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September 2, 2004

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Office of Proceedings

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Public Record

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Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Re: STB Finance Docket No. 34462, *MVC Transportation, LLC—Acquisition
Exemption—P&LE Properties, Inc.*

Dear Secretary Williams:

CSX Transportation, Inc. ("CSXT") has become aware of proceedings before the Surface Transportation Board (the "Board") in the above captioned docket. We understand that the nature of the railroad services provided by CSXT to shippers in the vicinity of the McKees Rocks Yard area may have a bearing on factual questions which have been raised in this proceeding.

CSXT takes no position with respect to the issues involved in the dispute between MVC Transportation, LLC and Proline Railroad Track Co. The purpose of this letter is only to provide the Board with an objective description of CSXT rail operations at McKees Rocks Yard.

At the present time, CSXT owns and operates a double track main line of its Pittsburgh Subdivision through the McKees Rocks Yard facilities. In addition, CSXT owns and operates three classification tracks, Numbers 11, 15, and 16 which are parallel to, and adjacent to, its mainline tracks. Tracks 11, 15, and 16 are located within CSXT's right of way through McKees Rocks Yard. CSXT uses these tracks to set off and pick up cars originating at or destined to shippers located near the McKees Rocks Yard. These shippers pick up and spot their cars on the CSXT classification tracks using a locomotive crane or trackmobile, thereby eliminating the necessity for CSXT to provide origin or destination switching within McKees Rocks Yard. Nonetheless, CSXT could also provide yard switching for a service charge upon shipper request. However, before providing such service, it would be necessary for CSXT and various shippers to enter into industrial sidetrack agreements to address access on shipper track and the allocation of liability and maintenance responsibilities for shipper tracks on which CSXT would be required to operate. By assuming responsibility for origin and destination switching, McKees Rocks Yard shippers eliminate switching costs that would otherwise be incurred should CSXT provide those rail services. In addition, the shippers control the time and manner of the switching and can ensure that the switching is done when and as convenient to their own industrial operations.

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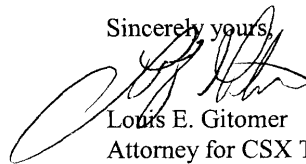
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CSXT also connects with the Pittsburgh, Allegheny, and McKees Rocks Railroad for the purpose of interchanging traffic to and from shippers served by that railroad in the McKees Rocks Industrial Enterprise Park, which is adjacent to the McKees Rocks Yard. In addition, portions of the McKees Rocks Yard are also accessible to the Pittsburgh & Ohio Central Railroad Company although that track is not presently in use. Currently, CSXT operates numerous trains on a daily basis over its mainline tracks through the center of McKees Rocks Yard. Moreover, when CSXT acquired the assets of the former Pittsburgh & Lake Erie Railroad Company, it adopted McKees Rocks, PA as a station on CSXT.

CSXT hopes that this information will prove useful to the Board in addressing the issues presented in the above-captioned proceeding. An original and 10 copies of this letter are enclosed. Please time and date stamp the additional copy of this letter and return it with our messenger. Thank you for your assistance.

If you have any questions please call or email me.

Sincerely yours,



Louis E. Gitomer
Attorney for CSX Transportation, Inc.

cc: All Parties of Record