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December 9, 2019
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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

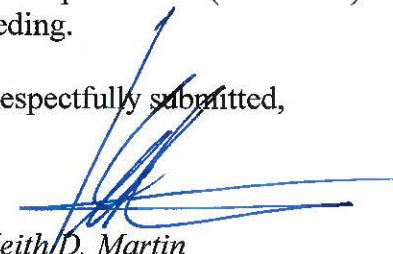
FINANCE DOCKET NO. 36347

**BESSEMER AND LAKE ERIE RAILROAD COMPANY
-ACQUISITION AND OPERATION-
CERTAIN RAIL LINES OF CSX TRANSPORTATION, INC.
IN
ONONDAGA, OSWEGO, JEFFERSON, SAINT LAWRENCE AND FRANKLIN
COUNTIES, NEW YORK**

**NOTICE OF FILING OF COMMENTS
WITH
CERTIFICATE OF SERVICE**

Please take notice of the NYS Department of Transportation's (NYSDOT) hereby provides notice of its filing of comments in this proceeding.

Respectfully submitted,



Keith D. Martin
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Dated: December 9, 2019

CERTIFICATE OF SERVICE
MADE IN ACCORDANCE WITH 49 C.F.R. § 1104.12.

I hereby certify that on December 9, I served the foregoing Notice of Intent via e-mail to the following:

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I also hereby certify that on December 9, I served the foregoing Notice of Intent to Participate by first-class mail, postage prepaid, on the following:

Secretary of Transportation
1200 New Jersey Avenue, S. E.
Washington, DC 20590

Attorney General of the United States
c/o Assistant Attorney General
Antitrust Division
Room 3109
Department of Justice
Washington, DC 20530

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Oswego, NY 13126
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Gordon P. MacDougall
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North Country Chamber of Commerce
P.O. Box 310
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United States



Keith D. Martin

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SURFACE TRANSPORTATION BOARD**

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– ACQUISITION AND OPERATION –

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**COMMENTS
OF
NEW YORK STATE DEPT. OF TRANSPORTATION**

Applicant Bessemer and Lake Erie Railroad Company (“B&LE”) proposes to acquire 278.1 miles of rail lines located in New York (“U.S. Massena Lines”) and Canada (“Canadian Massena Lines”) from CSX Transportation, Inc. (“CSX”) (the “Transaction”). The New York State Department of Transportation (“NYSDOT”) has reviewed the transaction, offers the following comments:

NYSDOT Does Not Take a Position on the Proposed Transaction

Should this transaction be approved, NYSDOT looks forward to a partnership with B&LE to foster economic development along the U.S. Massena Lines and for B&LE to meet the transportation needs of their customers.

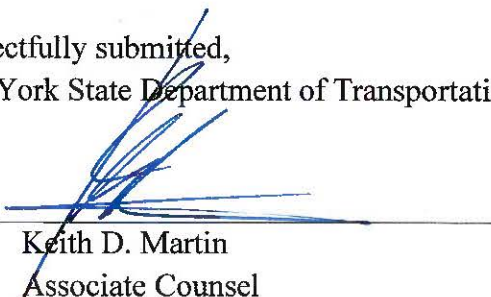
Potential for Competitive Harm

NYSDOT has, however, identified one area of concern associated with the proposed transaction. Whether traffic from on-line shippers including Port of Oswego, Fort Drum, or

Novelis, or traffic generated on one of the three stub-ended Class III railroads¹ that connect exclusively with the U.S. Massena Lines, sale of the U.S. Massena Lines to B&LE will render the B&LE a bottleneck carrier for traffic currently moving south through CSX's Syracuse gateway. Post transaction, B&LE's longest line haul for any of this traffic will be approximately 158 miles (Massena, NY to Woodard, NY). NYSDOT would encourage B&LE to ensure that services, rates, and routings through Syracuse remain competitive.

Respectfully submitted,
New York State Department of Transportation

by



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Dated: December 9, 2019

¹ This includes the Massena Terminal Railroad Co. ("MSTR"), the New York & Ogdensburg Railway Co. ("NYOG") and certain lines of the Mohawk, Adirondack & Northern Railroad Corp. ("MHW"). Refer to B&LE Application, Exhibit 1 – Maps C and D for the relationship between the four Class III railroads and the U.S. Massena Lines.