



# NITTANY & BALD EAGLE RAILROAD COMPANY



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February 9, 2016

**The Honorable Daniel R. Elliot III, *Chairman***

**The Honorable Deb Miller, *Vice-Chairman***

**The Honorable Ann D. Begeman, *Member***

Surface Transportation Board

395 E. Street, SW, Ste. 1220

Washington, DC 20423-0001

**Re: Canadian Pacific Railway Proposal to Acquire Norfolk Southern Corporation**

Dear Board Members:

The Nittany & Bald Eagle Railroad (NBER), the undersigned Class III short line railroad, is an affiliate of the North Shore Railroad Company – which consists of six short line railroads that serve approximately 100 customers over 250 miles of track in Central Pennsylvania. We, at NBER, are particularly concerned about the recent, unsolicited proposal from Canadian Pacific Railway (CP) to acquire the Norfolk Southern Corporation (NS).

The NBER depends on reliable and sustainable rail service from our Class I Partner, currently NS, which connects to us in Bellefonte and Lock Haven, PA. Thus, NBER and our customers are concerned about the possibility of a CP acquisition and the possible negative impact it could have on the level of service and competitive pricing that NS currently offers. As such, we urge the Surface Transportation Board to closely scrutinize the proposed acquisition - with a focus on potential impact to service and pricing.

In our 31 years of operation, and working with NS, our experience is that NS is a well-established entity that prioritizes customer service and treats its short line railroad partners as an extension of itself. The priorities of NS align with those of NBER, our customers, and our communities. A newly merged entity would need to be focused on cutting costs, reducing service, and investing itself in synergies rather than prioritizing its customers, communities, and partners.

Please be mindful of these expressed concerns when considering this acquisition. Thank you for your time and consideration.

Yours truly,

**Gary R. Shields**

*President & CEO*

North Shore Railroad Company & Affiliates

OFFICE OF CHAIRMAN  
2016 FEB 23 AM 10:26

CC: Norfolk Southern Corporation