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Congress of the United States
House of Representatives
Washington, DC 20515-3507

January 21, 2016

TRANSPORTATION AND
INFRASTRUCTURE COMMITTEE
SUBCOMMITTEES
CHAIRMAN
WATER RESOURCES AND ENVIRONMENT
HIGHWAYS AND TRANSIT
COAST GUARD AND
MARITIME TRANSPORTATION
AGRICULTURE COMMITTEE
SUBCOMMITTEES
NUTRITION
GENERAL FARM COMMODITIES AND
RISK MANAGEMENT

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

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

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

Dear Chairman Elliott and Surface Transportation Board Members:

As members of the Ohio Congressional delegation, we are writing to express concerns regarding Canadian Pacific Railway's proposal to acquire Norfolk Southern Corporation. Railroads serve as a lifeline for Ohio's economy, transporting raw products and other manufactured goods and giving rise to cities such as Akron, Canton, Cleveland, and Youngstown. Norfolk Southern has a long history in Ohio and operates 2,200 route miles of track and has numerous other facilities and yards across the state.

We have serious concerns that the proposed acquisition could jeopardize the numerous opportunities that Norfolk Southern creates for Ohio. Recent public statements from Canadian Pacific indicate that it intends to deploy its business model at Norfolk Southern prior to regulatory approval from the Surface Transportation Board. Canadian Pacific has targeted \$1.8 billion of alleged "synergies" through headcount and locomotive fleet reductions as well as other asset sales, network disinvestments, and operations changes. The Canadian Pacific approach to railroading could devastate numerous local economies and communities throughout Ohio, including in places such as Portsmouth, OH where NS freight cars are repaired; Sandusky and Wheelersburg, OH where NS transfers commodities from rail to barge; and Columbus, OH where NS trains carry more than 210,000 truckloads of freight annually.

Canada Pacific's business model could adversely affect our state in other ways. The company's historical slash and burn approach could harm the nearly 4,000 Norfolk Southern employees who received nearly \$271 million in wages in 2014. Second, Norfolk Southern's investments contributed nearly \$1 billion to our state economy through \$213 million in infrastructure investments and \$724 million in purchases and payments to rail industry vendors. Finally,

Norfolk Southern helped nine companies in Ohio locate or expand their operations in the state. The result was \$75 million in customer investment and 283 new jobs. Clearly, Norfolk Southern has shown its commitment to Ohio.

As representatives of the State of Ohio, we are concerned a Canadian Pacific acquisition of Norfolk Southern might not be in the public interest of our state and our constituents. Instead, it appears the proposed acquisition could harm the public interest. We request that the Surface Transportation Board take a close look at this proposed acquisition, and detail how anticipated public interest harms, including major workforce reductions and decreased infrastructure investment, will affect the Board's decision-making process.

Finally, while there have been discussions about how a merger could affect the two companies, it is important that this process not circumvent the Surface Transportation Board's merger review process. We look forward to a fair, diligent review by the STB to determine next steps. Ohioans deserve a transparent review process that will prevent premature suffering from the public interest harms of an unapproved acquisition. Thank you for your continuing attention to our concerns.

Sincerely,



Sherrod Brown
United States Senator



Rob Portman
United States Senator



Bob Gibbs
Member of Congress




Patrick J. Tiberi
Member of Congress



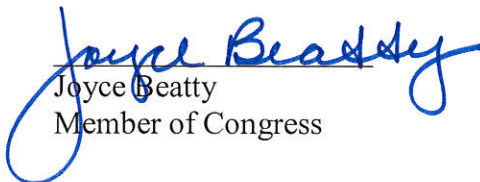
Tim Ryan
Member of Congress



Bill Johnson
Member of Congress



David Joyce
Member of Congress





Joyce Beatty
Member of Congress




Jim Jordan
Member of Congress


Marcy Kaptur
Member of Congress


Steve Chabot
Member of Congress



Michael R. Turner
Member of Congress


Marcia L. Fudge
Member of Congress


Steve Stivers
Member of Congress


Robert E. Latta
Member of Congress


Jim Renacci
Member of Congress


Brad Wenstrup
Member of Congress