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June 27, 2007

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Public Record

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Janie Sheng

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**RE: Finance Docket No. 35019
Western New York & Pennsylvania Railroad, LLC
-- Lease and Operation Exemption --
Certain Assets of Norfolk Southern Railway Company and
Chautauqua, Cattaraugus, Allegany and Steuben Southern
Tier Extension Railroad Authority**

Dear Secretary Williams

On June 26, 2007, United Transportation Union – New York State Legislative Board ("UTU-NY") filed a Motion to Compel production of the lease between Western New York & Pennsylvania Railroad ("WNYP") and Norfolk Southern Railway Company ("NSR")

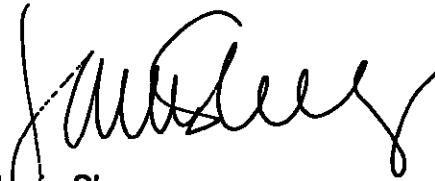
UTU-NY asserts that WNYP has engaged in "dilatory tactics" and "refused access" to the WNYP/NSR lease and argues that these actions justify an *ex parte* ruling on the Motion to Compel. UTU-NY's allegations are false and therefore can not justify an *ex parte* ruling on the Motion.

Within three (3) days of receipt of the document request, counsel for WNYP offered to provide the WNYP/NSR lease to UTU-NY under the terms of a Protective Order. This offer was spelled out in a letter from WNYP counsel, faxed to Mr. MacDougall on June 22, 2007, and attached hereto as **Exhibit A**. In later telephone conversations, WNYP counsel confirmed that Mr. MacDougall had received the letter. UTU-NY elected to omit any reference to this offer or letter in its Motion.

WNYP will file a reply to the Motion within the time allowed under the Board's rules. 49 C.F.R. §1104.13(a)

Please acknowledge receipt of this filing by file-stamping the attached extra copy of this letter and return to me.

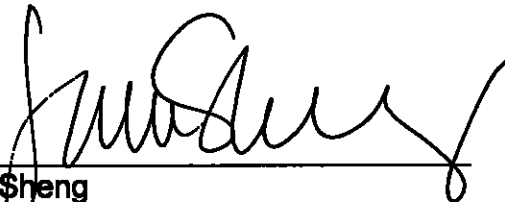
Respectfully submitted,



Janie Sheng
Attorney for Western New York &
Pennsylvania Railroad, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon Gordon P
MacDougall, 1025 Connecticut Ave , N W , Washington, D C 20036, by hand delivery
on June 27, 2007



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**ATTORNEY FOR WESTERN NEW YORK
& PENNSYLVANIA RAILROAD, LLC**

Dated June 27, 2007

EXHIBIT

A

June 22, 2007

Gordon P MacDougall, Esq
1025 Connecticut Avenue, NW
Washington, DC 20036

Kevin M Sheys
202 778 9290
Fax 202 778 9100
ksheys@king.com

Re Finance Docket No 35019

Dear Mr MacDougall

This letter is in response to your letter of June 15th and in confirmation of my telephone message today.

First, your letter indicates that you were unsuccessful in several attempts to reach Janie Sheng on June 15th Janie received one voicemail message from you on that day and returned your call on the following Monday You called her back and informed her that you had mailed us a letter requesting a copy of the Lease Agreement We received that letter on Tuesday and contacted our client regarding your request Janie informed you Thursday that we would have a response to your request by Friday and then I called you today

As I said in my voicemail message today, if you are amenable to stipulating to a Protective Order under which the Lease Agreement would be designated as "Highly Confidential" and not subject to disclosure in any way, directly or indirectly, to any person or entity except UTU outside counsel or UTU outside consultants, WNYP would be amenable to producing the Lease Agreement

Our willingness to stipulate to a Protective Order should not be construed as an acknowledgment that the Lease is in any way relevant to your client's labor notice issues or any other UTU allegation As you know, the regulations applicable to exemptions under 49 U.S.C. § 10902 do not require that a copy of the Lease be provided In addition, the Lease has no relevance to any issues you have raised in this case.

Please let me know whether you are willing to proceed as outlined above

Very truly yours,



Kevin M Sheys

cc: Greg Summy, Esq
Janie Sheng, Esq