December 9, 2010

## Via Facsimile and First Class Mail

MBCR

Mr. Harry Hoglander, Chairman National Mediation Board 1301 K Street, NW Washington, DC 20005-7011

Ms. Linda Puchala, Member National Mediation Board 1301 K Street, NW Washington, DC 20005-7011

Ms. Elizabeth Dougherty, Member National Mediation Board 1301 K Street, NW Washington, DC 20005-7011

Re: NMB Case Numbers: A-13515, A-13516, A-13517, A-13518, A-13519, A-13520, A-13521, A13523, A-13525, A-13526 & A-13533 MBCR & TCU, TWU, NCFO, SMWIA, IBEW, BRS, IBB, BMWED, IAM, ATDD

Dear Chairman Hoglander and Members Puchala and Dougherty:

I am writing in response to the correspondence from Director of Mediation Services Lawrence Gibbons dated November 24, 2010. Director Gibbons requested that the Massachusetts Bay Commuter Railroad ("MBCR") provide comments on the written requests of the above referenced Organizations for the National Mediation Board ("NMB") to proffer arbitration in the above referenced cases. MBCR appreciates the opportunity to provide you with its comments on these requests.

We do not believe that a proffer of arbitration is appropriate at this time, particularly in light of our most recent meetings with the Organizations. On November 3 & 4, 2010, the parties met in Boston and made significant progress towards reaching voluntary agreement. We believe that this progress was, in large part, due to the mediator's proposal developed by Mediator Jim Mackenzie. While the mediator's proposal as presented was not acceptable to the parties, we believe that the total amount of wage increases and health care premium contributions as set forth in the proposal establish a framework within which settlement can be reached, pending the resolution of other remaining issues. As a direct result of the mediator's proposal and the efforts of Mediator Mackenzie and Director Gibbons, each side made proposals that reflect significant movement from their previous position. We particularly appreciate the role of the NMB in facilitating this progress and strongly believe that further mediation should lead to final settlement. Mr. Harry Hoglander, Chairman Ms. Linda Puchala, Member Ms. Elizabeth Dougherty, Member December 9, 2010 Page 2

We also emphasize that two (2) major unions representing approximately one-third of MBCR's unionized workforce have not requested a proffer of arbitration. The Brotherhood of Locomotive Engineers ("BLET") represents all MBCR engineers. MBCR previously reached a tentative agreement with the BLET that failed ratification. The BLET has never requested mediation, let alone a proffer of arbitration. The United Transportation Union ("UTU") represents all MBCR conductors and assistant conductors and is by far the largest union on the MBCR property. We continue to engage in good faith negotiations with both the UTU and BLET and believe that an agreement is achievable with both organizations.

Again, MBCR remains committed to reaching agreement with the Organizations. We do not believe that a proffer of arbitration is appropriate at this time and request that the NMB continue to work with the parties towards achieving a mediated settlement. As always, if you would like to discuss any of these issues directly, please do not hesitate to contact me.

Sincerely,

Donald Saundus Donald Saunders M

cc:

Robert Scardelletti, TCU James Little, TWU George J. Francisco, Jr., NCFO Dewey B. Garland, SMWIA Edwin Hill, IBEW W. Dan Pickett, BRS D.L. Hamilton, IBB Freddie Simpson, BMWED R. Thomas Buffenbarger, IAM Robert Roach, Jr., IAM F.L. McCann, ATDA James Mackenzie, NMB Terri Brown, NMB L. Gibbons, NMB