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BEFORE THE
SURFACE TRANSPORTATION BOARD

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

RAILROAD CONTROL APPLICATION

**APPLICANTS' REBUTTAL
VOLUME 3A OF 3**

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1 BEFORE THE
2 SURFACE TRANSPORTATION BOARD
3 Finance Docket No. 33388
4 CSX CORPORATION AND CSX TRANSPORTATION, INC.
5 NORFOLK SOUTHERN CORPORATION AND
6 NORFOLK SOUTHERN RAILWAY COMPANY
7 -- CONTROL AND OPERATING LEASES/AGREEMENTS --
8 CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION
9 RAILROAD CONTROL APPLICATION
10 Washington, D.C.
11 Wednesday, November 19, 1997
12 Deposition of D. MICHAEL MOHAN and JOHN
13 W. ORRISON, witnesses herein, called for
14 examination by counsel for the Parties in the
15 above-entitled matter, pursuant to agreement, the
16 witnesses being duly sworn by JAN A. WILLIAMS, a
17 Notary Public in and for the District of
18 Columbia, taken at the offices of Steptoe &
19 Johnson, L.L.P., 1330 Connecticut Avenue,
20 Washington, D.C., 20036-1795, at 9:10 a.m.,
21 Wednesday, November 19, 1997, and the proceedings
22 being taken down by Stenotype by JAN A. WILLIAMS,
23 RPR, and transcribed under her direction.
24
25

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1 Q. Well, you have a reference there to a
2 cost-effectiveness analysis and then you state
3 also that the system would have to be
4 beneficial. Is beneficial in that context a
5 safety related determination?

6 A. (Mr. Orrison) I would refer you to your
7 interrogatory No. 11 on page 13 of the handout
8 that you provided us, where we gave you a
9 response, CSX and NS will both use engineering
10 and financial analysis to determine system
11 efficacy relative to investment requirements.

12 Q. And that was a response specifically to
13 what you will do to determine cost-effectiveness
14 and that, in fact, is why I'm asking the
15 question. How does a determination of whether
16 the system is beneficial differ from a
17 determination of whether it's cost-effective?

18 A. (Mr. Orrison) Well, I'll give you some
19 examples of the difference maybe between
20 beneficial and cost-effective.

21 If you apply a system that doesn't have
22 a proven level of reliability, is that system
23 beneficial to the overall operations of the line
24 segment. If the system has a system failure
25 while you're operating, is that beneficial to the

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1 after 207. Would it be your purpose to have your
2 backup train, to the extent necessary, available
3 for that kind of fairly rapid departure as well?

4 A. (Mr. Orrison) We would anticipate
5 running backup trains literally one behind the
6 other so that they follow through on the same
7 type of dispatching priority as a scheduled
8 train. The number of instances on CSX when we
9 run second section trains, we operate the second
10 section in advance of the regular scheduled train
11 so that both trains meet their commitments at
12 destination in terms of the arrival of the time
13 of the train for connections.

14 Q. Okay. In your operating plan, Q163
15 stops at Little Ferry. And I assume it stops at
16 Little Ferry to add additional cars?

17 A. (Mr. Orrison) It's a pickup of traffic
18 as required.

19 Q. Okay. So Q163 and Q163A, if those were
20 the Eastern shuttle, it could be some other
21 designation, would both stop at Little Ferry as
22 necessary?

23 A. (Mr. Mohan) Yeah, hypothetically. In
24 the number of instances where you have an extra
25 section of a train, one train may not need to

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1 BEFORE THE
2 SURFACE TRANSPORTATION BOARD
3 Finance Docket No. 33388
4 CSX CORPORATION AND CSX TRANSPORTATION, INC.
5 NORFOLK SOUTHERN CORPORATION AND
6 NORFOLK SOUTHERN RAILWAY COMPANY
7 -- CONTROL AND OPERATING LEASES/AGREEMENTS --
8 CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION
9 RAILROAD CONTROL APPLICATION
10 HIGHLY CONFIDENTIAL

11 Washington, D.C.

12 Monday, August 11, 1997

13 Deposition of JOHN H. WILLIAMS, a
14 witness herein, called for examination by
15 counsel for the Parties in the above-entitled
16 matter, pursuant to agreement, the witness being
17 duly sworn by JAN A. WILLIAMS, RPR, a Notary
18 Public in and for the District of Columbia, taken
19 at the offices of Zuckert, Scoutt & Rasenberger,
20 L.L.P., Suite 700, 888 Seventeenth Street, N.W.,
21 Washington, D.C., 20006-3939, at 10:15 a.m.,
22 Monday, August 11, 1997, and the proceedings
23 being taken down by Stenotype by JAN A. WILLIAMS,
24 RPR, and transcribed under her direction.

25

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1 When I applied my standard logic which
2 effectively would have split the coal
3 terminations in Indianapolis equally between CSX
4 and Norfolk Southern postconsolidation, I
5 reviewed that with the coal department as to
6 validity. And they believed, given the type of
7 coal involved, that I had overstated their
8 expected diversion.

9 And so this is a special rule that
10 reduced the percentage diversion from 50 percent
11 down to 36 percent of the potentially divertable
12 traffic.

13 Q. Then the next diversion code is 919,
14 diversion from CP to CRC. What does that mean?

15 A. I think this was again an instance of
16 the model seeking to prefer the CRC or the New
17 York Central line's route over the CP route. And
18 so, in order to preclude that diversion of
19 traffic that really would be destined to the NS
20 system, we put in this special rule to prevent
21 the diversion to the New York Central line.

22 Q. Now, why would you want to prevent the
23 diversion?

24 A. Because it was a case of the model
25 predicting something that would happen that I

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1 Q. Now, I'd like to go to the top of page
2 77, where you talk about the Southwestern
3 exclusion territory. And could I just ask you to
4 explain the rationale for that move?

5 A. Yes. The rationale for that move as I
6 have already testified was the traffic
7 originating or terminating in the Southwestern
8 exclusion territory except for KCS traffic was
9 originated or terminated by either the Union
10 Pacific System or the BN/Santa Fe system.

11 And that diversion of that traffic away
12 from the St. Louis area gateways including St.
13 Elmo or Sidney in the case of the new Norfolk
14 Southern gateway or away from the Chicago gateway
15 to a Memphis or a New Orleans gateway would short
16 haul either the Union Pacific or the BN/Santa Fe
17 system. And such short hauls were considered
18 unlikely to occur. In other words, the two
19 Western carriers were not expected to concur in
20 routing changes that substantially short hauled
21 them.

22 Q. Okay. Do you have any prediction based
23 on your experience in the industry of what it
24 would require to induce BN or UP to be short
25 hauled?

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1 A. Consolidation with either the Norfolk
2 Southern/Conrail system or the CSX/Conrail
3 system.

4 Q. Wait a minute while I go call my
5 broker. Okay. And could I just ask you, I don't
6 want you to repeat, but I think, before, when you
7 were talking about the Kansas City Southern, when
8 we were talking about intermodal traffic going to
9 Meridian, would the Meridian linkup be the same
10 one that NS would employ if KCS originated the
11 traffic, again directing your attention to the
12 pop of page 77?

13 A. Well, yes. Most of the KCS traffic was
14 rerouted via Meridian unless it was a very
15 significant short haul of KCS. The Meridian
16 gateway is a very efficient gateway.

17 Q. Are you aware of any contractual
18 arrangements between NS and KCS that would tend
19 to make traffic flow via KCS or NS through
20 Meridian?

21 A. No. All I heard discussed was the
22 ability to provide high quality service over that
23 route because it was shorter.

24 Q. On the bottom of page 79, the last
25 bullet, I admit I couldn't quite take in your

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IN ADDITIONAL PARTS

November 7, 1997

Dennis G. Lyons, Esq.
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Re: 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.: STB Finance Docket No. 55388

Dear Mr. Lyons:

I am writing in response to CSX-68, CSX's First Set of Interrogatories and Requests for Production of Documents to American Electric Power Service Corporation ("AEPSC").

AEPSC objects altogether to CSX-68, and does not plan to respond to those requests other than via this letter. AEPSC's comments were limited solely to the issue of the potential loss of service at AEP's Cardinal Plant. See AEP-5, served October 20, 1997. AEPSC did not offer or join in any comments or evidence concerning switching charges, which is the sole subject of the Interrogatories and Requests for Production of Documents in CSX-68. Accordingly, CSX's discovery requests do not relate to any comments or evidence submitted by AEPSC, and AEPSC is therefore not obliged to respond to those requests.

Dennis G. Lyons, Esq.

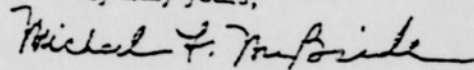
November 7, 1997

Page 2

Moreover, we assume that the submission of these discovery requests to AEPSC was simply a word processing or clerical mistake, since CSX-68 was not signed by you or any counsel for CSX.

Thus, CSX should not expect to receive responses from AEPSC to CSX-68.

Very truly yours,



Michael F. McBride

Brenda Durham

Attorneys for American Electric Power
Service Corporation

cc: The Honorable Jacob Leventhal
Restricted Service List

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
SURFACE TRANSPORTATION BOARD

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

RESPONSES OF
AMERICAN ELECTRIC POWER SERVICE CORPORATION
TO THE NORFOLK SOUTHERN'S FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS (NS-46)

American Electric Power Service Corporation ("AEP")
hereby responds to the First Set of Interrogatories and Requests
for Documents of Norfolk Southern (NS-46).

GENERAL RESPONSES

The following general responses are made with respect
to all of the requests and interrogatories.

1. AEP has conducted a reasonable search for
responsive information to respond consistent with the stated
objections. Except as objections are noted herein,¹ all
responsive information has been or shortly will be made available
for inspection and copying in AEP's document depository, which is
located at the offices of LeBoeuf, Lamb, Greene & MacRae, L.L.P.
in Washington, D.C.

¹Thus, any response that states that responsive documents
are being produced is subject to the General Objections, so that,
for example, any documents subject to attorney-client privilege
or the work product doctrine are not being produced.

2. Where objections have been raised as to the scope of the interrogatory, AEP is willing to discuss searching for and producing information covered by a more limited request or interrogatory taking account of the stated objections.

3. Production of information or documents does not necessarily imply that they are relevant to this proceeding, and is not to be construed as waiving any applicable objection.

4. In line with past practice in cases of this nature, AEP has not secured verifications for the answers to interrogatories herein. AEP is prepared to discuss the matter with requester if this is of concern with respect to any particular answer.

GENERAL OBJECTIONS

The following general objections are made with respect to all of the interrogatories. Any additional specific objections are stated at the beginning of the response to each interrogatory.

1. AEP objects to the production of, and is not producing, documents or information subject to the attorney-client privilege, the work product doctrine and/or the joint or common interest privilege.

2. AEP objects to the production of, and is not producing, documents prepared in connection with, or information relating to, possible settlement of this or any other matter.

3. AEP objects to the production of, and is not producing, public documents or information that is readily available, including but not limited to documents on public file at the Surface Transportation Board ("STB"), the Securities and

Exchange Commission ("SEC"), or any other government agency or court, or that have appeared in newspapers or other public media.

4. AEP objects to the production of, and is not producing, draft verified statements and documents relating thereto, in accordance with past practice in railroad control proceedings.

5. AEP objects to production of, and is not producing, information or documents that are as readily obtainable by the requester from its own files.

6. AEP objects to the production of, and is not producing, confidential or sensitive commercial information, including information subject to disclosure restrictions imposed by law, in other proceedings, or by contractual obligation to third parties, and that is of insufficient materiality to warrant production here even under a protective order.

7. AEP objects to the extent that the interrogatories seek information in a form not maintained by AEP in the regular course of business or not readily available in the form requested, on the ground that such information could only be developed, if at all, through unduly burdensome and oppressive special studies, which are not ordinarily required and which AEP objects to performing.

8. AEP objects to the interrogatories as overbroad and unduly burdensome to the extent that they seek information for periods prior to January 1, 1995.

INTERROGATORIES

Interrogatory No. 1:

For each of years 1995, 1996 and 1997 (to date), set forth the quantity of coal (in tons), and the origin(s) of such coal, delivered to AEP's Cardinal plant via each of the following modes:

(a) via the Wheeling and Lake Erie Railway following interchange with CSX;

(b) via the Wheeling and Lake Erie Railway following interchange with Conrail;

(c) via Conrail using trackage rights over the Wheeling and Lake Erie Railway;

(d) via barge;

(e) via truck.

Response:

See AEP-P-0001-0003, copies of which are being provided to Applicants' counsel and are being placed in AEP's document depository.

Interrogatory No. 2:

If, for any of the years 1995, 1996 or 1997 (to date), AEP's Cardinal plant has received any coal by means other than as listed in subparts (a) through (e) of Interrogatory No. 1, set forth the quantity of such coal received at AEP's Cardinal plant (in tons) in each of the years 1995, 1996 and 1997 (to date) by mode (and, if transported by rail, set forth each carrier involved), and the origin(s) of all such coal.

Response:

None.

Interrogatory No. 3:

For each of the years 1995, 1996 and 1997 (to date), for each mode of transport identified in Interrogatory No. 1 or in your response to Interrogatory No. 2, state the percentage of

the total tonnage of coal delivered AEP's Cardinal plant that was delivered via such mode.

Response:

	<u>Truck</u>	<u>Rail</u>	<u>Barge</u>
1995	1.04%	5.64%	93.32%
1996	2.32%	8.80%	89.58%
1997	0%	10.10%	89.90%

Interrogatory No. 4:

Set forth the quantity of coal (in tons), and the origin(s) of such coal, that AEP anticipates or contemplates receiving at its Cardinal plant in 1998 via each of the following modes:

(a) via the Wheeling and Lake Erie Railway following interchange with CSX;

(b) via the Wheeling and Lake Erie Railway following interchange with Conrail;

(c) via Conrail using trackage rights over the Wheeling and Lake Erie Railway;

(d) via barge;

(e) via truck;

(f) via any other mode (please specify such mode or modes; if by rail, set forth each carrier involved).

Response:

See AEP-HC-0001, a copy of which has been provided to Applicants' counsel and is being placed in AEP's document depository.

DOCUMENT REQUESTS

1. Produce all documents that relate to the subject of Interrogatory No. 1, or that support, reflect, refer to or in any way relate to, your response to that Interrogatory.

2. Produce all documents that relate to the subject of Interrogatory No. 2, or that support, reflect, refer to, or in any way relate to, your response to that Interrogatory.

3. Produce all documents discussing, memorializing, reflecting, referring to, or in any way relating to, the mode or modes of transport to be used for the delivery of coal to AEL's Cardinal plant in 1998 or thereafter.

Response to Document Request Nos. 1, 2 and 3:

Pursuant to an agreement with counsel for NS, these Document Requests are held in abeyance for further discussion without either AEP or NS waiving its rights under the Discovery Guidelines.

Respectfully submitted,

Michael F. McBride

Michael F. McBride
Brenda Durham
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Attorneys for American Electric
Power Service Corporation

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

CERTIFICATE OF SERVICE

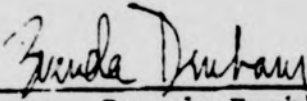
I hereby certify that I have served this 17th day of November, 1997, a copy of the foregoing "Responses of American Electric Power Service Corporation to Norfolk Southern's First Set of Interrogatories and Request for Production of Documents" (ACE-6) by first-class mail, postage prepaid, upon all parties on the Restricted Service List and by facsimile upon each of the following persons:

John V. Edwards, Esq.
Patricia Bruce, Esq.
Zuckert, Scoutt
& Rasenberger, L.L.P.
Brawner Building
888 17th Street, N.W.
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VIA FACSIMILE

Drew A. Harker, Esq.
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555 12th Street, N.W.
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Washington, DC 20036
VIA FACSIMILE


Brenda Durham

CARDINAL PLANT DELIVERIES - 1995

<u>VENDOR</u>	<u>MINE</u>	<u>TONS UNLOADED</u>
Barge - 1995		
Arch Coal Sales, Inc.	Arch of WV/Fanco	1,328,606.30
Arch Coal Sales, Inc.	Red Warrior	331,159.60
Ashland Coal Sales	Huntington R&R Dock	33,931.50
Ashland Coal Sales	Lockwood Dock	171,089.20
Ashland Coal Sales	Oglebay Norton Dock	137,200.20
Ashland Coal Sales	Ohio River Co. Dock	154,997.80
Electric Fuel Corp.	Kentucky Mines	437,251.20
Marietta Coal Co.	Bellaire Prep Plt	211,482.77
Windsor Coal Co.	Windsor Mine	1,039,829.58
Subtotal-Barge		3,845,548.15
Truck - 1995		
Glenn Brook Coal Co.	Glenn Brooke Coal Co.	42,737.82
Rail - 1995 (1)		
Bluegrass Coal	Evergreen	232,424.70
1995 TOTAL PLANT		4,120,710.67

(1) All rail tons shipped via the Wheeling and Lake Erie Railway following interchange with CSX.

CARDINAL PLANT DELIVERIES - 1996

<u>VENDOR</u>	<u>MINE</u>	<u>TONS UNLOADED</u>
Barge - 1996		
Arch Coal Sales, Inc.	Arch of WV/Fanco	667,295.80
Arch Coal Sales, Inc.	Red Warrior	608,295.15
Ashland Coal Sales	Huntington R&R Dock	57,266.60
Ashland Coal Sales	Lockwood Dock	196,971.07
Ashland Coal Sales	Ohio River Co. Dock	53,616.65
Ashland Coal Sales	Quarto/Powhatan #4	76,148.20
Consolidation Coal Co.	Quarto/Powhatan	222,346.80
Consolidation Coal Co.	Shoemaker Mine	73,347.20
Electric Fuel Corp.	Kentucky Mines	349,919.75
Marietta Coal Co.	Bellaire Prep Plant	496,771.26
Sands Hill Coal Co.	Sands Hill Coal Co.	84,942.10
Windsor Coal Co.	Windsor Mine	426,616.21
Subtotal-Barge		3,313,536.79
Truck - 1996		
Cravat Coal Co.	Rush Run Mine	2,974.50
Glenn Brooke Coal Co.	Glenn Brooke Coal Co.	63,096.87
Subtotal-Truck		66,071.37
Rail - 1996 (1)		
Bluegrass Coal	Evergreen	299,541.78
1996 TOTAL PLANT		3,699,149.94

(1) All rail tons shipped via the Wheeling and Lake Erie Railway following interchange with CSX.

CARDINAL PLANT DELIVERIES YTD 10/31/97

<u>VENDOR</u>	<u>MINE</u>	<u>TONS UNLOADED</u>
Barge YTD 10/31/97		
Arch Coal Sales, Inc.	Arch WV, Inc.\Tom's	151,441.92
Arch Coal Sales, Inc.	Arch of WV/Fanco	206,635.85
Arch Coal Sales, Inc.	Red Warrior	588,021.35
Arco Coal Co.	Black Thunder Mine	73,095.93
Ashland Coal Sales	McElroy Mine	6,528.50
Ashland Coal Sales	Quattri/Powhatan #4	349,451.50
Ashland Coal Sales	Shearnaker Mine	5,429.50
Electric Fuel Corp.	Kentucky Mines	334,486.14
Marietta Coal Co.	Bellaire Prep Plant	371,584.40
Sands Hill Coal Co.	Sands Hill Coal Co.	127,887.90
Windsor Coal Co.	Windsor Mine	316,142.90
Subtotal-Barge		2,530,715.89
Truck YTD 10/31/97		
NONE		
Rail YTD 10/31/97 (1)		
Anker Energy Corp	Juliana	9,176.55
Bluegrass Coal	Evergreen	270,373.52
Franklin Coal Sales Co.	Evergreen	4,640.00
Subtotal-Rail		284,190.07
YTD 10/31/97 TOTAL		2,814,905.96

(1) All rail tons shipped via the Wheeling and Lake Erie Railway following interchange with CSX.

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

AMERICAN TRUCKING ASSOCIATIONS, INC.'S RESPONSE TO CSX'S AND NS'
FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS

American Trucking Associations, Inc. ("ATA") hereby responds to the First Set of Interrogatories and Requests for Production of Documents of CSX Corporation, CSX Transportation, Inc. (jointly, "CSX"), Norfolk Southern Corporation, Norfolk Southern Railway Company, Conrail Inc. (jointly "NS"), and Consolidated Rail Corporation (collectively "Applicants") to ATA served on November 7, 1997 (the "Applicants Discovery Request").

GENERAL RESPONSES

The following general responses are made with respect to all of the interrogatories and document requests.

1. ATA has conducted a reasonable search for responsive documents and information to respond consistent with the stated objections. Except as objections are noted herein,¹ all responsive documents have been or shortly will be provided to Applicants consistent with the Discovery Guidelines.

2. Where objections have been raised as to the scope of the request or interrogatory, ATA is willing to discuss searching for and producing documents or information covered by a more limited request or interrogatory taking into account the stated objections.

3. Production of information or documents does not necessarily imply that they are relevant to this proceeding, and is not to be construed as waiving any applicable objection.

GENERAL OBJECTIONS

The following general objections are made with respect to all of the interrogatories. Any additional specific objections are stated at the beginning of the response to each interrogatory or document request.

1. ATA objects to the production of, and is not producing, documents or information subject to the attorney-client privilege, the work product doctrine and/or the joint or common interest privilege.

2. ATA objects to the production of, and is not producing, documents prepared in connection with, or information relating to, possible settlement of this or any other matter.

3. ATA objects to the production of, and is not producing, public documents or information that is readily available, including but not limited to documents on public file at the Surface Transportation Board ("STB"), the Securities and Exchange Commission ("SEC"), or any other government agency or court, or that have appeared in newspapers or other public media.

4. ATA objects to the production of, and is not producing, draft verified statements and documents relating thereto, in accordance with past practice in railroad control proceedings.

5. ATA objects to production of, and is not producing, information or documents that are as readily obtainable by the Applicants from their own files.

6. ATA objects to the production of, and is not producing, confidential or sensitive commercial information, including information subject to disclosure restrictions imposed by law, in other proceedings, or by contractual obligation to third parties, and that is of insufficient materiality to warrant production here even under a protective order.

7. ATA objects to the extent that the interrogatories seek information in a form not maintained by ATA in the regular course of business or not readily available in the form requested, on the ground that such information could only be developed, if at all,

¹ Thus, any response that states that responsive documents are being produced is subject to the General objection, so that, for example, any documents subject to attorney-client privilege or the work product doctrine are not being produced.

through unduly burdensome and oppressive special studies, which are not ordinarily required and which ATA objects to performing.

8. ATA objects to the interrogatories as overbroad and unduly burdensome to the extent that they seek information for periods prior to January 1, 1995.

INTERROGATORIES

1. Describe in detail all instances in which either CSX or NS has back solicited freight from an ATA member motor carrier or any other motor carrier in the manner described at pages 8-9 of ATA-6. Provide the names of the motor carrier involved, the shipper whose freight was back solicited, the dates and all of the relevant facts.

Response:

1. ATA objects to the premise of this request since the above reference to ATA-6 does not allege that "back solicitation" of freight has already occurred. ATA further objects on the ground that the requested information is available to and in the possession of the railroad that engages in such conduct. Throughout this proceeding, Applicants have objected "to the production of, and are not producing, information or documents that are as readily obtainable by the requester from its own files." See, e.g., CSX/NS-86 at 3.

2. Describe in detail all instances in which CSX or NS has discriminated against an ATA member motor carrier or any other motor carrier in the provision of intermodal services through channel management, retaliation or any other means. Provide the names of the relevant parties, dates and all of the relevant facts.

Response:

2. ATA objects to this request to the extent the terms "retaliation or any other means" are vague and ambiguous. ATA further objects to the premise of this request

since ATA has not alleged in this proceeding that price discrimination has already occurred. ATA further objects on grounds that the requested information is readily obtainable by the railroad that engages in such conduct. Throughout this proceeding, Applicants have objected "to the production of, and are not producing, information or documents that are as readily obtainable by the requester from its own files." See, e.g., CSX/NS-86 at 3.

3. State the number of intermodal shipments transported by ATA member carriers (or by all motor carriers if ATA member statistics are not available) in conjunction with CSX, NS and Conrail for each of the last three years for which such data is available.

Response:

3. ATA objects to this request to the extent that such information or documents are as readily obtainable by the Applicants from their own files. To the extent that the request relates to ATA member carriers, ATA further objects on the ground that it requires provision of information that is not in ATA's possession. Without waiving these objections, and subject to the General Objections set forth above, a documents is being provided.

4. For intermodal traffic involving only an ocean carrier and a motor carrier, which party is responsible for the inspection, repair and maintenance of the vehicle before the motor carrier moves the vehicle onto a highway in the United States? If the response would be different for each or any of a truck cab, chassis and container, state that fact and respond separately for each.

Response:

4. ATA objects to this request on the grounds of relevance and that the request calls for a legal opinion. ATA further objects to the extent the term "responsible"

is vague and ambiguous in that it is subject to multiple interpretations such as responsible under law or under contract.

5. The following appears at page 3 of ATA-6: "The motor carrier has no control over the maintenance and repair of this equipment and virtually no opportunity to inspect the railroad controlled equipment." Identify each instance in which an ATA member motor carrier was prevented by any of the Applicants from inspecting intermodal equipment before the ATA member motor carrier transported the equipment. For each instance identified, state the name of the motor carrier, the date of occurrence, the Applicant involved and the location of the occurrence.

Response:

5. ATA objects to this request on the ground that the requested information is available to or in the possession of the Applicants. Throughout this proceeding, Applicants have objected "to the production of, and are not producing, information or documents that are as readily obtainable by the requester from its own files." See, e.g., CSX/NS-86 at 3. ATA further objects that identifying "each instance" would require provision of information that is not in ATA's possession. Without waiving these objections and subject to the General Objections set forth above, based on the information provided in response to ATA's interrogatories, there is no apparent opportunity provided for drivers to adequately inspect such intermodal equipment. See NS Intermodal Operations Manual, NS-57-CO-00642 - 00643.

6. For the largest 15 ATA member motor carriers in terms of annual revenue, describe or identify the motor carrier's policies or programs regarding accepting intermodal equipment without inspecting the same for "roadworthiness" or "compliance with the federal regulations" as those two terms are used at page 4 of ATA-6.

Response:

6. ATA has no information responsive to the request.

7. For the same group of ATA member motor carriers described in the prior interrogatory, describe or identify that motor carrier's policy regarding inspecting intermodal equipment received from ocean carriers and railroads. If the response would be different for ocean carriers as opposed to railroads, state that fact and respond separately for each.

Response:

7. ATA has no information responsive to the request.

8. The following appears at page 6 of ATA-6: "As of 1990, of the 176,572 public crossings, over 110,000 had no active warning systems . . . , nearly 75,000 had no advance warning devices of kind; and at about 42,500 crossings, the crossbucks did not even meet uniform standards." Identify the documents or sources from which these numbers were derived. If the identified documents include reports, identify any updates to these reports.

Response:

8. A responsive document has already been provided to counsel for Applicant CSX. See ATA-P-00166 to ATA-P-00170.

DOCUMENT PRODUCTION REQUESTS

1. Produce copies of all documents, including but not limited to (a) correspondence exchanged between ATA and its members or constituent organizations (state associations or conferences), (b) questionnaires submitted by ATA to its members or constituent organizations and (c) internal ATA memoranda, that relate to ATA's decision to participate in this proceeding.

Response:

1. ATA objects to this request on the grounds that information relating to ATA's internal decision-making is commercially sensitive and of no relevance to the Board's decision or to any legitimate interests of the Applicants in this proceeding. ATA's interest in this proceeding is explained fully at pages 1-2 of ATA-6.

2. **Produce copies of all documents, including but not limited to (a) correspondence exchanged between ATA and its members or constituent organizations, (b) questionnaires submitted by ATA to its members or constituent organizations and (c) internal ATA memoranda, that relate to the decision of ATA to advocate the positions set forth in its October 21, 1997 comments filed in this proceeding (ATA-6).**

Response:

2. ATA objects to this request on the grounds that information regarding ATA's internal decision-making is commercially sensitive and of no relevance to the Board's decision or to any legitimate interests of the Applicants in this proceeding. ATA's interest in this proceeding is explained fully at pages 1-2 of ATA-6.

3. **Produce the 1996 Intermodal Terminal Survey referred to at page 4 of ATA-6. If a similar survey was conducted in 1995 or 1997, produce copies of such 1995 and 1997 surveys.**

Response:

3. A responsive document has already been provided to counsel for Applicant CSX. See ATA-P-00185 to ATA-P-00221.

4. **Produce all documents that relate to any legislative or regulatory efforts promoted, supported or considered by ATA or any of its constituent organizations with respect to (a) shifting responsibility for inspection, repair and/or roadworthiness of intermodal equipment used on the highways from motor carriers to other parties, including railroads, (b) prohibiting back-solicitation of freight by railroads, and (c) highway grade crossings.**

Response:

4. ATA objects to this request on the ground of relevance. Other activities of ATA are not at issue in this Control Proceeding. ATA further objects to the extent that the request calls for the production of documents from ATA's "constituent

organizations." Assuming that "constituent organizations" refers to "state associations" and "conferences," these organizations are autonomous and independent entities and are not parties to this proceeding. Furthermore, ATA does not control access to their internal documents or records. ATA further objects to the premise of Part (a) of the request in that ATA has not advocated "shifting" responsibility for roadworthiness of intermodal equipment to other parties in either a legislative or regulatory context. Without waiving these objections, and subject to the General Objections set forth above, responsive documents will be provided.

5. Produce all studies, analyses or reports that address the safety of intermodal highway equipment.

Response:

5. ATA objects to this request to on the ground of burden to the extent the request calls for the production of documents not in the possession of or under the control of ATA. Without waiving this objection, and subject to the General Objections set forth above, responsive documents will be provided.

6. Produce all studies, analyses or reports that address the safety, age and/or condition of intermodal equipment relative to other equipment used on the highways.

Response:

6. ATA objects to this request to on the ground of burden to the extent that it calls for the production of documents not in the possession of or under the control of ATA. Without waiving this objection, and subject to the General Objections set forth above, responsive documents will be provided.

7. Produce all of the reports from ATA members referenced at the bottom of page 8 of ATA-6 concerning the requirement that motor carriers supply the names of their customers to any of the Applicant railroads.

Response:

7. No records of such reports have been maintained for fear of retaliation by NS.

8. Produce all documents that demonstrate that the "back solicitation" discussed at pages 8-9 of ATA's comments has occurred.

Response:

8. See response to Interrogatory No. 1.

9. Produce all documents that demonstrate that the Applicants have discriminated against ATA members or any motor carrier in the provision of intermodal services.

Response:

9. See response to Interrogatory No. 2.

10. Produce all documents that relate to ATA's position, or that of any of its constituent organizations, with respect to "open access" or "competitive access" as those terms are used at page 15 of ATA-6, including any documents prepared by ATA in connection with legislative or regulatory policy proceedings, including without limitation possible or potential legislative or regulatory policy proceedings.

Response:

10. ATA objects to this request on the grounds that it is vague and ambiguous to the extent that it calls for the production of documents from ATA's "constituent organizations." Assuming that "constituent organizations" refers to "state associations" and "conferences," these organizations are autonomous and independent entities and are

not parties to this proceeding. Furthermore, ATA does not control access to their internal documents or records. ATA further objects to this request to the extent it relates to ATA's internal decision-making or matters unrelated to this proceeding. Such information is of no relevance to the determinations the Board must make or to any legitimate interests of the Applicants in this proceeding. Without waiving these objections and subject to the General Objections set forth above, ATA's position regarding "open access" in this proceeding is explained fully at pages 14-16 of ATA-6 and in the associated workpapers submitted to counsel for CSX.

11. Produce all studies, analyses, reports or questionnaires that refer or relate to the views of ATA or its member carriers or constituent organizations with respect to the use of intermodal services offered by railroads, including any documents that reflect the extent to which motor carriers use or market intermodal services.

Response:

11. ATA objects to this request on the ground that the terms "use of intermodal services" are vague and ambiguous. ATA further objects that the request is overly broad and to the extent that it requests documents not in the possession or under the control of ATA. Without waiving these objections and subject to the General Objections set forth above, responsive documents are being provided. See also response to Interrogatory 3.

12. Produce copies of all policy statements, position papers, memoranda, reports, analyses, studies or other documents that were prepared in connection with ATA's positions, or those of its constituent organizations, on matters relating to the economic or safety regulation of railroads.

Response:

12. ATA objects to this request of the grounds of burden and relevance.

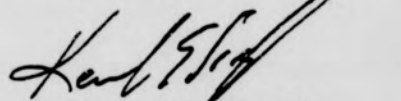
Activities of ATA, other than its participation in this proceeding, are not an issue before the Board. ATA further objects to the extent that the request calls for the production of documents from ATA's "constituent organizations." Assuming that "constituent organizations" refers to "state associations" and "conferences," these organizations are autonomous and independent entities and are not parties to this proceeding. Furthermore, ATA does not control access to their internal documents or records. ATA also objects that the request is overly broad and that "economic or safety regulation" is vague and ambiguous. The relevant positions and documents of ATA in regards to this proceeding are ATA-6 and its associated workpapers.

13. Produce all documents referenced in your answers to the above interrogatories 1 through 8.

Response:

13. See responses to Interrogatories 1 through 8.

Respectfully submitted,



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JAMES F. PETERSON
2200 Mill Road
Alexandria, Virginia 22314
(703) 838-1857

Counsel for
American Trucking
Associations, Inc.

November 24, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 24th day of November, 1997, I caused a true and correct copy of the above and within AMERICAN TRUCKING ASSOCIATIONS, INC.'S RESPONSE TO CSX'S AND NS' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS was served upon the following counsel by facsimile:


Drew A. Harker
Arnold & Porter
555 12th Street, N.W.
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David H. Coburn
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John V. Edwards
Patricia Bruce
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Gerald P. Norton
Harkins Cunningham
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Washington, D.C. 20036

and by first-class mail, postage prepaid, upon all other parties on the Restricted Service List.


James F. Peterson

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

AMERICAN TRUCKING ASSOCIATIONS, INC.'S RESPONSE TO
CSX'S AND NS' SECOND SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS

American Trucking Associations, Inc. ("ATA") hereby responds to the Second Set of Interrogatories and Requests for Production of Documents of CSX Corporation, CSX Transportation, Inc. (jointly, "CSX"), Norfolk Southern Corporation, Norfolk Southern Railway Company, Conrail Inc. (jointly "NS"), and Consolidated Rail Corporation (collectively "Applicants") to ATA served on November 12, 1997 (the "Applicants Discovery Request").

through unduly burdensome and oppressive special studies, which are not ordinarily required and which ATA objects to performing.

8. ATA objects to the interrogatories as overbroad and unduly burdensome to the extent that they seek information for periods prior to January 1, 1995.

INTERROGATORIES

1. Identify the source(s) for each number in the last paragraph of page 6 of the ATA Comments filed in this proceeding.

Response:

1. A responsive document has already been provided to counsel for Applicant CSX. See ATA-P-00166 to ATA-P-00170.

2. Identify each report which forms the basis for "reports from its members" in the first sentence of Section V at page 8 of the ATA Comments filed in this proceeding indicating: (a) the entity making the report; (b) the individual at the company responsible for making the report; (c) the date of the report; (d) the date the alleged practices were initiated; (e) a precise description of the practice in question; (f) a description of each document related to the practice in question.

Response:

2. No records of such reports have been maintained for fear of retaliation by NS.

DOCUMENT REQUESTS

1. Provide a copy of the ATA Intermodal Conference 1996 Intermodal Terminal Survey referenced in the second paragraph of page 4 of the ATA Comments.

Response:

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

AMTRAK'S RESPONSES TO NS'S AND CSX'S FIRST SETS OF
INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS

In accordance with 49 C.F.R. Part 1114, the National Railroad Passenger Corporation ("Amtrak") hereby responds to the First Sets of Interrogatories and Requests for Production of Documents propounded separately by Applicants CSX Corporation and CSX Transportation, Inc. (collectively "CSXT") and Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively "NS"), on November 6, 1997.

GENERAL RESPONSES

The following general responses are made with respect to all of the interrogatories and requests:

1. Amtrak has conducted a reasonable search for responsive documents and information to respond, consistent with the stated objections.

2. Where objections have been raised as to the scope of the interrogatory or request, Amtrak is willing to discuss

NS Interrogatory 2. Identify the source and amount of funding currently authorized and appropriated for the development of high-speed passenger service on the Detroit-Chicago Corridor.

Response: Information regarding such plans will be placed in Amtrak's Document Depository.

CSX Interrogatory 1. Describe in detail all current plans for the development of high-speed passenger service on the 267-mile segment of the Empire Corridor between Hoffmans and Buffalo.

Response: Amtrak has no such "current plans," in the sense of operating or construction plans, decision papers, etc. As indicated in its Comments filed October 21, Amtrak wishes to cooperate with the State of New York in the development of high-speed passenger service, and believes it important that the Applicants' proposed transactions not interfere with or impede such development. However, Amtrak's discussions with the State regarding such service have been preliminary in nature.

CSX Interrogatory 2. Describe the source and amount of any funding currently authorized and appropriated for the development of high-speed passenger service on the 267-mile segment of the Empire Corridor between Hoffmans and Buffalo.

Response: No funds have to Amtrak's knowledge been authorized or appropriated for such service.

CSX Interrogatory 3. Describe in detail any plans by Amtrak to add additional trains on the 267-mile segment of the Empire Corridor between Hoffmans and Buffalo.

Specific Objection: Amtrak objects to this interrogatory as overbroad, insofar as it would call for the identification and description of every plan to add trains tempo-

rarily during peak holiday seasons, to run special trains, etc.

Response: Subject to and without waiving the foregoing objection, Amtrak states that it has no current plans for the addition of regularly-scheduled trains to the trains it presently operates over the referenced segment of the Empire Corridor.

CSX Interrogatory 4. Describe in detail all meetings, correspondence, or other communications, written or oral, between Amtrak and the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission ("VRE"), or internally within Amtrak, concerning delays of VRE trains caused by Amtrak Inter-city.

Specific Objection: Amtrak objects to this interrogatory as unreasonably burdensome and oppressive, in that it would on its face require examination of thousands of files for possibly-responsive communications, and interrogation of thousands of Amtrak employees regarding their oral communications with one another and with VRE employees.

Response: Without waiving the foregoing objection, Amtrak states that its personnel responsible for coordinating with commuter services in the Washington, DC area have daily telephone conversations with representatives of those services, including VRE, as well as with the freight railroads over which commuter trains operate, including CSXT. During such conversations VRE representatives have from time to time voiced concern over instances in

which VRE commuter trains were held to allow an Amtrak intercity train to pass through. Amtrak representatives have responded by explaining that the dispatching choices to which VRE objects are made by the freight railroad -- CSXT -- and not by Amtrak.

CSX Interrogatory 5. Describe in detail any plan by Amtrak to add an Amtrak station stop at Lyons, New York, and identify all studies or analyses concerning such a plan.

Response: Amtrak has no such plans, studies, or analyses.

CSX Interrogatory 6. Describe in detail any plan by Amtrak to add an Amtrak station stop at Dunkirk, New York, and identify all studies or analyses concerning such a plan.

Response: Amtrak has no such plans, studies, or analyses.

CSX Interrogatory 7. Identify all agreements between Conrail and Amtrak for the addition of an Amtrak station stop in Lyons, New York and/or Dunkirk, New York.

Response: There are no such agreements.

NS Document Request 1. Produce all documents supporting Amtrak's claim found on page 2 of NRPC-07 that NS's proposal to increase catenary clearances on a portion of the Northeast Corridor will exceed the estimate set forth in the Primary Application.

Response: See the answer to NS Document Request 4, *infra*.

NS Document Request 2. Produce all documents granting Conrail
- the 1976 Freight Service Easement referenced on page 3
of NRPC-07.

Specific Objection: Amtrak objects to this document request as needlessly burdensome, in that it seeks property conveyance documents that are of public record, and in that it seeks documents all of which are also in the possession of Applicant Consolidated Rail Corporation

Applicant Conrail, and available to CSX through Conrail.

Response: Without waiving the foregoing objection, Amtrak states that it is unaware of any responsive documents.

CSX Document Request 7. Produce all documents relating to all meetings, correspondence, or other communications, written or oral, between Amtrak and the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission ("VRE"), or internally within Amtrak, concerning delays of VRE trains caused by Amtrak Intercity.

Specific Objection: See the Objection to CSX Interrogatory 4.

Response: Without waiving the foregoing objection, Amtrak will place examples of train delay reports for VRE trains in its Document Depository.

CSX Document Request 8. Produce all documents referred to in your answers to Interrogatory Nos. 1 through 7.

Response: Without waiving its objections, Amtrak will place responsive documents, if any, in Amtrak's Document Depository.

Respectfully submitted,

NATIONAL RAILROAD PASSENGER
CORPORATION

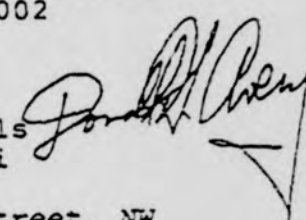
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OF COUNSEL:

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Date: November 21, 1997

Donald G. Avery
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SLOVER & LOFTUS
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(202) 347-7170



BEFORE THE
SURFACE TRANSPORTATION BOARD

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

APL LIMITED'S RESPONSES TO THE FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS BY CSX CORPORATION,
CSX TRANSPORTATION, INC., NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY TO APL LIMITED

APL Limited ("APL") responds to the First Set of Interrogatories and Requests for Production of Documents of CSX Corporation, CSX Transportation, Inc. ("CSXT"), Norfolk Southern Corporation and Norfolk Southern Railway Company ("NSR") (jointly referred to as "Applicants") to APL Limited served on October 31, 1997 (the "Applicants' Discovery Request").

APL believes the cost of these improvements to be substantial, but Conrail has not given APL the financial data concerning these costs.

INTERROGATORY NO. 2

With respect to the statement on page 16 of the Verified Statement of Timothy J. Rhein that section 2.2(c) "does not provide sufficient protections to APL in a contractual setting where its principal competitor, CSXT, also becomes an essential service provided for APL":

(a) Identify and describe the contractual provisions which APL would propose to provide such "sufficient protections."

(b) Identify any drafts, studies or other Documents relating to such contractual "sufficient protections."

Response:

(a) APL objects to Interrogatory No. 2 on the ground that it is ambiguous, in that: (i) neither CSXT nor NSR has specified to APL the service that it proposes to undertake for APL, which points each would serve, and the schedules each would provide; (ii) CSXT and NSR have refused to meet with APL to negotiate these issues and have instead advised APL that this matter is governed by section 2.2(c) of the Transaction Agreement; and (iii) APL does not know how, if at all, CSXT and/or NSR propose to replicate Conrail's current service to APL.

Without waiving any objection, and subject to the General Objections set forth above, APL responds as follows:

APL states that to the extent that CSXT and/or NSR will be a service provider in substitution for Conrail under the current contract between Conrail and APL (the "Conrail/APL Contract"), APL expects CSXT and/or NSR to agree to appropriate contractual provisions which will accord APL all of the rights and privileges which it enjoys under the Conrail/APL Contract, including the expectation that its service provider will cooperate with APL in the development of

new APL business in the same manner and to the same extent as Conrail does. With respect to CSXT, APL expects CSXT to agree to appropriate provisions which place APL on no less than equal footing with CSXT's affiliates CSX Intermodal, Inc. ("CSXI") and Sea-Land Service, Inc. ("Sea-Land") for all rate and service performance issues on existing contract traffic under the Conrail/APL Contract, and which also places APL on no less than equal footing with CSXI and Sea-Land for new business opportunities to, from, or between existing Conrail service points.

A key contractual provision sought by APL is the continuation of a most favored nation clause (the "MFN Clause") with CSXT and with NSR. The MFN Clause in the Conrail/APL Contract must be included in (although modified to address concerns relating to the partition of Conrail) and apply separately to individual contracts between APL and CSXT and APL and NSR.

APL further responds that a responsive document will be deposited in APL's document depository.

(b) See objections to Interrogatory 2(a). Without waiving any objection, and subject to the General Objections set forth above, APL responds that responsive documents, if any, will be deposited in APL's document depository.

INTERROGATORY NO. 3

With respect to the statement at page 13 of the Verified Statement of Alan C. Courtney that "We have many ideas of preserve APL's existing rights and still allow Applicants to pursue their division of Conrail".

- (a) Describe and identify all such ideas.
- (b) Have any such ideas been communicated to NS or CSX?
- (c) If the answer to item (b) of this Interrogatory is in the affirmative, identify any such communications.

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

**CHEMICAL MANUFACTURERS ASSOCIATION'S AND
THE SOCIETY FOR THE PLASTICS INDUSTRY, INC.'S
RESPONSES AND OBJECTIONS TO NORFOLK SOUTHERN'S
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS**

The Chemical Manufacturers Association ("CMA") and The Society for the Plastics Industry, Inc. ("SPI") submit the following responses and objections to the discovery requests served by Applicant Norfolk Southern on November 10, 1997.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

Interrogatory No. 11: If the response to Interrogatory Number 10 is affirmative, then identify which, if any, of the 6,492 movements which Mr. Williams found would not be reductions in Single System Service but which Mr. Grocki's study, at page 13 and Figure JG C-2 of Mr. Grocki's V.S., did conclude would be reductions in Single System Service.

Response: The 6,492 CMA movements categorized as not being reductions in single system service were factored into GRA's analysis. GRA found 6,600 additional movements which were single line service prior to the Conrail breakup and which will become CSX-NS interline movements after the break-up.

Mr. Williams' analysis was basically correct but the total affected carloads increased. GRA recomputed the reductions to single line service, considering the presence of all carriers at each station, as well as the designation of certain points to either CSX or NS by Mr. Williams which were previously unassigned because there was insufficient information from which GRA could determine which carrier(s) would serve the points after the Conrail break-up. GRA's total was reduced by considering other carriers already at the stations, but increased as a result of Mr. Williams identifying additional NS and CSX assignments to CR points.

Interrogatory No. 12: Explain what parameters constitute a "reduction in competition" as stated at page 5 and elsewhere in Mr. Grocki's V.S.

Response: "Reduction in Competition" is any case where a shipper's ability to negotiate favorable rates, routes, divisions, service, or any other commercial parameter for his traffic would be lessened by the Conrail break-up.

Interrogatory No. 13: Explain how, in Mr. Grocki's opinion, a reduction in competition would result in both instances for the following two traffic categories, as stated at page 5 of his V.S.:

(1) Current Conrail local traffic which will become NS/CSX interline traffic after the Conrail break-up.

(2) Traffic which is currently interline between Conrail and NS or CSX which, after the Conrail break-up will become NS or CSX local traffic.

Response: (1) A shipper which is currently a Conrail local shipper which, after the Conrail break-up, will become an NS-CSX interline shipper will suffer reduction in competition for two reasons:

(a) Prior to the Conrail break-up, this shipper would negotiate with a single carrier (Conrail).

After the Conrail break-up, the shipper will have to negotiate with two (monopoly) carriers for an interline movement. As competitors, CSX and NS have historically been reluctant to make competitive interline rates. In addition, the total cost of the movement will be higher than a Conrail single line haul; therefore, in the absence of conditions imposed by the STB, shippers will likely have to pay a higher rate.

(b) Both NS and CSX will tend to favor shippers with single line service over interline movements, particularly within Official Territory. Since many chemical and plastics products are commodity-like in nature (i.e., they are available from a number of sources), customers which, prior to the transaction, had the advantage of Conrail single line haul, will now find themselves in the position of being an interline move with potential competition from NS and CSX single line hauls. NS and CSX would tend to favor their own single line haul customers versus the CSX-NS interline move after the break-up.

(2) Traffic which is currently interlined between Conrail and NS or CSX which, after the Conrail break-up will become NS or CSX local traffic, currently could be routed via NS/Conrail or CSX/Conrail. In this case, the shipper has the benefit of competition at the origin (or destination) when he can negotiate between the two competing carriers. After the Conrail break-up, whichever carrier (NS or CSX) controls the local move, will effectively become a

monopoly carrier because it can control the service for the route thereby depriving the shipper of one competitive option.

Interrogatory No. 14: With reference to Figure JG C-2 of the Traffic Analysis included with Mr. Grocki's V.S., identify the number of carloads by Note which comprise the two traffic categories identified in Interrogatory Number 13.

Response: Traffic categorized as Item (1) in Interrogatory 13 was derived from Note 7 of Figure JG C-2 and is 6,600. Traffic identified in Interrogatory 13 as Item (2) is shown in Note 5 of Figure JG C-2 is 12,600 carloads.

Interrogatory No. 15: Identify in Figure JG C-2 of the Traffic Analysis included with Mr. Grocki's V.S., the number of carloads by Note which comprise the following traffic category, as stated at page 5 of his V.S.:

(3) Potentially divertible traffic, i.e., traffic which is currently originating or terminating at locations not on Conrail and which moves to/from a Conrail origin or destination which will be solely served by either CSX or NS after the merger and which will be potentially divertible from its current Conrail Gateway to the Memphis or New Orleans Gateway.

Response: This traffic category is included in Note 6b and comprised 43,400 carloads.

Technical Note: Please see CRDIVERT.XLS for chemicals traffic, and CRDIVE06.XLS for plastics traffic. These files list existing and potential gateways with state-to-state traffic flows. See programs in CRWS1007.W3 which create CRDIVE??CSV.

Interrogatory No. 16: For each of the shared asset areas listed on page 7 of Mr. Grocki's V.S., provide a summary of the carload originations and, separately, carload terminations for each shared asset area which he states: "... equals 105,000 cars a year of chemicals ..."

Response: The GRA analysis did not break down Shared Asset Areas or origin and termination traffic separately. To do so would require a special study.

BEFORE THE
Surface Transportation Board
WASHINGTON, D.C. 20423

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
--COMPANY AND OPERATING LEASES/AGREEMENTS--
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

STB FINANCE DOCKET NO. 33388

CHEMICAL MANUFACTURERS ASSOCIATION
AND
THE SOCIETY OF THE PLASTICS INDUSTRY, INC.'S
RESPONSES TO CSX CORPORATION AND
CSX TRANSPORTATION, INC.'S
SECOND SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS

The Chemical Manufacturers Association ("CMA") and The Society of the Plastics Industry, Inc. ("SPI") hereby respond to CSX Corporation and CSX Transportation, Inc.'s ("CSX") Second Set of Interrogatories and Requests for Production of Documents, CSX-83 and CSX-84, respectively.

GENERAL RESPONSES

The following ~~general~~ responses are made with respect to all of the Interrogatories and Requests in CSX-83 and CSX-84.

(c) Identify all documents that in any way relate to your response or that you consulted or reviewed in preparing your response to Interrogatory 9(a).

Response

9. Without waiving any objection, and subject to the General Objections stated above, CMA and SPI respond as follows:

- (a) CMA and SPI have made no such contention.
- (b) Not applicable.
- (c) None.

Interrogatory No. 10

(a) Is it your contention that the Board's decision in UP/SP Control, STB Finance Docket No. 32760, Decision #44, insofar as it relates to the switching fee cap there imposed, is binding precedent on the Board in the present Proceeding? State in detail all reasons for your response.

(b) If your answer to Interrogatory 10(a) is in any way affirmative, state whether this is the sole precedent upon which you rely to support your position.

(c) If your answer to Interrogatory 10(a) is in any way negative, identify any other precedent upon which you rely to support position.

(d) Identify all documents that in any way relate to your response or that you consulted or reviewed in preparing your response to Interrogatory 10(a).

Response

10. Without waiving any objection, and subject to the General Objections stated above, CMA and SPI respond as follows:

- (a) CMA and SPI have made no such contention.
- (b) Not applicable.
- (c) Not applicable.

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/AGREEMENT -
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

CHICAGO METRA'S RESPONSES
TO
CSX'S AND NS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

The Commuter Rail Division of the Regional Transportation Authority of Northeast Illinois d/b/a "Metra" hereby responds to the First Set of Interrogatories and Requests for Production of Documents of CSX and NS (CSX/NS-127), served November 6, 1997.

GENERAL RESPONSES

The following general responses are made with respect to all of the request of interrogatories.

1. Metra has conducted a reasonable search for documents responsive to NS/CSX's documents requests. Except as objections are noted herein,¹ all responsive

¹Any response that state that responsive documents are being produced is subject to the General Objections, so that, for example, any documents subject to attorney-client privilege or the work product doctrine are not being produced.

file at the Surface Transportation Board or any other government agency or court, or that has appeared in newspapers or other public media.

4. Metra objects to the production of, and is not producing, draft verified statements and documents related thereto.

5. Applicants object to the production of, and are not producing, information or documents that are as readily obtainable by NS or CSX from their own files or those of its personnel, counsel or consultants.

6. Metra objects to the extent that the requests seek documents containing confidential or sensitive commercial information, including information subject to disclosure restrictions imposed by law in other proceedings or by contractual obligation to third parties, and that is of insufficient materiality to warrant production here even under a protective order.

7. Metra objects to the requests to the extent that they seek documents or information in a form not maintained by Metra in the regular course of business and not readily available in the form requested.

8. Metra objects to the Definitions and Instructions to the extent that they seek to impose burdens or requirements that exceed those specified in the Discovery Guidelines that govern this proceeding.

RESPONSES TO SPECIFIC INTERROGATORIES

1. Prior to its efforts in this proceeding, has Metra sought to, or engaged in any efforts to, control the Forest Hill, Chicago Ridge or Belt Junction interlockings? If the answer with respect to any of these interlockings is yes, (a) describe such efforts in detail, (b) specify the dates on which such efforts have been pursued, (c) state the reasons given for seeking such control and (d) identify all documents relevant to those efforts.

Response: Metra has not engaged in any such efforts.

SPECIFIC RESPONSES TO DOCUMENT PRODUCTION REQUESTS

1. Produce all records of delays per Metra train for each month for the years 1995, 1996, and 1997 to date, including records reflecting the causes of such delays.

Response: See response to Interrogatory 2.

2. Produce all documents that describe the on-time performance rate experienced by Metra trains relative to the on-time performance rate experienced by other commuter agency trains in the United States.

Response: Metra objects to this request on the ground that the information is irrelevant to the standards and expectations which Metra and its riders have adopted. The success of commuter rail service in the Chicago metropolitan area is dependent upon Metra delivering service consistent with those expectations. The fact that other commuter systems or their riders may accept service at other standards is irrelevant to the conditions sought by Metra in this proceeding. However, notwithstanding the foregoing objection, Metra reviewed its files and they contain no documents responsive to this request.

3. Produce all documents concerning the proposed modernization of the Forest Hill Interlocking by CSX.

Response: Metra objects to this document request to the extent it seeks correspondence between Metra and CSX that are in the possession of CSX. None of the documents in this category contain notations by Metra employees or other third parties. Metra is producing copies of all other documents in its possession that concern the proposed modernization.

4. Produce all traffic studies or other analyses performed by or for Metra that address pos-acquisition delays at the Forest Hill, Chicago Ridge, Belt Junction and CP-518 interlockers.

Response: Metra does not possess any such documents.

5. Produce copies of all studies, including engineering and cost studies, prepared by or for Metra with respect to the proposed separation of the grade crossing at Belt Junction described at page 7 of the Stoner Verified Statement.

Response: Metra possesses no plans or studies responsive to this request.

6. Produce copies of all correspondence between Metra and any freight railroad concerning the proposed separation of the grade crossing at Belt Junction.

Response: Metra possesses no correspondence responsive to this request.

However, the separation has been the subject of discussions between representatives Metra and other freight railroad representatives.

7. Produce all documents that discuss or describe Metra train delays on the Southwest Service Corridor.

Response: See response to interrogatory 2.

8. Produce the 1989 letter agreement referenced on page 8 of Mr. Stoner's Verified Statement in which Conrail promised "to give priority to METRA/N&W commuter trains operating through CP-518."

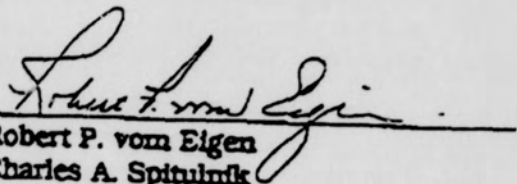
Response: A copy of the letter agreement is included in the document depository, and has been provided to NS/CSX.

9. Produce all documents identified in your answers to interrogatories 1 through 11 above.

Response: All such documents are being produced in accordance with those responses.

Respectfully submitted,

Michael Noland
General Counsel
Metra
547 West Jackson Boulevard
Chicago, Illinois 60610
(312) 322-6699

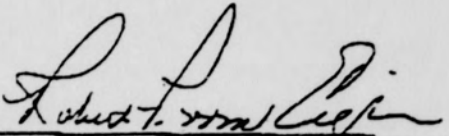

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Washington, D.C. 20006
(202) 835-8000

Attorneys for Metra

Dated: November 21, 1997

CERTIFICATE OF SERVICE

I, Robert P. vom Eigen, certify that on November 21, 1997, I caused to be served by hand delivery and first class mail, a true and correct copy of the foregoing Metra-8, Chicago Metra's Responses to CSX's and NS' First Set of Interrogatories and Requests for Production of Documents on all parties on the restricted Service List in STB Finance Docket No. 33388.


Robert P. vom Eigen

Dated: November 21, 1997

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Finance Docket No. 33388

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Interrogatory/Request No. 22: Produce all documents supporting the statement at page 18 of the Crowley VS that "these reductions are not attributable to Conrail's actual financial performance or a change in the intrinsic value of its assets."

Answer: Consumers hereby incorporates its Answer to Interrogatory/Request No. 11.

Interrogatory/Request No. 23: Produce all documents relating to the adjusted revenue adequacy calculations described at pages 19-20 and Table 11 of the Crowley VS.

Answer: Consumers hereby incorporates its Answer to Interrogatory/Request No. 15.

Interrogatory/Request No. 24: Produce all documents describing or identifying "the methodology used by the railroads in the BN/ATSF merger and the UP/CNW merger," and all documents supporting the statement that Mr. Crowley "followed the methodology used by the railroads in the BN/ATSF merger and the UP/CNW merger" as discussed at footnote 11 at page 11 of the Crowley VS.

Answer: Consumers hereby incorporates its Answer to Interrogatory/Request No. 16.

Interrogatory/Request No. 25: State whether Mr. Crowley's computation of modified CSX and NS URCS formulas to reflect "unit costs including the Conrail premium," as discussed at page 11 of the Crowley VS, included adjustments to reflect the impact of the increased traffic volumes, new routings and reduced expenses that CSX and NS have projected to result from the transactions proposed in STB Finance Docket No. 33388. If the response to this question is affirmative, explain in detail the methodology used by Mr. Crowley to incorporate such adjustments, and the impact of such adjustments on the CSX and NS URCS formulas.

Answer: Without waiving any objection, and subject to the General Objections, Consumers answers as follows:

Mr. Crowley's computation does not include the adjustments described in this Interrogatory/Request.

Interrogatory/Request No. 26: Produce all documents relating to the development of the data displayed in Exhibit TDC-6 to the Crowley VS.

Answer: Consumers hereby incorporates its Answer to Interrogatory/Request No. 16.

Interrogatory/Request No. 27: Produce all documents referring or relating to the transactions proposed in STB Finance Docket No. 33388, or to the actual or potential impact of such transactions on Consumers Energy Company, the electric utility and/or coal industries, or competition generally.

Answer: Consumers objects to this Interrogatory/Request on the grounds that the request for "all documents referring or relating to the transactions proposed in STB Finance Docket No. 33388" is overbroad and unduly burdensome.

Without waiving the foregoing or any other objection, and subject to the General Objections, Consumers answers as follows:

BEFORE THE
SURFACE TRANSPORTATION BOARD

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
—CONTROL AND OPERATING LEASES/AGREEMENTS—
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

STB FINANCE DOCKET NO. 33388

APPLICANTS' RESPONSES TO
ALLIED RAIL UNIONS'
THIRD SET OF INTERROGATORIES
TO APPLICANTS (ARU-16)

Applicants^{1/} hereby respond to the third set of discovery requests^{2/}
Applicants served by the Allied Rail Unions ("ARU" or "Requester").

GENERAL RESPONSES

The following general responses are made with respect to all of the requests
and interrogatories.

1. Applicants will conduct a reasonable search for documents responsive to the
requester's document requests. Except as objections are noted herein,^{2/} all responsive

^{1/} "Applicants" refers collectively to CSX Corporation and CSX Transportation
(collectively "CSX"), Norfolk Southern Corporation and Norfolk Southern Railway Company
(collectively "NS"), and Consolidated Rail Corporation and Conrail Inc. (collectively
"Conrail").

^{2/} Thus, any responses that state that responsive documents are being produced is
subject to the General Objections, so that, for example, any documents subject to attorney-

Interrogatory No. 157

State whether NS and CSX (and the SAAs) will recognize the "flowback" rights of Conrail employees to move between Conrail and Amtrak (flowback) under Section 1165 of the Northeast Rail Service Act, and without adverse consequences to the seniority rights of the employees involved? If a negative response or responses is/are given, explain the basis for the response/responses.

157. Without waiving any objection, and subject to the General Objections stated above, Applicants respond as follows:

To the extent these rights continue to exist and will continue to be applicable, CSX and NS intend to recognize the flowback rights.

Interrogatory No. 158

State whether NS and CSX (and the SAAs) will recognize the flowback rights of Conrail employees to move between Conrail and commuter agencies (MetroNorth, SEPTA, New Jersey Transit) under Section 1145 of the North East Rail Service Act and without adverse consequences to the seniority rights of the employees involved? If a negative response or responses is/are given, explain the basis for the response/responses.

158. Without waiving any objection, and subject to the General Objections stated above, Applicants respond as follows:

See response to Interrogatory No. 157.

Interrogatory No. 159

State whether NS and CSX (and the SAAs) will recognize the contractual rights of Amtrak Locomotive Engineers working in Amtrak Zones 3 and 4 who hold Conrail seniority to exercise flowback rights between Amtrak Zones 3 and 4 and Conrail.

159. Without waiving any objection, and subject to the General Objections stated above, Applicants respond as follows:

See response to Interrogatory No. 157.

Interrogatory No. 190

Do NS and CSX intend to provide the protection afforded Conrail employees under Title VIII (formerly Title V) of the Regional Rail Reorganization Act (Triple R Act)? if not, why not?

190. Without waiving any objection, and subject to the General Objections stated above, Applicants respond as follows:

No. Title V of the Regional Rail Reorganization Act of 1973 (3R Act) was the protection initially provided when Conrail was formed. Title VIII is not former Title V of the 3R Act. Title V was repealed by Section 1143 of NERSA and replaced with a new Title VII. Substantially all of Title VII has since been repealed or has expired by its terms.

Interrogatory No. 191

Will NS and CSX permit former Conrail employees covered by the Northeast Rail Service Act ("NERSA") who are now working on the Metropolitan Transit Authority ("MTA") and New Jersey Transit ("NJT") to exercise their rights under NERSA, and as codified in agreements, to return to positions on the former Conrail system?

191. Without waiving any objection, and subject to the General Objections stated above, Applicants respond as follows

See response to Interrogatory No. 157.

Interrogatory No. 192

Identify the portions of Seaboard Coast Line and Louisville & Nashville territories that CSX plans to include in the new seniority districts for signalmen that CSX plans to create (e.g. CSX answers to ARU first interrogatories nos. 63-64, 68). Your answer should address both planned general signalmen seniority districts and signalmen construction seniority districts.

192. Without waiving any objection, and subject to the General Objections stated above, CSX responds as follows:

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

CSX AND NS RESPONSE TO
NEW JERSEY TRANSIT CORPORATION'S
THIRD SET OF INTERROGATORIES
AND DOCUMENT REQUESTS

CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, and Norfolk Southern Railway Company¹ hereby respond to the New Jersey Transit Corporation's Third Set of Interrogatories and Document Requests to Applicants (NJT-10), served November 7, 1997.²

¹ CSX Corporation and CSX Transportation, Inc. are collectively referred to as "CSX", Norfolk Southern Corporation and Norfolk Southern Railway Company as "NS" and Conrail Inc. and Consolidated Rail Corporation as "Conrail". CSX, NS and Conrail are collectively referred to as "Applicants". The New Jersey Transit Corporation is referred to as "NJT" or "requester".

² As contemplated by the Board in Decision No. 44, the North Jersey Shared Assets Area Operating Plan was produced by CSX and NS and not by present Conrail. Accordingly, only CSX and NS respond to these interrogatories, which relate to the North Jersey Shared Assets Area Operating Plan.

burdensome to provide. Such information was not required or provided in the most recent major control cases, and no showing has been made here to warrant different treatment.

INTERROGATORIES AND DOCUMENT REQUESTS

INTERROGATORIES

Interrogatory No. 1:

At pages 5-6 of Railroad Control Application, Supplement to Volume 3, CSX/NS-119 ("NJSA Operating Plan"), Applicants state that "CSX and NS plan to maintain, for the most part, existing Conrail yard assignments and operations, as well as continue Conrail dispatching of the area, and retain Conrail (NORAC) operating rules within the NJSA." Please specify the length of time after Day 1 for which CSX and NS "plan to maintain" the:

(a) various assignments, operations, and dispatching referenced in the quoted statement; and

(b) NORAC operating rules within the NJSA.

Response:

Without waiving any objection, and subject to the general objections stated above, CSX and NS respond as follows:

(a) CSX and NS plan to maintain, for the most part, existing Conrail yard assignments, operations and dispatching into the foreseeable future. The only changes contemplated in yard assignments are those necessary to meet new customer requirements; operations, likewise, will follow customer and market needs. With respect to dispatching, CSX and NS intend to employ the existing dispatching rules and approach (e.g., dispatching assignments) into the foreseeable future.

(b) Conrail implemented its current NORAC rules in the late 1980's. CSX and NS have no plans to change those rules, except possibly to supplement them with any additional safety policies that the safety implementation program deems necessary.

Interrogatory No. 2:

With respect to the statements at page 12 of the NJSAA Operating plan that "CSX and NS have devoted high-ranking company officials to oversee the safety, transition, and implementation of issues within the NJSAA and are developing unified operating procedures and rules for the SAAs. These operating rules will be in place well before Day 1 . . .," please:

- (a) identify the "high-ranking officials" to which Applicants refer;
- (b) specify the date on which the referenced "operating rules" are expected to be in place; and
- (c) state whether the "operating rules and procedures for the SAAs" will be the same for all the SAAs or whether the NJSAA will have its own operating rules and procedures separate and distinct from the other SAAs.

Response:

Without waiving any objection, and subject to the general objections stated above, CSX and NS respond as follows:

(a) CSX officials involved in overseeing safety, transition and implementation issues include Jim Shultz, Vice President of Safety, and Frank Pursley, Vice President of Operational Support.

NS has more than 80 cross-functional in-house teams addressing integration issues. A Vice President in the Executive Department (N. S. Fleischman) is assigned overall

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

CSX CORPORATION AND
CSX TRANSPORTATION, INC.'S
FIRST SET OF INTERROGATORIES AND REQUESTS
FOR PRODUCTION OF DOCUMENTS TO
THE NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

Pursuant to 49 C.F.R. §§ 1114.25 and 1114.30, and the Discovery Guidelines entered in this proceeding on June 27, 1997, see Decisions Nos. 10 and 20, CSX Corporation and CSX Transportation, Inc., direct the following interrogatories and document requests to the New York City Economic Development Corporation ("Responding Party" or "NYC").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. However, if NYC objects entirely to an Interrogatory or Document Request and does not intend to provide any substantive answer or document production in response thereto absent an order compelling such answer or production, NYC shall serve such objection upon Applicants' counsel within five (5) business days of service hereof in accordance with ¶ 16 of the Discovery Guidelines.

Responsive Application) with (i) the ten (10) largest number of carloads and (ii) the ten (10) largest revenues that would be served by the Trackage Rights Carrier(s) referred to in Interrogatory No. 1, as contemplated by the Responsive Application.

(b). For each origination/destination pair identified in Interrogatory 2 (a), identify the proposed routing, including all junction points, and the principal commodities which it is anticipated will be carried, as contemplated by the Responsive Application.

(c). Identify all documents and workpapers in any way related to the preparation of the answers to Interrogatories 2 (a) and 2 (b).

3. State whether any action or inaction by Conrail caused the "shut-down in 1996" of the General Motors plant at Tarrytown referred to on pages 6-7 of the Verified Statement of Walter H. Schuchmann. Explain the cause and effect relationship between such action or inaction by Conrail and the "shut-down." Identify all documents in any way related to your response.

4. Identify all documents and workpapers that in any way relate to Andrew C. Robertson's analysis, on pages 9-11 of his Verified Statement, of the amount of traffic the Trackage Rights Carrier(s) could "attract" and "compete for."

5. On page 11 of his Verified Statement, Andrew C. Robertson states that, "Assuming service 260 days per year, [the 29,000 loaded and empty carloads per year the new carrier could attract] allows a train a day service for carload traffic on the east side line." State your estimate as to the number of loaded cars in the typical daily train in each direction and state the basis for this estimate. Identify all documents which in any way relate to your response.

6. (a) For each industry along the proposed trackage rights lines (whether they are lines owned by Conrail or by Amtrak or a passenger authority), identify, by name, location, and commodities shipped or received, each industry or other important shipper which you believe the Trackage Rights Carrier will provide with local train service, and describe in detail the local train service that will be provided to such industry or shipper.

(b) Identify all documents which relate to the answer to subpart (a) of this Interrogatory No. 6.

7. Describe in detail all information provided in response to these interrogatories and the following document requests which was not in your possession on October 21, 1997.

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. Produce all documents identified, or which should have been identified, in response to Interrogatory No. 1.

2. Produce all documents identified, or which should have been identified, in response to Interrogatory No. 2, sub-sections (a) - (c).

3. Produce all documents identified, or which should have been identified, in response to Interrogatory No. 3.

4. Produce all documents identified, or which should have been identified, in response to Interrogatory No. 4.

5. Produce all documents identified, or which should have been identified, in response to Interrogatory No. 5.

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

CSX'S FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO STARK DEVELOPMENT BOARD, INC.

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding, see Decisions Nos. 10 and 20, CSX¹¹ directs the following interrogatories and document requests to Stark Development Board, Inc. ("Responding Party"). Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. However, if the Stark Development Board, Inc. objects entirely to an Interrogatory or Document Request and does not intend to provide any substantive answer or document production in response thereto absent an order compelling such answer or production, Stark Development Board, Inc. shall serve such objection upon

¹¹ "CSX" collectively refers to CSX Corporation and CSX Transportation, Inc.

Applicants' counsel within five (5) business days of service hereof in accordance with ¶ 16 of the Discovery Guidelines.

DEFINITIONS

1. "Applicant" or "Applicants" means CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company, Conrail Inc., and Consolidated Rail Corporation.

2. "Board" means the Surface Transportation Board.

3. "Document" means any writings or other compilations of information, whether handwritten, typewritten, printed, recorded, or produced or reproduced by any other process, including but not limited to intra- or inter-company communications, business records, agreements, contracts, correspondence, memoranda, studies, projections, summaries or records of conversations, reports, photographs, maps, tape recordings, all stored electronic data that may be retrievable or machine-readable, produced in reasonably useable form, including any descriptions, indices, or other interpretative materials necessary or useful to access the stored information, statistical or financial statements, graphs, charts or other data compilations, diagrams, agendas, minutes or records or summaries of conferences, statements of policy, lists of persons attending meetings or conferences, opinions or reports or summaries of negotiations or

investigations, opinions or reports of consultants, and press releases. Furthermore, the term "document" includes both original versions and copies that differ in any respect from original versions and both documents in the possession, custody, or control of Stark Development Board, Inc. and documents in the possession, custody, or control of consultants or others that have assisted Stark Development Board, Inc. in connection with any issue raised in these discovery requests.

4. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

- (a) state the nature of the document (e.g., letter, memorandum, etc.);
- (b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and
- (c) provide a brief description of the contents of the document.

5. "Produce" means to make legible, complete, and exact copies of responsive documents, which are to be sent via overnight courier or hand-delivered to Drew Harker of Arnold & Porter at the address set forth below.

6. "Person" means any natural person, any business entity (whether partnership, association, cooperative, limited liability

company, proprietorship, corporation, or other), and any governmental entity, department, administration, agency, bureau or political subdivision thereof.

7. "Proceeding" means the STB proceeding in Finance Docket No. 33388 and sub-dockets thereof.

INSTRUCTIONS

1. If Stark Development Board, Inc. cannot answer any part of any interrogatory in full, after exercising due diligence to secure the information to do so, Stark Development Board, Inc. should so state, and answer to the extent possible, specifying Stark Development Board, Inc.'s inability to answer the remainder and stating whatever information or knowledge Stark Development Board, Inc. has of each unanswered part.

2. Where interrogatories seek identification or information as to the existence or content of any document or study, producing, or furnishing a copy of the document or study will be accepted as an adequate response to the interrogatory.

3. Unless specified otherwise in a particular interrogatory or document request, these discovery requests seek information and documents dating from January 1, 1995 and extending through the date on which the responses are made. These Discovery Requests are continuing in nature and Stark Development Board, Inc. is under a duty to supplement or correct

any responses that are incomplete or incorrect in accordance with 49 C.F.R. § 1114.29.

4. References to the plural shall include the singular and vice-versa. Terms such as "and," "or," and "including" shall be construed in an inclusive manner, in the disjunctive or conjunctive as necessary, in order to bring into the scope of each interrogatory or document request all information which might otherwise be construed as outside the scope of the request.

INTERROGATORIES

1. With reference to the statement on page 1 of the document entitled "Neomodal Terminal Operations" that "[t]he NEOMODAL Project officially began on November 22, 1994 at a meeting at Columbus, Ohio between the Stark Development Board, Stadelman & Associates, the Ohio Department of Transportation, and officials from the Federal Highway and Federal Railroad Administration," please state whether any CSX, CSXI, NS^{2/} or Conrail officials, or officials from any Class I railroad, were present at that meeting, or at any other meeting involving any of the above entities held prior to November 1994 with respect to the decision to build the NEOMODAL Terminal. If any such CSX, NS or Conrail officials were present at any such meeting, please

^{2/} "NS" refers collectively to Norfolk Southern Corporation and Norfolk Southern Railway Company.

identify such officials and describe their role at such meeting(s).

2. With respect to the decision to build the NEOMODAL Terminal reached at the November 1994 meeting described in the prior interrogatory, please describe any commitments made by CSX, CSXI, NS or Conrail on or prior to the date on which the decision was made to construct the NEOMODAL Terminal with respect to future service to be provided by any of those railroads at the NEOMODAL Terminal. If any commitments were made, (a) identify the person who made the commitment, (b) state the date the commitment was made, (c) state to whom the commitment was made, and (d) identify any documents relating to or confirming the commitment.

3. With respect to the statement on page 1 of the Verified Statement of Joseph R. Stadelman that the "marketing, financial and operational aspects of the Neomodal are . . . significantly adversely affected if Norfolk Southern Railway Company (hereinafter "NS") and CSX do not honor their commitments," please (a) describe in detail the commitments that each railroad has made with respect to either the marketing, financial or operational aspects of the Neomodal Terminal, (b) state when such commitments were made, (c) state to whom such commitments were

made, and (d) identify all documents relating to or confirming such commitments.

4. With respect to the statement on page 2 of the Verified Statement of Joseph R. Stadelman that, "[t]he strategy was that W&LE switches and Neomodal services would be marketed and sold by Class I carriers through line haul agreements," please (a) identify whose strategy this was, (b) describe any agreements made by CSX, CSXI or NS to implement this strategy prior to the date on which the decision was made to construct the Neomodal Terminal, (c) identify the persons involved in making any such agreements and (d) identify all documents relative to such agreements.

5. Identify and describe in detail all CSX, NS and Conrail strategic plans in place in 1994 to locate intermodal terminals in Northeast Ohio and identify all documents relative to such plans.

6. State whether NEOMODAL Terminal (a) provides common carrier railroad transportation for compensation and (b) provides any services subject to the jurisdiction of the Surface Transportation Board. Describe in detail the basis for your answer.

DOCUMENT PRODUCTION REQUESTS

1. Produce copies of all studies of the market opportunities for an intermodal terminal at the site of the Neomodal Terminal performed in connection with the November 1994 decision to construct the Neomodal Terminal, including but not limited to studies undertaken by the Stark Development Board, any agency of Stark County or any other entity involved in the decision to construct the Neomodal Terminal.

2. Produce copies of any studies undertaken by the Stark Development Board or any other entity concerning the risks associated with the construction or operation of an intermodal facility not located on the lines of a Class I rail road.

3. Produce copies of any documents reflecting any commitments or agreements made by CSX or NS with respect to the provision of rail service at the Neomodal Terminal prior to the November 1994 decision to construct that Terminal.

4. Other than with respect to the two businesses described at page 2 of Exhibit C of the Verified Statement of Stephen L. Paquette, produce copies of any leases, commitment letters or other agreements that have been entered by any businesses to

locate facilities at the NEO Commerce Park described at page 1 of Exhibit C of the Verified Statement of Stephen L. Paquette. If any such leases, commitment letters or other agreements have been entered into, state for each such business the anticipated volume of intermodal containers or trailers that would use the NEOMODAL Terminal.

5. Produce all documents that refer or relate to competition for intermodal traffic between the Neomodal Terminal and other intermodal facilities in Ohio, including but not limited to the Collinwood intermodal facility now operated by Conrail.

6. Produce copies of all correspondence between (a) the Stark Development Board or other entity involved in the construction or operation of the NEOMODAL Terminal and (b) CSX, NS and Conrail concerning the provision of services by any of those railroads at the NEOMODAL Terminal.

7. Produce all documents that reflect any pre-construction projection of traffic that would use the NEOMODAL Terminal in the period following its opening.

8. Produce copies of all financial pro-formas prepared in 1994 with respect to the future operations of the NEOMODAL

Terminal, including documents that set forth estimated revenues and expenses for the period following the opening of the Terminal.

9. Produce financial reports prepared in 1995, 1996 and 1997 showing the actual financial performance of the NEOMODAL Terminal, including actual revenues and expenses incurred in each year.

10. Produce copies of all correspondence, agreements or other written communications with respect to the relocation of the W&LE tracks (as described at page 2 of Exhibit B to the Verified Statement of Stephen L. Paquette) to allow the construction of the NEOMODAL facility at its current location.

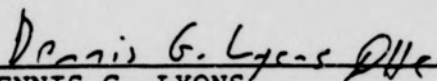
11. Produce copies of all submissions made to the Federal Highway Administration with respect to the funding and construction of the NEOMODAL terminal.

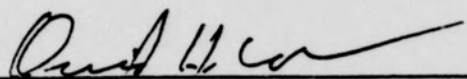
12. Produce all documents identified in the answers to interrogatories 1 through 6 above.

Respectfully submitted,

MARK G. ARON
PETER J. SHUDTZ
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(804) 782-1400

P. MICHAEL GIFTOS
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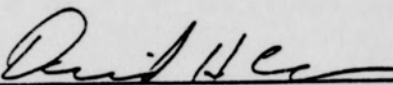

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Washington, D.C. 20036-1795
(202) 429-3000

Counsel for CSX Corporation and
CSX Transportation, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of November, 1997, the foregoing First Set of Interrogatories and Requests for Production of Documents to Stark Development Board was served by facsimile on the persons listed on the Restricted Service List and counsel for Stark Development Board.



David H. Coburn

BEFORE THE
SURFACE TRANSPORTATION BOARD

DE-05

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

RESPONSES OF
THE DETROIT EDISON COMPANY TO
NS' THIRD SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

The Detroit Edison Company ("Detroit Edison") hereby responds to the Third Set of Interrogatories and Requests for Production of Documents of Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively "NS"), served November 11, 1997 (NS-56).

GENERAL RESPONSES AND OBJECTIONS

The following General Responses and Objections are made with respect to all Interrogatories and Document Requests.

1. Detroit Edison has conducted a reasonable search for information and documents responsive to NS' requests. Subject to the objections set forth herein, responsive documents will be made available for inspection and copying in Detroit Edison's document depository, which is located at the offices of

Slover & Loftus in Washington D.C.

2. Copies of documents will be supplied at the duplicating cost rate of \$.20 per page. The production of information or documents shall not constitute an admission by Detroit Edison that such information or documents are relevant to this proceeding, or be construed as a waiver of any stated objection.

3. Consistent with past practice in rail merger or control cases, and Applicants' practice in this case, Detroit Edison has not secured verifications for the Interrogatory Answers set forth herein. Counsel for Detroit Edison is prepared to discuss the matter with NS should this become a concern with respect to any particular Answer(s).

4. Detroit Edison objects to the production of and will not produce information or documents subject to the attorney-client privilege, the attorney work product doctrine, and the joint/common interest privilege.

5. Detroit Edison objects to the production of and will not produce public information that is readily available, including but not limited to information on public file at the Surface Transportation Board, the Federal Energy Regulatory Commission, or any other government agency or court, or that has appeared in newspapers or other public media.

6. Detroit Edison objects to the production of documents that are as readily obtainable by NS from its own files or those of its personnel, counsel, or consultants.

7. Detroit Edison objects to each Interrogatory and Document Request to the extent that they seek information or documents in a form other than that maintained by Detroit Edison in the ordinary course, or not readily available in the form requested.

8. Detroit Edison objects to NS' Definitions and Instructions to the extent that they seek to impose burdens or requirements that exceed those specified in the Discovery Guidelines that govern this proceeding.

ANSWERS TO INTERROGATORIES

Interrogatory No. 11: Identify each rail carrier that currently has access to the Trenton Facility. For each such carrier, set forth, for each of the years 1995, 1996, and 1997 (to date), the quantity of coal delivered to the Trenton facility by such carrier, and the origin or origins of such coal.

Answer: Detroit Edison objects to this Interrogatory on the grounds that it is vague and ambiguous to the extent it seeks information on movements to the "Trenton Facility" in lieu of specifically describing the facility in question. (See Detroit Edison's responses to Interrogatory No. 5 and Interrogatory No. 6 of NS' First Set of Interrogatories and Requests for Production of Documents). Detroit Edison further objects to this Interrogatory on the grounds that it seeks information or documents in a form other than that maintained by Detroit Edison in the ordinary course, or not readily available in the form requested. Detroit Edison objects on the grounds that preparing responses would require an unduly burdensome special study of

individual train movements. Without waiving the foregoing or any other objection, and subject to the General Objections, Detroit Edison answers as follows:

Conrail is the sole carrier with access to the Trenton Coal Unloading Facility. Documents responsive to this Interrogatory already have been placed in Detroit Edison's document depository in response to Interrogatory No. 4 of NS' First Set of Interrogatories and Requests for Production of Documents. (See response to Interrogatory No. 4 for a description of these documents).

Interrogatory No. 12: Identify any rail carrier, not already identified in response to Interrogatory No. 11, that has had access to the Trenton Facility at any time since January 1, 1995. For each such carrier, set forth, for each of the years 1995, 1996, and 1997 (to date), the quantity of coal delivered to the Trenton facility by such carrier, and the origin or origins of such coal.

Answer: See Detroit Edison's Answer to Interrogatory No. 11.

Interrogatory No. 13: For each of the years 1995, 1996 and 1997 (to date), set forth the number of tons of coal received at the Trenton Facility by water vessel. For each movement of such coal, identify the route, including, without limitation, (a) the origin, (b) the carrier(s) (rail or otherwise) involved, and (c) the transloading point.

Answer: Detroit Edison objects to this Interrogatory on the grounds that it is vague and ambiguous to the extent it seeks information on movements to the "Trenton Facility" in lieu of specifically describing the facility in question. (See Detroit Edison's responses to Interrogatory No. 5 and Interrogatory No. 6 of NS' First Set of Interrogatories and Requests for

Production of Documents). Detroit Edison further objects to this Interrogatory on the grounds that it seeks information or documents in a form other than that maintained by Detroit Edison in the ordinary course, or not readily available in the form requested. Detroit Edison objects on the grounds that preparing responses would require an unduly burdensome special study of individual vessel movements. Without waiving the foregoing or any other objection, and subject to the General Objections, Detroit Edison answers as follows:

Documents responsive to this Interrogatory already have been placed in Detroit Edison's document depository in response to Interrogatory No. 4 of NS' First Set of Interrogatories and Requests for Production of Documents. (See response to Interrogatory No. 4 for a description of these documents).

RESPONSES TO DOCUMENT PRODUCTION REQUESTS

Document Request No. 10: Produce all documents (including, without limitation, any maps) that relate to the subject of Interrogatory No. 11 or that support, reflect, refer to, or in any way relate to, your response to that Interrogatory.

Response: See Detroit Edison's Answer to Interrogatory No. 11.

Document Request No. 11: Produce all documents (including, without limitation, any maps) that relate to the subject of Interrogatory No. 12, or that support, reflect, refer to, or in any way relate to, your response to that Interrogatory.

Response: See Detroit Edison's Answer to Interrogatory No. 12.

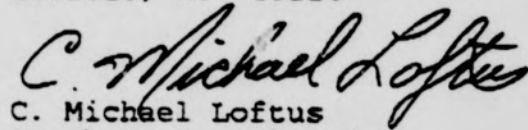
Document Request No. 12: Produce all documents (including, without limitation, any maps) that relate to the subject of Interrogatory No. 13, or that support, reflect, refer to, or in any way relate to, your response to that Interrogatory.

Response: See Detroit Edison's Answer to Interrogatory No. 13.

Respectfully submitted,

THE DETROIT EDISON COMPANY

By: Gary E. Laplander
Manager -- Fuel Supply
The Detroit Edison Company
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Dated: November 28, 1997

Attorneys and Practitioners

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

SUPPLEMENTAL RESPONSES OF TRANSTAR, INC. AND
ELGIN, JOLIET AND EASTERN RAILWAY COMPANY TO CSX AND
NORFOLK SOUTHERN'S FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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ATTORNEYS FOR TRANSTAR, INC.
AND ELGIN, JOLIET AND EASTERN
RAILWAY COMPANY

Dated: November 26, 1997

RESPONSE:

Subject to the General Objections stated above, EJE states as follows:

In making the statement referenced on page 9 of the Responsive Application, EJE did not assume any approximate purchase price. The statement referenced in this Interrogatory was premised on the assumption that prior to the consummation of any transaction, EJE would be accorded the opportunity to perform due diligence on IHB to ascertain its value. EJE is confident that it would be able to raise funding sufficient to cover whatever purchase price is justified by the results of its due diligence investigation.

Interrogatory No. 7:

With respect to the concerns about neutrality of switching expressed in the Verified Statement of William H. Brodsky (particularly at pages 3-7), and the concern, at page 7, about the possibility that "CSX will play a dominant role" in the management of IHB and other terminal carriers in Chicago, explain why would CSX not want to have an efficient interchange with IMRL, given that the CSX lines and the IMRL lines are entirely end-to-end?

RESPONSE:

Subject to the General objections stated above, EJE states as follows:

EJE adopts the answer given by I & M Rail Link, LLC to this identical Interrogatory in IMRL-2.

Interrogatory No. 8(a):

State whether EJE's Board of Directors has authorized EJE to make any investment in the facilities of IHB in the event the transactions contemplated by your Responsive Application are authorized by the STB and are consummated.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILROAD COMPANY
-- CONTROL AND OPERATING LEASES/AGREEMENTS --
CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION

RESPONSE TO CSX AND NORFOLK SOUTHERN'S
FIRST SET OF INTERROGATORIES AND
FIRST REQUESTS FOR PRODUCTION OF DOCUMENTS
TO HOUSATONIC RAILROAD
HRRC-11

Housatonic Railroad Company, Inc. ("HRRC") hereby
responds to CSX and Norfolk Southern's First Set of Interrogatories
and Documents Requests to Housatonic Railroad (CSX/NS-141-A),
served November 10, 1997.¹

¹ CSX Corporation and CSX Transportation, Inc. are collectively referred to as "CSX, Norfolk Southern Corporation and Norfolk Southern Railway Company as "NS" and Conrail, Inc., and Consolidated Rail Corporation as "Conrail". CSX, NS and Conrail are collectively referred to as "Applicants". Housatonic Railroad is referred to as "Housatonic", "HRRC" or "requester".

6. Identify all shippers currently served by HRRC that HRRC contends would lose rail service as a result of the Proposed Transaction.

HRRC objects to Interrogatory No. 6 on the ground that the words "lose rail service", as used, are vague and imprecise. Without waiving any objection and subject to the general objections set forth above, HRRC responds as follows:

HRRC does not contend that rail service to any shipper currently served by HRRC will be discontinued by HRRC as a result of the Proposed Transaction, unless, of course, HRRC goes out of business in which case all shippers will lose rail service.

7. For each shipper identified in response to the preceding interrogatory, identify:

a. The specific physical location, including street address, of each of that shipper's facilities served by HRRC;

b. The annual volume of traffic, by car, that HRRC has transported for that shipper (separately for each facility) from 1995 to the present;

c. The routes, by origin and destination, over which HRRC has transported traffic for that shipper from each facility from 1995 to the present.

See response to Interrogatory No. 6.

8. Identify the amount of revenue received by HRRC from each of the shippers identified in response to the preceding interrogatory for the years 1995, 1996, 1997 or any part thereof.

See response to Interrogatory No. 6.

9. For each shipper identified in response to Interrogatory No. 6,

a. To HRRC's knowledge, have any of that shipper's shipments from any facility served by HRRC ever moved by truck or any other mode of transportation not involving HRRC at any time from 1995 to the present?

b. If the answer to the preceding subpart is "yes," identify separately with respect to each such facility the alternate transportation mode or modes by which such shipments moved.

See response to Interrogatory No. 6.

10. State the volume of traffic that HRRC contends it will lose if the Application is approved without the conditions HRRC requests:

- a. In total; and
- b. By shipper.

HRRC objects to Interrogatory No. 10 on the ground that it calls for speculation in that it requests HRRC to determine specific volumes of traffic loss which can not be determined without a more detailed operating plan than Applicants have submitted and without projected pricing and other policies of Applicants which have not been disclosed. Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

If the Application is approved without the conditioned HRRC requests, HRRC contends that it will lose a portion of the following business:

CUSTOMER	STATION	COMMODITY
Shepaug Reload	Hawleyville, CT	Lumber & Plywood
Georgia Pacific	Newtown, CT	Plywood
Stevenson Lumber	Stevenson, CT	Lumber & Plywood
Mead Paper Co.	S. Lee, MA	Woodpulp
Schweitzer-Maudit	Lee, MA	Woodpulp
Kimberly Clark	New Milford, CT	Woodpulp
Sheffield Plastic	Sheffield, MA	Plastic
Quality Foods	New Milford, CT	Food Oil
Union Camp Co.	Newtown, CT	Pulpboard

Specific information on current volume and revenue from those customers is contained in traffic data which has been placed in

HRRC's depository as HRRC-HC-Disk 1 and provided to Applicant's attorneys.

11. Describe with specificity how "Conrail ultimately controls the through freight rate" as stated on pages 6-7 of the HRRC Comments.

Without waiving my objection, and subject to the general objections set forth above, HRRC responds as follows:

HRRC interchanges all of its interline freight with Conrail and Conrail bills and collects all freight revenue on all HRRC traffic interchanged with Conrail. Conrail determines either its portion of the freight rate or the entire freight rate, with HRRC receiving either a prescribed division of revenue or a specific revenue requirement. Although HRRC can affect the through freight rate in some cases by modifying its revenue requirement or MIFTR factor, Conrail finally determines all through rates, publishes virtually all rate authorities, bills and collects all freight revenue and generally acts as gatekeeper.

12. Identify the Connecticut limestone producer and the southern limestone producers referenced on page 15 of the HRRC Comments, and identify the type, quality and/or other specifications of the limestone produced by each.

HRRC objects to Interrogatory No. 12 on the ground that it requests information, largely unknown to HRRC, and of a proprietary nature on the specifications of a shipper's product, and on the ground that it requests information about Applicants' shippers which information is better known to Applicants than to HRRC.

identified as follows: HRRC-HC-700066.

15. Identify, by milepost end points, the routes with respect to which HRRC seeks the imposition of a haulage arrangement, as referred to on page 22 of HRRC Comments. For each route, state the annual volume of traffic that would move over that route pursuant to said haulage agreement, and the frequency of movements.

Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

HRRC seeks the imposition of a haulage arrangement for the purpose of interchange of traffic with certain connecting carriers at certain interchange locations. HRRC can not identify the routes by specific endpoint because the exact point of interchange, in each case, is unknown to HRRC and is subject to variation. The intention is to allow CSX the greatest degree of flexibility in conducting its interchange operations at the various interchange locations and to change that operation as circumstances require.

Consistent with the foregoing, HRRC requests the imposition of a haulage arrangement between Pittsfield, Massachusetts and the interchange points set forth below to accomplish interchange with the carriers indicated:

INTERCHANGE LOCATION

CARRIER

Albany, NY
Albany, NY
Rotterdam Jct., NY
Selkirk, NY

CP Rail
Norfolk Southern
ST Rail
as an alternative to Albany or
Rotterdam Jct.

Springfield, MA
Springfield, MA

ST Rail
Conn. Southern Railroad

Palmer, MA

New England Central Railroad

HRRC can not predict the volume of traffic to each interchange

point. HRRC expects that CSX would provide daily service from Pittsfield to each interchange location using otherwise existing train service.

16. Identify the transloading, reloading and distribution facilities located within both the HRRC market area and the "rail competitive zone west of the Hudson River" that HRRC claims it will face "predatory competition from," as stated on page 24 of the HRRC Comments.

Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

Transloading, reloading and distribution facilities which currently exist and which HRRC is aware of and is concerned about predatory competition from, include the following:

Saratoga Warehouse Associates, Mechanicville, NY
Portanova Warehouse, Waterbury, CT
J & J Warehouse, Pittsfield, MA
Eastwood Carriers, Westfield, MA.
Distributors Unlimited, Guilderland Ctr., NY
Anastasio and Sons, New Haven, CT
Poiner Street, LTD, Newark, NJ

In addition, HRRC believes that it will face predatory competition from facilities which will be established in those areas in the future or from other facilities which currently exist but which HRRC is not aware of.

17. Describe the terms of all agreements or other commercial arrangements with Consolidated Rail Corporation ("CRC") either (i) at the time NECR purchased its lines or (ii) currently in effect, including but not limited to rate equalization referred to on page 30 of the HRRC Comments.

Interrogatory No. 17 seeks all agreements and other commercial arrangements between HRRC and CRC. This request by its terms

which is U S Gypsum. The product is moved in private, zero mileage covered hoppers owned by or leased to U S Gypsum.

Responsive rate documents have been placed in HRRC's depository and identified as HRRC-HC-700194-700196.

27. For each of the shippers identified in response to the preceding interrogatory, please state, to HRRC's knowledge, whether in 1995 or 1996 any of the specified product moved between the same origin and destination by truck.

Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

HRRC has no knowledge of any shipments by truck by Specialty Minerals, Inc. to Gypsum from Canaan.

28. For each of the shippers identified in response to Interrogatory No. 26, please state whether in 1995 or 1996, to HRRC's knowledge, any of the specified product moved between the same origin and destination by barge.

Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

No.

29. Identify each shipper who shipped or received any product since January 1, 1995, that was shipped by a three-carrier rail movement in which HRRC participated, and separately for each such shipper state:

- a. Each product by 5-digit STCC code;
- b. The origin points of any such rail movements;
- c. The destination points of any such movements;
- d. The locations of each interchange point involved in such a rail movements;
- e. Separately for each product and such movement, state:
 - (i) the annual volume of product shipped expressed in carloads and tons;

(ii) the annual price, rate, or charge for the shipment.

HRRC objects to Interrogatory No. 29 insofar as it requests data on traffic routing for inbound freight which is not maintained by HRRC and insofar as it requests data in a form not maintained by HRRC. Without waiving any objection, and subject to the general objections set forth above, HRRC responds as follows:

Shippers who shipped a product by a three-carrier rail movement in which HRRC participated since January 1, 1995 are as follows:

Specialty Minerals, Inc. - 32959 - Canaan, CT to Salem, NJ -
HRRC PTSFD CR SWEDESBORO SRNJ -

Fairfield Processing Co. - 28213 - Danbury, CT to Clearfield,
UT - HRRC PTSFD CR ESTL UP -

Mead Corporation - 26214 - S. Lee, MA to Portland, OR -
HRRC PTSFD CR CHIC BN -

Responsive documents have been placed in HRRC's depository and are identified as follows: Traffic Data HRRC-HC-Disk 1, HRRC-HC-Disk # 2 and HRRC-HC-Disk No. Price and Rate information HRRC-HC-700197-700200. The traffic movement from Canaan, Connecticut to Salem, New Jersey is governed by a transportation contract, the terms of which prohibit disclosure without the consent of all parties thereto.

30. Identify all documents constituting, referring to, or relating to any study or consideration of three-carrier rail shipments for any shipper identified in response to Interrogatory No. 26.

Without waiving any objection, and subject to the general

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SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY
-- CONTROL AND OPERATING LEASES/AGREEMENTS --
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

SUPPLEMENTAL RESPONSES OF I & M RAIL LINK, LLC TO
CSX AND NORFOLK SOUTHERN'S FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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ATTORNEYS FOR I & M RAIL LINK, LLC

Dated: November 26, 1997

information is unduly burdensome to provide and, in any event, the documents speak for themselves.

11. IMRL objects to the requests to the extent they seek documents or information in a form not maintained by IMRL in the regular course of business or not readily available in the form requested, on the ground that such documents or information could only be developed, if at all, through unduly burdensome and oppressive special studies, which are not ordinarily required and which IMRL objects to performing.

12. IMRL objects to the requests as overly broad and unduly burdensome to the extent they seek information or documents for periods prior to January 1, 1995.

13. IMRL objects to the requests insofar as they seek "all documents relating to" the matters specified, as overly broad and unduly burdensome.

SUPPLEMENTAL RESPONSES TO INTERROGATORIES

Interrogatory No. 3:

With respect to the statement on page 9 of the Responsive Application (EJE-10) that "Each of the carriers has sufficient resources available to purchase their proportionate share of stock" in IHB, what was the approximate purchase price for the totality of the 51% of the stock of IHB that was assumed in connection with making this statement?

RESPONSE:

Subject to the General Objections stated above, IMRL states as follows:

In making the statement referenced on page 9 of the Responsive Application, IMRL did not assume any approximate purchase price. The statement referenced in this Interrogatory

was premised on the assumption that prior to the consummation of any transaction, EJE would be accorded the opportunity to perform due diligence on IHB to ascertain its value. EJE is confident that it would be able to raise funding sufficient to cover whatever purchase price is justified by the results of its due diligence investigation.

Interrogatory No. 4(a):

Identify the "certain shippers" referred to in the first paragraph on page 10 of the Responsive Application (EJE-10) who would, under the transaction proposed in the Primary Application be "losing their existing alternative routings of IHB or EJE origination/termination and being reduced to working exclusively with the IHB."

RESPONSE:

Subject to the General Objections stated above, IMRL states as follows:

IMRL adopts the answer given by Elgin, Joliet and Eastern Railway Company ("EJE") to this identical Interrogatory in EJE-13.

Interrogatory No. 4(b):

Explain why these "certain shippers" would lose those alternative routings and be "reduced to working exclusively with the IHB."

RESPONSE:

Subject to the General Objections stated above, IMRL states as follows:

IMRL adopts the answer given by Elgin, Joliet and Eastern Railway Company ("EJE") to this identical Interrogatory in EJE-13.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC., NORTHERN
SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY
--CONTROL AND OPERATING LEASES/AGREEMENTS--
CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION

IAM'S RESPONSES TO CSX AND NS'S
FIRST SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS

Pursuant to Paragraph 16 of the Discovery Guidelines adopted in Decision No. 10 of the Surface Transportation Board ("STB"), the International Association of Machinists and Aerospace Workers ("the IAM"), by its counsel, hereby responds to CSX and NS's First Set of Interrogatories and Requests for Production of Documents.

RESPONSES TO INTERROGATORIES

Interrogatory No. 11A)

State in detail all reasons for the contention at page 4 of IAM's Comments that NS's and CSX's intentions, as regards collective bargaining agreements, "are directly contrary to precedent and would have a severely adverse impact upon the employees whom the IAM represents."

Response

The Applicants have stated an intention in Appendices A to their Proposed Operating Plans to totally abrogate the IAM's collective bargaining agreements with Conrail and to select

transaction. CSX will apply its agreements to the CSX shops where CSX and Conrail operations are consolidated.

Interrogatory 1(b)

State in detail in a dollar amount what you contend the severely adverse impact to employees will be.

Response

The IAM has not quantified the adverse impact upon employees into a dollar amount.

Interrogatory 1(a)

Identify the precedent you rely on to claim that NS's and CSX's intentions as regard collective bargaining agreements "are directly contrary to precedent...."

Response

See Response to Interrogatory No. 1(a). IAM objects to this Interrogatory to the extent that it seeks information regarding legal precedents as opposed to factual information.

Interrogatory 1(d)

Identify any study, report or analysis you have performed, which has been performed for you, or which you have in your possession that in any way supports your answer to Interrogatory 1(a)-(b). If there is no such study, report or analysis, so state.

Response

IAM General Chairman Raymond J. McMullen prepared a report, dated September 26, 1997, entitled "Comparison of the IAM-Conrail May 1, 1979 Agreement and the Norfolk & Western Agreement September 1, 1949." The report compares the provisions of the named collective bargaining agreements.

COMPARISON

OF THE

IAN-CONFALL MAY 1, 1979 AGREEMENT

AND THE

NORFOLK & WESTERN AGREEMENT SEPTEMBER 1, 1949

Prepared by IAM General Chairman
Raymond J. McHullen
September 24, 1997

SCOPE

It is recognized that the general intent set forth in the Conrail Scope Rule is to reserve (subject to the Exceptions therein) to IAM represented employees any and all work set forth in the Work Classification Rule within the Scope which can reasonably and practicably be performed by the employees covered by the Conrail Agreement, rather than being performed by a contractor or subcontractor. Furthermore, as specified in the Exceptions, there will be no change in the practice in existence on the effective date of the Conrail Agreement whereby the employees covered by this Agreement shall continue to perform certain work in the maintenance and repair of various types of Maintenance of Way Machinery. In addition, as specified in Article V. Machinist' Classification of Work, any work being performed on the date of the Agreement by a particular Craft shall continue to be performed by said Craft. (All Shop Crafts have the same language in their Agreements and such has always been referred to as the "Savings Clause".) Moreover, before Conrail contracts with outside concerns to perform any of the work permitted by the Exceptions listed in Article III of the Scope with respect to any of the certain type of work specified therein, it must notify the involved IAM General Chairman of the proposed action and the reasons therefor. Most important, Conrail must promptly furnish to such representative all information and data relating to the proposed action and any modification thereof including satisfactory evidence that the outside concern employs bona fide union labor where this is a relevant factor under the provisions

of Article III. In conjunction with Conrail subcontracting certain work, the Agreement contains an APPENDIX "F", which is a procedure for the Expedited Handling of Disputes under Article III of the Agreement, with regard to the contracting of work to outside concerns. Appendix "F" is a mechanism that gives EITHER PARTY the opportunity to resolve a dispute quickly, before EITHER PARTY suffers to a greater extent than necessary. Appendix "F" provides for an expedited procedure that allows prompt handling by the General Chairman and the Senior Director-Labor Relations in subcontracting disputes, thereby reducing the preliminary on-property handling to a 10 DAY TIME PERIOD.

The only comparison Rule that the NAW Agreement has to the Conrail Scope is Rule No. 54 - Classification Of Work which is similar to the Conrail's Classification of Work for Machinists. However, this is the extent of it. The NAW Agreement has no other provisions as stated above. Contracting disputes are handled by either an amendment to the NAW Agreement referred to as the 1975 Agreement, which no copy was available for comparison, or the provisions of what is referred to in the industry as the September 25, 1964 Agreement. Disputes handled in accordance with the September 25, 1964 Agreement are progressed to a 570 Board, which as we all know most recently has become a "parties-pay" Board and has caused a great amount of harm for the Unions in the progression of sub-contracting disputes.

Furthermore, it is strongly recommended that the National Mediation Board be contracted for an overall analysis of cases adjudicated between the IAM and the CSX, NF, and CRC before the Second Division, Public Law Boards and/or Special Boards of Adjustment. As a result, a comparison could be made between the agreements that would reflect which of the agreements have more claims filed for violations.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 1 -- EMPLOYMENT

Rule No. 1 of the Conrail Agreement is far superior to the Norfolk and Western Rule #42 as Rule 1-A-1 specifies a maximum six month time period in which an employee could be dismissed for giving false information on an application. The Norfolk and Western Agreement has no limit specified. Our Rule 1 is more explicit and detailed, making it less combative.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 2 -- SELECTION OF POSITIONS

Rule 2-A-1(a,b,c,d): Rule 2-A-1 (a) through (d) is superior to the Norfolk and Western Rule #17 which deals with the advertisement and selection of positions. The Conrail Agreement is more specific in the advertisement of new positions and vacancies--designates a position must have a major duty, location, etc. Norfolk & Western Agreement is silent on this issue. The senior employee under the Conrail Agreement is given a sufficient amount of time by trial to qualify for a position

whereas the Norfolk & Western Agreement limits that time frame to three days. Conrail Agreement specifies that only on certain positions can a non-written examination or test be given as a pre-requisite to the assignment of the position. Norfolk & Western Agreement does not specify. Rule #17 in the Norfolk & Western Agreement is extremely restrictive if an individual fails to qualify for a position. The company has the unilateral right to place you on any position they choose in comparison to Conrail Agreement where you have an exercise of seniority. Another substantial difference in the two rules is in Rule #17 where it states that the word "trial" does not mean that the employee will be given sufficient time to learn the job. Conrail Agreement Rule 2-A-3 (Qualifying Rule) gives the employee adequate time with the full cooperation of supervision and others to qualify for a position whether it is on a bid or a bump. Rule #17 of the Norfolk & Western Agreement pertains to an employee who is absent for more than thirty days and states that upon his return to duty he will return to his former position and all men affected by the bulletin will revert back to their former positions. This rule is extremely detrimental to the seniority system and could be very disruptive to the operation of the Carrier. The Conrail Agreement simply gives the returning employee an exercise of seniority under Rule 3-C-3.

CONRAIL RULE IS SUPERIOR

Rule 2-A-1 (e,f,g,h,i): Paragraph (e) of Rule 2-A-1 deals with payments to be made to an employee if he is required to work on his former position after twelve calendar days. It also deals with payments that the Carrier is required to pay when an employee is changed from one shift to another. Rule 813 of the Norfolk & Western Agreement addresses payments to be made when an employee is transferred from one shift to another. The payments within the Conrail Agreement for this rule are more lucrative. Under Rule 813 the only time payment made by Norfolk & Western Agreement is when the Carrier transfers you to another shift. The Conrail Agreement payment is made when the employee exercises his seniority through a bid or a bump. Paragraphs (f) & (i) do not require an employee to exercise his seniority outside of thirty miles of his prior rights. The Norfolk & Western Agreement Rule 817 does require an employee to exercise his seniority outside of point of service. Paragraphs (g) & (h) are parts of the rule that are specific as to how an employee will be treated and the Norfolk & Western is silent on these issues. Paragraph (g) of the Conrail Agreement addresses employees who acquire seniority in another craft and paragraph (h) gives an employee the right to withdraw a bid on a position.

CONRAIL AGREEMENT IS SUPERIOR

Rule 2-A-2 -- Rule 2-A-2 of the Conrail Agreement is an enhancement of the seniority system that the Norfolk & Western lacks as there are no provisions provided within the Norfolk & Western Agreement. No comparable rule.

CONRAIL AGREEMENT IS SUPERIOR

Rule 2-A-3(a), paragraphs 1,2,3 -- insures the employee's seniority that once he acquires a position that the Carrier will give the employee full cooperation to qualify for said position. Rule 617 of the Norfolk & Western Agreement states that he must be fully qualified before he can attain a position. The Conrail Agreement in this instance is superior because the seniority of the employee is protected.

CONRAIL AGREEMENT IS SUPERIOR

Rule 2-A-3(-) paragraphs 1 through 7 -- all deal with new technology and improved types of work methods and the training of the employee. The Norfolk & Western Agreement is silent on this issue. The Conrail Agreement is explicit on how the employee will be handled and the Norfolk & Western Agreement is totally silent. Norfolk & Western Agreement has no comparable rule.

CONRAIL AGREEMENT IS SUPERIOR

Rule 2-A-4 -- Rule 2-A-4 of the Conrail Agreement provides a uniform, orderly manner in which the Carrier is required to fill day to day vacancies. The rule is self-explanatory on the steps that the Carrier must take in order to fill the vacancies. The

only two exceptions that can be made to this rule is if the local committee agrees to deviate from the procedure or else the Carrier elects to exercise part (b) of the rule, which gives the Carrier the right to move an employee anywhere that they choose as long as they fulfill the required payment under the rule. The Norfolk & Western Agreement does not address the issue of filling day to day vacancies. By the Conrail Agreement addressing this issue, once again it insures the seniority of the employee, whereas the Norfolk & Western Agreement falls silent.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 3 -- SENIORITY RULE

Rule 3-A-1 (a,b,c,d,e) -- Conrail Agreement Rule 3-A-1 (a through e) is a rule that strictly deals with how an employee acquires seniority. The Norfolk & Western Agreement is governed by Rule 641 which is comparable to the Conrail Agreement in the establishment of seniority.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 3-B-1 -- Rule 3-B-1 of the Conrail Agreement and Rule 630 of the Norfolk & Western Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 3-B-2 -- Rule 3-B-2 of the Conrail Agreement states that no change can be made in the seniority districts without the approval of the General Chairman and the Norfolk & Western Agreement is silent on this issue.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-1(a,b,c) -- Rule 3-C-1(a,b,c) of the Conrail Agreement deals with force reduction and the abolishment of positions. The Conrail rule states that an employee must be given five working days advance notice in the abolishment of positions and the Norfolk & Western Rule #28 states four days notice. The Conrail Agreement provides payment of four hours pay for any employee not notified who reports to work under emergency conditions. The Norfolk & Western Agreement provides no payment. Paragraphs (b) and (c) provides an orderly manner in which the forces are restored after emergency conditions in the Conrail Agreement. The Norfolk & Western Agreement does not address this issue of emergency conditions.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-2 -- Rule 3-C-2 of the Conrail Agreement states when forces are reduced, seniority is required. Rule #26 of the Norfolk & Western Agreement is similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 3-C-3(a) -- Rule 3-C-3(a) of the Conrail Agreement provides for five days notification when an employee's position is abolished. Rule #28 of the Norfolk & Western Agreement only requires a four day notice. Also the Conrail Agreement provides for the exercise of seniority when positions are abolished, and the Norfolk & Western Agreement's Rule #52 fails to address what happens to the employees that are part of the chain reaction from the reduction of forces.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-3(b) -- Rule 3-C-3(b) of the Conrail Agreement specifies an employee's right to an exercise of seniority when he is reporting for duty after a leave of absence, vacation, sickness, etc. The employee must within five working days exercise his seniority after reporting for duty. If his position has been filled or abolished during his absence, he will be forwarded a day's pay from the date of his return so that he may have the opportunity to exercise his seniority. The Norfolk & Western Agreement Rule #17 is the prevailing rule in this instance and it states that an employee will exercise his seniority without expense to the Carrier (Conrail Agreement pays the employee a day's pay for exercising his seniority). If he fails to qualify on a new position, he will have to take whatever position will be open in his craft (Conrail Agreement lets the employee bump any junior employee). Rule #17 provides for filling jobs on a temporary basis in that if an employee is absent for more than 30 days that he must go back to his former position and upon his

return any other employee would have to revert back to their former positions. This drastic chain reaction from all the employees that are affected reverting back to their former positions would be extremely disruptive to the Carrier. Parts (c) & (d) of this Rule of the Conrail Agreement are rules that specifically state what happens if he fails to exercise his seniority when it is required. The Norfolk & Western Agreement Rule #26 states the displaced employee can be assigned to the remaining vacant position.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-4 -- Rule 3-C-4 of the Conrail Agreement is a rule that permits the Carrier and the Local Committee to agree upon giving an exercise of seniority to an employee. In the Conrail Agreement the Local Committee controls this rule. In the Norfolk & Western Agreement there is no comparable rule.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-5 -- Rule 3-C-5 of the Conrail Agreement and the Norfolk & Western Agreement Rule #26 are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 3-C-6 -- Rule 3-C-6 of the Conrail Agreement is clear while Rule #26 of the Norfolk & Western Agreement is vague.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-C-7 -- Rule 3-C-7 of the Conrail Agreement and Rules 27 & 28 of the Norfolk & Western Agreement are similar but the position will be awarded under Rule 28 of the Norfolk & Western Agreement by seniority whereas in the Conrail Agreement seniority does not prevail due to the seniority districts that Conrail has in existence.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rules 3-E-1, 2 & 3 -- Rules 3-E-1, 2 & 3 of the Conrail Agreement are rules pertaining to how seniority rosters will be handled. The Norfolk & Western Agreement rule which applies here is Rule 930 which is vague.

CONRAIL AGREEMENT IS SUPERIOR

Rule 3-F-1 (a,b,c,d) -- The Conrail Agreement provides for special arrangements for long and faithful service and the Norfolk & Western Agreement does not.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 4 -- TIME ALLOWANCES

Rules 4-A-1 & 4-B-1 (a,b,c,d) -- Rules 4-A-1 & 4-B-1 (a,b,c,d) of the Conrail Agreement are similar to the Norfolk & Western Agreement Rule #14 (a through e).

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-B-1(a) of the Conrail Agreement is similar to Rule 81½(i) of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

RULE 4-B-2 (a+b) -- Rule 4-B-2 (a+b) of the Conrail Agreement are the overtime and holiday rules and they are similar to the Rule 86 of the Norfolk & Western Agreement and have been amended by National Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-B-3(a) -- Rule 4-B-3(a) of the Conrail Agreement and the Norfolk & Western Agreement as amended by National Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-B-3(b,c,d,e) -- Rule 4-B-3(b,c,d,e) of the Conrail Agreement and the Norfolk & Western Agreement as amended by National Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-C-1 -- Rule 4-C-1 of the Conrail Agreement deals with bereavement leave which is covered by the National Agreement. Same as Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-D-2 -- Rule 4-D-2 of the Conrail Agreement is the same as Rule #11 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-E-1 -- Rule 4-E-1 of the Conrail Agreement states that an employee will be paid three hours if called and reports to work. The Norfolk & Western Agreement Rule #7 states that the payment will be four hours.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rule 4-F-1(a) -- Rule 4-F-1(a) of the Conrail Agreement is similar to Rule #2 of the Norfolk & Western Agreement except the Conrail Agreement provides that the local union officer can mutually agree to change the starting time.

CONRAIL AGREEMENT IS SUPERIOR

Rule 4-F-1(cdd) -- Rule 4-F-1(cdd) of the Conrail Agreement is similar to Rule #3 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-F-1(e) -- Rule 4-F-1(e) of the Conrail Agreement is similar to Rule #12 of the Norfolk & Western Agreement except the Norfolk & Western Agreement allows the employee ten extra minutes to eat his lunch.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rule 4-F-1(f) -- Rule 4-F-1(f) of the Conrail Agreement provides that the Carrier provide a meal if an employee works three hours beyond his bulletin hours at the expense of the company, plus will be allowed reasonable time off with pay for the meal period. The Norfolk & Western Agreement Rule #7 only provides time off with pay.

CONRAIL AGREEMENT IS SUPERIOR

Rule 4-G-1(a) -- Rule 4-G-1(a) of the Conrail Agreement is similar to Rule #10 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-G-1(b,c,d) -- Rule 4-G-1(b,c,d) of the Conrail Agreement is similar to Rule #10 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-H-1 -- Rule 4-H-1 of the Conrail Agreement is similar to Rule #16 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-I-1 -- Rule 4-I-1 of the Conrail Agreement is similar to Rule #16 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-J-1 -- Rule 4-J-1 of the Conrail Agreement is similar to Rule #34 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-K-1(a,b,c) -- Rule 4-K-1(a,b,c) of the Conrail Agreement is similar to Rule #33 of the Norfolk & Western Agreement. However, the Conrail Agreement is more specific as to what an employee will receive regarding pay for his rest days, etc.

CONRAIL AGREEMENT IS SUPERIOR

Rule 4-L-1 -- Rule 4-L-1 of the Conrail Agreement and the Norfolk & Western Agreement as amended by National Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 4-M-1(a,b,c,d,e,f) -- Rule 4-M-1(a,b,c,d,e,f) of the Conrail Agreement deals with how an employee is compensated for attending trials or investigations. The Conrail Agreement is extremely specific on exactly how an employee will be compensated. The Norfolk & Western Agreement, Appendix dated June 1, 1985, Section D-2, simply states that an employee will be compensated for all time lost. The Conrail Agreement states how an employee will be compensated.

CONRAIL AGREEMENT IS SUPERIOR

Rule 4-N-1(a,b) -- Rule 4-N-1(a&b) of the Conrail Agreement states that an employee will be paid four hours pay if his work is interrupted while on duty. The Norfolk & Western Agreement

Rule 21 $\frac{1}{2}$ states that an employee is guaranteed forty hours a week.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rule 4-O-1 -- Rule 4-O-1 of the Conrail Agreement specifies that an employee will be allowed 40 minutes each week at their regular straight time hourly rate for checking in and out, on their own time, regardless of the number of hours worked during the week. Rule 251 of the Norfolk & Western Agreement states an employee will receive one hour at straight-time pay per payroll period, provided they have worked twenty-four hours during the payroll period.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rule 4-P-1(a through k) -- Rule 4-P-1(a through k) of the Conrail Agreement is the grievance procedure rule and is similar to Norfolk & Western Agreement, Article V. dated January 1, 1953. These rules are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

RULE NO. 5 -- HANDLING OF EMPLOYEES

Rule 5-A-1(a) -- Rule 5-A-1(a) of the Conrail Agreement is similar to Rule 1 $\frac{1}{2}$ (a) of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-A-1(b) -- Rule 5-A-1(b) of the Conrail Agreement and Rule 41½ of the Norfolk & Western Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-A-1(c,d,e,f,g,h,i) -- Rule 5-A-1(c through i) of the Conrail Agreement is similar to the Norfolk & Western Agreement Rule 1½.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-B-1 -- Rule 5-B-1 of the Conrail Agreement and the Norfolk & Western Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-C-1 -- Rule 5-C-1 of the Conrail Agreement has no comparable rule within the Norfolk & Western Agreement.

CONRAIL AGREEMENT IS SUPERIOR

Rules 5-D-1 & 5-D-2 -- Rules 5-D-1 and 5-D-2 are similar to Rule 4 of the Norfolk & Western Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-E-1(a) -- Rule 5-E-1(a) of the Conrail Agreement and Rule 11 of the Norfolk & Western Agreement are similar.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rule 5-E-1(b) -- Rule 5-E-1(b) of the Conrail Agreement and Rule 11 of the Norfolk & Western Agreement are similar but the Conrail

rule allows the local union representative and the Carrier to negotiate a local agreement.

CONRAIL AGREEMENT IS SUPERIOR

Rule 5-F-1 -- Rule 5-F-1 of the Conrail Agreement specifies that none but mechanics or apprentices regularly employed as such shall do work specified as that to be assigned to fully qualified Machinists except employees assigned to fill vacancies in the mechanics class in accordance with Rule 2-A-4. Rules 31 and 123 of the Norfolk & Western Agreement does not prohibit Foremen from performing Machinists/Mechanics work under certain circumstances.

CONRAIL AGREEMENT IS SUPERIOR

Rule 5-F-2 -- Rule 5-F-2 of the Conrail Agreement specifies that mechanics will be assigned to perform work at "outlying points". Rules 31 and 123 of the Norfolk & Western Agreement does not prohibit Foremen from performing Machinists/Mechanics work under certain circumstances.

CONRAIL AGREEMENT IS SUPERIOR

Rule 5-F-3 -- Rule 5-F-3 of the Conrail Agreement and the Norfolk & Western Agreement on jurisdictional disputes are comparable.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

Rules 5-G-1 -- Rule 5-G-1 of the Conrail Agreement specifies that a training and/or apprentice program shall be established, which Conrail has not had an Apprentice Program since 1970. Rules 37,

40 & 41 from the Norfolk & Western Agreement also deal with Apprentices. Therefore, since Conrail does not have an Apprentice Program it would seem that the Norfolk & Western Agreement is superior.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

Rule 5-W-1 -- Rule 5-W-1 of the Conrail Agreement deals with Mechanic Helpers. This is similar to Norfolk & Western Agreement's Mechanic Helper rule.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

RULE NO. 6 -- DISCIPLINE

Rules 6-A-1 through 6 -- In comparing Rules 6-A-1 through 6 of the Conrail Agreement to the discipline rules within the Norfolk & Western Agreement, the Norfolk & Western Agreement is superior except in the payment of union representation. The Norfolk & Western pays one and the Conrail Agreement pays two. Some of the reasons why the N&W is superior are:

1. The N&W specifies what is considered a major offense.
2. The N&W gives the Carrier a shorter period of time to notify the employee of the charges, and a shorter period of time to begin the proceedings.
3. Notice of Investigation has to include names of all participating witnesses.

The entire N&W rule is more in depth and precise.

NORFOLK & WESTERN AGREEMENT IS SUPERIOR

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RULE NO. 7 -- APPEALS

Rules 7-A-1(a through f) & 7-A-2 & 7-A-3 -- These rules within the Conrail Agreement were revised in July 1997 whereas 7-A-1(a) is no longer in existence and this has streamlined the appeals process as an appeal no longer has to be presented to the Manager of Labor Relations. The Norfolk & Western Agreement effective June 1, 1985 is similar to the Conrail Agreement from the first appeal, to proceedings, to appeal on the Railway Labor Act. In this instance the Conrail Agreement would be superior as it would take less time to adjudicate the case.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 8 -- MISCELLANEOUS

Rules 8-A-1(a&b), 8-B-1(a&b), 8-B-2 & 8-B-3 -- These rules from the Conrail Agreement have no comparable rules within the Norfolk & Western Agreement.

CONRAIL AGREEMENT IS SUPERIOR

Rule 8-C-1(a&b) -- Rule 8-C-1(a&b) of the Conrail Agreement specifies how an employee will be treated when using his private automobile for company business. There is no comparable rule within the Norfolk & Western Agreement.

CONRAIL AGREEMENT IS SUPERIOR

Conrail Agreement allows for no loss of pay when representatives are required to represent the employees and specifies a particular number of representatives entitled to such payment.

CONRAIL AGREEMENT IS SUPERIOR

Rule 8-I-1(a through f) -- Rule 8-I 1(a through f) of the CONRAIL AGREEMENT IS SUPERIOR to Rule 20 of the Norfolk & Western Agreement because it is more detailed in who can receive a leave of absence and the length of time for which a leave of absence can be written; and the local committee must participate in the acceptance of the leave of absence.

CONRAIL AGREEMENT IS SUPERIOR

Rule 8-I-2 -- Rule 8-I-2 of the Conrail Agreement is similar to Rule 21 of the Norfolk & Western Agreement, however the Conrail rule is less restrictive.

CONRAIL AGREEMENT IS SUPERIOR

Rule 8-J-1 -- Rule 8-J-1 (first paragraph) of the Conrail Agreement deals with an employee being required to submit to periodic physical examinations. Norfolk & Western Rule 42 states that in certain instances an employee is required to take a physical examination. The second paragraph of Rule 8-J-1 of the Conrail Agreement is what is known as the Board of Doctor's Rule whereas if an employee is disqualified because of his physical condition, there is a procedure set forth under this rule which

will determine whether or not the employee is qualified. There is no comparable rule within the Norfolk & Western Agreement.

CONRAIL AGREEMENT IS SUPERIOR

Rule 8-K-1(a through e) -- Rule 8-K-1(n through o) of the Conrail Agreement is a rule dealing with how the Carrier will treat their employees for training sessions. There is no comparable rule within the Norfolk & Western Agreement.

CONRAIL AGREEMENT IS SUPERIOR

RULE NO. 9 -- VACATION

Rule 9-A-1 -- Rule 9-A-1 of the Conrail Agreement in the National Vacation Agreement.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

RULE NO. 10 -- NOTICE OF CHANGES

Rule 10-A-1 -- Rule 10-A-1 of the Conrail Agreement is comparable to Rule 124 of the Norfolk & Western Agreement, but both are controlled by National Agreement and a moratorium applies.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

APPENDIX "A" & "B"

Appendix "A" & "B" of the Conrail Agreement is the Graded Work Classification whereas a specific wage scale above the Journeyman's Rate is to be paid if an employee performs work in

the A, C or D Graded Work Classifications. The Norfolk & Western Agreement rate of pay is the Journeyman's Rate.

CONRAIL AGREEMENT IS SUPERIOR

APPENDIX "C"

Appendix "C" of the Conrail Agreement specifies that the IAM-Conrail May 1, 1979 Agreement replaced all other Agreements of the former component bankrupt railroads that created the formation of Conrail, except for the exceptions as stated in this Appendix. The Norfolk & Western Agreement does have similarity to the exceptions as stated in paragraph 1 of Conrail's appendix "C". However, the Norfolk & Western Agreement does not have any comparable language as stated in paragraphs 2 through 8 of Conrail's Appendix "C", which is very important language that protects the rights and the work of the IAM employees.

CONRAIL AGREEMENT IS SUPERIOR

APPENDIX "D"

Appendix "D" of the Conrail Agreement pertains to the procedure for the termination of seniority, referred to as "Mandatory Retirement". As of January 1, 1986, this rule no longer applied.

NOT APPLICABLE

APPENDIX "E"

Appendix "E" of the Conrail Agreement pertains to Conrail withholding and deducting from wages due employees represented by the IAM, amounts equal to periodic dues. The Norfolk & Western

Agreement did not contain any similar language, however, I would assume that a similar rule on this Carrier exists.

NO SIGNIFICANT DIFFERENCE BETWEEN AGREEMENTS

APPENDIX "F"

Appendix "F" of the Conrail Agreement pertains to the "Procedure For The Expedited Handling Of Disputes Under Article III Of The Agreement Effective May 1, 1979, With Regard To The Contracting Of Work To Outside Concerns", which was previously discussed herein. Appendix "F" is a mechanism that gives EITHER PARTY the opportunity to resolve a dispute quickly, before EITHER PARTY suffers to a greater extent than necessary. Appendix "F" provides for an expedited procedure that allows prompt handling by the General Chairman and the Senior Director-Labor Relations in subcontracting disputes, thereby reducing the preliminary on-property handling to a 30 DAY TIME PERIOD. The Norfolk & Western Agreement lacks any similar provisions as provided within Appendix "F" of the Conrail Agreement. No comparable rule.

CONRAIL AGREEMENT IS SUPERIOR

Conrail Seniority Districts and Seniority Rosters

Pages 73 through 83 of the Conrail Agreement pertain to the establishment of 19 Regional Seniority Districts and the establishment of Seniority Rosters of its employees of the former bankrupt railroads who were offered employment with Conrail, with prior railroad seniority rights dovetailed into

said rosters. Employees hired after April 1, 1976, are placed on these rosters without prior railroad seniority rights. The Regional Seniority Districts and Rosters were established in accordance with the various Implementing Agreements of 1975 that were a direct product of the Regional Rail Reorganization Act (3R Act) of 1973. Not only were these Seniority Districts established to protect the seniority rights of the employees of the former bankrupt railroads that formed Conrail in 1976, but, also, to protect the work opportunity or right to perform work in a specific Seniority District by said employees. Furthermore, in regard to the prior railroad seniority rights of the former employees of the bankrupt railroads, referred to as "Prior Rights", this designation will eventually disappear by attrition, because anyone obtaining seniority after April 1, 1976 does not receive a "Prior Right" designation. Accordingly, this system of Regional Seniority Districts and Seniority Rosters established therein has worked very well not only in protecting the seniority rights and work opportunity of the employees in a specific Seniority District, but, also, has resulted over the past 20 years in a very peaceful operation of the Conrail system which encompasses thirteen (13) states. Accordingly, this system of seniority should remain intact with the expansion into the territories of the acquiring railroads, whichever the case may be, CSX or NF. And, the acquiring railroads (CSX and NF) position as stated in their "Joint Application" filed with the Surface Transportation Board relative to elimination of the Regional Seniority Districts on Conrail and established Seniority

Rosters therein, and replaced with "Point Seniority" should be rejected .

CONRAIL AGREEMENT IS SUPERIOR

In summary, through Congress, the Consolidated Rail Corporation (Conrail) was formed from eight (8) bankrupt railroads.

"The Legislative Scheme" Congress used to create Conrail started with the Regional Rail Reorganization Act (RR Act) of 1970. This Act enabled Conrail to be formed from the eight (8) bankrupt railroads. Congress required Conrail to recognize the labor organizations that represented the employees on the eight railroads. Pursuant to Section 304(d) of the Act, the Labor Organizations and Conrail negotiated a single collective bargaining agreement for each craft and class. As a result, an agreement was reached between the Machinists Union (IAM) and Conrail referred to as the IAM-Conrail May 1, 1979 Controlling Agreement.

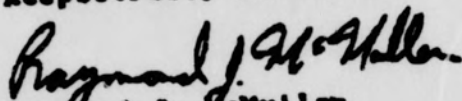
This Agreement replaced all other Agreements of the former component bankrupt railroads that created the formation of Conrail, except for the exceptions as stated in Appendix "C" of the Agreement as previously discussed herein.

Accordingly, as referred to above, Congress required the various Labor Organization upon the creation of Conrail to negotiate a single Agreement for each craft and class. Therefore, the

Machinists negotiated the IAM-Conrail May 1, 1978 Controlling Agreement which contains Rules that only pertain to employees represented by the IAM. This Agreement has only been in existence for eighteen (18) years, which in the railroad industry this is regarded as a very new Agreement.

On the other hand, the Norfolk & Western Agreement contains Rules that cover all crafts. This Agreement has been in existence since 1940, forty eight (48) years. In the railroad industry this Agreement is an old Agreement, and compared to the Conrail Agreement is very antiquated.

Respectfully submitted,


Raymond J. McMullen
General Chairman

IORY-6

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB 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

STB FINANCE DOCKET NO. 33388 (SUB-NO. 77)

INDIANA & OHIO RAILWAY COMPANY
--TRACKAGE RIGHTS--
CSX TRANSPORTATION, INC. AND NORFOLK SOUTHERN RAILWAY COMPANY

RESPONSE OF INDIANA & OHIO RAILWAY COMPANY
TO THE INTERROGATORIES AND REQUEST FOR DOCUMENTS OF
CSX AND NORFOLK SOUTHERN

Indiana & Ohio Railway Company ("IORY") hereby responds to the First Set of
Interrogatories and Requests for Production of Documents of CSX and NS¹ (CSX/NS-132),
served November 6, 1997.

¹ "CSX" refers collectively to CSX Corporation and CSX Transportation, Inc., and "NS" refers collectively to Norfolk Southern Corporation and Norfolk Southern Railway Company.

Cincinnati. Given the limited volume of traffic on the CSX line, there should be no congestion and IORY's trains should not experience any delays in operating to and from Cincinnati.

With respect to the requested trackage rights between Cincinnati and the Monroe branch, IORY proposes to utilize the current local crew headquartered in Mason which would move empties to CSX at Cincinnati and return the same day with the traffic now handled by CSX to the Monroe branch. The proposed operations would reduce the current five to six day transit time to one day.

5. Identify the time-sensitive traffic referred to on page 5 of the Responsive Application, including but not limited to:
- a. The identity of the shipper moving such traffic;
 - b. The route over which such traffic moves;
 - c. The number of carloads of such traffic moved for each month for the years 1995, 1996, 1997; and
 - d. All railroad schedules applicable to the movement of such traffic.

Response: The time-sensitive traffic referred on page 5 of the Responsive Application consists of automobiles and automotive parts traffic IORY is handling under an haulage agreement with Canadian National Railway Company ("CN"). Pursuant to the haulage arrangement, CN publishes rates, executes transportation contracts, and remains the carrier in the routings for all traffic handled under the haulage agreement. IORY, therefore, objects to this interrogatory to the extent it seeks information not within the possession or knowledge of IORY. Without waiving this objection, IORY responds as follows:

- a. Because the time-sensitive traffic is handled pursuant to an haulage agreement, IORY's customer is CN. IORY understands that the traffic it is hauling is for the accounts of General Motors, Ford Motor Company, and Nissan Motor Company.

b. IORY objects to this interrogatory to the extent it seeks routing information beyond the IORY rail system. Without waiving this objection, IORY responds that IORY handles this traffic pursuant to an haulage agreement between Flat Rock, Michigan and Cincinnati, Ohio.

c. IORY objects to this interrogatory to the extent it seeks information prior to February 14, 1997. IORY entered into the haulage arrangement with CN on February 14, 1997, and has no knowledge as to the movements of this traffic prior to that date. Without waiving this objection, IORY responds as follows:

Documents responsive to this interrogatory will be placed in IORY's depository.

d. IORY objects to this interrogatory as ambiguous, vague and vastly overbroad. The request literally calls for IORY to produce all railroad schedules applicable to the movement of automobiles and automotive parts traffic. IORY has no knowledge as to railroad schedules beyond the movement of this traffic over IORY rail lines. Without waiving this objection, IORY responds as follows:

Documents responsive to this interrogatory will be placed in IORY's depository.

6. Identify all IORY trains moved over any portion of the Conrail line between Springfield, Ohio and Cincinnati, Ohio pursuant to trackage rights from 1995 to the present, including but not limited to:

- a. The Conrail stations or mileposts between which each such IORY train moved;
- b. The number of carloads for such trains for each month for the years 1995, 1996 and 1997; and
- c. All railroad schedules applicable to the movement of such trains over Conrail lines.

Response: IORY objects to this interrogatory to the extent it seeks information prior to February 1997, when IORY first commenced operations over the CRC line between Springfield and Cincinnati. Subject to this objection, IORY responds as follows:

IOFY trains moved over the CRC line are Train Nos. 258, 262, 260, 261, 263, 413, 203 and 205.

- a. See response to Interrogatory No. 4 a.
- b. Documents responsive to this interrogatory will be placed in IORY's depository.
- c. Documents responsive to this interrogatory will be placed in IORY's depository.

7. Describe in detail what IORY considers to be "neutral and indifferent gateway service" as that term is used on page 8 of the Responsive Application.

Response: For an example of the "neutral and indifferent gateway service" offered by CRC today, see Responsive Application at 8. For any traffic local to CRC that CRC cannot handle in single-line service and which can be interchanged with either CSX or NS at nearby junctions, CRC should have no incentive to favor either CSX or NS as its joint-line partner. Shippers located on CRC with comparable connections to CSX and NS are, therefore, able to negotiate competitive rate and service options with CSX and NS for rail services from the CRC-CSX and CRC-NS gateways. Documents responsive to this interrogatory will be placed in IORY's depository

8. Describe in detail how IORY would perform the function of providing "neutral and indifferent gateway service" as that term is used on page 8 of the Responsive Application, if the requested trackage rights were to be granted, including a description of all costs of providing the service over those lines and details of all interchanges with CSX or NS.

this line. Although the route via Washington Court House is somewhat more circuitous than the route over the CRC line, the transit times via Washington Court House would be substantially less whenever the CRC line is congested and IORY is forced to sit idle for four or more hours. Because of the congestion on the CRC line, IORY is forced to use up to three crews on trains moving to Cincinnati. By rerouting these trains via Washington Court House over the lightly traveled CSX line, IORY would need to use only one crew, thus saving the one to two additional crews now needed on the congested CRC line.

10. Explain how diverting traffic from truck to rail, as IORY proposes on page 9 of the Responsive Application, would alleviate congestion on the line segments over which IORY seeks trackage rights.

Response: IORY objects to this interrogatory on the grounds that it is vague, ambiguous and based on an erroneous premise. IORY did not propose to divert traffic from truck to rail on page 9 of the Responsive Application. Rather, IORY explained that the current rail traffic moving to the Monroe branch may be lost to trucks because of the slow transit times between Cincinnati and Monroe. Without waiving this objection, IORY responds as follows:

The purpose of the requested trackage rights between Cincinnati and the Monroe branch is to retain current rail traffic, which because of the delays may be lost to trucks, and not to divert current truck traffic to rail. In addition, the current transit times for traffic moving from Cincinnati to IORY's Monroe branch are 5 to 6 days. With the requested trackage rights, IORY would be able to save 4 to 5 days transit time. Congestion on the rail lines between Cincinnati and the Monroe branch would be alleviated to the extent that the IORY cars would occupy space on these rail lines for only 1 day, rather than the current 5 to 6 days.

11. Describe in detail the basis for IORY's contention that "the proposed trackage rights would enable IORY to reduce costs," as stated on page 10 of the Responsive Application.

Response: As explained in the Responsive Application, IORY is currently incurring additional crew and fuel costs because of the delays IORY is incurring on the rail line between Springfield and Cincinnati. While IORY's trains sit idle, or are forced to stop and go, additional fuel is consumed. Because of the congestion on the CRC line, IORY is forced to use up to two additional crews, which costs IORY approximately \$311 for each additional shift. The proposed trackage rights would enable IORY to avoid these added and unnecessary expenses.

12. State with specificity the grounds upon which IORY witness Michael Burkart asserts that two of the routes over which IORY operates and is allegedly experiencing operating problems and delays "are expected to become significantly worse if the control of CRC is approved." Burkart V.S. at 3.

Response: See Verified Statement of Michael Burkart at 4-7. Based on information provided to IORY by the Ohio Rail Development Commission, NS intends to increase traffic levels on the already congested CRC line between Springfield and Cincinnati by 7.2 trains per day. Based on Mr. Burkart's past experience, adding trains to an already congested corridor leads to further congestion and increased delays.

13. Describe with specificity all operating problems IORY alleges that it is experiencing on the two routes referred to in Mr. Burkart's Verified Statement at page 3, including but limited to the date at which such "operating problems" began and all actions IORY has taken to reduce, eliminate, avoid or otherwise respond to such "operating problems."

ISRR-6

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB 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

STB FINANCE DOCKET NO. 33388 (SUB-NO. 76)

INDIANA SOUTHERN RAILROAD, INC.
-TRACKAGE RIGHTS-
CSX TRANSPORTATION, INC. AND INDIANA RAIL ROAD COMPANY

RESPONSE OF INDIANA SOUTHERN RAILROAD, INC.,
TO THE FIRST SET OF INTERROGATORIES AND REQUESTS FOR DOCUMENTS OF
CSX AND NORFOLK SOUTHERN

Indiana Southern Railroad, Inc. ("ISRR"), hereby responds to the First Set of
Interrogatories and Requests for Production of Documents of CSX and NS¹ (CSX/NS-133),
served November 6, 1997.

¹ "CSX" refers collectively to CSX Corporation and CSX Transportation, Inc., and "NS" refers collectively to Norfolk Southern Corporation and Norfolk Southern Railway Company.

3. Describe in detail the basis for ISRR's "estimates that it will lose approximately \$1.5 million in revenues annually to CSXT and INRD," as alleged on page 5 of ISRR's Responsive Application.

Response: ISRR projects that it will lose all revenues earned from traffic handled for Indianapolis Power and Light Company ("IPL"). Documents responsive to this interrogatory will be placed in ISRR's depository.

4. Describe in detail the basis for ISRR's contention that "[t]he loss of these revenues will impair ISRR's ability to perform essential services on its rail line," as alleged on page 5 of ISRR's Responsive Application.

Response: The loss of the projected revenues will force ISRR to reduce costs. The most immediate cost savings ISRR would be able to achieve would be to abandon its line north of milepost 17, which would sever ISRR's connection to Indianapolis. This northern line segment would not be profitable without the IPL traffic that currently moves over that segment. If ISRR is forced to abandon that segment, all rail shippers on that segment as well as shippers on other parts of the ISRR system that ship by rail to or over Indianapolis would lose rail service.

5. Identify all shippers currently served by ISRR that ISRR contends would lose rail service as a result of the Proposed Transaction.

Response: ISRR is continuing to analyze the actions ISRR would need to take as a result of the projected revenue losses. As explained in the Responsive Application, one option ISRR has considered is to abandon its line north of milepost 17. If ISRR were to take this action the following shippers would lose rail service:

Trans-City Terminal Warehouse, Inc.
P.O. Box 42069 4750 Kentucky Ave.
Indianapolis, IN 46242

Indy Railway Service Corporation
6111 W. Hanna Ave.
Indianapolis, IN 46241

Newcomer Lumber
149 East High
Mooresville, IN 46158

Ameriplex Industrial Park
251 N. Illinois Street
Indianapolis, IN 46204

Ambassador Steel
149 Sycamore Lane
Mooresville, IN 46158

General Shale
P.O. Box 96
Sycamore Lane
Mooresville, IN 46158

Star Metals
Illinois Street
Petersburg, IN 47567

6. For each shipper identified in response to the preceding interrogatory, identify:
 - a. The specific physical location, including street address, of each of that shippers facilities served by ISRR;
 - b. The annual volume of traffic, by car, that ISRR has transported for that shipper (separately for each facility) from 1995 to the present; and
 - c. The routes, by origin and destination, over which ISRR has transported traffic for that shipper from each facility from 1995 to the present.

Response:

- a. See response to Interrogatory No. 5.
- b. Documents responsive to this interrogatory will be placed in ISRR's depository.
- c. For Trans-City Terminal Warehouse, inbound traffic is handled from interchange with CRC at Indianapolis, CP Rail at Bee Hunter, and CSX at Evansville. For Newcomer Lumber, inbound traffic is handled from interchange with CRC at Indianapolis. For Ambassador Steel, inbound traffic is handled from interchange with CRC at Indianapolis, NS at Oakland City and CSX at Evansville. For Indy Railway Service Corporation, inbound and outbound traffic is handled to and from the interchange with CRC at Indianapolis, CSX at Evansville, and INRD at

Switz City. For General Shale, inbound traffic is handled from interchange with NS at Oakland City and CSX at Evansville. Outbound traffic is handled to interchange with CRC at Indianapolis. Ameriplex Industrial Park is currently under development on the ISRR with the intention that companies locating in the Park will have rail service. For Star Metals, inbound traffic is handled from interchange with CRC at Indianapolis and CSX at Evansville. Outbound traffic is handled to interchange with CRC at Indianapolis.

7. Identify the amount of revenue received by ISRR from each of the shippers identified in response to the preceding interrogatory for the years 1995, 1996, 1997 or any part thereof.

Response: Documents responsive to this interrogatory will be placed in ISRR's depository.

8. For each shipper identified in response to Interrogatory No. 5,
- To ISRR's knowledge, have any of that shipper's shipments from any facility served by ISRR ever moved by truck or any other mode of transportation not involving ISRR at any time from 1995 to the present?
 - If the answer to the preceding subpart is "yes," identify separately with respect to each such facility the alternate transportation mode or modes by which such shipments moved.

Response:

- Yes, except for Indy Railway Service Corporation.
- The alternate mode for each shipper other than Indy Railway is truck. To the best of ISRR's knowledge, Indy Railway's only mode of transportation has been rail.

9. State the volume of traffic that ISRR contends it will lose if the Application is approved without the conditions ISRR requests:

- In total; and

20. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such request, specifying:

- a. which of the shortlines ISRR sought to obtain access to;
- b. the location at which ISRR proposed that access be obtained (identifying all intermediate carriers and the basis upon which ISRR proposed to access CIND, CERA or LIRC via such carrier's lines);
- c. the time period during which ISRR attempted to obtain access; and
- d. why ISRR did not obtain access.

Response: See response to Interrogatory Nos. 18 and 19.

21. Identify any portions of the ISRR rail line that are currently not in active rail service.

Response: None.

22. At any time prior to June 1997, did ISRR attempt to abandon any portion of its rail line? For purposes of this interrogatory, the time limitation set forth in Instruction 3 does not apply.

Response: ISRR objects to this interrogatory as overbroad and burdensome to the extent it seeks information prior to 1995. Without waiving this objection, ISRR responds as follows:

Yes.

23. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such abandonment attempt, specifying: (a) the location of the rail line that ISRR sought to abandon (including mileposts); (b) the time period during which ISRR attempted to abandon that line; and (c) the status of the abandonment effort.

Response: Documents responsive to this interrogatory will be placed in ISRR's depository.

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB 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

STB FINANCE DOCKET NO. 33388 (SUB-NO. 76)

INDIANA SOUTHERN RAILROAD, INC.
--TRACKAGE RIGHTS--
CSX TRANSPORTATION, INC. AND INDIANA RAIL ROAD COMPANY

RESPONSE OF INDIANA SOUTHERN RAILROAD, INC.,
TO THE FIRST SET OF INTERROGATORIES AND REQUESTS FOR DOCUMENTS OF
CSX AND NORFOLK SOUTHERN

Indiana Southern Railroad, Inc. ("ISRR"), hereby responds to the First Set of
Interrogatories and Requests for Production of Documents of CSX and NS¹ (CSX/NS-133),
served November 6, 1997.

¹ "CSX" refers collectively to CSX Corporation and CSX Transportation, Inc., and "NS" refers collectively to Norfolk Southern Corporation and Norfolk Southern Railway Company.

3. Describe in detail the basis for ISRR's "estimates that it will lose approximately \$1.5 million in revenues annually to CSXT and INRC," as alleged on page 5 of ISRR's Responsive Application.

Response: ISRR projects that it will lose all revenues earned from traffic handled for Indianapolis Power and Light Company ("IPL"). Documents responsive to this interrogatory will be placed in ISRR's depository.

4. Describe in detail the basis for ISRR's contention that "[t]he loss of these revenues will impair ISRR's ability to perform essential services on its rail line," as alleged on page 5 of ISRR's Responsive Application.

Response: The loss of the projected revenues will force ISRR to reduce costs. The most immediate cost savings ISRR would be able to achieve would be to abandon its line north of milepost 17, which would sever ISRR's connection to Indianapolis. This northern line segment would not be profitable without the IPL traffic that currently moves over that segment. If ISRR is forced to abandon that segment, all rail shippers on that segment as well as shippers on other parts of the ISRR system that ship by rail to or over Indianapolis would lose rail service.

5. Identify all shippers currently served by ISRR that ISRR contends would lose rail service as a result of the Proposed Transaction.

Response: ISRR is continuing to analyze the actions ISRR would need to take as a result of the projected revenue losses. As explained in the Responsive Application, one option ISRR has considered is to abandon its line north of milepost 17. If ISRR were to take this action the following shippers would lose rail service:

Trans-City Terminal Warehouse, Inc.
P.O. Box 42069 4750 Kentucky Ave.
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Petersburg, IN 47567

Indy Railway Service Corporation
6111 W. Hanna Ave.
Indianapolis, IN 46241

Ameriplex Industrial Park
251 N. Illinois Street
Indianapolis, IN 46204

General Shale
P.O. Box 96
Sycamore Lane
Mooresville, IN 46158

6. For each shipper identified in response to the preceding interrogatory, identify:
- The specific physical location, including street address, of each of that shippers facilities served by ISRR;
 - The annual volume of traffic, by car, that ISRR has transported for that shipper (separately for each facility) from 1995 to the present; and
 - The routes, by origin and destination, over which ISRR has transported traffic for that shipper from each facility from 1995 to the present.

Response:

- See response to Interrogatory No. 5.
- Documents responsive to this interrogatory will be placed in ISRR's depository.
- For Trans-City Terminal Warehouse, inbound traffic is handled from interchange with CRC at Indianapolis, CP Rail at Bee Hunter, and CSX at Evansville. For Newcomer Lumber, inbound traffic is handled from interchange with CRC at Indianapolis. For Ambassador Steel, inbound traffic is handled from interchange with CRC at Indianapolis, NS at Oakland City and CSX at Evansville. For Indy Railway Service Corporation, inbound and outbound traffic is handled to and from the interchange with CRC at Indianapolis, CSX at Evansville, and INRD at

Switz City. For General Shale, inbound traffic is handled from interchange with NS at Oakland City and CSX at Evansville. Outbound traffic is handled to interchange with CRC at Indianapolis. Ameriplex Industrial Park is currently under development on the ISRR with the intention that companies locating in the Park will have rail service. For Star Metals, inbound traffic is handled from interchange with CRC at Indianapolis and CSX at Evansville. Outbound traffic is handled to interchange with CRC at Indianapolis.

7. Identify the amount of revenue received by ISRR from each of the shippers identified in response to the preceding interrogatory for the years 1995, 1996, 1997 or any part thereof.

Response: Documents responsive to this interrogatory will be placed in ISRR's depository.

8. For each shipper identified in response to Interrogatory No. 5,
- To ISRR's knowledge, have any of that shipper's shipments from any facility served by ISRR ever moved by truck or any other mode of transportation not involving ISRR at any time from 1995 to the present?
 - If the answer to the preceding subpart is "yes," identify separately with respect to each such facility the alternate transportation mode or modes by which such shipments moved.

Response

- Yes, except for Indy Railway Service Corporation.
- The alternate mode for each shipper other than Indy Railway is truck. To the best of ISRR's knowledge, Indy Railway's only mode of transportation has been rail.

9. State the volume of traffic that ISRR contends it will lose if the Application is approved without the conditions ISRR requests:

- In total; and

20. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such request, specifying:

- a. which of the shortlines ISRR sought to obtain access to;
- b. the location at which ISRR proposed that access be obtained (identifying all intermediate carriers and the basis upon which ISRR proposed to access CIND, CERA or LIRC via such carrier's lines);
- c. the time period during which ISRR attempted to obtain access; and
- d. why ISRR did not obtain access.

Response: See response to Interrogatory Nos. 18 and 19.

21. Identify any portions of the ISRR rail line that are currently not in active rail service.

Response: None.

22. At any time prior to June 1997, did ISRR attempt to abandon any portion of its rail line? For purposes of this interrogatory, the time limitation set forth in Instruction 3 does not apply.

Response: ISRR objects to this interrogatory as overbroad and burdensome to the extent it seeks information prior to 1995. Without waiving this objection, ISRR responds as follows:

Yes.

23. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such abandonment attempt, specifying: (a) the location of the rail line that ISRR sought to abandon (including mileposts); (b) the time period during which ISRR attempted to abandon that line; and (c) the status of the abandonment effort.

Response: Documents responsive to this interrogatory will be placed in ISRR's depository.

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
SURFACE TRANSPORTATION BOARD

CI-7

Finance Docket No. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC.,
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
—CONTROL AND OPERATING LEASE/AGREEMENTS—
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

THE CITY OF INDIANAPOLIS' RESPONSE TO
CSX CORPORATION AND CSX TRANSPORTATION, INC.'S
FIRST SET OF INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS

The City of Indianapolis (the "City") hereby responds to CSX Corporation and CSX Transportation, Inc.'s (collectively "CSX") First Set of Interrogatories and Requests for Production of Documents.

GENERAL RESPONSES

The following general responses are made with respect to all of the requests and interrogatories.

1. The City has conducted a reasonable search for information responding to CSX's requests consistent with its stated objections. All documents responsive to CSX's requests herein either are in CSX's depository or have already been provided to Drew A. Harker of Arnold & Porter at the designated address.
2. Production of information or documents does not necessarily imply that they are relevant to this proceeding and is not to be construed as waiving any applicable objection.

(c) Subject to its objections to Interrogatory No. 9(a) and its general objections, the City responds by referring CSX to its answer to Interrogatory No. 1(d).

INTERROGATORY NO. 10:

- (a) Is it your contention that the Board's decision in UP/SP Control, STB Finance Docket No. 32760, Decision #44, insofar as it relates to the switching fee cap there imposed, is binding precedent on the Board in the present Proceeding? State in detail all reasons for your response.
- (b) If your answer to Interrogatory 10(a) is in any way affirmative, state whether this is the sole precedent upon which you rely to support your position.
- (c) If your answer to Interrogatory 10(a) is in any way negative, identify any other precedent upon which you rely to support your position.
- (d) Identify all documents that in any way relate to your response or that you consulted or reviewed in preparing your response to Interrogatory 10(a).

ANSWERS:

(a) The City objects to this Interrogatory on the ground that the phrase "binding precedent" is not defined and is susceptible to several interpretations. Subject to this objection and its general objections, the City responds that it has not at this point in the proceeding made a contention one way or the other regarding Decision # 44 in STB Finance Docket No. 32760. What the City does contend and its reasons for this contention are set forth in its responses to Interrogatory Nos. 1(a), 1(b), 8(a) and 8(b).

(b) The City objects to this Interrogatory on the ground that the term "precedent" is not meaningfully defined by CSX inasmuch as CSX uses the term "precedent" to define the term "precedent." Subject to this objection and its general objections, the City responds that, to the

[illegible]

INTERNATIONAL OPERATORS, INC.
BALANCE SHEET
DEC 31 - OCT 31

Balance Sheet	Oct. 31	Jan. 31	Feb. 28	Mar. 31	Apr. 30	May 31	June 30	July 31	Aug. 31	Sept. 30	Oct. 31	Nov. 30	Dec. 31	Jan. 31	Feb. 28	Mar. 31	Apr. 30	May 31	June 30	July 31	Aug. 31	Sept. 30	Oct. 31
CURRENT ASSETS																							
Cash	1,689	4,982	7,888	1,686	(51,754)	33,889	1,389	12,711	3,364	7,389	(888)	21,359	1,657	(4,888)	(888)	7,889	16,353	6,994	3,799	13,499	482	6,664	23,377
Accounts Receivable	379	688	888	888	349	1,889	3,389	6,381	51,794	11,499	11,844	21,389	13,889	1,389	6,381	9,143	12,983	73,343	14,949	16,379	79,889	48,139	33,889
Material Supplies Inventory						889	889	889	889	889	889	889	889	889	889	889	889	889	889	889	889	889	889
Other Current Assets	6,813	6,488	15,382	23,482	16,482	27,482	28,482	28,482	28,482	27,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482	28,482
Total Current Assets	8,877	(641)	24,758	26,311	(14,813)	36,559	74,754	49,494	42,704	48,353	38,879	48,357	42,704	24,758	24,489	34,489	48,139	14,949	34,489	48,139	79,889	71,547	68,549
Other Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	8,877	(641)	24,758	26,311	(14,813)	36,559	74,754	49,494	42,704	48,353	38,879	48,357	42,704	24,758	24,489	34,489	48,139	14,949	34,489	48,139	79,889	71,547	68,549
LIABILITIES & STOCKHOLDERS' EQUITY																							
CURRENT LIABILITIES																							
Accounts Payable	1,889	2,889	4,889	29,384	9,381	14,381	74,889	41,779	17,339	11,499	9,349	9,489	21,389	6,994	4,884	9,437	5,438	21,484	22,413	19,389	17,339	11,499	81,949
Intercompany Payable	9,179	9,332	48,889	29,389	29,481	139,714	139,849	289,441	281,332	289,882	284,682	284,584	289,341	289,889	289,889	289,889	289,889	289,889	289,889	289,889	289,889	289,889	289,889
Total Current Liabilities	11,064	11,489	54,888	79,764	48,862	149,165	179,889	238,669	208,689	204,349	204,779	204,174	279,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889
Long Term Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	11,064	11,489	54,888	79,764	48,862	149,165	179,889	238,669	208,689	204,349	204,779	204,174	279,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889	204,889
OWNERS' EQUITY																							
Common Stock (par)	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889	1,889
Retained Earnings	(6,182)	(13,381)	(23,444)	(26,482)	(68,613)	(117,606)	(149,754)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)	(179,889)
Total Owners' Equity	(5,189)	(12,399)	(21,544)	(24,593)	(66,724)	(115,717)	(147,865)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)
TOTAL LIABILITIES & OWNERS' EQUITY	8,877	(641)	24,758	26,311	(14,813)	36,559	74,754	49,494	42,704	48,353	38,879	48,357	42,704	24,758	24,489	34,489	48,139	14,949	34,489	48,139	79,889	71,547	68,549

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE REPORT 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

**LIVONIA AVON & LAKEVILLE RAILROAD CORPORATION'S
RESPONSES TO FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
OF CSX AND NORFOLK SOUTHERN**

Livonia Avon & Lakeville Railroad Corp. ("LAL") hereby responds to the First Set of Interrogatories and Requests for Production of Documents of CSX Corporation and CSX Transportation, Inc. (collectively "CSX") and Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively "NS") (CSX/NS-134). Consolidated Rail Corporation and Conrail, Inc. (collectively "Conrail"), CSX, and NS are collectively referred to herein as "Applicants."

10. LAI objects to the requests to the extent they seek documents or information in a form not maintained by LAL in the regular course of business or not readily available in the form requested, on the ground that such documents or information could only be developed, if at all, through burdensome and oppressive special studies, which are not required by the STB's rules and which LAL objects to performing.

11. LAL objects to the requests as overly broad and burdensome to the extent they seek information or documents for periods prior to January 1, 1995.

12. LAL objects to the requests insofar as they seek "all documents relating to" the matters specified, as overly broad and burdensome.

INTERROGATORIES

Interrogatory No. 1

At any time prior to June 1997, did LAL or, to its knowledge, any prior owner or operator of LAI's line, offer, or otherwise propose or seek to acquire ownership of, or trackage or other operating rights over, all or any portion of Genesee Junction Yard or any tracks that provide access thereto. For purposes of this Interrogatory, the time limitation set forth in Instruction 3 does not apply.

Response:

LAL objects to this Interrogatory on the grounds that the information sought is irrelevant and is overly broad as to time. Without waiver of these objections, and subject to the General Objections stated above, LAL responds as follows:

For the period of 1993 until the present, yes.

Interrogatory No. 2

If the answer to Interrogatory No. 1 is anything other than an unqualified "no," describe in detail each such offer, proposal, or other request, specifying: (a) the length and location of the lines involved; (b) the nature of

the ownership interest or operating rights proposed or sought; (c) the financial terms upon which such ownership or operating rights were proposed or sought; (d) all other terms, including terms governing railroad operations, that were offered, proposed, sought, or discussed; and (e) why the ownership or operating rights in question were not acquired pursuant to that offer, proposal or request.

Response:

Without waiving any of the objections made and referenced in response to Interrogatory No. 1, and subject to the General Objections stated above, LAL responds as follows:

(a) and (b) In August 1994, LAL offered to acquire the Genesee Junction Yard.

(c) See documents in LAL's document repository.

(d) See documents in LAL's document repository.

(e) Conrail rejected sale of Genesee Junction Yard

(a) and (b) LAL again raised the subject of its acquisition in June 1995.

(c) None.

(d) None.

(e) This suggestion was rejected by Conrail.

Interrogatory No. 3

Describe all discussions between LAL and any other person concerning the potential or proposed acquisition of Genesee Junction Yard by LAL or any other person, including but not limited to date, individuals involved, nature of discussion, correspondence, and notes of meetings.

Response:

LAL objects to Interrogatory No. 3 on the grounds that it is overbroad, burdensome, and duplicative of Interrogatories No. 1 and No. 2. Without waiver of these objections, and subject to the General Objections stated above, LAL refers Applicants to LAL's responses to Interrogatories No. 1 and 2.

Interrogatory No. 4

State whether LAL has ever had the ability to interchange cars directly with Rochester & Southern Railroad, Inc. ("RSR").

Response:

Without waiving any objections and subject to the General Objections stated above, LAL responds as follows:

No.

Interrogatory No. 5

Describe in detail all requests by LAL for Conrail to maintain, repair or upgrade any facilities at the Genesee Junction Yard.

Response:

LAL objects to this Interrogatory on the grounds that the use of the word "detail" is undefined and makes the Interrogatory vague, overbroad, and ambiguous. Without waiver of any objections and subject to the General Objections stated above, LAL responds as follows:

See response to Document Request No. 7.

Interrogatory No. 6

Has LAL ever offered to contribute to the cost of maintenance, repair or upgrading of facilities at Genesee Junction Yard? If the answer is anything other than an unqualified "no," for each such offer provide the date, content of offer (including the maintenance, repair or upgrading and cost involved), parties involved, and disposition.

Response:

Without waiving any objections, and subject to the General Objections stated above, LAL responds as follows:

No.

Interrogatory No. 7

State the number of rail cars LAL handled in 1996.

Response:

Without waiving any objections, and subject to the General Objections stated above, LAL responds as follows:

2,900.

Interrogatory No. 8

Identify all studies, analyses, and/or LAL assumptions relating to and projection of increased LAL traffic through the Genesee Junction Yard.

Response:

LAL objects to this Interrogatory on the grounds that the use of the word "detail" is undefined and makes the Interrogatory vague, overbroad, and ambiguous. Without waiving any objections, and subject to the General Objections stated above, LAL responds as follows:

None.

Interrogatory No. 9

Assuming LAL was permitted to interchange with RSR in Genesee Junction Yard, state:

- a) the number of rail cars LAL contends it would interchange with RSR;

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE REPORT 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

**LIVONIA, AVON & LAKEVILLE RAILROAD CORPORATION'S
RESPONSES TO SECOND SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
OF CSX AND NORFOLK SOUTHERN**

The Livonia, Avon & Lakeville Railroad Corporation ("LAL") hereby responds to the Second Set of Interrogatories and Requests for Production of Documents of CSX and Norfolk Southern (CSX/NS-157).

GENERAL RESPONSES

The following general responses are made with respect to all of the request and interrogatories:

1. LAL has conducted a reasonable search for responsive documents and information to respond consistent with the stated objections. Except as to objections noted

INTERROGATORIES

Interrogatory No. 1

Does LAL contend that any shipper currently served by LAL will lose rail service if the [Primary] Application is approved without the conditions sought by LAL?

Response:

Without waiving any objections, and subject to the general objections above, LAL responds as follows:

Hereinafter, and consistent with the Responsive Application, LAL assumes that "shipper" refers to local industries or other businesses utilizing rail sidings or transload facilities located on LAL's Northern Division. In many cases, such businesses receive rather than ship product.

As delineated more fully in its Responsive Application, LAL contends that the Primary Application, if approved in its unconditioned form, will exacerbate the incentives of a monopolistic connection to allocate available resources away from captive markets such as the LAL and its customers to more competitive markets.

Interrogatory No. 2

If the answer to the preceding interrogatory is anything other than an unqualified "no," identify all shippers currently served by LAL that LAL contends would lose service as a result of the Proposed Transaction.

Response:

Without waiving any objections, and subject to the general objections above, LAL responds as follows:

Northern Division customers were listed in the Responsive Application.

Interrogatory No. 3

For each shipper identified in response to the preceding interrogatory, identify:

- a. **The specific physical location (including street address) of each of the shipper's facilities served by LAL;**
- b. **The annual volume of traffic, by car, that LAL has transported for the shipper (separately for each facility) from 1995 to the present;**
- c. **The routes, by origin and destination, over which LAL has**

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 33386

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN RAILWAY COMPANY
CONTROL AND OPERATING LEASES/AGREEMENTS
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

METRO-NORTH COMMUTER RAILROAD COMPANY'S ANSWERS AND OBJECTIONS TO
NS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Pursuant to 49 C.F.R. §§1114.26 and 1114.30. and the Discovery Guidelines entered in this proceeding on June 27, 1997, see Decisions Nos. 10 and 20, Metro-North Commuter Railroad Company ("MNCR" or "Metro-North") serves the following sworn answers and objections to Norfolk Southern's ("NS") first set of interrogatories and requests for production of documents.

GENERAL OBJECTIONS

1. Metro-North objects to NS' Interrogatories generally on the ground that they are vague, ambiguous and overly broad.

2. Metro-North objects to NS' Interrogatories to the extent they call for documents and seek information that is protected by the attorney-client privilege, the attorney work product doctrine and/or all other applicable privileges. Metro-North hereby claims all such privileges and protections to the extent implicated by each Interrogatory.

TERMS AND CONDITIONS

MNCR agrees to produce documents pursuant to the Interrogatories, subject to the foregoing general objections and the specific answers and objections stated below, on the following terms and conditions:

1. Given the broad scope of the information sought by some of these Interrogatories, MNCR's effort to respond to them is necessarily continuous and ongoing. MNCR reserves the right to amend and/or supplement its responses.

2. In responding to the Interrogatories, MNCR neither waives nor intends to waive, but expressly reserves, any and all objections to the authenticity, relevance, competency, materiality, or admissibility of any information or documents produced, set forth, identified or referred to herein.

SPECIFIC ANSWERS AND OBJECTIONS

Interrogatory No. 1

1. Describe in detail the priority that is currently given to freight operations on the Subject Lines.

Response to Interrogatory No. 1: Subject to the foregoing general objections, Metro-North has been advised by NJ Transit Rail Operations, Inc. that the current NJ Transit operating priorities are at the discretion of the train dispatcher on duty. As the current level of freight activity is nominal, freight trains are moved when a window between passenger trains is provided by the schedule. Moreover, the currently effective Trackage Rights

Agreement between MNCR and Conrail provides that preference is to be accorded to MNCR's commuter passenger trains [See, bates stamped document MNCR P 027] .

Interrogatory No. 2

2. On page 8 of MNCR-2, MNCR claims that in the event the Subject Lines are conveyed to Metro-North, dispatching would be retained in Hoboken, NJ and both MNCR and New Jersey Transit would work with NS to accord proper priority to NS freight operations on the Subject Line.

a. Describe what MNCR means by "proper priority."

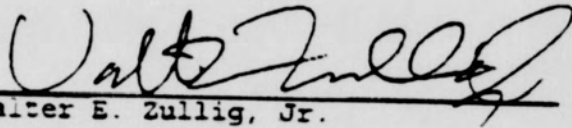
b. Describe procedures that MNCR would institute to give such priority to NS freight operations.

Response to Interrogatory No. 2 a.: Subject to, and limited by, the foregoing general objections, terms and conditions, and without waiving them, MNCR responds to this Interrogatory as follows: The presently effective trackage rights agreement between MNCR and Consolidated Rail Corporation provides that preference is to be accorded to passenger trains on the Subject Line [see bates stamped document MNCR P 027] . In order to develop the "proper priority" to be accorded NS' freight trains, it first will be necessary to learn the priority which NS would like to have accorded to each of its freight trains. MNCR recognizes and understands that some freight trains carry time-value merchandise which must have a higher priority than that generally accorded trains handling certain other commodities, such as coal. Thus it would first be necessary to ascertain NS' desired scheme of priorities for its own freight trains. Beyond that, consideration would be given to the passenger trains and other freight trains scheduled to traverse the Subject Line during the time frame involved as well as such factors as

CERTIFICATE OF SERVICE

I, WALTER E. ZULLIG, JR., certify that on November 21, 1997, I caused to be served by facsimile service a true and correct of the foregoing MNCR-3, Metro-North Commuter Railroad Company's Answers and Objections to NS' First Set of Interrogatories and Requests for Production of Documents to Metro-North Commuter Railroad Company on:

Richard A. Allen
Patricia E. Bruce
Zuckert, Scoutt & Rasenberger, LLP
888 Seventeenth Street, N.W., Suite 600
Washington, DC 20006-3939


Walter E. Zullig, Jr.

Dated: November 21, 1997

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB 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

STB FINANCE DOCKET NO. 33388 (SUB-NO. 75)

NEW ENGLAND CENTRAL RAILROAD, INC.
—TRACKAGE RIGHTS—
CSX TRANSPORTATION, INC.

RESPONSE OF NEW ENGLAND CENTRAL RAILROAD, INC.,
TO THE FIRST SET OF INTERROGATORIES AND REQUEST FOR DOCUMENTS OF
CSX AND NORFOLK SOUTHERN

New England Central Railroad, Inc. ("NECR"), hereby responds to the First Set of
Interrogatories and Requests for Production of Documents of CSX and NS¹ (CSX/NS-137),
served November 7, 1997.

¹ "CSX" refers collectively to CSX Corporation and CSX Transportation, Inc., and "NS" refers collectively to Norfolk Southern Corporation and Norfolk Southern Railway Company.

Response: NECR objects to this interrogatory on the grounds that the phrase "each such other proposal or other request" is vague, ambiguous and undefined. Without waiving this objection, NECR responds as follows:

See response to Interrogatory Nos. 1 and 4.

3. Other than in connection with the Proposed Transaction, did NECR seek any operating rights to give it direct connection to:

- a. carriers at Albany, New York;
- b. carriers at Selkirk, New York;
- c. carriers at Mechanicville, New York;
- d. Connecticut Southern Railroad, Inc. ("CSO"); or
- e. Housatonic Railroad Company, Inc. ("HRRC").

For purposes of responding to this interrogatory, the time limitation set forth in Instruction 3 does not apply.

Response: NECR objects to this interrogatory to the extent it seeks information prior to February 1995. Without waiving this objection, NECR responds as follows:

- a. No.
- b. Yes.
- c. No.
- d. Yes.
- e. No.

4. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such unsuccessful request, specifying: (a) the identity of the carrier that NECR attempted to access; (b) the location where NECR attempted to obtain access; (c) the time period during which NECR attempted to obtain access; (d) whether NECR obtained such a direct connection; and (e) if not, the reason it did not.

Response: Documents responsive to this interrogatory will be placed in NECR's depository.

With respect to subparts (d) and (e), NECR did not obtain a direct connection because CRC refused to grant the requested connections.

5. Identify by milepost end points any portions of NECR's lines that are not currently in active rail service and state the date on which each such segment was taken out of active service.

Response: None.

6. At any time prior to June 1997, did NECR attempt to abandon any portion of its rail line? For purposes of this interrogatory, the time limitation set forth in Instruction 3 does not apply.

Response: NECR objects to this interrogatory to the extent it seeks information prior to 1995.

Without waiving this objection, NECR responds as follows:

No.

7. If the answer to the preceding interrogatory is anything other than an unqualified "no", describe in detail each such abandonment attempt, specifying: (a) the location of the rail line that NECR sought to abandon; (b) the time period during which HRRC (sic) attempted to abandon the property, and (c) the status of the abandonment efforts.

Response: See response to Interrogatory No. 6.

8. Does NECR contend that any shipper currently served by NECR would lose rail service if the Application is approved without the conditions sought by NECR?

Response: Yes.

9. If the answer to the preceding interrogatory is anything other than an unqualified "no", identify all shippers currently served by NECR that NECR contends would lose service as a result of the Proposed Transaction.

Response: As explained in the Responsive Application, the loss of \$8 million in revenue annually would force NECR significantly to reduce service systemwide and to discontinue service altogether on the marginal sections of the NECR system. Most if not all shippers on the NECR would receive reduced service. NECR has not yet identified all of the shippers that would lose service altogether or the rail segments over which it would discontinue service. Shippers NECR has identified to date that would lose all, or virtually all, rail service are described in documents in NECR's depository.

10. For each shipper identified in response to the preceding interrogatory, identify:
- a. The specific physical location, including street address, of each of the shippers facilities served by NECR;
 - b. The annual volume of traffic, by car, that NECR has transported for the shipper (separately for each facility) from 1995 to the present, and
 - c. The routes, by origin and destination, over which NECR has transported traffic for the shipper from 1995 to the present.

Response: See response to Interrogatory No. 9, and workpapers on file in NECR's depository. Documents responsive to this interrogatory will be placed in NECR's depository.

11. Identify the amount of revenue received by NECR from each of the shippers identified in response to the preceding interrogatory for the years 1995, 1996, 1997 or any part thereof.

Response: See response to Interrogatory Nos. 9 and 10, and workpapers on file in NECR's depository. Documents responsive to this interrogatory will be placed in NECR's depository.

12. For each shipper identified in response to Interrogatory No. 9:
 - a. Have any of that shipper's shipments from any facility served by NECR ever moved by truck or any other mode of transportation not involving NECR during the years 1995, 1996, 1997 to your knowledge?
 - b. If the answer to the preceding subpart is "yes," identify separately with respect to each such facility the alternate transportation mode or modes by which such shipments moved.

Response: See response to Interrogatory No. 9. NECR is generally aware that many of the rail shippers located on the NECR use trucks to meet varying degrees of their transportation needs. NECR is unaware of any other alternate transportation mode used by these shippers. As to the shippers specifically identified in response to Interrogatory No. 9, the only alternative service these shippers have available, to the best of NECR's knowledge, is trucks.

13. State the volume of traffic that NECR contends it will lose if the Primary Application is approved without the conditions NECR requests:
 - a. In total; and
 - b. By shipper.

Response: See workpapers in NECR's depository.

14. Describe in detail how NECR calculated the \$8 million estimate of annual revenue loss resulting from traffic diversions if the Proposed Transaction is approved, as reference on page 4 of the Responsive Application. The response should include, but not be limited to, a description of all assumptions used in the calculation, as well as a detailed explanation of the methodology employed.

Response: NECR's traffic diversion analysis was based on 1998 traffic projections for the NECR without the impact of the Proposed Transaction; testimony of Applicants' witnesses (e.g., Verified Statement of Joseph P. Kalt (CSX/NS-19, at 43), Verified Statement of Howard A. Rosen (CSX/NS-19, at 173-176), and Verified Statement of John Q. Anderson (CSX/NS-19, at 279-284)); and the general knowledge of NECR management regarding traffic moving to, from and through the New England area specifically and the Northeast area in general.

The customers identified in the diversion study receive shipments of paper and wood products via NECR primarily from various Canadian origins. NECR handles the traffic from the Canadian border at East Alburgh to the individual customer location on the NECR. The customers, in turn, distribute the products throughout the New England and Northeast regions by truck. The study assumed that 100 percent of this interline traffic (STCC 24 and 26) would be diverted from NECR because of CSX's and NS's access to producers in the South, their control of the New York and New Jersey area intermodal facilities and the advantages of single-line service. The study also assumed that all paper and wood products traffic hauled by NECR for connecting shortlines would be diverted. The study further assumed that CSX and NS would establish distribution centers on their newly acquired lines in the Northeast which would compete directly with NECR's customers.

15. Identify all traffic to be operated over the line segments over which NECR seeks trackage rights, including but not limited to the number of trains, frequency, length in feet, number of cars, and commodities.

Response: NECR objects to this interrogatory to the extent it seeks "a description of all costs of providing the service" on the grounds that preparing a response would require an unduly burdensome and oppressive special study of countless hypothetical train movements. Without waiving this objection, NECR responds as follows:

NECR proposes to offer the shippers on its current rail system and those located on the lines of connecting rail carriers an efficient and economical rail switching service between NECR's rail lines and the gateways to which NECR seeks access. As with CRC today, NECR would have no reason to favor any of the connecting rail carriers and would offer the shippers comparable rate and service options to access the nearby gateways. NECR's costs of providing these services will depend on the nature of the traffic, the services requested, the volume of traffic tendered to NECR, and other factors. Other than the arrangement identified in response to Interrogatory No. 25, NECR has not worked out any interchange arrangements with any of the connecting carriers.

18. Describe in detail how NECR calculated the \$7 million estimate of annual revenue gain resulting from traffic (sic) rights operations if the conditions requested by NECR are granted, as referenced on page 8 of the Responsive Application. The response should include but not be limited to a description of all assumptions used in the calculation, as well as a detailed explanation of the methodology employed.

Response: The \$7 million estimate is based on the per car revenues NECR earns today and the general familiarity of NECR management with traffic moving to, from or through the New England area and traffic moving to New York which currently originates or could originate in Canada and which could move over the trackage rights lines.

See workpapers in NECR's depository. Current employees that would be displaced because of the traffic diversions would be reassigned to perform the operations under the requested trackage rights.

22. For each of the following three shippers, i.e. Maple Leaf, Northwest (Northeast) Warehouse and Quaboag, identify:

- a. The specific physical location, including street address, of each of the shipper's facilities served by NECR;
- b. The annual volume of traffic, by car, that NECR has transported for each shipper (separately for each facility) from 1995 to the present; and
- c. The routes, by origin and destination, over which NECR has transported traffic for the shipper from 1995 to the present.

Response:

- a. See workpapers in NECR's depository.
- b. Documents responsive to this interrogatory will be placed in NECR's depository.
- c. These shippers' rail traffic is handled by NECR from East Alburgh, Vermont to the shippers' facilities.

23. Identify the amount of revenue received by NECR from each of the shippers identified in Interrogatory 22 for the years 1995, 1996, 1997 or any part thereof.

Response: Documents responsive to this interrogatory will be placed in NECR's depository.

24. For each shipper identified in Interrogatory No 22:

- a. To your knowledge, have any of that shipper's shipments from any facility served by NECR ever moved by truck or any other mode of transportation not involving NECR during the years 1995, 1996, 1997 or any part thereof?
- b. If the answer to the preceding subpart is "yes", identify separately with respect to each such facility the alternate transportation mode or modes by which such shipments moved.

Response:

- a. Yes.
- b. Truck

25. State all terms of any agreement, agreement in principle or other commercial arrangement between NECR and Housatonic Railroad Company (HRRC) under which NECR would provide haulage or other service for HRRC.

Response: NECR objects to this interrogatory to the extent it seeks information about privileged settlement negotiations between the parties. Without waiving this objection, NECR responds as follows:

Non-privileged documents responsive to this interrogatory will be placed in NECR's depository.

26. Describe in detail the basis for NECR's claim that if the Proposed Transaction is approved by the STB, "CSXT and NSR will be able to use their significantly enhanced market power to the northeast to displace forest products moving into the northeast from Canada," as stated on page 5 of the Verified Statement of Dale Carlstrom, including but not limited to the complete basis for NECR's contention that Canadian forest products would be displaced by forest products from "the southeast United States," and identify all documents upon which NECR relies in support of those claims.

Response: The statement is based on Mr. Carlstrom's past experience in the railroad industry, his familiarity with forest product traffic moving to the New England area, public statements by officials of Applicants, and the Railroad Control Application. See response to Interrogatory No.

14.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC.,
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
-- CONTROL AND OPERATING LEASES/AGREEMENT --
CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION

RESPONSES OF NEW JERSEY DEPARTMENT OF TRANSPORTATION
AND NEW JERSEY TRANSIT CORPORATION
TO CSX'S AND NS'S FIRST SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS

The New Jersey Department of Transportation ("NJDOT") and New Jersey Transit Corporation ("NJTC")¹ respond as follows to CSX's and NS's First Set of Interrogatories and Requests for Production of Documents (CSX/NS-130):

GENERAL RESPONSES

The following general responses are made with respect to all of the interrogatories.

1. NJT has conducted a reasonable search for responsive documents and information to respond consistent with the stated objections. Except as objections are noted herein, all responsive documents have been or shortly will be made available for inspection and copying in

¹ For convenience, NJDOT and NJTC are sometimes collectively referred to herein as NJT. References herein to NJTC also include NJTC's rail operating subsidiary, New Jersey Transit Rail Operations, Inc., which is sometimes separately referred to as "NJTRO."

INTERROGATORIES

1. State whether any approvals and/or funding has been appropriated, procured or sought by New Jersey Transit from any source with respect to the construction or operation of light rail transit service between Trenton and Camden along the Bordentown Secondary ("South Jersey LRT Project"), as described at page 17 of NJT-8. If such funding has been appropriated or procured, identify the source of the funding, including local or regional government authorities, the State of New Jersey and the federal government, and describe in detail the approvals or funding that has been procured from each source and identify all documents relevant to such approvals or funding.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

Funding for construction has been programmed into NJT's five-year capital program plan. The total for this five-year plan is \$206 million and has been programmed from the state's Transportation Trust Fund (TTF). A copy of the five-year plan has been or shortly will be included in the NJT depository. The state of New Jersey has made firm commitments to construction of the project. The TTF Authority is expected to adopt a funding and financing plan for the project in the first quarter of 1998.

2. At page 5 of the Verified Statement of Frank M. Russo attached to NJT-8, Mr. Russo states that the State of New Jersey "has spent \$17.7 million as of September

26, 1997 on the South Jersey LRT Project." Please describe in detail the use to which these monies have been put.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

In April 1996 the NJT Board of Directors approved a contract, with a potential value of \$42 million, to provide for the preliminary engineering, surveys, bridge and Right of Way ("ROW") inspections, environmental studies, business planning and bid package preparation required to produce a Design, Build, Operate and Maintain bid package for the SNJLRT. Also included is the cost to develop parcel mapping and environmental reports on properties which need to be acquired for the SNJLRT project. As of September 1997, \$17.7 million dollars have been spent on these efforts.

3. State whether any right of way has been acquired by NJT in connection with the South Jersey LRT Project. If so, identify that right of way and identify any documents relevant to such right of way. If not, describe in detail the status of efforts to acquire right of way and identify any documents relevant to the acquisition of such right of way.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

At present, no ROW has been acquired for the SNJLRT between Camden and Trenton. The only railroad ROW required for the project is the Bordentown Secondary owned by

Conrail. Outside of that ROW, the line will run on municipal streets and a few additional parcels will be needed for stations, park-n-rides, and yard and shop facilities. Those sites have been identified and the early phases of the acquisition process is underway.

The information needed to acquire the ROW between Camden and Trenton is currently being developed. With the cooperation of Conrail, NJT has been on the property to gather environmental information and surveys to produce the parcel maps needed for the acquisition. A copy of the Preliminary Assessment Site Investigation is included in the documentation that has been or shortly will be included in the NJT depository.

4. Please describe in detail any agreements reached between NJT and Conrail concerning the South Jersey LRT Project, identifying the dates of such agreements, the matters addressed by the agreements, and all documents relating to such agreements.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

At the present time no formal agreements have been signed between Conrail and NJT. However, both Conrail and NJT have been actively working to develop a project that is in their mutual best interest. These discussions, meetings, and presentations have been ongoing for the past 18 months, and Conrail has granted written permission for NJT and its consultants to enter the property and conduct investigative work required to define the project. Copies of entry permits on May 28, 1996, November 22, 1996, and November 10, 1997 are included in the documentation that has been or shortly will be included in the NJT depository.

5. Please state whether NJT has ever requested Conrail to make any capital investment or improvement on the NK-Aldene segment, described at page 13 of NJT-8. If so, (a) specify the date on which each such request was made, (b) describe in detail the nature and reasons for the request, (c) describe Conrail's response to the request and (d) identify all documents relevant to the request.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

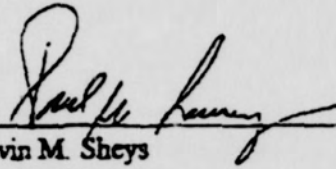
Information responsive to this request was included in the documentation previously provided to Applicants and included in the NJT depository. There are no additional responsive documents to be identified.

6. With respect to the statement on page 8 of NJT-8 that 265 NJTRO trains experienced delays of five minutes or more on the NK-Aldene segment in 1996 due to Conrail-related actions, please state (a) the number of NJTRO trains that traversed that segment in 1996 without any reported delay or with delays of less than five minutes and (b) the number of NJTRO trains that traversed that segment with delays unrelated to Conrail actions.

Response: Without waiving any objections and subject to the General Objections above, NJT responds as follows:

(a) 16,152

(b) 1,027



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Paul M. Laurenza

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1020 19th Street, Suite 400
Washington, D.C. 20036
(202) 293-6300

Robert Shire

Deputy Attorney General

State of New Jersey

Department of Law and Public Safety

Division of Law

One Penn Plaza East

Newark, NJ 07105-2246

(201) 491-7037

Dated: November 21, 1997

Counsel for New Jersey Transit Corporation

Before the
SURFACE TRANSPORTATION BOARD
Washington, D.C. 20423

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

**RESPONSE OF NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
TO CSX CORPORATION AND CSX TRANSPORTATION, INC.'S FIRST SET OF
INTERROGATORIES AND FOR PRODUCTION OF DOCUMENTS (CSX-72)**

New York City Economic Development Corporation ("NYCEDC") hereby responds to CSX Corporation and CSX Transportation, Inc.'s (collectively referred to as "CSX") First Set of Interrogatories and for Production of Documents (CSX-72). By and as its response, NYCEDC states the following:

GENERAL RESPONSES AND OBJECTIONS

The following General Responses and Objections are made with respect to all Interrogatories and Document Requests.

1. NYCEDC has conducted a reasonable search for documents responsive to CSX's requests. Subject to the objections set forth herein and to NYCEDC's specific responses to Interrogatories and Document Requests, responsive documents will be made available for inspection and copying at the offices of Hopkins & Sutter, 888 16th Street, N.W., Washington, D.C., unless otherwise indicated.

revenues that would be served by the Trackage Rights Carrier(s) referred to in Interrogatory No. 1, as contemplated by the Responsive Application.

Response: NYCEDC objects to this Interrogatory on the grounds that the identification of specific origin/destination points and the provision of associated traffic estimates and forecasts as sought by this Interrogatory would require NYCEDC to undertake a burdensome special study, which NYCEDC has not performed. The transaction described in NYCEDC's Responsive Application is a "minor" transaction as defined under 49 C.F.R. Part 1180.2(a)-(c). As such, NYCEDC is not required to prepare a detailed traffic forecast and/or operating plan such as might permit the identification of origin/destination pairs, and has not done so.

Without waiving the foregoing or any other objections, and subject to the General Objections set forth herein, New York answers as follows:

NYCEDC's analysis did not identify any specific rail carrier that might provide competitive service on the East Side Line. As a result, NYCEDC did not identify any specific origin-destination pairs that might be affected by the trackage rights sought by NYCEDC.

(b) For each origination/destination pair identified in Interrogatory 2(a), identify the proposed routing, including all junction points, and the principal commodities which it is anticipated will be carried, as contemplated by the Responsive Application.

Response: See Response to Interrogatory No. 2(a).

3. State whether any action or inaction by Conrail caused the "shut-down in 1996" of the General Motors plant at Tarrytown referred to on pages 6-7 of the Verified Statement of Walter H. Schuchmann. Explain the cause and effect relationship between such action or inaction by Conrail and the "shut-down." Identify all documents in any way related to your response.

Response: Without waiving any objections and subject to the General Objections set forth above, NYCEDC answers as follows:

NYCEDC hereby incorporates by reference the response to Interrogatory No. 3 in the Response of the State of New York to the CSX Corporation and CSX Transportation, Inc.'s First Set of Interrogatories and Requests for Production of Documents (NYS-15).

4. Identify all documents and workpapers that in any way relate to Andrew C. Robertson's analysis, on pages 9-11 of his Verified Statement, of the amount of traffic the Trackage Rights Carrier(s) could "attract" and "compete for."

Response: Without waiving any objections and subject to the General Objections set forth above, NYCEDC answers as follows:

All documents and workpapers that relate to Mr. Robertson's analysis are in the workpaper depository being maintained at the offices of Slover & Loftus, 1224 17th Street, N.W., Washington, D.C. 20036 and have been previously provided to CSX. The information responsive to this interrogatory can be found on the Zip Disk labelled with document number NYC 01 HC 00002 in that depository.

5. On page 11 of his Verified Statement, Andrew C. Robertson states that, "Assuming service 260 days per year, [the 29,000 loaded and empty carloads per year the new carrier could attract] allows a train a day service for carload traffic on the east side line." State your estimate as to the number of loaded cars in the typical daily train in each direction and state the basis for this estimate. Identify all documents which in any way relate to your response.

Response: Without waiving any objections and subject to the General Objections set forth above, NYCEDC answers as follows:

The train frequency estimate was made in consultation with Walter Schuchmann. The volumes of traffic available to be moved on this line would support at least one train per day of approximately 50 loads, with a 100% empty return. Actual train size will depend on the scope of operations allowed to the trackage rights carrier and the resulting mix of commodities and car-types. Mr. Robertson made no

specific judgements regarding the divertibility of traffic by industry or by location along the East Side line. All documents relating to Mr. Robertson's analysis have been placed in the workpaper depository described in response to Interrogatory No. 4 and have been labelled with document number NYC 01 HC 00101-00222 in that depository.

6. (a) For each industry along the proposed trackage rights lines (whether they are lines owned by Conrail or by Amtrak or a passenger authority), identify, by name, location, and commodities shipped or received, each industry or other important shipper which you believe the Trackage Rights Carrier will provide with local train service, and describe in detail the local train service that will be provided to such industry or shipper.

Response: NYCEDC objects to this Interrogatory on the grounds that it is vague and ambiguous, specifically, because the terms "industry", "important shipper" and "local train service" as used in this Interrogatory are undefined. Without waiving the foregoing or any other objection, and subject to the General Objections set forth above, NYCEDC answers as follows:

NYCEDC has not stated a belief, and has formed none, as to which industries will receive local train service from the Trackage Rights Carrier. NYCEDC's study made no specific assessments because any such conclusion would be based on factors including the specific operating arrangements permitted under the trackage rights agreement and the identity and operating plan of the Trackage Rights Carrier. Until those factors have been identified, no determination as to local service to shippers can be made.

(b) Identify all documents which relate to the answer to subpart (a) of this Interrogatory No. 6.

Response: Workpapers related to the Verified Statement of Andrew C. Robertson have been placed in the document depository.

7. Describe in detail all information provided in response to these interrogatories and the following document requests which was not in your possession on October 21, 1997.

BEFORE THE
SURFACE TRANSPORTATION BOARD

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

RESPONSES OF THE
STATE OF NEW YORK TO
CSX'S FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

The State of New York, acting by and through its Department of Transportation ("New York"), hereby responds to the First Set of Interrogatories and Requests for Production of Documents of CSX Corporation and CSX Transportation, Inc. ("CSX"), served November 5, 1997 (CSX-71).

GENERAL RESPONSES AND OBJECTIONS

The following General Responses and Objections are made with respect to all Interrogatories and Document Requests.

1. New York has conducted a reasonable search for documents responsive to CSX's requests. Subject to the objec-

ANSWERS TO INTERROGATORIES

Interrogatory No. 1: State whether NYS has entered into any discussions, negotiations or agreements with any rail carrier to serve as the "rail carrier other than Conrail or CSX" which would receive the "full service trackage rights" over the lines of Conrail ("Trackage Rights Carrier"), referred to on page 5 of the Responsive Application. Identify all documents which in any way relate to these discussions, negotiations or agreements with such trackage rights carrier(s), including, but not limited to, all oral or written solicitations or invitations to rail carriers and all oral or written responses, (positive, negative or otherwise) from rail carriers.

Answer: New York objects to this Interrogatory on the grounds that the request for identification of "all documents which in any way relate" to the subject matter is overbroad and unduly burdensome.

Without waiving the foregoing or any other objection, and subject to the General Objections set forth above, New York answers as follows:

Separate discussions were held between representatives of New York and representatives of the Canadian Pacific Rail System (including the Delaware & Hudson Railway), and the New York and Atlantic Railway, regarding their exercise of the trackage rights requested by New York in its Responsive Application. Said discussions included oral representations by both carriers that they were interested in exercising such trackage rights, were the rights to be granted. No formal agreements were proposed or reached.

Documents related to the exercise by rail carriers other than CSX or Conrail of the trackage rights requested in New

answers as follows:

See pages 8-12 of the Verified Statement of Andrew C. Robertson, attached to the Responsive Application, and the workpapers related thereto, copies of which have been placed in New York's document depository.

(b) See the Answer to (a), above.

(c) See the Answer to (a), above.

Interrogatory No. 3: State whether any action or inaction by Conrail caused the "shut-down in 1996" of the General Motors plant at Tarrytown referred to on pages 6-7 of the Verified Statement of Walter H. Schuchmann. Explain the cause and effect relationship between such action or inaction by Conrail and the "shut-down". Identify all documents in any way related to your response.

Answer: Without waiving any objection, and subject to the General Objections set forth above, New York answers as follows:

New York lacks sufficient knowledge or information to form a belief as to whether any action or inaction by Conrail caused the plant closing described in the Interrogatory. No such attribution of causation was made by Mr. Schuchmann in his Verified Statement.

Interrogatory No. 4: Identify all documents and workpapers that in any way relate to Andrew C. Robertson's analysis, on pages 9-11 of his Verified Statement, of the amount of traffic the Trackage Rights Carrier(s) could "attract" and "compete for."

Answer: Without waiving any objection, and subject to the General Objections set forth above, New York incorporates herein by reference the responses of the New York City Economic Development Corporation ("NYCEDC") to Interrogatory No. 4 of CSX's First Set of Interrogatories and Requests for Production of Documents to NYCEDC (CSX-72).

Interrogatory No. 5: On page 11 of his Verified Statement, Andrew C. Robertson states that, "Assuming service 260 days per year, [the 29,000 loaded and empty carloads per year the new carrier could attract] allows a train a day service for carload traffic on the east side line." State your estimate as to the number of loaded cars in the typical, daily train in each direction and state the basis for this estimate. Identify all documents which in any way relate to your response.

Answer: Without waiving any objection, and subject to the General Objections set forth above, New York incorporates herein by reference the response of NYCEDC to Interrogatory No. 5 of CSX's First Set of Interrogatories and Requests for Production of Documents to NYCEDC (CSX-72).

Interrogatory No. 6: (a) For each industry along the proposed trackage rights lines (whether they are lines owned by Conrail or by Amtrak or a passenger authority), identify, by name, location, and commodities shipped or received, each industry or other important shipper which you believe the Trackage Rights Carrier will provide with local train service, and describe in detail the local train service that will be provided to such industry or shipper.

(b) Identify all documents which relate to the answer to subpart (a) of this Interrogatory No. 6.

Answer: New York objects to this Interrogatory on grounds that it is vague and ambiguous, inter alia, because the terms "industry," "important shipper" and "local train service" as used herein are undefined.

Without waiving the foregoing or any other objection, and subject to the General Objections set forth above, New York answers as follows:

(a) At this time, New York cannot identify with particularity the shippers or shipper locations that would receive service from the Trackage Rights Carrier should New York's Responsive Application be granted. Whether and on what terms a shipper makes use of a particular railroad's service depends upon myriad factors, including the outcome of negotiations between the shipper and carrier, that are beyond the control of third parties such as New York. Subject to the foregoing, New York believes that should its Responsive Application be granted, traffic that might be handled by the Trackage Rights Carrier could include the following:

(i) inbound wood pulp and paper manufacturing raw materials shipments from origins in Canada, New York, Pennsylvania and the Southeastern U.S., for delivery to Fort Orange Paper Company at Castleton-on-Hudson, New York;

(ii) inbound fruit, vegetables and other produce shipments from origins in Washington State, California, Arizona and Mexico, for delivery to various distributors located at the Hunts Point Market in The Bronx, New York;