

**State of Ohio Legislature Transportation Task Force
Infrastructure Financing Testimony Addendum #1**

Daniel L. Van Epps
dlveatwif7periodcom
(330) 364-5627
(330) 447-6332 cell

Permanent Address:
PO Box 130262
Ann Arbor, MI 48113-0262

Temporary Address:
710 Gibbs Lane
Dover, OH 44622

11-11-2007

Dear Task Force Members:

During my testimony at your 10-24-2007 hearing, a question arose regarding clarification of my proposal for the US Surface Transportation Board to reverse its decision to split up Conrail's Ft. Wayne Line among Norfolk Southern and CSX. The following is a more thorough analysis of the problem and proposal for that line segment.

The Pittsburgh, Ft. Wayne, and Chicago RR Co. had constructed a rail line between Pittsburgh-Alliance-Lima-Ft. Wayne-Chicago, that was later acquired by the Pennsylvania Railroad Co. and integrated as a significant part of its high capacity, high speed New York-Chicago main line ([R&LH Railroad History #196 S-S-2007 p.27](#)).

As mentioned the US STB (successive regulator to the US Interstate Commerce Commission) split the line in half at Crestline, with the eastern half awarded to Class I-sized Norfolk Southern and the west to Class I CSX. CSX having failed to integrate the segment into its northern US network deferred its maintenance and now net leases it to Class II Chicago, Ft. Wayne & Eastern RR, and that line is single-tracked and 25 MPH at best.

STB however did not award all of Conrail's line segments to either of the two railroads. The article "Managing tight capacity: How today's Conrail adds value for its owners" describes how shared trackage areas are administered by Conrail minority successor Conrail Shared Assets ([Conrail Historical Society V.3 Issue 3 Fall 2007 pp16-18](#)).

As mentioned I believe the full Ft. Wayne Line's administration under one agency once again would restore open access, universal service, and through service to significantly relieve CSX's and NS's consolidated Pittsburgh-Cleveland-Chicago northern Ohio routes, and considerably address the Midwest congestion and capacity crises.

The original Ft. Wayne Line ran from Pittsburgh-Rochester, PA-Alliance-Chicago. NS now uses the line segment between Pittsburgh-Alliance as part of its Pittsburgh-Cleveland main line, which due to the tremendous amount of traffic hosted is not recommended for inclusion in the new Ft. Wayne Line proposal. The sister subsidiary to the PFTW&C was the Cleveland & Pittsburgh RR Co. that also ran from Pittsburgh-Rochester, but then branched along the Ohio River south to Yellow Creek, OH before heading northwest to Alliance and Cleveland. NS uses the Alliance-Cleveland portion of the ex-C&P for its Cleveland Line, which is also not recommended for inclusion.

CSX acquired the Pittsburgh & Lake Erie RR Co. and is using its Pittsburgh-Youngstown main line to augment its own Pittsburgh-Youngstown main line for its Pittsburgh-Youngstown-Chicago route. The ex-P&LE line parallels the Ft. Wayne Line on the opposite side of the Ohio River from Pittsburgh-Rochester. A new connection from the ex-P&LE to the ex-C&P ("Bayard Branch") at the southeast quadrant of the West Bridgewater P&LE overpass indicated by an X could be constructed to provide CSX with direct access to the Ft. Wayne Line via the Rochester-Yellow Creek-Alliance route ([Conrail Conway Map 4-1986](#)) ([Conrail Conway Map 4-1986 zoom view](#)).

Likewise on the west end of the line in Gary, IN locations "CP-446" right of the X at the connection linking the then double-tracked Ft. Wayne Line with the BO (CSX's former Baltimore & Ohio RR Co.) single track portion of their Pittsburgh-Youngstown-Chicago line, and at Clarke Jct. southeast of the X over to CSX's subsidiary BOCT (Baltimore & Ohio Chicago Terminal RR Co.) could be restored if either have been abandoned ([Conrail Gary Map 3-1981](#) Courtesy David Mangold) ([Conrail Gary Map 3-1981 zoom view](#)).

The STB could be petitioned by the host states to reconsider its split-up decision and instead convey the whole line to CSA for its administration. The CSX portion of the line would require significant investments to upgrade it to acceptable operating standards; however with CSX's hedge fund investors increasingly micro-managing its administration, they may be loathe to consider upgrades against pricing power network constraining desires.

Thus the impetus for considering the Ohio Turnpike acquiring the line, financing its improvements with revenue bonds, and administering the line openly accessible to all qualified users.

Again I thank the Task Force for its time and I can be contacted for any questions or clarifications.

Sincerely,

Daniel L. Van Epps