

GREAT EASTERN COLOR LITHOGRAPHIC CORPORATION

46 Violet Avenue • Poughkeepsie, NY 12601 • Telephone (845) 454-7420 • Fax (845) 454-7507

July 26, 2004

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street
Washington, DC 20423-0001



RE: Protest to

**Docket No. AB-873X, New York and Eastern Railway, LLC -
Discontinuance Exemption in Poughkeepsie, Dutchess County, NY**

> 211698

**Docket No. AB-55 (sub-no. 652X), CSX Transportation, Inc. - Discontinuance
Exemption in Poughkeepsie, Dutchess County, NY**

> 211699

**Docket No. AB-565 (sub-no. 17X), New York Central Lines, LLC - Abandonment
Exemption in Poughkeepsie, Dutchess County, NY**

> 211700

Petition for Exemption under 49 U.S.C. 10502

Mr. Williams:

On behalf of Great Eastern Color Lithographic Corporation, I am filing an original and ten copies of our protest to New York and Eastern Railway, LLC, CSX Transportation, Inc. and New York Central Lines, LLC Petition for Exemption under 49 U.S.C. 10502 from provisions of 49 U.S.C. 10903 for Discontinuance of Service over and Abandonment of a rail line in the city and town of Poughkeepsie, County of Dutchess, NY.

Respectfully,

Stephen Perretta
General Counsel

ENTERED
Office of Proceedings

AUG 2 - 2004

Part of
Public Record

GREAT EASTERN COLOR LITHOGRAPHIC CORPORATION

46 Violet Avenue • Poughkeepsie, NY 12601 • Telephone (845) 454-7420 • Fax (845) 454-7507

July 22, 2004

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Petition for Exemption under 49 U.S.C. 10502

Mr. Williams:

Great Eastern Color Lithographic Corp. wishes to protest New York and Eastern Railway, LLC, CSX Transportation, Inc. and New York Central Lines, LLC (the "Petitioners") petition to discontinue service and abandon the track between mile post QCO 0.0 and mile post QCO 3.2 and between mile post QCK 29.5 and mile post QCK 31.0 in the city and town of Poughkeepsie, County of Dutchess, NY.

Protestant's Business and Use

Great Eastern is a lithographic printer located in Poughkeepsie, NY. Great Eastern has been in its current location since 1949. Great Eastern directly employs 76 men and women. We receive approximately 1.4 million pounds of publication grade paper each month. Historically we chose to receive this paper by rail.

Harm from Abandonment

Great Eastern has spent a substantial amount of money to install our rail siding and switch and have paid to maintain them in good order. However, because of the *de facto*

abandonment of the rail line, we are forced to truck the paper from paper mills located throughout the United States and Canada at an increased expense. Moreover, some paper mills refuse to ship paper to printers who do not receive paper by rail. Paper mills prefer rail transportation because there are insufficient trucks available in the remote locations where the paper mills are located. The paper mill must delay shipment until trucks are available. Because of the unwillingness of the mills to ship by truck, the number of paper suppliers available to us is reduced, giving us fewer options to shop for the lowest price. Even if the paper mill is willing to ship to our location, the paper mill will ship the paper by rail and then transfer the paper to trucks. This additional handling creates increased costs, time delays and damage to the paper.

The discontinuation of rail service has greatly increased the volume of truck traffic on the streets of the city and town of Poughkeepsie. One rail car of paper is roughly equivalent to four tractor trailers of paper. Instead of nine rail cars, we require thirty-six tractor trailer deliveries each month.

False and Misleading Statement in Petition

The Statement of facts put forth by the Petitioners in their Petition for Exemption is false and misleading. The conclusion drawn in the Petition that their marketing effort "would be for naught as the line has not handled a single car load" is disingenuous. **Carloads could not be moved because of poor track conditions, not for lack of demand.** Petitioners unilaterally discontinued service to our rail siding in August 2000. We were informed by Kenneth E. England Jr., track specialist with the US DOT Federal Railroad Administration Office of Safety that the line was found to be non-complaint with Federal track safety standards. Facing fines, Petitioner CSXT voluntarily elected to take the track out of service. To our knowledge, the Petitioners have made no repairs to remedy such safety concerns. How can the Petitioners claim lack of demand when it is their own negligence which has prevented shipments on the rail line?

Additionally, Petitioners claim "NY&E and CSXT commenced a joint marketing program to persuade local businesses to ship over the Line." We have misgivings about the extent of Petitioners' marketing effort. For instance, we were never contacted by any party in regard to reestablishing service. You would think that any marketing program undertaken by Petitioners would include contacting their former customers to reestablish service.

Conclusion

Due to the economic harm caused by the abandonment of the rail line and the misleading statements made by the Petitioners, the Petition for Exemption should be denied.

Respectfully,

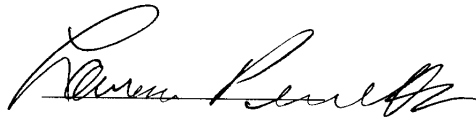


Stephen Perretta
General Counsel

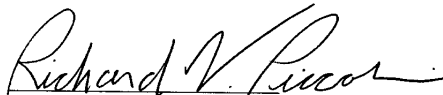
VERIFICATION

STATE OF NEW YORK
COUNTY OF DUTCHESS ss.:

LAWRENCE PERRETTA, being duly sworn, states that he is authorized to make the Verification, has read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of his knowledge information and belief.



Subscribed and sworn before me, a Notary Public, in the town of Poughkeepsie, State of New York, this 22nd day of July, 2004.


Notary Public

RICHARD V. PICCOLI
NOTARY PUBLIC
STATE OF NEW YORK
DUTCHESS COUNTY
EXPIRES 090205

CERTIFICATE OF SERVICE

I hereby certify that I have this 26th day of July 2004 served a copy of the forgoing Protest to the Petition for Exemption upon the following by mailing a copy thereof, first class, postage prepaid to:

New York and Eastern Railway, LLC
c/o Corporate Service Company
2711 Centerville Road, Suite 400
Wilmington, DE 19808

CSX Transportation, Inc.
c/o C T Corporation System
111 Eighth Avenue
New York, New York 10011

New York Central Lines, LLC
c/o C T Corporation System
111 Eighth Avenue
New York, New York 10011

John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N St., N.W., Suite 800
Washington, DC 20036



Stephen Perretta

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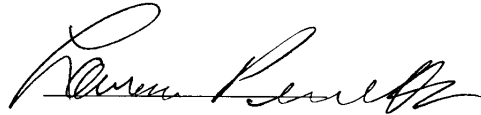
Stephen Perretta
General Counsel

VERIFICATION

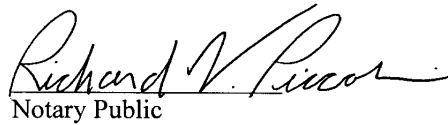
STATE OF NEW YORK
COUNTY OF DUTCHESS

ss.:

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Subscribed and sworn before me, a Notary Public, in the town of Poughkeepsie, State of New York, this 22nd day of July, 2004.


Notary Public

RICHARD V. PICCOLI
NOTARY PUBLIC
STATE OF NEW YORK
DUTCHESS COUNTY
EXPIRES 090205

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John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N St., N.W., Suite 800
Washington, DC 20036



Stephen Perretta