

STB

FD-33388

2-20-01

J

BUSINESS

# Kirkpatrick & Lockhart LLP

1800 Massachusetts Avenue, NW  
Second Floor  
Washington, DC 20036-1800  
202.778.9000  
www.kl.com

February 15, 2001

Via First Class Mail

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

Edward J. Fishman  
202.778.9456  
Fax: 202.778.9100  
efishman@kl.com

Re: Finance Docket No. 33388  
CSX Corporation, CSX Transportation Inc., Norfolk Southern Corporation and  
Norfolk Southern Railway Company – Control and Operation – Conrail, Inc. and  
Consolidated Rail Corp.

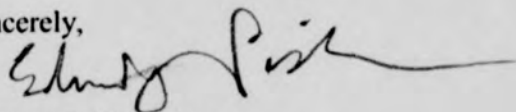
Dear Secretary Williams:

I am writing to inform you that Kevin M. Sheys and Edward J. Fishman, counsel for New Jersey Transit Corporation (among others) in the above-referenced proceeding, have recently joined the law firm of Kirkpatrick & Lockhart LLP. Any communications relating to this proceeding should be directed to Mr. Sheys and/or Mr. Fishman at the following new address:

Kevin M. Sheys  
Edward J. Fishman  
Kirkpatrick & Lockhart LLP  
1800 Massachusetts Avenue N.W.  
Second Floor  
Washington, D.C. 20036-1800  
(202) 778-9000 (tel)  
(202) 778-9100 (fax)

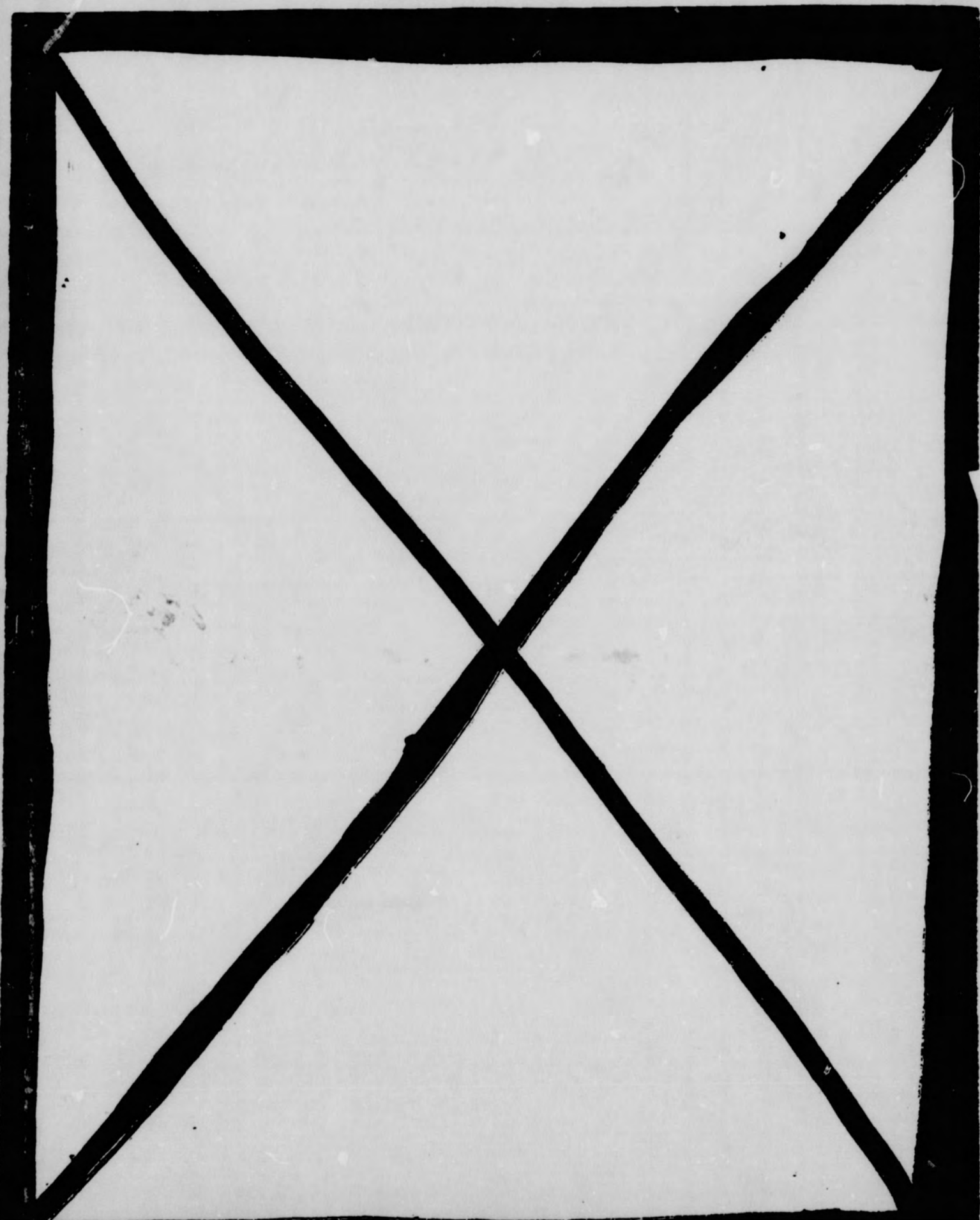
If you have any questions relating to the above, please do not hesitate to contact the undersigned. Thank you for your attention to this matter.

Sincerely,

  
Edward J. Fishman



DC-430631 v1 0950000-102



STB

FD-33388

2-13-01

J

BUSINESS



# FOLEY & LARDNER

ATTORNEYS AT LAW

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DENVER  
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LOS ANGELES  
MADISON  
MILWAUKEE

888 SIXTEENTH STREET, N.W., 7<sup>TH</sup> FLOOR  
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TELEPHONE: (202) 672-5300  
FACSIMILE: (202) 835-8136

ORLANDO  
SACRAMENTO  
SAN DIEGO  
SAN FRANCISCO  
TALLAHASSEE  
TAMPA  
WASHINGTON, D.C.  
WEST PALM BEACH

WRITER'S DIRECT LINE  
(202) 835-8112

EMAIL ADDRESS  
jrennert@foleylaw.com

CLIENT/MATTER NUMBER  
424277-040

February 9, 2001

The Honorable Vernon Williams  
Secretary  
Surface Transportation Board  
Case Control Unit  
1925 K Street, NW  
Washington, DC 20423-0001



Re: STB Finance Docket No. 33388

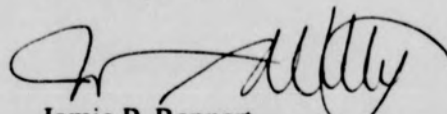
Dear Secretary Williams:

This letter is to notify the Board of a change in our firm name, for the purpose of future proceedings in the above referenced docket. Effective February 1, 2001, the firm of Hopkins & Sutter has merged into Foley & Lardner. Our address and telephone number remain the same:

Robert P. vom Eigen  
Jamie P. Rennert  
FOLEY & LARDNER  
888 Sixteenth Street, N.W.  
Washington, DC 20006  
(202) 835-8000

Thank you for your attention to this matter.

Sincerely,

  
Jamie P. Rennert

**Foley & Lardner**

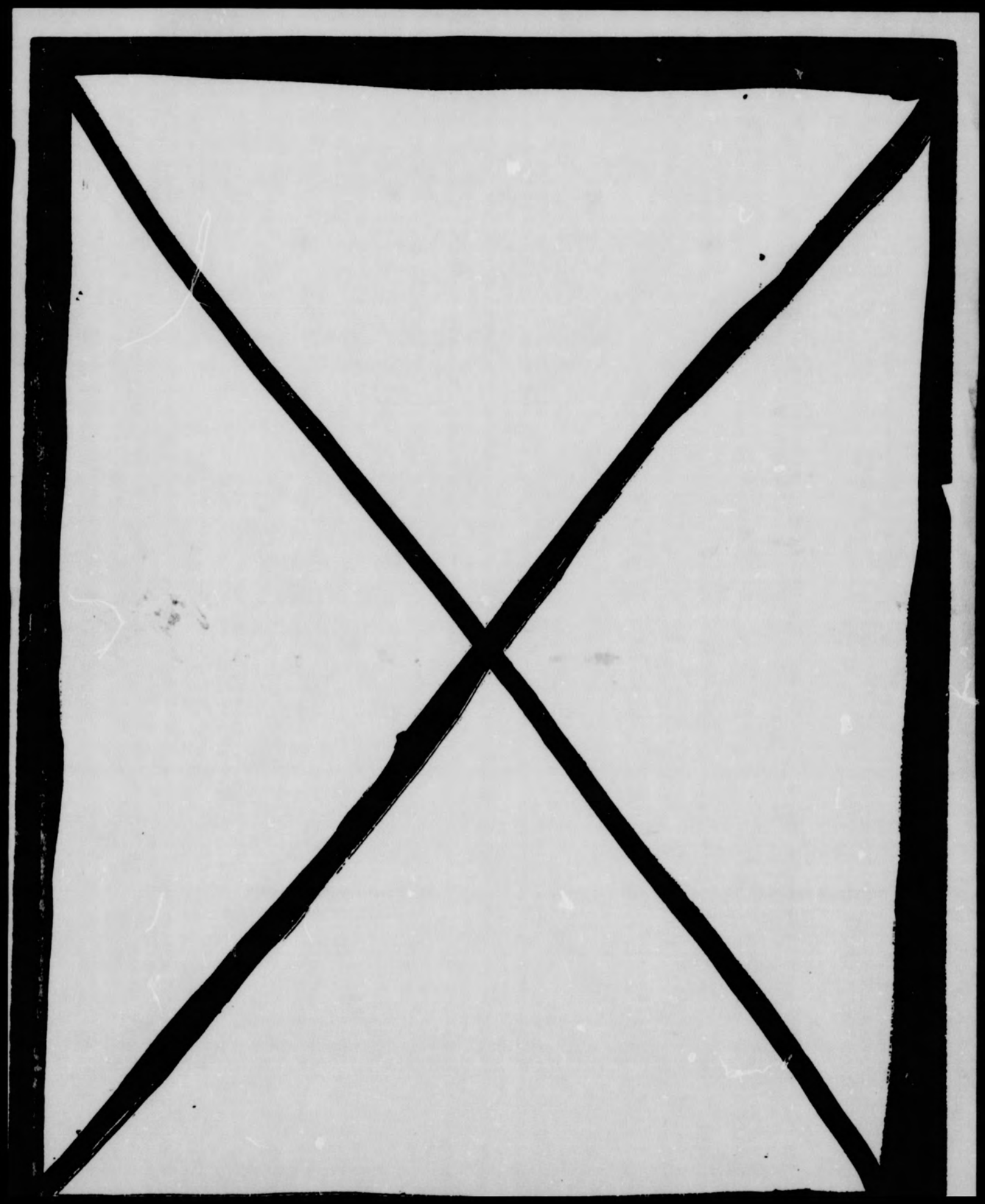
The Honorable Vernon Williams

February 9, 2001

Page 2

cc: Richard A. Allen  
ZUCKERT, SCOUT, RASENBERGER  
Counsel to Norfolk Southern Railroad

Dennis Lyons  
ARNOLD & PORTER  
Counsel to CSX Transportation, Inc.



STB

FD-33388

2-13-01

J

BUSINESS

# FOLEY & LARDNER

ATTORNEYS AT LAW

BRUSSELS  
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MILWAUKEE

888 SIXTEENTH STREET, N.W., 7<sup>TH</sup> FLOOR  
WASHINGTON, D.C. 20006-4103  
TELEPHONE: (202) 672-5300  
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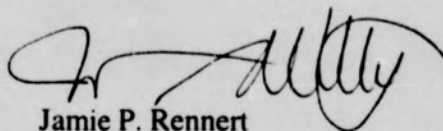
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FOLEY & LARDNER  
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Washington, DC 20006  
(202) 835-8000

Thank you for your attention to this matter.

Sincerely,



Jamie P. Rennert

**Foley & Lardner**

The Honorable Vernon Williams

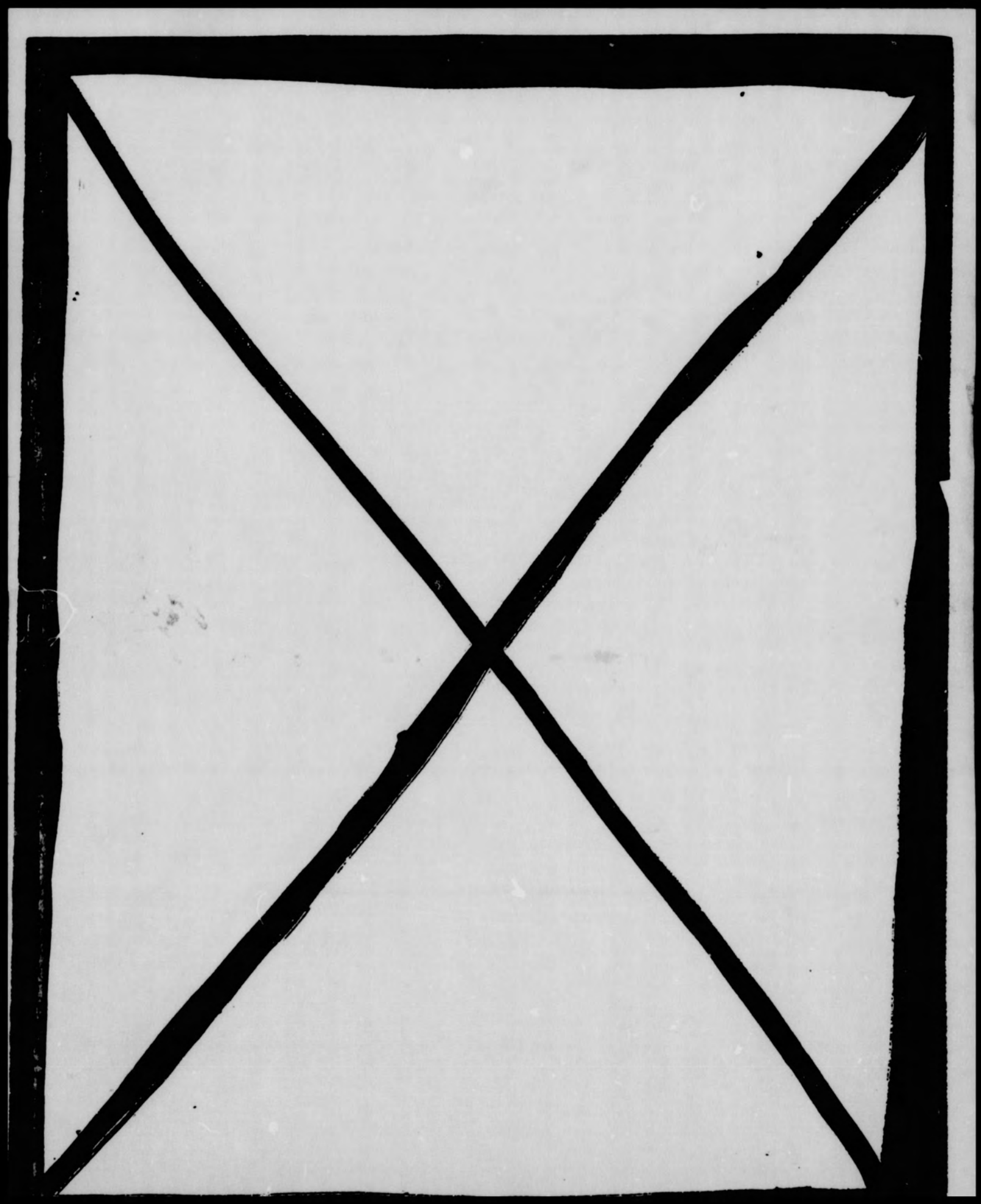
February 9, 2001

Page 2

cc: Richard A. Allen  
ZUCKERT, SCOUT, RASENBERGER  
Counsel to Norfolk Southern Railroad

Dennis Lyons  
ARNOLD & PORTER  
Counsel to CSX Transportation, Inc.





STB

FD-33388

2-8-01

J

BUSINESS





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

February 8, 2001

Mr. Robert J. Haulter  
Vice President - Human Resources  
CSX Transportation, Inc.  
500 Water Street  
Jacksonville, FL 32202

Dear Mr. Haulter:

Thank you for your letter, with enclosed copies of responses to inquiries by a number of CSXT employees about the relocation of clerical jobs from Pittsburgh, PA, to Jacksonville, FL. I appreciate your keeping me informed regarding the progress in this matter. I know that you remain committed, as does the Board, to a fair implementation of the Conrail acquisition transaction for all concerned, and in this regard, I hope that you will continue to give top priority to the resolution of such employee issues. As with prior letters on similar subjects, I will have your letter and my response placed in the public docket for the Conrail proceeding.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



FILE IN DOCKET

Labor Relations; J-455  
500 Water Street  
Jacksonville, FL 32202

*Robert J. Haulier*  
*Vice President Human Resources*

January 12, 2001

Mrs. Bernadine J. Eschner  
126 Westbury Drive  
Moon Township, PA 15108-1067

Dear Madame:

Your letter dated November 15, 2000 to Ms. Linda Morgan has been referred to me for response concerning the transfer of the National Customer Service Center (NCSC) at Pittsburgh, PA to the Customer Service Center (CSC) at Jacksonville, FL.

As a result of the Conrail acquisition, the TCU and CSXT, NS and Conrail negotiated an Implementing Agreement in November 1998 in accordance with STB Decision 89, which approved the transaction and imposed employee protection conditions. The Implementing Agreement set the framework for an initial orderly division of Conrail's assets as it related to the TCU as well as for future coordinations. The Implementing Agreement also guaranteed former Conrail employees lifetime protection (which they never had under Conrail's collective bargaining agreement) and, a severance package for eligible employees based upon defined terms.

On November 15, 2000, the CSXT served notice under provisions of the Implementing Agreement of its intent to transfer the clerical forces and functions from Pittsburgh, PA to Jacksonville, FL. In order to assist the employees at Pittsburgh, J. C. Amidon, Senior Director Labor Relations, as well as senior staff from the CSC management team held town meetings on November 14, 15, and 16, 2000 to answer any questions the employees had concerning the transfer. Shortly after the town meetings were conducted, a Letter of Understanding was reached with TCU outlining a "rundown" process for awarding positions moving to Jacksonville. The severance package was not addressed in the understanding since all employees at Pittsburgh had positions at Jacksonville if they elected to accept. The union has always taken the position that employees have a right to follow their work, which includes relocation expenses and transfer of seniority.

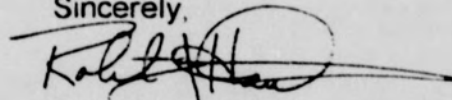
As indicated, we have been successful in reaching agreements to ease the stress of change. Fortunately, this change provides both employment and relocation benefits to transfer to Florida.

Mrs. Bernadine J. Eschner  
January 12, 2001  
Page 2

I am empathic to your sense of frustration, but the decision to move the work to Jacksonville, FL was made from a customer and business perspective. For those who elected to acquire a position and move to Jacksonville, the benefits they received were negotiated in good faith between the parties. For those who elected not to pick a position, they were advised that it would result in becoming furloughed non-protected. The Implementing Agreement provided the basis for benefits and consequences of these actions.

Hopefully this clarifies any confusion relative to this matter. We wish you well in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert J. Haulter", with a long horizontal flourish extending to the right.

Robert J. Haulter  
Vice President - Human Resources

CC: L. J. Morgan

November 15, 2000

Ms. Linda Morgan  
Surface Transportation Board  
1925 K. Street, NW  
Washington, D.C. 20423-0001

FILE IN DOCKET

Nov 20 2 15 PM '00

RECEIVED  
SURFACE TRANSPORTATION

Dear Ms. Morgan:

I am the spouse of a CSXT railroad clerk, based in Pittsburgh, Pa. My husband was employed by Conrail prior to the takeover and division of Conrail and is in his 39th year of railroad service. I know that you are more than familiar with the terms that the STB set forth that were the conditions of this takeover. As far as I was lead to believe, these terms stated that each railroad was going to make certain changes, and ultimately were not to be unfair and costly to the average railroad worker. Upon completion of the takeover and the division of the former Conrail employees between the Norfolk Southern and the CSXT railroads, each railroad announced that there would be a relocation. Norfolk Southern Railroad completed this relocation in a timely fashion.

We have sat here in Pittsburgh with the now "threat" of relocation for over two years. Initially, 14 persons were afforded the choice of a \$72,500 buyout, due to the fact that certain jobs were being eliminated. The remainder of the work force would have jobs, and the number of jobs would remain constant, without any further loss of jobs in the NCSC in Pittsburgh.

The move to Jacksonville, Florida was initially postponed by the CSXT and continued to be postponed, until an announcement was made about a year ago that the CSXT had re-evaluated the situation and the move was cancelled at least until July of 2002 and it was stated that the Pittsburgh Office could possibly remain here permanently. The clerical union people were put under the CSXT-North Agreement which had many detrimental effects on work rules, etc even beyond what had already been taken away from them in the original implementing agreement (this in itself was very unfair as pay increases over the years and other concessions were given up to gain these work rules). However, one benefit of that agreement was of particular benefit to the clerks and that was a Severance package that is allowed all CSXT-North Agreement employees which would protect us if a move to Jacksonville ever came up again. In the meantime, people have retired, bid to other CSXT centers, and have just left their employment. The CSXT has declined to hire in the Pittsburgh area and these positions have gone unfilled.

CSXT has now decided to exercise their option and relocate these clerks to Jacksonville, in an attempt to consolidate their work force. I was at a relocation meeting yesterday (11/14/00), where I asked the question as to why the jobs were just not filled from a very viable labor force in Pittsburgh. I was told by the Human Resources Manager, Mr. James Amidon, "that I didn't want to pay the relocation package". I find this very difficult to understand, as the agreement was to preserve Pittsburgh jobs, not expand the Jacksonville work force. Mr. Amidon also declined to provide any further buyouts or severance packages that would compensate for the ultimate "loss" of these Pittsburgh jobs. The only option if we do not move is to take a lay off and be put in a furloughed-unprotected status. We were told that no New York Dock protection is available to us or any buyout or severance pay (even though that is in the CSXT-North agreement under which we were placed).

The moving package that is offered is based on a 10 year old Conrail package that has not been increased to compensate for cost of living and increased moving costs that have taken place over those years, but actually has been made worse by taking 14 % of the appraised value (instead of 12%) of our home out of the package and the "gross-ups" to cover taxes in the original package and paid by Conrail in addition to the package are now being taken out of this package also. This will not leave enough to cover many of our costs of moving.

We have a large (to us) investment in our home and are looking forward to our retirement in 2 years. Our goal is to return to our children and grandchildren in Buffalo, NY where we were transferred from in the first place and relocated in Pittsburgh by Conrail in a previous cost cutting move.

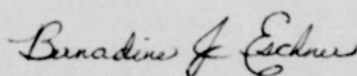
This move to Jacksonville is a great hardship to us, especially at this time in our lives and is going to cost us much of our retirement savings to move to Jacksonville as well as many more costs to get ourselves and our belongings back 1200 miles to Buffalo instead of 200 from Pittsburgh. We also face the loss of my job which provides additional income.



We believe this sudden change in the date of this move has been precipitated by the work you are now undertaking in trying to make things more fair for those affected in future mergers. We believe CSXT is afraid if they don't get this move over with before your changes take effect that they might have to give us a fair deal under your new rules. We also believe that as soon as the unfilled jobs are moved to Jacksonville, the CSXT will abolish them there and thus will have avoided paying any Severances to many more clerks. This is particularly distasteful in light of the attached letter sent out to "Non-Agreement" employees notifying them that even though their jobs may be cut - they will have lucrative benefits coming. We have watched millions of dollars go to even the lowest level of management here in Pittsburgh as a result of this merger transaction and it hard to believe we are entitled to nothing.

Ms. Morgan, I understand that you are an overseer of these railroad matters and I would appreciate it very much if you would look into these actions and assist us in obtaining a fair and acceptable outcome of these matters. Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Bernadine J. Eschner".

Bernadine J. Eschner  
126 Westbury Drive  
Moon Township, Pa.  
15108-1067

## **Bernie & Ren**

---

**From:** "rme" <Reinold.M.Eschner@conrail.com>  
**To:** <BENTLEY1@ICUBED.COM>  
**Sent:** Monday, October 23, 2000 1:58 AM  
**Subject:** CSX looks at non-union job cuts

----- ( Forwarded letter 1 follows ) -----

Date: Tuesday, 10 October 2000 10:13am ET  
To: Industry.Happenings  
From: Robert.Libkind  
Subject: CSX looks at non-union job cuts

### **FLORIDA TIMES UNION**

Jacksonville - Tuesday, October 10, 2000

CSX looks at job cuts  
'Redundant' non-union work faces elimination

By Simon Barker-Benfield

About 2,500 managers and other non-union employees of CSX Corp. and Jacksonville-based CSX Transportation and two smaller Jacksonville sister units are facing a review process designed to cut jobs and the people who fill them.

The company confirmed Monday that it had sent out a notice to employees last week that it was beginning a department-by-department review during the coming months.

The other two units under review are CSX Technology, which provides technology support services, and CSX Intermodal, which provides transportation services.

"Each department will be identifying unnecessary or redundant work," said Kathy Burns, a spokeswoman for CSX Transportation.

"What follows from that, if there is elimination of work, is elimination of jobs," said Burns.

How many jobs will be cut is hard to estimate at this point.

According to Burns, CSX Corp. management has not set any goals as to how many jobs it wants to go away or how much money it wants to save.

Some employees will not be affected at all.

The combing-out process does not apply to employees in the field who are directly involved in train operations, said Burns. These number about 2,500 and are mostly outside of Jacksonville, where the company has about 5,000 employees, she said.

Neither are any union jobs affected, she said.

About 90 percent to 95 percent of CSX jobs are union, she said.

Employees whose work is not needed will not have the option of staying. Instead they will have the option of choosing one of two retirement packages. The first choice is to have two years added to the employees' age for the purpose of calculating pension benefits and two years to the employees' service record, also for calculating pension benefits.

That means that a 53-year-old with 28 years of service could take early retirement based on a 30-year company pension benefit.

The second choice would be to take a lump-sum pension benefit. A person with three years of service would receive three months of pay. Someone with 20 years of service, would receive one year, said Burns.

The payments will come out of CSX's pension fund, which is presently over-funded, said Burns. That is, it has more money in it than the company estimates it needs to cover retirement benefits.

The payments will therefore have no affect on company profits.

Burns said that while train operations had improved substantially this year, the company's financial performance has remained unsatisfactory.



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

February 8, 2001

Mr. Robert J. Haulter  
Vice President - Human Resources  
CSX Transportation, Inc.  
500 Water Street  
Jacksonville, FL 32202

Dear Mr. Haulter:

Thank you for your letter, with enclosed copies of responses to inquiries by a number of CSXT employees about the relocation of clerical jobs from Pittsburgh, PA, to Jacksonville, FL. I appreciate your keeping me informed regarding the progress in this matter. I know that you remain committed, as does the Board, to a fair implementation of the Conrail acquisition transaction for all concerned, and in this regard, I hope that you will continue to give top priority to the resolution of such employee issues. As with prior letters on similar subjects I will have your letter and my response placed in the public docket for the Conrail proceeding.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



November 15, 2000

FILE IN DOCKET

John W. Snow  
Chairman & CEO CSX  
One James Center  
901 East Cary Street  
Richmond, Va. 23219

Dear Mr.. Snow,

We, former Conrail Employees at Pittsburgh, appeal to your Humanitarian side. We've heard and read about nice things you and the CSX Corp. have done for the community. Does that humanitarism apply only to CSX employees in Jacksonville and exclude those of us here in Pittsburgh?

In December of 1998 we made a choice to become part of the CSX Team. Instead of being welcomed with open arms for our expertise and knowledge of the former Conrail Territory, we've been treated like the unwanted stepchild. The majority of the people in Jacksonville have been rude, unfriendly and uncooperative when called on for help. They expect us to be as familiar with their system as they are and are very critical and condescending when we're not. They don't seem to understand that we received "bare bones" training in their antiquated, unfriendly and unforgiving system. Further we are desperately short of people to cover positions. Despite all odds, when they believed we would fall flat on our faces, we survived. In fact, on numerous occasions, our reporting has been better than that of Jacksonville's. During the hurricane scare, which shut CSX down in Jacksonville, it was the former Conrail employees who rose to the challenge and kept CSX moving, and it's customers served.

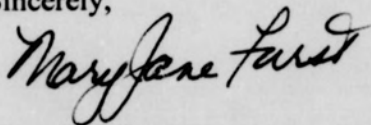
The "**last straw**" is the preposterous provisions for relocating us to Jacksonville. All of a sudden there is an urgent need to rush us out of Pittsburgh like a herd of cattle! The relocation to Jacksonville is not the issue. How the relocation is being handled is very unfair and demeaning. Anxiety and stress levels that were high have just sky rocketed. The proposed date of the first move is January 8<sup>th</sup> with five subsequent moves ending in May. Does anyone realize this isn't sunny Florida, where you can put your things in the back of a pick up truck and move across town. We're talking 1300 to 1500 miles away in the dead of winter. (see # 3 below)

The following is a sampling of what most concerns us.

- 1- Electronic bids— (they want to advertise the jobs 21 to 45 days prior to having to report to Jacksonville) We asked for a **“run down”**, like we had in Dec. of 98. The electronic bids leave too much room for error on behalf of the employees bidding and those who have to sort and assign the jobs. Electronic bidding makes no provisions for married couples to relocate at the same time. It is possible and more likely probable that one person will have to report months ahead of their spouse. There are no provisions in place to provide housing for the spouse left behind. How humanitarian is that?
- 2- No home finding days until we report to Jacksonville (which means we'll have to go into temporary living—disruption to our families twice and added expense to us as the company only pays to move our furniture once. There is also a \$1500 cap on home finding, will they let us slot that money in another area.
- 3- Selling our homes--Mid November until mid February is the worst time to put a home on the market in this area. To qualify for the third party buy out, the Property must be reduced to the marketing assistance recommended price and additional reductions after 60 and 90 days. It appears that relocation will take our homes into inventory for pennies on a dollar, then make a sizable profit next summer when the real estate market flourishes
- 4- Specialists request for 20 -- **“a very lucrative deal for Jacksonville reps”** rate of pay \$ 173.68 (about \$25.00 a day more than their normal rate plus and additional \$ 35.00 a day for misc. expenses) All lodging, car rentals and airfare (every two weeks) to be direct billed to the company. What happened to budgets?? But obviously this only applies to us in Pittsburgh. If they're moving our work to Jacksonville, why not let the Specialists work there instead of all that added expense in sending them to Pittsburgh?

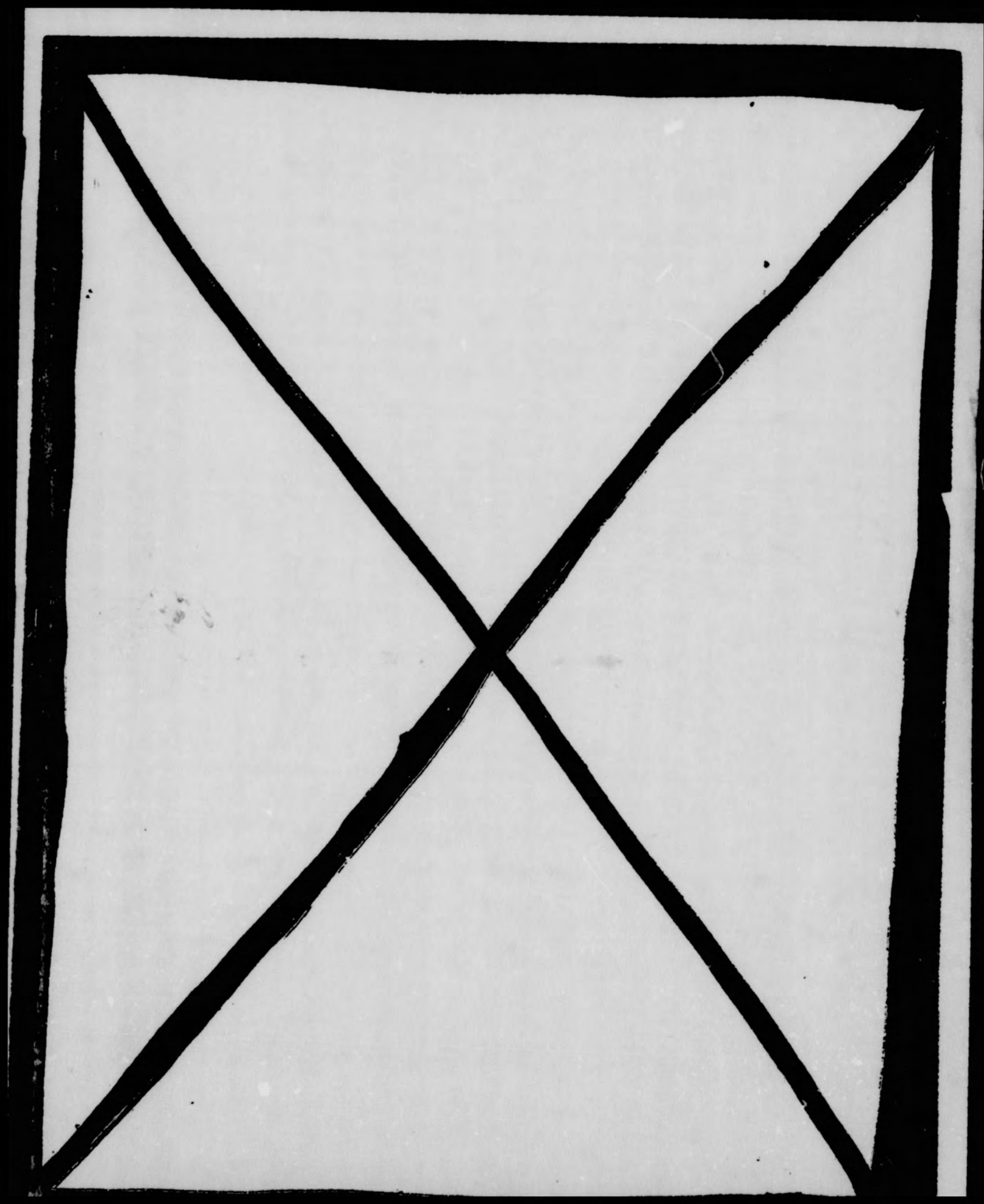
I ask that you intervene and persuade your Management team involved with these relocation proposals to reconsider and come up with a fairer more dignified way to move us.

Sincerely,

A handwritten signature in cursive script that reads "MaryJane Furst".

MaryJane Furst  
Cust. Serv. Rep  
Pittsburgh, Pa

CC: D.J. Rohal  
R.A. Scardelletti  
✓ L. Morgan  
A. Santoro



STB

FD-33388

1-26-01

J

CITY



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

*JS* - 33388

January 26, 2001

Mr. J. Justin Murphy  
Chief of Staff  
Four City Consortium  
6949 Kennedy Avenue, Suite E  
Hammond, Indiana 46323

Re: Conrail Oversight Proceeding/Four City Consortium

Dear Mr. Murphy:

Thank you for your letter of January 4<sup>th</sup>, updating me on the efforts of the Four City Consortium to reach agreement with CSX and Norfolk Southern (NS) on environmental mitigating conditions for the Four Cities area, and for your comments on the first of the quarterly community status reports requested by the Board.

I am pleased to learn that the Four City Consortium and railroad representatives have been meeting regularly on your issues, and that an agreement with CSX is imminent. It is unfortunate that outstanding issues remain unresolved between NS and the Four Cities Consortium.

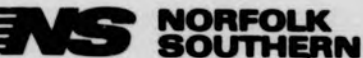
We have been in contact with NS about this matter, and I will continue my efforts to ensure that there is an active and constructive dialogue in the private sector on these important issues. I also will make sure that you receive any relevant correspondence, as you have requested. In this regard, enclosed is a letter that I have received from NS in response to your letter. I will have your letter, my response, and the response from NS all placed in the docket for the Conrail proceeding. Please do not hesitate to keep me informed on developments as they occur.

Sincerely,

Linda J. Morgan

Enclosure





Norfolk Southern Corporation  
1500 K Street, N.W., Suite 375  
Washington, D.C. 20005  
202/383-4166  
Direct: 202/383-4425  
Fax: 202/383-4018  
email: bmaestri@nscorp.com

**Bruno Maestri**  
Vice President  
Public Affairs

FILE IN DOCKET

January 18, 2001

Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

Re: Response to Letter Dated January 4, 2001, from the Four City  
Consortium to the Surface Transportation Board

Dear Chairman Morgan:

Norfolk Southern ("NS") is in receipt of the above referenced letter from the Four City Consortium ("Four Cities"). Two overall themes seem to dominate that letter: 1) the Four Cities is critical of NS for failing to reach a settlement with it, when CSX did; and, 2) the Four Cities is critical of NS for instituting a court proceeding to determine the constitutionality of certain local and state laws associated with issues the Four Cities wishes to be dealt with in settlement. We take this opportunity to address several points raised by the Four Cities, including those two themes, but we necessarily must leave certain matters relevant to the federal litigation to adjudication in that forum.

#### Failure to Reach Settlement

In its letter, the Four Cities criticizes NS for the failure of the parties to reach a settlement regarding operations in the Four Cities area. The Four Cities seek assurances from NS that go far beyond compliance with the mitigating conditions the Surface Transportation Board ("Board") imposed in the Conrail Control Transaction. NS is in compliance with those conditions and, for the reasons already set forth in filings before the Board in the General Oversight Proceeding, NS does not believe that further mitigation is warranted. As such, any settlement NS and the Four Cities reach that requires operational modifications or the construction of infrastructure improvements beyond those required by the Board in its Decisions should be the result of a mutually beneficial and voluntary effort by the parties to resolve their differences. Although this has not yet occurred, it certainly is not the result of a lack of effort on the part of NS.

#### Federal Litigation

The Four Cities further criticizes NS's decision to exercise its right to seek a judicial determination of whether the City of Hammond's ("Hammond") enforcement of

certain local and state laws is preempted by federal law or otherwise unenforceable. At the time NS filed suit in federal court, the fine exposure for citations then pending was 2.7 million dollars. The total fine exposure now exceeds 3.2 million dollars. NS met with Hammond officials prior to filing suit in an effort to avoid litigation. Since filing suit, NS has remained open to possible settlement agreements, and has communicated with Hammond concerning settlement on numerous occasions. Hammond has either rejected, without a counter-proposal, or failed to respond at all, to NS's several attempts at settlement.

NS cannot, of course, address through this letter to the Board, a non-party, specific matters that are involved in the pending litigation. We do note, however, that the Four Cities attempts in its letter to marry an out-of-context excerpt from the Conrail FEIS with an out-of-context excerpt from the statement of NS Terminal Superintendent, Mr. Burl Scott, that was submitted in the federal court action, to obliquely raise concerns about the NS operating plan submitted in the 1997 application covering the Conrail Transaction. (These statements are taken out of context. For example, Mr. Scott made clear at his deposition, which Mr. Murphy attended, that NS has rerouted trains where feasible to the Lake Front Line.) Certain traffic must, of necessity, continue to use the Nickel Plate Line. NS has never contended differently. In short, the position taken by NS in the federal court action is wholly consistent with its representations to the Board and in no way undermines the credibility of that operating plan as a basis for the conclusions reached in the Conrail Control process. Moreover, it is worth noting that the Four Cities has previously raised these same allegations of inaccurate traffic projections with the Board. The Board rejected these allegations in Decision 96, served October 19, 1998.

#### Attendance at Joint Meetings

The Four Cities charges that NS "did not bring any knowledgeable operating personnel" to the joint meeting on October 19, 2000, a meeting that occurred under Condition 21 of Board Decision No. 114, served February 4, 1999. The mid-October meeting took place only four (4) days after Mr. Richard Joram was transferred to replace Mr. Scott as Terminal Superintendent - Chicago Terminal, as Mr. Scott had been transferred to our Columbus Terminal in Ohio. As such, neither Mr. Scott nor Mr. Joram was able to attend. The NS representatives who did attend explained, at the opening of the meeting, that an operations representative from NS was not able to attend due to these recent changes in staff.

Decision No. 114 requires NS to participate in regularly scheduled meetings to provide a forum for assessing certain specified matters and to provide a status report on the progress of operational and capital improvements required by the Board. NS has discharged these responsibilities. Absent unusual circumstances, NS has an operating representative attend the scheduled meetings in addition to the public affairs or other NS representatives. A failure to do so violates neither the spirit nor the letter of the Board's Decision.



Steps to Alleviate Traffic Congestion

NS wishes to inform the Board that NS, together with the Indiana Harbor Belt Railroad and CSX, have taken numerous concrete actions, beyond those required by the mitigation conditions in the Conrail Control Transaction, to address the Four Cities' concerns and to alleviate traffic congestion. NS disputes the Four Cities' characterization that only "a few steps" have been taken.

For example:

1. NS and the IHB completed their joint installation of power switches on the northeast wye at Osborn on December 16, 2000. Such installation now allows the IHB dispatchers to operate these switches by remote control. Previously, a crew member had to dismount the train and throw these switches by hand.
2. The Hohman interlocking is in the process of being converted from a manual interlocking system to a remote operation system. The conversion will enable dispatchers to monitor and better coordinate train traffic from a remote location.
3. NS has rerouted traffic from the Nickel Plate Line to the Lake Front Line.
4. NS issued special instructions, requested by Hammond, regarding blocked crossings to its Chicago Terminal train and engine crews.
5. Phone communications between our Cummins Bridge Operator and the IHB Dispatcher have been improved via the installation of a direct intercom system, which allows the dispatcher to better coordinate and anticipate train movements. As a result, fewer blocked crossings occur.
6. NS is presently undertaking a project that will update the signals between State Line and Calumet Yard. The update will allow trains to operate on either track in either direction at the track's maximum speed. Currently, trains are governed by directional running. If a train is operating on "the wrong side" of the tracks, it must operate at a restricted speed. This too will reduce the potential for blocked crossings.

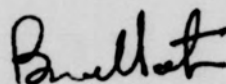
NS has and will continue to implement prudent measures to address the operational impact on the Four Cities area. NS wishes to be a good corporate neighbor and will continue its efforts towards achieving that goal. At the same time, however, NS must pursue important legal concerns that it believes should be addressed in court. That is the position that NS presently finds itself in with respect to Hammond's efforts to enforce local and state laws that NS believes are unenforceable. NS would of course

Response to Four Cities' Letter  
January 18, 2001  
Page 4

prefer that the federal lawsuit be resolved amicably, but recognizes that it is not the Board's intent, through this informal reporting process, to become entwined in the pending litigation.

I trust that this explanation puts these short-term difficulties in perspective. I would be happy to provide any additional information you may require. Per his request, we have copied Mr. Murphy on this response and will send to him copies of each future informal quarterly community status report that we submit to you.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Bruno Maestri', with a stylized, cursive script.

Bruno Maestri

cc: Vice Chairman Clyburn  
Commissioner Burkes  
Mayor Bercik  
Mayor Dedelow  
Mayor King  
Mayor Pastrick  
Justin Murphy, Esquire



Robert A. Pastrick  
MAYOR



Scott King  
MAYOR



Duane Dedelow  
MAYOR



Robert J. Bercik  
MAYOR

THE CITIES OF EAST CHICAGO, INDIANA; GARY, INDIANA;  
HAMMOND, INDIANA; AND WHITING, INDIANA, COLLECTIVELY

## THE FOUR CITY CONSORTIUM

January 4, 2001

FILE IN DOCKET

Honorable Linda J. Morgan  
Chairwoman  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

COMMON ADDRESS:  
6949 Kennedy Avenue, Suite E  
Hammond, Indiana 46323  
(219) 844-3025  
Fax: 844-3400

Re: Conrail Oversight Proceeding/Four City Consortium

Dear Chairwoman Morgan:

I am writing on behalf of the Cities of East Chicago, Gary, Hammond and Whiting, Indiana (the "Four City Consortium") with respect to the first informal quarterly community status reports by CSX and NS concerning implementation of the environmental mitigating conditions for the Four City Consortium imposed by the STB in approving the Conrail transaction. These reports were submitted under cover of letters to you from Michael J. Ruehling of CSX and Bruno Maestri of NS dated November 15, 2000.

As indicated in the reports, representatives of the Four Cities and the two railroads have been meeting periodically (as required by the conditions imposed in Decision Nos. 89 and 114 in the Conrail control proceeding) to discuss railroad operations in the region and the continuing rail/highway grade crossing congestion and blockage problems. The railroads have been submitting informal quarterly progress reports on these issues.

In general, CSX's report is complete and accurate. For your information, the Consortium has reached an agreement in principle with CSX concerning further steps to alleviate the blocked-crossing problem and the rerouting of trains off the BOCT line onto the grade-separated Porter Branch/IHB corridor. The Consortium expects that a new settlement agreement will be executed in early January, and then submitted to the Board for adoption as a condition to its approval of the Conrail transaction. This agreement would obviate the need for the additional conditions with respect to CSX requested in the Consortium's July 14, 2000 Comments in the Conrail oversight proceeding.

*Working Together to Build a Better Tomorrow*

Honorable Linda J. Morgan

Re: Conrail Oversight Proceeding/Four City Consortium

January 4, 2001

Page 2

The situation with respect to NS is different. Its status report is incomplete and misleading. One item in the NS report is particularly troublesome. The last bullet paragraph on page 4 states that NS representatives attended a comprehensive joint meeting in mid-October. What the report fails to say is that NS did not bring any knowledgeable operating personnel to this meeting, and the Consortium's questions with respect to NS's progress in alleviating grade crossing congestion/blockage problems have largely gone unanswered. The Consortium believes NS's failure to bring knowledgeable operating people to these meetings violates the spirit, if not the letter, of Environmental Condition No. 21 in Decision No. 114.

In addition, although NS has taken a few steps to alleviate the rail/highway grade crossing problem on the Nickel Plate line in Hammond, the Consortium has been unable to reach a comprehensive settlement agreement with NS as it has with CSX. As a result, and due to increased grade crossing blockages on NS's Nickel Plate line by stopped trains due to the Conrail transaction, the Four Cities have had to enforce local crossing ordinances (and the Indiana state law) by issuing more than 500 citations to NS for often-lengthy blockages of rail/highway grade crossings. NS responded by filing a lawsuit in federal district court seeking to have Hammond's crossing ordinance and the state law declared unconstitutional on grounds of federal preemption. Hammond is defending this lawsuit vigorously.

Through this lawsuit, Hammond has also learned of additional facts which raise questions about the credibility of representations made by NS during the Conrail control proceeding as to its projected post-transaction operations in Northwest Indiana. In particular, with regard to the critical NS "Nickel Plate" line traversing the southern portions of Gary and Hammond, NS previously represented to the Board that traffic would decrease from 26.3 to 11.2 trains per day following the transaction due to its ability and intention to reroute trains to its alternative, Lakeshore Line extending to/from Chicago. The Board referenced this representation in developing environmental mitigation conditions affecting the Consortium. As stated in the Board's Final Environmental Impact Statement, "NS would reduce the congestion problems that it currently faces on the Nickel Plate Line segment by rerouting various trains to the Lakeshore Line" (formerly controlled by Conrail and acquired by NS as part of the Conrail Transaction). See Final EIS, Vol. 6C, at N-126.



Honorable Linda J. Morgan

Re: Conrail Oversight Proceeding/Four City Consortium

January 4, 2001

Page 3

In a recent federal court filing, NS's former Senior Superintendent of Terminals in the Chicago/Northwest Indiana region apparently contradicts NS's earlier representations. "I have also reviewed the portion of [the expert for the City of Hammond's affidavit where he says that Norfolk Southern can avoid blocking grade crossings in Hammond, by re-rerouting traffic to the Lake Front Main. There is no practical way for trains operating between Chicago and Fort Wayne over the Nickel Plate Line to be re-routed over the Lake Front Main." NS Reply Brief, Supplemental Declaration of Burl Scott, Norfolk Southern Railway Co. v. City of Hammond, Indiana, Cause No. 2:00CV357JM (N.D. Ind. filed June 6, 2000) at ¶ 14. The NS witness also confirms that NS is currently running approximately 25 trains per day over the Nickel Plate line -- a far cry from NS's earlier representations that it would achieve a 15.1 train per day reduction over the line and reduce congestion by moving trains to its grade-separated lines along the Lake Michigan lakefront.

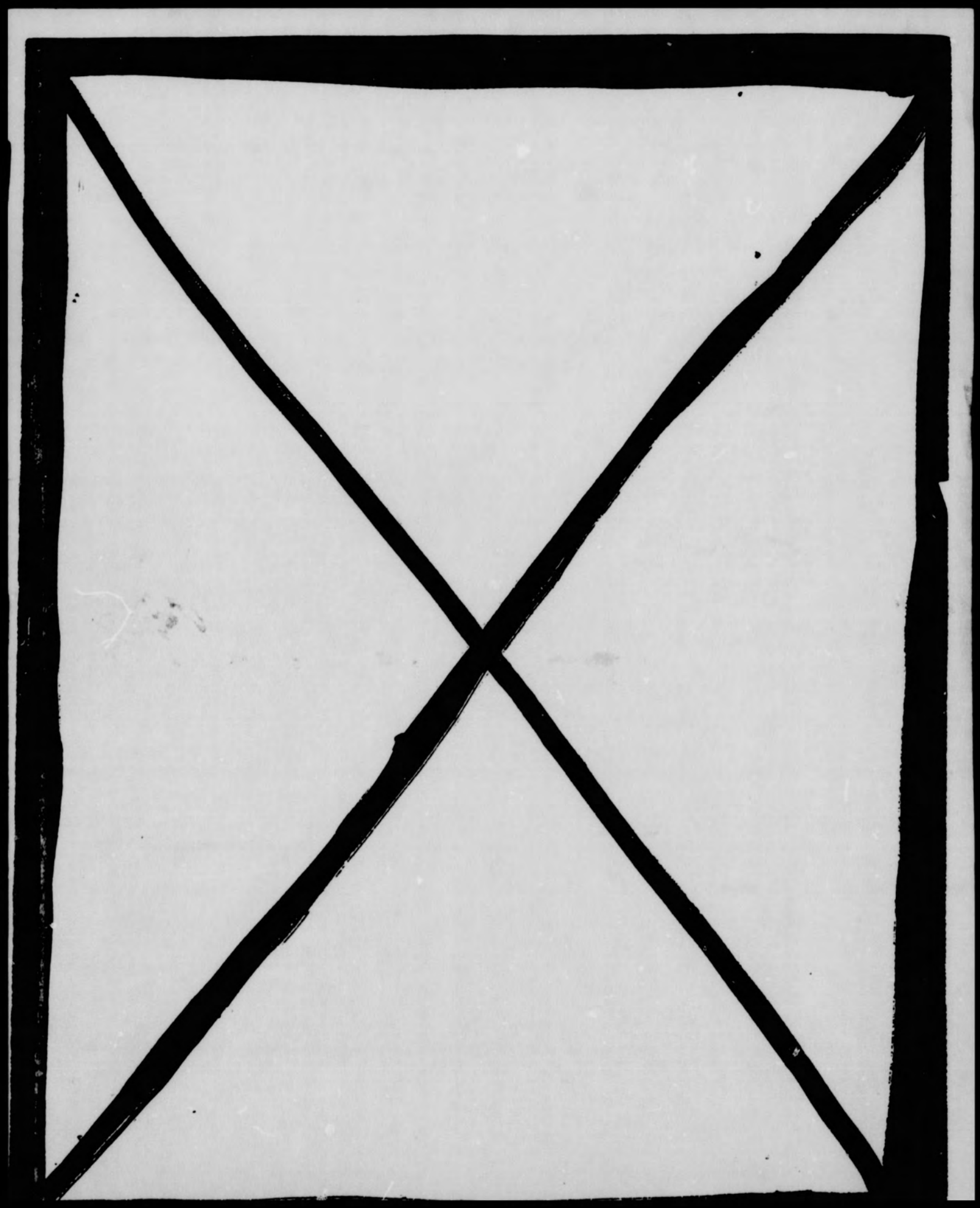
Finally, while we received from CSX and NS copies of their first informal quarterly community status reports (and we are providing copies of this response to CSX and NS), we would request that copies of any such future correspondence (and any Board responses thereto) addressing issues affecting the interests of the Consortium be sent to the undersigned, so that the Consortium may be in a position to respond, as appropriate and as its interests may require.

Very truly yours,

**FOUR CITY CONSORTIUM**

BY: J. JUSTIN MURPHY  
CHIEF OF STAFF

cc: Vice Chairman Burkes  
Commissioner Clyburn  
Mayor Bercik  
Mayor Dedelow  
Mayor King  
Mayor Pastrick  
Michael J. Ruehling (CSX)  
Bruno Maestri (NS)  
C. Michael Loftus/Christopher A. Mills



STB

FD-33388

4-30-98

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ID-187332

ARNOLD & PORTER  
555 TWELFTH STREET, N.W.  
WASHINGTON, D.C. 20004

ZUCKERT, SCOUTT & RASENBERGER, L.L.P.  
888 SEVENTEENTH STREET, N.W.  
WASHINGTON, D.C. 20006

April 30, 1998

187332  
HARKINS CUNNINGHAM  
1300 NINETEENTH STREET, N.W.  
WASHINGTON, D.C. 20036

**BY HAND DELIVERY - 25 Copies**

Hon. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Mercury Building  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

ENTERED  
Office of the Secretary

MAY - 1 1998

Part of  
Public Record



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

Dear Secretary Williams:

Applicants CSX Corporation, CSX Transportation, Inc. ("CSXT"), Norfolk Southern Corporation, Norfolk Southern Railway Company ("NSR"), Consolidated Rail Corporation ("Conrail"), and Conrail, Inc. hereby notify the Board that the Brotherhood of Maintenance of Way Employees ("BMWE") has clarified its position in this proceeding. That clarification is contained in a letter to the chief executive officers of CSXT, Norfolk Southern Corporation, and Conrail, Inc. dated April 14, 1998, which is enclosed herewith. In that letter, BMWE's president, Mac A. Fleming, "set[s] the record straight regarding the BMWE's comments made to [the Board] as part of an ad hoc group of labor unions styled the 'Allied Rail Unions' ('ARU')." We are filing the letter with the Board in accordance with the letter's terms.

BMWE has participated in these proceedings as one of the labor organizations calling themselves the ARU. In their October 21, 1997 Comments (ARU-23), ARU took the position that they could require that implementation of the Conrail Transaction, if approved, be effected through the Railway Labor Act's ("RLA") processes for creating or modifying collective bargaining agreements. ARU advised the Board in those



Comments that "several of the ARU organizations intend to utilize the Railway Labor Act's collective bargaining processes to deal with the impact of the proposed transactions on employees they represent." ARU-23 at 78. ARU also stated that, if implementation of the approved transaction would change collective bargaining agreements without going through the RLA bargaining processes, the ARU unions would be free to strike. Specifically, ARU stated that "they will consider any attempt to change unilaterally existing agreements or other collective bargaining rights as justifying resort to self-help" and that they "would respond to" any implementation of the Conrail Transaction outside of RLA processes "by striking." ARU-23 at 57, 78-79. The same day as the Comments were submitted, one of the ARU organizations, the Brotherhood of Railroad Signalmen ("BRS"), to serve a purported RLA section 6 notice on CSXT, Norfolk and Western Railway Company ("NW"), and Conrail, seeking RLA bargaining over the Transaction.

CSXT, NSR, NW and Conrail then filed suit in a United States District Court against the ARU organizations, seeking a declaration that any section 6 notices seeking to bargain over the Conrail Transaction were invalid because contractually barred by clauses preventing the service of Section 6 notices prior to November 1, 1999, and because the subject matter was within the exclusive jurisdiction of the Board. Appropriate injunctive relief was also sought by the railroads. In that action, BRS filed a counterclaim against the railroads seeking an injunction to compel RLA bargaining over the notice it had served. The suit remains pending as Norfolk & Western Ry. Co. et al. v. Brotherhood of Railroad Signalmen, et al., No. 97-740-R (W.D. Va.).<sup>1</sup>

The enclosed letter from BMW President Mac Fleming, in its points First and Second on page two, gives a clear and concise statement of BMW's position. In sum, BMW intends to follow the Board's New York Dock procedures in implementing the Conrail Transaction, if it is approved by the Board.

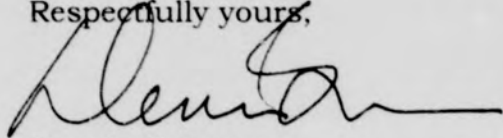
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<sup>1</sup> The railroads did not name as a defendant the Transport Workers Union, which does not represent any employees of CSXT, NSR, or NW.

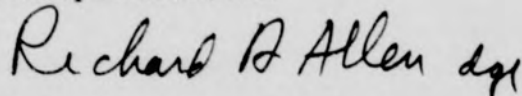
Surface Transportation Board  
April 30, 1998  
Page 3

In light of BMW's clarification of its position in this proceeding in its April 14, 1998, letter, the railroads agreed to dismiss BMW from their lawsuit,<sup>2</sup> and the claims against BMW were dismissed by order of the court dated April 20, 1998.

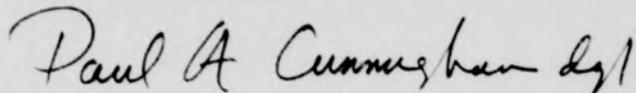
Respectfully yours,



Dennis G. Lyons  
Arnold & Porter  
*Counsel for CSX Corporation and CSX  
Transportation, Inc.*



Richard A. Allen  
Zuckert, Scoutt & Rasenberger, L.L.P.  
*Counsel for Norfolk Southern  
Corporation and Norfolk Southern  
Railway Company*



Paul A. Cunningham  
Harkins Cunningham  
*Counsel for Conrail, Inc. and  
Consolidated Rail Corporation*

Enclosure  
cc w/enclosure: Service List

---

<sup>2</sup> The railroads previously dismissed their claims against two other ARU organizations, the Brotherhood of Locomotive Engineers ("BLE") and the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers ("IBB"), after the railroads reached understandings with those unions. BLE and the railroads agreed on an expedited schedule for reaching an implementing agreement under the New York Dock conditions. The railroads and IBB have already entered into a New York Dock implementing agreement. Those matters have previously been communicated to the Board.

Mac A. Fleming  
President



William E. LaRue  
Secretary-Treasurer

## Brotherhood of Maintenance of Way Employees

*Affiliated with the A.F.L.-C.I.O. and C.L.C.*

April 14, 1998

David M. LeVan, Chairman, President & CEO  
Consolidated Rail Corporation  
2001 Market Street  
Philadelphia, PA 19103

A.R. Carpenter, President & CEO  
CSX Transportation, Inc.  
500 Water Street, J-501  
Jacksonville, FL 32202

David R. Goode, Chairman, President & CEO  
Norfolk Southern Corporation  
3 Commercial Place  
Norfolk, VA 23510

Re: STB Finance Docket No. 33388, CSX Corp., Norfolk Southern Corp., et al. --  
Control and Operating Leases/Agreements - Conrail, Inc., et al.

Dear Gentlemen:

I am writing to you in order to set the record straight regarding the BMW's comments made to the Surface Transportation Board ("the Board") as part of an ad hoc group of labor unions styled the "Allied Rail Unions" ("ARU"). The ARU's comments led to your companies filing suit against BMW and several other unions in the United States District Court for the Western District of Virginia.

As you know, I am not an attorney, however, my counsel inform me that your suit against BMW focuses on certain statements made in the ARU's Comments filed with the Board on October 21, 1997. Specifically, Count II of the Complaint seeks a declaratory judgment that BMW is barred by Article XVIII (the moratorium provision) of the agreement in Mediation Case No. A-12718 (Sub-Nos. 1-8), dated September 26, 1996, ("the September 26<sup>th</sup> National

President's Dept.  
FAX 810-948-7150

Suite 200  
26555 Evergreen Road  
Southfield, MI 48076-4225  
Telephone 810-948-1010

Secretary-Treasurer's Dept.  
FAX 810-948-9140



Agreement") from serving a notice under Section 6 of the Railway Labor Act regarding matters related to the selection of forces or assignment of employees affected by the Board's possible approval of the acquisition of Conrail by CSX and NS. Count IV seeks a declaratory judgment that BMWWE and the other ARU unions may not strike in response to the railroad's attempts to implement the Conrail acquisition through employee protective conditions imposed by the Board upon any possible approval of the proceeding.

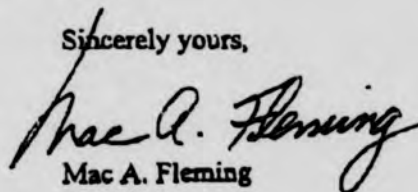
First, BMWWE will not serve a notice under Section 6 upon the railroads or otherwise invoke the bargaining procedures of the Railway Labor Act prior to November 1, 1999, in order to reach agreements relating to the Conrail transaction. We agree that such a notice would be barred by operation of Article XVIII of the September 26<sup>th</sup> National Agreement. I understand that the parties reserve their positions with respect to the propriety of Section 6 notices that might be served on or after November 1, 1999.

Second, BMWWE will not strike in response to the implementation of the transaction by the railroads pursuant to the Board's authorization. If you look closely at my statement in the ARU Comments, you will see that I did not make any statements about BMWWE's willingness to strike in such a situation. Assuming that the protective conditions imposed by the Board upon its approval of the Conrail acquisition are New York Dock, the first step in implementing a transaction is the carrier's service of a notice under Article I, § 4 of the conditions. BMWWE understands that the forum with jurisdiction to resolve the bona fides of such a notice or any other dispute concerning the railroads' implementation of the Conrail transaction pursuant to Board approval is either the Board, or an arbitrator appointed under Board-imposed protective conditions, and self-help is not an available remedy. However, BMWWE's concession that either an arbitrator or the Board has jurisdiction over such disputes should not be construed as a waiver of BMWWE's right to challenge either the propriety of a carrier's New York Dock notice or the substance of the notice before an arbitrator in the first instance, with a right of appeal to the Board.

I understand you will be providing a copy of this letter to the Board. I further understand that, in reliance on the undertakings in this letter, the railroads will dismiss BMWWE from the action in the United States District Court for the Western District of Virginia in No. 97-740-R.

I hope this letter clarifies BMWWE's position. Please contact me at your convenience if you wish to discuss this, or any other matters, further.

Sincerely yours,



Mac A. Fleming  
President

STB

FD-33388

4-29-98

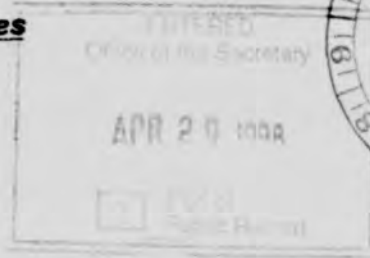
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**ARNOLD & PORTER**555 TWELFTH STREET, N.W.  
WASHINGTON, D.C. 20004-1206(202) 942-5000  
FACSIMILE (202) 942-5999DENNIS G. LYONS  
(202) 942-5858NEW YORK  
DENVER  
LOS ANGELES  
LONDON

April 29, 1998

**BY HAND DELIVERY - 25 copies**Surface Transportation Board  
Office of the Secretary  
Mercury Building  
1925 K Street, N.W.  
Washington, D.C. 20423-0001**Re: Finance Docket No. 33388 Oral Argument**

Ladies &amp; Gentlemen:

This letter is written on behalf of Applicants CSX Corporation and CSX Transportation, Inc. (collectively, "CSX"), Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively, "NS") and Conrail Inc. and Consolidated Rail Corporation (collectively, "Conrail"). It is in further reference to our letter of March 16, 1998, concerning the allocation of time for oral argument under Decision No. 70, served March 12, 1998, and to a letter dated April 24, 1998, signed by a group of counsel for certain parties opposed to the Transaction contemplated by the Primary Application or requesting that conditions not agreed to by the Applicants be imposed upon the Transaction (the "Objectant Group"). That letter proposes a schedule of 370 minutes overall for oral argument (i) for the Objectant Group members themselves and (ii) for some or all of the other parties opposed to the Transaction or seeking conditions on it that counsel for the members of the Objectant Group apparently do not represent.

Applicants neither support nor oppose an allotment of 370 minutes to the parties other than the Primary Applicants. The amount of time so to be allotted appears to Applicants to be a matter to be decided by the Board after considering the submission made by the Objectant Group and any submissions made by other parties not represented by them. Applicants do, however, make the following comments:

1. The Board in Decision No. 70 originally proposed an allotment of two hours to the Applicants and three hours to other parties. As set forth in our letter of March 16, 1998, if the time for parties other than CSX and NS were to be increased from three hours,



**ARNOLD & PORTER**

Surface Transportation Board

April 29, 1998

Page 2

CSX and NS should receive a proportionate increase in their allotment. In other words, the allocation should remain on a three-to-two basis, so that CSX and NS may have 2/5ths of the total time allotted. Thus, if six hours are allotted to the parties other than the Applicants, four hours should be allotted to CSX and NS.

2. If the amount of time for oral argument is to be increased to an extent resembling what is requested by the Objectant Group for the parties for whom they have undertaken to speak, it is clear to CSX and NS that the oral argument should be spread over two days rather than attempted in a single day. CSX and NS propose that the two days in question be Wednesday, June 3, and Thursday, June 4, which the Objectant Group indicated in their letter would be acceptable to them. We would be opposed to any postponement of the date of the voting conference (referred to as an alternative in the Objectant Group's April 24 letter), and, of course, to any postponement of the proposed date for issuance of the Board's written opinion (July 23, 1998), for reasons already stated in many of the Applicants' filings.
3. CSX and NS have not authorized any other parties to speak for them or on their behalf at the oral argument. Nor have CSX and NS proposed to any other parties supporting the Transaction that they speak at the oral argument. CSX and NS urge that the time allotted to parties who are not opposed to the Transaction and who are not requesting conditions, but who wish to speak, should not be charged against the time allotted to CSX and NS. If the Board believes that the time of those parties should not be, on the other hand, charged against that of the parties for whom the Objectant Group has undertaken to speak, as the Objectant Group has urged, then the participation of those parties should, we request, not be permitted to reduce the time permitted for either the parties opposed to or seeking conditions on the Transaction or the Applicants. Similarly, we are in accordance with the position of the Objectant Group that if parties who have not filed a brief with the Board in this proceeding are permitted to participate in the oral argument, such participation should not "reduce the time allocated for the active parties that filed



ARNOLD & PORTER

Surface Transportation Board

April 29, 1998

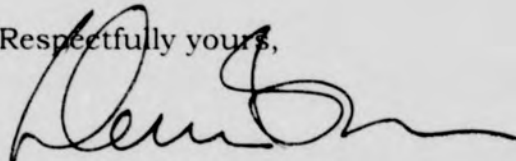
Page 3

briefs." (Objectant Group Letter at 2.) Of course, those non-Congressional entities who are not parties (such as Wellington, Ohio, which has asked to participate in oral argument), should not be permitted to argue at all.

4. We note that Congressmen Dennis Kucinich, Jerrold Nadler and Sherrod Brown have requested time to participate in the oral argument in letters to the Board. They have collectively asked for 30 minutes. Since those Congressmen have indicated that their positions will be adverse to the Transaction, either opposing it or proposing unacceptable conditions, we believe that the time they seek should be added to the time of the other parties adverse to opposing the Transaction in computing the time to be allotted to CSX and NS.

We trust that the above will be of some assistance to the Board in allocating time. While we do not seek, although certainly it would not be inappropriate, to have a minute-by-minute "match" of the time of those opposed to or seeking to burden the Transaction, we do believe that a 2:3 allocation to CSX and NS collectively with respect to the entire time of the parties (including Congressional parties) opposing the Transaction or seeking to impose conditions on it not agreed to by the Applicants would be minimally fair, and we do seek that.

Respectfully yours,



Dennis G. Lyons  
*Counsel for CSX Corporation and CSX  
Transportation, Inc.*

cc: Richard A. Allen, Esq.  
Paul A. Cunningham, Esq.  
Constance L. Abrams, Esq.  
Service List

STB

FD-33388

4-27-98

J

ID-BUSINESS

T.W. DETAMORE  
PRESIDENT



LARRY COKE  
FIELD REPRESENTATIVE

## PRODUCERS COOPERATIVE OIL MILL

MANUFACTURERS OF COTTONSEED PRODUCTS

MILL LOCATION: 6 S.E. 4TH STREET - PHONE 405/232-7555

Post Office Box 26907

OKLAHOMA CITY, OKLAHOMA 73126

April 20, 1998.



Surface Transportation Board  
Mr. Vernon Williams, Secretary  
1201 Constitution Avenue, N.W.  
Washington, D.C. 20423

FD 33388

Dear Mr. Williams:

This letter is prompted by a letter received today from Mr. John Q. Anderson, Executive Vice President, CSX Transportation, regarding their proposed joint acquisition of Conrail with the Norfolk Southern Railroad.

As previously expressed in letters to you, we at Producers Cooperative Oil Mill, Oklahoma City, Oklahoma would like to lodge a protest to this acquisition and merger, as well as any future mergers involving rail transportation. Since the merger of Burlington Northern and Santa Fe railroads, we have seen nothing but trouble. Then MP added to the frustration of rail shipping with all their troubles, and timely movement of railcars has become even worse.

Producers Cooperative is serviced by the BNSF Railroad. Recently, our situation seems improved, but this is primarily due to our construction of additional track, lease of additional track, and purchase of a Rail King car mover. Thus far Producers has invested \$291,064.16 in this project not including the additional track lease of \$2,750.00 for the first year. Surely, everyone affected by railroad mergers cannot be expected to increase their investments to compensate for railroad inefficiency.

I urge you to please consider all factors involved before granting approval of any future mergers. Railroad customers should not suffer as a result.

Thank you,

Gary Conkling, Traffic Manager  
Producers Cooperative Oil Mill

STP

FD-33388

4-27-98

J

ID-PUBLIC

Janice Rae Yarrow  
491 Abbyshire Drive  
Berea, OH 44017  
(440) 234-8178

April 21, 1998



Finance Docket No. 33388  
Elain K. Kaiser, Environmental Project Director  
Section of Environmental Analysis  
Surface Transportation Board  
Washington, DC 20423

Dear Ms. Kaiser:

I live in Berea, Ohio on a residential street near railroad tracks, that should the merger occur, CSX train traffic would increase from approximately 14 trains a day to 54. Our neighborhood is concerned how this increased traffic will affect our quality of life.

My home, as others on the street, was built in the middle 1950s, and when a train passes by, the windows shake and the home vibrates. With an increase of 54 trains, which I understand will be longer and heavier, we are sincerely concerned about the structural stress this will place on our foundations and walls.

Noise and air pollution from the diesel fuel will dramatically diminish our quality of life, and more importantly, create a potential health threat. With the increased railroad traffic, we can only expect, automobile traffic hindered. Abbyshire is near the Bagley Road intersection.

Many Abbyshire residents believe acceptable mitigation conditions would be, not to sound proof or insulate our homes (this would do little for the structural stress), but request a buy out of our property. We are not asking to profit, but only request the assurance that our physical safety will not be compromised.

All of us on Abbyshire are kindly requesting our concerns be addressed in your final decision. We would surely welcome a visit by you, or another representative from your agency.

Please let me take this opportunity to thank you for reviewing our letters and the cordiality your staff has displayed to us.

Sincerely,

Janice R. Yarrow

STB

FD-33388

4-28-98

J

ID-CITIES





# Town of Clifton Park

One Town Hall Plaza • Clifton Park, New York 12065 • (518) 371-6651 • FAX: (518) 371-1136

April 20, 1998

Vernon A. Williams, Secretary  
Surface Transportation Board  
12<sup>th</sup> and Constitution Avenue, NW  
Washington, DC 20423



RE: CSX and Norfolk Southern Control-Conrail  
STB Finance Docket No. 33388

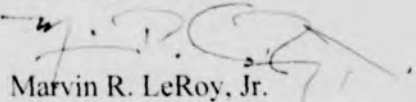
Dear Secretary Williams:

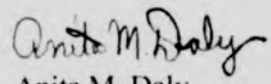
We wish to express our support for the planned control of Conrail by CSX Corporation and Norfolk Southern Corporation as proposed in the above referenced docket. New York State's manufacturing, business and agricultural interests need the best possible rail transportation, and we believe this transaction will provide our key industries with vital new transportation options and increased market reach with faster service and potentially lower costs.

In addition to improving rail access to key midwestern and western markets, New York State would now also benefit from greatly improved service to markets in the south, southeast and along the Gulf Coast via a single-line for the first time in history. The resultant elimination of delays means lowered shipping costs and faster transit times, which will create important new opportunities for New York business and industry. In addition, the prospect of single-line rail service to nearly all the major East Coast and Gulf Coast ports is vitally important to the many New York businesses engaged in importing or exporting, and will greatly enhance the global competitiveness of this large sector of our economy.

Faster, less costly, and more reliable rail service will provide an important economic development and job growth of our region and the entire state of New York. We urge the Surface Transportation Board to approve the control application as proposed.

Sincerely,

  
Marvin R. LeRoy, Jr.  
Clifton Park Town Supervisor

  
Anita M. Daly  
Saratoga County Supervisor

MARVIN R. LeROY, JR.  
Supervisor  
(518) 371-6651

PATRICIA O'DONNELL  
Town Clerk  
(518) 371-6681

JOHN PRITCHARD  
Councilman

SANFORD I. ROTH  
Councilman

ROY A. SPECKHARD  
Councilman

LYNDA M. WALOWIT  
Councilwoman

STB

FD-33388

2-26-98

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ID-MOCH

# Congress of the United States

Washington, DC 20515

February 20, 1998

FILE IN DOCKET

The Honorable Linda Morgan  
Chairman  
Surface Transportation Board  
1925 K St. NW  
Washington, DC 20423-0001

Re: STB Finance Docket No. 33388

Dear Chairman Morgan:

As Members of the Ohio Delegation, we are writing to express our concern regarding issues resulting from the proposed acquisition of Conrail by Norfolk Southern and CSX.

As you know, virtually all Conrail east-west traffic now passes through Ohio. The way in which Norfolk Southern and CSX have chosen to divide Conrail lines will result in a number of serious problems affecting safety, the environment, commercial activities, and the viability of certain Ohio railroads. Moreover, we are dismayed by the apparent lack of interest on the part of NS and CSX to enter into serious negotiations with the railroads who will be affected by the proposed transaction or to take seriously the concerns of communities throughout the state as well as local, state, and federal officials.

We want to convey to you our concerns and respectfully request that the Board take them into consideration when reviewing the proposed acquisition.

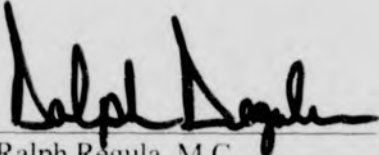
- \* The Wheeling & Lake Erie Railway (W&LE), the largest Ohio-based railroad and the state's fourth largest rail carrier with 450 miles of Ohio track, faces bankruptcy because the lines NS will acquire will enable NS to divert millions of dollars of existing W&LE business to NS. The failure of the W&LE would also cause the demise of the Neomodal, a state of the art Intermodal facility located on a W&LE line. This facility was built with an \$11 million public investment.
- \* The Greater Cleveland area faces tremendous environmental and safety problems from increased train traffic. On the west side, the current NS plan is to increase daily train traffic through more than 60 at-grade crossings from about 14 to 34 trains. On the east side, CSX plans to increase daily trains from 4 to 44 on elevated tracks through densely populated neighborhoods. These train increases are accompanied by increased haulage of hazardous materials through Greater Cleveland area neighborhoods. The south side of Cleveland could experience an increase of more than 50 trains per day. Though the area is industrial in nature, there are several at-grade crossings in the area that require separation.

- \* Dozens of Ohio communities face safety issues due to increases of between 20 and 30 daily trains. These proposed increases will cause problems in getting emergency vehicles across tracks in a timely manner. To mitigate these safety problems, grade separations may be needed in smaller Ohio communities and an upgrading of gates and lights would also be necessary. Neither NS nor CSX has offered to provide any grade separations for these small communities.
- \* Ohio aggregate quarries and stone terminals face millions of dollars in losses in capital investments and lost business due to the loss of direct, single line service.
- \* Some of Ohio's electric generating plants now captive to only one railroad will lose single line connections to existing coal suppliers when what is now a Conrail only move from mine to utility becomes a two railroad move, CSX serving the power plant and NS serving the coal mine. At the same time, some out-of-state utilities which are now captive to only one railroad at their power plants will actually gain access to a second rail carrier.
- \* Other adverse impacts will result when shippers around the state will have to bear the brunt of any rate increases needed to retire the huge \$10.2 billion acquisition debt. This will be especially true in many areas where the acquisition will reduce competitiveness.

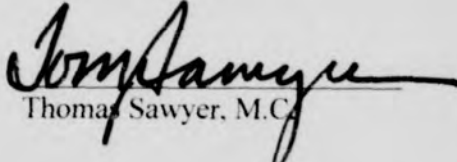
We believe that the parties involved should be able to work through these issues in a fair and effective fashion that protects Ohio communities, maintains competition, and preserves Ohio's rail network.

We expect that the Surface Transportation Board will give these issues their full attention to determine ways to encourage Norfolk Southern and CSX to address the concerns of shippers, competing railroads, and local communities.

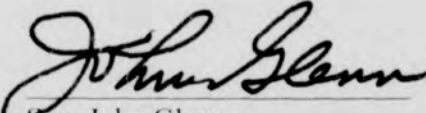
Sincerely,



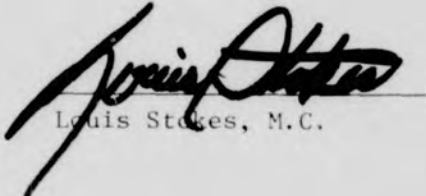
Ralph Regula, M.C.



Thomas Sawyer, M.C.



Sen. John Glenn



Louis Stokes, M.C.

*Dave Hobson*

Dave Hobson, M.C.

*Sherrod Brown*

Sherrod Brown, M.C.

*Marcy Kaptur*

Marcy Kaptur, M.C.

*Dennis J. Kucinich*

Dennis Kucinich, M.C.

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STB

FD-33388

4-22-98

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

JD - 33388

April 22, 1998

The Honorable Dennis Kucinich  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Kucinich:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. You write specifically regarding the impact of the Conrail acquisition on Lakewood, Ohio, and with your letter, you enclose material concerning a problem at a rail grade crossing that delayed emergency vehicles from reaching a fire.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. As you know, the Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and also must conduct a thorough environmental review consistent with applicable environmental law. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I have had your letter, all attachments, and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

• • DENNIS J. KUCINICH •  
40TH DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, D.C. 20515  
(202) 225-5871

14400 DETROIT AVENUE  
LAKEWOOD, OHIO 44107  
(216) 228-8850



Congress of the United States  
House of Representatives

Committees:  
Government Oversight  
Education  
and the  
Workforce

FILE IN DOCKET

March 18, 1998

Ms. Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K St. NW #820  
Washington, D.C. 20423

Dear Ms. Morgan:

From the enclosed documents from the Lakewood Fire Department, you can see that there was a minor incident today at the Holy Family Day Care center. An electrical short in a water cooler began smoking. A portable extinguisher was sufficient to put out the flame in the cord, however, the Lakewood Fire Department dispatched emergency vehicles to investigate the situation.

**Three of the five emergency vehicles dispatched to the day care center by the Lakewood Fire Department were stopped for three to four minutes at the Warren Rd. crossing while a train traversed the city.** Thankfully, this was a minor incident, and no one was in danger while the emergency vehicles idled at the Warren Road crossing.

As minor as this incident was, it does underscore the point that I, along with other local officials, have been making about the deleterious effects the Conrail acquisition could have on these communities. There are *already* too many trains traversing these densely populated, residential communities. Any increase in train traffic will only further imperil the citizens of these communities.

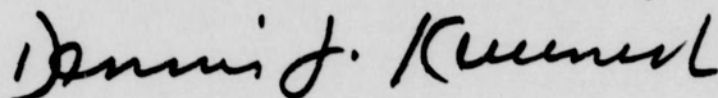
Furthermore, this minor incident casts serious doubt on the conclusion reached by Section on Environmental Analysis that increased train traffic along Norfolk Southern's Cleveland-Vermilion line will not adversely affect these communities. With the exception of increased hazardous waste transport through the area, SEA determined in the Draft Environmental Impact Statement that mitigation for these densely populated, residential areas is not needed.

I find this conclusion appalling considering the fact that information was provided to SEA about the geography of the area, that the tracks literally bisect these communities in half with emergency response systems on one side of the tracks and half the population on the other. It was also documented for the SEA that a delay of four minutes in response time would reduce the survival rate of cardiac arrest by 75 percent. This incident clearly shows that emergency response vehicles can and will be delayed as a result of increased train traffic.

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
MAR 22 3 01 PM '98  
CHAIRMAN MORGAN

I urge the Surface Transportation Board and the Section on Environmental Analysis to consider this incident as an example of what may happen in the future if this merger is approved as originally proposed. The Board should recognize that the next time, it may not be a smoking cord, but a burning day care center or a cardiac arrest patient.

Sincerely,

A handwritten signature in black ink, reading "Dennis J. Kucinich". The signature is written in a cursive, flowing style with a large initial "D".

Dennis J. Kucinich  
Member of Congress

cc: Elaine Kaiser

DJK:ec

# INCIDENT REPORT

## Lakewood Fire Department

 1 DELETE  
2 CHANGE

FDID 10050	INCIDENT NO 900324	EXP 00	MO 03	DAY 18	YEAR 98	DAY OF WEEK Wednesday 4	ALARM TIME 08:49	ARRIVAL TIME 08:53	TIME IN SERVICE 09:03
TYPE OF SITUATION FOUND Structure fire 11						TYPE OF ACTION TAKEN Investigation only 3		MUTUAL AID 1 REC'D 2 GIVEN	
FIXED PROPERTY USE Nursery school 211						IGNITION FACTOR Short circuit 54			
CORRECT ADDRESS 14808 LAKE						ZIP CODE 44107		CENSUS TRACT	
OCCUPANT NAME (LAST, FIRST, MI) HOLY FAMILY DAY CARE						TELEPHONE ( ) 226-4227		ROOM OR APT	
OWNER NAME (LAST, FIRST, MI) SR. PATRICIA LENARD						ADDRESS		TELEPHONE ( ) -	
METHOD OF ALARM FROM PUBLIC Phone tie-in to FD 7						CO. INSPECTION DISTRICT 3		SHIFT B	
NO. FIRE SERVICE PERSONNEL RESPONDED 18						NO. ENGINES RESPONDED 3		NO. AERIAL APPARATUS RESPONDED 1	
								NO. OTHER VEHICLES RESPONDED 1	
NUMBER OF INJURIES FIRE SERVICE						OTHER		NUMBER OF FATALITIES FIRE SERVICE	
								OTHER	
COMPLEX Educational complex 20						MOBILE PROPERTY TYPE Mobile property type n/a 8			
AREA OF FIRE ORIGIN Kitchen, cooking area 24						EQUIPMENT INVOLVED IN IGNITION Water cool. device/tower 32			
FORM OF HEAT OF IGNITION Unspec. short 24						TYPE OF MATERIAL IGNITED Plastic 40		FORM OF MATERIAL IGNITED Elect. wire/ins. 61	
METHOD OF EXTINGUISHMENT Portable extinguish. 3						LEVEL OF FIRE ORIGIN Grade to 9' above gr 1		ESTIMATED LOSS (DOLLARS ONLY) 50.00	
NUMBER OF STORIES 2 stories.						2		CONSTRUCTION TYPE Unprotected non-combust. 4	
EXTENT OF FLAME DAMAGE Object of origin 1						EXTENT OF SMOKE DAMAGE No damage of this type 9			
DETECTION PERFORMANCE At origin, fire too small 5						SPRINKLER PERFORMANCE No equipment present 8			
IF SMOKE SPREAD BEYOND ROOM OF ORIGIN						TYPE OF MATERIAL GENERATING MOST SMOKE NO SPREAD		AVENUE OF SMOKE TRAVEL	
						FORM OF MATERIAL GENERATING MOST SMOKE			
IF MOBILE PROPERTY						YEAR		MAKE	
						MODEL		SERIAL NO.	
								LICENSE NO.	
IF EQUIPMENT INVOLVED IN IGNITION WATER COOL						YEAR		MAKE	
						MODEL		SERIAL NO.	

☐ Check if comments on reverse side

 OFFICER IN CHARGE (NAME, POSITION, ASSIGNMENT)  
THOMAS WAGENAN, AC

 DATE  
03/18/98

MEMBER MAKING REPORT (IF DIFFERENT FROM ABOVE)

 DATE  
/ /



## Lakewood Fire Department

For Incident: 980324 Exposure: 00 DATE: 03/18/98 TIME: 08:49

RESPONDED TO ELECTRICAL SHORT IN WATER COOLER IN KITCHEN AREA. CORD TO COOLER SHORTED OUT AND BEGAN SMOKING. A PARENT IN THE SCHOOL USED A PORTABLE EXTINGUISHER TO PUT OUT THE FLAME IN THE CORD.

DAMAGE WAS CONFINED TO THE CORD.

ALARM REQUIRED FULL RESPONSE FROM COMPANIES. E3 AND E2 ARRIVED UNHINDERED BUT CAR 2, H&L, AND E1 WERE HELD UP FOR APPROX. 3 TO 4 MIN. BY A TRAIN AT WARREN RD. CROSSING.

STB

FD-33388

4-21-98

J

ID-MOEH





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

*FD-33388*

April 21, 1998

The Honorable William O. Lipinski  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Lipinski:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 21, 1998

The Honorable Rod R. Blagojevich  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Blagojevich:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 21, 1998

The Honorable Bobby L. Rush  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Rush:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 21, 1998

The Honorable Danny K. Davis  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Davis:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 21, 1998

The Honorable Luis V. Gutierrez  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Gutierrez:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 21, 1998

The Honorable Jesse L. Jackson, Jr.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Jackson:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern that the transaction as proposed will result in the monopolization of control of the Chicago gateway.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan



FILE IN DOCKET

**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

March 5, 1998

The Honorable Linda Morgan  
Chair  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

Dear Ms. Morgan:

We are writing to express our concerns regarding the operating plan submitted by Norfolk Southern and CSXT for their pending Conrail acquisition. Specifically, we want to call your attention to what we believe would be an unintended consequence of the transaction, the monopolization of control of the Chicago gateway. While we support the goal of solving rail problems in the Northeast, we feel that the focus on that region has left other troubling consequences of the acquisition unexplored.

We understand that as part of their plan to acquire and divide up Conrail, Norfolk Southern and CSXT have agreed to divide control of Conrail's existing 51 percent stock ownership in the Indiana Harbor Belt Railroad (IHB), one of two principal switching railroads which provide intermediate switching services at Chicago, the nation's single largest rail gateway.

Due to the size and complexity of the Chicago terminal, the trunklines serving Chicago rely upon the facilities and services of two railroads, the IHB and the Belt Railway of Chicago (BRC), each of whose lines connect with all of the trunkline carriers serving Chicago to assist in interchange of traffic. Historically, a third railroad, the Baltimore and Ohio Chicago Terminal Railroad (BOCT), has been designated as a Chicago switching carrier. However, BOCT is a wholly owned subsidiary of CSXT and today operates principally as an extension of CSXT. With very few exceptions, most non-CSXT traffic interchanged between the trunkline carriers at Chicago is interchanged via the Indiana Harbor Railroad or the Belt Railway, either via their intermediate switching services or by operation over their tracks. In other words, a great percentage of the rail traffic that moves through the nation's largest rail gateway at some point uses the facilities of either the BRC or the IHB.

**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

The Honorable Linda Morgan  
March 5, 1998  
Page Two

It is our understanding that the Belt Railway is presently owned 25 percent by CSXT, 16.7 percent by Conrail, 8.33 percent by Norfolk Southern, and the remaining 50 percent is split among five other railroads. IHB is owned 51 percent by Conrail and 49 percent by Soo Line Railroad. Although Conrail owns 51 percent of IHB, historically IHB has been operated independently of Conrail. Presently, IHB has its own management and dispatches its own lines. After the acquisition of Conrail, CSXT and Norfolk Southern have agreed to jointly own and control Conrail's 51 percent. Soo Line's existing 49 percent ownership will remain unchanged. CSXT and Norfolk Southern have agreed that CSXT will take over all dispatching of IHB's lines in Chicago and that CSXT will appoint IHB's General Manager. IHB's Blue Island Yard, the largest yard on the IHB, will effectively become a CSXT yard.

Conrail's ownership in the Belt Railway will be assigned to Norfolk Southern, giving Norfolk Southern 25 percent ownership. At that point, Norfolk Southern and CSXT, at 25 percent each, will be the largest shareholders of the Belt Railway, controlling 50 percent of the stock. They will jointly control 51 percent of the IHB. The Baltimore and Ohio Chicago Terminal Railroad will continue to be owned 100 percent by CSXT. Thus, unless the proposed transaction is modified, all three switching carriers at Chicago, the nation's largest rail gateway, will either be completely owned, controlled, or dominated by CSXT and Norfolk Southern.

Given the recent events in Houston related to Union Pacific, and the rail crisis that has ensued as a result of one carrier's control or dominance of a critical rail gateway, it is our sincere hope that you will act to prevent a similar situation from arising as a result of the CSXT-Norfolk Southern acquisition of Conrail. The potential for problems is heightened by Chicago's status as the largest rail gateway in the nation.

It is our understanding that you have been presented with alternatives to solving the Chicago gateway problem without affecting the larger deal. It is our position that continuing the operation of the IHB as an independent intermediate switching railroad, whose services and lines would be available

**Congress of the United States**

**House of Representatives**

**Washington, D.C. 20515**

The Honorable Linda Morgan

March 5, 1998

Page Three

to all railroads serving Chicago on a neutral basis, is a solution that merits strong consideration.

Neutral operation of the IHB would assure that traffic could be interchanged through the nation's largest rail gateway without being subject to the control of or operating conditions prevailing on CSXT or Norfolk Southern. It would preserve essential switching and routing alternatives through the Chicago terminal for all Chicago railroads and their shippers, and assure competitive routing options for all on-line IHB shippers.

Neutral operation of the IHB would also protect against the risk that if either the CSXT or Norfolk Southern were to experience severe congestion or service problems, such as those currently prevailing on the Union Pacific Railroad at Houston, the other railroads serving Chicago would be able to continue to interchange traffic through the Chicago gateway. Thus, maintaining an independent IHB would provide reasonable assurance that the problems currently occurring at Houston would not occur at Chicago. The opening-up of rail service to competition in the Northeast is an important goal. However, shifting the rail movement problem to Chicago that we are seeking to solve in the Northeast is not a sound solution.

Please keep us advised as you proceed toward your decision on this issue and the CSXT-Norfolk Southern acquisition of Conrail in general. Thank you for your time and attention to this matter.

Sincerely,

William O. Lipinski

Danny K. Davis

Renel Jackson

Linda V. Hutchinson

**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

The Honorable Linda Morgan  
March 5, 1998  
Page Four

*Rod R. Blagovich*

*Betty L. Rush*

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Signees of the March 5, 1998 letter to the Surface Transportation Board:

William O. Lipinski  
Danny K. Davis  
Rod R. Blagojevich

Jesse L. Jackson, Jr.  
Luis V. Gutierrez  
Bobby L. Rush

STB

FD-33388

4-20-98

J

ID-MOEH





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 20, 1998

The Honorable Ralph Regula  
U.S. House of Representatives  
Washington, D.C. 20515-3516

Dear Congressman Regula:

Thank you for your letter requesting the opportunity to speak at the oral argument before the Surface Transportation Board (Board) in the proceeding to decide the proposal by CSX and Norfolk Southern to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads.

The Board recently has confirmed that it will hold oral argument on June 4, 1998, in this proceeding, which is docketed at the Board as STB Finance Docket No. 33388. For your information, I am enclosing a copy of the Board's decision and press release announcing the oral argument. Your letter will be entered as a request to testify, and will be considered with the requests received from other interested parties. As a party of record, you will receive a copy of the Board's decision announcing the list of witnesses and the amount of time allotted to each.

I also am having your letter and my response made a part of the public docket for this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan

Enclosures

SENT BY:

4-14-98 : 1:46PM :

2029275728:# 1/ 1

**RALPH REGULA**  
16TH DISTRICT, OHIO

RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-3516  
(202) 225-3876

DISTRICT OFFICE  
1001 DEN VILLAGE STREET NW  
SUITE 408  
CANTON, OH 44718  
(330) 489-4414

TOLL FREE DISTRICT NUMBER  
1-800-526-9016



COMMITTEE:  
APPROPRIATIONS  
SUBCOMMITTEES:  
CHAIRMAN, INTERIOR  
TRANSPORTATION  
COMMERCE, STATE, JUSTICE

**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-3516

FILE IN DOCKET

April 14, 1998

The Honorable Linda Morgan  
Chairman  
Surface Transportation Board  
Attn: Mary Turek  
Fax: 565-9015

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
APR 16 11 46 AM '98  
OFFICE OF  
CHAIRMAN MORGAN

Dear Chairman Morgan:

By this letter, I am requesting time to testify on June 4 in regard to the proposed acquisition of Conrail by Norfolk Southern and CSX.

As you are aware, the proposed acquisition presents several problems in the State of Ohio, not the least being the future of regional railroads and their ability to provide competition and services to shippers. My testimony will focus on the need to maintain competitive access particularly vis a vis the Wheeling & Lake Erie Railway.

I would request no more than 10 minutes.

With best wishes, I am

Sincerely,

Ralph Regula, M.C.

STB

FD-33388

4-20-98

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ID-CITIES



FILE IN DOCKET

One James Center  
Richmond, Virginia 23219  
(804) 782-1434

John W. Snow  
Chairman, President  
Chief Executive Officer

April 17, 1998

The Honorable Michael R. White  
Mayor, City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

Dear Mayor White:

I was very disappointed to learn through press accounts this morning that the City of Cleveland does not intend to continue its negotiations with CSX. My letter of April 8, 1998, addressed the issues you raised at our last meeting and laid out an extremely comprehensive proposal that would have provided numerous benefits to the City.

I truly believe our offer provided thoughtful and innovative solutions to address your concerns. For instance, CSX proposed to establish a unique home value guarantee program to protect the interests and investments of residents in the noise-impacted areas. We believe this to be the first program of its kind ever initiated on this scale by a railroad. In addition, we outlined detailed plans for noise mitigation and emergency response training that we thought went to the very heart of your concerns about the neighborhoods. We also offered to reduce the number of trains originally proposed to operate on the Short Line.

As a gesture of our desire to be a good neighbor, we pledged several million dollars in financial assistance to economic development and community initiatives, including \$500,000 for a youth recreation center in the Collinwood area. All of this is in addition to improvements to Collinwood Yard and its neighborhoods, and CSX's capital improvements to the Short Line and other Cleveland area lines, which total in excess of \$60 million.

As disappointed as I am with your decision to terminate discussions, I am still willing to sit down with you and try to reach an agreement. I truly hope that you will reconsider our offer and resume our discussions.

Sincerely,

trt

cc: Chairman Jim Betts, Ohio Rail Development Commission  
The Honorable Jolene M. Molitoris, Administrator, Federal Railroad Administration  
~~The Honorable Linda Morgan, Chairman, Surface Transportation Board~~  
The Honorable Rodney E. Slater, Secretary of the Department of Transportation  
The Honorable Louis Stokes, United States House of Representatives  
The Honorable George V. Voinovich, Governor, State of Ohio  
Cleveland City Council Members

STB

FD-33388

4-20-98

J

ID-BUSINESS





## *South Lorain County Ambulance District*

179 EAST HERRICK AVENUE, WELLINGTON, OHIO 44090

BUSINESS: (216) 647-5803

EMERGENCY: (216) 647-2244

April 14, 1998

Surface Transportation Board  
Finance Docket No. 33388  
Attn: Vernon A. Williams, Secretary  
1925 K Street, NW  
Washington, DC 20423-0001



Re: Proposed CSX Acquisition of Conrail Line C-061, Lorain County, Ohio

Dear Mr. Williams,

As the Director of South Lorain County Ambulance District this acquisition of Conrail by CSX is disturbing. The proposed increase of train traffic through the Village of Wellington will pose significant safety issues.

The safety issues are not of our making, and the solutions are not ours to fix alone. The Railroad needs to help the Community deal with these problems.

A grade separation has to be a priority. The most heavily traveled routes, by their survey, must have separation. Blocked tracks could limit access to our Patients. All routes to the Hospital 's being blocked could lead to delay in transport. The increase train vs' vehicle accidents will, undoubtedly, increase. The Squad must be able to get the injured.

The increase of hazardous material is also a concern. Training provided to the Ambulance and the Fire Departments on a yearly basis by the Railroad is necessary.

Please, listen to our concerns. Let our voices be heard. Make the Railroad address these issues and give us the concessions we are asking.

Enclosed you will find explanation of the District, concerns and points I would like to be considered.

Sincerely,

Barbara J. Leiby, Director  
S. L. C. A. D.  
cc:

## **SOUTH LORAIN COUNTY AMBULANCE DISTRICT**

**Testimony:** on proposed acquisition of Conrail and Norfolk Southern (NS) and CSX Transportation (CSTX)

### **BACKGROUND:**

South Lorain County Ambulance covers approximately 125 sq. miles. It services Wellington Village & Twp., Brighton Twp, Huntington Twp., Penfield Twp., Rochester Village & Twp. Population is approximately 10,000 people, although this is changing quickly. Home construction in all these areas is quickly adding to our population.

The Ambulance Squad consist of Paramedics, Advanced EMT's, and Basic EMT'S. The Squad is staffed in the day time personnel that are paid and stay at the Station. At night, it is volunteer and the Staff respond from their homes. The Staff are highly trained professionals, with the most modern equipment.

### **EMS CONCERNS:**

In EMS, time is a essential quality in treatment and survival of the ill and injured. It makes the difference in life or death. Being a rural area we already have to deal with long transport time. Parts of our District are at least 20 to 30 minutes from a Hospital. The philosophy of on scene treatment has changed. Patients are moved quickly as possible to the Squad and does most procedures enroute to the hospital. Major trauma cases, and severe medial cases, Life Flight is utilized as fast transport to a trauma center.

As you know, the railroad cuts through most of this area with no alternate route to take around the trains. We have major concerns. Will the Squad be cut off from our patients? Will transport to the hospital be delayed because the inability to get past the trains? These delays may cost lives. People may die.

In many medical cases such as heart attack and stroke life saving medications must be administered with 90 minutes of the onset of symptoms. That is from the time the patient first feels the chest pain, realizes something is wrong and treats his/herself and then decides to call for an Ambulance. Much of the precious time is already gone. Every minute means more of the heart muscle may die. In the case of a stroke, more extensive brain damage. This means

they may never regain use of an arm, or leg, they may never be able to talk again. Every minute delay means the less chance of a full recovery.

**With 19 crossing in our area.** The increase of train traffic, undoubtedly will have increase of train versus car accidents and/or train vs pedestrian. As you well know a car or person is no match to a train going 55 miles per hour with tons of trains cars behind the engine. We might not even be able to get to the injured due all crossings being blocked. The death toll may surely increase.

All tracks being blocked will make the downtown area a virtually grid lock. Another area that is of great concern is the hazardous material, radioactive material that will be shipped through our area. With increase of train traffic the more likely hood of a train derailment. The quantity's of these material is a recipe for disaster

#### **CONDITIONS THAT NEED TO BE ADDRESS:**

1. A grade separation must be a **priority.**
2. A station provided on the north side of the track. A building either purchased or built will be expensive. To build a structure accommodate an Ambulance and quarters for those assigned to that station will cost at least \$150,000.00.
3. Personnel for this station is a must. The payroll will be at least \$140,000.00 more per year. This cost should not be passed on to our tax payers. The rail road must address these issues and cost.
4. Specialized training is needed in dealing with railroad cars and equipment. I feel the railroad should provide us with training specialized to train accidents once a year at least.

I would like to thank you for this opportunity to speak of these concerns. I strongly urge you to give all that has been said today long and hard consideration when making your decision.

Barbara J. Leiby, Director  
S. L. C. A. D.

STB

FD-33388

4-20-98

J

ID-BUSINESS



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 20, 1998

Mr. John Snow  
Chairman and Chief Executive Officer  
CSX Corporation  
One James Center  
901 E. Cary Street  
Richmond, VA 23219

Dear Mr. Snow:

I am in receipt of your letter to Mayor White indicating your concern that negotiations between the City of Cleveland and CSX has been suspended by the Mayor.

I commend your continued willingness to engage in negotiations with the City of Cleveland. As I have indicated previously, once the moratorium on direct Board staff involvement in discussions relating to the Cleveland area has been lifted, the Board will proceed as appropriate to do what is necessary to finalize environmental mitigation for that area.

I am having your letter and my response placed in the formal docket for this proceeding.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan



FILE IN DOCKET

One James Center  
Richmond, Virginia 23219  
(804) 782-1434

John W. Snow  
Chairman, President  
Chief Executive Officer

April 17, 1998

The Honorable Michael R. White  
Mayor, City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

Dear Mayor White:

I was very disappointed to learn through press accounts this morning that the City of Cleveland does not intend to continue its negotiations with CSX. My letter of April 8, 1998, addressed the issues you raised at our last meeting and laid out an extremely comprehensive proposal that would have provided numerous benefits to the City.

I truly believe our offer provided thoughtful and innovative solutions to address your concerns. For instance, CSX proposed to establish a unique home value guarantee program to protect the interests and investments of residents in the noise-impacted areas. We believe this to be the first program of its kind ever initiated on this scale by a railroad. In addition, we outlined detailed plans for noise mitigation and emergency response training that we thought went to the very heart of your concerns about the neighborhoods. We also offered to reduce the number of trains originally proposed to operate on the Short Line.

As a gesture of our desire to be a good neighbor, we pledged several million dollars in financial assistance to economic development and community initiatives, including \$500,000 for a youth recreation center in the Collinwood area. All of this is in addition to improvements to Collinwood Yard and its neighborhoods, and CSX's capital improvements to the Short Line and other Cleveland area lines, which total in excess of \$60 million.

As disappointed as I am with your decision to terminate discussions, I am still willing to sit down with you and try to reach an agreement. I truly hope that you will reconsider our offer and resume our discussions.

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trt

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CHAIRMAN MORGAN



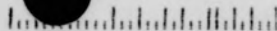
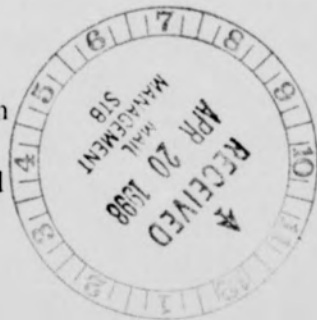
cc: Chairman Jim Betts, Ohio Rail Development Commission  
The Honorable Jolene M. Molitoris, Administrator, Federal Railroad Administration  
~~The Honorable Linda Morgan, Chairman, Surface Transportation Board~~  
The Honorable Rodney E. Slater, Secretary of the Department of Transportation  
The Honorable Louis Stokes, United States House of Representatives  
The Honorable George V. Voinovich, Governor, State of Ohio  
Cleveland City Council Members



Office of the Chairman, President  
and Chief Executive Officer  
Post Office Box 85629  
Richmond, Virginia 23285-5629



The Honorable Linda Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20423



STB

FD-33388

4-20-98

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ID-BUSINESS



FILE IN DOCKET

One James Center  
Richmond, Virginia 23219  
(804) 782-1434

John W. Snow  
Chairman, President  
Chief Executive Officer

April 17, 1998

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Mayor, City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

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trt

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The Honorable Jolene M. Molitoris, Administrator, Federal Railroad Administration  
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The Honorable Rodney E. Slater, Secretary of the Department of Transportation  
The Honorable Louis Stokes, United States House of Representatives  
The Honorable George V. Voinovich, Governor, State of Ohio  
Cleveland City Council Members

STB

FD-33388

4-20-98

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ID-PUBLIC



FD 33388



I am one of the victims of the 1987 tankcar fire in New Orleans, Louisiana. I suffered from toxic chemical exposure and possible cancer. I was put out of my home for 2½ days. I have seen my community deteriorate while those hazardous tank cars are still being parked in our neighborhood. My family and I have been suffering with this tragedy for **TEN YEARS WITH NO RELIEF!!**

The case finally went to court this past summer and the jury gave us three billion dollars in punitive damages. But now my lawyers are telling me it may be another ten years before we see one cent. **Where's the justice in this?**

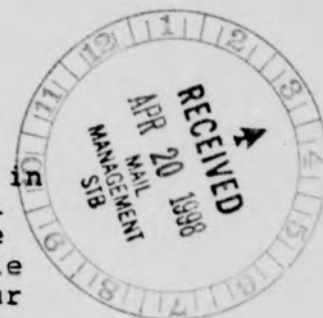
I hear these big railroads are buying another big railroad (Conrail) for ten billion dollars. How is it they can afford to spend all that money buying up railroads when we're sitting here going bankrupt. If there's some federal agency (Surface Transportation Board) that has to approve this buyout, maybe they could tell CSX they have to pay their just debts before spending billions for more railroads that they can operate unsafely.

**Please help us!** We are trapped here, still surrounded by tank cars that could explode at any minute. We have been waiting patiently for **TEN YEARS** for some kind of compensation for our suffering. Having to wait another ten years while watching CSX spend billions for more railroads is too much to bear.

Sincerely,

*John Polk Sr.*

I am one of the victims of the 1987 tankcar fire in New Orleans, Louisiana. I suffered from toxic chemical exposure and possible cancer. I was put out of my home for 2½ days. I have seen my community deteriorate while those hazardous tank cars are still being parked in our neighborhood. My family and I have been suffering with this tragedy for **TEN YEARS WITH NO RELIEF!!**



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Sincerely,

*John Palk Sr*

STB

FD-33388

4-16-98

J

ID-MOEH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 16, 1998

The Honorable Dennis Kucinich  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Kucinich:

I have received your letter of April 8, 1998, regarding the impact of the Conrail acquisition on Brooklyn, Ohio. In your letter, you indicate that CSX has refused to discuss with Brooklyn environmental mitigation, citing a recent decision by the Surface Transportation Board (Board) in this matter. You demand that the Board order CSX to meet with the Mayor and the people of Brooklyn.

The Board decision to which you refer did not, nor was it intended to, preclude anyone from having any private-sector negotiations with anyone else. In any event, I understand that your office appropriately has been in contact with CSX about various matters of interest to you, and that a representative of CSX is contacting representatives of Brooklyn to discuss the community's concerns.

I am having your letter and my response included in the formal docket for this proceeding. I am glad to have been of assistance to you in this matter.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

**DENNIS J. KUCINICH**  
10TH DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, D.C. 20515  
(202) 225-5871

14400 DETROIT AVENUE  
LAKEWOOD, OHIO 44107  
(216) 228-8850



**Congress of the United States**  
**House of Representatives**

**Committees:**  
Government Oversight  
Education  
and the  
Workforce

**FILE IN DOCKET**

April 8, 1998

Ms. Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K St. NW #820  
Washington, D.C. 20423

Re: Finance Control Docket No. 33388

Dear Ms. Morgan:

On April 3, 1998, Stephen L. Watson, Regional Vice President for State Relations for CSX Corporation, wrote to Brooklyn, Ohio, Mayor John M. Coyne, stating his refusal to discuss environmental mitigation for Brooklyn. Mr. Watson acknowledged that Brooklyn would experience an increase from 20 to 44 trains per day as a result of CSX's acquisition of the Conrail Short Line. However, Mr. Watson cited the Draft Environmental Impact Statement and Decision No. 71 as justification for excluding Brooklyn from environmental mitigation discussions.

On February 4, 1998, this office filed an addendum to our comments on the DEIS that asked the STB to analyze the environmental effects the proposed Conrail merger would have on Brooklyn. Even though Brooklyn was not mentioned in the DEIS, the STB is aware of the environmental problems that the proposed merger will cause in Brooklyn and is working on a mitigation plan to be included in the Final Environmental Impact Statement.

On March 23, 1998, the Surface Transportation Board issued Decision No. 73. That decision interprets Decision No. 71 as follows:

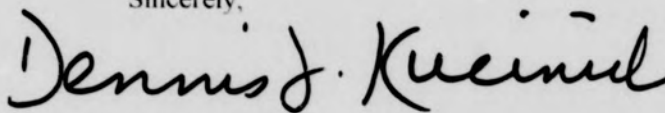
Decision No. 71 was intended to facilitate negotiations among the various interested parties. It was not intended to define who should, or should not, be involved in any specific negotiation, and it was certainly not intended to limit the participation of any appropriate party in any negotiations that may be conducted. Any party that has a legitimate interest in these matters is free and indeed encouraged to participate in negotiations.

The STB ordered Decisions 71 and 73 to encourage inclusion of affected communities in environmental mitigation discussions. CSX Corporation and Mr. Watson have misunderstood Decision No. 71 and applied it in a way that purposely excludes the City of Brooklyn from environmental mitigation discussions.

The STB has ordered CSX and Norfolk Southern railroads to engage in environmental mitigation discussions with the affected communities. The STB has further ordered that if the railroads and affected communities fail to settle their differences by April 15, 1998, then the STB's Section on Environmental Analysis will develop its own environmental mitigation for each of the communities in the Greater Cleveland area.

As Congressman from Ohio's 10th Congressional District, I demand that the STB take action to assure representation for the people of Brooklyn, Ohio, in environmental mitigation discussions with CSX Corporation. I am demanding that the STB order CSX to meet with the Mayor and the people of Brooklyn for discussions about how the merger will affect Brooklyn and to order good faith settlement discussions as ordered by Decision No. 71.

Sincerely,

A handwritten signature in black ink that reads "Dennis J. Kucinich". The signature is fluid and cursive, with the first name "Dennis" being the most prominent part.

Dennis J. Kucinich  
Member of Congress

DJK:mg

enclosures: Addendum to Comments on the Draft Environmental Impact Statement  
Letter from Stephen Watson to Brooklyn Mayor John M. Coyne





Stephen L. Watson  
Regional Vice President - State Relations

040698

700 Harrison Building  
143 West Market Street  
Indianapolis, IN 46204  
(317) 267-3003  
FAX (317) 267-3005

April 3, 1998

Hon. John M. Coyne, Mayor  
City of Brooklyn  
7619 Memphis Avenue  
Brooklyn, Ohio 44144-2197

Dear Mayor Coyne:

We have received your letter of March 25, 1998 concerning the CSX/NS acquisition of Conrail.

As you correctly note, the Surface Transportation Board's Section of Environmental Analysis (SEA) in its Draft Environmental Impact Statement (DEIS) requires CSX and NS to consult with and attempt to negotiate mutually acceptable mitigation settlements with "affected communities." However, the City of Brooklyn was not identified in the DEIS as an "affected community", nor was it so identified in the STB's Decision No. 71, issued March 17, 1998, which set the April 15, 1998 deadline you cite in your letter.

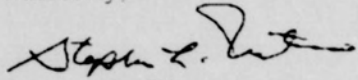
The portion of the Conrail Short Line passing through Brooklyn is expected to experience an increase in train traffic from the current average of 20 Conrail trains per day to approximately 44 trains per day on average. The increase from "7 to 44" you cite in your letter is incorrect for the portion of the line passing through Brooklyn. Also, the Brooklyn portion of the line has no at-grade rail-highway crossings, and is entirely grade separated, so there will be no delays in safety forces' response times. Additionally, the DEIS identified for noise mitigation those areas where the projected train noise exceeded certain noise thresholds established by SEA. Brooklyn had no areas exceeding the thresholds, and therefore requires no noise mitigation. Finally, the SEA has recommended to the STB that CSX and NS develop and implement a comprehensive hazardous materials safety and training program for the communities on our railroads that will experience an increase in hazardous materials traffic, and we have agreed to fully comply with that recommendation. Your public safety forces will be contacted and invited to participate in this program after the acquisition is approved by the STB.

The portion of the current CSX line from Lester, which passes through Brooklyn, is not expected to experience any increase in train traffic as a result of the acquisition. The train traffic on that line is only 5.8 trains per day on average.

Mayor J. Coyne 4/3/98  
page 2

I trust that this addresses the issues raised in your letter of March 25, and explains why we have not contacted your community concerning the CSX/NS acquisition of Conrail.

Sincerely,



Stephen L. Watson

cc: Congressman Dennis Kucinich  
Ms. Elaine Kaiser, SEA  
Mr. Thomas O'Leary, ORDC  
Mr. Paul Alsenas, Cuyahoga Planning Comm.  
Mr. Thomas F. O'Malley, Brooklyn Law Dir.

**DENNIS J. KUCINICH**

10TH DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, D.C. 20515  
(202) 225-5871

14400 DETROIT AVENUE  
LAKEWOOD, OHIO 44107  
(216) 228-8850



**Congress of the United States**  
**House of Representatives**

**Committees:**  
Government Oversight  
Education  
and the  
Workforce

April 8, 1998

Ms. Elaine Kaiser  
Chief, Environmental Analysis  
Surface Transportation Board  
1925 K Street NW  
Suite 500  
Washington, D.C. 20423-0061

Re: Finance Control Docket No. 33388

Dear Ms. Kaiser:

On April 3, 1998, Stephen L. Watson, Regional Vice President for State Relations for CSX Corporation, wrote to Brooklyn, Ohio, Mayor John M. Coyne, stating his refusal to discuss environmental mitigation for Brooklyn. Mr. Watson acknowledged that Brooklyn would experience an increase from 20 to 44 trains per day as a result of CSX's acquisition of the Conrail Short Line. However, Mr. Watson cited the Draft Environmental Impact Statement and Decision No. 71 as justification for excluding Brooklyn from environmental mitigation discussions.

On February 4, 1998, this office filed an addendum to our comments on the DEIS that asked the STB to analyze the environmental effects the proposed Conrail merger would have on Brooklyn. Even though Brooklyn was not mentioned in the DEIS, the STB is aware of the environmental problems that the proposed merger will cause in Brooklyn and is working on a mitigation plan to be included in the Final Environmental Impact Statement.

On March 23, 1998, the Surface Transportation Board issued Decision No. 73. That decision interprets Decision No. 71 as follows:

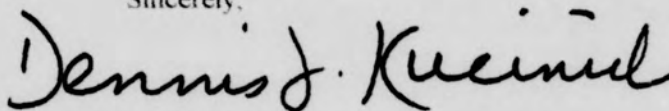
Decision No. 71 was intended to facilitate negotiations among the various interested parties. It was not intended to define who should, or should not, be involved in any specific negotiation, and it was certainly not intended to limit the participation of any appropriate party in any negotiations that may be conducted. Any party that has a legitimate interest in these matters is free and indeed encouraged to participate in negotiations.

The STB ordered Decisions 71 and 73 to encourage inclusion of affected communities in environmental mitigation discussions. CSX Corporation and Mr. Watson have misunderstood Decision No. 71 and applied it in a way that purposely excludes the City of Brooklyn from environmental mitigation discussions.

The STB has ordered CSX and Norfolk Southern railroads to engage in environmental mitigation discussions with the affected communities. The STB has further ordered that if the railroads and affected communities fail to settle their differences by April 15, 1998, then the STB's Section on Environmental Analysis will develop its own environmental mitigation for each of the communities in the Greater Cleveland area.

As Congressman from Ohio's 10th Congressional District, I demand that the STB take action to assure representation for the people of Brooklyn, Ohio, in environmental mitigation discussions with CSX Corporation. I am demanding that the STB order CSX to meet with the Mayor and the people of Brooklyn for discussions about how the merger will affect Brooklyn and to order good faith settlement discussions as ordered by Decision No. 71.

Sincerely,

A handwritten signature in black ink that reads "Dennis J. Kucinich". The signature is written in a cursive, flowing style.

Dennis J. Kucinich  
Member of Congress

DJK:mg

enclosures: Addendum to Comments on the Draft Environmental Impact Statement  
Letter from Stephen Watson to Brooklyn Mayor John M. Coyne

**DENNIS J. KUCINICH**

10TH DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, D.C. 20515  
(202) 225-5871

14400 DETROIT AVENUE  
LAKEWOOD, OHIO 44107  
(216) 228-8850



**Congress of the United States  
House of Representatives**

Committees:  
Government Oversight  
Education  
and the  
Workforce



February 4, 1998

Ms. Elaine Kaiser  
Chief, Environmental Analysis  
Surface Transportation Board  
1925 K Street NW  
Suite 500  
Washington, D.C. 20423-0001

RE: Finance Docket No. 33388

Dear Ms. Kaiser:

As Member of Congress representing Ohio's 10th district, and as a Party of Record to this proceeding, I hereby submit an original and twenty-five copies of an Addendum to Comments on the Draft Environmental Impact Statement as issued by the Surface Transportation Board's Section on Environmental Analysis for Finance Docket No. 33388.

Please accept this addendum in order to evaluate the effect that the proposed Conrail merger will have on the City of Brooklyn, Ohio. Thank you for your consideration.

Sincerely,

Dennis J. Kucinich  
Member of Congress

DJK ec

[PUBLIC]

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

---

ADDENDUM TO  
COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT  
AS ISSUED BY THE SURFACE TRANSPORTATION BOARD'S  
SECTION ON ENVIRONMENTAL ANALYSIS  
FILED BY CONGRESSMAN DENNIS J. KUCINICH

Dated February 4, 1998



[PUBLIC]

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

---

**ADDENDUM TO  
COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT  
AS ISSUED BY THE SURFACE TRANSPORTATION BOARD'S  
SECTION ON ENVIRONMENTAL ANALYSIS  
FILED BY CONGRESSMAN DENNIS J. KUCINICH**

Congressman Dennis J. Kucinich, representing the 10th Congressional District of Ohio, hereby submits this addendum to his comments in response to the Draft Environmental Impact Statement (DEIS) as issued by the Surface Transportation Board's Section on Environmental Analysis (SEA) for the purpose of relaying newly acquired information about the City of Brooklyn, Ohio.

Brooklyn, Ohio, is a west-side residential and industrial suburb bordering Cleveland at Brooklyn's west, northwest, and east sides, and bordering Parma, Ohio, at its south side. Three sets of railroad tracks currently traverse Brooklyn. A Conrail line, formerly Cleveland's Short Line, crosses Brooklyn parallel to Brookpark Road near Brooklyn's southern border. Another Conrail line abuts Brooklyn's northwest border with a spur crossing Ridge Road just south of the

northernmost tip of Brooklyn. And a CSX line from Cleveland to Medina crosses Brooklyn from the northeast edge to the southwest edge.

The Draft Environmental Impact Statement did not address the environmental effects that the proposed Conrail merger will have on the City of Brooklyn. This office requests that the SEA investigate the effects that the proposed rail merger will have on the City of Brooklyn and include the results of that investigation in its Final Environmental Impact Statement.

An analysis of the effects on the City of Brooklyn should include the following:

- If the Conrail merger is approved, what noise and safety mitigation will be offered to the residents living adjacent to the Conrail line parallel to Brookpark Road? Residents on Idlewood Drive, Summer Lane, Kennedy Drive, Southwood Drive, Autumn Lane, Springwood Drive, and Melody Lane live in homes abutted by the Conrail tracks to the south and Interstate 480 to the north. The only evacuation routes in the event of a hazardous material spill at that segment of the rail line are Idlewood Drive at the eastern edge of the neighborhood, and Southwood Drive at the western edge of the neighborhood. A derailment along this section of track would pose a clear and immediate threat to public safety. An increase in trains will increase the risk of a hazardous waste spill in the event of a derailment. Furthermore, an increase in trains will increase the noise levels experienced by residents living adjacent to the tracks on Idlewood Drive. Noise mitigation may be necessary.
- The Cleveland-Medina CSX route crosses American Road in Brooklyn. American Road is the access road for employees of American Greetings, Brooklyn's largest employer, employing approximately 3,000 workers. An increase in train traffic along this line will result in an increase in delays for American Greetings's workers and could result in traffic queues as far as Tiedeman Road. The SEA should investigate whether mitigation against the effects of traffic delays on American Road would be warranted.
- The Cleveland-Medina CSX route also abuts the Spring Crest-Pepper Ridge Drive neighborhood, which is already subject to significant noise from train traffic. Sixty-three homes are located there. The SEA should investigate whether noise mitigation is warranted if there is an increase in train traffic as a result of the merger.
- The Conrail line abutting the northwest edge of Brooklyn crosses Ridge Road at an at-grade crossing. Ridge Road is a major north-south commuter route between Cleveland and the southwestern suburbs. The SEA should investigate the effect that an increase in train traffic along this Conrail route would have on commuter traffic on Ridge Road, and recommend mitigation as appropriate.

The aforementioned investigations should be conducted by the SEA in preparation for its Final Environmental Impact Statement. This office, in conjunction with the Office of the Mayor of Brooklyn, Ohio, will provide additional assistance as necessary in order to help the SEA investigate these important environmental issues.

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STB

FD-33388

4-15-98

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ID-MOES



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 15, 1998

The Honorable John Glenn  
United States Senate  
Washington, D.C. 20510

Dear Senator Glenn:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. The Board also must conduct a thorough environmental review consistent with applicable environmental law. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan



STB

FD-33388

4-15-98

J

ID-MOES



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 15, 1998

The Honorable Mike DeWine  
United States Senate  
Washington, D.C. 20510

Dear Senator DeWine:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, your letter concentrates on the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

April 15, 1998

The Honorable Steve LaTourette  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman LaTourette:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, your letter concentrates on the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

April 15, 1998

The Honorable Bob Ney  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Ney:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, your letter concentrates on the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan

# Congress of the United States

Washington, DC 20515

February 12, 1998

FILE IN DOCKET

The Honorable Vernon A. Williams  
Office of the Secretary  
Surface Transportation Board  
Attn: STB Finance Docket No. 33388  
1925 K St. NW  
Washington, DC 20423

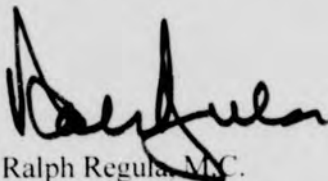
Dear Mr. Williams:

Members of the Ohio Delegation are following the NS/CSX-Conrail control proceeding with great interest and concern. The Applicants have failed to deal effectively with the serious issues affecting Ohio, which include problems adversely impacting rail shippers, the potential failure of the Wheeling & Lake Erie Railway Company (W&LE), as well as serious safety and environmental issues which would affect the City of Cleveland. We remain optimistic that W&LE's issues do not conflict with those of Cleveland's and that both can be addressed in a mutually beneficial manner.

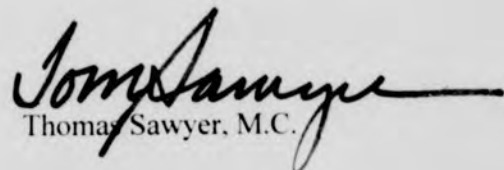
Ohio is justly proud of its economic development record and seeks to ensure that it can continue in the future. Regional and short line railroads are critical to Ohio's economic development. We are concerned that a Wheeling & Lake Erie failure as a result of the merger would seriously compromise the competitive positions of a large number of its shippers in the regional, national and international markets. Steel, plastics, chemical, aggregate and other W&LE shippers have voiced their concerns over the importance of rail competition to their continued financial vitality. We are also concerned that the Neomodal intermodal facility, which embodies a significant pioneering experience in public/private partnership, clearly needs a viable W&LE to survive. Loss of this facility would squander substantial federal, state, local and private funding.

We know that Norfolk Southern and CSX have reached settlement agreements with other parties. We find most distressing the failure of these companies to negotiate to ensure a viable Wheeling & Lake Erie and to ally Ohio's and the shippers' concerns. We urge the Board to give careful consideration to Ohio's issues in determining whether the merger should be approved, and if approved, what protective conditions should be included.

Sincerely,

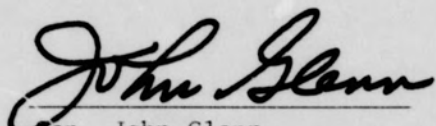


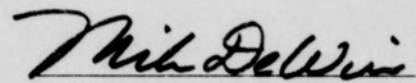
Ralph Regula, M.C.

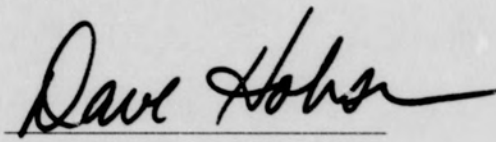


Thomas Sawyer, M.C.

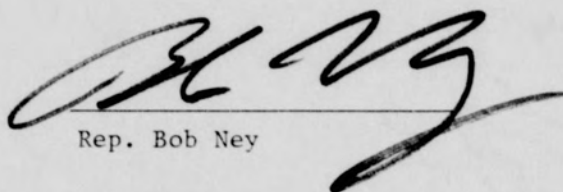


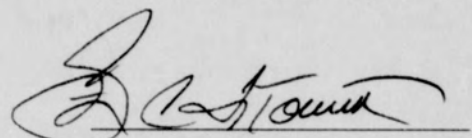
  
Sen. John Glenn

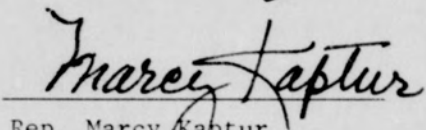
  
Sen. Mike DeWine

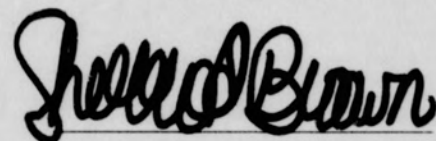
  
Rep. Dave Hobson

  
Rep. Dennis Kucinich

  
Rep. Bob Ney

  
Rep. Steve LaTourette

  
Rep. Marcy Kaptur

  
Rep. Sherrod Brown

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 15, 1998

The Honorable John J. Duncan, Jr.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Duncan:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan

JOHN J. DUNCAN, JR.

2D DISTRICT, TENNESSEE

2400 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-4202

PHONE: (202) 225-5435

800 MARKET STREET

SUITE 110

KNOXVILLE, TN 37902

PHONE: (423) 523-3772

262 E. BROADWAY

MARYVILLE, TN 37804-6782

PHONE: (423) 984-5464

COURTHOUSE

ATHENS, TN 37302-4297

PHONE: (423) 745-4671

# Congress of the United States

## House of Representatives

Washington, DC 20515-4202

February 26, 1998

COMMITTEES  
TRANSPORTATION AND INFRASTRUCTURE

SUBCOMMITTEES:  
AVIATION—CHAIRMAN  
PUBLIC BUILDINGS AND  
ECONOMIC DEVELOPMENT

RESOURCES  
SUBCOMMITTEES:  
NATIONAL PARKS, FORESTS AND LANDS  
ENERGY AND MINERAL  
RESOURCES

CHAIRMAN MORGAN

MAR 3 5 24 PM '98

RECEIVED  
SURFACE TRANSPORTATION

FILE IN DOCKET

Ms. Linda Morgan  
Surface Transportation Board  
Chairman  
1925 K Street, NW  
Washington, D.C. 20423

Dear Chairman Morgan:

I am writing in regard to the case you have before you concerning American President Lines, Ltd. (APL), Finance Docket No. 33388.

It is my understanding that APL has had a long-term, non-assignment contract with Conrail over their 20 year history of working together. The term of this contract will not expire until May 31, 2004.

With the break-up of Conrail between CSX and Norfolk Southern, it is my understanding that your Board has been asked to override the non-assignment clause of the APL contract.

It is APL's position, and I must say I certainly can understand their concerns, that it would be unfair to (1) override the non-assignment clause in the APL-Conrail contract and (2) under section 2.2(c) of the agreement dividing Conrail, to decide unilaterally how to allocate responsibility for performing service to APL under the APL-Conrail contract, without APL's being given any voice in the matter.

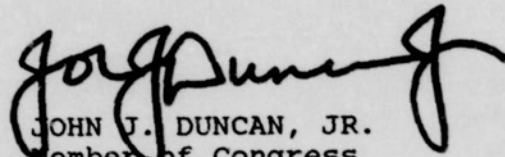
While APL expects to be able to work with CSXT, as well as NS, and does not oppose the transaction as a whole, APL should be permitted to renegotiate the terms of its contract to account for the different relationship it will have with NS and CSXT. Route structures and facilities, following the dismemberment of Conrail, will also be markedly different from those for which APL bargained with Conrail.

It would be greatly appreciated if you would consider these factors in making your decision and work to provide fairness and equity to APL in your decisionmaking process.

-2-

Thank you for your assistance in this matter. With kindest regards, I am

Sincerely,



JOHN J. DUNCAN, JR.  
Member of Congress

JJD:jw

STB

FD-33388

4-15-98

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 15, 1998

The Honorable Vic Fazio  
U.S. House of Representatives  
Washington, D.C. 20515-0503

Dear Congressman Fazio:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan



VIC FAZIO  
THIRD DISTRICT  
CALIFORNIA

DEMOCRATIC CAUCUS—CHAIRMAN  
APPROPRIATIONS COMMITTEE  
SUBCOMMITTEES:  
RANKING MEMBER  
ENERGY AND WATER DEVELOPMENT  
AGRICULTURE  
LEGISLATIVE



## Congress of the United States

House of Representatives

Washington, DC 20515-0503

March 10, 1998

PLEASE RESPOND TO:

- ☐ 2113 RAYBURN BUILDING  
WASHINGTON, DC 20515-0503  
(202) 225-5716
- ☐ 722B MAIN STREET  
WOODLAND, CA 95695-3407  
(530) 666-5521
- ☐ 332 PINE STREET, #F  
RED BLUFF, CA 96080-3312  
(530) 529-5629

FILE IN DOCKET

The Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20423-0001

Re: Finance Docket No. 33388

Dear Chairman Morgan:

I write in strong support of American President Lines, Limited (APL) in its effort to protect itself from the serious consequences of the proposed acquisition of Conrail by Norfolk Southern (NS) and CSX. APL's strong presence in California and the transportation difficulties that were experienced as a result of the Union Pacific/Southern Pacific acquisition makes this an issue of great interest to me and my constituents.

APL, one of the pioneers and world leaders in the intermodal transportation of containerized freight, operates in partnership with Conrail under a long-term contract that will expire May 31, 2004. Under that contract, Conrail handles a heavy schedule of express stacktrains carrying both APL and third party traffic. The contract contains a non-assignment clause, but NS and CSX have asked the Board to override such clauses in Conrail contracts. As APL has ably demonstrated in its filings to the Board, it would be unfair if NS and CSX were permitted (1) to override the non-assignment clause in the APL-Conrail contract and (2) under section 2.2(c) of their agreement dividing Conrail, to decide unilaterally how to allocate responsibility for performing service to APL under the APL-Conrail contract, without APL's being given any voice in the matter. This would be especially inequitable and damaging to APL, because CSX, through its SeaLand and CSX Intermodal subsidiaries, directly competes with APL on the very international and domestic intermodal business that CSXT would be handling under the APL contract.

Under conditions and contracts that exist today, APL does not perceive CSXT to be the type of cooperative partner that Conrail has been in developing APL's thriving intermodal business. While APL expects to be able to work with CSXT, as well as NS, and does not oppose

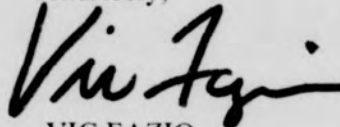
the transaction as a whole, APL must be permitted to renegotiate the terms of its contract to account for the different relationship it will have with NS and CSXT.

Renegotiation of the APL-Conrail contract is also required by the fact that the NS and CSXT route structures and facilities, following their dismemberment of Conrail, will be markedly different from those for which APL bargained with Conrail. The extremely precise, efficient and reliable service that is APL's hallmark must be maintained. To ensure that it is, APL must be able to renegotiate its contract in light of the new service patterns of CSXT and NS.

In sum, I believe that APL, as well as others with multi-year contracts, should be accorded the ability to renegotiate their contracts in light of the new competitive realities and commercial relationships created by the Conrail-NS-CSX transaction. In a free market, APL would be able to negotiate separately with CSXT and NS unfettered by section 2.2 (c). This is especially true in light of the non-assignment clause APL negotiated with Conrail.

I hope that the Board will furnish this relief by disapproving section 2.2 (c) of the CSX-NS-Conrail agreement, by upholding the sanctity of contracts entered into between Conrail and its shippers, and by requiring CSXT and NS to negotiate with those shippers to determine the specific service to be provided by CSXT and NS.

Sincerely,

A handwritten signature in black ink, appearing to read "Vic Fazio". The signature is fluid and cursive, with a large initial "V" and a stylized "F".

VIC FAZIO

Member of Congress

VF/abm

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 15, 1998

The Honorable Frank D. Riggs  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Riggs:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan

**FRANK D. RIGGS**  
1ST DISTRICT, CALIFORNIA

COMMITTEE ON ECONOMIC AND  
EDUCATIONAL OPPORTUNITIES

SUBCOMMITTEES:

EARLY CHILDHOOD, YOUTH AND FAMILIES

(CHAIRMAN)

POSTSECONDARY EDUCATION, TRAINING, AND  
LIFE-LONG LEARNING

COMMITTEE ON  
TRANSPORTATION  
AND INFRASTRUCTURE



FILE IN DOCKET

1714 LONGWORTH BUILDING  
WASHINGTON, DC 20515  
(202) 225-3311

DISTRICT OFFICES:

1700 2ND STREET  
SUITE 378  
NAPA, CA 94559  
(707) 254-7308

710 E STREET  
SUITE 100  
EUREKA, CA 95501  
(707) 441-8701

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

March 6, 1998

The Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C.

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
MAR 9 2 23 PM '98  
OFFICE OF  
CHAIRMAN MORGAN

Dear Madam Chair:

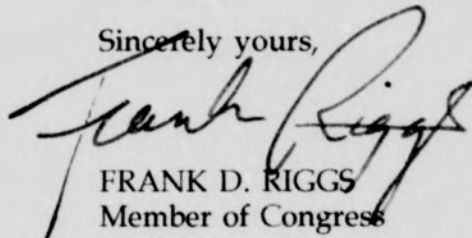
American President Lines (APL) has contacted me regarding Finance Docket No. 33388. Specifically, it is seeking to renegotiate the terms of its shipping contract in view of the acquisition of Conrail by Norfolk Southern and CSX.

APL is a leader in intermodal transportation of containerized freight and has a strong presence in my State of California. It has made a compelling case on the merits of renegotiation.

I urge the Surface Transportation Board to give full consideration to the APL request, consistent with applicable Board procedures.

Thank you for your consideration of this request.

Sincerely yours,

  
FRANK D. RIGGS  
Member of Congress

FDR/mjd



STB

FD-33388

4-15-98

J

ID-MOCH





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

April 15, 1998

The Honorable Dave Hobson  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Hobson:

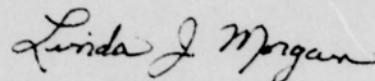
Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. The Board also must conduct a thorough environmental review consistent with applicable environmental law. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Linda J. Morgan". The signature is written in dark ink and is positioned above the printed name.

Linda J. Morgan

STB

FD-33388

4-15-98

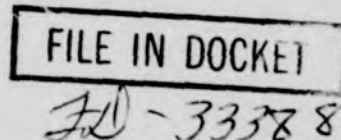
J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001



April 15, 1998

The Honorable Chip Pickering  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Pickering:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda J. Morgan

427 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-5031

2100 NINTH STREET, ROOM 302  
MERIDIAN, MS 39302  
(601) 693-6681

110-D AIRPORT ROAD  
PEARL, MS 39208  
(601) 932-2410

2080 AIRPORT ROAD, SUITE D  
COLUMBUS, MS 39701  
(601) 327-2766

CHIP PICKERING  
3D DISTRICT, MISSISSIPPI

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-2403**

February 27, 1998

The Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

FILE IN DOCKET

Re: Finance Docket No. 33388

Dear Chairman Morgan:

As you know, I support the proposed acquisition of Conrail by Norfolk Southern (NS) and CSX. However, I have some concerns regarding the serious consequences APL Limited faces regarding the merger.

APL, one of the pioneers and world leaders in the intermodal transportation of containerized freight, operates in partnership with Conrail under a long-term contract that will expire May 31, 2004. Under that contract, Conrail handles a heavy schedule of express stacktrains carrying both APL and third party traffic. The contract contains a non-assignment clause, but NS and CSX have asked the Board to override such clauses in Conrail contracts. As APL has ably demonstrated in its filings to the Board, it would be unfair if NS and CSX were permitted (1) to override the non-assignment clause in the APL-Conrail contract and (2) under section 2.2© of their agreement dividing Conrail, to decide unilaterally how to allocate without APL's being given any voice in the matter. This would be especially inequitable and damaging to APL, because CSX, through its SeaLand and CSX international and domestic intermodal business that CSXT would be handling under the APL contract.

Under conditions and contracts that exist today, APL does not perceive CSXT to be the type of cooperative partner that Conrail has been in developing APL's thriving intermodal business. While APL expects to be able to work with CSXT, as well as NS, and does not oppose the transaction as a whole, APL must be permitted to renegotiate the terms of its contract to account for the different relationship it will have with NS and CSXT.

Renegotiation of the APL-Conrail contract is also required by the fact that the NS and CSXT route structures and facilities, following their dismemberment of Conrail, will be markedly different from those for which APL bargained with Conrail. The extremely precise, efficient and reliable service that is APL's hallmark must be maintained. To ensure that it is, APL must be able to renegotiate its contract in light of the new service patterns of CSXT and NS.

COMMITTEES:  
TRANSPORTATION AND  
INFRASTRUCTURE  
SUBCOMMITTEES:  
SURFACE TRANSPORTATION, VICE CHAIRMAN  
AVIATION

**AGRICULTURE**

SUBCOMMITTEES:  
LIVESTOCK, DAIRY AND POULTRY  
FORESTRY, RESOURCE CONSERVATION  
AND RESEARCH

**SCIENCE**

SUBCOMMITTEES:  
BASIC RESEARCH  
SPACE AND AERONAUTICS

ASSISTANT WHIP AT LARGE  
POLICY COMMITTEE

RECEIVED  
SURFACE TRANSPORTATION  
MAR 3 5 04 PM '98  
CHAIRMAN MORGAN

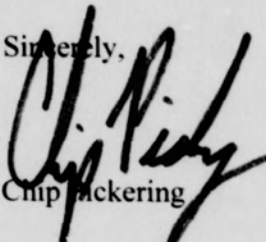


The Honorable Linda J. Morgan  
Page 2

In sum, you should consider that APL, as well as others with multi-year contracts, should be accorded the ability to renegotiate their contracts in light of the new competitive realities and commercial relationships created by the Conrail-NS-CSX transaction. In a free market, APL would be able to negotiate separately with CSXT and NS unfettered by section 2.2(c). This is especially true in light of the non-assignment clause APL negotiated with Conrail.

I appreciated your immediate consideration of the above solution for the proposed acquisition.

Sincerely,



Chip Pickering



STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

JA-33388

April 15, 1998

The Honorable Ronald V. Dellums  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Dellums:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

RONALD V. DELLUMS  
9TH DISTRICT, CALIFORNIA

RANKING MINORITY  
COMMITTEE ON NATIONAL SECURITY

REPLY TO  
OFFICE CHECKED:

2108 RAYBURN H.O.B.  
WASHINGTON, DC 20515  
(202) 225-2661

1301 CLAY STREET  
SUITE 1000-N  
OAKLAND, CA 94612  
(510) 763-0370



## Congress of the United States House of Representatives

February 4, 1998

WASHINGTON OFFICE  
CARLOTTA A. W. SCOTT  
ADMINISTRATIVE ASSISTANT  
CHARLES C. STEPHENSON, JR.  
LEGISLATIVE DIRECTOR

DISTRICT OFFICE  
SANDRE R. SWANSON  
DISTRICT DIRECTOR  
H. LEE HALTERMAN  
GENERAL COUNSEL

FILE IN DOCKET

The Honorable Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

Re: Finance Docket No. 33388

Dear Chairman Morgan:

We write in strong support of American President Lines, Ltd. (APL) in its efforts to protect itself from the serious consequences of the proposed acquisition of Conrail by Norfolk Southern (NS) and CSX.

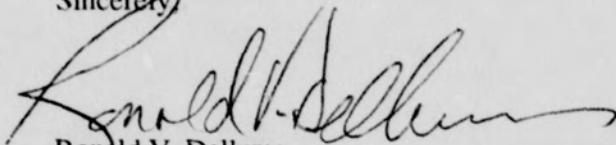
APL, one of the pioneers and world leaders in the intermodal transportation of containerized freight, operates in partnership with Conrail under a long-term contract that will expire May 31, 2004. Under that contract, Conrail handles a heavy schedule of express stacktrains carrying both APL and third party traffic. The contract contains a non-assignment clause, but NS and CSX have asked the Board to override such clauses in Conrail contracts. As APL has ably demonstrated in its filings to the Board, it would be unfair in the extreme if NS and CSX were permitted (1) to override the non-assignment clause in the APL-Conrail contract and (2) under section 2.2(c) of their agreement dividing Conrail, to decide unilaterally how to allocate responsibility for performing APL's contract, without APL's being given any voice in the matter. This would be essentially inequitable and damaging to APL, because CSX, through its SeaLand and CSX Intermodal subsidiaries, directly competes with APL on the very international intermodal business that CSXT would be handling under the APL contract. Under conditions and contracts that exist today, APL does not expect CSXT to be the type of cooperative partner that Conrail has been in developing APL's thriving intermodal business. While APL expects to be able to work with CSXT, as well as NS, and does not oppose the transaction as whole, APL must be permitted to renegotiate the terms of its contract to account for the different relationship it will have with NS and CSXT.

Renegotiation of the APL-Conrail contract is also required by the fact that the NS and CSXT route structures and facilities, following their dismemberment of Conrail, will be markedly different from those for which APL bargained with Conrail. The extremely precise, efficient and reliable service that is APL's hallmark must be maintained. To ensure that it is, APL must be able to renegotiate its contract in light of new service patterns of CSXT and NS.

Chairman Morgan  
February 4, 1998  
Page Two

In sum, we believe that APL, as well as others with multi-year contracts, should be accorded the ability to renegotiate their contracts in light of the new competitive realities and commercial relationships created by the Conrail-NS-CSX transaction. In a free market, APL would be able to negotiate separately with CSXT and NS unfettered by section 2.2(c). This is especially true in light of the non-assignment clause APL negotiated with Conrail. We are confident that the Board has full authority to furnish this relief by disapproving section 2.2(c) of the CSX-NS-Conrail agreement, by upholding the sanctity of contracts entered into between Conrail and its shippers, and by requiring CSXT and NS to negotiate with those shippers to determine whether CSXT or NS will provide the service.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ronald V. Dellums", with a long, sweeping horizontal stroke at the end.

Ronald V. Dellums  
Member of Congress

cc: Vice Chairman Owen

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

STB-33388

April 15, 1998

The Honorable Tom Davis  
U.S. House of Representatives  
Washington, D.C. 20515-4611

Dear Congressman Davis:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern over the effect that approval of the proposed transaction may have on the rights of American President Lines (APL) under an existing, long-term transportation contract with Conrail.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including APL) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, and resolve the material issues raised by the parties to the proceeding. In this regard, let me assure you that the Board will give full consideration to the matter that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan



THOMAS M. DAVIS  
11TH DISTRICT, VIRGINIA

COMMITTEE ON  
GOVERNMENT REFORM AND OVERSIGHT

CHAIRMAN  
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA  
SUBCOMMITTEE ON GOVERNMENT MANAGEMENT,  
INFORMATION AND TECHNOLOGY

COMMITTEE ON TRANSPORTATION  
SUBCOMMITTEE ON AVIATION  
SUBCOMMITTEE ON PUBLIC BUILDINGS

COMMITTEE ON SCIENCE  
SUBCOMMITTEE ON TECHNOLOGY  
SUBCOMMITTEE ON SPACE AND AERONAUTICS

Congress of the United States  
House of Representatives  
Washington, DC 20515-4611

March 2, 1998

224 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-1492

DISTRICT OFFICES:  
7018 EVERGREEN COURT  
ANNANDALE, VA 22003  
(703) 916-9610

730 ELDEN STREET, SECOND FLOOR  
HERNDON, VA 20170  
(703) 437-1726

13554 MINNIEVILLE ROAD  
WOODBIDGE, VA 22192  
(703) 590-4599

Ms. Linda Morgan, Chairwoman  
Surface Transportation Board  
1925 K. Street, NW  
Washington, D.C. 20423

FILE IN DOCKET

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
MAR 4 5 15 PM '98  
OFFICE OF  
CHAIRMAN MORGAN

Dear Chairwoman Morgan:

This letter is in regard to the case you have before you concerning American President Lines, Ltd. (APL), Finance Docket No. 33388.

It is my understanding that APL has had a long-term, non-assignment contract with Conrail over their 20 year history of working together. The term of this contract is not set to expire until May 31, 2004. With the break-up of Conrail between CSX and Norfolk Southern (NS), it is my understanding that the Surface Transportation Board has been asked to override the non-assignment clause of the APL contract.

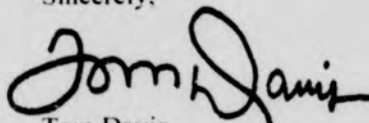
It is APL's position, and I can certainly understand their concerns, that it would be unfair to (1) override the non-assignment clause in the APL-Conrail contract and (2) under section 2.2(c) of the agreement dividing Conrail, to decide unilaterally how to allocate responsibility for performing service to APL under the APL-Conrail contract, without receiving input from APL in this matter.

While APL expects to continue to work with CSX, as well as Norfolk Southern, and does not oppose the transaction as a whole, APL *should be permitted* to renegotiate the terms of its contract to account for the different relationship it will have with CSX and NS. Following the dismemberment of Conrail, route structures and facilities will also be distinctly different from those which APL negotiated with Conrail.

It would be greatly appreciated if you would consider these factors in making your decision and work to provide fairness and equity to APL in your decision making process.

Thank you in advance for your assistance in this matter.

Sincerely,



Tom Davis  
Member of Congress

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

JA-33388

April 15, 1998

The Honorable Ralph Regula  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Regula:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. The Board also must conduct a thorough environmental review consistent with applicable environmental law. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 15, 1998

The Honorable Sherrod Brown  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Brown:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

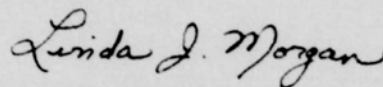
This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. The Board also must conduct a thorough environmental review consistent with applicable environmental law. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.



I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Linda J. Morgan". The signature is written in dark ink and is positioned above the printed name.

Linda J. Morgan

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 15, 1998

The Honorable Dennis Kucinich  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Kucinich:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 15, 1998

The Honorable Louis Stokes  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Stokes:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

STB

FD-33388

4-15-98

J

ID-MOCH



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

April 15, 1998

The Honorable Thomas Sawyer  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Sawyer:

Thank you for your letters regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you express concern about the adverse impacts of the proposed transaction on certain railroads, shippers, and cities and communities in the State of Ohio, and also about the adverse impact that the proposed transaction may have on the Wheeling & Lake Erie Railway (W&LE).

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As you may know, the Board adopted a procedural schedule for deciding the merits of the control application filed in this proceeding, which it extended by 45 days to accommodate the filing of safety integration plans by the applicant railroads. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties (including W&LE) addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board's Section of Environmental Analysis is in the process of preparing an Environmental Impact Statement, which will be issued in May 1998. The Board is currently analyzing all filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

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I am having your letters and my response made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*

Linda J. Morgan

STB FD-33388 4-14-98 J ID-BUSINESS 2 OF 2

## 12.0 Plan Distribution List

Current copies of this plan shall be issued and maintained by the following agencies:

### CSXT:

Hazardous Materials Group, Jacksonville, FL  
Police Communications Center, Jacksonville, FL  
XXXXX Service Lane, Willard, OH  
Collinwood Terminal, Cleveland, OH  
Hazardous Materials Manager, Cleveland, OH

### Cleveland / Cuyahoga County:

City of Cleveland, Public Safety Director  
City of Cleveland, Fire Chief  
Cuyahoga County Emergency Management Agency  
City of East Cleveland, Fire Chief  
City of Berea, Fire Chief  
City of Brook Park, Fire Chief

### Target Hazard Occupancies

University Circle Police Dept.  
Others as identified.



**Appendix A: Maps**

(The detailed maps are being developed and will be included in the final draft plan. The maps will be in color and be tabbed in the final document)

A. Maps of CSXT facilities and track with target hazards and emergency access points.

<u>Map #</u>	<u>CSXT Location</u>	<u>Jurisdiction</u>
1.0	Collinwood Yard 1A	CoC / CEC
2.0	Quaker Tower	
3.0	CP- 1	
4.0	CP- 2	
5.0	CP- 3	
6.0	CP- 4	
7.0	CP- 5	
8.0	CP- 6	
9.0	CP- 7	
10.0	CP- 8	
11.0	CP-9	
12.0	CP-10	
13.0	CP- 11	

Jurisdiction Code: CoC- City of Cleveland , CEC- City of East Cleveland  
Ber- Berea, BrPk- Brook Park, CC- Cuyahoga County

## Appendix B: Training Schedule and Outlines

### Training schedule:

To be developed with local emergency response officials.  
All training will be at CSXT expense and offered multiple times to accommodate multi-shift responders and include weekend sessions for volunteer responders.

Dates and locations will be developed with local officials.

### Training Outlines:

#### "Emergency Response to Railroad Incidents" Training Program

Target Audience: Public safety first responders (Fire, EMS, Law Enforcement)  
Course Length: 6 hours  
Methodology: Classroom instruction

#### Course Goal

*To enhance the understanding of the transportation of hazardous materials by rail and the means for safely responding to emergencies involving railroad property and equipment.*

#### Unit 1- RAILROAD INCIDENT SAFETY

OBJECTIVE: At the completion of this unit, the participant will be able to describe the rules of Safety and protective equipment to be used during emergencies on CSXT property.

#### Unit 2- CSXT AND SAFETY

OBJECTIVE: At the completion of this unit, the participant shall be able to describe the manner in which hazardous materials incidents are managed by CSXT.

#### Unit 3- RAILROAD OFFICIALS

OBJECTIVE: At the completion of this unit, the participant shall be able to list the titles and responsibilities of CSXT officials at emergencies.

#### Unit 4- INITIAL RESPONSE

OBJECTIVE: At the completion of this unit, the participant shall be able to list the different methods for detecting the presence of hazardous materials in rail transportation.

Unit 5- FREIGHT CARS

OBJECTIVE: At the completion of this unit, the participant shall be able to identify the different types of freight cars used to transport hazardous materials by rail.

Unit 6 - TANK CARS

OBJECTIVE: At the completion of this unit, the participant shall be able to identify the major classifications of tank cars; the markings on tank cars; the typical commodities carried in tank cars.

Unit 7 - LOCOMOTIVES

OBJECTIVE: At the completion of this unit, the participant shall be able to identify the potential hazards associated with diesel-electric locomotives.

Unit 8- OPERATION LIFESAVER

OBJECTIVE: At the completion of this unit, the participant shall be able to list the precautions to be taken at railroad/highway grade crossings.

INSTRUCTIONAL MATERIALS LIST

- 1) 35mm SLIDE SET
- 2) VHS VIDEO: OPERATION LIFESAVER: "THEY SHOULDN'T DIE THIS WAY"
- 3) HANDOUTS: "Emergency Response to Railroad Incidents" text 3rd Edition  
Field Guide to Tank Cars  
CSXT Factbook (optional)

## Appendix C: CSXT Operating Rules For Hazardous Materials

### **CSX** **TRANSPORTATION**

#### **HAZARDOUS MATERIALS RULES**

**EFFECTIVE MAY 1, 1997**

These rules govern conditions and actions on railroads operated by CSX Transportation in the United States. These rules supersede all previous hazardous materials rules, as well as all other rules and instructions that may be inconsistent with them.

Employees must comply with these rules and the instructions contained in the current Train Placement/Switching Restrictions Chart.

Trains not receiving a consist will determine from the shipping description whether or not they are "Key Trains."

**NOTE:** The words "Poison Inhalation Hazard," or "Inhalation Hazard," will appear in the shipping description of PIH's.

Refer to Operating Rule 573 (2nd paragraph).

#### **9. Restrictions Applying to "Key Trains"**

- (a) Will not exceed 50 MPH.
- (b) In addition to the requirements of Operating Rule 58-F, if there is no defect at the location reported, the train will not exceed 30 MPH until it has passed the next defect detector.
- (c) Friction bearing cars may not move in a Key Train.

#### **LEAKING HAZARDOUS MATERIALS CARS**

**10. IMMEDIATELY** report all damaged or leaking hazardous materials cars to the train dispatcher or yard officer.

- (a) Caution personnel not to enter the area.
- (b) Eliminate and remove all ignition sources from the immediate area. This includes lanterns, radios, torches, flares, fusees, open flames, switch lights, switch heaters, and smoking materials.
- (c) Do not move a leaking rail car unnecessarily.
- (d) If it is a small leak, short movements may be made if a receptacle is attached under the leak to prevent the spread of product over the tracks.
- (e) If safe to do so, switch cars containing leaking hazardous materials to a location distant from habitation, waterways, or highways. When possible, place two or more buffer cars between the leaking car and the engine. During coupling, employees must remain clear and upwind of the leaking cars to avoid chemical exposures.

- 8 -

## Appendix C: CSXT Operating Rules For Hazardous Materials cont'd:

### EMERGENCIES INVOLVING HAZARDOUS MATERIALS

11. If an emergency involves the spillage of hazardous materials or fire, the conductor or his designee must **IMMEDIATELY** contact or request the train dispatcher to contact the nearest Emergency Response Agency.

The conductor or other Company personnel must start actions to:

- (1) Be sure employees and the public are safe.
- (2) Protect property
- (3) Protect Company interest.

Take the following actions as soon as possible – **BUT ONLY IF IT IS SAFE TO DO SO.**

#### A. Protect Life and Property

- (1) Rescue the injured, remove them to a safe area, give first aid and call for help.
- (2) Evacuate threatened people if there is:

- Fire, smoke or explosion
- Vapor clouds or fumes

If a fire or spillage involves hazardous materials, consult the train consist Emergency Handling Precautions or the "1996 North American Emergency Response Guidebook" for guidance on evacuation distances. Without this information, the following guidelines will apply:

**EXPLOSIVES 1.1 OR 1.2** – Evacuate all persons a distance of one mile from the scene.

- 9 -

**POISON GAS** – Evacuate all persons a distance of at least one mile from the scene. Extend the evacuation further downwind if necessary to avoid contact with the material fumes or smoke.

**ALL OTHER HAZARDOUS MATERIALS** – Evacuate all persons a distance of at least one-half mile from the scene. Extend the evacuation further downwind if necessary to avoid contact with the material, fumes or smoke.

#### B. Survey the Scene and Assess the Conditions

- (1) Identify all cars/trailers involved or potentially involved in the emergency. Note their contents, especially those cars containing hazardous materials or hazardous materials residues. If the car initial and number cannot be seen, determine the block of cars involved. Use the train documents to determine the contents of the cars.

**CAUTION:** Trailers/containers on flat cars may contain up to 1000 lbs. of hazardous materials without displaying placards. Always check the shipping papers for proper identification of hazardous materials.

- (2) Determine if there is fire, smoke, explosion, vapors or fumes, odors, venting sounds, wetness on sides of cars, etc.

**CAUTION:** When assessing damages involving a hazardous material avoid exposure to smoke, vapors, fumes, strong odors, and unknown liquids and solids. Always approach the incident from the upwind side if possible. Where there are fumes, withdraw to a safe distance. Wait until qualified persons have arrived and determined the extent of danger.

- 10 -



## Appendix C: CSXT Operating Rules For Hazardous Materials cont'd:

(3) If an incident involves a train with no crew member on the rear, make every available effort, if it is safe to do so, to get around the head portion of the derailed cars and inspect the rear portion of the train. While it may be necessary to travel a considerable distance, do so to be sure that no other cars are involved. If other cars are involved, get all necessary information on these cars.

If unable to inspect the entire train, tell the train dispatcher immediately.

### C. Promptly Update Appropriate Authorities

After making a preliminary report to the train dispatcher, the conductor at the scene must determine and give to the train dispatcher, by the quickest means available, the following information:

- (1) Total loads, empties and tonnage in train and location of derailed cars.
- (2) Number and position of derailed engines and/or cars.
- (3) Identification of contents of derailed cars.
- (4) Evidence of leakage of any materials.
- (5) Information concerning injuries and fatalities. Give the actions taken in each case and the seriousness of the injuries. If possible, get addresses of any injured or fatally injured persons.
- (6) Environmental concerns such as threatened waterways, culverts, drainage ditches, etc.
- (7) Weather conditions (rain, wind direction and speed, etc.)
- (8) Public exposure potential (nearest habitation).

- 11 -

### D. Assist Emergency Response Authorities

The conductor or his designee must remain at the scene until the arrival of the Emergency Response Personnel or until released by the proper authority. He must take the initiative to seek Emergency Response Personnel and identify himself. Company personnel must help Emergency Response Personnel in identifying all rail cars/trailers involved in the emergency. This includes their contents, especially those containing hazardous materials or hazardous material residues. The conductor or his designee must furnish them with accurate information from the shipping papers and the train consist.

Identify any changes made to train documents that show any hazardous materials cars picked up or set off enroute.

The conductor or his designee must make the Emergency Response Guidebook and any other emergency response information available to the proper emergency response authority.

**NOTE:** The conductor must keep the shipping papers and one copy of the train consist in his possession at all times, available for ready reference by personnel at the scene. Extra copies of the train consist may be given to the Emergency Response Personnel for their reference.

- 12 -



**Appendix D. Recommended Response Information Resources**

Type Unit/Location	North American Emergency Response Guidebook	Emergency Handling of Haz Mat in Surface Trans	Emergency Action Guides	CSXT tank Car Identification Guide
First Responders (Police/Fire/Rescue)	XXXX	XXXX (Fire Units)		
Fire Command	XXXX	XXXX		XXXXX
Haz-Mat Units	XXXX	XXXX	XXXX	XXXXX
Dispatch Centers	XXXXX (Operation Respond program)	XXXX		

## Appendix E: List of CSXT Emergency Response Contractors

### Railroad Wreck Clearing Contractors:

Heavy equipment for the lifting and rerailling of railcars. Earth moving equipment.

Hulcher Professional Services, 1-800-637-5471  
Toledo, OH  
Springfield, OH  
Washington, PA

R.J Corman Rerailling Contractors,, 1-800-772-9091  
Toledo, OH

### Hazardous Materials Emergency Response:

Vacuum services, spill control devices, protective clothing, technical personnel, detection and monitoring devices. Product transfer equipment.

OH Materials, Findlay, OH  
1-800-537-9540  
419-423-3526

Chemtron, Avon, OH  
216-871-8048

## **Appendix F: Recommended Practices for Shelter in Place Population Protection**

1. Close all doors to the outside and close and lock all windows.
2. Building superintendents should set all ventilation systems to 100% recirculation so that no outside air is drawn in to the structure. Where this is not possible, ventilation systems should be turned off.
3. Turnoff all heating systems
4. Turnoff all air conditioners and switch inlets to the "closed" position. Seal any gaps around window type air conditioners with tape, plastic sheeting , wax paper of aluminum foil.
5. Turn off all exhaust fans in kitchens, bathrooms and other spaces.
6. Close all fireplace dampers.
7. Close as many internal doors as possible.
8. If an explosion is possible- close drapes, curtains and shades over windows. Stay away from external windows to prevent potential from flying glass.
9. Minimize use of elevators in buildings as these tend to "pump" outside air in and out of a building as they travel up and down.
10. Tune into the EBS on the radio or television for further information and guidance.

It is vital to maintain communication with competent persons inside the buildings so the are advised about changing conditions.

### **Sources:**

- 1) Preparedness of Hazardous Materials Emergencies in Railyards: Guidance for railroads and Adjacent Communities, Federal Emergency Management Agency, 9/91
- 2) 1996 North American Emergency Response Guidebook, U.S. Department of Transportation, 1996

**KEY FACILITIES****Note 2-1:**

12900 Superior Ave.  
162 Unit Apartment Building  
30' to tracks

**Note 2-2:**

East Cleveland Adult Training  
Center

**EMERGENCY RESPONSE  
CONTACTS**

- 1. Fire Department**  
Jurisdiction- Cleveland  
Phone:
- 2. Hazmat Team**  
Jurisdiction- Cleveland  
Phone:
- 3. Police Department**  
Jurisdiction- Cleveland  
Phone:

**OTHER INFORMATION****Environmental Considerations**

[Information on sensitive receptors such as, waterways, wetlands, etc. will be listed here.  
*To Be Field Verified*]

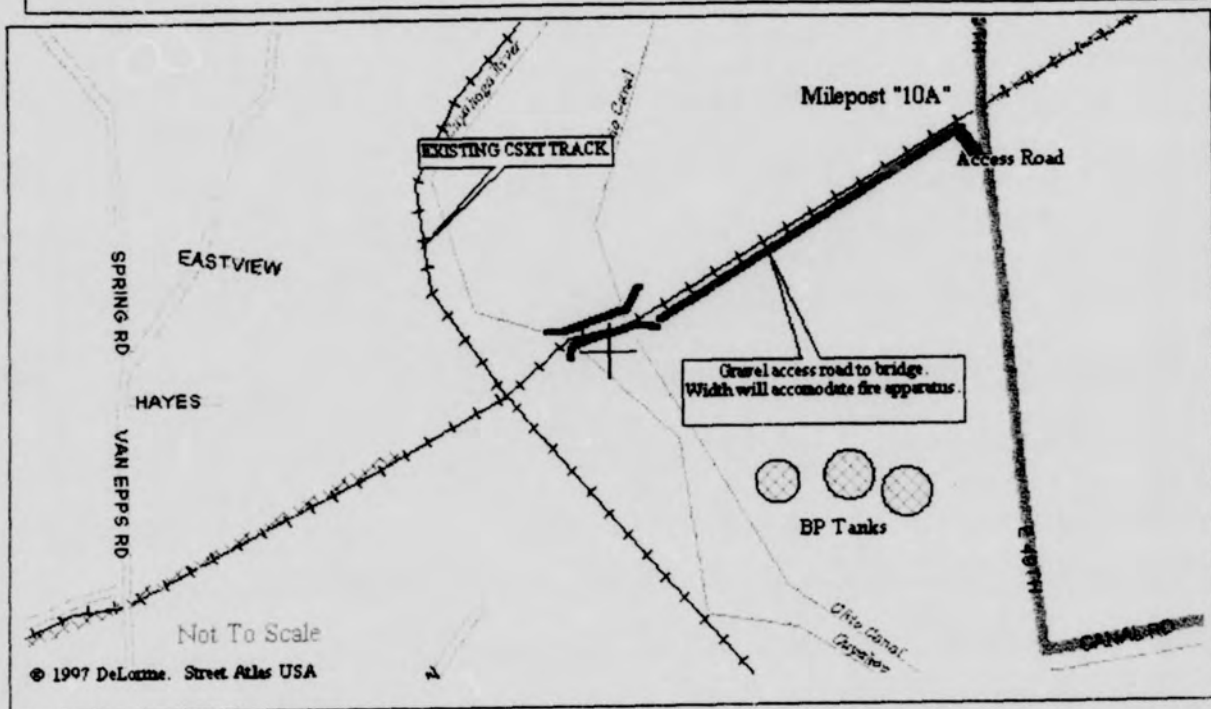
**Utility Exposures**

[Information on potentially affected utilities such as, communications lines, pipelines, water and sewer systems to be listed here]

**DRAFT**

CSXT EMERGENCY  
CONTACT  
**1-800-232-0144**

Revised 4/2/98

**KEY FACILITIES**

[Information and listing of facilities such as, hospitals, schools, day cares, and nursing homes to be listed here]

**EMERGENCY RESPONSE  
CONTACTS**

1. **Fire Department**  
Jurisdiction- Cleveland  
Phone:
2. **Hazmat Team**  
Jurisdiction- Cleveland  
Phone:
3. **Police Department**  
Jurisdiction- Cleveland  
Phone:

**OTHER INFORMATION****Environmental Considerations**

[Information on sensitive receptors such as, waterways, wetlands, etc. will be listed here  
*To Be Field Verified*]

**Utility Exposures**

[Information on potentially affected utilities such as, communications lines, pipelines, water and sewer systems to be listed here]

**DRAFT**

CSXT EMERGENCY  
CONTACT  
**1-800-232-0144**

Revised 04/02/98

# DRAFT

## Emergency Access Points City of Cleveland / Cuyahoga County Shortline

<u>Access #</u>	<u>CSXT Name</u>	<u>Location</u>	<u>Up Grade Needs</u>
C-1	Quaker Tower	Current Conrail access off Saranac Road	OK
C-2	Unnamed	East 131 <sup>st</sup> Street or E 134 <sup>th</sup> Street between Coit Road and Shaw Road	Need to identify current vacant property to purchase and construct ramp to track. Need gravel, gate and fencing.
C-3	East Cleve RTA	Eddy Road and Emily Street, East Cleve.	Minimal, currently used for ER access to RTA. (Should look at a north/west side access point in this area for City of Cleve.)
C-4	University Circle	University Circle Hospital waste disposal	Need access agreement with hospital facility on south side of Circle Drive. Gate and fencing
C-5	MP-5	East 180 <sup>th</sup> Street and Arthur Drive	Good access from street. Minimal grading needed. Northside track access at grade and gravel needed. Need fence and gate.



# DRAFT

<u>Access #</u>	<u>CSXT Name</u>	<u>Location</u>	<u>Up Grade Needs</u>
C-6 Access	Buckeye	East 92 <sup>nd</sup> at Buckeye Road  access- ramp to above grade track	Current road overgrown.  road needs to be Northside reversed and fill/gravel applied. Need gate and fence.
C-7	Schleemer Alum	3300 East 87 <sup>th</sup> Street	Access to depressed track through private business. Property slopes down to track grade. Facility is rail served. This offers start of Harvard Tunnel access points. Plenty of area for set up of rerailling equipment
C-8	Harvard Tunnels	Northeast side of Aetna Road	Current ramp to depressed track grade. Needs cleared, regraded Need gravel upgrade. Needs fence and gate. This is best access to middle of five "tunnels". Tight for rerailling equipment set-up.
C-9	Dorver Road	Dorver Road and E 77 <sup>th</sup> Street	Current Conrail access point to Harvard tunnel area. Current road needs gravel. Currently gated. Large pen area for reraill equipment set-up.

**DRAFT**

<b>Access #</b>	<b>CSXT Name</b>	<b>Location</b>	<b>Up Grade Needs</b>
C-10	Marcy Yard	Grant and East 71 <sup>st</sup> Street	Current access via Marcy Yard service roads.
C-11	East High Bridge	Off East 49 <sup>th</sup> Street at South side of rail overpass	Current Conrail access road. Good road, gate needs upgrade.

STB FD-33388 4-14-98 J ID-BUSINESS 1 OF 2



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

JD-33388

April 14, 1998

Mr. John Snow  
Chairman and Chief Executive Officer  
CSX Corporation  
One James Center  
901 E. Cary Street  
Richmond, VA 23219

Dear Mr. Snow:

I am in receipt of your response to Mayor White's letter of April 3<sup>rd</sup> and as a follow-up to recent discussions between CSX and the Mayor's office. I will place it in the formal docket for the proceeding along with all the other recent correspondence between CSX and Mayor White.

As I have indicated to the Mayor in recent correspondence with him, I applaud the continuing commitment to work together to resolve your differences. I hope that a mutually acceptable resolution can be reached expeditiously in this matter.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



One James Center  
Richmond, Virginia 23219  
(804) 782-1434

John W. Snow  
Chairman, President  
Chief Executive Officer

April 8, 1998

FILE IN DOCKET

The Honorable Michael R. White  
Mayor, City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

Dear Mayor White:

The proposed acquisition of Conrail by CSX and Norfolk Southern provides real opportunities for the economic growth of the greater Cleveland area, numerous improvements to the area's railroad transportation infrastructure, and the maintenance and enhancement of Cleveland's role as a major, national transportation hub. Our recent discussions afford us the chance to match these real opportunities with a package of meaningful benefits for the Cleveland communities neighboring our lines.

At our meeting last week, you again requested that CSX consider alternative routings to avoid the necessary, enlarged train movements over the Short Line. You have also posed additional questions, which we have responded to in the attachment to this letter. As to the routing issues, I have personally asked Carl Taylor, our executive vice president of operations, to analyze again the Short Line route and all other available routes. Carl, who has personally involved himself in all operating and engineering matters affecting Cleveland, has thoroughly studied the proposed operation and the alternatives offered by your consultants and others.

Unfortunately, I must report again that we are unable to make the substantial modifications to the Operating Plan that you propose without crippling the nation's east-west traffic flows and substantially disabling CSX's service to Collinwood and other areas of the Cleveland market. As explained in our attachment, we can reduce the number of daily trains by a maximum of 4 trains for a period of two years while mitigation is constructed, which means that an average of 40 trains will operate, in comparison to the current 15 to 20 trains daily. We also have discussed length of trains and hours of operations in the attachment.

In response to your recent letter and as a follow-up to our various conversations, I propose the following set of benefits and mitigation initiatives to the City of Cleveland:

1. Job Opportunities/Economic Development - CSX will work cooperatively with the City of Cleveland to create job opportunities at local CSX facilities and to identify rail-served businesses that can be located within Cleveland. CSX will make the resources of its Industrial Development program available to the City to assist in economic development initiatives and will contribute to the City \$500,000 to support these efforts.
2. Youth Recreational Programs - As a result of discussions with the Mayor's Office, City Council members and residents, CSX has been made aware of the need for a youth recreational facility in the Collinwood area. CSX will agree to contribute \$500,000 to the City to be applied toward construction of this facility.
3. Community Projects - Commencing in 1999, CSX agrees to contribute to the City \$1 million over a four-year period to support various community and neighborhood projects. We suggest that the use and distribution of these funds would be monitored by a joint committee including one representative from the Mayor's Office; one representative of each of the five City Council members whose wards include part of the Short Line; and CSX's vice president for community relations.
4. Community Advisory Committee - CSX will be pleased to be part of a Community Advisory Committee to ensure open lines of communication between the community and the railroad with respect to rail operations along the Cleveland Short Line. We suggest that the Council include a representative of the Mayor's Office; a representative of Congressman Louis Stokes' office; one representative from each of the five City Council members whose wards include part of the Short Line; the Terminal Superintendent of CSX's Collinwood Yard or his or her designee; and CSX's vice president for community relations. The Committee should meet regularly in accordance with a schedule to be developed by the parties.
5. Noise Mitigation - As you know, CSX has concluded a Noise Impact Analysis and has proposed a program of noise mitigation and landscaping that includes the use of low sound walls, berms, trees and landscaping to address the noise impact and to improve the appearance of the Short Line in the City of Cleveland. This program is estimated to cost approximately \$2.9 million. CSX agrees to adopt this program and to consult with the City on its final design and maintenance, and we welcome your comments and views.
6. Housing Improvement - Our Noise Impact Analysis submitted to the STB identified 125 residential buildings in the City of Cleveland that may be affected. For each of these homes, CSX will provide \$4,000 per residence for insulation, sound proofing, and other noise abatement home improvements. This program and these funds should be administered by the City.



7. Home Value Guarantee Program - In order to preserve the value of those 125 residential dwellings most affected in the City of Cleveland, CSX agrees to establish an innovative program to protect these owners against a decline in value. This understanding would become effective as of the closing date of the transaction and would continue in effect for a period of three (3) years. CSX, at its cost, would obtain an acceptable form of independent appraisal establishing the value of each of the 125 homes as of the closing date of the transaction. If the home is sold at anytime during the referenced three (3) year period for a gross sales price less than the value concluded by the independent appraisal, CSX shall pay the difference to the owner of the house, provided the owner has reasonably cared for and attended to maintenance of the house (interior and exterior), the sale reflects an arms-length transaction whereby the buyer is a non-related third party, and there is no form of compensation other than that reflected in the sales contract. This agreement would only apply one time to any single. The agreement between CSX and the owner would also provide CSX with a right of first refusal.
8. Emergency Response and Training - CSX is committed to working with the City of Cleveland to develop comprehensive pre-emergency response plans that are realistic and effective for the prevention and mitigation of CSX rail incidents. A detailed proposed Emergency Response Plan was submitted to the City on April 2, 1998. CSX agrees to adopt and implement this plan, which specifically includes emergency access points located approximately every one-half mile along the Short Line.
9. Bridges and Property - CSX agrees to maintain its bridges and properties on the Short Line in Cleveland that it will acquire from Conrail, consistent with any existing agreements pertaining to those bridges and properties.
10. STB Approval Process - The proposals made herein by CSX are conditioned upon: (1) CSX being able to secure the Surface Transportation Board's approval of the Conrail transaction; (2) CSX being able to implement the CSX/Norfolk Southern Operating Plan that will move CSX trains over the Short Line and to the Collinwood terminal; and (3) the City of Cleveland's withdrawal of its opposition to the transaction. Upon joint acceptance of this proposal, CSX and the City of Cleveland agree to work cooperatively toward its implementation.

Of course, these benefits and initiatives are in addition to the improvements to Collinwood Yard and its neighborhoods and CSX's capital improvements to the Short Line and other Cleveland area lines, which total in excess of \$60 million.

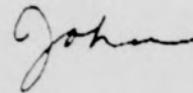
Mayor White, I know that we have had our differences over the best design of the railroad infrastructure in the greater Cleveland area, and I truly appreciate your principled desire to best serve the interest of Cleveland's residents. On our behalf, CSX desires to be a

Mayor White  
April 8, 1998  
Page Four

good corporate citizen of Cleveland and a good neighbor throughout the communities in which we will operate our trains. In this spirit, our proposal is designed to benefit both the City and the residents of the affected communities.

The Surface Transportation Board suggested that we attempt to resolve our differences by April 15, without the uncertainties attendant with the Agency's resolution of our dispute. In accordance with that prudent suggestion, I urge you to consider our proposal and to advise me of its acceptability. I believe that with this dispute behind us, we can look forward to continued economic development potential for the Cleveland market and the continuation of Cleveland's role as a major, national transportation hub.

Sincerely,



trt

Enclosures

cc: Chairman Jim Betts, Ohio Rail Development Commission  
The Honorable Jolene M. Molitoris, Administrator, Federal Railroad Administration  
The Honorable Linda Morgan, Chairman, Surface Transportation Board  
The Honorable Rodney E. Slater, Secretary of the Department of Transportation  
The Honorable Louis Stokes, United States House of Representatives  
The Honorable George V. Voinovich, Governor, State of Ohio  
Cleveland City Council Members

## Attachments

1. Train Frequencies - *Can CSX divert 25 to 30 trains from the Short Line?* Any CSX train that uses the Lakeshore Line must cross over to the CSX line at Berea in order to proceed on the B&O track to Chicago. The B&O is CSX's only line to Chicago. Norfolk Southern owns Conrail's Lakeshore Line into Chicago. The current Operating Plan contemplates routing 10 to 12 CSX trains per day over the Lakeshore line in Cleveland. That is the physical limit for safely moving trains over the crossover at Berea under normal operating circumstances, assuming the existing Operating Plan of CSX and NS and all other conditions are ideal. Our further review indicates that we can only reduce train volumes on the Short Line by a maximum of 3 to 4 trains per day, based on the existing Operating Plans of CSX and NS. Any further movement of CSX trains to the Lakeshore Line would require the "flyover" that we have discussed, and that very likely would result in a massive bottleneck which, unfortunately, could be another Houston. Due to the physical limitations at Berea, any reduction of trains over the Short Line and resultant increases over the Lakeshore could only be sustained for a short period of time, which we estimate to be two (2) years.

In your letter of April 3<sup>rd</sup>, you state that you believe that "at least 25 - 30 CSX trains could be diverted, bringing projected Short Line traffic below 30 trains per day." As you know, CSX's operations staff has analyzed a large number of alternatives to allow a reduction of trains over the Short Line and has not been able to create an alternative that can safely and reliably move more than 10 to 12 trains over the at-grade crossover at Berea. If you have generated information that reaches a different conclusion, please provide this information in as much detail as possible.

2. Noise Abatement - *Provide detailed noise mitigation drawings.* In our April 2<sup>nd</sup> transmittal, we provided a conceptual drawing of the berm and landscaping mitigation construction. Enclosed please find a more complete set of conceptual drawings. The final construction plan will be developed when the project has been thoroughly reviewed with the cities along the line and the building contractor. We welcome the input of the communities along the Short Line in defining the final design specifications. This type of construction is extremely effective at mitigating sound generated by trains and is an accepted industry practice for abatement. The design has been specifically tailored to the physical characteristics of the Short Line by our consultant, who is a specialist in noise mitigation.
3. Residential Noise Abatement and Acquisition - *What residences along the Short Line in the City of Cleveland are covered?* Enclosed please find a set of maps that specifically identifies each of the 125 residences within actual measured sound zones above the regulatory requirement of 70dba. Each of these homes (excluding commercial property and vacant buildings) will be eligible for sound insulation.
4. Abatement and Acquisition Funds - *How does CSX's per-house offer compare with the City of Cleveland's airport mitigation?* CSX's offer of \$4,000 per house is in addition to sound mitigation offered by the construction of berms and landscaping. The combined expense of berms, landscaping, and home abatement mitigation is

- approximately \$16,000 per home. Given that airplane noise is four times louder than train noise, and given that train noise is point specific and airplane noise surrounds a home, we believe the proposed mitigation is more than adequate. Also, CSX's Home Value Guarantee Plan is designed to protect the homeowner from actual property-value loss. And as we have pointed out, with no road crossings there would be no need to sound train whistles, and we will be using welded rail, all of which should further limit noise.
5. Emergency Response - Describe the proposal. This information is included in our April 2<sup>nd</sup> transmittal.
6. Grade Crossings - Grade Separation. There are no grade crossings in the City of Cleveland on the Short Line. We understand you have discussed the grade crossings in the Norfolk Southern lines with Norfolk Southern.
7. Bridge and Property Maintenance - Status of bridge maintenance at CSX locations. Conrail is completing a bridge painting program of its structures along the Short Line in Cleveland. CSX will maintain all bridges and property that it will acquire from Conrail in the City of Cleveland consistent with Conrail's obligations. CSX is committed to being a good neighbor in every community in which it operates and to keeping its properties in good condition. When and where additional specific bridge and property maintenance issues are identified, CSX will work cooperatively with the City to resolve those issues as soon as practical. If there are any specific problems that you are currently aware of, please indicate those to us.
8. Home Value Guarantee Plan - Describe the Home Value Guarantee Program. CSX will establish and administer a Home Value Guarantee plan for owners of the 125 residential buildings in Cleveland identified by the Noise Impact Analysis as being affected by increased train noise. Under this program, if any of the residential buildings are sold within a three-year period for a price less than the fair market value, as determined by an independent appraisal as of the closing date of the transaction, CSX will pay the owner the difference.
- 9./10. Train Operation, Limits and Operating Hours - Can you restrict train operations?/Can you limit train size and hours of operations? As described in its Operating Plan, CSX will route 10 to 12 trains per day over the Lakeshore Line. CSX has not offered to and does not intend to restrict any train operations by hour of day because that would impair the service demanded by our shippers and would result in loss of business and loss of jobs. However, as information, our current Operating Plan provides that 70% of the CSX trains will operate between 7:00 a.m. and 9:00 p.m. Based on current projections, CSX has discussed limiting maximum train lengths to no more than Conrail's current maximum train lengths during construction of sound mitigation. Train speed will be limited to 30 miles per hour from Collinwood to University Circle. Such a limitation would preclude our ability to move from points outside of Cleveland and would dramatically impede interstate commerce. For these reasons, no such restrictions are currently in place anywhere on CSX or Conrail territories.

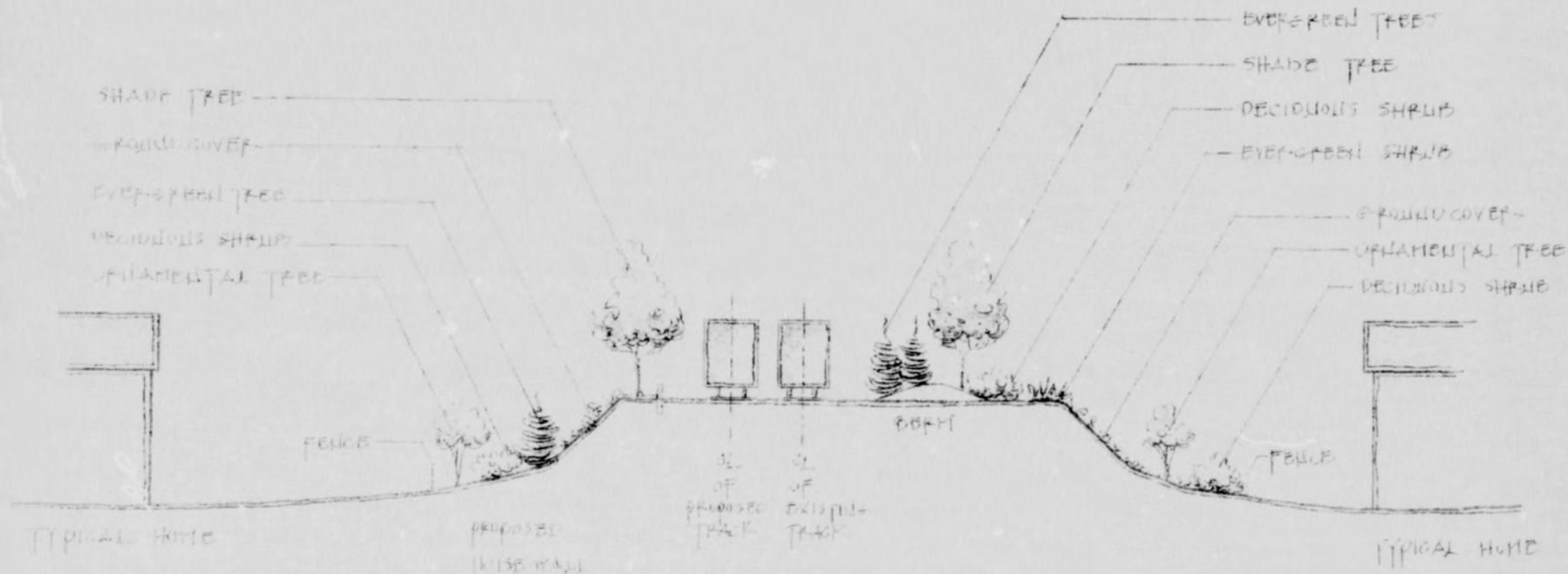


11. Commuter Rail - *Can CSX make Cuyahoga Valley lines available for commuter service?* We propose to explore with the City the possibility of using right of ways for commuter or passenger operations on the Clarke Ave. to Valley View and Parma, Ohio to Lester, Ohio segments. We currently anticipate that these line segments will have reduced traffic following implementation of the operating plan on file with the STB. The specifics you have requested in your April 3<sup>rd</sup> letter can only be developed jointly with our staffs working together following the STB approval.
12. Expenses - *Can CSX pay the City's expenses in the STB proceeding?* The City, the applicants and many other parties have incurred expenses in these proceedings, and it is customary that each party bears the cost of its own expenses. We are unaware of your expenses and if you will provide us with details, we will consider this item.
13. Maintenance Endowment - *Can CSX provide a maintenance endowment?* CSX is committed to being a good neighbor in every community in which it operates and to keeping its property in good condition. As we have indicated, we hereby commit to fulfill Conrail's obligations. When and where specific property maintenance issues are identified, CSX will work cooperatively with the City to resolve those issues. As stated previously, CSX agrees to maintain its bridges and properties on the Short Line in Cleveland that it will acquire from Conrail consistent with any existing agreements pertaining to those bridges and properties.
14. Community Advisory Committee - *How will the Advisory Committee be formed and operate?* CSX will be pleased to be part of a Community Advisory Committee to ensure open lines of communication between the community and the railroad with respect to rail operations along the Cleveland Short Line. We suggest that the Committee include a representative of the Mayor's Office; a representative of Congressman Louis Stokes' office; one representative from each of the five City Council members whose wards include part of the Short Line; the Terminal Superintendent of CSX's Collinwood Yard or his or her designee; and CSX's vice president for community relations. The Committee should meet regularly in accordance with a schedule to be developed by the parties.
15. Recreation Programs - *How will CSX promote recreational activities?* CSX will work cooperatively with the Mayor, City Council members and neighborhood groups in the Collinwood area to identify and financially support youth recreational programs in the Collinwood/Short Line area. CSX is prepared to contribute up to \$500,000 to the City to be applied for construction of a Collinwood Youth Recreational Facility.
16. Employment - *How will CSX promote rail employment?* CSX will work cooperatively with the City of Cleveland to create job opportunities at local CSX facilities and to identify rail-served businesses that can be located within the community. CSX will make the resources of its Industrial Development Program available to the City to assist in economic development initiatives. In addition, CSX has proposed a contribution of \$500,000 to the City to support these effort.

17. Outstanding Conrail Issues - Resolution of CSX/Conrail disputes CSX is unaware of any ongoing conflicts with the City. If you can provide the specific issues to which you are referring, we will review them as soon as possible. Of course, we are precluded from dealing directly with Conrail on the issues until granted permission by the STB.







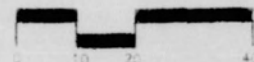
Command's Capitaland Parkland Services

## SECTION AREA

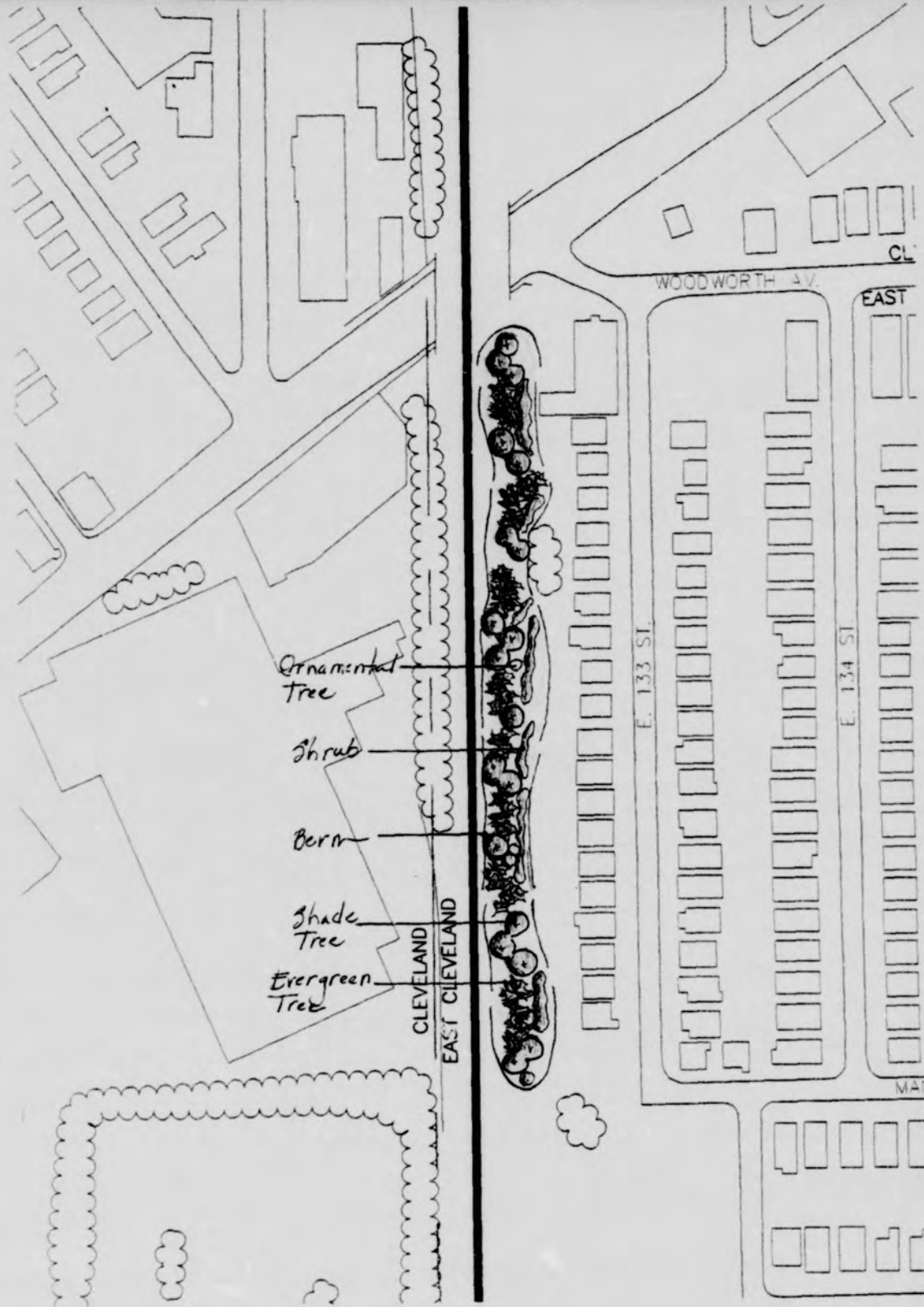
Architecture  
Landscape Architecture  
Planning  
Interior Architecture

1230 West State Street  
The Bradley Building  
Cleveland, Ohio 44113  
216-406-8707  
fax 216-465-4767

CSX  
CLEVELAND, OHIO



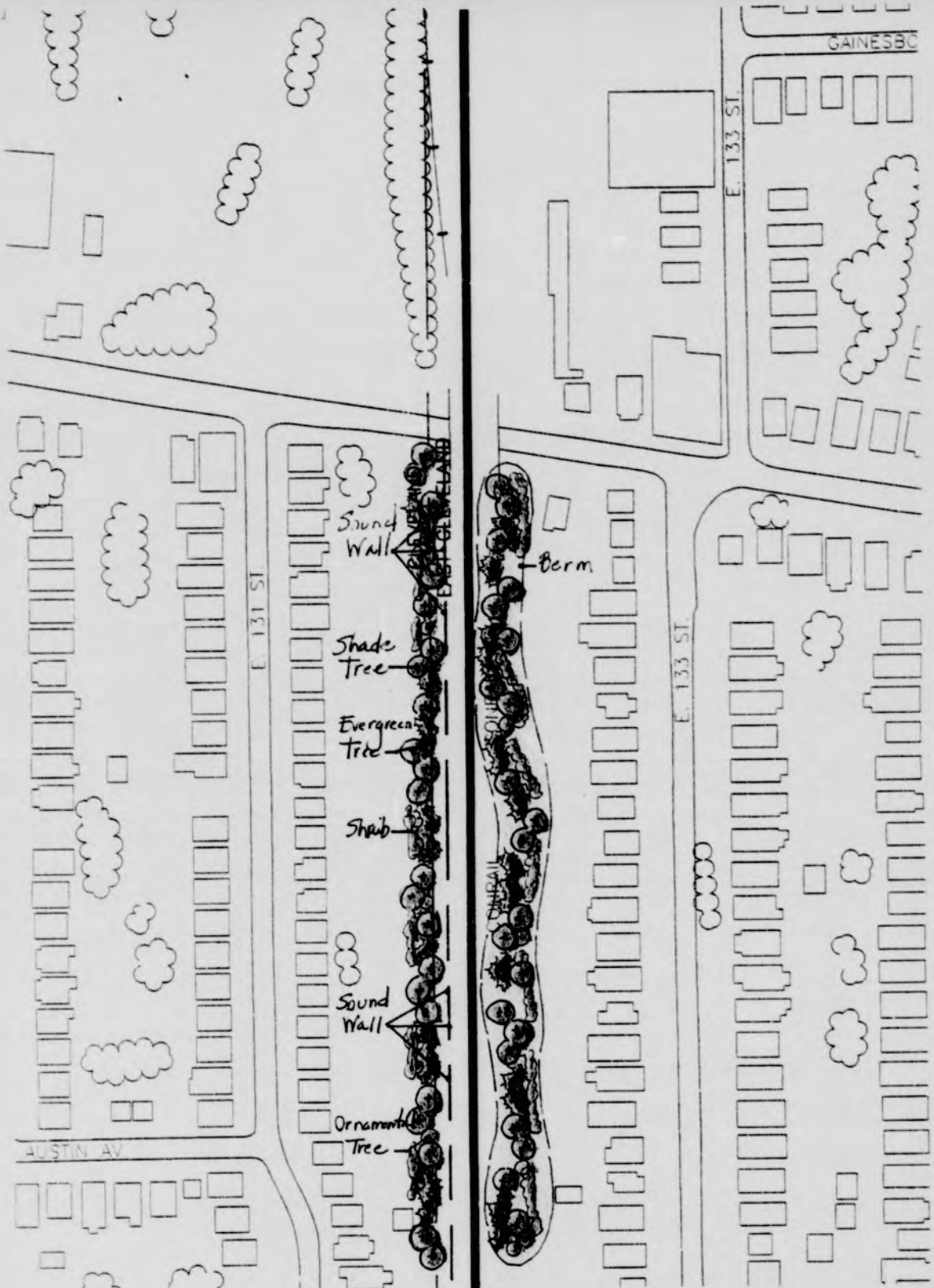
PLS7116-00 File:22sact-97116.dwg Date:1/9/98



# PLANTING CONCEPT CLEVELAND, OHIO

**DAVIDSON CORPORATION**  
 200 Professional Dr. Suite 200  
 Cleveland, OH 44115-1000  
 Tel: (216) 762-1000  
 Fax: (216) 762-1001

**Johnson Capital Partners Services**  
 10000  
 10000  
 10000  
 10000



# PLANTING CONCEPT

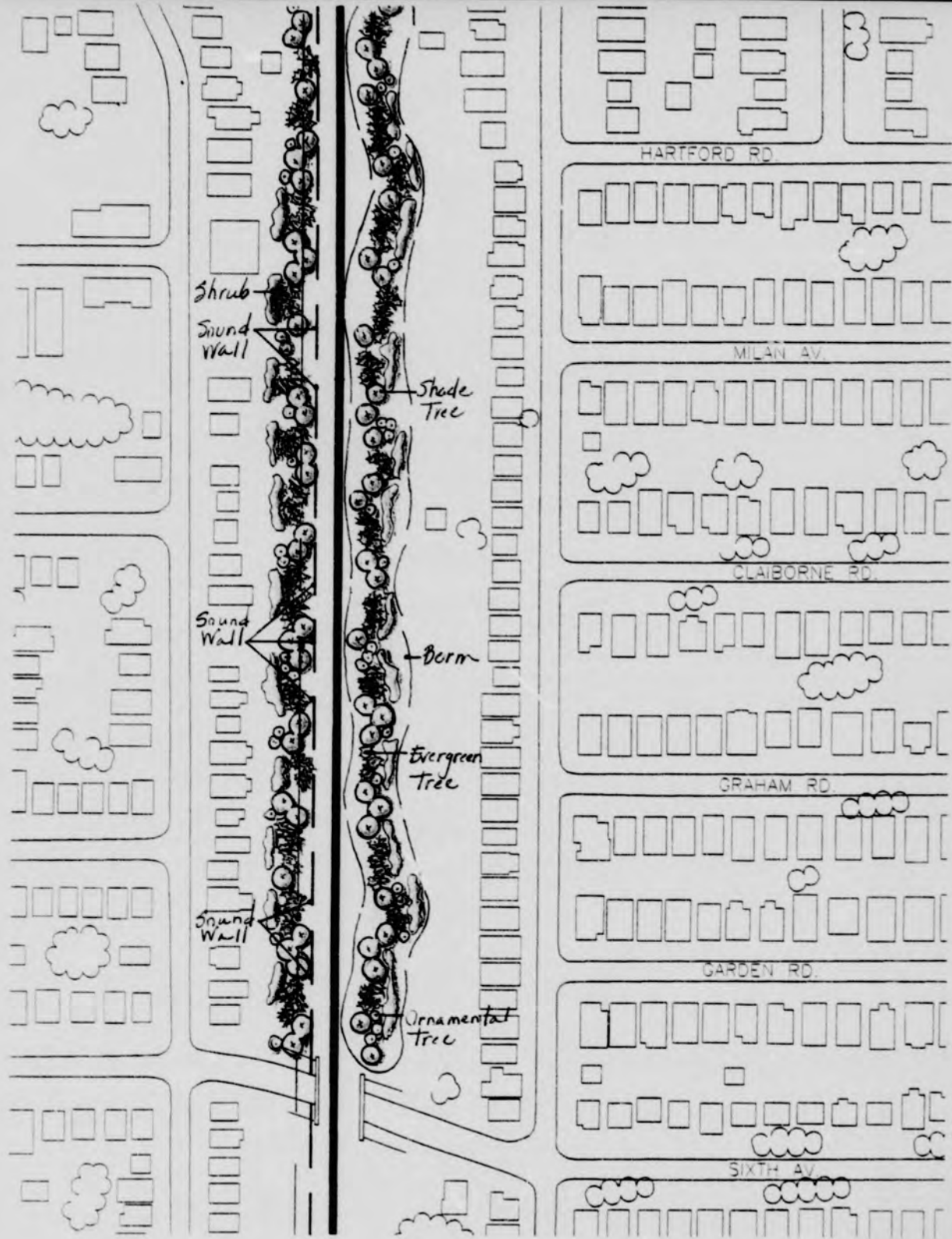
CLEVELAND, OHIO

**ENVIRONMENTAL**  
CORPORATION

200 Professional Dr. Suite 200  
Cleveland, OH 44115-4000  
Tel: (216) 462-4000  
Fax: (216) 462-4001

**Standard Capital Project Overview**

Project Name: \_\_\_\_\_  
Project Location: \_\_\_\_\_  
Project Status: \_\_\_\_\_  
Project Date: \_\_\_\_\_



# PLANTING CONCEPT

CLEVELAND, OHIO

**ENVIRONMENTAL CORPORATION**  
 10000 E. 10th Ave.  
 Suite 100  
 Cleveland, OH 44130  
 Tel. (216) 431-1000

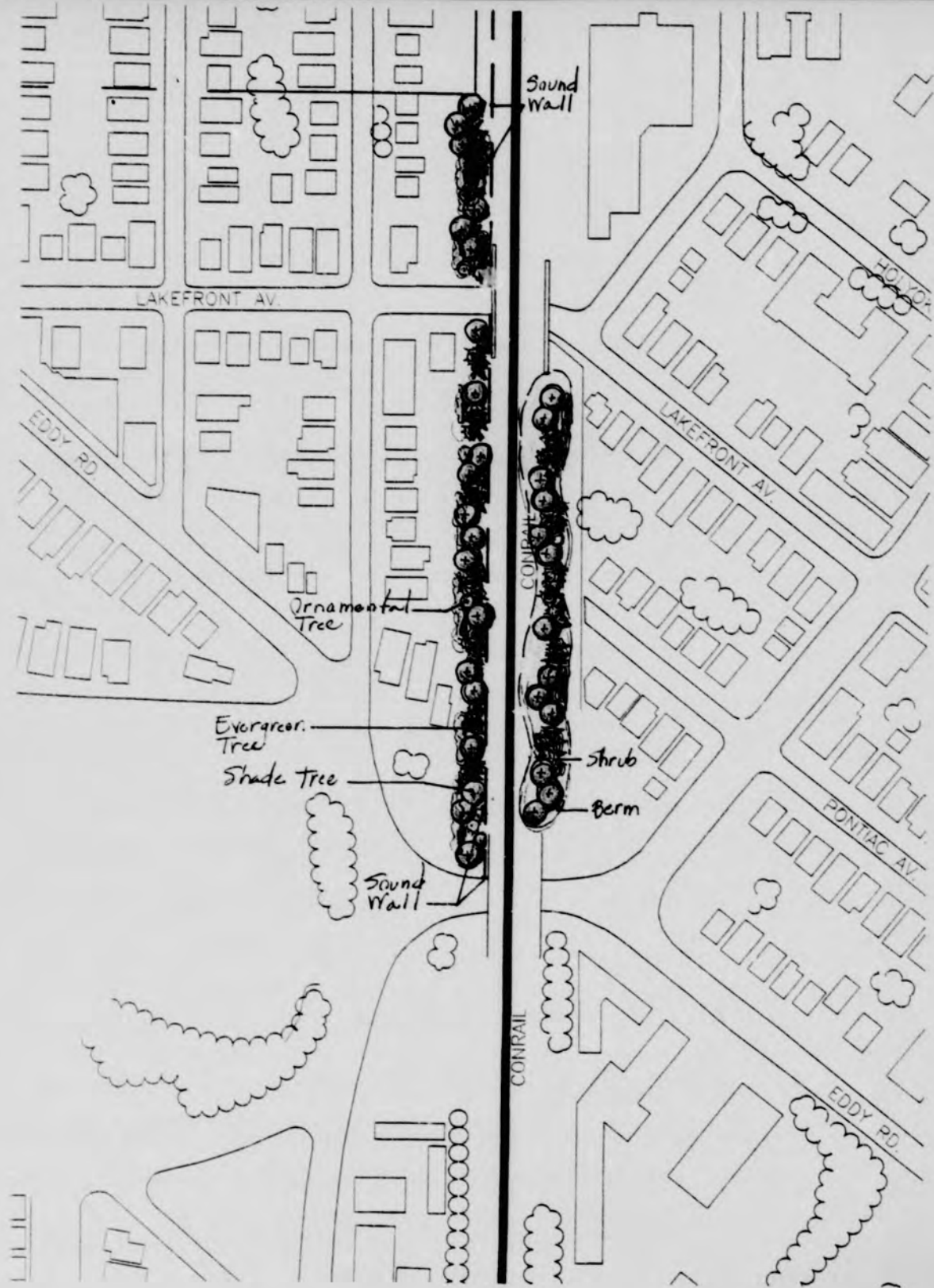
**Schedule Capital Partner Services**

**Services:**  
 • Site Planning  
 • Landscape Architecture  
 • Urban Design  
 • Environmental Impact  
 • Historic Preservation  
 • Transportation Planning  
 • Urban Design  
 • Urban Design  
 • Urban Design







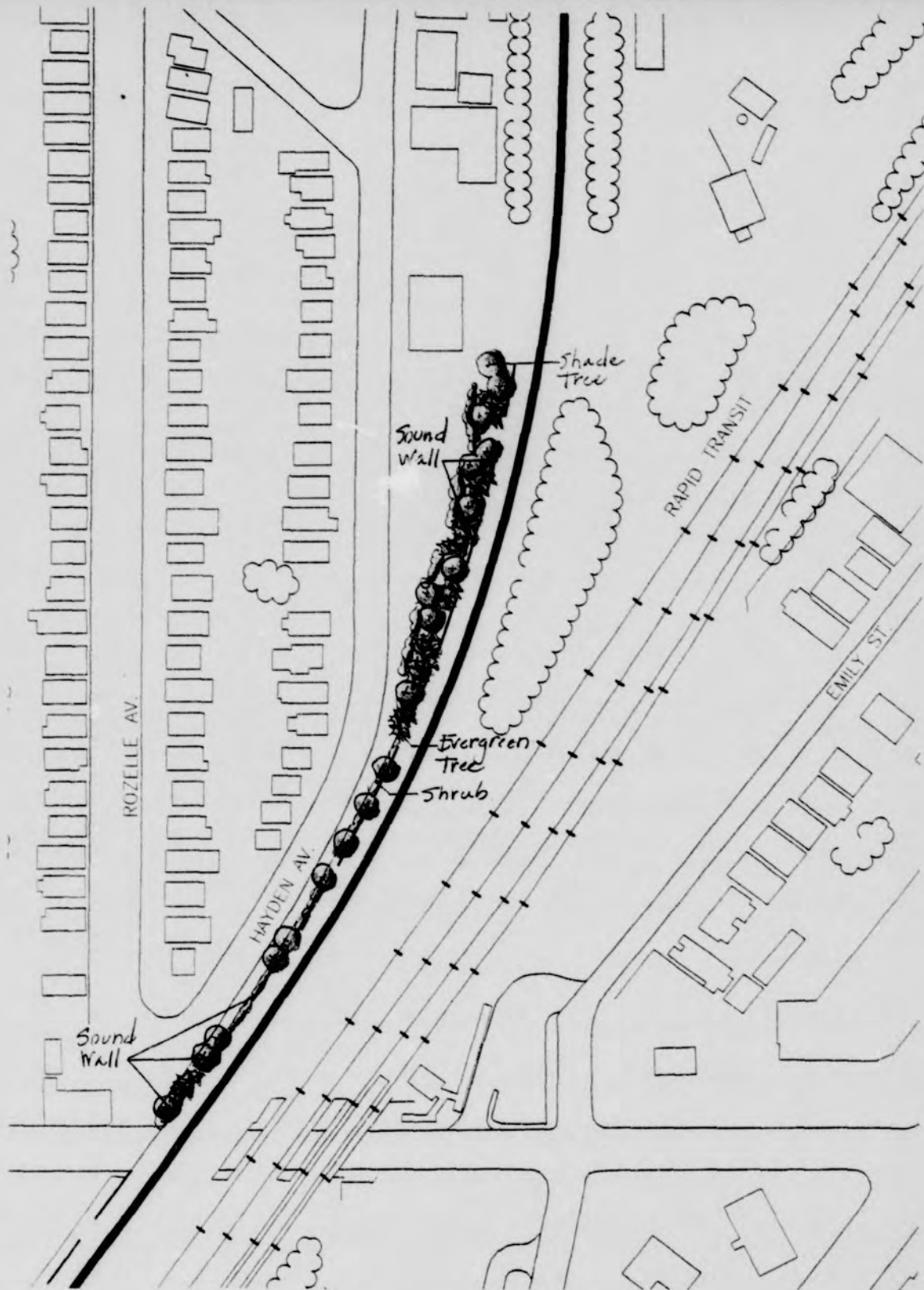


# PLANTING CONCEPT

CLEVELAND, OHIO


**MAN-STEERING CORPORATION**  
 10000 W. 130th St., Suite 100  
 Cleveland, OH 44130  
 (216) 881-1000

**Schmidt Capital Partner Services**  
 10000 W. 130th St., Suite 100  
 Cleveland, OH 44130  
 (216) 881-1000



## PLANTING CONCEPT

CLEVELAND, OHIO

**Environmental Corporation**  All drawings to be used  
for planning purposes only.  
Not for construction.

**Schmidt Capital Partner Services**  
Schmidt Capital Partner Services  
Schmidt Capital Partner Services  
Schmidt Capital Partner Services  
Schmidt Capital Partner Services



## PLANTING CONCEPT

CLEVELAND, OHIO

**THE SCHMIDT GROUP**  
 SCHMIDT GROUP  
 10000 W. 10TH AVE.  
 SUITE 100  
 CLEVELAND, OHIO 44102  
 (216) 763-1000  
 FAX (216) 763-1001  
 WWW.SCHMIDTGROUP.COM

Schmidt Capital Planning Services

Capital Planning  
 Financial Analysis  
 Feasibility Studies  
 Market Research  
 Real Estate Development  
 Strategic Planning  
 Valuation Services

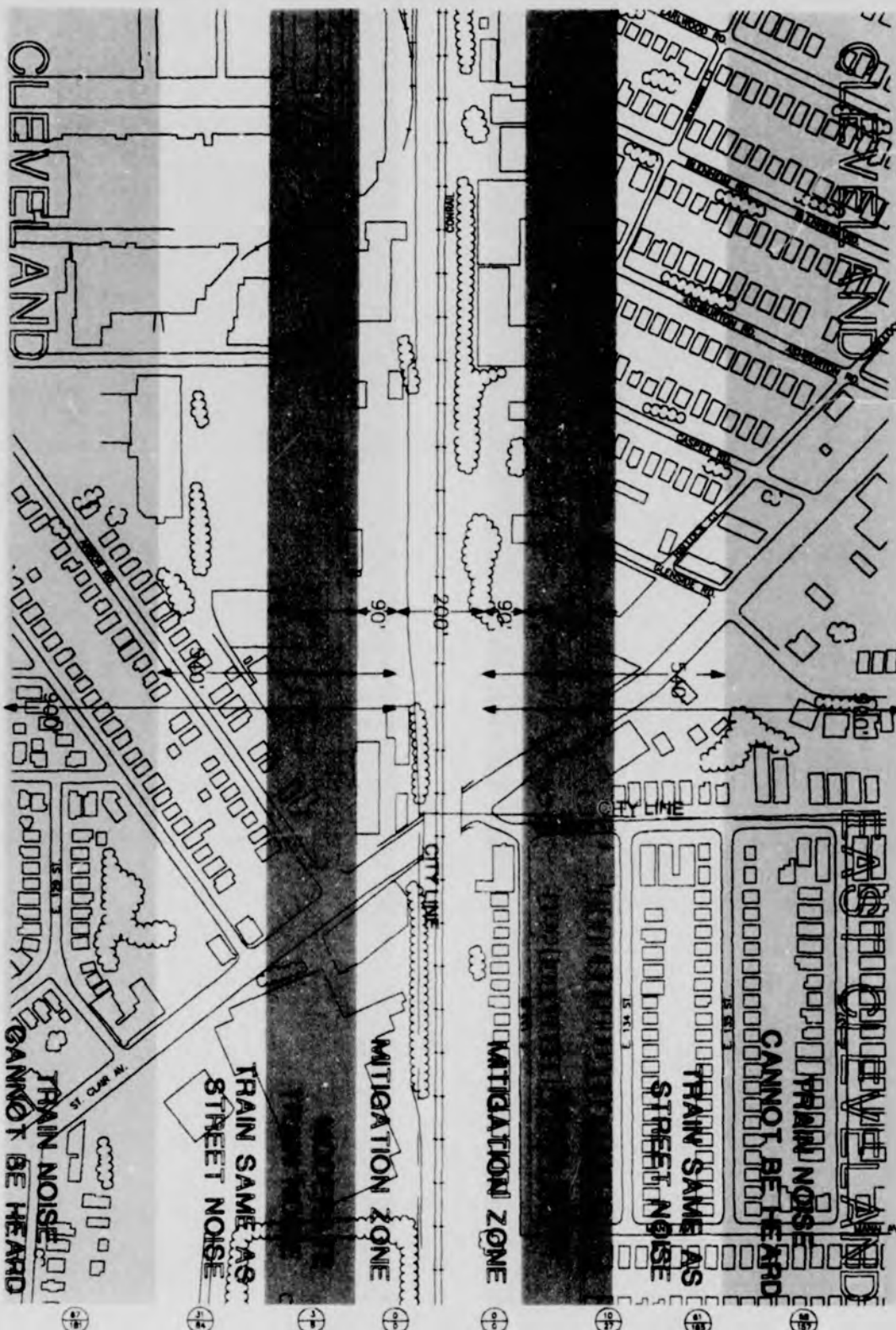






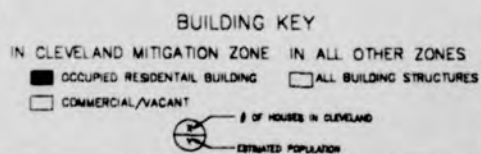
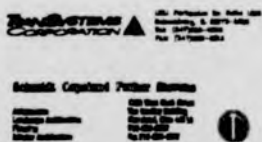


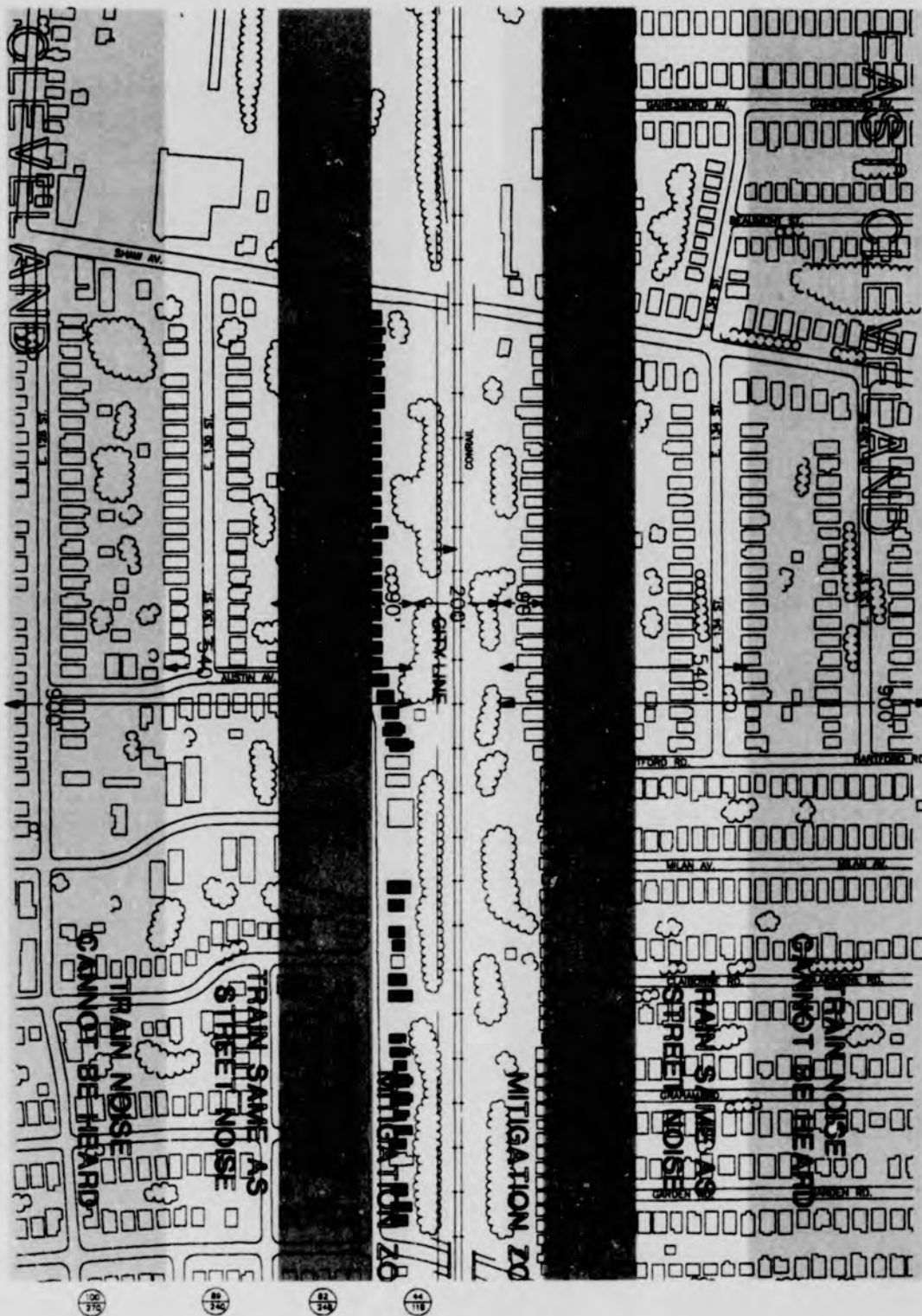




# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO





# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Sound Level** ▲

**Sound Level** ▲

**Sound Level** ▲

**Sound Level** ▲

**BUILDING KEY**

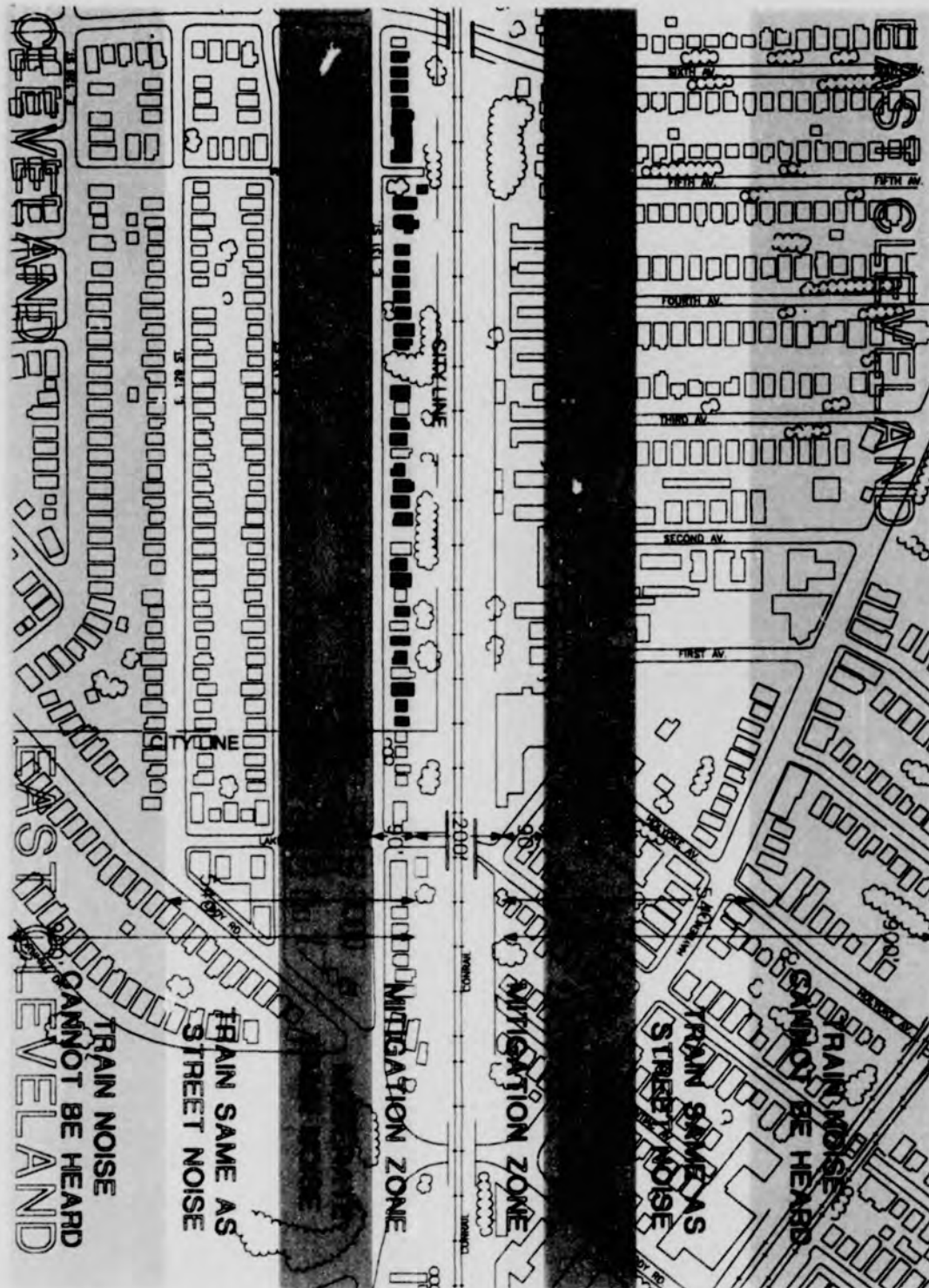
IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING □ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

1/2 OF HOUSES IN CLEVELAND

ESTIMATED POPULATION



# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

Sound Analysis Corporation

Sound Analysis Corporation

Sound Analysis Corporation



BUILDING KEY

IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING

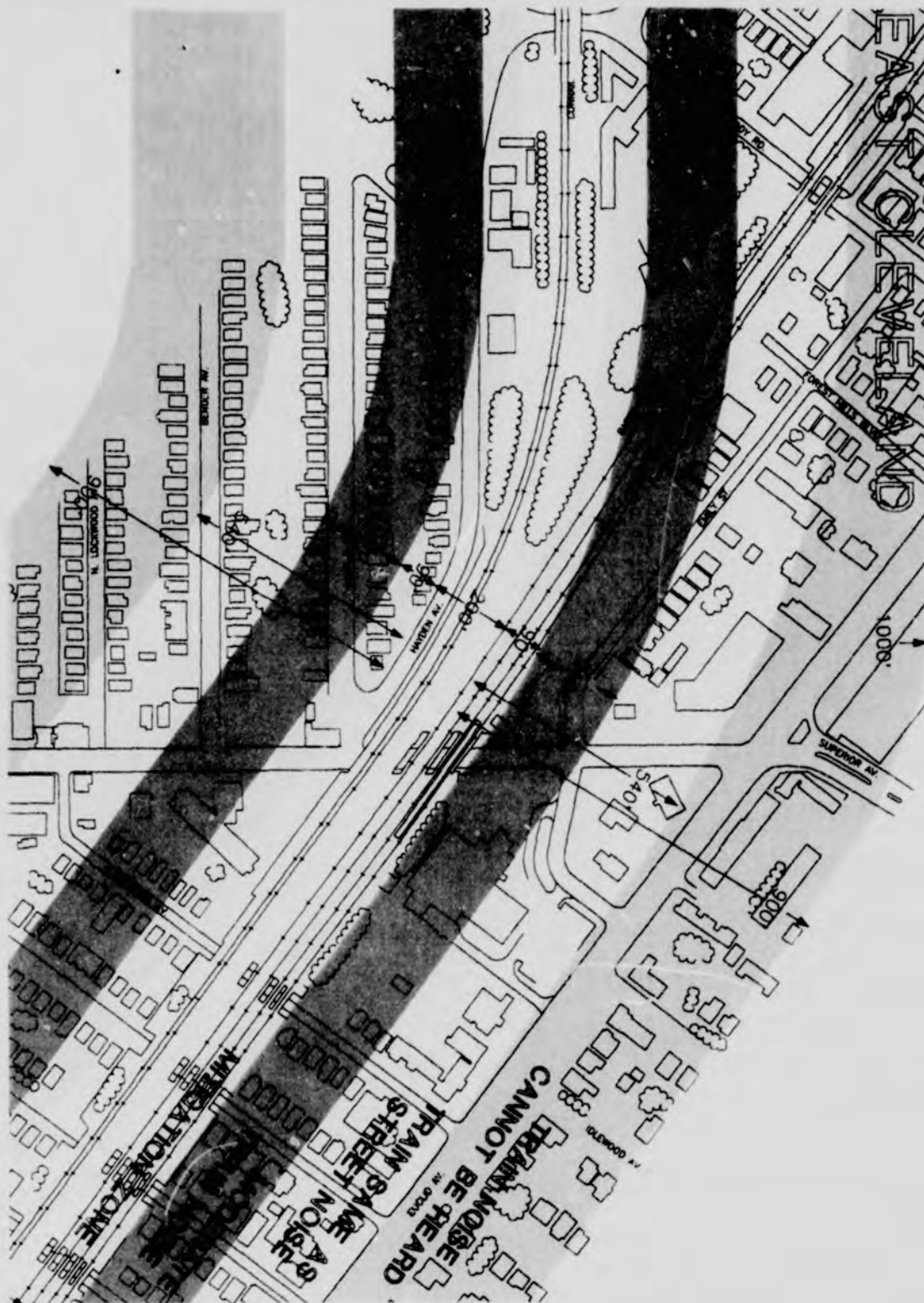
□ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

○ # OF HOUSES IN CLEVELAND

ESTIMATED POPULATION





# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Sound Systems Corporation**

Schedule: 10/10/80

10/10/80



BUILDING KEY

IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING

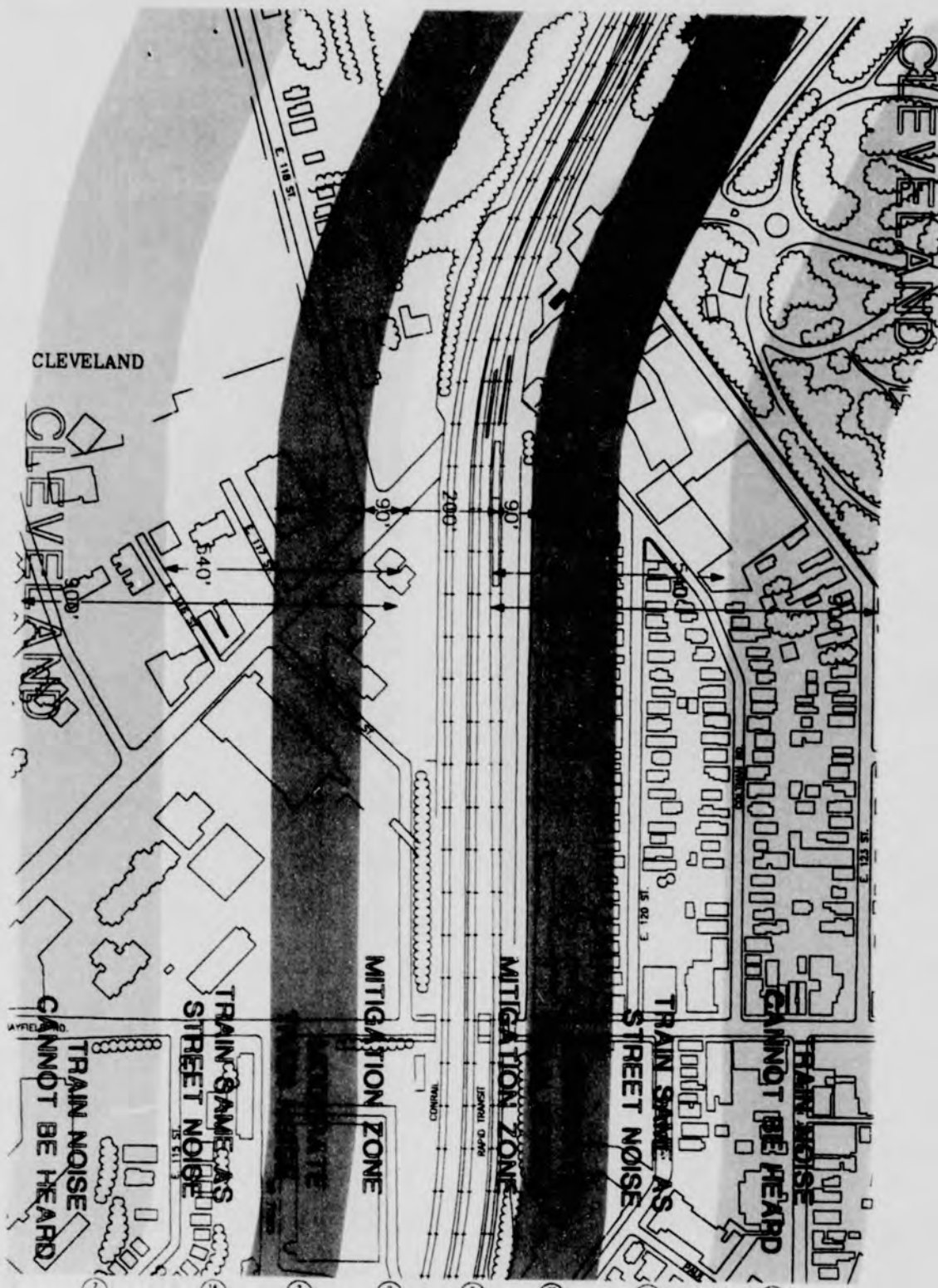
□ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

1/2 OF HOUSES IN CLEVELAND

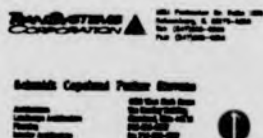
ESTIMATED POPULATION





# NEIGHBORHOOD SOUND ANALYSIS

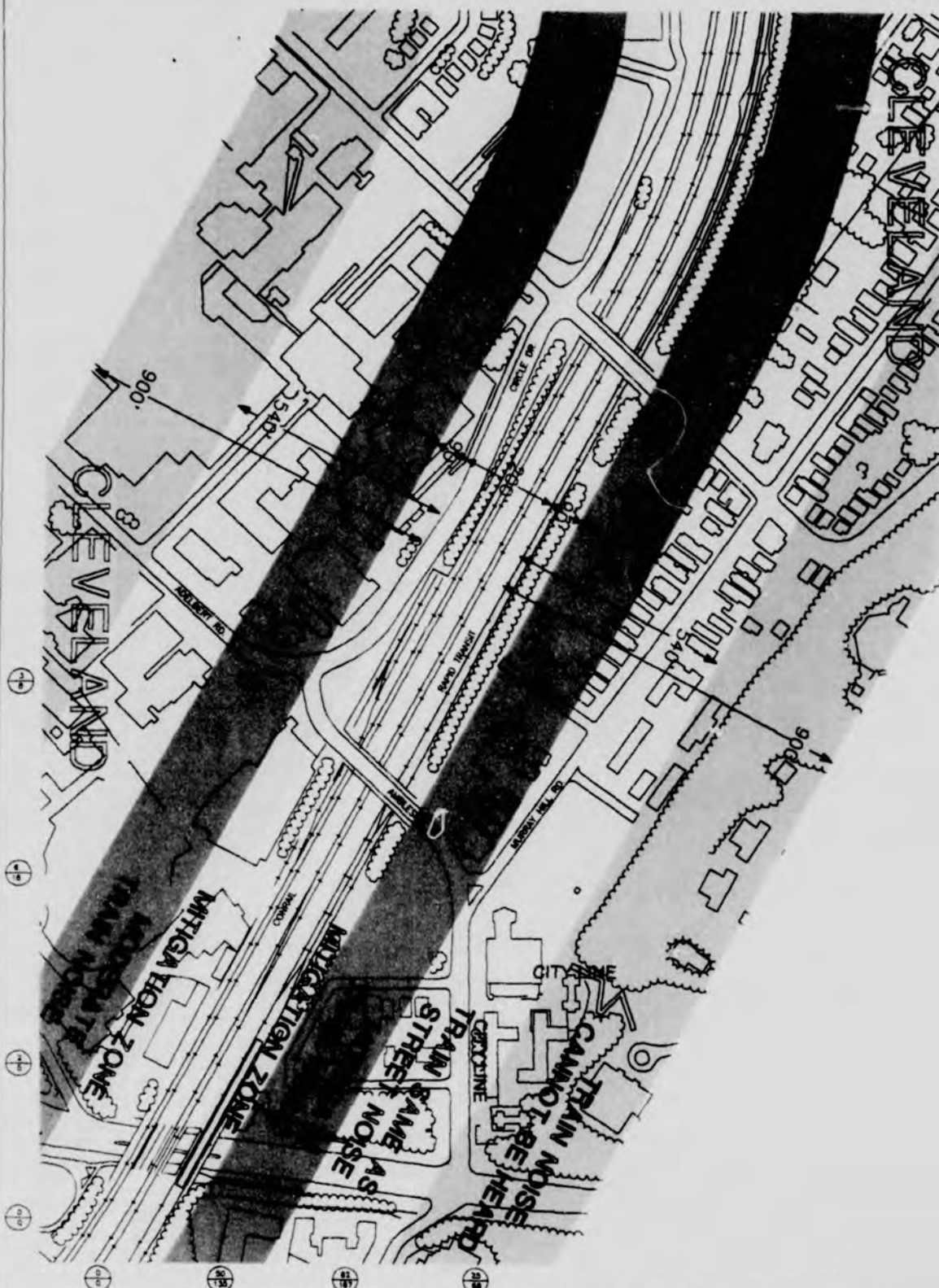
CLEVELAND, OHIO



## BUILDING KEY

- |                                 |                            |
|---------------------------------|----------------------------|
| IN CLEVELAND MITIGATION ZONE    | IN ALL OTHER ZONES         |
| ■ OCCUPIED RESIDENTIAL BUILDING | □ ALL BUILDING STRUCTURES  |
| □ COMMERCIAL/VACANT             |                            |
|                                 | ⊙ # OF HOUSES IN CLEVELAND |
|                                 | ⊙ ESTIMATED POPULATION     |





# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Legend**

Acoustic Capital, Foster Street

0 1/4 1/2 3/4 1

1

BUILDING KEY

IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING

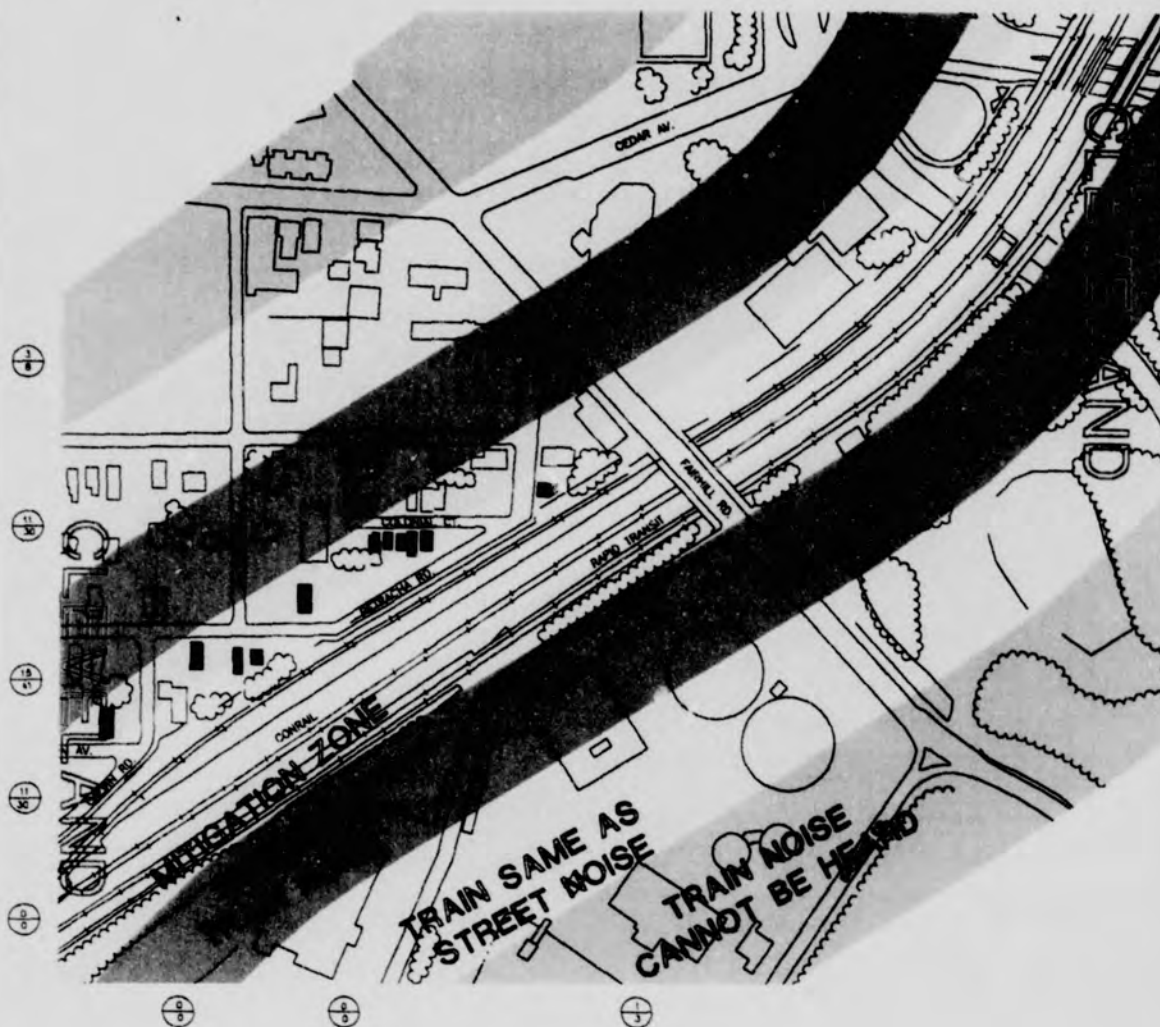
□ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

1/2 OF HOUSES IN CLEVELAND

1/2

ESTIMATED POPULATION



# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Sound Systems Corporation**  
 10000 Cleveland Blvd., Suite 100  
 Cleveland, Ohio 44130  
 (216) 751-1000

Advanced Computer Facility Services

10000 Cleveland Blvd., Suite 100  
 Cleveland, Ohio 44130  
 (216) 751-1000



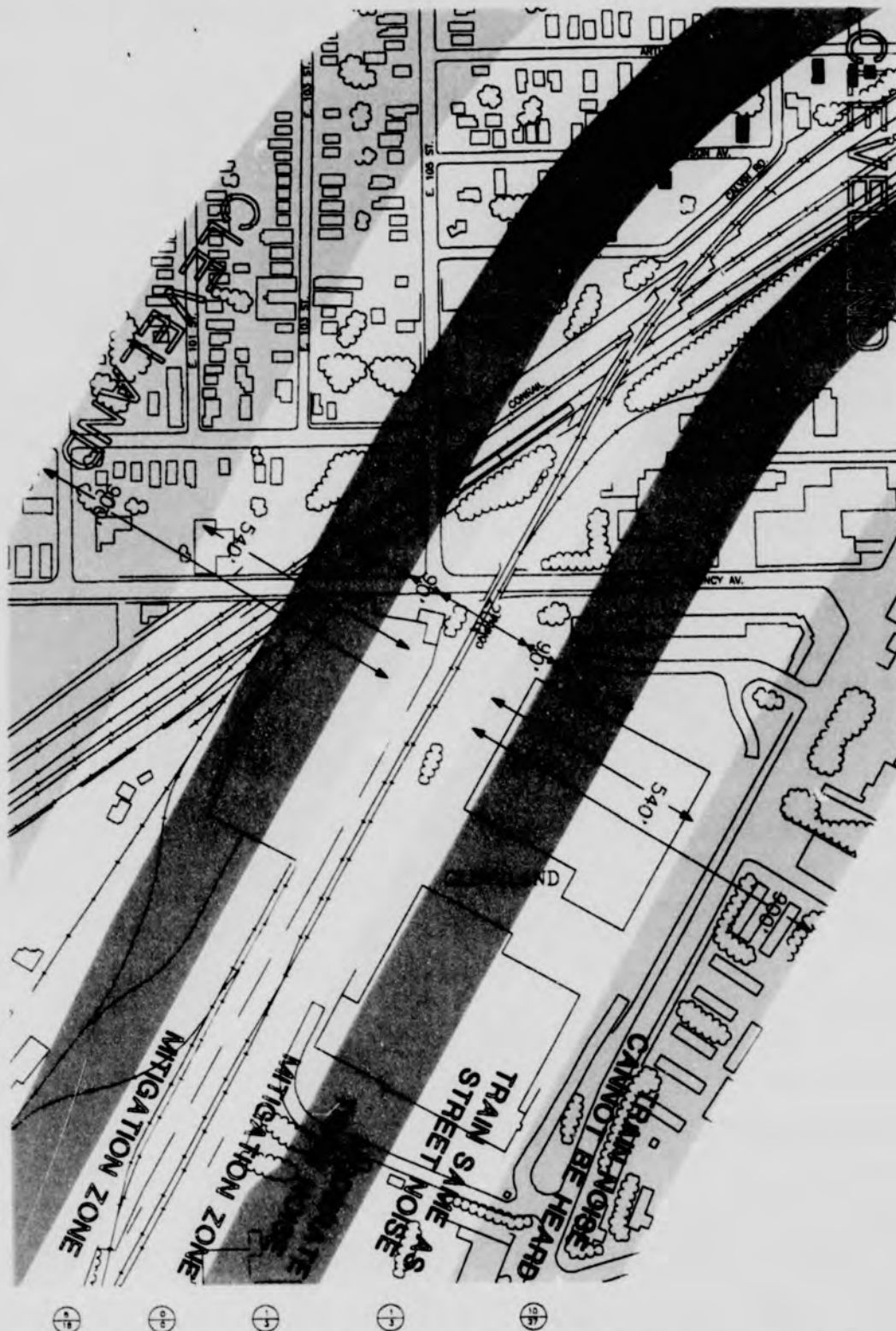
BUILDING KEY

IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING □ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

1/ OF HOUSES IN CLEVELAND  
 ESTIMATED POPULATION



# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Building Key**

0 to 100 Feet

0 100

1

BUILDING KEY

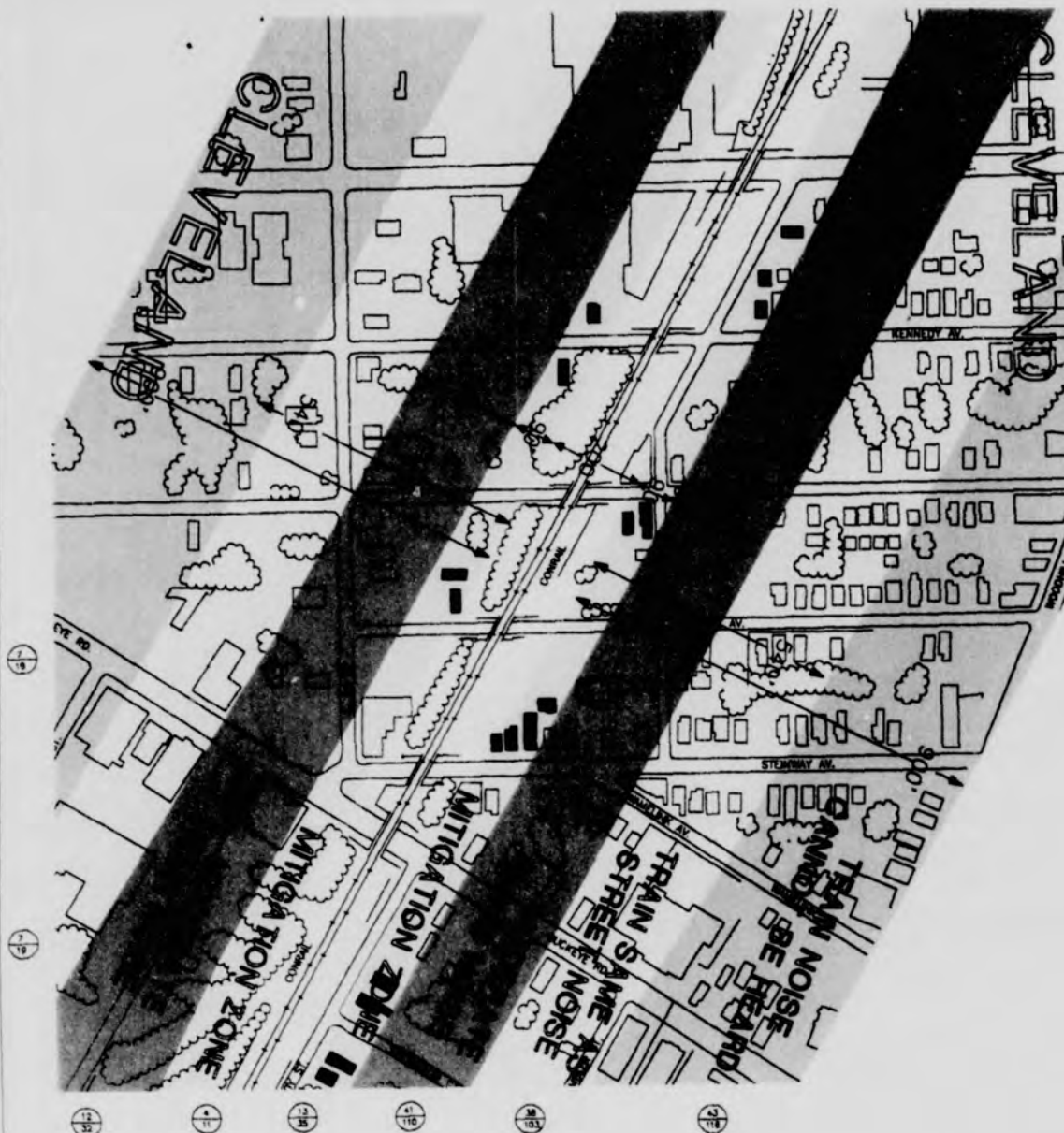
IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING □ ALL BUILDING STRUCTURES

□ COMMERCIAL/VACANT

○ # OF HOUSES IN CLEVELAND

○ ESTIMATED POPULATION



# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**Sound Systems Corporation**  
 10000 E. 12th Ave.  
 Cleveland, OH 44115  
 (216) 761-1000

**Automatic Capabilities Feature Overview**

• 10000 E. 12th Ave.  
 • 10000 E. 12th Ave.  
 • 10000 E. 12th Ave.  
 • 10000 E. 12th Ave.



## BUILDING KEY

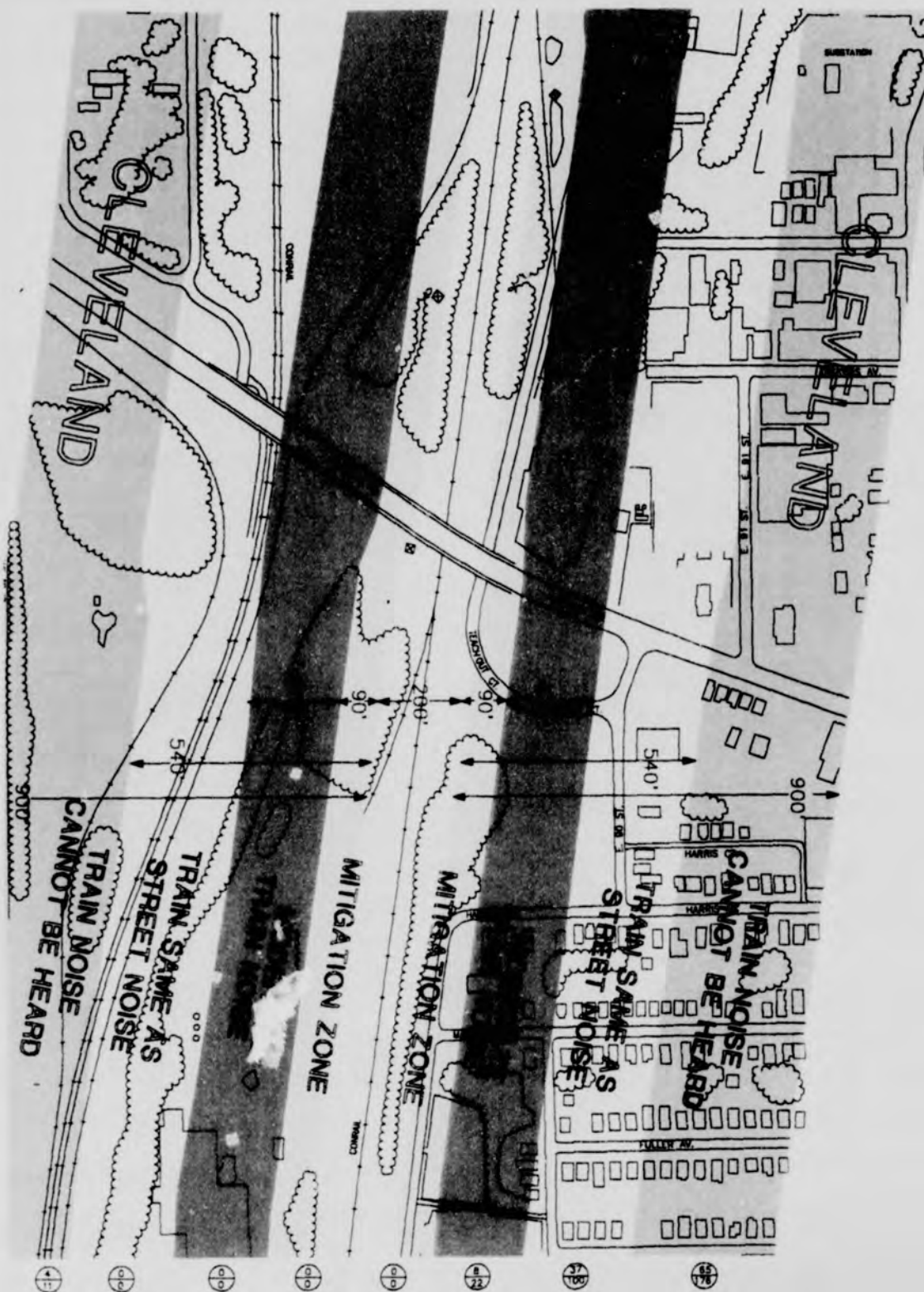
IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING	□ ALL BUILDING STRUCTURES
□ COMMERCIAL/VACANT	

○ # OF HOUSES IN CLEVELAND  
 — ESTIMATED POPULATION







# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

Schools Capital Park Streets

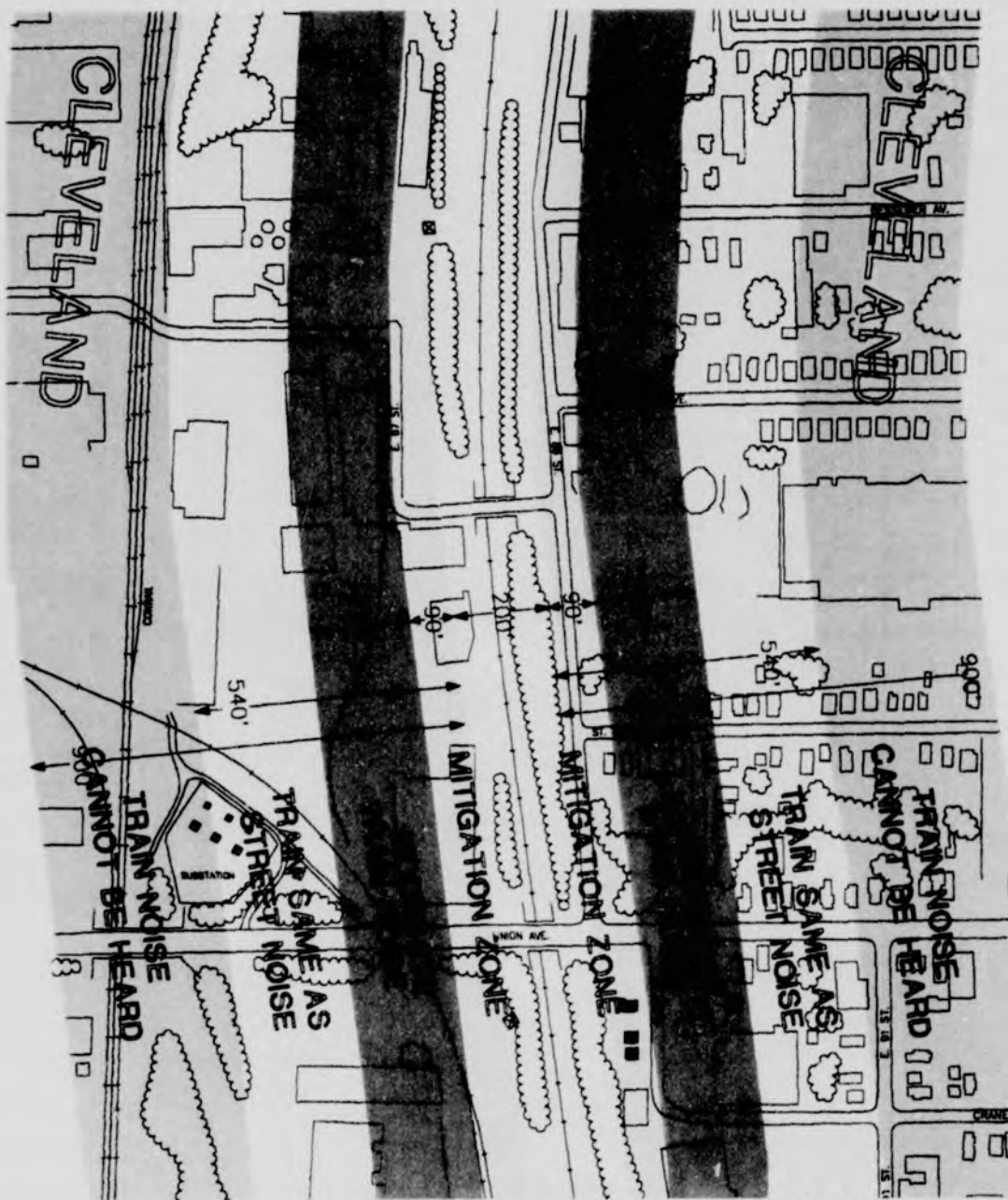
BUILDING KEY

IN CLEVELAND MITIGATION ZONE    IN ALL OTHER ZONES

# OF HOUSES IN CLEVELAND

ESTIMATED POPULATION





0/0

0/0

0/0

0/0

3/8

14/38

34/82

34/148

# NEIGHBORHOOD SOUND ANALYSIS

CLEVELAND, OHIO

**BRACERSON CORPORATION**  
 10000 W. 130th St.  
 Cleveland, Ohio 44130  
 (216) 881-1000

Schools: Capital Public Schools

Map of Cleveland, Ohio  
 showing the location of the  
 project area.

1

## BUILDING KEY

IN CLEVELAND MITIGATION ZONE IN ALL OTHER ZONES

■ OCCUPIED RESIDENTIAL BUILDING □ ALL BUILDING STRUCTURES  
 □ COMMERCIAL/VACANT

⊙ # OF HOUSES IN CLEVELAND  
 ESTIMATED POPULATION



**Cleveland Emergency Response Plan Project  
Status Report  
April 2, 1998**

**This submission contains:**

1. Project Scope and Outline
2. Project status report as of 4/2/98
3. Project Process and Timeline
4. Draft Hazardous Materials Response Plan
5. Sample of maps for plan
6. Listing of emergency access points, locations and upgrades necessary.

For any questions regarding this project or the plan please contact:

**Greg Rhoads  
Director- Chemical Safety  
CSX Transportation  
904-359-1589**

## **CSX Transportation Cleveland Area Emergency Response Plan**

### **Objective**

To develop comprehensive pre-emergency response plans which are realistic and effective for the safe mitigation of CSXT rail incidents.

### **Scope**

The pre-emergency response plan will encompass and integrate the elements of preexisting plans of both Cleveland area communities and CSXT. This plan will address the following:

- Communications / Alert and notification
- Roles and Responsibilities
- Incident Command Structure
- Identify critical existing exposures
  - Hospitals
  - Schools
  - High occupancy facilities
- Response capabilities
- Population protective actions
- Incident mitigation
- System restoration
- Environmental remediation
- Emergency preparedness and response training
- Emergency preparedness exercises
- Provisions for plan revision and modification

### **Method for Completion**

Using current fixed facility emergency response plans developed by the Local Emergency Planning Committee (LEPC), we will develop a plan template which addresses local rail operations. From this template we will develop specific plans for each affected community. This approach will integrate local and CSXT emergency operations plans. Using LEPC plans as a guide will ensure compliance with US EPA recommendations and chemical industry best practices.

### **Completion Date**

Final copies of the ERP will be distributed to all affect groups by 6/1.

**Cleveland Emergency Response Plan  
Status Report  
April 2, 1998**

Project milestones to date:

1. Concentrated attention from MP 11 northeast to Quaker.  
(Finished project will cover Berea to Quaker)
2. Identified 11 emergency access points from MP 11 NE to Quaker.  
(Some of these will require grading, clean-up and some fencing)
3. Identified target occupancies (hospitals, schools, etc.) near tracks.
4. Identified Conrail planing activities and used as starting point for our plan development.
6. Developed preliminary plan format and mapping.
7. Scheduled meeting ( \$/16) with County Emergency Management Agency to review their plans and to start review of our proposed plan.
8. On site work has clarified our plans to make one plan for entire area with specific map pages and target locations for each milepost.

Remaining Critical Tasks

1. Meet with City of Cleveland Public Safety office to begin plan review and develop training needs/schedule.
2. Organize regional meeting of emergency responders to begin plan review process.

Target completion date of June 1 remains our goal.



# DRAFT

## CSX Transportation Emergency Response Planning Process Cleveland Area Emergency Planning Activities

Item	Who	When	Resources Needed	Done
1.0 Meet with local Emergency Response / Management officials	CSXT Haz Mat	3/12	HM Group personnel	3/12
1.1 Meet with Cuyahoga County EMD		4/16		
1.2 Meet with City of Cleveland Public Safety		TBD		
1.1 Review LEPC fixed facility emergency plans currently used - Copy format of local plans	Same	"		
2.0 Determine what Conrail has done for local planning	J.D. Casey	3/12		3/12
3.0 Determine logical geographical cut for development of plans	Plan team	3/16		3/20
4.0 Develop plan template	Plan team	3/20	Purchase CAMEO software (\$1500) (Ordered 3/20)	
5.0 CSXT Haz Mat Mgr spend time on the ground with local ER to identify critical facilities	All	3/11-12		
3.1 Identify training needs	CSXT / Local ER	4/15-16 TBD		
4.0 Draft plan using template and circulate to stakeholders	CSXT	5/1		
4.1 Develop detailed maps	CSXT	5/1	External mapping support CAMEO software	
5.0 Refine / Redraft	CSXT / Local ER			
6.0 Finalize and distribute	CSXT	6/1	High quality reprographics/packaging	



**DRAFT**

Item	Who	When	Resources Needed	Done
7.0 Develop training schedule	CSXT / Local ER	6/1		
7.1 Schedule table top drill for late summer '98	CSXT / Local ER			
7.2 Schedule full scale drill for late fall '98			Training resources- tank car, materials	
7.3 Establish ongoing drill / plan review schedule for 1999 and beyond.		10/1		

# CSX Transportation, Inc.

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## Hazardous Materials Emergency Response Plan

### Greater Cleveland, Ohio Area

*Draft*

For questions or comments concerning this draft plan  
please contact

G.A. Rhoads, Director, Chemical Safety  
CSX Transportation, 904-359-1589

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## Executive Summary

This plan has been developed in conjunction with Cleveland area emergency response officials and planners. The intent of the plan is to identify communication links, training and exercise needs, physical characteristics and other information BEFORE an emergency involving CSX transportation operations and hazardous materials occurs.

This draft is a starting point for on-going discussion and planning between local officials and CSXT management. The ultimate goal of CSXT is to have zero incidents. Our recent safety performance illustrates our commitment to this goal, however until we reach our goal we must be prepared. It is said that "good people never plan to fail, they only fail to plan". This document attempts to remove any obstacles to the planning process and to share vital information in an atmosphere of cooperation.

This plan contains details about CSXT operations and our response to an emergency. While all of the information is necessary for a comprehensive plan, several elements deserve special recognition. These include:

- Installation of the Operation Respond Emergency Information System (OREIS) for all Cleveland area Emergency Dispatch centers to allow rapid information about a rail car's contents.
- Detailed maps of the CSXT track and facilities highlighting emergency access points, target hazards and environmental concerns.
- A process for high quality railroad specific hazardous materials training for all responders who would be called in the event of an incident.
- A process for ongoing plan review and exercises to ensure the plan will work during an emergency.

CSXT intends to be a valuable member of the Cleveland area community for a long time. As a member of the community we understand that new relationships need to be established and developed. This plan is one of the first steps in CSXT's serving the Cleveland community as a business partner.

**Approvals:**

The senior management of CSX Transportation inc. (CSXT) is committed to providing the resources necessary to establish precautionary measures related to rail transportation incidents and to respond quickly to control and mitigate any materials released or spilled as a result of these incidents.

This plan represents our commitment to pre-emergency planning and prompt, effective incident response. I have reviewed this plan and support its contents. Furthermore I agree to commit the resources required to implement in times of emergency.

---

C.N. Taylor  
Executive Vice President, Operations

---

Service Lane General Manager

I have reviewed this plan and am prepared to support its implementation and to commit necessary resources for the prompt and safe mitigation of hazards associated with a rail transportation emergency.

---

XXX XXXXXXXXXXXX  
General Manager  
XYZ Service Lane

---

Collinwood Terminal Manager

I have reviewed this plan and am prepared to support its implementation and to commit necessary resources for the prompt and safe mitigation of hazards associated with a rail transportation emergency.

---

XXX XXXXXXXXXXXX  
Terminal Manager



## 1.0 Scope

This plan outlines the key actions steps necessary to provide key resources and information to Cleveland area emergency responders in the event of a rail transportation incident. The plan also clarifies the resources that CSXT will provide for the safe mitigation of any release or spill resulting from such an incident.

This plan covers the City of Cleveland / Cuyahoga County , Ohio area. It includes CSXT track from Collingwood Yard, MP- CP 1 to Berea, MP-XX

## 2.0 Introduction

CSX Transportation, Inc. (CSXT) is committed to being the safest provider of rail transportation services in the United States. CSXT has the commitment of all employees to handle all operations in the safest manner possible. CSXT recognizes that despite our best efforts rail transportation emergencies can and do occur. In order to quickly respond to and safely handle these incidents requires that various groups work in concert to bring the incidents to a mutually desirable outcome- that is the mitigation of the incident with minimal effects to human health, property and environmental damage and system disruption.

To facilitate the smooth integration of these response groups, CSXT has developed this plan which provides information to local responders about the types of incidents they can expect, the resources CSXT has available and the locations for emergency access.

This plan does not relieve local, state or federal agencies from their responsibilities to complete response plans to protect public safety and the environment as required under local, state or federal laws.

This plan also should not be viewed as a complete operating plan for a rail transportation incident. Local governments are encouraged to use this plan and the information it contains to develop local response plans which integrate the CSXT plan as a component.

The CSXT planning process covers three distinct types of facilities or locations. These plans are:

1. Overall system emergency response plan
2. Line of road, location specific emergency response plan
3. Terminal or Yard specific emergency response plan

This plan covers only line of road operation on the Shortline.

### 3.0 Incident Scenarios

Historical safety performance for CSXT involving hazardous materials illustrate that major train accidents with a large scale release are rare. The majority of incidents do not involve any release or release a quantity of less than 1000 gallons of product. The following table illustrates the types of incidents that could occur, involving hazardous materials:

Incident Type	CSXT Response	Local Emergency Response	Incident Command
Non Accidental Release w/ No off site impact, no fire, no injury	Shipper ER Contractor CSXT Haz Mat Local CSXT Mgt	Notification only	CSXT Local Management/ Haz Mat
Non Accidental Release w/ Off site impact, a fire or injury	Shipper ER Contractor CSXT Haz Mat Local CSXT Mgt	Fire / EMS Haz Mat Team	Local Incident Commander
Ruptured Fuel Tank on Locomotive	ER Contractor CSXT Haz Mat Local CSXT Mgt	Fire / EMS Haz Mat Team	Local Incident Commander
Derailment with no release, no tank damage, upright	CSXT Local management Rerail contractor	Notification only	CSXT Local management
Derailment with tank overturned, serious tank damage. No release.	CSXT Local management Rerail contractor ER Contractor CSXT Haz Mat	Fire / EMS Haz Mat Team (Standby mode)	CSXT Local management Local Incident commander
Derailment with release	CSXT Local management Rerail contractor Shipper team ER Contractor CSXT Haz Mat	Fire / EMS Haz Mat Team State/ Federal agencies	Local Incident Commander
Fire or medical emergency on or adjacent to track	CSXT Local management	Fire / EMS	Local Incident Commander

#### 4.0 On-Scene Command

CSXT recognizes the authority of local emergency response official to take command of any incident which poses a threat to the health and safety of the general public or to the environment. As such, all CSXT management employees understand that their role at an emergency is to work with local officials to bring the incident to a safe conclusion.

The CSXT response priorities are:

1. Immediate life safety (both general public and emergency responders)
2. Protection of the environment to include air, water (surface and ground water) and soil.
3. Protection of public and private property.
4. System restoration.

CSXT personnel and contractors working on the scene of a hazardous materials incident are covered by the US Occupational and Safety Administration (OSHA) 1910.120 "Hazardous Waste Site Operations" regulations. As part of these regulations CSXT will utilize a Unified Incident Command System (ICS) for our employees and contractors as recognized by the US EPA and USCG. Only fully trained and qualified individuals will be permitted to conduct offensive hands on technical response activities.

Specialized contractors working at the scene will be covered by these regulations and are considered "Specialized" employees.

The senior CSXT representative will be in charge of all CSXT employees, contractors or other resources. The senior CSXT official will coordinate with the local emergency response official in charge. CSXT will make resources and information available to the local emergency response official to aid in the safe and efficient mitigation of the incident.

It is understood that no CSXT official may commit any resources to any task which would violate local, state or federal laws or statutes or which would pose an unreasonable risk or safety hazard to any personnel working for CSXT.

At any time when a difference of opinions is expressed with CSXT official and the local Incident Commander, CSXT will take the safest course of actions which may include evacuation of our personnel or development of a safer alternative.

CSXT Operating and Safety rules will be strictly adhered to during all wrecking or emergency operations. The senior CSXT official on scene is fully responsible for the enforcement of the rules and the conduct of all employees, both CSXT and contractor personnel.

AT NO POINT WILL ANY CSXT OFFICIAL TAKE OR ASSUME COMMAND FROM THE LOCAL EMERGENCY RESPONSE OFFICIALS.



## **5.0 Communications**

### **5.1 Incident notifications**

As per current CSXT Operating Rules (see Appendix C), the train crew shall immediately notify the CSXT Operations Center of any application of the trains emergency brake system.

The crew must then begin a walking investigation of the source of the emergency application.

If the crew discovers derailed cars they are to take steps to identify the cars and materials involved and the condition of those cars. The conductor must notify the train dispatcher of the cars, materials and conditions. If the emergency involves the spillage of hazardous materials, an injury or a fire the train dispatcher will contact the closest emergency response agency.

Using a CSXT mainframe computer program the train dispatcher will notify the emergency response agency responsible for the milepost indicated by the train crew. This notification will include as much information as possible about the emergency and the products involved.

The conductor or his designee must remain at the scene until local emergency response groups arrive. The conductor must take the initiative to seek out the emergency responders and provide the train consist and other documents that show the locations of hazardous materials in the train.

The conductor must remain with the emergency responders to provide any emergency response information available.

### **5.2 Operation Respond Emergency Information System (ORIES)**

CSXT will make computer software available to the Cities of Cleveland, East Cleveland, Berea, Brook Park and Cuyahoga County to allow local emergency responders quick access to emergency response information. The Operation Respond Emergency Information System can be installed in local emergency communication centers, mobile command posts or with hazardous materials units to allow responders to access the CSXT mainframe computer for specific data on the products carried each car and emergency response information of the product.

CSXT recommends that local users of the OREIS system conduct monthly tests of the software and connects to ensure their ability to communicate to CSXT's computer systems.

### **5.3 Emergency Notification from Cleveland / Cuyahoga County to CSXT**

In the event of an emergency which impacts CSXT tracks or train operations, prompt notification is paramount.

All emergency dispatch centers will be provided with the CSXT Police Communication Center 24 hour number- 1-800-232-0144 to report any local emergency which could affect train operations.

### **5.4 On-scene Communications**

#### **5.4.1 Local CSXT response and on-scene communications**

The Operations Center will notify the local CSXT management of the incident. These local managers will respond directly to the scene and begin to work with local emergency response officials.

The first arriving CSXT official must check in with the local Incident Commander at a designated command post. During that time the CSXT official should update the responders on the situation and resources available. The CSXT official should be involved the development of action plans or evacuation decisions.

The local CSXT official should provide on-scene communications capability to the command post or provide a CSXT representative to stay at the command post to relay on-scene information from CSXT to local responders.

**AT NO POINT WILL ANY CSXT OFFICIAL TAKE OR ASSUME COMMAND FROM THE LOCAL EMERGENCY RESPONSE OFFICIALS.**

#### **5.4.2 Technical information communication**

Following CSXT standard operating procedures the Operations Center will notify the CSXT Hazardous Materials Group (HMG) of any derailment, spill or fire that involves hazardous materials. The on-duty Haz Mat Manager (HMM) will make contact with the local response official to determine current conditions and resources needed to respond.

The on-duty hazardous materials manager has the authority to commit CSXT and contractor resources to respond to work with the local incident commander to mitigate the incident. (See Appendix D)

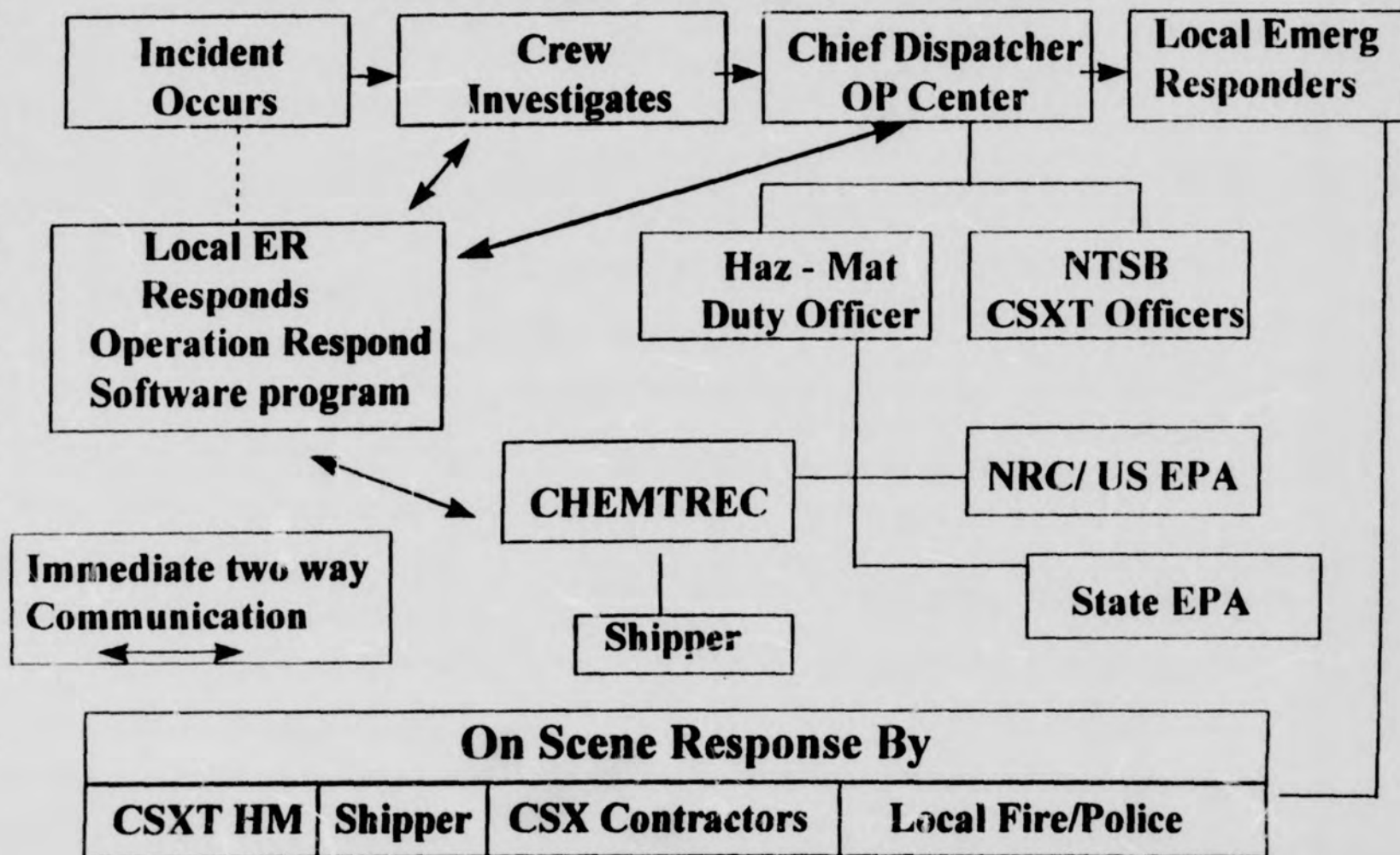


Based upon information from the train crew, local emergency response official and local CSXT management the on-duty HMM will respond the closest HMM to coordinate emergency response contractor activity.

The CSXT on-duty HMM will make contact with any chemical shipper involved through CHEMTREC. The shippers always have the option to respond their industry teams to any CSXT incident. Depending upon the product, the condition of the containers or the local conditions the on-duty HMM may request the shipper to have a representative respond to provide technical support to the local incident commander.

The on-duty HMM will coordinate via telephone with the Incident Commander or his designee until the arrival of a HMM to take on-scene sector command of CSXT and contractor resources. The CSXT HMM will work with the Incident Commander to develop action plans that meet the response priorities of life, property, environment and system restoration. The on-scene HMM will have the authority to commit additional private sector resources as necessary for a safe and efficient incident recovery effort

# CSXT Hazardous Materials Incident Handling Flowchart



## **6.0 Sources of Emergency Information**

### **6.1 Pre-Emergency Information**

CSXT will annually provide hazardous materials flow study information to holders of this emergency response plan. This information will include total quantity of materials shipped through Cleveland/Cuyahoga County on CSXT lines, list of products handled and counts by products for the preceding year.

Using this data local emergency planners and response officials can modify existing and corresponding response plans to reflect probable scenarios and products most likely to be encountered.

See 11.0 Plan Review for process to modify this plan based upon this annual flow data.

### **6.2 Line of Road Incidents**

All CSXT trains will have specific information about the hazardous materials being carried on that particular train. This information will be in accordance with US DOT 49 CFR regulations covering shipping papers and data elements for hazardous materials.

This information will be part of the train documentation and will be in the possession of the train conductor. Should the crew be incapacitated or the train documents otherwise destroyed copies can be transmitted electronically to any fax locations elected by the local incident Commander.

The train documents will also have emergency handling instructions for first responders outlining the hazards of the products, basic chemical and physical characteristics and recommended actions to control releases of the material.

As per CSXT Operating Rules the conductor will also have a current copy of the North American Emergency Response Guidebook which lists initial response actions for the release of specific products.

The conductor is required to make the train documents, emergency handling instructions and the NA-ERG available to the emergency responders at the scene of a line of road rail incident.

On-scene responders may also access the OREIS system to obtain product information about the contents of a particular car. See 4.X

Contact with the shipper of the products involved through CHEMTREC can yield producer Materials Safety Data Sheets (MSDS) . This information is not routinely carried by train crews and is not part of the standard CSXT train documents.

### **6.3 Terminal Incidents**

Upon arrival at the Collinwood, Marcy, or other manned CSXT facility the emergency responders will be provided with a waybill for the cars involved to include proper US DOT shipping descriptions, an emergency handling instruction for the product and contact with the CSXT on-duty HMM.

As with line of road incidents, MSDS can be obtained from the shipper via CHEMTREC.

## 7.0 Resource Management

As indicated in the Plan Approval statement at the beginning of this plan, the Service Lane General Manager and the CSXT Hazardous Materials Manager are authorized to commit CSXT resources to provide necessary outside contractors or equipment.

### 7.1 CSXT Resources

In the case of most derailments or spills, local responders do not have the equipment or expertise to handle large spill clean up or railroad wrecking operations. CSXT recognizes our role in providing this specialized expertise and equipment to mitigate an incident. CSXT maintains standing contracts and agreements with various suppliers of these services. While on-scene these contractors act as agents of CSXT and work directly under their control.

Examples of these contractors include:

Railroad rerailling and wrecking contractors- These contractors provide heavy equipment such as cranes, off track lifting equipment, heavy earth moving equipment and the operators and ground crews to lift and reraill damaged rail cars and locomotives.

Emergency Response contractors (haz mat)- Provide vacuum equipment, pumping equipment and highway tankers for the recovery of spilled products. Containers and heavy equipment are available for recovery of solid materials. Personnel trained and equipped with all levels of protective equipment for operations in close proximity to spilled products and leak and spill control equipment to contain product from leaking containers.

Environmental Recovery contractors - Provide technical expertise in the on site remediation or removal of contaminated water, soil or debris from the incident site.

Industrial Hygiene and Public Health contractors - Provide technical expertise and equipment to perform on and off site air and water sampling. Used to develop exclusion zones, work zones and document public health exposure safety.

CSXT internal resources include:

Hazardous Materials Group

Corporate Communication and Media Affairs representatives



General Claims representatives

## **7.2 Local Resources**

CSXT is a rail transportation company. As such we do not maintain resources such as fire fighting or water supply equipment, emergency medical personnel or medical transport services, command posts and canteens or large scale communications equipment.

During an emergency operation CSXT relies upon local emergency resources to provide these type of resources. At all times these units operate under local authority.

The Senior CSXT official will coordinate with the local Incident Commander to obtain these local resources. Local resources will remain under the control of the local authority.



## 8.0 Population Protection

In the event of a rail incident, protection of life and health must be the first concern. In cases of doubt the safest course of action must be taken. However, decisions to evacuate potentially affected populations must be based upon facts and not fears.

Key factors in deciding upon an evacuation must include:

Situational factors:

- actual situation and conditions (leak, fire, spill)
- the products involved (physical and chemical properties)
- hazards of the products
- status of the containers
- ability of the products to migrate off site

Location factors:

- location of the incident and containers
- size of affected population
- risks of moving people
- types of affected population
- ability to shelter in place non-ambulatory populations

Resource factors:

- ability to shelter evacuated populations
- ability to notify and move the affected population

### 8.1 Pre-emergency identification of high risk populations

During the tactical pre-emergency planning process facilities such as schools, day cares, hospitals, nursing homes, high rise occupancies must be identified.

These facilities are identified on the accompanying maps for each milepost.

Meeting with facility managers, local emergency response officials should review problems expected with an evacuation and means and resources needed to move the facility population.

CSXT recommends adoption of the Shelter in Place guidelines issued by the U.S. Department of Transportation in the 1996 North American Emergency Response Guidebook, the Federal Emergency Management Agency and the U.S. EPA.

Shelter in place tactics can provide greater safety and health protection to affected residents than mandatory evacuations.

The key to successful Shelter in Place operations is developing individual facility plans with facility managers and safety personnel. Instructing residents what to do and not to do in the event of an emergency and communicating information to them during an emergency are all important components of a shelter in place plan.

(See Appendix F for Shelter in Place Recommendations)

## 9.0 Emergency Access Points

CSXT has identified and constructed numerous emergency access points along the Shortline corridor from Quaker to Berea.

Access Point #	Location	Description
C-1	Quaker Tower	Saranac Road
C-2	New Access	Off 131 <sup>st</sup> Street (location to be determined)
C-3	East Cleveland RTA	South side of RTA
C-4	University Circle	Service drive south side of Circle Drive
C-5	MP-5	E 180 <sup>th</sup> and Arthur Drive
C-6	Buckeye	E 92nd and Buckeye North Side of track
C-7	Schlemer Aluminum	3300 E 87 <sup>th</sup> (Need access agreement)
C-8	Harvard Tunnels	North side of Aetna Road (Need major clearing and gravel)
C-9	Dorver Road	Dorver and E 77 <sup>th</sup>
C-10	Marcy Yard	Grant and E 71 <sup>st</sup> Current Marcy Yard service Roads
C-11	East High Bridge	Off East 49 <sup>th</sup> Street

Additional access point may be identified based upon local knowledge. The goal is to identify and develop access points every ½ mile along the track.

All access points will be maintained by CSXT to allow for emergency vehicle access.

Local emergency units will contact CSXT at the CSXT PCC number (1-800-232-0144) before using any access for emergency operations.

All access points will be kept locked with dual locks for both City/County and CSXT access.

## 10.0 Exercise and Training

CSXT will provide training to emergency responders covered by this plan at no cost to those jurisdictions. This training will be divided into three types of classes. These include:

1. Emergency Response to Rail Emergencies- Basic (6 hours) for all first responders in product identification, information sources and initial response actions.
2. Emergency Response to Rail Emergencies- Advanced ( 12 hours) for hazardous materials teams and groups expected to perform offensive operations.
3. Large Scale Incident Exercise- Table Top - A 8 hour exercise to test the plan and involve both emergency response agencies and support agencies including target hazard facility managers

Program format and outlines are included in Appendix B.

This training will be provided before control date of Conrail assets and implementation of the Shortline operating plan.

Subsequent training will be offered on an annual basis for all three levels of training and exercises.

## 11.0 Plan Review Process

The CSXT Haz Mat Group and local CSXT management will meet with emergency management and response officials annually to review the plan and to make modifications.

After each drill or exercise and after any incident a critique will be conducted to identify areas that need to be modified or added to the plan.

CSXT is responsible for distribution of any revisions to plan holders list in the distribution section.

STB

FD-33388

4-14-98

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 14, 1998

The Honorable Michael R. White  
Mayor  
City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

Dear Mayor White:

Thank you for your letter of April 9, 1998, indicating that you had received a response from Mr. Snow of CSX to your April 3<sup>rd</sup> letter regarding the impact of the proposed Conrail acquisition on the City of Cleveland. As I have indicated previously, I applaud your continuing commitment to working with the railroads to resolve your differences.

I am having the packet submitted by Mr. Snow, your letter to me, and my response included in the formal docket for this proceeding. I hope that a mutually acceptable resolution can be reached expeditiously in this matter.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan





City of Cleveland  
Michael R. White, Mayor

FILE IN DOCKET

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/664-2220

April 9, 1998

VIA FACSIMILE (202) 565-9015  
AND REGULAR U.S. MAIL

The Honorable Linda Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

OFFICE OF  
CHAIRMAN MORGAN

APR 10 1 17 PM '98

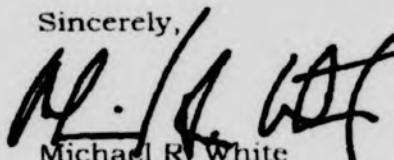
RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Dear Chairman Morgan:

Last week, I sent to you a copy of my April 3<sup>rd</sup> letter to Mr. John Snow, Chairman of CSX Corporation. This letter was sent to Mr. Snow as part of our ongoing efforts to persuade CSX to fairly and effectively address the serious concerns of this community. You will recall that, in my April 3<sup>rd</sup> letter, I provided Mr. Snow with clear and specific direction on our needs and expectations for dealing with train frequencies, and mitigating the devastating neighborhood impacts of the Conrail transaction as proposed by CSX and Norfolk Southern. Yesterday, Mr. Snow sent to you a copy of his response to me.

We are conducting a complete evaluation of the proposal of CSX. Although it appears that CSX has not adequately addressed our concerns, we will provide Mr. Snow with a comprehensive response in the next few days. As you know, the railroads have presented us with a complex, multi-faceted problem that will impact this community for years to come. I believe that, with careful deliberation and thoughtful planning, we should be able to find a way to preserve the quality of life in our neighborhoods, protect the safety and well-being of our families, and permit the railroads to operate efficiently and profitably through our City. We remain committed to working with the railroads to resolve our differences.

Sincerely,

  
Michael R. White  
Mayor

STB

FD-33388

4-14-98

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ID-MOEH

**DENNIS J. KUCINICH**

10TH DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, DC 20515  
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5983 W. 54TH  
PARMA, OHIO 44129  
(216) 845-2707



**Congress of the United States**  
**House of Representatives**

**Committees:**  
Government Oversight  
Education and Labor

April 13, 1998

FILE IN DOCKET

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
APR 14 2 08 PM '98  
OFFICE OF  
CHAIRMAN MORGAN

Ms. Linda J. Morgan  
Chairman  
Surface Transportation Board  
1925 K St. NW #820  
Washington, D.C. 20423

Dear Ms. Morgan:

Re: Finance Docket No. 33388

Decision No. 71 requests that parties involved in the Conrail merger notify the Section on Environmental Analysis (SEA) by April 15, 1998, to advise the SEA of progress toward reaching mutually acceptable agreements.

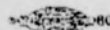
As the April 15 date approaches, I would like to let you know that the communities of the 10th Congressional District are in negotiations over environmental mitigation with applicant railroads Norfolk Southern and CSX. I am cautiously optimistic that the parties will reach an agreement. I will notify you by the end of this week as to whether or not it is advisable for the SEA to begin work toward a Board directive at that time.

Thank you for the close attention you are giving to the Greater Cleveland area in this matter.

Sincerely,

Dennis J. Kucinich  
Member of Congress

DJK:mg



DENNIS J. KUCINICH

101 DISTRICT, OHIO

1730 LONGWORTH OFFICE BUILDING  
WASHINGTON, DC 20515  
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Congress of the United States  
House of Representatives

**FAX MEMORANDUM**

DATE: 4/13/98

TO: LINDA MORGAN

PHONE: 202-565-1549  
FAX: 202-565-9016

FROM:

Rep. Dennis J. Kucinich  
Patricia Vecchio  
Anthony J. Celebrezze  
Renee J. Epstein  
☒ Martin D. Gelfand  
Luis Gomez  
Claudia Lee Jabo  
Malak Jadallah  
Christine Gitlin Miles  
Gerry Nelson  
Betty Rodes  
Lynn Vittardi  
Other

PHONE:

Fax:

MESSAGE:

1 pages to follow

The contents of this facsimile are personal and confidential. Please forward to the addressee immediately. If there are any problems with this transmission, please notify (216) 228-8850.

STB

FD-33388

4-13098

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 13, 1998

Mr. Thomas R. Brown  
President  
Riss Companies  
4 Orinda Way, Suite 100-A  
Orinda, CA 94563

Dear Mr. Brown:

Thank you for your letter regarding the proposal by CSX and Norfolk Southern (NS) to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads. Specifically, you write in support, citing numerous benefits for intermodal traffic and the Nation's transportation infrastructure that may result from the proposed transaction.

This proceeding has been docketed at the Surface Transportation Board (Board) as STB Finance Docket No. 33388. As provided by the procedural schedule adopted for this proceeding, the Board now has received comments and evidentiary submissions from all interested parties addressing the merits of the merger proposal, replies and rebuttal submissions, and briefs. The Board is currently analyzing those filings, and has set oral argument in the proceeding for June 4, 1998, with a final written decision in this matter by July 23, 1998.

In deciding whether a control transaction such as the one being proposed here is in the public interest and should be approved, the Board must consider various factors required by law, including the effect of the proposed transaction on the adequacy of transportation to the public, and whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system. In this regard, let me assure you that the Board will give full consideration to the issues that you have raised. Because this proceeding is pending before the Board, however, it would be inappropriate for me to comment further on the case.

I am having your letter made a part of the public docket in this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan





RISS LOGISTICS   RISS INTERMODAL   RICHMOND TRANSPORTATION  
INTERNATIONAL

Thomas R. Brown  
President

4 Orinda Way, Suite 100-A  
Orinda, California 94563

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March 9, 1998

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW - Room 711  
Washington, D.C. 20423

FILE IN DOCKET

Dear Secretary Williams:

I am President and Chief Operating Officer of the Riss Companies, a privately held group that provides domestic and international intermodal transportation, as well as a full range of contract logistic services. The Riss Companies is composed of three interdependent business units: Riss Intermodal, Riss Logistics, and Richmond Transportation International. Our combined revenues now annualize to approximately \$161 million. Riss Intermodal is a leading US Intermodal marketing company that - through long-term, strategic partnerships with key truck and rail providers - has developed an intermodal network of extensive scope and service. Since our inception in 1983, our focus as an IMC has been on "Fortune 500" accounts with a special emphasis on companies in food processing and related lines of business. Furthermore, through our high service offerings, we have had particular effect in offering to our customers intermodal service which has been competitive with the so-called High Service Truckload (HSTL) carriers. Prior to the start-up of Riss Intermodal, I held a number of positions in Operations and Marketing at the Western Pacific Railroad including Senior Vice President - Intermodal.

There are two compelling reasons from an Intermodal Marketing Company ("IMC") perspective why Norfolk Southern and CSX should be allowed to go forward with the division of Conrail's main routes and terminals as proposed in Volume IV of their respective operating plans. First, the operating plan as stated will have the impact of bringing new efficiencies to existing intermodal markets which will bring national, and regional, economic benefits. Since these benefits ultimately mean truck to rail conversion, important environmental benefits are associated with this modal conversion. Secondly, additional economic and environmental benefits will derive from the access to inter regional markets intermodal carriers will achieve once CSX and NS extend their network reach into the northeast through the Conrail acquisition.

Today, when the Riss Companies handle intermodal traffic into or out of Eastern Indiana, Ohio and Western Pennsylvania, that intermodal traffic almost invariably moves over the road from a distant intermodal hub. Transcontinental traffic typically is "ramped" (transferred from rail flat cars to highway movement by intermodal truckers known as "draymen") at Chicago, 330 miles from Cleveland. If the traffic is destined or

originating in the Southeast, it moves over the road to Cincinnati. In fact, even intermodal traffic between the Pittsburgh area and the west is often drayed across Ohio and Indiana and back to the Chicago ramps. With the operation envisioned by Norfolk Southern and CSX in (Finance Docket No. 33388), this traffic will convert to from road haul to rail line haul. Not only does this reduce the cost per mile of transportation for the ultimate shipper but it also brings environmental benefits from reduced air and noise pollution.

Secondly, creation of efficient new Norfolk Southern and new CSX networks will make intermodal competitive for the first time in new mid-distance inter-regional markets in the Midwest, northeast and southeast. The effect of single carrier routings created by this merger will allow us too much more effectively compete for traffic that moves over the highway between Ohio and the Northeast, Southeast and Midwest. To be competitive in these new shorter haul lanes it is critical that we operate over the most efficient network possible – that is, the network designed by NS and CSX and defined in their submission to the STB.

A final question we should address is why aren't the benefits which we foresee for the post acquisition CSX and NS networks achievable with the revisions that the City of Cleveland and the Ohio Rail Development Commission (ORDC) request. The essential reason is that the rerouting of main lines and the constraints on terminal construction are in fact very expensive and operationally complex. In the end, these changes consume an additional \$150 million of scarce capital resources and ultimately result in suboptimal operations in Northern Ohio – a critical area to the operations of both companies.

Further, future intermodal growth is dependent on low cost, high volume rail based economics. While in the past, intermodal growth occurred in a "sunk cost" environment as new business consumed then under utilized capacity. Today, there is no such under utilized capacity waiting to be consumed by new volumes and new customers. As we bring new traffic to the railroads, terminal and route capacity has to be added at significant expense. Intermodal traffic, with its lower margins to the carriers, must be handled in the most efficient means possible. From our perspective, then, deriving the maximum utilization from the carriers route and terminal capacity as well as from the available pool of capital, is critical to our future growth. Adopting the rerouting alternatives proposed by Cleveland and the ORDC would jeopardize the goal of converting traffic from road to rail.

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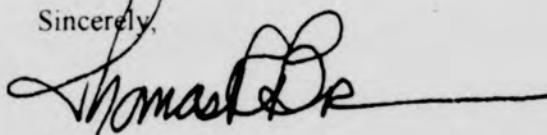
In the US today we have the world's most efficient distribution system. While the nation's freight bill has quadrupled from \$116 billion in 1975 to over \$450 billion in 1996, transportation costs have declined from 8 percent to 6 percent of GDP over the same period. To continue on that track, it is critical that Norfolk Southern and CSX be allowed to add the acquired line segments to their respective networks in the most cost effective method possible. And, because lower rail costs and more efficient routes will result in truck to rail conversion, we believe this will have important economic and environmental benefits for both the national and local economies.

*Interesting  
statistic*

Finally, we believe that there is larger and more important public policy issue in this case as the nations' transportation infrastructure faces a growing crisis in terms of capacity and reinvestment. With NS and CSX, we have two major private companies willing to heavily invest in infrastructure which generates a public good in terms of taking trucks off of the highways. We should seriously question whether such companies should, in essence, be penalized in order to satisfy other public objectives. Urban areas which have grown over a period of decades without taking adequate account of the impacts of their own growth on railroads, with a full awareness that the railroads were there, are now asking the railroad industry to pay for the impact of those public decisions. To us, this seems fundamentally unwise as a matter of public policy. We believe that in order to encourage private investment in transportation infrastructure, and therefore to reduce the requirement for public investment in transportation infrastructure, the public should be willing to take into account the cost of its own actions.

We strongly urge you to approve the applicants' acquisition of Conrail as presented in Finance Docket 33388.

Sincerely,



Thomas R. Brown  
President  
The Riss Companies  
TRB/caw

Cc: Mr. William Taylor  
Hanson, Bridgett, Marcus, Vlahos & Rudy

Page 4  
March 9, 1998

cc: The Honorable Linda Morgan  
Chairman  
Surface Transportation Board  
1925 K Street, NW - Suite 820  
Washington, D.C. 20423

The Honorable Gus Owen  
Vice Chairman  
Surface Transportation Board  
1925 K Street, NW - Suite 820  
Washington, D.C. 20423

The Honorable Rodney Slater  
Secretary  
Department of Transportation  
400 7<sup>th</sup> Street, SW - Room 10200  
Washington, D.C. 20590

The Honorable Jolene Molitoris  
Administrator  
Federal Railroad Administration  
1120 Vermont Avenue, NW - 7<sup>th</sup> Floor  
Washington D.C. 20005

The Honorable George Voinovich  
Governor  
State of Ohio  
77 S. High Street - 30<sup>th</sup> Floor  
Columbus, OH 43266

Mr. John Q. Anderson  
Chief Commercial Officer  
CSX Transportation - J120  
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Jacksonville, FL 32202

Thomas Finkbiner  
Vice President - Intermodal  
Norfolk Southern  
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STB

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J

ID-BUSINESS



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**Thomas E. Rappold**  
Assistant Vice President  
Domestic Utility and  
Industrial Coal Marketing

April 7, 1998  
Consumers Energy  
74 - CR/CSXT



Mr. William E. Garrity  
Executive Manager of Fuels and Power Transactions  
Consumers Energy  
1945 West Parnall Road  
Jackson, MI 49201-8643

Dear Bill:

This refers to your letter of March 26, 1998, regarding your concerns about the disposition of Consumers' Conrail contracts after Closing Date. As I indicated to you during our telephone conversation of several weeks ago, and as reiterated in your conversation with Tom Bayrer, it has not yet been determined which carrier, NS or CSXT, will assume the CR contract service obligations.

Without the benefit of reviewing the contracts, it is difficult to answer your questions with certainty, but we expect the roles of the connecting railroads would not be changed in any way.

Furthermore, as we discussed, the assigning of the service obligation will pertain only to the minimum tonnage obligations in the respective contracts. Tonnage in excess of the minimums can be handled by either NS or CSXT.

We will be sure to keep you informed as this entire process continues. From the very beginning of our involvement in the Conrail transaction NS, like Consumers, has been pursuing an approach to provide balanced competition. We share your concerns in this regard, and we believe the transaction will accomplish this goal.

Sincerely,

cc: Mr. J. W. Fox, Jr., Norfolk Southern  
Mr. R. L. Sharp, CSX Transportation  
Surface Transportation Board  
Mr. Peter Marshall, Canadian National  
Mr. C. A. Pinkerton, III, Central Michigan Rwy.

Mr. W. H. Dickey, AMVEST Coal Sales  
Mr. T. P. Dwyer, Consolidated Rail Corp.  
Mr. R. D. Carter, Norfolk Southern  
Mr. T. E. Bayrer, Norfolk Southern  
Mr. W. D. Arrington, Norfolk Southern