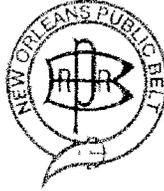


NEW ORLEANS PUBLIC BELT RAILROAD

Jim Bridger
General Manager
896-7410

J. A. Morrow, Jr.
Chief Financial & Mechanical Officer
896-7430



T. F. Lobello, Jr.
Chief Operating Officer
896-7410

A. C. Marinello, Jr.
Chief Engineer
896-7420

August 6, 2008

Richard F. Timmons, President
American Short Line and Regional Railroad Association
50 F Street, N.W., Suite 7020
Washington, D.C. 20001-1564

Dear Mr. Timmons:

The New Orleans Public Belt Railroad is unique in that we interchange daily with all six of the Class 1's. We are in constant communication with all of our Class 1 partners. We have three (3) conference calls a day at 0815, 1515 and 2315 to discuss our operating plan for the entire New Orleans gateway and what affects we will have on each other. We also have a monthly meeting with all of the local Superintendents where we also discuss our individual operations and any changes to our respective T-Plans that may affect how we are doing business with each other. The local guys also keep each other informed about any new business or any sudden influx of business or any diversions that may take place that would possibly alter our daily plans.

The New Orleans Public Belt maintains an average dwell of 15-17 hours on all traffic coming on and off our railroad. We handle approximately 18,000 cars a month. We have recently hired five (5) new switchmen to insure that this goal is met through 2008 and beyond.

Our capital plan is ongoing and we are continuously upgrading our plant to accommodate the ever changing way we are made to do business. We are in the process of completing a three (3) year project of changing our entire Main Line (25 miles) from 90 lb. jointed rail to 115 lb. welded rail. While this upgrade was in process we also changed all of our Main line turnouts from no. 7's and no. 8's to all no. 9's with back saver switches and steel ties. We have also rehabbed our two (2) main switching yards with all new rail and the new back saver switches as well.

4822 Tchoupitoulas Street
(504) 896-7410

(800) 524-3421

New Orleans, Louisiana 70115-1645
Fax (504) 896-7419

In 2009 we will expand our South Bulk Yard which is presently five (5) tracks to a twelve (12) track yard, this will more than double our capacity at this yard. We also have plans to add several tracks in other locations to ensure our switching operations are not impeded by run-through traffic. This will enable us to maintain continuous switching operations while still handling intermediate traffic between all of the Class 1's we serve.

I hope this will give you the information you wanted and if I can be of any further assistance please don't hesitate to call me at 504-896-7410.



Tom Lobello
Chief Operating Officer
New Orleans Public Belt Railroad