SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Ardie Bland
Presiding Judge
Kansas City Missouri - Municipal Court
511 E. 11th St.
Kansas City, MO 64106

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ardie Bland:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[127] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[128] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[129] Should the Board authorize both the

[127] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Barbara Washington
Senator - District 9
Missouri State Senate
201 W. Capital Ave.
Rm. 425
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Barbara Washington:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[28] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[29] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[30] Should the Board authorize both the

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
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Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Becky Tebbenkamp Uhlich
Circuit Clerk
Saline County - Circuit Court
19 E. Arrow St.
Marshall, MO 65340

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Becky Tebbenkamp Uhlich:

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Alternatively, comments submitted by mail should be addressed to: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bill Kidd
Representative - District 20
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 402
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Bill Kidd:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[58] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[59] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[60] Should the Board authorize both the

[58] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[59] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[60] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bob Huston
Presiding Commissioner
Cass County Commission
102 E. Wall St.
Harrisonville, MO 64701

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Bob Huston:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[94] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[95] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[96] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Brittany Riley
City Clerk
Bates City - Office of the City Clerk
203 N 2nd St.
Bates City, MO 64011

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Brittany Riley:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[169] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[170] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[171] Should the Board authorize both the

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In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bruce Slagle
City Manager
City of Mexico - Office of the City Manager
300 N. Coal St.
Mexico, MO 65265

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Bruce Slagle:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[211] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[212] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[213] Should the Board authorize both the

[211] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[212] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[213] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
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9400 Ward Parkway
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Caleb Rowden
Senator - District 19
Missouri State Senate
201 W. Capital Ave.
Rm. 320
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Caleb Rowden:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[40] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[41] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[42] Should the Board authorize both the

[40] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[41] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[42] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Carl Scarborough
Municipal Judge
City of Odessa - Municipal Court
601 W. Main St.
Odessa, MO 64076

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Carl Scarborough:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[181] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[182] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[183] Should the Board authorize both the

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projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Carson Ross
Mayor
City of Blue Springs - Office of the Mayor
903 W Main St.
Blue Springs, MO 64015

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Carson Ross:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[139] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[140] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[141] Should the Board authorize both the

[139] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[140] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[141] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Chad Perkins
Representative - District 40
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 115-C
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Chad Perkins:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[79] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[80] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[81] Should the Board authorize both the

[79] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[80] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[81] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Chris Gamm
Presiding Commissioner
Pike County Commission
115 W Main St
Floor 2
Bowling Green, MO 63334

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Chris Gamm:

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CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

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Environmental Review

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Chris Sander
Representative - District 33
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 116A-2
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Chris Sander:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[64] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[65] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[66] Should the Board authorize both the

[64] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Request for Comments

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Cindy O'Laughlin
Senator - District 18
Missouri State Senate
201 W. Capital Ave.
Rm. 226
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Cindy O'Laughlin:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[37] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[38] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[39] Should the Board authorize both the

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

City Clerk
City of Independence - Office of the City Clerk
111 E. Maple Ave
Independence, MO 64050

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Dan Stacy
Representative - District 31
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 411-B
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Dan Stacy:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[49] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[50] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[51] Should the Board authorize both the

[49] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[50] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Dana Webb
Mayor
City of Oak Grove - Office of the Mayor
2110 S Broadway St.
Oak Grove, MO 64075

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Dana Webb:

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Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Denny Hoskins
Senator - District 21
Missouri State Senate
201 W. Capital Ave.
Rm. 423
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Denny Hoskins:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[43] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[44] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[45] Should the Board authorize both the

[43] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[44] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[45] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Donald Knehans
Mayor
City of Higginsville - Office of the Mayor
1922 Main St.
PO Box 110
Higginsville, MO 64037

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Donald Knehans:

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Emanuel Cleaver, II
Representative
U.S. House of Representatives
2335 Rayburn HOB
Washington, DC 20515

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Eric Schmitt
Attorney General
Missouri Attorney General's Office
207 W. High St.
PO Box 899
Jefferson City, MO 65102

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Eric Schmitt:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[19] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[20] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[21] Should the Board authorize both the

[19] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[20] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[21] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Frank White, Jr.
County Executive
Jackson County
415 E 12th St.
Kansas City, MO 64106

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Frank White, Jr.:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[100] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[101] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[102] Should the Board authorize both the

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[102] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Request for Comments

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Diana Wood

c/o Stephen Thornhill
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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Garry Helm
Presiding Judge
City of Independence - Municipal Court
111 E. Maple Ave
Independence, MO 64050

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Garry Helm:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[136] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[137] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[138] Should the Board authorize both the

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Garry Helm
Municipal Judge
City of Oak Grove - Municipal Court
2110 S Broadway St.
Oak Grove, MO 64075

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Garry Helm:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[163] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[164] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[165] Should the Board authorize both the

[163] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[164] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[165] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

c/o Stephen Thornhill
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9400 Ward Parkway
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Greg Razer
Senator - District 7
Missouri State Senate
201 W. Capital Ave.
Rm 330
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Greg Razer:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[22] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[23] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[24] Should the Board authorize both the

[22] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[23] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[24] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Harold Hoflander
Presiding Commissioner
Lafayette County Commission
1001 Main
Lexington, MO 64067

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Harold Hoflander:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[106] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[107] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[108] Should the Board authorize both the

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Project Description

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projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Ingrid Burnett
Representative - District 19
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 105-A
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Ingrid Burnett:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[55] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[56] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[57] Should the Board authorize both the

[55] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[56] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[57] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

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proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

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In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

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Diana Wood
c/o Stephen Thornhill
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9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jamie Logan
City Clerk
City of Grain Valley - Office of the City Clerk
711 Main St.
Grain Valley, MO 64029

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Jamie Logan:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[151] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[152] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[153] Should the Board authorize both the

[151] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Environmental Review

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jason Lamb
County Judge
Audrain County - Circuit Court
101 N. Jefferson St.
Mexico, MO 65265

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Jason Lamb:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[85] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[86] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[87] Should the Board authorize both the

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jeanie Riddle
Senator - District 10
Missouri State Senate
201 W. Capital Ave.
Rm.321
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Jeanie Riddle:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[31] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[32] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[33] Should the Board authorize both the

[31] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[32] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[33] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
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Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jeff Coleman
Representative - District 32
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 114-B
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Jeff Coleman:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[52] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[53] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[54] Should the Board authorize both the

[52] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jeff White
Mayor
Bates City - Office of the Mayor
203 N 2nd St.
Bates City, MO 64011

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Jeff White:

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CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jesse Dolly
Deputy City Clerk
City of Mexico - Administrative Services
300 N. Coal St.
Mexico, MO 65265

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Jesse Dolly:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[214] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[215] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[216] Should the Board authorize both the

[214] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[215] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[216] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jim Arico
Mayor
City of Bowling Green - Office of the Mayor
16 W. Church St.
Bowling Green, MO 63334

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Jim Arico:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[220] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[221] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[222] Should the Board authorize both the

[220] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

John Rizzo
Senator - District 11
Missouri State Senate
201 W. Capital Ave.
Rm. 333
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. John Rizzo:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[34] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[35] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[36] Should the Board authorize both the

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

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Environmental Review

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

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proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

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Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Josh Hawley
Senator
U.S. Senate
115 Russell
Senate Office Building
Washington, DC 20510

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Josh Hawley:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[4] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[5] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[6] Should the Board authorize both the

[4] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Julie Lewis
City Clerk
City of Marshall - Administration Office
214 N. Lafayette Ave.
Marshall, MO 65340

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Julie Lewis:

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Karen Findora
City Clerk
City of Odessa - Office of the City Clerk
125 S. 2nd St.
Odessa, MO 64076

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Karen Findora:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[178] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[179] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[180] Should the Board authorize both the

[178] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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[180] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Karen Sims
Mayor
City of Blackburn
207 N. Main St.
Blackburn, MO 65321

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Karen Sims:

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kari Boardman
Court Administrator
City of Grain Valley - Municipal Court
711 Main St.
Grain Valley, MO 64029

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kay Fiene
City Manager
City of Alma
205 S County Rd.
Alma, MO 64001

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Kay Fiene:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[190] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[191] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[192] Should the Board authorize both the

[190] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[191] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[192] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

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Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kent Haden
Representative - District 43
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 400
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Kent Haden:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[76] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[77] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[78] Should the Board authorize both the

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kim Mason
Circuit Clerk
Lafayette County - Circuit Court
1001 Main St.
Lexington, MO 64067

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Kim Mason:

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kim York
Circuit Clerk
Cass County - Circuit Court
2501 W. Mechanic
Harrisonville, MO 64701

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Kim York:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[91] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[92] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[93] Should the Board authorize both the

[91] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[92] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[93] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
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Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kurtis Gregory
Representative - District 51
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 115-D
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Kurtis Gregory:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[82] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[83] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[84] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Diana Wood
c/o Stephen Thornhill
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Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Laura Stumbaugh
County Clerk
Pike County
115 W Main St
Floor 2
Bowling Green, MO 63334

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Laura Stumbaugh:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[118] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[119] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[120] Should the Board authorize both the

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Docket No. FD 36500.

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proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Linda Luebrecht
City Clerk
City of Bowling Green - Office of the City Clerk
16 W. Church St.
Bowling Green, MO 63334

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Linda Luebrecht:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[223] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[224] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[225] Should the Board authorize both the

[223] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[224] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[225] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

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In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Marilyn Sanders
City Clerk
Kansas City Missouri - Office of the City Clerk
414 E. 12th St.
Kansas City, MO 64106

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Marilyn Sanders:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[124] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[125] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[126] Should the Board authorize both the

[124] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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[126] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Environmental Review

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Diana Wood

c/o Stephen Thornhill
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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mark Sharp
Representative - District 36
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 102-BA
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Mark Sharp:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[73] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[74] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[75] Should the Board authorize both the

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Docket No. FD 36500.

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Environmental Review

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mary Marquez
Court Administor
Jackson County - Circuit Court
415 E. 12th St.
Kansas City, MO 64016

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Mary Marquez:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[97] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[98] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[99] Should the Board authorize both the

[97] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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[99] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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c/o Stephen Thornhill
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Matthew Gass
Judge
City of Marshall - Municipal Court
5 E. Eastwood
Marshall, MO 65340

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Matthew Gass:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[202] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[203] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[204] Should the Board authorize both the

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Matthew Randall
City Administrator
City of Oak Grove - Administation Office
2110 S Broadway St.
Oak Grove, MO 64075

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

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Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
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Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mayor Dewey
Mayor
City of Marshall - Office of the Mayor
214 N. Lafayette Ave.
Marshall, MO 65340

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Mayor Dewey:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[196] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[197] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[198] Should the Board authorize both the

[196] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[197] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Michael Davis
Representative - District 56
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 116-3
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Michael Davis:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[70] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[71] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[72] Should the Board authorize both the

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[71] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

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Docket No. FD 36500.

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Danielle Gosselin
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Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Michael Parson
Governor
Office of the Governor
201 West Capitol Avenue
PO box 720
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

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Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

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Diana Wood
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Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mike Cierpiot
Senator - District 8
Missouri State Senate
201 W. Capital Ave.
Rm. 422
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Mike Cierpiot:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[25] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[26] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[27] Should the Board authorize both the

[25] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mike Todd
Mayor
City of Grain Valley - Office of the Mayor
711 Main St.
Grain Valley, MO 64029

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Danielle Gosselin
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Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Milan Berry
Judge
City of Bowling Green - Municipal court
115 W Main St.
Bowling Green, MO 63334

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Milan Berry:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[226] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[227] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[228] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Paul Stingley
Judge
City of Mexico - Municipal Court
300 N Coal St.
Mexico, MO 65264

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Paul Stingley:

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The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
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Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Presiding Judge
Bates City - Municipal Court
203 N 2nd St.
Bates City, MO 64011

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Quinton Lucas
Mayor
Kansas City Missouri - Office of the Mayor
414 E. 12th St.
Kansas City, MO 64106

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Quinton Lucas:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[121] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[122] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[123] Should the Board authorize both the

[121] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[122] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[123] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

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Danielle Gosselin
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Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Rick Brattin
Senator - District 31
Missouri State Senate
201 W. Capital Ave.
Rm. 331
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Rick Brattin:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[46] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[47] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[48] Should the Board authorize both the

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[48] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Request for Comments

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Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Robert Saul
Representative - District 21
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 101-D
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention:

Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Rory Rowland
Mayor
City of Independence - Office of the Mayor
111 E. Maple Ave
Independence, MO 64050

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Rory Rowland:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[130] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[131] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[132] Should the Board authorize both the

[130] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[131] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[132] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Roy Blunt
Senator
U.S. Senate
260 Russell
Senate Office Building
Washington, DC 20510

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Roy Blunt:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[1] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[2] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[3] Should the Board authorize both the

[1] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[2] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[3] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Russell Griffith
Assistant City Administrator
City of Slater - Administration Office
232 N. Main St.
Slater, MO 65349

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Russell Griffith:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[208] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[209] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[210] Should the Board authorize both the

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projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sam Graves
Respresentative
U.S. House of Representatives
1135 Longworth HOB
Washington, DC 20515

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Sam Graves:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[10] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[11] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[12] Should the Board authorize both the

[10] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[11] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[12] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sheri Tieman
Administrative Assistant, City Clerk
City of Higginsville - Office of the City Clerk
1922 Main St.
PO Box 110
Higginsville, MO 64037

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Sheri Tieman:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[187] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[188] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[189] Should the Board authorize both the

[187] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[188] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[189] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sheryl Morgan
City Clerk
City of Blue Springs - Office of the City Clerk
903 W. Main St.
Blue Springs, MO 64015

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Sheryl Morgan:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[142] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[143] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[144] Should the Board authorize both the

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Stephanie Gooden
Northern Commissioner
Saline County Commission
19 E. Arrow St.
Marshall, MO 65340

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Stephanie Gooden:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[112] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[113] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[114] Should the Board authorize both the

[112] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[113] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[114] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Stephen Allegri
Mayor
City of Slater - Office of the Mayor
232 N. Main St.
Slater, MO 65349

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Stephen Allegri:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[205] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[206] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[207] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Stephen Wright
Mayor
City of Odessa - Office of the Mayor
125 S. 2nd ST.
Odessa, MO 64076

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Stephen Wright:

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CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Susan West
Court Administrator
City of Blue Springs - Municipal Court
1100 SW Smith St.
Blue Springs, MO 64015

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Susan West:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[145] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[146] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[147] Should the Board authorize both the

[145] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[146] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[147] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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c/o Stephen Thornhill
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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Terry Thompson
Representative - District 53
Missouri State House of Representatives
201 W. Capital Ave.
Rm. 406-A
Jefferson City, MO 65101

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Rep. Terry Thompson:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[67] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[68] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[69] Should the Board authorize both the

[67] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[68] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[69] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

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Project Description

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Docket No. FD 36500.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Vicky Hartzler
Respresentative
U.S. House of Representatives
2235 Rayburn HOB
Washington, DC 20515

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Vicky Hartzler:

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Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the

projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Willa Hayes
City Manager
City of Corder
305 N. Lafayette St
Corder, MO 64021

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Willa Hayes:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[193] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[194] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[195] Should the Board authorize both the

[193] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[194] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[195] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

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The purpose of this letter is to formally announce that OEA is in the process of preparing the NEPA document and to request any comments or concerns you may have on the Proposed Divestiture. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood

c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Chris Chinn
Director
Missouri Department of Agriculture
1616 Missouri Boulevard
PO Box 630
Jefferson City, MO 65102

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Chinn:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[22] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[23] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[24] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

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The purpose of this letter is to advise you of the Proposed Divestiture and request information from your agency on the environmental resources under your jurisdiction that could be affected by the Proposed Divestiture and permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

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Docket No. FD 36500.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jeff Hardy
Assistant District Engineer
Missouri Department of Transportation - Kansas City District Office
600 NE Colbern RD
Lee's Summit, MO 64086

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Hardy:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[7] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[8] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[9] Should the Board authorize both the

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to advise you of the Proposed Divestiture and request information from your agency on the environmental resources under your jurisdiction that could be affected by the Proposed Divestiture and permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this

case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Joe Gillman
Director
Missouri Geological Survey
111 Fairgrounds Rd.
PO Box 250
Rolla, MO 65402

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Docket No. FD 36500.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kyra Moore
Director
Division of Environmental Quality
1101 Riverside Dr
PO Box 176
Jefferson City, MO 65102

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Machelle Watkins
District Engineer
Missouri Department of Transportation - Central District Office
1511 Missouri Blvd.
Jefferson Cite, MO 65102

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Watkins:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[4] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[5] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[6] Should the Board authorize both the

[4] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

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primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to advise you of the Proposed Divestiture and request information from your agency on the environmental resources under your jurisdiction that could be affected by the Proposed Divestiture and permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

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At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this

case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
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Danielle Gosselin
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Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Paula Gough
District Engineer
Missouri Department of Transportation - Northeast District Office
1711 S. Highway 61
Hannibal, MO 63401

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Gough:

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Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sara Parker-Pauley
Director
Missouri Department of Conservation
3500 E. Gans Rd
Columbia, MO 65201

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Parker-Pauley:

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Scott Edwards
State Conservationist
Natural Resources Conservation Service - MO Office
Parkade Center, Suite 250
601 w Business Loop 70 West
Columbia, MO 65203-2546

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Mr. Edwards:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[10] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[11] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[12] Should the Board authorize both the

[10] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[11] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[12] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to advise you of the Proposed Divestiture and request information from your agency on the environmental resources under your jurisdiction that could be affected by the Proposed Divestiture and permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that

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Docket No. FD 36500.

would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall projects and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divesture would result in increases in operational activity that would exceed the Board's thresholds at the East St. Louis Yard/Intermodal Terminal in Illinois and at CN's Detroit Intermodal Yard in Michigan. See attached maps. Therefore, OEA will evaluate the potential environmental impacts that could result from increased operational activity at those facilities.

To support the projected increases in rail traffic, CN plans to make eight capital improvements within the existing rail right-of-way (ROW). These would include extending six existing passing sidings, adding one new siding passing, and relocating one siding passing on the Springfield Line. In Missouri, the improvements would occur at Grain Valley, Harmony, Mexico West, Bowling Green, and Blackburn; and in Illinois, improvements would occur at Pleasant Hill, Roodhouse and Cockrell. In addition, CN plans to make capital improvements at the East St. Louis Yard/Intermodal Terminal in Illinois by constructing 6,000 track feet with intermodal pads and accompanying pavement and 5,000 track feet for loading/unloading and car storage; and developing approximately 25 acres of land for necessary roadways, parking, and truck areas. At IFG Terminal in Missouri, CN proposes to construct 20,000 track feet with pad, storage and accompanying pavement, and 6,600 track feet for loading/unloading and storage, roadways and railhead parking and truck areas. At Roodhouse Yard in Illinois, CN would construct 5,000 feet of new yard track. Railroads have the right to increase efficiency by improving their rail lines and rerouting their traffic without seeking authority from the Board. Therefore, railroad capital improvements that are designed to improve operational efficiency (such as sidings, double tracking, and industry track) typically do not require Board authorization or environmental review by OEA. Where, as here, planned capital improvements are related to a

proposal requiring Board approval, however, OEA considers, as appropriate, the potential environmental impacts from such planned capital improvements on a case-by-case basis. In this case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kevin Golinghorst
Colonel
U.S. Army Corps of Engineers - St. Louis District, Mississippi Valley Division
1222 Spruce St.
Louis, MO 63103

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Colonel Golinghorst:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[7] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[8] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[9] Should the Board authorize both the

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The purpose of this letter is to advise you of the Proposed Divestiture and request information from USACE on the environmental resources under your jurisdiction, such Waters of the United States, that could be affected by the proposed Divestiture as well as permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

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Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Travis Rayfield
Colonel
U.S. Army Corps of Engineers - Kansas City Dist, Northwestern Division
601 E 12th St RM 641
Kansas City, MO 64106-2896

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Colonel Rayfield:

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case, CN has stated that the planned capital improvements are necessary to accommodate the projected increase in rail traffic and has sufficiently identified the location and general layout of the planned capital improvements to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvements as part of the NEPA review of the Proposed Divestiture.

Lastly, OEA will evaluate changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment. See 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). These include: IFG Terminal in Missouri; East St. Louis Intermodal Terminal in Illinois; and Detroit Intermodal Yard in Michigan.

CN projects that transaction-related rail traffic would primarily consist of intermodal containers, assembled automobiles, and carloads of grain. CN does not anticipate any transaction-related shipments of hazardous materials. Nor is CN aware of any current or foreseeable passenger rail service, including Amtrak service, on any of the 11 rail line segments to be evaluated.

In short, based on the information available to date, OEA will evaluate the potential environmental impacts associated with the increased rail traffic, increased operational activity, and capital improvements described above and compare these impacts to the No-Action Alternative, which would occur if the Board were to authorize CP to acquire KCS in Finance Docket No. 36500 but deny CN's amended responsive application for the Proposed Divestiture of the Springfield Line from CP to CN in Finance Docket No. 36500 (Sub-No. 1). OEA's environmental review will evaluate impacts from the Proposed Divestiture related to freight rail safety; rail/roadway at-grade crossing (grade crossing) safety; grade crossing delay; truck-to-rail diversions; intermodal facility traffic; noise and vibration; air quality and climate change; energy; cultural resources; hazardous materials releases sites; biological resources; water resources; environmental justice; and cumulative impacts.

Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and 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: Diana Wood, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. FD 36500 (Sub-No. 1). You may also submit comments to OEA's third-party consultant Burns & McDonnell at:

Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov. **Please send your responses by December 2, 2022.**

Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Karen Herrington
Field Supervisor
U.S. Fish and Wildlife Service - MO Ecological Services field office
101 Park DeVille Dr.
Suite A
Columbia, MO 65203

Re: FD 36500 (Sub-No. 1), Illinois Central Railroad Company – Acquisition of a Line of Railroad Between Kansas City, Mo., and Springfield and East St. Louis, Ill. – Kansas City Southern Railway Company; **Request for Comments**

Dear Ms. Herrington:

This letter requests comments on the amended "responsive" application filed by Canadian National Railway Company (CN) and its United States rail carrier affiliate, Illinois Central Railroad Company (ICCR) (collectively, CN), on June 9, 2022, in Docket No. FD 36500 (Sub-No. 1). In that application,[1] CN requests that the Surface Transportation Board (Board) order the sale of the Kansas City Southern Railway Company's (KCS) rail line between Kansas City, Missouri and Springfield and East St. Louis, Illinois (Springfield Line) to CN (Proposed Divestiture). See attached maps. CN's filing was submitted in response to a primary application filed jointly by Canadian Pacific et al. (CP) and KCS in Docket No. FD 36500, seeking Board authority for CP to acquire KCS.[2] The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.[3] Should the Board authorize both the

[1] CN had filed a responsive application on February 28, 2022. However, in response to an apparent inconsistency in certain data filed in Docket No. 36500, the Board provided time for CP and KCS to address the inconsistency and for all interested parties to refile their respective applications.

[2] Other responsive applications are pending before the Board in Docket No. FD 36500 (Sub-Nos. 2-4) but are not discussed here because those applications are exempt from environmental review.

[3] The Board issued a Draft Environmental Impact Statement (EIS) on the primary application in Docket No. FD 36500 on August 5, 2022, and requested public comments on the Draft EIS by October 14, 2022. More information regarding the environmental review of the proposed acquisition of KCS by CP can be found on the project-specific website (www.CP-

primary application and the Proposed Divestiture, then CP would be ordered to sell the Springfield Line to CN upon completion of CP's acquisition of KCS.

Before deciding whether to authorize the Proposed Divestiture, the Board must first evaluate the potential environmental impacts of CN's proposal in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370m-12) and the Board's environmental regulations at 49 C.F.R. Part 1105. To comply with NEPA, the Board's Office of Environmental Analysis (OEA) is conducting an environmental review of the Proposed Divestiture separately from, but concurrently with, the ongoing environmental review of the proposed acquisition of KCS by CP. Although the Proposed Divestiture could only occur if CP is authorized to acquire KCS, the environmental reviews for the two proposals are being conducted separately because they involve different railroad applicants and largely distinct sets of potential environmental impacts that would occur in different geographic areas.

The purpose of this letter is to advise you of the Proposed Divestiture and request information from your agency on the environmental resources under your jurisdiction that could be affected by the Proposed Divestiture and permits and approvals that could be required. The environmental review of the Proposed Divestiture will help inform the Board in making its decision about whether to approve CN's proposal and, if so, whether and what environmental mitigation conditions to impose. OEA will be conducting field work to confirm the IPaC findings of no effects on the identified species and other biological resources.

Table 1 shows the potential threatened and endangered species as identified by the U.S. Fish & Wildlife Service (USFWS) Information for Planning and Consultation (IPac) tool for all the components of the Proposed Divestiture. As well as identifying species which may be affected by ROW construction or increases in train volume by the Proposed Divestiture. All construction related activities would be confined to existing rail rights-of-way. See attached maps. Land use adjacent to the sidings is undeveloped agricultural land Blackburn, Harmony, and Bowling Green siding. The Grain Valley siding would be adjacent to a mix of commercial/industrial land, undeveloped woodland (including a stream crossing and potential floodplain area), parks and recreation area, and agricultural land. The Mexico West siding is bounded by woodland and State Highway 22.

Table 1: ESA-listed species

Common and Scientific Name	**Federal Status**	**Habitat Description**
Gray Bat (*Myotis grisescens*)	Endangered	Cave or cave-like structures year-round. Occasionally summer colonies have been documented in dams, mines, quarries, concrete box culverts and the underside of bridges.

KCSMergerEIS.com) or on the Board's website at www.stb.gov by conducting a search for Docket No. FD 36500.

Common and Scientific Name	**Federal Status**	**Habitat Description**
Indiana Bat (*Myotis sodalist*)	Endangered	Hibernates in caves, cave like structures such as mines, and karst. In summer, they roost in forested areas, under bark that receives direct sunlight, in riparian zones, floodplains, wooded wetlands and upland communities.
Northern Long-eared Bat (*Myotis septentrionalis*)	Threatened	Hibernates in caves or mines; in summer, found under tree bark, in tree cavities, in caves/mines, or sometimes in manmade structures.
Tricolored Bat (*Perimyotis subflavus*)	Threatened (Proposed Endangered)	Live and dead leaf clusters of live ore recently dead deciduous hardwood trees, in the non-hibernating seasons. For hibernation they prefer caves and mines but can also be found in road-associated culverts, tree cavities, and abandoned water wells.
Pallid Sturgeon (*Scaphirhynchus albus*)	Endangered	Large, deep turbid river channels, usually in strong current over firm sand or gravel.
Topeka Shiner (*Notropis topeka*)	Endangered	Prefer midwater or near the surface in moderated clear upland creeks with sand, gravel, rubble, and bedrock.
Spectaclecase (*Cumberlandia monodonta*)	Endangered	Large rivers in areas sheltered from the main current. Cluster in firm mud such as beneath rock slabs and between boulders.
Monarch Butterfly (*Danaus plexuppus*)	Candidate	Fields containing milkweed and nectar-bearing plants.
Mead's Milkweed (*Asclepias meadii*)	Threatened	Large, flat areas of grass.

Project Description

The Proposed Divestiture proceeding requests that the Board order the sale of approximately 370 miles of KCS's Springfield Line in Missouri and Illinois. In connection with the sale of the Springfield Line, CN also seeks a 50% equity interest in KCS's International Freight Gateway terminal (IFG Terminal) south of Kansas City. See attached maps.

CN states that its proposal to acquire the Springfield Line if the Board authorizes CP to acquire KCS would preserve and enhance competition between Kansas City and Chicago; introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City; and establish a more direct route for rail traffic between Canada and the Midwest and East St. Louis. CN estimates that more than 80,000 long-haul trucks would be removed from the highways each year as a result of the Proposed Divestiture and that this would generate public benefits by reducing greenhouse gas emissions, highway congestion and maintenance.

According to CN, the Proposed Divestiture would involve (1) operational changes (e.g., an increase in average trains per day) on certain segments of the Springfield Line as well as some contiguous segments of CN's Gilman Line and CN's St. Louis Line that would exceed the Board's thresholds for environmental review at 49 C.F.R. § 1105.7(e) (see further discussion below); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board's thresholds for environmental review; (3) capital improvements within the existing rail right-of-way and at yards/intermodal facilities; and (4) changes at intermodal facilities that would result in an average increase of truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on affected road segments.

Environmental Review

The Board's thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent as measured in gross ton-miles annually (GTM) or an increase in rail traffic of at least eight trains per day in areas classified as being in attainment under the Clean Air Act. For rail lines located in nonattainment areas, environmental impacts are assessed if they would experience an increase in rail traffic of at least 50 percent as measured in GTMs or an increase of at least three trains per day. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). For the Proposed Divestiture, CN projects that the Board's environmental thresholds for GTM (but not for trains per day) would be met or exceeded along 11 rail line segments, including four segments of the KCS Springfield Line, four segments of the CN Gilman Line, and three segments of the CN St. Louis Line. See attached maps showing the overall project and more detailed state-level maps. If you require additional or more detailed maps, please contact us. Of these line segments, CN estimates that seven are located in attainment areas and four are located in non-attainment areas. Therefore, OEA will evaluate the potential environmental impacts that could result from increased rail traffic on those 11 rail line segments.

At rail yards and intermodal facilities, the air quality thresholds include an increase of at least 100% in rail carload activity for areas classified as being in attainment or 20% in rail

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Request for Comments

We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the Proposed Divestiture and welcome any additional issues or concerns that you consider appropriate. To submit comments electronically through the Board's website at https://www.stb.gov, select "File an Environmental Comment" below the "Need Assistance?" button. Be sure to include the docket number "Docket No. FD 36500 (Sub-No. 1)." Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

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Diana Wood
c/o Stephen Thornhill
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 64114

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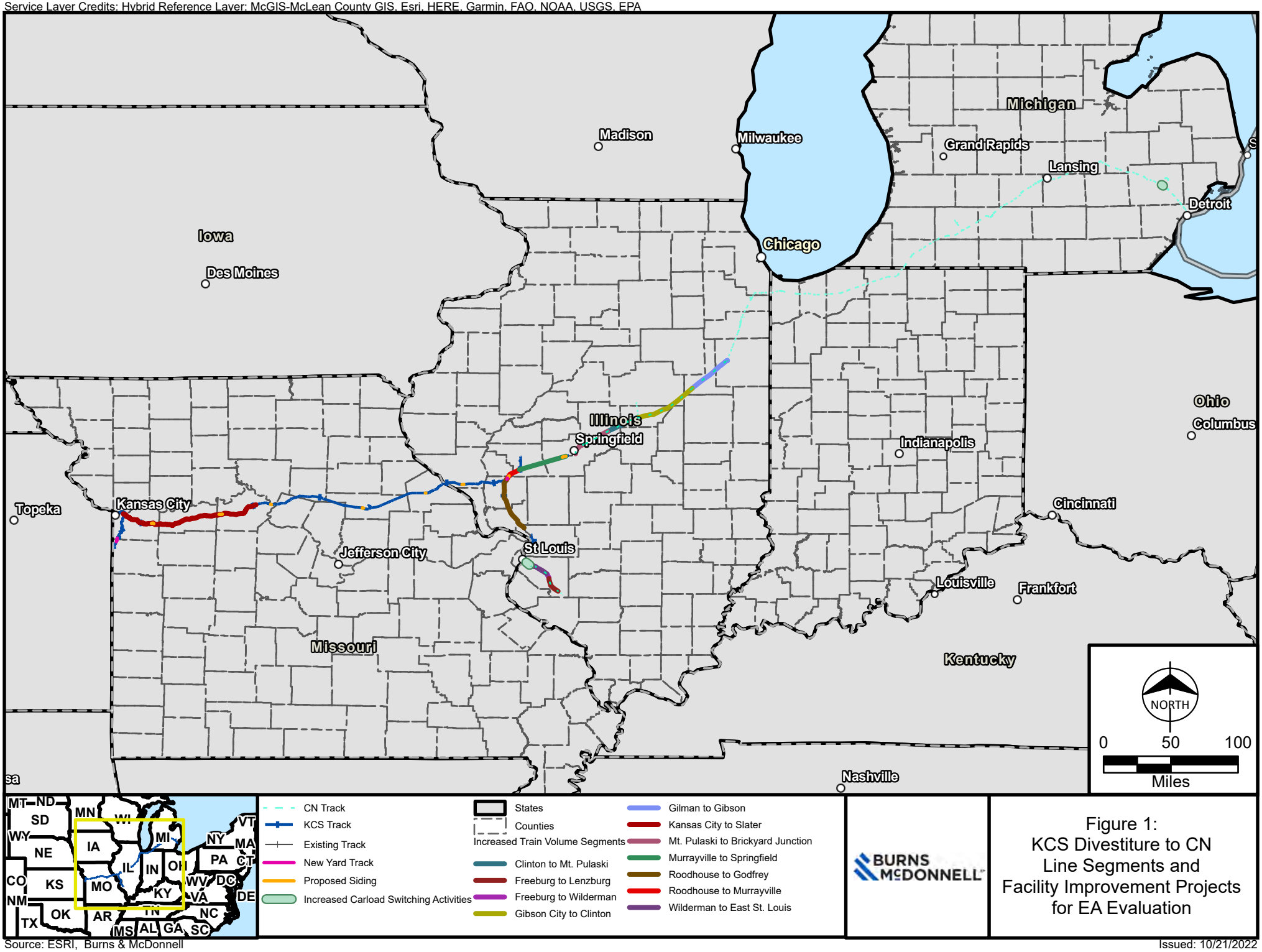
Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

Service Layer Credits: Hybrid Reference Layer: McGIS-McLean County GIS, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA



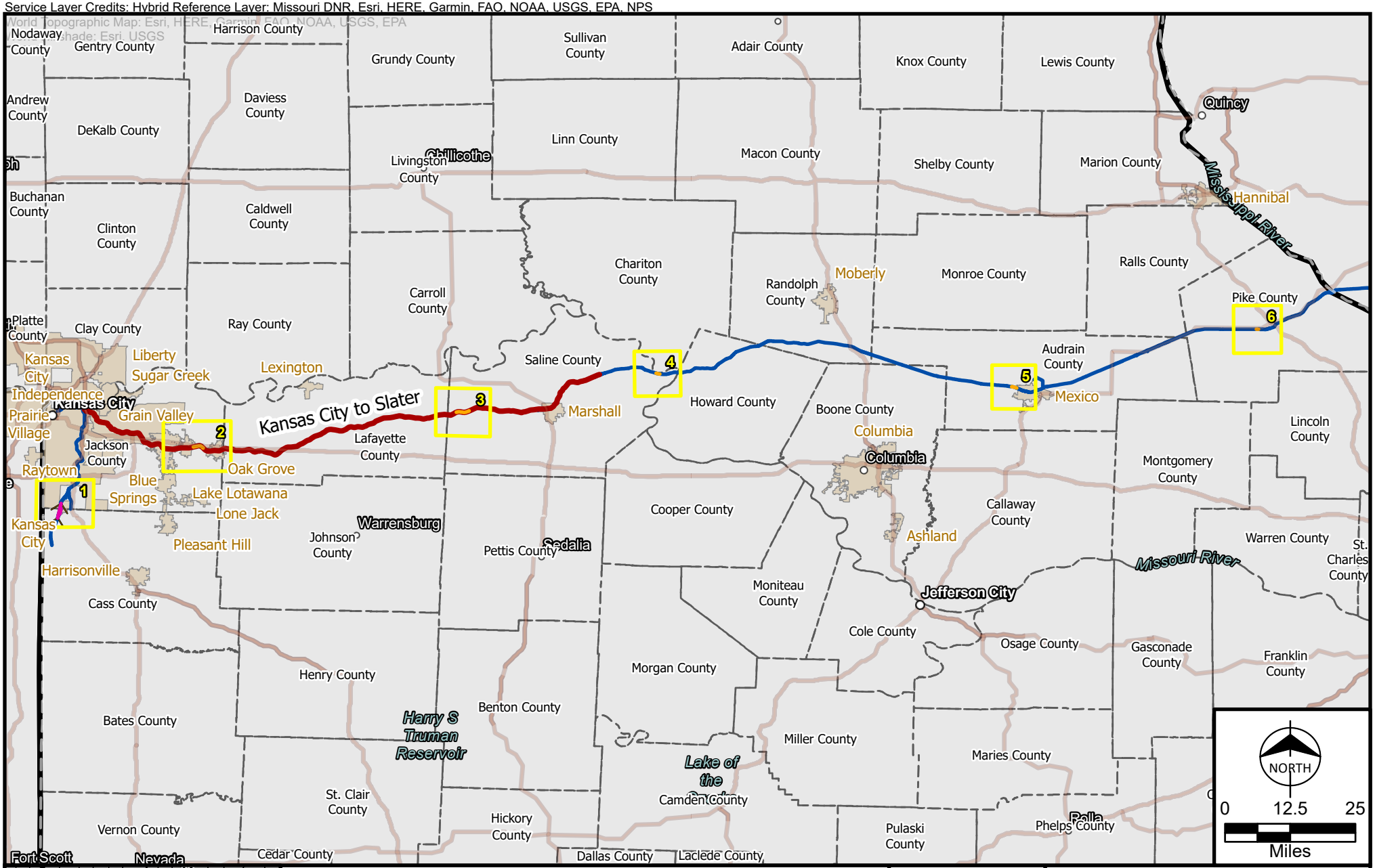
BURNS McDONNELL

Figure 1:
KCS Divestiture to CN
Line Segments and
Facility Improvement Projects
for EA Evaluation

Source: ESRI, Burns & McDonnell

Issued: 10/21/2022

Service Layer Credits: Hybrid Reference Layer: Missouri DNR, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS



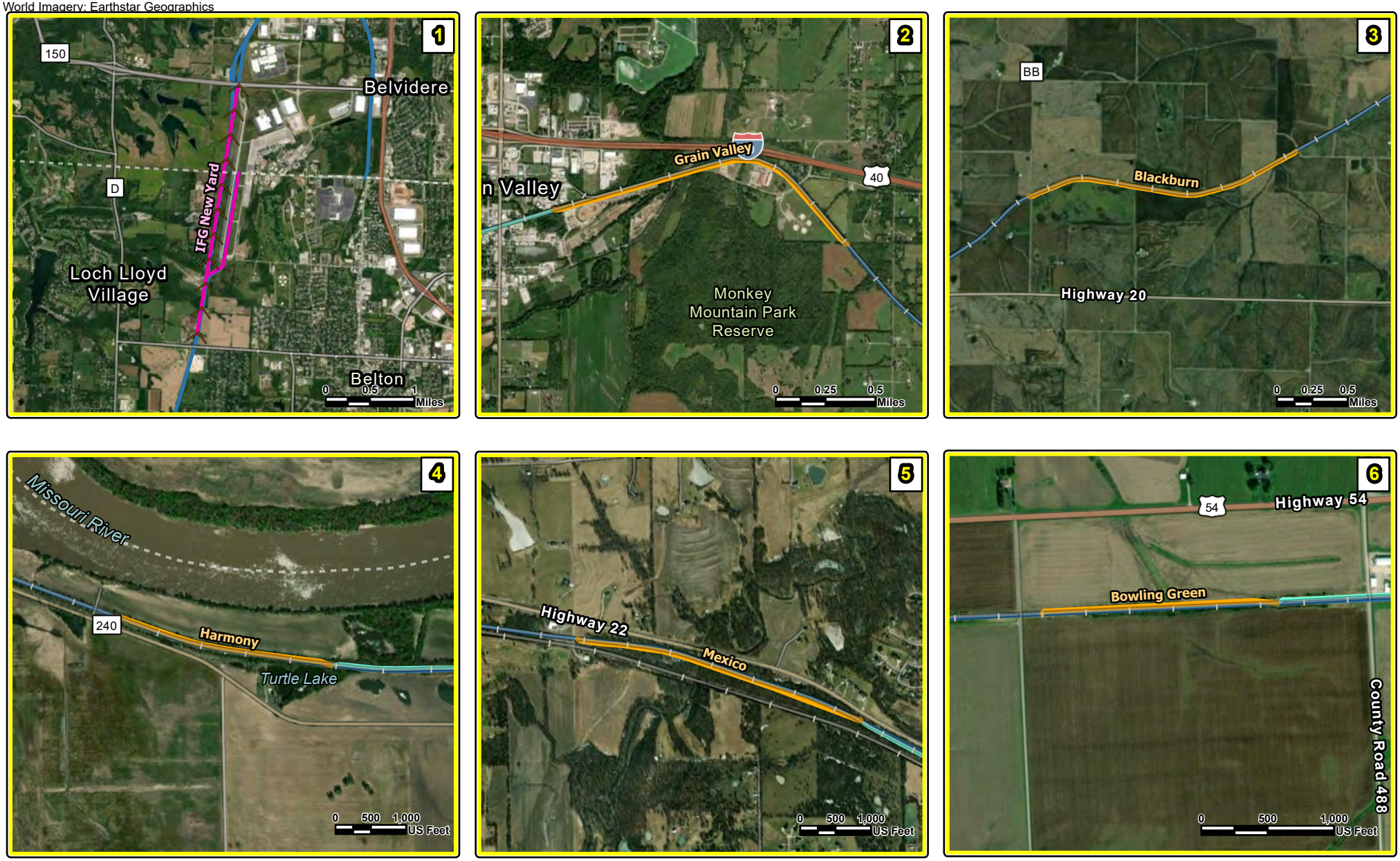
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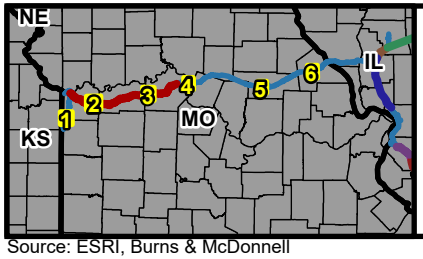
Figure 2:
KCS Divestiture to CN EA
Facility Improvement Projects
Missouri
Page 1 of 2

Source: ESRI, Burns & McDonnell

Issued: 10/20/2022

Service Layer Credits: Hybrid Reference Layer: Missouri Dept. of Conservation, Missouri DNR, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA
World Imagery: Earthstar Geographics





- KCS Divestiture Line (Proposed)
- Proposed Siding
- Exisiting Siding
- New Yard Track
- Increased Carload Switching Activities
- Increased Truck Traffic

NORTH

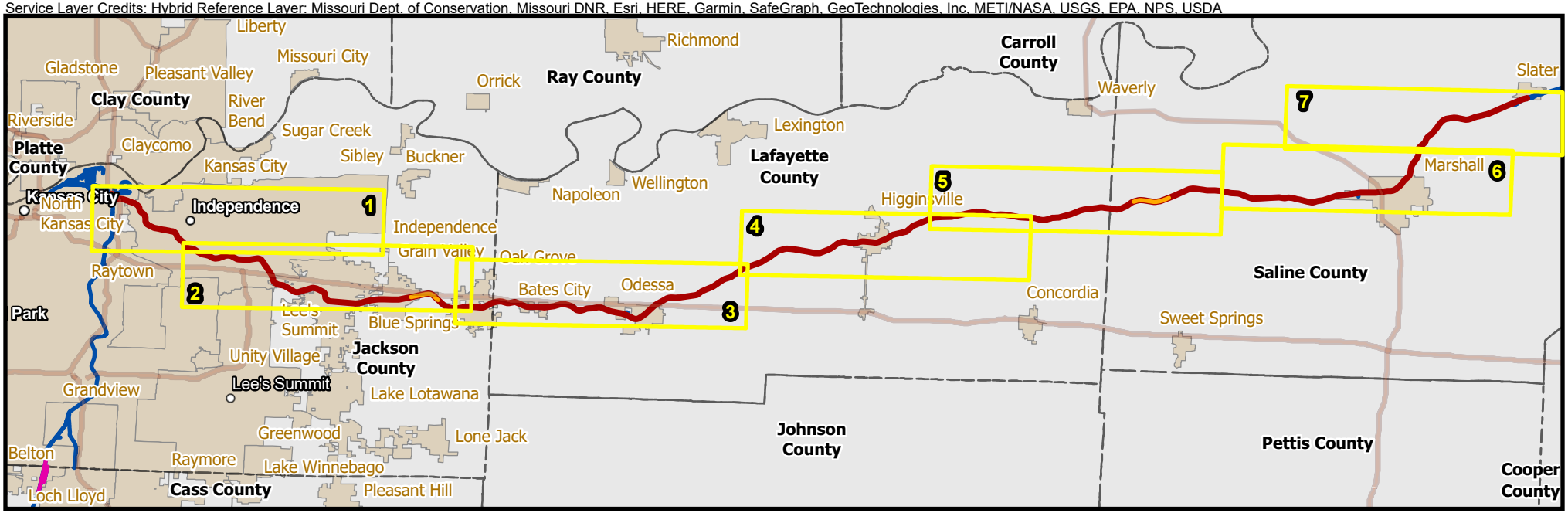
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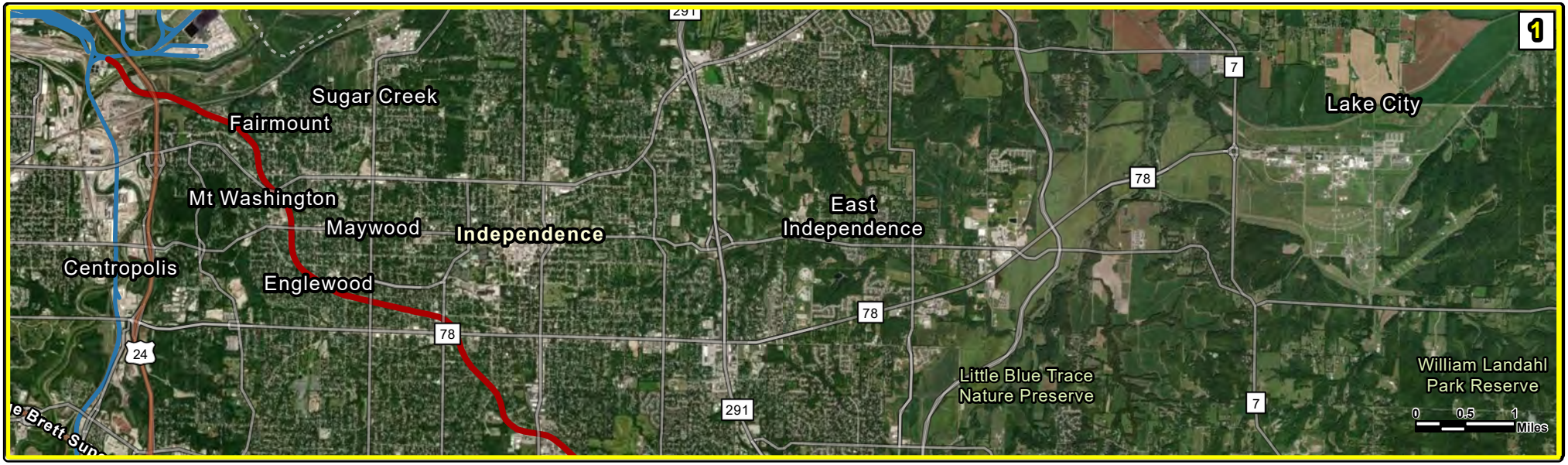
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KCS Divestiture Line (Proposed)
New Yard Track
Proposed Siding
Municipalities
States
Counties
Increased Train Volume Segments
Kansas City to Slater

NORTH
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Miles

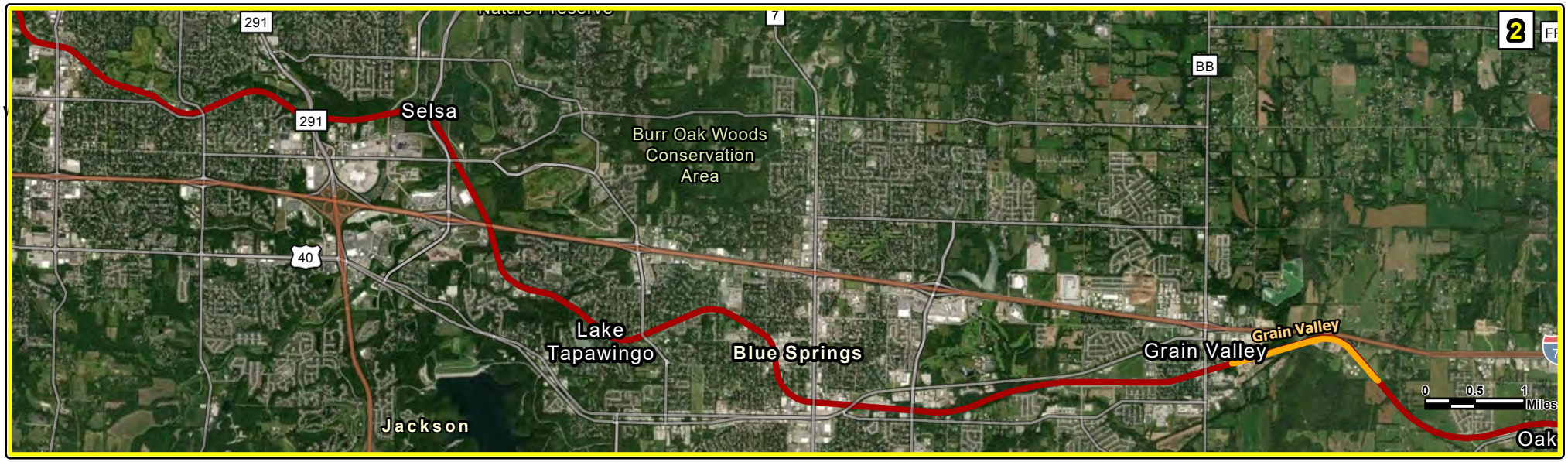
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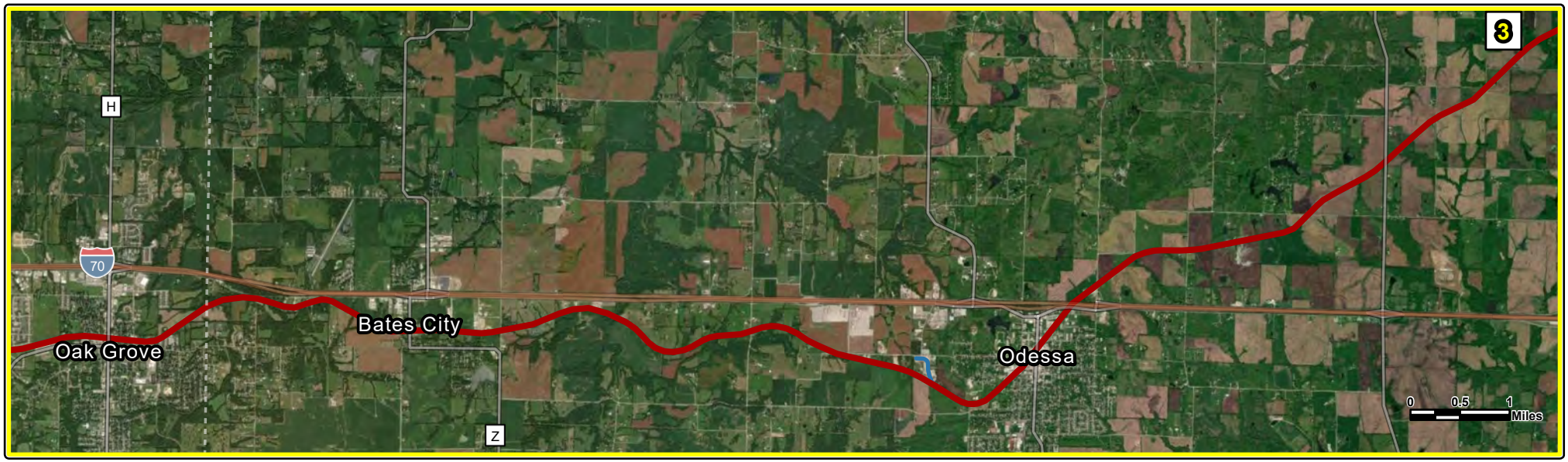
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KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Kansas City to Slater
Missouri
Page 1 of 4

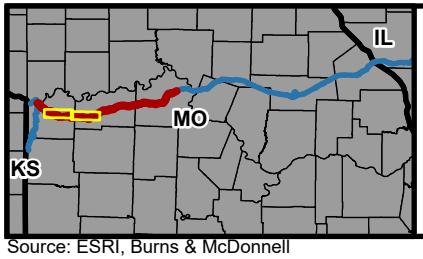
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Hybrid Reference Layer: City of Blue Springs, MO, City of Independence MO, Missouri Dept. of Conservation, Missouri DNR, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA







KCS Divestiture Line (Proposed)
Proposed Siding
New Yard Track
Increased Train Volume Segments
Kansas City to Slater

NORTH

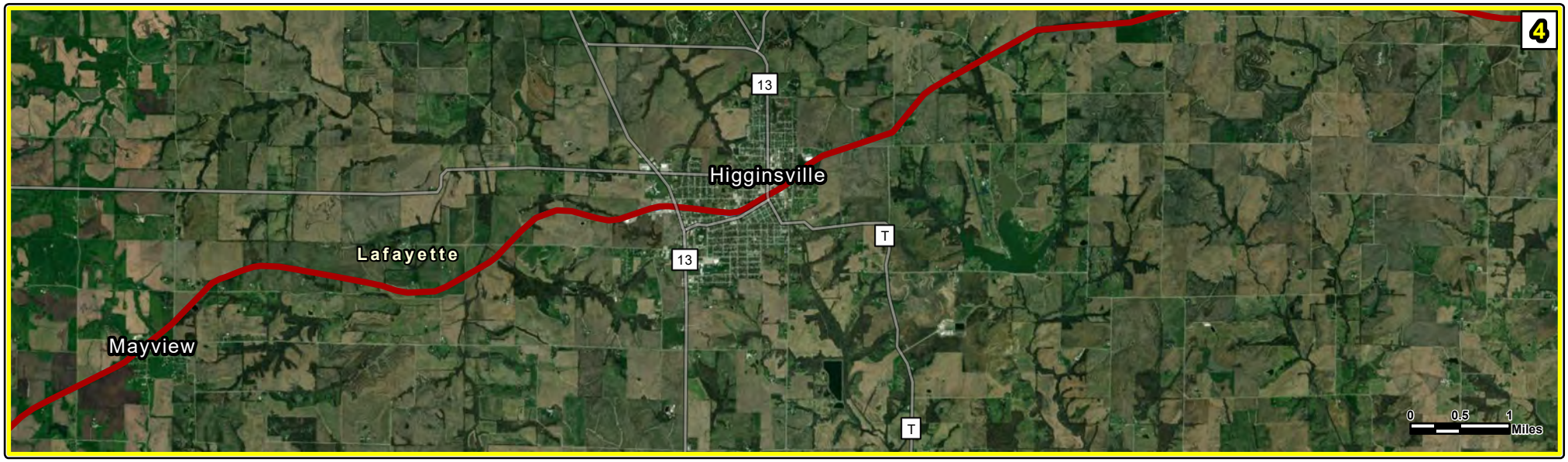
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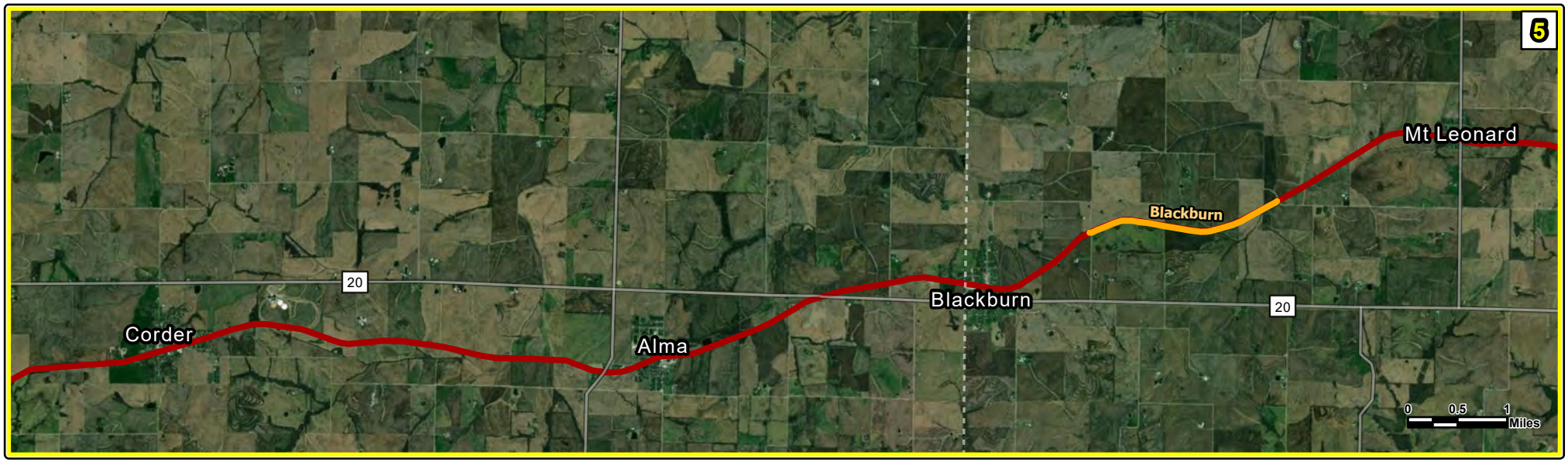
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Kansas City to Slater
Missouri
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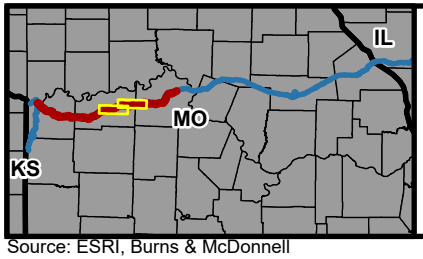
Source: ESRI, Burns & McDonnell

Issued: 10/20/2022

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KCS Divestiture Line (Proposed)
Proposed Siding
New Yard Track
Increased Train Volume Segments
Kansas City to Slater

NORTH

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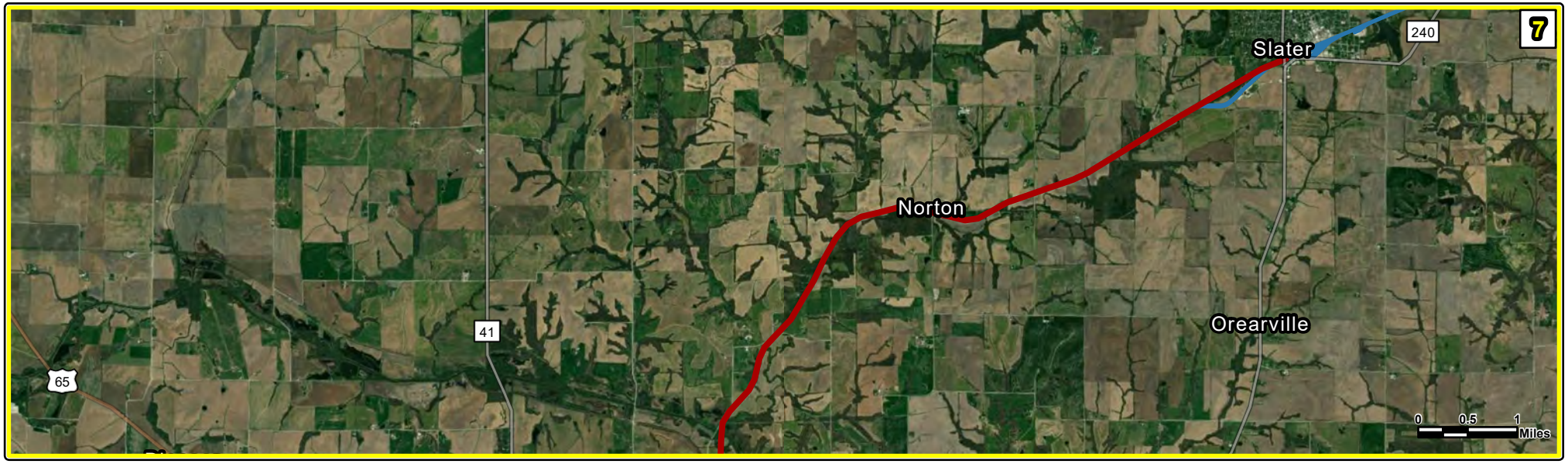
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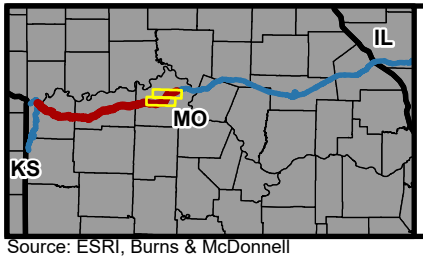
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World Imagery: Earthstar Geographics







KCS Divestiture Line (Proposed)
Proposed Siding
New Yard Track
Increased Train Volume Segments
Kansas City to Slater

NORTH

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