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SERVICE DATE - FEBRUARY 17, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Ex Parte No. 582

PUBLIC VIEWS ON MAJOR RAIL CONSOLIDATIONS

Decided: February 16, 2000

By decision served on January 24, 2000, and published in the Federal Register on January 28, 2000 (65 FR 4568), the Board provided notice of a public hearing in this proceeding, and indicated the following: (1) that any person wishing to speak at the hearing must file with the Board a written notice of intent to participate by February 8, 2000; (2) that a schedule for the hearing, which will include a list of speakers and their allotted times, will be issued by February 18, 2000; and (3) that each speaker or commenter must file with the Board the text of his/her anticipated written statement, and/or, if speaking, a summary thereof, by February 29, 2000.

The Board received approximately 160 requests from parties wishing to participate in the hearing by appearing in person, and a number of additional notices from parties who will not be able to, or choose not to, appear at the hearing but who intend to submit written statements. The public hearing in this proceeding initially was scheduled to begin on Wednesday, March 8, 2000, at 10:00 a.m., in the Surface Transportation Board Hearing Room (Suite 760) at 1925 K Street, N.W., Washington, D.C. Given the large number of parties that wish to appear at the hearing and the importance of the subject matter, we will instead begin the hearing on Tuesday, March 7, and continue it on March 8, 9, and 10, at the time and location set forth above. This extension is necessary to ensure that each participant wishing to appear at the hearing has the opportunity to do so and to ensure that Board Members have sufficient time to ask questions of the participants.

An original and 10 copies of all written comments and/or summaries due February 29, 2000, must refer to STB Ex Parte No. 582, and must be sent to: Surface Transportation Board, Office of the Secretary, Case Control Unit, Attn: STB Ex Parte No. 582, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition to submitting an original and 10 copies of all paper documents filed with the Board, parties must also submit, on 3.5-inch IBM-compatible floppy diskettes (in, or convertible by and into, WordPerfect 7.0 format), an electronic copy of each such paper document.¹

The schedule of appearances and the time provided for each party are set forth in the Appendix to this decision. In most cases, the times provided for persons participating in the hearing

¹ Any party may seek a waiver from the electronic submission requirement.

have been reduced from the time allotments requested in order to accommodate all parties who wish to be heard. Because the Board will have read all of the written statements and summaries due to be filed by February 29, 2000, we request that parties not read from their statements or summaries to the Board, but rather emphasize the key points of their presentation and provide an opportunity to have a dialogue with, and to answer questions from, Members of the Board. Parties who have similar arguments and/or are represented by the same person are allowed and encouraged to combine their arguments and allotted time in order to use that time more efficiently. If a representative of two or more parties intends to combine the time allotted for those parties, he or she should inform Secretary Vernon A. Williams prior to the commencement of the hearing. The Board otherwise will not entertain requests to adjust the schedule of appearances and/or the time allotments due to the large number of participants and full hearing schedule. Of course, any person unable to appear on the day and time specified in the attached Appendix may submit his/her complete statement in writing for Board consideration.

Any party wishing to enhance its hearing presentation by using a map as a visual aid is encouraged to do so. Participants are limited, however, to projector-adaptable visual displays and/or handouts. The Board will provide space for handouts participants wish to bring to the hearing for dissemination to the public. The staff of the Office of the Secretary will be available to demonstrate the Hearing Room's projection system on Friday, March 3, 2000, between the hours of 10:00 a.m. and 12:00 noon. Please call (202) 565-1674 to make arrangements. Also, because seating space in the Board's hearing room is limited, the Board will provide an overflow room (the Brick Room) on the first floor of the building with a closed-circuit telecast of the entire hearing. More detailed instructions on these matters are explained in a Secretary's Order being served simultaneously with this decision.

This action will not affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The hearing in this proceeding will be held on Tuesday, March 7, Wednesday, March 8, Thursday, March 9, and Friday, March 10, 2000, beginning each day at 10:00 a.m., in the Surface Transportation Board Hearing Room (Room 760), at 1925 K Street, N.W., Washington, D.C.

2. The schedule of appearances and the time provided for each party are set forth in the Appendix to this decision.

STB Ex Parte No. 582

3. This decision is effective on the date of service.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams
Secretary

APPENDIX**LIST OF PARTICIPANTS for PUBLIC HEARING on TUESDAY, MARCH 7, 2000**

	TIME ALLOTTED (MINUTES)
<u>MEMBERS OF U.S. CONGRESS</u>	
Congressman Jerrold Nadler (D-NY)	
Congressman Jack Quinn (R-NY)	
<u>U.S. GOVERNMENT ORGANIZATIONS</u>	
U.S. Department of Transportation	10
U.S. Department of Agriculture	10
U.S. Department of Defense, Department of the Army, Military Traffic Management Command	5
Total	25 minutes
<u>CLASS I RAILROADS</u>	
Burlington Northern and Santa Fe Railway Company	15
Canadian National Railway Company	15
Canadian Pacific Railway Company	15
CSX Corporation and CSX Transportation, Inc.	15
The Kansas City Southern Railway Company	15
Norfolk Southern Corporation and Norfolk Southern Railway Company	15
Union Pacific Corporation and Union Pacific Railroad Co.	15
Total	105 minutes
<u>FINANCIAL COMMUNITY</u>	
Goldman, Sachs & Company	10
Morgan Stanley & Co., Incorporated	10
Salomon Smith Barney	10
Total	30 minutes
<u>GENERAL SHIPPER ASSOCIATIONS & GROUPS</u>	
National Industrial Transportation League	15
Alliance for Rail Competition	5
Canadian/American Border Trade Alliance	3
Consumers United for Rail Equity	5
Eastern Border Transportation Coalition	3
Institute of Scrap Recycling Industries, Inc.	5
National Customs Brokers and Forwarders Association of America	3
Railroad-Shipper Transportation Advisory Council	10
Western Canadian Shippers' Coalition	10
Total	59 minutes

LIST OF PARTICIPANTS for PUBLIC HEARING on WEDNESDAY, MARCH 8, 2000

	TIME ALLOTTED (MINUTES)
<u>RAIL LABOR ORGANIZATIONS</u>	
Brotherhood of Locomotive Engineers	10
Brotherhood of Maintenance of Way Employes	15
International Association of Machinists and Aerospace Workers	6
International Brotherhood of Electrical Workers, the American Train Dispatchers Department of the International Brotherhood of Locomotive Engineers, and the Brotherhood of Railroad Signalmen (Joint letter)	10
Transportation•Communications International Union	15
United Transportation Union	15
Total	71 minutes
<u>INTERMODAL COMPANIES & ASSOCIATIONS</u>	
Transportation Intermediaries Association	3
Gaylord Container Corporation	5
Intermodal Services, Inc.	3
Pacer International, Inc.	3
United Parcel Service	10
Total	24 minutes
<u>REGIONAL & SHORTLINE RAILROADS & ASSOCIATIONS</u>	
American Short Line and Regional Railroad Association	10
Burlington Shortline Railroad	3
Columbus and Greenville Railway Company	5
Dakota, Minnesota & Eastern Railroad Corporation	5
Emons Transportation Group, Inc.	3
I&M Rail Link, LLC and Montana Rail Link, Inc.	5
Iowa Interstate Railroad, Ltd.	3
Ontario Michigan Rail Corporation	3
Paducah & Louisville Railway, Inc.	3
Quebec Railway Corporation, Inc.	5
Southern Railway of British Columbia Limited	5
Wisconsin Central System	5
Total	55 minutes
<u>PASSENGER RAILROAD</u>	
National Railroad Passenger Corporation (AMTRAK)	5
Total	5 minutes
<u>CHEMICAL & PLASTICS COMPANIES & ASSOCIATIONS</u>	
Chemical Manufacturers Association	10
American Plastics Council	10
The Society of the Plastics Industry, Inc.	5
Arch Chemicals, Inc.	3
Borden Chemicals and Plastics	5
Celanese Ltd.	5
Centennial Gas Liquids, LLC	3
Dow Chemical Company	5
E. I. du Pont de Nemours and Company	5
Fina Oil and Chemical Company	5
Huntsman Corporation	5
ProFlame, Inc.	3
Shell Chemicals	5
West Lake PVC Corporation	3
Total	72 minutes
<u>LOGISTICS COMPANIES</u>	
Mark VII Transportation Co., Inc.	3
Rail Van Global Logistics	5
RR Donnelley Logistics Services	5
Total	13 minutes

LIST OF PARTICIPANTS for PUBLIC HEARING on THURSDAY, MARCH 9, 2000

	<u>TIME ALLOTTED (MINUTES)</u>
<u>AUTOMOTIVE COMPANIES</u>	
General Motors Corporation	10
Mazda North American Operations	10
Total	20 minutes
<u>ELECTRIC UTILITIES & ASSOCIATIONS</u>	
Edison Electric Institute	5
Western Coal Traffic League	5
Ameren Services Company	5
Enron Corporation	5
MidAmerican Energy Company	5
Pennsylvania Power & Light	5
Salt River Project Agricultural Improvement and Power District	5
Total	35 minutes
<u>COAL, STONE, AGGREGATE COMPANIES & ASSOCIATIONS</u>	
Western Coal Transportation Association	5
National Mining Association	5
National Lime Association	5
ISP Mineral Products Inc.	3
Meridian Aggregates Company	3
National Lime and Stone Company	3
Whitestone Supply Company	3
Total	27 minutes
<u>STEEL COMPANIES</u>	
Belson Scrap & Steel, Inc.	3
Geneva Steel Company	3
Nucor-Yamato Steel Company	5
Stupp Corporation	5
Total	16 minutes
<u>LUMBER & PAPER COMPANIES & ASSOCIATIONS</u>	
Council of Forest Industries	3
Independent Forest Products Association	5
Northwest Forestry Association	5
Champion International Corporation (Weldwood of Canada)	5
Eastport Industries, Inc./Spokane Reload	3
Empire Wholesale Lumber Co.	5
Hampton Affiliates	3
Merritt Bros. Lbr. Co., Inc.	3
Paneltech International LLC	3
Shearer Lumber Company-Bennett Lumber Products, Inc.	3
Simpson Timber Company	5
Superior Lumber Co.	5
United States Gypsum Company	3
West Fraser Timber Co. Ltd.	5
Total	56 minutes
<u>MISCELLANEOUS COMPANIES</u>	
Ball-Foster Glass Container Co., L.L.C.	3
Big River Industries, Inc.	3
Cascade Warehouse Company, Inc.	3
Darling International Inc.	3
Miller Brewing Company	3
Pacific Western Warehousing & Distribution, L.L.C.	3
Precision Components, Inc.	3
The Sear-Brown Group	3
Total	24 minutes
<u>ECONOMISTS & OTHER INDIVIDUALS</u>	
Abrams, A. J.	3
Arrow, Prof. Kenneth (Stanford University-Lexecon, Inc.)	5
Gellman, Aaron J., Director Transportation Center Northwestern University	5
Hahn, Robert W. Ph.D.	5
Hamada, Robert S., Dean (The University of Chicago Graduate School of Business)	5
Kalt, Dr. Joseph P. (Lexecon, Inc.)	5
Mercer Management Consulting, Inc.	5
Stern, George L.	3
Vellturo, Dr. Christopher A. (National Economic Research Associates, Inc.)	5
Total	41 minutes

LIST OF PARTICIPANTS for PUBLIC HEARING on FRIDAY, MARCH 10, 2000

	TIME ALLOTTED (MINUTES)
<u>STATE/LOCAL ENTITIES & REPRESENTATIVES</u>	
British Columbia, Canada:	
Vancouver Port Authority	5
California:	
California Public Utilities Commission	5
Maine:	
State of Maine Department of Transportation	5
Massachusetts:	
Massachusetts Executive Office of Transportation	5
Michigan:	
State Senator Dan L. DeGrow (Senate Majority Leader)	5
State Senator John J. H. Schwarz, M.D.	5
Southern Wayne County Michigan Chamber of Commerce	5
Mississippi:	
MetroJackson Mississippi Chamber of Commerce	5
Mississippi Department of Transportation	5
Mississippi Economic Council	5
State of Mississippi Department of Economic and Community Development	5
Warren County Port Commission	5
Montana:	
Port of Montana	5
New York:	
Buffalo Niagara Partnership	5
Erie County Industrial Development Agency/County of Niagara	5
Port Authority of New York and New Jersey	5
North Carolina:	
North Carolina State Ports Authority	5
Ohio:	
Ohio Rail Development Commission	5
Tennessee:	
Memphis and Shelby County Port Commission	5
Virginia:	
Commonwealth of Virginia, Office of the Governor; and Virginia Port Authority	5
Total	100 minutes
<u>AGRICULTURAL COMPANIES, GROUPS & ASSOCIATIONS</u>	
National Grain & Feed Association	8
American Farm Bureau Federation	5
National Barley Growers Association	5
National Association of Wheat Growers	5
Colorado Wheat Administrative Committee	5
Idaho Barley Commission	5
Idaho Wheat Commission	5
Montana Wheat & Barley Committee	5
Nebraska Wheat Board	5
North Dakota Public Service Commission, ND Barley Council, ND Grain Dealers, ND Wheat Commission	5
Oregon Grains Commission	5
South Dakota Wheat Commission	5
Washington Barley Commission	5
A. L. Gilbert Company	5
Ag Processing, Inc.	5
Arizona Grain, Inc.	5
Associated Feed & Supply, Inc.	5
Farmers Commodities Corporation	5
Farmers Cooperative Company	5
New Vision Co-op	5
Roquette America, Inc.	5
The Scoular Company	5
United Farmers Coop	5
Total	118 minutes