

NATIONAL RAILROAD PASSENGER CORPORATION

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Alex Kummant
 President and Chief Executive Officer

August 14, 2008

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Ms Anne K. Quinlan
 Acting Secretary
 Surface Transportation Board
 395 E Street, SW
 Washington, DC 20423

Re Finance Docket No 35147, *Norfolk Southern Ry., Pan Am Railways, et al – Joint Control and Operating/Pooling Agreements – Pan Am Southern LLC*

Dear Ms. Quinlan

I am writing to express Amtrak's support for the application by Pan Am Railways (Pan Am) and Norfolk Southern Railway (NS) to create and control a new joint venture railroad, Pan Am Southern.

As I describe below, Amtrak has significant relationships with both NS and Pan Am. While we do not currently operate over the Pan Am rail lines that will be conveyed to Pan Am Southern, this proceeding is important to us for a number of reasons. Our dealings with NS and Pan Am over the past few years, and the rail infrastructure investments that will result from approval of their application, lead us to believe that the joint venture is good news for both passenger and freight rail in southern New England, and warrants the Board's approval.

NS is the largest freight operator on the Amtrak-owned Northeast Corridor ("NEC"). In the nine years since NS acquired freight rights between New York and Washington from Conrail, it has been a strong partner in efforts to improve freight and passenger rail service and infrastructure along the NEC. NS has had considerable success in reversing the long contraction of NEC freight rail traffic and facilities, as evidenced by its recent rebuilding of a long abandoned freight yard along the NEC at Trainer, Pennsylvania. NS has also developed proactive, mutually beneficial, relationships with states and passenger rail partners. One example is the innovative public-private partnership between NS and the state of Delaware that has led to the reopening of the Shellpot Bridge freight bypass route around Amtrak's busy Wilmington, Delaware, station.

Amtrak's Boston to Portland, Maine, *Downeaster* service, which operates over Pan Am, will celebrate its seventh anniversary this year. The *Downeaster* has been a resounding success. Ridership has increased by 79% in just the past three years. Pan Am has played a significant role in that success. Pan Am's dispatching has been a key contributor to the *Downeaster's* on-time performance, which in most years has been among the highest of any Amtrak route. Agreements between Pan Am and the Northern New England Passenger Rail Authority (NNEPRA), Amtrak's state partner, led to reductions in running time and the addition of a fifth round trip last year. Pan Am and NNEPRA are also working together to extend the *Downeaster* service from Portland to Brunswick, Maine.



If the application is approved, the joint venture will acquire Pan Am's freight trackage rights over Amtrak's Springfield Line between Springfield, Massachusetts, and New Haven, Connecticut. Pan Am currently uses these rights to connect its Waterbury Branch, a Connecticut line that is isolated from the remainder of Pan Am's system, with its east-west "Patriot Corridor" line at East Deerfield, Massachusetts. A significant portion of NS's financial contribution to the joint venture will be used to fund track improvements on the Patriot Corridor, which the joint venture will also acquire.

This proceeding is also very important to future intercity passenger rail service in Massachusetts and Vermont. For a number of years, the state of Vermont, with Amtrak's support, has pursued plans for the initiation of state-supported Amtrak service from Albany, New York, to Bennington and Rutland, Vermont. This service would utilize the Patriot Corridor line between Mechanicville, New York, and Hoosick Junction, New York. In preparation for this service, significant federal and state investments have been made in the Vermont-owned portion of the route between Hoosick Junction and Rutland. The investments in the Patriot Corridor between Mechanicville and Hoosick Junction that will result from approval of the joint venture application would facilitate future passenger rail service to Rutland via that line.

The joint venture will also acquire Pan Am's Connecticut River Line from Springfield to East Northfield, Massachusetts. The Pioneer Valley Transit Authority is currently working with the Massachusetts Executive Office of Transportation and the Vermont Agency of Transportation on a federally-funded study of the restoration of passenger rail service over this line. For a number of reasons, including a large student population market and linkage to the NEC, Amtrak believes that passenger rail service on the Connecticut River Line has great potential and could produce significant public benefits. We view the conveyance of that line to the joint venture, with its enhanced financial resources, as a positive development in efforts to restore passenger service.

The creation of Pan Am Southern will result in significant additional investments in rail infrastructure, and enhanced prospects for both passenger and freight rail service, in southern New England. With highways gridlocked, oil prices at unprecedented levels, and an urgent need to reduce greenhouse gas emissions associated with transportation, the importance of increasing the volume of passenger and freight traffic that moves by rail has never been greater. Amtrak urges the Board to approve the pending application.

Sincerely,

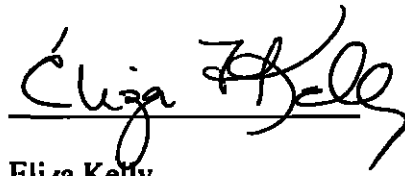
A handwritten signature in black ink, appearing to read "Alex Kummant", written over a horizontal line.

Alex Kummant
President and Chief Executive Officer

cc Charles D Nottingham, Chairman
Francis P Mulvey, Vice Chairman
W Douglas Buttrey, Board Member
All Parties of Record

CERTIFICATE OF SERVICE

I hereby certify that I have caused copies of the foregoing letter of Alex Kummant, President and Chief Executive Officer of the National Railroad Passenger Corporation ("Amtrak"), to be served upon all parties of record in STB Finance Docket No 35147 this 14th day of August, 2008 by first class mail, postage prepaid. The foregoing letter is the only filing made to date by Amtrak in this proceeding.

A handwritten signature in black ink, appearing to read "Eliza Kelly", written over a horizontal line.

Eliza Kelly
Legal Assistant
National Railroad Passenger
Corporation