

Surface Transportation Board Approves "Burlington Northern's" Construction of 7½-Mile Rail Line Between Seadrift & Kamey, TX

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has issued a decision granting final approval for The Burlington Northern and Santa Fe Railway Company (BNSF) to construct and operate an approximately 7½-mile line of railroad between Seadrift and Kamey, Texas. The proposed line will connect with a Union Carbide Corporation (UCC) industrial complex at Seadrift and with a former Southern Pacific Transportation Company (SP) line, now owned by Union Pacific Railroad Company (UP), between Placedo and Port Lavaca, TX, near Kamey.

The UCC complex, served exclusively by UP, is located about 120 miles southwest of Houston, TX, near the Gulf Coast. The complex produces several billion pounds of chemicals and plastics a year, which are shipped to other UCC facilities in the United States for further processing or to various customers throughout the nation. In the late 1980s, UCC determined that a build-out from the complex to SP's Victoria-Port Lavaca line would be feasible to provide an alternative to UP's exclusive rail service. SP agreed with UCC's assessment of the situation and UCC proceeded to acquire the necessary rights-of-way for the build-out, but the line was never constructed because a full commercial agreement was not reached with SP.

In its decision in the case entitled *Union Pacific/Southern Pacific Merger*, 1 S.T.B. 233 (1996) (*UP/SP Merger*), *aff'd sub nom. Western Coal Traffic League v. Surface Transp. Bd.*, 169 F.3d 775 (D.C. Cir. 1999), the Board approved the merger of the UP and SP railroads. In the *UP/SP Merger* proceeding, the Board granted a condition sought by UCC that preserved its build-out option for access to service by a second railroad. That condition provided for a grant of trackage rights to BNSF over SP's Victoria-Port Lavaca line in connection with the right of BNSF to serve UCC via a build-out or build-in from the line to the UCC complex. Now prepared to go forward with the project, UCC has requested BNSF to provide service through a combination of *UP/SP Merger* trackage rights and construction of this new line. BNSF has agreed and intends to enter into a trackage rights agreement with UP, as provided by the Board in the *UP/SP Merger* proceeding, to provide service to UCC over the proposed line.

In an environmental assessment (EA) issued to the public on September 17, 2001, the Board's Section of Environmental Analysis (SEA) preliminarily concluded that the proposed construction and operation would not significantly affect the quality of the human environment if certain recommended mitigation measures were imposed. In response to public comments on the EA, SEA recommended, in its post-environmental assessment analysis, modification of mitigation measures pertaining to water and biological resources and the addition of a new condition to minimize the loss of fencerow habitat. The Board's final decision issued today adopts all of SEA's recommended mitigation measures, imposes them as conditions to the construction and operation exemption, and makes the exemption effective immediately.

The Board issued its decision today in *The Burlington Northern and Santa Fe Railway Company--Construction and Operation Exemption--Seadrift and Kamey, TX*, STB Finance Docket No. 34003. A printed copy of today's decision is available for a fee by contacting **D-2-D- Legal, Room 405, 1925 K Street, N.W., Washington, DC 20006, telephone(202) 293-7776**, or via [http://Da_To_Da@Hotmail.com](mailto:Da_To_Da@Hotmail.com). The decision is available for viewing and downloading via the Board's Website at <http://www.stb.dot.gov>.

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