



NATALIE S. ROSENBERG
Counsel

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Speed Code J-150
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(904) 359-1253

205088

March 28, 2002

Via Airborne Express
Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Mercury Building
1925 K Street, N.W.
Washington, D.C. 20423

DID F0101912002



RE: STB Docket No. AB-55 (Sub-No. 609X)
CSX Transportation, Inc.-Abandonment
Exemption in Montgomery County, Ohio

Dear Mr. Williams:

Enclosed for filing are the original and ten copies of CSX Transportation, Inc.'s Petition for Exemption in the above-captioned proceeding. A check in the amount of \$4,400.00 to cover the filing fee is also enclosed. Finally, I am enclosing the original and ten copies of a draft Federal Register notice along with a computer diskette compatible with the Board's current word processing capabilities. I would appreciate your acknowledgment of receipt of these documents by stamping the extra enclosed copy of this letter and returning it to me in the enclosed self-addressed stamped envelope.

Very truly yours,

Natalie S. Rosenberg

Enclosures

FEE RECEIVED

MAR 29 2002

**SURFACE
TRANSPORTATION BOARD**

FILED

MAR 29 2002

**SURFACE
TRANSPORTATION BOARD**

ENTERED
Office of the Secretary

MAR 29 2002

Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. AB-55 (SUB-NO. 609X)

CSX TRANSPORTATION, INC.
ABANDONMENT EXEMPTION
IN MONTGOMERY COUNTY, OHIO

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**SURFACE
TRANSPORTATION BOARD**

NATALIE S. ROSENBERG
500 Water Street
Jacksonville, Florida 32202
(904) 359-1253

Counsel for
CSX TRANSPORTATION, INC.

Dated: March 28, 2002

FILED

MAR 29 2002

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. AB-55 (SUB-NO. 609X)

CSX TRANSPORTATION, INC.
ABANDONMENT EXEMPTION
IN MONTGOMERY COUNTY, OHIO

P E T I T I O N F O R E X E M P T I O N

CSX Transportation, Inc. ("CSXT") proposes to abandon that portion of its Midwest Region, Louisville Division, Toledo Subdivision, extending between the junction of the Vandalia Line and the Toledo Main Line at or about Milepost BE 69.5 to the end of the Vandalia Line track in Vandalia, Montgomery County, Ohio, a total distance of approximately 2.59 miles (hereinafter referred to as "the line"). The line traverses through United States Postal Service ZIP Code 45377. Maps showing the trackage proposed for abandonment, as well as the location of the trackage in the State of Ohio, are attached to this petition as Exhibit A. CSXT files this petition under 49 U.S.C. 10502 for an exemption from

the provisions of 49 U.S.C. 10903, with regard to the proposed abandonment. In support of its petition, CSXT states the following:

1. CSXT proposes to abandon a 2.59 mile portion of its Midwest Region, Louisville Division, Toledo Subdivision, extending between the junction of the Vandalia Line and the Toledo Main Line at or about Milepost BE 69.5 to the end of the Vandalia Line track in Vandalia, Montgomery County, Ohio.

- a. Traffic

There is only one rail patron currently located on the line and that patron's use of the line does not justify the continuance of service because the amount of business does not generate sufficient revenue to cover the operating expenses and capital costs associated with the line. The line was originally constructed to serve a General Motors facility at the end of the line. The General Motors facility has been converted to a non-rail Delphi facility. Additionally, a CSX Transflo facility had been located on the line. This facility has closed, however, and is being relocated to South Dayton.

Wolohan Lumber ("Wolohan"), the only active customer on the line, operates a facility toward the end of the line at Vandalia. Wolohan has used the line for inbound shipments of lumber. CSXT

believes that Wolohan also uses truck transportation for inbound shipments of lumber.

Wolohan's use of the line, though typically low, has diminished in 2002. In 2000, CSXT records indicate that Wolohan received 33 cars. In 2001, 47 cars were shipped to Wolohan. To date, in 2002, however, only 2 cars have been delivered to Wolohan. Attached as Exhibit E is a verified traffic statement.

b. Economic Analysis

The Wolohan traffic on the Line does not cover the cost of operation. Ellen Preslar, the Senior Manager - Costing in the Cost & Economic Analysis department of CSXT prepared revenue and cost data for the Line in conformity with 49 CFR §1152.36. This analysis (See Exhibit F) shows the following:

	Base Year	Forecast Year	Subsidy Year
Revenues Attributable	\$ 49,727	\$ 51,788	\$ 51,788
Avoidable Costs	\$146,411	\$201,176	\$157,131
Subsidization Costs	-	-	\$270,000
Return on Value	-	\$ 13,512	\$ 13,232
Avoidable Loss	\$ 96,684	\$149,388	\$105,343
Avoidable Loss/Opportunity Costs	-	\$162,900	-
Subsidy Year Loss	-	-	\$388,575

In the Base Year (calendar year 2001), CSXT showed an avoidable loss of \$96,684.00 as a result of the operation of the Line. It is projected that for the Forecast Year (the year beginning March 1, 2002 and using year 2001 traffic), CSXT's avoidable loss and

return on value will total \$162,900.00, and the estimated Subsidy Year loss is \$388,575.00.

c. Rehabilitation Costs

Continued service to Wolohan will cause CSXT to sustain significant economic losses because the line requires immediate tie replacement and crossing rehabilitation in order for operations to continue at a safe level. It is estimated that it would cost \$270,000.00 to complete the necessary tie work. Additionally, CSXT estimates that the rehabilitation required for the three grade crossings on the line would cost approximately \$55,000.00. Attached as Exhibit G is a verified statement of Chief Regional Engineer, Ken Johnson, more fully explaining the rehabilitation work necessary for the safe operation of the line.

In addition to the immediate needs of the line described above, the line would also require a costly upgrade in the longer term. Specifically, CSXT will be required to replace the rail on the line in order to allow for use of the line by six axle locomotives. The approximate cost to replace the rail on the line is \$450,000.00.

Finally, there is one bridge on the line which measures approximately 200 linear feet. Over the next 5 years, this bridge will require an estimated \$53,500.00 worth of maintenance and repairs.

d. Wolohan Lumber

A Wolohan representative has been contacted by CSXT and has been made aware that this abandonment filing was forthcoming. No opposition has been expressed by Wolohan.¹ A copy of this petition is being served on Wolohan.

Following abandonment of the line, Wolohan will be able to utilize truck transportation. Wolohan currently utilizes truck transportation since the facility is located near Interstate 75.

2. Under 49 U.S.C. 10903, a rail line cannot be abandoned without the prior approval of the Board. However, under 49 U.S.C. 10502, the Board must exempt a rail transaction from regulation when it finds that (1) application of the pertinent statutory provisions is not necessary to carry out the rail transportation policy of 49 U.S.C. 10101; and (2) either the transaction is of limited scope or regulation is unnecessary to protect shippers from the abuse of market power. The proposed abandonment falls squarely within the statutory standards requiring exemption.

3. The rail transportation policy set forth in 49 U.S.C. 10101 requires, as relevant here, that in exercising its regulatory authority, the Board will minimize the need for Federal regulatory control over the rail transportation system and, when

¹ Additionally, CSX TransFlo does not oppose the abandonment and Delphi has indicated its support.

regulation is necessary, render fair and expeditious regulatory decisions; reduce barriers to exit from the industry; foster sound economic conditions and encourage efficient management; ensure the operation of transportation facilities and equipment without detriment to the public health and safety; and promote a sound transportation system meeting the needs of the public and the national defense.

Exemption of the proposed abandonment well serves all of these elements of the rail policy. Specifically, by minimizing the regulatory expense and time lag inherent in a full abandonment application, exemption will expedite regulatory decisions and reduce regulatory barriers to exit. Exemption will also foster sound economic conditions and encourage efficient management. As earlier indicated, the one (1) rail patron located on the line makes minimal use of the line and is already making use of another viable transportation alternative. As indicated earlier, CSXT will likely incur avoidable losses upon continued operation over the line. Furthermore, CSXT will suffer considerable economic losses upon the rehabilitation of the line. Accordingly, the proposed abandonment will relieve CSXT from the costs of owning and maintaining an under-utilized line of railroad.

The line does not serve a military facility. Given this fact, it seems very unlikely that the line proposed for

abandonment is necessary for the national defense. Nevertheless, CSXT has served a copy of this petition on the Military Traffic Management Command, which shall advise the Board of any national defense concerns about the line.

In short, full abandonment proceedings are unnecessary to carry out any of the relevant rail transportation policy elements of 49 U.S.C. 10101. No vital interest of shippers, competitors or communities will be adversely affected, and the abandonment exemption CSXT seeks here will free it from the burdens associated with ownership and maintenance of the line.

4. The Environmental Report required by 49 C.F.R. Section 1105.7 and the Historic Report required by 49 C.F.R. 1105.8 are attached as Exhibits B and C, respectively, to this petition for exemption. Attached as Exhibit D is a certificate showing CSXT's compliance with 49 C.F.R. 1105.11.

5. CSXT understands that the Board will impose labor protective conditions as stated in Oregon Short Line R. Co. -- Abandonment -- Goshen, 360 I.C.C. 91 (1979), to satisfy the requirements of 49 U.S.C. 10502(g).

6. The sole rail patron located on the line has made minimal use of rail transportation in the past few years. Furthermore, this patron has at least one alternative transportation option available to it and has been making use of

that option. It is therefore clear that the proposed abandonment presents no opportunity for an abuse of market power. Further, the proposed abandonment is of limited scope, because it involves only 2.59 miles of trackage.

7. All communications with respect to this petition should be directed to:

Natalie S. Rosenberg
Counsel
500 Water Street - J150
Jacksonville, Florida 32202
(904) 359-1253

8. Based on information in our possession, the line does not contain federally granted right-of-way. Any documentation in petitioner's possession will be made available promptly to those requesting it.

9. The newspaper notice required by 49 C.F.R. 1105.12 was to be published in the *Vandalia Drummer News*, Vandalia, OH on March 27, 2002. An Affidavit of publication from the newspaper will be forwarded to the Board as soon as it is received by CSXT.

CSXT accordingly requests that the Board grant an exemption from the provisions of 49 U.S.C. 10903, with regard to the proposed abandonment of that portion of its Midwest Region, Louisville Division, Toledo Subdivision, extending between the

junction of the Vandalia Line and the Toledo Main Line at or about
Milepost BE 69.5 to the end of the Vandalia Line track in
Vandalia, Montgomery County, Ohio.

Respectfully submitted,


NATALIE S. ROSENBERG
500 Water Street
Jacksonville, Florida 32202

Counsel for
CSX Transportation, Inc.

Dated: March 28, 2002

CERTIFICATE OF SERVICE

I certify that on March 28, 2002, I served by first-class mail, postage prepaid, a copy of the foregoing Petition for Exemption on the following:

MTMCTEA

Attn: Railroads for National Defense
720 Thimble Shoals Blvd., Suite 130
Newport News, VA 23606-2574

National Park Service
Recreation Resources Division
P. O. Box 37127
Washington, D.C. 20013

National Park Service
Land Resources Division
P. O. Box 37127
Washington, D.C. 20013

U. S. Department of Agriculture
Chief of the Forest Service
P. O. Box 96090
Washington, D.C. 20050

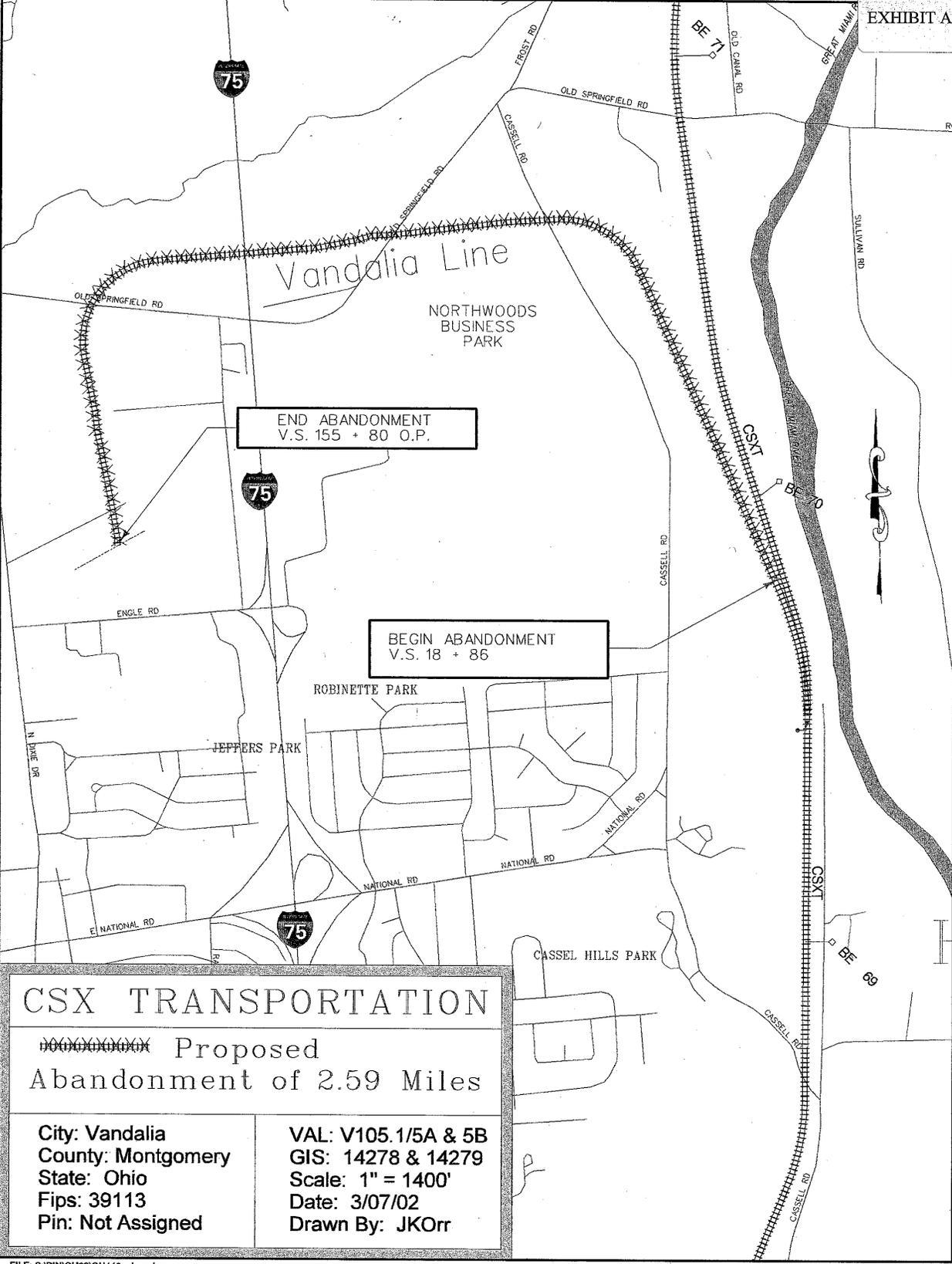
Mr. Denny Edwards
Traffic Manager
Wolohan Lumber
4317 Old Springfield Road
Vandalia, OH 45377

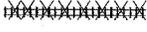
Alan R. Schriber, Chairman
Public Utilities Commission of Ohio
180 E. Broad Street
Columbus, Ohio 43215-3793

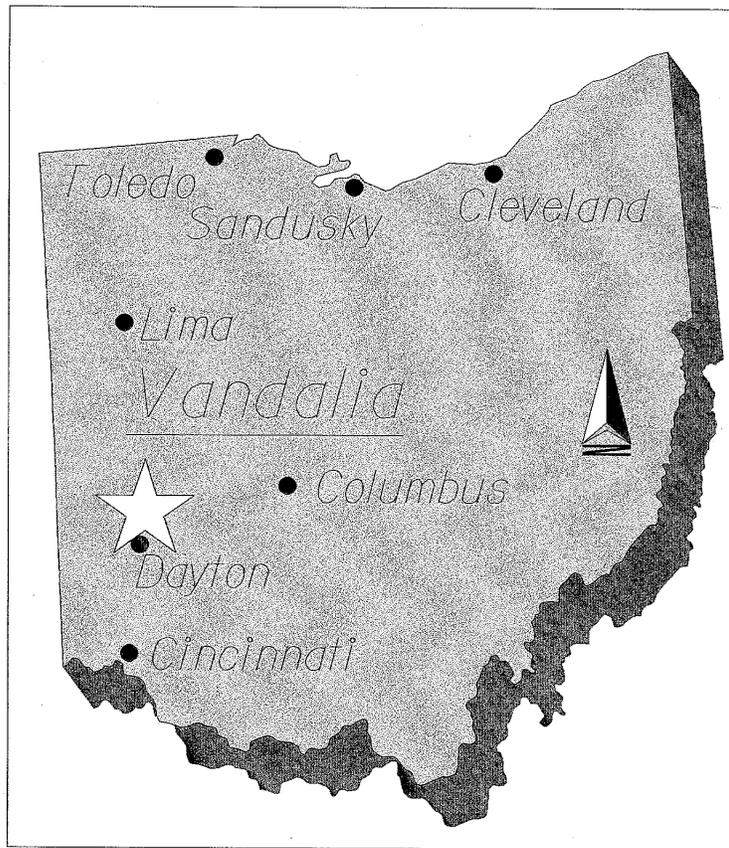
Mr. Robert R. Smith, Jr.
Transportation Manager
Delphi Automotive Systems
250 Northwoods Boulevard
Vandalia, OH 45377-5051

Mr. Robert K. Wagner
Traffic Manager
CSX Transflo
CSX II Building, 2nd Floor
6735 Southpoint Drive, South
Jacksonville, FL 32216-6177


Natalie S. Rosenberg



CSX TRANSPORTATION	
 Proposed Abandonment of 2.59 Miles	
City: Vandalia County: Montgomery State: Ohio Fips: 39113 Pin: Not Assigned	VAL: V105.1/5A & 5B GIS: 14278 & 14279 Scale: 1" = 1400' Date: 3/07/02 Drawn By: JKOr



AREA MAP

**Proposed Abandonment -
2.59 Miles - Vandalia Line
Montgomery County
Vandalia, OH**

MIDWEST REGION - LOUISVILLE DIVISION - TOLEDO SUBDIVISION

ENVIRONMENTAL REPORT

CSX TRANSPORTATION, INC.

DOCKET AB-55 (SUB-NO. 609X)

The following information is provided in accordance with 49 C.F.R. Section 1105.7:

(1) PROPOSED ACTION AND ALTERNATIVES

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

CSX Transportation, Inc. (CSXT) proposes to abandon 2.59 miles of its rail line in Vandalia, Montgomery County, Ohio. The only active patron, Wolohan Lumber, whose principal commodity is lumber, has not generated sufficient rail carloading revenue to cover the operating expense and capital costs associated with ownership. In addition, a steep grade at the beginning of the line is expensive to operate and maintain.

Abandonment of this line will result in the removal of the rail, crossties, and possibly the upper layer of ballast; subsequently operations and maintenance of this line will cease.

The only alternative would be not to abandon and to pass the operating loss and capital costs of retaining the line to all other CSXT customers. This would not be a prudent utilization of carrier resources.

Two maps which delineate the proposed project are attached.
(See Attachments 1 and 2.)

(2) TRANSPORTATION SYSTEM

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

There is no CSXT passenger traffic on this line. There will be no effect on existing regional or local transportation systems or patterns.

(3) LAND USE

- (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.**

Applicant has not received responses to its inquiry of February 14, 2002 to the City of Vandalia Planning Commission and the Montgomery County Planning Commission. (See Attachments 3 and 4.)

Based on the fact that the line has generated minimal traffic in the last two years, Applicant concludes the proposed action is not inconsistent with local land use plans.

- (ii) Based on consultation with the Natural Resources Conservation Service (formerly known as U. S. Soil Conservation Service), state the effect of the proposed action on any prime agricultural land.**

On February 26, 2002, the U. S. Department of Agriculture, Natural Resources Conservation Service for Montgomery County, Ohio advised that "...the proposed action would have little to no impact on prime agricultural land." (See Attachment 5.)

- (iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9.**

On March 13, 2002, Applicant received electronic mail from the Ohio Department of Natural Resources, Division of Real Estate and Land Management advising, "*The project is not located in the designated coastal zone area of Lake Erie (thus, no effects to Lake Erie coastal resources will occur).*" (See Attachment 6.)

- (iv) If the proposed action is an abandonment, state whether or not the right of way is suitable for alternative public use under 49 U.S.C. 10906 and explain why.**

The property proposed to be abandoned may be suitable

for other public purposes, but may be subject to reversionary interests that may affect transfer of title for other than rail purposes.

(4) ENERGY

- (i) Describe the effect of the proposed action on transportation of energy resources.**

The proposed action will have no effect on the transportation of energy resources.

- (ii) Describe the effect of the proposed action on recyclable commodities.**

The proposed action will have no effect on the movement and/or recovery of recyclable commodities.

- (iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.**

The proposed action will not result in an increase or decrease in overall energy efficiency.

- (iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.**

There will be no diversion of rail traffic to motor carriage in excess of the above thresholds.

(5) AIR

- (i) If the proposed action will result in either: (A) an increase in rail traffic of at least 100% (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) an increase in rail yard activity of at least 100% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions.**

The above thresholds will not be exceeded.

- (ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act; and will it result in either: (A) an increase in rail traffic of a least 50% (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line, or (B) an increase in rail yard activity of a least 20% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan.

The above thresholds will not be exceeded.

- (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity, the frequency of service; safety practices (including any speed restriction); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

Not applicable.

(6) NOISE

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more, or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

The above thresholds will not be exceeded.

(7) SAFETY

- (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

Applicant believes that the abandonment will result in improvement to public health and safety by the elimination of three grade crossings.

- (ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more

hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.

Not applicable.

- (iii) **If there are any known hazardous waste sites or sites where there have been known hazardous material spills on the right of way, identify the location of those sites and the types of hazardous materials involved.**

Applicant's records do not indicate any hazardous waste sites on this line segment; however, Applicant's records indicate one incident where a trespasser dumped 5 gallons of motor oil on the right of way on November 18, 1998. An emergency response contractor conducted the excavation and removal of the impacted soil and handled disposal in accordance with the Ohio EPA. No further environmental cleanup was necessary.

(8) BIOLOGICAL RESOURCES

- (i) **Based on consultation with the U. S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.**

Applicant has not received a response to its inquiry of February 14, 2002 to the U. S. Department of the Interior, Fish and Wildlife Service, Reynoldsburg, Ohio, seeking information regarding this statement. (See Attachment 7.)

Based upon Applicant's intention to remove only the track material and possibly the upper layer of ballast, we do not believe that any Federally endangered or threatened species will be negatively affected or critical habitats modified if the line is abandoned.

- (ii) **State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.**

Based upon Applicant's review of the area, the line is not within any wildlife sanctuaries or refuges, National or State parks or forests.

(9) WATER

- (i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.**

Applicant has not received a response to its inquiry of February 14, 2002, to the State of Ohio Environmental Protection Agency, Columbus, Ohio, requesting information regarding this statement. (See Attachment 8.)

Applicant does not contemplate any action known to be inconsistent with Federal, State and/or local water quality standards. Any necessary permits or applications will be obtained as well as compliance with conditions or procedures required by regulatory agencies.

- (ii) Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.**

Applicant has not received a response to its inquiry of February 14, 2002, to the U. S. Army Corps of Engineers at Cincinnati, Ohio, requesting information regarding this statement. (See Attachment 9.)

Applicant is not aware of any designated wetlands or 100-year flood plains within the proposed project.

Upon receiving abandonment authority, removal of material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbed or perform any activities that would cause sedimentation or erosion of the soil, and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way nor be placed or left in streams or wetlands, or along the banks of such waterways. Also, during track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any waterways. Based upon this course of action, Applicant does not believe a permit under Section 404 of the Clean

Water Act will be required.

- (iii) **State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U. S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required).**

Applicant has not received a response to its inquiry of February 14, 2002, to the U. S. Environmental Protection Agency, Region 5, in Chicago, and the State of Ohio Environmental Protection Agency in Columbus requesting information regarding this statement. (See Attachment 8.)

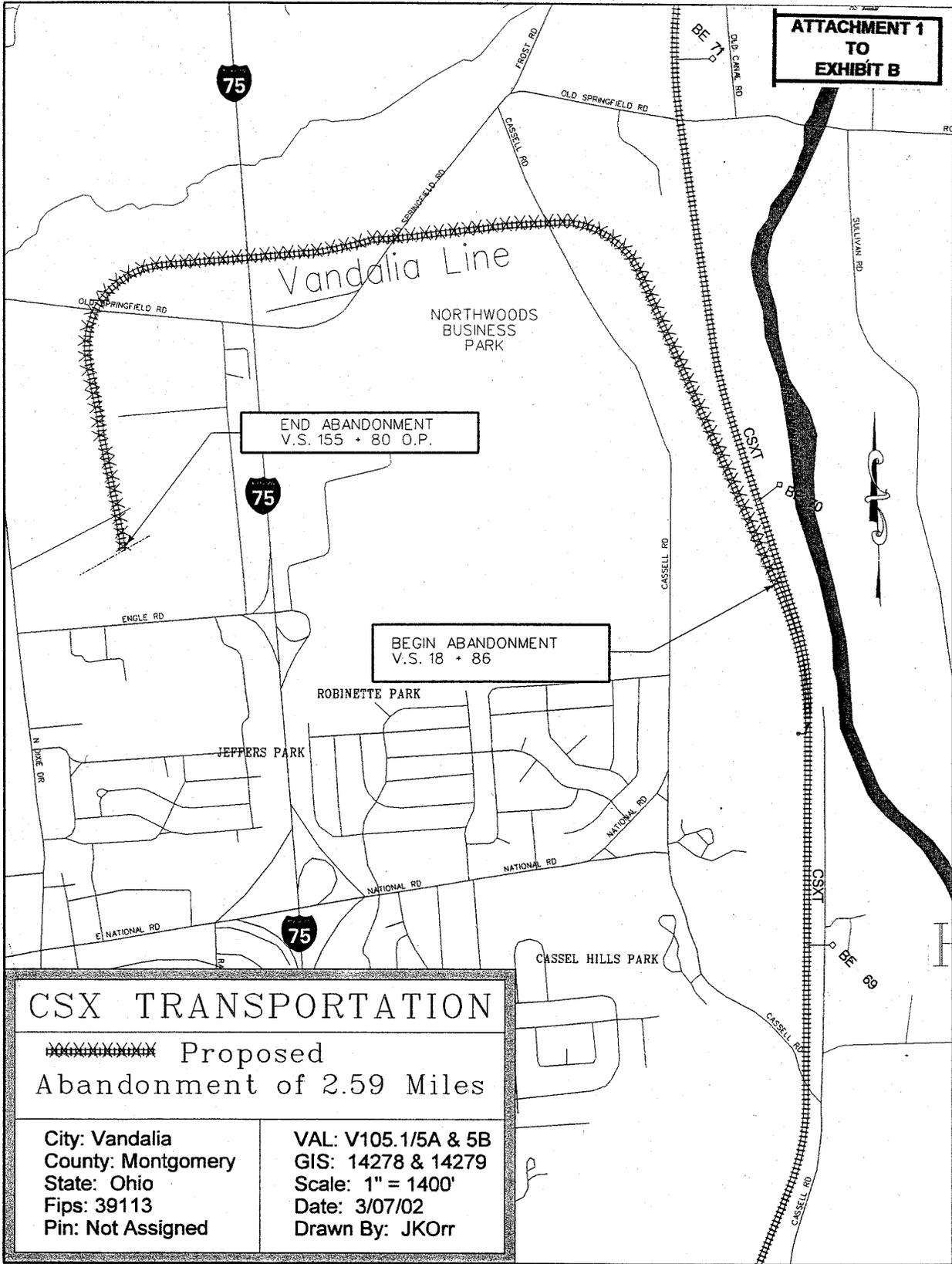
However, based upon the course of action described in Section 9 (ii), Applicant does not believe a permit under Section 402 of the Clean Water Act will be required.

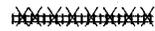
10. MITIGATION

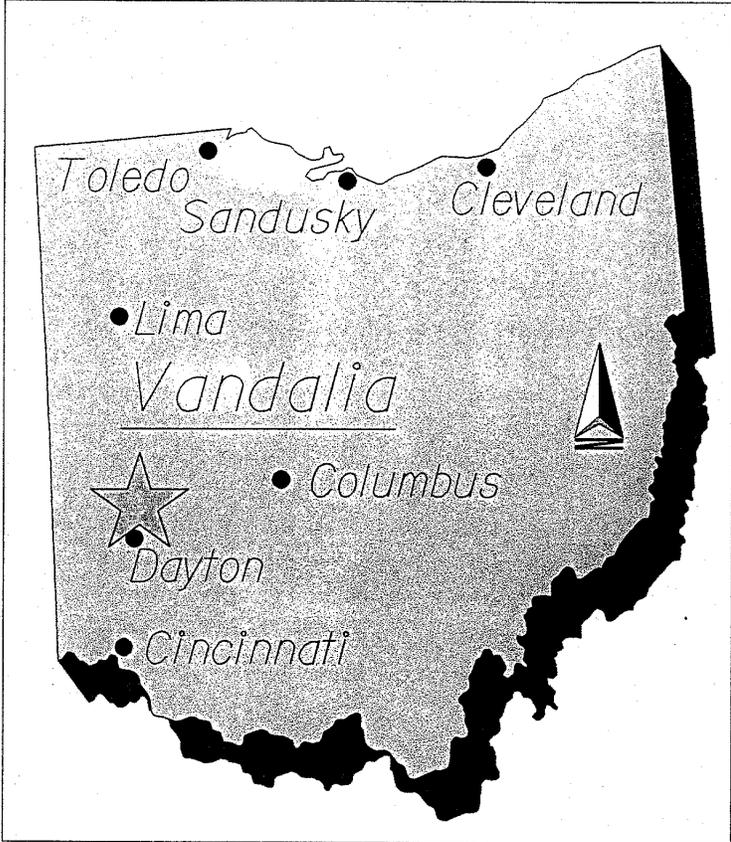
Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

There will be no adverse environmental impacts in the project area as a result of this abandonment; therefore, mitigating action will not be necessary.

**ATTACHMENT 1
TO
EXHIBIT B**



CSX TRANSPORTATION	
 Proposed Abandonment of 2.59 Miles	
City: Vandalia County: Montgomery State: Ohio Fips: 39113 Pin: Not Assigned	VAL: V105.1/5A & 5B GIS: 14278 & 14279 Scale: 1" = 1400' Date: 3/07/02 Drawn By: JKOr



AREA MAP

Proposed Abandonment -
2.59 Miles - Vandalia Line
Montgomery County
Vandalia, OH

MIDWEST REGION - LOUISVILLE DIVISION - TOLEDO SUBDIVISION



Nancy B. Reynolds
Manager Line Transactions
Asset Management

**ATTACHMENT 3
TO
EXHIBIT B**

500 Water
Jacksonv
Phone: (904) 359-1424
FAX: (904) 359-1111
E-Mail: Nancy_Reynolds@csx.com

February 14, 2002

City of Vandalia Planning Commission
333 James E. Bohanan Memorial Drive
Vandalia, OH 45377

Gentlemen:

Please be advised that CSX Transportation, Inc. ("CSXT") is considering abandonment of a portion of its rail line in Vandalia, Montgomery County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(i) require that we develop a response to the following statement:

"Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies."

I would appreciate your advice as to the existence of a long-range comprehensive planning map for the City of Vandalia and the line's relationship to such planning.

Sincerely,

Attachments



Nancy B. Reynolds
Manager Line Transactions
Asset Management

**ATTACHMENT 4
TO
EXHIBIT B**

500 Water
Jackson

Phone: (904) 359-1424

FAX: (904) 359-1111

E-Mail: Nancy_Reynolds@csx.com

February 14, 2002

Mr. Joseph P. Tuss, Executive Director
Montgomery County Planning Commission
451 W. Third Street, 10th Floor
P. O. Box 972
Dayton, OH 45422-1350

Dear Mr. Tuss:

Please be advised that CSX Transportation, Inc. ("CSXT") is considering abandonment of a portion of its rail line in Vandalia, Montgomery County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(i) require that we develop a response to the following statement:

"Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies."

I would appreciate your advice as to the existence of a long-range comprehensive planning map for Montgomery County and the line's relationship to such planning.

Sincerely,

Attachment

RECEIVED
3-1-02
NRCS

United States Department of Agriculture

ATTACHMENT 5
TO
EXHIBIT B

Natural Resources Conservation Service
10025 Amity Road
Brookville, Ohio 45309

Tele: (937) 854-7646 Ext.102
FAX: (937) 854-3305
steve.boeder@oh.usda.gov

February 26, 2002

Ms. Nancy Reynolds
CSX Transportation
500 Water Street - J200
Jacksonville, FL 32202

Re: Abandonment of Vandalia, Ohio line

Ms. Reynolds:

In my opinion, the proposed action would have little to no impact on prime agricultural land. We base this decision on the urban development that has occurred in the Vandalia area and the relatively small amount of agricultural land.

Sincerely,


Steve Boeder
District Conservationist

cc. File

The Natural Resources Conservation Service provides leadership in a partnership effort to help people conserve, maintain, and improve our natural resources and environment.

An Equal Opportunity Provider and Employer

From: Baker, Kim [Kim.Baker@dnr.state.oh.us]
Sent: Wednesday, March 13, 2002 1:46 PM
To: Reynolds, Nancy
Subject: Docket No. AB-55 (SUB.NO. 609X) CSX proposed abandonment, Vandali a, Montgomery County, Ohio

Dear Ms. Reynolds:

The Ohio Department of Natural Resources (ODNR) has completed a review of the above referenced project. This email serves as official response from ODNR. These comments were generated by an inter-disciplinary review in consultation with the Division of Wildlife and other divisions within the Department. These comments have been prepared under the authority of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.), the National Environmental Policy Act and other applicable laws and regulations.

Provided the project is implemented as described in the project documentation, it should not result in significant adverse impacts to resources of concern to the Department. The project is not located in the designated coastal zone area of Lake Erie (thus, no effects to Lake Erie coastal resources will occur).

ODNR appreciates the opportunity to provide these comments. If you have any questions, please call me at 614/265-6411.

Kim

Kim Baker, Environmental Administrator
Ohio Department of Natural Resources
Division of Real Estate and Land Management
1952 Belcher Drive, Bldg. C-2
Columbus, OH 43224-1386
Phone 614/265-6411
FAX 614/267-2981
email: <mailto:kim.baker@dnr.state.oh.us>



Nancy B. Reynolds
Manager Line Transactions
Asset Management

500 Wat
Jackson

Phone: (904) 359-1424

FAX: (904) 359-1111

E-Mail: Nancy_Reynolds@csx.com

ATTACHMENT 7
TO
EXHIBIT B

February 14, 2002

Mr. Kent E. Kroonemeyer, Supervisor
U.S. Department of the Interior
Fish & Wildlife Service
6950-H Americana Parkway - Suite H
Reynoldsburg, OH 43068-4132

Dear Mr. Kroonemeyer:

Please be advised that CSX Transportation, Inc. ("CSXT") is considering abandonment of a portion of its rail line in Vandalia, Montgomery County, Ohio, as depicted on the attached map.

The action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (8) (i) and (ii) require that we develop responses to the following statements:

- (i) Based on consultation with the U. S. Fish and Wildlife Service state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.
- (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

The removal of the rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other materials from entering any watercourses.

Based upon the above described actions, we would appreciate your concurrence in CSXT's position that there would be no adverse impact to any federally-listed endangered or threatened species, critical habitats, wildlife sanctuaries or refuges, National or State parks, or forests.

We would appreciate your comments; and, if you have any questions, please feel free to contact me.

Sincerely,

Nancy B. Reynolds

Attachments



Nancy B. Reynolds
Manager Line Transactions
Asset Management

**ATTACHMENT 8
TO
EXHIBIT B**

500 Water
Jackson
Phone: (904) 359-1424
FAX: (904) 359-1111
E-Mail: Nancy_Reynolds@csx.com

February 14, 2002

U. S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604-3507

Mr. Tom Harcarik
State of Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, OH 43216-1049

Gentlemen:

Please be advised that CSX Transportation, Inc. ("CSXT") is considering abandonment of a portion of its rail line in Vandalia, Montgomery County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that we develop a response to the following statements:

- (i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."
- (iii) "State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of the rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, we would appreciate receiving your concurrence with CSXT's position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

If you have any questions, please feel free to contact me.

Sincerely,

Attachments



Nancy B. Reynolds
Manager Line Transactions
Asset Management

**ATTACHMENT 9
TO
EXHIBIT B**

500 Water
Jackson
Phone: (904) 359-1424
FAX: (904) 359-1111
E-Mail: Nancy_Reynolds@csx.com

February 14, 2002

U. S. Army Corps of Engineers
Great Lakes and Ohio River, CELRD
P.O. Box 1159
Cincinnati, OH 45201-1159

Gentlemen:

Please be advised that CSX Transportation, Inc. ("CSXT") is considering abandonment of a portion of its rail line in Vandalia, Montgomery County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(9)(ii) require that we develop a response to the following statement:

"Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100 year flood plains will be affected. Describe the effects."

It is our opinion that there will be no impact on designated wetlands or 100-year flood plains because our intent at this time is to only remove the metal track material, crossties and perhaps the upper layer of ballast, and to preserve the existing routes of water flow and drainage. We do not intend to disturb any of the underlying roadbeds or perform any activities that would cause sedimentation or erosion of the soil, and we do not anticipate any dredging or use of fill in the removal of the track material. The track removal will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways.

Based upon the above described actions, we would appreciate your concurrence in CSXT's position that there would be no adverse impact on wetlands or 100-year flood plains, and that no permits under Section 404 will be required.

We would appreciate your comments; and, if you have any questions, please feel free to call me.

Sincerely,

Attachments



Nancy B. Reynolds
Manager Line Transactions
Asset Management

500 Water Street - J-200
Jacksonville, FL 32202
Tel. (904) 359-1424
Fax (904) 359-1111
E-Mail: Nancy_Reynolds@CSX.com

March 7, 2002

Mr. Amos Loveday
State Historic Preservation Officer
The Ohio Historical Society
567 East Hudson Street
Columbus, OH 43211-1030

**RE: VANDALIA, MONTGOMERY COUNTY, OHIO
CSX Transportation, Inc. - Proposed Abandonment
Docket No. AB-55 (Sub-No. 609X)**

Dear Mr. Loveday:

Please be advised that CSX Transportation, Inc., ("CSXT") anticipates filing for abandonment of approximately 2.59 miles of its rail line in Vandalia, Montgomery County, Ohio, as shown in the attached Historic Report.

In connection with rail lines that are to become the subject of applications for authority to abandon, Federal Regulations at 49 CFR 1105.8(d), require that a Historic Report be submitted to the State Historic Preservation Officer prior to filing with the Surface Transportation Board. In accordance with those Regulations, I am attaching a Historic Report covering the above-proposed abandonment.

I will appreciate receiving your letter confirming that this project will have no impact upon cultural resources. If you have questions, please feel free to call me.

Sincerely,

Attachments

Copy:
Surface Transportation Board
Section of Environmental Analysis
1925 K Street NW - Suite 534
Washington, DC 20423-0001

Ms. Natalie S. Rosenberg, Counsel, CSXT, 500 Water St.-J150, Jacksonville, FL 32202

HISTORIC REPORT

CSX TRANSPORTATION, INC.
VANDALIA, MONTGOMERY COUNTY, OHIO
DOCKET AB-55 (SUB-NO. 609X)

1105.7(e)(1)

PROPOSED ACTION AND ALTERNATIVES. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable detailed map and drawings clearly delineating the project.

CSX Transportation, Inc. (CSXT) proposes to abandon 2.59 miles of its rail line in Vandalia, Montgomery County, Ohio. The only active patron, Wolohan Lumber, whose principal commodity is lumber, has not generated sufficient rail carloading revenue to cover the operating expense and capital costs associated with ownership. In addition, a steep grade at the beginning of the line is expensive to operate and maintain.

Abandonment of this line will result in the removal of the rail, crossies, and possibly the upper layer of ballast; and operations and maintenance of this line will cease.

The only alternative would be not to abandon and to pass the operating loss and capital costs of retaining the line to all other CSXT customers. This would not be a prudent utilization of carrier resources.

Two maps which delineate the proposed project are attached. (See Attachments 1 and 2.)

1105.8(d)

- (1) **A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action.**

Attached is a copy of the 1965 (Revised 1992) Tipp City Quadrangle topographic map prepared by the U. S. Department of Interior Geological Survey. The line to be abandoned has been identified by a heavy black and white diagonal line. There are no CSXT-owned structures 50 years old or older that are part of the proposed action that are eligible for listing in the National Register. (See Attachment 3.)

- (2) **A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristic of the surrounding area:**

The right of way width along this line varies between 50 feet and 150 feet from the centerline of track and is located within the City limits of Vandalia, Ohio.

- (3) **Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area:**

Not applicable.

- (4) **The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known:**

Not applicable.

- (5) **A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action:**

The land for this line segment was acquired by the Baltimore and Ohio Railroad Company (B&O) in 1965 for the purpose of constructing a rail line. The B&O was incorporated February 28, 1827 under a special law of Maryland for the purpose of "the construction and repair of a railroad from the City of Baltimore to some suitable point on the Ohio River with as many sets of tracks" as might be deemed necessary. The General Assembly of Virginia, by act of March 8, 1827 confirmed the act of Maryland and granted the new company the same rights and privileges as are granted to them within the territory of Maryland.

On February 26, 1973, the Chessie System Inc. was formed, and Chessie System Railroads was adopted as the new corporate identity for the C&O, B&O, and WM railroads. On November 1, 1980, Seaboard Coast Line Industries, Inc. and Chessie System Inc. merged and became CSX Corporation. On April 30, 1987, the Baltimore & Ohio Railroad Company was merged into the Chesapeake and Ohio Railway Company. The Chesapeake and Ohio Railway Company was merged into CSX Transportation on September 2, 1987.

Upon receiving abandonment authority, Applicant's operations and maintenance over this line will cease.

- (6) **A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic:**

Not applicable.

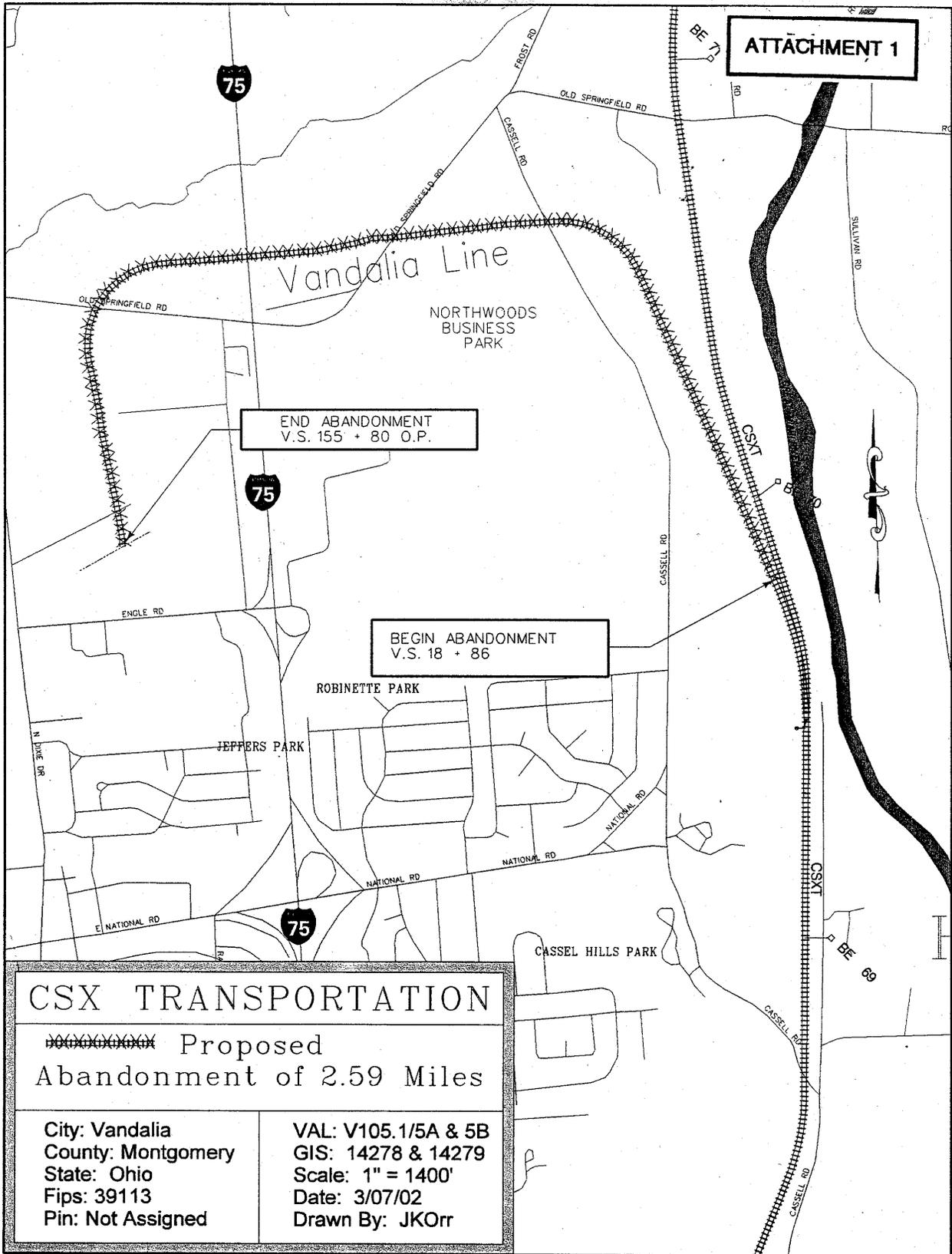
- (7) **An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities):**

A review of our records indicates there are no CSXT-owned structures over 50 years old on this line segment that are eligible for listing in the National Register.

We do not know of any archeological resources or any other previously unknown historic properties in the project area.

- (8) **A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or man-made) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.**

The line was disturbed during construction by cuts and fill and any archeological resources that may have been located in the proposed project area would have been affected at that time versus during the proposed salvage operations associated with rail removal. Our records do not indicate that any swampy conditions exist, or that any hazardous material spills have occurred within the project area.

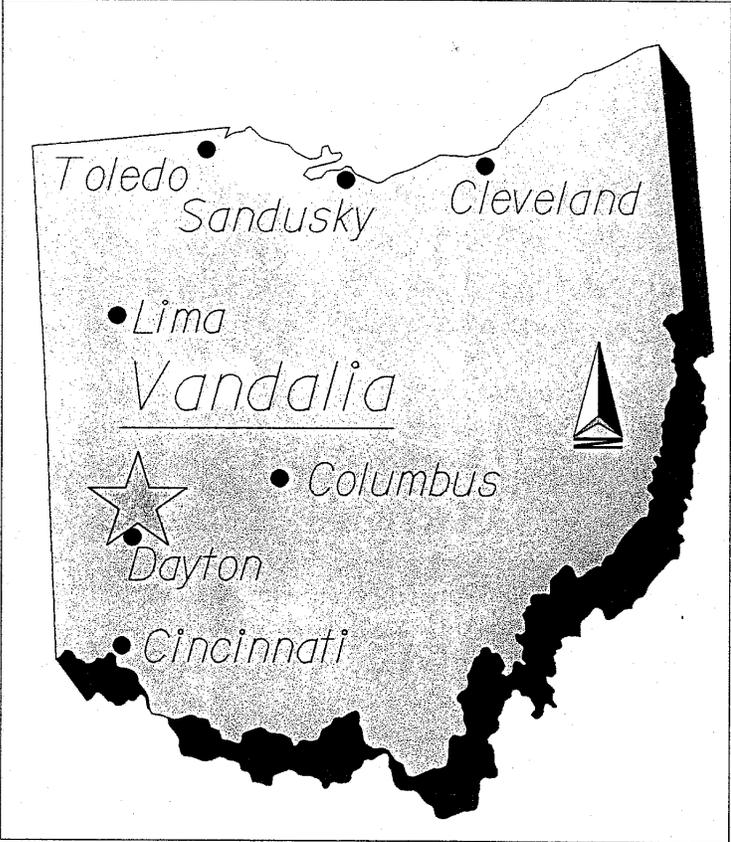


ATTACHMENT 1

END ABANDONMENT
V.S. 155 + 80 O.P.

BEGIN ABANDONMENT
V.S. 18 + 86

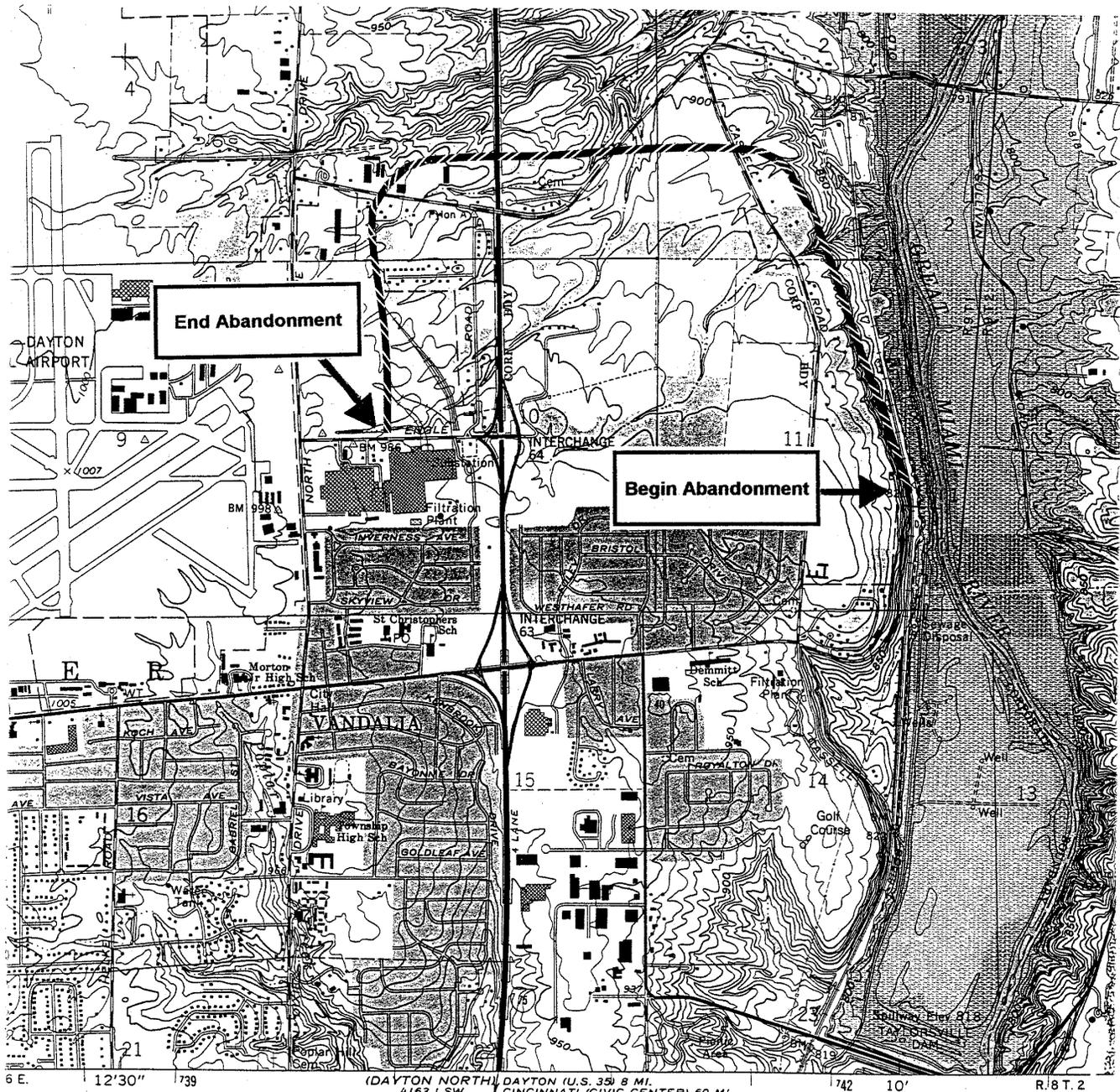
CSX TRANSPORTATION	
XXXXXXXXXX Proposed Abandonment of 2.59 Miles	
City: Vandalia	VAL: V105.1/5A & 5B
County: Montgomery	GIS: 14278 & 14279
State: Ohio	Scale: 1" = 1400'
Fips: 39113	Date: 3/07/02
Pin: Not Assigned	Drawn By: JKOr



AREA MAP

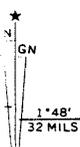
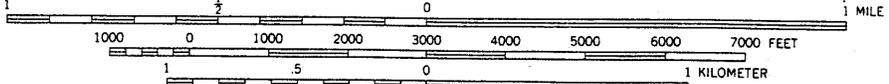
Proposed Abandonment -
2.59 Miles - Vandalia Line
Montgomery County
Vandalia, OH

MIDWEST REGION - LOUISVILLE DIVISION - TOLEDO SUBDIVISION

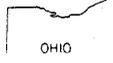


6 E. 12'30" 1739 (DAYTON NORTH) DAYTON (U.S. 35) 8 MI. 1742 10' R. 8 T. 2
4163 1 SW CINCINNATI (CIVIC CENTER) 60 MI.

SCALE 1:24 000



CONTOUR INTERVAL 10 FEET
NATIONAL GEODETIC VERTICAL DATUM OF 1929
40



CERTIFICATE OF COMPLIANCE
WITH NOTICE REQUIREMENTS OF
49 C.F.R 1105.11

In accordance with 49 C.F.R. § 1105.7(b), I hereby certify that on March 7, 2002, a copy of the Environmental Report was served upon the below listed parties, by first-class mail, postage prepaid:

City of Vandalia Planning Commission
City of Vandalia, Ohio
333 James E. Bahanan Memorial Drive
Vandalia, OH 45377

Mr. Joseph P. Tuss, Executive Director
Montgomery County Planning Commission
451 W. Third Street, 10th Floor
P.O. Box 972
Dayton, OH 45422-1350

Mr. Steve Boeder, District Conservationist
Natural Resources Conservation Service
The Montgomery Soil & Water Conservation Dist.
10025 Amity Road
Brookville, OH 45309

Mr. Kent E. Kroonemeyer, Supervisor
U.S. Department of the Interior
Fish & Wildlife Service
6950-H Americana Parkway - Suite H
Reynoldsburg, OH 43068-4132

Regional Director - Midwest Region
National Park Service
1709 Jackson Street
Omaha, NE 68102

Ms. Kim Baker, Environmental Adm.
Ohio Coastal Management Program
Ohio Dept. of Natural Resources
Office of Real Estate & Land Management
1952 Belcher Drive - Building C-2
Columbus, OH 43224 - 1386

Mr. Tom Harcarik
State of Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, OH 43216-1049

U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3507

U.S. Army Corps of Engineers
Great Lakes and Ohio River Division, CELRD
P.O. Box 1159
Cincinnati, OH 45201-1159

Ms. Nora E. Lake, Executive Director
Miami Valley Regional Planning Commission
Ohio Clearinghouse for Montgomery County
40 West Fourth Street, 400 Miami Valley Tower
Dayton, OH 45402

Mr. Edward J. McKay
Chief Spatial Reference System Division
DOC/NOAA
National Geodetic Survey N/NGS2
1315 East West Highway, Room 8813
Silver Spring, MD 20910-3282

Mr. Louis A. Jannazo, Bureau-in Chief-Rail Planners
Ohio Department of Transportation
Ohio Rail Development Commission
Lincoln-Leveque Tower
50 W. Broad Street - 15th Floor
Columbus, OH 43215

In accordance with 49 C.F.R. 1105.8(c), I hereby certify that on March 7, 2002, a copy of the Historic Report was served upon the below listed party, by first-class mail, postage prepaid:

Mr. Amos Loveday
State Historic Preservation Officer
The Ohio Historical Society
567 East Hudson Street
Columbus, OH 43211-1030


Natalie S. Rosenberg

March 28, 2002

Jacksonville, FL
March 26, 2002

Ms. Natalie Rosenberg – J150

**RE: OH-179 – CSXT Proposed Abandonment, Midwest Region, Louisville Division, Toledo Subdivision, the Vandalia Line from its clearance point off the Toledo Main Line at V.S. 18+86 to the end of track at V.S. 155+80 in Vandalia, Montgomery County, Ohio, a distance of 2.59 miles.
STB Docket No. AB-55 (Sub-No. 609X)**

In preparation for filing a Petition for Exemption on the above-referenced line segment, listed below are the carloads handled over the line for the years 2000, 2001 and 2002 year-to-date:

<u>PATRON</u>	<u>STATION</u>	<u>COMMODITY</u>	<u>CARLOADS</u>		
			<u>2000</u>	<u>2001</u>	<u>2002 (ytd)</u>
Delphi Mr. Robert R. Smith, Jr. Transportation Manager Delphi Automotive Systems 250 Northwoods Blvd. P.O. Box 5051 Vandalia, OH 45377-5051	Vandalia	automotive parts	0	0	0
CSX Transflo Mr. Robert K. Wagner Traffic Manager CSX Transflo CSX II Bldg., 2 nd Floor 6735 Southpoint Dr., South Jacksonville, FL 32216-6177	Vandalia	salt	41	305	1
Wolohan Lumber Mr. Denny Edwards Traffic Manager Wolohan Lumber 4317 Old Springfield Road Vandalia, OH 45377	Vandalia	lumber	33	47	2

One customer is inactive, the second is a Transflo facility that is in the process of relocating, and the third customer generated minimal originating and terminating traffic during the past two years. Non-rail transportation options available to the customer include motor carriers that serve the area.

There are no defense installations served by this line or in the immediate vicinity.

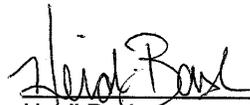

Heidi Bash
Director Asset Management

EXHIBIT F

CSX Transportation, Inc.
Line Segment: Vandalia Spur, OH

Pro forma, showing service to Wolohan Lumber only:	Base Year (Yr 2001)	Forecast Year (Begin 03/01/02)	Projected Subsidy Year (End 06/30/03)
O/T --	47 CL	47 CL	47 CL
Revenues Attributable			
1. Freight Originated &/or Terminated On Branch	\$ 49,367	51,788	51,788
2. Bridge Traffic	-	-	-
3. All Other Revenue and Income	360	-	-
4. Total Revenues Attributable (Lines 1 thru 3)	\$ 49,727	\$ 51,788	\$ 51,788
Avoidable Costs			
5. Total On-Branch Costs (Lines 5a thru 5k)	\$ 112,798	\$ 167,592	\$ 123,358
a. Maintenance of Way and Structures	102,000	157,000	112,700
b. Maintenance of Equipment - Locomotives	536	539	542
c. Transportation	7,005	6,797	6,850
d. Joint Facilities	-	-	-
e. Deadheading, Taxi and Hotel	-	-	-
f. Overhead Movement	-	-	-
g. Freight Car Costs (o/t Return on Freight Cars)	1,703	1,702	1,712
h. Return on Value - Locomotives	732	732	732
i. Return on Value - Freight Cars	822	822	822
j. Revenue Taxes	-	-	-
k. Property Taxes	-	-	-
6. Total Off-Branch Costs (Lines 6a and 6b)	\$ 33,613	\$ 33,584	\$ 33,773
a. Off-Branch Costs (o/t Return on Freight Cars)	31,198	31,171	31,347
b. Return on Value - Freight Cars	2,415	2,413	2,426
7. Total Avoidable Costs (Lines 5 and 6)	\$ 146,411	\$ 201,176	\$ 157,131
Subsidization Costs			
8. Rehabilitation	xxxx	xxxx	270,000
9. Administration Costs	xxxx	xxxx	-
10. Casualty Reserve Account	xxxx	xxxx	-
11. Total Subsidization Costs (Lines 8 thru 10)	xxxx	xxxx	\$ 270,000
Return on Value			
12. Valuation of Property (Lines 12a thru 12c)	xxxx	\$ 123,965	\$ 122,147
a. Working Capital	xxxx	6,809	4,991
b. Income Tax Consequences	xxxx	(68,806)	(68,806)
c. Net Liquidation Value	xxxx	185,962	185,962
13. Nominal Rate of Return	xxxx	15.4%	15.4%
14. Nominal Return on Value (Line 12 * Line 13)	xxxx	19,091	18,811
15. Holding Gain (Loss)	xxxx	5,579	5,579
16. Total Return on Value (Line 14 less Line 15)	xxxx	\$ 13,512	\$ 13,232
17. Avoidable Loss from Operations (Line 7 less Line 4)	\$ 96,684	\$ 149,388	\$ 105,343
18. Estimated Forecast Year Loss from Operations (Lines 7 and 16 less Line 4)		\$ 162,900	
19. Estimated Subsidy Year Loss from Operations (Lines 7, 11 and 16 less Line 4)			\$ 388,575

CSX Transportation, Inc.

Line Segment: Vandalia Spur, OH

Pro forma, showing service to Wolohan Lumber only:

Notes to Exhibit 1:

	Base Year	The year 2001 has been used for the base year; however, only Wolohan Lumber traffic is shown for comparison purposes. Other traffic on the segment at issue has ceased or will end by March 31, 2002.
Line 1	Freight Revenues	Base year = total CSXT waybill revenues; Forecast year or Subsidy year = Base year revenues with potential increase as identified by CSXT marketing personnel.
Line 3	All Other Revenue and Income	Demurrage revenue.
Line 5	Avoidable On-branch Costs	Costs for base year are based on year 2000 unit costs, indexed to year 2001 levels. The forecast year and subsidy year costs reflect similar indexing adjustments. Statistics used for calculation of on-branch costs include actual number of trips to serve Wolohan Lumber in 2001, conservative estimate of average on-branch service time at 1.5 hours per trip, one yard locomotive (actually mother / slug combination), and 2-man crew.
Line 5a	Maintenance of Way & Structures	Annual maintenance and inspection costs \$50K, plus annual ditching expense at \$52K. In the forecast year period, an additional \$55K will be necessary for road crossing repair in the short term. The subsidy year period reflects the annual maintenance and ditching expenses plus \$10,700 for bridge repair costs annually over the next five (5) years.
Lines 5g & 5i	On-branch Car Costs	Standard on-branch car cost calculation using year 2000 unit costs indexed to the base year, forecast year, and subsidy year periods.
Line 6	Off-branch Costs	CSXT 2000 URCS indexed to the base year, forecast year, and subsidy year periods.
Line 8	Rehabilitation (Subsidy Year Only)	Within the next three years, a major rehab project will be required to replace ties. The Engineering Department estimates \$270K will be needed to complete this tie work based on a unit cost of \$50 per tie.
Line 12	Valuation of Property	The net liquidation value is based on average valuation factors for track (\$50K per mile) and land (\$21.8K per mile) for the 2.59 miles of the line segment. Income tax consequences are calculated at 37% on the total NLV.

VERIFIED STATEMENT OF ELLEN M. PRESLAR

I am Ellen M. Preslar, Senior Manager-Costing in the Cost & Economic Analysis department of CSX Transportation, Inc. In this job I am responsible for the preparation of costing analyses, including those required for abandonments under 49 CFR Subpart D.

I have prepared the attached revenue and cost statement in accordance with my understanding of the rules in 49 CFR Subpart D.

VERIFICATION

I, Ellen M. Preslar verify under penalty of perjury under the laws of the United States that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement.

Executed March 27, 2002

Ellen M. Preslar
Ellen M. Preslar

VERIFIED STATEMENT

OF

KEN JOHNSON

My name is Ken Johnson, Jr. and I am Chief Regional Engineer-Midwest Region for CSX Transportation, Inc. ("CSXT"). My office is located at 11429 Bluegrass Parkway, Louisville, KY, 40299. My duties include responsibility for the maintenance of bridges, track structures, facilities and signal systems on the Midwest Region. I have been with CSXT for 18 years and began my career as an engineering management trainee. Since that time, I have held numerous positions including: Assistant Engineer, Assistant Roadmaster, Roadmaster, Engineer Administration, Assistant Division Engineer, Regional Manager of Gangs, Director Rail and Test Track, Director Production and Programs, and Division Engineer.

This statement describes the rehabilitation work necessary to operate over the 2.59 mile spur located off the junction of the Vandalia line and the Toledo Main Line at or near Milepost BE 69.5 to the end of track (the "line").

Based on my knowledge as Chief Regional Engineer, it is my opinion that the line requires immediate rehabilitation in order to continue operations at a safe level.

Specifically, the line requires significant tie replacement and crossing rehabilitation. With regard to tie replacement, I believe that each mile of the line requires the replacement of approximately 1800 ties. I estimate that it would cost approximately \$270,000.00 to complete this tie work based on a unit cost of \$50 per tie. There are 3 crossings on the line. I estimate a cost of \$55,000.00 for crossing rehabilitation in the short term.

In the longer term, the rail on the line would need to be replaced in order to allow for the use of the rail by six axle locomotives. The approximate cost of this future work would be \$450,000.00. Additionally, bridge maintenance costs will be approximately \$53,500 over the next 5 years. This includes \$2,500 per year in inspection costs and \$41,000 in repairs over the next five years. Bridge costs are associated with a 200 L.F. steel beam span at mile post BE 69.10.

In summary, this line is in need of significant immediate rehabilitation as well as certain future upgrades if CSXT were to continue to utilize the line. The cost of these items is significant in comparison to the low revenue generated by the line.

STB No. AB-55 (Sub-No. 609X)

Notice of Petition for Exemption to Abandon



On March 28, 2002, CSX Transportation, Inc. filed with Surface Transportation Board, Washington, DC 20423, a petition for exemption of abandonment of a portion of its line of railroad in the Midwest Region, Louisville Division, Toledo Subdivision, extending between the junction of the Vandalia Line and the Toledo Main Line at or about Milepost BE 69.5 to the end of of the Vandalia Line track in Vandalia, Montgomery County, Ohio, a total distance of approximately 2.59 miles. The line traverses through United States Postal Service ZIP Code 45377. The line for which the abandonment exemption request was filed includes no stations.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by the labor protective conditions imposed in Oregon Short Line R. Co. - Abandonment - Goshen, 360 I.C.C. 91 (1979).

Any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

All interested persons should be aware that following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the Federal Register.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.