



City of Alexandria, Virginia

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William D. Euille
Mayor

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September 24, 2008

Mr. David T. Lawson
Vice President Industrial Products
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510-9217

RE: Ethanol Transloading Operation in City of Alexandria

Dear Mr. Lawson:

The purpose of this letter is to refocus on a number of issues related to the relationship between the City of Alexandria and Norfolk Southern's ethanol transloading terminal at the former Norfolk Southern intermodal facility in Alexandria's West End.

First, I would like to thank you for Norfolk Southern's reimbursement of the City's invoice for purchase of the specialized fire and emergency response equipment necessary for responding to a potential fire or spill of ethanol as it is being transloaded or shipped through our City. While I believe that there may be some additional items for which we have yet to seek reimbursement, I appreciate Norfolk Southern's prompt response to those submitted to date. I also understand that a new gate has been installed, brush cut back to reduce the risk of brush fires; and that a private security firm has been hired to provide security while the facility is closed, including weekends. All of these efforts are appreciated, but still fall short of our expectations regarding Norfolk Southern's response to the City's concerns.

As I stated in my June 5 letter to you, and reiterate now, we remain convinced more than ever that this is not the right location for this kind of operation. Norfolk Southern has intensified the use of the facility, as evidenced by the ever-increasing number of rail cars and tank trucks that enter and exit the facility daily, as well as the increasing number of rail cars storing ethanol on the sight. This intensification is unacceptable. The City and its residents continue to face enhanced public safety risks every day that this facility continues to operate. Norfolk Southern acted irresponsibly in locating this facility in a residential neighborhood near a school, and adjacent to businesses and a Metrorail station that serves hundreds of commuters daily.

"Home Town of George Washington and Robert E. Lee"

Now, we are fielding numerous complaints regarding late night noise associated with the coupling, uncoupling, and movement of the trains. This loud noise is preventing residents in the area from enjoying restful sleep and indicates a lack of courtesy on Norfolk Southern's part. I understand that Norfolk Southern will be conducting noise testing in the near future, but something must be immediately done about the noise.

The City remains willing to discuss potential relocation, either to another site within the City or elsewhere, and how we might assist Norfolk Southern with such relocation, including the City's potential purchase of the current site. While I know our attorneys are engaged in litigation before the United States District Court and the Surface Transportation Board, we remain willing to undertake such discussions.

I look forward to hearing from you at your earliest convenience.

Sincerely,



William D. Eullie

Mayor

cc: The Honorable John Warner
The Honorable James P. Moran
The Honorable James Webb
The Honorable Patsy S. Ticer
The Honorable Richard L. Saslaw
The Honorable Adam Ebbin
The Honorable David Englin
The Honorable Brian Moran
Members of City Council
James K. Hartmann, City Manager
Ignacio Pessoa, City Attorney
Board of Directors, Norfolk Southern Corporation