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OEA

SERVICE DATE – APRIL 13, 2026

**SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423**

DRAFT ENVIRONMENTAL ASSESSMENT

Docket No. AB 1266 (Sub-No. 2X)

**Canonie Atlantic Co. – Abandonment Exemption –
in the City of Virginia Beach and the City of Norfolk, Va.**

Docket No. AB 1349X

**Buckingham Branch R.R. – Discontinuance Exemption –
in the City of Virginia Beach and the City of Norfolk, Va.**

BACKGROUND

In this proceeding, Canonie Atlantic Co. (CAC) and Buckingham Branch Railroad Co. (Buckingham Branch) jointly filed a petition under 49 U.S.C. § 10502 seeking exemption from the prior approval requirements of 49 U.S.C. § 10903 in connection with the abandonment and discontinuance, respectively, of a line of railroad in the City of Virginia Beach and the City of Norfolk, Virginia. The rail line proposed for abandonment extends approximately 2.3 miles from milepost 95.0 at Little Creek in the City of Virginia Beach to milepost 97.6 at Camden Heights in the City of Norfolk, Virginia (the Line). A map depicting the Line in relationship to the area served is appended to this Draft Environmental Assessment (Draft EA). If the Board grants the exemption, the railroad will be able to salvage track, ties and other railroad appurtenances and dispose of the right-of-way.

DESCRIPTION OF THE LINE

The Line is a small segment of a track that formed part of the Pennsylvania Railroad route between Wilmington, Delaware and Cape Charles, Virginia, and then by car float to Little Creek (Norfolk), Virginia. The Accomack-Norhampton Transportation District Commission (ANTDC), a political subdivision of the Commonwealth of Virginia, was established in 1976 to preserve service over the Pennsylvania Railroad route. Cassatt Management Company, doing business as Bay Coast Railroad (BCR), began providing rail service on the Line in 2006 pursuant to an operating agreement with CAC. BCR ceased its rail operations in 2018, and CAC subsequently entered into a lease with Buckingham Branch, which assumed operations of the Line. Buckingham Branch is currently seeking an exemption in Docket No. AB 1349X to discontinue its common carrier service obligations over the Line.

According to CAC, there are only two shippers that have utilized the Line within the last two years. One of the shippers, USRL Virginia Beach VA, LLC (USRL) provides rail-truck transload service and CAC understands that it intends to shift its operations to another location. The other shipper on the Line, Greenbridge, has received an average of only 70 cars per year over the last three years, and CAC believes that this freight could be diverted to truck. CAC states that once abandonment authority is granted, the United States of America intends to acquire a portion of the property for the benefit of the Navy.¹

The Line is located in a mixed light-industrial and commercial area. The right-of-way is generally 65 feet wide and is crossed by three roadways, one of which is an overpass. CAC owns the rail, track materials, and the underlying property. Two stations exist on the Line. CAC states that, based on the information in its possession, the Line does not contain federally granted rights-of-way.

ENVIRONMENTAL REVIEW

CAC submitted a combined environmental and historic report (E&H Report) that concludes the quality of the human environment would not be affected significantly as a result of the proposed abandonment of the Line, including salvage. CAC served the E&H Report on a number of appropriate federal, state, and local agencies as required by the Surface Transportation Board's (Board) environmental rules [49 C.F.R. § 1105.7(b)]² implementing the National Environmental Policy Act. The Board's Office of Environmental Analysis (OEA) has reviewed and investigated the record in this proceeding.

Diversion of Traffic

According to CAC, the Line is stub-ended and handles no overhead traffic. As discussed above, CAC states that the local traffic is limited to the approximately 70 cars per year received by Greenbridge. The other shipper intends to shift its transloading operations to another location. Using a rail-to-truck conversion factor of 4 trucks per carload,³ OEA calculates that on a per day basis, if all the rail traffic is diverted to truck traffic, the abandonment would generate an estimated 280 new trucks per year (560 truck trips assuming an empty backhaul). This equates to approximately 2.3 trucks per day being added to area roads during a 240 workday

¹ CAC states that the segment that it intends to sell extends from Ferry Road at Shore Drive to milepost 95.0 in the City of Virginia Beach.

² The E&H Report is available for viewing on the Board's website at www.stb.gov clicking "Search STB Records;" selecting "Filings" in the "Search for" dropdown menu; entering "AB" "1266" "2" "X" sequentially in the four boxes next to "Docket Number," then selecting "Search." The E&H Report was filed on February 4, 2026.

³ The conversion factor is an estimate based on the types of commodities transported.

year.⁴ This increase will not exceed the Board's thresholds of an increase of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment [49 C.F.R. § 1105.7(e)].

Therefore, the proposed abandonment would not result in the diversion of rail traffic to truck traffic that could result in significant impacts to air quality or the local transportation network. Nor would the proposed abandonment adversely impact the development, use and transportation of energy resources or recyclable commodities or the transportation of ozone-depleting materials.

Salvage Activities

Impacts from salvage and disposal of a rail line typically include removal of tracks and ties, removal of ballast, dismantling of any bridges or other structures that may be present on the rail right-of-way, and regrading of the right-of-way. Salvage may be performed within the right-of-way, or, if necessary, via the construction of new access points to the right-of-way. Should the Board grant abandonment authority, CAC intends to salvage the Line. According to CAC, any salvage would take place within the right-of-way, would be surface work only, and would not disturb subsurface resources.

CAC requested comments from the U.S. Department of Agriculture, Natural Resources Conservation Service (NRCS). CAC is not aware of any regional or local land use patterns with which the proposed abandonment would be inconsistent and does not believe that the proposed abandonment would have an adverse effect on any prime agricultural land. Because of the industrial nature of the area and the limited scope of salvage, OEA does not expect any impacts to prime farmland or soils as a result of the proposed abandonment.

CAC notified the Virginia Department of Environmental Quality (VDEQ) of the proposed abandonment and received a response from VDEQ on January 19, 2026. VDEQ, which coordinates Virginia's review of Federal Consistency Certification (FCC) pursuant to the Coastal Zone Management Act (CZMA), submitted its completed review on April 6, 2026. VDEQ concurred that the proposed abandonment is consistent with enforceable policies of the Virginia CZM Program, provided all applicable permits and approvals are obtained. Accordingly, the Board has satisfied its responsibilities under the CZMA, and no further coordination is required. OEA is providing VDEQ a copy of this Draft EA for review.

CAC submitted the E&H Report to the U.S. Army Corps of Engineers, Norfolk District (USACE) for comments on potential permitting requirements under Section 404 of the Clean Water Act (33 U.S.C. § 1344). To date, a response from USACE has not been received. OEA does not anticipate that any salvage would occur within streams, wetlands or other waters of the United States that are regulated by USACE. Therefore, no permitting under Section 404 would be required. OEA is providing a copy of this Draft EA to USACE for review.

⁴ 240 workdays result when weekends and holidays are subtracted from a 365-day year.

CAC requested comments from the U.S. Fish and Wildlife Service (USFWS) regarding the potential impact of the proposed abandonment to protected wildlife, including federally listed threatened and endangered species under the Endangered Species Act (16 U.S.C. § 1531 *et seq.*). To date, USFWS has not provided comments. CAC does not believe that there are any wildlife sanctuaries or refuges, parks, or forests in the vicinity of the proposed abandonment. To identify protected species in the project area, OEA conducted a search of the USFWS Information for Planning and Consultation (IPaC) system.⁵

Species identified in the area include: the Northern Long-eared Bat (*Myotis septentrionalis*, Endangered), the Tricolored Bat (*Perimyotis subflavus*, Proposed Endangered), and the Monarch Butterfly (*Danaus plexippus*, Proposed Threatened), but there are no designated critical habitats listed. As discussed above, CAC plans to sell a segment of the Line to the United States of America for the benefit of the Navy. Because the Line is located in an industrial and/or urban area and because of the limited scope of salvage, OEA believes that the listed species would be unlikely to be impacted as a result of the proposed abandonment. Therefore, OEA has determined that the proposed abandonment would have no impact on federally listed threatened and endangered species. OEA is providing USFWS – Virginia Ecological Services Field Office in Gloucester a copy of this Draft EA for review.

Any air emissions associated with abandonment activities would be temporary and therefore, would not have a significant impact on air quality. Similarly, any noise related to abandonment activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

Based on all information available to date, OEA has determined that the proposed abandonment would not cause significant environmental impacts. In addition to the parties on the Board's service list for this proceeding, OEA is providing a copy of this Draft EA to USFWS, Virginia Ecological Services Field Office; USACE, Norfolk District; and VDEQ for review and comment.

HISTORIC REVIEW

CAC served the E&H Report on the Virginia Department of Historic Resources (State Historic Preservation Office or SHPO), pursuant to 49 C.F.R. § 1105.8(c).⁶ On January 15,

⁵ U.S. Fish and Wildlife Service, Information for Planning and Consultation (IPaC), <https://ecos.fws.gov/ipac/location/index> (last accessed March 24, 2026).

⁶ Applicants seeking authority from the Board to abandon railroad lines may act on behalf of the Board when complying with the Section 106 regulations of the National Historic Preservation Act. Applicants are authorized to initiate the Section 106 review process and carry out some of its steps, but the Board retains overall responsibility for the Section 106 review. See 36 C.F.R. § 800.2(c)(4); 49 C.F.R. Part 1105; Delegation Letter (Dec. 9, 2009). The Delegation Letter can be found at a link on the bottom of the Board's website overseeing historic preservation at <https://prod.stb.gov/resources/environmental/historic-preservation-overview>.

2026, the SHPO submitted comments stating that the proposed abandonment would have no effect on historic properties within the Area of Potential Effect (APE). Therefore, pursuant to the Section 106 regulations of the National Historic Preservation Act at 36 C.F.R. § 800.4(d)(1), and following consultation with the SHPO and the public, OEA has determined that the proposed abandonment would not affect historic properties listed in or eligible for inclusion in the National Register of Historic Places. The documentation for this finding as specified at 36 C.F.R. § 800.11(d), consists of CAC's historic report, all relevant correspondence, and this Draft EA, which have been provided to the SHPO and made available to the public through posting on the Board's website www.stb.gov.

Pursuant to 36 C.F.R. § 800.2, OEA conducted a search of the U.S. Department of Housing and Urban Development's Tribal Directory Assessment Tool (TDAT) to identify federally recognized Tribes that may have ancestral connections to the project area.⁷ The database indicated that the following federally-recognized tribes may have knowledge regarding properties of traditional religious and cultural significance within the APE of the proposed abandonment: Delaware Nation – Oklahoma, Nansemond Indian Tribe, and Pamunkey Indian Tribe. Accordingly, OEA is sending a copy of this Draft EA to these Tribes for review and comment.

CONDITIONS

OEA recommends no conditions be imposed on any decision granting abandonment authority.

CONCLUSIONS

Based on the information provided from all sources to date, OEA concludes that, as currently proposed, abandonment of the Line will not significantly affect the quality of the human environment. Therefore, an environmental impact statement is unnecessary. See 42 U.S.C. § 4336(b).

Alternatives to the proposed abandonment would include denial (and therefore no change in operations), discontinuance of service without abandonment, and continued operation by another operator. In any of these cases, the existing quality of the human environment and energy consumption should not be affected.

PUBLIC USE

Following abandonment and salvage of the rail line, the right-of-way may be suitable for other public use. A request containing the requisite four-part showing for imposition of a public use condition (49 C.F.R. § 1152.28) must be filed with the Board and served on the railroad within the time specified in the Board's Federal Register notice of the proposed abandonment.

⁷ U.S. Department of Housing and Urban Development, Tribal Directory Assessment Tool, <https://egis.hud.gov/tdat> (last accessed March 26, 2026).

The Federal Register notice is also issued as a Board decision and is available on the Board's website.⁸

TRAIL USE

A request for a notice of interim trail use (NITU) is due to the Board, with a copy to the railroad, within 10 days of publication of notice of the petition for exemption in the Federal Register. Nevertheless, the Board will accept late-filed requests as long as it retains jurisdiction to do so in a particular case. This request must comply with the Board's rules for use of rights-of-way as trails (49 C.F.R. § 1152.29). The Federal Register notice is also issued as a Board decision and is available on the Board's website.⁹ CAC indicates that the Line would not be suitable for interim trail use/rail banking. As explained above, because the Navy intends to acquire a segment of the Line for its purposes, Applicant believes that that segment is not appropriate for trail use.

PUBLIC ASSISTANCE

The Board's Office of Public Assistance, Governmental Affairs, and Compliance responds to questions regarding interim trail use, public use, and other reuse alternatives. You may contact this office directly at (202) 245-0238, or mail inquiries to Surface Transportation Board, Office of Public Assistance, Governmental Affairs, and Compliance, Washington, DC 20423.

COMMENTS

OEA encourages interested parties to submit their comments on the Draft EA electronically through the Board's website at <https://www.stb.gov/>. From the Board's home page, scroll down to the blue "How to File" box. Select the "E-Filing (recommended)" button. From the E-Filing page, select "Environmental Comments" under "Select your E-Filing Type." Log-in accounts are not needed to file environmental comments electronically. Brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

Alternatively, comments submitted by mail should be addressed to: Elizabeth Webster, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environment Filing, Docket Nos. AB 1266 (Sub-No. 2X) and AB 1349X. If you have any questions, please contact Elizabeth Webster by email at Elizabeth.webster@stb.gov or by phone at 202-360-0742.

⁸ Board decisions are available for viewing on the Board's website at <https://prod.stb.gov> by clicking "Search STB Records;" selecting "Decisions" in the "Search for" dropdown menu; entering "AB" "1266" "2" "X" sequentially in the four boxes for "Docket Number," then selecting "Search."

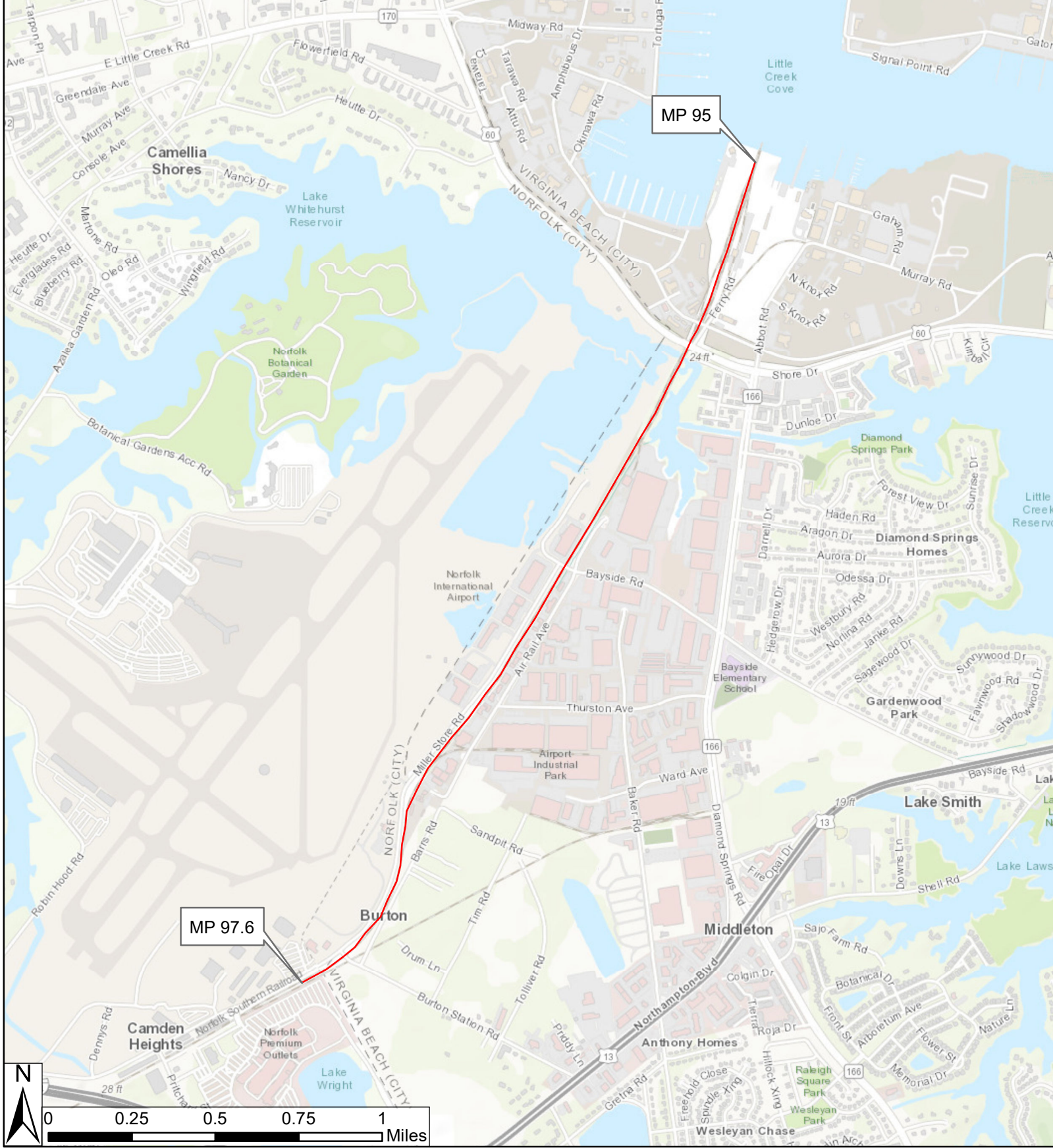
⁹ Id.

Date made available to the public: April 13, 2026

Comment due date: May 13, 2026

By the Board, Danielle Gosselin, Acting Director, Office of Environmental Analysis.

Attachment



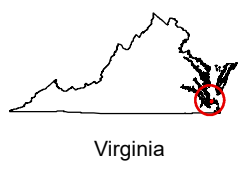
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Legend

— the Line

Note: Maps produced by the STB's Office of Environmental Analysis are based on information provided by the applicant and are for reference purposes only.



Virginia