



December 8, 2015

Chairman Daniel R. Elliott III
Surface Transportation Board
395 E. Street SW
Washington, D.C. 20423-0001

RE: Canadian Pacific Railway, Ltd. proposed acquisition of Norfolk Southern Corporation

Dear Chairman Elliott:

I am writing to register Xcoal Energy & Resources' ("Xcoal") opposition to Canadian Pacific Railway, Ltd.'s ("CP") proposed acquisition of Norfolk Southern Corporation ("NS").

As background, Xcoal is one of the leading exporters of coal from the U.S.A. Xcoal's business with NS started in 2004 and has averaged approximately \$200,000,000 per year since 2010. During my career, I have conducted business with NS since 1983.

Xcoal's business activities require timely and consistent rail service at mining operations and export terminals. These service requirements throughout the logistical supply chain also require long term operating plans and capital commitments. CP has publicly stated that they plan to reduce staffing at NS, reduce locomotive counts, reduce capital expenditures, and adjust service levels. This operating plan, which focuses on short term cash generation at the expense of long term service, does not satisfy the business requirements of Xcoal or its customers.

I am also concerned that the short term nature of CP's operating plan would be detrimental to the long term requirements of the U.S. coal industry and energy sector.

Xcoal has been engaged in evaluating investments in the U.S. coal industry and logistics chain. Several of these proposed investments are served by NS. The evaluation of these investments, which would be amortized over a twenty to thirty year time period, require Xcoal to have a high level of confidence in the long term business plan and commitment of NS. Xcoal's decision to invest in these assets would be adversely affected by the proposed acquisition of NS by CP.



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Therefore, Xcoal would request that the Surface Transportation Board deny CPs' request to approve the acquisition of NS.

Respectfully yours

A handwritten signature in blue ink, appearing to read 'Ernie L. Thrasher'. The signature is fluid and cursive.

Ernie L. Thrasher
Chief Executive Officer

cc: James A. Squires
Chairman, President, & CEO
Norfolk Southern Corporation
3 Commercial Place
Norfolk, Virginia 23510