

33222

SERVICE DATE - DECEMBER 26, 2002

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34290]

CSX Transportation, Inc.—Corporate Family Merger Exemption—The Western Railway of Alabama

CSX Transportation, Inc. (CSXT)¹ and The Western Railway of Alabama (WRA),² have filed a verified notice of exemption with respect to a proposed corporate restructuring, through which WRA, which is controlled by CSXT, will be merged into CSXT, with CSXT as the surviving entity. Under the agreement and plan of merger, CSXT will own all of the assets of WRA and will be responsible for all debts, liabilities, and obligations of WRA.

The transaction was scheduled to be consummated on or after December 3, 2002, the effective date of the exemption (7 days after the exemption was filed).

¹ CSXT, a Class I carrier, owns and operates approximately 23,297 miles of railroad. CSXT and its railroad subsidiaries operate in the States of Alabama, Connecticut, District of Columbia, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia, and the Provinces of Ontario and Quebec.

² WRA owns and operates approximately 128.23 miles of railroad in the State of Alabama.

The purpose of the transaction is to simplify the corporate structure and reduce corporate overhead and duplication.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Although applicants do not expect any employees to be adversely affected by this merger and control transaction, they have agreed to apply employee protective conditions pursuant 49 U.S.C. 11326(a). Therefore, any employees adversely affected by the merger and control transaction will be protected by the conditions set forth in New York Dock Ry.–Control–Brooklyn Eastern Dist., 360 I.C.C. 60 (1979).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34290 must be filed with the Surface Transportation Board, 1925 K Street, NW, Washington, DC

20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, BALL JANIK LLP, 1455 F Street, NW, Suite 225, Washington, DC 20005.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

Decided: December 19, 2002.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary