

February 2, 2016

Chairman Daniel R. Elliott, III Surface Transportation Board 395 E Street, S.W. Washington, DC 20423-000

Re: Proposed Merger of Canadian Pacific and Norfolk Southern Railroads

Dear Chairman Elliott:

I am writing you today regarding the proposed merger of the Canadian Pacific and Norfolk Southern Railroads.

The Alabama State Port Authority has five (5) Class 1 railroads calling at its facilities in Mobile. Our Port has a very high percentage of rail traffic and all of these railroads are important to us and the shippers that utilize our port.

The Norfolk Southern Railroad is one of those and we consider them a valued business partner that works with us in many different commodities on an ongoing basis. While Norfolk Southern has had some service problems lately, it is our feeling that most of these stem back to the problems that they are having in their largest market, coal. We can understand that well in that Mobile is a very large coal port.

We have been reading numerous articles in trade publications regarding the proposed merger. Quite frankly, we see very little, if any, benefit of merging these two railroads, considering the limited overlap that they have. On the negative side, we see tremendous problems, first from the integration of two very different rail carriers and the inherent systems and operations issues that occur as they are integrated. We also see potential for dramatic cuts in areas like maintenance and service resulting from the need to make the combined railroads viable from a financial standpoint. With these we see the potential for tremendous service failures that could go on for years impacting our ongoing business here in Mobile.

Just to reiterate, the Alabama State Port Authority is very much opposed to the merger of these two railroads given the lack of any true benefit.

Should you have questions, please let me know.

Very truly yours,

James K. Lyons Director/CEO

Cc: Surface Transportation Board

Vice Chairman Deb Miller

Surface Transportation Board Member Ann D. Begeman