

STB FD 33388 (Sub 53) 10-1-97 K BUSINESS

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JAMIE PALTER RENNERT
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October 1, 1997

Office of the Secretary
Case Control Branch
ATTN: STB Finance Docket No. 33388
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

ENVIRONMENTAL DOCUMENT

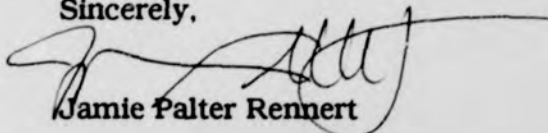
Attention: Elaine K. Kaiser
Chief, Section of Environmental Analysis
Environmental Filing

Re: 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 53*

Dear Ms. Kaiser:

Enclosed are an original and ten (10) copies of the of the Philadelphia Belt Line Railroad Company's Verified Statement of Charles E. Mather III Concerning Environmental and Historical Reporting Requirements (PBL-8) for filing in the above-referenced proceeding. Because of time constraints, a facsimile copy of the signature page is attached; the original will be filed as soon as we receive it from Mr. Mather. An additional copy is enclosed for file stamp and return with our messenger. Please note that a copy of this filing is also enclosed on a 3.5-inch diskette in WordPerfect 5.1 format.

Sincerely,



Jamie Palter Rennert

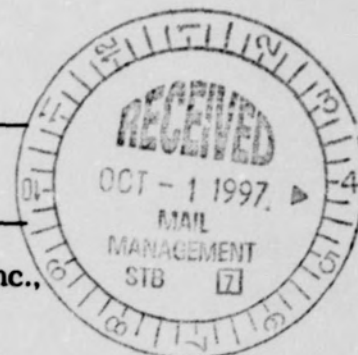
Enclosure

cc: The Honorable Jacob Leventhal
All Parties of Record

Before The
SURFACE TRANSPORTATION BOARD
Washington, D.C.

Finance Docket No. 33388 (Sub-No. 53)

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



**Verified Statement of
Charles E. Mather III
Concerning Environmental and
Historical Reporting Requirements**

Charles A. Spitulnik
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Hopkins & Sutter
888 Sixteenth Street, N.W.
Washington, D.C. 20006

Counsel for Philadelphia Belt Line
Railroad Company

Dated: October 1, 1997

Before The
SURFACE TRANSPORTATION BOARD
Washington, D.C.

Finance Docket No. 33388 (Sub-No. 53)

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



**Verified Statement of
Charles E. Mather III**

My name is Charles E. Mather III. I am the President of the Philadelphia Belt Line Railroad Company ("PBL"). I am submitting this Verified Statement pursuant to Decision No. 12 in this proceeding, which directs each party intending to submit a responsive application to either submit environmental documentation required under the Board's rules in regard to the transactions proposed in the responsive application, or to certify that under the Board's rules such transactions are exempt from any requirement of environmental documentation. Based on the information currently available to me, it is my judgment that PBL's responsive application falls into the latter category pursuant to the exemption set forth at 49 C.F.R. § 1105.6(c)(2), and that the Board's rules do not require any environmental documentation regarding the transaction proposed in that application. Likewise, I conclude that the transaction proposed in PBL's responsive application is exempt from historic impact reporting requirements under 49 C.F.R. § 1105.8(b)(3).

1. The PBL Responsive Application

The responsive application to be filed by PBL will seek the following relief: to ensure adherence to the "Belt Line Principle," PBL is considering a number of options, one of which is trackage rights for itself or an assignee over Conrail's Richmond Industrial Track from MP 10.4 at the site of the former Port Richmond Yard (where it connects with the Belt Line North), in the Port Richmond section of Philadelphia, to MP 2.7 at Falls Interlocking, thence over Conrail's Trenton Line from MP 5.4¹ at Falls to MP 2.4 at the CSXT/Conrail interchange at Park Junction and over CSXT's Philadelphia-Washington mainline from CSXT MP -1.4 at Park Junction to CSXT MP 1.7 at the throat of its East Side Yard, and tracks and facilities connecting East Side Yard with PBL in South Philadelphia in the vicinity of 26th and Penrose Streets, a total distance of approximately 10 miles. These rights are necessary for PBL (or its assignee) to maintain neutral access to its lines for all carriers serving Philadelphia in accordance with the Belt Line Principle.

2. Environmental and Historic Reporting Exemptions

Under 49 C.F.R. § 1105.6(c)(2), an environmental assessment need not be prepared in connection with a responsive application seeking trackage rights, if the granting of the requested rights will not result in changes in carrier operations over the subject lines that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5). Likewise, 49 C.F.R. § 1105.8(b)(3) provides that historic impact reports will not be required for trackage rights applications "which will not substantially change the level of maintenance of railroad property."

¹The milepost on Conrail's "Trenton Line."

As described below, I conclude that the trackage rights and other relief to be requested by PBL in its responsive application do not propose operational changes that would exceed any of the applicable thresholds. Specifically, exercise of the trackage rights to be requested in the responsive application will not result in:

A. Any diversion of traffic from rail to motor carriage. As such, neither of the thresholds described at 49 C.F.R. § 1105.7(e)(4)(iv)(A) or (B) will be exceeded.

B. An increase in rail traffic of at least 100% (measured in gross ton miles annually) or an increase in 8 trains per day on any segment of rail line affected by the proposal, pursuant to 49 C.F.R. § 1105.7(e)(5)(i)(A), or an increase over the 50%/3 trains per day threshold for Clean Air Act non-attainment areas under 49 C.F.R. § 1105.7(e)(5)(ii)(A).

C. An increase in rail yard activity of at least 100% (measured by carload activity), or an increase over the 20% threshold for Clean Air Act non-attainment areas, pursuant to 49 C.F.R. §§ 1105.7(e)(5)(i)(B) and § 1105.7(e)(5)(ii)(B).

D. An increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment, pursuant to 49 C.F.R. § 1105.7(e)(5)(i)(c).

E. The transportation of ozone depleting materials by means of the trackage rights.

Given that the responsive application will seek trackage rights and other relief that, once exercised, will result in only a minimal increase in rail freight operations, there should be little or no related impact on the level of necessary railroad property maintenance. As such, PBL's responsive application meets the standard for an historic reporting exemption under 49 C.F.R. § 1105.8(b)(3).

On the basis of the foregoing, I conclude that under the applicable Board rules, no environmental or historic documentation is required in connection with PBL's responsive application.

Verification

Commonwealth of Pennsylvania)
) SS
City of Philadelphia)

Charles E. Mather III, being duly sworn, deposes and says that he is qualified and authorized to file this Verified Statement, and that he has read the foregoing statement, knows the contents thereof, and that the same are true as stated to the best of his knowledge, information and belief.

Charles E. Mathar III
Charles E. Mathar III

Subscribed and sworn to
before me this 1st
day of October, 1997

Notary Public



My commission expires

5-11-2020

CERTIFICATE OF SERVICE

I hereby certify that on October 1, 1997, a copy of the foregoing Philadelphia Belt Line Railroad Company's Verified Statement of Charles E. Mather III Concerning Environmental and Historical Reporting Requirements (PBL-8) was served by hand delivery upon the following:

The Honorable Jacob Leventhal
Administrative Law Judge
Federal Energy Regulatory Commission
888 First Street, N.E.
Suite 11F
Washington, D.C. 20426

John M. Nannes
Skadden, Arps, Slate, Meagher
& Flom L.L.P.
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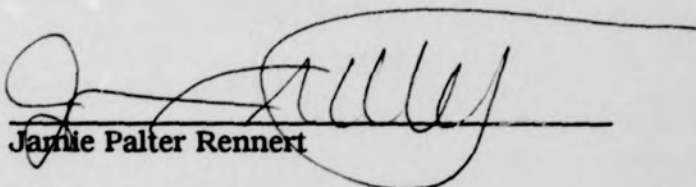
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Harkins Cunningham
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Washington, D.C. 20036

and by first class mail, postage pre-paid upon all other Parties of Record in this Proceeding.


Jamie Palter Rennert