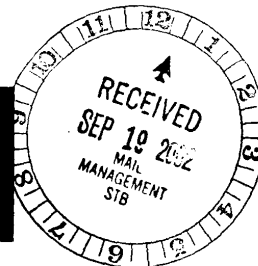
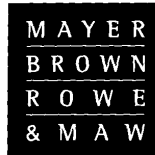


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September 19, 2002

BY HAND

Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

ENTERED
Office of Proceedings

SEP 19 2002

**Part of
Public Record**

Re: Docket No. AB-167 (Sub No. 1094)A
Chelsea Property Owners -- Abandonment --
Portion of the Consolidated Rail Corporation's
West 30th Street Secondary Track in
New York, NY

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of Reply of Consolidated Rail Corporation to "The Friends of the High Line, Inc.'s Petition to Reopen the 1992 Abandonment Decision." Please date-stamp the extra copy that is enclosed and return it to our representative. Also enclosed is a diskette containing the Reply in electronic format.

Sincerely yours,

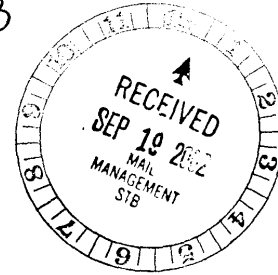
A handwritten signature in dark ink, appearing to read 'RMJ' followed by a flourish.
Robert M. Jenkins III

RMJ/bs

Enclosures

206 223

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. AB-167 (SUB-NO. 1094)

CHELSEA PROPERTY OWNERS – ABANDONMENT – PORTION
OF THE CONSOLIDATED RAIL CORPORATION'S
WEST 30TH STREET SECONDARY TRACK IN NEW YORK, N.Y.

ENTERED
Office of Proceedings

**REPLY OF CONSOLIDATED RAIL CORPORATION
TO "THE FRIENDS OF THE HIGH LINE, INC.'S
PETITION TO REOPEN THE 1992 ABANDONMENT DECISION**

SEP 19 2002

Part of
Public Record

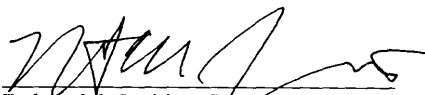
Consolidated Rail Corporation ("Conrail") replies here to the petition filed August 16, 2002, by The Friends of the High Line, Inc. ("FHL") seeking a partial reopening of the ICC's September 16, 1992 decision in this proceeding, which conditionally permitted abandonment of Conrail's W. 30th Street line in New York City ("Highline").

Conrail wishes to stress two points in reply to FHL's petition. The first point is that FHL's petition is expressly limited to historic preservation and environmental impact issues. FHL has not sought reopening of the great bulk of the ICC's 1992 decision – concerning the ICC's economic analysis of the adverse abandonment petition filed by the Chelsea Property Owners ("CPO"). In particular, FHL has not taken issue with the ICC's determination that a prerequisite to issuance of an abandonment certificate would be a surety bond indemnifying Conrail for any costs for demolition and removal of the Highline exceeding \$7 million. Thus, if FHL's petition were granted, the most that could be reconsidered would be the historic preservation and environmental impact issues that it has raised. No one has questioned the fundamental economic balance struck in the ICC's 1992 decision.

Second, a full decade has passed since the ICC's 1992 decision conditionally permitting abandonment of the Highline. CPO has worked extensively with Conrail and related railroad interests, with interested property owners, and with interested governmental entities to develop a settlement agreement that, if executed and consummated as written, will satisfy the indemnification condition in the ICC's 1992 decision and permit this long-running saga finally to come to an end.¹ Thus, if the STB determined to reopen the 1992 decision as requested by FHL, Conrail would request that the STB set an expedited schedule for the resulting proceedings.

Respectfully submitted,

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Attorneys for Consolidated Rail Corporation

September 19, 2002

¹ Contrary to the suggestion at pages 6-8 of FHL's "Opposition to Chelsea Property Owners' Motion for an Order Authorizing Abandonment of the High Line," filed September 6, 2001, Conrail believes that the proposed settlement agreement provides adequate protection for Conrail against environmental liability.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Reply have been served this 19th day of September 2002, by first-class mail, postage prepaid upon the following persons.

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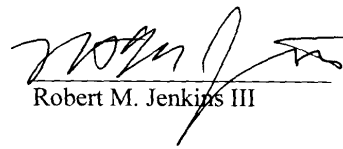
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