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SERVICE DATE - LATE RELEASE MARCH 17, 1998

SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC .
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
--CONTROL AND OPERATING LEASES/AGREEMENTS--
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

Decision No. 71

Decided: March 17, 1998

The Board's Section of Environmental Analysis (SEA) currently is preparing a Final Environmental Impact Statement (FEIS) to meet the Board's responsibilities under the National Environmental Policy Act and related environmental laws in this case. The FEIS is scheduled to be issued in late May 1998. We are aware of ongoing environmental discussions between the railroads and various communities in the Greater Cleveland area.¹ The Board's practice is to encourage privately negotiated agreements to address environmental concerns. These agreements can often be more far-reaching and satisfactory to the parties than environmental mitigation that the Board could impose.

Within the context of the proposed Conrail acquisition, the Cleveland area is unique with respect to the proposed CSX and NS operations. The Cleveland area would be a major crossroad for the CSX and NS proposed systems for traffic moving between the Northeast and the Midwest. We are concerned that informal involvement by Board staff at this time could impede independent discussions among the private parties. Therefore, SEA and the consultants are instructed not to engage in any further informal discussions with the affected parties in the Greater Cleveland area at this time. Should the railroads and a community reach a mutually acceptable agreement by April 15, 1998, the involved parties shall immediately notify SEA. To the extent agreements are not reached, SEA will take the necessary steps to develop its own environmental mitigation for each of the communities in the Greater Cleveland area in the FEIS, which will be considered by the Board in reaching its final decision.

¹ The Greater Cleveland area includes Cleveland, East Cleveland, Berea, Brook Park, Olmstead Falls, and the West Shore suburbs (Lakewood, Bay Village, Rocky River, and Westlake).

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

It is ordered:

1. SEA and the consultants are instructed not to engage in any further informal discussions with the affected parties in the Greater Cleveland area at this time.

2. This decision is effective on the date served.

By the Board, Chairman Morgan.

Vernon A. Williams
Secretary