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SURFACE TRANSPORTATION BOARD ANNOUNCES ACCEPTANCE OF "CSX-NS-CONRAIL" RAILROAD CONTROL APPLICATION AND RELATED FILINGS

FOR RELEASE: i; Contact: Dennis Watson Wednesday, July 23, 1997 (202) 565-1596 No. 97-57 i; TDD (202) 565-1695

PUBLIC & MEDIA ADVISORY: SURFACE TRANSPORTATION BOARD ANNOUNCES ACCEPTANCE OF "CSX-NS-CONRAIL" RAILROAD CONTROL APPLICATION AND RELATED FILINGS

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has accepted for consideration the railroad control application and related filings submitted to the Board In the case entitled 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, STB Finance Docket No. 33388. on June 23, 1997, by the CSX Corporation and CSX Transportation, Inc.; Collectively referred to as "CSX". the Norfolk Southern Corporation and the Norfolk Southern Railway Company; Collectively referred to as "NS". and Conrail Inc. and the Consolidated Rail Corporation. Collectively referred to as "Conrail". The Board accepted the railroad control application and related filings because they substantially comply with applicable regulations, waivers, and requirements.

The railroad control application seeks Board approval for the acquisition by CSX and NS of control of Conrail and the division of Conrail's assets by and between CSX and NS. Thirty-nine filings related to the control application seek approval for 22 construction projects, 8 trackage rights grants, 5 rail line abandonments, 2 control transactions involving terminal railroads, 1 rail line sale, and 1 joint relocation transaction. The proposed transaction involves over 44,000 miles of rail lines and related facilities covering a large portion of the eastern United States. The Board confirmed that it intends to follow the procedural schedule it has previously adopted which requires, among other things, that any person wishing to participate in this proceeding as a party of record (official participant) must file, no later than August 7, 1997, a notice of intent to participate; that descriptions of responsive (including inconsistent) applications, "Responsive" applications seek to lessen perceived anticompetitive effects through trackage rights, etc. "Inconsistent" applications are alternative proposals inconsistent with the primary application, and petitions for waiver or clarification regarding those applications, must be filed by August 22, 1997; and that responsive (including inconsistent) applications, written

comments (including comments of the U.S. Secretary of Transportation and the U.S. Attorney General), protests, requests for conditions, and any other opposition evidence and argument must be filed by **October 21**, **1997**. The Board also confirmed that it intends to hold oral argument on **April 9**, **1998**, followed by an open voting conference on **April 14**, **1998**, and that it will issue its final decision regarding the control application and related filings on **June 8**, **1998**. Further information regarding the procedural schedule is contained in the copy of the procedural schedule attached to this news release.

The Board announced its acceptance of the "CSX-NS-Conrail" railroad control application and related filings in STB Finance Docket No. 33388, Decision No. 11, which today was issued to the public and published in the *Federal Register*.

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ATTACHMENT

"CSX-NS-CONRAIL" PROCEDURAL SCHEDULE

May 16, 1997 Preliminary Environmental Report filed.

June 23, 1997 Primary application and related filings filed. Environmental Report filed.

July 23, 1997 Publication in the *Federal Register* of: notice of acceptance of primary application and related filings; and notice of the five related abandonment filings.

August 6, 1997 Comments on the draft scope of the Environmental Impact Statement due. See the notice served July 3, 1997, and published in the Federal Register on July 7, 1997, at 62 FR 36332. As indicated in that notice, slip op. at 3, 62 FR at 36333, it is not necessary to be a party of record to file comments on the draft scope of the Environmental Impact Statement and/or to participate in the environmental review process.

August 7, 1997 Notice of intent to participate in proceeding due.

August 22, 1997 Description of anticipated responsive (including inconsistent) applications due; petitions for waiver or clarification due with respect to such applications.

September 5, 1997 Preliminary Draft Environmental Assessments for the construction projects referenced in Decision No. 9 due.

October 1, 1997 Responsive Environmental Report and Environmental Verified Statements of responsive (including inconsistent) applicants due.

October 21, 1997 Responsive (including inconsistent) applications due. All comments, protests, and requests for conditions, and any other opposition evidence and argument, due. It's As indicated in the notice published in the Federal Registerity on July 11, 1997 (62 FR 37331), petitions for reconsideration with respect to the physical construction of the Crestline connection track, as proposed in the STB Finance Docket No. 33388 (Sub-No. 1) embraced docket, and/or operation thereover by CSXT, are due by July 31, 1997. It's indicated in the notices published in the Federal Registerity today (July 23, 1997), comments respecting the physical construction of the Willow Creek, Greenwich, Sidney Junction, Sidney, Alexandria, and Bucyrus connection tracks, as proposed in the STB Finance Docket No. 33388 (Sub-Nos. 2, 3, 4, 5, 6, and 7) embraced dockets, respectively,

and/or operation thereover by applicants, are due by August 22, 1997. Comments of the U.S. Secretary of Transportation and the U.S. Attorney General due. With respect to all related abandonments: opposition submissions, requests for public use conditions, and Trails Act requests due.

November 20, 1997 Notice of acceptance (if required) of responsive (including inconsistent) applications published in the *Federal Register*.

December 15, 1997 Response to responsive (including inconsistent) applications due. Response to comments, protests, requested conditions, and other opposition evidence and argument due. Rebuttal in support of primary application and related filings due. With respect to all related abandonments: rebuttal due; and responses to requests for public use and Trails Act conditions due.

January 14, 1998 Rebuttal in support of responsive (including inconsistent) applications due.

February 23, 1998 Briefs due, all parties (not to exceed 50 pages).

April 9, 1998 Oral argument (close of record).

April 14, 1998 Voting conference (at Board's discretion).

June 8, 1998 Date of service of final decision.

With respect to any exempted abandonments: offers of financial assistance may be filed no later than 10 days after the date of service of the final decision.

NOTES: Immediately upon each evidentiary filing, the filing party will place all documents relevant to the filing (other than documents that are privileged or otherwise protected from discovery) in a depository open to all parties, and will make its witnesses available for discovery depositions. Access to documents, subject to protective order, will be appropriately restricted. Parties seeking discovery depositions may proceed by agreement. Discovery on responsive (including inconsistent) applications will begin immediately upon their filing.