

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35147

222968

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

**REPLY OF VERMONT RAILWAY, ET AL., IN OPPOSITION
TO APPLICANTS' REQUEST TO SHORTEN
PROCEDURAL SCHEDULE**

On June 27, 2008, Applicants filed a document styled a Reply to the Petition filed by Clarendon & Pittsford Railroad, Green Mountain Railroad, Vermont Railway and Washington County Railroad (hereafter "Vermont Railway System" or "VRS"), for a finding that the proposed transaction is "Significant."

Vermont Railway System is not replying to Applicants' Reply on the issue of whether this proceeding should be treated as "Significant" or "Minor." Those arguments have been mooted by the Board's Decision served June 26, 2008, in which the Board found the transaction "Minor."¹

However, VRS does want to go on record as opposing Applicants to the extent that Applicants urge the Board to shorten the procedural schedule in this proceeding.

¹ We do note subsequent filings expressing concerns, including the July 8 filing of the City of Springfield raising environmental issues (and describing the Transaction as having regional or national significance). In addition, LTL's July 3 Petition reiterates the position taken by VRS concerning this proceeding's significance.

This request appears only on the last page in the Conclusion to Applicants' June 27 Reply, where they state:

The Board correctly found in its Decision served June 26, 2008 that the proposed Transaction is a "minor" transaction and should establish the procedural schedule proposed by Applicants.

Reply at page 9, emphasis added.

The Reply contains no support for or discussion of restoration of the procedural schedule originally proposed by Applicants. It may be that the underscored portion of the quoted language from Applicants' Reply is text from an earlier draft that was not modified with the rest of the Reply after the Board's June 26 Decision was issued.

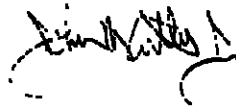
However, the quoted words could be considered a request for reconsideration of the procedural schedule as extended by the Board. Out of an abundance of caution, VRS wants to go on record as opposing any shortening of the schedule. VRS welcomes the two week extension in the June 26 Decision, modest though that is. VRS also promptly commenced discovery of Applicants, and is reviewing the responses received to date.

The current August 11, 2008 deadline for comments, protests and requests for conditions gives VRS and other parties minimal time to develop and analyze the relevant facts and implications, and prepare further filings protecting their interests.²

² As UTC points out in its July 3 Petition, the August 11 deadline, though preferable to the July 30 deadline Applicants sought and may still seek, is nevertheless far tighter than the 105 days provided for in the Act for evidentiary proceedings as to "Minor" transactions. See 49 U.S.C. § 11325(d)(2).

Accordingly, if the Applicants' request for establishment of their proposed, and shorter, procedural schedule is treated as a petition for reconsideration of the Board's June 26 Decision, Applicants' request should be denied.

Respectfully submitted,



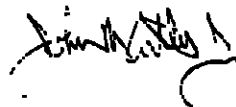
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Dated: July 17, 2008

Certificate of Service

I hereby certify that I have this 17th day of July, 2008, served copies of the foregoing document by first class mail on all parties of record, as well as the Secretary of Transportation, the Attorney General, and Mr. Allen.



John M. Cutler, Jr.