

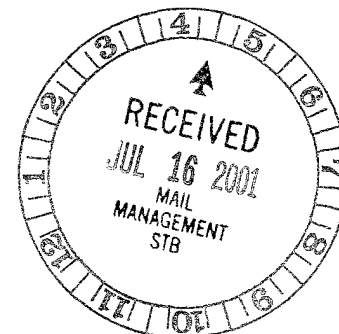
July 16, 2001

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K St. N.W.
Washington, D.C. 20423-0001

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Office of the Secretary

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RE: Finance Docket No. 33388, *CSX Corporation, et al -- Control and Operating Leases / Agreements -- Conrail Inc. and Consolidated Rail Corporation* -- Replies in Response to STB Decision No. 186

Dear Secretary Williams:

This letter is written on behalf of The Fertilizer Institute ("TFI") pursuant to the order of the Board in Decision No. 186 in the above-referenced proceeding, in reply to the Response to Decision No. 186 Regarding the Hollidaysburg Car Shops (hereinafter "Response") filed by Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively, "NS").

TFI is the national trade association of the fertilizer industry. The organization represents more than 250 member companies, including virtually every primary plant food producer, as well as secondary and micronutrient manufacturers, fertilizer distributors and retail dealerships, equipment suppliers and engineering construction firms, brokers and trader, and a wide variety of other companies and individuals involved in agriculture. Many members of TFI utilize rail transportation.

While TFI is taking no position on the particular facts in dispute in Decision No. 186, TFI does believe that sound rail merger policy requires that applicant rail carriers in merger proceedings be held to the representations that they make during the course of those proceedings. Fertilizer shippers and others rely on the representations of applicant rail carriers in determining whether or not to participate in a rail merger proceeding, and in determining what will be their position before the Board. If these parties cannot rely on the representations made by applicant carriers, the process of evaluating a rail merger, and parties' participation in it, will be seriously impaired.

The Board's "representation condition" imposed in this proceeding, which requires the merging carriers to adhere to the representations that they made, recognizes the importance of rail carrier representations in the merger approval process. The Board should act to uphold its representation condition, and take no action that would undermine it. A merging rail carrier need not make a "representation" on the record. However, once it has done so, it has voluntarily limited its own management prerogatives, to which the Board traditionally gives deference. In such an instance, it is proper for the Board to hold the carrier to the representation that it has made.

Sincerely,

Nicholas J. DiMichael
Counsel for The Fertilizer Institute

cc: All parties of record