



LOGAN TOWNSHIP / BOARD OF SUPERVISORS

100 CHIEF LOGAN CIRCLE, ALTOONA, PA 16602-4337

PHONE: 814-944-5349 FAX: 814-949-3352 TDD: 814-949-3366

www.logantownship-pa.gov

February 5, 2016

The Honorable Daniel R. Elliott III
Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Debra Miller
Vice Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Ann D. Begeman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Dear Chairman Elliott and Surface Transportation Board Members,

On behalf of the residents and taxpayers of Logan Township, Blair County, Pennsylvania we, all the members of the Board of Supervisors of the Township, are writing in opposition to the proposed merger of Canadian Pacific Railway (CP) and Norfolk Southern (NS). Logan Township is home to Norfolk Southern's Juniata Locomotive Shop, the largest locomotive repair shop in North America. The Juniata Shop employs 1,050 people with over 100 more employed in the Rose Yard at above average wage rates for this part of Pennsylvania. NS plays a huge role in our local economy and the loss of the Juniata Locomotive Shop would be devastating, not just to the economy of Logan Township, but the whole Central Pennsylvania economy.

Norfolk Southern has been and continues to be an integral part of the transportation system in Pennsylvania. It has 2,278 miles of track, 1,468 bridges and 1,988 grade crossings in the state and serves a vast number of customers. NS employs 5,200 people in Pennsylvania and provides retirement benefits to another 2,240 people. In addition, NS pays \$340 million in wages and benefits to its employees, \$34.4 million in state and local taxes, invests \$151 million per year in track and facilities and spends \$1 billion per year for purchases and payments for its operation.

It is important to note that NS plays a significant role in helping economic development within Pennsylvania. In 2014, NS assisted 16 industries in locating to or expanding in Pennsylvania resulting in at least \$2 billion of economic investment and 1,170 new jobs. As reported by Ross Marowitz from the Canadian Press about the merger "It would initially have more than 44,000 employees, although that would likely decrease as CP looks to improve its efficiency and reduce its operating ratio. It is estimated

OFFICE OF CHAIRMAN

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that the combined company would initially generate more than \$3.1 billion in profits, about twice that of CP, with \$21.5 billion in annual revenues." You see, this transaction is not about combining companies to make the rail service market more competitive, it is about making more money for CP, a Canadian company.

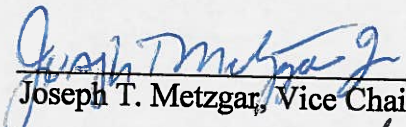
The last point we want to make is that we hope you consider that if this merger is permitted to take place, the United States loses another good corporate citizen to an entity not located, and presumably not as interested in the success of the United States or its citizens. Norfolk Southern is a good company, a good corporate citizen in the areas it operates in, a concerned neighbor and we hope that you will allow it to continue to serve the interests of the United States and its citizens, including those located in Central Pennsylvania for whom we have been vested with the responsibility to protect. Thank you for your time and careful consideration of our plea. Should you have any questions and/or desire for us to appear before your Board to give testimony or clarify our stated position, please contact Township Manager Tim Brown at (814) 944-5349.

Respectfully,


Logan Township Board of Supervisors



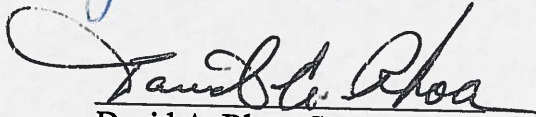
James A. Patterson, Chairman



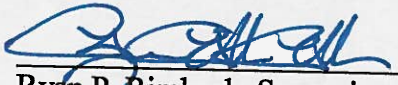
Joseph T. Metzgar, Vice Chair



Edwin J. Frontino, Supervisor



David A. Rhoa, Supervisor



Ryan P. Rimbeck, Supervisor

Pc: The Honorable Bill Shuster, Chairman, Transportation Committee