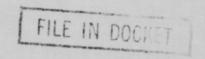
PUBLIC 33388 4-6-98 J



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



April 6, 1998

Mr. Paul Vymazal 252 Virginia Ave. Whitehall, PA 18052

Dear Mr. Vymazal:

Thank you for your letter regarding the proposal by Norfolk Southern and CSX to acquire Conrail. The case currently is pending before the Surface Transportation Board (Board), docketed as Finance Docket No. 33388. The Board will hold a voting conference on June 8, 1998, and issue its final decision in this proceeding on July 23, 1998. Because this case is pending, I am unable to comment on the specific issues in your letter. However, I will have your correspondence, with its attachments, made a part of the public docket.

I appreciate your interest in this matter.

Sincerely,

Linda J. Morgan

DEAR SIR; -MISS LINDA MORGAN

I'M WRITTING AGAIN REGARDS TO EMPLOYEES BUYING CONRAIL AND ALSO METRO AND METRO NORTH N.J. TRAIN SET AND S.E.P.T.A. LIKE IT WAS BEFORE CONRAIL WAS FORMED AND RESTORE L.V.R.R., RDG, D.L.W.R.R. ERIE R.R., N.Y.C. R.R., P.R.R. FEED PASSENGER TO AMTRACK LIKE WISE IN REVERSE.

WILL NOT NEED ALL THESE C.E.O. AND THEIR ASSISTANTS BECAUSE THEY OPERATE OVER CONRAIL OR AMTRACK AND HAVE SAME OPERATING RULES OVER SAME PORTION OF RAIL.

AND IN 7-10 YEARS STATES AND FEDERAL GOVERNMENT WILL NOT HAVE TO SUBSIDIZES THESE PASSENGER TRAIN SET AUTHORITY. BY DOING IT THE OLD FASHION WAY, EARN IT - WORK WITH MERIT SYSTEM.

THEN LET CONRAIL MERGE WITH SOUTHERN PACIFIC R.R. END TO END NOT LIKE SIDE BY SIDE WILL LIMITATE FREIGHT JAM'S IN FEW WEEKS, BUT OPERATE THEM SEPARATE TILL THEY PAY FOR THEMSELVES BUT DO THE SAME ON PASSENGER SYSTEM FEED TO AMTRACK AND REVERSE. ALSO, YOU CAN THROW IN K.A.T.E. R.R. DO THE SAME LIKE WISE, THAT WOULD BE RAILROADING IST CLASS. THE POPULATION IS INCREASING IN U.S.A. THIS WILL HELP SOME AUTOMOBILE GET OFF HIGHWAYS LIKE IT WAS 50 YEARS AND MORE LIKE IT'S STILL IN OTHER COUNTRY. WE OUR PENNY WISE AND DOLLAR FOOLISH AND HEALTH WISE. WE CAN NOT WALK BUT WILL GO TO SOME GYM TO EXERCISE.

THANK YOU FOR TAKING YOUR TIME. I KNCW IT WILL BE BETTER FOR U.S.A. AND LESS TAX TO PAY.

YOURS TRULY.

PAUL VYMAZAL 252 VIRGINIA AVE.

WHITEHALL, PA 18052

tand a Vymazal

READERS' PLATFORM

Management or regulation?

BY J. WARREN MCFARLAND

HE ARTICLE BY LARRY DEYOUNG in September 1996
FRAINS regarding the problems faced by short lines makes some very good points. Unfortunately, the author dredges up the tired old myth that "regulation" was the root cause of all the problems railroads faced prior to the Staggers Act. Mr. De Young is probably not to be blamed for this attitude, as no doubt he was brainwashed by his association with Conrail and its predecessors' officials and employees. As a member of a three-generation railroading family whose nearly 50-year career was divided almost equally between a Class 1 railroad and the Interstate Commerce Commission, I feel compelled to rebut that myth by raising the following questions:

Was it regulation ...

that caused the New York Central and the Pennsylvania railroads, even as they began the discussions that eventually led to a merger, to develop and install computer systems that were totally incompatible?

• that caused such fierce competitiveness between the NYC and the PRR that even after the merger they divided themselves into "Green" and "Red" teams which would not even speak to each other?

 that required local railroad sales representatives to file monthly reports showing the traffic gained or lost from competing railroads, while at the same time ignoring the real competition from trucks?

 that caused a major Class 1 railroad to demand of its wholly owned subsidiary line that it forego all scheduled track maintenance for one year and pass the "savings" to the owning line?

 that caused the General Passenger Agent of a Class 1 railroad during World War II to say, when faced with a complaint regarding the wooden, straight-b.ck, short-haul coaches furnished for a four-day roop movement. To hell with the soldier boys, 'hey aren't coming back to ride our line."

 that caused the Chairman of the Poard of a Class 1 railroad to divert hundreds of thou ands of dollars in company labor and material for his personal mountain

 that caused a Class 1 railroad to run a special train with one carload to prevent a factory shurdown while at the same time failing to provide adequate service for smaller shippers, causing them to turn to trucks?

that caused a General Superintendent of Transportation on a Class 1 railroad to literally shake his finger in the face of a subordinate who had proposed a change that not only would have saved the company money but would have improved service, and say. "You leave that alone; your forefathers set that up."

 that caused railroad managements to agree to absurd work rules in labor negotiations, which only added to their operating costs without any increase in productivity?

 that caused some well-operated and well-managed railroads to remain financially healthy while others went into bankruptcy?

 that built the Interstate Highway System, opening the way for trucks to compete for railroad traffic and railroad passengers to begin to choose personal automobiles as a means of travel?

 that developed aircraft capable of flying coast-tocoast in a few hours, taking not only passengers but the valuable head-end traffic of mail and express away from the rails?

The answer to these questions is, "of course not."
No one can deny that regulation had an impact on railroading, but the controlling factor was management and management attitude, not regulation. The above questions come from my own personal experience and knowledge, but I dare say that anyone who has been involved in railroading over the past 50 years could form similar questions. Mr. De Young cites two in his article: the Maryland Midland's problems in attempting to move traffic over CSX to Norfolk Southern or Conrail destinations and the pricing situation for East North Central regionals attempting to move traffic over the old Chicago & North Western (now Union Pacific). Certainly regulation did not cause those situations.

If we want to "blame" something for the railroad problems of the past, let's place the blame on the failure of most railroad management to manage adequately under admittedly imperfect regulations. In the future, the blame will be on management which fails to manage adequately under no regulation. Some will thrive, while others will not, just as they did under regulation.

A word of caution, however, for those who still believe that regulation was the great evil. The American philosopher, George Santayana, wrote that those who fail to learn from the past are condemned to repeat it. The Interstate Commerce Commission was formed in 1887 because of the dissatisfaction many shippers had with the service and pricing being provided. In other words, railroad management, through its management attitudes and practices, created a populist demand which resulted in the Interstate Commerce Act. It could happen again. 1



J. WARREN McFARLAND, who retired from the Interstate Commerce Commission in 1985, served the Commission served in various capacities including Director, Office of Compliance and Consumer Assistance. Prior to his work with the ICC, he was employed by the Atlantic Coast Line Railroad. This is his first Trays byline.

Captains of industry: our modern managers

the 1950's and earlier universities and colleges hich taught business or idustrial management curcula did so with a much ifferent philosophy than ney did a decade later. That hilosophy was based on ne precept—and quite valid was, too—that before a erson could run anything, thether it be an insurance ompany or a factory, he

ad to know how it worked. He had to pend some time in the trenches, so to peak, before he could handle the reins f management.

This precept was quickly discarded when the baby boomers started getting out of college. The "now generation" olks didn't want to be bothered with earning how anything worked; they vanted to get out of the hallowed halls of ivy and jump right into management assitions—the "I want it all and I want the saw" philosophy.

t now" philosophy.

Some very canny educators decided o capitalize on this attitude and devise 1 graduate curriculum that would tell hose "now-ers" what they wanted to near and make them pay dearly for the knowledge. So grads started coming out of colleges and universities with their master's of business administraion degrees, after being indoctrinated with the modern wisdom that all sucess could be theirs by just managing the people and the money; they didn't really need to know how anything worked, and therefore didn't have to waste that valuable time learning stuff that the old guys knew. Now, if that isn't selling someone something he wants to buy, I don't know what is.

 And they came out into industry and commerce and found themselves working for company owners dedicated to in reasing their return on investment, and top managers whose only thought was to make the next profitand loss statement look as good as possible—to hell with the long-term.

In manufacturing and transporta-



Ed King

rely on their line managers and labor to keep things running, and it's interesting to consider the relationships these modern managers have with such folks.

Today's manager has an ingrained distaste for labor, which is seen merely as an untrustworthy necessary evil that must be obtained as cheaply as possible and treated with disdain. Since employee morale and es-

pril de corps are perceived as having no direct relationship to that all-important bottom line, they couldn't care less what the employee thinks. Oh, they may give lip service to those items, but their hearts aren't in it.

Their attitude toward labor is exemplified most vividly by today's Norfolk Southern, which was apparently willing to risk its participation in the restructuring of Conrail by refusing to put toilets on its locomotives; the goodwill of labor (or at least the lack of opposition) is going to be important to NS whether it admits it or likes it. Existing agreements require Conrail to have a toilet-equipped diesel leading all consists; operating convenience would have suffered if NS locomotives had to be switched before operating in Conrail territory. One has to wonder where the attitude toward this issue came from: it any railroad can afford to equip its units with toilets, that railroad is NS. Was it the brainchild of a '90's kinda guv who doesn't know what's really going on or when to make a stand? His education and training obviously gave him the at tude that he can't possibly be wrong, and that any way he can face down labor is good.

It is just this kind of issue that gives the unions a rallying cry around which to build strength that will hurt NS and other railroads in the future. NS lost this one; how can anyone there have believed they could have won, in 1997?

Another wonderful example of today's management is our revered Unton Pacific, which recently gobbled up out to be coupled to the digestive tract of a gnat. UP has been totally unable to operate the combined company successfully; the number of jokes coming out of its monumental failure to make the merger work on former SP lines in Texas grows every day. But the failure is no joke; it's a deadly serious situation, becoming more and more costly to all of us. Power shortages have hampered UP's ability to serve its other markets, resulting in delays that affect many other areas in ways that can drive up the cost of many of our consumer goods.

tiP's attitude? "We didn't realize the SP operation in Texas was so fragile.(!)" I've got a hot flash for you, fellas. The SP operation in Texas wasn't fragile at all; they were doing a respectable job at it before you came along. How many Texas shippers—and politicians—do you think will

swallow that line?

Did it occur to UP's top management—which obviously doesn't know how its railroad works—to ask their operating folks whether the SP could be assimilated and integrated successfully—and take "no" for an answer if called for? Of course not. They wanted the SP come hell or high water, and now they've got it.

Union Pacific isn't accustomed to being a laughingstock. Now that it has become one—and not just in the rail-road industry, either—it will be interesting to learn how its management will rationalize getting there. Because UP did it on its own; nobody forced it into the situation.

When the dust clears, the top managers will not allow any blame for the failure to come their way. It'll be someone else's fault. Because one other instinct of the '90's kinda guy in top management is to be able to blame the goofs on someone, or something, else. How else can one explain the many stories of top managers getting huge raises while their companies floundered or even went down the tubes?

I don't know how you feel about it, but the '90's managers sorta make Jay Gould and Daniel Drew and Pat Mc-Ginnis look good, and none of those guys had MBA's. And they weren't afraid to be more colorful, too. I

ED KING is retired from a railroading career that began in 1956. He is a free-

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Compa

We have seen the enemy, and it may be us

Wou could call. It a wake-up call, or perhaps the "Ghost of railroad future." In August, Union Pacific exterienced a "meltdown" in "exas. Yards were clogged, trains unable to move. Crews sometimes sat on locomotives for 12 hours going nowhere.

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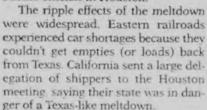
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10

Shippers were so concerned that the National Industrial Transportation

League called a summit meeting of major shippers with Union

Pacific officials in Houston.



There are lots of immediate reasons for the meltdown, some of them understandable. Labor agreements to merge UP and Southern Pacific crew districts took longer than expected. A new yard at Livonia, La., is not yet complete, etc. There are bound to be goofs in any merger. And Union Pacific is a sharp outfit. Those folks will get the railroad running right again.

But that's not the point. The point(s)

This was a public relations disaster that stains the whole merger movement. That is especially so since it happened in a bastion of the chemical industry, a business sector already upset with the merger. Someone should have seen it coming and done whatever necessary to prevent it. The melt-down didn't happen evernight, and with foresight it could have been mitigated before it spread.

 The immediate causes are far less important than the underlying causes.
 And everyone in railroad management should be frightened silly by the implications of what happened in Houston.

The first point is self-evident. It is the second point that I want to discuss.

Railroading, to put it frankly, is skating on thun ice. The industry is getting



Don Phillips

heavier and heavier as the ice grows thinner and thinner. Look at the statistics for tonnage and employment in the rail industry. Even as tonnage climbs steadily, employment continues to slide. Charts of railroad tonnage and railroad employment over the last 20 years are nearly a mirror image. It's striking.

For many years, this trend was inevitable. Hard

as it may be to stomach, clerks are mostly unnecessary these days. Maintenance-of-way is done better with automated systems—and, therefore, with fewer people. Railroading would be unable to compete today if it hadn't made painful employment cuts.

But at some point, layoffs cease to eliminate fat and cut into muscle. I think there is abundant evidence that this has happened in railroading. Just ask any tired train crew. Ask any exhausted trainmaster or road foremaneif you can find one Ask any crew caller who must harass crews not to lay off because there's nobody rested to call. Any reasonably informed railfan with a radio scanner can catch the strain that now besets the industry.

The Federal Railroad Adn inistration has certainly seen the strain. In addition to its Texas problems UP has been hit with an FRA safety b itz with dozens of inspectors combing the railroad. One of the rapid prelimina. I conclusions in the UP inspection was trult the few line managers out in the field are overworked to the point of exhaustion. There have been so many management cutbacks and buyouts that no one has a bind on the operation.

Train crews, unlike managers, have a federal law that limits them to 12 hours on duty. But a crew forced to work seven days a week (not unusual these days) gets tired. Railroads are now on a train crew hiring binge. It's not unusual to see heavy freight trains being run by an engineer hired in 1995 or '96. What took so long? Did management not believe that railroads have really returned? Is their "downsize"

mentality so strong that they cannot handle an "upsize" industry?

One way the industry has cut back on people is to centralize dispatching and crew calling. In a future column, I will deal more fully with this phenomenon. But for now, let me say that it's becoming obvious that centralization has been a disaster. There have been savings on employment costs, of course, but the promised benefits of centralization have been more than negated by a failure to implement the concept correctly and by the natural disadvantages. It took a while for centralization to exhibit its full negative impact, and it seems to be getting worse, not better. More on this later.

Operating managers and employees are not the only railroaders who paid the price of the cost-cutting mentality. Salesmen (call them "marketing representatives" or whatever) were all but eliminated from railroading in favor of centralized "service centers" with 800-numbers. The remaining territory of each salesperson was expanded, and even large shippers complain frequently that they're lucky to see their representative more than once a year. Only the biggest of the big-J.B. Hunt, Ford Motor Company and the like-get truly personal service. This came out of the Houston meeting.

Howlong can railroading continue without hiring a lot more people? It would suggest not long. The system is already strained. If there aren't enough people to keep a railroad fluid, its "velocity" will slow. With lower overall transit and delivery times, locomotives and crews turn less frequently. Therefore, more of them are needed.

You could call it a "Catch-22." Handled improperly, the situation can turn into a Texas-size meltdown. If it spreads sufficiently, it can even become a death spiral.

There's another factor, however. Union Pacific, Norfolk Southern, and CSX have justified the massive prices they paid for Southern Pacific and Conrail on the basis that traffic will rise while costs remain low. If they hire a lot of people, merger cost savings may not live up to expectations. If they don't, traffic may not live up to expectations.

Hmmmmmmmm. 1

DON PHILLIPS writes this exclusive monthly column for TRAINS and covers transportation for the Washington Post. 33388 2-2-98 J BUSINESS



United Parcel Service 316 Pennsylvania Ave., SE, Washington, DC 20003

February 2, 1998

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



Re: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail Inc., and Consolidated Rail Corporation

Dear Mr. Williams:

I am writing on behalf of United Parcel Service ("UPS") to oppose a condition that we understand the Surface Transportation Board's environmental section proposes to ask the Board to impose on the CSX/Norfolk Southern acquisition of Conrail.

Specifically, this proposed condition would require all trains moving in the same and opposite directions on the same track to be clear of the track at least 15 minutes before and 15 minutes after the expected arrival of a passenger train at any point. It has been recommended that the Board impose this requirement, which we think is extremely onerous, on identified CSX rail segments in Georgia, Maryland, North Carolina, Virginia and Washington, D.C., and on Norfolk Southern lines in Indiana, Michigan and New York.

UPS relies heavily on the intermodal services the railroads provide over the corridors affected by the proposed limitation. Our business is consumer oriented and our shipments are time sensitive. Accordingly, any restraints on the timely movements of our freight impact our ability to serve our customers.

The proposed 30-minute window to clear the tracks would be detrimental to our business Therefore, this proposed condition should not be imposed. It will only add unnecessary delays to the efficient movement of time-sensitive freight.

We therefore respectfully ask the Board to reject the proposed 30-minute window. Thank you for your consideration.

Sincerely,

Arnold F. Wellman

Vice President, Domestic and International

arnold F. Wellman

Public Affairs

cc:

Elaine Kaiser

STB FD 33388 12-15-97 J GOV



STATE OF WEST VIRGINIA OFFICE OF THE GOVERNOR CHARLESTON 25305

GOVERNOR

December 3, 1997



Mr. Vernon A. Williams Secretary Surface Transportation Board 1926 K Street, North West Washington, D.C. 20423-0001

RE: Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company-Control and Operating Leases/Agreements-Conrail, Inc. and Consolidated Rail Corporation ("Application").

Dear Mr. Williams:

As Governor of the State of West Virginia, I applaud the efforts of both Norfolk Southern and CSX on their willingness to be good corporate partners. In early spring I wrote to offer support to the proposed purchase of Conrail. Shortly thereafter, another correspondence from me qualified that support, outlining several issues which were important to the consideration. To the credit of the aforementioned companies, both were able to come to resolution on issues which are important to the future of our State. Please find this letter as the state of West Virginia and our Rail Authority's support for the purchase of Conrail by CSX, CSXT and Norfolk Southern and I rescind any previous objections or qualification for consideration.

I am able to lend my support to the application because Norfolk Southern and CSX have made acceptable agreements on the following:

- Weirton Steel the largest corporate employer has reported that agreements between Norfolk Southern and Weirton Steel have been reached. Additionally, Weirton Steel Corporation now affirms full support to the proposal of Norfolk Southern and CSX Corporation to acquire control of Conrail.
- The coal producers in the area, known as B&O Coalfields, who once were concerned that Pittsburgh Seam products had a competitive advantage, have withdrawn their protests.

Mr. Vernon A. Williams Page Two December 3, 1997

- An agreement for continued Amtrak commuter service between Martinsburg, West Virginia and Washington, D.C. has been reached. CSXT owned lines will continue to be used by Maryland Rail Commuter (MARC).
- The November 3, 1997, Surface Transportation Board order, requiring filing of a Safety Integration Plan, addresses the concerns about the mix of freight and passenger service of Conrail into Norfolk Southern and CSX Transportation.

The joint purchase of Conrail should result in an increase of over 150 new jobs in West Virginia. Most of these new jobs are a result of the acquisition of nearly half of Conrail's locomotives by CSX and the expansion of the heavy repair shop in Huntington, West Virginia. This increase in CSX Transportation's presence in West Virginia and Norfolk Southern's investment of \$10 million in track upgrade means formidable increases in the rail services in West Virginia.

I have been assured that no West Virginia customer will face a loss of competitive rail options, and furthermore, no route abandonments are anticipated as a result of this purchase.

Now, more than ever, I am convinced that a purchase of Conrail by CSX Transportation and Norfolk Southern has lasting benefits to West Virginia businesses and citizens. In keeping with our mission to grow the economy, we look forward to the advantage realized as a result of this approval.

Very sincerely,

Cecil H. Underwood

CHU/jfm

cc: Mr. John Snow Mr. David R. Goode 33388 12-2-97 J CITY 2000 3 13.00

South Central Local Schools

Robert F. Shaffer, Jr Superintendent

Shirley F. Oney Treasurer

3305 Greenwich Angling Road, Greenwich, Ohio 44837-9443 Phones (419) 752-3354 (419) 752-3815

FAX (419) 752-6927

October 24, 1997

Surface Transportation Safety Board 1925 K Street, N.W. Washington, D.C., 20423-001

To Whom It May Concern:

As a member of the South Central Local Schools Community in Huron County, I am asking for your help. CSX Pailroad is expanding their Willard yard and Greenwich connections without concern for public safety. Repeated attempts have been made by Muron County to get CSX to address this issue, but CSX has refused to commit to public safety.

Increased rail traffic, (80 to 100 trains per day) through Greenwich, Ohio, will virtually close all emergency response access to 2,067 residents of Greenwich Village, Ripley Township, part of Greenwich Township, and 923 students in the South Central school system (1/4 mile north of Greenwich) THIS IS TOTALLY UNACCEPTABLE.

Huron County has requested that CSX install either an overpass or underpass for all three rail crossings on Townsend Street in Greenwich, Ohio. We cannot deny public safety to our residents and schools! Adding two more tracks will not lessen the blockage but only enhance it.

How can railroads do major expansions to enhance their profitability without any regard for public safety? I really need your help; my life and the lives of others, especially our children, depend on it!!!

Sincerely.

David Ones



TOWN OF HIGHLAND

Highland Municipal Building • 3333 Ridge Road

Highland, Indiana 46322

219-838-1080 • Fax 219-972-5097



Population 23,696

Incorporated in 1910

26 November 1997

Hon. Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, N.W., Room 714 Washington D.C. 20423-0001

Re:

Finance Docket No. 33388 (Sub-Nos. 81-84), CSX and Norfolk Southern -- Control and Lease -- Conrail

Dear Secretary Williams:

The Town of Highland, Indiana is in receipt of the "Responsive Environmental Report and Verified Statement of No Environmental Impact (CN-11) prepared on behalf of Canadian National Railway ("CN") and Grand Trunk Western Railroad Incorporated ("GTW") by Sonrenschein Nath & Rosenthal. Not being clear as to the intent of the document. I am hoping that CN and GTW are soliciting our comments relative to work that may be conducted within our community.

According to the report, amongst other projects, CN and GTW are planning a rail connection between their lines at a crossing in Highland, Indiana, (Sub-No. 84) described on page 11 and page 14 and illustrated on attachment 5 of the report. Of concern to the Town of Highland is the condition and maintenance of the drainage ditch along the north side of the GTW line between Kennedy Avenue and the existing Conrail line. The ditch not only serves the railroad right-of-way, but handles drainage from Kennedy Avenue south of the GTW and the Hoosier Prairie, a Department of Natural Resources nature preserve. Further, if the proposed connection is installed, a drainage culvert needs to be installed beneath the new line.

We have, on previous occasions, requested that the ditch be cleared to improve drainage flow. At this time, we respectfully request that this work, clearing and cleaning the railroad ditch, be incorporated in any plans for track expansion. We also request that the culvert pipe to be installed beneath the new connection be sized appropriately.

If you have any questions or comments relating to this response, please call me at (219) 972-5069.

Sincerely,

John M. Bach

Director of Public Works

L. John Osborn, Sonnenschein Nath & Rosenthal

TOWN COUNCIL

LARRY WOLENDOWSKI

RICHARD J. NOVAK

GEORGE GEORGEFF

CHARLES PODGORNY

DENNIS SIMALA

JOHN M. BACH Public Works Director

RHETT TAUBER
Attorney

CLERK - TREASURER

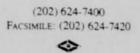
BUSTNESS 1.2-1-97 33388

GUERRIERI, EDMOND & CLAYMAN, P.C.

1331 F STREET, N.W. WASHINGTON, D.C. 20004

JOSEPH GUERRIERI, JR.
JOHN A. EDMOND
ROBERT S. CLAYMAN
DEBRA L. WILLEN
JEFFREY A. BARTOS
ANNA L. FRANCIS*
ELISE B. STEINBERG
ANDREA HOLLAND LARUE*

NOT ADMITTED IN D.C.





MEMORANDUM

TO: Restricted Service List

FROM: Debra L. Willen /40

DATE: November 25, 1997

RE: CSX Corp., et al., Norfolk Southern Corp., et al. --

Control and Operating Leases/Agreements -- Conrail, Inc.,

et al., STB Finance Docket No. 33388

Pursuant to Paragraph 15 of the Discovery Guidelines, the International Association of Machinists and Aerospace Workers ("the IAM") hereby advises all partic, on the Restricted Service List that it has responded to CSX and NS's First Set of Interrogatories and Requests for Production of Documents, and has placed the responses in its depository.

33388 11-25-97 J CITY



LAKEWOOD CITY SCHOOLS

Executive Offices 1470 Warren Road Lakewood, Ohio 44107

P. Joseph Madak Superintendent 216/529-4092

Paul M. Penny, Jr. Treasurer 216/529-4096

November 20, 1997

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Senator Michael DeWine 140 Russell Senate Office Bldg. Washington, D. C. 20510

Congressman Sherrod Brown United States House of Representatives Washington, D. C. 20515 Senator John Glenn 503 Hart Senate Office Bldg. Washington, D. C. 20510

Congressman Dennis J. Kucinich United States House of Representatives Washington, D. C. 20515

Governor George V. Voinovich Riffe Center 30th floor Columbus, Ohio 43266-0601

Dear Mr. President Senators, Congressmen and Governor Voinovich:

Enclosed is a copy of Resolution No. 339/97, A RESOLUTION OPPOSING THE NORFOLK SOUTHERN AND CSX PROPOSAL BEFORE THE FEDERAL SURFACE TRANSPORTATION BOARD IN WASHINGTON DUE TO THE ADVERSE IMPACT ON LAKEWOOD, OHIO, as adopted by the Board of Education of the Lakewood City School District at the regular meeting held on November 17, 1997.

Your support in these matters affecting Lakewood school children is appreciated.

Very respectfully yours,

Paul M. Penny, Jr.

Treasurer

PMP/pd Enclosure cc: (w/enclosure)

State Senator Patrick Sweeney
State Representative Dan Brady
Surface Transportation Board
Ohio Rail Development Commission
Cuyahoga County Commissioners
Regional Planning Commission
Northeast Ohio Areawide Coordinating Agency
Greater Cleveland Regional Transit Authority
City of Lakewood

339/97

A RESOLUTION OPPOSING THE NORFOLK SOUTHERN AND CSX PROPOSAL BEFORE THE FEDERAL SURFACE TRANSPORTATION BOARD IN WASHINGTON DUE TO THE ADVERSE IMPACT ON LAKEWOOD, OHIO

Mr. Geiger moved and Mrs. Shaughnessy seconded the motion that the following resolution be adopted:

A Resolution to the President of the United States, the federal Surface Transportation Board ("STB"), local members of the United States Congress, the Governor of Ohio, the Ohio Rail Development Commission and other local officials urging the rejection of Norfolk Southern ("Norfolk") and CSX Corporation's current proposal for acquisition and allocation of the assets of Conrail, Inc.

WHEREAS, Norfolk and CSX Corporation are currently proposing the acquisition and allocation of the assets of Conrail, and plan to triple the number of freight trains running through Lakewood; and

WHEREAS, the proposal will be brought before the STB in June, 1998, for approval; and

WHEREAS, Lakewood has twenty-seven grade crossings in three miles and only one underpass whereby travelers may cross the city in a north-south direction without rail interruption; and

WHEREAS, as Lakewood is the most densely populated community between New York and Chicago, any increase in daily freight train use would create serious health and safety concerns and risks for the residents of the city of Lakewood by significantly interfering with the ability of Lakewood Hospital, its ambulances and paramedic squads to directly and timely respond to medical emergencies from any and all causes, whereby minutes in response time can often mean the difference between life and death; and

WHEREAS, as a community of neighborhood schools in which the majority of Lakewood's 9,000 preschool and school-aged children walk to their school, any increase of freight trains increases the risk to our school children; and

WHEREAS, any increase in daily freight trains will interfere with the ability of Lakewood's police and fire safety forces to directly and timely respond to fires, crime and natural disasters; and

WHEREAS, any increase in daily freight trains will adversely impact the ability of all types of coordinated emergency response teams between Lakewood and other Westshore Communities to best use each others' medical facilities and fire and police forces and equipment in a predictable and timely fashion; and

WHEREAS, the potential increases in the transporting of hazardous materials raises grave concerns for health and safety in the event of a derailment, which would necessitate the evacuation of residents of Lakewood within 2 to 4 miles of the train tracks, an area that encompasses the entire city of Lakewood; and

WHEREAS, an increase in daily freight trains would create environmental concerns to significantly elevated levels of noise and air pollution and

WHEREAS, any increase in freight trains will increase vehicular and pedestrian congestion, strangle the commercial health and generally lower the quality of life in our community; and

WHEREAS, the Norfolk-owned and operated Cleveland-Vermilion line bisects the heart of Lakewood's densely populated residential neighborhoods; and

WHEREAS, any increase in freight trains will severely restrict traffic movements and congest traffic on numerous residential streets, thereby isolating the northern residential areas from Lakewood's southern commercial areas and downtown; and

WHEREAS, the present proposal before the STB means the abandonment of plans to introduce commuter rail service to the Westshore Communities, a great loss to Lakewood in terms of positive economic development and improved regional transportation.

BE IT RESOLVED BY THE LAKEWOOD BOARD OF EDUCATION:

Section 1. That the Lakewood Board of Education opposes the currently proposed acquisition and allocation of the assets of Conrail by Norfolk and CSX Corporation that would increase rail traffic threefold on the Cleveland, Ohio to Vermilion, Ohio line, thereby creating serious health and safety concerns and risks for the residents of the city of Lakewood.

Section 2. That the Lakewood Board of Education urges its school officials and the citizens of Lakewood generally to support their efforts in opposition by forwarding letters of concern to the Surface Transportation Board, Section of Environmental Analysis (SEA), 1925 K Street, N.W., Washington, D.C. 20423, in an effort to have these concerns incorporated into the final version of the Environmental Impact Statement which will be considered by the STB prior to its final decision.

Section 3. That the Treasurer of the Lakewood Board of Education be and is hereby authorized and directed to submit a certified copy of the Resolution to the President of the United States, the Surface Transportation Board, Senator Michael DeWine, Senator John Glenn, Congressman Dennis J. Kucinich, Congressman Sherrod Brown, Governor George V. Voinovich, the Ohio Rail Development Commission, State Senator Patrick Sweeney, State Representative Dan Brady, the Cuyahoga County Commissioners, NOACA, RTA, the Regional Planning Commission, and the city of Lakewood.

Adopted this 17th day of November, 1997 at a regular meeting of the Lakewood Board of Education.

Linda Beebe, President Board of Education

Michael Summers, Vice-President Board of Education

and laura

Edward Favre Board Member W. Charles Geiger, III

Board member

Betsy Shaughnessy

Board Member

P. Joseph Madak

Superintendent of Schools

Paul M. Penny, Jr.

Treasurer

339/97 Yeas: Mrs. Beebe, Mr. Summers,

Mr. Geiger, Mrs. Shaughnessy

Nays: None

33388 11-26-97 J PUBLIC

Cheryl McADams 25705 Eaton Way Bay Village, Ohio 44140 November 11, 1997



To Whom This May Concern:

I would like to express my OPPOSITION to trhe acquisition of Contrail, Inc. by Norfolk & Southern and CSX Transportation as a result would increase rail traffic through the west shore communities of Cuyahoga County in Ohio.

There are a number of obvious reasons outlined in a number of different citizen leter writing campaigns. My reason for my opposition stems from the decline in property value to the possibility of NOT being able to sell my property at all. There are homes that literally cannot be given away!! With this merger and the increase in the number of passing trains daily, I believe my home will be one of those homes!

The most important resident concern is that of a critical delay of emergency vehicles transportating critically ill patients to local hospitals. I personally experienced the need for my Mother (age 76) to be transportated to a local hospital when she suffered a heart attack. With her previous condition, she had a 1% chance of survival. She survived only because she arrived at the hospital in a matter of minutes. With an extra 5, 10 or 15 minutes added to her trip, she would have died. How many other Americans will die under similar circumstances?

The rail merger will negatively impact American communities in all the obvious ways. Please consider the grassroots movement urging your board to NOT allow the pending merger to happen. Lives must be more important than profits!!

hory mil Colams

Cheryl McAdams

Westside of Cleveland, Ohio

33388 11-24-97 J STATELEG





November 18, 1997

Vernon A. Williams, Secretary Surface Transportation Board U.S. Department of Transportation 1925 K Street N.W. Washington, D.C. 20423

Dear Secretary Williams:

I am very concerned about the proposed takeover of the Conrail system by the Chessie System (CSX) and the Norfolk Southern (NS) railroads. There are a number of issues that have developed as the proposed merger has developed.

- 1. Much has been made about the potential for competition in many areas, as many will be served by both railroads. One of the exceptions is the New York area. Currently, New York City must rely on Conrail for all its rail freight. Any small railroad operating here or any shipper is at the mercy of Conrail. My understanding is that this situation will continue.
- 2. The plans do not call for much, if any change in the operation around New York City. There are no plans to increase rail freight traffic to New York City in order to reduce trans-Hudson truck traffic. This should be a priority as reducing traffic in the region is important in order to meet Clean Air Act goals.
- 3. I am concerned about plans to severely reduce the number of jobs in New York State, such as the move of 100 jobs from Conrail's Selkirk headquarters. This export of jobs out of New York is unnecessary and questionable. The recent experience with the Union Pacific takeover of Southern Pacific should be an example not to move vast portions of the train control and monitoring operation too quickly, if at all. A recent report from the Federal Railroad Administration cited CSX for overworked employees, track and signal defects, and under staffing of a central train dispatching center in Jacksonville.
- 4. With the change to CSX and NS I am concerned how Amtrak and Metro-North Commuter rail service and passenger service in general will fare. There must be a commitment to continue the present arrangements and even improve them over Conrail. Conrail has often

Vernon A. Williams page 2 November 18, 1997

been criticized for the treatment it gave to Amtrak's trains. This is an opportunity to insure that the heavily used Empire passenger corridor is given the priority it deserves.

I hope that these issues, as well as those raised by many others will be seriously considered before this massive change is approved. There are many transportation problems facing New York State, especially in the downstate region. This can be an opportunity to improve the situation, or it could result in worsening the situation repeating the excesses of recent mergers. Thank you.

Sincerely,

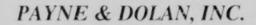
Catherine Nolan

iq

cc: Hon. Sheldon Silver Hon. Herman Farrell

Hon. David Gantt

11-14-97 J BUSINESS 33388



November 7, 1997

Office of Secretary Case Control Unit Surface Transportation Board 1925 K Street, NW Washington, DC 20423-0001

Re: Finance Docket No. 33388

Dear Mr. Secretary:

I am Tim Hackett, the Sales Representative for Payne & Dolan, Inc. Payne & Dolan, Inc. sells aggregate limestone and gravel and moves traffic in and through the Chicago Switching District.

We are extremely concerned about the potential ramifications is us and other industries should CSX Transportation, Inc. (CSXT) obtain ownership and control of certain Consolidated Rail Corporation (Conrail) rights & assets as proposed in this proceeding. We are particularly concerned about the effect of CSXT's proposed control and administration of the Indiana Harbor Belt Railroad Company (IHB) on the vital neutral switching services that IHB now provides. CSXT will dispatch and manage IHB and, as we understand the CSXT/NS application explains, will utilize IHB largely to accommodate and service CSXT's own line-haul traffic to and from Chicago. We understand that CSXT already owns Baltimore & Ohio Terminal Railway Company (BOTC) and that no stockholder will have a larger share of The Belt Railway Company of Chicago than CSXT's 25% ownership.

The Chicago Switching District is both an extremely important and an extremely congested terminal area. Efficient switching services accessible to everyone on an equal basis are vital for the movement of my company's traffic - not to mention for the handling of the vast amount of other freight that moves through this vital gateway. We believe that CSXT's domination of terminal switching facilities will

ASPHALT PRODUCERS AND CONTRACTORS SINCE 1930

MAIL

MANAGEMENT

seriously diminish available rail capacity serving this role. With CSXT seeking to utilize IHB for it's own self-serving purposes, we are concerned about the impact on charges assessed other line-haul carriers for intermediate switching service on our traffic. Our prior experience with movements through the Chicago Switching District is that it is costly and often requires far too much time. We are concerned about the future for fair, equitable and prompt dispatching of trains and switching of customers.

We understand that Wisconsin Central Ltd. has proposed acquiring and operating a portion of BOTC trackage known as the Altenheim Subdivision and a portion of Conrail trackage known as the Panhandle Line. We also understand that WCL would invest in improving these routes. We strongly support these sales as a condition to approval of CSXT and NS acquisition of Conrail. Each will mitigate the impact of CSXT domination of switching and serve to preserve and increase critical rail capacity in the Chicago Switching District.

We also believe the Board should seriously consider a condition which would assure that IHB operations and facilities are dispatched on a fair and neutral basis, preventing the IHB from being operated primarily for the benefit of CSXT.

We strongly urge you to take these facts and comments into consideration in your deliberation of this very important issue.

Sincerely,

Tim Hackett

Sales Representative

Vim Backett

Mr. Vernon Williams, Secretary Surface Transportation Board 12th and Constitution Avenue, N.W. Washington, D.C. 20432



RE: CSX/Conrail merger: STB Finance Docket No. 3320.

Dear Sir. A 1 16	
Dear Sir. On Set 28	, 1997, the Members of the Greenwich Township,
Huron County, Ohio,	Board of Trustees, met and passed the following resolution:

RESOLVED: That the proposed acquisition of the Consolidated Rail Corporation (Conrail) by CSX Corporation is not in the interests of the citizens of Greenwich Township, Ohio; because of the unusual hardships that it will impose on our Township, in the disruption of our local transportation system of roads at points where they cross—either the CSX lines or the Conrail lines, both of which bisect our Township. The proposed CSX/CR acquisition will result in the closure of necessary roadways, the large scale destruction of our rural way of life and the increased danger to the populace on the remaining roadways because of unsafe conditions and inadequate protection from the large numbers of trains that will be crossing them.

We therefore request that the Surface Transportation Board reject the proposed acquisition of Conrail by CSX and any other proposal to merge with Conrail, due to their disreguard for public safety.

Please make our opposition and this resolution part of the record in the above mentioned finance docket.

Trustee

Trustee

Trustee

Huron County Commissioners State of Ohio Congressional Delegation

11-13-97 J BUSINESS 33388





October 6, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, NW Washington, D.C. 20423-0001

> RE: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corp., & Norfolk Southern Railway Co. Control & Operating Leases/Agreements -- Conrail Inc. & Consolidated Rail Corporation, STB Finance Docket No. 33388.

Dear Mr. Secretary:

The Transportation Committee of the Grand Rapids Area Chamber of Commerce would like to express our support for the agreement between CSX Corporation and Norfolk Southern Corporation on the acquisition of Conrail assets.

I am sure that you are well aware that the merger proposal will have a profound impact on transportation to the country's largest markets. In West Michigan, the furniture and office products industries, our other large manufacturers, and our agriculture industry will be greatly affected by the results of this agreement. Consequently, the Chamber's Transportation Committee recently invited Marc Higginbotham, who represents Norfolk Southern, to discuss the current proposal. After discussion, the Committee agreed that because this merger will result in two very strong companies anchoring rail transportation for the region, West Michigan's link to major cities will be considerably improved. It is our belief that our economy will reap the benefits resulting from the competition created by two balance railroads.

Again, on behalf of the Chamber, the Transportation Committee would like to express support for this agreement and urge that it be approved. Thank you for your attention to this matter.

Sincerely,

Chuck Swanson, Chair

Transportation Committee

Kristi M. Clemens, Vice President Government & Community Affairs



Hoisington Chamber of Commerce

123 North Main Street

Hoisington, Kansas 67544-2594

Telephone (316) 653-4311

Facsimile (316) 653-4311 November 5, 1997

Honorable Jerry Moran 217 Longworth House Office Building Washington, D.C. 20515

RE: Merger Related Job Protection Rights

Dear Congressman Moran:

In regard to the subject above, I thought I would bring you up to date, regarding the Maintnenace and Way Employees of Union Pacific on the Hoisington Subdivision.

On October 29th, the BMWE employees met with their General Chairman and General Counsel to discuss job protection, and I am enclosing (with their permission) a copy of the follow-up letter regarding some of the discussion points.

In addition, to assist the BMWE members and others, I have written an Information Paper regarding the UP/SP merger and perceptions about job protection. I am enclosing a copy for Kari, for background regarding the merger and oversight activities, and I will provide Patty Kerr a copy of the letter so she won't be mad at both of us, while trying to schedule your time.

In our last conversation, we discussed meeting with some of the BMWE employees during the recess break. They would still like to meet with you as your schedule permits; however, they would want you to have some time with your family, and meet with them later.

It is always good to visit with you, and look forward to your return during recess.

Best Regards Always,

Robert K. "Bob" Glynn Executive Vice President

enc: as

cf: Surface Transportation Board
Larry Wilton - BMWE Local 1333
Don Griffin - General Counsel BMWE
M.A. Flemming - President BMWE
Tim Moore - Attorney at Law
Patty Kerr - Congressman Moran Office
Bill Guliford - BMWE General Chairman
W.A. Naro - UP Labor Relations

INFORMATION PAPER

SUBJECT: Job Protection Rights for Adversely Affected Employees, Resulting from the Union Pacific/ Southern Pacific Merger

PURPOSE: To provide Historical Data, Background Information, and Surface Transportation Board Findings and Orders in Decision 44, Docket 32760.

Facts:

- In 1982 the Interstate Commerce Commission (ICC) approved the Union Pacific (UP) -Control-Missouri Pacific (MP)/Western Pacific (WP). 366 ICC 459 (1982) (UP-MP Decision).
- 2. On March 8, 1983, Overhead Trackage rights were given to Denver and Rio Grande Western (D&RGW) over the MP Line from Pueblo to Kansas City. MP (corporate entity of UP) retained the Local Service Rights.
- 3. In 1988, the ICC approved the merger of the D&RGW, Southern Pacific (SP) and St Louis Southwestern Railway Company (SSW), with D&RGW retaining the Overhead trackage rights over the MP line from Pueblo to Kansas City
- 4. In 1990 UP scheduled abandonment of 120 miles of MP line from Herington to Osawatomie. This reduced D&RGW Overhead trackage rights on the MP from Pueblo to Herington. MP retained the rights to Local Service across the Hoisington Subdivision.
- 5. In June 1995 the trackage rights agreement was modified by UP and D&RGW (Corporate entity of SP) to allow D&RGW to Operate and Maintain the Hoisington Subdivision from Avondale (CC) to Herington. MP retained the rights to provide Local Service.
- 6. In July 1995 D&RGW and the Brotherhood of Maintenance and Way Employees (BMWE)(MP)(MP-corporate entity of UP) made an implementing agreement premitting the BMWE-MP employees holding seniority on the Hoisington Subdivision to bid for positions on the D&RGW.

Page 2 Information Paper Subject: Job Protection Rights The employees assigned to those positions became D&RGW (corporate entity of SP) employees effective July 1, 1995, and embraced within Section 5 of that implementing agreement was a termination clause. (Reading: " If the Trackage Rights Agreement between UP & D&RGW is ever terminated and UP assumes operation over this line, the maintenance of this line will revert to and come within the scope of the collective bargaining agreement between UP and BMWE. " As a result of the Surface Transportation Board Decision 44 (UP/SP merger transaction), D&RGW ceased it's corporate existence, and UP assumed Operation of the line. UP continued the Operation and Maintenance of the Line until October 1997, and MP continued the Local Service until October 1997. As a result of the merger and the July 1, 1995 agreement, the BMWE employees on the Hoisington Subdivision should have reverted back to the UP 1995 Employee Roster #1900. On October 1, 1997, the UP served abolishment notices upon the BMWE employees of the Hoisington Subdivision, and denies the employees claim of Seniority on any UP Territory. 10. Mr Michael A. Hartman - Director-Employee Relation and Planning at Union Pacific provided a Verified Statement to the Surface Transportation Board on the 16th Day of November 1995, which outlined the Labor Impact by the UP/SP merger, and it specifically identified the BMWE in the Hoisington Subdivision to 'e affected by the merger. (UP/SP Operation Plan - Docket 32760 Surface Transportation Board) 11. UP submits that the abolishment of the positions were not merger related, and were therefore not covered by the Surface Transportation Board Decision 44 (UP/SP merger), and further, UP contends, the abolishment of the positions are to be considered part of a action consumated after the merger, with the leasing of the Hoisington Subdivision to Central Kansas Railway in October 1997.

. Page 3 Information Paper Subject: Job Protection Rights Union Pacific and Southern Pacific were not authorized exemption authority for the Abandonment of the Towner(Co) to North Avondale Jct (CO), or the Hope(KS) to Bridgeport(KS) sections of the Hoisington Subdivision. The entire Hoisington Subdivision (From Avondale (CO) to Herington(KS) was considered in the UP/SP merger, as was the rest of the Central Corridor extending to the West Coast. 14. UP attempted in their submission of the Applicant's Brief (UP/SP-260 June 3, 1996), to have Findings and Order read: at Appendix D, page 3, beginning at line 2, " We further find that any rail employees of the Applicants or other rail carrier affiliates affected by the transaction authorized in Finance Docket No. 32760 should be protected by the conditions set forth in New York Dock Ry. -- Control -- Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979), unless different conditions are provided for in a labor agreement entered into subsequent to this decision and prior to consolidation, in which case protection should be at the negotiated level, subject to our review to assure fair and equitable treatment of affected employees. " 15. The Surface Transportation Board opted to have the recommendation by UP, changed to read: ---"unless different conditions are provided for in a labor agreement entered into prior to consumation of the transaction authorized in Finance Docket No. 32760. " (Page 266, Decision 44. Docket 32760) (A very distinct difference, and completely obliterates UP contention that they can do anything they want to subsequent to the merger] The Surface Transportation Board were very specific in their conclusions and findings of Decision 44 (UP/SP Merger), and framed the Labor Impacts and their embodiment in the New York Dock conditions, as to being available to adversly affected employees and whether or not it was anticipated their positions would be affected. (Page 172 Decision 44, Docket 32760)

Page 4 Information Paper Subject: Job Protection Rights The Applicants were admonished concerning their respect for their unionized employees. (Page 250 Decision 44, Docket 32760), and most recently in the Surface Transportation Board Decision No. 10 (Oversight), dated October 24, 1997, found at VI page 18, Docket No. 32760 (Sub-No 21) Overhead Traffic over the Hoisington Subdivision has been operated and maintained by UP and D&RGW from 1982 until October 1997. UP/MP provided Local Service on the Hoisington Subdivision from 1982 until October 1997. 19. In SBT Docket 32760 (UP/SP Merger), and Decision 44, the only Line Sales and Trackage Rights exemptions were: Sub 2 - BNSFE Exemption --Acquisition and Operation of Trackage in California, Texas and Louisiana. Sub 3 - UP Exemption -- Control -- Alton & Southwestern Railway Company. Sub 4 UP Exemption -- Control --Cental California Traction Company. Sub 5 UP Exemption -- Control -- Ogden Union Railway and Depot. Sub 6 UP Exemption -- Control -- Portland Terminal Railroad Company. Sub 7 UP Exemption -- Control -- Portland Traction Company. CONCLUSION: UP was never given exemption for Line Sale or Lease of the Hoisington Subdivision, in the Surface Transportation Board Decision 44, (UP/SP Merger) Hoisington Subdivision BMWE employees should be restored to their UP Seniority under Roster 1900 of 1995, and returned to job bidding rights in the Kansas Central Bridge and Building Senority District. UP should be required to provide documentation showing where the Surface Transportation Board authorized them to digress from Decision 44, in regard to the BMWE employees on the Hoisington Subdivision. Writer: Robert K. Glynn Hoisington, KS November 3, 1997

33388 11-7-97 J PUBLIC



Surface Transportation Board

Office of Congressional and Public Services

(202) 565-1592

November 7, 1997

Mr. Paul Vrabec 2300 23rd Street Canton OH

Re: STB Docket No. FD 33388

Dear Mr. Vrabec:

President Clinton forwarded your letter commenting on the proposed acquisition of Conrail by Norfolk Southern and CSX Transportation to me for reply. Your comments are important to us and will be put in the permanent record in this case.

As you probably know, this project is undergoing extensive investigation by this agency and the procedural schedule has just been extended to provide the parties additional time to submit a safety plan to the Board.

Your comments will be helpful to the decision makers in the case.

(Cenegol

Staff Attorney

THE WHITE HOUSE

WASHINGTON

10.31.97 DATE

MEMORANDUM FOR:

STB

FROM:

SUE J. SMITH SOS

DIRECTOR, OFFICE OF AGENCY LIAISON

SUBJECT:

REFERRAL OF WHITE HOUSE BULK MAIL

Thank you for your continued hard work in ensuring responses to the Presidential letters and inquiries forwarded to your agency. The volume of mail that the President and Mrs. Clinton receive still remains unprecedented.

Please return any misreferrals to me at the following address:

Ms. Sue J. Smith Director, Office of Agency Liaison Room 6, OEOB The White House Washington, D.C. 20500

If you have any questions, please do not hesitate to call me at 202/456-7486.

Thank you very much.

Writer about Consail Takeover

3718146

September 29, 1997 Canton, Ohio

President Clinton White House Oval Office Washington, D.C. 20515

Dear Mr. President:

Here's hoping today finds you and your family well. I supported you in the last election and will do so in the future.

I'm writing you concerning the proposed hostile takeover of Conrail by Norfolk Southern and C.S.X. railroads. The line in a world where public policy permits and supports making money by combining and cutting the livelihoods of decent hard working Americans. These policies are promoted by our government and business leaders.

The American taxpayer spent 7 billion dollars to create Conrail in the northeast. 3.5 billion of these dollars from taxpayers improved an infrastructure of tracks and bridges that couldn't support a freight train. This infrastructure was sold to the private sector for 1.6 billion dollars.

Now N.S. and C.S.X. are borrowing heavily to purchase their respective parts of Conrail. Once the deal is completed N.S. and C.S.X. won't have the resources to keep rail lines in shape. This means more derailments.

The shippers and consumers will be the victims of this greed. The claims of N.S. and C.S.X. that this act will improve competition is phony and the slick product of a cynical public relations campaign. Does anyone believe these two corporations will spend 10 billion dollars each year to be at a competitive disadvantage?

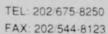
When all this is done, a few rich people will get richer, hardworking railroaders will lose their jobs and valuable resources built by taxpayers will be looted and the shippers will be gouged.

The real joke will be in five or ten years, taxpayers will face no freight service in the northeast and like they did in the 70's, bailout the failed policies of N.S. and C.S.X. management and foot the bill for a 20 billion dollar taxpayer bailout to preserve freight service in the northeast and southeast United States.

Mr. President, any consideration on your part in this matter will especially be appreciated by many Conrail workers in Ohio and Pennsylvania. We've worked to build Conrail and wouldn't like to see it torn apart.

With the greatest respect;

Thul M. Veaker





GARY D. MYERS President

November 5, 1997

Office of Secretary
Case Control Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RE: Finance Docket No. 33388

Dear Mr. Secretary:

The Fertilizer Institute is concerned about the potential ramifications to us and other industries should CSX Transportation, Inc. (CSXT) obtain ownership and control of certain Consolidated Rail Corporation (Conrail) rights and assets as proposed in this proceeding. We are particularly concerned about the effect of CSXT's proposed control and administration of the Indiana Harbor Belt Railroad Company (IHB) on the vital neutral switching services that IHB now provides. CSXT will dispatch and manage IHB and, as we understand the CSXT/NS application explains, will utilize IHB largely to accommodate and service CSXT's own line-haul traffic to and from Chicago. We understand that CSX already owns Baltimore & Ohio Terminal Railway Company (BOCT) and that no stockholder will have a larger share of The Belt Railway Company of Chicago than CSXT.

The Chicago Switching District is both an extremely important and an extremely congested terminal area. Efficient switching services accessible to everyone on an equal basis are vital for the movement of my company's traffic – not to mention for the handling of the vast amount of other freight that moves through this vital gateway. We believe that CSXT's domination of terminal switching facilities will seriously diminish available rail capacity serving this role. With CSXT seeking to utilize IHB for its own purposes, we are concerned about the impact on charges assessed other line-haul carriers for intermediate switching service on our traffic. Our prior experience with movements through the Chicago Switching District is that it is costly and often requires far too much time. We are concerned about the future for fair, equitable and prompt dispatching of trains and switching of customers.

We understand that Wisconsin Central Ltd. Has proposed acquiring and operating a portion of BOCT trackage known as the Altenheim Subdivision and a portion of Conrail trackage known as the Panhandle Line. We also understand that WCL would invest in improving these routes. We strongly support these sales as a condition to approval of CSXT and NS acquisition of Conrail. Each will mitigate the impact of CSXT domination of switching and serve to preserve and increase critical rail capacity in the Chicago Switching District.

We also believe the Board should seriously consider a condition, which would assure that IHB operations and facilities are dispatched on a fair and neutral basis, preventing the IHB from being operated primarily for the benefit of CSXT.

We strongly urge you to take these facts and comments into consideration in your deliberation of this very important issue.

Sincerely,

Gary D. Myers

GDM/gcm

33388 11-6-97 J PUBLIC

September 24,1997

U.S. Surface Transportation Board ATTN: SEA-Finance Docket 33388 1925 K Street NW Washington, DC 20423

Dear Sirs:



My child(ren). Symbol attending McKinley must cross the tracks at least two times a day to get to and from school.

Heel strongly against NS increasing rail traffic by three time or more. It may be more. Mr. Pat McCune, VP, Public Affairs for NS Corporation, said he could not guarantee that rail traffic would not exceed the railroad's proposed average of 31 to 36 trains per day. As NS's business increases it is more than likely the above numbers of trains through Lakewood and the West Shore area will increase also. This is not acceptable.

Following are the reasons we, as a community. cannot allowed this to occur.

- 1) Safety for our children who cross the tracks daily to go to school, the library, and parks.
- 2) Carrying of hazardous waste including nuclear waste- would theoretically increase from the present number of 254,834 cars per year (already too high of a number through our community) to over 764,000 cars per year. Each car a potential threat to our children. A study done by the Agency for Nuclear Projects. Nuclear Waste Office, Nevada based numbers from the U.S. Department of Energy and compiled the following statistic for the state of Ohio: 2,733 shipments of high level nuclear waste from nuclear plants and nuclear weapon disarmament will travel through Ohio- 2,063 of those shipments are likely to go through Lakewood and the West Shore area of Cleveland. Norfolk Southern has a pre-agreement with the Federal Government to carry the above nuclear waste. There are two routes through northern Ohio. One being through our community.
- 3) A tripling of trains through Lakewood would increase air pollution 800 ions per year. Most of the pollutant being nitrogen oxide.

Other issues of strong concern are:

Evacuation of the schools south of tracks should a train derail and spill hazardous cargo. There are no school buses in Lakewood, therefore, there would be no way for the children to get out of the city. A decrease of property value which would also be a decrease tax base for our schools. And a flight of families from Lakewood which would mean a general decline for our community.

This issue is one of great concern to all of us that live in Lakewood. Please be assured the citizens of the West Shore area are closely monitoring the STB proceedings. I am concerned about the safety issues and how my child (ren) will be affected.

Sincerely.

(216)228-8288

PUBLIC 33388

4498 Bolon avenue Helliaid, Ohio 43626 October 27, 1997

Chairman Surface Transportation Board Case Control Unit STB Finance Docket NO, 33388 1925 K St., N.W Washington, D. C 204323-0001



Dear Chairman,

I certainly hope that when you people

decide on the Conrail acquisition by CSX and NS,

that you give some careful consideration to the

employees of Conrail. What is going to happen to

are we going to love our jobs? are we going to be forced to work at 75% of our normal wages with the acquiring carrier (If were lucky enough with the acquiring carrier (If were lucky enough to work for one at all)? Or are we going to be forced to work for some non-union short line carrier to work for some non-union short line carrier with us work rules or benefits at even less than 75% with us work rules or benefits at even less than 75% or what we previously made (which the politicians and or what we previously made (which the politicians and rail executives would probably like us to do)

Mayte even be forced to relocate hundreds of nules from our homes to accept gamful employment, only to be un of the job by some Good of Boy Fraternity, whatever the outcome is, In some that it son't pretty Mayte Im wrong There are some politicians in this who oppose the acquisition of Conract by CSX Corporation and norfolk Southern, because they are brying to help out their buddies who operate the short lines such as Wheeling & Lake Erie, Ohio Central, and maybe others The politicians made heroes out of the short line carries (which are probably owned and supported by CCASS I rail roads), claiming that they serve the shippers more effectively, while at the same time busting unions and cheating the working man out of a fair wage (compared to the rest of the rail industry) The Consul employees are deducated hard working, ambitions people. We need some job seemily and protection. I was furloughed from MARCH 1981 until FEBRUARY 1993 as a result of line abandonment, reduced crews, and renouting of traffic I don't want to be furloughed again. If this would happen today, I would probably lose all of my senionty. Ihinh for the good of the common man, not just the wealthy elite at the top

3

a lot of these people I work with are veterans of americas different wars and conflicts We answered the call when the United States needed us. I sure hope the US doent let us down. If it does, it would be a crime.

No I don't think the world owes me a living, just the United States of america.

anonomyors because there are some in this country who would try to penalize me for expressing my

heedom of speech:

The way I see it though, is that government officials are public servants, in business to serve the public (LIKE MYSELF.), not every big sorporate special interest group who waves a dollar bill under their noses. They are not dollar bill under their noses. They are not royalty so ahead and prove me wrong

Smeely Dawson

Traffic jam: No train, no grain

■ Railroad congestion has left bumper crops of corn, wheat and soybeans sitting on the ground.

OMAHA, Neb. (AP) — Record grain harvests aren't unusual. Neither are periodic shortages of rail cars to ship the grain.

But this year, particularly bountiful corn, wheat and soybean crops are piling up on the ground because a sor, of railroad traffic jam between the nation's fields and key grain ports on the Gulf of Mexico has spread along the rails of the newly enlarged Union Pacific.

Farmers, grain elevator managers and politicians blame the rail tieups on Union Pacific's purchase of Southern Pacific Railroad that created the nation's largest railroad. They think the railroad is overwhelmed.

Union Pacific said the congestion would be worse if it had not purchased the Southern Pacific and its key lines but agrees there are problems.

Farm experts fear the backlog will ruin the nation's international markets and could sink grain prices.

"It is a terrible mess, the worst we've ever seen," said Bill Sebree of NIK Marketing, which coordinates grain shipments for 112 elevators in Nebraska, Iowa and Kansas.

"We are running better than 30 days behind schedule for guaranteed grain trains to arrive, and we have loaded trains sitting still for up to two weeks," he said. "Elevators are losing up to \$30,000 on each train that's late."

The problem is already affecting or expected to affect most of the



Associated Press

At the Continental Grain elevator in Shelton, Neb., manager Rick Sorenson says about 700,000 bushels of grain are being stored on the ground.

nation's grain-producing states, and the grain piles are an illustration of shipping problems that federal regulators will discuss at a hearing today in Washington.

Sales of soybeans for export have reached only about half the amount sold by this time last year, said Bill Biedermann, a commodity analyst with Allendale in Crystal Lake, Ill. And only about 20 percent of what's been sold overseas has actually been shipped so far.

"The demand for U.S. grain is good, but the guys on the dock are not delivering," Biedermann said.

"Our foreign customers will be forced to go to other countries for their imported grain if they have to wait much longer," he said.

Union Pacific cites problems affecting its merger partner.

Railroad spokesman John Bromley said floods and derailments in Texas happened at the same time shipping business increased, and that all combined to overwhelm the Southern Pacific.

Union Pacific sent some of its

people, locomotives and equipment to help, but that diversion meant the traffic jams spread.

Now loaded grain cars wait in rail yards for locomotives, which may be busy elsewhere. Heavy traffic along the routes to the Gulf ports means it takes longer for the grain trains that are moving to make the trip, which delays the return of locomotives and empty cars.

The timing couldn't be worse for farmers who are reaping an expected record soybean crop, the thirdlargest corn crop and acove-average mile and wheat crops.

Elevators across the Midwest are turning away fresh crops because their storage bins and outdoor stockpiles are overflowing.

Don Roose at U.S. Commodities of West Des Moines, Iowa, said the grain futures markets have not yet been affected, because most analysts believe the situation will work itself

"The railroads will catch up but the big question is when and will it be too late?" Biedermann said.

33388 11-6-97 J PUBLIC FD

October 16, 1997

The Honorable Vernon A. Williams, Secretary Surface Transportation Board 1925 K. Street, N.W. Washington, DC 20423-0001

Re: Finance Docket No. 33388

Dear Secretary Williams:

My name is Kenneth Belcher and I am the Chairman of the Port Authority of Allen County. I am writing this letter because I am concerned that the proposed acquisition of control of Conrail by CSX Transportation and Norfolk Southern Railroad and the division of Conrail's assets between CSXT and NS will have an adverse impact on the shippers located on the rail between Lima and Glenmore Ohio (the "Lima-Glenmore Line") which is owned by the Port Authority of Allen County and the Van Wert County Port Authority.

Recently, the Port Authority of Allen County and Van Wert County Port Authority combined their resources to acquire the Lima-Glenmore Line from the Spencerville & Elgin Railroad Company. At the time of the acquisition, rail operations were very marginal and the on-line shippers were at risk of losing service. The Port Authorities acquired the line in order to preserve rail service to important rail-dependent industries located on the line.

After some initial struggles, the Port Authorities were able to reach a good arrangement with R.J. Corman Railroad Company ("RJCW") for operation of the Lima-Glenmore Line.

In order to alleviate the anticipated harms associated with the Conrail take-over, RJCW is seeking the acquisition of ownership of, or trackage rights on Conrail's line of railroad between Milepost 54.4 and Milepost 52.1 in Lima, Ohio, so that RJCW can continue to make interchange with NSR.

The Port Authority of Allen County supports the responsive application of RJCW and I therefore urge you to grant relief requested by RJCW in connection with any approval of the Conrail take-over.

Respectfully submitted,

Kenneth Belcher

Chairman

Port Authority of Allen County

21349 Stratford Avenue Rocky River, Ohio 44116

October 29, 1997

Secretary, Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

Re: FD # 33388

Dear Secretary:

I am writing to urge you and the Board to seriously consider the many health and safety issues that are presented by Norfolk Southern's proposal to increase the number of trains traveling through Cleveland and its western suburbs.

My home is directly north of the railroad tracks; my backyard borders the tracks. I am <u>quite</u> concerned about the increased risk of collisions between trains and pedestrians and/or cars, as well as the increased potential for delays to fire and emergency crews dispatched to locations north of the tracks.

Moreover, the dust and noise pollution from 35 to 40 trains per day would be virtually unbearable. If Norfolk Southern is allowed to implement its proposal, I would most likely consider moving – but the value of my home would have decreased as a result of this dust and noise pollution. All of my neighbors would be in a similar quandary. Please do not allow one corporation's projected economic benefit to destroy the primary assets of so many individuals in these communities!

I urge the Board to visit Rocky River (and the other affected communities) to inspect the situation.

Thank you for your attention.

Sincerely,

Cynthia C. Schafer

Cynthia C. Schafer

FD-33388 11-6-97 J RO STB

Sault Ste. Marie

P6A 5P2

October 29, 1997.

Office of Secretary, Case Control Unit, Surface Transportation Board, 1925 K Street, N.W., Washington, D.C.

Re: Finance Docket No. 33388

Dear Mr. Secretary:

I am John W. Ross, Manager of Traffic for Algoma Steel Inc. Algoma Steel Inc. is a fully integrated steel mill located at Sault Ste. Marie, Ontario, Canada which moves traffic in and through the Chicago Switching District to destinations in Mexico via Wisconsin Central over Chicago.

We are very much concerned about the potential ramifications to us and other industries should CSX Transportation Inc. (CSXT) obtain ownership and control of Conrail rights and assets as proposed. We are particularly concerned about the effect of CSXT's proposed control and administration of the IHB on the vital neutral switching services that IHB now provides. CSXT will dispatch and manage IHB and, as we understand the CSXT/NS application provides, will utilize IHB largely to accommodate and service CSXT's own line haul traffic to and from Chicago. We understand that CSX already owns Baltimore & Ohio Terminal Railway Company ("BOCT") and will be the largest shareholder of The Belt Railway Company with about 1/3 ownership.

The Chicago Switching District is both an extremely important and an extremely congested terminal area. Efficient switching services accessible to everyone on an equal basis are vital for the movement of my company's traffic - not to mention for the handling of the vast amount of other freight that moves through this vital gateway. We believe that CSXT's domination of terminal switching capacity will seriously diminish available rail capacity serving this role. With CSXT seeking to utilize IHB for its own purposes, we are concerned about the impact on charges assessed other line haul carriers for intermediate switching service on our

traffic. Our prior experience with movements through the Chicago Switching District is that it is costly and often requires far too much time, taking as much as 5 days and more on our traffic. We are concerned about the future for fair, equitable and prompt dispatching of trains and switching of customers.

We understand that Wisconsin Central Limited has proposed acquiring and operating a portion of BOCT trackage known as the Altenheim Subdivision and a portion of Conrail trackage known as the Panhandle Line. We also understand that WCL would invest in improving these routes. We strongly support these sales as a condition to approval of CSX and NS acquisition of Conrail. Each will mitigate the impact of CSX domination of switching and serve to preserve and increase critical rail capacity in the Switching District.

We also believe the Board should seriously consider a condition which would assure that the IHB operations and facilities are dispatched on a fair and neutral basis, preventing the IHB from being operated primarily for the benefit of CSX.

We strongly urge you to take these facts and comments into consideration in your deliberation of this very important issue.

Sincerely,

ALGOMA STEEL INC.,

J. W. Ross

Manager,

Traffic Department.

JWR:nst







October 1997

The Honorable Jim Geringer Governor of Wyoming State Capitol, Room 214 Cheyenne, WY 82002

Dear Governor Geringer:

I enjoy antelope and/or deer hunting in southern Weston County, Wyoming and have hunted here for about the last ______ years. The open spaces and pristine grassland are a big part of the experience. A new railroad would certainly diminish the quality of this experience.

I am very much afraid that the Dakota, Minnesota and Eastern's proposed southern route would negatively impact the wildlife, especially the antelope. Antelope are reluctant to use underpasses and the railroad would be a immense barrier in their migration during bad winter and spring storms.

I am also opposed to a self-serving, privately held corporation using forced sales or eminent domain to force their rail line across any part of Wyoming.

Sincerely,

Printed Name MATT HILL

Address P.O. Box / Cedar Mich

cc to: U.S. Senator Craig Thomas

U.S. Senator Mike Enzi

U.S. Representative Barbara Cubin

Bill Barton

Ross Diereks

Marlene Simons

Weston Co Commissioner

DM&E President Kevin Schieffer

Surface Transportation Board

Newcastle City Council

Phillip Purcell, Morgan, Stanley & Co

Michael J. Boskin

Lombard Investments, Inc

Dictor Capital Corporation

J.C. McIntyre

Lee B. Foster II

10-28-97 J STATELEG 33388



ROBERT F. HAGAN STATE SENATOR

33rd Senate District

Ohio Senate

Senate Building Columbus, OH 43215 614/466/8285 614/466/4120 Fax 1/800/282/0253 Toll Free



October 17, 1997

Vernon Williams Secretary Surface Transportation Board Office of the Secretary Case Control Unit 1925 K Street NW Washington, D.C. 20423

RE: STB Finance Docket #33888

Dear Mr. Williams:

This letter is written in response to the proposed sale of Conrail to CSX and Norfolk Southern. If the merger is approved, I encourage you to require that CSX and Norfolk Southern pay the total cost of elevating their tracks over grade crossings. The tracks specified for elevation would include any acquired tracks from the merger as well as other tracks of CSX or Norfolk that would experience a significant increase in traffic due to the merger.

There is evidence to support that the proposed sale between these two railroads will increase train traffic in some areas from approximately 33 to 108 trains per day. I am very concerned this will negatively affect the safety services provided to communities by emergency personnel including law enforcement officers, fire fighters and emergency medical technicians. If trains are constantly running on our tracks, I am fearful the quality of emergency services required by people will be compromised by the long delays. Elevated tracks would not only allow emergency services to run uninhibited, but it would also help eliminate the number of train and car collisions that most certainly would rise with increased train travel.

In addition, I would also like you to consider requesting that trains be required to adhere to the same safety precautions as power plants. Mayor Michael White of Cleveland said in a newspaper article today that approximately 60,000 residents, who live within 1,000 feet of the tracks in the Cleveland area, could be exposed to hazardous waste spills. I believe we need to recognize the possibility of these spills and what effect this would have on residents living near the tracks.

With regards to this proposed merger, I believe we need to do everything possible to make safety our number one issue. It is vitally important to keep all of Ohio's citizens, and what is in their best interest, foremost in our minds.

Thank you in advance for your attention to my request. If I can answer any questions for you regarding this letter, please do not hesitate to contact me.

+623+

Sincerely,

Robert F. Hagan

State Senator, 33rd District

RFH/pam

33388 10-28-97 STATELEG

JOHN R. PIPPY, MEMBER

HOUSE BOX 202020 ROOM 402 SOUTH OFFICE HARRISBURG, PA 17120-2020 PHONE (717) 787-6651

DISTRICT OFFICE 925 BRODHEAD ROAD MOO?, TOWNSHIP, PA 15108 PHONE (412) 262-2260

530 WASHINGTON AVENUE BRIDGEVILLE, PA 15017 PHONE (412) 220-4515



House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

October 22, 1997



COMMITTEES

FINANCE

ENVIRONMENTAL RESOURCES AND ENERGY

URBAN AFFAIRS, SECRETARY

VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS

Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, N.W., Room 715 Washington, D.C. 20423-0001

Re: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/
Agreements - Conrail, Inc., and Consolidated Rail Corp.-Finance Docket #33388

Dear Secretary Williams:

I represent the 44th Legislative District, which includes North Fayette Township where the Conrail National Account Center is located. I have learned that this Center will be closed as a result of the merger between Conrail, CSX and Norfolk Southern. I am very concerned about the impact of that closure on my district, which will involve the loss of approximately 500 jobs.

I ask that the Surface Transportation Board review the application for this transaction most carefully and take any action necessary to offset the impact of job losses in my district. Please ensure that NS and CSX provide for adequate job relocation benefits, for both employees and the spouses of railroad employees who will need to obtain new jobs as a result of their relocation to Atlanta or Jacksonville. In addition, I am requesting the Board require Norfolk Southern to give first priority for new positions at the Norfolk Southern Regional Operations Headquarters to former Contail employees whose jobs will be eliminated by closing the National Account Center.

I appreciate your consideration of my comments and ask that your name be included on the service list so that I will be provided with a copy of the Board's decision.

Sincerely,

John R. Pippy

44th Leg. District, State of Pengsylvania

JRP:jmm

DISTRICT OFFICE:

191 WAUKEGAN ROAD, SUITE 210
NORTHFIELD, IL 60093
847/441-0077
FAX: 847/441-0322
E-MAIL: SENKATHYPARKER® WORLDNET.ATT.NET



VICE CHAIRMAN: PUBLIC HEALTH AND WELFARE

TRANSPORTATION

MEMBER: FINANCIAL INSTITUTIONS

CAPITOL OFFICE: ROOM M118 STATE CAPITOL SPRINGFIELD, IL 62706 217/782-2119 FAX: 217/782-0650

ILLINOIS STATE SENATE
KATHLEEN K. PARKER
STATE SENATOR · 29TH DISTRICT

October 17, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board 1925 K Street NW Washington, DC 20423-0001

Dear Mr. Williams:

I am writing to express my support for the proposed acquisition of Conrail by Norfolk Southern and CSX.

As Vice-Chairman of the State Senate Transportation Committee, I am concerned how issues such as this one effect the people of Illinois. This merger will benefit customers, rail employees, the environment and the economy or the entire state.

Illinois has had a strong presence in the rail industry, and the rail industry has been extremely profitable for the people of Illinois. This acquisition will promote healthy competition amongst the nation's rail carriers and result in more efficient shipping for businesses in Illinois as well as the rest of the nation.

Thank you for your support of this proposal and your consideration in this matter.

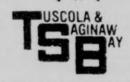
Sincerely,

Kathleen K. Parker

State Senator - 29th District

KKP: dpd

33388 BUSINESS 10-28-97



RAILWAY COMPANY, INC.

LDING, SUITE 303

GENERAL OFFICES, 308 WEST MAIN STREET, MATTHEWS BUILDING, SUITE 303 POST OFFICE BOX 550, OWOSSO, MICHIGAN 48867-0550 (517) 725-6644 FACSIMILE (517) 723-8226

October 23, 1997

The Honorable Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, DC 10423-0001

RE: Finance Docket 33388 - Comments of Tuscola and Saginaw Bay Railway Company, Inc.

Dear Secretary:

The Tuscola and Saginaw Bay Railway (TSBY) is a shortline railroad operating 400 miles of line in northern Michigan. In 1996, TSBY handled several carloads of interline freight in joint-line service with CSX (out of a total of ten thousand carloads of freight for our customers).

TSBY has previously submitted a notice of intent to participate in this proceeding. Over the past several months, TSBY has carefully considered the impact of the CSX-NS joint acquisition of Conrail.

We have concluded that this transaction will benefit TSBY and the customers we serve. We believe that the operating efficiencies that CSX and NS expect to achieve will make our service more competitive and more attractive. We hope that the elimination of CSX-Conrail interchanges will create new market opportunities for the shippers we serve.

Accordingly, TSBY supports the joint acquisition of Conrail by CSX and NS without conditions and urges the Board to approve the transaction as proposed.

James E. Shepherd

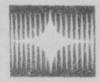
CEO

Copy to R. Allen, NS

P. Cunningham, CR

C. Rosenberger, CSX

10-24-97 J BUSINESS



American Iron and Steel Institute

1101 17th Street, N.W. Suite 1300 Washington, D.C. 20036-4700 (292) 452-7100 Fax (202) 463-6573

Andrew G. Sharkey, III

President and CEO

October 20, 1997

Vernon Williams
Secretary
Surface Transportation Board
Room 715
1925 K Street, NW
Washington, DC 20423

Dear Mr. Williams:

While the American Iron and Steel Institute (AISI) is not taking a position on the proposed transaction involving CSXT, Norfolk Southern and Conrail, should the Surface Transportation Board decide to approve the proposed transaction, AISI wishes to be on record as being in strong support of the National Industrial Transportation League's Comments and Requests for Conditions submitted to the Board on October 21, 1997.

Sincerely,

Andrew G. Sharkey, III

10-21-97 J BUSINESS 33388

Michigan Manufacturers Association

JOHN G. THODIS
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

October 17, 1997



Mr. Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, N. W. Washington, D.C. 20423-0001

SUBJECT: ACQUISITION OF CONRAIL BY CSX AND NORFOLK SOUTHERN

Dear Mr. Williams:

I am writing to express support for the agreement between the CSX Corporation and the Norfolk Southern Corporation on the acquisition of Conrail assets. The Michigan Manufacturers Association strongly supports the acquisition and believes the agreement will result in significant benefits for the national transportation system and for the job providers of the State of Michigan.

Michigan industries, including automotive, agriculture, metals, minerals, chemicals, furniture, pharmaceutical, and food products, need efficient, reliable carriers to transport raw materials into the State and to take their products to domestic and international markets. The CSX Corporation already serves as a critical link transporting those materials. The joint CSX-NS acquisition will enhance the ability of Michigan job providers to have better rail service options at competitive rates.

The Michigan Manufacturers Association is pleased to endorse the proposed acquisition and looks forward to working with CSX and Norfolk Southern. The Michigan economy will be strengthened by the competition of two strong, balanced and highly regarded railroads.

Sincerely,

John G. Thodis
President & CEO

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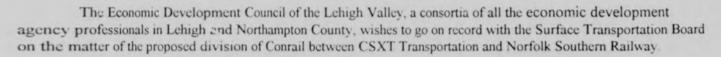
BUSINESS 10-21-97 J FD 33388

Economic Development Council of the Lehigh Valley

October 17, 1997

The Honorable Vernon A. Williams, Secretary Surface Transportation Board Washington, DC 20423

Dear Mr. Williams:



The Lehigh Valley is served by Conrail by a system of main lines and branch lines. CP Rail is the only other class 1 carrier serving our region. However, their service is limited to the Bethlehem Steel Corporation in Bethlehem and its associated Philadelphia, Bethlehem and New England Railroad. Under the terms of the 1976 creation of Conrail, CP Rail and its predecessor Delaware & Hudson Railway are precluded from providing service to other shippers within the region although its trains operate along both the Lehigh main line and Reading main line.

We believe that the presence of competitive rail access in the Lehigh Valley would enhance our economic viability. The competitiveness would accrue both to our agency's efforts to attract new business to the area as well as our efforts to retain existing businesses. We feel that the need for good, competitive rail service is particularly crucial to the Lehigh Valley in view of the recent phenomenal growth of the warehousing and distribution facilities, as numerous companies have chosen to use Lehigh Valley locations as their East Coast distribution centers. Competitive rail access would allow these market decisions to be fully realized.

The draft operations information which has been made available to us indicate that all of the proposed Conrail service in the Lehigh Valley would be via trackage rights over the currently out of service Bethlehem branch. As such, the plans, as presently proposed, do not improve competitive rail access in the Lehigh Valley. Therefore, we respectfully request that the Surface Transportation Board impose conditions on the application which would increase the competitive rail access within the Lehigh Valley. One means of providing this improved service may include granting CP Rail rights to serve additional shippers.

Sincerely.

John M. Cook

Chairman

Cc: Membership of EDC of Lehigh Valley

John Austen Wayne Barz Richard Bollinger John Buchheit Mary Ann Bungerz James Burns Christine Cleaver Jack Cook Candace Curie Nancy Dischinat J. Michael Dowd Diane V. Elliott Sara Greer John M. Henricks Richard Herbst Anthony Ianelli Michael Kaiser Thomas Kucharski Thomas Mohr Edward Murray Edith Ritter John Rohal Thomas Shaughnessy

Janet Smith Grover Stainbrook Janet Stainbrook Larry Strain Donna Taggart Robert Wendt



STB FD 33388 10-21-97 J PUBLIC

BAY COMMONS CONDOMINIUM ASSOCIATION 30671 CAMBRIDGE DRIVE BAY VILLAGE, OHIO 44140

September 10, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:

I am writing to you representing the concerns of twenty-six unit owners of the Bay Commons Condominium Association regarding the proposal of the Norfolk & Southern Railroad to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

Many of our Bay Commons unit owners are senior citizens who receive medical care. Since all of our local hospitals are south of this railroad track, this would mean delay in getting emergency medical attention and possibly death. We are also concerned about the health hazards with this additional train traffic.

The population of this area and cities directly west has greatly increased and crossing this track during rush hours to get to downtown Cleveland via Ohio State Route 90 has already become a nightmare. The safety impact on all of us would be devastating. In addition the noise produced by these trains would be even more unbearable.

We are very worried about our property values as this would affect not only ourselves but our whole community. Bay Village has always been known for it's excellent school system and the loss of these property taxes would destroy this school system.

We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River, Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely.

Alan R. Lewis, President

Bay Commons Condominium Association

Copy to Thomas L. Jelepis, Mayor, Bay Village, Ohio

ROBERT J. GRUSENMEYER 30617 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:

As a unit owner in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

Many of our Bay Commons unit owners are senior citizens who receive medical care. Since all of our local hospitals are south of this railroad track, this would mean delay in getting emergency medical attention and possibly death. We are also concerned about the health hazards with this additional train traffic.

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We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River. Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely,

Robert J. Grusenmeyer

Robert I Grusinmugen

FRANK GRISWOLD 30705 CAMBRIDGE DRIVE BAY VILLAGE, OHIO 44140

OCT 2 1 1997 DE STATE OCT STATE OCT

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:

As a resident in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

Many of our Bay Commons unit owners are senior citizens who receive medical care. Since all of our local hospitals are south of this railroad track, this would mean delay in getting emergency medical attention and possibly death. We are also concerned about the health hazards with this additional train traffic.

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We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River, Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely,

Frank Griswold

JEAN KOGGE 30701 CAMBRIDGE COURT, WEST BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen

As a unit owner in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

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Sincerely,

Jean Kogge

ALICE M. GORBY 30679 CAMBRIDGE COURT, WEST BAY VILLAGE, OHIO 44140

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September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

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We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River, Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely,

alice M. Gorby

ESTHER C. NASH 30675 CAMBRIDGE COURT, EAST BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:

As a unit owner in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

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We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River, Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely,

Esther C. Nash

CATHERINE A. GUERIN 30629 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:

As a unit owner in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

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We are very worried about our property values as this would affect not only ourselves but our whole community. Bay Village has always been known for it's excellent school system and the loss of these property taxes would destroy this school system.

We beg you on behalf of all the citizens of Bay Village, Lakewood and Rocky River, Ohio to disapprove this proposal so that our communities may remain the fine places to live as they are today.

Sincerely.

Catherine A. Guerin

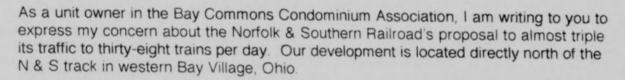
SALLY J. HANCOX 30653 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen:



Many of our Bay Commons unit owners are senior citizens who receive medical care. Since all of our local hospitals are south of this railroad track, this would mean delay in getting emergency medical attention and possibly death. We are also concerned about the health hazards with this additional train traffic.

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Sincerely,

Sally J. Hancox

MARION E. HEATH 30603 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

Gentlemen

As a unit owner in the Bay Commons Condominium Association, I am writing to you to express my concern about the Norfolk & Southern Railroad's proposal to almost triple its traffic to thirty-eight trains per day. Our development is located directly north of the N & S track in western Bay Village, Ohio.

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Sincerely,

Marion E. Heath

marian & Heath

JANET K. WHITTEMORE 30613 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

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Sincerely,

Janet K. Whittemore

Janet K. Whittenner

DAVID M. MADIGAN 30601 CAMBRIDGE DRIVE BAY VILLAGE, OHIO 44140



September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

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David M. Madigan

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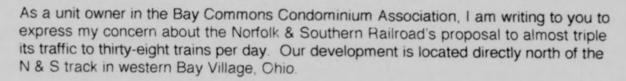
NORA C. KUGLER 30707 CAMBRIDGE DRIVE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

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Sincerely,

Nora C. Kugler

PATRICIA A. MAYER 30673 CAMBRIDGE COURT, EAST BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

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Sincerely

Patricia A. Mayer

MARION J. TATE 30651 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

Re: FD 33388

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Sincerely,

Marion J. Tate

MARJORIE R. MULLEN 30657 CAMBRIDGE COURT, EAST BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

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Sincerely,

Marjorie R. Mullen

DR. JOHN MONBARREN 30677 CAMBRIDGE COURT, WEST BAY VILLAGE, OHIO 44140

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

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Sincerely,

John Monbarren

MARGARET B. LEWIS 30631 CAMBRIDGE CIRCLE BAY VILLAGE, OHIO 44140

OCT 2 1 1997 . MANIAGENEST SE

September 15, 1997

Federal Surface Transportation Board Section of Environmental Analysis 1925 K Street NW Washington, DC 20423

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Sincerely,

Margaret B. Lewis

10-21-97 J PUBLIC 33388 STB

Surface Transportation board MANAGEMENT MANAGEMENT MANAGEMENT MANAGEMENT NS ICSY Corp Joint Furchase Conrail, INC. 1925 K Street, N.W.
Washington, D.C. 2043-0001

To The Committee magarding Notes Con Joint Puchase Corrail, Inc.

Bet. 17, 1997

While it is almost certain that the STB will approve the takeover of Conrail by the north Southern and CSX Corp. by the middle of 1998, what Protection Packages will be granted and The Ability to enforce them is why I am writing this letter.

For the record & have copies of letters, agreements, bulletins, etc. but to keep this as small of a file as gossible since so much have already been sub-mitted (Attachment 1); therefore, & arm enclosing hopefully just enough to prove the need for concern over how grotestion benefits and agreements are NOT horored by the Railwads.

AD a longtime amployee with over 37 years of Rail-Road Dervice Durviving one buy out (Norfolk & Western Railway Company 1981) and one merger (Norfolk & Western Railway Company & Southern Railway June, 1982) plus working under Norfolk Southern DURGE you to give us (contract employees) a Protection Package that can be enforced plus we can live and retire without losing what we already have and are entitled to.

many of the good & rolection agreements were great and/or good, some for many years, but the Railroads started challenging a broke agreements or just simply ignored them while the Union stood by and allowed it to happen and many instances Unable to STOP the Railroad. - ling and for rough in below and another Rail Road. In the 1987 ruling of arbitrator John B. La Rocca ruling on an unsigned a undated letter regarding the movement of clerks past the 25 mile from their hom - base of Cleveland as stated in the 1964 Merger Agreement of the Norfolk & Western Railway gurchasing the NKP (Cleveland, OH) & Wabash Railroad (St. Louis, MO) allowing the norfolk + Western move emplo, es Gran Cleveland to ST Louis. Richard neman submitted an appeal to the ICC late 1987 or early 1988 to the ICC but was told the Union Should have Juled et. (no attachmento)

In my case the NS (norfolk Southern) over the years has refused my Protection Agreements as well as such leave, vacation and taken away my sensority rights in another district in ST. hower that would have allowed me to stay there instead of transferring to Roanoke, VA. Also an Orbitrator ruled against my protection

rights when he ruled that the 1982 agreement with the Southern Railway and the Norfolk & Western Duger coded my Impleting agreement between the norfolk & Western Railway Company and Illinois Terminal Railwad Company.

(Attachment 2 Page 2)

(Attachment 3) letter to BRACJuon Norfolk & Western Railway Company & Illinois Terminal Railroad Company plus Implementing Agreement.

1st Page of letter gave \$1,000 lace curtain allowance if employee changed his residence. In 1991 & received \$500.00 for Same more - ST Louis to Roanoke.

Page to of Implementing Agreement, Article 5,

Section 1 "Said agreements are extended to include all Jonner 17 properties." (In part)

Page le Section 2 " the NW will use the former IT employes' last continuous service date with the IT, and such last continuous service date will be considered continuous during their employment connection with the NW." (In part)

Page 7 Section 3 "Former 17 employer will carry over to the NW their current and accumulated sick leave. NW will also assume all obligations and liability for granting any unused sick leave, gersonal leaved ago and vacation."

Finance Docket 710.28250 Page 3-Toes not Vaneto transper benond residence

where in the neighborhood of 40 times over his pay of reported \$500,000 + for 1996 or 1997 (depending on which report or bigure is used).

a mon-contract employee of the NS receives a monthly pension from the Railroad and when eligible Railroad Reterement Pension.

as a contract employee & can only draw RR.

Retirement Pension and only \$75,000 insurance
antil medicare at 65. 363 retire, belove 62

Swill take a reduced gension.

(attachment?) Why should the Railroads and non-contract employees continue to reap all the benefits. It is about time some of these Protective Agreements cover the older employee with many years of service and receive a longary Pension like others on the Railroad. OR at last most equal to what non-contract gersonnel receives.

Saincerely,
Barbara J. Woot

130 Old Brook Road

Vinton, VA 24179

(H) \$90-890-5803

CONTACTS:

OFFICE 1997 F12

OFFICE 1997 F12

MANAGEMENT F13

M

Thomas E. Hoppin CSX 804-782-1449

Robert Fort Norfolk Southern 757-629-2710

FOR IMMEDIATE RELEASE June 17, 1997

Media Advisory

CSX Corporation (NYSE: CSX) and Norfolk Southern Corporation (NYSE: NSC) said today they will file their joint application seeking federal regulatory approval to acquire Conrail Inc. within the next several days.

The companies said they had hoped to file Monday (June 16) or Tuesday, but that the complexity of producing the eight-volume application, which will contain more than 15,000 pages, forced the delay.

The two railroads said they will make a public announcement as soon as the application is filed with the Surface Transportation Board in Washington.

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TRANSPORTATION • COMMUNICATIONS INTERNATIONAL UNION

DAVID L. STEELE General Chairman

ZANE K. COLE General Sec'v-Treas

AFL-CIO, CLC

Norfolk Southern System Board of Adjustment No. 96

File: 758 (6032-W and 6467-W)

Subject: Award No. 4 New York Dock

Special Board of Arbitration

MANAGEMENT STB

January 6, 1992



Ms. B. D. West 3007 Hickory Woods Drive, N.E. Apt. 23 Roanoke, Virginia 24012-6363

Dear Sister West:

This will acknowledge receipt of your letter dated December 17, 1991, outlining your views in regards to Award No. 4 of New York Dock Special Board of Arbitration.

- Q-1 My question is, can the former Illinois Terminal Railroad Employees count on our lifetime protection that we were protected by when the Illinois Terminal existed?
- A-1 The Award and Order held "Yes," but only to the extent that such benefits are not the same type or kind previously granted under Article I, Section 3 of New York Dock conditions. Displacement, furlough, moving or real estate allowances are examples of benefits.
- Q-2 Also, on Page 7, I cannot agree with the statement "The afffected employee opted" and "Said employee accepted." We had no choice as stated on Page 2 "The I.C.C. imposed the employee merger protected conditions set forth in New York Dock Railway-Control-Brooklyn Eastern District Terminal." I still cannot believe the Carrier continues to say we elected this coverage and the Union or Arbitrator not to question "Elected" over "ICC Imposed" protection we received.
- A-2 Over objections by the Organization, the Board apparently held by filing claims and accepting payments thereunder, the employees had opted and elected New York Dock conditions over any existing protective agreements or arrangements. (February 7, 1965 Mediation Agreement)



File: 758 January 6, 1992 Page 2 Ms. B. D. West Q-3 In quoting this, I now refer you to Pages 7 and 8 of the award. It states "When the parties Implementing Agreement was reached on May 19, 1982." What is this May 19, 1982 Implementing Agreement? Maybe this should be when the Southern and Norfolk & Western Railway merged? If so, why does it pertain to the former Illinois Terminal employees as our Implementing Agreement was signed October 13, 1981? A-3 For your information, Pages 7, 8 and part of 9 of the Award only outline the Carrier's position and arguments. The Carrier made Article V, Section 2 of the May 19, 1982 New York Dock Implementing Agreement (No. 9 GEN), between NW-SR-NSC, a part of the record and used it to support their position. Pages 7 and 8 merely repeats and references, without comment, that position and argument. Nowhere within the award does the special Board state the May 19, 1982 implementing agreement conditions are applicable to the 1981 NW-IT ICC approved coordination. Q-4 Why can't we (former IT clerks) pick up these agreements since it stated in our implementing agreement (October 13, 1981) Article V, Section 1 (quoted above) that all agreements were extended to include us except the 1979 agreement? A-4 Former IT employees did become employees of the NW, subject to the coverage of applicable contracts, schedules, and agreements (excluding the January 8, 1979 Memorandum Agreement) between the NW and BRAC/TCU. In order to be eligible for protection under the terms of the April 7, 1965 Memorandum Agreement and/or the September 29, Memorandum Agreement, an employee must have had an employment relationship with either the Nickel Plate Railroad, Wabash Railroad, Norfolk and Western Railway, Akron, Canton and Youngstown Railroad or Pittsburgh and West Virginia Railroad on October 16, 1964. Former Illinois Terminal Railroad employees do not meet that criteria and accordingly those agreements are not applicable to them. In conclusion, Page 7, 8 and part of 9 are a synopsis of Carrier's position. We, similarly, do not agree with them. The Special Board's decision starts on Page 9 and ends on Page 13, to which I did not find any questions directed.

File: 758 Ms. B. D. West Page 3 January 6, 1992 Your address correction has been handled. Sincerely and fraternally, D. L. Steele General Chairman DLS/RHR:er cc: Mr. S. L. Manning, District Chairman #1090

S

ILL- TERMINAL AGREEMENT

ALSO

NEW YORK DOCK AGREEMENT Which THEY ARE COVERED UNDER

ALSO ILL- TERMINAL SENIORITY ROSTER PRIOR TO MERGER WITH NAM Mr. R. M. Curran International Vice President BRAC 720 Empire Building 360 Robert Street St. Paul, Minnesota 55101

Mr. Al Archual General Chairman, BRAC 88 North Miller Road Akron, Ohio 44313

Mr. T. W. Taggart, Jr. General Chairman, BRAC 5001 Brentwood Stair Road Suite 111 Fort Worth, Texas 76112

Gentlemen:

This refers to the notice of July 29, 1981, relative to the Carriers' intent to unify, coordinate and/or consolidate their respective facilities, operations and services, in whole or in part, on or after November 1, 1981.

During the conferences of September 7 and 8, 1981, the so-called "lace curtain" allowance due eligible employes under various protective arrangements and agreements in effect on the properties was discussed. It was mutually agreed that, in view of the circumstances peculiar to this transaction, the Carrier would pay an employe required to change his residence and who actually changes his residence as a result of the NW/IT coordination a lace curtain allowance of \$1000.00

A change in residence referred to above shall be considered required if the reporting point of the affected employe is more than 30 normal route miles from his point of employment at the time affected; provided, however, that no change in residence will be considered required for employes moving between positions or transferring with their positions within St. Louis Terminal Seniority District No. 60, as described in Article II(b) of the Implementing Agreement signed October 13, 1981.

It was further agreed that the foregoing provisions are made without prejudice to the position of either party, will establish no precedent and is made on a non-referral basis.

Yours very truly,

System Director Labor Relations Norfolk and Western Railway Company

Manager-Labor Relations

Illinois Terminal Railroad Company

AGREED:

al archuel AMC

General Chairman GRAC (IT)

APPROVED:

International Vice President

BRAC

IMPLEMENTING AGREEMENT Between NORFOLK AND WESTERN RAILWAY COMPANY ILLINOIS TERMINAL RAILROAD COMPANY

And Their Employes Represented by The

BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES

WHEREAS, pursuant to the Order in I.C.C. Fluance Docket No. 29455

(Sub-Nos. 1-5), Norfolk and Western Railway Company ("NW") has been authorized to acquire and operate the equipment and principal assets of Illinois Terminal Railroad Company ("IT") as described in said order;

AND WHEREAS said Order imposes the employee protective conditions set forth in New York Dock Ry. - Control - Brooklyn Eastern Dist., 354 I.C.C.

399 (1978) as modified at 360 I.C.C. 60(1979) (New York Dock Conditions);

AND WHEREAS, pursuant to Article 1, Section 4(a) of the New York Dock Conditions, NW and IT served notice of their intention to coordinate their respective facilities, operations and services;

NOW, THEREFORE, IT IS AGREED:

ARTICLE I

Section 1

Illinois Terminal Consolidated Seniority District No. 1 and 2, St. Louis, Missouri, will be designated NW Seniority District No. 100, St. Louis, Missouri.

Section 2

Illinois Terminal facilities south of Springfield and Decatur,
Illinois, Illinois Terminal Consolidated Operating Seniority District No. 3, will
be designated NW Seniority District No. 101.

Section 3

Illinois Terminal facilities at Allentown, Springfield and Decatur,
Illinois, Illinois Terminal Consolidated Operating Seniority District No. 3, will
be designated NW Seniority District No. 102.

Section 4

When the Carrier recalls an employee for a new position or vacancy in Seniority District Nos. 3, 60 or 56, the following will govern:

General employ Agrees and Sc

- General Offices, St. Louis, Missouri, the senior furloughed employe, subject to Rule 5 of the April 1, 1973 NW/BRAC Master Agreement, of the employes furloughed in Seniority District No. 3 and Seniority District No. 100 will be assigned.
- (b) For a new position or vacancy in Seniority District No. 60, St. Louis Terminal, the senior furloughed employe, subject to Rule 5, of the employes furloughed in Seniority District 60 and Seniority District 101 will be assigned.
- (c) For a new position or vacancy in Seniority District No. 56, Decatur Division, the senior furloughed employe, subject to Rule 5, of the employes furloughed in Seniority District 56 and Seniority District No. 102 will be assigned.

The name and seniority date of an employe recalled in accordance herewith will be dovetailed into the roster for the seniority district to which recalled and removed from the roster for the seniority district in which furloughed.

Section 5

Effective June 22, .1982:

- (a) The names and seniority dates of the remaining former Illinois

 Terminal employes on the roster for Seniority District No. 100

 will be dovetailed into the seniority roster of Norfolk and

 Western employes, Seniority District No. 3, General Offices,

 St. Louis, Missouri.
- (b) The names and seniority dates of the remaining former Illinois

 Terminal employes on the roster for Seniority District No. 101,

 working at, on leave of absence from or furloughed from Illinois

 Terminal facilities south of Decatur and Springfield, Illinois,

 will be dovetailed into the seniority roster of Norfolk and

 Western employes, Seniority District No. 60, St. Louis Terminal.
- (c) The names and seniority dates of the remaining former Illinois Terminal employes on the roster for Seniority District No. 102 working at, on leave of absence from or furloughed from Illinois Terminal facilities at Allentown, Springfield and Decatur, Illinois will be dovetailed into the seniority roster of Norfolk and Western employes, Seniority District No. 56, Decatur Division.

Section 6

In the process of dovetailing, if two or more employes have the same seniority date their names will rank on the new roster as follows:

- (i) If such employes came from the same seniority roster, their relative standing as between each other shall remain the same on the roster to which transferred.
- (ii) If such employes came from different seniority rosters, their ranking shall be determined by their attained ages in descending order.

Section 7

The dovetailing of seniority rosters will not provide an employe with a right to displace to a position occupied by a junior employe.

Article II

Effective June 22, 1982:

- (a) Seniority District No. 3, General Offices, St. Louis, Missouri, is expanded to include all former Illinois Terminal facilities formerly within Seniority District No. 100;
- (b) St. Louis Terminal Seniority District No. 60 is expanded to include all former Illinois Terminal facilities south of Springfield and Decatur, Illinois, formerly within Seniority District No. 101, and
- (c) Decatur Division Seniority District No. 56 is expanded to include all former Illinois Terminal facilities at Allentown, Springfield and Decatur, Illinois, formerly within Seniority District No. 102.

Article III

Section 1

When the Carrier desires to abolish a position which will no longer be required because of the coordination of the Carriers' operations, a thirty (30) day advance written notice will be served. Such notice will include an estimate of such employe's protected rate under applicable agreements or arrangements.

Section 2

When the Carrier desires to transfer a position(s) and/or employe(s) from Seniority District Nos. 100 101 or 102 to another NW seniority district due to the coordination of the Carriers' operations, which requires a change in residence, the involved General Chairman or Chairmen will be given not less than thirty (30) days advance written notice of the intended transfer. Such notice shall include the position title, rate of pay, office and seniority district from which transferred and office and seniority district to which transferred. Such position(s) will be advertised in the seniority district from which it is to be transferred and will be assigned not less than three (3) days before the date of transfer.

Section 3

When the Carrier desires to transfer a position(s) and/or employe(s) from Seniority District Nos. 100, 101 or 102 to another NW seniority district due to the consolidation of the Carriers' operations, which does not require a change in residence, the involved General Chairman or Chairman will be given not less than fifteen (15) days advance written notice of the intended transfer. Such notice shall include the position title, rate of pay, office and seniority district from which transferred and office and seniority district to which transferred. Such position(s) will be advertised in the seniority district from which it is being transferred and will be assigned not less than three (3) days before the date of the transfer.

The names and seniority dates of employes transferring in accordance with Sections 2 and 3 hereof will be dovetailed into the seniority roster for the seniority district to which transferred and will be removed from the roster for the seniority district from which transferred.

Article IV

Where rules, agreements and practices conflict herewith, the provisions of this Agreement will apply.

Article V

Section 1

Upon the effective date of this Agreement, former IT employes shall become employes of NW subject to the coverage of applicable contracts, schedules, and agreements (excluding the January 8, 1979 NW/BRAC Protection Agreement) in effect between the NW and its employes represented by BRAC, and said agreements are extended to include all former IT properties. The Carrier recognizes the applicability of the February 7, 1965 Mediation Agreement (Case No. A-7128), as amended, to employes having an employment relationship with the Illinois Terminal as of the effective date of this Agreement and who qualify or subsequently qualify for coverage by such February 7, 1965 Agreement in accordance with its terms.

Section 2

Upon the effective date of this Agreement, fringe benefits applicable to NW employes represented by BRAC shall be extended to former IT employes. When administering benefits under agreements which specify service dates, the NW will use the former IT employes' last continuous service date with the IT, and such last continuous service date will be considered continuous during their employment connection with the NW.

Former IT employes will carry over to the NW their current and accumulated sick leave. NW will also assume all obligations and liability for granting any unused sick leave, personal leave days and vacations.

Section 4

Payroll deductions afforded former IT employes will be assumed by NW on the effective date of this Agreement.

Section 5

Upon reasonable request by either party, the parties will cooperate to extend time limits on matters arising under IT agreements prior to the effective date of this Agreement.

Article VI

All pending notices and proposals served under Section 6 of the Railway Labor Act, as amended, on the Illinois Terminal Railroad Company on behalf of the employes represented by BRAC are hereby withdrawn. Former Illinois Terminal employes will be covered by the current notices pending on NW the same as if they were NW employes when said notices were served.

Article VII

Section 1

It is understood and agreed that NW and former IT employes are entitled to the protective conditions and benefits of the New York Dock Conditions in accordance with its terms which are attached hereto as Appendix A and made a part hereof and nothing in this Agreement is intended to deny NW and former IT employes the protective conditions or benefits found therein.

Prior to implementing the provisions of this Agreement, the Carrier will give the involved employes no less than fifteen (15) days' advance written notice of the effective date of the Agreement by posting the notice with copy of this Agreement and the New York Dock Conditions on bulletin board convenient to the involved employes and by sending written notice to the respective General Chairmen. This Agreement will fulfill the requirements stipulated in Article I, Section 4 of the New York Dock Conditions embodied in the Order issued in I.C.C. Finance Docket No. 29455 and is made without prejudice to the position of either party as to the interpretation or application of the New York Dock Conditions.

SIGNED AT Washington, D.C. THIS 13th DAY, OF October, 1981.

FOR THE EDSTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES:

General Chairman, BRAC (NW)

General Chairman, SEAC (IT)

FOR NORFOLK AND WESTERN
RAILWAY COMPANY AND ILLINOIS
TERMINAL RAILROAD COMPANY

System Director Labor Relations Novrolk and Western Railway Company

Mangger-Labor Relations

Ilainois Terminal Railroad Company

APPROVED:

International Vice President BRAC

APTENDIX III

Labor protestive conditions to be imposed in railroad transactions pursuant to 49 U.S.C. 11343 et seq. [formerly sections 5(2) and 5(3) of the Interdate Commerce Act], except for trackage rights and lease proposals which are being considered classhere, are as follows:

- 1. Definitions.-(a) "Transaction" means any action taken pursuant to authorizations of this Commission on which these provisions have been imposed.
- (b) "Displaced caployce" means an employee of the railroad the, as a result of a transaction is placed in a worse, position with respect to his compensation and rules governing his working conditions.
- (c) "Dismissed employee" means an employee of the railroad who, as a result of a transaction is deprived of employment with the railroad because of the abolition of his position or the loss thereof as the result of the exercise of seniority rights by an employee whose position is abolished as a result of a transaction.
- (d) "Frotective period" means the period of time during which a displaced or dismissed employee is to be provided protection becaused and extends from the date on which an employee is displaced or dismissed to the expiration of 6 years therefrom, provided, however, that the protective period for any particular employee shall not continue for a longer period following the date he was displaced or dismissed than the period during which such employee was in the employ of the railroad prior to the date of his displacement or his dismissal. For purposes of this appendix, an employee's length of service shall be determined in accordance with the provisions of section 7(b) of the Mashington Job Protection Agreement of May 1936.
- 2. The rates of pay, rules, working conditions and all collective bargaining and other rights, privileges and benefits (including continuation of pension rights and benefits) of the railroad's employees under applicable laws and/or existing collective bargaining agreements or otherwise shall be preserved unless changed by future collective bargaining agreements or applicable statutes.
- 3. Nothing in this Appendix shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any extrains job security or other pretestive conditions or arrangement; provided, that if an employee otherwise is eligible for protection under both this Appendix and some other job security or other protective conditions or arrangements, he shall elect between the benefits under this Appendix and similar benefits under such other arrangement and, for so long as he continues to receive seek benefits under the provisions which he so elects, he shall not be entitled to the same type of benefit under the provisions which he so elects, he shall not be entitled to the same type of benefit under the provisions which he so elects, he shall not be entitled to the same type of benefit under the provisions which he so elects, he shall not be entitled to the same type of benefit under the provisions which he so elects, he shall not be entitled to the same type of benefit under the provisions, he amy other arrangement, shall be construed to include the conditions,

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responsibilities and obligations accompanying such benefits; and, provided further, that after expiration of the period for which such employee is entitled to protection under the arrangement which he so elects, he may then be entitled to protection under the other arrangement for the remainder, if any, of this protective period under that arrangement.

4. Notice and Assessed on Decision - (a) Each railroad contemplating a transaction which is subject to these conditions and may cause the dississal or displacement of any employees, or rearrangement of forces, shall give at least ninety (90) days written notice of such intended transaction by posting a notice on bulletin boards convenient to the interested employees of the railroad and by sending registered mail notice to the representatives of such interested employees. Such notice shall contain a full and adequate statement of the proposed changes to be affected by such transaction, including an estimate of the number of employees of each class affected by the intended changes. Prior to consummation the parties shall negotiate in the following manner.

Within five (5) days from the date of receipt of notice. at the request of either the railroad or representatives of such interested employees, a place shall be selected to hold negotiations for the purpose of reaching agreement with respect to application of the terms and conditions of this appendix, and these negotiations shall commence immediately thereafter and continue for at least thirty (30) days. Each transaction which may result in a dismissal or displacement of employees or rearrangement of forces, shall provide for the selection of forces from all employees involved on a basis accepted as appropriate for application in the particular case and any assignment of employees made necessary by the transaction shall te made on the basis of an agreement or decision under this section 4. If at the end of thirty (30) days there is a failure to agree, either party to the dispute may subsit it for adjustment in accordance with the following procedures:

- (1) Within five (5) days from the request for arbitration the parties shall beloot a neutral referee and in the even they are unable to agree within said five (5) days upon the selection of said referee then the National Mediation Board shall impediately appoint a referee.
- (2) No later than twenty (20) days after a referee has been designated a hearing on the dispute shall commence.
- (3) The decision of the referee shall be final, binding and conclusive and shall be rendered within thirty (30) days from the commencement of the hearing of the dispute.

- (4) The salary and expenses of the referce shall be berne equally by the parties to the proceeding; all other expenses shall be paid by the p rty incurring them.
- (b) No change in operations, services, facilities, or equipment shall occur until after an agreement is reached or the decision of a referee has been rendered.

cmployee's displacement as he is unable, in the normal exercise of his seniority rights under existing agreements, rules and practices, to obtain a position producing compensation rount to or exceeding the compensation he received in the position period, be paid a monthly displacement allowance equal to the difference between the monthly compensation received by him in the position in which he is retained and the average monthly displaced.

Each displaced employee's displacement allowance shall be determined by dividing separately by 12 the total compensation received by the employee and the total time for which he was paid during the last 12 months in which he performed services immediately preceding the date of his displacement as a result of the transaction (thereby producing average monthly compensation and sverage monthly time paid for in the test period), and provised further, that such allowance shall also be adjusted to reflect subsequent general wage increases.

If a displaced exployee's compensation in his retained position in any month is less in any month in which he performs work than the aforesaid average compensation (adjusted to reflect subsequent general wage increases) to which he would have been entition for time lost an account of his voluntary absonces to the average monthly time during the test period, but if in his resaid average monthly time paid for during the test period but if in his resaid average monthly time paid for during the test period he said average monthly time paid for during the test period he rate of pay of the retained position.

- (b) If a displaced employer fails to exercise his seniority rights to secure another position available to him which does not require a change in his place of residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be position he elects to decline.
- (c) The displacement allowance shall coase prior to the expiration of the protective period in the event of the displaced explayer's resignat on, death, retirement, or dismissal for justifiable cause.

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- 6. Dismissal allowances. (a) A dismissed employee shall be paid a monthly dismissal allowance, from the date he is deprived of employment and continuing during his protective period, equivalent to one-twelfth of the compensation recrived by him in the last 12 months of his employment in which he earned compensation prior to the date he is first deprived of employment as a result of the transaction. Such allowance shall also be adjusted to reflect subsequent general wage increases.
- (b) The dimmissal allowance of any dimmissed employee who returns to service with the railroad shall cease while he is so recoployed. During the time of such reemployment, he shall be entitled to protection in accordance with the provisions of section 5.
- (c) The dismissal allowance of any dismissed employee who is otherwise employed shall be reduced to the extent that his combined monthly earnings in such other employment, any benefits received under any unemployment insurance law, and his dismissal allowance exceed the amount upon which his dismissal allowance is based. Such employee, or his representative, and the railroad shall agree upon a procedure by which the railroad shall be currently informed of the earnings of such employee in employment other than with the railroad, and the benefits received.
- (d) The dismissal allowance shall cease prior to the expiration of the protective period in the event of the caployee's resignation, death, retirement, dismissal for justifiable cause under existing agreements, failure to return to service after being notified in accordance with the working agreement, failure without good cause to accept a comparable position which does not require a change in his place of residence for which he is qualified and eligible after appropriate notification, if his return does not infringe upon the employment rights of other employees under a working agreement.
- 7. Separating allowages. A dismissed employee entitled to protection under this appendix, may, at his option within 7 days of his dismissel, resign and (in lieu of all other benefits and protections provided in this appendix) accept a lump sum payment computed in accordance with section 9 of the Washington Job Protection Agreement of May 1936.
- 8. Fringe benefits. No employee of the railroad whe is affected by a transaction shall be deprived, during his protection period, of benefits attached to his previous employment, such as free transportation, hospitalization, pensions, reliefs, et cetera, under the same conditions and so long as such benefits continue to be accorded to other employees of the railroad, in active or on furlough as the case may be, to the extent that such benefits can be so maintained under present authority of law or corporate action or through future authorization which may be obtained.

- 9. Mexing expenses. Any employee retained in the service of the railroad or who is later restored to service after being entitled to receive a dismissal allowance, and who is required to change the point of his explayment as a result of the transaction, and who within his protective period is required to move his place of residence, shall be reimburged for ell expenses of moving his household and other personal effects for the traveling expenses of himself and mesters of his family. including living expanses for himself and him family and for his own actual wage loss, not exceed 3 working days, the exact extent of the responsibility of the rashroad during the time necessary for such transfer and for reasonable time thereafter and the ways and means of transportation to be agreed upon in advance by the railroad and the affected exployee or his representatives; recovered, however, that changes in place of residence which are not a result of the transaction, shall not be considered to be within the purview of this section; provided further, that the realroad shall, to the same extent provided above, assume the expenses, et ceters, for any employer furloughed with three (3) years after changing his point of employment as a result of a transaction, who elects to move his place of residence back to his original point of employment. No claim for reimbusement shall be paid under the provision of this section unless such claim is presented to railroad with 90 days after the date on which the expenses were incurred.
- 10. Should the reilroad rearrange or adjust its forces in enticipation of a transaction with the purpose or effect of depriving an employee of benefits to which he otherwise would have become entitled under this appendix, this appendix will apply to such employee.
- 11. Arbitration of disputes .- (a) In the event the reilroad and its employees or their authorized respresentatives cannot settle any dispute or controvery with respect to the interpretation, application or enforcement of any prevision of this appendix, except section # and 12 of this article I. within 20 days after the dispute arises, it may be referred by either party to an arbitration committee. Upon notice in writing served by one party on the other of intent by that party to refer a dispute or controversy to an arbitration consistine, each party shall, within 10 days, select one member of the committee and the members thus chosen shall beleet a neutral tember who shall serve as chairman. If any party fails to selects its member of the arbitration committee within the prescribed time limit, the general chairman of the involved labor organization or the highest officer designated by the railroads, as the case may be, shall be decided the selected pember and the committee shall then function and its decision shall have the same force and effect as though all parties had selected their members. Should the members be unable to agree upon the appointment of the neutral member within 10 days, the parties shall then within an additional 10 days endeavor to ogree to a method by which a neutral member shall be appointed, and, failing such agreement, either party may request the National Mediation Board to designate within 10 days the neutral momber whose designation will be binding, upon the parties.

- (c) No claim for loss shall be paid under the provisions of this section unless such claim is presented to the railroad within 1 year after the date the employee is required to move.
- (d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through joint conference between the employee, or their representatives and the railroad. In the event they are unable to agree, the dispute or controversy may be referred by either party to a board of competent real estate appraisers, selected in the following manner. One to be selected by the representatives of the employees and one by the railroad, and these two, if unable to agree within 30 days upon a valuation, shall endeaver by agreement within 10 days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall priceted, and failing such agreement, either party may request the National Mediation Board to designate within 10 days a third appraiser whose designation will be binding upon the parties. A decision of e majority of the appraisors shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser solected by such party.

ARTICLE II

- 1. Any employee who is terminated or furloughed as a result of a transaction shall, if he so requests, be granted priority of employment or reemployment to fill a position comparable to that which he held when his employment was terminated or he was furloughed, even though in a different craft or class, on the railroad which he is, or by training or retraining physically and mentally can become, qualified, not, however, in contravention of collective bargaining agreements relating thereto.
- 2. In the event such training or retraining is requested by such employee, the railroad shall provide for such training or retraining at no cost to the employee.
- 3. If such a terminated or furloughed employed who had made a request under nection 1 or 2 of the article II fails without good cause within 10 calendar days to accept an offer of a position comparable to that which he held when terminated or furloughed for which he is qualified, or for which he has satisfactorily completed such training, he shall, effective at the expiration of such 10-day period, forfeit all rights and benefits under this appendix.

ARTICLE 111

Subject to this appendix, as if employees of railtoad, shall be employees, if affected by a transaction, of separately incorporated terminal companies which are owned (in whole or in part) or used by railroad and employees of any other enterprise within the definition of common carrier by railroad in section 1(3) of part I of the Interstate Connerce Act, as anended, in which rail. road has an interest, to which railroad provides facilities, or with which railroad contracts for use of facilities, or the facilities of which railroad otherwise uses; except that the provisions of this appendix shall be suspended with respect to each such employee until and enless he applies for employment with each owning carrier and each using carrier; provided that said carriers shall establish one convenient central location for each terminal or other enterprise for receipt of one such application which will be effective as to all said corriers and railroad small notify such employees of this requirement and of the location for receipt of the application. Such employees shall not be entitled to any of the benefits of this appendix in the case of failure, without good cause, to accept comparable employment, which does not require a change in place of residence, under the same conditions as apply to other employees under this appendix, with any carrier for which application for employment has been made in accordance with this sec-

APTICLE IV.

Employees of the railroad who are not represented by a labor organization shall be afferded substantially the same levels of protection as are afforded to members of labor organizations under these terms and conditions.

In the event any dispute or controversy arises between the railroad and an employee not represented by a labor organization with respect to the interpretation, application or enforcement of any provision hercef which cannot be settled by the parties within 30 days after the dispute arises, either party may refer the dispute to arbitration.

ARTICLE V

1. It is the intent of this appendix to provide employee protections which are not less than the benefits established under 49 USC 11347 before February 5, 1976, and under section 565 of title 45. In so doing, changes in wording and organization from arrangements earlier developed under those sections have been necessary to make buch benefits applicable to transactions as defined in article 1 of this appendix. In making such changes, it is not the intent of this are to be resolved in favor of this intent to provide employee protections and benefits no less than those established under 49 USC 11347 before February 5, 1976 and under section 565 of title 45.

2. In the event any provision of this appendix is held to be invalid or other wise unenforceable under applicable law, the remaining provisions of this appendix shall not be affected.

LABOR-MATTERS.
YEAR: 1986.

6830

January 12, 1987

MEMO:

Re vacation allowance for furloughed employes under NYDock II and January 8, 1979 Agreement.

Per conversation with Mr. Ed Jacobs, he advised that unler the January 8, 1979 agreement employes furloughed and drawing their protection, even though they do not have 100 working days in a given year, it will be counted as compensation towards vacation purposes.

The above is in reference to Mr. G. C. Edwards letter dated September 8, 1983.

Vacation Qualifying Time - Protective Pay September 8, 1983 PB-General Mr. W. P. Lafser Auditor of Payrolls This refers to our meeting on September 1, 1983 in connection with the above-captioned matter. As discussed, protective payments to dismissed (furloughed) employees should not be regarded as "compensation" for vacation qualification purposes, with the exception of protective payments to employees covered under the June 18, 1959 Virginian Merger Agreement and the January 10, 1962 NKP-WAB Merger Agreement. We believe that it can be successfully argued that such payments do not constitute "compensated service" as that term is defined under the National Vacation Agreements. Could you please take steps necessary to insure that such payments are not counted for vacation qualifying purposes in the future. If I can be of further assistance in this matter please let me know. G. C. EDWARDS Director Protective Benefits 5/W-044/GCE

January 30, 1986

MEMO:

Re phone conversation with Messrs. Clint Western, Ron Rankin and Bill Sizemore regarding Barb West working District 60 and a job available in Dist. 3:

It was agreed that Barb West must return to Dist. 3 or lose her seniority. If she elects to return to Dist. 3, she then forfeits her seniority on Dist. 60.

W. J. Winter

January 27, 1986

MEMO:

In phone conversation with Barbara West regarding having seniority on District 60. She advised that she bid on a position on the Illinois Terminal District 3 in October 1979 and worked District 3 until March 1981 when furloughed and exercised her seniority on her original District 2 and worked this District until furloughed February 12, 1982.

She was recalled on NW District (3), March 1, 1983, Position 13, File Clerk, Engineering Department. She continued to work on District 3 until furloughed on April 13, 1984.

On January 20, 1986, she was recalled to District 60, the District she elected to transfer to back in October 1979.

There is a possibility of being recalled to District 3, Accounting Department, and the question is must she return to District 3, or must she exhaust her seniority on District 60 or the old Illinois Terminal District 3 known as 101 when merged with the NW, per Rule 3D, paragraph 2 and 3.

W. J. Winter

NORFOLK AND WESTERN RAILWAY COMPANY

St. Louis, MO

November 15, 1981

ALL EMPLOYES
SENIORITY DISTRICT NO. 100

Pursuant to Article III, Section 1, of the October 13, 1981 Implementing Agreement, notice is hereby given of the abolishment of the following positions effective December 15, 1981:

Position No. and Title	Daily Rate of Pay	Incumbent	SSA	Daily Protected Rate under 2/07/65 Mediation Agent. (effective 1/01/81)	Estimated Protected Rate Under New York Dock II Cond. AMC. AMH
=233 Payroll Clerk	\$83.4835	M. B. Bazzell	323-40-4683	33.4834	1986.41 171.00
#234 Payroll Clerk	83.4835	M. A. Haleen .	329-40-7398	83.4835	1581.75 154.41
=284 Material Clerk	81.3784	W. M. Tyler, Jr.	345-50-2693	*83.4835	1812.81 177.25
#239 Steno-Clerk	73.8151	D. L. Klires	492-58-5080	Not eligible	1412.38 159.21
₹241 Station Accounts Clerk	82.1604	G. D. Shelby	492-40-0723	Not eligible	1614.60 164.77
=242 Station Accounts Clerk	33.5450	D. J. Quillen	491-34-2387	74.0199	1869.51 181.44
=243 Station Accounts Clerk	30.6518	F. D. Sanfilippo	495-26-5277	85.4555	1755.24 176.64
=247 Interline Switch. Clerk	79.5486	J. Yanones	360-32-9732	78.3661	1711.79 174.49
=269 Claim Investigator	82.7015	C. A. Pope	138-50-7581	20.0353	1736.32 175.03

Position No. and Title	Daily Rate of Pay	Incumbent	SSA	Daily Protected Rate under 2/07/65 Mediation Agmt. (effective 1/01/81)	Estimated Protected Rate Under New York Dock II Cond. AMC AMH	
*271 Interline Clerk	81.8517	B. D. West	494-42-7982	74.0199	1865.51 186.18	
*276 Steno-Clerk	74.4583	F. K. Aitken	489-12-1160	80.3950	1639.93 176.64	
*278 Abstract Clerk	72.8887	T. S. Houlihan	338-16-3576	73.4031	1563.99 174.20	
#273 Interline Clerk	80.5903	M. C. Rodda	279-14-5048	80.6188	1743.29 175.54	
#258 Keypunch Operator	75.5032	P. N. Chronister	492-62-8752	Not eligible	1641.95 170.34	
#259 Keypunch Operator	75.5032	J. K. Grady	319-46-3691	Not eligible	1451.46 158.22	
#244 Multilith Operator	79.4378	E. C. Fick	495-32-7317	73.1167	1711.76 174.73	

Signed FE Maumann
Title: Lesiviant Compitable

cc: Mr. T. W. Taggart General Chairman, BRAC "r. Al Archual General Chairman, BRAC

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes

P. L. Sturgis, L.C. - Missouri Lodge No. 615

Street Address 5149 Suson Way Court, St. Louis, Missouri 63128

January 9, 19 84

Mr. R. H. Rankin, General Chairman BRAC - N&W System Board No. 218 Suite C-100 3140 Chaparral Drive, SW Roanoke, Virginia 24018

Dear Brother Rankin.

Please note the attached received by Mr. J. M. Perfetto, former Local Chairman on January 4, 1984 from the Con-Rail System Board of Adjustment No. 86 covering the transfer of four positions from the Engineering Department (S&C), St. Louis, Missouri, to Roanoke, Virginia, on or about April 1, 1984.

Mr. J. D. Gereaux, System Director of Labor Relations, Roanoke, Virginia, states in his letter to Mr. Lieb that two of the four employees are not protected. The clerks involved are B. D. West and D. J. Quillen, both former Illinois Terminal employees.

It would be greatly appreciated if you would protest Mr. Gereaux's statement that the two former IT employees are not protected, based on the Illinois Terminal Implementing Agreement, effective October 13, 1981, page 6 (copy attached), Article V, Section 1 and Section 2 as follows:

Section 1

"Upon the effective date of this Agreement, former IT employees shall become employees of NW subject to the coverage of applicable contracts, schedules, and agreements (excluding the January 8, 1979 NW/BRAC Protection Agreement) in effect between the NW and its employees represented by BRAC, and said agreements are extended to include all former IT properties."

Mr. R. H. Rankin, General Chairman January 9, 1984 Page 2

Section 2

"Upon the effective date of the Agreement, fringe benefits applicable to NW employees represented by BRAC shall be extended to former IT employees. When administering benefits under agreements which specify service dates, the NW will use the former IT employees' last continuous service date with the IT, and such continuous service date will be considered continuous during their employment connection with the NW."

The only NW Agreement the former IT employees are excluded from is the January 8, 1979 NW/BRAC Protection Agreement. The two employees referred to in Mr. Gereaux's letter are protected employees.

Also, as you and I both know, the protective options given all employees on recent transfers of positions has not included the April 29, 1976 Memorandum Agreement (UTILITY STATUS). I am quite certain the NW will once again try to circumvent the application of this Agreement. Should this happen, a claim will be filed on behalf of each of the employees involved on the basis of Section 2 of the above mentioned Agreement.

Any assistance you could give in resolving these issues would be very greatly appreciated by our entire membership.

Sincerely and Fraternally,

Patricia L. Sturgis, Local Chairman

Missouri Lodge 615 - BRAC 5149 Suson Way Court

St. Louis, Missouri 63128 (1-314-296-6175) - (Home)

NIN

LICTREMICOS OF RAILMA: CLERAS CUN-D'IL SYSTEM BOORD AFTON ONIO

HEC'D.

FILE NO.

SUBJECT

December 20, 1983

AC-MISCL-79-26(S&C)

Mr. John A. Lieb Grand Lodge Supervisor-Trustee Con-Rail System Board of Adjustment No. 86 88 North Miller Road Akron, OH 44313

Dear Sir:

Pursuant to Section 3(b) of the April 7, 1965 Memorandum Agreement, attached is notice covering the transfer of two positions and employees from the offices of Regional Engineer-S&C and Regional Engineer-MW, St. Louis, MO, to the Office of General Manager-Signals, Roanoke, VA, on or about April 1, 1984.

As information, we are including the names of two non-protected employees (shown with asterisk) whose positions are being transferred pursuant to Rule 23 of the Master Agreement on or about April 1, 1984.

Yours truly,

R. C. Secele, Jr.

Director Labor Relations

Attachment

1/M-009/ala

TRANSFER OF EMPLOYES AND CONSOLIDATION OF OFFICES OUTSIDE A GENERAL LOCALITY

Location: St. Louis, MO

lane of Employe	Position	Rate of Pay	Assigned Duties	Office and Senior *From Which Transferred	rity District *To Which Transferre
. M. Hogan	Accountant	\$ 101.3857 per day	Handles material requisitions prepare accounting documents for local purchases and vehicle repairs, handle ballast orders and production reports	Office of Reg. Engr- S&C, St. Louis, MO. Seniority Dist. No. 03	Office of Genera MgrSignals, Roanoke, VA. Seniority Dist. No. 01
. A. Riegel	Clerk-Typist	\$2235.42 per mo.	Type general correspondence; handle vehicle licensing and garage rentals, reproduction and distribution of AFE, dis tribution of S&C bulletins, type ballast orders and S&C AFE requisitions, production reports	Office of Reg. Engr- MW, St. Louis, MO. Seniority Dist. No. 03	Office of Genera MyrSignals, Roanoke, VA. Seniority Dist. No. 01
B. D. West	Steno-Clerk			Office of Reg. Engr- MW, St. Louis, MO Seniority Dist. No. 03	Office of General MgrSignals, Roanoke, VA Seniority Dist. No. 01
). J. Quillen	Contract Bill Clerk			Office of Reg. Engr- S&C, St. Louis, MO Seniority District No. 03	- Office of Mgr. Communications- System, Roanoke VA, Seniority Dist. No. 01

The names and seniority dates of employes transferring in accordance with Sections 2 and 3 hereof will be dovetailed into the seniority roster for the seniority district to which transferred and will be removed from the roster for the seniority district from which transferred.

Article IV

Where rules, agreements and practices conflict herewith, the provisions of this Agreement will apply.

Article V

Section 1

become employes of NW subject to the coverage of applicable contracts, schedules, and agreements (excluding the January 8, 1979 NW/ERAC Protection Agreement) in effect between the NW and its employes represented by BRAC, and said agreements are extended to include all former IT properties. The Carrier recognizes the applicability of the February 7, 1965 Mediation Agreement (Case No. A-7128), as amended, to employes having an employment relationship with the Illinois Terminal as of the effective date of this Agreement and who qualify or subsequently qualify for coverage by such February 7, 1965 Agreement in accordance with its terms.

Section 2

Upon the effective date of this Agreement, fringe benefits applicable to NW employes represented by BRAC shall be extended to former IT employes. When administering benefits under agreements which specify service dates, the NW will use the former IT employes' last continuous service date with the IT, and such last continuous service date will be considered continuous during their employment connection with the NW.

New Orleans gateways, where "volume increases should allow us to build dedicated trains, and move them from Memphis to New England via Nashville, Tenn., and Terre Haute, Ind., and New Orleans via Atlanta to New York City and Boston."

The NITL meeting also heard from Gerald Davies, Canadian National executive vice president, on his railroad's plan for a "Northeast Network" that would add a third competitor in the form of CN and three regionals to the New York/New Jersey market and much of the rest of the state of New York, CN said it is willing to invest as

much as \$60 million in track improvements in the state, in league with the Buffalo & Pittsburgh, the New York Susquehanna & Western, and the New York & Atlantic railroads, to preserve competitive routing from the north into New York.

One shipper in attendance remarked of CN's desires, "I don't think they want too much and they certainly aren't a deal killer." NITL's Voltmann said, "We want to take a look at their plan."

NS's Seale, in a thinly veiled reference to CN's desires, reiterated principles of competition that NS had espoused when it was

competing with CSX to take over all of Conrail. "For those who are seeking to tap into the competitive-balance equation, keep in mind the last tenet of these principles competition is not free."

In a reference to such areas as northern New Jersey where NS and CSX will have joint operations. Seale said again. "We think two strong competitors, the current model in the Southeast, will provide strong competition without so fragmenting the traffic flows so that no one can make money. Consistent with this principle, we will resist raids into these commercial areas."

NS: Merger to raise revenue 50%

BY RIP WATSON

Norfolk Southern Corp. Wednesday predicted its planned joint purchase of Conrail Inc. with CSX Corp. would boost profit by nearly \$400 million annually.

The announcement was Norfolk Southern's first specific statement on the financial impact of its \$5.9 billion plan to buy 58% of Conrail. If the deal wins regulatory approval, NS would boost its rail revenue by more than 50%.

Although NS is emphasizing the growth aspects of the Conrail purchase, about 75% of savings apparently will come from expense reductions and consolidations typical of previous rail mengers.

In 2000. NS estimates total merger benefits of \$399 million, including \$307 million from the expense line. Cost savings account for \$180 million of the expected \$236 million in benefits during 1999, while incremental profit from new business adds \$56 million. For 1998, expense cuts should contribute \$47 million of a total \$71 million in benefits.

Among the expense targets are administrative costs, reducing Contail's cost structure, boosting asset utilization, adding "through" trains that eliminate intermediate handling and more efficient purchasing plans.

While this is an aggressive, growth-driven strategy, we will seize every opportunity to capture efficiency," NS Chairman David Goode said. "The competitive benefit of this transaction is that it brings the kind of healthy competition to the Northeast that NS and CSX have engaged in in the Southeast and Midwest. I hope we can find ways to do this (transaction) without killing each other."

Plans call for revenue growth of \$132 million next year, building to \$316 million in 1999 and \$511 million in 2000.

Expected margins on new business are less than 20%, apparently reflecting more intense rate competition. Current NS rail profit margin is nearly 30%.

To accommodate growth, NS targeted capital spending on Conrail lines at more than \$600 million over three years, beginning in 1998. Intermodal facilities and the little-used Conrail Southern Tier line between Buffalo and the New York area are two focal points for those capital programs.

NS officials apparently are not wortied about line and terminal capacity problems as new business is added.

"The last thing you want to do is to go into a large transaction and be capacity-constrained." Mr. Goode said. "We are for the most part convinced there is good capacity available to the extent we are smart enough to use it."

Much of the growth focus is on truck traffic in the I-81 and I-95 corndors.

Senior Vice President James McClellan called those northsouth routes along the East Coast a multibillion-dollar market. Even so, he believes less than 10% of current truck business will be diverted to rail.

Expectations are high for Triple Crown Services, a specialized intermodal service now owned 50-50 by NS and Conrail. NS is to assume full control of all Triple Crown operations after the purchase.

NS is eyeing Amtrak's Northeast Corridor as a Triple Crown route between New York and North Carolina.

NS Wednesday announced first-quarter 1997 net income of \$128 million, or \$1.02 a share, including a \$49.7 million charge related to its Conrail purchase.

Excluding the charge, net income would have been \$177.5 million, or \$1.42 a share, an 8% improvement. Rail revenue rose 3%, to \$1.05 billion.

Two-thirds of the revenue rise was concentrated in merchandise traffic, with a \$7 million revenue boost from intermodal and \$2 million from coal. ADD

The Journal of Commerce APR 2

Burlington Northern Sant
Fe Corp.

Robert D. Krebs was elected chairman of the board at this rail holding company as shareholders also re-elected 14 other directors at the firm's annual meeting.

Mr. Krebs has been president and chief executive officer since BNSF was created almost two years ago through the merger of two rail holding companies. Daniel Davison, who had been nonexecutive chairman of BNSF's board, retired earlier this year.

10-21-97 J CITY 33388

The Metropolitan Planning Organization for the Baltimore Region

Transportation Steering Committee



October 14, 1997

Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, N.W., Room 700 Washington, D.C. 20423-0001

Re. CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company—Control and Operating Leases/Agraements—Conrail, Inc. and Consolidated Rail Corporation. (Surface Transportation Board Finance Docket No. 33388)

Dear Mr. Williams:

On behalf of the Transportation Steering Committee (TSC), the metropolitan planning organization (MPO) for the Baltimore region, I am pleased to express our support for the Surface Transportation Board Finance Docket No. 33388, Proposed Acquisition of Conrail by CSX and Norfolk Southern.

The attached position statement outlines the TSC's support for the merger, background information, and related issues and concerns. Regarding this proposed transaction, Maryland state agencies and interested groups have worked closely together to share information. We have worked with the our Citizen's Advisory Committee and the state's Railroad Advisory Team and both groups will formally present their views as Parties of Record.

Thank you for the opportunity to comment on this important matter. If you have any questions, please contact me at 410/269-0064.

Sincerely,

Jon Arason

Chairman

Transportation Steering Committee

Attachment

cc: TSC members

Freight Movement Task Force

601 North Howard Street, Baltima:e, MD 21201-4585, Telephone: (410) 333-1750, Facsimile: (410) 659-1260
MEANBERS: City of Annapolis, Anne Arundel County, Baltimore City, Baltimore County, Carroll County, Harford County, Howard County,
Maryland Department of Transportation, Maryland Department of the Environment (Non-Voting), Maryland Office of Planning (Non-Voting)

Position Statement of the Baltimore Metropolitan Planning Organization
Regarding the 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.
(Surface Transportation Board Finance Docket No. 33388)

The following is the position statement of the Transportation Steering Committee (TSC), the metropolitan planning organization for the Baltimore region, regarding the proposed acquisition of Conrail by CSX and Norfolk Southern. This statement outlines TSC's support for the merger, background information, and related issues and concerns.

TSC Support for Transaction

The Baltimore Metropolitan Planning Organization possesses a vital interest in the proposed transaction before the Surface Transportation Board. Owing to the agency's organizational mission and its diverse constituency base, the TSC's concerns span all modes of transportation and related land use, environmental, and economic development considerations.

Rail assets and infrastructure are an essential element of the regional and national transportation network. In 1994, TSC created a Freight Movement Task Force, an advisory body of industry professionals. The Task Force provides the freight movement community with a voice in regional transportation planning and works to maximize the region's freight movement capability in an effective, cost-efficient, safe, and environmentally-sensitive manner.

Discussions with Task Force members about this proposed transaction generated a list of state and regional issues. The issues corresponded with the state of Maryland's following goals and concerns, developed by the state's Railroad Advisory Team.

- · Preserve two Class I carriers to provide effective, competitive access
- Assure that Class I carriers must have access to full customer base
- · Secure commitments on existing service and rates
- No job reductions for Maryland
- · Secure commitments to specific infrastructure improvements
- Preserve and enhance MARC commuter rail service

With these goals in place, the State has actively worked with CSX and Norfolk Southern (NS) to address specific issues. As a result of the positive discussions, the TSC is pleased to express its support for the proposed transferion.

Preserve Railroad Competition and Port Access

The Baltimore region is currently served by two Class I railroads, CSX and Conrail. In this region, the proposed transaction transfers most of Conrail's track and trackage rights to NS, thereby preserving two Class I railroads and allowing for competitive service. This is of particular significance for the Port of Baltimore, located in the region, because it is served by both railroads.

Intermodal rail service is a key attractor for shipping lines, particularly if service by competing carriers is available, rail facilities are on-dock, and rail lines are cleared for doublestack trains. The Freight Movement Task Force has identified the provision of doublestack rail service as a main priority for the region.

CSX already has an on-dock intermodal rail facility in Baltimore and track clearances allow for low-cube doublestack service. The TSC recognizes that CSX is not currently prepared to increase clearances at the Howard Street Tunnels for high-cube service, but we hope that CSX will continue to consider it as a future option.

From the joint application, NS intends to increase clearances in Perryville to allow for high-cube doublestack service between Baltimore and the Midwest, via Harrisburg. NS has also committed to developing an auto distribution center, operating RoadRailer service to compete with the trucking industry, and expanding its intermodal rail facility. The TSC is pleased that all of these improvements will occur within the next few years. In addition to the expansion of their intermodal rail facility, the TSC hopes NS is strongly considering its relocation to an on-dock facility.

Members of the Freight Movement Task Force and others have noted that CSX and Conrail currently provide a limited amount of reciprocal switching—allowing each other's carloads to be placed on their tracks for access to the terminals they do not serve. These Task Force members have, therefore, proposed that a single railroad company, such as the Canton Railroad, provide switching services into the port terminals; thereby, allowing all terminals equal access to both rail companies. The TSC shares the Task Force's concern with this issues and hopes CSX and NS will consider, at the very least, a better agreement for reciprocal switching. We further recommend that an on-dock facility would be an ideal location for the "shared asset structure" that CSX and NS have proposed for the Northern New Jersey, Philadelphia/Southern New Jersey, and Detroit areas.

Environmental Issues

Designated as a "severe" nonattainment area for ground-level ozone, the Baltimore region is subject to strenuous compliance requirements and rigid timetables to meet

Surface Transportation Board Finance Docket No. 33388 Page 3

National Ambient Air Quality Standards (NAAQS). The direct correlation among travel behavior, congestion, and air pollution requires that the region's long-range transportation plans supports the goals of Maryland's air quality plans.

The proposed transaction will allow both CSX and NS to provide more single-line, efficient service, providing better access to most major ports, gateways, and commercial areas in the eastern U.S. The efficiency gains should help improve railroad transit times and encourage more intermodal rail connections. Approximately 75 percent of freight in the Northeast is currently moved by trucks. The TSC strongly hopes the projected CSX and NS truck-to-rail diversions will help the region remain in compliance with federal and state air quality levels, reduce truck traffic and highway maintenance costs, and improve highway safety, particularly along the congested I-95 corridor.

Commuter Rail Service

Maryland's commuter rail service, MARC, has also successfully been employed to confront the air pollution conditions that plague the region. MARC operates along CSX tracks between Camden Station in Baltimore and Union Station in Washington, DC and between Union Station and Martinsburg, West Virginia. MARC also operates over Amtrak tracks between Perryville, in Cecil County, and Union Station. All three commuter lines account for 79 daily trains and serve 10,000 riders daily.

Current negotiations between CSX and the Maryland Department of Transportation (MDOT) have resulted in a commitment by CSX that current MARC service will be accommodated, while freight traffic will increase. CSX and MDOT have agreed to construct a direct rail connection between the Amtrak Northeast Corridor line (over which MARC also operates service) and the Camden Line's Camden Station, as included in the CSX/NS joint application. This connection will permit increased use of the Camden Station for commuter trains and special sporting events, via the Amtrak line. Because of the region's air quality/environmental issues, any transaction results that hinder future MARC enhancements could impact area commuter rail ridership and associated emission output and thus, would be of concern to the TSC.

The Baltimore Region Regional Rail Lines



10-20-97 J BUSINESS 33388 FD

Jule in Docket 1D-33388

GHAIRHAN MORGAN

MEMORANDUM

TO: Ohio congressional delegation FROM: Todd Kleismit (614-466-4953)

DATE: Wednesday, October 15, 1997, 10 a.m.

RE: House and Senate Transportation Committees informa! hearings on the

Norfolk Southern/CSX acquisition of Conrail

AGENDA

Post-filing testimony from affected Ohio businesses and railroads.

MEMORANDUM

TO: Ohio congressional delegation FROM: Todd Kleismit (614-466-4953)

DATE: Wednesday, October 15, 1997, 10 a.m.

RE: House and Senate Transportation Committees informal hearings on the

Norfolk Southern/CSX acquisition of Conrail

PRESENT: Senators Oelslager, Carnes, Dix, Gaeth, Latta, Furney, DiDonato, Latell;

Representatives Bateman, Carey, Bender, Whalen, Metelsky, Damschroder

Senator Oelslager called the informal hearing to order at 10 a.m.

Informal testimony

Tom O'Leary, Ohio Rail Development Commission

With the cooperation of CSX and Norfolk Southern, some success has been made in achieving solutions to some of the problems discussed earlier regarding this proposal. However, a number of issues remain unresolved. Committee members have received a copy of the Rail Commission's summary and analysis of this complex transportation issue. Some of the issues described in this "white paper" have been partially resolved since this document was printed on October 2nd. Mr. O'Leary referred to the white paper and summarized the major impacts of the transaction to Ohio. To date, concerns in Ohio's steel and limestone industries persist. The source of these companies' concerns is based on maintaining viable multiple railroad acc d preventing the creation of "1 to 2" line rail moves. The most problematic impact on other railroads id the potentially devastating impact on the Wheeling & Lake Erie Railway. The net reduction in rail employment resulting from this proposal is only 450 jobs. Generally speaking, communities that will see either increases or decreases in employment represent intra-state relocations, with the notable exception of Conrail's Canton car repair shop. In this case, approximately 250 jobs will be moved out of state. It is important for Ohio to request close oversight of CSX and NS so that some of the operational safety problems which have occurred in the aftermath of western U.S. mega-rail mergers is not repeated in Ohio. Also, the ODRC has investigated the potential adverse impact of increased rail traffic to communities such as Toledo. Fostoria, Oak Harbor and greater Cleveland. This area is one that is likely to result in a number of white paper revisions. The ODRC and other state agencies continue to work on these problems and will be requesting that conditions be attached to any Surface Transportation Board approval to help mitigate the harm suffered by a range of Ohio rail interests.

Discussion

Senator Latta asked if Mr. O'Leary would elaborate more regarding the communities mentioned, particularly Fostoria, Oak Harbor and northwest Ohio.

Mr. O'Leary each community has its own concerns. Fostoria is going to see an increase of 25 - 30 trains per day and there is serious potential for rail gridlock for their three rail lines. Oak Harbor has concerns about their capacity to handle heavy traffic. The metro Toledo area traffic is not getting any lighter, either.

Representative Metelsky asked about the powers of the Surface Transportation Board.

Mr. O'Leary said the STB's authority is somewhat unique. He described them as a less muscular Interstate Commerce Commission. They have broad authority and oversight capability. He noted that they are not primarily responsible for safety concerns. They are a relatively new agency.

Senator Oelslager suggested that Mr. O'Leary provide the committee with an outline of how the process proceeds from here.

Informal testimony

Larry Parsons, Wheeling & Lake Erie Railway

Norfolk Southern does not appear to be interested in negotiating any further. W&LE is not satisfied with the terms of the agreement to date and is opposed to the transaction. W&LE fears that if this transaction is approved there will be additional gridlock and delays to Ohio's railroads. Mr. Parsons said they intend to file comments to the STB.

Sharon Sobol Jordan, Cleveland Law Director

Norfolk Southern and CSX are trying to ride roughshod over the citizens of Cleveland. Cleveland residents will be faced with increased noise, traffic, pollution, etc., while experiencing lower property values and quality of life because of this transaction. Cleveland is going to see an increase in traffic of 200-1200 percent. Meanwhile, no one from CSX has bothered to contact the mayor's office to try to mitigate any of these issues. The railroads should work with us to mitigate the harm they will do to the community of Cleveland. Most of the neighborhoods affected are elderly, minority or low-income residents. They will be hurt disproportionately by this acquisition.

Hunter Morrison, Cleveland City Planning Commission

Mr. Morrison described the impact of the transaction on city parks, schools and residential areas. Overall, rail traffic will increase in Cleveland 277 percent. This is especially important to note because of Cleveland's high-density neighborhoods. Mr. Morrison explained the impact on emergency services, referring to a map of the city. He added that the railroads have not been forthcoming with information. The safety issues will need to be addressed. He said he expects possible litigation to arise from the proposal.

William Denihan, City of Cleveland Public Safety Director

Cleveland recently celebrated its 200th birthday. Over those 200 years it has carefully built its infrastructure in order to serve the needs of the city. City police, fire and EMS are all dynamically located. The proposed transaction threatens to damage Cleveland's ability to serve its citizens in time of emergency due to the dramatic increase in rail traffic that will clog up several neighborhoods.

Tony Celebrezze, Congressman Dennis Kucinich's Cleveland office

Mr. Celebrezze passed out copies of an executive summary outlining the issues Congressman Kucinich objects to with regard to the proposed acquisition. Safety concerns are the major issues. Many of the Cleveland neighborhoods will be completely shut down for periods of time with the amount of increased rail traffic expected. There are several high density areas affected and this causes great concern for emergency services. Cleveland is the most densely populated city between the Chicago and New York rail corridors. The level of concern within the community was illustrated when more than 650 people showed up and voiced their objections at a meeting in Lakewood on the subject in September.

Discussion

Senator Dix asked about the number of train overpasses there were in the Cleveland neighborhoods discussed and how many were elevated.

Mr. Morrison said he did not know how many there were, but believes there are many different tracks that vary quite extensively throughout the city.

Representative Whalen asked how dramatic the increase in the number of trains will be.

Mr. Morrison said that one community is going from 7 to 44 trains per day. Another is going from 20 to 80 per day.

Representative Whalen asked if it is possible to know how many box cars are attached to the trains.

Mr. Morrison said it is not.

Informal testimony

Tim Wolfe, Wyandot Dolomite, Inc.

Wyandot Dolomite will lose a Class I carrier and direct line service to its customer in Alliance. along with losing important access to strategic market areas only to be served by Norfolk Southern following the merger. Wyandot has pleaded with NS and CSX to help resolve this problem in Carey, but, NS seems to be ignoring Wandot in hopes that it will go away. NS has been looking to use the Wheeling & Lake Erie Railroad as a solution to NS's refusal to be a responsible rail carrier. The Wheeling & Lake Erie is still suffering from the last time NS dumped its responsibilities. If NS granted their stone business in Ohio to the Wheeling & Lake Erie, they would create a railroad that would control between 80 and 95 percent of all aggregate moves in Ohio. The railroad, with its 10 mph track, lack of passing tracks and bridges in disrepair could not physically handle additional large volume shipments from western Ohio to the eastern part of the state. The answer to railed aggregates in Ohio cannot be controlled by one railroad. The cost of transportation for aggregates is the determining factor in price. Going from a one-line railroad move to a two-line railroad haul prohibits a shipper or customer from being competitive. The NS/CSX application will end Wyandot's business with East Ohio Stone in Alliance. This represents 15 percent of Wyandot's rail business and gives it direct access to property Wyandot owns in Alliance that is for future development. The solution is simple. The trackage rights that Conrail has over CSX from Carey, Ohio, 10 miles to Upper Sandusky, Ohio, should be maintained by NS. At Upper Sandusky, NS would grant Wyandot access to their system via NS's haulage rights over CSX which passes through Upper Sandusky to Crestline, Ohio. This solution is present in both CSX's and NS's operating plans, which state, except as otherwise provided in the transaction agreement, "existing Conrail trackage rights over CSX will be assigned to NS and existing Conrail trackage rights over NS will be granted to CSX." Wyandot cannot afford to lose a Class 1 carrier at Carey, Ohio, nor single line service to its customer. Nor can it afford to be held hostage.

Chuck Hodgkiss, National Lime & Stone Company

National is one of the largest suppliers of crushed limestone products in Ohio, headquartered in Findlay, Ohio. National has been a long-time substantial shipper on Conrail, CSXT, Norfolk Southern and Wheeling & Lake Erie Railway. It depends on the rail service of these three common carriers for shipping stone to its customers. National is informed that under current

proposals for the division of Conrail, there will be a division point at Crestline, Ohio, whereby CSXT would acquire and operate Conrail trackage to points west of Crestline and Norfolk Southern would acquire and operate Conrail trackage to points east of Crestline. Under such proposals for the division of the Conrail system, national would be confronted with "two line hauls" from its two largest plants, at Carey and Bucyrus, Ohio. If this happens, National would be unable to ship at competitive rates to long-time significant customers at points east of Crestline and would lose substantial business. If National were to lose this business, it would lose the benefit of the \$6.2 million investment in property and improvements to its sales yards in eastern Ohio. As a result, more than 40 jobs would be lost.

Bob Lambert, Bay Village, Ohio

Mr. Lambert is a Bay Village city councilman and he testified representing Lakewood, Bay Village and Rocky River. These communities face dramatic increases in rail traffic, which will create public safety dangers, particularly to emergency services. If there were to be a derailment of a train carrying any nuclear waste, these high-density communities would have to evacuate and would create a panic situation.

Ron Kolbash, Ohio Mining & Reclamation Association

Open access to Ohio's coal mines must be maintained. In 1996, 98 million tons of coal were mined in Ohio. Ohio's coal industry will be severely disadvantaged if its needs are not met in this transaction. The outlying industries are very important and need access to competitively-priced coal. The railroads should not ignore the coal industry.

Patrick Henry, Brotherhood of Locomotive Engineers

Mr. Henry is concerned that the railroads are not telling the whole story of what is going to happen if the transaction is approved. He is concerned about the loss of jobs. He has lots of questions and concerns about the transaction, but is not getting any answers.

Robert Shaw, Brotherhood of Locomotive Engineers

Mr. Shaw is concerned that Wheeling & Lake Erie Railway's competitiveness may be at risk if this transaction is approved. The short lines have not being treated very well throughout this process. There will be fewer jobs available for the short lines if the transaction is approved.

Thomas Nemeth, Brotherhood of Maintenance of Way Employees

Mr. Nemeth represents the maintenance employees of Conrail and CSXT. If the acquisition is approved, there will be a definite loss of employment. Mr. Nemeth is concerned that the employees have no idea what is going on. They don't know if they will be transferred or even have a job if the transaction is approved.

Karl Gelfer, Columbus resident

Mr. Gelfer testified as a taxpayer and concerned citizen. He is opposed to the Conrail split mostly because of the problems that resulted from the Union Pacific rail merger two years ago on the west coast. Union pacific underestimated the scope of the rail system they were acquiring from Southern Pacific, which was a weak rail system with miles of sub-standard track and equipment. The result has been a crisis of blocked freight which could have national implications. He said the Union Pacific has a severe shortage of diesel locomotives where they most need them, a shortage of available crews and a shortage of certain types of freight cars in Texas and the southwestern United States. The same situation is going to happen with NS and CSX.

Frank Stead, Centerior Energy

Mr. Stead is the director of supply for Centerior Energy, the parent company for Cleveland Electric Illuminating Company. He procures over \$600 million per year of goods, services and fuel for CEI. CEI is owner and operator of several coal-fired electric generating stations which are directly affected by the proposed acquisition. These stations are currently served by the Conrail system and, after the Conrail acquisition, will be exclusively served by CSX. These plants employ more than 570 people. Any changes in the economics of the delivered cost of fuel directly impacts the operations of these plants in Eastlake and Ashtabula. The decisions of CSX and NS on how Conrail is to be divided has created an environment that will likely hurt the future operation of the Eastlake and Ashtabula plants, and the consumption of Ohio Coal and Ohio jobs. Michigan and Pennsylvania power plants that compete with CEI for wholesale generation sales are being given a competitive advantage over them for off-system energy sales. Also, Centerior is deeply concerned that CSX and NS will attempt to recover, in the form of higher transportation rates, the \$4 billion premium they are paying for the Conrail assets from exclusively served shippers. The proposed Conrail acquisition is, therefore, not in the best interests of Centerior Energy. CEI will file comments with the STB and will seek protective relief to address the needs of CEI to maintain competitiveness and retain its single-line haul from Ohio coal sources.

Eugene Hadden, Brotherhood of Railroad Signalmen

Mr. Hadden said he believes CSX and NS are being deliberately vague. He has a lot of questions about the transaction. He is opposed to the transaction because it is not in the long-term interests of Ohio.

Discussion

Representative Bender asked if he was correct that Conrail was bailed out in the 1970s, but have more recently been doing well financially.

Senator Oelslager said that is correct. He briefly explained the history of Conrail.

Representative Bender said he was troubled to see that Conrail, which the public has at least a \$7 billion interest in, is being bought out at a time when it is profitable.

Representative Whalen added that she thinks the committee should focus in on how the transaction will affect job losses.

William O'Brien, Brotherhood of Locomotive Engineers

Mr. O'Brien remains opposed to the acquisition. He said there is a cultural change each time a large merger such as this takes place in the rail industry. The workers get a feeling that "I don't count." The railroads themselves don't know the full implications of a transaction of this size. The whole process is driven by greed and intimidation. He foresees the trains getting longer and longer in the future. The railroads keep making the same mistakes over and over.

Discussion

Senator Oelslager said there would be at least one more meeting, which would be announced later.

Meeting adjourned, 11:55 a.m. Memo distributed 10/16/97 10 17-07 BUSINESS J

Laser Solutions, Inc.

715 W. Ellsworth Road ~ Ann Arbor, MI 48108 (313) 662-6667

(313) 662-7339 Fax

October 14, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, NW Washington, D.C. 20423-0001

Re: Norfolk Southern/CSX Purchase of Conrail

Dear Mr. Secretary:

I would like to express my support for the acquisition of Conrail by CSX and Norfolk Southern. This move would increase shipping alternatives for businesses in the state of Michigan. Although my business would not be directly affected. I believe that there are important indirect consequences for the business and all of our employees. The most important result would be a reduction in highway truck traffic for our repair and delivery employees during the business day and our employees that commute via the expressway to work.

As an occasional rail passenger departing from Ann Arbor on Amtrack, I am also concerned about the Detroit-Chicago line. It is important to maintain a viable rail passenger line along this route. I would hope that this route would be considered for high speed rail at some time in the near future, to assist in the revitalization of the city of Detroit.

Sincerely,

Margaret G. Stevens

magant & Stern

President

10-14-97 J BUSINESS 33388



Transportation Procurement Office

Ford Motor Company P. O. Box 6089 Dearborn, Mi 48121

October 6, 1997

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

Finance Docket No. 33388: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail Inc. and Consolidated Rail Corporation

Dear Mr. Williams:

My Name is Robert J. Linder. I am the Procurement Specialist of Vehicle and Rail Logistics for Ford Motor Company. I have held my present position for three years. My duties include the planning and procurement of rail transportation for Ford Motor Company in North America.

Ford's manufacturing operations in the United States consist today of over 60 assembly plants and manufacturing locations, most of which are in the regions served by Conrail, CSX and Norfolk Southern. The current projections are that we will ship approximately 300,000 multilevels and boxcars with these railroads in 1997.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. We would welcome the benefits of single line transportation, particularly in the Northeast. With single line service, I believe our facilities would enjoy faster and more reliable transportation service. A majority of our service lanes could enjoy the benefits of single line transportation service.

We have used the services of the CSX, Norfolk Southern and Conrail for many years. We are confident that the CSX and Norfolk Southern can operate the present Conrail service area more effectively, both from a service standpoint and a cost management standpoint. We expect to benefit from improved service on these lanes, as well as improvement on lanes presently handled by the CSX and Norfolk Southern.

In summary, we believe that approval of the joint application of the Norfolk Southern and CSX to acquire Conrail should be approved by the STB.

1, Robert J. Linder, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 6, 1997.

Robert J. Linder

Purchasing Specialist

Transportation Procurement Office

Robits Linder

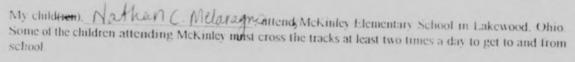
Ford Motor Company

33388 10-8-97 J FUBLIC FD

September 24,1997

U.S. Surface Transportation Board ATTN: SEA-Finance Docket 33388 1925 K Street NW Washington, DC 20423.

Dear Sus:



WE reel strongly against NS increasing rail traffic by three time or more. It may be more. Mr. Pat McCune. VP. Public Affairs for NS Corporation, said he could not guarantee that rail traffic would not exceed the railroad's proposed average of 31 to 36 trains per day. As NS's business increases it is more than likely the above numbers of trains through Lakewood and the West Shore area will increase also. This is not acceptable.

Following are the reasons we, as a community, cannot allowed this to occur

- 1) Safety for our children who cross the tracks daily to go to school, the library, and parks.
- 2) Carrying of hazardous waste including nuclear waste- would theoretically increase from the present number of 254,834 cars per year (already too high of a number through our community) to over 764,000 cars per year. Each car a potential threat to our children. A study done by the Agency for Nuclear Projects, Nuclear Waste Office, Nevada based numbers from the U.S. Department of Energy and compiled the following statistic for the state of Ohio: 2,733 shipments of high level nuclear waste from nuclear plants and nuclear weapon disarmament will travel through Ohio- 2,063 of those shipments are likely to go through Lakewood and the West Shore area of Cleveland. Norfolk Southern has a pre-agreement with the Federal Government to carry the above nuclear waste. There are two toutes through northern Ohio. One being through our community.
- 3) A tripling of trains through Lakewood would increase air pollution 800 tons per year. Most of the pollutant being nitrogen oxide

Other issues of strong concern are

Evacuation of the schools south of tracks should a train detail and spill hazardons cargo. There are no school buses in Lakewood, therefore, there would be no way for the children to get out of the city. A decrease of property value which would also be a decrease tax base for our schools. And a flight of families from Lakewood which would mean a general decline for our community

This issue is one of great concern to all of us that live in Lakewood. Please be assured the citizens of the West Shore area are closely monitoring the STB proceedings. I am concerned about the safety issues and how my child (ren) will be affected.

Sincerely

for the train to end therefore, wasting precious

A Meleregno time to get to a person in

We reside at reced!

1367 Edwards Ave Laud, 017 44107

116-221-6497

FD 33388 8-25-97 J CITY



City of Bay Hillage

350 DOVER CENTER ROAD BAY VILLAGE, OHIO 44140-2299

PHONE 216/871-2200
FAX 216/871-5751

AUG 2 5 1997

MANAGEMENT
STB

August 19, 1997

Federal Surface Transportation Board 1925 K Street NW Washington DC., 20423

RE: FD 33388

To Whom It May Concern:

Attached you will find a copy of Resolution No, 97-71 adopted by our Council on August 18, 1997. We would appreciate your support on this issue.

Sincerely,

Patricia A. Speese Clerk of Council RESOLUTION NO. 97-71 INTRODUCED BY Lambert

A RESOLUTION

URGING CONGRESS AND THE FEDERAL SURFACE TRANSPORTATION BOARD TO DENY NORFOLK SOUTHERN (NS) AND CSX TRANSPORTATION'S PROPOSAL FOR JOINT ACQUISITION OF CONRAIL, INC. AND DECLARING AN EMERGENCY.

WHEREAS, Norfolk Southern (NS) and CSX Transportation are proposing joint acquisition of Contrail Inc. and plan to increase the number of freight trains through the northwestern suburbs from 14 a day to 38 a day; and

WHEREAS, the proposal will be brought before the Federal Surface Transportation Board before June 1998 for approval; and

WHEREAS, an increase in daily freight train use would create a health and safety concern for the City of Bay Village residents due to the fact that emergency paramedic runs to hospitals could be increased by a minimum of fifteen minutes in order to use the Clague Road overpass if said tracks are unavailable to use for emergency vehicles — whereby minutes in response time can often mean the difference between life and death; and

WHEREAS, an increase in daily freight train use would adversely impact the ability of all types of coordinated emergency response teams between the City of Bay Village and other westshore communities to best utilize each others' medical facilities and fire and police forces and equipment in a predictable and timely fashion; and

WHEREAS, there are numerous safety concerns at rail crossings due to increased rail traffic which would increase the risk of collisions between trains and cars, trucks and pedestrians; and

WHEREAS, concerns over health and safety due to potential increase in the transporting of hazardous materials which in case of derailment would necessitate the evacuation of residents of Bay Village within two to four miles of the tracks, which encompasses the entire City of Bay Village; and

WHEREAS, an increase in daily freight train use would create environmental concerns with regard to noise and air pollution; and

WHEREAS, total isolation of our community from the south during heavily traveled time on the tracks would impact both our and adjacent communities both residential and business; and

WHEREAS, an increase in rail traffic would have a negative impact on property values which directly impacts both the City and School budgets; and

WHEREAS, the Cities of Bay Village, Rocky River and Lakewood have filed a Notice of Intent to Participate with the Federal Surface Transportation Board so that they may become "Parties of Record;"

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Bay Village, Ohio:

SECTION 1. That the Council of the City of Bay Village, Ohio opposes the acquisition of Conrail, Inc. by Norfolk Southern and CSX Transportation, which as a result of this acquisition would increase rail traffic on the route connecting Vermilion, Ohio to Cleveland, Ohio, thereby creating health and safety concerns for the residents of the City of Bay Village and other westshore communities.

SECTION 2. That Council urges all citizens of the City of Bay Village to support their efforts in this opposition by forwarding letters of concern to the Federal Surface Transportation Board, Section of Environmental Analysis (SEA), 1925 K Street N.W., Washington D.C. 20423, in an effort to have these concerns incorporated into the final version of the Environmental Impact Statement which will be considered by the Federal Surface Transportation Board prior to its final decision.

SECTION 3. That the Clerk of Council is hereby directed to submit a copy of this resolution to the Federal Surface Transportation Board, Senator Michael DeWine, Senator John Glenn, Congressman Dennis J. Kucinich, Governor George V. Voinovich, State Senator Gary C. Suhadolnik, State Representative Edward F. Kasputis, Cuyahoga County Commissioners, NOACA, RTA, the Regional Planning Commission, the City of Rocky River, the City of Lakewood, and the City of Westlake.

SECTION 4. That this Council finds and determines that all formal actions of this Council concerning and relating to the passage of this resolution were taken in an open meeting of this Council; and that all deliberations of this Council, and of any committees, that resulted in those formal actions were in meetings open to the public in compliance with law.

SECTION 5. That this resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare, and for the further reasons stated in the preamble hereof, wherefore this resolution shall be in full force and take effect immediately upon its passage and approval by the Mayor.

PASSED: August 18, 1997

T. Richard Martin

PRESIDENT OF COUNCIL.

Patricia A. Speese

CLERK OF COUNCIL

APPROVED: August 19, 1997

Thomas L. Jelepis

MAYOR

hh

8/13/97

PUBLIC 8-25-97 J 33388

J. Martin Kanan 1267 Bunts Road Lakewood, OH 44107

August 20, 1997

Surface Transportation Board 1925 K Street NW Washington, D.C. 20423

RE: FD33388

Dear Surface Transportation Board:

I am deeply concerned about the prospect of the train line tripling its exposure to our city.

I find it hard to believe that the city and STB allows the amount of train traffic as it stands right now. Being such a densely populated city, with the high number of road crossings should be the major indicator to back down the amount of train traffic that already exists. Safety has to be the number one concern. I know on Bunts, they recently installed a guard rail. Do all of our streets have this safety feature?

Besides safety, what about the noise, the traffic congestion, the dirt, property value decrease (considering we have of the highest property taxes around) and timely response from our fire and medical teams?

Simply put, we already have too much train traffic as it is. How can one even consider tripling the traffic? It is unthinkable and very frustrating.

Sincerely yours,

Martin Kanan 216.221.6969

Work 440.248.8484

463-092 Lakeerest Rd Janesville, la 96/14-9415 June 21, 1997 Surface Transportation Boards 1997.

NS, CSX, & CR desolvement.

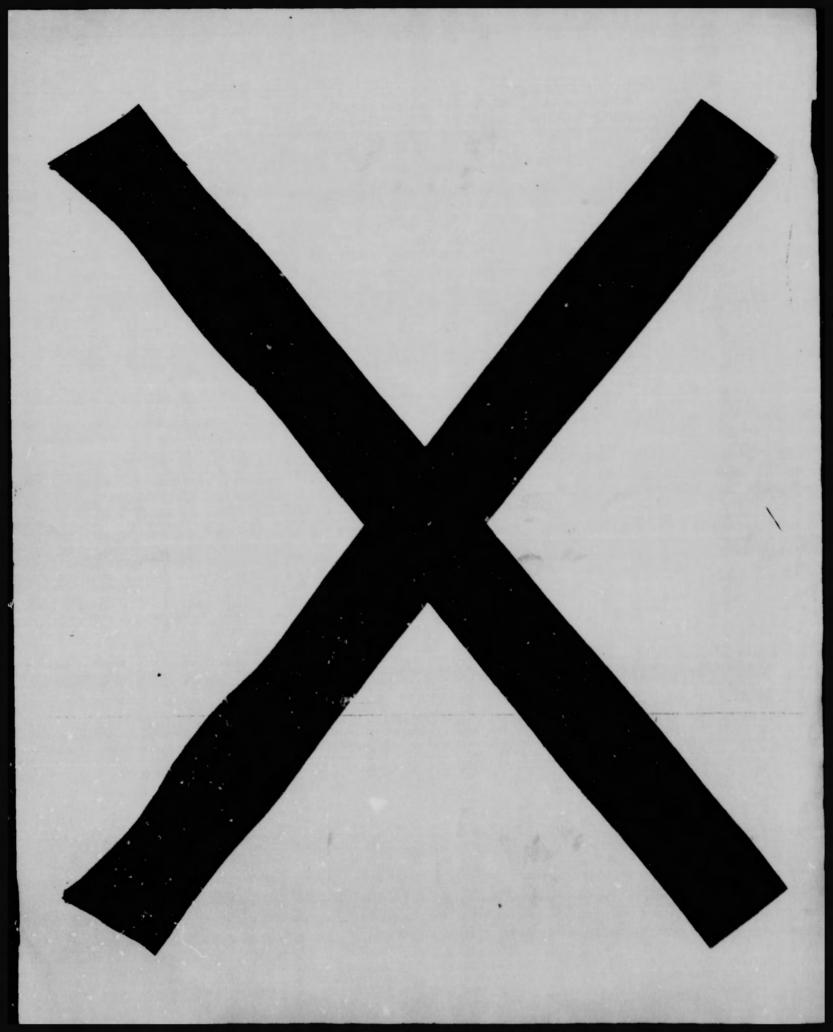
MANAGEMENT STB Washington, D.C. Rear Sera; I don't mind if NS and CSX Railroads take over Conrail so that the United States - has 4 great Railroad systems, but I think that the trackage rights should be expanded to create work competition between NS and CSX. Specifically, I think that C5x should be given to kage rights over NS from Ft. Wayne, and to Ransas City, No; AND that CSX should give NS trackage rights from New Orleans to Jacksonville, Fl and the north to Savanna, Ga. This would give (5x access into Konsos City and let NS the italose ends together from New Orleans to Jacksonville. The trackage rights over

each others lines should be about equal in distance so that one company doesn't not gain an unfair advantage. economically or geographically.

Lincerely yours, Rod McElwaln

P.S. Please respond to this letter per my comments,

Oh! The U.S. needs four big the railroad systems. The country dolen't need Burlington Northern Sante Fe or Union Pacific RR To werge with CSX or NS in the later years. If that happens; an oligopoly will be formed and price compatition will be vonexistent. To much power will be put in to few bands. STB FD-33388 5-1-97 J 179554



DONELAN, CLEARY, WOOD & MASER, P.C. NITL - 1 ATTORNEYS AND COUNSELORS AT LAW SUITE 750 1100 NEW YORK AVENUE, N.W. WASHINGTON, D.C. 20005-3934 OFFICE: (202) 371-9500 TELECOPIER: (202) 371-0900 May 1, 1997 VIA MESSENGER ENTERED Office of the Secretary Honorable Vernon A. Williams Secretary MAY - 2 1997 Surface Transportation Board 1925 K Street, NW Part of Public Record Washington, DC 20423-0001 Re: Finance Docket No. 33388, CSX Corporation et al. --Control and Operating Leases/Agreements -- Conrail Inc. and Consolidated Rail Corp. Dear Mr. Williams: This letter is to notify the Board and the parties that, pursuant to 49 C.F.R. §1180.4(c)(5)(v), we are requesting that the applicants serve a copy of their primary application on the following, as representatives of The National Industrial Transportation League: Frederic L. Wood Nicholas J. DiMichael Donelan, Cleary, Wood & Maser, P.C. 1100 New York Avenue, NW, Suite 750 Washington, DC 20005-3934 This letter is also to request the Board to place The National Industrial Transportation League and the above representatives on the list of all parties of record that will be prepared and issued under the provisions 49 C.F.R. §1180.4(a)(4). In accordance with 49 C.F.R. §1180.4(a)(2), the League selects the acronym "NITL-x" for identifying all documents and pleadings it submits in this proceeding. In accordance with 49 C.F.R. §1104.3, as amended, we respectfully request that all parties to this proceeding, to the extent they are able, also serve on the above representatives a computer diskette with copies of all pleadings and documents filed with the STB. Diskettes can be in either Macintosh or DOS

format, but should be on 3.5 inch floppy diskettes. Document files can be in any widely used word-processing format, such as WordPerfect or Microsoft Word for Macintosh, DOS or Windows.

Copies of this letter are being served on all persons presently on the Board service list, including the applicants' representatives identified in the notice of prefiling notification published in the Federal Register at 62 Fed. Reg. 19390 (April 21, 1997).

Sincerely yours,

FREDERIC L. WOOD

cc: Dennis G. Lyons, Esquire Arnold & Porter 555 12th Street, NW Washington, DC 20004-1202

> Richard A. Allen, Esquire Zuckert, Scoutt & Rasenberger, L.L.P. 888 Seventeenth Street, NW Washington, DC 20006-3939

Paul A. Cunningham, Esquire Harkins Cunningham 1300 Nineteenth Street, NW Suite 600 Washington, DC 20036-1609