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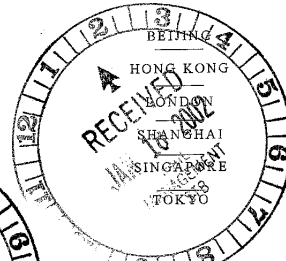
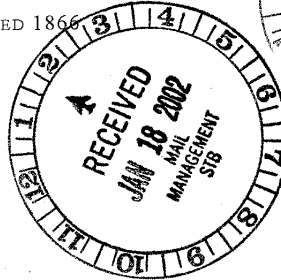
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PUBLIC VERSION

January 18, 2002

Hand Delivered - Original and 10 Copies

Tim Strafford
Office of Proceedings
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: Finance Docket No. 33928: Norfolk Southern Corporation and Norfolk Southern Company - Construction and Operation - In Indiana County, Pennsylvania

Dear Mr. Strafford:

In response to your request for supplementation of Exhibit A to the December 27, 2001 Application for Construction and Operation ("Application") submitted by Norfolk Southern Corporation and Norfolk Southern Company ("Norfolk Southern") in the above-referenced docket, I am submitting additional documentation of the capital budget approved by Norfolk Southern for the construction of the proposed "Keystone Project" between Saltsburg, Pennsylvania and Shelocta, Pennsylvania. As described in the Application, the Keystone Project, also referred to as the "Keystone Buildout", includes the new construction by Norfolk Southern of the "Saltsburg Connection" as well as rehabilitation of the out-of-service "Clarksburg Segment" and modification of the existing "Keystone Connection".

In addition to the document previously submitted at Exhibit A to the Application entitled "Adoption of 1999 Capital Improvement Budget for Norfolk Southern Corporation", which indicates the sum of approximately \$938.1 million authorized in 1999 by the Board of Directors of Norfolk Southern Corporation for new capital expenditures, the following documents should be added to Exhibit A:

ENTERED
Office of the Secretary
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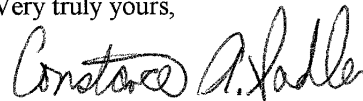
- the portion of the "Norfolk Southern Corporation 1999 Capital Budget" which shows the sum of \$[] included in the 1999 Capital Budget for the Keystone Buildout project (with 1999 capital of \$[]);
- the document entitled "Adoption of 2002 Capital Improvement Budget for Norfolk Southern Corporation" which indicates the sum of approximately \$688.9 million authorized by the Board of Directors of Norfolk Southern Corporation for new capital expenditures; and
- the portion of the "Norfolk Southern Corporation 2002 Capital Budget" which shows the sum of \$[] included in the 2002 Capital Budget for the Keystone Buildout project (with 2002 capital of \$[]).

As of December 31, 2001, Norfolk Southern estimates that expenditures for the Keystone Project have totaled approximately \$3,800,000. Thus the sum of \$[] included in the 2002 capital budget provides the remaining funding for the Keystone Project.

I have enclosed copies of these three additional documents for inclusion in a revised Exhibit A to the Application with both a "Highly Confidential Version – Subject to Protective Order" and a "Public Version". Copies of the revised Exhibit A and this letter are also being served today on the service list for the Application in Docket No. 33928. Please let me know if any other information is needed.

Thank you for your assistance.

Very truly yours,



Constance A. Sadler

cc: The Honorable Vernon A. Williams
Victoria J. Rutson, Esq.
Phillis Johnson-Ball

cc: Service List (Public Version only)

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EXHIBIT A (REVISED)

NSC BOARD OF DIRECTORS RESOLUTION AUTHORIZING THE PROPOSAL

ADOPTION OF 1999 CAPITAL
IMPROVEMENT BUDGET FOR
NORFOLK SOUTHERN CORPORATION.

RESOLVED, that a Capital
Improvement Budget for 1999,
including approximately \$938.1

million of new capital expenditure authority for the Corporation
and its consolidated subsidiaries, in the form presented to the
Board and directed to be filed with the Corporate Secretary,
hereby is approved and adopted; and that reports shall be made to
the Board every three months of (1) the expenditures during the
preceding three months on all line item projects and on all
categories of aggregated projects, (2) the estimated final cost
of every uncompleted line item project and every uncompleted
category of aggregated projects when it becomes evident that such
final cost will exceed the estimated cost by 10%, and (3) the
final cost of every line item project and every category of
aggregated projects completed during the preceding three months
where such final cost exceeded the estimated cost by 10%.

HOUFOLK SOUTHERN CORPORATION

1999 CAPITAL BUDGET

	TOTAL CAPITAL	TOTAL OPT EXPENSE	1999 CAPITAL	1999 OPT EXPENSE	NET PRESENT VALUE	IRR	OTHER PURPOSE
4 - OTHER TRACK CHANGES							
ENGINEERING							
TRANSPORTATION							
COAL MARKETING							
INTERMODAL MARKETING							
CATEGORY 4 TOTAL							

4 - OTHER TRACK CHANGES

ENGINEERING

ENGINEERING TOTAL

TRANSPORTATION

TRANSPORTATION TOTAL

COAL MARKETING

241 REYSTONE BUILDOUT

BALTIMORE-SHELOCTA, PA

COAL MARKETING TOTAL

INTERMODAL MARKETING

INTERMODAL MARKETING TOTAL

CATEGORY 4 TOTAL

12/15/98

November 20, 2001

ADOPTION OF 2002 CAPITAL
IMPROVEMENT BUDGET FOR
NORFOLK SOUTHERN
CORPORATION.

RESOLVED, that a Capital
Improvement Budget for 2002,
including approximately

\$688.9 million of new capital expenditure authority for the Corporation and its consolidated subsidiaries, in the form presented to the Board and directed to be filed with the Corporate Secretary, hereby is approved and adopted; and that reports shall be made to the Board every three months of (1) the expenditures during the preceding three months on all budget categories, (2) the estimated final cost of every uncompleted line item project and every uncompleted category of aggregated projects when it becomes evident that such final cost will exceed the estimated cost by 10%, and (3) the final cost of every line item project and every category of aggregated projects completed during the preceding three months where such final cost actually exceeds the estimated cost by 10%.

NORFOLK NORTHERN CORPORATION

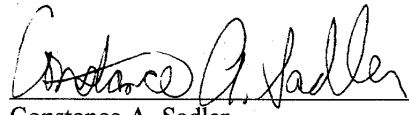
2002 CAPITAL BUDGET

4 - OTHER TRACK CHARGES	2002		2002		2002		2002		NET PRESENT VALUE	OTHER PURPOSE
	TOTAL CAPITAL	TOTAL OPT EXPENSE	TOTAL CAPITAL	TOTAL OPT EXPENSE	TOTAL CAPITAL	TOTAL OPT EXPENSE	TOTAL CAPITAL	TOTAL OPT EXPENSE		
STRATEGIC PLANNING										
STRATEGIC PLANNING TOTAL										
ENGINEERING										
ENGINEERING TOTAL										
TRANSPORTATION										
TRANSPORTATION TOTAL										
COAL MARKETING										
KEYSTONE BUILDOUT										
COAL MARKETING TOTAL										
PROPERTIES										
PROPERTIES TOTAL										

COMMITMENT

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of January, 2002, I have caused to be served a true and correct copy of the foregoing Exhibit A (Revised) to the "Norfolk Southern Corporation and Norfolk Southern Railway Company - Construction and Operation - In Indiana County, PA Application" filed on December 27, 2001 in Docket No. 33928 to the persons on the attached list by first-class mail or more expedient service.


Constance A. Sadler

Dated: January 18, 2002