

Anthony J. LaRocca  
202 429 8119  
alarocca@steptoe.com

1330 Connecticut Avenue, NW  
Washington, DC 20036-1795  
202 429 3000 main  
www.steptoe.com



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CSXT/PAR-54

**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:

Enclosed please find statements in support of the Application filed in the above-referenced matter from the Lewiston-Auburn Railroad Company and the Western Massachusetts Economic Development Council.

Respectfully submitted,

/s/ Anthony J. LaRocca

Anthony J. LaRocca  
Peter W. Denton  
Sally Mordi  
*Attorneys for CSX Corporation and  
CSX Transportation, Inc.*

Cynthia T. Brown  
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Enclosures

cc: Louis E. Gitomer; All parties of record



January 14, 2022

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**

Members of the Surface Transportation Board,

On behalf of the Board of Directors and Shareholders of the Lewiston-Auburn Railroad Company (“LARC”), I want to first thank you for the opportunity to offer testimony today in support of the proposed acquisition of PanAm Railways, and its associated companies, by CSX. My name is Jonathan LaBonte, and I serve as the President of LARC, and previously served for six years as the Mayor of Auburn, Maine.

For context, let me introduce you to LARC and the context of our work in Maine. Chartered by the Maine Legislature in 1872, LARC is a private railroad company whose shares are owned entirely by the Cities of Lewiston and Auburn. Our primary charge 150 years ago this year was to construct a 5.4-mile rail corridor from the textile mill district on the Androscoggin River in downtown Lewiston to an interchange with the Grand Trunk Railway, which ran from Portland, Maine to Montreal, Quebec. Upon completion of construction, our line was leased to the Grand Trunk, later the Canadian National, and presently the St. Lawrence and Atlantic Railroad.

As industrial and distribution economic activity shifted over time, so did the sections of LARC rail see a shift in demand. Today, the active corridor is 3.5 miles of the original, with termination at U.S. Route 202/Maine Route 4 on the eastern end and Lewiston Junction on the St. Lawrence and Atlantic Railroad to the west. While no direct connection exists between LARC and PanAm’s rail system in Maine, we have been active supporters of investments in Danville Junction, where a handoff between the St. Lawrence and Atlantic and PanAm can occur.

For some additional context on the continued focus on industrial and distribution economic development strategies, in 1994, in partnership with the St. Lawrence and Atlantic Railroad, MaineDOT, and the Federal Highway Administration (FHWA), a creative investment of Congestion Mitigation Air Quality (CMAQ) funding led to the creation of the present-day Auburn Intermodal Facility. With a total initial investment of over \$5 million, this location grew from no intermodal traffic before the early-1990’s to a peak of 15,000 containers a year, reducing long-haul trucking and leading to growth in local trucking employment.

Lewiston-Auburn Railroad Company  
P.O. Box 501, Auburn, Maine 04212

Twenty years later, in 2014, we completed a nearly one-mile addition to our LARC-owned network with a total investment of over \$3 million. In a project known as the Rangeley Branch, we built a new line that connected to our mainline and that of the St. Lawrence and Atlantic Railroad. That project alone opened up hundreds of additional acres for industrial and commercial development to be served by rail.

Through all of these shifts in economic activity, LARC and our shareholders, the Cities of Lewiston and Auburn, have maintained a steadfast commitment to securing industrial, commercial, and distribution investment. For a state that is known by the moniker “vacationland”, some regions of the state still retain strategic policies that support the opportunity of growth that would rely on access to quality, efficient, and reliable rail service to be competitive in the global economy. Lewiston-Auburn is one of those regions.

In the City of Auburn, approximately 800 acres of land zoned to benefit from access to freight rail services exists along the LARC active rail corridor. With respect to the current PanAm corridor in the City of Auburn, nearly 500 acres along that corridor retain zoning specific to growth that would benefit from freight rail access. It is important for us to note that of these 1,300 acres, a portion are currently undeveloped and are a focus of the City and LARC to attract further investment.

Through a planning process concluded in 2019, LARC, SLAR, and MaineDOT collaboratively funded a freight business development study to identify the state of existing freight movement activity and opportunities into the future that could be proactively pursued. LARC’s Board of Directors, along with our partners in Lewiston and Auburn, are currently exploring strategies to implement some of those findings.

With the proposed acquisition of PanAm’s assets by CSX, LARC sees a partner committed to growing freight rail opportunities for existing businesses and cultivating emerging opportunities. We recognize that our region is positioned to benefit significantly from having a connection to a Class 1 railroad and its access to key markets throughout the eastern United States.

LARC, and our municipal shareholders, have sustained our commitment to the role our assets and communities can play in supporting the distribution of raw materials and finished products to serve our region, our state, and the northeast U.S. As we collectively seek to reduce carbon emissions in the battle against climate change, rail and intermodal opportunities must be a priority. We urge the Surface Transportation Board to support our economic development future by its approval of the acquisition pending in this Docket.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jonathan P. LaBonte".

Jonathan P. LaBonte - President  
Lewiston-Auburn Railroad Company

January 14, 2022

U.S. Surface Transportation Board  
395 E Street SW  
Washington, DC 20423

**RE: CSX/PAN AM Merger**

The Western Massachusetts Economic Development Council supports the CSX Pan Am merger application.

As a career public servant, I've spent decades working hard to do what's right for the people of Massachusetts. I've spent time as mayor of Westfield and a member of the Westfield City Council at the local level and held statewide roles as chief of staff to Governor Deval Patrick, Secretary of Energy and Environmental Affairs, and Commissioner of the Department of Conservation and Recreation.

In each of these roles, it's been my job to strike a thoughtful balance between growth and sustainability. This means helping to cultivate a landscape wherein we're paving the way for our economy to prosper while also being mindful of and responsive to the need to protect our natural environment. It's challenging work and the balance isn't always easy to achieve – but it's work that is very much worth doing.

The proposed merger between CSX and Pan Am Railways will help to strike that balance between growth and sustainability, putting Massachusetts and our neighbors across New England in position to safeguard both the economy and the environment through a stronger rail network in the process.

The environmental benefits of freight rail are well-documented. Rail is widely regarded as the most environmentally friendly means of moving freight over land. According to the American Association of Railroads, a single train can carry roughly 100 trucks' worth of freight. Trains are also significantly more fuel efficient than trucks. Turning to rail over trucks reduces carbon emissions and alleviates congestion, wear, and tear on our highways – all of which improve our overall environmental outlook. In other words, the more we can depend on railroads to move the freight that keeps our economy humming, the better off we'll be.

The Pan Am/CSX merger represents a chance to fully realize the environmental benefits of freight rail here in Massachusetts through significant investment in improving and expanding our existing rail infrastructure.

The billions in capital CSX plans to pour into our regional rail network upon approval of this application by the Surface Application Board will expand the reach of critical rail lines

across Massachusetts and beyond. CSX plans to upgrade existing track to enable trains to move safely at faster speeds and with heavier loads than what our existing network can support. They'll install technology like positive train control at crucial points, benefitting stakeholders across the supply chain with more predictable, dependable delivery schedules.

These efficiency gains are good for both our economy and our environment. The proposal's environmental credentials do not end there, though. The merger will also result in a wide scale update of Pan Am's aging fleet of locomotives. Older models – which burn more fuel; emit more carbon; and carry smaller, slower loads – will be cycled out and replaced by new models that operate much more efficiently. Improved operations, which can be expected as CSX applies new technology and expertise, will also help reduce things like excess idling thanks to more precise scheduling.

In today's political climate, it's more important than ever that we allow facts to speak for themselves. I believe that the facts clearly support the approval of this project. The merger balances economic growth with environmental stewardship in a way that strongly compels me to offer my full support.

Sincerely

**THE WESTERN MASSACHUSETTS ECONOMIC DEVELOPMENT COUNCIL**

**Rick Sullivan**

Ricard Sullivan  
President and CEO

## **CERTIFICATE OF SERVICE**

I hereby certify that I have caused this Letter in Docket No. FD-36472, *CSX Corporation and CSX Transportation, Inc.—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*, to be served electronically or by first class mail, postage pre-paid, on all parties of record in this proceeding.

/s/ Sally Mordi

Sally Mordi  
*Attorney for CSX Corporation and  
CSX Transportation, Inc.*

January 18, 2022