

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

ENTERED
Office of Proceedings
August 31, 2017
Part of
Public Record

CONSOLIDATION COAL COMPANY,

Complainant,

v.

CSX TRANSPORTATION, INC.

Defendant.

Docket No. NOR 42156

CSX TRANSPORTATION, INC.'S ANSWER TO COMPLAINT

Pursuant to 49 C.F.R. § 1111.4, Defendant CSX Transportation, Inc. ("CSXT") respectfully submits this Answer to the Complaint filed by Consolidation Coal Company ("Consolidation") in STB Docket No. 42156 on August 11, 2017 ("Complaint").

CSXT denies all of the allegations of the Complaint except where this Answer specifically states otherwise.

With respect to the numbered paragraphs of the Complaint, CSXT responds as follows:

1. CSXT lacks sufficient information to admit or deny the allegations of Paragraph 1 of the Complaint, which describes the addresses of the principal place of business of Consolidation.
2. CSXT admits Paragraph 2 of the Complaint.
3. Paragraph 3 consists of a characterization of Consolidation's Complaint and requests for relief, to which no response is required. Furthermore, sub-part c contains a characterization of CSXT's service which CSXT denies. To the extent a response is deemed necessary to any other portion of Paragraph 3, CSXT denies the remaining allegations and

request for relief, and CSXT denies that Consolidation is entitled to any of the relief it seeks in this proceeding, or to any other relief, or that the Board has jurisdiction to provide any such relief.

4. CSXT lacks sufficient information to admit or deny the allegations of Paragraph 4 of the Complaint, which describes Consolidation's corporate structure. To the extent a response is required, CSXT denies the allegations of Paragraph 4.

5. CSXT lacks sufficient information to admit or deny the allegations in Paragraph 5 of the Complaint, which describes Consolidation's operations. To the extent a response is required, CSXT denies the allegations of Paragraph 5.

6. With respect to the allegations in Paragraph 6, CSXT lacks sufficient information to admit or deny the allegations, which describe Consolidation and its operations.

7. With respect to the allegations in the first and second sentences of Paragraph 7, CSXT lacks sufficient information to admit or deny the allegations which describe Consolidation's operations. With respect to the allegations in the third sentence of Paragraph 7, CSXT admits that many of Consolidation's customers purchase rail transportation from CSXT, pursuant to rail transportation contracts. CSXT denies any and all other allegations in Paragraph 7.

8. With respect to the allegations of Paragraph 8, CSXT admits that it occasionally experiences delays in providing rail transportation from Consolidation mines to the destinations that have contracted with CSXT for rail service. CSXT denies that these delays are unusual or inconsistent with real-world railroading, denies that the Board has jurisdiction over such delays because the transportation is provided pursuant to a contract, and denies all other allegations and characterizations in Paragraph 8.

9. With respect to the allegations of Paragraph 9, CSXT denies that its service was “poor,” and CSXT lacks sufficient information to admit or deny Consolidation’s allegations about its operations and finances. CSXT denies any and all other allegations in Paragraph 9.

10. With respect to the allegations in the first sentence of Paragraph 10, CSXT admits that Consolidation participates in CSXT’s reservation system that facilitates its transportation of coal. With respect to the allegations in the second sentence of Paragraph 10, CSXT denies the allegations, except that Consolidation may provide some number of coal shipment requests for its transportation contracts, which are outside of the Board’s jurisdiction. With respect to the allegations in the third sentence of Paragraph 10, CSXT admits that Consolidation and our mutual customers agree on a specific number of trains that they request CSXT to transport in the following month. CSXT denies all other allegations and characterizations in Paragraph 10.

11. With respect to the allegations of Paragraph 11, CSXT admits that UTMS train reservations are occasionally delayed or canceled by participating coal producers, by participating receivers, or by CSXT. CSXT denies that has canceled an “extraordinary number” of reservations and denies the other allegations in Paragraph 11.

12. With respect to the allegations in Paragraph 12, CSXT admits that there has been regular communication between CSXT and Consolidation since 2015 about rail transportation service from Consolidation facilities, admits that in some communications Consolidation has expressed dissatisfaction with CSXT’s service, and denies that the Board has jurisdiction over the service since the transportation was provided pursuant to a contract. CSXT denies any and all other allegations in Paragraph 12.

13. With respect to the allegations in Paragraph 13, CSXT admits that Consolidation has been in regular communication with CSXT personnel but denies the

description of its service as deficient, and denies that the Board has jurisdiction over the service since the transportation was provided pursuant to a contract.

14. With respect to the allegations in Paragraph 14, CSXT admits that it had regular calls with Consolidation personnel to improve coordination, but denies Complainant's characterization of its communications. CSXT lacks sufficient information to admit or deny the allegations in the second sentence of Paragraph 14 regarding Complainant's alleged purpose in requesting the calls. CSXT denies all other allegations and characterizations in Paragraph 14.

15. With respect to the allegations in Paragraph 15, CSXT denies that it did not cooperate with Complainant or refused to participate in any calls, as CSXT personnel have been on calls with Complainant nearly every day for months.

16. CSXT denies the allegations in Paragraph 16.

17. With respect to the allegations of Paragraph 17, CSXT admits that Consolidation and CSXT participated in the Board's Rail Customer and Public Assistance Program but denies the remainder of Paragraph 17.

18. With respect to the allegations of Paragraph 18, CSXT admits that some train reservations in 2017 were delayed or canceled, but denies that these delays or cancellations were unreasonable. CSXT denies all other allegations and characterizations in Paragraph 18.

19. CSXT denies the allegations in Paragraph 19.

20. CSXT denies the allegations in Paragraph 20.

21. With respect to the allegations in Paragraph 21, CSXT has insufficient information to admit or deny allegations related to Consolidation's business operations. CSXT denies the remaining allegations in Paragraph 21.

22. Paragraph 22 characterizes Consolidation's operations and CSXT has insufficient information to admit or deny the allegations. CSXT also denies the allegation in the first sentence of Paragraph 22 related to CSXT's performance.

23. With regards to the first sentence of Paragraph 23, CSXT denies the allegations characterizing its service and its acceptance of all the requested train reservations. CSXT has insufficient information to admit or deny the remaining allegations in Paragraph 23.

24. CSXT denies the allegations in Paragraph 24.

25. CSXT denies all of the allegations in Paragraph 25 and denies that it has any obligation under 49 U.S.C. § 11101(a) for transportation movements conducted pursuant to a contract.

26. CSXT denies all of the allegations in Paragraph 26 and denies that the Board has jurisdiction over any practice or activity related to transportation movements conducted pursuant to a contract.

27. CSXT denies all of the allegations in Paragraph 27 and denies that it has any obligation under 49 U.S.C. § 10702(2) for transportation movements conducted pursuant to a contract.

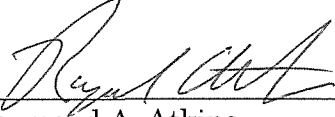
28. CSXT denies all of the allegations in Paragraph 28 and denies that the Board has jurisdiction over any practice or activity related to transportation movements conducted pursuant to a contract.

29. CSXT denies all of the allegations in Paragraph 29 and denies that it has any obligation under 49 U.S.C. § 11121(a) for transportation movements conducted pursuant to a contract.

The unnumbered final paragraph of the Complaint (on pages 7 and 8) states requests for relief to which no response is required. To the extent a response is deemed

necessary, CSXT denies the allegations in that final Paragraph, and CSXT denies that Consolidation is entitled to any of the relief it seeks in this proceeding, or to any other relief.

Respectfully submitted,



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Dated: August 31, 2017

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of August 2017, I served a copy of the foregoing upon the following counsel for complainant Consolidation Coal Company via U.S. first-class mail or more expeditious means of delivery:

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