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August 14, 2002

Hand Delivery – Original and 25 Copies

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 700
Washington, D.C. 20423



Re: **Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation: Petition for Extension of Time for Completion of Compliance with Environmental Condition 8(A): York Road/SR 74, Mechanicsburg, Pennsylvania At-Grade Crossing**

Dear Secretary Williams:

Pursuant to Environmental Condition 8(A) of Appendix Q to Decision No. 89 in the above proceeding, the existing at-grade crossing at York Road/ SR 74 (592 290 T) in Mechanicsburg, Pennsylvania is to be improved by Norfolk Southern Corporation and Norfolk Southern Railway Company ("Norfolk Southern"). However, as Norfolk Southern explained in its August 17, 2001 request to the Board for an extension of the deadline for compliance with this requirement¹, the Pennsylvania Department of Transportation ("PennDOT") determined that neither of the grade crossing improvement alternatives selected by the Board, i.e. four-quadrant gates or median barriers, would be appropriate for the York Road grade crossing due to the road configuration.

¹ In Appendix Q of Decision No. 89, served July 23, 1998, the Board established a deadline of August 22, 2000 for improvement of the York Road at-grade crossing under Environmental Condition 8(A). Subsequently, the Board extended the compliance date until August 22, 2001 in Decision No. 153, served May 31, 2000, and until August 22, 2002 in Decision No. 197, served August 22, 2001.

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As noted in NS' August 17, 2001 request to the Board, PennDot informed Norfolk Southern that a formal review of crossing improvement issues for the York Road crossing would need to be completed by the Pennsylvania Public Utility Commission ("PPUC"). Following a field conference to assess the crossing improvement needs at York Road, PPUC would issue findings and an order.

A field conference was convened by PPUC approximately one year ago. The Commonwealth thereafter recommended alternate safety measures to be installed at the York Road grade crossing, subject to a formal finding by the Commonwealth and a negotiated agreement with Norfolk Southern providing for the installation of the alternate crossing improvements.

Further consideration of the preferred crossing improvements for the York Road at-grade crossing was subsequently undertaken by PPUC and Norfolk Southern. Upon conclusion of such discussions with PPUC, on December 17, 2001 Norfolk Southern filed an application with the PPUC seeking approval of crossing improvements to be installed at the York Road grade crossing consisting of new automatic flashing-light signals and short-arm gates.

A second field investigation and conference was convened by PPUC at the York Road at-grade crossing on April 19, 2002 to consider these crossing improvements. In addition to participation by PPUC and Norfolk Southern, representatives of the Pennsylvania Department of Transportation, GPU Energy, Sprint Long Distance and Comcast Cable Communications, Inc. attended the field conference. Although not in attendance, Monroe Township, Cumberland County, Teppco, United Water Pennsylvania, PPL Electric Utilities Corporation, Verizon Pennsylvania, Inc., Southern Middleton Township Municipal Authority, Monroe Township, Municipal Authority, Buckeye Pipeline Company and Columbia Gas Transmission were also informed about the field conference. A determination was made at the April 19, 2002 field conference that the preferred upgrade to the York Road at-grade crossing should consist of the installation by Norfolk Southern of new automatic flashing-light warning signals supplemented by short-arm gates on each approach in accordance with Part 8 of the Manual on Uniform Traffic Control Devices.

Thereafter, the PPUC issued a Secretarial Letter, dated May 21, 2002, in accordance with Section 2702 of the Public Utility Code ("PPUC Secretarial Letter"). A copy of the PPUC Secretarial Letter is enclosed. The PPUC Secretarial Letter approved Norfolk Southern's December 17, 2001 application for alteration of the York Road grade crossing. Norfolk Southern agreed, as stated in the PPUC Secretarial Letter, to bear the cost of design, construction and maintenance of the flashing lights and short-arm gates. In addition, Norfolk Southern agreed to maintain the rubber rail seal and railroad crossing surface at the grade crossing. While construction work is underway at the grade crossing, PPUC directed Norfolk Southern to establish and maintain any necessary highway and pedestrian traffic detours or traffic controls. The PPUC directed Norfolk Southern to submit a situation plan, a detailed circuit plan and a cost estimate for the crossing for review by interested parties and approval by

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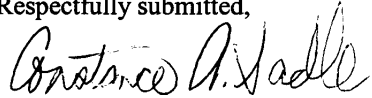
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the PPUC. Other installation and maintenance responsibilities at the grade crossing were agreed to be performed by the Pennsylvania Department of Transportation and Monroe Township. The PPUC established a December 31, 2003 deadline for completion of the alteration of the York Road at-grade crossing.

Norfolk Southern hereby requests an eight-month extension of the current August 22, 2002 deadline, or until April 30, 2003, for completion of the Environmental Condition 8(A) requirement for the York Road at-grade crossing. The requested additional time beyond August 22, 2002 is needed to provide for the installation of the improvements at the York Road at-grade crossing ordered by the Commonwealth in the PPUC Secretarial Letter. Norfolk Southern believes that the extension of time requested is reasonable and will be in the public interest by allowing time needed to complete the design and installation of the preferred alternate improvements to the York Road at-grade crossing.

For these reasons, we respectfully request that the time for completion of compliance with Environmental Condition 8(A) be extended until April 30, 2003 with respect to the NS York Road at-grade crossing in Mechanicsburg, Pennsylvania.

Respectfully submitted,



Constance A. Sadler
Counsel for Norfolk Southern Corporation
and Norfolk Southern Railway Company

Enclosure

cc: Victoria J. Rutson, SEA
Phillis Johnson-Ball, SEA



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

May 21, 2002

A-00118496

TO ALL PARTIES

Application of Norfolk Southern Railway Company for approval of the alteration of the public crossing (DOT 592 290 T) where State Route 0074 crosses, at grade, a single track of railroad operated by Norfolk Southern Railway Company, in Monroe Township, Cumberland County.

To Whom It May Concern:

This matter is before the Commission by reason of an application filed December 17, 2001 by Norfolk Southern Railway Company seeking Commission approval for the alteration of the crossing where State Route 0074 crosses, at grade, (DOT 592 290 T) a single track of Norfolk Southern Railway Company, in Monroe Township, Cumberland County, by the installation of new automatically operated flashing-light railroad crossing warning signals with short-arm gates.

Upon receipt of the application, a field investigation and conference was held on April 19, 2002 at the site of the subject crossing. Representatives of the Pennsylvania Department of Transportation, Norfolk Southern Railway Company, GPU Energy, Sprint Long Distance and Comcast Cable Communications, Inc. were in attendance. Monroe Township, Cumberland County, Teppco, United Water Pennsylvania, PPL Electric Utilities Corporation, Verizon Pennsylvania, Inc., South Middleton Township Municipal Authority, Monroe Township Municipal Authority, Buckeye Pipeline Company and Columbia Gas Transmission were notified of the time and location of the conference but did not attend.

Presently, the crossing consists of a single track with an asphalt and rubber rail seal surface. The warning facilities at the crossing consist of antiquated automatically operated flashing-light railroad crossing warning signals with short-arm gates on each approach.

At the field conference, it was determined that Norfolk Southern Railway Company would install new automatically operated flashing-light railroad crossing warning signals with short-arm gates in accordance with Part 8 of the Manual on Uniform Traffic Control Devices.

Norfolk Southern Railway Company agrees to bear one hundred percent (100%) of all costs incurred in the design and construction of the subject alteration.

Norfolk Southern Railway Company agrees to maintain its facilities at the crossing including the rubber rail seal and the railroad crossing surface, as well as the automatically operated flashing-light railroad crossing warning signals with short-arm gates installed in accordance with this Secretarial Letter.

Pennsylvania Department of Transportation agrees to install and maintain highway-rail grade crossing advance warning signs, stop bars and pavement markings, where needed, on the highway approaches to the subject crossing.

Monroe Township agrees to maintain the active highway-rail grade crossing advance warning signal on the southeastern approach to the subject crossing.

Upon full consideration of the matters involved and inasmuch as no objection has been filed with the Commission, we find that a Secretarial Letter can be issued approving the instant application without a formal hearing.

The Commission issues this Secretarial Letter in accordance with Section 2702 of the Public Utility Code and finds that the alteration of the subject crossing is necessary and proper for the service, accommodation, convenience or safety of the public.

The application is approved as herein directed:

1. The crossing where S. R. 0074 crosses, at grade, a track of Norfolk Southern Railway Company, in Monroe Township, Cumberland County, be altered as herein directed.
2. Norfolk Southern Railway Company, at its sole cost and expense and prior to the start of construction, submit a situation plan, detailed circuit plan and a cost estimate for the subject crossing to each interested party for review and to the Commission for approval.
3. Norfolk Southern Railway Company, at its sole cost and expense, furnish all material and perform all work necessary to install new automatically operated flashing-light railroad crossing warning signals with short-arm gates on the highway approaches to the subject crossing, generally in accordance with the approved plan and in accordance with Part 8 of the Manual on Uniform Traffic Control Devices.
4. Norfolk Southern Railway Company, at the sole cost and expense of the Pennsylvania Department of Transportation, furnish all material and do all work necessary to establish and maintain any detours or traffic controls that maybe required to properly and safely accommodate highway and pedestrian traffic during the time the crossing is being altered.

5. Pennsylvania Department of Transportation, at its sole cost and expense, install highway-rail grade crossing advance warning signs, stop bars and pavement markings on the approaches to the crossing, in accordance with Part 8 of the Manual on Uniform Traffic Control Devices.

6. Any relocation of, changes in or removal of any adjacent structures, equipment or other facilities of any public utility other than Norfolk Southern Railway Company, which may be regarded as incidental to the alteration of the crossing be made by said public utility at its sole cost and expense and in such a manner as will not interfere with the alteration of the crossing; and such relocated or altered facilities thereafter be maintained by said public utility at its sole cost and expense.

7. Norfolk Southern Railway Company, notify all parties of record at least ten (10) days prior to performing any work in accordance with this Secretarial letter.

8. All parties involved herein cooperate fully with each other so that during the time the work is being performed vehicular and pedestrian traffic will not be endangered or unnecessarily inconvenienced and said requirements of each of the parties will be provided for and accommodated insofar as possible.

9. All work necessary to complete the alteration of the subject crossing be done in a manner satisfactory to this Commission, on or before December 31, 2003 and that on or before said date, Norfolk Southern Railway Company report to this Commission the date of actual completion of work.

10. Norfolk Southern Railway Company pay all compensation for damages due to the owners of any property taken, injured or destroyed by reason of the alteration of the subject crossing in accordance with this Secretarial Letter.

11. All costs which are to be reimbursed by the Department of Transportation consistent with this letter, shall be reimbursed pursuant to the provisions of 23 C.F.R. §§ 140.646. The aforesaid Federal reimbursement shall not supersede, delay or, in any manner, postpone the effect of any paragraph contained in this or any related Secretarial Letter or Order.

12. Upon completion of the alteration of the subject crossing, Norfolk Southern Railway Company, at its sole cost and expense, furnish all material and perform all work necessary thereafter to maintain its railroad facilities at the crossing, including the automatically operated flashing-light railroad crossing warning signals with short-arm gates and all appurtenant equipment, and in addition, maintain at all times in a smooth and satisfactory condition the rubber rail seal and the railroad crossing surface located between the rails and for a distance of twenty-four (24) inches beyond each rail.

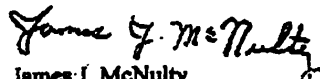
13. Upon completion of the alteration of the crossing, the Pennsylvania Department of Transportation, at its sole cost and expense, furnish all material and do all work

necessary to maintain the highway approaches to the subject crossing to points twenty-four (24) inches beyond each rail and, in addition, maintain the highway-rail grade crossing advance warning signs, stop bars and pavement markings on the approaches to the subject crossing, all in accordance with this Secretarial Letter.

14. Upon completion of the alteration of the crossing, Monroe Township, at its sole cost and expense, furnish all material and do all work necessary to maintain the active highway-rail grade crossing advance warning signal on the southeastern approach to the subject crossing, all in accordance with this Secretarial Letter.

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code §5.44, file a petition with the Commission within ten (10) days of the date of this letter.

Very truly yours,


James J. McNulty
Secretary