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November 19, 2007

By Courier

Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20005

220732



Re Docket Nos. NOR 42099, 42100, 42101. *E.I. du Pont de Nemours and Company v. CSX Transportation, Inc.*

Dear Secretary Williams

Please find enclosed for filing in the above-referenced matters the originals and ten (10) copies of CSX Transportation, Inc.'s Answers to E.I. du Pont de Nemours and Company's Complaints. Also enclosed is a disk containing electronic copies of each of the three Answers. We have also enclosed, on separate compact discs for each docket, CSXT's preliminary estimate of the variable cost of each challenged movement in these cases, as required by the Board's September 5, 2007 decision in Ex Parte 646 (Sub-No. 1), *Simplified Standards for Rail Rate Cases*.

If you have any questions, please contact the undersigned counsel.

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Per
Public Record

Sincerely,

Paul A. Phemmersbaugh

Counsel to CSX Transportation, Inc.



Vernon A. Williams
November 19, 2007
Page 2

Enclosures

cc: Nicholas J. DiMichael
Jeffrey O. Moreno

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BEFORE THE
SURFACE TRANSPORTATION BOARD



E.I. DUPONT DE NEMOURS AND COMPANY)

Complainant.)

v.)

CSX TRANSPORTATION, INC)

Defendant.)

Docket No. 42099

220732

ANSWER TO FIRST AMENDED COMPLAINT

Pursuant to 49 C.F.R. § 1111.4 and other applicable law and authority, Defendant CSX Transportation, Inc. ("CSXT") respectfully submits this Answer to the First Amended Complaint filed by Complainant E.I. du Pont de Nemours and Company ("DuPont") in STB Docket No. 42099 on October 30, 2007 ("First Amended Complaint")

In response to the unnumbered paragraph on page 1 of the First Amended Complaint, CSXT denies that DuPont has paid or will pay common carrier rates in excess of a reasonable maximum rate for CSXT's transportation of the movements set forth in the First Amended Complaint (the "issue movements"), and denies that DuPont is entitled to any of the relief it seeks in this proceeding. CSXT denies that the Surface Transportation Board (the "STB" or "Board") has jurisdiction over the challenged rates under the authorities cited by DuPont. CSXT denies that this proceeding should be evaluated under the Three-Benchmark approach adopted in STB Ex Parte No. 646 (Sub-No. 1), *Simplified Standards for Rail Rate Cases* (served Sept. 5, 2007). The remainder of this unnumbered paragraph consists of a characterization of the First Amended Complaint, as to which no response is required. To the extent that any such response is required, CSXT denies the remaining allegations of this paragraph.

With respect to the numbered paragraphs of the First Amended Complaint, CSXT responds as follows:

1 CSXT lacks sufficient information to admit or deny the allegations of Paragraph 1 of the First Amended Complaint

2 CSXT admits the first and second sentences of Paragraph 2 of the First Amended Complaint CSXT admits that it is generally subject to Subtitle IV of Title 49 of the United States Code, and to the jurisdiction of the Board. CSXT denies that the challenged rates are subject to the Board's jurisdiction.

3. CSXT admits the allegations of Paragraph 3 of the First Amended Complaint

4 CSXT admits the allegations of Paragraph 4 of the First Amended Complaint.

5. CSXT admits the allegations of Paragraph 5 of the First Amended Complaint

6 CSXT denies that the issue movements travel the number of "loaded miles" alleged in Paragraph 6 of the First Amended Complaint CSXT admits the remaining allegations of Paragraph 6 of the First Amended Complaint

7. CSXT denies the allegations of Paragraph 7 of the First Amended Complaint.

8. CSXT denies the allegations of Paragraph 8 of the First Amended Complaint

9 CSXT denies that the challenged rates are common carrier rates. CSXT admits that the levels of the contract rates DuPont has challenged are approximately as stated in Paragraph 9 of the First Amended Complaint.

10. CSXT admits the first two sentences of Paragraph 10 of the First Amended Complaint. CSXT denies the remaining allegations of Paragraph 10 of the First Amended Complaint.

11 CSXT denies the allegations of Paragraph 11 of the First Amended Complaint

12. CSXT denies the allegations of Paragraph 12 of the First Amended Complaint CSXT responds that DuPont's estimates of the variable costs and the revenue to variable cost ("R/VC") ratio for the issue movements are incorrect, and CSXT submits accurate estimates with this Answer

13 CSXT denies the allegations of Paragraph 13 of the First Amended Complaint

14 The first sentence of Paragraph 14 of the First Amended Complaint is ambiguous and is therefore denied. CSXT avers that Wyandotte and Heyden are served by multiple rail carriers, which provide effective rail transportation competition for traffic to or from those locations CSXT admits that DuPont appended to the First Amended Complaint a narrative purporting to describe transportation alternatives for the issue movements. CSXT denies the remainder of Paragraph 14 of the First Amended Complaint

15 CSXT denies that the rate relief cap applies separately to each of the issue movements, and denies the remaining allegations of Paragraph 15 of the First Amended Complaint CSXT responds that, to the extent the Board has jurisdiction over the challenged

rates, they may not be considered under the "Three Benchmark" approach. CSXT further responds that, if this rate reasonableness case were considered under the "Three Benchmark" approach, the total relief that DuPont may obtain under the First Amended Complaint would be limited to \$1 million over five years.

16. CSXT admits that the origins and destinations of the issue movements are located in New Jersey, Virginia, West Virginia, North Carolina and Michigan, and admits that some of the issue movements run generally in a north-south direction and others run generally in an east-west direction. CSXT denies the remaining allegations of Paragraph 16 of the First Amended Complaint

17 CSXT denies the allegations of Paragraph 17 of the First Amended Complaint

18. CSXT denies the allegations of Paragraph 18 of the First Amended Complaint

19. CSXT denies the allegations of Paragraph 19 of the First Amended Complaint

20. CSXT denies that the First Amended Complaint should be deemed to include adjustments to the challenged rates, including adjustments to the applicable fuel surcharges and any new rates established by CSXT after the filing date of the First Amended Complaint.

In response to the First Amended Complaint's prayer for relief (at 7), including the clauses numbered 1 through 6, CSXT denies that DuPont is entitled to any of the relief it seeks in this proceeding.

Respectfully submitted.

A handwritten signature in black ink, appearing to read "G. Paul Moates", written over a horizontal line.

G. Paul Moates

Paul A. Hemmertsbaugh

Donald H. Smith

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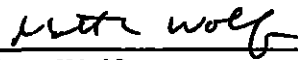
Peter J. Shultz
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Jacksonville, FL 32202

Counsel to CSX Transportation, Inc

Dated November 19, 2007

CERTIFICATE OF SERVICE

I hereby certify that, on the 19th day of November, 2007, I served a copy of the foregoing Answer and Initial Disclosures of CSX Transportation, Inc on all parties of record in this proceeding



Matthew Wolfe