

FD-3388 (Sub 36) 10-1-96 K 182271

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OPPENHEIMER WOLFF & DONNELLY

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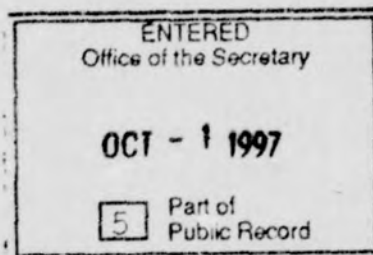
(312)616-1800  
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September 30, 1997

**VIA FEDERAL EXPRESS**

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W., Room 700  
Washington, DC 20423-0001



Re: **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**

**Finance Docket No. 33388 (Sub-No. 36)**  
**Transtar, Inc. and Elgin, Joliet and Eastern**  
**Railway Company -- Control -- Indiana Harbor**  
**Belt Railroad Company**

*Sub 36*

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and twenty-five copies of the **Verified Statement of No Significant Environmental Impact (EJE-7)**, dated September 30, 1997. A computer diskette containing the text of these filings in WordPerfect 5.1 format also is enclosed.

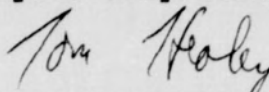
In accordance with the Board's service list issued herein, copies of EJE-7 have been served by first class mail, postage prepaid, on all designated parties of record in this proceeding.

OPPENHEIMER WOLFF & DONNELLY

Mr. Vernon A. Williams  
September 30, 1997  
Page 2

If you have any questions regarding this filing, please feel free to contact me. Thank you for your assistance on this matter.

Respectfully submitted,



Thomas J. Healey  
Attorney for Transtar, Inc.  
and Elgin, Joliet and Eastern  
Railway Company

TJH:tjl

Enclosures

cc: Parties on Certificate of Service  
Ms. Victoria J. Rutson

182871

ORIGINAL

BEFORE THE  
SURFACE TRANSPORTATION BOARD



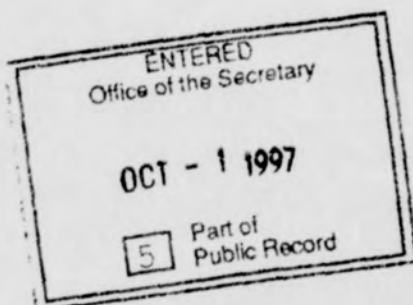
FINANCE DOCKET NO. 33388

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

FINANCE DOCKET NO. 33388 (SUB-NO. 36)

TRANSTAR, INC. AND  
ELGIN, JOLIET AND EASTERN RAILWAY COMPANY  
-- CONTROL --  
INDIANA HARBOR BELT RAILROAD COMPANY

**VERIFIED STATEMENT OF  
NO SIGNIFICANT ENVIRONMENTAL IMPACT**



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**ATTORNEYS FOR TRANSTAR, INC.  
AND ELGIN, JOLIET AND EASTERN  
RAILWAY COMPANY**

Dated: September 30, 1997

BEFORE THE  
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388

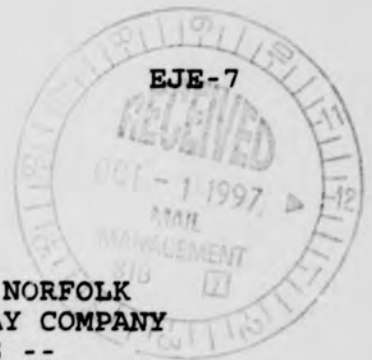
CSX CORPORATION AND CSX TRANSPORTATION, INC., NORFOLK  
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FINANCE DOCKET NO. 33388 (SUB-NO. 36)

TRANSTAR, INC. AND  
ELGIN, JOLIET AND EASTERN RAILWAY COMPANY  
-- CONTROL --  
INDIANA HARBOR BELT RAILROAD COMPANY

**VERIFIED STATEMENT OF  
NO SIGNIFICANT ENVIRONMENTAL IMPACT**

I am Thomas J. Healey, an attorney for Transtar, Inc. ("Transtar") and the Elgin, Joliet and Eastern Railway Company ("EJE"). Transtar is a non-carrier holding company which controls EJE and several other railroads. I am submitting this Verified Statement to explain why an Environmental Report is not required in connection with Transtar/EJE's anticipated Responsive Application in Finance Docket No. 33388 (Sub-No. 36). In that Responsive Application, Transtar/EJE will seek divestiture of Conrail's 51% ownership interest in Indiana Harbor Belt Railroad Company ("IHB"). As is explained below, if Transtar/EJE's Responsive Application and the Primary Application are granted, the environmental thresholds established in 49 C.F.R. § 1105.6 will not be exceeded and there will be no significant environmental impact.



As stated above, Transtar is a non-carrier transportation holding company which controls eight Board-regulated rail carrier subsidiaries: (1) EJE; (2) Bessemer and Lake Erie Railroad Company, a Class II carrier operating in Western Pennsylvania and northeastern Ohio; (3) Birmingham Southern Railroad Company, a Class III switching and terminal carrier in Birmingham, Ensley, Fairfield and Bessemer, Alabama; (4) Duluth, Missabe and Iron Range Railway Company, a Class II carrier operating in northeastern Minnesota and northwestern Wisconsin; (5) The Lake Terminal Railroad Company, a Class III switching carrier operating in Lorain, Ohio; (6) Union Railroad Company, a class III carrier operating from North Bessemer to Clairton Junction, Pennsylvania; (7) McKeesport Connecting Railroad Company, a Class III switching operation in McKeesport, Pennsylvania; and (8) The Pittsburgh and Conneaut Dock Company, which operates a rail/water dock facility on Lake Erie at Conneaut, Ohio.

EJE is a Class II carrier that owns and operates 196 miles of mainline and branchline trackage in and around Chicago in the states of Illinois and Indiana. EJE's main line extends from Waukegan, Illinois through Joliet, Illinois to Gary, Indiana. Branch lines extend from Plainfield to East Morris, Illinois and from Gary to Whiting and East Chicago, Indiana and Hegewisch and South Chicago, Illinois.

Transtar/EJE's anticipated filing pursuant to 49 C.F.R. § 1180.4(d)(4) would not cause any foreseeable increase in traffic. Divestiture of Conrail's 51% ownership of the IHB



should have no impact on current train or traffic levels. This condition is a transfer of ownership intended to preserve the status quo and to assure that IHB can continue to serve as an effective intermediate switching carrier in the Chicago terminal. The condition is not intended or expected to result in additional trains or traffic over IHB's lines.

It is thus not reasonably foreseeable that the environmental thresholds established in 49 C.F.R. § 1105.7 will be exceeded. IHB divestiture is not expected to cause the diversion of any rail traffic to motor carriers. The proposed transaction is not expected to result in (a) an increase in rail traffic on any segment of rail line, (b) an increase in rail yard activity, or (c) an increase in truck traffic on any road segment. Accordingly, there will be no significant impact on the environment, and submission of an environmental report is not required.

VERIFICATION

State of Illinois     )  
                              ) ss.  
County of Cook        )

Thomas J. Healey, being duly sworn, deposes and says that he is an attorney for Transtar, Inc. and Elgin, Joliet and Eastern Railway Company, that he has read the foregoing statement and knows the facts asserted therein, and that the same are true as stated to the best of his knowledge, information and belief.

*Tom Healey*

\_\_\_\_\_  
Thomas J. Healey

SUBSCRIBED AND SWORN to  
before me this 30<sup>th</sup> day  
of September, 1997.

*Lawrence M. Corridon*

\_\_\_\_\_  
Notary Public

My Commission expires:





**CERTIFICATE OF SERVICE**

I hereby certify that on this 30th day of September, 1997, a copy of the foregoing **Verified Statement of No Significant Environmental Impact (EJE-7)** was served by first class mail, postage prepaid, upon:


Dennis G. Lyons, Esq.  
Arnold & Porter  
555 12th Street, N.W.  
Washington, DC 20004-1202

Richard A. Allen, Esq.  
Zuckert, Scoutt & Rasenberger, L.L.P.  
888 Seventeenth Street, N.W.  
Suite 600  
Washington, DC 20006-3939

Paul A. Cunningham, Esq.  
Harkins Cunningham  
1300 Nineteenth Street, N.W.  
Suite 600  
Washington, DC 20036

Hon. Jacob Leventhal  
Administrative Law Judge  
Federal Energy Regulatory Commission  
888 First Street, N.E., Suite 11F  
Washington, DC 20426

and upon all parties of record appearing on the Surface Transportation Board's official service list in this proceeding, served August 19, 1997.



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Thomas J. Healey