



James R. Van Derzee
Manager Industrial Development
CSX Transportation
1610 Forest Ave., Suite 120
Richmond, VA 23229

October 24, 2010

Mr. Joe Milazzo
Executive Director
Regional Transportation Alliance
PO Box 2978
Raleigh, NC 27602

Subject: Raleigh, NC to Richmond, VA Passenger Rail

Dear Mr. Milazzo:

Freight railroads move approximately 43% of the of the freight-ton miles in the United States, and their role is critical to our economy. Furthermore, demand for rail freight transportation is growing, while availability of rail-served sites is diminishing.

It is often the case that passenger rail service inhibits the ability of freight railroads to grow freight capacity and offer rail-served sites to new industries. However, from my Industrial Development perspective, I do not believe that would be the case with the development of passenger rail service on the proposed route between Raleigh, NC and Richmond, VA.

This project would reactivate 65 miles of railroad between Norlina, NC and Petersburg, VA, creating the potential for new freight service to sites along that route. This could bring significant economic development opportunities to the communities along that route.

In addition, increasing the 25 mph speed restriction along the existing CSX line from Raleigh, NC to Norlina, NC would improve CSX's efficiency in serving that territory.

The expansion of passenger rail can be beneficial to the public, but only if it is developed in a way that does not negatively impact the movement of rail freight. I appreciate your consideration of the freight impact of new passenger rail service, and I am looking forward to assisting you with this.

Sincerely,

A handwritten signature in cursive script that reads "James R. Van Derzee".

James R. Van Derzee