

STB FD 33388 (Sub 60) 10-1-97 K 182270

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. 59)-182269

WISCONSIN CENTRAL LTD.
-- PURCHASE AND RELATED TRackage RIGHTS --
LINES OF THE BALTIMORE & OHIO CHICAGO TERMINAL
RAILROAD COMPANY AND CONSOLIDATED RAIL CORPORATION

FINANCE DOCKET NO. 33388 (SUB-NO. 60)-182270

CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION
-- DIVESTITURE OF CONTROL --
INDIANA HARBOR BELT RAILROAD COMPANY

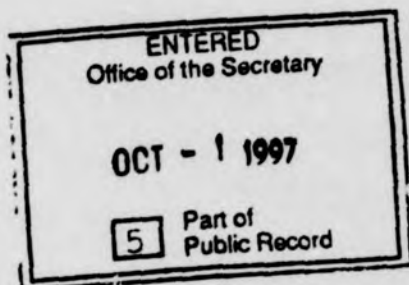
**VERIFIED STATEMENT OF
NO SIGNIFICANT ENVIRONMENTAL IMPACT**

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Dated: September 30, 1997



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SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY
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CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION
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INDIANA HARBOR BELT RAILROAD COMPANY

**VERIFIED STATEMENT OF
NO SIGNIFICANT ENVIRONMENTAL IMPACT**

I am Thomas J. Healey, an attorney for Wisconsin Central Ltd. ("WCL"). After consulting with my client, I am submitting this Verified Statement to explain why an Environmental Report is not required in connection with WCL's anticipated Responsive Application in Finance Docket No. 33388 (Sub-Nos. 59 and 60). WCL seeks: 1) conveyance of the Altenheim Subdivision of The Baltimore & Ohio Chicago Terminal Railroad Company ("B&OCT"), a CSX Transportation, Inc. ("CSXT") subsidiary, between the connection with WCL at Madison Street in Forest Park and the connection with the Union Pacific Railroad Company and the former "Panhandle Line" of Consolidated Rail

Corporation ("Conrail") at Rockwell Street (also known as Ogden Junction) in Chicago; 2) conveyance of Conrail's "Panhandle Line" right-of-way and remaining track between Rockwell Street and Brighton Park in Chicago, together with related trackage rights to interchange traffic with The Burlington Northern and Santa Fe Railway Company ("BNSF") at 22nd Street, CSXT, Norfolk Southern Railway Company and BNSF at Brighton Park and Grand Trunk Western Railroad, Inc. (Canadian National) at the Railport facility in Chicago; and 3) the divestiture by Conrail of its controlling 51% stock interest in the Indiana Harbor Belt Railroad Company ("IHB").

None of these conditions will result in any appreciable increase in railroad traffic. As is explained below, if WCL'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.

WCL is a Class II common carrier by rail which owns or operates approximately 2,000 route miles of rail line in the states of Wisconsin, Illinois, Michigan and Minnesota. WCL began operations in 1987 after acquiring its core rail lines from Soo Line Railroad Company. WCL's rail lines emanate north from Chicago, Illinois, and Chicago is the largest traffic gateway for the Wisconsin Central system. The efficient, timely and cost-effective interchange of traffic with other rail carriers at Chicago is absolutely critical to WCL's ability to offer competitive rail service.

WCL is a wholly-owned subsidiary of Wisconsin Central Transportation Corporation ("WCTC"), which also controls Fox Valley & Western Ltd. ("FVW"), a Class II common carrier by rail which owns approximately 500 miles of rail line within the state of Wisconsin, and the Sault Ste. Marie Bridge Company ("SSMB"), a Class III common carrier by rail which owns approximately 220 miles of rail line in northern Wisconsin and the Upper Peninsula of Michigan and between Sault Ste. Marie, Michigan and Sault Ste. Marie, Ontario, Canada. Together with its affiliates, WCL is the largest railroad in the state of Wisconsin and the Upper Peninsula of Michigan. WCTC, FVW and SSMB are each participating as parties of record in this proceeding, see WC-1, dated August 6, 1997, and the relief sought by WCL is sought on behalf of those entities as well.

WCL's anticipated filing pursuant to 49 C.F.R. § 1180.4(d)(4) would not cause any foreseeable increase in traffic. With respect to the Altenheim Subdivision, WCL does not anticipate that approval of WCL's Responsive Application will result in any change in traffic levels. WCL currently operates over this section of B&OCT's track pursuant to trackage rights, and in fact is the predominant user of that line segment. Approval of WCL's acquisition of the Altenheim Subdivision pursuant to a Responsive Application would result in a transfer of dispatching and maintenance over this track to WCL, and would change the nature of WCL's legal rights to operate over the track from trackage rights to ownership. WCL does not foresee a change

in the number of trains operating over the Altenheim Subdivision as a result of this transfer of ownership.

WCL's acquisition of Conrail's "Panhandle Line" between Rockwell Street and Brighton Park in Chicago will also have no impact on train or traffic levels. WCL understands portions of the track on this line are removed. WCL currently does not plan to operate trains on this property upon its acquisition. Should WCL desire to reinstall trackage and operate trains on the Panhandle Line, WCL would seek appropriate authority from the Surface Transportation Board, and the environmental impact of WCL's projected train operations would be subject to review at that time.

Finally, 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.

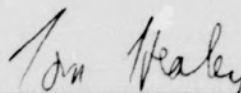
It is thus not reasonably foreseeable that the environmental thresholds established in 49 C.F.R. § 1105.7 will be exceeded in any of the referenced transactions. The transactions are not expected to cause the diversion of any rail traffic to motor carriers. The proposed transactions are not expected 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

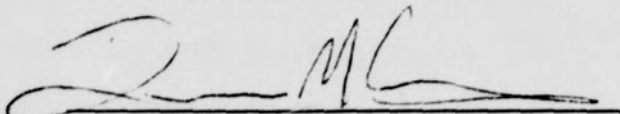
State of Illinois)
) ss.
County of Cook)

Thomas J. Healey, being duly sworn, deposes and says that he is an attorney for Wisconsin Central Ltd., 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.



Thomas J. Healey

SUBSCRIBED AND SWORN to
before me this 30th day
of September, 1997.



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 (WC-5)** was served by first class mail, postage prepaid, upon:

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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.

Tom Healey

Thomas J. Healey