

RICHARD E. NEAL
FIRST DISTRICT, MASSACHUSETTS



Congress of the United States
House of Representatives
Washington, DC 20515

July 9, 2021

CHAIRMAN
COMMITTEE ON WAYS AND MEANS
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Office of Proceedings
July 12, 2021
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Mrs. Cynthia T. Brown
Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
Washington DC, 20423-001

Re. FD 36472: CSX Corporation and CSX Transportation, Inc.—Control and Merger —Pan-Am Systems Inc.

Dear Mrs. Brown,

I write in strong opposition to CSX Transportation's purchase of Pan-Am Railways. The acquisition of Pan-Am Railways by CSX Transportation will significantly impact a number of regional interests not only in the First District of Massachusetts, but throughout the New England region. Therefore, it is of the utmost importance that the resulting implications of this purchase be taken into account.

In Massachusetts, the proposed merger would greatly affect transit activity in local communities, including significant impacts on the T-System in the Greater Boston area, as well as the MassDOT section of the Knowledge Corridor between Springfield and East Northfield. MassDOT has made substantial investments on this line and its passenger service, services that my constituents frequent throughout the year. With a new operator overseeing the Knowledge Corridor, the threat of compromised services and a decrease in spending to maintain and improve the line is daunting.

In addition, the environmental impact of this merger must also be taken into consideration. Most notably, with the procurement of Pan-Am Railways, CSX Transportation will increase operations over the Wachusett Reservoir. As the second largest body of water in the state, the reservoir serves as just one of three unfiltered sources of high-quality water for the Massachusetts Water Resources Authority water supply system. With an increase in activity over the reservoir, air pollutants serve as a major threat to this fresh water supply.

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With the purchase of Pan-Am Railways, CSX will not only be expanding its operations across Massachusetts, Connecticut, and New York, it will also begin operating in Maine, New Hampshire, and Vermont, adding three states to its existing 23-state network, and further expanding its influence in the New England region. As the Biden Administration seeks to make historic investments in our nation's infrastructure, ensuring fair competition that enables further development of passenger rail and expansion opportunities is a critical aspect of our efforts to grow and expand regional economies.

As Representative of the First District, I have expressed a number of concerns with CSX Transportation relative to rail operations in my district and throughout the region. Unfortunately, CSX has been unresponsive to my many requests, something that is of grave concern to me as they seek to expand operations in my district. As a potential driver of economic growth and regional sustainability, I had hoped that CSX would seek to cooperate with regional officials, stakeholders, and residents to address such concerns and ensure frequent and reliable rail services throughout the area. However, CSX has failed to live up to this responsibility.

Considering the repercussions that would result from CSX Transportation's purchase of Pan-Am Railways and its impact on my district, along with my previous experience in attempting to work with CSX, I believe it is in the best interest of the greater New England region to oppose this acquisition.

Thank you for your attention to this matter. Please do not hesitate to contact my office with any further questions.

Sincerely,

A handwritten signature in blue ink, reading "Richard E. Neal". The signature is fluid and cursive, with the first name "Richard" being more prominent and the last name "Neal" following in a similar style.

Richard E. Neal
Chairman
House Ways and Means Committee

REN/jc