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**SURFACE TRANSPORTATION BOARD ORDERS SAFETY INTEGRATION PLANS TO BE
SUBMITTED BY APPLICANTS IN "CSX-NS-CONRAIL" CONTROL PROCEEDING**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has ordered the applicants CSX Corporation (CSXC) and CSX Transportation, Inc. (CSXT) are referred to collectively as CSX. Norfolk Southern Corporation (NSC) and Norfolk Southern Railway Company (NSR) are referred to collectively as NS. Conrail Inc. (CRI) and Consolidated Rail Corporation (CRC) are referred to collectively as Conrail. CSX, NS, and Conrail are referred to collectively as applicants. in the CSX-NS-Conrail Railroad control proceeding 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. to prepare detailed Safety Integration Plans (SIPs) formally addressing the safety of the combined operations they are proposing in the control proceeding. The Board is ordering the applicants to prepare the SIPs according to a request by the U.S. Department of Transportation (DOT) in its filing in this proceeding on October 21, 1997. To accommodate the filing and the analysis of the SIPs, as well as the completion of the overall environmental review process, the Board also has ordered a 45-day extension of the procedural schedule for the control proceeding, **from June 8, 1998, to July 23, 1998**. Given the safety issues raised in connection with the proposed control transaction, the Board has concluded that it must take these actions.

In DOT's submission, its witness, Edward R. English, has defined an SIP as a "formal, written document that systematically describes how each element of an acquired railroad will be integrated safely into the operations of the acquiring railroad in compliance with the federal railroad safety laws." Consistent with the Board's practice of treating safety matters as part of the environmental review of proposals that come before it, the Board will make the verified statement of Mr. English and the applicants' SIPs a part of the environmental record and will deal with them through the environmental review process. The Board anticipates that DOT, as well as other interested parties, will analyze the SIPs and will present views on the adequacy of those plans.

Specifically, the Board has ordered the applicants to file their SIPs with the Board in 30 days. The SIPs will be incorporated as a separate section of the Draft Environmental Impact Statement (DEIS) to facilitate participation by commenters desiring to address the adequacy of the SIPs. To accommodate inclusion of this material in the DEIS, service (official issuance) of the DEIS will not occur until the latter part of December, with the 45-day comment period on the DEIS not ending until early February. Consequently, the Final EIS will not be

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served until late May 1998.

As a result, the Board must make certain modifications to the overall schedule for processing the control application. Oral argument will now be held on June 4, 1998, to be followed by a voting conference on June 8, 1998. The Board will serve its final written decision on July 23, 1998. The remainder of the current procedural schedule, including the date for parties to file their briefs, will not be affected. The Board believes that this additional time is necessary to complete the EIS process and to permit the Board to give safety issues full consideration as warranted by this proceeding.

The Board issued its decision today in STB Finance Docket No. 33388, Decision No. 52.

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