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BALL JANIK LLP

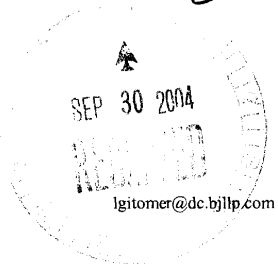
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September 30, 2004

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SEP 30 2004

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Public Record

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 700
Washington, D. C. 20423

RE: Finance Docket No. 34495, *Buckingham Branch Railroad Company-Lease-
CSX Transportation, Inc.*

Dear Secretary Williams:

Enclosed are the original and 10 copies of the Response of Buckingham Branch Railroad Company and CSX Transportation, Inc. to the Request for Oral Argument and three computer diskettes in containing the Response and Motion.

Please time and date stamp the additional copy of this letter and the Response and return them with our messenger. Thank you for your assistance.

If you have any questions please call or email me.

Sincerely yours

Louis E. Gitomer
Attorney for: CSX Transportation, Inc.

Enclosures

ORIGINAL

BBRR-10/CSXT-9

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 34495

BUCKINGHAM BRANCH RAILROAD COMPANY—LEASE—
CSX TRANSPORTATION, INC.

RESPONSE OF BUCKINGHAM BRANCH RAILROAD COMPANY AND
CSX TRANSPORTATION, INC. TO REQUEST FOR ORAL ARGUMENT

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Counsel for Buckingham Branch Railroad
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Dated: September 30, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

SEP 30 2004

Finance Docket No. 34495

BUCKINGHAM BRANCH RAILROAD COMPANY—LEASE—
CSX TRANSPORTATION, INC.

RESPONSE OF BUCKINGHAM BRANCH RAILROAD COMPANY AND
CSX TRANSPORTATION, INC. TO REQUEST FOR ORAL ARGUMENT

Buckingham Branch Railroad, Inc. ("BB") and CSX Transportation, Inc. ("CSXT"), jointly referred to as "Applicants," respectfully request leave to respond to the Request for Oral Argument filed by the Brotherhood of Maintenance of Way Employees ("BMWE") on September 29, 2004.

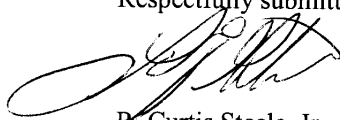
Applicants disagree with BMWE as to the need for oral argument and the issues that BMWE considers relevant. All of the issues, both legal and factual before the Surface Transportation Board (the "Board") have been fully addressed in the pleadings of the parties. The tenor of BMWE's Request is to improperly sur-reply to the rebuttal Applicants filed on September 23, 2004, not to argue the relevant issues.

BMWE raises issues that are not even relevant to the lease application filed with the Board under 49 U.S.C. § 11323 in this proceeding. Section 11324(d) provides the standards that govern the Board in this proceeding. Therefore, the issue before the Board is whether: (1) as a result of the transaction, there is likely to be substantial lessening of competition, creation of a monopoly, or restraint of trade in freight surface transportation in any region of the United States; and (2) that the anticompetitive effects of the transaction outweigh the public

interest in meeting significant transportation needs. It is Applicants' position that the statute, 49 U.S.C. § 11324(d) requires the Board to approve the lease application absent the competitive harm discussed above, and that no party to this proceeding has demonstrated any competitive harm arising as the result of the proposed lease. Moreover, the Board has limited jurisdiction over the purported safety issues that BMW seeks to make the center piece of this proceeding. *See, e.g. Canadian Pac. Ry. v. STB*, 193 F.3d 1165 (D.C. Cir. 1999).

In the event that the Board determines that there is a need for oral argument, Applicants respectfully propose that the Board schedule oral argument for the week of October 12, 2004 at a convenient time for the Board, at the offices of the Board. If oral argument is held, Applicants believe that they require only 20 minutes of argument time, but request that they be given as much time for argument as the cumulative argument time provided to all other parties participating in the argument.

Respectfully submitted,



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Counsel for Buckingham Branch Railroad
Company

Dated: September 30, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing document to be served upon the following parties by first class mail pre-paid.

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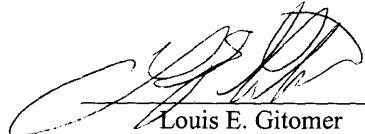
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September 30, 2004