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CSXT/PAR-10

**VIA E-FILING**

Cynthia T. Brown  
Chief, Section of Administration  
Surface Transportation Board  
Office of Proceedings  
395 E Street, SW  
Washington, DC 20423

Re: **STB Docket No. FD 36472, CSX Corporation and CSX Transportation, Inc., et al.—Control and Merger—Pan Am Systems, Inc., Pan Am Railways, Inc., Boston and Maine Corporation, Maine Central Railroad Company, Northern Railroad, Pan Am Southern LLC, Portland Terminal Company, Springfield Terminal Railway Company, Stony Brook Railroad Company, and Vermont & Massachusetts Railroad Company**

Dear Ms. Brown:

On May 26, 2021, the Board<sup>1</sup> issued a decision (a) finding that the application filed in this proceeding did not include necessary Market Analysis information, and (b) permitting Applicants to file a revised application no later than August 26, 2021. The Board also instructed Applicants to file a letter by June 7, 2021, indicating if and when they anticipate filing a revised application.

Applicants intend to file a revised application. Applicants are confident that the Board will conclude upon a review of a revised application that the proposed acquisition by CSX of Pan Am Systems, Inc. and the PAR Railroads will bring substantial benefits to shippers and local communities in New England with no adverse impact on competition. Additionally, CSXT has entered into agreements with NSR and GWI that will substantially enhance competition by improving access to New England over multiple rail routes.

There is strong public support throughout New England for the Proposed Transaction, as evidenced by the 78 support letters filed by state and federal legislators, local officials and

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<sup>1</sup> The acronyms and defined terms used in this letter are the same as those used in the Amended Application filed in the above-captioned proceeding.

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customers alike. Shippers and local communities recognize that the Proposed Transaction will create new efficiencies and market opportunities for rail customers as CSX integrates the PAR System into CSXT's national rail network, bringing CSXT's customer-centric operations, robust safety culture and premier operating model to shippers and industries served by the PAR System. Applicants fully expect that GWI's subsidiary (B&E) will bring similar benefits to PAS customers as the successful contract operator of PAS.

With the resources of a Class I railroad, CSXT will invest in safety and infrastructure along the PAR System, upgrading main line and yard trackage in accordance with CSXT standards. For example, CSXT will upgrade much of the PAR System's main line track from 10-mph to 25-mph standards, and CSXT will further harden the infrastructure along the Wachusett Reservoir in Massachusetts, which will be upgraded to FRA Class 3 standards. New England customers, communities and passenger operations stand to benefit tremendously from the fluidity resulting from these infrastructure upgrades along with CSX's service and reliability. The end-to-end CSXT-PAR combination will connect the New England rail network into the I-95 corridor, creating single line access, enabling improved competition with trucks for the conversion of more freight to rail.

Applicants understand that the Board requires additional information supporting the Market Analysis. Applicants are gathering the necessary information, including the Board's confidential waybill sample files, and are preparing a revised application in conformance with the Board's guidance. Unless unexpected difficulties arise in obtaining and processing the necessary data, Applicants anticipate filing their revised application by July 1, 2021.

Respectfully submitted,

/s/ Anthony J. LaRocca

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Company*

cc: Louis E. Gitomer  
All parties of record