

Surface Transportation Board Issues Decision on Privately Negotiated Settlement Agreement Between "CSX" & "Four City Consortium"

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has issued a decision addressing the January 31, 2001 settlement agreement between CSX Transportation, Inc. (CSX), and the Cities of East Chicago, Hammond, Gary, and Whiting, Indiana (the Four City Consortium), on environmental issues arising out of the Conrail transaction[FOOTNOTE 1: *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, Decision No. 89, issued to the public on July 23, 1998.]. This agreement supplements an October 26, 1998 settlement agreement between these parties, and reflects the Board's preference for private-sector resolution.

In connection with Board-approved transactions, the agency encourages privately negotiated agreements between railroad merger applicants and affected communities to address specific environmental and safety concerns because these agreements can be more broadly responsive and effective than government-imposed mitigation. And the Board, as here, requires compliance with the terms of such agreements submitted to it by imposing appropriate environmental conditions encompassing those terms, which then replace any local and site-specific mitigation previously imposed by the Board as a condition to approval.

To more effectively address the issue of blocked rail-highway grade crossings, this agreement, among other things, provides for additional modifications to CSX train operations and more cooperation between the railroad and the local communities on grade crossing matters. The agreement also addresses certain other rail-related issues of concern to the communities. The successful negotiations between CSX and the Four City Consortium serve as a prime example of parties reaching a mutually beneficial agreement that recognizes in a balanced way both the economic significance of freight railroad activity and the important community concerns about grade-crossing safety and quality-of-life.

The Board issued its decision today 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, Decision No. 189. A printed copy of the decision is available for a fee by contacting **D~To-D~ Office Solutions, Room 405, 1925 K Street, NW, Washington, DC 20006, telephone (202) 293-7776, or by e-mailing [http://Da_To_Da@Hotmail.com](mailto:Da_To_Da@Hotmail.com)**. The decision also is available for viewing and downloading via the Board's website at <http://www.stb.dot.gov> .

###