



NATALIE S. ROSENBERG
Counsel

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August 15, 2003

VIA AIRBORNE EXPRESS

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



Re: STB Docket No. AB-565 (Sub-No. 15X)
New York Central Lines, LLC - Discontinuance
STB Docket No. AB-55 (Sub.-No. 639X)
CSX Transportation, Inc. - Discontinuance
Exemption in Henry County, Indiana

208728 DID # 0102232001
208729 DID # 0102232002

Dear Mr. Williams:

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

Very truly yours,

Natalie S. Rosenberg
Natalie S. Rosenberg

NSR/pkw

Enclosures

FILED

FEE RECEIVED

AUG 18 2003

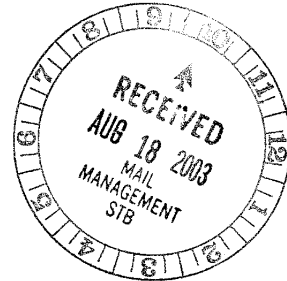
AUG 18 2003

SURFACE
TRANSPORTATION BOARD

SURFACE
TRANSPORTATION BOARD

STB Docket No. AB-565 (Sub-No. 15X)
STB Docket No. AB-55 (Sub-No. 639X)

**Notice of Petition for Exemption to
Discontinue Service**



On August 15, 2003, New York Central Lines, LLC and CSX Transportation, Inc. filed with the Surface Transportation Board, Washington, DC 20423, a petition for exemption to discontinue service over a line of railroad in the Western Region, Great Lakes Division, Indianapolis Line Subdivision, extending from Milepost QIN 95.34 to Milepost QIN 96.98, a total distance of approximately 1.64 miles, (hereinafter referred to as "the line"). The line traverses through United States Postal Service ZIP Code 47632. The line for which the discontinuance exemption request was filed includes no stations.

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

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

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

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at

49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

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

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-565 (Sub-No. 15X)
DOCKET NO. AB-55 (Sub-No. 639X)

NEW YORK CENTRAL LINES, LLC AND
CSX TRANSPORTATION, INC.
DISCONTINUANCE EXEMPTION
IN HENRY COUNTY, INDIANA

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

NATALIE S. ROSENBERG
500 Water Street, J150
Jacksonville, Florida 32202
(904) 359-1253

Counsel for
CSX TRANSPORTATION, INC.

Dated: August 15, 2003

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-565 (Sub-No. 15X)
DOCKET NO. AB-55 (Sub-No. 639X)

NEW YORK CENTRAL LINES, LLC AND
CSX TRANSPORTATION, INC.
DISCONTINUANCE EXEMPTION
IN HENRY COUNTY, INDIANA

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

New York Central Lines, LLC and CSX Transportation, Inc. (collectively "CSXT") propose to discontinue service over that portion of the Western Region, Great Lakes Division, Indianapolis Line Subdivision, extending between Milepost QIN 95.34 and QIN 96.98, a total distance of 1.64 miles in New Castle, Henry County, Indiana (hereinafter referred to as "the line"). The line traverses through United States Postal Service ZIP Code 47632. Maps showing the trackage proposed for discontinuance, as well as the location of the trackage in the State of Indiana, are attached to this petition as Exhibit A. CSXT files this petition under 49

U.S.C. 10502 for an exemption from the provisions of 49 U.S.C. 10903, with regard to the proposed discontinuance. In support of its petition, CSXT states the following:

1. CSXT proposes to discontinue service over a 1.64 mile line on its Western Region, Great Lakes Division, Indianapolis Line Subdivision, extending between Milepost QIN 95.34 and QIN 96.98 in New Castle, Henry County, Indiana.

There is one rail patron located on the line proposed for discontinuance but that patron's use of rail has sharply diminished over the past few years. The patron on the line is Allegheny Ludlum, a company specializing in the technology, production and marketing of stainless steels, silicon electrical steels, tool steels, titanium, nickel alloys and other advanced alloys. The Allegheny Ludlum facility in New Castle primarily produces stainless steel sheets. Allegheny Ludlum received 229 inbound carloads in 2001; 19 carloads in 2002; and 0 carloads to date in 2003. The last carload was shipped to the Allegheny Ludlum facility in March 2002, well over a year ago. At present, Allegheny Ludlum is receiving all inbound commodities utilizing motor carrier transportation. The primary alternative transportation option available is motor carrier transportation, which Allegheny Ludlum already utilizes. A verified traffic statement is attached hereto as Exhibit E.

Allegheny Ludlum has been made aware that this discontinuance filing was forthcoming. A copy of this petition is being served on Allegheny Ludlum.

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

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

Exemption of the proposed discontinuance well serves all of these elements of the rail policy. Specifically, by minimizing the regulatory expense and time lag inherent in a full discontinuance application, exemption will expedite regulatory decisions and reduce regulatory barriers to exit. Exemption will also foster sound economic conditions and encourage efficient management. As earlier indicated, there is only one rail patron physically located on the line proposed for discontinuance of service.

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

In short, full proceedings are unnecessary to carry out any of the relevant rail transportation policy elements of 49 U.S.C. 10101. No vital interest of shippers, competitors or communities will be adversely affected, and the discontinuance exemption CSXT seeks here will free it from the burdens associated with maintenance of the line.

4. The Environmental Report required by 49 C.F.R. Section 1105.7 and the Historic Report required by 49 C.F.R. 1105.8 are attached as Exhibits B and C, respectively, to this

petition for exemption. Attached as Exhibit D is a certificate showing CSXT's compliance with 49 C.F.R. 1105.11.

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

6. The one rail patron on the line has a viable alternative transportation option available to it and that patron already makes use of that option. Therefore, it is clear that the proposed discontinuance presents no opportunity for an abuse of market power. Further, the proposed discontinuance is of limited scope, because it involves only 1.64 miles of main line trackage.

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

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

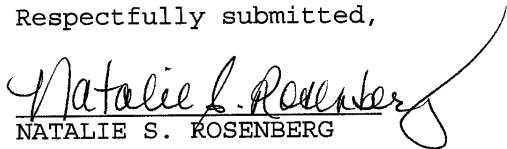
8. Based on information in our possession, the line does not contain federally granted right-of-way. Any documentation in petitioner's possession will be made available promptly to those requesting it.

9. The newspaper notice required by 49 C.F.R. 1105.12 was published in *The Courier-Times*, New Castle, Indiana, on August

14, 2003. An affidavit of publication from that newspaper will be forwarded to the Board as soon as it is received by CSXT.

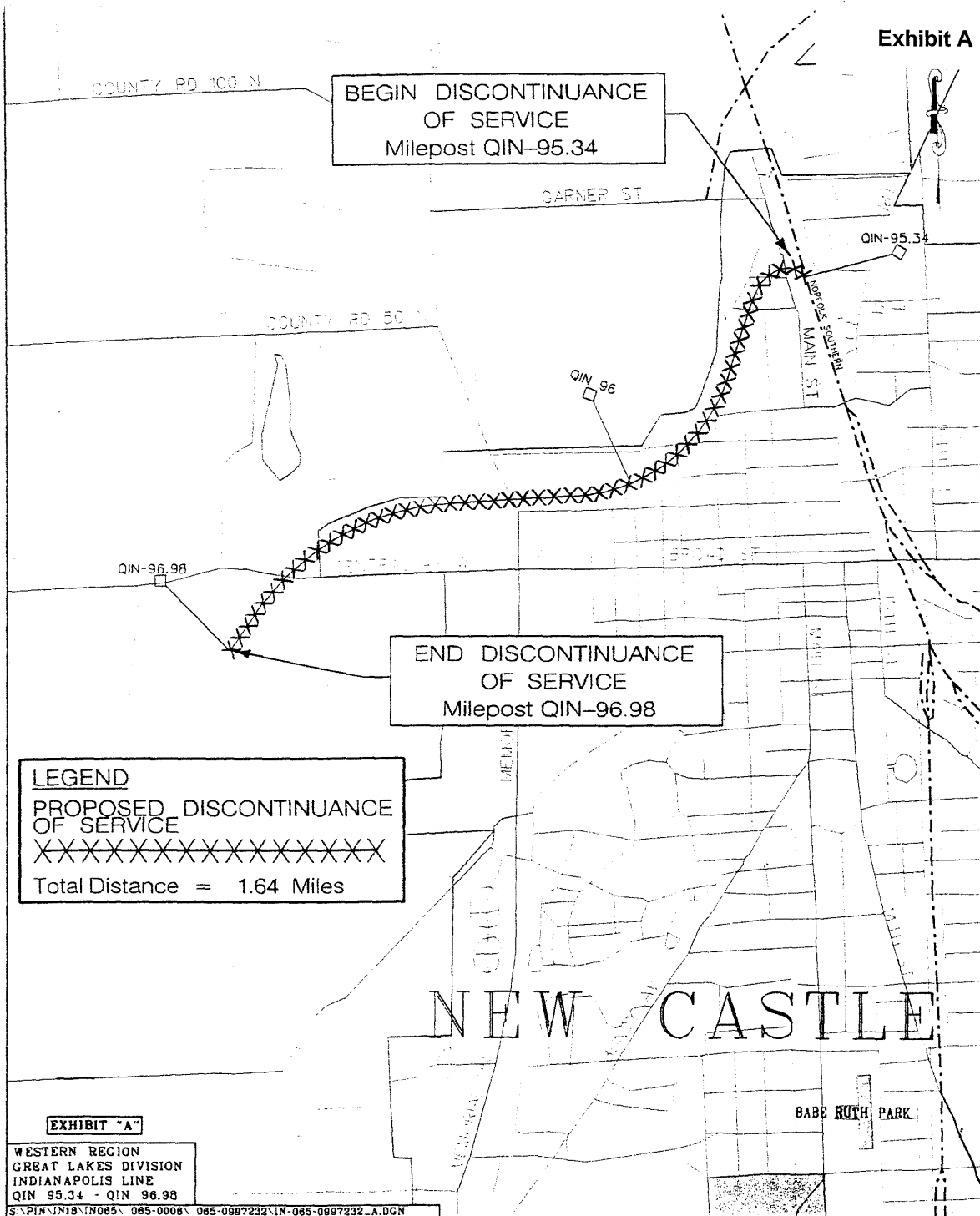
CSXT accordingly requests that the Board grant an exemption from the provisions of 49 U.S.C. 10903, with regard to the proposed discontinuance of service over that portion of its Western Region, Great Lakes Division, Indianapolis Line Subdivision between Milepost QIN 95.34 and Milepost QIN 96.98 in New Castle, Henry County, Indiana.

Respectfully submitted,

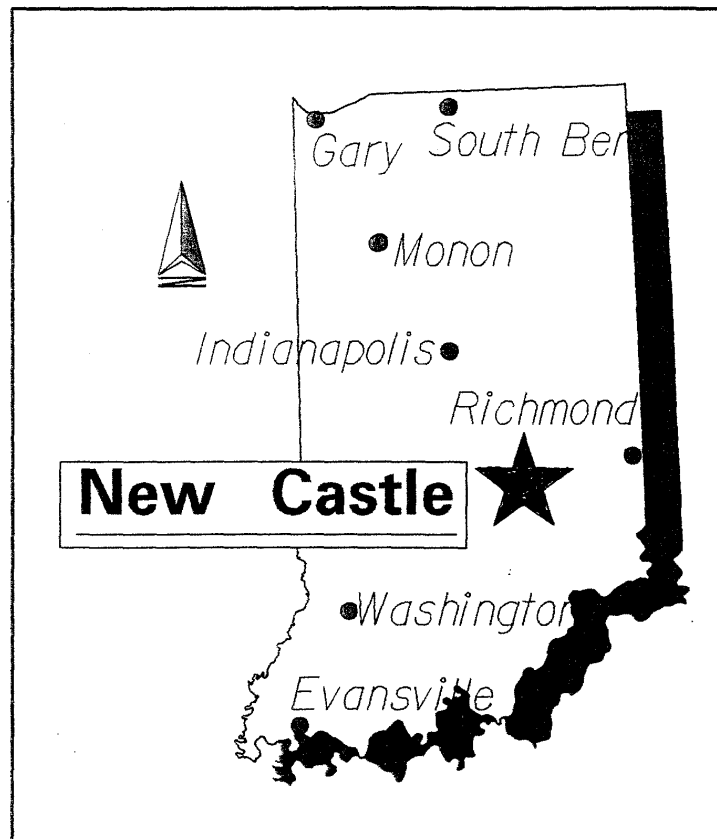

NATALIE S. ROSENBERG
500 Water Street
Jacksonville, Florida 32202

Counsel for
CSX Transportation, Inc.

Exhibit A



CSX TRANSPORTATION, INC.				DRAWING NO: 0997232	
Proposed Discontinuance of Service				GIS NUMBERS: 62450, 62455	
1.64 Miles on Indianapolis Line				VAL. SECT.: V37	
				MAP: 17.19	
				FIPS: 18065	
				PIN NUMBERS: 065-0006, 065-0007	
				CITY: New Castle	
				STATE: IN	
				DATE: 06-09-03	
				SCALE: 1"=1350'	
				DRAWN BY: J.H. Sullivan	
				REVISED: 8/4/03	



AREA MAP
STATE OF INDIANA
Proposed Discontinuance of Service
1.64 Miles
Henry County
New Castle, Indiana

WESTERN REGION - GREAT LAKES DIVISION - INDIANAPOLIS LINE

ENVIRONMENTAL REPORT

**NEW YORK CENTRAL RAILROAD, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET NO. AB-565 (SUB-NO.15X)**

and

**CSX TRANSPORTATION, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET AB-55 (SUB-NO. 639X)**

NEW CASTLE, HENRY COUNTY, INDIANA

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

(1) PROPOSED ACTION AND ALTERNATIVES

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

New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") propose to discontinue service over approximately 1.64 miles of rail line in New Castle, Henry County, Indiana. The only patron on this line segment, Allegheny Ludlum Company, has generated only minimal traffic during the past two years. The principal commodity transported over the line has been steel and iron products.

NYC and CSXT intend to only discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

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

(2) **TRANSPORTATION SYSTEM**

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

There is no passenger traffic on this line segment. There will be no substantial effect on existing regional or local transportation systems or patterns. The patron on this line segment will continue utilizing motor carriers in the area.

(3) **LAND USE**

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

Applicant has not received a response to its letter of June 6, 2003, to the Henry County Planning Commission and the City of New Castle, Indiana, seeking information as to land use plans. (See Attachments 3 and 4.) As the discontinuance of service will merely result in the cessation of service over the line, Applicant concludes the proposed action is not inconsistent with local land use plans.

- (ii) **Based on consultation with the U. S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land.**

On June 18, 2003, the Natural Resources Conservation Service for Henry County, Indiana, advised there is prime agriculture land along the right-of-way of the project area. (See Attachment 5.) Applicant feels that discontinuance of service on the line will not have an adverse impact on any prime farmland that may exist in the vicinity of the project.

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

Applicant has not received a response to its letter of June 6, 2003, to the Indiana Department of Natural Resources seeking information regarding this statement. (See Attachment 6.)

Applicant feels that discontinuance of service on the line will not have an adverse impact should a coastal management area be involved.

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

Since this petition for exemption is for a discontinuance of service, the above statement is not applicable.

(4) ENERGY

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

This application will have no effect on the transportation of energy resources.

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

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

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

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

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

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

(5) AIR

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

The above thresholds will not be exceeded.

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

The above thresholds will not be exceeded.

On June 9, 2003, the U. S. Department of the Interior, Fish and Wildlife Service, Bloomington, Indiana, advised that *"The proposed project will have no significant effect on wetlands and will not affect any Federally endangered species."* (See Attachment 7.)

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

Based upon Applicant's review of the proposed project area, the line is not located within any National or State parks or forests.

(9) **WATER**

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

Applicant has not received a response to its letter of June 6, 2003, to the Indiana Department of Environmental Management, Indianapolis, Indiana, requesting information regarding this statement. (See Attachment 8.)

Based upon Applicant's intention to only discontinue service, and since there will be no new construction or removal of rail material, and the underlying roadbed will not be disturbed, it is Applicant's position that the proposed project is not inconsistent with any federal, state and/or local water quality standards.

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

On July 14, 2003, the U. S. Army Corps of Engineers, Louisville, Kentucky, advised that a permit under Section 404 of the Clean Water Act will not be required. (See Attachment 9.)

- (iii) **State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U. S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required).**

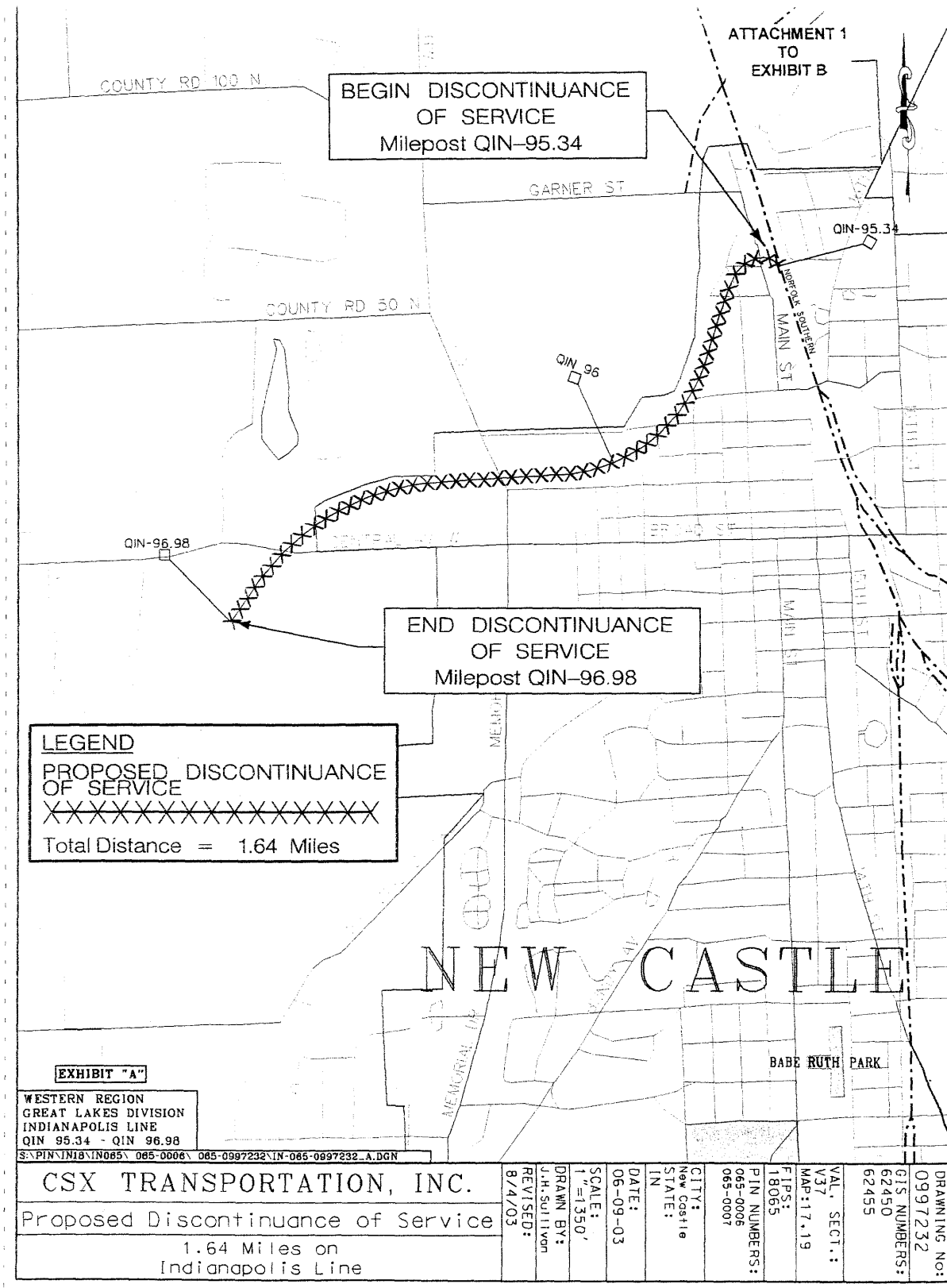
Applicant has not received a response to its letter of June 6, 2003, to the Indiana Department of Environmental Protection, Indianapolis, Indiana. (See Attachment 8.) However, on June 23, 2003, the U. S. Environmental Protection Agency, Region 5, Chicago, Illinois, advised that ". . . there were no significant concerns meriting comment." (See Attachment 10.)

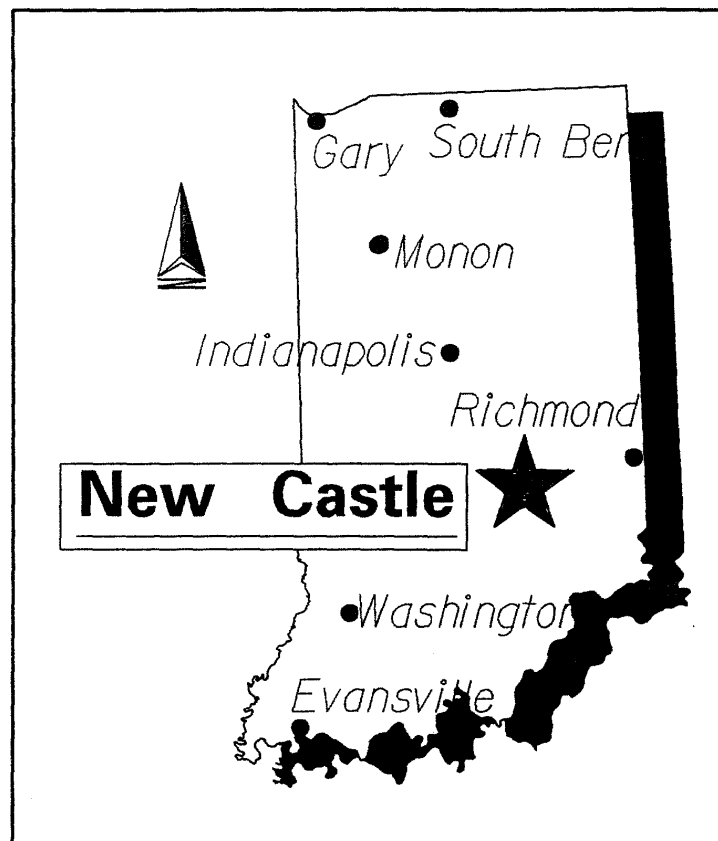
Based upon Applicant's intention to only discontinue service, and since there will be no new construction or removal of rail material, and the underlying roadbed will not be disturbed, Applicant does not believe a permit under Section 402 of the Clean Water Act will be required.

(10) **PROPOSED MITIGATION**

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

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





AREA MAP
STATE OF INDIANA
Proposed Discontinuance of Service
1.64 Miles
Henry County
New Castle, Indiana

WESTERN REGION - GREAT LAKES DIVISION - INDIANAPOLIS LINE



Heidi VanHorn-Bash
Director - Asset Management

ATTACHMENT 3
TO
EXHIBIT B

E-Mail: Heidi_VanHorn-Bash@csx.com

June 6, 2003

Henry County Planning Commission
101 S. Main Street
New Castle, IN 47362

Dear Sir or Madam:

Please be advised that New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") are considering discontinuance of service over a portion of rail line in New Castle, Henry County, Indiana, as depicted on the attached map. NYC and CSXT will only discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

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

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

I would appreciate your advice as to the existence of a long-range comprehensive planning map for Henry County and the line's relationship to such planning.

Sincerely,

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

Attachment



Heidi VanHorn-Bash
Director - Asset Management

ATTACHMENT 4
TO
EXHIBIT B

E-Mail: Heidi_VanHorn-Bash@csx.com

June 6, 2003

The Honorable Sherman Boles
City of New Castle
2227 N. Main Street
New Castle, IN 47362

Dear Mayor Boles:

Please be advised that New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") are considering discontinuance of service over a portion of rail line in New Castle, Henry County, Indiana, as depicted on the attached map. NYC and CSXT will only discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

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

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

I would appreciate your advice as to the existence of a long-range comprehensive planning map for the City of New Castle and the line's relationship to such planning.

Sincerely,

A handwritten signature in dark ink, appearing to read "Heidi VanHorn-Bash", written in a cursive style.

Attachment

United States Department of Agriculture

ATTACHMENT 5
TO
EXHIBIT B



Natural Resources Conservation Service
146 East County Road 200 North, Suite C
New Castle, Indiana 47362-9201

Heidi Van Horn – Bash
Director – Asset Management
500 Water Street – J200
Jacksonville, FL 32202

June 18, 2003

Dear Heidi,

In response to your request of information on prime agricultural land. Yes, there is prime agriculture land laying contiguous to the portion of rail line where GSX is considering to discontinue service. If I can be of further assistance please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Phil Brashaber".

PHIL BRASHABER,
District Conservationist



Heidi VanHorn-Bash
Director - Asset Management

June 6, 2003

**ATTACHMENT 6
TO
EXHIBIT B**

E-Mail: Heidi_VanHorn-Bash@csx.com

Mr. Harry Nikides
Director of the Division of Soil Conservation
Indiana Department of Natural Resources
402 West Washington Street - Room W-265
Indianapolis, IN 46204-2748

Dear Mr. Nikides:

Please be advised that New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") are considering discontinuance of service over a portion of rail line in New Castle, Henry County, Indiana, as depicted on the attached map. NYC and CSXT will only discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

This action requires Surface Transportation Board approval and Federal Regulations require expanded environmental information in connection with rail lines which are subject to abandonment. One of these is to determine if a designated coastal zone management area is involved; and, if so, if the proposed action is consistent with the affected State's Coastal Zone Management Program.

Since there will be no new construction or removal of rail material, and the underlying roadbed will not be disturbed, it is NYC's and CSXT's position that the proposed project will not be inconsistent with the Ohio Coastal Zone Management Program.

We would appreciate receiving your letter of concurrence; and, if you have any questions, please feel free to contact me.

Sincerely,

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

Attachment



United States Department of the Interior

FISH AND WILDLIFE SERVICE
BLOOMINGTON FIELD OFFICE (ES)
620 South Walker Street
Bloomington, IN 47403-2121
(812) 334-4261 FAX (812) 334-4273

June 9, 2003

ATTACHMENT 7
TO
EXHIBIT B



Ms. Heidi Bash
CSX Transportation
500 Water Street - J200
Jacksonville, FL 32202

Project No: Removal of rail material - underlying roadbed
will not be disturbed
County(ies): Henry

Dear Ms. Bash:

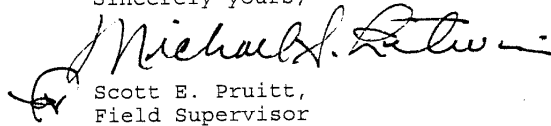
This responds to your letter dated June 6, 2003, requesting our comments on the aforementioned project.

These comments have been prepared under the authority of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et. seq.) and are consistent with the intent of the National Environmental Policy Act of 1969, the Endangered Species Act of 1973, and the U. S. Fish and Wildlife Service's Mitigation Policy.

The proposed project will have no significant effect on wetlands and will not affect any Federally endangered species. Other project impacts will be minor in nature. Based on a review of the information you provided, the U.S. Fish and Wildlife Service has no objections to the project as currently proposed.

We appreciate the opportunity to comment at this early stage of project planning. If project plans change such that fish and wildlife habitat may be affected, please recoordinate with our office as soon as possible. If you have any questions about our recommendations, please call (812)334-4261.

Sincerely yours,


Scott E. Pruitt,
Field Supervisor



Heidi VanHorn-Bash
Director - Asset Management

ATTACHMENT 8
TO
EXHIBIT B

E-Mail: Heidi_VanHorn-Bash@csx.com

June 6, 2003

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

Indiana Dept. of Environmental Management
Indiana Government Center
100 North Senate Avenue - P. O. Box 6015
Indianapolis, IN 46204

Dear Sir or Madam:

Please be advised that New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") are considering discontinuance of service over a portion of rail line in New Castle, Henry County, Indiana, as depicted on the attached map. NYC and CSXT will only discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

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

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

Since there will be no new construction or removal of rail material, and the underlying roadbed will not be disturbed, it is NYC's and CSXT's position that the proposed project will not negatively impact any Federal, State or local water quality standards and that no permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required.

We would appreciate receiving your letter of concurrence; and, if you have any questions, please feel free to contact me.

Sincerely,

Attachment



DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, LOUISVILLE
CORPS OF ENGINEERS
P.O. BOX 59
LOUISVILLE, KENTUCKY 40201-0059
FAX: (502) 315-6677
<http://www.lrl.usace.army.mil/>
July 14, 2003

ATTACHMENT 9
TO
EXHIBIT B

Operations Division
Regulatory Branch (North)
ID No. 200300775-ncc

Ms. Heidi V. Bash
CSX Transportation
500 Water Street - J200
Jacksonville, Florida 32202

Dear Ms. Bash:

This is in response to your letter of June 6, 2003 requesting comments concerning your position that the proposed discontinuation of service over a portion of rail line in New Castle, Indiana will not require a Department of the Army permit under Section 404 of the Clean Water Act.

This determination is approved based on the information provided by you. It does not appear that a Department of the Army permit will be needed since the property referenced above does not include or contain any "waters of the United States (U.S.)." Waters of the U.S. include all waters that are currently used, were used in the past, or may be susceptible to use in interstate or foreign commerce.

If the project would necessitate the discharge of dredged or fill material into "waters of the U.S.," including wetlands, plans should be submitted for our review.

Our comments on this project are limited to only those effects that may fall within our area of jurisdiction and thus does not obviate the need to obtain other permits from state or local agencies. Lack of comments on other environmental aspects should not be construed as either concurrence or nonconcurrence with stated environmental effects.

If we can be of any further assistance, please contact us by writing to the above address, ATTN: CELRL-OP-FN, or call Ms. Norma Condra at (502) 315-6680. Any correspondence on this matter should refer to our ID Number 200300775-ncc.

Sincerely,

Doug Shelton
Chief North Section
Regulatory Branch



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION V
77 West Jackson Boulevard
Chicago, IL 60604

Date: 6/23/03

Document: CSX Discontinuance of Service, New Castle, Indiana

Dear Interested Party:

The Environmental Planning and Evaluation Branch has received the document listed above. Under the National Environmental Policy Act (NEPA), the Council on Environmental Quality regulations, and Section 309 of the Clean Air Act; U.S. EPA reviews and comments on major federal actions. Typically, these reviews focus on Environmental Impact Statements, but we also have the discretion to review and comment on other environmental documents prepared under NEPA if interest and resources permit.

We did not undertake a detailed review of the document you sent to this office, and will not be generating comments because of the reason selected below.

- ☐ The document was not prepared under NEPA.
- ☐ The document was given a cursory review, but other workload priorities precluded us from undertaking a detailed review and generating comments.
- ☒ The document was given a cursory review, and we determined that there were no significant concerns meriting comment.
- ☐ We opted to wait for the next level of documentation on this project before deciding whether or not to comment.

We reserve the right to reconsider undertaking a review at future planning stages, or if significant new data on the project is made available by the sponsoring agency or other interested parties. Thank you for providing information on the project.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth A. Westlake".

Kenneth A. Westlake, Chief
Environmental Planning and Evaluation Branch

HISTORIC REPORT

**NEW YORK CENTRAL RAILROAD, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET NO. AB-565 (SUB-NO.15X)**

And

**CSX TRANSPORTATION, INC.
PROPOSED DISCONTINUANCE OF SERVICE
DOCKET AB-55 (SUB-NO. 639X)**

NEW CASTLE, HENRY COUNTY, INDIANA

1105.7(e)(1)

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

New York Central Railroad, Inc. ("NYC") and CSX Transportation, Inc. ("CSXT") propose to discontinue service over 1.64 miles of track in New Castle, Henry County, Indiana. During the past several years, the principal commodity transported over the line has been sheet steel.

NYC and CSXT only intend to discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place. The only alternative would be not to discontinue service and to pass the operating loss and maintenance costs of retaining the line to all other CSXT customers. This would not be a prudent utilization of carrier resources.

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

1105.8(d)

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

Attached is copy of the New Castle East Topographic Map prepared by the U. S. Department of Interior Geological Survey. The line to be abandoned has been identified by a heavy black and white diagonal line. (See Attachment 3.)

There is one CSXT-owned structure 50 years old or older that is part of the proposed action that may be eligible for listing in the National Register. Its location has been identified on the topographic map.

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

The right of way widths along this line varies between 50 and 100 feet from the center of line of track. This line is not located within any historic districts. The New Castle Commercial Historic District is roughly bounded by Fleming and 11th Streets, Central Avenue and the Norfolk & Western Railway Co. (See Attachment 4.)

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

There is one CSXT-owned structure that is 50-years old or older on the line. It is identified as Bridge No. 287, located at Milepost QIN 96.5. Photographs of this structure are included as Attachment 5.

Additional photographs taken along the right of way showing the surrounding area are included as Attachments 6, 7 and 8.

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

Bridge No. 287 was built in 1898. It is a two span 150 ft. deck plate girder bridge which crosses the Blue River at New Castle, Indiana.

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

This rail line was acquired by the Indiana, Bloomington & Western Railway in 1881, predecessors of The Cleveland, Cincinnati, Chicago and St. Louis Railway Company (CCC&St.L Ry.), a subsidiary of The New York Central Railroad System.

The CCC&St.L. Ry. was incorporated with the State of Indiana, June 8, 1889, and with the State of Ohio, June 27, 1889.

The New York Central Railroad was formed in 1853 by the consolidation of many small railroads in the State of New York. By 1930, having absorbed other large railroads, the New York Central was one of the leading railroads connecting the Eastern seaboard with Midwestern cities. In 1968, merger of the New York Central Railroad and the Pennsylvania Railroad formed the Penn Central Company. By the early 1970s the Penn Central was bankrupt; and in 1976 the U. S. Government created Conrail from Penn Central and five other failed eastern railroads.

CSX Transportation, Inc. and Norfolk Southern Railway acquired Conrail in 1999. In June 1999, Conrail conveyed the line proposed for discontinuance of service to CSXT.

Applicants only intend to discontinue service over the line. They do not intend to abandon the line, but rather leave the line in place.

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

Engineering Sketch, Track Chart and Valuation Maps
Office of Chief Engineer, Jacksonville, FL.

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

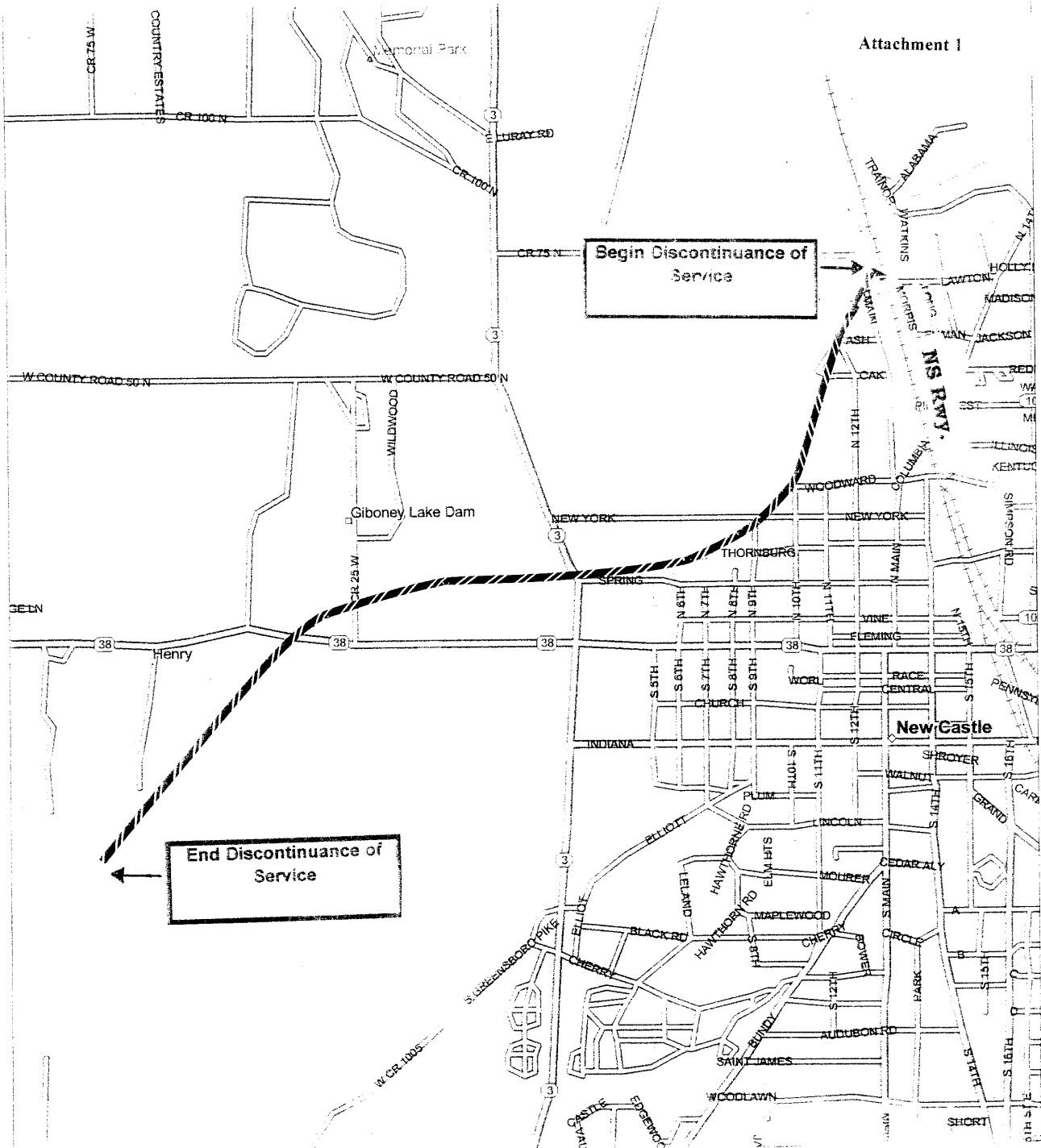
A review of our records indicates there is one CSXT-owned structure over 50 years old on this line segment. We do not know of any significance or uniqueness to this structure that would warrant your consideration, since to our knowledge, it is not associated with any event that has made a contribution to the broad patterns of history; or was not associated with lives of persons significant to our past; does not embody the distinctive characteristics of a type, period or method of construction and does not represent a significant and distinguishable entity whose components may lack individual distinction and has not or may not be likely to yield information important in prehistory or history.

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

- (8) **A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or man-made) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.**

HISTORIC REPORT
New York Central Railroad, Inc.
Docket AB-565 (Sub No. 15X)
CSX Transportation, Inc
Docket AB-55 (Sub No. 630X)
Page 4 of 4

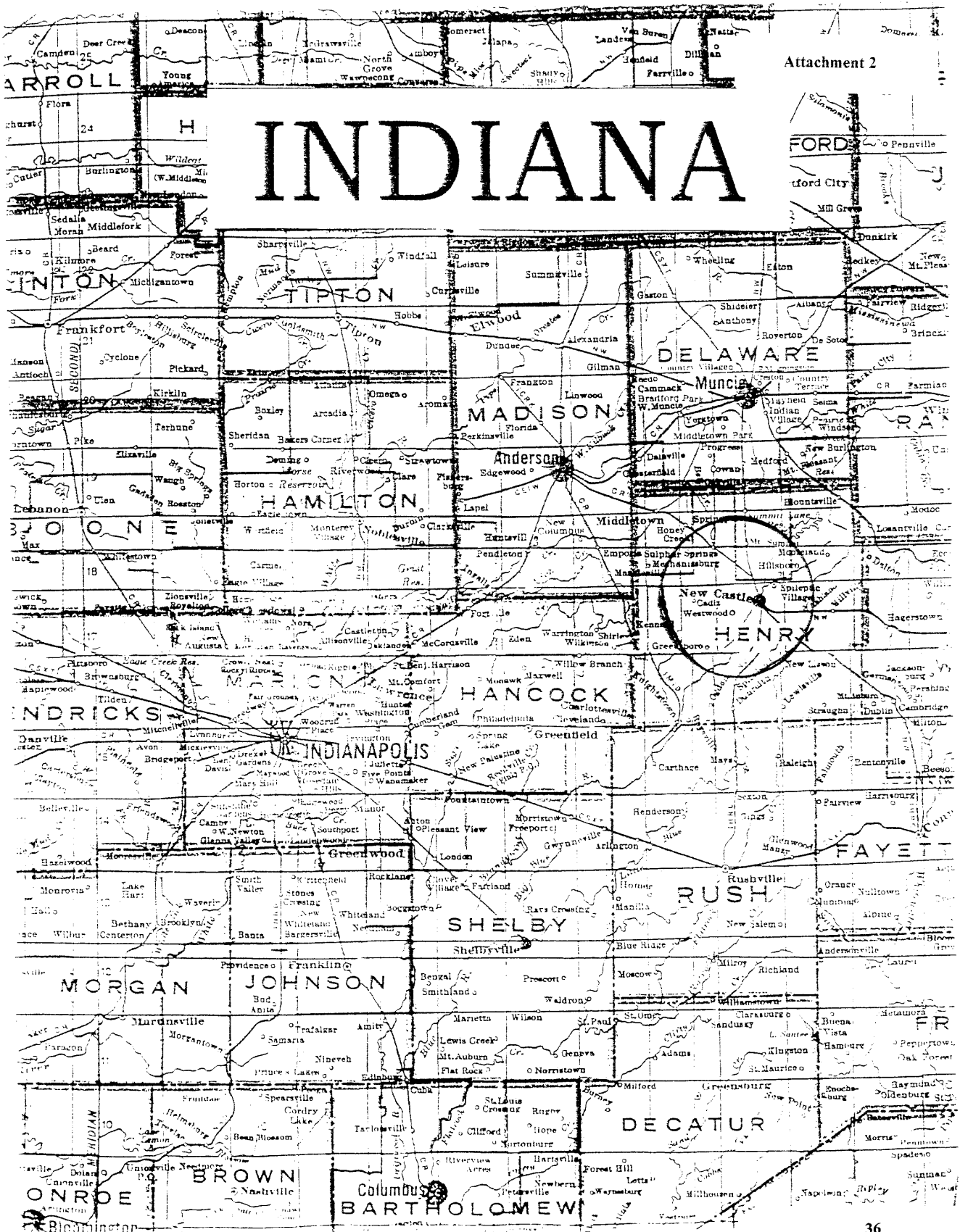
The line was disturbed during construction by cuts and fill and any archeological resources that may have been located in the proposed project area would have been affected at that time, not during salvage operations. Our records do not indicate that any swampy conditions exist, or that any hazardous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



**CSX TRANSPORTATION, INC.
NEW CASTLE, INDIANA**

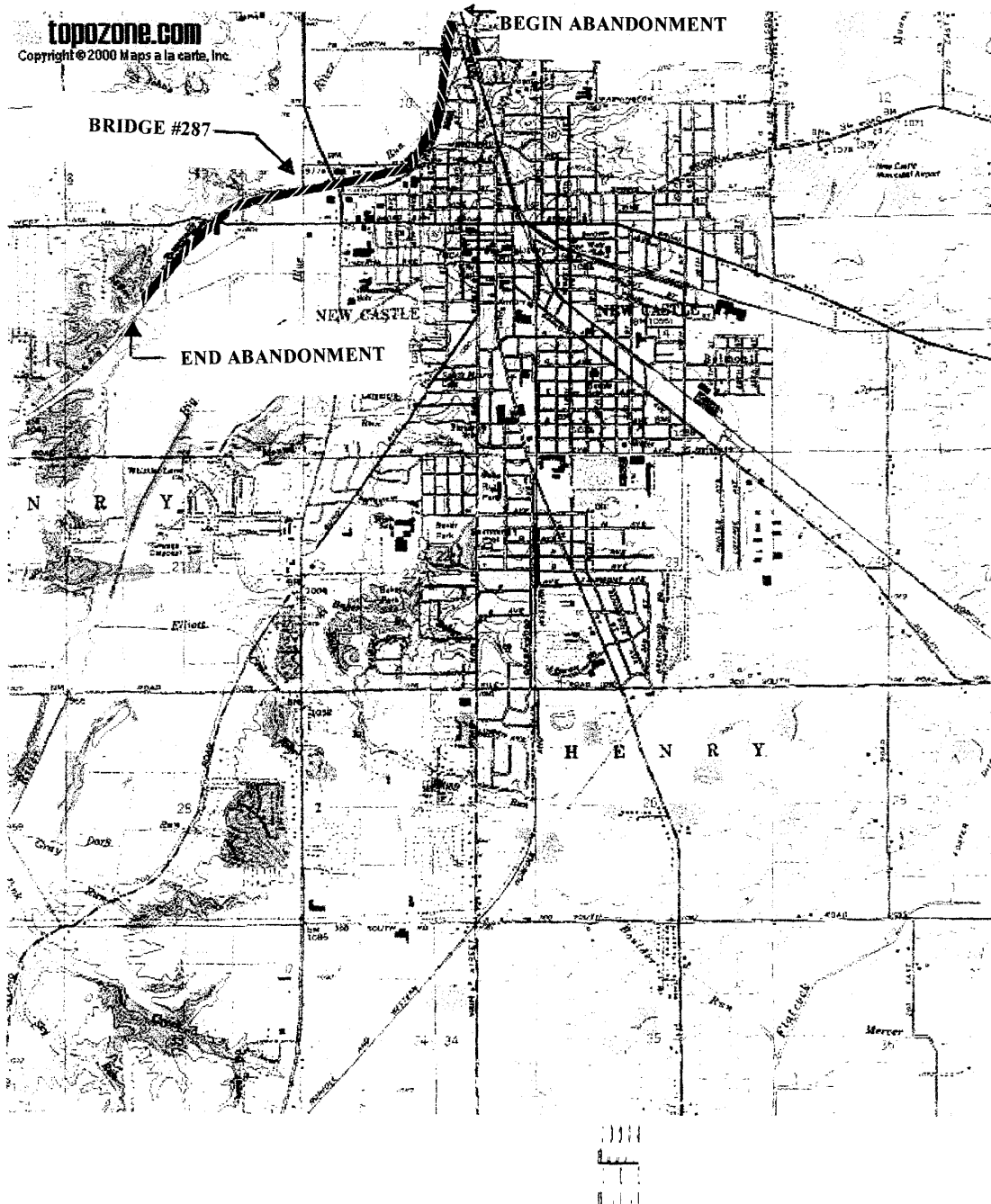
PROPOSED DISCONTINUANCE OF SERVICE

INDIANA

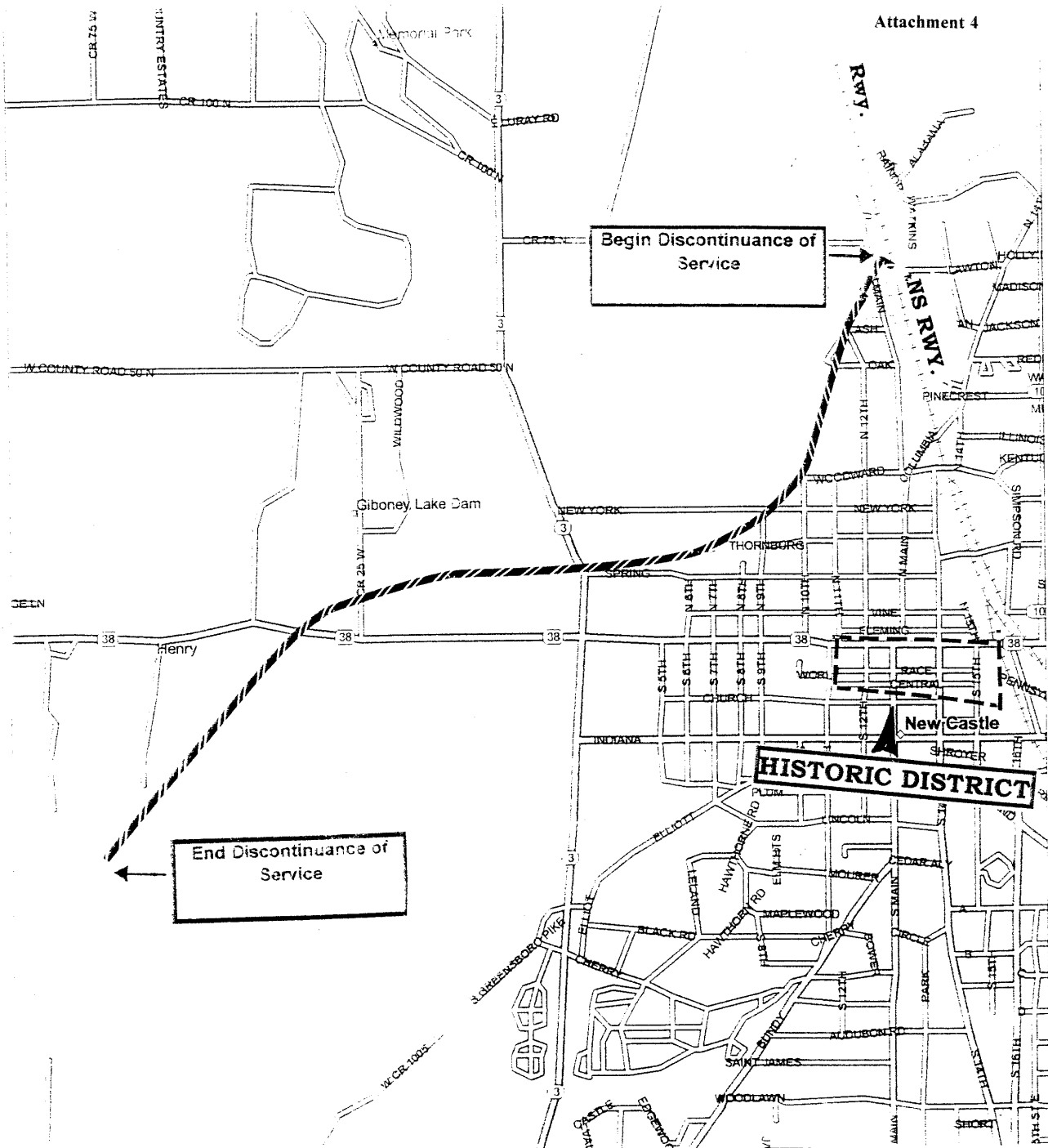




Map center is UTM 16 641095E 4418840N - **NEW CASTLE EAST** quad [Quad Ir



<http://www.topozone.com/print.asp?z=16&n=4418840&e=641095&s=50&size=m&symshow=n> 6/2/03



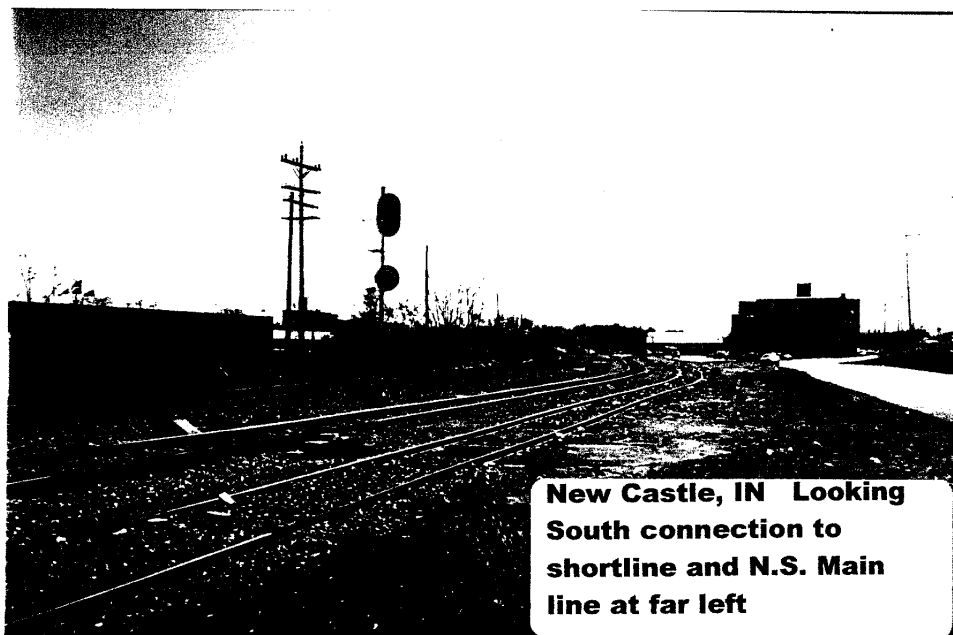
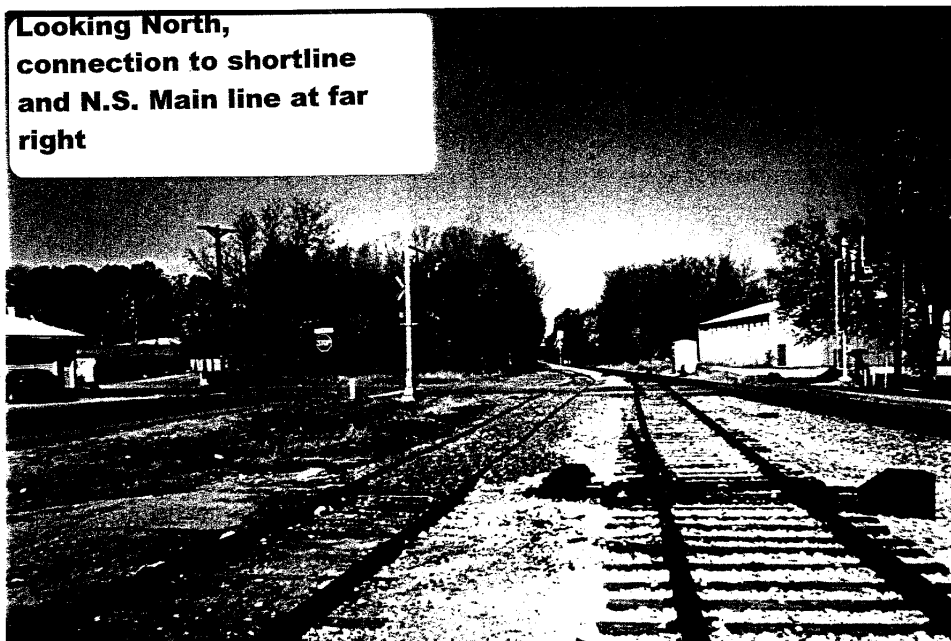
CSX TRANSPORTATION, INC.
NEW CASTLE, INDIANA

----- PROPOSED DISCONTINUANCE OF SERVICE



Near Milepost QIN-95.34

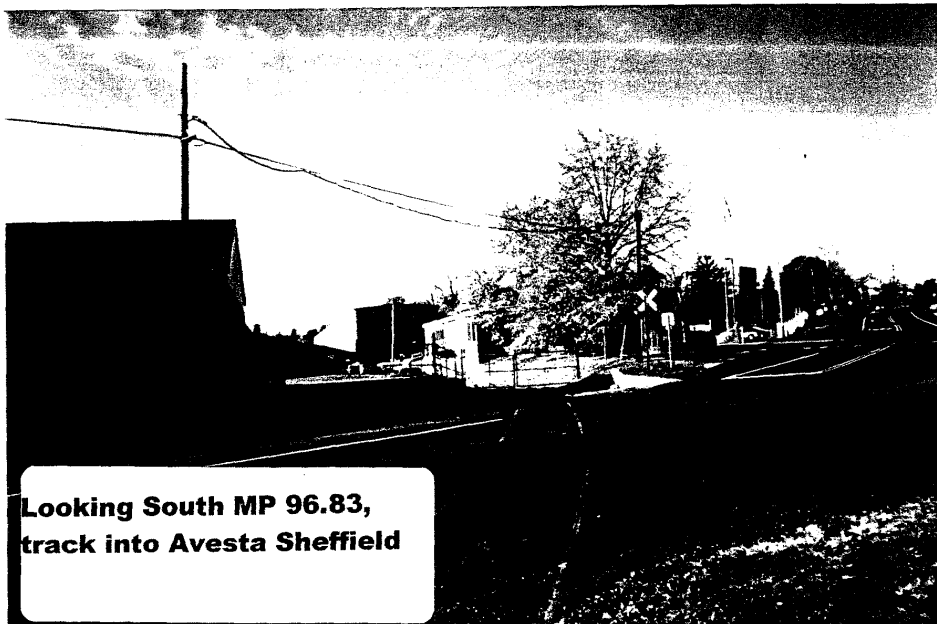
**Looking North,
connection to shortline
and N.S. Main line at far
right**



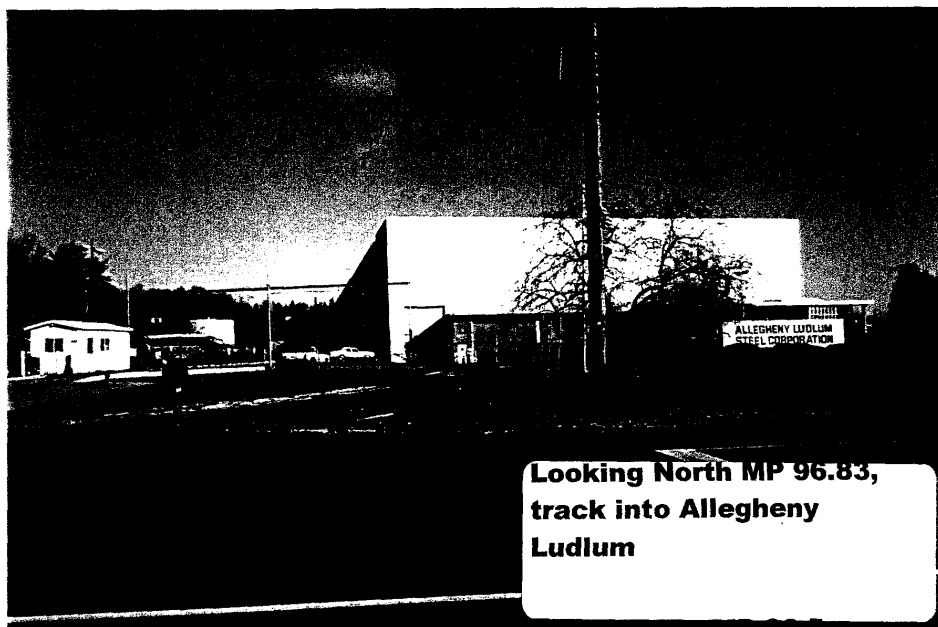
**New Castle, IN Looking
South connection to
shortline and N.S. Main
line at far left**



**New Castle, IN.
Looking South MP 96.83
near E.O.T.**



**Looking South MP 96.83,
track into Avesta Sheffield**





Heidi VanHorn-Bash
Director - Asset Management

500 Water Street
Jacksonville, FL 32202
Tel. (904) 359-2409
Fax (904) 359-1111
E-Mail: Heidi.VanHorn-Bash@csx.com

June 6, 2003

Mr. Jon C. Smith
Deputy State Historic Preservation Officer
Indiana Department of Natural Resources
Division of Historic Preservation & Archaeology
402 W. Washington Street, Room W-274
Indianapolis, IN 46204-2739

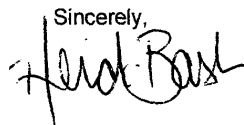
RE: NEW CASTLE, HENRY COUNTY, INDIANA
New York Central Railroad, Inc. - Proposed Discontinuance of Service
Docket No. AB-565 (Sub No. 15X)
And
CSX Transportation, Inc. - Proposed Discontinuance of Service
Docket AB-55 (Sub No. 639X)

Dear Mr. Smith:

Please be advised that New York Central Railroad, Inc. and CSX Transportation, Inc., anticipates filing for discontinuance of service of approximately 1.64 miles of rail line in New Castle, Indiana, as shown in the attached Historic Report.

In connection with rail lines that are to become the subject of applications for authority to abandon, Federal Regulations at 49 CFR 1105.8(d), require that a Historic Report be submitted to the State Historic Preservation Officer prior to filing with the Surface Transportation Board. In accordance with those Regulations, I am attaching a Historic Report covering the above proposed abandonment.

I would appreciate it if you could confirm in writing that this project will have no impact upon cultural resources. If you have questions, please feel free to call me.

Sincerely,


Attachment

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

Ms. N. S. Rosenberg, Counsel, CSXT, 500 Water St.-J150, Jacksonville, FL 32202



Indiana Department of Natural Resources

Division of Historic Preservation & Archaeology • 402 W. Washington Street, W274 • Indianapolis, IN 46204-2739
Phone 317-232-1646 • Fax 317-232-0693 • dhpa@dnr.state.in.us

Frank O'Bannon, Governor
John Goss, Director



July 10, 2003

Heidi VanHorn-Bash
CSX Transportation
500 Water Street
Jacksonville, Florida 32202

Federal Agency: Surface Transportation Board ("STB")

Re: General information and a preliminary finding of "no impact" for the discontinuance of service by New York Central Railroad, Inc. and CSX Transportation, Inc. (Docket #AB-565 [Sub #15X] & AB-55 [Sub #639X])

Dear Ms. Bash:

Pursuant to Section 106 of the National Historic Preservation Act (16 U.S.C. § 470f) and 36 C.F.R. Part 800, the staff of the Indiana State Historic Preservation Officer ("Indiana SHPO") has conducted an analysis of the materials dated June 6, 2003, and received on June 9, 2003, for the above indicated project in New Castle, Henry Township, Henry County, Indiana.

Based upon the documentation available at Indiana SHPO, we have not identified any historic buildings, structures, districts, or objects listed in or eligible for inclusion in the National Register of Historic Places within the probable area of potential effects.

Upon completing its own identification and evaluation efforts, it would be appropriate for the STB to analyze the information that has been gathered from the Indiana SHPO, the general public, and any other consulting parties and make the necessary determinations and findings. Refer to the following comments for guidance:

- 1) If the STB believes that a determination of "no historic properties affected" accurately reflects its assessment, then it shall provide documentation of its finding as set forth in 36 C.F.R. § 800.11 to the Indiana SHPO, notify all consulting parties, and make the documentation available for public inspection (36 C.F.R. §§ 800.4[d][1] and 800.2[d][2]).
- 2) If, on the other hand, the STB finds that an historic property may be affected, then it shall notify the Indiana SHPO, the public and all consulting parties of its finding and seek views on effects in accordance with 36 C.F.R. §§ 800.4(d)(2) and 800.2(d)(2). Thereafter, the STB may proceed to apply the criteria of adverse effect and determine whether the project will result in a "no adverse effect" or an "adverse effect" in accordance with 36 C.F.R. § 800.5.

We look forward to receiving notice of the STB's findings.

In the future, please provide a letter or copy of a letter indicating the STB's authorization of CSX Transportation, Inc. to initiate consultation with the Indiana SHPO. This information is needed to ensure that the STB, as the Federal agency responsible for the Section 106 review process, is aware that consultation has begun.

Heidi VanHorn-Bash
July 10, 2003
Page 2

A copy of the revised 36 C.F.R. Part 800 that went into effect on January 11, 2001, may be found on the Internet at www.achp.gov for your reference. If you have questions about our comments, please call Shana Kelso of our office at (317) 232-1646.

Very truly yours,



for: Jon C. Smith
Deputy State Historic Preservation Officer

JCS:SNK:snk

cc: Elaine K. Kaiser, Surface Transportation Board

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

In accordance with 49 C.F.R. § 1105.7(b), I hereby certify that on July 25, 2003, a copy of the Environmental Report was served upon the below listed parties, by first-class mail, postage prepaid:

Henry County Planning Commission
101 S. Main Street
New Castle, IN 47362

The Honorable Sherman Boles
City of New Castle
2227 N. Main Street
New Castle, IN 47362

Mr. Scott E. Pruitt, Field Supervisor
U.S. Department of the Interior
Fish & Wildlife Service
620 South Walker Street
Bloomington, IN 47403-2121

U. S. Army Corps of Engineers
Louisville District
P.O. Box 59
Louisville, KY 40401-0059

Ms. Betty Cockrum, Budget Director
State Budget Agency
212 State House
Indianapolis, IN 46204

District Conservationist
Natural Resources Conservation Service
146 E. County Road
New Castle, IN 47362

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

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

Mr. Harry Nikides
Director of the Division of Soil Conservation
Indiana Department of Natural Resources
402 West Washington Street - Room W265
Indianapolis, IN 46204-2748

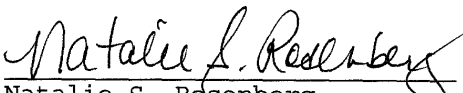
U. S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604-3507

Indiana Dept. of Environmental Management
Indiana Government Center
100 North Senate Avenue - P. O. Box 6015
Indianapolis, IN 46204

Mr. Larry Goode
Indiana Department of Transportation
Multimodal Division
100 North Senate Avenue, Room N901
Indianapolis, IN 46204

In accordance with 49 C.F.R. 1105.8(c), I hereby
certify that on June 6, 2003, a copy of the Historic Report was
served upon the below listed party, by first-class mail, postage
prepaid:

Mr. Jon C. Smith
Deputy State Historic Preservation Officer
Indiana Department of Natural Resources
Division of Historic Preservation & Archeology
402 W. Washington Street, Room W-274
Indianapolis, IN 46204-2739


Natalie S. Rosenberg

August 15, 2003

Ms. Natalie Rosenberg – J150

**RE: IN-307 – NYC and CSXT Proposed Discontinuance of Service,
Western Region, Great Lakes Division, Indianapolis Line,
between milepost QIN 95.34 and QIN 96.98, a distance of 1.64 miles
in New Castle, Henry County, IN
NYC Docket No. AB-565 (Sub-No. 15X)
CSXT Docket No. AB-55 (Sub-No. 639X)**

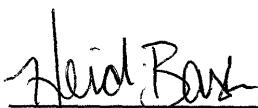
In preparation for filing a Petition for Exemption on the above-referenced line segment, listed below are the carloads handled over the line for the years 2001, 2002, and 2003 (January through May):

<u>PATRON</u>	<u>STATION</u>	<u>CARLOADS COMMODITY</u>	<u>2001</u>	<u>2002</u>	<u>2003 (Jan-May)</u>
Allegheny Ludlum Mr. John Sample P.O. Box 565 1 Kiski Avenue Leechburg, PA 15656 (724) 845-0325 jsample@alleghenyludlum.com	New Castle	steel & iron products	229	19	0

Allegheny Ludlum operates a business specializing in the technology, production and marketing of stainless steels, silicon electrical steels, tool steels, titanium, nickel alloys, as well as other advanced alloys. Their facility at New Castle, Indiana, produces primarily stainless steel sheets. This patron received 229 inbound carloads in 2001 and 19 inbound carloads in 2002 with the last carload shipped around March 2002.

Alternative transportation options available to this customer comprise of utilizing motor carriers, which the customer already uses. State Road 38 runs through New Castle, and Interstate 70 is approximately 10 miles away via State Road 3 or 103. There are no CSX team tracks in the vicinity of New Castle.

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


Heidi D. Bash
Director Asset Management

CERTIFICATE OF SERVICE

I certify that on August 15, 2003, I served by first-class mail, postage prepaid, a copy of the foregoing Petition for Exemption on the following:

Mr. John Sample
Allegheny Ludlum
Post Office Box 565
One Kiski Avenue
Leechburg, Pennsylvania 15656

Mr. Mike Schime
Railroad Section Manager
Indiana Department of Transportation
100 North Senate Avenue
IGC-N, Room 901
Indianapolis, Indiana 46204-2219

MTMCTEA
Attn: Railroads for National Defense
720 Thimble Shoals Blvd., Suite 130
Newport News, Virginia 23606-2574

National Park Service
Recreation Resources Division
1849 C Street NW
Washington, D.C. 20240-0001

National Park Service
Land Resources Division
1849 C Street NW
Washington, D.C. 20240-0001

U. S. Department of Agriculture
Chief of the Forest Service
P. O. Box 96090
Washington, D.C. 20050


Natalie S. Rosenberg

STB Docket No. AB-565 (Sub-No. 15X)
STB Docket No. AB-55 (Sub-No. 639X)

Notice of Petition for Exemption to
Discontinue Service



On August 15, 2003, New York Central Lines, LLC and CSX Transportation, Inc. filed with the Surface Transportation Board, Washington, DC 20423, a petition for exemption to discontinue service over a line of railroad in the Western Region, Great Lakes Division, Indianapolis Line Subdivision, extending from Milepost QIN 95.34 to Milepost QIN 96.98, a total distance of approximately 1.64 miles, (hereinafter referred to as "the line"). The line traverses through United States Postal Service ZIP Code 47632. The line for which the discontinuance exemption request was filed includes no stations.

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

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

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

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at

49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

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