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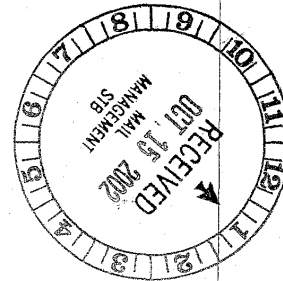
OCT 15 2002

October 11, 2002

**SURFACE
TRANSPORTATION BOARD**

Via Airborne Express
Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Mercury Building
1925 K Street, N.W.
Washington, D.C. 20423

Did # 0102046001
565-11X 206404



RE: Docket No. ~~AB-55 (Sub-No. 11X)~~
New York Central Lines, LLC - Abandonment
Docket No. AB-55 (Sub-No. 617X)
CSX Transportation, Inc. - Discontinuance of Service
Exemption in Lake County, Ohio *206413*

Dear Mr. Williams:

Enclosed for filing are the original and ten copies of CSX Transportation, Inc.'s Petition for Exemption in the above-captioned proceeding. Two checks, each in the amount of \$4,700.00, are also enclosed to cover the filing fees. Finally, I am enclosing the original and ten copies of a draft Federal Register notice along with a computer diskette compatible with the Board's current word processing capabilities. I would appreciate your acknowledgment of receipt of these documents by stamping the extra enclosed copy of this letter and returning it to me in the enclosed self-addressed stamped envelope.

Did # 0102046001

FILED

OCT 15 2002

**SURFACE
TRANSPORTATION BOARD**

Very truly yours,

Natalie S. Rosenberg
Natalie S. Rosenberg

Enclosures

ENTERED
Office of Proceedings

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Public Record

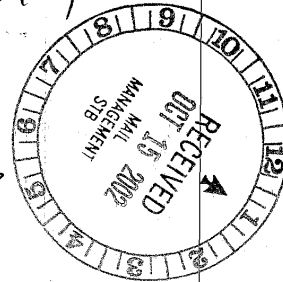
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BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-565 (SUB-NO. 11X)
DOCKET NO. AB-55 (SUB-NO. 617X)

206404



FILED

OCT 15 2002

SURFACE
TRANSPORTATION BOARD

206413
NEW YORK CENTRAL LINES, LLC
ABANDONMENT EXEMPTION
CSX TRANSPORTATION, INC.
DISCONTINUANCE OF SERVICE
IN LAKE COUNTY, OHIO

P E T I T I O N F O R E X E M P T I O N

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NATALIE S. ROSENBERG
500 Water Street
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(904) 359-1253

Counsel for
CSX TRANSPORTATION, INC.

Dated: October 11, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-565 (SUB-NO. 11X)
DOCKET NO. AB-55 (SUB-NO. 617X)

NEW YORK CENTRAL LINES, LLC
ABANDONMENT EXEMPTION
CSX TRANSPORTATION, INC.
DISCONTINUANCE OF SERVICE
IN LAKE COUNTY, OHIO

P E T I T I O N F O R E X E M P T I O N

New York Central Lines, LLC ("NYC") and CSX Transportation, Inc. ("CSXT") propose to abandon and discontinue service over,¹ respectively, that portion of the Western Region, Great Lakes Division, Chicago Line Subdivision, extending from the former B&O Valuation Station 2535+40 to the end of track at former Conrail Valuation Station 45+01, a distance of 2.56 miles between Painesville and Grand River, Lake County, Ohio, (hereinafter

¹In this Petition, the term abandonment is used to refer to both the abandonment and discontinuance sought, unless otherwise stated.

referred to as "the line").² The line traverses through United States Postal Service ZIP Codes 44077 and 44045. Maps showing the trackage proposed for abandonment and discontinuance of service, are attached to this petition as Exhibit A. NYC and CSXT file this petition under 49 U.S.C. 10502 for an exemption from the provisions of 49 U.S.C. 10903, with regard to the proposed abandonment. In support of their petition, NYC and CSXT state the following:

1. NYC and CSXT propose to abandon a 2.56 mile portion of the Western Region, Great Lakes Division, Chicago Line Subdivision, extending from former B&O Valuation Station 2535+40 to the end of track at former Conrail Valuation Station 45+01 between Painesville and Grand River, Lake County, Ohio.

- a. The Traffic on the line does not cover the cost of operation.

There are two rail-served facilities located on the line and three potential customers on the line: Morton Salt, Carmeuse North America (new owners of the former LTV Steel facility on the line), and Allegheny Niagara (collectively the "Customers"). Although the facility formerly owned by LTV Steel has been located on the

² CSX Corporation, CSXT's parent company, and Norfolk Southern Corporation jointly acquired control of Conrail, Inc. and its wholly owned subsidiary, Consolidated Rail Corporation ("Conrail"). As a result of such acquisition, certain assets of Conrail have been assigned to NYC, a wholly owned subsidiary of Conrail, to be exclusively operated by CSXT pursuant to an operating agreement. The line to be abandoned is included among the property being operated by CSXT pursuant to the NYC operating agreement.

line for some years, LTV Steel did not utilize rail transportation at this location. Therefore, the only traffic on the line in the recent past includes a handful of shipments by Morton Salt and the traffic of Allegheny Niagara, a shipper of by-product produced at the former LTV Steel facility.

i. Morton Salt

Morton Salt operates a rock salt facility at Painesville. The majority of the outbound shipments from the Morton Salt facility are transported via truck. Rail service for outbound salt has been used only very infrequently over the past few years. The recent rail traffic history for Morton Salt is set out below:

Year 2000	4 cars
Year 2001	6 cars
Year 2002 to date	1 car

A verified traffic statement is attached hereto as Exhibit E.

ii. Carmeuse North America

International Steel Group ("ISG") recently purchased the former LTV lime facility on the line in Painesville in accordance with the LTV bankruptcy proceeding. Carmeuse North America ("Carmeuse"), in turn, purchased the facility from ISG. The former LTV facility on the line supplied lime to various LTV steel operations. The lime facility was shut down in December of 2001. Although Carmeuse recently reopened the facility, Carmeuse has utilized truck service to transport the lime. Likewise, when LTV

operated the facility, LTV did not utilize rail transportation at all. The recent rail traffic history for the former LTV facility is set out below:

Year 2000	0 cars
Year 2001	0 cars
Year 2002 to date	0 cars

Clearly, the former LTV lime facility did not rely on rail transportation despite its availability. From conversations with Carmeuse, it does not appear that Carmeuse intends to make use of direct rail service for the transportation of lime. Carmeuse has not chosen to ship any lime by rail to date and Carmeuse has been unwilling to make any type of commitment to ship any set level of lime by rail in the future.

iii. Allegheny Niagara

Finally, in 2000 and 2001, Allegheny Niagara shipped a lime by-product via rail from the LTV facility. When the LTV facility shut down in December, 2001, however, the operation of Allegheny Niagara likewise ceased. As a result, Allegheny Niagara did not utilize the line during the shutdown period. The rail traffic history for Allegheny Niagara is set out below:

Year 2000	88 cars
Year 2001	71 cars
Year 2002 to date	0 cars

The lack of rail traffic in 2002 is a direct result of the closure of the LTV facility. However, it should be noted that the

facility has been reopened by Carmeuse and Allegheny Niagara is still not making use of rail transportation. NYC and CSXT are unaware of any intention by Carmeuse to allow Allegheny Niagara to recommence operations at the lime facility.

Allegheny Niagara does not own a facility on the line. Their lime by-product operation was totally dependent upon the operation of the LTV lime facility. During the relevant period when the LTV facility was operational, Allegheny Niagara did utilize the available rail transportation. As will be discussed more fully below, however, Allegheny Niagara would have other transportation options available to it should Carmeuse permit their continued operation at the Carmeuse facility.

Prior to the closure of the LTV facility, a three-man crew would serve the line approximately twice a week using two locomotives as a result of the grade in the area. The speed limit on the line is 10 miles per hour. Typically, it would take the crew approximately 3 hours to serve Allegheny Niagara.

iv. Financial Analysis

The traffic of the Customers does not cover the cost of operation. Ellen Preslar, the Senior Manager - Costing, in the Cost & Economic Analysis department of CSXT prepared and verified revenue and cost data for the Line in conformity with 49 CFR \$1152.36. This analysis (See Exhibit F) shows the following:

	Base Year	Forecast Year	Subsidy Year
Revenues Attributable	\$ 61,325	\$ 6,654	\$ 6,846
Avoidable Costs	\$ 77,967	\$ 25,506	\$ 25,540
Subsidization Costs	-	-	\$ -
Return on Value	-	\$ 4,177	\$ 4,177
Avoidable Loss	\$ 16,642	\$ 18,852	\$ 18,694
Avoidable Loss/Opportunity Costs	-	\$ 23,029	-
Subsidy Year Loss	-	-	\$ 22,871

In the Base Year (7/01-6/02), CSXT showed an avoidable loss of \$16,642.00 as a result of the operation of the Line. It is projected that for the Forecast Year, CSXT's avoidable loss and return on value will total \$23,029.00, and the estimated Subsidy Year loss will be \$22,871.00. The forecasts necessarily assume no traffic from Carmeuse or Allegheny Niagara. Since Carmeuse reopened the former LTV facility, it has not indicated an intention to utilize rail service for the transportation of lime or lime by-product.

b. The Customers have alternative transportation options available.

Morton Salt has been utilizing truck transportation for outbound shipments. The line is conveniently located near US 2. Alternative transportation options available to Morton Salt include continued use of truck transportation as well as use of the rail team tracks located in the CSXT Painesville yard approximately 3 miles from the line. A representative for Morton

Salt has been made aware that this abandonment was forthcoming.

A copy of this filing is being served on Morton Salt.

Prior to the shut-down, the LTV/Carmeuse facility shipped all products via truck transportation. Since reopening, Carmeuse has exclusively used trucks to meet its transportation needs. Alternative transportation options available to Carmeuse are continued use of truck transportation or use of the rail team tracks located in the CSXT Painesville yard. A representative for Carmeuse has been made aware that this abandonment was forthcoming. A copy of this filing is being served on Carmeuse.

In the event that Allegheny Niagara recommences operations at the former LTV facility at some point in the future, Allegheny Niagara would have truck transportation available. Additionally, Allegheny Niagara would be permitted to utilize the team tracks located in CSXT's Painesville yard. Seemingly, this team track operation could be easily integrated into Allegheny Niagara's operation. NYC and CSXT understand that prior to the shut-down, Allegheny Niagara was already trucking the by-product a short distance within the former LTV facility prior to loading the rail cars. Although Allegheny Niagara would be required to truck the by-product a further distance, NYC and CSXT do not believe that it would alter their operation significantly. A representative for Allegheny Niagara has been made aware that this abandonment

filing was forthcoming. A copy of this filing is being served on Allegheny Niagara.

As information, the City of Painesville is not opposed to the abandonment of the line. Attached to the Environmental Report/Exhibit B is a letter from the City Engineer to CSXT noting that "the abandonment would not alter the City's master Comprehensive Plan." The City Engineer went on to say "In fact, should the City be able to obtain title to noted portions of the abandoned line, it would enhance the City's ability to meet our planning goals."³

c. Safety Considerations

Abandonment of the line will result in the elimination of 6 public road crossings. As such, the likelihood of a collision between a train and a motor vehicle at those 6 crossings would be completely eliminated. The elimination of at-grade rail crossings is an important safety pursuit at CSXT.

Additionally, the line runs through a recreational area.⁴ As seen in the photographs attached to the Historic Report/Exhibit C,

³Some opposition, however, has been expressed. The Lake County Planning Commission and the Village of Grand River have expressed opposition to the proposed abandonment on behalf of the industries and potential future development. NYC and CSXT are unaware of any viable plans for future development on the line and have been unable to procure any commitments of increased traffic from the industries as indicated in the letters from the aforementioned opponents which are attached to the Environmental Report.

⁴As such, the City has expressed an interest in utilizing the line for trail purposes along with other non-rail uses.

several close clearance points exist along the line. Abandonment of the line will eliminate these close clearance points.

2. Under 49 U.S.C. 10903, a rail line cannot be abandoned without the prior approval of the Board. However, under 49 U.S.C. 10502, the Board must exempt a rail transaction from regulation when it finds that (1) application of the pertinent statutory provisions is not necessary to carry out the rail transportation policy of 49 U.S.C. 10101; and (2) either the transaction is of limited scope or regulation is unnecessary to protect shippers from the abuse of market power. The proposed abandonment falls squarely within the statutory standards requiring exemption.

3. The rail transportation policy set forth in 49 U.S.C. 10101 requires, as relevant here, that in exercising its regulatory authority, the Board will minimize the need for Federal regulatory control over the rail transportation system and, when regulation is necessary, render fair and expeditious regulatory decisions; reduce barriers to exit from the industry; foster sound economic conditions and encourage efficient management; ensure the operation of transportation facilities and equipment without detriment to the public health and safety; and promote a sound transportation system meeting the needs of the public and the national defense.

Exemption of the proposed abandonment well serves all of these elements of the rail policy. Specifically, by minimizing the regulatory expense and time lag inherent in a full abandonment application, exemption will expedite regulatory decisions and reduce regulatory barriers to exit. Exemption will also foster sound economic conditions and encourage efficient management. As earlier indicated, three potential Customers on the line make minimal use of the line and already utilize viable transportation alternatives. As indicated earlier, CSXT will likely incur avoidable losses upon continued operation over the line. Accordingly, the proposed abandonment will relieve NYC and CSXT from the costs of owning and maintaining an under-utilized line of railroad.

The line does not serve a military facility. Given this fact, it seems very unlikely that the line proposed for abandonment is necessary for the national defense. Nevertheless, NYC and CSXT have served a copy of this petition on the Military Traffic Management Command, which shall advise the Board of any national defense concerns about the line.

In short, full abandonment proceedings are unnecessary to carry out any of the relevant rail transportation policy elements of 49 U.S.C. 10101. No vital interest of shippers, competitors or communities will be adversely affected, and the

abandonment exemption NYC and CSXT seek here will free them from the burdens associated with ownership and maintenance of the line.

4. The Environmental Report required by 49 C.F.R. Section 1105.7 and the Historic Report required by 49 C.F.R. 1105.8 are attached as Exhibits B and C, respectively, to this petition for exemption. Attached as Exhibit D is a certificate showing NYC's and CSXT's compliance with 49 C.F.R. 1105.11.

5. NYC and CSXT understand that the Board will impose labor protective conditions as stated in Oregon Short Line R. Co. -- Abandonment -- Goshen, 360 I.C.C. 91 (1979), to satisfy the requirements of 49 U.S.C. 10502(g).

6. The Customers located on the line have made minimal use of rail transportation in the past few years. Furthermore, the Customers have at least two alternative transportation options available and generally have been making use of those options. It is therefore clear that the proposed abandonment presents no opportunity for an abuse of market power. Further, the proposed abandonment is of limited scope, because it involves only 2.56 miles of trackage.

7. All communications with respect to this petition should be directed to:

Natalie S. Rosenberg
Counsel
500 Water Street - J150
Jacksonville, Florida 32202
(904) 359-1253

and

Louis E. Gitomer, Esq.
Ball Janik, LLP
1455 F Street, NW, Suite 225
Washington, DC 20005
(202) 638-3307

8. Based on information in our possession, the line does not contain federally granted right-of-way. Any documentation in petitioner's possession will be made available promptly to those requesting it.

9. The newspaper notice required by 49 C.F.R. 1105.12 was to be published in the *The News-Herald*, Painesville, OH, on October 10, 2002. An Affidavit of publication from the newspaper will be forwarded to the Board as soon as it is received by CSXT.

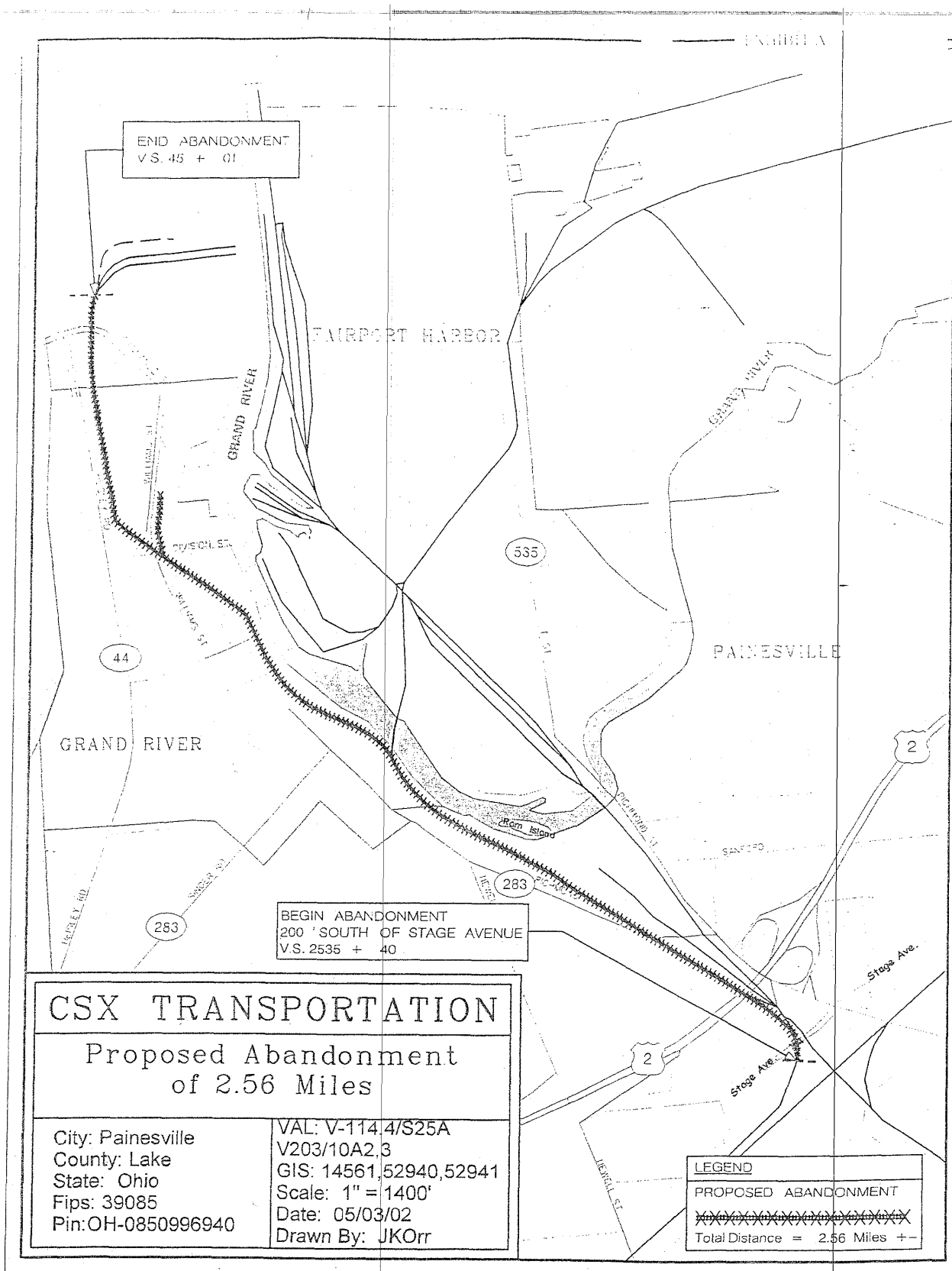
NYC and CSXT accordingly request that the Board grant an exemption from the provisions of 49 U.S.C. 10903, with regard to the proposed abandonment and discontinuance of service of that portion of the Western Region, Great Lakes Division, Chicago Line Subdivision, extending from the former B&O Valuation Station 2535+40 to the end of the track at former Conrail Valuation

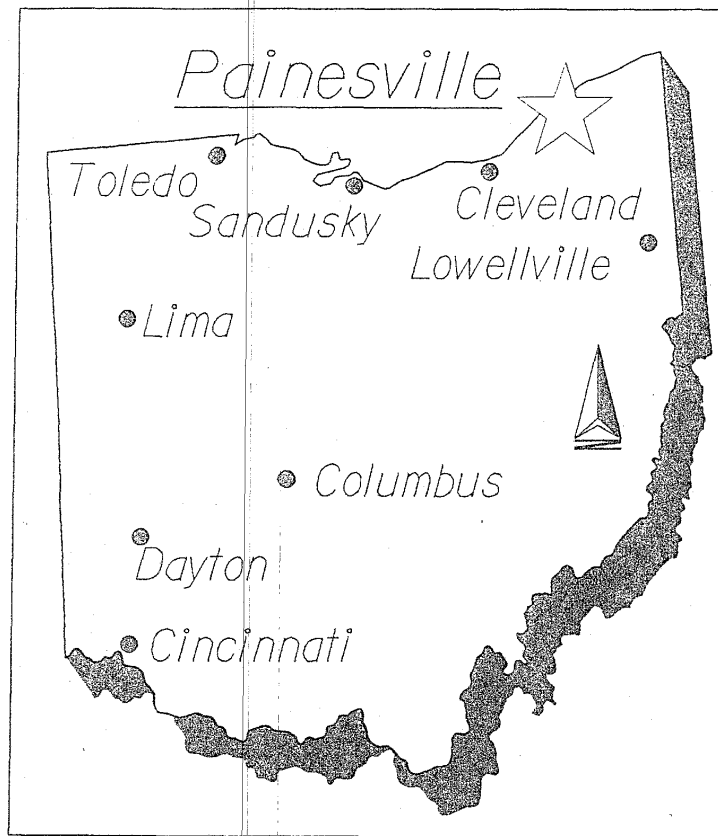
Station 45+01, a distance of 2.56 miles between Painesville and
Grand River, Lake County, Ohio.

Respectfully submitted,


NATALIE S. ROSENBERG
500 Water Street
Jacksonville, Florida 32202
Counsel for
CSX Transportation, Inc.

Dated: October 11, 2002





AREA MAP

Proposed Abandonment -
2.56 Miles
Lake County
Painesville to Grand River, OH

WESTERN REGION - GREAT LAKES DIVISION - CHICAGO LINE SUBDIVISION

ENVIRONMENTAL REPORT

NEW YORK CENTRAL LINES, LLC
PROPOSED ABANDONMENT
DOCKET AB-565 (SUB-NO. 11X)

and

CSX TRANSPORTATION, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET AB-55 (SUB-NO. 617X)

The following information is provided in accordance with 49 C.F.R. Section 1105.7:

(i) PROPOSED ACTION AND ALTERNATIVES

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

New York Central Lines, LLC ("NYC") proposes to abandon and CSX Transportation, Inc. ("CSXT") proposes to discontinue service over approximately 2.56 miles of its rail line between Painesville and Grand River, Lake County, Ohio. The above-referenced 2.56-mile line, known as the Morton Salt Industrial Track, begins in our Painesville, Ohio Yard and runs north along the Grand River through an area that changes from industrial to recreational use to serve one customer located at the end of the track who is active but has generated minimal originating and terminating traffic during the past two years. Principal commodities transported over the line have been salt, lime and limestone products.

Abandonment of this line will result in the removal of the rail, crossties, and possibly the upper layer of ballast; subsequently operations and maintenance of this line will cease. The City of Painesville has expressed an interest in acquiring a portion of the line to add to their adjacent property ownership and enhance their

planning goals. In addition, Lake Metro Parks for Northeast Ohio has expressed an interest in acquiring the entire line for a trail.

The only alternative would be not to abandon and to pass the operating loss and capital costs of retaining the line to all other NYC/CSXT customers. This would not be a prudent utilization of carrier resources.

Two maps which delineate the proposed project are attached. (See Attachments 1 and 2.)

(2) TRANSPORTATION SYSTEM

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

There is no NYC/CSXT passenger traffic on this line. Freight traffic on the line will be served by motor carriers that serve the area.

(3) LAND USE

- (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.

Applicants have received responses to their inquiries of April 19, 2002 to the Lake County Planning Commission and the Village of Grand River Planning Commission requesting information regarding this statement. On July 2, 2002, the Lake County Planning Commission responded that "[they] would like to go on record as opposing the abandonment of the rail line between Painesville and Grand River Village..." in order to preserve existing and future rail access (See Attachments 3). The Village of Grand River sent a response on August 9, 2002, also opposing the abandonment (See Attachment 4). On May 1, 2002, the City of Painesville responded that *"The abandonment would not alter the City's master Comprehensive Plan. In fact, should the City be able to obtain title to noted portions of the abandoned line, it would enhance the City's ability to meet our planning goals."* (See Attachment 5.)

- (ii) Based on consultation with the Natural Resources Conservation

Service, state the effect of the proposed action on any prime agricultural land.

Applicants have not received a response to their inquiry of April 19, 2002 to the U. S. Department of Agriculture, Natural Resources Conservation Service for Allen County, Ohio requesting information regarding this statement. (See Attachment 6.)

Applicants do not anticipate that the abandonment will have any adverse impact on prime agricultural land because the line is located primarily in industrial and recreational areas.

- (iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9.

On April 25, 2002, Applicants received electronic mail from the Ohio Department of Natural Resources, Division of Real Estate and Land Management advising, *"The project is located in the designated coastal zone area of Lake Erie and appears consistent with the Ohio Coastal Management Program."* (See Attachment 7.)

- (iv) If the proposed action is an abandonment, state whether or not the right of way is suitable for alternative public use under 49 U.S.C. 10906 and explain why.

The property proposed to be abandoned may be suitable for other public purposes, but may be subject to reversionary interests that may affect transfer of title for other than rail purposes. The City of Painesville has expressed an interest in purchasing sections of the right of way to enhance their ability to meet planning goals, and Lake Metro Parks for Northeast Ohio has expressed an interest in acquiring the entire line for a trail.

(4) ENERGY

- (i) Describe the effect of the proposed action on transportation of energy resources.

The proposed action will have no effect on the transportation of energy resources.

- (ii) Describe the effect of the proposed action on recyclable commodities.

The proposed action will have no effect on the movement and/or recovery of recyclable commodities.

- (iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

The proposed action will not result in an increase or decrease in overall energy efficiency.

- (iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.

There will be no diversion of rail traffic to motor carriage in excess of the above thresholds.

(5) AIR

- (i) If the proposed action will result in either: (A) an increase in rail traffic of at least 100% (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) an increase in rail yard activity of at least 100% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions.

The above thresholds will not be exceeded.

- (ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act; and will it result in either: (A) an increase in rail traffic of at least 50% (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line, or (B) an increase in rail yard activity of at least 20% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan.

The above thresholds will not be exceeded.

- (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity, the

frequency of service; safety practices (including any speed restriction); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

Not applicable.

(6) NOISE

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more, or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

The above thresholds will not be exceeded.

(7) SAFETY

- (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

There will be no adverse impact on public health and safety. In fact, as traffic over the line will cease, public health and safety will be improved by the elimination of 6 public and private grade crossings in addition to eliminating train movement through a potentially dangerous area of trackside boats, restaurants and close clearance points through the Village of Grand River.

- (ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.

Not applicable.

- (iii) If there are any known hazardous waste sites or sites where there have been known hazardous material spills on the right of way, identify the location of those sites and the types of hazardous

materials involved.

Applicants' records do not indicate any hazardous waste sites or sites where there have been hazardous material spills on this line segment.

(8) BIOLOGICAL RESOURCES

- (i) Based on consultation with the U. S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.

On May 21, 2002, and June 7, 2002, the U. S. Department of the Interior, Fish and Wildlife Service, Reynoldsburg, Ohio, advised that the proposed abandonment lies within the range of the Indiana bat (a Federally-listed endangered species), the piping plover (a Federally-listed endangered species), and the bald eagle (a Federally-listed threatened species). (See Attachment 8.)

Based upon Applicants' intention to remove only the track material and possibly the upper layer of ballast, Applicants do not anticipate that abandonment will affect any endangered or threatened species or critical habitats. During salvage operations, due care will be taken to avoid any adverse impact to the above-listed species.

- (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

Based upon Applicants' review of the area, the line is not within any wildlife sanctuaries or refuges, National or State Parks or Forests. The Headlands State Beach Park is located north of the proposed abandonment.

(9) WATER

- (i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

Applicants have not received a response to their inquiry of April 19, 2002, to the State of Ohio's Environmental Protection Agency at Columbus, Ohio, requesting information regarding this statement. (See Attachment 9.)

Applicants do not contemplate any action known to be inconsistent with Federal, State and/or local water quality standards. Any necessary permits or applications will be obtained as well as compliance with conditions or procedures required by regulatory agencies.

- (ii) **Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.**

The U. S. Army Corps of Engineers at Cincinnati, Ohio, responded on July 30, 2002, stating that "...the information which accompanied your application indicates that the proposed work will not involve a discharge of dredged or fill materials into 'Waters of the United States.' Therefore, I have determined that we have no jurisdiction over the proposal and a Department of the Army permit is not required." (See Attachment 10.)

Applicants are not aware of any designated wetlands or 100-year flood plains within the proposed project.

Upon receiving abandonment authority, removal of material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbed or perform any activities that would cause sedimentation or erosion of the soil, and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way nor be placed or left in streams or wetlands, or along the banks of such waterways. Also, during track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any waterways.

Based upon this course of action, Applicants do not believe a permit under Section 404 of the Clean Water Act will be required.

- (iii) **State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U. S. Environmental Protection Agency or the**

state environmental protection or equivalent agency if they are unsure whether such permits are required).

Applicants have not received a response to their inquiry of April 19, 2002, to the U. S. Environmental Protection Agency, Region 5, in Chicago, and the State of Ohio Environmental Protection Agency in Columbus requesting information regarding this statement. (See Attachment 9.)

However, based upon the course of action described in Section 9 (ii), Applicants do not believe a permit under Section 402 of the Clean Water Act will be required.

10. MITIGATION

Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

There will be no adverse environmental impacts in the project area as a result of this abandonment; therefore, mitigating action will not be necessary.

LAKE COUNTY PLANNING COMMISSION

ATTACHMENT 3
TO
EXHIBIT B

Thomas C. Fitzmaurice, Chairman

July 2, 2002

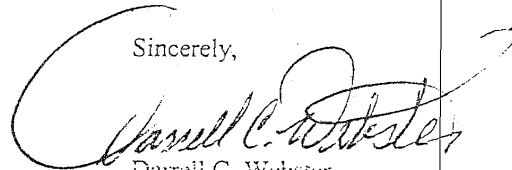
Nancy B. Reynolds
CSX Transportation
Manager Line Transactions
500 Water Street - J200
Jacksonville, FL 32202

Dear Ms. Reynolds:

The Lake County Planning Commission would like to go on record as opposing the abandonment of the rail line between Painesville and Grand River Village in Lake County, Ohio. This line presently services Morton Salt Division Morton International Inc. mining operations in Painesville Township north of Grand River Village and the Grand River lime facilities of ISG Warren Inc. in Grand River Village. Both companies have expressed a desire and the need to expand their use of this rail facility. In addition, they have made proposals to CSX Transportation to increase their shipments by rail.

In addition to the needs of these two companies, there are several areas of vacant industrial land that could be developed. Rail services to this acreage would be a plus and would expand the transportation options of future industries. Based on these conditions, we would strongly encourage your working with the existing industries to increase usage of this facility and leave this facility available for future industries that will locate in the area.

Sincerely,



Darrell C. Webster
Director

Copy:
Surface Transportation Board
Section of Environmental Analysis
1925 "K" Street NW - Suite 534
Washington, DC 20423 - 0001

Ms. Natalie S. Rosenberg, Counsel
CSXT
500 Water Street - J150
Jacksonville, FL 32202

Darrell C. Webster
Director

125 East Erie Street, Painesville, Ohio 44077
Telephone: 440-350-2740
Fax: 440-350-2606
lcpc@ncweb.com

RECEIVED
8-12-02

VILLAGE OF GRAND RIVER

ATTACHMENT 4
TO
EXHIBIT B

205 Sing
Grand River, Ohio 44045
Mayor Alan J. DiLiberto

Phone: 440 357-5222
Fax: 440 639-8008

August 9, 2002

CSX Corporation

Nancy B. Reynolds
Manager Line Transactions
Asset Management

Dear Ms. Reynolds:

As you are aware Grand River was not opposing the abandonment and discontinued service through our Village based on the fact there was no objection from the industries directly affected.

At that time LTV Steel owned the Grand River Lime Plant and had filed for bankruptcy and cease production at this facility.

The operation of the plant has now been taken over by Carmeuse North America Group of Pittsburgh. The new name of the plant is Carmeuse Lime Grand River Operations.

They have stated that they want to increase the use of the rail service through Grand River, which would have an economic impact and benefits for our village. This would increase property values on the areas of the village that are yet to be developed in our industrial section. Once removed it would be impossible to evaluate the economic loss to our community.

I have been in contact with Mr. Darrell Webster of the Lake County Planning Commission who is also now opposed to the removal of this service. I have also contacted Mr. Lee Bodnar Painesville Twp. Administrator who was not aware of the actions of CSX.

I have also been told that Morton Salt in Painesville Twp. has reservation about the removal of the service.

Based on this new information I oppose any removal by CSX Corporation of rail service though Grand River at this time without a joint meeting between all community and industry representatives

Sincerely,

A handwritten signature in cursive script, appearing to read "Alan J. DiLiberto".

Alan J. DiLiberto Mayor
Grand River Village

Copy:
Surface Transportation Board
Section of Environment Analysis

Bob McCormick
Carmeuse Lime Grand River Operations

Darrell Webster
Lake County Planning Commission

Lee Bodnar
Administrator Painesville Twp.

Rita McMahon
Manager Painesville City



7 Richmond Street • P.O. Box 601 • Painesville, Ohio 44077 • 440.352.9301 • www.painesville.com

May 1, 2002

CSX Transportation Corp.
Attn: Ms. Heidi Bash, Director/Asset Management
500 Water Street - J200
Jacksonville, FL 32202

Re: CSX Right-of-Way Abandonment
Between Painesville and Grand River, Ohio

Dear Ms. Bash:

We have reviewed your proposal to abandon the CSX's Right-of-Way between Painesville and Grand River, Ohio. The abandonment would not alter the City's master Comprehensive Plan. In fact, should the City be able to obtain title to noted portions of the abandoned line, it would enhance the City's ability to meet our planning goals. More specifically, the City is interested in purchasing the sections of the Right-of-Way depicted by the yellow-shaded area on the map you enclosed with your notification.

After the City has accomplished the required evaluations and appraisals of the properties, I will prepare and forward a formal offer for the desired sections. Thank you for your consideration and continued cooperation in this matter.

If you have any questions, please feel free to call me at (440) 639-4819.

Sincerely,

Gary A. Paine, PE/PS
City Engineer/Service Director

cc: Rita C. McMahon, City Manager

GAP:sw



Nancy B. Reynolds
Manager Line Transactions
Asset Management

500 1
Jack
Phon

ATTACHMENT 6
TO
EXHIBIT B

FAX: (904) 359-1111
E-Mail: Nancy_Reynolds@csx.com

April 19, 2002

Mr. Al Bonnis, Dist. Conservationist (Lake County)
Natural Resources Conservation Service
C/o The Ashtabula Soil & Water Conservation Dist.
33 Grand Valley Avenue
Orwell, OH 44076

Dear Mr. Bonnis:

Please be advised that New York Central Lines, LLC ("NYC") is considering abandonment and CSX Transportation, Inc. ("CSXT") is considering discontinuance of service over a portion of their rail line between Painesville and Grand River, Lake County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(ii) require that we develop a response to the following statement:

"Based on consultation with the Natural Resources Conservation Service, state the effect of the proposed action on any prime agricultural land."

Please advise if any of the land contiguous to the rail line in the project area is classified as prime agriculture land.

Sincerely,

Attachment

ATTACHMENT 7
TO
EXHIBIT B

From: Baker, Kim [Kim.Baker@dnr.state.oh.us]
Sent: Thursday, April 25, 2002 12:26 PM
To: Reynolds, Nancy
Subject: New York Central Lines abandonment & CSX Transportation discontinuance, Painesville and Grand River, Lake County, Ohio

Dear Ms. Reynolds:

The Ohio Department of Natural Resources (ODNR) has completed a review of the above referenced project. This email serves as official response from ODNR. These comments were generated by an inter-disciplinary review in consultation with the Division of Wildlife and other divisions within the Department. These comments have been prepared under the authority of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.), the National Environmental Policy Act and other applicable laws and regulations.

Provided the project is implemented as described in the project documentation, it should not result in significant adverse impacts to resources of concern to the Department. The project is located in the designated coastal zone area of Lake Erie and appears consistent with the Ohio Coastal Management Program.

ODNR appreciates the opportunity to provide these comments. If you have any questions, please call me at 614/265-6411.

Kim

Kim Baker, Environmental Administrator
Ohio Department of Natural Resources
Division of Real Estate and Land Management
1952 Belcher Drive, Bldg. C-2
Columbus, OH 43224-1386
Phone 614/265-6411
FAX 614/267-2981
email: <mailto:kim.baker@dnr.state.oh.us>



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Ecological Services
6950 Americana Parkway, Suite H
Reynoldsburg, Ohio 43068-4127

(614) 469-6923
Fax: (614) 469-6919

May 21, 2002

ATTACHMENT 2
TO
EXHIBIT B

RECEIVED
5-29-02

Ms. Nancy Reynolds
CSX Transportation
500 Water St.-J200
Jacksonville, FL 32202

Dear Ms. Reynolds:

This is in response to your April 19, 2002 letter requesting information we may have regarding the occurrence or possible occurrence of Federally-listed threatened or endangered species within the vicinity of the proposed site. The project involves the abandonment and discontinuance of service over a portion of the CSX Transportation rail line between Painesville and Grand River, Lake County, Ohio. The removal of the rail material will be accomplished by use of the right of way for access. None of the underlying roadbeds will be disturbed. There will be no impact to streams or wetlands.

ENDANGERED SPECIES COMMENTS: The proposed project lies within the range of the Indiana bat, a Federally listed endangered species. Summer habitat requirements for the species are not well defined but the following are thought to be of importance:

1. Dead trees and snags (especially those with exfoliating bark) which may be used as maternity roost areas along riparian corridors.
2. Live trees (such as shagbark hickory) which have exfoliating bark.
3. Stream corridors, riparian areas, and nearby woodlots which provide forage sites.

Considering the above items, we recommend that if trees with exfoliating bark (which could be potential roost trees) are encountered on the proposed site, they should be saved wherever possible. If they must be cut, they should not be cut between April 15 and September 15.

If desirable trees are present and if the above time restriction is unacceptable, mist net or other surveys should be conducted to determine if bats are present. The survey should be designed and conducted in coordination with the endangered species coordinator for this office. The survey should be conducted in June or July since the bats would only be expected in the project area from approximately April 15 to September 15.

The project lies within the range of the bald eagle, a Federally-listed threatened species. We recommend that you contact the Ohio Division of Wildlife for the location(s) of the eagle nest(s) in the county. If any nests are located within ½ mile of the project site, further coordination with this office is necessary. If the nest is active, we recommend that work at the site be restricted from mid-January through July to allow pre-nesting activities, incubation, and raising of the young.

The proposed project lies within the range of the piping plover, a Federally listed endangered species. Due to the project type and location, the project, as proposed, will have no effect on this species. Relative to this species, this precludes the need for further action on this project as required by the 1973 Endangered Species Act, as amended. Should the project be modified or new information become available that indicates listed or proposed species may be affected, consultation should be initiated.

This technical assistance letter is submitted in accordance with provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661 et seq.), the Endangered Species Act of 1973, as amended, and is consistent with the intent of the National Environmental Policy Act of 1969, and the U.S. Fish and Wildlife Service's Mitigation Policy.

If you have questions, or if we may be of further assistance in this matter, please contact Megan Sullivan at extension 16 in this office.

Sincerely,


Mary M. Knapp
Supervisor

cc: DOW, Wildlife Environmental Section, Columbus, OH



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Ecological Services
6950 Americana Parkway, Suite H
Reynoldsburg, Ohio 43068-4127

(614) 469-6923
Fax: (614) 469-6919

June 7, 2002

Ms. Nancy Reynolds
CSX Transportation, Inc.
500 Water Street, Suite J200
Jacksonville, Florida 32202

Dear Ms. Reynolds:

This is in response to your May 10, 2002, letter requesting information we may have regarding the occurrence or possible occurrence of Federally-listed threatened or endangered species within the vicinity of the proposed site. The proposed project involves discontinuance of service by New York Central Lines LLC and termination of service by CSX Transportation, Inc. on a 2.56-mile segment of rail line between Painseville and Grand River, Lake County, Ohio. There are no Federal wilderness areas or wildlife refuges within the vicinity of this project. Designated Critical Habitat for the piping plover, a federally endangered species, exists within Lake County, however the project is not expected to impact this area.

ENDANGERED SPECIES COMMENTS: The project area lies within the range of the bald eagle (*Haliaeetus leucocephalus*), a Federally-listed threatened species. We recommend that you contact the Ohio Division of Wildlife for the location(s) of the eagle nest(s) in the county. If any nests are located within ½ mile of the project site, further coordination with this office is necessary. If the nest is active, we recommend that work at the site be restricted from mid-January through July to allow pre-nesting activities, incubation, and raising of the young.

The proposed project lies within the range of the Indiana bat (*Myotis sodalis*) and piping plover (*Charadrius melodus*), Federally listed endangered species. Due to the project type and location, the project, as proposed, will have no effect on these species. This precludes the need for further action on this project as required by the 1973 Endangered Species Act, as amended. Should the project be modified or new information become available that indicates listed or proposed species may be affected, consultation should be initiated.

This technical assistance letter is submitted in accordance with provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C.661 et seq.), the Endangered Species Act of 1973, as amended, and is consistent with the intent of the National Environmental Policy Act of 1969, and the U.S. Fish and Wildlife Service's Mitigation Policy.

If you have questions, or if we may be of further assistance in this matter, please contact Myra Miyoshi at extension 13 in this office.

Sincerely,

Mary M. Knaepf
Supervisor

cc: DOW, Wildlife Environmental Section, Columbus, OH



Nancy B. Reynolds
Manager Line Transactions
Asset Management

500 Wal
Jackso
Phone:

ATTACHMENT 9
TO
EXHIBIT B

FAX: (904) 359-1111
E-Mail: Nancy_Reynolds@csx.com

April 19, 2002

U. S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604-3507

Mr. Tom Harcarik
Ohio Dept. of Environmental Protection
Lazarus Government Center
P.O. Box 1049
Columbus, OH 43216-1049

Gentlemen:

Please be advised that New York Central Lines, LLC ("NYC") is considering abandonment and CSX Transportation, Inc. ("CSXT") is considering discontinuance of service over a portion of their rail line between Painesville and Grand River, Lake County, Ohio, as depicted on the attached map.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that we develop a response to the following statements:

- (i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."
- (iii) "State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of the rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, we would appreciate receiving your concurrence with NYC's and CSXT's position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

If you have any questions, please feel free to contact me.

Sincerely,

Nancy B. Reynolds

Attachment



DEPARTMENT OF THE ARMY
BUFFALO DISTRICT, CORPS OF ENGINEERS
1776 NIAGARA STREET
BUFFALO, NEW YORK 14207-3199

ATTACHMENT 10
TO
EXHIBIT B

REPLY TO
ATTENTION OF:

July 30, 2002

Regulatory Branch

SUBJECT: Determination of No Jurisdiction for Application No.
2002-01579(0)

Ms. Nancy B. Reynolds
CSX Transportation, Inc.
500 Water Street - J200
Jacksonville, Florida 32202

Dear Ms. Reynolds:

This pertains to your proposal to abandon and dismantle approximately 2.56 miles of an existing rail line in the vicinity of Grand River, located in Painesville & Grand River Townships, Lake County, Ohio.

The Corps of Engineers regulatory responsibilities under Section 404 of the Clean Water Act establishes jurisdiction over the discharge of dredged or fill material into waters of the United States, including wetlands. However, the information which accompanied your application indicates that the proposed work will not involve a discharge of dredged or fill material into "Waters of the United States." Therefore, I have determined that we have no jurisdiction over the proposal and a Department of the Army permit is not required.

Should you modify your proposal to entail a discharge of dredged or fill material into a "Water of the United States" you must contact this office regarding Department of the Army permit requirements.

Although a permit is not required, we request that proper measures be taken to prevent unintentional discharges from entering any wetlands or waterways.

You are encouraged to contact the appropriate state and local governmental agencies, including the Ohio Environmental Protection Agency (OEPA), to insure that the proposed work complies with their requirements. You can reach the OEPA Division of Surface Water at (614) 644-2001.

Questions pertaining to this matter should be directed to me

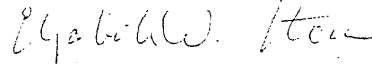
-2-

Regulatory Branch

SUBJECT: Determination of No Jurisdiction for Application No.
2002-01579(0)

at (716) 879-4363, by writing to the following address: U.S. Army
Corps of Engineers, 1776 Niagara Street, Buffalo, New York
14207-3199, or by e-mail at: Elizabeth.W.Stone@usace.army.mil

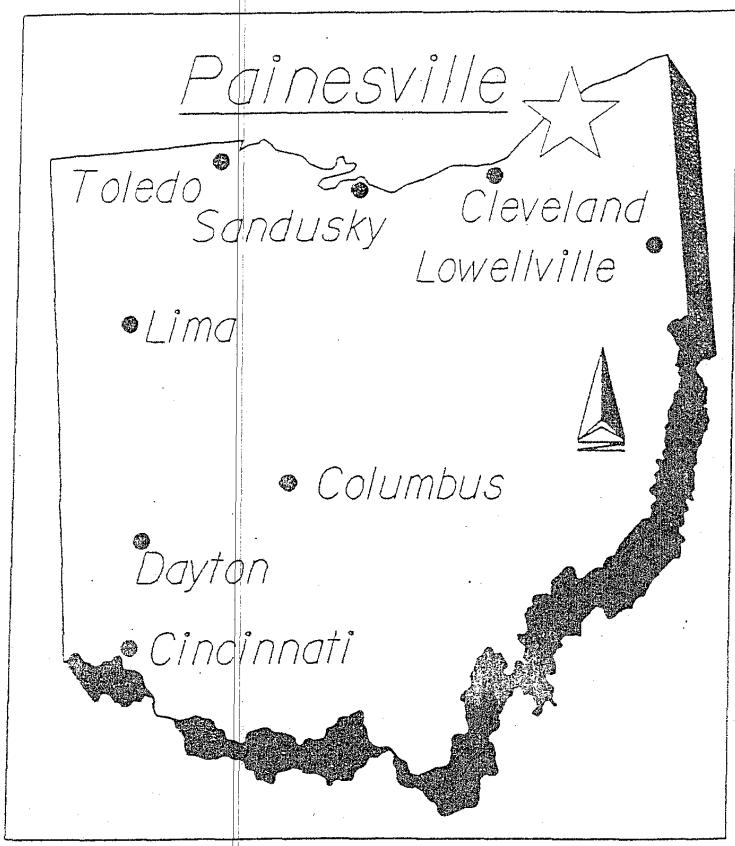
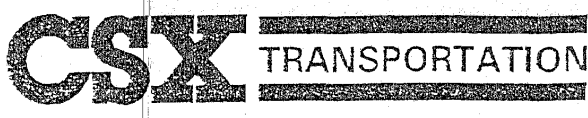
Sincerely,



Elizabeth W. Stone
Biologist

Enclosures

EXHIBIT B
PROPOSED ABANDONMENT



CSX TRANSPORTATION
D/A Processing No. 2002-01579(0)
Lake County, Ohio Quad: MENTOR OE N
Sheet 1 of 2

AREA MAP

Proposed Abandonment -
2.56 Miles
Lake County
Painesville to Grand River, OH

WESTERN REGION - GREAT LAKES DIVISION - CHICAGO LINE SUBDIVISION



HISTORIC REPORT

NEW YORK CENTRAL LINES, LLC
PROPOSED ABANDONMENT
DOCKET AB-563 (SUB-NO. 11X)

AND

CSX TRANSPORTATION, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET AB-55 (SUB-NO. 617X)

1105.7(e)(1)

PROPOSED ACTION AND ALTERNATIVES. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable detailed map and drawings clearly delineating the project.

New York Central Lines, LLC ("NYC") proposes to abandon and CSX Transportation, Inc. ("CSXT") proposes to discontinue service over approximately 2.56 miles of its rail line between Painesville and Grand River, Lake County, Ohio. The above-referenced 2.56-mile line, known as the Morton Salt Industrial Track, begins in our Painesville, Ohio Yard and runs north along the Grand River through an area that changes from industrial to recreational use to serve one customer located at the end of the track who is active but has generated minimal originating and terminating traffic during the past two years. Principal commodities transported over the line have been salt, lime and limestone products.

Abandonment of this line will result in the removal of the rail, cross-ties, and possibly the upper layer of ballast; subsequently

operations and maintenance of this line will cease. The City of Painesville has expressed an interest in acquiring a portion of the line to add to their adjacent property ownership and enhance their planning goals. In addition, Lake Metro Parks for Northeast Ohio has expressed an interest in acquiring the entire line for a trail.

The only alternative would be not to abandon and to pass the operating loss and capital costs of retaining the line to all other NYC/CSXT customers. This would not be a prudent utilization of carrier resources.

Two maps, which delineate the proposed project, are attached.
(See Attachments 1 and 2.)

1105.8(d)

- (1) **A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action.**

Attached is a copy of the 1963 (Revised 1992) Mentor Quadrangle topographic map prepared by the U. S. Department of Interior Geological Survey. The line to be abandoned has been identified by a heavy black and white diagonal line. (See Attachment 3.) There are no CSXT-owned structures that are 50 years old or older that are part of the proposed action.

Also attached is a copy of an undated railroad map showing the line from beginning to end and identifying separate segments of the right of way as being former B&O Railroad and former Conrail. (See Attachment 4.)

Further attached is an aerial map showing the line proposed for abandonment. (See Attachment 5.)

- (2) A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristic of the surrounding area:

The right of way widths along this line vary between 25 feet and 100 feet from the centerline of track. The line originates in CSXT's Painesville Yard, beginning 200 feet south of Stage Avenue at Railroad Valuation Station 2535 + 40, and travels north along the Grand River through the City of Painesville and the Village of Grand River, Lake County, Ohio to the end of track at Railroad Valuation Station 45 + 01. The line runs through an area that changes from industrial to recreational use. As traffic over the line will cease, six (6) public and private grade crossings will be eliminated, in addition to eliminating train movement through a potentially dangerous area of trackside boats, restaurants and close clearance points through the Village of Grand River. Attached are photographs taken along the right of way showing the immediate area. (See Attachment 6.) Also enclosed are three (3) disks containing electronic copies of those digital photographs.

- (3) Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area:

There are no railroad structures on the property that are 50 years old or older.

- (4) The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known:

Not applicable.

- (5) A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of

the proposed action:

The land for this line segment was acquired by Painesville & Youngtown Railway Company (P&Y Rwy.) between 1874 and 1877 and the Pittsburg, Painesville & Fairport Railway Company (PP&F Rwy.) between 1887 and 1898.

The P&Y Ry. was sold at foreclosure June 3, 1886, and subsequently conveyed to PP&F by deed dated October 18, 1886.

The PP&F Rwy. was incorporated under the general Laws of Ohio on May 7, 1887, and acquired by the Baltimore and Ohio Rail Road Company (B&O) on October 15, 1915.

The B&O was incorporated February 28, 1827 under a special law of Maryland for the purpose of "the construction and repair of a railroad from the city of Baltimore to some suitable point on the Ohio River * * * with as many sets of tracks" as might be deemed necessary. The General Assembly of Virginia, by act of March 8, 1827 confirmed the act of Maryland and granted the new company the same rights and privileges as are granted to them within the territory of Maryland.

On February 26, 1973, the Chessie System Inc. was formed, and Chessie System Railroads was adopted as the new corporate identity for the C&O, B&O, and WM railroads. On November 1, 1980, Seaboard Coast Line Industries, Inc. and Chessie System Inc. merged and became CSX Corporation. On April 30, 1987, the Baltimore & Ohio Railroad Company was merged into the Chesapeake and Ohio Railway Company. The Chesapeake and Ohio Railway Company was merged into CSX Transportation on September 2, 1987.

On December 31, 1985, the B&O sold the line segment proposed for abandonment to Consolidated Rail Company (Conrail).

In 1999, CSX Corporation, CSX Transportation's (CSXT) parent company, and Norfolk Southern Corporation (NS) jointly acquired control of Conrail Inc., and its wholly owned subsidiary, Consolidated Rail Corporation (Conrail). As a result of that acquisition, certain assets of Conrail have been assigned to New York Central Lines, LLC (NYC), a wholly owned subsidiary of Conrail, to be exclusively operated by CSXT pursuant to an operating agreement. The line proposed for abandonment and discontinuance of service is included among the property being operated by CSXT pursuant to the NYC operating agreement.

Upon receiving abandonment authority, Applicant's operations and maintenance over this line will cease.

- (6) **A brief summary of documents in the carrier's possession, such as engineering drawings that might be useful in documenting a structure that is found to be historic:**

Not applicable.

- (7) **An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities):**

A review of our records indicates there are no CSXT-owned structures over 50 years old on this line segment.

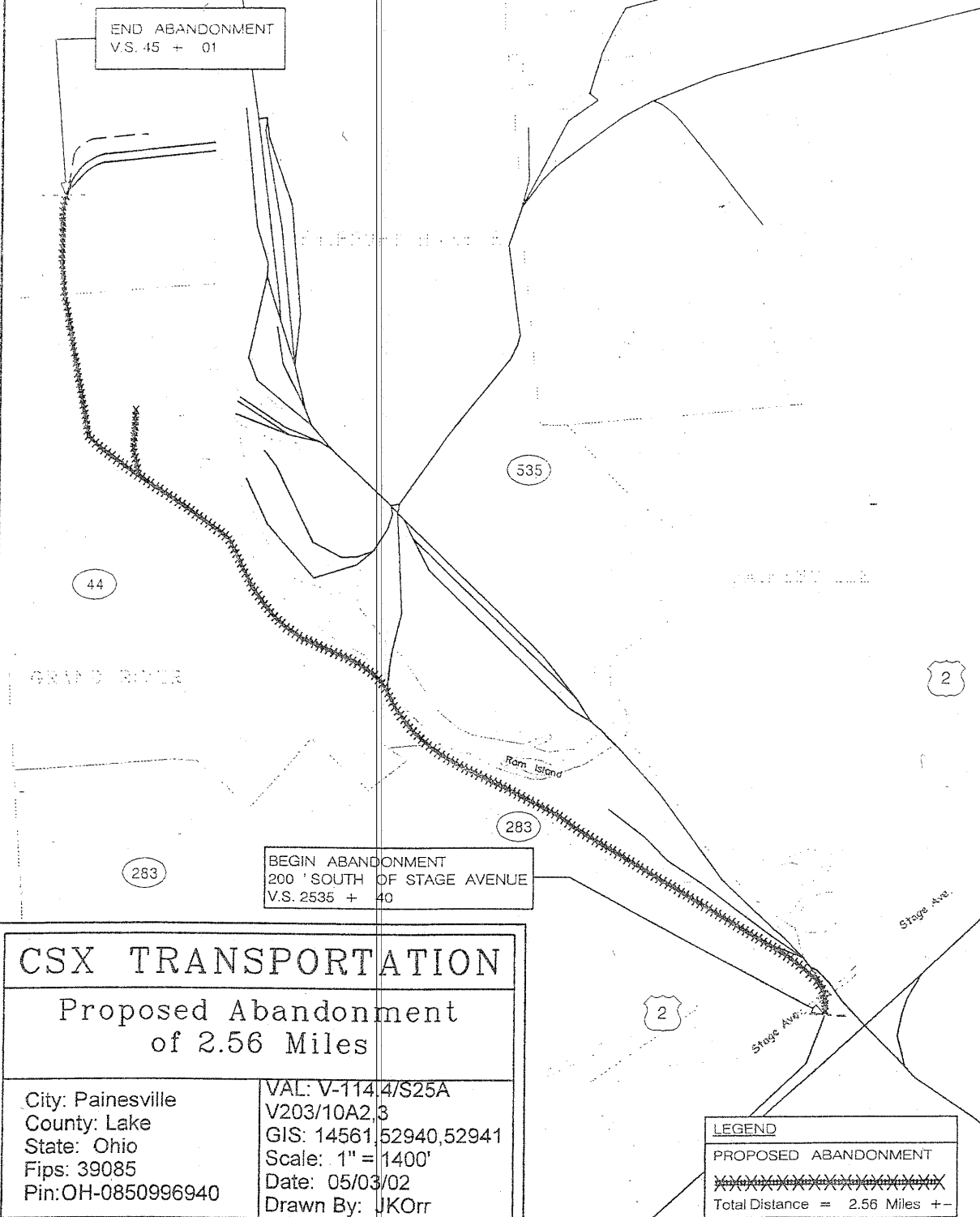
We do not know of any archeological resources or any other previously unknown historic properties in the project area.

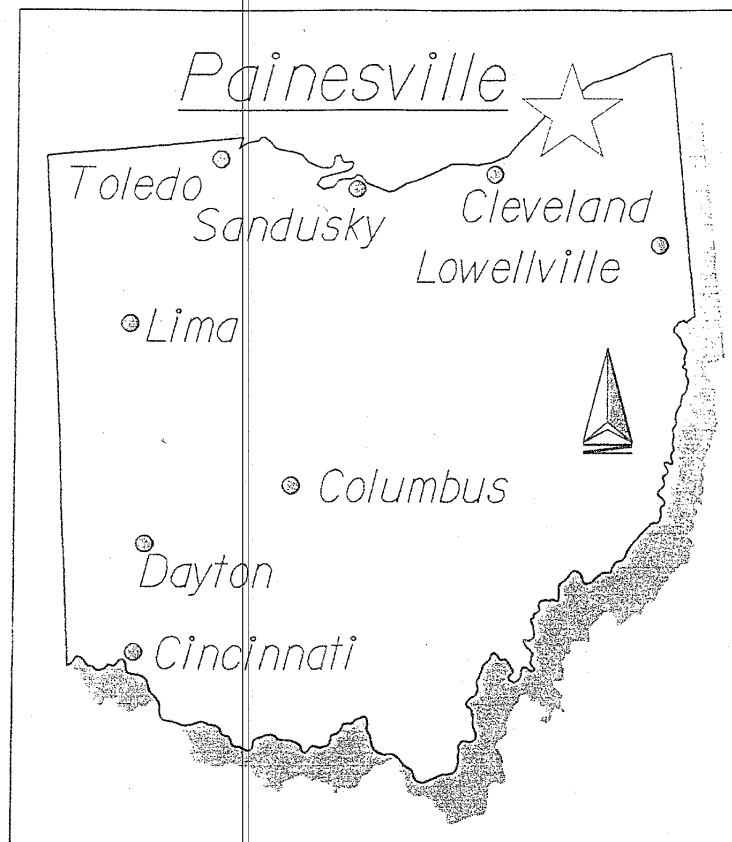
- (8) **A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill,**

environmental conditions (naturally occurring or man-made) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.

The line was disturbed during construction by cuts and fill and any archeological resources that may have been located in the proposed project area would have been affected at that time versus during the proposed salvage operations associated with rail removal. Our records do not indicate that any swampy conditions exist, or that any hazardous material spills have occurred within the project area.

Attachment 1

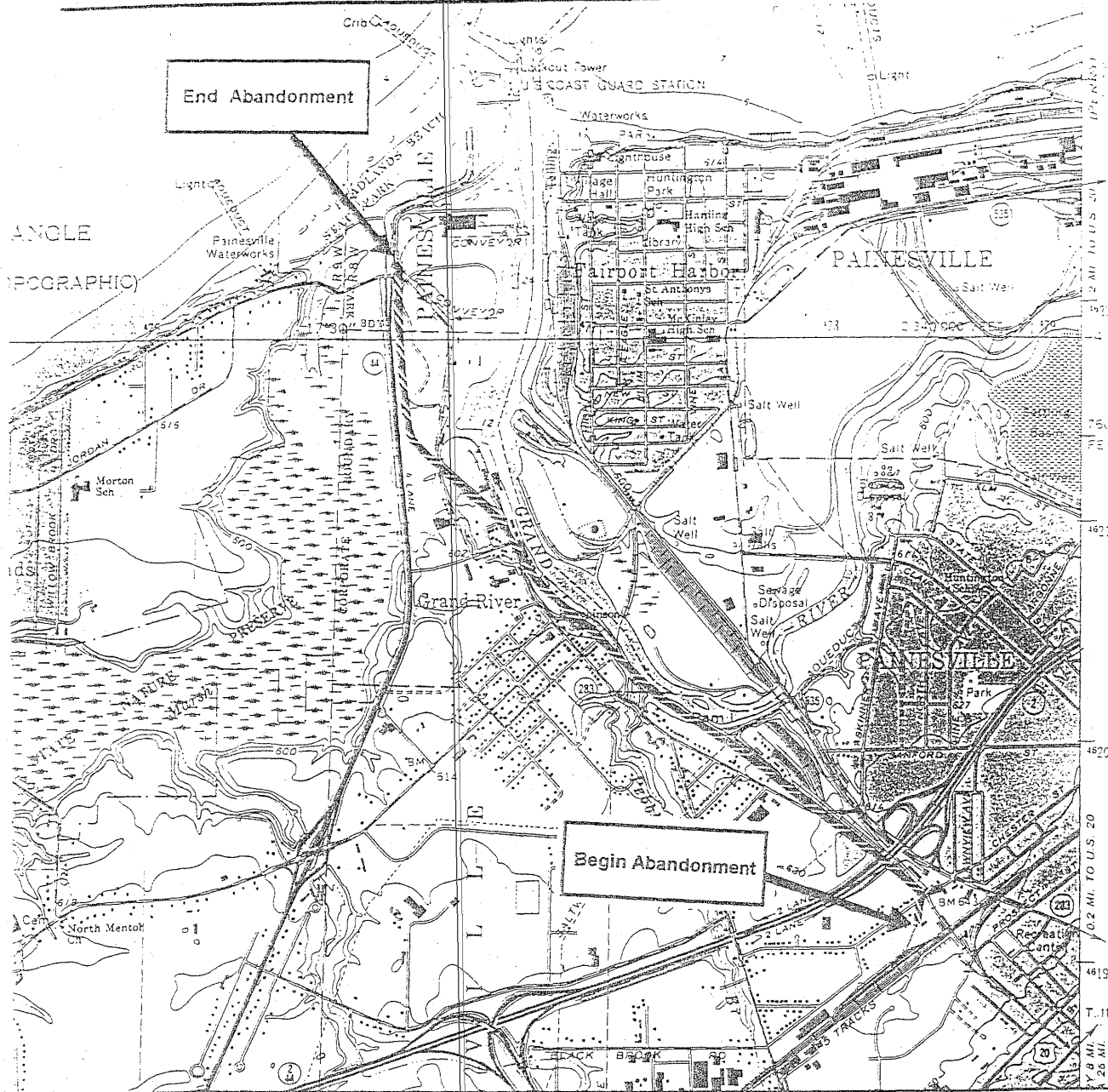




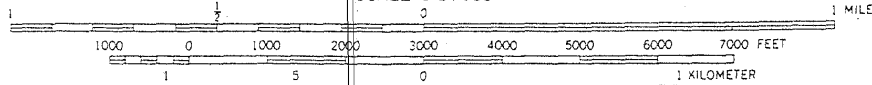
AREA MAP

Proposed Abandonment -
2.56 Miles
Lake County
Painesville to Grand River, OH

WESTERN REGION - GREAT LAKES DIVISION - CHICAGO LINE SUBDIVISION



SCALE 1:24 000



CONTOUR INTERVAL 10 FEET

NATIONAL GEOGRAPHIC
DEPTH CURVES AND SOUNDINGS

TER 570.5 FEET

Painesville,
 Lake County, Ohio
 Proposed abandonment
 of the Grand River
 Painesville to Grand River
 (Station 1335-40
 100 ft. South of Stage Ave.)
 to Val. Station 45-01
 - approx. 2.55 miles

Legend:

— 11' 11' 11'

Proposed
 Abandonment
 of the Grand River
 Painesville to Grand River
 (Station 1335-40
 100 ft. South of Stage Ave.)
 to Val. Station 45-01
 - approx. 2.55 miles



Scale: 1 inch = 1 mile

Proposed
 Abandonment
 of the Grand River
 Painesville to Grand River
 (Station 1335-40
 100 ft. South of Stage Ave.)
 to Val. Station 45-01
 - approx. 2.55 miles



1 of 2

[illegible]

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains. The *Agrobacterium* strains were grown in YEA medium at 28°C for 24 h. The cell concentration was adjusted to 1.0 × 10⁸ cells/ml. The cell suspension was mixed with the plant tissue and the mixture was incubated for 24 h at 28°C. The plant tissue was then cultured on the selective medium. The transformation efficiency was calculated as the number of transformants per 100 mg of plant tissue. The data are the mean ± SD of three independent experiments.

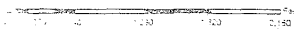
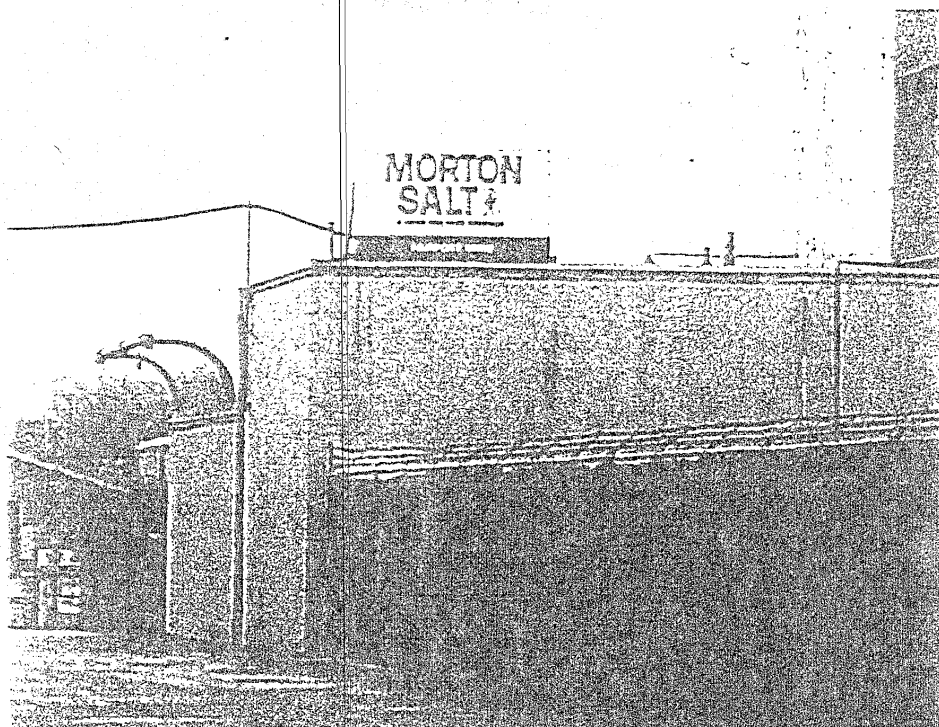
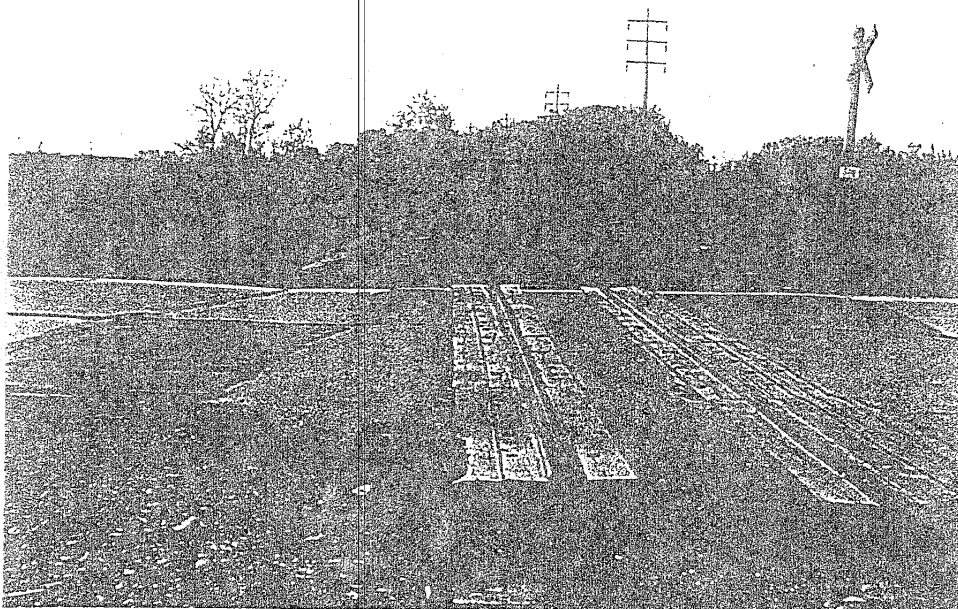
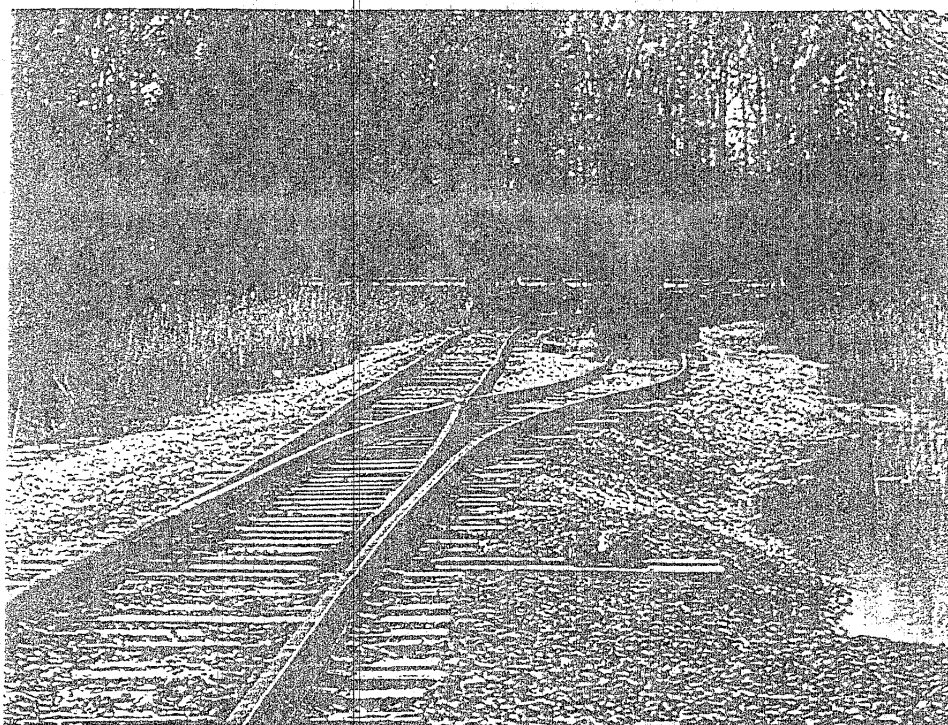


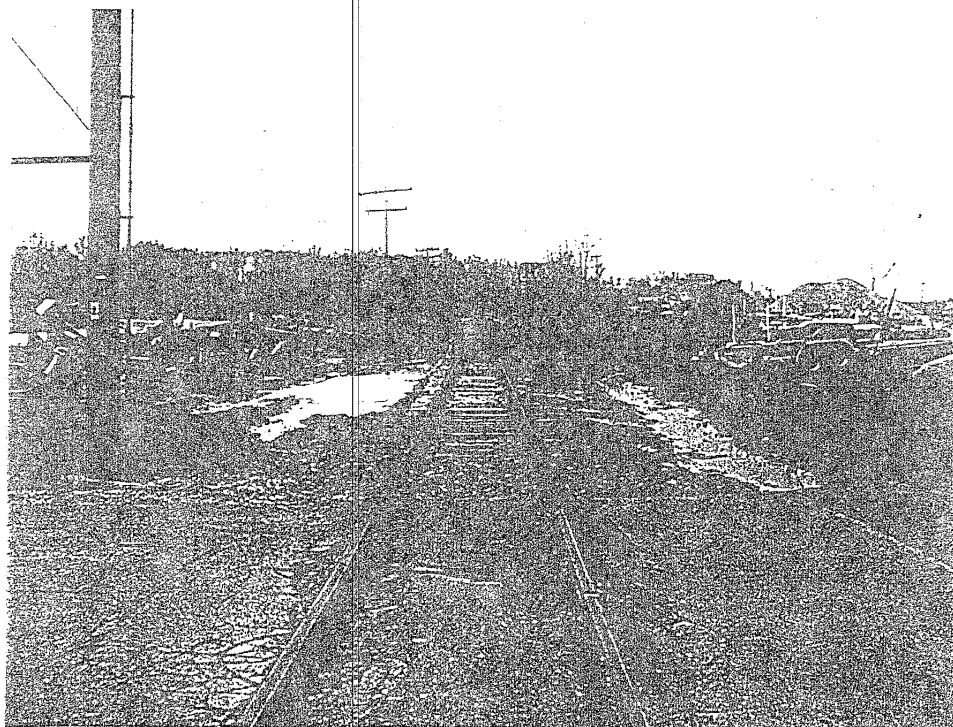
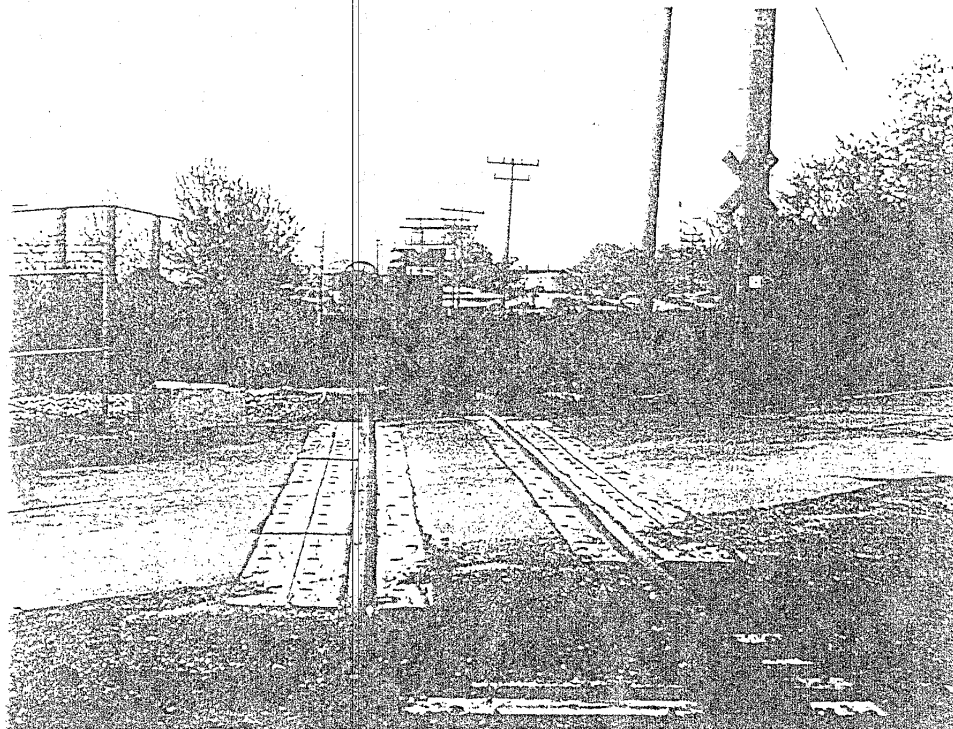
Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains. The *Agrobacterium* strains were cultured in the YEA medium for 24 h and then adjusted to the concentration of 1×10^8 cells/ml. The *Agrobacterium* strains were then cultured in the YEA medium with the concentration of 1, 10, 100, and 1000 cells/ml. The transformation efficiency was determined by the number of transformants per 100 cells. The results are shown in Table 1.

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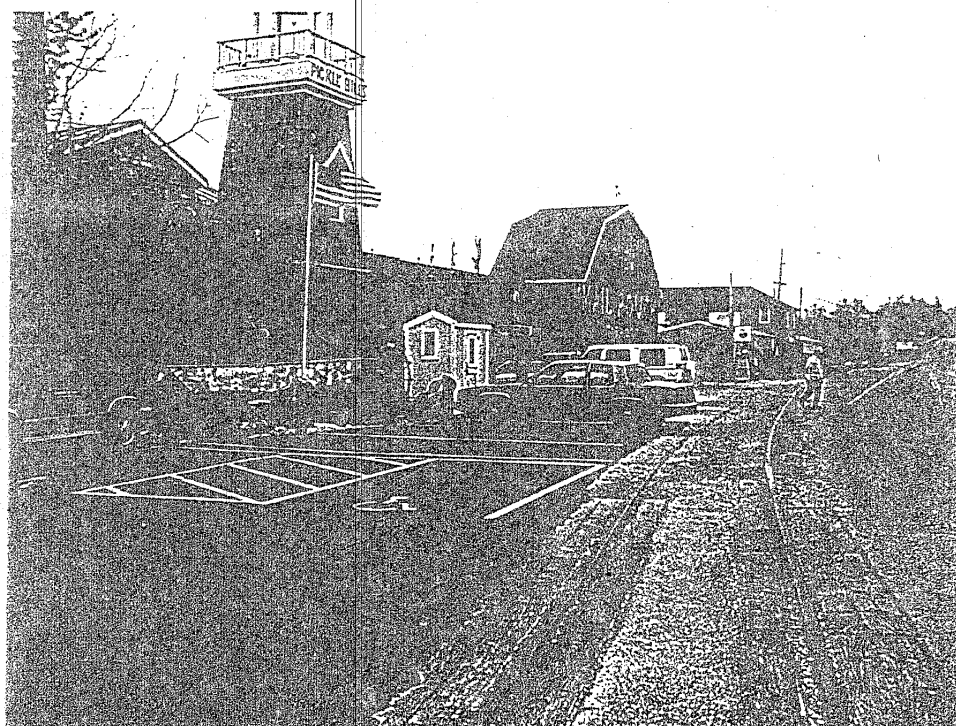
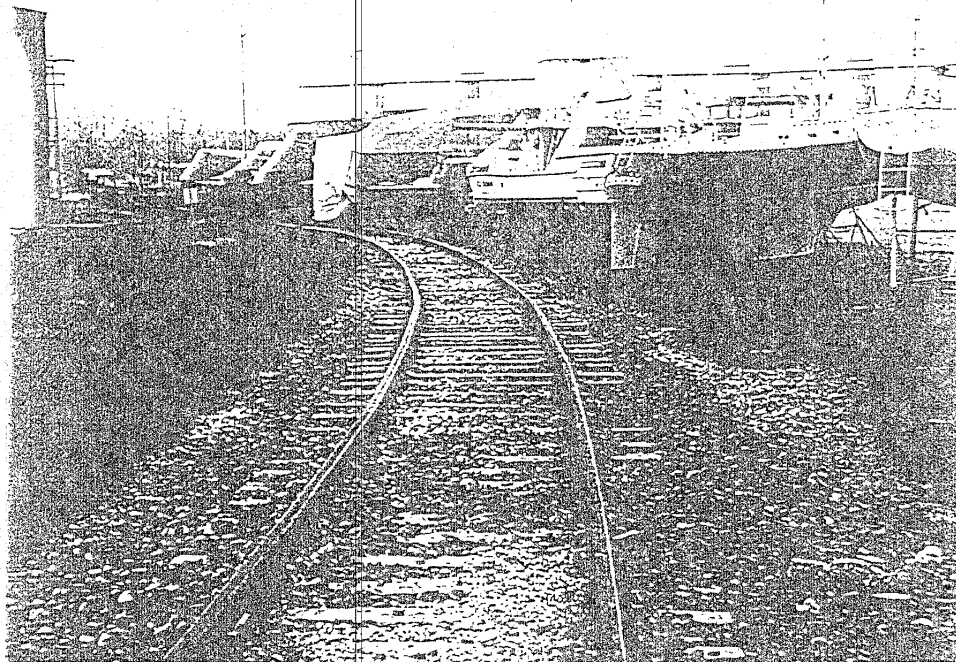


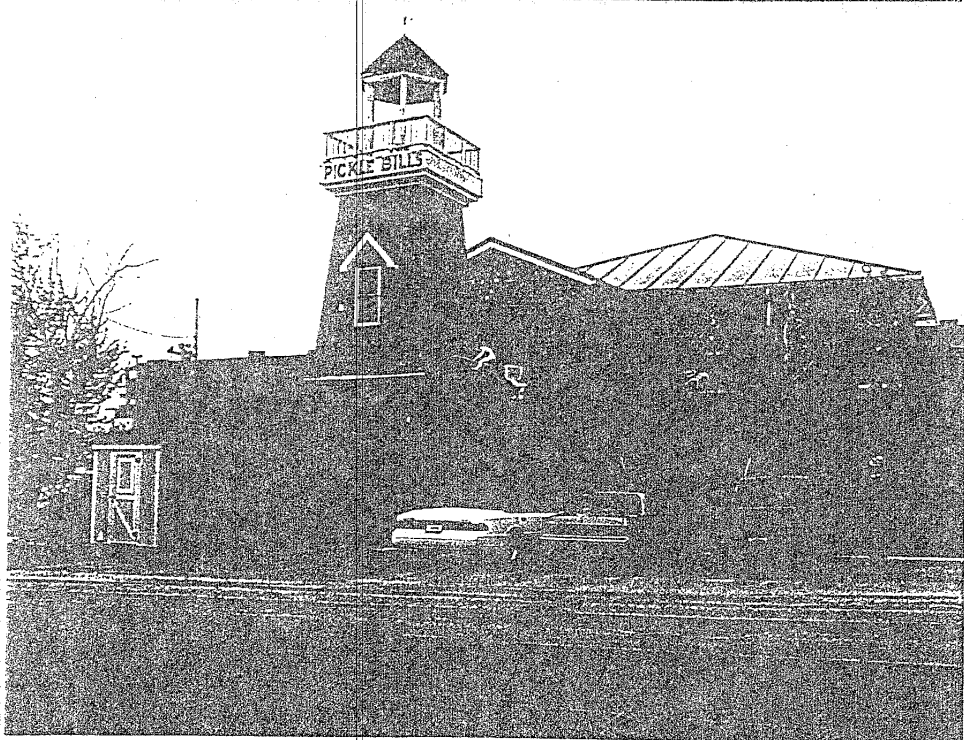




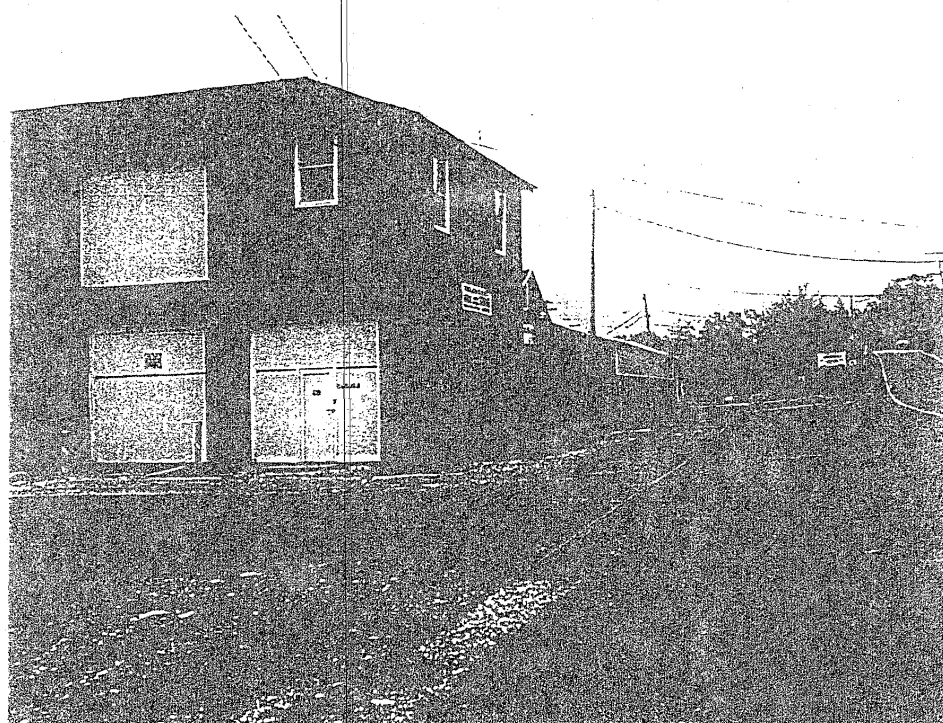
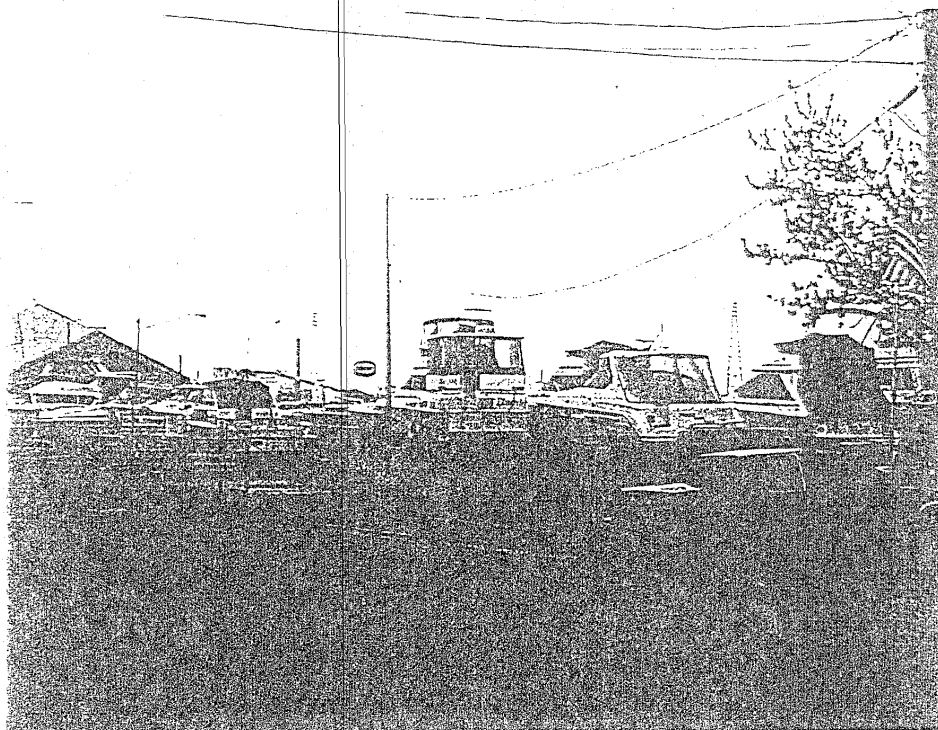


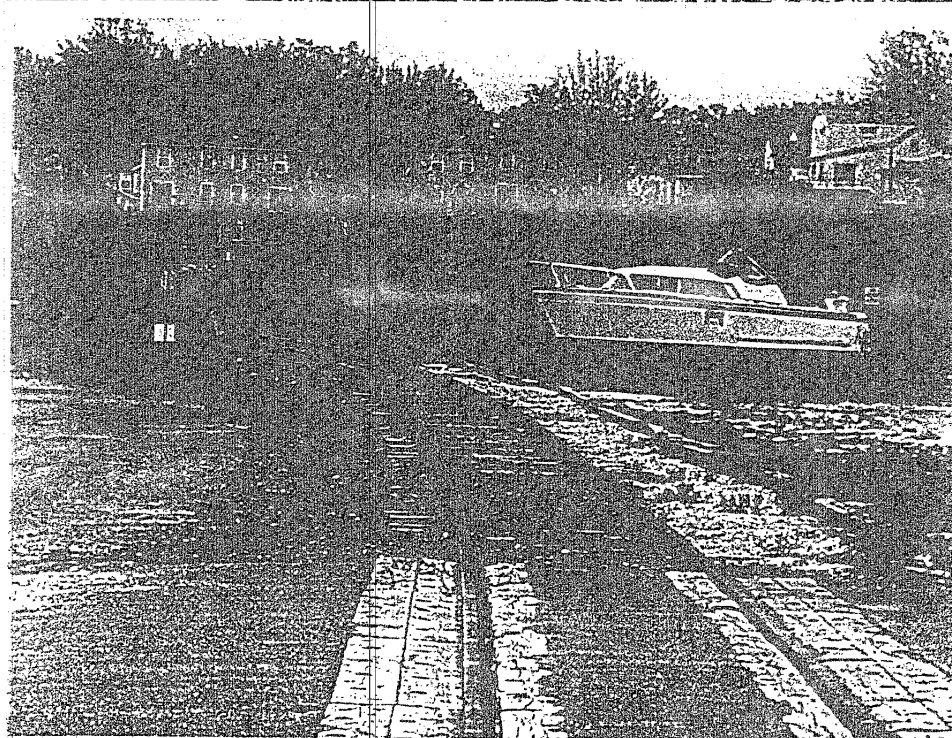
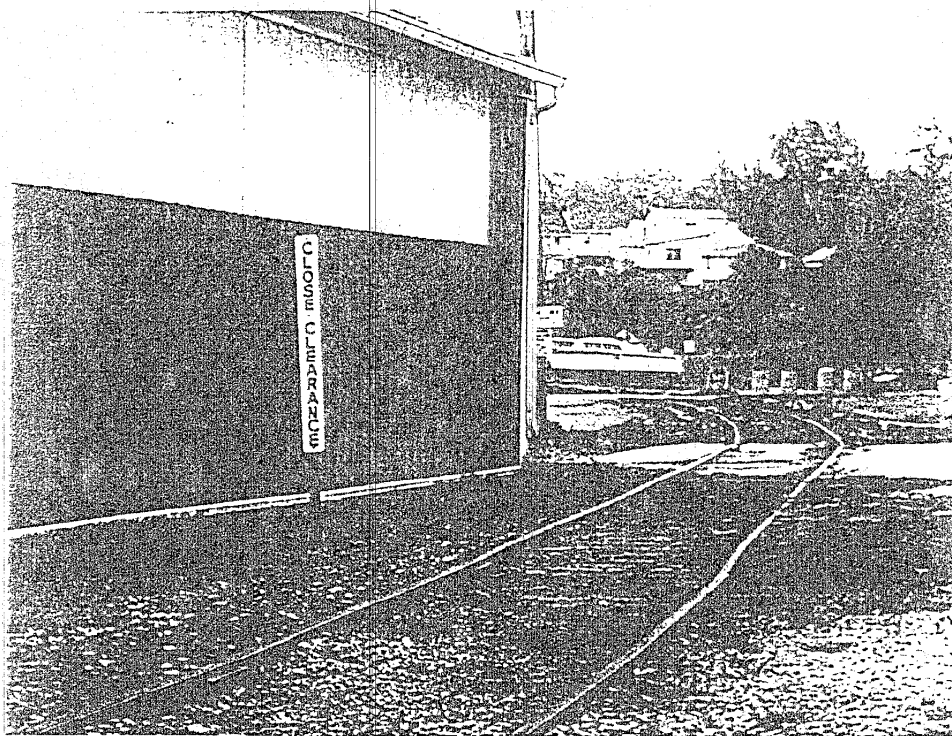












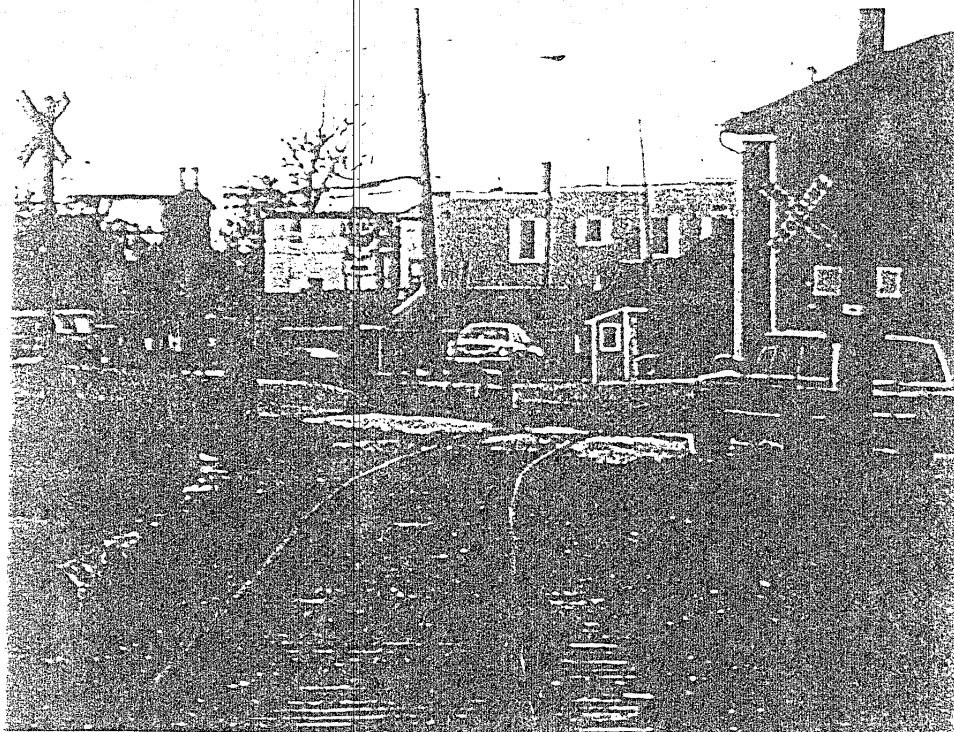


EXHIBIT D

CERTIFICATE OF COMPLIANCE
WITH NOTICE REQUIREMENTS OF
49 C.F.R 1105.11

In accordance with 49 C.F.R. § 1105.7(b), I hereby certify that on May 10, 2002, a copy of the Environmental Report was served upon the below listed parties, by first-class mail, postage prepaid:

Mrs. Rita C. McMahon, City Manager
City of Painesville Planning Commission
7 Richmond Street
Painesville, OH 44077

Mr. Alan J. DiLiberto, Chairman
Village of Grand River Planning Commission
406 Everett Street, P.O. Box 432
Grand River, OH 44045

Mr. Darrell Webster
Lake County Planning Commission
125 East Erie Street
Painesville, OH 44077

Ms. Mary M. Knapp, Supervisor
U.S. Department of the Interior
Fish & Wildlife Service
6950-H Americana Parkway - Suite H
Reynoldsburg, OH 43068-4132

Regional Director - Midwest Region
National Park Service
1709 Jackson Street
Omaha, NE 68102

Ms. Kim Baker, Environmental Adm.
Ohio Coastal Management Program
Ohio Dept. of Natural Resources
Office of Real Estate & Land Management
1952 Belcher Drive - Building C-2
Columbus, OH 43224 - 1386

Mr. Tom Harcarik
State of Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, OH 43216-1049

U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3507

U.S. Army Corps of Engineers
Great Lakes and Ohio River Division
Buffalo District
1776 Niagara Street
Buffalo, NY 14207

Mr. Al Bonnis, Dist. Conservationist (Lake Co.)
Natural Resources Conservation Service
c/o Ashtabula Soil & Water Conservation Dist.
33 Grand Valley Avenue
Orwell, OH 44076

Northeast Ohio Area-wide Coordinating Agency
Ohio Clearinghouse for Lake County
1299 Superior Avenue
Cleveland, OH 44114

Mr. Edward J. McKay
Chief Spatial Reference System Division
DOC/NOAA
National Geodetic Survey N/NGS2
1315 East West Highway, Room 8813
Silver Spring, MD 20910-3282

Mr. Louis A. Jannazo, Bureau-in-Chief-Rail Planners
Ohio Department of Transportation
Ohio Rail Development Commission
Lincoln-Leveque Tower
50 W. Broad Street - 15th Floor
Columbus, OH 43215

In accordance with 49 C.F.R. 1105.8(c), I hereby certify that on May 10, 2002, a copy of the Historic Report was served upon the below listed party, by first-class mail, postage prepaid:

Mr. Mark Epstein, Department Head
Resource Protection and Review
State Historic Preservation Officer
The Ohio Historical Society
567 East Hudson Street
Columbus, OH 43211-1030


Natalie S. Rosenberg

October 11, 2002

October 8, 2002

Ms. Natalie Rosenberg – J150

RE: OH-305 – NYC and CSXT Proposed Abandonment and Discontinuance of Service, Western Region, Great Lakes Division, Chicago Line Subdivision, the Morton Salt Industrial Track from former B&O Valuation Station 2535+40 to the end of track at former Conrail Valuation Station 45+01, a distance of 2.56 miles between Painesville and Grand River, Lake County, OH
NYC Docket No. AB-565 (Sub-No. 11X)
CSXT Docket No. AB-55 (Sub-No. 617X)

In preparation for filing a Petition for Exemption on the above-referenced line segment, listed below are the carloads handled over the line for the years 2000, 2001, and 2002 year-to-date:

<u>PATRON</u>	<u>STATION</u>	<u>CARLOADS COMMODITY</u>	<u>2000</u>	<u>2001</u>	<u>2002 (ytd)</u>
Morton Salt Mr. Alan H. Kruse Manager, Rail Transportation Morton Salt Group 123 North Wacker Drive Chicago, IL 60606-1743 (312) 807-2543	Painesville	salt	4	6	1
Carmeuse (formerly owned by LTV Steel/ISG) Carmeuse North America Attn: Transportation Manager 11 Stanwix Street Pittsburgh, PA 15222 (412) 995-5500	Painesville	lime	0	0	0
Allegheny Niagara Mr. Terry McHugh Traffic Manager Allegheny Niagara P. O. Box 1101 Mentor, OH 44061-1101 (440) 974-9402	Painesville	lime/limestone	88	71	0

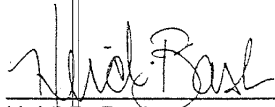
Morton Salt operates a rock salt facility at Painesville. This patron shipped only 4 outbound carloads in 2000, 6 outbound carloads in 2001, and 1 outbound car in 2002. The majority of their outbound shipments are shipped via truck. Transportation options available to Morton Salt include utilizing motor carriers that already serve their facility and the rail team tracks that are located in the Painesville yard approximately 3 miles away.

Carmeuse North America recently bought the former LTV lime plant in Painesville from the International Steel Group (ISG). The plant has been reactivated after being shut down since December 2001. Prior to the shutdown, the LTV lime plant did not ship any products via rail in 2000 and 2001. All products were shipped via truck. Carmeuse is not currently utilizing rail. Their shipments are also being moved via truck. Transportation options available to Carmeuse include continued use of motor carriers in the area and the rail team tracks that are located in the Painesville yard approximately 3 miles away.

Allegheny Niagara does not own property adjacent to the line proposed for abandonment. Prior to the shutdown of the LTV facility, Allegheny Niagara shipped a by-product of the lime

plant operation from a location within the LTV facility. The by-product was trucked a short distance within the facility and then transloaded into rail cars. Assuming Carmeuse would permit Allegheny Niagara to resume such operation, transportation options available to Allegheny Niagara include use of motor carriers in the area and the rail team tracks that are located in the Painesville yard approximately 3 miles away.

There are no defense installations served by this line or in the immediate vicinity.

A handwritten signature in dark ink, appearing to read "Heidi D. Bash", is written over a horizontal line.

Heidi D. Bash
Director Asset Management

EXHIBIT F

CSX Transportation, Inc.
Line Segment: Painesville to Grand River, OH

	Base Year (07/01 - 06/02)	Forecast Year (Begin 10/01/02)	Projected Subsidy Year (End 12/31/03)
	45 CL	7 CL	7 CL
<u>Revenues Attributable</u>			
1. Freight Originated &/or Terminated On Branch	\$ 61,265	\$ 6,594	\$ 6,786
2. Bridge Traffic	-	-	-
3. All Other Revenue and Income	60	60	60
4. Total Revenues Attributable (Lines 1 thru 3)	\$ 61,325	\$ 6,654	\$ 6,846
<u>Avoidable Costs</u>			
5. Total On-Branch Costs (Lines 5a thru 5k)	\$ 59,007	\$ 21,123	\$ 21,145
a. Maintenance of Way and Structures	17,500	10,000	10,000
b. Maintenance of Equipment - Locomotives	6,140	1,524	1,530
c. Transportation	24,704	6,517	6,532
d. Joint Facilities	-	-	-
e. Deadheading, Taxi and Hotel	-	-	-
f. Overhead Movement	-	-	-
g. Freight Car Costs (o/t Return on Freight Cars)	505	515	516
h. Return on Value - Locomotives	10,063	2,472	2,472
i. Return on Value - Freight Cars	95	95	95
j. Revenue Taxes	-	-	-
k. Property Taxes	-	-	-
6. Total Off-Branch Costs (Lines 6a and 6b)	\$ 18,960	\$ 4,383	\$ 4,395
a. Off-Branch Costs (o/t Return on Freight Cars)	18,767	4,190	4,202
b. Return on Value - Freight Cars	193	193	193
7. Total Avoidable Costs (Lines 5 and 6)	\$ 77,967	\$ 25,506	\$ 25,540
<u>Subsidization Costs</u>			
8. Rehabilitation	xxxx	xxxx	-
9. Administration Costs	xxxx	xxxx	-
10. Casualty Reserve Account	xxxx	xxxx	-
11. Total Subsidization Costs (Lines 8 thru 10)	xxxx	xxxx	\$ -
<u>Return on Value</u>			
12. Valuation of Property (Lines 12a thru 12c)	xxxx	\$ 43,959	\$ 43,960
a. Working Capital	xxxx	706	707
b. Income Tax Consequences	xxxx	(25,403)	(25,403)
c. Net Liquidation Value	xxxx	68,656	68,656
13. Nominal Rate of Return	xxxx	14.5%	14.5%
14. Nominal Return on Value (Line 12 * Line 13)	xxxx	6,374	6,374
15. Holding Gain (Loss)	xxxx	2,197	2,197
16. Total Return on Value (Line 14 less Line 15)	xxxx	\$ 4,177	\$ 4,177
17. Avoidable Loss from Operations (Line 7 less Line 4)	\$ 16,642	\$ 18,852	\$ 18,694
18. Estimated Forecast Year Loss from Operations (Lines 7 and 16 less Line 4)		\$ 23,029	
19. Estimated Subsidy Year Loss from Operations (Lines 7, 11 and 16 less Line 4)			\$ 22,871

CSX Transportation, Inc.

Line Segment: Painesville to Grand River, OH

Notes to Exhibit 1:

	Carloads	Carload count is actual for the base year period (twelve months ending June 2002). The carload counts for the forecast and subsidy year periods reflect base-year counts for Morton Salt only (6 carloads in year 2001, 1 carload year-to-date 2002). Allegheny Niagara is no longer shipping from this location (71 carloads in year 2001, none year-to-date 2002).
Line 1	Freight Revenues	Base year = total CSXT waybill revenues; Forecast / Subsidy year = applicable base year revenues with potential increase (3.0% per year) as identified by CSXT marketing personnel.
Line 3	All Other Revenue and Income	Demurrage revenue.
Line 5	Avoidable On-branch Costs	Costs for the base-year period are developed from year 2001 unit costs indexed to the base year period, except as noted below. The forecast year and subsidy year costs reflect indexing adjustments.
Line 5a	Maintenance of Way & Structures	The base year includes costs for a rebuilt road crossing and tie work. For the forecast year and subsidy year periods, the maintenance expenses are estimated at \$10,000 for the segment per CSXT engineering personnel.
Line 6	Off-branch Costs	CSXT 2000 URCS indexed to the base year, forecast year, and subsidy year periods.
Line 12	Valuation of Property	The net liquidation value is based on a calculation of average land value (\$54,540) and net salvage value of track provided by CSXT Engineering Department (\$14,116). Income tax consequences are calculated at 37% of land and track values.

VERIFIED STATEMENT OF ELLEN M. PRESLAR

I am Ellen M. Preslar, Senior Manager - Costing in the Cost & Economic Analysis department of CSX Transportation, Inc. In this job, I am responsible for the preparation of costing analyses, including those required for abandonments under 49 CFR Subpart D. I have prepared the attached revenue and cost statement in accordance with my understanding of the rules in 49 CFR Subpart D.

VERIFICATION

I, Ellen M. Preslar, verify under penalty of perjury under the laws of the United States that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement.

Executed October 9, 2002

Ellen M. Preslar
Ellen M. Preslar

STB No. AB-565 (Sub-No. 11X)

STB No. AB-55 (Sub-No. 617X)

Notice of Petition for Exemption to Abandon

On October 11, 2002, New York Central Lines, LLC and CSX Transportation, Inc. filed with the Surface Transportation Board, Washington, DC 20423, a petition for exemption for the abandonment of and discontinuance of service over, respectively, a portion of the line of railroad in the Western Region, Great Lakes Division, Chicago Line Subdivision, extending from former B&O Valuation Station 2535+40 to the end of track at former Conrail Valuation Station 45+01, a distance of 2.56 miles between Painesville and Grand River, Lake County, Ohio. The line traverses through United States Postal Service ZIP Codes 44077 and 44045. The line for which the abandonment/discontinuance exemption request was filed includes no stations.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by the labor protective conditions imposed in Oregon Short Line R. Co. - Abandonment - Goshen, 360 I.C.C. 91 (1979).

Any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

All interested persons should be aware that following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the Federal Register.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.