

SURFACE TRANSPORTATION BOARD APPROVES NORFOLK SOUTHERN'S ACQUISITION OF DELAWARE & HUDSON'S SOUTH LINES

The Surface Transportation Board today approved Norfolk Southern Railway Company's (NSR) acquisition of approximately 283 miles of rail line in Pennsylvania and New York from the Delaware & Hudson Railway Company, Inc. (D&H), subject to certain conditions. The lines at issue, known as D&H's South Lines, consist of approximately 267 miles of the main line between Sunbury/Kase, Pa., and Schenectady, N.Y., and approximately 15 miles of the running track between Voorheesville Junction and Delanson, N.Y.

In reaching its decision, the Board found that NSR's acquisition of the South Lines from D&H is not likely to cause a substantial lessening of competition or create a monopoly or restraint of trade. The Board found this to be true, even when taking into account D&H's planned discontinuance of trackage rights that connect to the D&H South Lines, which are the subject of a separate proceeding. The Board concluded that any anticompetitive effects are unlikely and, even if they were to occur, would be far outweighed by the very strong public benefits of the transaction. Such benefits include allowing NSR to provide more reliable, safe, and efficient service for shippers and allowing NSR and rail transportation generally to provide more effective competition with other modes of transportation, such as trucking and barge. The Board issued the approval subject to a number of conditions, including a condition that NSR enter into two voluntary commercial agreements with D&H to preserve certain shippers' access to two carriers (NSR and D&H).

The Board issued its decision today in [Norfolk Southern Railway Company—Acquisition and Operation—Certain Rail Lines of the Delaware and Hudson Railway Company, Inc., FD 35873](#). That decision may be viewed and downloaded at the STB website, www.stb.dot.gov, under "E-LIBRARY / Decisions & Notices / 05 / 15 / 2015".

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