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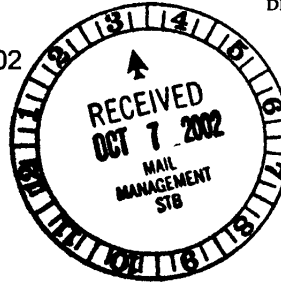
RICHARD A. ALLEN

206343
October 7, 2002

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BY HAND

Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001



Re: *CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreements -- Conrail Inc. and Consolidated Rail Corporation,*
Finance Docket No. 33388 (Sub-No. 90) (Buffalo Rate Study)

Dear Secretary Williams:

I write on behalf of Norfolk Southern Corporation and Norfolk Southern Railway Company to respond briefly to the comments of the U.S. Department of Transportation dated October 2, 2002. DOT was the only party (other than NS and CSX) to file comments in the present round of this proceeding.

As in past rounds, the Department conducted its own independent analysis of the traffic data provided by NS and CSX. DOT found, among other things, that adjusted for inflation, "overall rate levels in Buffalo have actually declined" over the period of the Study. DOT Comments at 10.

NS does not believe it is necessary, and therefore does not intend, to analyze or critique in detail the Department's specific findings. We merely note that NS agrees with the Department's ultimate conclusion that "there is no indication in the record that the acquisition and division of Conrail by CSX and NS have reduced rail competition in the Buffalo area." *Id.* at 11. The results of DOT's study are consistent with NS' view that the Conrail transaction "has not resulted in any overall increase in rail rates in the Buffalo Area and has not created any systemic competitive problem in the Buffalo Area." NS-6 at 9. The full record of this proceeding indicates that no action or

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intervention by the Board is necessary, and NS therefore respectfully requests that the proceeding be concluded as scheduled.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard A. Allen".

Richard A. Allen

cc (by mail): All parties of record