Weiner Brodsky Sidman Kider PC

1300 NINETEENTH STREET NW
FIFTH FLOOR
WASHINGTON DC 20036 1609
TEL 202 628 2000
FAX 202 628 2011

June 7, 2006

BY HAND DELIVERY

The Honorable Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, DC 20423 Office of Proceedings

216728

JUN 7, 2006 RECEIVED

Re:

Docket No. AB-55 (Sub-No. 664X), CSX Transportation, Inc. – Abandonment Exemption – In Anderson County, SC

Dear Secretary Williams:

Enclosed for filing in the above-referenced proceeding are an original and ten copies¹ of several protests that we have been asked to deliver on behalf of the persons named in the letters. We provide this service as a courtesy to the senders due to our proximity to your offices.

No fee applies to this filing. STB Ex Parte No. 542 (Sub-No. 13).

Please acknowledge receipt of this filing by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Sincerely,

Troy W. Garris

Enclosures

F:\97041\002\htwg1576 vwilliams re sltrs.doc

We received facsimile versions of three of the letters and will forward you the original upon receipt.



Making News. Making Progress. June 7, 2006

The Honorable Secretary Vernon Williams Surface Transportation Board 1925 K St., NW Washington, DC 20423

Re: Docket No. AB-55 (Sub-No. 664X), CSX Transportation, Inc. – Abandonment Exemption – In Anderson County, SC

Dear Secretary Williams:

On April 28, 2006, CSXT Transportation ("CSXT") filed a petition for exemption to abandon its rail line in the above-referenced proceeding. Anderson County ("County") hereby opposes the abandonment.

Petitioner seeks to abandon a 12.74-mile rail line extending between milepost AKL 26.26, near Belton, and milepost AKL 39.00, near Pelzer. Anderson County, SC ("Line"). The proposed abandonment would cause substantial harm to the County and its population.

There are a number of companies located on the Line proposed for abandonment, and on the connecting line owned and operated by short line railroad Pickens Railway Company ("Pickens"). These companies tender and receive goods by rail over these two rail lines in significant volume. These companies are important to the economic development of our County, and are important employers for its residents, together employing a substantial number of employees. We have received complaints about the proposed abandonment from a number of these companies. Generally speaking, the companies indicate that, if the Line of CSXT is lost to abandonment, the companies likely will face significant challenges trying to find alternatives for transporting the goods that are essential for the operations of their respective facilities with the end result being possible closure of certain facilities.

Several companies have indicated that some portion of their traffic will likely cease to move entirely if the Line is abandoned. One of the companies is located directly on the Line to be abandoned. The other companies are located on the line of Pickens. For any traffic that continues to move by rail, the shippers indicate that insertion of an additional rail carrier (particularly a class I) into the move is likely to increase the costs of transportation. Further, the proposed abandonment would eliminate direct competition between NS and CSXT, which the shippers also indicate is likely to result in increased transportation costs. NS's rates will no longer be checked by the threat of loss of traffic to CSXT. Currently, one or more shippers have indicated that rates for transportation are likely to rise by at least \$1,000 per car in the short term in this regard. Also, certain companies have indicated that trucking is not a realistic option, as their facilities lack the

Centery Administrator

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Council Members

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Clerk to Council

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Post Office Box 8002 • Anderson, S.C. 29622-8002 (864) 260-4031 • (864) 260-4106 fax

physical and operational capabilities to tender and receive goods by truck in the necessary volumes. Whether the problems result from cessation of traffic, the substantial rise in rail transportation costs, or diversion of rail traffic to truck, certain companies have estimated that they anticipate a decline in business volume overall, followed by resulting job losses.

The County is also concerned about CSXT's proposition that goods move by truck. Even assuming the traffic could be diverted to truck, the rule of thumb generally used is that four trucks are required to move the same amount of goods as one rail car. Accordingly, CSXT's proposal would result in approximately an additional 4,000 trucks per year on County roads. This diversion of traffic from CSXT to our County roads would be a substantial detriment to the financial and other resources of the County as it seeks to maintain the public roads in a safe and appropriate condition. In addition, this shift from rail to truck would come at a very bad time, as the County is under Clean Air Act restrictions.

The public interest clearly lies in keeping this Line in operation. Over the past year, the County has been negotiating with CSXT to keep the Line in operation, either through an actual purchase of the Line by the County, by another entity, or by operation by another railroad. Our continued interest in the Line during this time is evidence of our commitment and the critical nature of the Line to the economic vitality of our residents. To date, no solution has been reached that is agreeable to all sides. We do not believe, however, that CSXT should be permitted to force the hand of the County (or any other party for that matter) by attempting to abandon the Line at this juncture.

We also note, the Board should not permit this abandonment to go forward under the expedited proceeding of an exemption. The Board long has stated that exemption proceedings are appropriate only where the abandonment is unopposed and revenue clearly marginal. Neither is true here. There is a substantial amount of traffic moving over the Line, there are at least twelve shippers and one short line directly impacted by the proposed abandonment, CSXT admits in its own petition that the Line is profitable but attempts to justify the abandonment through inflated rehabilitation projections. Also, CSXT apparently anticipated protests, as it requested in advance the ability to reply. Abandonment of this Line, which is essential to our County, requires more exacting scrutiny than permitted in this exemption proceeding.

CSXT's petition for exemption in this matter should, therefore, be denied.

Very truly yours,

Joey R. Preston

Anderson County Administrator



Making News. Making Progress.

The undersigned does hereby certify that the protest letter of Anderson County South Carolina, Finance Docket No. AB-55 (Sub-No. 664X) was served by U.S. mail on June 7, 2006 upon the following individual:

Louis E. Gitomer Attorney at Law 118 Sunnymeadow Lane Reisterstown, MD 21136

Troy W. Garris, Esq.

Weiner Brodsky Sidman Kider PC 1300 19th Street, NW, 5th Floor Washington, DC 20036-1609 (202) 628-2000 (tel)

(202) 628-2000 (tel) (202) 628-2011 (fax) TELEPHONES: (864) 369-2872 (864) 369-0450

TRI COUNTY FERTILIZER AND SPECIALTY CO., INC.

P.O. BOX 147 HONEA PATH, S.C. 29654

June 6, 2006

RE: STB Docket No. AB-55 (Sub-No. 664X)

Surface Transportation Board 1925 K Street, N.W. Washington, DC 20423-0001

Dear Board Members:

The CSX Abandonment will definitely impact our facility / suppliers. It, too, will impact our facility's employment staff as well as others.

- There is a distinct possibility that Pickens Railroad will not be able to continue service from Anderson to the Belton-Honea Path area. Many of the cars served by Pickens Railroad / Belton connection would not be able to be served strictly by Norfolk-Southern due to freight rate increases.
- Our potash supply comes from Canada via CSX. Consequently, the abandonment of CSX service to Belton would make it virtually impossible for us to be competitive with fertilizer grades which contain potash.
- As of 1/15/2006, I purchased Due West Oil Mill, Due West, S.C., a fertilizer competitor. This
 acquisition will increase my business 35 to 40%. In so doing, it will increase my rail traffic at least
 30 to 40 cars.
- Eighty percent (80%) of our business consists of independent bagged fertilizer dealers in surrounding counties. The other twenty percent (20%) is composed of the fertilizer farm economy in this area.

With higher costs as a result of CSX Abandonment, this would put them in a position not to be competitive with Wal-Mart, Home Depot and Lowes.

This results in a reduction of employees at my facility as well as a reduction in the independent dealers staff.

Sincerely,

William E. LaCoste

William & Salista

President

The undersigned does hereby certify that the protest letter of Tri County Fertilizer and Specialty Co., Inc., Finance Docket No. AB-55 (Sub-No. 664X) was served by U.S. mail on June 7, 2006 upon the following individual:

Louis E. Gitomer Attorney at Law 118 Sunnymeadow Lane Reisterstown, MD 21136

Troy W. Garris, Esq.

Weiner Brodsky Sidman Kider PC 1300 19th Street, NW, 5th Floor Washington, DC 20036-1609

(202) 628-2000 (tel)

(202) 628-2011 (fax)



6/6/06

Surface Transportation Board 1925 K Street NW Washington, DC 20423 0001

Re: STB Docket No. Al:-55 (Sub-No. 664X)

Vulcan Materials Comp my has over 300 aggregates production and related facilities serving 22 states, the District of Columbia, Mexico, Aruba, and the Cayman Islands, with 12 production facilities in SC alone.

Our Anderson, SC facil ty shipped hundreds of thousands tons of aggregate in 2005 by truck and is currently in restigating rail shipping opportunities from this plant to the coast of SC.

As a potential customer we are very concerned of not having the opportunity to utilize the Pickens and CSX lines: or it would not be advantageous for us to partially ship our product by rail only to c ffload to trucks to the destination.

Sincerely,

Patrick Dwyer

Manager, SC Sales

SOUTHEAST DIVISION P.O. DRAWER 8834 • GREENVILLE, SC 29604 • "ELEPHONE 864 277-2371

The undersigned does hereby certify that the protest letter of Vulcan Materials Company, Finance Docket No. AB-55 (Sub-No. 664X) was served by U.S. mail on June 7, 2006 upon the following individual:

Louis E. Gitomer Attorney at Law 118 Sunnymeadow Lane Reisterstown, MD 21136

Troy W. Garris, Esq.

Weiner Brodsky Sidman Kider PC 1300 19th Street, NW, 5th Floor Washington, DC 20036-1609

(202) 628-2000 (tel) (202) 628-2011 (fax) **OWENS CORNING** WORLD HEADQUARTER ONE OWENS CORNING PARKWAY TOLEDO, OHIO 43659 419,248.8000



June 7, 2006

The Honorable Secretary Vernon Williams Surface Transportation Board 1925 K St., NW Washington, DC 20423

Re: Docket No. AB-55 (Sub-No. 664X), CSX Transportation, Inc. – Abandonment Exemption – In Anderson County, SC

Dear Secretary Williams:

On April 28, 2006, CSXT Transportation ("CSXT") filed a petition for exemption to abandon its rail line in the above-referenced proceeding. Owens-Corning ("Owens") hereby opposes the abandonment.

CSXT seeks to abandon its 12.74-mile rail line extending between milepost AKL 26.26, near Belton, and milepost AKL 39.00, near Pelzer, Anderson County, SC ("Line"). The proposed abandonment would cause substantial harm to Owens.

Our plant is located along the rail line of Pickens Railway Company ("Pickens"), which directly connects to CSXT on the Subject Line at Belton, SC. We receive inbound shipments of limestone over the Subject Line, via CSXT. In 2004, we received 388 cars of traffic over the Subject Line. In 2005, we received 479 cars. In 2006, our traffic volume has increased, and we are currently on target to received approximately 500 cars of traffic on an annualized basis. This traffic cannot be handled directly via Norfolk Southern Railway ("NS"). Forcing the traffic to move via NS would convert what is now a two carrier move (CSXT-Pickens) into a three carrier move (CSXT-NS-Pickens). We have inquired into the cost of this move and have been advised that the per car cost of this change would be at least \$1,098 in rate and additional fuel surcharge. The likely effect of such a radical increase in transportation costs would be to render our ability to move limestone by rail cost prohibitive – the market for our products simply would not bear the increased costs. This is especially true at this stage, as we face intense competition from foreign competitors, such as in China.

In addition, it is not feasible to receive the limestone via truck for several reasons. As an initial matter, we have been advised that the cost of moving the limestone by truck would be as much or more than receiving the shipments via NS. Truck is therefore simply not a realistic option for economic reasons. Even leaving aside the fact that the cost is prohibitive, however, our facility simply is not designed to handle the huge volume of trucks that would be required to substitute trucks for rail. Assuming motor carriers were even interested and set up to handle the traffic, it would take an estimated 2,000 trucks a year to serve our facility. Our facility simply cannot handle such volume of trucks. Owens must have rail service over the Subject Line. We also note, CSXT asserts that the two shippers directly located on its Line could transload shipments to or from truck at CSXT's facility in Pelzer, SC, thereby providing an alternative service directly to CSXT. For the capacity reasons just described, transloading is not a feasible option for Owens.

We welcome the opportunity to compete in a free marketplace, but increases in cost of this magnitude make it very difficult meet the increasingly competitive environment including imports form China.

The presence of CSXT as a rail alternative also serves another significant purpose for our facility. While we generally only receive shipments of limestone from CSXT at the moment, we also move a significant number of additional carloads into this facility. We received approximately 877 cars via NS-Pickens in 2004, approximately 1,008 cars in 2005, and are on target for approximately 1000 cars in 2006. If CSXT sought to expand its business, at least some of this traffic could move from Pickens' line over the Subject Line. CSXT sets the rates for this traffic, and (unlike the limestone received via CSXT) not all of the traffic is captive to NS. Our suggestion to CSXT would be not to abandon the Subject Line, but engage in better marketing efforts for the traffic.

The Board also should not permit this abandonment to go forward under the expedited proceeding of an exemption. The Board has held that exemption proceedings are appropriate only where the abandonment is unopposed and revenue clearly marginal. Neither is true here. The Line is profitable, and a significant amount of the traffic that makes it so is the traffic of Owens Corning. There are also a number of other shippers on served by the Line, and conversations with them indicate that they also will suffer serious harm to their respective businesses if the Line is abandoned. Upon the close scrutiny that this matter demands, the Board will see that CSXT's petition should be denied.

Carrier Relations Leader

The undersigned does hereby certify that the protest letter of Owens Corning, Finance Docket No. AB-55 (Sub-No. 664X) was served by U.S. mail on June 7, 2006 upon the following individual:

Louis E. Gitomer Attorney at Law 118 Sunnymeadow Lane Reisterstown, MD 21136

Troy W. Garris, Esq.

Weiner Brodsky Sidman Kider PC 1300 19th Street, NW, 5th Floor Washington, DC 20036-1609

(202) 628-2000 (tel)

(202) 628-2011 (fax)

BELTON METAL CO.

BMC

RO. Drawer 158 . Selton, SC 29827

RECYCLING BROKERS PROCESSORS CONSULTANTS Telephone: (864) \$36-7420 Fax: (864) \$38-7447 E-MAIL bretal@carol.net

Surface Transportation Board 1925 K Street N.W. Washington, DC 20423-0001

June 6, 2006

Reference: STB Docket No. AB-55 (Sub-No. 664X)

TO WHOM IT MAY CONCERN:

We are a scrap metal recycling facility located at 375 Sherrard Road in Belton, S.C.. CSXT Transportation is the provider of our railroad transportation. CSXT has applied for abandonment of the track that services our spur or side track. This proposed abandonment is detrimental to the future of our business and growth of our community. Even though over the last several years our rail shipments have been minimal in comparison to previous years, part of the decline has been the availability of railcars and the willingness to pull the railcars after being released for shipment. The report submitted by CSXT states that due to heavy vegetation and equipment problems at the switch or de-railer their service was interrupted. This is true to some extent however after necessary cleaning or repair had been completed the inspector would neglect to re-inspect for approval for quite some time. Furthermore the railcars that we were able to use during the past 18 months were pulled from a private fleet with the assistance of metal brokers and consumers due to the fact that CSXT could not follow up on railcar orders for loading purposes. All empty railcars available seemed to be assigned to Carolina's Recycling Group, our direct competition. The railcars we are able to utilize are provided to Belton Metal at a large expense, but at less cost than diverting all shipments to truck.

We employee on average 40 people and recycle aprox. 4000 tons per month and it is very difficult to prepare for continued growth with out the service of a railroad. We have no near connection to NS or other railroad providers. Trucking is a problem due to managing this amount of traffic on our road. We have been in business on this same location since 1966, we have over come many difficulties but this is a major problem for our longevity and the security of our employees. This abandonment will further impair our ability to compete with the other metal recycling company giving them a stronger position in transportation than they have now.

We truly feel that this abandonment could eventually lead to the closing of our business. Not only the reasons outlined but for reasons not yet seen.

In addition to the hardships of placing empty car order's for loading purposes, that almost never was responded to, CSXT Transportation issued to Belton Metal Co. an invoice in the amount of \$ 6,000.00 for what they refer to as Annual Sidetrack Connection Charge. A copy of this invoice is attached. This invoice was received during the time that we were being told the track would be closed or abandoned. But the letter alluded that the \$ 6,000.00 would be due and payable immediately or our service or switch would be discontinued or removed.

We have a sizable investment in our spur and maintenance and all of this will be lost should this track be abandoned

We greatly appreciate your interest in this matter.

Ballard

Respectfully,

James Ballard chief operating officer



500 Water St. J180 Jacksonville, FL 32202 FAX 904-359-3665

Mark A. Gonnette Director Contract Management Property Services

March 10, 2006
When corresponding please refer to Agreement Number: SCL020716

BELTON METAL CO 375 SHERRARD ROAD BELTON, SC 29627

Dear Sir or Madam:

This is in reference to your private sidetrack serving your facility at BELTON, SC, which is connected to a switch connection that is owned and maintained by CSX Transportation, Inc. ("CSXT").

CSXT records from the last year indicate that a total of 9 carloads of freight were tendered or received over this sidetrack during this period. While the degree of use of the Sidetrack is a business decision that is made by your company, please understand that CSXT incurs maintenance expenses and other additional costs in keeping such switch connections in place, regardless of the amount of use.

We think you may want to preserve your rail access since rail services increase the logistics options for your company. However, CSXT cannot continue to bear the expense of keeping the switch to your Sidetrack in place at the current level of use. Accordingly, CSXT has established a policy of requiring that each private sidetrack receive or tender a minimum of twenty-five (25) carloads of freight per year via CSXT linehaul service.

CSXT has an option to cancel the above-referenced private sidetrack agreement and remove the switch connection in accordance with the provisions of that agreement. As an alternative to that cancellation, CSXT is willing to keep the switch connection and agreement in place in exchange for a connection charge to be paid to CSXT on an annual basis. The current connection charge is Six Thousand Dollars (\$6,000) per year and would cover the period from January 1, 2006 to December 31, 2006, CSXT reserves the right to adjust both the minimum carload amount and the amount of the connection charge on a periodic basis, but not more than once a year. CSXT also reserves the right to not offer a connection charge in future years.

I am attaching a connection charge invoice to this letter for the previously indicated period. Obviously, your company does not have to pay this invoice. Should you decline to do so, then CSXT may decide to terminate the agreement in accordance with its provisions. A separate termination notice will be issued if CSXT elects to terminate the agreement.

If you have met the minimum threshold and received this letter in error or if you are currently leasing the facility served by the rail turnout please inform us, as the owner may want to preserve rail access and pay the connection charge. Should you have any other questions, please feel free to contact Gloria Mannon at 904-359-3718 or Gloria_Mannon@esx.com.

PAGE 04

3/10/06

SCL020716

CSXT hopes that you will continue the option to tender and receive rail freight service at this location by payment of the connection charge. Should you elect to do so, please be sure that the connection charge payment is received by CSXT no later than thirty (30) days from the date of this letter. Please remember that no connection charge will be assessed in future years when the minimum carload number is met or exceeded.

Mark a Gennette

Mark A. Gennette

Cc: Billing Clork, Jacksonville, Fl J180 - Please update billing to reflect the connection fee with the offective date of 4/9/06.

Imaging Group, Jacksonville, FL J180 - Incorporate into scanned file.

Archivist, Jacksonville, FL 1440 - Incorporate with archive file.



CSX Federal ID No. CSX Canadian ID No. ; 54-6000720 :1022382868

Page 1 of 1 INVOICE

Bill No: Bill Date : Dou Date:

799BELTO 03/10/2006 Upon Receipt

BELTON METAL CO 375 SHERRARD ROAD BELTON, SC

Payment may be made in one of the following ways: Mail your check, along with the bottom portion of your bill to the address indicated on the bit. Call (904) 359-3718 to sulturize payment by credit card or to have future payments automatically withdrawn from your checking account via Eleutric Funds Transfer (EFT)

Description of Charges

Contract #	Contract Date	Location	Description	Billing Period	- Rontal
	July 10, 1975	BELTON, SC	ST CONNECTION CHAR	GE 1/1/2006 Through 12/31/2006	6000/00
Annual Sidermak Connection Charge					

Invoice Total

\$6,000.00

Detach Here and Return with Payment

Remit To: CSX Transponation P.O. Box 116628 Atlanta, GA 30368-6628 Please direct correspondence to: CSX Transportation

c/o Property Services 500 Water St. J180

Jacksonville, FL 32202-4423

Due Date Amount Due UPON RECEIPT \$6,000.00

Bill No. 799BELTO

If you have any questions concerning this involce or if you need to correct your name or address, please contact Catherine Adxins at 904-359-7413 or Catherine_Adkins@csx.com

Post due bille are subject to a \$25 00 scholalstrative and handling fee plus interest at the rate allowable by law. In order to avoid these fees, payment must reach us by the due date. Please allow 7-10 days for postal delivery.

The undersigned does hereby certify that the protest letter of Belton Metal Co., Finance Docket No. AB-55 (Sub-No. 664X) was served by U.S. mail on June 7, 2006 upon the following individual:

Louis E. Gitomer Attorney at Law 118 Sunnymeadow Lane Reisterstown, MD 21136

Troy W. Garris, Esq.

Weiner Brodsky Sidman Kider PC 1300 19th Street, NW, 5th Floor Washington, DC 20036-1609

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