



Peeples  
Industries, Inc.

February 8, 2016

Surface Transportation Board  
395 E Street, S.W.  
Washington, DC 20423-0000

Re: Norfolk Southern / CP Railways Proposed Transaction

Dear Chairman Elliott and Board Members:

I own and operate marine terminals in the US Southeast. We are a 50-year-old, private family business with deep roots in our local communities. I currently deal directly with both US EC class 1 rail lines, Norfolk Southern and CSX Transportation at our facilities. As marine terminal operators, we are highly dependent on customer-centric, service oriented rail service into these facilities for current business as well as future growth. I am very concerned about the pending merger or acquisition proposed by CP rail of Norfolk Southern that may be coming before your esteemed Board for approval.

In my opinion this type of mega merger / acquisition is in no way in the public interest, our companies interest or that of a competitive dynamic in the rail industry. CP's main selling point in this transaction is "cost savings". In a time when the rail industry is completely under fire from all directions due to a high dollar, a global commodities crash, and requirements to improve service and safety I don't see how "cost cutting" is going to do anything but erode safety, reduce service, disrupt supply chains already taxed with infrastructure issues and make it more difficult to find a helping hand in the railroad. I envision this cost cutting; for example, instead being able to call a local track master about a routing issue I will be routed to a call center in India, or when I need a local bridge maintained to allow for 286,000 service its gets reduced to 270,000 lb service. Something my Grandfather said to me rings true every day, "there is nothing to be learned from the second kick of a mule" and we've been kicked enough! NS is a SAFE railroad. They are a great partner for helping us develop new business across multiple commodity lines both import and export. They are willing to bring investment to the table when we do find new business that requires upgrading rail infrastructure and equipment. Their service is predictable and reliable.

In summary, I believe CP's plan for NS is a short-term gain at my and the rest transportation industries long term pain. Please do not support this CP plan.

Sincerely,

Frank Peeples, Jr.  
President