



November 14, 2002



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

Re: STB Docket No. AB-565 (Sub-No. 11x)
STB Docket No. AB-55 (Sub-No. 617x)

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206653

Dear Sir or Madam:

ENTERED
Office of Proceedings

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Part of
Public Record

This letter responds to the New York Central Lines, LLC Abandonment Exemption CSX Transportation, Inc. Discontinuance of Service in Lake County, Ohio. In the Petition for Exemption, New York Central Lines, LLC and CSX Transportation, Inc. (the "Railroads") state that Carmeuse North America has acquired the former LTV lime facility. In fact, Carmeuse has not acquired the facility but is leasing the facility. The lease with ISG (the owner of the property) is a month-to-month lease. Carmeuse hopes to ultimately purchase the property or to enter into a long-term lease. At this point, its future use of the property is uncertain. Its future plans should become more clear within the next couple of months.

The Railroad claims that it does not appear that Carmeuse intends to use direct rail service for the transportation of lime. This statement is an incomplete and misleading statement of the facts. Carmeuse has made it very clear to the Railroads that it is considering shipping coal to the facility by rail car (assuming that it is able to negotiate a transaction with ISG). Presently, coal is delivered by truck. Having coal shipped by railcar directly to the facility could result in a tremendous cost savings to Carmeuse. Carmeuse estimates that it will purchase in excess of 100,000 tons of coal per year. In addition, Carmeuse is considering its options with respect to shipping lime by rail. If the track is abandoned, neither Carmeuse nor any successor will be able to do so.

The Railroads assert that "Carmeuse has not chosen to ship any lime by rail to date and Carmeuse has been unwilling to make any type of commitment to ship any set level of lime by rail in the future." Petition, page 7. While this statement is true, it fails to disclose the fact that Carmeuse has expressed an interest in using the track. As the Railroads note, Carmeuse has only "recently reopened the facility". Carmeuse needs a reasonable amount of time to assess its transportation needs. The Railroads cannot reasonably expect a firm commitment to ship lime at this early date. As noted above, Carmeuse has expressed an interest in shipping coal by rail to

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the facility as well as shipping lime from the facility. Carmeuse is only asking that the Railroads give it a reasonable amount of time to assess its options.

Notably, if Carmeuse is unable to consummate a purchase or a long-term lease, the availability of the track in question would be very attractive to the ultimate operator (whether it be ISG or a third party).

According to the Railroad's, the cost of maintaining the track is approximately \$23,000 per year. The use of the track by Carmeuse or its successor could clearly generate sufficient revenue to CSX to cover the modest cost of maintaining the track. An exemption from the abandonment process is not warranted. Carmeuse has tried to address the issues directly with CSX in a business manner. Carmeuse is not sure why CSX appears to be so determined to close down the track. Notably, both the County Planning Commission and the Village of Grand River oppose the abandonment.

If you have any questions or comments regarding the position of Carmeuse Lime, please give me a call.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Kevin J. Whyte', written over a horizontal line.

Kevin J. Whyte
General Counsel & V.P.
Carmeuse Lime, Inc.

cc: Natalie S. Rosenberg
Jim Brennan
Joe Wojciechowski