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December 5, 2003

via fax 202-565-9004 - and mail (2 pages)

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

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Office of Proceedings

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Re: STB Docket No. AB-290 (Sub-No. 240X), Norfolk Southern Railway Company -
Abandonment Exemption - In Gaston County, NC

Dear Mr. Williams:

We have been advised that the North Carolina Department of Transportation is not interested in acquiring the subject line. After discussions with the North Carolina Railroad Company, Norfolk Southern Railway Company wishes to advise the Board that NSR commits not to exercise the abandonment exemption which NSR expects to receive from the Board in a decision on NSR's petition for exemption in the subject docket on or about December 9, 2004 for at least 90 days from the earliest possible exercise date in order to engage in further disposition discussions with the North Carolina Railroad Company. We calculate this to be at least 120 days from December 9, 2004 or April 7, 2004.

NSR's commitment to defer consummation of the abandonment will permit NSR to discuss possible disposition of the line either to the North Carolina Railroad Company (NCRR) or, directly or through NCRR, possibly to local government(s) for future passenger rail or interim trail use without concern by those parties that NSR will consummate the abandonment at an early date. (North Carolina Railroad Company, a Class III non-operating railroad company, owns a 317 mile line in North Carolina that is currently operated by Norfolk Southern Railway Company pursuant to a trackage rights agreement. The subject line, however, is owned by NSR and currently not a part of the NCRR line.)

Notwithstanding NSR's commitment to keep the matter open for negotiation for at

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least 4 months and NCRR's interest in discussing further disposition options with NSR, NSR continues to decline to agree to the issuance of a NITU pursuant to the National Trails System Act by the Board at this time. However, since NSR will actively consider the interim trail use option among other options to preserve the line, directly or indirectly, NSR will return to the Board to request that a NITU be issued if an agreement can be reached before the deadline for consummating the abandonment, or such earlier date after April 7, 2004 that NSR may believe that consummation of the abandonment is a necessary, or the better, option.

NSR previously stated it did not object to a 180-day public use condition with respect to the right-of-way as long as track, ties and signals may be salvaged if no public entity expresses interest in acquiring them. NSR still does not object to this condition, and further states that in view of the NCRR's involvement, NSR will not salvage the track, ties and signals until at least April 7, 2004, or for such time within the 180-day period that negotiations for disposition and ownership of the line may continue.

An original and ten copies of this letter will follow by mail.

Very truly yours,


James R. Paschall

cc: via fax (704) 854-6607
as representative of the County, City and Town

Honorable Jennifer T. Stultz, Mayor
City of Gastonia
P. O. Box 1748
Gastonia, NC 28053-1748

cc via e-mail:

Mr. Scott M. Saylor, President
North Carolina Railroad Company
2809 Highwoods Blvd., Suite 100
Raleigh, NC 27604-1640

cc: Ms. S. B. Corey