



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

EO-3584

Name
Title
Organization/Agency
Department
Address Line 1
Address Line 2
City, State, Zip Code

November 12, 2021

Email Address

Re: Docket No. FD 36500, Canadian Pacific Railway Limited, et al.—Control of—
Kansas City Southern, et al.; **Notice of Intent to Prepare an Environmental
Impact Statement**

Dear Agency Official:

On October 29, 2021, Canadian Pacific Railway Limited, et al. (CP) and Kansas City Southern et al. (KCS) (collectively, Applicants) filed an application with the Surface Transportation Board (Board) seeking authorization for CP to acquire KCS. This acquisition would create the first railroad to connect Canada, the United States, and Mexico. CP's system runs east to west across Canada, connecting the east and west coast ports. It runs south into the U.S. Midwest and connects with KCS in Kansas City. KCS runs from Kansas City to the Gulf Coast and into Mexico. The combination of these two railroads would be an 'end-to-end' merger because the CP and KCS railroad networks do not overlap (see the interactive map on the Board-sponsored project website here: <https://cp-kcsmergereis.com/maps.htm>).

As part of the approval process, the Board must evaluate the potential impacts of the proposed acquisition on the environment, in accordance with the National Environmental Policy Act (NEPA) and the Board's environmental regulations (49 C.F.R Part 1105). To comply with NEPA, the Board's Office of Environmental Analysis (OEA) has initiated preparation of an Environmental Impact Statement (EIS) by issuing a Notice of Intent to Prepare an EIS (NOI) in the *Federal Register* November 12, 2021. A copy of the NOI is available here: <https://cp-kcsmergereis.com/docs/cp-kcs-noi.pdf> .

The EIS will describe the potential environmental impacts of the proposed acquisition and assist the Board with making its decision about whether to approve, approve with conditions, or deny the acquisition. The statute setting forth the procedures for Board review of acquisitions at 49 U.S.C. § 11325 and the Board's implementing regulations at 49 C.F.R. § 1180.4 (2000)

require that the Board complete its review within approximately 15 months after the application is accepted for a “major” transaction such as this, and OEA must complete the environmental process before the Board issues a final decision.

Scoping

Scoping is the first step in the preparation of an EIS. Scoping is an open process that helps define the range of issues that should be considered in the EIS. This letter describes OEA’s proposed approach to the EIS and asks you to review and comment on the proposed approach as well as provide any information you believe may be relevant when considering impacts, either negative or beneficial, to environmental resources under your jurisdiction or purview.

Description of the Proposed Action

According to the Applicants, the purpose of the proposed acquisition is to combine America’s two smallest but fastest-growing Class I railroads to build a more efficient and more competitive rail network. The Applicants state that the proposed acquisition would further the need for expanded and more capable and efficient transportation infrastructure while simultaneously advancing the interests of current and future customers in more reliable and economical rail transportation options serving important North-South trade flows. The Applicants also state that the proposed acquisition would generate environmental benefits by reducing truck transportation on highways in North America by more than 60,000 trucks annually, resulting in less congestion, less maintenance, and improved safety on those roads, as well as less noise pollution in the places where those trucks would have driven, and lowered air emissions, including greenhouse gas emissions.

The proposed acquisition would involve (1) changes in level of operations (e.g., an increase in average trains per day) on certain segments of the combined rail network that would exceed the Board’s thresholds for environmental review at 49 C.F.R. § 1105.7(e); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board’s thresholds for environmental analysis; and (3) capital improvements within the existing rail right-of-way. The 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 (measured in gross ton miles annually) or an increase in rail traffic of at least eight trains per day. For air quality impacts, rail lines located in areas classified as being in nonattainment under the Clean Air Act are also assessed if they would experience an increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains per day. Based on our preliminary review, we have identified rail lines in Illinois, Iowa, Missouri, Kansas, Oklahoma, Arkansas, Louisiana, and Texas that could experience increases in rail traffic exceeding our analysis thresholds as a result of the proposed acquisition. The EIS will analyze the potential environmental impacts of increased rail traffic along those rail lines, as appropriate.

To support increased rail traffic on the combined network, the Applicants propose to add new passing sidings or extend existing passing sidings at 24 locations within the rail right-of-way as part of the proposed acquisition. Sidings would be added or extended at locations in

Louisiana, Oklahoma, Arkansas, Kansas, Minnesota, Illinois, Iowa, and Missouri. The Applicants also propose to add approximately four miles of double track within the right-of-way along the KCS Pittsburg Subdivision in Missouri and to add approximately five miles of facility working track within the right-of-way adjacent to the International Freight Gateway intermodal terminal in Missouri. The EIS will analyze potential environmental impacts, as appropriate, from these capital improvement projects.

The interactive map on the Board-sponsored project website here: <https://cp-kcsmergereis.com/maps.htm> shows the locations of the rail lines, rail yards, and intermodal facilities that would experience operational changes that would exceed the Board's environmental analysis threshold, as well as the locations of proposed capital improvements within the rail right-of-way.

How to Comment

We encourage you to file your written comments electronically through the Board-sponsored project website at www.CP-KCSMergerEIS.com. Written comments can also be submitted electronically on the Board's website, <https://www.stb.gov>, by clicking on the "E_FILING" link, then clicking on "Environmental Comments." Alternatively, your written comments may be sent by mail to:

Joshua Wayland, Surface Transportation Board, c/o VHB
Attention: Environmental Filing, Docket No. FD 36500
940 Main Campus Dr., Suite 500
Raleigh, NC 27606

Please make sure to refer to Docket No. FD 36500 in all correspondence, including E-filings, addressed to the Board. **All scoping comments must be sent no later than December 17, 2021.**

Public Scoping Meetings

Additionally, to provide an opportunity for the public to provide oral comments, OEA will hold six online public scoping meetings. We invite you to attend those meetings if you are interested. You can attend the online public scoping meetings in one of two ways:

- Join online at: <https://bit.ly/cp-kcs> .
 - Project information will be available for review at this link prior to the public meeting dates.
- Join by phone by calling (888) 788-0099 (Toll Free) and using the call-in information below:

Public Scoping Meetings Dates and Times

Date	Time	Meeting ID	Passcode
Tuesday, November 30, 2021	6-8 PM	899 9411 9431	336859
Wednesday, December 1, 2021	2-4 PM	834 1445 3134	140066
Thursday, December 2, 2021	6-8 PM	860 6003 9544	510488
Tuesday, December 7, 2021	6-8 PM	891 6903 1796	598592
Wednesday, December 8, 2021	2-4 PM	884 5338 0280	470936
Thursday, December 9, 2021	6-8 PM	899 8627 2409	227867

Next Steps

Following the end of the scoping period on December 17, 2021, OEA will review the comments and then issue a Final Scope of Study for the EIS. OEA will then proceed with the preparation of the Draft EIS. You will be notified of the publication of the Draft EIS and will have the opportunity to review and comment on the document. At this time, OEA anticipates issuing the Draft EIS in the spring of 2022. In the meantime, OEA may contact you with questions or queries pertaining to the resources under your jurisdiction or purview.

For further information or questions pertaining to the scoping process, please contact Joshua Wayland at the address provided above or call the toll-free project line at 1-888-319-2337. For further information about the Board's environmental review process and the EIS, you may also visit the Board-sponsored project website at www.CP-KCSMergerEIS.com. We look forward to your comments.

Sincerely,



Danielle Gosselin
Acting Director
Office of Environmental Analysis

FIRST-NAME	LAST-NAME	TITLE	ORGANIZATION/AGENCY	DEPARTMENT	STATE
Michael	Sullivan	State Conservationist	NRCS	Arkansas Office	AR
Dan	Niosi	Regional Environmental Coordinator	NPS Intermountain Region	Interior Regions 6, 7, and 8	CO
Paul	Nissenbaum	Associate Administrator for Rail	Federal Railroad Administration	Environmental Division	D.C.
Stephanie	Sykes	Director of Intergovernmental Affairs	US Dept of Commerce	Office of Legislative and Intergovernmental Affairs	DC
Mike	Reynolds	Regional Director	NPS Intermountain Region	Region 6	DC
Interested	Party		FRA	Environmental Division	DC
Interested	Party		FRA		DC
Jon	Hubbert	State Conservationist	NRCS		IA
Derrick	James	Senior Manager	Amtrak	Government Affairs, Midwest Division	IL
Ivan	Dozier	State Conservationist	NRCS	Illinois Office	IL
Kevin	Sligh	Region 5 Administrator	FEMA	Region 5	IL
Jerry	Raynor	State Conservationist	NRCS	Indiana Office	IN
Karen	Woodrich	State Conservationist	NRCS	Kansas Office	KS
Chad	Kacir	State Conservationist	NRCS	Louisiana Office	LA
Todd	Stennis	Senior Manager	Amtrak	Government Affairs, South District	LA
Jay	Van Der Werff	Region 7 Deputy Administrator	FEMA Region 7	Region 7	MO
Kathy	Fields	Regional Administrator	FEMA	Region 7	MO
Sara	Henry		FEMA Region 7	FEMA Regional Tribal Liaison	MO
Scott	Edwards	State Conservationist	NRCS	Missouri Office	MO
Interested	Party	Regional Administrator	FRA	Region 6	MO
Bert	Frost	Regional Director	NPS Midwest Region	Regions 3, 4, and 5	NE
Interested	Party		NPS	Region 6	NE
Christine	Gabriel	Regional Environmental Coordinator	NPS Midwest Region		NE
Interested	Party		NPS	Region 5	NE
Gary	O'Neill	State Conservationist	NRCS	State Office	OK
Carol	Crouch	State Tribal Liaison	NRCS	State Tribal Liaison	OK
Kristy	Oates	State Conservationist	Natural Resources Conservation Service	Texas Office	TX
Tony	Robinson	Region 6 Administrator	FEMA	Region 6, Enforcement and Compliance Assurance Division	TX
Interested	Party	Regional Administrator	FRA	Region 5	TX
Dan	Shulman		FEMA Region 5	Congressional/Intergovernmental	
Troy	Christensen		FEMA	Region 5	