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SEA

SERVICE DATE – NOVEMBER 14, 2008

SURFACE TRANSPORTATION BOARD

NOTICE

STB Finance Docket No. 35147

NORFOLK SOUTHERN RAILWAY COMPANY, PAN AM RAILWAYS INC., et al. – JOINT  
CONTROL AND OPERATING / POOLING AGREEMENTS – PAN AM SOUTHERN LLC

Decided: November 14, 2008

**Agencies:** Surface Transportation Board.

**ACTION:** Notice of Availability of Environmental Assessment and request for Public Review and Comment.

**SUMMARY:** On May 30, 2008, Norfolk Southern Railway Company (Norfolk Southern), Pan Am Railways, Inc. (PARI), Boston and Maine Corporation (B&M) and Springfield terminal Railway company (Springfield Terminal) (collectively, Applicants) filed a petition with the Surface Transportation Board (Board) seeking Board approval under 49 U.S.C. 11322 and 11323 of (1) the acquisition by Norfolk Southern and B&M of joint control and ownership of Pan Am Southern, LLC (PAS), a new rail carrier to be formed; and (2) the agreements by which Springfield Terminal would operate the lines of PAS and establish rates for PAS. The agreements for which approval and authorization are being sought by the application and the related filings will be referred to collectively as the Transaction. The Board, through its Section of Environmental Analysis (SEA), is the lead agency responsible for the preparation of the Environmental Assessment (EA).

If the Transaction is approved, PAS would own or operate over (through trackage rights) approximately 437 miles of existing rail lines (referred to in the application as the PAS Lines), comprised of approximately 238.4 miles of existing rail lines to be owned by PAS and approximately 198.4 miles of existing track over which PAS would have trackage rights. Norfolk Southern would contribute capital to PAS which would go into improving infrastructure by creating a new intermodal and automotive facility in Mechanicville, NY (the Mechanicville Facility), creating a new automotive facility in Ayer, MA (San Vel Automotive Facility), making minor improvements at an existing intermodal facility at Ayer (Ayer Intermodal), and enhancing other infrastructure along the existing east-west main line. The Transaction also includes acquisition and/or operation by PAS of six other existing rail yards in addition to the three facilities at which some construction would occur. The Transaction does not contemplate any yard improvements or changes in activity at any of these six rail yards.

Based on the information provided from all sources to date and its independent analysis, SEA preliminarily concludes that construction and operation of the two proposed new rail

facilities and improvements to an existing rail facility and existing rail lines would not have significant environmental impacts if the Board imposes and Applicants implement the recommended mitigation measures set forth in the EA.

Copies of the EA have been served on all interested parties and will be made available to additional parties upon request. The entire EA is also available for review on the Board's Web site ([www.stb.dot.gov](http://www.stb.dot.gov)) by going to "E-LIBRARY," clicking on the "Decisions and Notices" link, and then searching by the Service Date (November 14, 2008) or Docket Number (FD 35147). SEA will consider all comments received in making its final recommendations to the Board. The Board will then consider SEA's final recommendations and the complete environmental record in making its final decision in this proceeding.

**FOR FURTHER INFORMATION CONTACT:** Kenneth Blodgett, Project Manager, at (202) 245-0305; e-mail: [blodgettk@stb.dot.gov](mailto:blodgettk@stb.dot.gov). Federal Information Relay Service for the hearing impaired: 1-800-877-8339.

**DATES:** The EA is available for public review and comment. All comments must be submitted or post-marked by December 15, 2008.

**ADDRESS:** Send written comments (an original and one copy) to Surface Transportation Board, Case Control Unit, 395 E Street, SW, Washington, DC 20423, to the attention of Kenneth Blodgett. Environmental comments may also be filed electronically on the Board's website, [www.stb.dot.gov](http://www.stb.dot.gov), by clicking on the "E-FILING" link. Please refer to Finance Docket No. 35147 (FD 35147) in all correspondence, including e-filings, addressed to the Board.

By the Board, Victoria Rutson, Chief, Section of Environmental Analysis.

Anne K. Quinlan  
Acting Secretary