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Before the
SURFACE TRANSPORTATION BOARD
Finance Docket No. 34462



MVC TRANSPORTATION, LLC — ACQUISITION EXEMPTION —
P&LE PROPERTIES, INC.

VERIFIED STATEMENT OF ERIC CLOSE

ENTERED
Office of Proceedings

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Part of
Public Record

Filed on behalf of:
ProLine Railroad Track Co.

By:

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VERIFIED STATEMENT OF ERIC CLOSE

ProLine Railroad Track Co. (“ProLine”), by its undersigned counsel, presents this Verified Statement of Eric Close, stating as follows:

1. I am President of ProLine Railroad Track Company. I have personal knowledge of the matters set forth herein.

2. On or about September 2, 2004, CSX Transportation, Inc. (“CSXT”) submitted a letter at the above-captioned docket purportedly setting forth a description of its rail operations at the former McKees Rocks Yard of the defunct Pittsburgh and Lake Erie Railroad Company (“P&LE”). CSXT’s submission presents an incomplete picture of its purported rail operations at the McKees Rocks Yard.

3. As set forth more fully in ProLine’s Petition to Revoke Notice of Exemption, the McKees Rocks Yard is a parcel consisting of approximately 105 acres that was acquired by Allegheny Railroad Properties, Inc. from the bankruptcy estate of P&LE in 1997. A portion of the 105 acre parcel subsequently was sold by Allegheny Railroad Properties, Inc. to William Nieves.

4. CSXT’s statement that its double track main line runs “through the center” of the McKees Rocks Yard is incorrect. As evident on the map of the Yard, a true and correct copy of

which is attached hereto as Exhibit 1 and incorporated by reference as if set forth fully, CSXT's main line passes along the edge of a small portion of the Yard that does not contain any of the track at issue. Moreover, the CSXT main line does not directly connect to the Yard.¹ The portion of the main line that passes through the former McKees Rocks Yard is fully within the parcel sold to Mr. Nieves, which does not contain any railroad track other than the main line.

5. I believe, and therefore aver, that the "classification tracks" nos. 11, 15 and 16 referenced in CSXT's submission do not lie within the 105-acre parcel that constitutes the McKees Rocks Yard. Moreover, CSXT would be required to leave the "CSXT classification tracks" and enter onto the industrial side track owned by ProLine in order to make deliveries within the McKees Rocks Yard.

6. ProLine is the private owner of the industrial side track located within the McKees Rocks Yard, which formerly was operated by P&LE as a switching yard. CSXT does not own, maintain, or provide service over any track within the McKees Rocks Yard, and acknowledges that it would be required to execute sidetrack agreements in order to access the track located within the Yard.

7. Upon information and belief, CSXT acquired its classification track and accompanying yard from P&LE in the early 1990s. P&LE continued to own the McKees Rocks Yard subsequent to P&LE's sale of land and track to CSXT and total cessation of operations as a common carrier railroad subject to Interstate Commerce Commission and, later, Surface Transportation Board regulation, which occurred no later than July 1993.

8. CSXT's assertion that it connects with the Pittsburgh, Allegheny, and McKees Rocks Railroad for the purpose of interchanging traffic to and from shippers in the McKees

¹ I am the custodian of the attached map, which ProLine created and maintained in the ordinary course of its business.

Rocks Industrial Enterprise Park served by that railroad is irrelevant to CSXT's purported rail operations in the McKees Rocks Yard. The McKees Rocks Industrial Enterprise Park is not contained on or within the McKees Rocks Yard, and there is no rail traffic going between the McKees Rocks Industrial Enterprise Park and the McKees Rocks Yard.

9. Similarly, the connection between the McKees Rocks Yard and the Pittsburgh & Ohio Central Railroad Company does not directly affect CSXT's operations. CSXT does not have an agreement for access to the connection. Moreover, as CSXT acknowledges, the connection is not currently in use, and the track that connects the Pittsburgh & Ohio Central Railroad Company to the McKees Rocks Yard is in extremely poor condition and cannot accept a loaded car without substantial risk of derailment. Moreover, the track is curved, and the tight radius prohibits transportation of normally loaded cars.

10. Finally, CSXT's assertion that it adopted McKees Rocks, Pennsylvania as a station on CSXT has no bearing on the operations of the McKees Rocks Yard. CSXT's McKees Rocks, Pennsylvania, station is not within the McKees Rocks Yard.

Respectfully submitted,

FOX ROTHSCHILD, LLP



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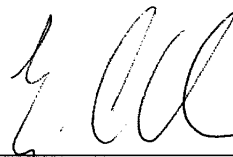
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Counsel for ProLine Railroad Track Co.

Dated: October 18, 2004

VERIFICATION

I, Eric Close, declare under penalty of perjury that the foregoing is true and correct.
Further, I certify that I am qualified and authorized to file this pleading. Executed on October
18, 2004.

A handwritten signature in black ink, appearing to read 'E. Close', written over a horizontal line.

Eric Close
ProLine Railroad Track Co.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Verified Statement of Eric Close was served upon the following by first class United State mail, postage prepaid, on this 18th day of October, 2004:

MVC Transportation, LLC
98 Glenbury Street
Pittsburgh, PA 15234

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A handwritten signature in cursive script, appearing to read "Patrick C. Coleman", written over a horizontal line.

MAP TO BE
SCANNED
LATER