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Dave Fellon
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July 1, 2008

Via ELECTRONIC FILING

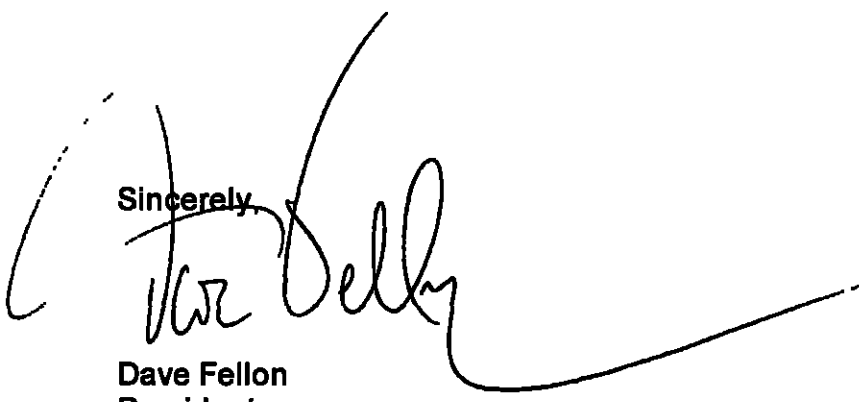
The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street SW
Washington DC 20024-0001

**RE: STB Finance Docket No. 35147 – Norfolk Southern Railway
Company, Pan Am Railways, Inc., et al. – Joint Control and
Operating/Pooling Agreements – Pan Am Southern LLC.**

Dear Acting Secretary Quinlan:

Progressive Rail Inc. submits the attached comments for the Board's review. Progressive Rail Inc. operates short line railroads subject to the Board's jurisdiction. Progressive Rail Inc. owns the Central Midland Railway which connects with the Norfolk Southern Railway in the St. Louis MO/ East St. Louis IL terminal.

Sincerely,


Dave Fellon
President
Progressive Rail Inc.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**FINANCE DOCKET
NUMBER 35147**

**NORFOLK SOUTHERN RAILWAY COMPANY,
PAN AM RAILWAYS, INC, ET AL.
JOINT CONTROL AND OPERATING/POOLING AGREEMENTS
PAN AM SOUTHERN LLC**

COMMENTS OF PROGRESSIVE RAIL INC.

Progressive Rail Inc. (PGR) supports the proposed joint venture between Norfolk Southern Railway and Pan Am Railways and urges the Board to approve the proposed transaction

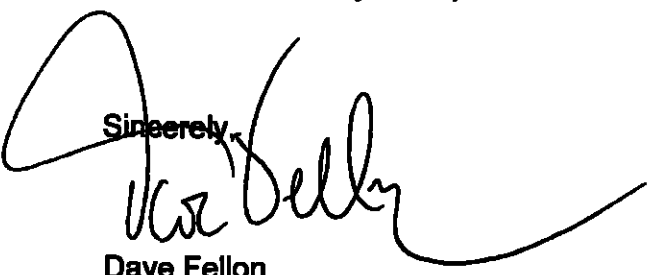
An efficient and cost effective transportation infrastructure is essential to the success of the short line railroad industry and that of its customers. This transaction would be in the best interest of PGR's short line railroads for expanding rail service alternatives for merchandise carload traffic between PGR affiliated short lines and New England markets for the reasons detailed here:

1. PGR believes the transaction will promote significant rail infrastructure improvements along a primary rail corridor in New England.
2. PGR believes this improved rail infrastructure will provide for more consistent rail service and continue the ability of this line segment to handle increasingly heavy railcars, thereby allowing for more reliable and efficient use of assets.
3. Increased competition for the movement of goods in and out of the New England region will help to control rates and improve service offerings.
4. These improvements to rail service reliability and cost will allow customers of other short line railroads, particularly those with a direct Norfolk Southern connection, to secure competitive transportation options to and from New England.
5. More competitive rail service to and from New England will contribute to a reduction of road congestion and demand for imported fuels and would be beneficial to the environment.

In conclusion, PGR supports the application of the Norfolk Southern – Pan Am transaction, and request that the Board move as expeditiously as possible to assure approval. PGR feels this is the best way to improve service, enhance efficiency, and promote growth of transportation options to and from New England.

I, Dave Fellon, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement.
Executed this 1 day of July, 2008.

Sincerely,



Dave Fellon
President
Progressive Rail Inc.
21778 Highview Ave
Lakeville MN 55044

July 1, 2008