo area in particular, CSX and Norfolk Southern Corporations will be hosting an open meeting on Thursday, July 27, 2000.

During this conference, Norfolk Southern and CSX will provide brief overviews of their operations and infrastructure improvements over the past year and then receive scheduled presentations or statements from those parties who have comments on infrastructure modifications that might improve service for the Buffalo community at large. We view this as a listening session where we can gather recommendations from those that use and rely on rail service and take from these sessions ideas for the future enhancement of operations in and around Buffalo. This information will also be incorporated in our reports to the Federal Surface Transportation Board on September 7, 2000.

The conference will begin at 8:30 a.m. on July 27, 2000 in the Renaissance C conference room of the Buffalo Airport Radisson Hotel and will end when all presentations are completed.

Please RSVP to Shelley Zeigler at (717) 541-2250 or by fax at (717) 541-2420 no later than Monday, July 17, 2000 and indicate your intention to present information to the joint Norfolk Southern/CSX panel, as well as the time you believe you will need for your comments. In follow-up correspondence, you will be advised of the schedule of presentations.

CSX and Norfolk Southern remain committed to providing their customers with quality service and look forward to your participation in this meeting.

Sincerely,

Richard F. Timmons  
Resident Vice President  
Norfolk Southern Corporation

John Casellini  
Resident Vice President  
CSX Transportation
July 21, 2000

Mr. John W. Snow  
Chairman, President and Chief Executive Officer  
CSX Corporation  
One James Center  
P.O. Box 85629  
Richmond, Virginia 23285-5629

Mr. David R. Goode  
Chairman, President and Chief Executive Officer  
Norfolk Southern Corporation  
3 Commercial Place  
Norfolk, Virginia 23510-2191

Re: Buffalo Infrastructure Meeting

Gentlemen:

This letter concerns the upcoming infrastructure meeting scheduled for July 27th in Buffalo, New York.

On behalf of the Board, I wanted to take this opportunity to commend your promptness in arranging this important meeting to focus on the rail infrastructure needs of the Buffalo area. Directed by the Board in its recent decision, this meeting is the type of private-sector effort encouraged by the Board and one well-suited to discuss and develop a consensus on initiatives to address this complex and important issue. The list of participants that the Board has been provided appears to represent all of the critical elements with an interest in rail service in Buffalo and the rail infrastructure discussion. We look forward to receiving your report in September on this meeting and on any initiatives agreed upon.

In an effort to help promote a full and frank discussion among all the parties, the Board will not be represented at the meeting. However, I hope that you will make this letter available to all of the participants to ensure that everyone attending the meeting understands the Board’s full support of this private-sector effort to address rail infrastructure in the Buffalo area.

Please feel free to contact me if I can be of assistance.

Sincerely,

Linda J. Morgan

Linda J. Morgan
June 1, 2000

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-001

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 (Buffalo Area Infrastructure); STB Finance Docket No: 33388 (Sub No 93)

Dear Secretary Williams:

On June 14, 2000 the appearance of the undersigned was entered in the above captioned matter on behalf of New York & Lake Erie Railway Company. Please note for purposes of the service list that the correct name is New York & Lake Erie Railroad.

Thank you for your attention to this matter.

Very truly yours,

RICHARD R. WILSON, P.C.

Richard R. Wilson

RRW/klh

xc: New York & Lake Erie Railroad
     Dennis G. Lyons, Esq.
     Richard A. Allen, Esq.
June 9, 2000

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

Re: Buffalo Area Rail Infrastructure

Dear Congressman Quinn:

I am pleased to respond to your letter of May 23, 2000, regarding your concerns about the rail infrastructure in the Buffalo area and your suggestion that the Board should study the issue in the interest of improving rail service to the area.

Enclosed is a decision issued today in Finance Docket No. 33388 (Sub-No.93), which institutes a process whereby the principal railroads in Buffalo (CSX Transportation, Inc. (CSXT) and Norfolk Southern Railway Company (NS)) are directed to conduct meetings with shippers, railroads, and governmental and local interests, to assess the infrastructure needs in the Buffalo area and to suggest ways of meeting those needs. CSXT and NS are further directed to file a report with the Board in 90 days, upon which interested parties will have 40 days to comment.

I appreciate the opportunity for the Board to be of assistance. I appreciate also your kind remarks regarding the Board’s continuing efforts to improve the rail transportation system in Western New York.

Sincerely,

Linda J. Morgan

Enclosure
The Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423

Dear Chairman Morgan,

I want to thank you for your commitment to improving the railroad rate and service levels in the Buffalo, NY area. Thanks to your efforts, the congestion problems resulting from the acquisition of Conrail by Norfolk Southern Corporation and CSX Corporation have improved. I also believe that the Board’s ongoing Buffalo Rate Study has helped to stabilize the situation.

There continue to be, however, inherent long-term problems related to the existing railroad infrastructure and capacity in the Western New York region, such as the “CP Draw,” that must be addressed. Therefore, I hereby request that the Surface Transportation Board conduct a study of railroad infrastructure and capacity in the Buffalo area.

During the past year, I have been working with officials from the State of New York and from the US Department of Transportation in an attempt to obtain funding for railroad infrastructure projects in the Buffalo area. I believe that we will be able to secure state and federal funding for certain projects. However, these projects need to be identified and prioritized. In addition, the utilization of the current railroad infrastructure and capacity needs to be studied. It is possible that certain operational changes could be made that would improve the situation in the Buffalo area without significant cost.

I am requesting that the STB conduct such a study not only because of your jurisdiction (e.g. 49 U.S.C. § 721 (b)) and experience in this area, but also because an “independent” study is required. As you know, in addition to NS and CSX, the Buffalo area is served by the Canadian railroads and several shortlines. There is also a large and diverse group of railroad shippers and receivers in the region. Each of these parties may have different ideas and priorities in regard to the infrastructure and capacity requirements in the Buffalo area. The STB would be able to work with the railroads and their customers in the development of an independent and objective study.
I realize that the Board has limited funds, but I believe that the cost associated with this study would not be prohibitive. If you feel that the Board cannot conduct this study based on its current funding, it is possible that we could explore a joint study with the Federal Railroad Administration. However, I believe that it would be more appropriate for the STB to conduct this study, and I also believe that this study could be completed before the end of this year.

Once again, thank you for your continuing efforts to improve the rail transportation system in Western New York, and thank you for considering this request. I would respectfully ask that you respond to this request by June 9, 2000. If you need any additional information, please do not hesitate to contact me.

Sincerely,

Jack Quinn
Member of Congress

cc: Transportation Secretary Rodney Slater
    Governor George Pataki
    NY Commissioner of Transportation Joseph Boardman