

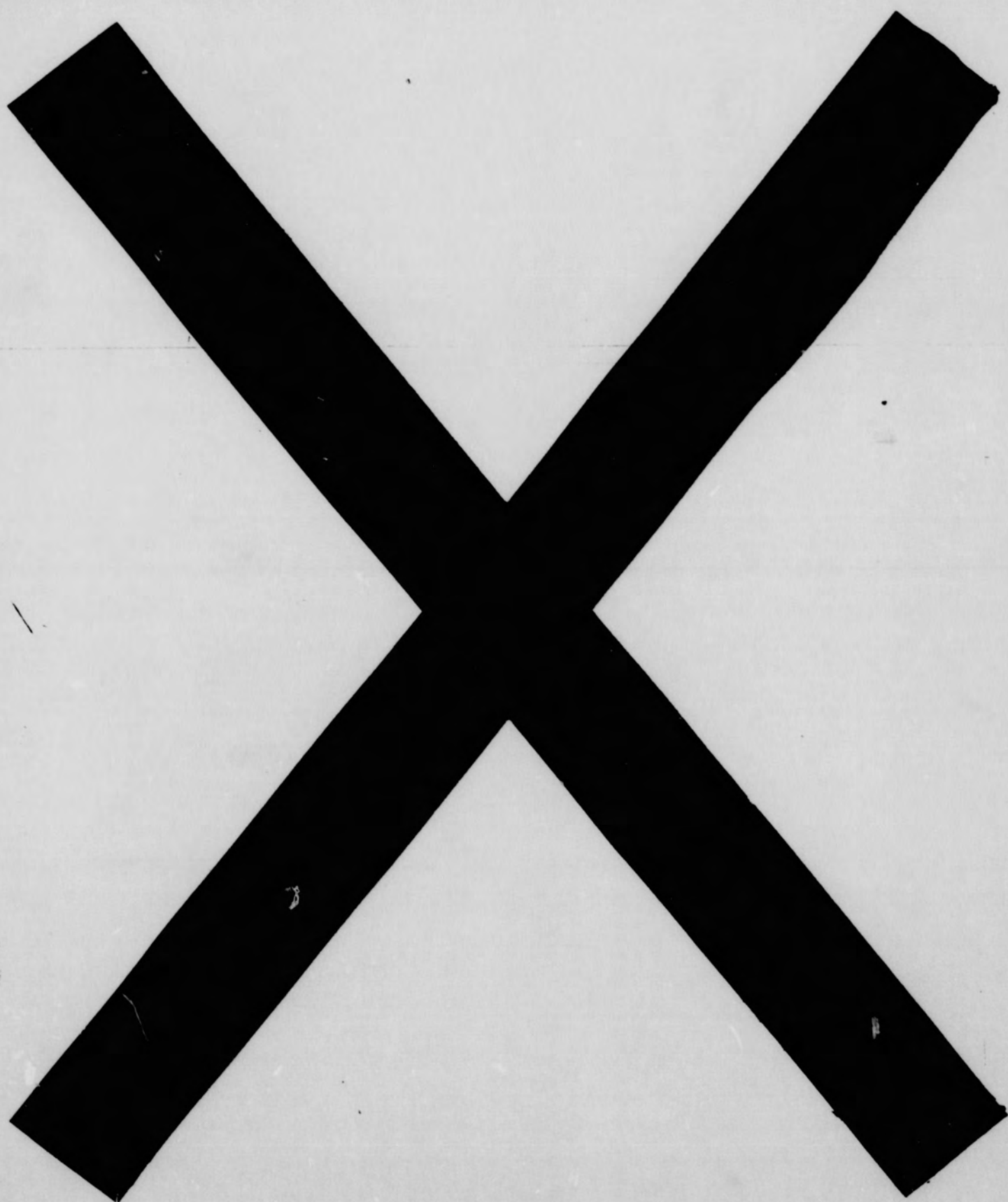
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SURFACE TRANSPORTATION BOARD

# Memorandum

[REDACTED]



DATE: December 14, 2000

TO : Ellen Keys, Assistant Secretary  
Section of Publications/Records  
Office of the Secretary

ENTERED  
Office of the Secretary

FROM *JK* FOR: Mel Clemens, Director  
Office of Compliance and Enforcement

DEC 15 2000

Part of  
Public Record

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the latest monthly reports provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da To Da Office Solutions. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan  
Vice Chairman Burkes  
Commissioner Clyburn  
Richard Armstrong  
Ron Douglas  
Charles Renninger

**George A. Aspatore**  
General Solicitor

(757) 629-2657  
fax (757) 533-4842  
E-mail: [george.aspatore@nscorp.com](mailto:george.aspatore@nscorp.com)

December 14, 2000

Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Clemens,

Enclosed is Norfolk Southern's Monitoring Report dated November 30, 2000. NS continues to make progress on the projects targeted for completion in the fourth quarter of 2000 that are listed in the Construction and Other Capital Projects section of the Report.

Please let me know if you need any further information.

Sincerely,

George A. Aspatore

Enclosure



# Norfolk Southern Corporation

## STB Operational Monitoring Report

*As of November 30, 2000*

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Item 14. Labor Task Forces.....	2

**Note:** Bold print indicates changes from previous report.

\* To be disclosed under a different cover or in a later report.

# **Surface Transportation Board Operational Monitoring Report**

*As of November 30, 2000*

## **LABOR**

### ***Labor Implementing Agreements***

All of the Labor Implementing Agreements have been reached, concluding our reporting requirement, as provided in Paragraphs 1 and 14, on pages 162 and 165, respectively, of STB Decision No. 89 issued in Finance Docket No. 33388.

### ***Labor-Management Task Forces***

All implementing agreements became effective on June 1, 1999. A continuing dialogue has taken place between labor and NS management on a daily or as-needed basis concerning implementation and safety issues. Labor organization cooperation has been a key element in assuring the safe implementation of the Conrail transaction. This interaction will continue as the parties work through issues of mutual concern.

**Note:** Bold print indicates changes from previous report.

# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Alexandria	IN	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Allentown - Reading	PA	Traffic Control System Estimated Completion Date: 4Q01	Signal	Design Const	In progress
Angola	NY	Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Ashtabula	OH	Construct connection track Estimated Completion Date: Complete	Track	Design Const	Complete Complete
			Signal	Const	Complete
Attica	IN	Extend siding 4, 580 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Boundbrook	NJ	Extend siding 15,000 track feet Estimated Completion Date: Undetermined	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
				Const	
Bristol	VA	Extend siding 14,255 track feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
				Const	Complete
Bucyrus	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
				Const	Complete
Buffalo - Cleveland	NY	Traffic control system and remove pole line. Estimated Completion Date: Complete	Signal	Design Const	Complete Complete
Buffalo	NY	Rehabilitate tracks in sub-leased BPRR yard Estimated Completion Date: Complete	Track	Const	Complete
Buffalo	NY	Construct connection to BPRR yard Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete

# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Buffalo	NY	Reconstruct portion of Bison Yard Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Butler	IN	Construct track connection Estimated Completion Date: Undetermined	Track	Design	Project being defined.
				Grading	
			Signal	Const Design Const	
Chicago	IL	Expand and improve 47th St Yard Intermodal Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
Cloggsville	OH	Track Rehabilitation Estimated Completion Date: Complete	Track	Design	Complete
				Const	Complete
Cloggsville	OH	Construct second main Estimated Completion Date: 4Q00	Track	Design	Complete
				Grading	Complete
				Const	In progress
			Bridge	Design	Complete
			Signal	Const Design Const	Complete Complete Complete
Columbus	OH	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Crockett	VA	Construct 9,100 foot new siding Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const	Complete
				Design Const	Complete Complete
Croxtton	NJ	Expand and improve intermodal terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
E-Rail	NJ	Expand and improve intermodal terminal Estimated Completion Date: 2Q01	Track	Design Grade/Pave	In progress
Erie	PA	Erie Track Realign Project Estimated Completion Date: 4Q01	Track	Design	Complete
				Grading	In progress
				Const	In progress
			Signal	Design Const	Complete In progress

# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Flemington	NJ	Construct 12,500 foot siding Estimated Completion Date: Undetermined	Track	Design	Project being defined.
			Signal	Grading Const Design Const	
Hadley Jet (Ft Wayne)	IN	Double tracking Estimated Completion Date: Undetermined	Track	Design	Project being defined.
			Signal	Grading Const Design Const	
Hagerstown Sec (Greencastle)	PA	Construct siding Estimated Completion Date: Complete	Track	Design	Complete
			Signal	Grading Const Design Const	Complete Complete Complete Complete
Hagerstown Sec	PA	Traffic Control <b>Estimated Completion Date: Complete</b>	Signal	Design	Complete
				Const	<b>Complete</b>
Harrisburg	PA	Construct double track <b>Estimated Completion Date: 1Q01</b>	Land		<b>Complete</b>
			Track	Design Grading Const	Complete Complete In progress
			Signal	Design Const	Complete In progress
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
Harrisburg - Reading	PA	Traffic Control System and remove pole line <b>Estimated Completion Date: 2Q01</b>	Signal	Design	Complete
	PA			Const	In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: Complete	Track	Design	Complete
	KY			Grading Const	Complete Complete
			Signal	Design Const	Complete Complete
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design	Complete
	TN			Const	Complete
			Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading Const	Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading Const	Complete Complete
			Signal	Design Const	Complete Complete



# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Pattensburg	NJ	Clearance-9 Bridges Estimated Completion Date: Complete	Bridge	Design Const	Complete Complete
Pattensburg	NJ	Siding Extensions Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Pattensburg	NJ	Tunnel Clearance Estimated Completion Date: Complete	Bridge	Design Const	Complete Complete
Philadelphia	PA	Construct crossover - Zoo Estimated Completion Date: Undetermined	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Piney Flats	TN	Extend siding 6,610 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Port Reading	NJ	Chemical Coast Clearance Projects Estimated Completion Date: Complete	Track	Design Const	Complete Complete
			Bridge	Design Const	Complete Complete
Rader	TN	Extend siding 5,189 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Reading - Philadelphia	PA PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q01	Signal	Design Const	Complete
Riverton Jct - Roanoke	VA VA	Clearance projects Estimated Completion Date: Complete	Bridge	Design Const	Complete Complete
Sandusky (Bellevue)	OH	Construct Triple Crown Terminal Estimated Completion Date: Complete	Track	Design Grade/Pave	Complete Complete
			Building	Const	Complete
Sandusky- Columbus	OH	Double Track: S 13.60 - S 26.00 Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete

# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Sandusky-Columbus	OH	Double Track: S 78.10 - S 88.40 Estimated Completion Date: 4Q00	Land Track	Design	<b>Complete</b>
				Grading	Complete
				Const	In progress
			Signal	Design	Complete
				Const	In progress
Sandusky-Columbus	OH	Double Track: S 88.30 - S 95.60 Estimated Completion Date: Complete	Land Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Sidney	IL	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Sido	MO	Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const	Complete
				Design	Complete
Sloan	IL	Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Southern Tier	NY	Southern Tier Rehabilitation Estimated Completion Date: Undetermined	Track	Const	Project being defined.
			Bridge	Design	In progress
				Const	
St. Louis (Mitchell)	MO	Expand Mitchell Triple Crown Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
			Signal	Design	Complete
				Const	Complete
Toledo	OH	Intermodal Terminal Estimated Completion Date: Undetermined	Track	Design	Project being defined.
				Grade/Pave	
Tolono	IL	Track Connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Vermillion	OH	Track Connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete

# Surface Transportation Board Operational Monitoring Report

*As of November 30, 2000*

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Wabash	IN	Construct connection track	Track	Const	Complete
		Estimated Completion Date: Complete	Signal	Design	Complete
				Const	Complete

**Note:** Bold print indicates changes from previous report. If status of project phase is blank, work on that part of the project has not yet begun.



# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## INFORMATION TECHNOLOGY

### *Systems and Personnel Training*

Operating Area	Project	Status
TRANSPORTATION		
Car Management and Movement	Systems – Multiple projects	Complete
Includes Thoroughbred Yard Enterprise System (TYES) and Central Yard Operations (CYO) System	Personnel Training	
	Prepare training materials for TYES and CYO	Complete
	Trainer orientation	Complete
	TYES training at Conrail locations	Complete
Train Dispatching	Systems	Complete
	Personnel Training	
	Prepare computer-based training materials for Norfolk Southern Train Information System (TIS) and Train System Accident Reporting System (TSAR).	Complete
	Train Conrail employees at Dearborn, Pittsburgh, and Mt. Laurel	Complete
Locomotive Management	Systems	Complete
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train employees at 8 Conrail locations	Complete

# Surface Transportation Board Operational Monitoring Report

As of November 30, 2000

## INFORMATION TECHNOLOGY

Operating Area	Project	Status
OPERATIONS PERSONNEL		
Crew Management	Systems	Complete
	Personnel Training	
	Prepare training materials	Complete
Train and Engine (T&E) Payroll	Train Conrail employees	Complete
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
Non-Train and Engine Payroll	Train T&E crews	Complete
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Complete
CUSTOMER SERVICE		
Electronic Customer Connectivity	Systems	Complete
	Personnel Training	
	Testing new systems	Complete
National Customer Service Center	Customer Coordination	
	Information to be distributed to customers	Complete
	Personnel Training	
	Prepare training materials	Complete
	Train employees in Pittsburgh and Atlanta	Complete

**Note:** Bold print indicates changes from previous report.

**Note:** The rollout of the Thoroughbred Yard Enterprise System was completed in November 2000.

# **Surface Transportation Board Operational Monitoring Report**

*As of November 30, 2000*

## **CUSTOMER SERVICE**

### ***Transition Process***

Transition team members for NS in Philadelphia working in Customer Service were released at the end of February. Call volumes have leveled off as general service levels improve and remain at the approximate levels originally projected. The phone trace system, which is an automated feature of our toll-free line that allows a customer to trace the location of its cars by keying in car numbers on the telephone key pad, continues to work as expected.

### ***Personnel***

The implementation of the Thoroughbred Yard Enterprise System in the former Conrail areas has been completed, including the training of field personnel. All supervisory positions have been filled for Data Quality, the Agency Operations Center and Customer Service.

### ***Customer Awareness***

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to make numerous meetings and presentations in order to keep our customers informed.

The Customer Resource Guide, distributed to our customers, provides customers with all resources and information necessary for doing business with the new NS.

The Help Desk Directory, also distributed to our customers, lists key phone numbers that connect users to areas that may assist them in answering questions about NS. It is available in three formats: a pocket guide for employees, a list for customers, and an expanded version available for downloading from the Internet.

**Note:** Bold print indicates changes from previous reports.

500 Water Street (J215)  
Jacksonville, FL 32202  
(904) 366-4092  
FAX: (904) 359-2263

R.J. Haulter  
Assistant Vice President-Integration Planning

November 30, 2000

Melvin F. Clemens, Jr.  
Director Office of Compliance and Enforcement  
Surface Transportation Board  
Washington, DC 20423-0001

Dear Mr. Clemens:

Attached to this letter are the Operational Monitoring Reports required in STB Finance Docket No. 33388.

The reports are presented in the following order:

Labor Implementing Agreements .....	Page 1
Labor Task Force .....	Page 1
Construction and Other Capital Projects Table .....	Pages 2-3
Infrastructure Maintenance and Expansion .....	Page 4
Additional Noteworthy Engineering Projects Table .....	Pages 5-7
Information Technology .....	Pages 8-11
Customer Service .....	Page 12
Training .....	Page 13

Note: *Italicized information indicates a change or update from the last report.*

Please contact Bob Haulter, Assistant Vice President-Integration Planning at CSX Transportation (E-mail: [Bob\\_Haulter@csx.com](mailto:Bob_Haulter@csx.com)) if there are any issues that need clarification or explanation. As information, coincident with filing this report with the STB, CSXT has made this report available on our web site ([www.csx.com](http://www.csx.com)).

Very truly yours,

Bob Haulter

cy Peter J. Shudtz, Vice President  
Law & General Counsel

Paul R. Hitchcock - J150  
Senior Counsel

**CSX TRANSPORTATION, INC.**  
**STB OPERATIONAL MONITORING REPORT**  
**As of November 30, 2000**

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The reports are presented in the following order:

Labor Implementing Agreements .....	Page 1
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Additional Noteworthy Engineering Projects Table .....	Pages 5-7
Information Technology .....	Pages 8-11
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Training .....	Page 13

Note: Italicized information indicates a change or update from the last report.



# **STB OPERATIONAL MONITORING REPORT**

**As of November 30, 2000**

## **LABOR**

### Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached. Accordingly, the requirement provided for in Paragraph 1 on page 162, of STB Decision No. 89 issued in Finance Docket No. 33388 has concluded.

### Labor Management Task Force

CSXT has sent an invitation to each of its unions with which an implementing agreement has been reached and which will continue to represent employees on CSXT to participate in a labor task force similar to the one established with the United Transportation Union. CSXT has held labor task force meetings with a number of its unions. CSXT will hold additional meetings, as the need arises. CSXT also will continue its effort to have frequent communications with its unions to guarantee that problems which may still arise with respect to the implementation of the transaction receive prompt attention.

# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
1) Greenwich, Ohio to Pine Junction, Indiana	Construct 2 <sup>nd</sup> main track with TCS on B&O including connections.	Complete	4Q 98
2) Quaker to Greenwich, Ohio	Construction by Conrail of 2 <sup>nd</sup> main track with TCS.	Complete	4Q 98
3) Willard, Ohio	Yard Expansion	Complete	1Q 99
4a) Crestline, Ohio	a) Construct or rehabilitate connection tracks with Indianapolis Line.	a) Complete	2Q 99
4b) Sidney, Ohio	b) Connection Track	b) Complete	4Q 98
4c) Marion, Ohio	c) Rehabilitate Connection Track	c) Complete	1Q 99
5) Carleton, Michigan	Connect track with Conrail	Complete	4Q 98
6a) Alice, Indiana	a) Siding Extension	a) Complete	a) 3Q 98
6b) Harwood, Indiana	b) Siding Extension	b) Complete	b) 4Q 98
7a) Chicago, Illinois	a) Intermodal Expansions	a) Complete	a) 3Q 98
7b) Cleveland, Ohio	b) Intermodal Expansions	b) Complete	b) 1Q 99
7c) Philadelphia, Pennsylvania	c) Intermodal Expansions	c) Underway	c) 4Q 00
7d) Little Ferry, New Jersey	d) Intermodal Expansions	d) Complete	d) 3Q 98
8) Philadelphia, Pennsylvania	Rebuild Eastwick connection track with Conrail.	Complete	4Q 98
9) Hobart, Indiana to Tolleston, Indiana	Restoration of connection and main track between Hobart & Tolleston.	Complete	2Q 99

## STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

### CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
10) Chicago, Illinois	Chicago area-upgrade connection tracks and other improvements.	Complete	2Q 99
11) Newell & New Castle, Pennsylvania	Upgrade capacity on the Mon. Subdivision	Complete	4Q 98
12) Albany, New York to Bergen, New Jersey	Extend 3 sidings by Conrail on River Line	Complete	4Q 98
13) Little Ferry, New Jersey	Connection track Conrail/NYSW	Complete	2Q 99
14) Dolton, Illinois	Connection track @ Lincoln Avenue CSX/IHB	Complete	2Q 99



# **STB OPERATIONAL MONITORING REPORT**

**As of November 30, 2000**

## **Infrastructure Maintenance and Expansion Report**

CSXT has completed all scheduled construction and other capital projects that we originally identified as being necessary to initially integrate the acquired Conrail lines into the CSXT network (with the exception of the Philadelphia Intermodal Expansions anticipated to be completed in the fourth quarter of 2000). Further projects to improve integration of the former Conrail lines with the CSXT system will be progressed in the future, as they are identified and appear to be needed and cost-justified. In this report, and in later reports, we will be supplementing the Construction and Other Capital Projects section with a discussion of other noteworthy activity related to the maintenance and expansion of the CSXT rail system unrelated to Conrail integration activities, as well as future Conrail integration projects as they may develop.

CSXT continues to address capacity limitations on heavy corridors. *As part of the 2000 Track Capacity Capital Program, we completed the extension of main track in Greenwood, SC on Nov. 8. In August, we began construction on a new connection track at Dearborn, MI. This is scheduled for completion on 4/1/01.*

*CSXT is now finalizing plans for the development of the 2001 Track Capacity Capital Program. It is anticipated that this program will focus on strategic locations for construction of additional passing sidings as well as main track extensions. Status of these projects will be reported in future updates.*

# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

Location		Project	Under Construction	Estimated Completion
1)	Alexandria, VA	AF Interlocking reconstruction (VRE project)	N	06/01/01
2)	Aliquippa, PA	Construct 2 industry support tracks	<i>Completed</i>	06/30/00
3)	Baltimore, MD (Bay View YD)	Add crossover BA Tower	N	<i>4/1/01</i>
4)	Chicago, IL	Barr SD - TCS - Phase II	Y	12/31/00
5)	Chicago, IL	Construct 59 <sup>th</sup> Street North Lead	<i>Completed</i>	06/30/00
6)	Chicago, IL	Construct storage tracks & 3 <sup>rd</sup> Main at Barr Yard	Y	12/31/00
7)	Chicago, IL	TCS Blue Island SD to 75 <sup>th</sup> Street	Y	03/31/01
8)	Cleveland, OH	Construct mainline fueling facility at Collinwood Yard	<i>Completed</i>	08/30/00
9)	Columbus, OH	Scioto Interlocking w/NS (ODOT project)	<i>Y</i>	<i>12/31/00</i>
10)	Coosa Pines, AL	Construct new 11,200' passing siding	Y	08/29/00
11)	East Cleveland, OH	Noise berms, landscaping	Y	06/30/00
12)	East Fostoria, OH	Extend yard/connection lead	N	Deferred
13)	Erie, PA	NS relocation project	<i>Y</i>	<i>12/31/00</i>
14)	Erie, PA	Replace CSXT bridge decks over B&LE (CSXT work relating to NS relocation project)	N	<i>8/1/01</i>
15)	Fall River, MA	MBTA replacement of 4 undergrade bridges	Y	<i>12/31/00</i>

## STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

### ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

Location	Project	Under Construction	Estimated Completion
16) Feltonville, PA	Extend siding to 20,200'	Y	03/31/01
17) Franklin, AL	Construct new 11,200' passing siding	Completed	09/15/00
18) Frederick, MD	MARC project	Y	03/31/01
19) Ft. Lauderdale, FL	Construct 45 miles of 2 <sup>nd</sup> main for TriRail	N	Pending
20) Gallaway, TN	Build siding with 10,000' in clear	Completed	10/1/00
21) Garrett, IN	Construct Randolph St. underpass	Completed	08/30/00
22) Gibraltar, MI	Construct crossover between CSXT and CN	Completed	09/30/00
23) Greenwood, SC	Construct double-track to Salak	Completed	11/06/00
24) Hopkinsville, KY	Install turnouts/signals for new Ft. Campbell lead wye	N	06/30/01
25) Keystone, SC	(Sandpatch to Rockwood, PA)-Upgrade #10 crossovers to power #15's and TCS	Y	3/30/01
26) Lacon to Holmes Gap, AL	Add 8 miles of 2 <sup>nd</sup> main MP 328-MMP336	Y	03/30/01
27) Lima, OH	Conrail connection track improvements	Completed	05/30/00
28) Louisville, KY	Link Highway Track to Highland Park #2	Completed	06/15/00

## STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

### ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

Location	Project	Under Construction	Estimated Completion
29) Martinsburg, Hobbs, Miller/Cherry Run, W Cumbo, WV	Eliminate manned interlockings, Phase I	<i>Y</i>	12/31/01
30) McDaniel, TN	Siding extension to 10,000' clear	<i>Completed</i>	09/1/00
31) New Boston, MI	Parking lot expansion	<i>Completed</i>	06/30/00
32) Philadelphia, PA	Greenwich Yard Phase I rehabilitation	<i>Completed</i>	06/30/00
33) Philadelphia, PA	Greenwich Yard Phase II expansion	<i>Y</i>	12/21/00
34) Teaneck, NJ	Construct siding CP7-CP10	<i>Completed</i>	03/31/00
35) Union City, GA	Construct connection track	<i>Completed</i>	04/15/00
36) Union City-Tilford, GA	Clearance improvement project	<i>Completed</i>	03/15/00
37) W. Baltimore, MD	Convert #10 HTEL to Power #15	<i>Completed</i>	09/30/00
38) Wadley, AL	Extend passing siding to 10,000' clear	<i>Completed</i>	09/15/00
39) Youngstown, OH	Construct Ashtabula Connection for 140 car capacity	<i>Y</i>	07/15/00

# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## INFORMATION TECHNOLOGY

### *Information Technology*

The implementation strategy, training plans, and status of the Information Technology (IT) initiatives affecting the following Operating Areas are summarized:

- ❖ Customer Service
  - Electronic Customer Connectivity
- ❖ Operations Personnel
  - Crew Management
- ❖ Transportation
  - Car Management & Movement
  - Locomotive Management
  - Train Dispatching

Operating Area	Implementation Strategy	Status	Training
Customer Service Electronic Customer Connectivity	<p>All inbound (e.g. bill-of-lading) and outbound (e.g. car tracing) electronic communications with existing Conrail customers are to be migrated to CSX and NS. All customers will be informed of their system migration options and have the opportunity to test the replacement electronic connections prior to a transfer of the customer communications links on Day 1.</p> <p>CSX and NS will work with all affected customers and EDI vendors to develop migration plans</p>	<p>Systems testing in process and on schedule</p> <p>A joint letter was distributed to current Conrail customers</p> <p>Existing and new Conrail Electronic Commerce customers have been contacted by CSX in separate mailings</p> <p>Electronic Commerce Certification of Conrail customers acquired by CSX is in progress.</p> <p>Planned customer conversions to CSX Electronic Commerce tools are complete.</p> <p>All EC is complete</p>	<p>All customers will be provided adequate systems documentation and a detailed description of any changes to their current Conrail-provided electronic services</p> <p>All customers targeted for conversion to CSX electronic commerce tools have received information regarding the changes.</p> <p>All customer training and customer conversions are complete.</p>



# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<p>Separation of callings desks (CSX, NS, SAC) in Dearborn, MI has been pre-negotiated and is in place. There will be a phased roll-out of eight calling desks to TECS – the CSX Crew Calling System. The first desk will be rolled out 50 days after Day 1.</p> <p>T&amp;E Crews will continue to submit paper time sheets to Dearborn, MI until the TECS desk roll-out is completed. Paperless payroll implementation will take place 2 weeks after each TECS desk implementation. The entire roll-out will take approximately seven months.</p>	<p>Systems development in process and on schedule.</p> <p>The TECS desk roll-out is still on schedule.</p> <p>All desks have been cut Over to TECS.</p> <p>Paperless payroll training was completed Dec. 10, 1999</p> <p>Crew Callers have been moved from Dearborn to Jacksonville – Crew Management is complete.</p>	<p>CSX Payroll officers will train T&amp;E employees on the CSX Payroll system immediately following the implementation of TECS. Local Chairman will participate in the training. Training documents have been prepared and presented to Conrail personnel.</p> <p>Training sessions have been completed.</p>
Transportation Car Management and Movement	<p>Field personnel will continue using Conrail application systems supporting yard inventory, train consisting and work orders after Day 1.</p> <p>Disposition and management of empty cars will occur in Jacksonville using CSX systems after Day 1 to ensure coordinated system wide transportation operations.</p> <p>Customers on the acquired territory will continue to order empty cars and obtain information on order status as they do today.</p> <p>CSX systems will be rolled-out to the acquired Conrail territory in 4 phases after Day 1.</p>	<p>Systems development in process and on schedule.</p> <p>Toledo Stanley Yard was cut-over to CSX systems July 27<sup>th</sup>.</p> <p>Chunk 1 Field Rollout including Indianapolis was successfully cut-over on Oct 11.</p> <p>Chunk 2 including Cleveland, Collinwood and Columbus, Ohio was successfully cut-over on January 10.</p> <p>Chunk 3 including Buffalo &amp; Syracuse was successfully cut over on March 13, 2000.</p> <p>Chunk 4 including Selkirk &amp; W. Springfield was successfully cutover on May 8, 2000</p> <p>All Car Management is complete</p>	<p>Training sessions have been completed</p>

# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Locomotive Management	<p>CSX Locomotive Management System (LMS) will be used to manage locomotives in CSX acquired territory beginning on Day 1. This will occur from the Operations Center in Philadelphia, PA for approximately 180 days after Day 1. The management team in Philadelphia will consist of two locomotive managers and one senior locomotive manager. Dual entry of locomotive assignments will be made to the Conrail Locomotive Distribution System (LDS). Shutdown of Conrail LDS will accompany field roll-out and will be dependent upon other Conrail Systems (TRIMS &amp; TMS) no longer relying on assignments being passed from Conrail LDS.</p> <p>Within 180 days after Day 1, locomotive management for the acquired Conrail territory will be relocated to the Kenneth Dufford Center in Jacksonville. Two CSX Locomotive Managers will manage the acquired territory at that time.</p>	<p>Implementation was completed June 1<sup>st</sup>.</p> <p>Dual entry into Conrail LDS was discontinued June 15<sup>th</sup>.</p> <p>The locomotive management of the acquired territory was transitioned to the Kenneth Dufford Center in Jacksonville, FL on July 12, 1999.</p> <p>Locomotive Management is Complete.</p>	<p>Locomotive managers for the acquired Conrail territory have been trained on the CSX Locomotive Management System (LMS). Locomotive Management has conducted training that included cross training of CSX and Conrail cultures.</p>

# STB OPERATIONAL MONITORING REPORT

As of November 30, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Train Dispatching	<p>Train dispatchers will continue to use current Conrail systems. Phase 1 geographic realignments will separate dispatchers into CSX, NS &amp; SAC entities within current division offices. Phase 1 will complete 90-120 days after Day 1.</p> <p>Phase 2 division realignment will move dispatchers to acquiring road's division. CSX Cleveland East dispatcher in Dearborn, MI will move to CSX headquarters in Indianapolis, IN. CSX Chesapeake &amp; Riverline dispatchers in Mt. Laurel, NJ will move to CSX headquarters in Albany, NY. Phase 2 will complete 90-120 days after an implementing agreement has been reached.</p> <p>Phase 2 moves are contingent upon Phase 1 realignment completion for territory being transferred. Also contingent upon an implementing agreement being in place with the ATDD.</p>	<p>Systems development has been completed and implementation is proceeding on schedule.</p> <p>Phase 1 realignments :</p> <p>Albany, Indianapolis &amp; Philadelphia complete.</p> <p>Dearborn Division started.</p> <p>Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments:</p> <p>Two dispatcher desks moved from Indianapolis to Dearborn on 7/27/99.</p> <p>Phase 2 projected to be completed with CSAO dispatcher move from Dearborn to Mt. Laurel on 8/10/99.</p> <p>All phases of the Train Dispatcher Realignment Project have been completed. Implementing agreements are now in place.</p> <p>Train Dispatching is complete.</p>	<p>Dispatchers will be trained on their new territory using the current processes in place at Conrail.</p>



# **STB OPERATIONAL MONITORING REPORT**

**As of November 30, 2000**

## **Customer Service Progress Report**

During May we completed the rollout of all CSXT systems for the fourth regional area. Cutover took place on May 8, 2000 and went smoothly. Major locations included in the cutover were Selkirk, South Kearney, and Framingham areas.

### **Personnel**

We duplicated our training and mentoring procedures for this last cutover. Classroom training in Pittsburgh was completed prior to the cutover with the remaining personnel trained on all CSXT systems.

### **Customer Familiarization**

The customer familiarization processes used previously were also duplicated. Tariffs have been published and distributed for supplemental billing purposes, and procedures put in place to convert the records for the first 7 days of May from the Conrail to the CSX demurrage system, so that customers will see only one bill for the month. All customers have been notified regarding the up coming changes.

Brochures were customized and distributed to customers by our Electronic Commerce Customer Integration Center to explain our EC offerings and initiatives, with special telephone numbers and other vital data provided. Other customer communications included blast faxes, mailings, and regular interaction with our Electronic Commerce personnel.

## **STB OPERATIONAL MONITORING REPORT**

**As of November 30, 2000**

### **STB Status Submission Report on Training**

**All remaining training for the acquired territories was completed during the month of May.**

Clerical employees received one-on-one training at their work locations on specific job tasks for their jobs. Train & Engine Service employees received instructions in the preparation of work order documents to ensure the correct documentation of placing and pulling of cars from industries. Field transportation officers and yardmasters also received specific training in the use of yard and train management systems. Extensive training was provided for 45 yardmasters and 17 transportation officers.

Coaches were positioned at strategic locations to assist employees during the cutover at all major terminals and crew on-duty locations.

The last cutover completed the training initiatives for this project.

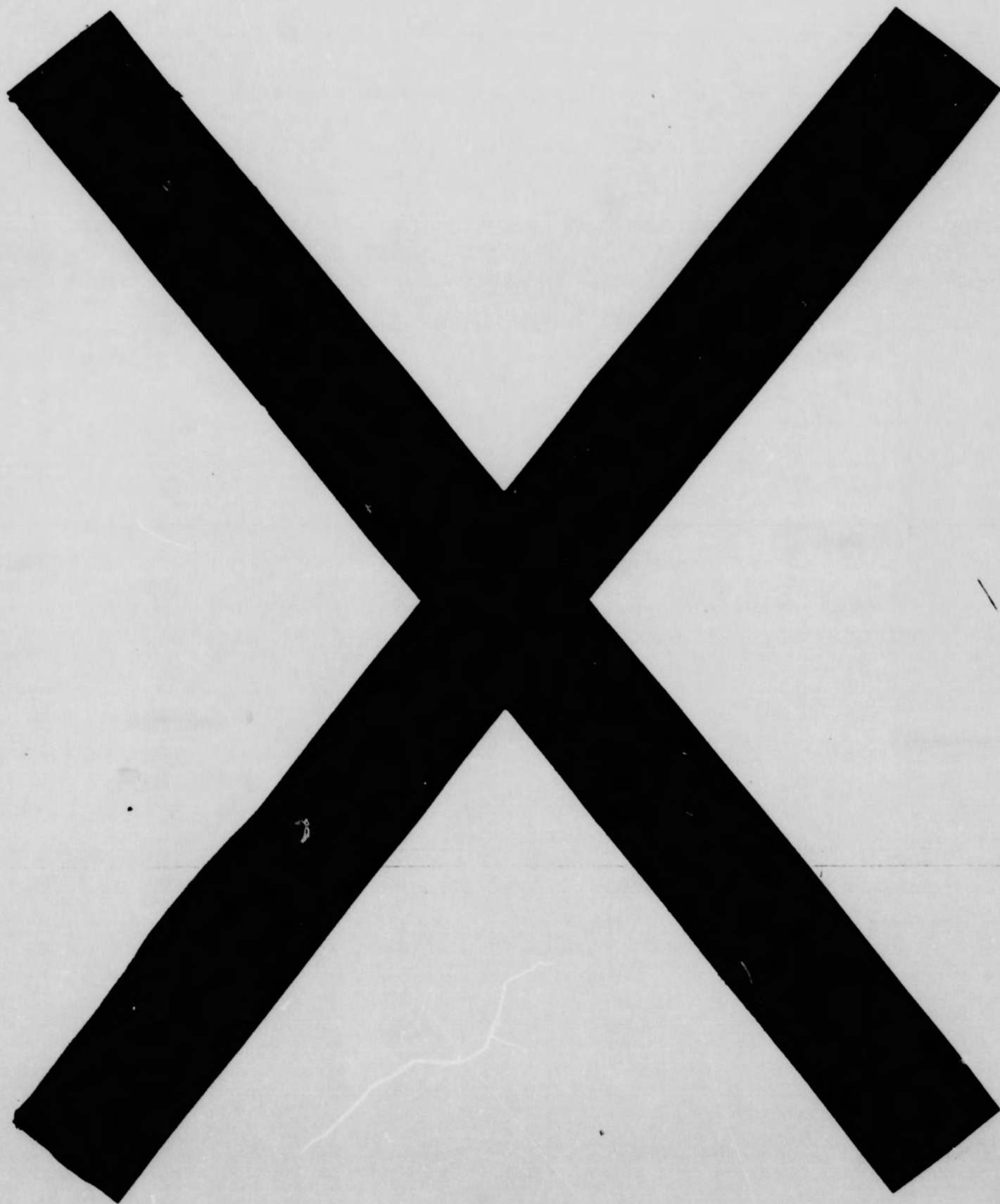
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SURFACE TRANSPORTATION BOARD

# Memorandum

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Office of the Secretary

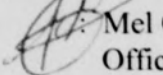
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Part of  
Public Record



DATE: December 14, 2000

**TO** : Ellen Keys, Assistant Secretary  
Section of Publications/Records  
Office of the Secretary

**FROM** :  Mel Clemens, Director  
Office of Compliance and Enforcement

**SUBJECT** : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the latest weekly public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da To Da Office Solutions. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan  
Vice Chairman Burkes  
Commissioner Clyburn  
Richard Armstrong  
Ron Douglas  
Charles Renninger



500 Water Street (J407)  
Jacksonville, FL 32202  
Phone (904) 366-4134  
Fax (904) 359-1571

T. J. Stephenson  
Assistant Vice President -  
Service Measurements

December 13, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
The Mercury Building  
1925 K Street, NW, Suite 780  
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, December 8<sup>th</sup>.

This week's report reflects the return to full operations following the Thanksgiving holiday shutdown. Cars on-line improved from 251,657 to 249,398 cars, and terminal dwell improved from 35.5 to 27.5 hours. Train velocity, still very near its post-Split best, was slightly lower, moving from 21.6 to 21.2 miles-per-hour.

We would offer the following observations and interpretations regarding the data CSXT provides the STB, Conrail Transaction Council, and the AAR:

### **Chicago Gateway Operations**

During this reporting week, the on-time-to-two-hours-late measure of deliveries to western carriers through Chicago moved unfavorably by nine percentage points to 79%. The greater-than-six-hours-late category moved unfavorably two percentage points to 11%. This reflects the effect of winter weather in the routes leading to Chicago.

### **Yards and Terminals**

Car volumes and dwell times decreased at most terminals across the network as operations returned to normal following the Thanksgiving holiday shutdown. Twelve of the 14 measured yards showed an improvement in dwell time compared to the prior week.



### **Corridor Performance**

One of the six corridors showed an improvement compared to the prior week. The best performance in the on-time-to-two-hours-late category was the I-95 corridor with 89%. Overall, the on-time-to-two-hours-late category moved unfavorably two percentage points to 72%, while the percent of trains in the greater-than-six-hours-late category moved favorably by three percentage points to 14%.

### **Shared Areas**

Daily average on hand cars decreased at all three locations, reflecting the resumption of normal operations following the Thanksgiving holiday. Overall terminal dwell time was 27.4 hours, compared to 32.4 hours last week. For the week, there were a total of 74 trains delayed for CSXT and NS: 39 for crew, 6 for power, and 29 for late arrivals by CSX and NS.

### **Additional Measurements**

Train Delay Metric: For 796 train starts, daily Train Delay totaled 41 hours for Power and 22 hours for Crew. Power delay was up, and crew delay was down from the prior week.

Train Crew Delay Metric: The percent of crews not departing within two hours of the on-duty time averaged 26.7% for the week, improved slightly from 26.8% last week.

Daily Crew Availability Percentage: Crew Availability Percentage was 82%, an improvement from 81% the prior week.

Daily Number of Recrews Required: Of 2019 crew starts, 77 (4%) were recrews, up from 3% the prior week.

Shared Asset Areas Train Delay Metric: SAA Train Delays averaged two trains per day for Detroit, four trains for South Jersey, and five trains for North Jersey.

Locomotives: Gross Locomotives = 4152, Average Available = 3731, and Out-of-Service Ratio = 5.9%, improved from 6.0% the prior week.

Cars Offered in Interchange: averaged 281 cars daily, of which 47 were allocated to Norfolk Southern. Daily average and the NS average decreased from the prior week.

On-time performance, passenger trains through Brunswick, MD: 70% for 10 AMTRAK trains (Pittsburgh – Washington) and 98% for 90 MARC trains (West Virginia – Washington).

Buffalo Customer Service (Hot-Line): the customer service center received no hot-line calls seeking assistance in tracing cars.

Last week, CSXT met 16 out of 18 service reliability goals established for the “normalizing operations” phase of the fall peak period. We met the goals for personal injuries, cars on-line, train velocity (overall and merchandise), miles of slow orders, crew duty days, re-crews, trains delayed for crew, car dwell, right connection, on-time originations, 30-hour cars, industrial switching, locomotive setback hours, leased locomotive out-of-service ratio, and locomotive terminal dwell.

Railroad operations returned to normal last week following the Thanksgiving holiday shutdown. Car dwell and volumes quickly returned to pre-holiday levels. Other key performance indicators such as velocity and on-time originations remained at or near record levels. Although not back at pre-holiday levels, cars on line continue to move downward, and we expect that trend to continue.

Sincerely,

T. J. Stephenson  
Assistant Vice President  
Service Measurements



## Surface Transportation Board

### Performance Measures

For the week ending: 12/08/00

#### Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	427	360	387	403	401
	Cars On Hand - Empty	356	402	380	521	532
	Cars On Hand - Total	783	762	767	924	933
	Cars Handled	613	567	602	524	690
	Dwell Hours	31.6	39.0	33.2	29.8	28.6
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	313	292	470	217	287
	Cars On Hand - Empty	225	297	383	268	313
	Cars On Hand - Total	538	589	853	485	600
	Cars Handled	276	378	568	317	357
	Dwell Hours	41.2	18.8	17.3	24.8	23.8
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	49	164	186	188	202
	Cars On Hand - Empty	145	171	146	206	166
	Cars On Hand - Total	194	335	332	394	368
	Cars Handled	156	174	241	279	198
	Dwell Hours	11.2	27.9	19.4	22.5	19.2

**CSX Comments:** Daily average on hand cars decreased at all three locations, reflecting the resumption of normal operations following the Thanksgiving holiday. Overall terminal dwell time was 27.4 hours, down from 32.4 hours the prior week.

# Surface Transportation Board

## Performance Measures

### Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00
North Jersey SAA	Number of Originations	11	16	18	14	17
	% Ontime	9%	19%	33%	14%	29%
	% Late 0-2 Hours	64%	44%	22%	50%	24%
	% Late 2-4 Hours	9%	13%	22%	7%	6%
	% Late 4-6 Hours	0%	6%	6%	14%	12%
	% Late GT 6 Hours	18%	19%	17%	14%	29%
South Jersey SAA	Number of Originations	2	5	8	5	6
	% Ontime	0%	0%	25%	20%	50%
	% Late 0-2 Hours	50%	40%	0%	40%	0%
	% Late 2-4 Hours	0%	40%	25%	20%	33%
	% Late 4-6 Hours	0%	0%	0%	0%	0%
	% Late GT 6 Hours	50%	20%	50%	20%	17%
Detroit SAA	Number of Originations	3	5	6	4	5
	% Ontime	100%	40%	67%	75%	80%
	% Late 0-2 Hours	0%	0%	17%	25%	20%
	% Late 2-4 Hours	0%	20%	0%	0%	0%
	% Late 4-6 Hours	0%	0%	17%	0%	0%
	% Late GT 6 Hours	0%	40%	0%	0%	0%

**CSX Comments:** Total road train delays were 74 trains. Crew delays were 39 trains for 235 hours; power 6 trains for 27 hours; originating trains 29 for 183 hours, due to late connections.

## Surface Transportation Board

### Performance Measures

#### CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Average
Cars Offered	NS	74	46	89	0	26	47
	All Other	228	121	302	262	259	234
	Total	302	167	391	262	285	281

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

#### CSXT On Time Passenger Train Performance

##### "Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Totals
AMTK	Trains	2	2	2	2	2	10
	% On Time	50%	100%	50%	100%	50%	70%
MARC	Trains	18	18	18	18	18	90
	% On Time	89%	100%	100%	100%	100%	98%

AMTK measured according to contract with CSXT.

# Surface Transportation Board

## Performance Measures

### CSXT Train Crew Delay

	Causes of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Terminal	Trains / Hours	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Total
Baltimore	Train Crew Starts	22	13	12	23	22	24	17	135
	Crews Delayed +2 Hours	8	6	5	9	6	8	8	50
	% Delayed +2 Hours	36%	46%	42%	39%	27%	33%	42%	37%
Buffalo	Train Crew Starts	39	47	31	49	19	49	43	277
	Crews Delayed +2 Hours	8	17	7	10	7	11	13	73
	% Delayed +2 Hours	21%	36%	23%	20%	37%	22%	30%	26%
Chicago	Train Crew Starts	25	24	24	28	25	24	26	176
	Crews Delayed +2 Hours	3	4	5	8	8	2	5	35
	% Delayed +2 Hours	12%	17%	21%	29%	32%	8%	19%	20%
Cincinnati	Train Crew Starts	36	31	36	38	34	39	34	248
	Crews Delayed +2 Hours	4	6	4	1	0	4	2	21
	% Delayed +2 Hours	11%	19%	11%	3%	0%	10%	6%	8%
Cleveland	Train Crew Starts	28	32	26	30	28	25	22	191
	Crews Delayed +2 Hours	10	10	8	10	5	11	4	58
	% Delayed +2 Hours	36%	31%	31%	33%	18%	44%	18%	30%
Cumberland	Train Crew Starts	33	35	22	34	33	39	33	229
	Crews Delayed +2 Hours	7	6	12	12	4	6	1	48
	% Delayed +2 Hours	21%	17%	55%	35%	12%	15%	3%	21%
Detroit	Train Crew Starts	5	3	2	6	7	7	5	35
	Crews Delayed +2 Hours	2	0	1	1	4	3	1	12
	% Delayed +2 Hours	40%	0%	50%	17%	57%	43%	20%	34%
Philadelphia	Train Crew Starts	15	7	9	11	17	19	12	90
	Crews Delayed +2 Hours	2	2	2	2	4	2	3	17
	% Delayed +2 Hours	13%	29%	22%	18%	24%	11%	25%	19%
Selkirk	Train Crew Starts	48	41	31	45	27	44	51	287
	Crews Delayed +2 Hours	16	14	9	12	16	18	20	105
	% Delayed +2 Hours	33%	34%	29%	27%	59%	41%	39%	37%
Toledo	Train Crew Starts	29	27	27	32	29	26	25	195
	Crews Delayed +2 Hours	5	9	8	3	6	11	7	49
	% Delayed +2 Hours	17%	33%	30%	9%	21%	42%	28%	25%
Willard	Train Crew Starts	41	39	38	37	45	47	47	294
	Crews Delayed +2 Hours	11	18	14	11	4	16	17	91
	% Delayed +2 Hours	27%	46%	37%	30%	9%	34%	36%	31%

Daily number of train crew starts from selected yards or terminals and the number of those originating train crews that were delayed in those yards or terminals for two hours or more after going on-duty. The percentage of those delayed starts.

## Surface Transportation Board

### Performance Measures

#### CSXT Train Delay - Northern Region Lines

	Cause of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Trains / Hours	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Total

Train Delay	Originating Train Starts	101	115	109	109	99	125	138	796
	Delayed Hours - Power	14	0	17	1	1	3	5	41
	Delayed Hours - Crews	3	0	2	5	5	5	2	22

Daily number of originating train starts on the Northern Region and the hours delayed due to lack of power and crew of those originating train crews. The delayed train starts will be broken down between power and crew delayed hours.

#### Daily Crew Availability Percentage - Northern Region Lines

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Crew Availability	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Average

Crew Availability		81%	81%	83%	83%	83%	83%	82%	82%
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Daily percentage of CSXT road train crews that are available for work on the Northern Region Lines.

#### Daily Number of Train Crew Starts and Recrews Required

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Crew/Recrews	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Total

Crews/Recrews	Train Crew Starts	293	269	257	284	282	323	311	2019
	Recrews	10	13	8	9	15	11	11	77
	% Recrewed	3%	5%	3%	3%	5%	3%	4%	4%

Daily number of CSXT road train crew starts, the number of recrews and percentage of recrews for the Northern Region Lines.



## Surface Transportation Board

### Performance Measures

#### CSXT Locomotive Fleet Condition

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotives	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Average
Locomotives	Gross Fleet Size	4184	4177	4150	4147	4142	4136	4131	4152
	Avg. Number Available	3747	3744	3772	3755	3705	3706	3691	3731
	OOS Ratio	5.8	5.7	5.8	5.7	6.0	6.2	6.2	5.9

The measure for Gross Fleet will consist of CSX owned, leased, and foreign locomotives on-line. The Average Number Available will be the number of net fleet available to move traffic. The Out-of-Service Ratio (OOS) is the ratio of CSXT owned locomotives not available.

#### Shared Asset Areas Train Delay

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Shared Area	12/02/00	12/03/00	12/04/00	12/05/00	12/06/00	12/07/00	12/08/00	Average
Train Delay	Philadelphia/South Jersey	2	7	3	2	5	3	4	4
	North Jersey	4	7	3	7	5	7	4	5
	Detroit	5	1	1	0	1	1	2	2

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification. The measure will be a composite of CSX and NS trains.

**George A. Aspatore**  
**General Solicitor**

(757) 629-2657  
(757) 533-4872  
E-mail [gaaspato@nscorp.com](mailto:gaaspato@nscorp.com)

December 13, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending December 8, 2000, enclosed are schedules reporting Train Origination Performance, Yard Performance, and Trains Held in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, and our Locomotive Fleet Statistics. This schedule also includes NS Northern Region Train Starts and Delays that are not limited to a snapshot period.

Another schedule incorporated into this transmittal shows NS Crew Starts and Delays, NS Northern Region Daily Crew Availability Percentage, and NS Northern Region Crew Starts and Recrews. Also included is the bi-weekly Buffalo update.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.  
December 13, 2000  
Page 2

As always, I am including a letter written by Tony L. Ingram, Vice President Transportation – Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore  
General Solicitor

Enclosures

December 13, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

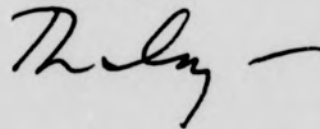
Dear Mr. Clemens:

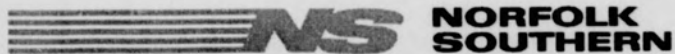
Norfolk Southern's performance metrics remain within normal operating range. The number of cars on line increased, the average train speed decreased, and the average terminal dwell decreased. On the monitored corridors and Chicago gateway operations, 61 trains were held for terminal delays, 18 trains were held for crews, and 8 trains were held for power.

With respect to our customer service hotline in Buffalo, NS did not receive any calls over the two-week period.

In the Shared Assets Areas, daily average on-hand car volume decreased at Oak Island, Pavonia, and North Yard. All volume counts were within expected operating norms. Overall average terminal dwell time decreased. Reported road train delays for crews and power increased from the prior week: 39 trains were delayed 235 hours for lack of crews and 6 trains were delayed for 27 hours awaiting power. Twenty-nine originating trains were delayed a total of 183 hours due to late arrivals from CSXT and/or NS. Together, these delays accounted for 64% of the delay hours reported in the SAAs.

Sincerely,

A handwritten signature in dark ink, appearing to be "Thelma" followed by a horizontal line.

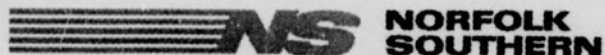


For the week ending 12/8/00

**Shared Asset Area - Yard Performance**

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	4-Dec	850	145	49	194	156	11.2
	5-Dec	850	171	164	335	174	27.9
	6-Dec	850	146	186	332	241	19.4
	7-Dec	850	206	188	394	279	22.5
	8-Dec	850	166	202	368	198	19.2
<b>North Yard MI Average</b>		<b>850</b>	<b>167</b>	<b>158</b>	<b>325</b>	<b>210</b>	<b>20.4</b>
Oak Island NJ	4-Dec	1200	356	427	783	613	31.6
	5-Dec	1200	402	360	762	567	39.0
	6-Dec	1200	380	387	767	602	33.2
	7-Dec	1200	521	403	924	524	29.8
	8-Dec	1200	532	401	933	690	28.6
<b>Oak Island NJ Average</b>		<b>1200</b>	<b>438</b>	<b>396</b>	<b>834</b>	<b>599</b>	<b>32.3</b>
Pavonia NJ	4-Dec	900	225	313	538	276	41.2
	5-Dec	900	297	292	589	378	18.8
	6-Dec	900	383	470	853	568	17.3
	7-Dec	900	268	217	485	317	24.8
	8-Dec	900	313	287	600	357	23.8
<b>Pavonia Average</b>		<b>900</b>	<b>297</b>	<b>316</b>	<b>613</b>	<b>379</b>	<b>23.5</b>

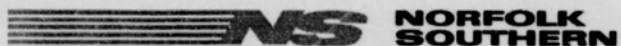




For the week ending 12/8/00

**Shared Asset Train Origination Performance**

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	4-Dec	3	100%	0%	0%	0%	0%
	5-Dec	5	40%	0%	20%	0%	40%
	6-Dec	6	67%	17%	0%	17%	0%
	7-Dec	4	75%	25%	0%	0%	0%
	8-Dec	5	80%	20%	0%	0%	0%
<b>Detroit Total</b>		<b>23</b>	<b>70%</b>	<b>13%</b>	<b>4%</b>	<b>4%</b>	<b>9%</b>
North Jersey Total	4-Dec	11	9%	64%	9%	0%	18%
	5-Dec	16	19%	44%	13%	6%	19%
	6-Dec	18	33%	22%	22%	6%	17%
	7-Dec	14	14%	50%	7%	14%	14%
	8-Dec	17	29%	24%	6%	12%	29%
<b>North Jersey Total</b>		<b>76</b>	<b>22%</b>	<b>38%</b>	<b>12%</b>	<b>8%</b>	<b>20%</b>
South Jersey Total	4-Dec	2	0%	50%	0%	0%	50%
	5-Dec	5	0%	40%	40%	0%	20%
	6-Dec	8	25%	0%	25%	0%	50%
	7-Dec	5	20%	40%	20%	0%	20%
	8-Dec	6	50%	0%	33%	0%	17%
<b>South Jersey Total</b>		<b>26</b>	<b>23%</b>	<b>19%</b>	<b>27%</b>	<b>0%</b>	<b>31%</b>
<b>Grand Total</b>		<b>125</b>	<b>31%</b>	<b>30%</b>	<b>14%</b>	<b>6%</b>	<b>20%</b>



For the week ending 12/8/00

**Shared Asset Area Trains Held**

area	Sat 02-Dec	Sun 03-Dec	Mon 04-Dec	Tue 05-Dec	Wed 06-Dec	Thu 07-Dec	Fri 08-Dec	Grand Total
North Jersey	4	7	3	7	5	7	4	37
South Jersey	2	7	3	2	5	3	4	26
Detroit	5	1	1	0	1	1	2	11

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification.



### NS Cars Offered in Interchange but not Accepted

offered	Monday	Tuesday	Wednesday	Thursday	Friday	Total
CSX	0	0	0	0	0	0
other	0	48	0	52	0	100
<b>Total</b>	<b>0</b>	<b>48</b>	<b>0</b>	<b>52</b>	<b>0</b>	<b>100</b>

Snapshot taken between 2:00 and 3:00 each day  
NS acquired territory only

### NS Northern Region Train Starts and Delays

	Saturday 2-Dec	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	Grand Total
# of Train Starts	171	164	157	170	175	190	176	1203
<b>Delay Cause</b>								
Crew Delays (hrs)	3.4	0.0	0.0	0.8	1.4	0.0	3.5	9.2
Power Delays (hrs)	14.9	18.9	25.0	19.7	8.5	14.3	13.1	114.3

The delay numbers are expressed in hours

### Locomotive Fleet Statistics

	Saturday 2-Dec	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	average
<b>Fleet Size</b>	3456	3434	3389	3449	3451	3493	3487	3451
<b>available</b>	3248	3199	3150	3209	3236	3314	3297	3236
<b>out of service %</b>	6.0%	6.8%	7.1%	7.0%	6.2%	5.1%	5.4%	6.2%

Snapshot taken at midnight  
Fleet size is all locomotives on line. Includes owned, leased and foreign.

### NS Crew Starts and Delays

		Saturday 2-Dec	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	Grand Total
Allentown	crew starts	14	15	18	15	17	17	17	113
	crews delayed	5	3	5	5	6	5	7	36
Bellevue	crew starts	36	35	34	40	35	38	37	255
	crews delayed	13	12	17	16	10	16	14	98
Buffalo	crew starts	23	22	19	26	24	27	25	166
	crews delayed	7	5	4	5	7	7	6	41
Chicago	crew starts	32	34	30	32	33	36	32	229
	crews delayed	12	10	11	13	15	16	11	88
Cincinnati	crew starts	37	37	29	33	34	34	38	242
	crews delayed	4	9	9	4	14	3	9	52
Cleveland	crew starts	11	12	9	11	14	11	11	79
	crews delayed	8	7	3	6	6	6	4	40
Conway	crew starts	47	47	49	54	62	59	50	368
	crews delayed	14	17	17	24	24	13	15	124
Detroit	crew starts	15	14	15	15	15	19	19	112
	crews delayed	7	9	3	2	6	8	9	44
Elkhart	crew starts	36	41	26	33	35	33	39	243
	crews delayed	11	14	12	9	11	13	20	90
Harrisburg	crew starts	57	48	45	66	58	61	57	392
	crews delayed	20	19	11	31	11	24	24	140
Toledo	crew starts	58	48	40	51	57	55	50	359
	crews delayed	12	11	5	13	17	17	16	91

**Notes:**

Data source is T&E employees' "End of Trip" reporting

A summary of all "E-O-T's" where departure time is reported as two or more hours after time crew ordered.

Includes all trains for location, whether originating or run-through.

A delayed crew is one delayed two hours or more after coming on duty

### NS Northern Region Daily Crew Availability Percentage

	Saturday 2-Dec	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	average
availability%	78%	77%	79%	81%	82%	83%	80%	80%

**Notes:**

A "snapshot" of percent of Train and Engineman available at approximately 5:00 AM

### NS Northern Region Crew Starts and Recrews

	Saturday 2-Dec	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	Grand Total
crew starts	323	300	259	322	343	349	312	2208
recrews	14	8	7	5	21	14	12	81

**Notes:**

A summary of trains ordered by field transportation using relief crew (recrew) train symbol

Does not include recrews/trains pulled into terminals by yard crews or road crews called and used in regular service

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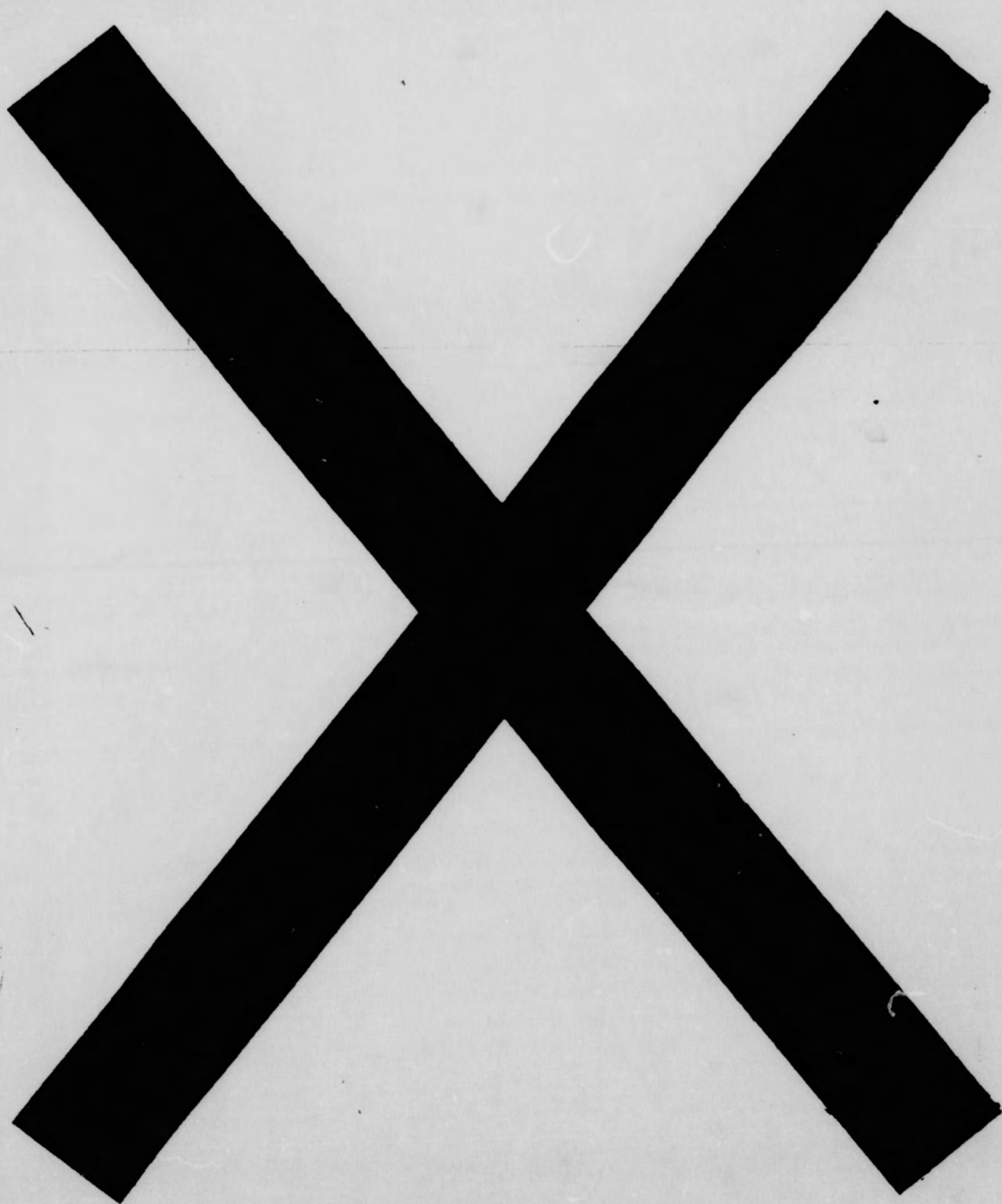
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Direct Dial (202) 906-3987  
Fax: (202) 906-2821

November 9, 2000

The Honorable Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
Room 784  
1925 K Street, N.W.  
Washington, D.C. 20423

D



Office of the Secretary

NOV 13 2000

Part of  
Public Record

Re: Finance Docket No. 33388, *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*  
Quarterly Report re. Amtrak On-Time Performance

Dear Mr. Clemens:

On behalf of NS, CSX and itself, the National Railroad Passenger Corporation ("Amtrak") hereby submits the fifth quarterly report regarding the on-time performance of Amtrak trains operated over the lines of NS and CSX since the implementation of the Conrail acquisition. This report covers the period from July 1, 2000 through September 30, 2000.

The on-time performance measurements shown in the attached report, which reflect the performance of all Amtrak trains operated by NS or CSX over lines formerly owned by Conrail, are based upon the measures used by the parties for determining contract incentive payments. For incentive purposes, a train is considered "on time" if it arrives at its destination, or an intermediate "checkpoint" where performance is measured, within the scheduled running time for that segment plus a "tolerance" of 5 minutes for trips operating under 400 miles and 10 minutes for trips over 400 miles. Certain delays not within the control of NS or CSX, such as delayed departures, longer than scheduled station stops, and delays due to mechanical problems with Amtrak equipment, are excluded. Performance is measured separately at each checkpoint.

Amtrak's comment on the report, which is set forth below, represents its own views and not the views of NS or CSX.

OFFICE OF COMPLIANCE  
AND ENFORCEMENT  
DIRECTOR'S OFFICE

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BOARD

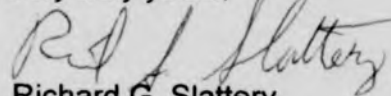
The Honorable Melvin F. Clemens, Jr.  
November 9, 2000  
Page 2

Amtrak's Comment

As the attached figures indicate, Amtrak on-time performance during the third quarter of 2000 on ex-Conrail lines generally continued to approximate, and in some cases to exceed, Conrail's performance on the same lines during the one-year "base period" immediately prior to the Conrail acquisition. On lines now operated by CSX, on-time performance was 2.5 percentage points better than CSX's performance during the previous quarter and 7.1 percentage points better than Conrail's performance during the base period. NS's performance on ex-Conrail lines was slightly below both NS's performance during the previous quarter (1.8 percentage point decline) and Conrail's performance on the same lines during the base period (3.5 percentage point decline). NS's performance on lines it owned prior to the Conrail acquisition, which is not reflected in the attached figures, continued to be good.

However, the performance of many Amtrak trains operating over CSX's pre-Conrail system has remained well below both acceptable and pre-Conrail acquisition levels. (With the exception of the "Cardinal", trains 50 and 51, which operates in part over ex-Conrail lines, performance of these trains is not reflected in the attached data.) Performance of some of these trains on CSX has improved since the April-June 2000 reporting period, but significant problems remain. Under contract incentive payment measures, Amtrak's "Sunset Limited" operated on time between New Orleans and Jacksonville only once in July and just three times during the month of August, and experienced substantial delays on CSX on nearly every day of operation due to freight congestion and slow orders. In mid-September, Amtrak reluctantly agreed to temporarily increase the scheduled running time of this train between New Orleans and Jacksonville by more than two hours in order to minimize the impact of these extraordinary delays on its guests.

Very truly yours,



Richard G. Slattery  
Senior Associate General Counsel

Attachments

cc: Chairman Linda J. Morgan  
Vice Chairman Wayne O. Burkes  
Commissioner William Clyburn, Jr.

The Honorable Melvin F. Clemens, Jr.  
November 9, 2000  
Page 3

Peter J. Shudtz, Esq.  
Vice President – Law and General Counsel  
CSX Corporation  
One James Center  
901 East Cary Street  
Richmond, VA 23219

J. Gary Lane, Esq.  
Senior Vice President - Law  
Norfolk Southern Corporation  
Three Commercial Place  
Norfolk, VA 23510

**CONRAIL/NORFOLK SOUTHERN  
ON-TIME PERFORMANCE<sup>(1)</sup> FOR AMTRAK TRAINS  
PERFORMANCE BY CHECKPOINT  
JULY - SEPTEMBER, 2000**

Train	Location	Conrail June 98 thru May 99	NS Previous Quarter	NS Jul-00 thru Sep-00	Percentage Point Difference	
					From Conrail to NS Jul-Sep 2000	NS Prev Qtr to NS Jul-Sep 2000
29	Origin Bloom(Pittsburgh, PA)					
	Checkpoint Toledo, OH	79.5%	77.0%	68.2%	(11.3)	(8.8)
	Checkpoint 21st St (Chicago, IL)	75.7%	88.6%	83.3%	7.6	(5.3)
30	Origin 21st St (Chicago, IL)					
	Checkpoint Toledo, OH	73.8%	52.3%	42.9%	(30.9)	(9.4)
	Checkpoint Bloom(Pittsburgh, PA)	54.5%	45.3%	61.8%	7.3	16.5
40	Origin New Castle, PA					
	Checkpoint Harrisburg, PA	75.6%	98.9%	88.0%	12.4	(10.9)
41	Origin Harrisburg, PA					
	Checkpoint New Castle, PA	83.2%	94.5%	89.1%	5.9	(5.4)
43	Origin Harrisburg, PA					
	Checkpoint Cleveland, OH (2)	88.9%	84.3%	84.6%	(4.3)	0.3
	Checkpoint 21st St (Chicago, IL)	78.5%	83.3%	82.0%	3.5	(1.3)
44	Origin 21st St (Chicago, IL)					
	Checkpoint Cleveland, OH (2)	74.3%	80.9%	74.7%	0.4	(6.2)
	Checkpoint Harrisburg, PA	52.4%	87.5%	69.2%	16.8	(18.3)
48	Origin 21st St (Chicago, IL)					
	Checkpoint Cleveland, OH (2)	74.4%	60.7%	38.0%	(36.4)	(22.7)
49	Origin Cleveland, OH (2)					
	Checkpoint 21st St (Chicago, IL)	70.1%	84.4%	82.6%	12.5	(1.8)
350,352, 354	Origin 21st St (Chicago, IL)					
	Checkpoint Vinewood(Detroit, MI)	89.4%	85.2%	93.4%	4.0	8.2
351,353, 355	Origin Vinewood(Detroit, MI)					
	Checkpoint 21st St (Chicago, IL)	76.6%	76.4%	74.0%	(2.6)	(2.4)
364	Origin 21st St (Chicago, IL)					
	Checkpoint Gord(Battle Creek, MI)	81.3%	79.1%	68.5%	(12.8)	(10.6)

(1) Based on Amtrak's contractual arrangement for incentives with the respective railroads.

(2) Measurement for Conrail was to or from Toledo.



CONRAIL/NORFOLK SOUTHERN  
ON-TIME PERFORMANCE<sup>(1)</sup> FOR AMTRAK TRAINS  
PERFORMANCE BY CHECKPOINT  
JULY - SEPTEMBER, 2000

Train	Location	Conrail June 98 thru May 99	NS Previous Quarter	NS Jul-00 thru Sep-00	Percentage Point Difference	
					From Conrail to NS Jul-Sep 2000	NS Prev Qtr to NS Jul-Sep 2000
365/367	Origin Gord(Battle Creek, MI)					
	Checkpoint 21st St (Chicago, IL)	75.4%	54.9%	66.3%	(9.1)	11.4
370	Origin 21st St (Chicago, IL)					
	Checkpoint CP-482(Michigan City, MI)	84.6%	62.9%	56.0%	(28.6)	(6.9)
371	Origin CP-482(Michigan City, MI)					
	Checkpoint 21st St (Chicago, IL)	67.4%	39.3%	62.6%	(4.8)	23.3
Totals		77.2%	75.5%	73.7%	(3.5)	(1.8)

(1) Based on Amtrak's contractual arrangement for incentives with the respective railroads.

**Conrail / CSXT**  
**On-time Performance<sup>(1)</sup> for Amtrak Trains**  
**Performance By Checkpoint**

Train	Location	Conrail	CSXT	CSXT	Percentage Point Difference	
		June 98 thru May 99	Previous Quarter	Jul-00 thru Sep-00	From Conrail to CSXT Jul-Sep-00	CSXT Prev Qtr to CSXT Jul-Sep-00
48/448	Origin Cleveland, OH (2)					
	Checkpoint Albany, NY	47.8%	93.3%	85.6%	37.8	(7.7)
	Checkpoint CP-75(Poughkeepsie, NY)	53.2%	89.9%	72.2%	19.0	(17.7)
	Checkpoint Boston, MA	56.6%	91.1%	88.9%	32.3	(2.2)
449	Origin Boston, MA					
	Checkpoint Albany, NY	79.3%	95.6%	89.1%	9.8	(6.5)
49	Origin CP-75(Poughkeepsie, NY)					
	Checkpoint Albany, NY	98.3%	96.6%	97.8%	(0.5)	1.2
	Checkpoint Cleveland, OH (2)	78.3%	95.3%	86.4%	8.1	(8.9)
50	Origin Maynard(Dyer, IN) (5)					
	Checkpoint Indianapolis, IN (4)	97.9%	69.8%	90.2%	(7.7)	20.4
	Checkpoint Charleston WV (3)	89.8%	70.3%	86.8%	(3.0)	16.5
	Checkpoint Orange(17 mi.W of Culpeper, VA) (3)	86.6%	50.0%	51.3%	(35.3)	1.3
51	Origin Orange(17 mi.W of Culpeper, VA) (3)					
	Checkpoint Charleston WV (3)	87.4%	94.7%	100.0%	12.6	5.3
	Checkpoint Indianapolis, IN (4)	84.8%	55.6%	65.6%	(19.2)	10.0
	Checkpoint Maynard(Dyer, IN) (5)	89.9%	67.9%	67.9%	(22.0)	(0.0)
63/281/ 283	Origin CP-75(Poughkeepsie, NY)					
	Checkpoint CP-169(8 mi.S of Amsterdam, NY)	90.0%	100.0%	98.5%	8.5	(1.5)
	Checkpoint CP296(Syracuse, NY)	75.0%	93.2%	90.9%	15.9	(2.3)
	Checkpoint Niagara Falls, NY	76.9%	93.5%	92.6%	15.7	(0.9)
64/284/ 286/288	Origin Niagara Falls, NY					
	Checkpoint CP296(Syracuse, NY)	76.3%	80.5%	88.3%	12.0	7.8
	Checkpoint CP-169(8 mi.S of Amsterdam, NY)	76.5%	75.6%	74.0%	(2.5)	(1.6)
	Checkpoint CP-75(Poughkeepsie, NY)	77.7%	80.9%	81.2%	3.5	0.3

(1) Based on Amtrak's contractual arrangement for incentives with the respective railroads.

(2) Measurement for Conrail was to or from Toledo.

(3) Performance for 6/1/98 thru 5/31/99 is for CSXT.

(4) Includes train 318.

(5) Includes train 317.

**Conrail / CSXT**  
**On-time Performance<sup>(1)</sup> for Amtrak Trains**  
**Performance By Checkpoint**

Train	Location	Conrail	CSXT	CSXT	Percentage Point Difference	
		June 98 thru May 99	Previous Quarter	Jul-00 thru Sep-00	From Conrail to CSXT Jul-Sep-00	CSXT Prev Qtr to CSXT Jul-Sep-00
55	Origin Palmer(15 mi.N of Springfield, MA)					
	Checkpoint Springfield, MA	81.2%	96.7%	98.9%	17.7	2.2
56	Origin Springfield, MA					
	Checkpoint Palmer(15 mi.N of Springfield, MA)	90.9%	88.9%	94.6%	3.7	5.7
145	Origin Boston, MA					
	Checkpoint Springfield, MA	84.6%	91.0%	93.5%	8.9	2.5
142/172/ 178	Origin Springfield, MA					
	Checkpoint Boston, MA	93.9%	93.9%	97.6%	3.7	3.7
289	Origin CP-75(Poughkeepsie, NY)					
	Checkpoint CP-169(8 mi.S of Amsterdam, NY)	87.2%	100.0%	100.0%	12.8	0.0
	Checkpoint Syracuse, NY	91.5%	100.0%	100.0%	8.5	0.0
68/70/246/ 294/296	Origin Schenectady, NY					
	Checkpoint CP-75(Poughkeepsie, NY)	96.7%	97.9%	98.8%	2.1	0.9
69/291/ 293	Origin CP-75(Poughkeepsie, NY)					
	Checkpoint Schenectady, NY	93.0%	98.8%	99.2%	6.2	0.4
236/240/ 238 242/ 244/248/ 250/254/ 256/262/ 264	Origin Albany, NY					
	Checkpoint CP-75(Poughkeepsie, NY)	92.3%	97.1%	98.8%	6.5	1.7
299	Origin Albany, NY					
	Checkpoint Schenectady, NY	87.9%	87.5%	83.3%	(4.6)	(4.2)
251/253/ 257/259/ 265/267/ 269/271/ 273/277	Origin CP-75(Poughkeepsie, NY)					
	Checkpoint Albany, NY	94.4%	98.2%	98.8%	4.4	0.6
<b>Totals</b>		<b>84.7%</b>	<b>89.2%</b>	<b>91.8%</b>	<b>7.1</b>	<b>2.5</b>

(1) Based on Amtrak's contractual arrangement for incentives with the respective railroads.

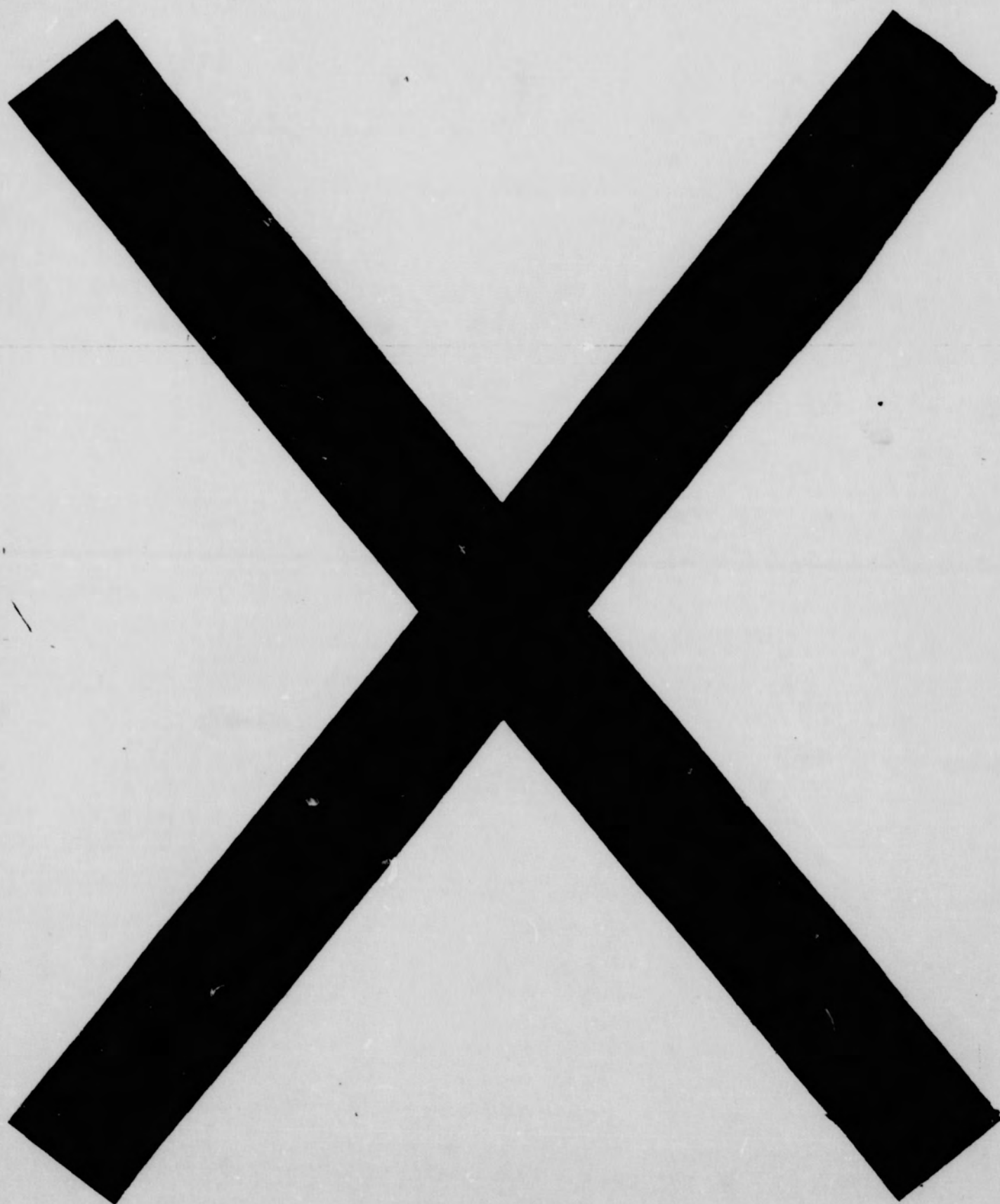
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SURFACE TRANSPORTATION BOARD

# Memorandum

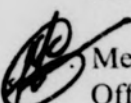
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DATE: November 9, 2000

**TO** : Ellen Keys, Assistant Secretary  
Section of Publications/Records  
Office of the Secretary

**FROM**  Mel Clemens, Director  
Office of Compliance and Enforcement



**SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA**

Attached are the original and two copies of the latest weekly public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da To Da Office Solutions. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan  
Vice Chairman Burkes  
Commissioner Clyburn  
Richard Armstrong  
Ron Douglas  
Charles Renninger



500 Water Street (J407)  
Jacksonville, FL 32202  
Phone (904) 366-4134  
Fax (904) 359-1571

**T. J. Stephenson**  
Assistant Vice President -  
Service Measurements

November 8, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
The Mercury Building  
1925 K Street, NW, Suite 780  
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, November 3<sup>rd</sup>.

The report shows sustained operational performance levels, at or near the most positive since the Conrail acquisition. Cars on-line moved down from 247,368 to 246,860 cars. Overall train velocity increased to 21.0 miles-per-hour, up from 20.6. Both of these measurements achieved their best weekly performance thus far this year. Terminal dwell increased slightly from 26.4 to 26.9 hours. The railroad is still in a very healthy state at this stage of the fall peak.

We would offer the following observations and interpretations regarding the data CSXT provides the STB, Conrail Transaction Council, and the AAR:

#### **Chicago Gateway Operations**

During this reporting week, the on-time-to-two-hours-late measure of deliveries to western carriers through Chicago moved favorably by ten percentage points to 83%. The greater-than-six-hours-late category moved favorably by seven percentage points to 4%.

#### **Yards and Terminals**

Car volumes and dwell times remained essentially flat at most terminals across the network. Four of the 14 measured yards showed an improvement in dwell time compared to the prior week.

### **Corridor Performance**

Two of the six corridors showed an improvement compared to the prior week. The best performance in the on-time-to-two-hours-late category was the Chicago to Northeast corridor. Overall, the on-time-to-two-hours-late category moved unfavorably by two percentage points compared to last week, and the percent of trains in the greater-than-six-hours-late category moved favorably by two percentage points.

### **Shared Areas**

Daily average on hand cars increased slightly at Oak Island, and decreased at Detroit and Pavonia. Overall terminal dwell time was 25.4 hours, compared to 26.0 hours last week. For the week, there were a total of 70 trains delayed for CSXT and NS: 46 for crew, 4 for power, and 20 for late arrivals by CSX and NS.

### **Additional Measurements**

Train Delay Metric: For 776 train starts, daily Train Delay totaled 62 hours for Power and 48 hours for Crew. Power delay was down and crew delay was up from the prior week.

Train Crew Delay Metric: The percent of crews not departing within two hours of the on-duty time averaged 26.1% for the week, up from 25.1% reported last week.

Daily Crew Availability Percentage: Crew Availability Percentage was 84%, up one percentage point from the prior week.

Daily Number of Recrews Required: Of 1931 crew starts, 43 (2%) were recrews, down from 3% the prior week.

Shared Asset Areas Train Delay Metric: SAA Train Delays averaged two trains per day for Detroit, three trains for South Jersey, and five trains for North Jersey.

Locomotives: Gross Locomotives = 4161, Average Available = 3763, and Out-of-Service Ratio = 4.9%, down from 5.1% the prior week. This is the lowest out of service ratio recorded this year.

Cars Offered in Interchange: averaged 140 cars daily, of which 24 were allocated to Norfolk Southern. Daily average and the NS average decreased from the prior week.

On-time performance, passenger trains through Brunswick, MD: 50% for 10 AMTRAK trains (Pittsburgh – Washington) and 100% for 90 MARC trains (West Virginia – Washington). We do not expect significantly improved Amtrak train performance until the track work scheduled through the end of the year is complete.

Buffalo Customer Service (Hot-Line): the customer service center received one hot-line call seeking assistance in tracing cars. The request was resolved without further assistance.

CSXT continues to work with our customers at this time of year to provide stable service levels and a continuation of the improvements that have been evident since April. Train operations are being adjusted around the scheduled maintenance work programs going on throughout the network in order to provide more efficient windows of work.

Last week, CSXT met 16 out of 18 service reliability goals established for the “top of the peak” phase of the fall peak period. We met the goals for cars on-line, train velocity (overall and merchandise), crew duty days, re-crews, trains delayed for crew, car dwell, right connection, on-time originations, 30-hour cars, locomotive setback hours, CSX locomotive out-of-service ratio, leased locomotive out-of-service ratio, and locomotive terminal dwell. Seven of these measures exceeded their best performance of the year. Railroad operations continue at a high level of performance.

Sincerely,

T. J. Stephenson  
Assistant Vice President  
Service Measurements

# Surface Transportation Board

## Performance Measures

For the week ending: 11/03/00

### Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	614	390	316	420	423
	Cars On Hand - Empty	422	299	442	404	340
	Cars On Hand - Total	1036	689	758	824	763
	Cars Handled	387	464	722	687	710
	Dwell Hours	36.8	30.1	31.1	28.9	24.6
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	280	144	218	281	241
	Cars On Hand - Empty	267	190	394	293	273
	Cars On Hand - Total	547	334	612	574	514
	Cars Handled	407	458	592	511	678
	Dwell Hours	35.6	29.0	15.3	27.0	18.1
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	225	203	174	159	209
	Cars On Hand - Empty	115	113	109	126	59
	Cars On Hand - Total	340	316	283	285	268
	Cars Handled	265	125	387	318	332
	Dwell Hours	13.7	26.2	25.5	20.9	13.6

**CSX Comments:** Daily average on hand cars increased slightly at Oak Island, and decreased at Pavonia and North Yard. Overall terminal dwell time was 25.4 hours, down slightly from 26.0 hours the prior week.



# Surface Transportation Board

## Performance Measures

### Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00
North Jersey SAA	Number of Originations	11	14	18	17	19
	% Ontime	27%	29%	3900%	18%	21%
	% Late 0-2 Hours	27%	43%	28%	41%	47%
	% Late 2-4 Hours	27%	14%	17%	18%	16%
	% Late 4-6 Hours	9%	7%	11%	6%	5%
	% Late GT 6 Hours	9%	7%	6%	18%	11%
South Jersey SAA	Number of Originations	3	7	6	8	5
	% Ontime	33%	43%	33%	63%	60%
	% Late 0-2 Hours	0%	0%	33%	0%	20%
	% Late 2-4 Hours	0%	14%	0%	0%	0%
	% Late 4-6 Hours	0%	0%	17%	0%	0%
	% Late GT 6 Hours	67%	43%	17%	38%	20%
Detroit SAA	Number of Originations	5	6	6	6	7
	% Ontime	60%	50%	50%	67%	57%
	% Late 0-2 Hours	20%	33%	33%	33%	0%
	% Late 2-4 Hours	0%	0%	17%	0%	14%
	% Late 4-6 Hours	0%	0%	0%	0%	14%
	% Late GT 6 Hours	20%	17%	0%	0%	14%

**CSX Comments:** Total road train delays were 70 trains. Crew delays were 46 trains for 344 hours; power 4 trains for 21 hours; originating trains 20 for 130 hours, due to late connections.

## Surface Transportation Board

### Performance Measures

#### CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Average
Cars Offered	NS	14	66	36	3	1	24
	All Other	186	160	187	20	25	116
	Total	200	226	223	23	26	140

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

#### CSXT On Time Passenger Train Performance

##### "Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Totals
AMTK	Trains	2	2	2	2	2	10
	% On Time	50%	100%	0%	0%	100%	50%
MARC	Trains	18	18	18	18	18	90
	% On Time	100%	100%	100%	100%	100%	100%

AMTK measured according to contract with CSXT.

# Surface Transportation Board

## Performance Measures

### CSXT Train Crew Delay

	Causes of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Terminal	Trains / Hours	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Total
Baltimore	Train Crew Starts	23	16	17	20	18	21	20	135
	Crews Delayed +2 Hours	10	8	10	12	10	9	11	70
	% Delayed +2 Hours	43%	50%	59%	60%	56%	43%	55%	52%
Buffalo	Train Crew Starts	51	43	34	43	45	48	43	307
	Crews Delayed +2 Hours	8	7	7	2	5	11	14	54
	% Delayed +2 Hours	16%	16%	21%	5%	11%	23%	33%	18%
Chicago	Train Crew Starts	21	26	23	26	25	27	24	172
	Crews Delayed +2 Hours	5	5	4	9	9	4	8	44
	% Delayed +2 Hours	24%	19%	17%	35%	36%	15%	33%	26%
Cincinnati	Train Crew Starts	40	37	42	37	38	37	37	268
	Crews Delayed +2 Hours	1	2	3	5	4	4	5	24
	% Delayed +2 Hours	3%	5%	7%	14%	11%	11%	14%	9%
Cleveland	Train Crew Starts	26	32	22	26	28	31	28	193
	Crews Delayed +2 Hours	9	5	16	17	11	10	9	77
	% Delayed +2 Hours	35%	16%	27%	65%	39%	32%	32%	40%
Cumberland	Train Crew Starts	38	33	28	35	36	39	32	241
	Crews Delayed +2 Hours	7	4	5	7	2	11	9	45
	% Delayed +2 Hours	18%	12%	18%	20%	6%	28%	28%	19%
Detroit	Train Crew Starts	7	4	5	6	4	6	6	38
	Crews Delayed +2 Hours	3	0	2	4	0	0	2	11
	% Delayed +2 Hours	43%	0%	40%	33%	0%	0%	33%	29%
Philadelphia	Train Crew Starts	12	9	9	12	10	14	13	79
	Crews Delayed +2 Hours	2	3	6	2	1	6	3	23
	% Delayed +2 Hours	17%	33%	33%	17%	10%	43%	23%	29%
Selfkirk	Train Crew Starts	42	41	31	43	46	46	51	300
	Crews Delayed +2 Hours	13	11	12	10	11	6	13	76
	% Delayed +2 Hours	31%	27%	39%	23%	24%	13%	25%	25%
Toledo	Train Crew Starts	35	37	28	31	35	28	31	225
	Crews Delayed +2 Hours	11	12	3	8	9	4	8	55
	% Delayed +2 Hours	31%	32%	11%	26%	26%	14%	26%	24%
Willard	Train Crew Starts	37	40	34	41	48	49	44	293
	Crews Delayed +2 Hours	8	15	12	15	13	13	10	86
	% Delayed +2 Hours	22%	38%	35%	37%	27%	27%	23%	29%

Daily number of train crew starts from selected yards or terminals and the number of those originating train crews that were delayed in those yards or terminals for two hours or more after going on-duty. The percentage of those delayed starts.

## Surface Transportation Board

### Performance Measures

#### CSXT Train Delay - Northern Region Lines

	Cause of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Trains / Hours	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Total
Train Delay	Originating Train Starts	100	129	97	99	115	120	116	776
	Delayed Hours - Power	26	2	3	1	5	10	15	62
	Delayed Hours - Crews	5	22	7	1	0	4	9	48

Daily number of originating train starts on the Northern Region and the hours delayed due to lack of power and crew of those originating train crews. The delayed train starts will be broken down between power and crew delayed hours.

#### Daily Crew Availability Percentage - Northern Region Lines

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Crew Availability	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Average
Crew Availability		82%	80%	83%	85%	85%	87%	86%	84%

Daily percentage of CSXT road train crews that are available for work on the Northern Region Lines.

#### Daily Number of Train Crew Starts and Recrews Required

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Crew/Recrews	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Total
Crews/Recrews	Train Crew Starts	263	283	229	271	278	301	306	1931
	Recrews	7	3	6	5	5	8	9	43
	% Recrewed	3%	1%	3%	2%	2%	3%	3%	2%

Daily number of CSXT road train crew starts, the number of recrews and percentage of recrews for the Northern Region Lines.

## Surface Transportation Board

### Performance Measures

#### CSXT Locomotive Fleet Condition

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotives	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Average

Locomotives	Gross Fleet Size	4188	4170	4192	4177	4153	4126	4120	4161
	Avg. Number Available	3751	3744	3762	3771	3764	3792	3755	3763
	OOS Ratio	5.0	5.3	5.3	5.1	4.7	4.3	4.5	4.9

The measure for Gross Fleet will consist of CSX owned, leased, and foreign locomotives on-line. The Average Number Available will be the number of net fleet available to move traffic. The Out-of-Service Ratio (OOS) is the ratio of CSXT owned locomotives not available.

#### Shared Asset Areas Train Delay

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Shared Area	10/28/00	10/29/00	10/30/00	10/31/00	11/01/00	11/02/00	11/03/00	Average

Train Delay	Philadelphia/South Jersey	3	5	2	1	4	2	4	3
	North Jersey	8	6	6	2	3	7	6	5
	Detroit	0	2	2	0	1	3	3	2

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification. The measure will be a composite of CSX and NS trains.



George A. Aspatore  
General Solicitor

(757) 629-2657  
(757) 533-4872  
E-mail gaaspato@nscorp.com

November 8, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending November 3, 2000, enclosed are schedules reporting Train Origination Performance, Yard Performance, and Trains Held in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, and our Locomotive Fleet Statistics. This schedule also includes NS Northern Region Train Starts and Delays that are not limited to a snapshot period.

Another schedule incorporated into this transmittal shows NS Crew Starts and Delays, NS Northern Region Daily Crew Availability Percentage, and NS Northern Region Crew Starts and Recrews.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.  
November 8, 2000  
Page 2

As always, I am including a letter written by Tony L. Ingram, Vice President Transportation – Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore  
General Solicitor

Enclosures

November 8, 2000

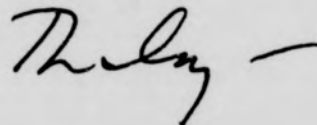
Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

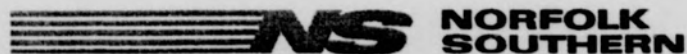
Dear Mr. Clemens:

Norfolk Southern's performance metrics remain within normal operating range. The number of cars on line decreased, the average train speed remained constant, and the average terminal dwell increased. On the monitored corridors and Chicago gateway operations, 31 trains were held for terminal congestion, 14 trains were held for crews, and 4 trains were held for power.

In the Shared Assets Areas, daily average on-hand car volume increased slightly at Oak Island while decreasing at North Yard and Pavonia. All volume counts were within expected operating norms. Overall average terminal dwell time decreased. The reported number of road train delays for crews and power decreased for the week while the hours of delay increased: 46 trains were delayed 344 hours for lack of crews and 4 trains were delayed for 21 hours awaiting power. Twenty originating trains were delayed a total of 130 hours due to late arrivals from CSXT and/or NS. Together, these delays accounted for 63% of the delay hours reported in the SAAs.

Sincerely,

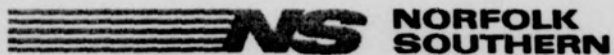
A handwritten signature in dark ink, appearing to be "Thelma", followed by a horizontal line.



For the week ending 11/3/00

**Shared Asset Area - Yard Performance**

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	10/30/00	850	115	225	340	265	13.7
	10/31/00	850	113	203	316	125	26.2
	11/1/00	850	109	174	283	387	25.5
	11/2/00	850	126	159	285	318	20.9
	11/3/00	850	59	209	268	332	13.6
<b>North Yard MI Average</b>		<b>850</b>	<b>104</b>	<b>194</b>	<b>298</b>	<b>285</b>	<b>19.6</b>
Oak Island NJ	10/30/00	1200	422	614	1036	387	36.8
	10/31/00	1200	299	390	689	464	30.1
	11/1/00	1200	442	316	758	722	31.1
	11/2/00	1200	404	420	824	687	28.9
	11/3/00	1200	340	423	763	710	24.6
<b>Oak Island NJ Average</b>		<b>1200</b>	<b>381</b>	<b>433</b>	<b>814</b>	<b>594</b>	<b>29.6</b>
Pavonia NJ	10/30/00	900	267	280	547	407	35.6
	10/31/00	900	190	144	334	458	29.0
	11/1/00	900	394	218	612	592	15.3
	11/2/00	900	293	281	574	511	27.0
	11/3/00	900	273	241	514	678	18.1
<b>Pavonia Average</b>		<b>900</b>	<b>283</b>	<b>233</b>	<b>516</b>	<b>529</b>	<b>23.8</b>

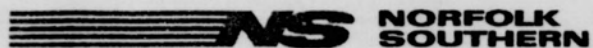


For the week ending 11/3/00

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	30-Oct	5	60%	20%	0%	0%	20%
	31-Oct	6	50%	33%	0%	0%	17%
	1-Nov	6	50%	33%	17%	0%	0%
	2-Nov	6	67%	33%	0%	0%	0%
	3-Nov	7	57%	0%	14%	14%	14%
Detroit Total		30	57%	23%	7%	3%	10%
North Jersey Total	30-Oct	11	27%	27%	27%	9%	9%
	31-Oct	14	29%	43%	14%	7%	7%
	1-Nov	18	39%	28%	17%	11%	6%
	2-Nov	17	18%	41%	18%	6%	18%
	3-Nov	19	21%	47%	16%	5%	11%
North Jersey Total		79	27%	38%	18%	8%	10%
South Jersey Total	30-Oct	3	33%	0%	0%	0%	67%
	31-Oct	7	43%	0%	14%	0%	43%
	1-Nov	6	33%	33%	0%	17%	17%
	2-Nov	8	63%	0%	0%	0%	38%
	3-Nov	5	60%	20%	0%	0%	20%
South Jersey Total		29	48%	10%	3%	3%	34%
Grand Total		138	38%	29%	12%	6%	15%





For the week ending 11/3/00

**Shared Asset Area Trains Held**

area	Sat 28-Oct	Sun 29-Oct	Mon 30-Oct	Tue 31-Oct	Wed 01-Nov	Thu 02-Nov	Fri 03-Nov	Grand Total
North Jersey	8	6	6	2	3	7	6	38
South Jersey	3	5	2	1	4	2	4	21
Detroit	0	2	2	0	1	3	3	11

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification.



### NS Cars Offered in Interchange but not Accepted

offered	Monday	Tuesday	Wednesday	Thursday	Friday	Total
CSX	0	0	0	0	0	0
other	82	58	0	0	0	140
<b>Total</b>	<b>82</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>140</b>

Snapshot taken between 2:00 and 3:00 each day  
NS acquired territory only

### NS Northern Region Train Starts and Delays

	Saturday 28-Oct	Sunday 29-Oct	Monday 30-Oct	Tuesday 31-Oct	Wednesday 1-Nov	Thursday 2-Nov	Friday 3-Nov	Grand Total
# of Train Starts	233	214	166	182	175	184	178	1332
<b>Delay Cause</b>								
Crew Delays (hrs)	3.3	0.0	0.0	1.0	2.2	3.8	6.0	16.3
Power Delays (hrs)	17.6	0.0	5.0	20.1	73.0	30.7	71.8	218.0

The delay numbers are expressed in hours

### Locomotive Fleet Statistics

	Saturday 28-Oct	Sunday 29-Oct	Monday 30-Oct	Tuesday 31-Oct	Wednesday 1-Nov	Thursday 2-Nov	Friday 3-Nov	average
<b>Fleet Size</b>	3663	3663	3689	3636	3660	3658	3730	3671
<b>available</b>	3477	3488	3497	3466	3502	3506	3583	3503
<b>out of service %</b>	5.1%	4.8%	5.2%	4.7%	4.3%	4.2%	3.9%	4.6%

Snapshot taken at midnight  
Fleet size is all locomotives on line. Includes owned, leased and foreign.



### NS Crew Starts and Delays

		Saturday 28-Oct	Sunday 29-Oct	Monday 30-Oct	Tuesday 31-Oct	Wednesday 1-Nov	Thursday 2-Nov	Friday 3-Nov	Grand Total
Allentown	crew starts	11	11	14	15	19	18	13	101
	crews delayed	6	6	5	6	6	6	5	40
Bellevue	crew starts	45	48	48	45	41	49	50	326
	crews delayed	21	22	19	19	12	20	14	127
Buffalo	crew starts	23	19	23	22	27	27	27	168
	crews delayed	6	7	4	1	2	2	4	26
Chicago	crew starts	35	41	37	40	34	38	34	259
	crews delayed	16	15	17	14	11	15	15	103
Cincinnati	crew starts	47	38	38	42	39	43	43	290
	crews delayed	6	3	15	7	4	6	11	52
Cleveland	crew starts	13	14	17	19	14	12	13	102
	crews delayed	7	3	8	5	3	4	6	36
Conway	crew starts	62	53	46	55	63	54	62	395
	crews delayed	21	14	13	17	17	13	22	117
Detroit	crew starts	23	15	24	19	20	27	22	150
	crews delayed	6	6	9	6	7	9	7	50
Elkhart	crew starts	39	43	41	37	38	41	36	275
	crews delayed	15	11	19	16	20	13	11	105
Harrisburg	crew starts	54	49	42	58	58	64	63	388
	crews delayed	17	13	8	20	22	22	23	125
Toledo	crew starts	54	54	53	52	58	58	62	391
	crews delayed	14	14	11	11	12	13	10	85

**Notes:**

Data source is T&E employees' "End of Trip" reporting

A summary of all "E-O-T's" where departure time is reported as two or more hours after time crew ordered.

Includes all trains for location, whether originating or run-through.

A delayed crew is one delayed two hours or more after coming on duty

### NS Northern Region Daily Crew Availability Percentage

	Saturday 28-Oct	Sunday 29-Oct	Monday 30-Oct	Tuesday 31-Oct	Wednesday 1-Nov	Thursday 2-Nov	Friday 3-Nov	average
availability%	77%	76%	77%	80%	81%	81%	81%	79%

**Notes:**

A "snapshot" of percent of Train and Engineman available at approximately 5:00 AM

### NS Northern Region Crew Starts and Recrews

	Saturday 28-Oct	Sunday 29-Oct	Monday 30-Oct	Tuesday 31-Oct	Wednesday 1-Nov	Thursday 2-Nov	Friday 3-Nov	Grand Total
crew starts	329	310	306	329	348	340	359	2321
recrews	11	2	9	8	9	12	12	63

**Notes:**

A summary of trains ordered by field transportation using relief crew (recrew) train symbol

Does not include recrews/trains pulled into terminals by yard crews or road crews called and used in regular service

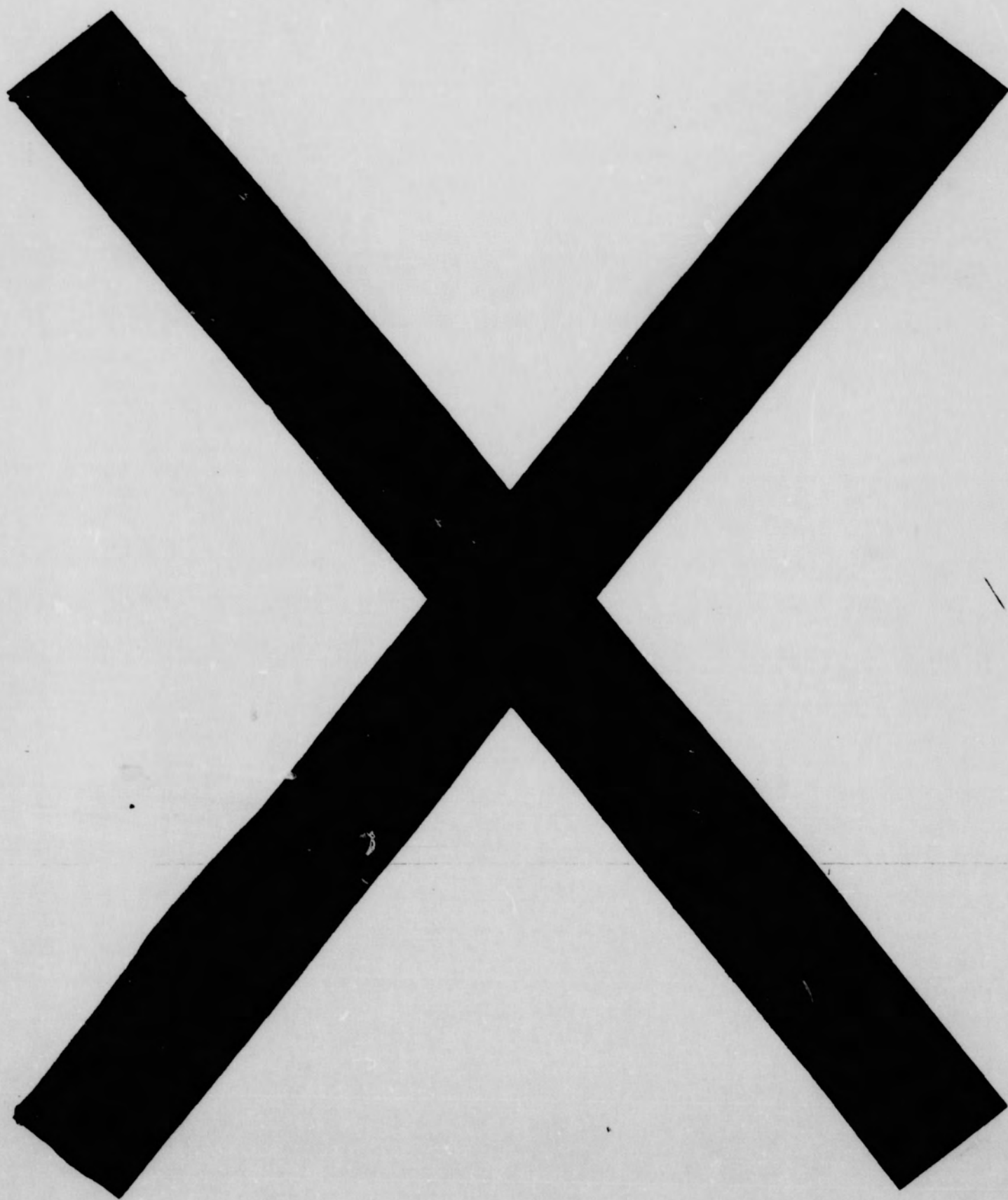
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SURFACE TRANSPORTATION BOARD

# Memorandum



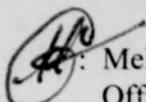
DATE: November 7, 2000

ENTERED  
Office of the Secretary

NOV - 7 2000

Part of  
Public Record

TO : Ellen Keys, Assistant Secretary  
Section of Publications/Records  
Office of the Secretary

FROM :  Mel Clemens, Director  
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the latest monthly reports provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da To Da Office Solutions. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan  
Vice Chairman Burkes  
Commissioner Clyburn  
Richard Armstrong  
Ron Douglas  
Charles Renninger

**George A. Aspatore**  
General Solicitor

(757) 629-2657  
fax (757) 533-4842  
E-mail: [george.aspatore@nscorp.com](mailto:george.aspatore@nscorp.com)

November 6, 2000

Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Clemens,

Enclosed is Norfolk Southern's Monitoring Report dated October 31, 2000. NS continues to make progress on the projects targeted for completion in the fourth quarter of 2000 that are listed in the Construction and Other Capital Projects section of the Report.

Please let me know if you need any further information.

Sincerely,

George A. Aspatore

Enclosure

# Norfolk Southern Corporation

## STB Operational Monitoring Report

*As of October 31, 2000*

<b>Reporting Requirement</b>	<b>Page</b>
Item 1. Labor Implementing Agreements.....	2
Item 2. Construction and Other Capital Projects .....	3
Item 3. Information Technology .....	9
Item 4. Customer Service.....	11
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Item 6. Car Management, Crew Management and Dispatching.....	9
Item 7. Shared Assets Areas .....	*
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Item 11. Yards and Terminals .....	*
Item 12. On Time Performance.....	*
Item 13. The Conrail Transaction Council.....	*
Item 14. Labor Task Forces.....	2

**Note:** Bold print indicates changes from previous report.

\* To be disclosed under a different cover or in a later report.

# **Surface Transportation Board Operational Monitoring Report**

*As of October 31, 2000*

## **LABOR**

### ***Labor Implementing Agreements***

All of the Labor Implementing Agreements have been reached, concluding our reporting requirement, as provided in Paragraphs 1 and 14, on pages 162 and 165, respectively, of STB Decision No. 89 issued in Finance Docket No. 33388.

### ***Labor-Management Task Forces***

All implementing agreements became effective on June 1, 1999. A continuing dialogue has taken place between labor and NS management on a daily or as-needed basis concerning implementation and safety issues. Labor organization cooperation has been a key element in assuring the safe implementation of the Conrail transaction. This interaction will continue as the parties work through issues of mutual concern.

**Note:** Bold print indicates changes from previous report.

# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Alexandria	IN	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Allentown - Reading	PA	Traffic Control System	Signal	Design	In progress
	PA	Estimated Completion Date: 4Q01		Const	
Angola	NY	Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Ashtabula	OH	Construct connection track Estimated Completion Date: Complete	Track	Design	Complete
				Const	Complete
			Signal	Const	Complete
Attica	IN	Extend siding 4, 580 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Boundbrook	NJ	Extend siding 15,000 track feet Estimated Completion Date: Undetermined	Track	Design	Project being defined.
				Grading	
				Const	
			Signal	Design	
Bristol	VA	Extend siding 14,255 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Bucyrus	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Buffalo - Cleveland	NY	Traffic control system and remove pole line.	Signal	Design	Complete
	OH	Estimated Completion Date: Complete		Const	Complete
Buffalo	NY	Rehabilitate tracks in sub-leased BPRR yard Estimated Completion Date: Complete	Track	Const	Complete
Buffalo	NY	Construct connection to BPRR yard Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete



# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Buffalo	NY	Reconstruct portion of Bison Yard Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Butler	IN	Construct track connection Estimated Completion Date: Undetermined	Track	Design	Project being defined.
				Grading	
			Signal	Const Design Const	
Chicago	IL	Expand and improve 47th St Yard Intermodal Terminal Estimated Completion Date: 4Q00	Track	Design	Complete
				Grade/Pave	In progress
Cloggsville	OH	Track Rehabilitation Estimated Completion Date: Complete	Track	Design	Complete
				Const	Complete
Cloggsville	OH	Construct second main Estimated Completion Date: 4Q00	Track	Design	Complete
				Grading	Complete
				Const	In progress
			Bridge	Design	Complete
			Signal	Const Design Const	Complete Complete Complete <b>Complete</b>
Columbus	OH	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Crockett	VA	Construct 9,100 foot new siding Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const Design Const	Complete Complete Complete
Croxtan	NJ	Expand and improve intermodal terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
E-Rail	NJ	Expand and improve intermodal terminal Estimated Completion Date: 2Q01	Track	Design Grade/Pave	In progress
Erie	PA	Erie Track Realign Project Estimated Completion Date: 4Q01	Track	Design	Complete
				Grading	In progress
				Const	In progress
			Signal	Design Const	Complete In progress

# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Flemington	NJ	Construct 12,500 foot siding Estimated Completion Date: Undetermined	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Hadley Jct (Ft Wayne)	IN	Double tracking Estimated Completion Date: Undetermined	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Hagerstown Sec (Greencastle)	PA	Construct siding Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Hagerstown Sec	PA	Traffic Control Estimated Completion Date: 4Q00	Signal	Design Const	Complete In progress
Harrisburg	PA	Construct double track Estimated Completion Date: 4Q00	Land Track	Design Grading Const	In progress Complete Complete
			Signal	Design Const	In progress Complete In progress
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: Complete	Track	Design Grade/Pave	Complete Complete
Harrisburg - Reading	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Design Const	Complete In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design Const	Complete Complete
	TN		Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete

# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Pattensburg	NJ	Clearance-9 Bridges	Bridge	Design	Complete
		Estimated Completion Date: Complete		Const	Complete
Pattensburg	NJ	Siding Extensions	Track	Design	Complete
		Estimated Completion Date: Complete		Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Pattensburg	NJ	Tunnel Clearance	Bridge	Design	Complete
		Estimated Completion Date: Complete		Const	Complete
Philadelphia	PA	Construct crossover - Zoo	Track	Design	Project being defined.
		Estimated Completion Date: Undetermined		Grading	
				Const	
			Signal	Design	
				Const	
Piney Flats	TN	Extend siding 6,610 feet	Land		Complete
		Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Port Reading	NJ	Chemical Coast Clearance Projects	Track	Design	Complete
		Estimated Completion Date: Complete		Const	Complete
			Bridge	Design	Complete
				Const	Complete
Rader	TN	Extend siding 5,189 feet	Land		Complete
		Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Reading -	PA	Traffic Control System and remove pole line	Signal	Design	Complete
Philadelphia	PA	Estimated Completion Date: 4Q01		Const	
Riverton Jet -	VA	Clearance projects	Bridge	Design	Complete
Roanoke	VA	Estimated Completion Date: Complete		Const	Complete
Sandusky	OH	Construct Triple Crown Terminal	Track	Design	Complete
(Bellevue)		Estimated Completion Date: Complete		Grade/Pave	Complete
			Building	Const	Complete
Sandusky-	OH	Double Track: S 13.60 - S 26.00	Track	Design	Complete
Columbus		Estimated Completion Date: Complete		Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete

# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Sandusky-Columbus	OH	Double Track: S 78.10 - S 88.40 Estimated Completion Date: 4Q00	Land		In progress
			Track	Design	Complete
				Grading	<b>Complete</b>
				Const	In progress
			Signal	Design	Complete
				Const	In progress
Sandusky-Columbus	OH	Double Track: S 88.30 - S 95.60 Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Sidney	IL	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Sido	MO	Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Sloan	IL	Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Southern Tier	NY	Southern Tier Rehabilitation Estimated Completion Date: Undetermined	Track	Const	Project being defined.
			Bridge	Design	In progress
				Const	
St. Louis (Mitchell)	MO	Expand Mitchell Triple Crown Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
			Signal	Design	Complete
				Const	Complete
Toledo	OH	Intermodal Terminal Estimated Completion Date: Undetermined	Track	Design	Project being defined.
				Grade/Pave	
Tolono	IL	Track Connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Vermillion	OH	Track Connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete

# Surface Transportation Board Operational Monitoring Report

*As of October 31, 2000*

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Wabash	IN	Construct connection track	Track	Const	Complete
		Estimated Completion Date: Complete	Signal	Design	Complete
				Const	Complete

**Note:** Bold print indicates changes from previous report. If status of project phase is blank, work on that part of the project has not yet begun.



# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## INFORMATION TECHNOLOGY

### *Systems and Personnel Training*

Operating Area	Project	Status
TRANSPORTATION		
Car Management and Movement	Systems – Multiple projects	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
Includes Thoroughbred Yard Enterprise System (TYES) and Central Yard Operations (CYO) System	Personnel Training	
	Prepare training materials for TYES and CYO	Complete
	Trainer orientation	Complete
	TYES training at Conrail locations	Complete
Train Dispatching	Systems	Complete
	Personnel Training	
	Prepare computer-based training materials for Norfolk Southern Train Information System (TIS) and Train System Accident Reporting System (TSAR).	Complete
	Train Conrail employees at Dearborn, Pittsburgh, and Mt. Laurel	Complete
Locomotive Management	Systems	Complete
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train employees at 8 Conrail locations	Complete

# Surface Transportation Board Operational Monitoring Report

As of October 31, 2000

## INFORMATION TECHNOLOGY

Operating Area	Project	Status
<b>OPERATIONS PERSONNEL</b>		
Crew Management	Systems	Complete
	Personnel Training	
	Prepare training materials	Complete
	Train Conrail employees	Complete
Train and Engine (T&E) Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Train T&E crews	Complete
Non-Train and Engine Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Complete
<b>CUSTOMER SERVICE</b>		
Electronic Customer Connectivity	Systems	Complete
	Personnel Training	
	Testing new systems	Complete
	Customer Coordination	
	Information to be distributed to customers	Complete
National Customer Service Center	Personnel Training	
	Prepare training materials	Complete
	Train employees in Pittsburgh and Atlanta	Complete

**Note:** Bold print indicates changes from previous report.

**Note:** The Board has asked NS to report on any IT efforts relative to the Southern Tier and the Buffalo area. Although there are no initiatives tailored to a specific area, NS is putting particular emphasis on IT issues systemwide and continues to address them with the rollout of the Thoroughbred Yard Enterprise System, continued monitoring and refining of the NS data system's interaction with the Shared Assets Area systems, and daily monitoring of information quality. These efforts will improve service throughout the NS network, including of course the Southern Tier and the Buffalo area.

# **Surface Transportation Board Operational Monitoring Report**

*As of October 31, 2000*

## **CUSTOMER SERVICE**

### ***Transition Process***

Transition team members for NS in Philadelphia working in Customer Service were released at the end of February. Call volumes have leveled off as general service levels improve and remain at the approximate levels originally projected. The phone trace system, which is an automated feature of our toll-free line that allows a customer to trace the location of its cars by keying in car numbers on the telephone key pad, continues to work as expected.

### ***Personnel***

The implementation of the Thoroughbred Yard Enterprise System in the former Conrail areas has been completed, including the training of field personnel. All supervisory positions have been filled for Data Quality, the Agency Operations Center and Customer Service.

### ***Customer Awareness***

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to make numerous meetings and presentations in order to keep our customers informed.

The Customer Resource Guide, distributed to our customers, provides customers with all resources and information necessary for doing business with the new NS.

The Help Desk Directory, also distributed to our customers, lists key phone numbers that connect users to areas that may assist them in answering questions about NS. It is available in three formats: a pocket guide for employees, a list for customers, and an expanded version available for downloading from the Internet.

**Note:** Bold print indicates changes from previous reports.

500 Water Street (J215)  
Jacksonville, FL 32202  
(904) 366-4092  
FAX: (904) 359-2263

R.J. Haulter  
Assistant Vice President-Integration Planning

October 31, 2000

Melvin F. Clemens, Jr.  
Director Office of Compliance and Enforcement  
Surface Transportation Board  
Washington, DC 20423-0001

Dear Mr. Clemens:

Attached to this letter are the Operational Monitoring Reports required in STB Finance Docket No. 33388.

The reports are presented in the following order:

Labor Implementing Agreements .....	Page 1
Labor Task Force .....	Page 1
Construction and Other Capital Projects Table .....	Pages 2-3
Infrastructure Maintenance and Expansion .....	Page 4
Additional Noteworthy Engineering Projects Table .....	Pages 5-7
Information Technology .....	Pages 8-11
Customer Service .....	Page 12
Training.....	Page 13

Note: Italicized information indicates a change or update from the last report.

Please contact Bob Haulter, Assistant Vice President-Integration Planning at CSX Transportation (E-mail: [Bob\\_Haulter@csx.com](mailto:Bob_Haulter@csx.com)) if there are any issues that need clarification or explanation. As information, coincident with filing this report with the STB, CSXT has made this report available on our web site ([www.csx.com](http://www.csx.com)).

Very truly yours,

Bob Haulter

cys: Peter J. Shudtz, Vice President  
Law & General Counsel

Paul R. Hitchcock - J150  
Senior Counsel

**CSX TRANSPORTATION, INC.**  
**STB OPERATIONAL MONITORING REPORT**  
**As of October 31, 2000**

**Table of Contents**

The reports are presented in the following order:

Labor Implementing Agreements .....	Page 1
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Additional Noteworthy Engineering Projects Table .....	Pages 5-7
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Note: Italicized information indicates a change or update from the last report.



# **STB OPERATIONAL MONITORING REPORT**

**As of October 31, 2000**

## **LABOR**

### Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached. Accordingly, the requirement provided for in Paragraph 1 on page 162, of STB Decision No. 89 issued in Finance Docket No. 33388 has concluded.

### Labor Management Task Force

CSXT has sent an invitation to each of its unions with which an implementing agreement has been reached and which will continue to represent employees on CSXT to participate in a labor task force similar to the one established with the United Transportation Union. CSXT has held labor task force meetings with a number of its unions. CSXT will hold additional meetings, as the need arises. CSXT also will continue its effort to have frequent communications with its unions to guarantee that problems which may still arise with respect to the implementation of the transaction receive prompt attention.

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
1) Greenwich, Ohio to Pine Junction, Indiana	Construct 2 <sup>nd</sup> main track with TCS on B&O including connections.	Complete	4Q 98
2) Quaker to Greenwich, Ohio	Construction by Conrail of 2 <sup>nd</sup> main track with TCS.	Complete	4Q 98
3) Willard, Ohio	Yard Expansion	Complete	1Q 99
4a) Crestline, Ohio	a) Construct or rehabilitate connection tracks with Indianapolis Line.	a) Complete	2Q 99
4b) Sidney, Ohio	b) Connection Track	b) Complete	4Q 98
4c) Marion, Ohio	c) Rehabilitate Connection Track	c) Complete	1Q 99
5) Carleton, Michigan	Connect track with Conrail	Complete	4Q 98
6a) Alice, Indiana	a) Siding Extension	a) Complete	a) 3Q 98
6b) Harwood, Indiana	b) Siding Extension	b) Complete	b) 4Q 98
7a) Chicago, Illinois	a) Intermodal Expansions	a) Complete	a) 3Q 98
7b) Cleveland, Ohio	b) Intermodal Expansions	b) Complete	b) 1Q 99
7c) Philadelphia, Pennsylvania	c) Intermodal Expansions	c) Underway	c) 4Q 00
7d) Little Ferry, New Jersey	d) Intermodal Expansions	d) Complete	d) 3Q 98
8) Philadelphia, Pennsylvania	Rebuild Eastwick connection track with Conrail.	Complete	4Q 98
9) Hobart, Indiana to Tolleston, Indiana	Restoration of connection and main track between Hobart & Tolleston.	Complete	2Q 99

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
10) Chicago, Illinois	Chicago area-upgrade connection tracks and other improvements.	Complete	2Q 99
11) Newell & New Castle, Pennsylvania	Upgrade capacity on the Mon. Subdivision	Complete	4Q 98
12) Albany, New York to Bergen, New Jersey	Extend 3 sidings by Conrail on River Line	Complete	4Q 98
13) Little Ferry, New Jersey	Connection track Conrail/NYSW	Complete	2Q 99
14) Dolton, Illinois	Connection track @ Lincoln Avenue CSX/IHB	Complete	2Q 99

# **STB OPERATIONAL MONITORING REPORT**

**As of October 31, 2000**

## **Infrastructure Maintenance and Expansion Report**

CSXT has completed all scheduled construction and other capital projects that we originally identified as being necessary to initially integrate the acquired Conrail lines into the CSXT network (with the exception of the Philadelphia Intermodal Expansions anticipated to be completed in the fourth quarter of 2000). Further projects to improve integration of the former Conrail lines with the CSXT system will be progressed in the future, as they are identified and appear to be needed and cost-justified. In this report, and in later reports, we will be supplementing the Construction and Other Capital Projects section with a discussion of other noteworthy activity related to the maintenance and expansion of the CSXT rail system unrelated to Conrail integration activities, as well as future Conrail integration projects as they may develop.

CSXT continues to address capacity limitations on heavy corridors. ***We completed the sidings at Canoe, AL, and Galloway, TN in October.*** These projects are all designed to improve capacity on the Nashville – Atlanta – Florida corridor where traffic has strained the line's capacity. The primary benefits will be seen in enhanced reliability of transit times, particularly for the intermodal trains in this corridor. ***We are scheduled to complete mainline track changes at Greenwood, SC in early November. In August we began construction on a new connection track at Dearborn, MI. This connection will also be used by the Canadian Pacific.***

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

	Location	Project	Under Construction	Estimated Completion
1)	Alexandria, VA	AF Interlocking reconstruction (VRE project)	N	06/01/01
2)	Aliquippa, PA	Construct 2 industry support tracks	N	06/30/00
3)	Baltimore, MD (Bay View YD)	Add crossover BA Tower	N	<b>10/23/00</b>
4)	Chicago, IL	Barr SD – TCS – Phase II	Y	12/31/00
5)	Chicago, IL	Construct 59 <sup>th</sup> Street North Lead	Y	06/30/00
6)	Chicago, IL	Construct storage tracks & 3 <sup>rd</sup> Main at Barr Yard	Y	12/31/00
7)	Chicago, IL	TCS Blue Island SD to 75 <sup>th</sup> Street	Y	03/31/01
8)	Cleveland, OH	Construct mainline fueling facility at Collinwood Yard	Y	08/30/00
9)	Columbus, OH	Scioto Interlocking w/NS (ODOT project)	N	10/31/00
10)	Coosa Pines, AL	Construct new 11,200' passing siding	Y	08/29/00
11)	East Cleveland, OH	Noise berms, landscaping	Y	06/30/00
12)	East Fostoria, OH	Extend yard/connection lead	Y	Deferred
13)	Erie, PA	NS relocation project	N	Pending
14)	Erie, PA	Replace CSXT bridge decks over B&LE (CSXT work relating to NS relocation project)	N	12/31/00
15)	Fall River, MA	MBTA replacement of 4 undergrade bridges	Y	07/31/00



# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

Location	Project	Under Construction	Estimated Completion
16) Feltonville, PA	Extend siding to 20,200'	Y	03/31/00
17) Franklin, AL	Construct new 11,200' passing siding	Y	09/15/00
18) Frederick, MD	MARC project	Y	03/31/01
19) Ft. Lauderdale, FL	Construct 45 miles of 2 <sup>nd</sup> main for TriRail	N	Pending
20) Gallaway, TN	Build siding with 10,000' in clear	N	10/1/00
21) Garrett, IN	Construct Randolph St. underpass	Y	08/30/00
22) Gibraltar, MI	Construct crossover between CSXT and CN	Y	09/30/00
23) Greenwood, SC	Construct double-track to Salak	Y	11/06/00
24) Hopkinsville, KY	Install turnouts/signals for new Ft. Campbell lead wye	N	06/30/01
25) Keystone, SC	(Sandpatch to Rockwood, PA)-Upgrade #10 crossovers to power #15's and TCS	N	09/30/00
26) Lacon to Holmes Gap, AL	Add 8 miles of 2 <sup>nd</sup> main MP 328-MMP336	N	03/30/01
27) Lima, OH	Conrail connection track improvements	Y	05/30/00
28) Louisville, KY	Link Highway Track to Highland Park #2	Y	06/15/00

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## ADDITIONAL NOTEWORTHY ENGINEERING PROJECTS TABLE

(In some cases these projects may be unrelated to the Conrail integration.)

Location		Project	Under Construction	Estimated Completion
29)	Martinsburg, Hobbs, Miller/Cherry Run, W Cumbo, WV	Eliminate manned interlockings, Phase I	N	12/31/01
30)	McDaniel, TN	Siding extension to 10,000' clear	Y	09/1/00
31)	New Boston, MI	Parking lot expansion	Y	06/30/00
32)	Philadelphia, PA	Greenwich Yard Phase I rehabilitation	Y	06/30/00
33)	Philadelphia, PA	Greenwich Yard Phase II expansion	N	12/21/00
34)	Teaneck, NJ	Construct siding CP7-CP10	Y	03/31/00
35)	Union City, GA	Construct connection track	Y	04/15/00
36)	Union City-Tilford, GA	Clearance improvement project	Y	03/15/00
37)	W. Baltimore, MD	Convert #10 HTEL to Power #15	N	09/30/00
38)	Wadley, AL	Extend passing siding to 10,000' clear	Y	09/15/00
39)	Youngstown, OH	Construct Ashtabula Connection for 140 car capacity	Y	07/15/00

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## INFORMATION TECHNOLOGY

### *Information Technology*

The implementation strategy, training plans, and status of the Information Technology (IT) initiatives affecting the following Operating Areas are summarized:

- ❖ Customer Service
  - Electronic Customer Connectivity
- ❖ Operations Personnel
  - Crew Management
- ❖ Transportation
  - Car Management & Movement
  - Locomotive Management
  - Train Dispatching

Operating Area	Implementation Strategy	Status	Training
Customer Service Electronic Customer Connectivity	<p>All inbound (e.g. bill-of-lading) and outbound (e.g. car tracing) electronic communications with existing Conrail customers are to be migrated to CSX and NS. All customers will be informed of their system migration options and have the opportunity to test the replacement electronic connections prior to a transfer of the customer communications links on Day 1.</p> <p>CSX and NS will work with all affected customers and EDI vendors to develop migration plans</p>	<p>Systems testing in process and on schedule</p> <p>A joint letter was distributed to current Conrail customers</p> <p>Existing and new Conrail Electronic Commerce customers have been contacted by CSX in separate mailings</p> <p>Electronic Commerce Certification of Conrail customers acquired by CSX is in progress.</p> <p>Planned customer conversions to CSX Electronic Commerce tools are complete.</p> <p>All EC is complete</p>	<p>All customers will be provided adequate systems documentation and a detailed description of any changes to their current Conrail-provided electronic services</p> <p>All customers targeted for conversion to CSX electronic commerce tools have received information regarding the changes.</p> <p>All customer training and customer conversions are complete.</p>

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<p>Separation of callings desks (CSX, NS, SAC) in Dearborn, MI has been pre-negotiated and is in place. There will be a phased roll-out of eight calling desks to TECS – the CSX Crew Calling System. The first desk will be rolled out 50 days after Day 1.</p> <p>T&amp;E Crews will continue to submit paper time sheets to Dearborn, MI until the TECS desk roll-out is completed. Paperless payroll implementation will take place 2 weeks after each TECS desk implementation. The entire roll-out will take approximately seven months.</p>	<p>Systems development in process and on schedule.</p> <p>The TECS desk roll-out is still on schedule.</p> <p>All desks have been cut Over to TECS.</p> <p>Paperless payroll training was completed Dec. 10, 1999</p> <p>Crew Callers have been moved from Dearborn to Jacksonville – Crew Management is complete.</p>	<p>CSX Payroll officers will train T&amp;E employees on the CSX Payroll system immediately following the implementation of TECS. Local Chairman will participate in the training. Training documents have been prepared and presented to Conrail personnel.</p> <p>Training sessions have been completed.</p>
Transportation Car Management and Movement	<p>Field personnel will continue using Conrail application systems supporting yard inventory, train consisting and work orders after Day 1.</p> <p>Disposition and management of empty cars will occur in Jacksonville using CSX systems after Day 1 to ensure coordinated system wide transportation operations.</p> <p>Customers on the acquired territory will continue to order empty cars and obtain information on order status as they do today.</p> <p>CSX systems will be rolled-out to the acquired Conrail territory in 4 phases after Day 1.</p>	<p>Systems development in process and on schedule.</p> <p>Toledo Stanley Yard was cut-over to CSX systems July 27<sup>th</sup>.</p> <p>Chunk 1 Field Rollout including Indianapolis was successfully cut-over on Oct 11.</p> <p>Chunk 2 including Cleveland, Collinwood and Columbus, Ohio was successfully cut-over on January 10.</p> <p>Chunk 3 including Buffalo &amp; Syracuse was successfully cut over on March 13, 2000.</p> <p>Chunk 4 including Selkirk &amp; W. Springfield was successfully cutover on May 8, 2000</p> <p>All Car Management is complete</p>	<p>Training sessions have been completed</p>

# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Locomotive Management	<p>CSX Locomotive Management System (LMS) will be used to manage locomotives in CSX acquired territory beginning on Day 1. This will occur from the Operations Center in Philadelphia, PA for approximately 180 days after Day 1. The management team in Philadelphia will consist of two locomotive managers and one senior locomotive manager. Dual entry of locomotive assignments will be made to the Conrail Locomotive Distribution System (LDS). Shutdown of Conrail LDS will accompany field roll-out and will be dependent upon other Conrail Systems (TRIMS &amp; TMS) no longer relying on assignments being passed from Conrail LDS.</p> <p>Within 180 days after Day 1, locomotive management for the acquired Conrail territory will be relocated to the Kenneth Dufford Center in Jacksonville. Two CSX Locomotive Managers will manage the acquired territory at that time.</p>	<p>Implementation was completed June 1<sup>st</sup>.</p> <p>Dual entry into Conrail LDS was discontinued June 15<sup>th</sup>.</p> <p>The locomotive management of the acquired territory was transitioned to the Kenneth Dufford Center in Jacksonville, FL on July 12, 1999.</p> <p>Locomotive Management is Complete.</p>	<p>Locomotive managers for the acquired Conrail territory have been trained on the CSX Locomotive Management System (LMS). Locomotive Management has conducted training that included cross training of CSX and Conrail cultures.</p>



# STB OPERATIONAL MONITORING REPORT

As of October 31, 2000

## INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Train Dispatching	<p>Train dispatchers will continue to use current Conrail systems. Phase 1 geographic realignments will separate dispatchers into CSX, NS &amp; SAC entities within current division offices. Phase 1 will complete 90-120 days after Day 1.</p> <p>Phase 2 division realignment will move dispatchers to acquiring road's division. CSX Cleveland East dispatcher in Dearborn, MI will move to CSX headquarters in Indianapolis, IN. CSX Chesapeake &amp; Riverline dispatchers in Mt. Laurel, NJ will move to CSX headquarters in Albany, NY. Phase 2 will complete 90-120 days after an implementing agreement has been reached.</p> <p>Phase 2 moves are contingent upon Phase 1 realignment completion for territory being transferred. Also contingent upon an implementing agreement being in place with the ATDD.</p>	<p>Systems development has been completed and implementation is proceeding on schedule.</p> <p>Phase 1 realignments :</p> <p>Albany, Indianapolis &amp; Philadelphia complete.</p> <p>Dearborn Division started.</p> <p>Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments:</p> <p>Two dispatcher desks moved from Indianapolis to Dearborn on 7/27/99.</p> <p>Phase 2 projected to be completed with CSAO dispatcher move from Dearborn to Mt. Laurel on 8/10/99.</p> <p>All phases of the Train Dispatcher Realignment Project have been completed. Implementing agreements are now in place.</p> <p>Train Dispatching is complete.</p>	<p>Dispatchers will be trained on their new territory using the current processes in place at Conrail.</p>

# **STB OPERATIONAL MONITORING REPORT**

**As of October 31, 2000**

## **Customer Service Progress Report**

During May we completed the rollout of all CSXT systems for the fourth regional area. Cutover took place on May 8, 2000 and went smoothly. Major locations included in the cutover were Selkirk, South Kearney, and Framingham areas.

### **Personnel**

We duplicated our training and mentoring procedures for this last cutover. Classroom training in Pittsburgh was completed prior to the cutover with the remaining personnel trained on all CSXT systems.

### **Customer Familiarization**

The customer familiarization processes used previously were also duplicated. Tariffs have been published and distributed for supplemental billing purposes, and procedures put in place to convert the records for the first 7 days of May from the Conrail to the CSX demurrage system, so that customers will see only one bill for the month. All customers have been notified regarding the up coming changes.

Brochures were customized and distributed to customers by our Electronic Commerce Customer Integration Center to explain our EC offerings and initiatives, with special telephone numbers and other vital data provided. Other customer communications included blast faxes, mailings, and regular interaction with our Electronic Commerce personnel.

## **STB OPERATIONAL MONITORING REPORT**

**As of October 31, 2000**

### **STB Status Submission Report on Training**

**All remaining training for the acquired territories was completed during the month of May.**

Clerical employees received one-on-one training at their work locations on specific job tasks for their jobs. Train & Engine Service employees received instructions in the preparation of work order documents to ensure the correct documentation of placing and pulling of cars from industries. Field transportation officers and yardmasters also received specific training in the use of yard and train management systems. Extensive training was provided for 45 yardmasters and 17 transportation officers.

Coaches were positioned at strategic locations to assist employees during the cutover at all major terminals and crew on-duty locations.

The last cutover completed the training initiatives for this project.

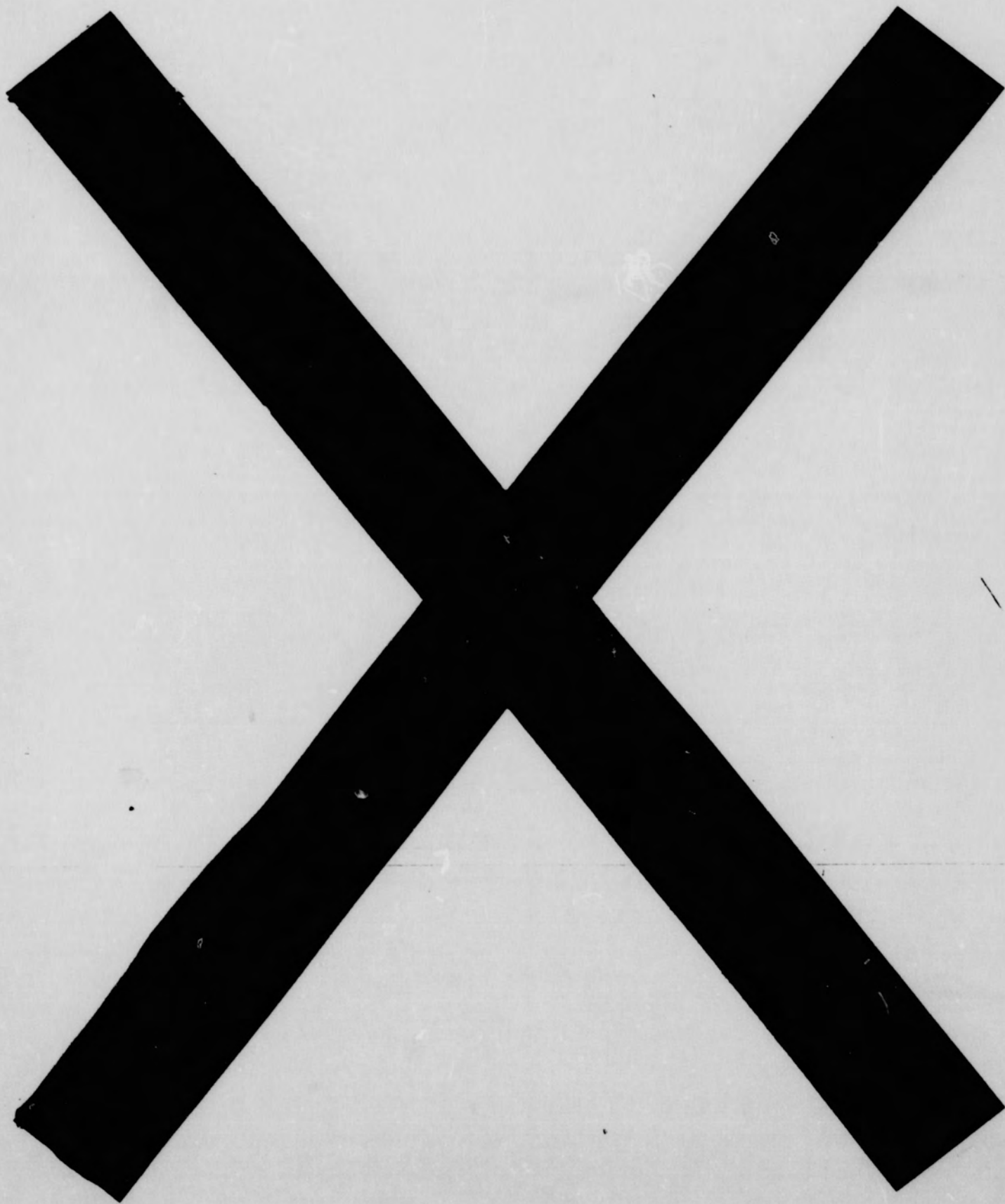
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SURFACE TRANSPORTATION BOARD

# Memorandum

200134



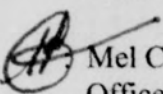
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Public Record

DATE: November 2, 2000

**TO** : Ellen Keys, Assistant Secretary  
Section of Publications/Records  
Office of the Secretary

**FROM**  Mel Clemens, Director  
Office of Compliance and Enforcement

D

**SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA**

Attached are the original and two copies of the latest weekly public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da To Da Office Solutions. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan  
Vice Chairman Burkes  
Commissioner Clyburn  
Richard Armstrong  
Ron Douglas  
Charles Renninger



500 Water Street (J407)  
Jacksonville, FL 32202  
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Fax (904) 359-1571

**T. J. Stephenson**  
Assistant Vice President -  
Service Measurements

November 1, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
The Mercury Building  
1925 K Street, NW, Suite 780  
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, October 27th.

The report shows sustained operational performance levels, at or near the most positive since the Conrail acquisition. Cars on-line moved up from 246,995 to 247,368 cars. Overall train velocity increased to 20.6 miles-per-hour, up from 20.3. This equals the best performance of the year, set during the week ending September 15<sup>th</sup>. Terminal dwell decreased slightly from 27.1 to 26.4 hours. The railroad is still in a very healthy state at this stage of the fall peak.

We would offer the following observations and interpretations regarding the data CSXT provides the STB, Conrail Transaction Council, and the AAR:

### **Chicago Gateway Operations**

During this reporting week, the on-time-to-two-hours-late measure of deliveries to western carriers through Chicago moved favorably by three percentage points to 73%. The greater-than-six-hours-late category moved unfavorably by two percentage points to 11%.

### **Yards and Terminals**

Car volumes and dwell times showed general improvement at most terminals across the network. Seven of the 14 measured yards showed an improvement in dwell time compared to the prior week.

### **Corridor Performance**

Four of the six corridors showed an improvement compared to the prior week. The best performance in the on-time-to-two-hours-late category was the I-95 corridor. Overall, the on-time-to-two-hours-late category moved favorably by two percentage points compared to last week, and the percent of trains in the greater-than-six-hours-late category moved unfavorably by two percentage points.

### **Shared Areas**

Daily average on hand cars decreased slightly at Oak Island and Pavonia, and remained flat at Norfolk Yard. Overall terminal dwell time was 26.0 hours, compared to 26.3 hours last week. For the week, there were a total of 72 trains delayed for CSXT and NS: 50 for crew, 5 for power, and 17 for late arrivals by CSX and NS.

### **Additional Measurements**

Train Delay Metric: For 762 train starts, daily Train Delay totaled 68 hours for Power and 46 hours for Crew. Power delay and crew delay were both down from the prior week.

Train Crew Delay Metric: The percent of crews not departing within two hours of the on-duty time averaged 25.1% for the week, up slightly from the 24.7% reported last week.

Daily Crew Availability Percentage: Crew Availability Percentage was 83%, up three percentage points from the prior week.

Daily Number of Recrews Required: Of 1872 crew starts, 50 (3%) were recrews, up from 2% the prior week.

Shared Asset Areas Train Delay Metric: SAA Train Delays averaged two trains per day for Detroit, three trains for South Jersey, and five trains for North Jersey.

Locomotives: Gross Locomotives = 4183, Average Available = 3778, and Out-of-Service Ratio = 5.1%, down from 5.5% the prior week.

Cars Offered in Interchange: averaged 250 cars daily, of which 59 were allocated to Norfolk Southern. Daily average decreased, and the NS average increased from the prior week.

On-time performance, passenger trains through Brunswick, MD: 60% for 10 AMTRAK trains (Pittsburgh – Washington) and 89% for 88 MARC trains (West Virginia – Washington). We do not expect significantly improved Amtrak train performance until the track work scheduled through the end of the year is complete.

Buffalo Customer Service (Hot-Line): the customer service center received no hot-line calls seeking assistance in tracing cars.

CSXT continues to work with our customers at this time of year to provide stable service levels and a continuation of the improvements that have been evident since April. Train operations are being adjusted around the scheduled maintenance work programs going on throughout the network in order to provide more efficient windows of work.

Last week, CSXT met nearly all of the service reliability goals established for the “top of the peak” phase of the fall peak period. Targets were achieved for 16 of the 18 goals. We met the goals for reportable derailments, cars on-line, train velocity (overall and merchandise), crew duty days, re-crews, trains delayed for crew, car dwell, right connection, on-time originations, 30-hour cars, industrial switching, locomotive setback hours, CSX locomotive out-of-service ratio, leased locomotive out-of-service ratio, and locomotive terminal dwell. Nine of these measures equaled or exceeded their best performance of the year. Railroad operations continue at a high level of performance.

Sincerely,

T. J. Stephenson  
Assistant Vice President  
Service Measurements

## Surface Transportation Board

### Performance Measures

For the week ending: 10/27/00

#### Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	315	493	448	396	494
	Cars On Hand - Empty	248	374	267	417	329
	Cars On Hand - Total	563	867	715	813	823
	Cars Handled	364	608	646	634	540
	Dwell Hours	37.5	30.6	31.7	28.5	35.7
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	280	249	327	162	196
	Cars On Hand - Empty	267	242	291	384	316
	Cars On Hand - Total	547	491	618	546	512
	Cars Handled	537	503	569	241	435
	Dwell Hours	35.7	13.4	21.0	25.7	26.5
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	225	206	173	219	210
	Cars On Hand - Empty	115	150	155	134	196
	Cars On Hand - Total	340	356	328	353	406
	Cars Handled	275	410	247	419	236
	Dwell Hours	20.8	14.9	18.4	15.8	18.6

**CSX Comments:** Daily average on hand cars decreased slightly at Oak Island and Pavonia, and remained flat at North Yard. Overall terminal dwell time was 26.0 hours, down slightly from 26.3 hours the prior week.



# Surface Transportation Board

## Performance Measures

### Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00
North Jersey SAA	Number of Originations	9	15	15	14	17
	% Ontime	33%	33%	40%	21%	18%
	% Late 0-2 Hours	22%	20%	13%	21%	41%
	% Late 2-4 Hours	33%	20%	7%	21%	12%
	% Late 4-6 Hours	11%	7%	20%	14%	6%
	% Late GT 6 Hours	0%	20%	20%	21%	24%
South Jersey SAA	Number of Originations	2	7	7	7	5
	% Ontime	0%	29%	29%	43%	60%
	% Late 0-2 Hours	50%	29%	14%	14%	0%
	% Late 2-4 Hours	0%	14%	29%	0%	40%
	% Late 4-6 Hours	50%	0%	0%	14%	0%
	% Late GT 6 Hours	0%	29%	29%	29%	0%
Detroit SAA	Number of Originations	3	6	6	6	7
	% Ontime	33%	33%	17%	50%	43%
	% Late 0-2 Hours	67%	67%	67%	33%	43%
	% Late 2-4 Hours	0%	0%	17%	0%	0%
	% Late 4-6 Hours	0%	0%	0%	17%	0%
	% Late GT 6 Hours	0%	0%	0%	0%	14%

**CSX Comments:** Total road train delays were 72 trains. Crew delays were 50 trains for 291 hours; power 5 trains for 51 hours; originating trains 17 for 72 hours, due to late connections.

## Surface Transportation Board

### Performance Measures

#### CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Average
Cars Offered	NS	15	81	0	71	127	59
	All Other	281	201	106	222	148	192
	Total	296	282	106	293	275	250

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

#### CSXT On Time Passenger Train Performance

##### "Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Totals
AMTK	Trains	2	2	2	2	2	10
	% On Time	0%	50%	50%	100%	100%	60%
MARC	Trains	18	16	18	18	18	88
	% On Time	100%	50%	100%	100%	94%	89%

AMTK measured according to contract with CSXT.

# Surface Transportation Board

## Performance Measures

### CSXT Train Crew Delay

	Causes of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Terminal	Trains / Hours	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Total
Baltimore	Train Crew Starts	22	15	21	19	18	26	19	140
	Crews Delayed +2 Hours	6	7	17	10	8	11	10	69
	% Delayed +2 Hours	27%	47%	81%	53%	44%	42%	53%	49%
Buffalo	Train Crew Starts	44	37	34	46	49	40	44	294
	Crews Delayed +2 Hours	7	8	6	7	8	9	6	51
	% Delayed +2 Hours	16%	22%	18%	15%	16%	23%	14%	17%
Chicago	Train Crew Starts	22	27	25	24	23	27	25	173
	Crews Delayed +2 Hours	3	8	7	8	4	7	9	46
	% Delayed +2 Hours	14%	30%	28%	33%	17%	26%	36%	27%
Cincinnati	Train Crew Starts	43	40	36	36	36	39	39	269
	Crews Delayed +2 Hours	2	4	2	2	3	0	3	16
	% Delayed +2 Hours	5%	10%	6%	6%	8%	0%	8%	6%
Cleveland	Train Crew Starts	29	32	24	23	26	23	24	181
	Crews Delayed +2 Hours	8	15	8	6	14	10	6	67
	% Delayed +2 Hours	28%	47%	33%	26%	54%	43%	25%	37%
Cumberland	Train Crew Starts	35	40	34	34	39	38	33	253
	Crews Delayed +2 Hours	3	7	9	8	7	4	4	42
	% Delayed +2 Hours	9%	18%	26%	24%	18%	11%	12%	17%
Detroit	Train Crew Starts	5	4	5	5	7	7	5	38
	Crews Delayed +2 Hours	1	0	2	1	2	2	1	9
	% Delayed +2 Hours	20%	0%	40%	20%	29%	29%	20%	24%
Philadelphia	Train Crew Starts	11	14	12	11	8	13	16	85
	Crews Delayed +2 Hours	1	0	2	2	1	5	5	16
	% Delayed +2 Hours	9%	0%	17%	18%	13%	38%	31%	19%
Selkirk	Train Crew Starts	39	38	32	38	46	46	45	284
	Crews Delayed +2 Hours	11	16	5	7	11	15	15	80
	% Delayed +2 Hours	28%	42%	16%	18%	24%	33%	33%	28%
Toledo	Train Crew Starts	32	29	27	28	28	32	29	205
	Crews Delayed +2 Hours	8	4	10	11	3	12	6	54
	% Delayed +2 Hours	25%	14%	37%	39%	11%	38%	21%	26%
Willard	Train Crew Starts	48	42	38	45	49	41	41	304
	Crews Delayed +2 Hours	12	10	10	9	8	16	10	75
	% Delayed +2 Hours	25%	24%	26%	20%	16%	39%	24%	25%

Daily number of train crew starts from selected yards or terminals and the number of those originating train crews that were delayed in those yards or terminals for two hours or more after going on-duty. The percentage of those delayed starts.

## Surface Transportation Board

### Performance Measures

#### CSXT Train Delay - Northern Region Lines

	Cause of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Trains / Hours	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Total
Train Delay	Originating Train Starts	116	96	102	108	109	107	124	762
	Delayed Hours - Power	26	6	0	4	4	14	14	68
	Delayed Hours - Crews	16	2	1	0	9	0	18	46

Daily number of originating train starts on the Northern Region and the hours delayed due to lack of power and crew of those originating train crews. The delayed train starts will be broken down between power and crew delayed hours.

#### Daily Crew Availability Percentage - Northern Region Lines

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Crew Availability	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Average
Crew Availability		82%	80%	83%	84%	85%	84%	82%	83%

Daily percentage of CSXT road train crews that are available for work on the Northern Region Lines.

#### Daily Number of Train Crew Starts and Recrews Required

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Crew/Recrews	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Total
Crews/Recrews	Train Crew Starts	291	252	225	267	270	291	276	1872
	Recrews	4	5	6	4	9	12	10	50
	% Recrewed	1%	2%	3%	1%	3%	4%	4%	3%

Daily number of CSXT road train crew starts, the number of recrews and percentage of recrews for the Northern Region Lines.

## Surface Transportation Board

### Performance Measures

#### CSXT Locomotive Fleet Condition

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotives	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Average

Locomotives	Gross Fleet Size	4201	4181	4180	4163	4163	4181	4209	4183
	Avg. Number Available	3779	3794	3771	3763	3762	3779	3798	3778
	OOS Ratio	5.5	5.5	4.9	5.3	5.2	5.0	4.4	5.1

The measure for Gross Fleet will consist of CSX owned, leased, and foreign locomotives on-line. The Average Number Available will be the number of net fleet available to move traffic. The Out-of-Service Ratio (OOS) is the ratio of CSXT owned locomotives not available.

#### Shared Asset Areas Train Delay

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Shared Area	10/21/00	10/22/00	10/23/00	10/24/00	10/25/00	10/26/00	10/27/00	Average

Train Delay	Philadelphia/South Jersey	5	7	1	2	3	2	4	3
	North Jersey	6	5	4	3	5	6	4	5
	Detroit	2	3	3	0	3	2	2	2

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification. The measure will be a composite of CSX and NS trains.



**George A. Aspatore**  
**General Solicitor**

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November 1, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending October 27, 2000, enclosed are schedules reporting Train Origination Performance, Yard Performance, and Trains Held in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, and our Locomotive Fleet Statistics. This schedule also includes NS Northern Region Train Starts and Delays that are not limited to a snapshot period.

Another schedule incorporated into this transmittal shows NS Crew Starts and Delays, NS Northern Region Daily Crew Availability Percentage, and NS Northern Region Crew Starts and Recrews. Also included is the bi-weekly Buffalo update.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.  
November 1, 2000  
Page 2

As always, I am including a letter written by Tony L. Ingram, Vice President Transportation – Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore  
General Solicitor

Enclosures

November 1, 2000

Mr. Melvin F. Clemens, Jr.  
Director, Office of Compliance and Enforcement  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

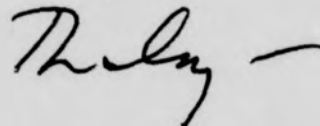
Dear Mr. Clemens:

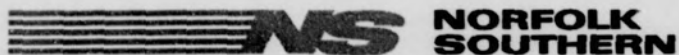
Norfolk Southern's performance metrics remain within normal operating range. The number of cars on line increased and the average train speed decreased, while the average terminal dwell decreased. On the monitored corridors and Chicago gateway operations, 34 trains were held for terminal congestion, 14 trains were held for crews, and 12 trains were held for power.

With respect to our customer service hotline in Buffalo, NS did not receive any calls over the two-week period.

In the Shared Assets Areas, daily average on-hand car volume decreased slightly at Oak Island and Pavonia, while remaining constant at North Yard. All volume counts were within expected operating norms. Overall average terminal dwell time decreased. Reported road train delays for crews and power increased from the prior week: 50 trains were delayed 291 hours for lack of crews and 5 trains were delayed for 51 hours awaiting power. Seventeen originating trains were delayed a total of 72 hours due to late arrivals from CSXT and/or NS. Together, these delays accounted for 63% of the delay hours reported in the SAAs.

Sincerely,

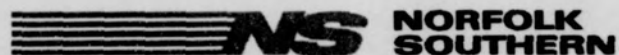
A handwritten signature in dark ink, appearing to be "Th. Long" followed by a horizontal line.



For the week ending 10/27/00

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand - Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	10/23/00	850	115	225	340	275	20.8
	10/24/00	850	150	206	356	410	14.9
	10/25/00	850	155	173	328	247	18.4
	10/26/00	850	134	219	353	419	15.8
	10/27/00	850	196	210	406	236	18.6
North Yard MI Average		850	150	207	357	317	17.2
Oak Island NJ	10/23/00	1200	248	315	563	364	37.5
	10/24/00	1200	374	493	867	608	30.6
	10/25/00	1200	267	448	715	646	31.7
	10/26/00	1200	417	396	813	634	28.5
	10/27/00	1200	329	494	823	540	35.7
Oak Island NJ Average		1200	327	429	756	558	32.3
Pavonia NJ	10/23/00	900	267	280	547	537	35.7
	10/24/00	900	242	249	491	503	13.4
	10/25/00	900	291	327	618	569	21.0
	10/26/00	900	384	162	546	241	25.7
	10/27/00	900	316	196	512	435	26.5
Pavonia Average		900	300	243	543	457	24.3

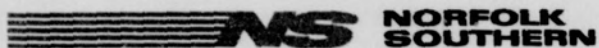


For the week ending 10/27/00

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	23-Oct	3	33%	67%	0%	0%	0%
	24-Oct	6	33%	67%	0%	0%	0%
	25-Oct	6	17%	67%	17%	0%	0%
	26-Oct	6	50%	33%	0%	17%	0%
	27-Oct	7	43%	43%	0%	0%	14%
Detroit Total		28	36%	54%	4%	4%	4%
North Jersey Total	23-Oct	9	33%	22%	33%	11%	0%
	24-Oct	15	33%	20%	20%	7%	20%
	25-Oct	15	40%	13%	7%	20%	20%
	26-Oct	14	21%	21%	21%	14%	21%
	27-Oct	17	18%	41%	12%	6%	24%
North Jersey Total		70	29%	24%	17%	11%	19%
South Jersey Total	23-Oct	2	0%	50%	0%	50%	0%
	24-Oct	7	29%	29%	14%	0%	29%
	25-Oct	7	29%	14%	29%	0%	29%
	26-Oct	7	43%	14%	0%	14%	29%
	27-Oct	5	60%	0%	40%	0%	0%
South Jersey Total		28	36%	18%	18%	7%	21%
Grand Total		126	32%	29%	14%	9%	16%



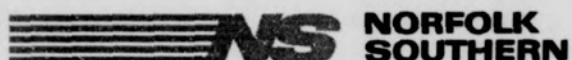


For the week ending 10/27/00

**Shared Asset Area Trains Held**

area	Sat 21-Oct	Sun 22-Oct	Mon 23-Oct	Tue 24-Oct	Wed 25-Oct	Thu 26-Oct	Fri 27-Oct	Grand Total
North Jersey	6	5	4	3	5	6	4	33
South Jersey	5	7	1	2	3	2	4	24
Detroit	2	3	3	0	3	2	2	15

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification.



### NS Cars Offered in Interchange but not Accepted

offered	Monday	Tuesday	Wednesday	Thursday	Friday	Total
CSX	0	0	0	0	0	0
other	16	39	25	59	0	139
<b>Total</b>	<b>16</b>	<b>39</b>	<b>25</b>	<b>59</b>	<b>0</b>	<b>139</b>

Snapshot taken between 2:00 and 3:00 each day  
NS acquired territory only

### NS Northern Region Train Starts and Delays

	Saturday 21-Oct	Sunday 22-Oct	Monday 23-Oct	Tuesday 24-Oct	Wednesday 25-Oct	Thursday 26-Oct	Friday 27-Oct	Grand Total
# of Train Starts	233	230	228	237	289	178	185	1580
<b>Delay Cause</b>								
Crew Delays (hrs)	8.4	0.0	15.3	1.7	0.0	3.4	0.0	28.9
Power Delays (hrs)	21.2	0.0	56.9	60.4	83.1	122.8	50.6	394.9

The delay numbers are expressed in hours

### Locomotive Fleet Statistics

	Saturday 21-Oct	Sunday 22-Oct	Monday 23-Oct	Tuesday 24-Oct	Wednesday 25-Oct	Thursday 26-Oct	Friday 27-Oct	average
<b>Fleet Size</b>	3566	3570	3536	3519	3588	3602	3633	3573
<b>available</b>	3351	3366	3336	3316	3419	3441	3443	3382
<b>out of service %</b>	6.0%	5.7%	5.7%	5.8%	4.7%	4.5%	5.2%	5.4%

Snapshot taken at midnight  
Fleet size is all locomotives on line. Includes owned, leased and foreign.



### NS Crew Starts and Delays

		Saturday 21-Oct	Sunday 22-Oct	Monday 23-Oct	Tuesday 24-Oct	Wednesday 25-Oct	Thursday 26-Oct	Friday 27-Oct	Grand Total
Allentown	crew starts	13	13	16	14	19	19	15	109
	crews delayed	7	5	5	2	4	7	4	34
Bellevue	crew starts	40	39	34	43	51	49	44	300
	crews delayed	18	14	22	22	15	7	6	104
Buffalo	crew starts	24	19	21	24	26	25	24	163
	crews delayed	6	4	1	3	4	4	4	26
Chicago	crew starts	27	40	37	36	37	35	36	248
	crews delayed	7	23	16	12	16	14	12	100
Cincinnati	crew starts	38	44	34	33	39	43	43	274
	crews delayed	10	10	7	4	12	8	12	63
Cleveland	crew starts	13	19	12	19	14	19	15	111
	crews delayed	7	10	6	7	5	17	22	74
Conway	crew starts	61	55	48	51	50	60	57	390
	crews delayed	17	22	17	17	15	17	10	115
Detroit	crew starts	21	14	22	27	21	23	20	148
	crews delayed	9	4	9	7	3	9	5	46
Elkhart	crew starts	45	38	39	40	38	37	43	280
	crews delayed	16	15	18	16	13	11	20	109
Harrisburg	crew starts	62	60	45	50	58	59	64	398
	crews delayed	26	32	17	14	24	22	27	162
Toledo	crew starts	68	49	42	59	57	60	70	405
	crews delayed	22	13	12	20	11	13	21	112

**Notes:**

Data source is T&E employees' "End of Trip" reporting

A summary of all "E-O-T's" where departure time is reported as two or more hours after time crew ordered.

Includes all trains for location, whether originating or run-through.

A delayed crew is one delayed two hours or more after coming on duty

### NS Northern Region Daily Crew Availability Percentage

	Saturday 21-Oct	Sunday 22-Oct	Monday 23-Oct	Tuesday 24-Oct	Wednesday 25-Oct	Thursday 26-Oct	Friday 27-Oct	average
availability%	77%	75%	77%	79%	80%	80%	81%	78%

**Notes:**

A "snapshot" of percent of Train and Engineman available at approximately 5:00 AM

### NS Northern Region Crew Starts and Recrews

	Saturday 21-Oct	Sunday 22-Oct	Monday 23-Oct	Tuesday 24-Oct	Wednesday 25-Oct	Thursday 26-Oct	Friday 27-Oct	Grand Total
crew starts	339	321	273	332	341	345	348	2299
recrews	13	9	7	9	10	7	5	61

**Notes:**

A summary of trains ordered by field transportation using relief crew (recrew) train symbol

Does not include recrews/trains pulled into terminals by yard crews or road crews called and used in regular service

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**BEFORE THE  
SURFACE TRANSPORTATION BOARD  
Washington, D.C.**

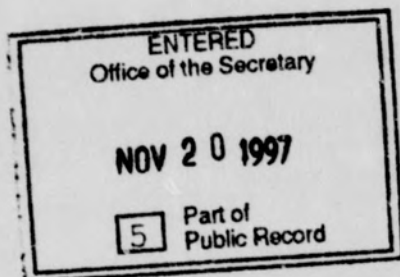


**Finance Docket No. 33388**

**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**

D

**COMMENTS OF STEEL WAREHOUSE COMPANY, INC.**



Edward D. Greenberg  
Gregg S. Avitabile  
Galland, Kharasch & Garfinkle, P.C.  
1054 - 31st Street, N.W.  
Washington, DC 20007  
(202) 342-5200

Attorneys for Steel Warehouse Co., Inc.

Dated: November 20, 1997



**BEFORE THE  
SURFACE TRANSPORTATION BOARD  
Washington, D.C.**

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**Finance Docket No. 33388**

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**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**

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**COMMENTS OF STEEL WAREHOUSE COMPANY, INC.**

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**VERIFIED STATEMENT OF VIRGIL MINCY**

Steel Warehouse Company, Inc. ("SW") submits the following comments with respect to important issues raised by the prospective transfer of certain rail lines from Conrail, Inc. ("CR") to the Norfolk Southern Corporation and Norfolk Southern Railway Company ("NS").

I am Virgil Mincy, SW's Manager of Transportation Marketing and Sales. I served as SW's Director of Transportation from April 1995 until February 1997. Prior to joining SW, I worked for over 40 years handling a broad range of rail transportation issues, including obtaining rail carrier service for shippers, negotiating transportation agreements between rail carriers and shippers, and managing established business relationships between shippers and rail carriers. While employed by SW, I have also been responsible for obtaining rail service, negotiating transportation agreements with rail carriers, and managing SW's business relationships with rail carriers.



SW is a privately held steel service center located in South Bend, Indiana, which supplies steel products to manufacturers located throughout the Midwest. SW produces its steel products using hot-rolled and cold-rolled steel coils, which it purchases from many domestic producers, leading off-shore suppliers, and emerging "mini-mills." A significant amount of these raw materials are shipped to SW by rail.

Currently, SW's facilities are bordered on the North by a Conrail facility, and on the South by a NS facility. Of the approximately 107,000 tons of raw materials transported by rail to SW's South Bend facility annually, approximately 78,000 tons flows through the Chicago area and has been subject to competition between NS and CR, both of which interchange with the same short line railroads in the Chicago area. This competition has resulted in substantial price reductions and stability and reasonable non-price service terms for rail service to SW's facility.

Under the proposed terms of CR's acquisition by NS and CSX Corporation and CSX Transportation, Inc. ("CSX"), NS would acquire the CR rail line bordering SW's South Bend, Indiana facility, leaving NS as the exclusive rail carrier serving the plant. In discussions with me, NS has referred to South Bend, Indiana as a point that will not lose competitive service because the Canadian National Railway (CN) will continue to provide service to the point after the acquisition. However, while other points in South Bend, Indiana are served by CN, SW is not as favorably located; instead, SW would be served exclusively by NS. Consequently, as the Applicants have structured this Transaction, SW would lose the advantages of competitive service to its South Bend facility. As SW operates with a profit margin that has historically ranged between 2% and 4% of sales, it would be significantly harmed if the absence of competition leads to unreasonable increases in its costs of transporting raw materials to its South Bend facility.

Unfortunately, recent events have demonstrated that in the absence of competition, the terms and conditions offered by NS for rail service to SW's South Bend facility are likely to result in substantially increased transportation costs to SW. Under contracts which expired in October 1997, NS provided transportation to SW's South Bend facility of the approximately 27,000 tons of raw materials SW obtains from USX in Gary, Indiana, LTV in Indiana Harbor, Indiana, and Inland Steel in East Chicago, Illinois. NS recently provided notice to SW that it would continue to provide the service from the three origins only on the condition that SW agree to starkly less favorable terms. These terms were:

- (1) a 2% rate increase from Gary and a 5% rate increase from E. Chicago and Indiana Harbor;
- (2) a requirement that SW tie the traffic from all three origins into a single contract by which NS would be providing the exclusive service;
- (3) a substantially increased penalty charge if NS, rather than originating carrier equipment is used;
- (4) a substantially increased premium for the use of covered cars.

It was not just the rate increases that made the offer prohibitively expensive. Rather, the offer was unacceptable because NS insisted on the exclusive right to provide service from all three origins, demanded a prohibitively high premium for covered cars, and would have penalized SW for using NS cars. The premium for covered cars was particularly troublesome, because the new covered car rate exceeds SW's cost of transporting the same materials by truck. Thus, the approximately 9,000 tons, or 30% of the total volume, of raw materials we source from the three origins in covered cars will necessarily have to move by truck in the absence of competitive rail service.

Diverting such a substantial volume to truck would significantly diminish the value to SW of a spur we built in 1996 between the rail lines on the North and South sides of our facility. This construction includes a state-of-the-art indoor, overhead crane that enables SW to safely and efficiently load and unload materials transported by rail. This expense was incurred on the reasonable assumption that both NS and CR would continue to offer terms consistent with their long course of dealings with SW.

Under the terms offered by NS, SW's annual transportation costs from the three origins would increase approximately \$80,000 over what they had been the previous year. As noted above, given SW's small profit margin, this increase could require SW to reduce our volume of rail shipments from these origins, or raise our prices to reflect this increased cost, making us less competitive. Either of these alternatives would cause a significant contraction in SW's business volume. All of these problems were explained in detail to NS, to no avail.

Significantly, NS's position was wholly inconsistent with the course of dealings between NS and SW in previous years. NS has never before required SW to accept terms for service from the three origins in a single contract. Nor had NS ever increased so substantially its premiums for the use of covered cars or its penalties for the use of NS cars. Most disturbing, however, was NS's refusal to negotiate over any of the terms offered. NS's adoption of a take-it-or-leave-it stance, when it knew that it would soon be the only carrier with access to SW's facility, presages its likely approach to rail captive customers in the absence of competition from CR.

SW was not required to accept NS's non-negotiable terms in this instance *for the short term*, because CR offered a better deal for the next business year. CR's proposal kept the rates at the same level SW had paid under the 1996-1997 contracts, with no premium for covered cars from Indiana

Harbor and E. Chicago, and only a minimum non-rail prohibitive premium for covered cars from Gary, no penalty for using CR cars, and no requirement that SW use CR for movements from all three origins.<sup>1/</sup>

If NS's acquisition of the CR lines bordering SW's South Bend facility proceeds as proposed by NS and CSX, there will be no rail competition to ensure the continuation of a viable rail service to SW. Based on NS's non-negotiable offer for service to SW from Gary, Indiana Harbor and E. Chicago, this could unquestionably result in SW's being seriously affected by increased costs from these sources after NS acquires the CR line bordering SW's South Bend facility. Moreover, NS's negotiating posture with respect to the remaining approximately 51,000 tons of SW's in-bound rail volume which has been subject to competition between CR and NS is likely to be equally intractable when that issue arises following the expiration of current agreements.

To avoid these consequences, SW requests that the Board condition the CR acquisition on NS's granting trackage rights to the Chicago SouthShore & South Bend Railroad (SouthShore), so as to require that it has direct access to SW's South Bend facility for shipments bound for SW through the Chicago area. SouthShore is a short-line which interchanges with a CR line in South Bend, and with most of the lines traversed by freight bound for SW through the Chicago area. In fact, SouthShore offers the most direct track route between Chicago and South Bend. The Board's

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<sup>1/</sup> NS offered its formal proposal on October 8, 1997. For the next two weeks, I attempted to negotiate with NS to persuade it to modify its terms. I finally concluded on October 22, 1997, that further negotiation was futile. I therefore notified CR on October 22, 1997, of SW's intent to accept the terms offered by CR. SW held a Board of Directors meeting on October 29, 1997, to discuss its options for responding to NS's intransigence. At that time, SW concluded that its only viable option was to ask the Board to condition the NS acquisition of CR, as discussed herein. SW's small size and consensus management style, which grows out of its being owned and managed by five brothers, resulted in further delay before this verified statement and comment could be prepared.



intervention is necessary because NS has indicated that it intends not to allow other carriers access to its line bordering SW's facility. In addition, NS's customary switching charges of between \$300 and \$500 per car make switching in South Bend from SouthShore to NS prohibitively expensive, such that a single line haul is the only viable option.

Importantly, granting these trackage rights to SouthShore is entirely consistent with the stated goals of NS and CSX in their Application. NS and CSX tout the "pro-competitive dimensions of [the] transaction -- and the corresponding benefits to the public." See Railroad Control Application, Section 1180.6(a)(2)(i) at 17 (CSX/NS-18 at 17). In addition, NS and CSX indicate their intent to ensure competitive service is available where it might otherwise be lost as a result of the Transaction:

While promising intensified rail competition for many rail customers, the transaction will result in virtually no reduction in rail competition. CSX and NS have agreed to allocate the operation of Conrail's lines and facilities so as to avoid wherever possible situations where shippers will see their rail options decline from two carriers to one. In essentially all of the circumstances where the transaction would otherwise result in such a reduction to one carrier, CSX and NS have agreed to provide one another with trackage rights and/or haulage rights that will permit the continuation of two-carrier service.

Id. Given NS's commitment to ensuring continued competition, and willingness to grant trackage rights where necessary to guarantee competitive service, it should have no objection to granting SS access to SW's South Bend facility for the limited purposes described herein.

VERIFICATION

STATE OF INDIANA )  
COUNTY OF *ST Joseph* )

Virgil Mincy, being first duly sworn, deposes and states that he has read the above document, knows the facts asserted therein, and that the same are true as stated.

*V. Mincy*

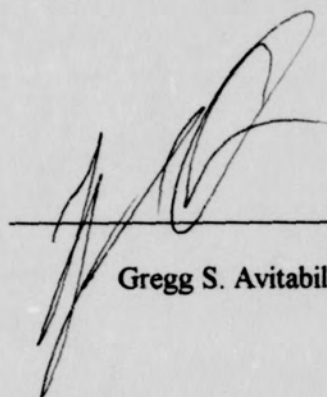
SUBSCRIBED and sworn to before me this 13<sup>th</sup> the day of November, 1997.

*Lillian T Keck*  
Notary Public

My commission expires: *April 8, 2001*

## **CERTIFICATE OF SERVICE**

I certify that on this 20th day of November, 1997, I caused a copy of the foregoing Comments of Steel Warehouse Company, Inc. to be served by first-class mail, postage prepaid, on all parties that have submitted to the Applicants a Request to be Placed on the Public Service List in STB Finance Docket No. 33388, and via facsimile to representatives of CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company, and Conrail Inc. and Consolidated Rail Corporation.



---

Gregg S. Avitabile

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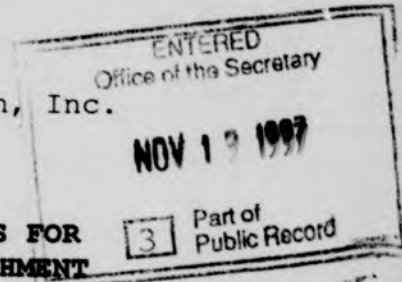
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BEFORE THE  
SURFACE TRANSPORTATION BOARD

Finance Docket No. 33388



CSX Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corp. and Norfolk  
Southern Ry. Co.--Control and Operating  
Leases/Agreements--Conrail Inc.  
and Consolidated Rail Corporation  
Transfer of Railroad Line by Norfolk  
Southern Railway Company to CSX Transportation, Inc.



**NOTICE OF FILING OF ORIGINAL SIGNATURE PAGES FOR  
ALLIED RAIL UNIONS' DECLARATIONS AND OF ATTACHMENT  
TO FLOYD MASON DECLARATION**

Several of the declarations submitted with the Comments of the Allied Rail Unions ("ARU")<sup>1</sup> in the above-captioned proceeding (ARU-24 Declarations) were photocopies of the actual signed declarations. The copies were submitted because the originals were not received in time for filing on October 21. The ARU is now submitting with this notice additional copies of the declarations of Floyd E. Mason, Clarence V. Monin, Mac A. Fleming and William G. Mahoney with the original signature pages for those documents.

<sup>1</sup> "Allied Rail Unions" means the American Train Dispatchers Department/BLE ("ATDD"); Brotherhood of Locomotive Engineers ("BLE"); Brotherhood of Maintenance of Way Employees ("BMWE"); Brotherhood of Railroad Signalmen ("BRS"); International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers ("IBB"); International Brotherhood of Electrical Workers (IBEW); The National Conference of Firemen & Oilers/SEIU ("NCFO"); Sheet Metal Workers' International Association ("SMWIA"); and Transport Workers Union ("TWU").



In preparing this notice of filing, it came to the attention of ARU that an attachment to the Mason declaration was not provided with the copy filed with the Board on October 21. Accordingly, the copy of the Mason Declaration submitted with this notice includes the Mason attachment and all parties are being served with the attachment. A copy of the attachment has already been provided to the Applicants.

Respectfully submitted,

Of Counsel:

William A. Bon  
General Counsel  
Brotherhood of Maintenance of  
Way Employes  
26555 Evergreen Road  
Suite 200  
Southfield, MI 48076  
(248) 948-1010

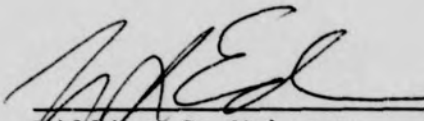
Donald F. Griffin, Esq.  
Brotherhood of Maintenance of  
Way Employes  
10 G. Street, N.E.  
Suite 460  
Washington, D.C. 20001-1511  
(202) 638-2135

Counsel for Brotherhood of  
Maintenance of Way Employes

David Rosen  
O'Donnell Schwartz Glanstein & Rosen  
60 East 42<sup>nd</sup> Street, Suite 1022  
New York, NY 10165

Counsel for Transport Workers Union of America

Dated: November 18, 1997



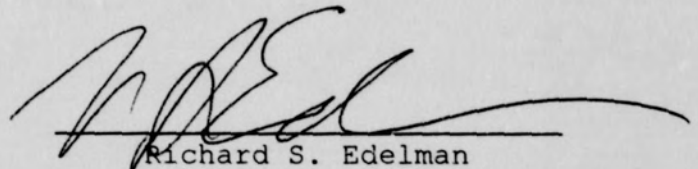
William G. Mahoney  
Richard S. Edelman  
L. Pat Wynns  
HIGHS AW, MAHONEY & CLARKE, P.C.  
1050 17th Street, N.W.  
Suite 210  
Washington, D.C. 20036  
(202) 296-8500

Counsel for Railway Labor  
Executives Association and its,  
affiliated organizations,  
Brotherhood of Maintenance of  
Way Employees, and Interna-  
tional Brotherhood of  
Electrical Workers

**CERTIFICATE OF SERVICE**

I hereby certify that I have caused to be served one copy of the foregoing Notice Of Filing Of Original Signature Pages For Allied Rail Unions' Declarations And Of Attachment To Floyd Mason Declaration, by first-class mail, postage prepaid, to the offices of the parties on the service list.

Dated at Washington, D.C. this 18<sup>th</sup> day of November, 1997.



Richard S. Edelman

BEFORE THE  
SURFACE TRANSPORTATION BOARD

Finance Docket No. 33388



CSX Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corp. and Norfolk  
Southern Ry. Co.--Control and Operating  
Leases/Agreements--Conrail Inc.  
and Consolidated Rail Corporation  
Transfer of Railroad Line by Norfolk  
Southern Railway Company to CSX Transportation, Inc.

**DECLARATION OF CLARENCE V. MONIN**

I, Clarence V. Monin, declare under penalty of perjury, and pursuant to 28 U.S.C. § 1746, that the following is true, correct, and based upon personal knowledge.

1. Declarant is the President of the Brotherhood of Locomotive Engineers ("BLE"). BLE represents engineers employed by the major railroads in the United States including employees of the railroad subsidiaries of CSX Corp. and Norfolk Southern Corp. and of the Consolidated Rail Corp. ("Conrail"). CSX Corp. and its subsidiaries and affiliates, including CSX Transportation Inc. ("CSXT") are referred to collectively in this declaration as "CSX"; Norfolk Southern Corp. and its subsidiaries and affiliates including Norfolk and Western Ry. ("NW") and Norfolk Southern Ry. ("NSR") are referred to collectively in this declaration as "NS". BLE is participating in this proceeding with eight other unions described for convenient reference as the Allied Rail Unions ("ARU").

2. The plan to acquire control and to divide Conrail is referred to in this declaration as the "Transaction"; the application and supporting documents filed by CSX and NS is referred to in this declaration as the "Application; and CSX, NS and Conrail are sometimes referred to collectively as "Applicants".

3. BLE is opposed to STB approval of the Transaction. The Conrail employees represented by BLE and other Conrail employees made numerous sacrifices in connection with the creation and operation of Conrail. Over the years, employment on the lines that were owned by Conrail's predecessors was reduced dramatically. And for many years Conrail employees, including those represented by BLE, were paid at rates below the standard rates for the other freight railroads. Furthermore, BLE, like other rail unions, was required by Congress to substantially renegotiate the collective bargaining agreements ("CBA") that were in effect on Conrail's predecessor railroads; that effort resulted in new agreements produced through the give-and-take of collective bargaining where labor and management both made concessions and gains. Another result of this process was that agreements were updated, again for the benefit of both parties. Conrail is now recognized as an efficient, effective and profitable railroad.

4. However, now that Conrail is profitable, CSX and NS want to divide it up while further reducing employment, and while eliminating many of the elements of the Conrail CBAs that are advantageous to Conrail employees that were arrived at by the collective bargaining process described above. As part of CSX/NS plan, although employees will lose work and CBA rights, Conrail shareholders have received an astounding premium on the price of their stock and Conrail executives will receive windfall separation benefits totaling 1.5 billion, which is far in excess of what the railroads are statutorily required to provide for their employees. Given the grossly unjust balance of the benefits and losses of the Transaction, and given that Conrail currently provides more than adequate service, BLE opposes the Transaction.

5. BLE's opposition to the Transaction is in large part based upon its review of Applicants' proposed Operating Plans, the "Appendix A" to each plan and Applicants' responses to the ARU discovery requests. Review of those materials shows that (except for CSX with respect to its planned "Northern District") a key element of the Transaction is the effort to eliminate or unilaterally alter Conrail CBAs, as well as to generally reduce labor costs through STB processes rather than through collective bargaining. As BLE reviewed the Operating Plans, it became apparent that CSX and NS have loaded in to their Plans all sorts



of changes which have nothing to do with removing restraints on their ability to consummate their acquisition of control of Conrail, and little to do with the ostensible public transportation goals of the Transaction (such as expanding their existing rail networks, increasing single line service, improving blocking and offering shorter and faster routings and better and more flexible routings). On the other hand, these planned changes have a lot to do with reducing employment and employee rights: that is transferring wealth from the employees to Applicants' shareholders and executives. CSX and NS seem to view approval of the Transaction as a vehicle to achieve unrelated labor relations goals. To them, any change which makes them more efficient is part of the Transaction, even if the change does not remove a barrier to their consummating the Transaction or otherwise relate to the alleged operational benefits of the Transaction, because they want to enhance the efficiency of post-Transaction operations. But the way for carriers to obtain efficiencies that require changes in CBAs is to bargain for them honestly, not to rely on a government agency to step in and give them what they want by regulatory fiat. Accordingly, to the extent that the Application is a vehicle for CSX and NS to obtain government sanction to reduce labor costs by altering employee rights in order to finance the windfalls realized by Conrail

shareholders and executives, and to maximize CSX and NS profitability, BLE opposes the Transaction.

6. If CSX and NS want to pursue their acquisition of control and division of Conrail without enlisting the STB as their agent for reducing their labor costs, BLE is prepared to respond. BLE urges CSX and NS to disavow their effort to obtain CBA changes by regulatory action. BLE will negotiate the CPA changes that they want through Railway Labor Act ("RLA") processes. BLE will also, as both BLE and the carriers long ago agreed, negotiate, and if necessary arbitrate, under the Washington Job Protection Agreement ("WJPA") over necessary arrangements for selection of forces and assignment of employees made necessary by any coordination of operations of their existing properties and the Conrail properties that they want to acquire. Through WJPA processes CSX and NS can fully address their concerns about staffing coordinated operations notwithstanding prior seniority district limitations. Indeed, the BLE is prepared to serve the carriers with a Section 6 notice for such RLA negotiations and to advise the carriers that it is prepared to engage in WJPA processes, regardless of whether the carriers disavow their efforts to enlist the aid of the government in their contractual relations with the unions

7. However, if the Applicants persist in their present course and if the STB decides to approve the proposed Transaction

as presented by CSX and NS, the Board should explicitly hold that the "rates of pay, rules, working conditions" and "other rights, privileges and benefits" of the employees of NS, CSX, and Conrail are protected absolutely by Section 11326 and, therefore, STB approval of a transaction does not sanction the carriers' imposition of entirely new collective bargaining agreements on the former-Conrail employees. *UTU v. STB*, 108 F.3d 1425, 1429-30 (D. C. Cir. 1997). Further, the STB should state that those contractual provisions that are not inviolate may be changed, and then only if necessary to obtain a non-labor related transportation benefit. *Id.* at 1429-30. Finally, the STB should emphasize that its approval of the control transaction should not under any circumstances be construed as STB approval of the collective bargaining agreement changes in Applicants' operating plans, which were submitted along with the Application.

8. In their Operating Plans, NS and CSX have stated that they intend to apply the NS and CSX CBAs to the Conrail lines and facilities that they will operate after the Transaction, except for the territory identified as the CSXT's Northern District and the Shared Asset Areas, where the Conrail CBA will remain in effect.

9. By imposing their own collective bargaining agreements on former Conrail BLE employees, NS and CSX would effectively abolish the BLE-Conrail employees' entire collective bargaining

agreement, which necessarily contains many "rates of pay, rules, and working conditions" and "other rights, privileges and benefits." BLE urges the STB to inform the carriers that such a practice strikes at the very heart of Section 11326(a) and will not be countenanced. Furthermore, the STB should require that NS and CSX make a threshold showing of necessity in this proceeding before they receive explicit or implicit sanction to change a contract provision that is not a "rate of pay rule or working condition, or other right, privilege, or benefit."

10. Congress did not intend to place the burden on a union to show which collective bargaining provisions must be preserved when it imposed an obligation upon carriers to carry out their transaction in such a way that they preserve employee rights, privileges, and benefits. Accordingly, the BLE maintains that in order to change any provision of the BLE's collective bargaining agreement with Conrail, NS and CSX must show: (1) that the provision is not a rate of pay, rule, working condition or other right, privilege, or benefit, (2) the provisions of the new agreement generally preserve every rate of pay, rule working condition or other right, privilege or benefit found in the employees "existing collective bargaining agreements", and (3) modification of the existing collective bargaining agreement provisions is necessary to achieve a transportation benefit that

could not be achieved otherwise, or to allow the Applicants to consummate the Transaction.

11. Since NS and CSX have persisted in their position that the approval of a transaction gives the controlling carrier the right to impose its own collective bargaining agreement on former BLE-Conrail employees and effectively eradicate all existing Conrail "rates of pay, rules, and working conditions" and "other rights, privileges and benefits," it has become necessary for me to identify for the STB some of the more important rates of pay, rules, working conditions and other rights, privileges and benefits that will be changed under CSX and NS proposals, and the consequences of those changes, if NS and CSX are permitted to impose their own collective bargaining agreements upon former Conrail-BLE employees.

12. The most recent BLE--Conrail CBA contains a "401K" rule which provides a company match to an employee's 401K contribution which is keyed to Conrail's attainment of certain performance goals. Under this rule, Conrail is responsible for a match of 20% of the employee's contribution, subject to a cap of 2% of the employee's pay, based on Conrail's percentage achievement of its performance goals, Annual Performance Achievement Reward ("APAR"). If Conrail does not fully attain its goals, the payment is reduced on a pro rata basis. CSX and NS plans are vastly different. First, the CSX plan caps the engineers



contributions at 10% of gross earnings and the NS plan is capped at \$150.00 per month, while Conrail engineers may contribute up to 15% of their gross earnings. Second, the level of the carriers' contribution under both the CSX and NS plans are substantially below that of the Conrail plan. And there will be difficulty compensating employees for the loss of this right since the benchmark for calculating Conrail performance, revenue produced by the current Conrail, will essentially disappear; this will be true even for the engineers who remain under the Conrail CBA in the SAAs since the performance goals were predicated on the revenue for the full Conrail, not for a substantially diminished rump Conrail. Thus the elimination of most of Conrail necessarily means lower compensation for Engineers. Moreover, since the computation of APAR benefits is based on a prior year's performance' it is unlikely that a surrogate will be devised for this compensation. If the Transaction is consummated in mid-year, a substantial part of the APAR based 401K contribution due in 2000 will not be calculable from the performance of Conrail in 1998. And in subsequent years the base from which APAR calculations are to be computed will be gone. Applicants have said that they will "examine" this issue, but we have no idea what they mean by that, and they have made no commitment and have offered no assurances to BLE on this issue. The loss of the APAR compensation is a loss of a property

interest that will be at best difficult to compensate under the *New York Dock* conditions.

13. Conrail employees who were on the Conrail system as of April 1, 1976 are covered by the Supplemental Unemployment Benefits (SUB) Plan, which effectively provides employees with a \$25,000 reserve bank. A covered employee who is furloughed can use the reserve in a number of circumstances, including the following:

- (1) to receive supplemental unemployment benefits of \$42 a day in addition to regular railroad retirement unemployment benefits;
- (2) to reimburse him or her for relocation expenses associated with taking another position on the carrier;
- (3) to obtain vocational training or to pay for attending an accredited college or university.

NS and CSX have indicated that the SUB Plan benefits would no longer apply to those employees upon whom NS or CSX agreements will be imposed. Transcript of Robert Spenski at 188, 190; Transcript of Kenneth Peifer at 183-184. While the *New York Dock* conditions protect employees in the event of a transaction-related loss of earnings, they do not provide benefits for non-transaction-related losses such as furloughs due to declines in business.

14. The Northeast Rail Service Act ("NERSA") established a Board known as the Special Board of Adjustment 880 to adjudicate claims of NERSA violations. Under NERSA, former Conrail employees working on the Metro North Commuter Railroad ("MNCR"), New Jersey Transit ("NJT") and the Southeastern Pennsylvania Transportation Authority ("SEPTA") have the right to return voluntarily to Conrail. In addition, former Conrail employees working on MNCR, NJT and SEPTA can return to Conrail at any time they become furloughed. Moreover, all Conrail engineers hired prior to December 31, 1982 have the right to flow between Conrail and Amtrak zones 1 and 2, and Amtrak zone 1 and 2 engineers, who have retained Conrail seniority, also have the right to flow between Amtrak zone 1 and 2 and Conrail. Additionally, there is an agreement covering Amtrak Locomotive Engineers who have Conrail Locomotive Engineer's Seniority and are working in Amtrak Zones 3 and 4, Off Corridor, to flow back to Conrail. According to CSX and NS, Conrail employees will lose those rights because they will be entitled to only those rights, privileges, and benefits contained in the NS and CSX Agreements. Applicants' Answer to Allied Rail Unions' Interrogatory No. 8 (a). The flowback rights are property interests the loss of which would not be compensated by the *New York Dock* conditions.

15. The BLE/Conrail CBA contains a Personal Leave Rule which provides that Conrail engineers can accrue personal leave

days faster than on CSX or NS. Significantly, CSX has taken the position that Richmond Fredericksburg & Potomac employees involved in a *New York Dock* coordination are not entitled to benefits for lost personal leave days. In addition, the BLE/Conrail CBA provides protection for vacation and personal leave qualification and eligibility.

16. The BLE/Conrail CBA contains a Special Pay Differential for engineers with engineer service dates prior to March 7, 1989 and/or who have been a "protected employee" under a crew consist agreement, and subsequently established system seniority as an engineer. The special skills differential is \$15.00 per basic day, and \$.15 per overmile per trip for road engineers, and \$15.00 per tour of duty for yard engineer. CSX engineers receive a \$5.00 per day differential for Locomotive Engineer's Certification. NS engineers receive \$15.00 per basic day and \$.15 per mile over the miles over the basis day in Freight Service and \$15.00 per basis day in Yard Service, but that is contingent on continuation of Thoroughbred Performance Bonus program.

17. Article G-M-7 of the BLE/Conrail CBA, and its associated Questions and Answers, provide substantial health and safety benefits to locomotive engineers that are absent from the CSX and NS CBA's. For example, Article G-M-7 paragraph (f) requires:

- (f) All road locomotives shall be equipped with flush or septic type toilets which shall be maintained in a clean sanitary condition.

On NS, locomotive engineers are issued serially numbered bags to deposit and dispose of human waste. Article G-M-7 also requires working windshield wipers and defrosters and lists specifications that provide adequate size, padding, and ventilation for locomotive engineer seats.

18. The BLE/Conrail CBA also contains important protections for employees who may be subject to disciplinary charges. Among other things, the BLE/Conrail disciplinary rule (Article G-M-11) provides the following:

- (1) That charges be brought in a strictly defined time period.
- (2) Charges must be specific as to the operating rules allegedly violated.
- (3) The engineer is entitled to copies of all letters of complaint related to the charges.
- (4) A broad choice of representatives is available to the engineer.
- (5) Strict limitations are imposed on the carriers right to remove an engineer from service prior to the holding of an investigation.
- (6) Expedited arbitration in dismissal cases.
- (7) Deferral of a suspension in the case of a first offense with removal of the discipline from the employee's record if there is no subsequent discipline in a six month period.



This rule is a property interest the loss of which would not be protected under the *New York Dock* conditions.

19. By July 1999 the Conrail engineers are scheduled to have received three three and one half percent (3½%) general wage increases, making the Conrail daily rate of pay nearly eleven percent (11%) higher than the NS daily rate of pay in each class of service, because the most recent NS agreement waived the general wage increases and the lump sum payments in exchange for a performance-based bonus system. Any engineer who is on a "basic day" job by choice would lose out under *New York Dock*, because he/she must move to a job that is rated more than ten percent (10%) higher in order to protect their TPA. In other words, the engineer must be prepared to work additional hours, in order to have the wages protected. In that way, NS essentially gains four hours of unpaid labor per week. If, however, the engineer chooses to remain on his/her original job, which he/she may have occupied for years, the result is a wage cut in excess of ten percent (10%). There is a fundamental and irreconcilable conflict between *New York Dock* and the NS Thoroughbred Bonus Plan. *New York Dock* payments are made on a monthly basis, while the NS Bonus is payable in the following calendar year and specifically excludes protective allowances from the formula. Moreover, it is unclear whether NS would offset any Bonus due for a particular year by the total *New York Dock* benefits paid in

that year. In addition, Bonus payments are excluded from the calculation of vacation pay, which will result in a reduction of vacation pay for Conrail engineers, even within *New York Dock's* six (6) year window.

20. As is noted above, except for changes in compensation, the *New York Dock* conditions do not provide protective benefits that compensate for the type of losses that will result from the changes in rules and working conditions and other rights, privileges and benefits. Moreover, the *New York Dock* conditions provide monetary protections for changes in compensation for only six years. Thereafter, changes in compensation are unprotected.

21. NS and CSX have stated that changing the employees' collective bargaining agreements is justified because it is inherently more efficient to apply their own collective bargaining agreements. BLE believes that such a claim is inadequate on its face. Moreover, when pressed to identify specific efficiencies they could only point to such alleged benefits as: (i) uniform payroll process; (ii) uniform training procedures; (iii) less fragmented seniority districts and more flexibility in assignment of employees; (iv) ease of contract administration and (v) promotion of a uniform claims and grievance appeals procedure. As will be discussed below, these so-called efficiencies are illusory or are not likely to be affected by continued application the BLE/Conrail collective

bargaining agreements or by continued application of the various rules discussed above.

22. First, it is important to note that the justifications offered by CSX and NS for the elimination of the Conrail/BLE CBA are remarkably weak; they certainly do not rise to the level of showing that the BLE/Conrail CBA would prevent consummation of the transaction or even that its continuation would somehow impede or interfere with the asserted transportation benefits of the Transaction. Indeed these alleged justifications for elimination of the Conrail/BLE agreement are basically matters of convenience to the carriers and have nothing to do with any transportation goal of the Transaction.

23. The uniform pay process is just that—a uniform *process* for paying employees. Both CSX and NS administer multiple engineers collective bargaining agreements and there is no uniform pay for all the employees covered by these agreements. Indeed, employees in the same craft and covered by the same collective bargaining agreement receive different pay depending on their job classification and the amount of overtime they work in a given pay period. In reality, CSX and NS will have to program their computers for each new Conrail employee regardless of the collective bargaining agreement that applies and it will be no more burdensome to program the Conrail rates into the payroll systems. Furthermore, a uniform pay process does not

advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction.

24. The claim of efficiency from a uniform claims and grievance procedure is specious. CSX and NS currently administers multiple agreements with BLE as do other railroads. These collective bargaining agreements do not contain the same claims and grievance procedure. In any event, refusing to apply the Conrail/BLE collective bargaining agreement in order to avoid administering a claims and grievance procedure that may be different than that in other agreements surely will not create an efficiency that justifies changing an entire collective bargaining agreement. Furthermore, a uniform claims and grievance procedure does not advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction. If CSX and NS actually desire uniform claims and grievance processes system-wide, they can surely bargain about it under Section 6 of the Railway Labor Act.

25. CSX and NS have both argued that having uniform CBAs for engineers is necessary to their coordination of service after they acquire the Conrail lines allocated to them. However, both CSX and NS are currently operating with multiple agreements for engineers. Addition of one more agreement to this mix in connection with adding such sizable portions of territory to their systems should not unduly complicate their operations any more than having multiple engineer agreements currently affects their operations. In this regard it must be emphasized that because of its unique history there is only one CBA for Conrail engineers. Furthermore, CSX's position seems to be bootstrapped to its plans to implement unnecessarily large seniority districts. CSX says that it wants all of the employees in the post-Transaction districts to be covered by the same agreement, by adopting smaller seniority districts that were more realistically related to trains operations, CSX's concerns about CBA uniformity within districts would be lessened. Finally, it must be noted that pursuant to a recent agreement, CSXT and BLE are currently negotiating under the RLA for a single CBA, so Applicants are wrong in asserting that a single CBA can be obtained only through *New York Dock* processes; Applicants merely want to control the process and substantive CBA terms.

26. As stated above, the "rates of pay, rules, working conditions" and "other rights, privileges, and benefits" are



"immutable" and, therefore, cannot be changed, regardless of any claimed justification. Other contract provisions can be changed only if necessary to obtain a non-labor related transportation benefit. The illusory justifications cited by NS and CSX clearly do not constitute the necessity showing that would justify changing the BLE/Conrail employees' collective bargaining agreement even if "rights, privileges, and benefits" were not involved.

27. Of major concern to BLE in this proceeding is the large seniority districts planned by CSXT coupled with its assertion that it must have flexibility in assignments within those districts. For example the proposed Eastern District stretches from North Carolina to the Hudson River to Cleveland, covering hundreds of miles. Given the Hours of Service law restrictions, as well as the costs in overtime and overmiles payments, it is clear that CSX will not be able to run trains from one end of this district to another.

Districts of this size are not directed at eliminating "unnecessary" crew changes since the distances involved necessarily mean that there will have to be crew changes within the district boundaries. Yet CSX persists in saying that it must have districts of this size and the ability to assign crews wherever they are needed. But implementation of these plans would mean that engineers within these districts could be

required to go anywhere within this huge territory, including hundreds of miles from their homes for unspecified periods of time; in some instances it might be for one or a few days moving back and forth between home and far flung terminals, in some instances these assignments could be for extended periods. While the BLE Conrail CBA allows engineers to exercise system seniority, it does not require them to do so or impose a loss of benefits on failure to do so. Since the *New York Dock* conditions have been construed so that an employee is ineligible for benefits if he or she declines a position for which the employee has seniority, refusal to travel hundreds of miles for work in these districts could have serious consequences for furloughed employees.

28. BLE believes that there simply is no operational basis for the size of the districts proposed by CSX and that they are instead designed to bolster CSX's claim that all employees within those territories must come under CSX CBAs. Another motivation for CSX appears to be avoidance of hiring additional engineers and fully staffing extra boards and allowing CSX to force furloughed employees to far away positions on threat of denial of *New York Dock* benefits. These are not idle concerns because experience under the unfortunate Eastern B&O Consolidated District (the subject of the "O'Brien Award") is that CSX has required employees in the EBOC to take positions all over the

district and specifically to fill positions that could be filled by assigned extra board engineers. Indeed, while creating a large district (through smaller than the ones described in the CSX Operating Plan) CSX has taken the step of refusing to allow engineers to exercise seniority within the EBOC because of concern for shortages in some places; this suggests that CSX's plans here are motivated by concerns other than train operations. Simply put, the EBOC experience shows that the large districts described in the CSX Operating Plan cannot be effectively managed as CSX would have the Board believe. Consequently the Board should make it clear that approval of the Transaction would not explicitly or implicitly ratify CSX's proposed seniority districts or potential NS districts of similar scale.

29. BLE's concerns about the potential plans of CSX and NS to make nomads out of Conrail engineers is amplified by statements in the Application (CSX Vol. 3A p. 488, NS Vol. 3B p. 357), that furloughed Conrail engineers are likely to be required to take available positions on any of the post-Transaction railroads. Apparently, a furloughed engineer in the Philadelphia/South Jersey SAA would be required to take a position in Indiana and a furloughed engineer in Massachusetts would be required to take a position in West Virginia. There is no basis in the New York Dock conditions for such a requirement, and there is no operational necessity for such a requirement.

Consequently, the Board should make it clear that approval of the Transaction would not explicitly or implicitly ratify Applicants' view that furloughed Conrail engineers may be required to take available positions on any of the post-Transaction railroads.

30. In addition to the concerns expressed above, BLE has concerns about Applicants' plans for operations of the so-called Shared Assets Areas. CSX and NS have not provided details as to how the SAAs will operate with three railroads in the same territories. Additionally, although Applicants have stated that the Conrail CBA will be applied in the SAAs, they have not explained how that agreement will actually be applied in these areas, and they certainly have failed to explain how the 401K part of the compensation package of that agreement will work when the residual Conrail will have substantially diminished revenues. Another concern with respect to the SAAs is that engineers assigned within the SAAs would have limited areas within which to work. While these employees should not be required to accept positions hundreds of miles from their homes in order to retain their *New York Dock* benefits, they should be able to exercise seniority outside these separate enclaves.

31. Finally, BLE believes that implementation of the Applicants' current plans is likely to have adverse effects on the safety of railroad operations. As is noted above, CSX has expressly stated that it plans huge seniority districts and both

CSX and NS have stated that they feel they must have the flexibility to assign engineers to wherever they are needed. These assertions echo those of the UP and UP practices that were heavily criticized by the FRA. The FRA noted that engineers on UP were working too many hours on erratic shifts. The plans described by CSX and NS pose similar dangers. Especially since the Applicants forecast significant increases in traffic.

32. Applicants have indicated that they plan only a minimal net increase in train and engine service jobs in response to the projected large increases in traffic; apparently they plan to handle the traffic by more "efficient" utilization of operating employees. But UP also planned to handle increased traffic with more "efficient" utilization of crews. If engineers are required to travel long distances to various terminals, to regularly work away from home, to travel or be transported long distances to reporting points, to fill in wherever needed on extra boards, there will be a greater likelihood that there will be engineers working too many hours, with erratic schedules on lines which they are qualified to work but with which they lack the desired level of familiarity. Moreover, plans to maximize use of a minimal number of engineers will also have the effect of greatly limiting the number of training runs engineers can take on new territory. Again the CSX experience with the EBOC of assignments of employees away from home to lines that they were not familiar



with, and of constant changes in assignments because of changes in seniority rankings and manpower shortages in various locations reinforces the UP experience and further demonstrates that these are very realistic concerns. Accordingly, many of the asserted justifications of Applicants for their plans to abrogate the Conrail/BLE agreement are not only unjustifiable on their own terms, they are also inconsistent with safe railroad operations. And implementation of the Transaction as planned would not be consistent with the public interest in safe railroad operations.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS  
TRUE AND CORRECT.

Oct 20, 1997  
Date

Clarence V. Monin  
Clarence V. Monin

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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Finance Docket No. 33388

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CSX Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corp. and Norfolk  
Southern Ry. Co.--Control and Operating  
Leases/Agreements--Conrail Inc.  
and Consolidated Rail Corporation  
Transfer of Railroad Line by Norfolk  
Southern Railway Company to CSX Transportation, Inc.

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**DECLARATION OF FLOYD MASON**

I, Floyd Mason, declare under penalty of perjury, and pursuant to 28 U.S.C. § 1746, that the following is true, correct, and based upon personal knowledge.

1. Declarant is Vice President of the Brotherhood of Railroad Signalmen ("BRS"). BRS represents signalmen and communications workers of the major railroads in the United States including employees of the railroad subsidiaries of CSX Corp. and Norfolk Southern Corp. and of the Consolidated Rail Corp. ("Conrail"). CSX Corp. and its subsidiaries and affiliates, including CSX Transportation Inc. ("CSXT") are referred to collectively in this declaration as "CSX"; Norfolk Southern Corp. and its subsidiaries and affiliates including Norfolk and Western Ry. ("NW") and Norfolk Southern Ry. ("NSR") are referred to collectively in this declaration as "NS". BRS is participating in this proceeding with eight other unions

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2. The plan to acquire control and to divide Conrail is referred to in this declaration as the "Transaction"; the application and supporting documents filed by CSX and NS is referred to in this declaration as the "Application; and CSX, NS and Conrail are sometimes referred to collectively as "Applicants".

3. BRS is opposed to STB approval of the Transaction. The Conrail employees represented by BRS and other Conrail employees made numerous sacrifices in connection with the creation and operation of Conrail. Over the years, employment on the lines that were owned by Conrail's predecessors was reduced dramatically. And for many years before the privatization of Conrail and for some years thereafter, Conrail employees, including those represented by BRS, were paid at rates below the standard rates for the other freight railroads. Furthermore, BRS, like other rail unions, was required by Congress to substantially renegotiate the collective bargaining agreements ("CBA") that were in effect on Conrail's predecessor railroads; that effort resulted in new agreements produced through the give-and-take of collective bargaining where labor and management both made concessions and gains. Another result of this process was that agreements were updated, again for the benefit of both

parties. Conrail is now recognized as an efficient, effective and profitable railroad.

4. However, now that Conrail is profitable, CSX and NS want to divide it up while further reducing employment, and while eliminating many of the elements of the Conrail CBAs that are advantageous to Conrail employees that were arrived at by the collective bargaining process described above. As part of CSX/NS plan, although employees will lose work and CBA rights, Conrail shareholders have received an astounding premium on the price of their stock and Conrail executives will receive windfall separation benefits far in excess of what the railroads are statutorily required to provide for their employees. Given the grossly unjust balance of the benefits and losses of the Transaction, and given that Conrail currently provides more than adequate service, BRS opposes the Transaction.

5. BRS' opposition to the Transaction is in large part based upon its review of Applicants' proposed Operating Plans, the "Appendix A" to each plan and Applicants' responses to the ARU discovery requests. Review of those materials shows that a key element of the Transaction is the effort to eliminate or unilaterally alter Conrail CBAs, as well as to generally reduce labor costs through STB processes rather than through collective bargaining. As BRS reviewed the Operating Plans, it became apparent that CSX and NS have loaded in to their Plans all sorts

of changes which have nothing to do with removing restraints on their ability to consummate their acquisition of control of Conrail, and little to do with the ostensible public transportation goals of the Transaction (such as expanding their existing rail networks, increasing single line service, improving blocking and offering shorter and faster routings and better and more flexible routings). On the other hand, these planned changes have a lot to do with reducing employment and employee rights: that is transferring wealth from the employees to Applicants' shareholders and executives. CSX and NS seem to view approval of the Transaction as a vehicle to achieve unrelated labor relations goals. To them, any change which makes them more efficient is part of the Transaction, even if the change does not remove a barrier to their consummating the Transaction or otherwise relate to the alleged operational benefits of the Transaction, because they want to enhance the efficiency of post-Transaction operations. But the way for carriers to obtain efficiencies that require changes in CBAs is to bargain for them honestly, not to rely on a government agency to step in and give them what they want by regulatory fiat. Accordingly, to the extent that the Application is a vehicle for CSX and NS to obtain government sanction to reduce labor costs by altering employee rights in order to finance the windfalls realized by Conrail



shareholders and executives, and to maximize CSX and NS profitability, BRS opposes the Transaction.

6. If CSX and NS want to pursue their acquisition of control and division of Conrail without enlisting the STB as their agent for reducing their labor costs, BRS is prepared to respond. BRS urges CSX and NS to disavow their effort to obtain CBA changes by regulatory action. BRS will negotiate necessary and/or uniform changes to the CBA through Railway Labor Act ("RLA") processes. BRS will also, as both BRS and the carriers long ago agreed, negotiate, and if necessary arbitrate, under the Washington Job Protection Agreement ("WJPA") over necessary arrangements for selection of forces and assignment of employees made necessary by coordination of operations of their existing properties and the Conrail properties. Through WJPA processes CSX and NS can fully address their concerns about staffing coordinated operations notwithstanding prior seniority district limitations. Indeed, BRS will serve the carriers with a section 6 notice for such RLA negotiations and will advise the carriers that it is prepared to engage in collective bargaining, regardless of whether the carriers disavow their efforts to enlist the aid of the government in their contractual relations with the unions.

7. However, if the Applicants persist in their present course and if the STB decides to approve the proposed Transaction

as presented by CSX and NS, the Board should hold that the "rates of pay, rules, working conditions" and "other rights, privileges and benefits" of the employees of NS, CSX, and Conrail are protected absolutely by Section 11326 and, therefore, STB approval of a transaction does not sanction the carriers' imposition of entirely new collective bargaining agreements on the former-Conrail employees<sup>1</sup>. Further, the STB should state that those contractual provisions that are not inviolate may be changed only if necessary to obtain a non-labor related transportation benefit<sup>2</sup>. Finally, the STB should emphasize that its approval of the control transaction should not under any circumstances be construed as STB approval of the collective bargaining agreement changes in Applicants' operating plans, which were submitted along with the Application.

8. In their Operating Plans, NS and CSX have stated that they intend to apply the NS and CSX CBAs to the Conrail lines and facilities that they will own after the Transaction.

9. By imposing their own collective bargaining agreements on former Conrail BRS employees, NS and CSX would effectively abolish the BRS-Conrail employees' entire collective bargaining agreement, which necessarily contains many "rates of pay, rules, and working conditions" and "other rights, privileges and

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<sup>1</sup> *UTU v. STB*, 108 F.3d 1425, 1429-30 (D. C. Cir. 1997).

<sup>2</sup> *Id.* at 1429-30.

benefits." BRS urges the STB to inform the carriers that such a practice strikes at the very heart of Section 11326(a) and will not be countenanced. Furthermore, the STB should require that NS and CSX make a threshold showing of necessity in this proceeding before they receive explicit or implicit sanction to change a contract provision that is not a "rate of pay rule or working condition, or other right, privilege, or benefit."

10. Congress did not intend to place the burden on a union to show which collective bargaining provisions must be preserved when it imposed an obligation upon carriers to carry out their transaction in such a way that they preserve employee rights, privileges, and benefits. Accordingly, the BRS maintains that in order to change any provision of the BRS's collective bargaining agreement with Conrail, NS and CSX must show: (1) that the provision is not a rate of pay, rule, working condition or other right, privilege, or benefit, (2) the provisions of the new agreement preserve every rate of pay, rule working condition or other right, privilege or benefit found in the employees "existing collective bargaining agreements", and (3) modification of the existing collective bargaining agreement provisions is necessary to achieve a transportation benefit that could not be achieved otherwise, or to allow the Applicants to consummate the Transaction.

11. Since NS and CSX have persisted in their position that the approval of a transaction gives the controlling carrier the right to impose its own collective bargaining agreement on former BRS-Conrail employees and effectively eradicate all existing Conrail "rates of pay, rules, and working conditions" and "other rights, privileges and benefits," it has become necessary for me to identify for the STB some of the more important rates of pay, rules, working conditions and other rights, privileges and benefits that will be changed under CSX and NS proposals, and the consequences of those changes, if NS and CSX are permitted to impose their own collective bargaining agreements upon former Conrail-BRS employees.

12. The Conrail/BRS agreement specifies extensively and in great detail the kinds of tasks that are covered as signalmen work. Moreover, the Conrail/BRS Agreement contains a clause that preserves BRS work to BRS members in the event of a change of the type of technology used to perform that work. The agreement also contains a Saving Clause which states that any work that is being performed on the property of any former component railroad by employees represented by BRS will not be removed from BRS employees at the locations at which such work was performed by past practice or agreement on the effective date of the agreement. The scope and classification of the kinds of work that is signalmen work under the N&W Agreement and CSX Agreements



are not as current and consequently not nearly as extensive and specific as the Conrail/BRS Agreement. Furthermore, the loss of rights to particular types of work are property interests the loss of which not compensated under the *New York Dock* conditions and such changes are more appropriately addressed through the give and take of the collective bargaining process.

13. Conrail/BRS Agreement work scope and classification rules clearly constitute important rules and working conditions that must be preserved. The specificity of the Conrail/BRS scope and classification rules protects the BRS employees by limiting the carrier's ability to subcontract work thereby giving Conrail-BRS employees greater job security than they would have under the N&W and CSX agreements. If the Conrail employees were to be placed under N&W or CSX collective bargaining agreements, their ability to retain certain specific items of work would be diminished. Furthermore, the loss of rights to particular types of work are property interests the loss of which not compensated under the *New York Dock* conditions and such changes are more appropriately addressed through the give and take of the collective bargaining process.

14. Another important aspect of the BRS/Conrail CBA classification rules is that it provides for higher rates of pay for certain signalmen positions. Consequently an employee can, through experience obtain the ability to work at a higher rated,



and higher paying position. Because the N&W and CSX agreements do not include certain types of work in their work classification rules, BRS employees would no longer be entitled to perform those duties which are tied to the higher pay rates in the BRS/Conrail collective bargaining agreement. Conrail employees' ability to attain those higher rates of pay could be lost. A comparison of the pay grades on Conrail versus CSX and NS is attached hereto. While losses in earnings are compensated by the *New York Dock* conditions, the ability to obtain higher graded positions in the future is a property interest the loss of which would not be compensated under the conditions and such changes are more appropriately addressed through the give and take of the collective bargaining process.

15. Additionally, the BRS/Conrail CBA reserves certain electric catenary line and high voltage line work to employees represented by BRS; elimination of the Conrail agreement could affect the ability of BRS members to continue to do this work. And the loss of a right to particular type of work is a property interest not compensated under the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

16. The BRS/Conrail CBA reserves certain office engineer and material engineer work to employees represented by BRS; elimination of the Conrail agreement could affect the ability of

BRS members to continue to do this work. And the loss of a right to particular type of work is a property interest not compensated under the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

17. The BRS/Conrail CBA has seniority districts that are significantly smaller than those on the CSX and NS railroads. This minimizes the amount of time that Conrail signalmen are away from home. This also means that Conrail signalmen are very familiar with the lines and road crossings within their assigned territories, BRS believes that this has a very positive impact on the safety of railroad operations, the ability of employees to respond effectively to an emergency and to interact with local emergency officials. Moreover, CSX plans to include territories of its former Louisville & Nashville and Seaboard Coast Line railroads into its planned new seniority districts. Those properties are not even near the Conrail properties that CSX plans to acquire thus making Conrail and CSX signalmen cover lines completely unrelated to their current work territories. The loss of the ability to work closer to home is a property interest that is not compensated by the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

18. Conrail employees who were on the Conrail system as of April 1, 1976 are covered by the Supplemental Unemployment Benefits (SUB) Plan, which effectively provides employees with a \$25,000 reserve bank. A covered employee who is furloughed can use the reserve in a number of circumstances, including the following:

- (1) to receive supplemental unemployment benefits of \$42 a day in addition to regular railroad retirement unemployment benefits;
- (2) to reimburse him or her for relocation expenses associated with taking another position on the carrier;
- (3) to obtain vocational training or to pay for attending an accredited college or university.

NS and CSX have indicated that the SUB Plan benefits would no longer apply to those employees upon whom NS or CSX agreements will be imposed<sup>3</sup>. While the *New York Dock* conditions protect employees in the event of a transaction-related loss of earnings, they do not provide benefits for non-transaction-related losses such as furloughs due to declines in business.

19. Conrail signalmen are covered by a "401K" plan which includes an employer match; the CSX and NS plans do not obligate

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<sup>3</sup> Transcript of Robert Spenski at 188, 190; Transcript of Kenneth Peifer at 183-184.

an employer match. An employer match to 401K contributions is a property interest the loss of which is not compensated by the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

20. Additionally the Conrail/BRS CBA includes a Relocation Policy which provides Conrail signalmen with certain rights and benefits when an employee must relocate his or her residence in connection with a transfer of work. CSX and NS have no such policy. While the *New York Dock* conditions protect employees in the event of a transaction-related move, they do not provide relocation benefits for moves not related to a transaction and such a change is more appropriately addressed through the give and take of the collective bargaining process.

21. The Northeast Rail Service Act ("NERSA") established a Board known as the Special Board of Adjustment 880 to adjudicate claims of NERSA violations. Under NERSA, former Conrail employees working on the Metropolitan Transit Authority ("MTA"), the New Jersey Transit ("NJT"), and Southeastern Pennsylvania Transit Authority ("SEPTA") have the right to return voluntarily to Conrail. In addition, former Conrail employees working on MTA, NJT and SEPTA can return to Conrail at any time they become furloughed. According to CSX and NS, Conrail employees will lose those rights because they will be entitled to only those rights,

privileges, and benefits contained in the N&W and CSX Agreements<sup>4</sup>. The flowback rights are property interests the loss of which would not be compensated by the *New York Dock* conditions and such changes are more appropriately addressed through the give and take of the collective bargaining process.

22. Signalmen who travel would also lose substantial rights that exist under the BRS/Conrail agreement.

- a. Conrail signalmen are paid from the time that they report to a headquarters so that they are in pay status while they travel to a work site; whereas on NS and on CSX only a portion of the expense incurred is paid for travel to the work site.
- b. Conrail signalmen are paid for their actual expenses whereas CSX and NS signalmen receive fixed expense reimbursements.
- c. The BRS/Conrail agreement provides for single room accommodations whereas NS signalmen are required to share accommodations.

All of these rights of Conrail signalmen would be lost if the CSX and NS agreements are applied rather than the Conrail agreement. Various travel compensation rights of Conrail employees would not be covered by the *New York Dock* conditions and such changes are

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<sup>4</sup> Applicants' Answer to Allied Rail Unions' Interrogatory No. 8 (a).



more appropriately addressed through the give and take of the collective bargaining process.

23. Conrail maintains a signal trouble desk which is manned by signalmen, and signalmen place the calls to the field signalmen who are assigned to deal with any problem. This provides certain work opportunities for signalmen; additionally the field signalmen have the opportunity to communicate with trouble desk personnel who are actually familiar with signal systems. This makes it easier for the field signalmen to do their jobs; it also improves the safety and effectiveness of train operations by promoting expeditious and correct handling of signal problems.

24. The BRS/Conrail agreement also has a number of overtime rules that are advantageous to Conrail signalmen.

- a. Conrail signalmen are not obliged to respond to an overtime call; instead there is a negotiated procedure used to call signalmen who desire overtime work. On CSX and NS signalmen are subject to a variety of provisions.
- b. Conrail signalmen who are called in are guaranteed three hours of overtime whereas CSX and NS employees are guaranteed only two hour and forty minutes of overtime.

- c. Conrail signalmen are paid double time when required to work over sixteen hours or when they are called in on two consecutive rest days; NS and CSX signalmen have no similar rights to double time pay and only C&O CSX signalmen receive double time pay for work in excess of sixteen hours.

Loss of various of the overtime rights of Conrail employees would not be compensated by the *New York Dock* conditions and such changes are more appropriately addressed through the give and take of the collective bargaining process.

25. The BRS/Conrail CBA also contains a Rule which sets up a procedure for selecting a third doctor in the events of a dispute between employee and employer physicians in questions of physical qualification of the employee to hold a position. The N&W and CSX Agreements do not contain a comparable provision and the right to an impartial review would be lost if these agreements were applied to Conrail employees. This rule is a property interest the loss of which would not be compensated under the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

26. The Conrail/BRS CBA also contain important protections for employees who may be subject to disciplinary charges. Among other things, the Conrail disciplinary rule requires that

disciplinary charges be brought within a specified period of time and allow for deferral of a suspension in the case of a first offense with removal of the discipline if there is no subsequent discipline in a six month period, and it precludes removal from service pending investigation unless the retention of the employee would be detrimental to the employee or to others. This rule is a property interest the loss of which would not be protected under the *New York Dock* conditions and such a change is more appropriately addressed through the give and take of the collective bargaining process.

27. As is noted above except for changes in compensation, the *New York Dock* conditions do not provide protective benefits that compensate for the type of losses that will result from the changes in rules and working conditions and other rights, privileges and benefits. Also, the *New York Dock* conditions provide monetary protections for changes in compensation for only six years. Thereafter, changes in compensation are unprotected. Moreover, *New York Dock* conditions prohibit the types of CBA changes discussed above.

28. NS and CSX state that changing the employees' collective bargaining agreements is justified because it is inherently more efficient to apply their own collective bargaining agreements. BRS believes that such a claim is inadequate on its face. In any event, when pressed to identify

specific efficiencies they could only point to such alleged concerns as: (i) uniform payroll process; (ii) uniform training procedures; (iii) less fragmented seniority districts and more flexibility in assignment of employees; (iv) ease of contract administration and (v) promotion of a uniform claims and grievance appeals procedure. As will be discussed below, these so-called efficiencies are illusory or are not likely to be affected by continued application the BRS/Conrail collective bargaining agreements or by continued application of the various rules discussed above.

29. First, it is important to note that the justifications offered by CSX and NS for the elimination of the Conrail/BRS CBA are remarkably weak; they certainly do not rise to the level of showing that the BRS/Conrail CBA would prevent consummation of the transaction or even that its continuation would somehow impede or interfere with the asserted transportation benefits of the Transaction. Indeed these alleged justifications for elimination of the Conrail/BRS agreement are basically matters of convenience to the carriers and have nothing to do with any transportation goal of the Transaction.

30. To the extent that CSX and NS desire changes to the parties' CBAs, these changes do not rise to the level by which they would provide transportation benefits greater than any resulting from the application of the BRS/Conrail CBA. As

discussed below, the BRS/Conrail CBA would be no less efficient and would not impede or interfere with the transaction or its benefits any differently than the CSX and NS proposed changes. However, the BRS recognizes that CSX and NS are seeking these changes for reasons of convenience and for other internal goals not for any transportation benefits. For this reason, the BRS stands ready to negotiate over the proposed changes by CSX and NS. Only in this exchange between the parties can these previously bargained for property rights be properly and fairly modified.

30. The uniform pay process is just that—a uniform process for paying employees. Both CSX and NS administer multiple signalmen collective bargaining agreements and there is no uniform pay for all the employees covered by these agreements. Indeed, employees in the same craft and covered by the same collective bargaining agreement receive different pay depending on their job classification and the amount of overtime they work in a given pay period. Currently, CSX and NS administer close to 200 different rates of pay for its employees and adding the Conrail rates to this computerized system will not be a burden at all. In reality, CSX and NS will have to program their computers for each new Conrail employee regardless of the collective bargaining agreement that applies and it will be no more burdensome to program the Conrail rates into the payroll



systems. Furthermore, a uniform pay process does not advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction.

31. The claim that elimination of the BRS/Conrail Agreement will reduce the fragmentation of seniority districts and will allow more flexibility in the use of available forces is particularly weak since the rail unions agreed, as part of the 1936 Washington Job Protection Agreement, to bargain and even arbitrate about the assignment of forces and seniority issues associated with the assignment of forces in a coordination such as this.

32. The claim of efficiency from a uniform claims and grievance procedure is specious. CSX and NS both currently administer multiple agreements with BRS. These collective bargaining agreements do not contain the same claims and grievance procedure. In any event, refusing to apply the Conrail/BRS collective bargaining agreement in order to avoid administering a claims and grievance procedure that may be different than that in other agreements surely will not create an efficiency that justifies changing an entire collective bargaining agreement. Furthermore, a uniform claims and

grievance procedure does not advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction. If CSX and NS actually desire uniform claims and grievance processes system-wide, they can surely bargain about it under Section 6 of the Railway Labor Act.

33. BRS believes that the proffered justifications for other planned actions of CSX and NS are similarly deficient. For example, the Conrail/BRS CBA provides for signal construction gangs to work within a seniority district but allows such gangs to operate up to 50 miles across district lines. The Applicants have offered no evidence that Conrail has had any problem with this arrangement, but they insist that they must be able to use regional or system signal construction gangs. Even if they had shown that Conrail was unduly hindered by the current signal construction rules, they certainly could not show that eliminating those rules and adopting the CSX and NS signal construction gang rules was necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.

34. Similarly there is no basis for Applicants' claim that they need to consolidate signal shop work or signal control center work. Nor is there a basis of a claim by NS of need to contract-out the manufacture of signal bungalows. Applicants repeatedly referred to achieving economies of scale through facilities consolidations but such actions are not necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.

35. CSX's position that CSX-BRS CBAs must be applied on all of the Conrail property it acquires is particularly insubstantial since CSX is prepared to apply Conrail CBAs for operating employees in its planned northern district on the basis that that territory would be entirely Conrail territory and the train and engine service workers in that territory would be predominantly former Conrail employees. If CSX does not see a problem in continued application of Conrail CBAs for operating employees in the northern district then there is no reason that the BRS/Conrail CBA cannot be continued in the northern district.

36. Additionally, as I noted above, CSX plans to include territories of its former Louisville & Nashville, Seaboard Coast Line railroads and portions of Conrail that are not near CSX or NS into its planned new seniority districts even though those

properties are not even near the Conrail properties that CSX plans to acquire, but CSX has not shown how this change is necessary for it to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction. Even if one were to accept the premise that it is necessary for signal systems on nearby Conrail and CSX lines to be maintained under a single agreement within a single seniority district, the effort to include former L&N and SCL properties in the proposed districts is merely reflective of gluttonous abuse of this proceeding. CSX not only seeks this agency's sanction for unilaterally changing existing agreements and seniority districts in areas where Conrail's lines are located; CSX also wants to include its current property which is remote from the newly acquired lines. There is no basis for CSX to claim that the Transaction supports this change which has nothing to do with the Transaction.

37. CSX has also stated that there is a need for the signalmen seniority districts to be relatively co-extensive with the seniority districts of train and engine service employees. I am unaware of any basis for that claim and I am not aware of any situation on any railroad including CSXT where an effort is made to relate Signalmen seniority districts to train and engine service seniority districts. Moreover, CSX has not shown how

this change is necessary for it to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.

38. As stated above, the "rates of pay, rules, working conditions" and "other rights, privileges, and benefits" are "immutable" and, therefore, cannot be changed, regardless of any claimed justification. Other contract provisions can be changed only if necessary to obtain a non-labor related transportation benefit. The illusory justifications cited by NS and CSX clearly do not constitute the necessity showing that would justify changing the BRS/Conrail employees' collective bargaining agreement even if "rights, privileges, and benefits" were not involved. To the extent that changes are desirable to the railroads and to the extent that such changes could not have been properly served prior to the negotiation of the recent CBA, BRS will discuss such changes as provided by the provisions governing collective bargaining.

39. BRS is also concerned about aspects of Applicants plans that BRS believes will adversely affect the safety of rail operations. To begin with, BRS does not see how Applicants can maintain their signal systems with fewer signalmen or even the same number of signalmen, when the post-Transaction railroads will have essentially the same amount of track as the pre-



Transaction railroads, and Applicants will be running more and longer trains at faster speed using more complicated signal systems. Additionally, BRS believes that signal maintenance and thus safety are enhanced when signalmen work in smaller territories that are familiar to them, rather than over larger territories working less often in familiar areas. BRS also believes that safety is enhanced when signalmen know the local emergency and safety officers in the areas where they work. BRS also believes that continued maintenance of a signal trouble desk in Columbus, manned by signalmen, would aid CSX and NS signalmen in maintaining and repairing the signal system thus enhancing the safety of their operations. Finally in this regard, BRS believes that in their zeal for centralization and consolidation in order to obtain "efficiencies", CSX and NS have failed to recognize that centralization and consolidation can lead to safety problems because of lengthened response times and because employees may be less familiar with the territories for which they are responsible. Union Pacific failed to recognize these problems and BRS believes that they have contributed to UP's post-Transaction safety problems. Moreover, the UP experience, as referenced in national publications, is not showing that service is not necessarily improved but has in fact been reduced. Consequently, not only do the desire of CSX and NS to centralize and consolidate fail to justify many of the actions they have

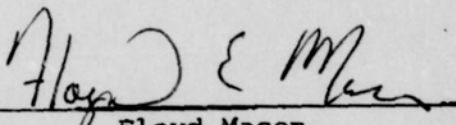
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planned, the UP experience undercuts their positions in regard to safety and service.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS  
TRUE AND CORRECT.

10-20-97

Date

  
Floyd Mason

**FLOYD MASON DECLARATION  
ATTACHMENT**

Conrail Pay Rates for Signalmen

Base Rates of Pay For Contract Years 1995 Thru 2000 - 1995 Agreement 7.1.2000

Effect Date	Adjustment	Increase	Helper	Trnee	Signlmn	Mtr	Mtr C&S	Mtr Test	Asst Insp	Fore	Insp	Tech	Spec
01-01-95			\$13.62	\$14.47	\$15.59	\$15.77	\$15.82	\$16.02	\$16.10	\$17.78	\$18.06	\$17.70	\$17.99
07-01-95	COLA	\$0.09	\$13.71	\$14.56	\$15.68	\$15.86	\$15.91	\$16.11	\$16.19	\$17.87	\$18.15	\$17.79	\$18.08
01-01-96	COLA	\$0.07	\$13.78	\$14.63	\$15.75	\$15.93	\$15.98	\$16.18	\$16.26	\$17.94	\$18.22	\$17.86	\$18.15
11-30-95	COLA Drop	(\$0.07)	\$13.71	\$14.56	\$15.68	\$15.86	\$15.91	\$16.11	\$16.19	\$17.87	\$18.15	\$17.79	\$18.08
11-30-95	\$0.09 COLA Roll-in		\$13.71	\$14.56	\$15.68	\$15.86	\$15.91	\$16.11	\$16.19	\$17.87	\$18.15	\$17.79	\$18.08
12-01-95	GW	3.5 %	\$14.19	\$15.07	\$16.23	\$16.42	\$16.47	\$16.67	\$16.76	\$18.50	\$18.79	\$18.41	\$18.71
O T Rate			\$21.28	\$22.60	\$24.34	\$24.62	\$24.70	\$25.01	\$25.13	\$27.74	\$28.18	\$27.52	\$28.07
					National Signlmn								
07-01-96	Comp Allow	3.00%	\$152.70	\$165.74	\$175.62	\$186.84	\$188.98	\$1,002.46	\$1,007.45	\$1,112.28	\$1,129.75	\$1,107.29	\$1,125.38
07-01-96	H & W Cont	(\$76.68)	\$776.02	\$829.06	\$898.94	\$910.10	\$913.30	\$926.78	\$930.77	\$1,035.60	\$1,053.07	\$1,030.81	\$1,048.70
07-18-96	Sign Bonus	\$400.00											
07-18-96	Skill Roll-In	\$0.65	\$14.19	\$15.07	\$16.23	\$17.12	\$17.32	\$17.41	\$19.15	\$19.44	\$19.06	\$19.36	
O T Rate			\$21.28	\$22.60	\$24.34	\$25.68	\$25.99	\$26.11	\$28.72	\$29.15	\$28.59	\$29.04	
07-01-97	GW	3.50%	\$14.69	\$15.60	\$16.80	\$17.72	\$17.93	\$18.02	\$19.82	\$20.12	\$19.73	\$20.04	
O T Rate			\$22.03	\$23.40	\$25.20	\$26.57	\$26.90	\$27.02	\$29.72	\$30.17	\$29.59	\$30.06	
07-01-98	Comp Allow	3.50%	\$1,051.10	\$1,116.27	\$1,202.13	\$1,267.91	\$1,283.25	\$1,289.38	\$1,418.18	\$1,439.65	\$1,412.05	\$1,436.28	
07-01-98	H & W Cont	(\$333.81)	\$717.29	\$782.46	\$868.32	\$934.10	\$949.44	\$955.57	\$1,084.37	\$1,105.84	\$1,078.24	\$1,100.47	
07-01-99	GW	3.50%	\$15.20	\$16.14	\$17.38	\$18.34	\$18.58	\$18.65	\$20.51	\$20.82	\$20.42	\$20.74	
O T Rate			\$22.60	\$24.21	\$26.08	\$27.50	\$27.84	\$27.87	\$30.76	\$31.23	\$30.63	\$31.11	
12-31-99	COLA Roll-in	\$0.49	\$15.69	\$16.63	\$17.87	\$18.83	\$19.05	\$19.14	\$21.00	\$21.31	\$20.91	\$21.23	
O T Rate			\$23.54	\$24.95	\$26.81	\$28.24	\$28.57	\$28.70	\$31.50	\$31.96	\$31.37	\$31.85	
07-01-2000	GW	3.50%	\$16.22	\$17.20	\$18.48	\$19.47	\$19.70	\$19.79	\$21.72	\$22.04	\$21.63	\$21.96	
O T Rate			\$24.33	\$25.80	\$27.72	\$29.20	\$29.55	\$29.68	\$32.58	\$33.06	\$32.44	\$32.94	
2nd 1/2 1995	Gross Wages		\$15,933.46	\$16,901.44	\$18,176.90	Based On	\$19,114.82	\$19,342.58	\$19,433.88	\$21,348.87	\$21,665.73	\$21,255.76	\$21,588.02
1997	Based On		\$30,031.40	\$31,893.30	\$34,346.83	2080	\$35,226.10	\$36,664.20	\$36,639.43	\$40,519.43	\$41,132.76	\$40,344.19	\$40,879.43
1998	2080		\$31,265.20	\$33,224.29	\$35,805.68	Straight	\$37,783.26	\$38,244.32	\$38,425.51	\$42,300.69	\$42,946.04	\$42,116.31	\$42,784.71
1999	Straight		\$31,082.50	\$33,006.57	\$35,546.76	Time Hrs	\$37,494.01	\$37,947.44	\$38,128.81	\$41,937.81	\$42,572.41	\$41,748.24	\$42,413.71
2000	Time		\$33,189.58	\$35,184.10	\$38,580.17	Plus Skill	\$39,825.51	\$40,294.80	\$40,482.52	\$44,424.63	\$45,081.64	\$44,236.91	\$44,917.39
Total	Hours		\$141,502.14	\$150,212.70	\$163,456.15	Adjustment	\$170,443.70	\$172,493.24	\$173,313.05	\$190,529.23	\$193,398.58	\$189,709.41	\$192,681.25
Conrail Base Rate % Increase 1-1-95 thru 7-1-2000			19.11%	18.83%	24.87%	23.48%	23.53%	22.86%	22.81%	22.14%	22.03%	22.18%	22.08%
Average Annual Percentage Increase			3.47%	3.43%	4.82%	4.26%	4.19%	4.17%	4.17%	4.03%	4.01%	4.03%	4.01%

Total and Average Percentages Vary Due to Roll-In of Skill Adjustment and COLA'S Signlmn and Maintainer Based on Classification Consolidation to Maintainer C&S



NORFOLK AND WESTERN RAILWAY COMPANY  
SIGNAL DEPARTMENT SYSTEM RATES

RATES EFFECTIVE JULY 1, 1997 (3.5% INCREASE)

BRS

JOB CODE	OCCUPATION	BASE HOURS CODE	RATE
401	Electronic Specialist	J	3784.39
404	Signal Test Man		17.33
405	Leading Signal Maintainer		16.89
406	Signal Maintainer		16.83
407	Signal Maintainer - PRR Only		16.89
408	Test Foreman	J	3600.96
410	Foreman - Signal Gang	K	3631.34
411	Lead Construction Gang Signalman		17.11
412	Construction Gang Signalman		16.96
415	Foreman - Signal Shop	J	3600.96
416	Leading Shop Signalman		16.99
417	Shop Signalman		16.83
420	Assistant Signalman - First Step		14.81
421	Assistant Signalman - Second Step		14.96
422	Assistant Signalman - Third Step		15.12
423	Assistant Signalman - Fourth Step		15.31

Code J = 213 base hours per month.

Code K = 195 base hours per month.

BRS0797



## CSXT SIGNALMEN PAY RATES

### Signalmen Pay Rates On The C&O Territory

Foreman:	\$3,577.76 per month
Inspector:	\$3,577.76 per month
Leader:	\$ 17.42 per hour
Leader (system construction gangs):	\$ 17.17 per hour
Signal Maintainer:	\$ 16.88 per hour
Signalman (gang):	\$ 16.80 per hour

### Signalmen Pay Rates On The B&O Territory

Foreman:	\$3,688.91 + skill on 211 2/3 hr. per month minus 15 hrs. paper work time
Signal Inspector:	\$3,990.19 + skill on 213 hr. per month
Leading Signalman:	\$17.03 + skill per hr.
Leading Maintainer:	\$17.27 + skill per hr.
Signal Maintainers: working independently	\$16.97 + skill per hr.
Signal and Other Signal Maintainers:	\$16.80 + skill per hr.
Assistant Signalmen:	\$14.89 to 15.18 per hr.
Prospective Assistant Signalmen (PAS):	\$14.75 per hr.
Retarder Technician (Ohio Div. only):	\$17.56 + skill per hr.

All rates as of July 1, 1997, skill is \$0.65, for all hours worked.

### Signalmen Pay Rates On The L&N Territory

System Foreman, Tester:	\$3,606.76 per month plus skill pay
District Signal Foreman:	\$3,564.49 per month plus skill pay
Signal Inspector:	\$3,835.96 per month plus skill pay
Signal Technician:	\$3,871.21 per month plus skill pay
Assistant Foreman:	\$ 17.69 per hour with skill pay
Lead Signalman:	\$ 17.57 per hour with skill pay
Signal Maintainer:	\$ 17.45 per hour with skill pay
Assistant Signalman:	
Step 4:	\$ 15.31 per hour
Step 3:	\$ 15.09 per hour
Step 2:	\$ 14.96 per hour
Step 1:	\$ 14.81 per hour

### Signalmen Pay Rates On The C&EI Territory

Signal Foreman:	\$3,688.92 per month plus skill pay
Signal Test Technician:	\$3,688.92 per month plus skill pay
Communication Tech.:	\$3,688.92 per month plus skill pay
Lead Signalman:	\$ 17.57 per hour with skill pay
Signal Maintainer:	\$ 17.45 per hour with skill pay

Assistant Signalman:

Step 4:	\$ 15.31 per hour
Step 3:	\$ 15.09 per hour
Step 2:	\$ 14.96 per hour
Step 1:	\$ 14.81 per hour

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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Finance Docket No. 33388

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CSX Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corp. and Norfolk  
Southern Ry. Co.--Control and Operating  
Leases/Agreements--Conrail Inc.  
and Consolidated Rail Corporation  
Transfer of Railroad Line by Norfolk  
Southern Railway Company to CSX Transportation, Inc.

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DECLARATION OF MAC A. FLEMING

I, Mac A. Fleming, declare under penalty of perjury, and pursuant to 28 U.S.C. § 1746, that the following is true, correct, and based upon personal knowledge.

1. I am the President of the Grand Lodge of the Brotherhood of Maintenance of Way Employees ("BMWE"). BMWE represents maintenance of way employees of the major railroads in the United States including employees of the railroad subsidiaries of CSX Corp. and Norfolk Southern Corp. and of the Consolidated Rail Corp. ("Conrail"). CSX Corp. and its subsidiaries and affiliates, including CSX Transportation Inc. ("CSXT") are referred to collectively in this declaration as "CSX"; Norfolk Southern Corp. and its subsidiaries and affiliates including Norfolk and Western Ry. ("N&W") and Norfolk Southern Ry. ("NSR") are referred to

collectively in this declaration as "NS". BMWWE is participating in this proceeding with eight other unions described for convenient reference as the Allied Rail Unions ("ARU").

2. The plan to acquire control and to divide Conrail is referred to in this declaration as the "Transaction"; the application and supporting documents filed by CSX and NS is referred to in this declaration as the "Application; and CSX, NS and Conrail are sometimes referred to collectively as "Applicants".
3. BMWWE is opposed to STB approval of the Transaction. The Conrail employees represented by BMWWE and other Conrail employees made numerous sacrifices in connection with the creation and operation of Conrail. The primary sacrifice was job losses throughout the Conrail system as Conrail implemented a plan to reduce trackage and eliminate what it considered "redundant" employees. Additionally, from 1981 to 1986, BMWWE-represented employees received wages approximately 12% below the rates paid to maintenance of way employees on other Class 1 carriers. Additionally, in 1982, pursuant to statutory direction in the Regional Railroad Reorganization Act and Northeast Rail Services Act, Conrail and BMWWE negotiated a single collective bargaining agreement. Conrail is now generally recognized as an efficient, effective and profitable railroad.



4. However, now that Conrail is profitable, CSX and NS want to divide it up while further reducing employment, and while eliminating many of the elements of the Conrail CBAs that are advantageous to Conrail employees that were arrived at by the collective bargaining process described above. As part of CSX/NS plan, Conrail employees represented by BMW will lose work and CBA rights.
5. Additionally, Applicants estimate that more than 500 maintenance of way positions will be eliminated. In short, over 500 maintenance of way employees will lose their jobs to reduce operating costs for the Applicants so that they can expand their systems, lower their operating costs to pay off the debt assumed for this Transaction, pay Conrail shareholders an astounding premium on the price of their stock, and pay Conrail executives windfall separation benefits far in excess of what the railroads are statutorily required to provide for their employees. The planned reduction in maintenance of way jobs to finance these gains for the Applicants, their shareholders and executives is unacceptable and demonstrates a grossly unjust balance of the benefits and losses of the Transaction.
6. Conrail currently provides more than adequate service, and there is no reason to assume that consummation of the Transaction will mean that service will improve for Conrail's customers, or that their rates will be reduced.

The Application repeatedly asserts that shippers will in fact benefit from improved service after the Transaction is consummated. However, much of what Applicants have said echoes assurances that were given by Union Pacific ("UP") in its Application to acquire control of the Southern Pacific, and the UP/SP transaction has not produced the promised service gains. To date the results of that transaction have been gridlock, employee deaths and injuries and a substantial erosion of operational safety. The situation on UP has reached the point where the Federal Railroad Administration ("FRA") intervened with a massive safety inventory of that carrier and shipper discontent with UP service has reached the point that this Board instituted an extraordinary proceeding to review UP's service problems. Nor is there evidence to show that the shippers in the UP/SP transaction (or any recent transaction) actually benefitted from the applicants' cost savings. In short, this Transaction will have significant adverse consequences for employees represented by BMWWE yet the public benefits are speculative, and recent experience suggests that they may be illusory. BMWWE therefore urges the Board to deny the Application.

7. BMWWE also submits that the STB should deny the Application because BMWWE submits that aspects of Applicants' plans will adversely affect the safety of rail operations. To begin

with, BMWWE does not see how Applicants can maintain their tracks, rights of way and structures with more than 500 less maintenance of way employees when the post-Transaction railroads will have essentially the same amount of track as the pre-Transaction railroads, and Applicants will be running more and longer trains at faster speeds. The increased traffic moving at greater speeds should require more, rather than fewer, maintenance of way employees. Additionally, BMWWE believes that track maintenance and thus safety are enhanced when maintenance of way employees work in smaller territories that are familiar to them, rather than over larger territories working less often in familiar areas as is planned by the Applicants. Finally in this regard, BMWWE believes that in their zeal for centralization and consolidation in order to obtain "efficiencies", CSX and NS have failed to recognize that centralization and consolidation can lead to safety problems because of reduced work forces, lengthened response times from centralized facilities and headquarters, and because employees may be less familiar with the territories for which they are responsible. Applicants have asserted that they can adequately maintain their trackage with fewer employees by greater use of large, programmed production gangs (Transcript of Peifer/Spenski deposition at 350), but this assumes that existing gangs have so much "down time" that

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they will easily be able to accomplish the work now performed by over 400 current Conrail track employees in addition to their current workload; there is no basis for such an assumption. And even if it could be assumed that CSX and NS could handle the current level of maintenance of way work with 400 fewer track workers, they certainly can not handle the amount of work necessary given their projected traffic increases with 400 fewer workers.

8. The FRA's recent safety audit of CSX supports BMW's safety concerns regarding this proposed transaction. The Executive Summary of the FRA's report, issued October 16, 1997, notes that "for decades the railroad industry has been characterized by a culture that engenders an adversarial relationship between management and labor . . . . [t]he significance of this culture as an impediment to maximizing safety performance is readily evident throughout the U.S. rail system." Summary at iii. The FRA criticized CSX as lacking a "fully consistent sound track program across all parts of its system." Id. at viii. Specifically, the FRA criticized CSX's track inspection, maintenance of its tracks and lack of oversight in properly implementing the Federal Roadway Worker Protection requirements. Id. This last point is especially critical to BMW because the Roadway Worker Protections were only recently adopted in response to a series of needless deaths and injuries suffered by



maintenance of way employees. The FRA's report clearly shows that CSX presently has substantial safety problems. A response to these problems will not be made easier by the acquisition and integration of Conrail trackage into the CSX system. (A copy of the FRA's executive summary is attached as Exhibit 1.)

9. Applicants have stated repeatedly that they place a premium on safe operations and would not compromise safety. But the same sort of assurances were given by UP. BMW submits that it is likely that the drive for labor cost reduction will overwhelm safety concerns. Indeed, the Applicants' description of their Operating Plans and their answers to ARU discovery requests reveal the premium placed on cost-cutting and consolidation notwithstanding readily foreseeable adverse consequences of the safety of post-Transaction operations. Again the UP experience is instructive here. UP was intent on handling more traffic with fewer employees, and on consolidating facilities and work forces; BMW believes that UP's drive for cost savings from reductions in employment and consolidations have contributed substantially to UP's post-Transaction safety and service problems. Consequently, the desire of CSX and NS to centralize and consolidate, and the UP experience demonstrate that the Board should deny the Application.

10. BMW's also opposes the Application given Applicants' proposed Operating Plans, the "Appendix A" to each plan and Applicants' responses to the ARU discovery requests which show that a key element of the Transaction is the effort to eliminate or unilaterally alter Conrail, CSX and NS CBAs, as well as to generally reduce labor costs through STB processes rather than through collective bargaining. CSX and NS have loaded in to their Plans all sorts of changes which have nothing to do with removing restraints on their ability to consummate their acquisition of control of Conrail, and little to do with the ostensible public transportation goals of the Transaction (such as expanding their existing rail networks, increasing single line service, improving blocking and offering shorter and faster routings and better and more flexible routings). On the other hand, these planned changes have a lot to do with reducing employment and employee rights: that is transferring wealth from the employees to Applicants' shareholders and executives. CSX and NS have stated that they plan to entirely eliminate the BMW--Conrail CBA, and every provision of that CBA on the Conrail territories allocated to them, even though they can not articulate any particular problem that the Conrail CBA or any of its particular terms allegedly poses for them.

11. However, CSX and NS labor relations officials did not even review the BMWF--Conrail CBAs. Peifer/Spenski deposition transcript at 358. In essence they took the position that they did not want to retain the BMWF--Conrail CBA because they believe multiple agreements are inherently inefficient, that one railroad should have one operation and hence one agreement. Peifer/ Spenski deposition transcript at 358 and 365; Orrison deposition transcript at 665-67; Mohan deposition transcript at 542; and Application Vol. 3A at 490-91. CSX and NS seem to view approval of the Transaction as vehicle to achieve unrelated labor relations goals. To them, any change which makes them more efficient must be considered part of the Transaction, even if the change does not remove a barrier to their consummating the Transaction or even relate to the alleged operational benefits of the Transaction, because they want to enhance the efficiency of post-Transaction operations and they say that they believe that having multiple CBAs is fatally inefficient. Yet both CSX and NS currently have multiple CBAs with the BMWF, and Conrail has only one CBA with the BMWF. Consequently, continued application of the BMWF--Conrail CBA on the Conrail properties acquired by CSX and NS would not create a multiple agreement situation where there had been a single agreement. Instead, in connection with acquiring substantial new properties, CSX and NS would simply add to

the agreements that they currently have with BMW along the new properties that they acquire.

Moreover, the way for carriers to obtain efficiencies that require changes in CBAs is to bargain for them honestly, not to rely on a government agency to step in and give them what they want by regulatory fiat. To the extent that the Application is basically a vehicle for CSX and NS to obtain government sanction to reduce labor costs by altering employee rights in order to finance the windfalls realized by Conrail shareholders and executives, and to maximize CSX and NS profitability, BMW urges the Board to deny the Application.

12. By imposing their own collective bargaining agreements on former Conrail BMW employees, NS and CSX would effectively abolish the BMW-Conrail CBA, which necessarily contains many "rates of pay, rules, and working conditions" and "other rights, privileges and benefits." If the Applicants persist in their present course, and if the STB decides to approve the proposed Transaction as presented by CSX and NS, the Board should hold that the "rates of pay, rules, working conditions" and "other rights, privileges and benefits" of the employees of NS, CSX, and Conrail are protected absolutely by Section 11326 and, therefore, STB approval of a transaction does not sanction the carriers' imposition of entirely new collective bargaining agreements on the former-

Conrail employees. *UTU v. STB*, 108 F.3d 1425, 1429-30 (D. C. Cir. 1997). Finally, the STB should emphasize that its approval of the transaction should not under any circumstances be construed as STB approval of the collective bargaining agreement changes in Applicants' Operating Plans, which were submitted along with the Application.

13. Congress did not intend to place the burden on a union to show which collective bargaining provisions must be preserved when it imposed an obligation upon carriers to carry out their transaction in such a way that they preserve employee rights, privileges, and benefits. Accordingly, the BMWWE maintains that in order to change any provision of the BMWWE's collective bargaining agreement with Conrail, NS and CSX must show: (1) that the provision is not a rate of pay, rule, working condition or other right, privilege, or benefit, (2) the provisions of the new agreement preserve every rate of pay, rule working condition or other right, privilege or benefit found in the employees "existing collective bargaining agreements", and (3) modification of the existing collective bargaining agreement provisions is necessary to achieve a transportation benefit that could not be achieved otherwise, or to allow the Applicants to consummate the Transaction. No such showing has been made by the Applicants.



11. NS and CSX state that changing the Conrail maintenance of way employees' CBA is justified because it is inherently more efficient to apply uniform agreements, their own collective bargaining agreements. BMWWE believes that such a claim is inadequate on its face. Moreover, when pressed to identify specific efficiencies, they could only point to such alleged concerns as: (i) uniform payroll process; (ii) uniform training procedures; (iii) less fragmented seniority districts and more flexibility in assignment of employees; (iv) ease of contract administration and (v) promotion of a uniform claims and grievance appeals procedure. As will be discussed below, these so-called efficiencies are illusory or are not likely to be affected by continued application of the BMWWE/Conrail collective bargaining agreements.
12. First, it is important to note that the justifications offered by CSX and NS for the elimination of the Conrail/BMWWE CBA are remarkably weak; they certainly do not rise to the level of showing that the BMWWE/Conrail CBA would prevent consummation of the transaction or even that its continuation would somehow impede or interfere with the asserted transportation benefits of the Transaction. Indeed these alleged justifications for elimination of the Conrail/BMWWE agreement are basically matters of convenience for the carriers and have nothing to do with any transportation goal of the Transaction.

13. The uniform pay process is just that—a uniform process for paying employees. Both CSX and NS administer multiple collective bargaining agreements for maintenance of way employees and there is no uniform pay for all the employees covered by these agreements. Indeed, employees in the same craft and covered by the same collective bargaining agreement receive different pay depending on their job classification and the amount of overtime they work in a given pay period. In reality, CSX and NS will have to program their computers for each new Conrail employee regardless of the collective bargaining agreement that applies and it will be no more burdensome to program the Conrail rates into the payroll systems. Furthermore, a uniform pay process does not advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction.
14. The claim that elimination of the BMW/Conrail Agreement will reduce the fragmentation of seniority districts and will allow more flexibility in the use of available forces is particularly weak since the rail unions agreed, as part of the 1936 Washington Job Protection Agreement, to bargain

and even arbitrate about the assignment of forces and seniority issues associated with the assignment of forces in a coordination such as this.

15. The claim of efficiency from a uniform claims and grievance procedure is specious. CSX and NS both currently administer multiple agreements with BMWE. These collective bargaining agreements do not contain the same claims and grievance procedure. In any event, refusing to apply the Conrail/BMWE collective bargaining agreement in order to avoid administering a claims and grievance procedure that may be different than that in other agreements surely will not create an efficiency that justifies changing an entire collective bargaining agreement. Furthermore, a uniform claims and grievance procedure does not advance single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective that purportedly will be achieved as a result of the control Transaction. If CSX and NS actually desire uniform claims and grievance processes system-wide, they can surely bargain about it under Section 6 of the Railway Labor Act.
16. CSX's position as to application of its CSX-BMWE CBAs on all of the Conrail property it acquires is particularly insubstantial since CSX is prepared to apply Conrail CBAs for operating employees in its planned northern district on

the basis that that territory would be entirely Conrail territory and the train and engine service workers in that territory would be predominantly former Conrail employees. If CSX does not see a problem in continued application of the Conrail CBAs for operating employees in the northern district then there is no reason that the BMW/Conrail CBA cannot be continued in the northern district.

17. BMW believes that the proffered justifications for certain specific plans of the Applicants are similarly deficient.
18. CSX and NS insist that they must be able to use regional or system production gangs for programmed maintenance over the combined post-Transaction NS and CSX systems. However, they have not shown that Conrail was hindered by the existing rules under which Conrail programmed maintenance was done. And even if they had shown that their plan for regular maintenance was more efficient than the system used by Conrail, they certainly could not show that eliminating those rules and adopting the CSX and NS programmed maintenance rules is necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.
19. It must also be noted that CSX and NS sought authority to expand their use of regional and system gangs in the last

round of national bargaining under the RLA but they could not persuade BMW or a Presidential Emergency Board on this point and they ultimately settled on terms which restricted rather than expanded their ability to use regional and system gangs. Having failed to obtain the contractual changes they desired under the RLA, CSX and NS now seek this agency's sanction for changes that they could not obtain through collective bargaining and a Presidential Emergency Board; the Board should not act as their agent to achieve such changes.

20. Additionally, although CSX and NS assert that they must be able to use regional and system gangs to perform track maintenance work on the Conrail lines allotted to them, they have failed to explain why such a change would be necessary to the Transaction. They certainly have not shown how such a change would be necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.
21. It is curious that NS would maintain that it must have programmed production gangs operating over both former Conrail territory and NS' pre-Transaction territory when NS declined an opportunity to have such gangs operate over combined territories of NSR and N&W. Apparently NS viewed



the different rules requirements for the two carriers as advantageous in some way so it chose to keep N&W and NSR separate for programmed maintenance work purposes, but NS now contends that the N&W and the Conrail properties allocated to NS must be combined for these purposes. The inconsistency of NS' positions demonstrates that its claim is without merit.

22. Applicants have also failed to provide any meaningful justification for their position that they must create the large maintenance of way seniority districts they propose. In particular, CSX has proposed ludicrously large districts. It is bad enough that many maintenance of way workers must travel over hundreds of miles for work in regional and system gangs, but now CSX proposes that even maintenance of way workers performing routine work must become nomads traveling over multi-state areas to work wherever their presence is desired, instead of in areas near their homes where they are familiar with the lines that must be maintained. There is no justification for the Applicants' position in this regard. Again, they have not shown that such large districts are necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.

23. CSX's plan to include territories of its former Louisville & Nashville and Seaboard Coast Line railroads into its planned new seniority districts, even though those properties are not even near the Conrail properties that CSX plans to acquire, is particularly offensive. CSX has not even attempted to show how this change is allegedly necessary for it to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction. Even if one were to accept the premise that it is necessary for nearby Conrail and CSX lines to be maintained under a single agreement within a single seniority district, the effort to include former L&N and SCL properties in the proposed districts is merely reflective of gluttonous abuse of this proceeding. CSX not only seeks this agency's sanction for unilaterally changing existing agreements and seniority districts in areas where Conrail's lines are located; CSX also wants to include its current property which is remote from the newly acquired lines. There is no basis for CSX to claim that the Transaction supports this change which has nothing to do with the Transaction.
24. CSX has also stated that there is a need for the maintenance of way employees' seniority districts to be relatively co-extensive with the seniority districts of train and engine

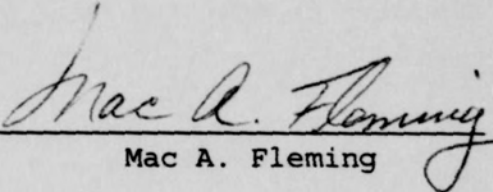
service employees. I am not aware of any basis for that claim, and I am not aware of any situation on any railroad, including CSXT, where an effort is made to relate maintenance of way employee seniority districts to train and engine service seniority districts. Moreover, CSX has not shown how this change is necessary for it to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.

25. Similarly there is no basis for Applicants' claim that they need to consolidate work equipment shops and rail welding facilities. Applicants repeatedly referred to achieving economies of scale through facilities consolidations, but such actions are not necessary for them to achieve single line service, better blocking, an expanded network reach, better and more flexible routings, shorter and faster routings, yard avoidance, or any other operational objective of the Transaction.
26. As stated above, the "rates of pay, rules, working conditions" and "other rights, privileges, and benefits" are "immutable" and, therefore, cannot be changed, regardless of any claimed justification. Other contract provisions can be changed only if necessary to obtain a non-labor related transportation benefit. The illusory justifications cited

workers since the furloughed Contrail employees could and should be used before any contractors are used to do this work.

**I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS  
TRUE AND CORRECT.**

Dated: 10/21/97

  
Mac A. Fleming

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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Finance Docket No. 33388

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CSX Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corp. and Norfolk  
Southern Ry. Co.--Control and Operating  
Leases/Agreements--Conrail Inc.  
and Consolidated Rail Corporation  
Transfer of Railroad Line by Norfolk  
Southern Railway Company to CSX Transportation, Inc.

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**DECLARATION OF WILLIAM G. MAHONEY**

**WILLIAM G. MAHONEY** hereby declares under penalty of perjury under the laws of the United States of America that the following is true and correct:

1. Declarant is an attorney licensed to practice law in the District of Columbia and before the bars of several federal courts, including the Supreme Court of the United States. Declarant has been a practicing attorney since 1950, specializing in labor and transportation law. Declarant first began to represent rail labor unions in 1952 when he became associated with the law firm of Mulholland, Robie & Hickey in Washington, D.C. In 1970, declarant founded the law firm of Highsaw & Mahoney, which subsequently has been renamed as Highsaw, Mahoney & Clarke, P.C. Since joining the Mulholland firm, declarant has represented rail labor unions before the federal courts, the Congress and before various federal agencies, including the Surface Transportation Board (STB) and the STB's predecessor, the Interstate Commerce Commission ("ICC" or "Commission").
2. Declarant has represented rail labor organizations in every major rail merger case before the Commission, and now before the STB, since 1952. Declarant has also represented rail labor organizations before the Congress in every major piece of legislation dealing with rail labor



since 1952, and he was the lead legislative attorney for rail labor in labor's dealings with the Congress on the Urban Mass Transportation Act of 1964, the Rail Passenger Service Act of 1970, the Regional Rail Reorganization Act of 1973 (3R Act), the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act), the Milwaukee Railroad Restructuring Act of 1979, the Rock Island Transition and Employee Assistance Act of 1980, the Staggers Rail Act of 1980, the Northeast Rail Service Act of 1981, and the Conrail Privatization Act of 1986. Declarant represented rail labor in aspects of the ICC Termination Act of 1995. Declarant has also represented various rail labor organizations in proceedings before the disputes resolution committee of the Washington Job Protection Agreement of 1936 (the WJPA Section 13 Committee), and in various arbitration fora established to resolve disputes under the conditions imposed by the ICC to protect employees affected by ICC approvals or exemptions of rail financial transactions.

3. Declarant, as a result of having represented rail labor organizations for over forty-five years in negotiations with carriers concerning rail mergers and other financial transactions, and before the Congress, the Courts, the ICC, and employee protection arbitration fora, is personally familiar with the manner in which employee collective bargaining rights were treated and considered in connection with rail financial transactions that were subject to ICC approval. Prior to 1983, it was the practice of those familiar with this industry, as well as the position of the Congress, the Commission, and arbitrators construing employee protective conditions that the employee protective conditions imposed by the Commission complemented, but did not conflict with or override, employee collective bargaining agreements or other employee employment rights. This concept that the two types of employee rights (collectively bargained and ICC imposed) were not in conflict was best expressed by the Commission in its decision on remand from the Supreme Court in *Southern*

*Ry.-Control*, 331 I.C.C. 151, 168-70 (1967), where the Commission addressed the railroads' contention that when the Commission imposed employee protective conditions pursuant to what is now § 11326(a), the immunity provision [what is now § 11321(a)] of the ICA's consolidation provisions "automatically relieve[d] them from the operation of all restraints, limitations, and prohibitions insofar as may be necessary to enable them to carry into effect the transaction approved by us, in accordance with the terms imposed. They [the railroads] conclude that section [i.e., § 11321(a)] thereby obliterates all requirements of the Washington [Job Protection] Agreement and the collective bargaining agreements." 331 I.C.C. at 168. The Commission rejected that contention (*Id.*) and it stated as follows in explaining its reasoning (331 I.C.C. at 169-70) (emphasis in original):

[U]nder section 5(2)(f), we impose formulae of protective conditions upon the carriers seeking specific permissive authority under section 5(2) of the act, the purpose being to protect the interests of employees some of which in a particular case may well have been established under bargaining agreements executed pursuant to the Railway Labor Act. Rights obtained by employees under section 5(2)(f) are the minimum protection which an applicant carrier must provide in order to obtain this Commission's approval of its transaction. They are not, however, the maximum rights employees may gain. . . . The rights of railroad employees under their collective bargaining agreements, under the Washington [Job Protection] Agreement, and under the protective conditions imposed upon the carriers under section 5(2)(f) are independent, separate, and distinct rights. We have historically recognized the independent nature of those rights and have distinguished the employee rights derived from collective bargaining agreements from those derived from conditions which we have imposed upon carriers. The rights under the former are based upon private contracts; those under the latter stem from our statutory duty to protect employees. . . . These protective conditions imposed upon carriers under section 5(2)(f) which provide affected employees compensatory protections for wages, fringe benefits and other losses are designed to apply after the carriers have arrived at their adjustments of the labor forces in accordance with the governing provisions of their collective bargaining agreements so that the carriers may be enabled to carry an approved transaction into effect.

4. Declarant is personally familiar with the manner in which the major rail merger and control transactions beginning with the 1959 *Norfolk & Western R.R.-Control-Virginian Ry.* case have been implemented. Indeed, declarant participated in the negotiation of the merger protection agreements for many of those major merger and control cases between 1959 and 1976, including the negotiation of what became Title V of the 3R Act. Between 1959 and 1970, beginning with the *Norfolk & Western Ry.-Control-Virginian Ry.* merger, labor and management executed "attrition" agreements in which the carriers participating in the merger or control transactions guaranteed their employees lifetime employment in exchange for the employees giving the carriers the contractual right to move employees and their work from one formerly independent railroad property to another throughout the merged or commonly-controlled systems. These agreements were the product of negotiations under the Railway Labor Act; they were not imposed by arbitration or by the Commission. They were voluntarily entered into because all parties to those negotiations assumed that without such an agreement, the existing collective bargaining agreements and the Railway Labor Act prohibited carriers from transferring work from one collective bargaining agreement to another. No one involved in those negotiations asserted that requiring a carrier to comply with its contracts and the Railway Labor Act somehow prohibited that carrier from merging or acquiring control as authorized by the Commission. Moreover, to declarant's knowledge, no one assumed during those negotiations that the carriers would somehow be relieved of their contractual obligations or the restraints of the Railway Labor Act by the Commission's approval of a merger or control application.

5. Congress also shared that view, for in 1973 it accepted as part of the 3R Act forming Conrail an agreement that had been negotiated by a committee which had been formed to negotiate

and submit to Congress for its consideration a statutory provision to replace the Penn Central attrition agreement. Declarant participated in those negotiations, which produced what became Title V to the 3R Act. When the committee reported to Congress, Graham Claytor, who was then the president of the Southern Railway System and one of the management representatives on the negotiating committee, testified on behalf of the management members of the committee. He stated that in return for the lifetime monetary benefits provided to employees by Title V, the Northeast railroads to be included in the new corporation had been given "the right to transfer [sic] people within their craft outside of their seniority district." *Hearings Before Surface Transportation Subcommittee of the Senate Committee on Commerce on S. 2188 and H.R. 9142, 93<sup>rd</sup> Cong., 1st Sess. at 972 (1973) (Testimony of G. Claytor)*. Mr. Claytor added (*Id.* at 972-73): "[T]his [ability to require people either to transfer or to separate] is terribly important as a practical matter because it means that attrition will work much, much faster. . . . Work can also be transferred freely. . . . [Y]ou may close a shop here and concentrate all the work in another shop there." He then stated that the freedoms to transfer work and employees "were the principal items that we felt, principal reasons that we felt this agreement made that really made this new corporation [Conrail] a viable thing . . . ." *Id.* at 973. There would have been no reason for the railroads to have entered into that agreement, or for Congress to have accepted it, if collective bargaining agreements and other employee rights were capable of being changed whenever the ICC, an administrative agency exercising a legislative power, approved a rail financial transaction.

6. Declarant is not aware of any rail merger or control transaction that was prevented from being consummated because a collective bargaining agreement or an employee right prohibited a carrier from exercising the authority that the Commission may have given it to merge or to acquire



control. Until 1983, especially under the attrition agreements, carriers consummating an ICC-approved transaction would typically agree that *after* the merger or control transaction was consummated, they would honor and apply, until changed by collective bargaining, the collective bargaining agreements that were applicable to the properties *before* the merger or control transaction was approved. See *Burlington Northern, Inc. v. ARSA*, 503 F.2d 58 (7<sup>th</sup> Cir. 1974), *cert. denied*, 421 U.S. 975 (1975). This enabled the carriers to exercise the authority given them by the Commission without facing the disputes and loss of employee morale and efficiency that would occur should collective bargaining agreements or employee rights be changed unilaterally or otherwise violated.

7. Continuing to honor the pre-merger contracts, moreover, did not prevent the carriers from consolidating their operations prior to 1983. In those situations where the carriers wished to coordinate or consolidate operations before the *New York Dock* conditions were promulgated in 1979, the carriers had the right to serve a WJPA Section 4 notice and the parties would negotiate agreements to facilitate those coordinations under Section 5 of the WJPA, or would arbitrate the implementing arrangement before the WJPA's Section 13 dispute resolution committee. Sometimes, the parties would agree to select the collective bargaining agreement to apply to the coordinated operation, but unless the parties *agreed* to such a change, the carrier could not unilaterally decide that one agreement would apply to the coordinated operations and the Section 13 Committee did not have the authority to change the rates of pay, rules or working conditions of the employees who would perform the coordinated work. Unless the parties agreed to expand the scope of the implementing agreements to cover work rules, the scope of those negotiations or arbitration before the Section 13 Committee was limited to applying the terms of the WJPA to the coordination and to devising the basis on which the forces to perform the coordinated work would be selected and



assigned. The employment terms for an employee selected to perform the coordinated work, absent an agreement to the contrary, would be the rates of pay, rules and working conditions that governed that employee *before* the coordination. Again, WJPA arbitrators did not have the authority to alter those employment terms, since their charge was to devise the basis on which the forces to perform the coordinated work would be selected and assigned. See Discussion in *Arbitration Between Norfolk & Western Ry./Illinois Terminal Co. and BLE/UTU* at 16-18 (Zumas, Feb. 1, 1982). Declarant is not aware of a single coordination, merger or control that was prevented from occurring because of the limited role that WJPA implementing arrangements played in mergers and controls prior to 1979.

8. That same practice continued after the Commission promulgated the *New York Dock* conditions in 1979 until late 1983 when the Commission reversed its long-standing position that its orders and protective conditions complemented and did not conflict with either collective bargaining agreements or the Railway Labor Act. See *Arbitration Between Norfolk & Western Ry./Illinois Terminal Co. and BLE/UTU* at 16-18. Indeed, both CSX and NS were formed and were able to exercise control under the *Southern Ry.-Control* view of the relationship between an ICC order and employee collective bargaining agreements and rights.

9. Declarant is aware of the applicants' operating plans and their intent to change the collective bargaining agreements and other employment rights of employees who may be affected by the splitting of Conrail. In declarant's opinion, CSX and NS can acquire and integrate portions of Conrail into their systems without changing the existing collective bargaining agreements or other employment rights of the affected Conrail, CSX or NS employees. As was done in the past, CSX

and NS can agree when they acquire the right to operate the Conrail properties that they will "preserve" the existing "rates of pay, rules, working conditions and all collective bargaining and other rights, privileges and benefits" (*New York Dock* conditions, Art. I, § 2) of the Conrail employees working on the properties they acquire; they can then use the WJPA implementing agreement process (which is incorporated into Article I, Section 4 of the *New York Dock* conditions), to negotiate an agreement, or, if necessary, to arbitrate an arrangement, to devise the basis upon which the forces to perform the coordinated work will be selected and assigned. By agreeing to act in the same manner as carriers acted prior to 1983, the applicants will be able to consummate their transaction and, at the same time, minimize the impact on employees. The carriers can then use the Railway Labor Act Section 6 process to negotiate any long term changes that they believe may be appropriate to make their consolidated operations more efficient. Such negotiations could begin at any time. Indeed, they could have begun and been completed before the STB finally acts in this case as occurred in many of the major mergers between 1959 and 1972. Declarant is not aware of any fact that would justify the conclusion that unless employee collective bargaining agreements and rights are overridden as the carriers propose, CSX and NS will be unable to acquire control over Conrail, to acquire portions of Conrail, or to operate the properties they so acquire.

**WILLIAM G. MAHONEY** hereby declares under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

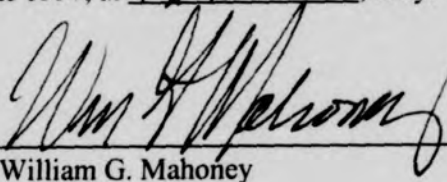
Executed this \_\_\_\_\_ day of October 1997, at \_\_\_\_\_, Italy.

\_\_\_\_\_  
William G. Mahoney

and NS can agree when they acquire the right to operate the Conrail properties that they will "preserve" the existing "rates of pay, rules, working conditions and all collective bargaining and other rights, privileges and benefits" (*New York Dock* conditions, Art. I, § 2) of the Conrail employees working on the properties they acquire; they can then use the WJPA implementing agreement process (which is incorporated into Article I, Section 4 of the *New York Dock* conditions), to negotiate an agreement, or, if necessary, to arbitrate an arrangement, to devise the basis upon which the forces to perform the coordinated work will be selected and assigned. By agreeing to act in the same manner as carriers acted prior to 1983, the applicants will be able to consummate their transaction and, at the same time, minimize the impact on employees. The carriers can then use the Railway Labor Act Section 6 process to negotiate any long term changes that they believe may be appropriate to make their consolidated operations more efficient. Such negotiations could begin at any time. Indeed, they could have begun and been completed before the STB finally acts in this case as occurred in many of the major mergers between 1959 and 1972. Declarant is not aware of any fact that would justify the conclusion that unless employee collective bargaining agreements and rights are overridden as the carriers propose, CSX and NS will be unable to acquire control over Conrail, to acquire portions of Conrail, or to operate the properties they so acquire.

**WILLIAM G. MAHONEY** hereby declares under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 20<sup>th</sup> day of October 1997, at FLORENCE, Italy.

  
William G. Mahoney

STB

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# TROUTMAN SANDERS LLP

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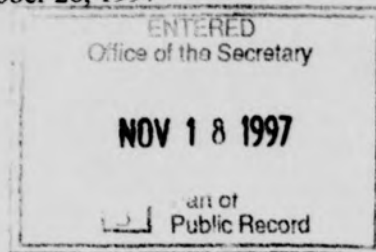
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William A. Mullins

October 28, 1997

## HAND DELIVERY

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW  
Room 711  
Washington, D.C. 20423



D

RE: Finance Docket No. 33388, *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*

Dear Secretary Williams:

Enclosed for filing in the above captioned docket are the original and twenty-five copies of the Reply of New York State Electric and Gas Corporation to CSX's and NS' Motion to Treat Responsive Application as Comments, Protests or Requests for Conditions (NYSEG-16).

The text of this pleading is contained on the enclosed 3.5-inch diskette. Please date stamp the enclosed extra copy of the pleading and return it to the messenger for our files.

Sincerely yours,

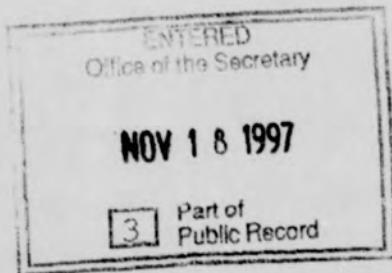
William A. Mullins  
Attorney for New York State Electric & Gas

Enclosures

cc: The Honorable Jacob Leventhal  
All Parties of Record



183958



**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

**FINANCE DOCKET NO. 33388**

**ORIGINAL**



**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**

**REPLY OF NEW YORK STATE ELECTRIC AND GAS CORPORATION  
TO CSX'S AND NS' MOTION TO TREAT RESPONSIVE APPLICATION  
AS COMMENTS, PROTESTS OR REQUESTS FOR CONDITIONS**

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**ATTORNEYS FOR NEW YORK  
STATE ELECTRIC AND GAS**

**November 18, 1997**

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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**FINANCE DOCKET NO. 33388**

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**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**

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**REPLY OF NEW YORK STATE ELECTRIC AND GAS CORPORATION  
TO CSX'S AND NS' MOTION TO TREAT RESPONSIVE APPLICATION  
AS COMMENTS, PROTESTS OR REQUESTS FOR CONDITIONS**

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On November 10, 1997, CSX and NS filed a "Motion To Treat Various Responsive Applications As Comments, Protests Or Requests For Conditions" (CSX/NS-148)("Motion"). CSX's and NS's Motion seeks the reclassification of four parties' responsive applications filed on or about October 21, 1997. One of those four parties is New York State Electric & Gas Corporation ("NYSEG"). NYSEG hereby replies in opposition to CSX's and NS's Motion.<sup>1</sup> NYSEG is only formally submitting support for why NYSEG's filing (NYSEG-14) should remain a responsive application and does not address the arguments relevant to the other three parties. In addition, Parts II and III of CSX's and NS's Motion are inapplicable to NYSEG.

**ARGUMENT**

CSX's and NS's motion must fail for a variety of reasons. First and foremost, there is nothing in the statute or the regulations that prevents a shipper, such as NYSEG, from filing a

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<sup>1</sup> Because CSX's and NS's Motion was filed on November 10, 1997 (although NYSEG did not receive it until November 12), under 49 C.F.R. § 1104.13, NYSEG has 20 days, or until December 1 to file a reply. However, because the Board is scheduled to publish its decision in the *Federal Register* on November 20, either accepting or rejecting NYSEG's responsive application, NYSEG wanted the Board to have the benefit of NYSEG's reply before the Board issues its decision.

responsive application and in doing so, NYSEG has complied with all of the Surface Transportation Board's ("Board")<sup>2</sup> requirements for the filing of a responsive application. Second, CSX's and NS's almost three month delay in objecting to NYSEG filing a responsive application should prevent them from raising their concern at this late date.

**I. NEITHER THE STATUTE, THE REGULATIONS, NOR BOARD PRECEDENT PREVENT A SHIPPER FROM FILING A RESPONSIVE APPLICATION.**

**A. NYSEG's Responsive Application Is Authorized By The Regulations**

The definition of a responsive application can be found in Title 49 of the Code of Federal Regulations, Section 1180.3(h). Responsive applications are defined as:

Applications filed in response to a primary application are those seeking affirmative relief either as a condition to or in lieu of the approval of the primary application. Responsive applications include inconsistent applications, inclusion applications, and any other affirmative relief that requires an application, petition, notice, or any other filing to be submitted to the Board (such as trackage rights, purchases, constructions, operation, pooling, terminal operations, abandonments, and other types of proceedings not otherwise covered). . . .

49 C.F.R. § 1180.3(h), as updated in *Railroad Consolidation Procedures – Modification of Fee Policy*, Ex Parte No. 556 (STB served May 5, 1997).

NYSEG filed its responsive application in response to the primary application filed by CSX, NS and Conrail on June 23, 1997 in *CSX Corp. and CSX Transportation, Inc., Norfolk Southern Corp. and Norfolk Southern Railway Co. – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corp.*, Finance Docket No. 33388 ("CSX/NS/Conrail"). NYSEG's responsive application seeks affirmative relief, as defined in § 1180.3(h), in the form of trackage rights. NYSEG's filing fits squarely within the regulatory definition. NYSEG's responsive application seeks trackage rights for either NS, or another as yet unnamed carrier, to

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<sup>2</sup> In the context of citing to precedent, the designation of the Board is used interchangeably with the Board's predecessor, the Interstate Commerce Commission.

reach NYSEG's Kintigh station, or, it seeks trackage rights for CSX, or another carrier, to reach NYSEG's Goudey, Greenidge and Milliken stations. Although NYSEG does not seek to actually operate these trackage rights itself, the requested relief is "affirmative" in that it seeks to have trackage rights awarded specifically to NYSEG and not to a carrier or another party.<sup>3</sup> It would then be NYSEG's choice as to who would be chosen to operate those trackage rights, which by definition would be over the lines of one of the Applicant carriers. In addition, and fully consistent with § 1180.3(h), once this choice is made, an application, petition, or notice of exemption must then be submitted to the Board prior to the implementation of those trackage rights.

CSX's and NS's argument that NYSEG's responsive application should be treated as "comments" because NYSEG does not seek authority to operate the requested trackage rights on its own behalf is simply wrong. As noted, while NYSEG itself may not actually operate the trackage rights, it does seek to have the right to choose to whom the trackage rights will be awarded. The determining factor for whether a responsive application is required is not who files it, but what type of relief is sought. A party that seeks a specific award of trackage rights to it over one of the lines of the Applicant carriers must file a responsive application. This principle was only recently reaffirmed by the Board when it noted that "[a]s a rule, conditions to our approval of the CSX/NS/CR transaction need not be sought in responsive or inconsistent applications, unless the person seeking the condition seeks authority for itself or an entity of its choosing to acquire or operate over lines of one of the applicants." *CSX/NS/Conrail*, Decision

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<sup>3</sup> Depending on the ultimate outcome of this entire proceeding, NYSEG could select the Somerset Railroad Corporation ("SRC"), which is a wholly owned railroad subsidiary of NYSEG, as the carrier to actually utilize the requested trackage rights. While SRC does own railcars and is a licensed Class III carrier, it does not have any crews or locomotives and currently conducts no actual railroad operations.



No. 29 at 3 (STB served Sept. 11, 1997)(emphasis added). This is exactly the type of affirmative relief that NYSEG has requested. *See also Rio Grande Industries, Inc., et al. – Purchase and Related Trackage Rights – Soo Line Railroad Co. Line Between Kansas City, MO and Chicago, IL*, Finance Docket No. 31505 (ICC served December 13, 1989)(Kansas City Southern Railroad Company was required to file a responsive application even if the requested trackage rights were only rights which were contingent on another event); *Burlington Northern Inc. and Burlington Northern Railroad Company—Control and Merger—Santa Fe Pacific Corporation and The Atchison, Topeka, and Santa Fe Railway Company*, Finance Docket No. 32549, (ICC served April 20, 1995)(ICC required the Southern Pacific Transportation Company, *et al.* to file a responsive application for optional trackage rights)(“BN/Santa Fe”).

CSX’s and NS’s Motion flies in the face of these decisions and is simply a backdoor attempt to have the Board reconsider Decision No. 29 in this proceeding without meeting the requirements of 49 U.S.C. § 722(c) or 49 C.F.R. § 1115.3(b) (Board actions and decisions may be reconsidered or appealed only if material error, new evidence, or substantially changed circumstances is shown). Indeed, if NYSEG had submitted its requested relief in the form of “comments,” you can bet that CSX and NS would have filed a motion to strike on the basis that NYSEG’s filing should have been filed as a responsive application.

B. NYSEG Has Complied With All Applicable Procedural Requirements Related To The Filing Of A Responsive Application And Its Application Should Thus Be Accepted

In determining whether any of the responsive applications in *Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company—Control and Merger—Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp. and The Denver and Rio Grande Western*



*Railroad Company*, Finance Docket No. 32760, ("UP/SP") or *BN/Santa Fe* would be accepted for consideration, the Board did not look at whether the applicant was a railroad or not; rather, the Board looked at whether the party was requesting "affirmative relief" and had substantially complied with the procedural requirements for responsive applications. As noted, NYSEG is seeking affirmative relief. NYSEG has also complied with the applicable regulations.

There are various procedural steps which a party must follow before filing a responsive application that will ultimately be accepted by the Board for consideration. The procedural requirements and timelines applicable to this particular proceeding were established in the Board's Decision No. 6, served May 30, 1997. NYSEG has followed each of those requirements.

Under Decision No. 6, a party wishing to file a responsive application was first required to file a description of the responsive application no later than 60 days after the Primary Application was filed. In addition, any petitions for waiver and/or clarification with respect to responsive applications were due by this same date. NYSEG met both of these requirements by filing both a description of its responsive application (NYSEG-4) and a petition for waiver and clarification (NYSEG-5) on August 22, 1997. Also, in Decision No. 6, the Board required all responsive applicants to submit certain environmental information no later than 100 days after the Primary Application was filed. Again, NYSEG fulfilled this requirement by filing a verified statement of no significant impact (NYSEG-13) on October 1, 1997. All three of NYSEG's filings were served on the Applicants. Parties merely intending to file "comments, protests, or requests for conditions," were not required to follow any of these pre-filing procedures.

The Code of Federal Regulations also provides guidelines for the procedural contents of a responsive application. See 49 C.F.R. § 1180.4(d)(4)(iii) ("Responsive applications shall comply

as fully as possible with appropriate Commission regulations.") The regulations provide that to the extent possible, responsive applicants must follow the procedural requirements of primary applicants in 49 C.F.R. § 1180 or seek a waiver and/or clarification of the portions which that specific responsive applicant would not have to comply. As stated above, NYSEG filed a petition for waiver and clarification (NYSEG-5) on August 22, 1997. The Board ruled on this petition in its Decision No. 29, served September 11, 1997. In NYSEG's petition, it sought and was granted a waiver of all requirements in 49 C.F.R. § 1180 which encompassed the inclusion of information from "applicant carriers" in their responsive application. CSX and NS did not oppose this request. Notably, the Board granted this waiver request upon the finding that the request was reasonable and in line with previous merger proceedings. Decision No. 29 at page 3. All other information required for responsive applications that was not waived was included in NYSEG's October 21 filing, NYSEG-14.

It is incontestable that NYSEG has fully complied with the procedural requirements for a responsive application which were not waived as part of the Board's Decision No. 29. In their Motion, CSX and NS do not even attempt to refute this fact. Indeed, CSX and NS do not point to one provision of the regulations applicable to responsive applicants that NYSEG did not follow. As a result, NYSEG's responsive application should be accepted. This is particularly true since under the Board's past precedent, responsive applications have routinely been accepted as long as the applicant has **substantially** complied with the applicable regulations.<sup>4</sup> Therefore, because NYSEG has complied with the procedural requirements for a responsive application, as

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<sup>4</sup> Even if NYSEG has overlooked some part of the procedural requirement, its responsive application should be accepted since NYSEG has at least substantially complied with the application regulations. See *Chicago, Milwaukee, St. Paul & Pacific Railroad Co. - Reorganization - Acquisition by Grand Trunk Corp.*, Finance Docket No. 28640 (ICC served May 24, 1984)(The Iowa Railroad Company's responsive application was conditionally accepted until they completed their application as directed).

stated above, and NYSEG has requested affirmative relief, NYSEG-14 should be accepted and considered by the Board.

C. Precedent Allows Shippers, Such As NYSEG, To File Responsive Applications

Neither the Board's regulations nor the statute require that the party seeking affirmative relief, such as trackage rights, must be a carrier. Indeed, recent precedent clearly indicates that either a shipper or a carrier can file a responsive application as long as such a party complies with all of the applicable procedural and regulatory requirements related to such a filing and such a party is seeking "affirmative relief" for itself.

Responsive applications have been filed by railroads and non-railroads alike for numerous years. This was most evident in the *BN/Santa Fe* proceeding. In *BN/Santa Fe*, six responsive applications were filed. These applications were filed by Western Fuels Service Corporation; Southwestern Public Service Company and Tuco Inc.; Seagrave, Whiteface and Lubbock Railroad Company; Keokuk Junction Railway; Houston Lighting and Power Company and Grainbelt Corporation. Four of these six responsive applications were not filed by railroads. In addition, of these six applicants, four were seeking relief for themselves and two were seeking relief in the form of rights for another party. Importantly, all six of the responsive applications were accepted for consideration by the Board regardless of whether the applications were filed by a railroad or a shipper. See *BN/Santa Fe*, Decision Nos. 22-27, 60 Fed. Red. 27780-27785 (May 25, 1995).

In the next major proceeding, *UP/SP*, a total of eight responsive applications were filed. These applications were filed by Capital Metropolitan Transportation Authority; Montana Rail Link, Inc.; Entergy Services, Inc.; Arkansas Power & Light Company and Gulf States Utility Company; Cen-Tex Rail Link, Ltd./South Orient Railroad Company, Ltd.; Wisconsin Electric

Power Company; Magma Copper Company, The Magma Arizona Railroad Company and the San Manuel Arizona Railroad Company; Alameda Historic Complex and the Texas Mexican Railway Company. Not all of these were filed by railroads. Of these eight responsive applications, four sought relief for themselves and the other four of the applications sought relief for another party. All but two of these responsive applications were accepted and considered. The two rejected responsive applications were filed by a non-railroad (Alameda Historic Complex) and a railroad (Cen-Tex Rail Link, Ltd./South Orient Railroad Company Ltd.). Importantly, the two responsive applications were rejected for only one reason: they did not follow the procedural requirements for a responsive application. *See UP/SP*, Decision No. 29, 61 Fed. Reg. 16282 (April 12, 1996).

CSX's and NS's argument that noncarriers should not be allowed to file responsive applications because some later proceeding actually implementing those trackage rights may be required is also misplaced and contrary to established precedent. The fact that a later proceeding may be required to actually implement the trackage rights that were granted to a shipper as part of that shipper's responsive application is nowhere mentioned in either the regulations or the statute as a prohibition to a shipper filing such a responsive application.

Indeed, the fact that the grant of trackage rights may require such a proceeding is precisely the triggering factor that separates "comments" from a request for "affirmative relief." As specified in 49 C.F.R. 1180.3(h), for a request to be "affirmative relief," it must be a request to be granted something, *i.e.* trackage rights, to a specific party, where that "something" requires the filing of an application, petition, or notice. If no such filing (proceeding) was required, NYSEG's request would not fit into the definition of "affirmative relief." The regulation makes no distinction as to the timing of the filing of the application, petition, or notice.



The Board has been fully aware of the possibility that such a later proceeding would be required, but nonetheless approved the practice allowing shipper's the right to file responsive applications. *See CSX/NS/Conrail*, Decision No. 29 at 3 (STB served Sept. 11, 1997):

Any matters not resolved in the present proceeding . . . would necessarily have to be resolved in a follow-up proceeding. The primary applicants would be allowed to consummate an approved transaction even if a follow-up proceeding has not been completed, or even though the trackage rights operation of a designated nominee might itself be delayed pending resolution of environmental or other issues.

This statement was also consistent with similar statements made in *BN/Santa Fe*, Decision No. 22 (ICC served May 4, 1995) and *UP/SP*, Decision No. 12 (STB served Feb. 15, 1996). CSX's and NS's arguments amount to a collateral attack on these decisions, as well as Decision No. 29 in this proceeding and as such, their arguments should be rejected.

## **II. CSX'S AND NS'S DELAY IN RAISING THEIR CONCERN SHOULD RESULT IN THE DENIAL OF THEIR REQUEST.**

As stated above, NYSEG filed a description of its responsive application and a request for waiver and clarification with the Board on August 22, 1997 as required under the Procedural Schedule set forth in Decision No. 6 in this proceeding. Then, on October 1, 1997, NYSEG filed its environmental and historical information as also required under the Procedural Schedule. Nearly three months have passed since NYSEG gave its first notice to CSX and NS of NYSEG's intent to file a responsive application. Since August, CSX and NS have known that NYSEG, as a shipper, was going to request trackage rights for a yet undetermined party as a condition to CSX's and NS's proposed break-up of Conrail. CSX and NS could have made a timely objection to NYSEG's intent to file a responsive application; they failed to do so. CSX and NS could have opposed NYSEG's petition for waiver and clarification; they didn't.



CSX and NS should not now be allowed to benefit from having failed to object in a timely fashion. Indeed, the Board has repeatedly stated that parties must make their objections and requests timely. See *CSX/NS/Conrail*, Decision No. 32 at 2 (STB served Sept. 12, 1997); *CSX/NS/Conrail*, Decision No. 34 at 2 (STB served Sept. 18, 1997). Just last week, the Board again reminded another party, to the benefit of the Applicants, that an untimely request will not be entertained. *CSX/NS/Conrail*, Decision No. 53 (STB served Nov. 10, 1997). Therefore, the Board must deny this untimely request of CSX and NS.

In addition to CSX's and NS's Motion being untimely, it would also be unfair to redesignate NYSEG's pleading at this late date because of the procedural harm which NYSEG would face as a result of this redesignation. NYSEG presented its case in chief with full knowledge of the difference between a responsive application and comments. NYSEG deliberately chose to undertake the more rigorous and costly regulatory requirements that responsive applicants must abide by and its October 21 submission was specifically tailored towards those requirements. Indeed, NYSEG made its filing with full knowledge that NYSEG would get a rebuttal. To deprive NYSEG of rebuttal, after it has filed in reliance upon that right, would deny NYSEG substantive due process.

The Board itself has acknowledged that parties, whether shippers or railroads, make a tactical decision as whether to file comments or a responsive application. In *UP/SP*, the Board stated that the movants "chose their means of presenting their arguments with knowledge of the restriction on rebuttal filings." *UP/SP*, Decision No. 31 at 3 (STB served April 19, 1996). Accordingly, the Board should not allow CSX and NS to succeed in their attempt to silence NYSEG by taking away NYSEG's chosen<sup>5</sup> tactic which includes the right to rebuttal. Every

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<sup>5</sup> As discussed previously, NYSEG believes that their responsive application is not just a chosen tactic but that prior precedent indicates that because NYSEG was seeking trackage rights


party in this proceeding knew or should have known the difference between responsive applications and comments when they entered this proceeding. CSX and NS have known since August that NYSEG intended to file a responsive application, yet have remained silent until the November 10 Motion. To redesignate NYSEG's responsive application as comments at this late date would result in a manifest injustice to NYSEG to the unjust enrichment of Applicants.

### **CONCLUSION**

CSX's and NS's Motion must be denied. Nothing in the statute or the regulations prevents a shipper, such as NYSEG, from filing a responsive application. In filing its responsive application, NYSEG has complied with all of the requirements for the filing of a responsive application. As such, NYSEG's responsive application is entirely consistent with precedent and should be accepted by the Board for consideration. Furthermore, CSX's and NS's delay in raising an objection to NYSEG filing a responsive application should prevent them from raising their concern at this late date.

Respectfully submitted, this 18<sup>th</sup> day of November, 1997.

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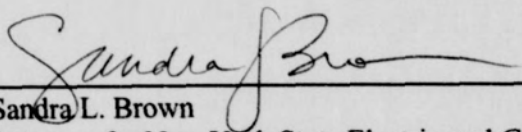
**ATTORNEYS FOR NEW YORK  
STATE ELECTRIC AND GAS**

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to be granted to it over the lines of one of the Applicant carriers, NYSEG was actually required to file a responsive application for the affirmative relief that it was requesting.

### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing "Reply Of New York State Electric And Gas Corporation To CSX's And NS' Motion To Treat Responsive Application As Comments, Protests Or Requests For Conditions" (NYSEG-16) was served this 18<sup>th</sup> day of November, 1997, by hand delivery to Applicants' representatives and to Judge Leventhal, and by first class mail to all parties of record in this proceeding.

A handwritten signature in cursive script, appearing to read "Sandra Brown", is written over a horizontal line.

Sandra L. Brown  
Attorney for New York State Electric and Gas