

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. 19

Decided: August 6, 1997

By application (variously referred to as the "application" and the "primary application") filed June 23, 1997, CSX Corporation (CSXC), CSX Transportation, Inc. (CSXT), Norfolk Southern Corporation (NSC), Norfolk Southern Railway Company (NSR), Conrail Inc. (CRR), and Consolidated Rail Corporation (CRC)¹ seek approval and authorization under 49 U.S.C. 11321-25 for: (1) the acquisition by CSX and NS of control of Conrail; and (2) the division of the assets of Conrail by and between CSX and NS. We shall refer to the transaction proposed in the primary application as the CSX/NS/CR transaction.

In Decision No. 12 (served July 23, 1997, and published that day in the *Federal Register* at 62 FR 39577), we accepted for consideration the primary application and various ancillary "related filings" because that application and those filings are "in substantial compliance with the applicable regulations, waivers, and requirements." We specifically added, however, that we were reserving the right to require the filing of supplemental information from applicants or any other party or individual, if necessary to complete the record in this matter. See Decision No. 12, slip op. at 18 & n.29, 62 FR at 39587 & n.29.

As required by 49 CFR 1180.8(a), applicants submitted with the primary application operating plans that describe the operations of the expanded CSX and NS systems that will exist if we approve the primary application and applicants thereafter carry out the CSX/NS/CR transaction. See CSX/NS-20, Volume 3A at 79-473 (the CSX operating plan), Volume 3B at 68-489 (the NS operating plan). Train schedules for the train movements referred to in the operating plans were not made part of the operating plans submitted with the primary application. Applicants have advised, however, that such schedules can be found in their document depository. See CSX/NS-20, Volume 3A at 177, Volume 3B at 133. See also CSX/NS-28 at 5 (filed July 21, 1997).²

Information respecting the post-transaction train schedules projected by applicants is essential to the evaluation of traffic movements, line density, equipment and terminal utilization, and staffing and employee position relocation requirements. Accordingly, we are now directing that applicants supplement the primary application by filing train schedules with respect to all train service projected to be operated by applicants if the CSX/NS/CR transaction is approved and implemented. We suggest that applicants submit such schedules in a format similar to that used by the applicants in the *BN/SF* proceeding (*Burlington Northern Inc. and Burlington Northern Railroad Company--Control and Merger--Santa Fe Pacific Corporation and The Atchison, Topeka and Santa Fe Railway Company*, Finance Docket No. 32549). See *BN/SF-8*, Exhibit 13,

¹ CSXC and CSXT, and their wholly owned subsidiaries, are referred to collectively as CSX. NSC and NSR, and their wholly owned subsidiaries, are referred to collectively as NS. CRR and CRC, and their wholly owned subsidiaries, are referred to collectively as Conrail. CSX, NS, and Conrail are referred to collectively as applicants.

² See also Decision No. 14, slip op. at 3 n.7: "Applicants note that the depository contains, among other things, the CSX and NS train schedules for the train movements referred to in the operating plans."

Attachment 13-B (BN/SF-8, which was Volume II of the BN/SF primary application and which contained, among other things, the BN/SF operating plan, was filed on October 13, 1994, in Finance Docket No. 32549; Attachment 13-B to the BN/SF operating plan, which can be found at BN/SF-8 at 147-250, contains information respecting anticipated post-transaction BN/SF train schedules).

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

It is ordered:

1. Applicants must file, by August 29, 1997, train schedules with respect to all train service projected to be operated by applicants if the CSX/NS/CR transaction is approved and implemented.
2. This decision is effective on the date of service.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams
Secretary