

ENTERED
Office of Proceedings

JUL 27 2007

Part of
Public Record

July 26, 2007

Via Hand Delivery

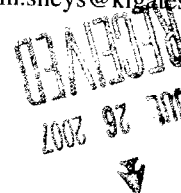
Honorable Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Kevin M. Sheys

202.778.9290

Fax: 202.778.9100

kevin.sheys@klgates.com



**RE: Finance Docket No. 35019
Western New York & Pennsylvania Railroad, LLC
-- Lease and Operation Exemption --
Certain Assets of Norfolk Southern Railway Company and
Chautauqua, Cattaraugus, Allegany and Steuben Southern
Tier Extension Railroad Authority**

Dear Secretary Williams:

This letter is a reply to the Petition To Remove Proceeding For Disposition By The Board Or A Member, filed yesterday in the above referenced docket by Samuel J. Nasca on behalf of the United Transportation Union-New York State Legislative Board ("UTU-NY").

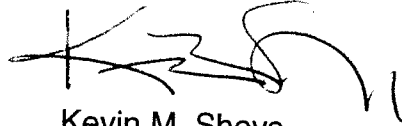
Although Western New York & Pennsylvania Railroad, LLC ("WNY&P") is not responding to all the assertions in the Petition, some of which may be erroneous, WNY&P observes that the delay in receipt of the Lease is of UTU-NY's own making. Before filing its Motion for a Protective Order on July 17, WNY&P asked UTU-NY whether it would join in the Motion. UTU-NY declined to do so, even though it now indicates that it does not oppose the Motion. If UTU-NY had joined in the Motion, the Board would have known then that there would be no opposition and could have granted the Motion by now. Instead, the Board learned only in yesterday's filing that UTU-NY does not oppose the Motion. In fact, as early as June 22, WNY&P offered to provide the Lease to UTU-NY under the terms of a jointly-sought Protective Order, but UTU-NY declined.

Moreover, there is no stay in place in this proceeding and there would be no justification for extending the effective date of the exemption beyond August 3, 2007.

Honorable Vernon A. Williams
July 26, 2007
Page 2

Please acknowledge receipt of this letter by file-stamping the attached extra copy and returning it to me.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'KMS' with a stylized flourish at the end.

Kevin M. Sheys
**Attorney for Western New York &
Pennsylvania Railroad, LLC**

Cc: Gordon McDougall (via hand delivery)