

**SURFACE TRANSPORTATION BOARD SEEKS COMMENTS ON PROPOSED PROCEDURAL SCHEDULE CONCERNING  
PROPOSED "CANADIAN NATIONAL-ILLINOIS CENTRAL RAILROAD" CONTROL TRANSACTION**

Surface Transportation Board (Board) Chairman Linda J. Morgan today announced that the Board is inviting comments from interested persons on the proposed procedural schedule, as modified by the Board, filed by the Canadian National Railway Company (CNR), Grand Trunk Corporation (GTC), and Grand Trunk Western Railroad Incorporated (GTW) (collectively referred to as CN), and Illinois Central Corporation (IC Corp.), Illinois Central Railroad Company (ICR), Chicago, Central and Pacific Railroad Company (CCP), and Cedar River Railroad Company (CRRC) (collectively referred to as IC). [FOOTNOTE 1: CN and IC are referred to collectively as Applicants.] Applicants intend to file a joint application seeking authority under 49 U.S.C. 11321-26 for the acquisition of control, by CNR, through an indirect wholly owned subsidiary, of IC Corp., and through it of ICR and its railroad affiliates, and for the resulting common control by CNR of GTW and its railroad affiliates and ICR and its railroad affiliates. The application is expected to be filed in July 1998.

The Board is seeking comments on a 10-month procedural schedule rather than the 6-month procedural schedule proposed by Applicants. The Board noted that a 10-month schedule would allow for the conclusion of the evidentiary stage of this proceeding approximately 8 months after the application is filed, and the issuance of the final decision approximately 2 months thereafter. The Board further noted that a 10-month procedural schedule would be sufficiently expeditious so as not to delay unnecessarily any benefits that would flow from the proposed integration of the rail systems, if the merger is approved, while at the same time allowing sufficient time to develop the record upon which the Board's decision would be based. Public comments are due **July 16, 1998**, with the Applicants' reply due by **July 27, 1998**.

The Board's proposed schedule is as follows:

**PROPOSED PROCEDURAL SCHEDULE AS MODIFIED BY THE BOARD** [FOOTNOTE 2: The term "F" designates the date of filing of the application and "F + N" means "N" days following that date.]

**F Primary application and any related applications filed.**

**F + 30 Board notice of acceptance of primary application (and any related applications) published in the Federal Register.**

**F + 30 Safety Integration Plan due.**

**F + 45 Notification of intent to participate in proceeding due.**

**F + 60 Description of anticipated inconsistent and responsive applications due; petitions for waiver or clarification due with respect to such applications.**

**F + 90 All comments, protests, requests for conditions, and any other evidence and argument in opposition to the primary application due (except filings by U.S. Department of Justice (DOJ) and U.S. Department of**

**Transportation (DOT)).**

**F + 100 Responsive Environmental Report and Environmental Verified Statements for inconsistent and responsive applicants due.**

**F + 120 Inconsistent and responsive applications due. Comments by DOJ and DOT due. Response to comments, protests, requested conditions, and other opposition (except DOJ and DOT) due. Rebuttal in support of primary application and related applications due.**

**F + 140 Notice of acceptance (if required) of inconsistent and responsive applications published in the Federal Register.**

**F + 150 Response to comments of DOJ and DOT due.**

**F + 155 Response to inconsistent and responsive applications due.**

**F + 185 Rebuttal in support of inconsistent and responsive applications due.**

**F + 205 Briefs due, all parties (not to exceed 50 pages for Applicants and not to exceed 25 pages for all other parties).**

**F + 235 Oral argument (close of record).**

**F + 240 Voting conference (at Board's discretion).**

**F + 300 Date of service of final decision.**

Relative to the proposed schedule, the Board noted that the Board's Section of Environmental Analysis (SEA) has concurred in Applicants' proposal that Applicants prepare and submit to SEA a Preliminary Draft Environmental Assessment (PDEA) in lieu of filing an environmental report. Upon receipt of Applicants' PDEA, SEA will review and verify the environmental information provided by Applicants in this document and prepare a Draft Environmental Assessment (Draft EA) for public review and comment. The Draft EA will include SEA's independent preliminary recommendations for mitigation to address potentially adverse environmental impacts.

The Board issued its decision today in Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated—Control—Illinois Central Corporation, Illinois Central Railroad Company, Chicago, Central and Pacific Railroad Company, and Cedar River Railroad Company, Decision No. 5, STB Finance Docket No. 33556.

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