



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Andy Ezard
Mayor
City of Jacksonville - Office of the Mayor
200 W. Douglas Ave
Jacksonville, IL 62650

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. Andy Ezard:

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,³⁴⁰ 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.³⁴¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁴² Should the Board authorize both the

³⁴⁰ 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.

³⁴¹ 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.

³⁴² 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Angie Wanserski
City Clerk
City of Farmer - Office of the City Clerk
105 S. Main St.
Farmer City, IL 61842

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. Angie Wanserski:

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,⁴⁰³ 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.⁴⁰⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴⁰⁵ Should the Board authorize both the

⁴⁰³ 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.

⁴⁰⁴ 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.

⁴⁰⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Avery Bourne
Representative - District 95
Illinois House of Representatives
217 - N Stratton Office Building
Springfield, IL 62706

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. Avery Bourne:

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,²⁸³ 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.²⁸⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁸⁵ Should the Board authorize both the

²⁸³ 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.

²⁸⁴ 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.

²⁸⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bethany Bohn
City Clerk
City of Godfrey
6810 Godfrey Road
PO Box 5067
Godfrey, IL 62035

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. Bethany Bohn:

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,⁴¹⁸ 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.⁴¹⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴²⁰ Should the Board authorize both the

⁴¹⁸ 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.

⁴¹⁹ 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.

⁴²⁰ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bill Dunlap
City Clerk
City of White Hall - Office of the City Clerk
116 E. Sherman St.
White Hall, IL 62092

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. Bill Dunlap:

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,³⁵⁵ 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.³⁵⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁵⁷ Should the Board authorize both the

³⁵⁵ 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.

³⁵⁶ 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.

³⁵⁷ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Brad Staats
Mayor
City of White Hall - Office of the Mayor
116 E. Sherman St.
White Hall, IL 62092

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. Brad Staats:

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,³⁵² 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.³⁵³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁵⁴ Should the Board authorize both the

³⁵² 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.

³⁵³ 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.

³⁵⁴ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Bradley Zeller
Chairman
Morgan County Commission
300 West State St.
Jacksonville, IL 62650

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. Bradley Zeller:

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,³³⁴ 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.³³⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³³⁶ Should the Board authorize both the

³³⁴ 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.

³³⁵ 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.

³³⁶ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

C.D. Davidsmayer
Representative - District 100
Illinois House of Representatives
202 N. Stratton Office Building
Springfield, IL 62706

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. C.D. Davidsmayer:

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,²⁷⁴ 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.²⁷⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁷⁶ Should the Board authorize both the

²⁷⁴ 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.

²⁷⁵ 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.

²⁷⁶ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Catherine Metsker
County Board Member
McLean County Board
115 E Washington St.
Bloomington, IL 61701

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. Catherine Metsker:

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,³²² 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.³²³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³²⁴ Should the Board authorize both the

³²² 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.

³²³ 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.

³²⁴ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Chapin Rose
Senator District 51
Illinois Senate
501 S. Staley Road
Suite D
Champaign, IL 61822

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. Chapin Rose:

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,²⁷¹ 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.²⁷² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁷³ Should the Board authorize both the

²⁷¹ 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.

²⁷² 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.

²⁷³ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Charles Meier
Representative - District 108
Illinois House of Representatives
200 - 7N Stratton Office Building
Springfield, IL 62706

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. Charles Meier:

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,²⁸⁰ 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.²⁸¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁸² Should the Board authorize both the

²⁸⁰ 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.

²⁸¹ 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.

²⁸² 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Cheryl Ingle
City Clerk
City of Alton - Office of the City Clerk
101 E. third St.
Alton, IL 62002

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. Cheryl Ingle:

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,³⁷³ 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.³⁷⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁷⁵ Should the Board authorize both the

³⁷³ 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.

³⁷⁴ 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.

³⁷⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Cheryl Van Valey
City Clerk
City of Clinton - Office of the City Clerk
118 W. Washington St.
PO Box 378
Clinton, IL 61727

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. Cheryl Van Valey:

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,⁴⁰⁹ 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.⁴¹⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴¹¹ Should the Board authorize both the

⁴⁰⁹ 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.

⁴¹⁰ 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.

⁴¹¹ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Christy Pruser
County Board Member
De Witt County Board
14032 Sycamore Ln.
Clinton, IL 61727

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. Christy Pruser:

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,³¹³ 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.³¹⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³¹⁵ Should the Board authorize both the

³¹³ 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.

³¹⁴ 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.

³¹⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Dan Caulkins
Representative - District 101
Illinois House of Representatives
205 - N Stratton Office Building
Springfield, IL 62706

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. Dan Caulkins:

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,²⁹⁵ 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.²⁹⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁹⁷ Should the Board authorize both the

²⁹⁵ 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.

²⁹⁶ 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.

²⁹⁷ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Daniel Dickey
Mayor
City of Gibson - Office of the Mayor
101 E. 8th St.
PO Box 545
Gibson City, IL 60936

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. Daniel Dickey:

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,³⁹⁷ 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.³⁹⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁹⁹ Should the Board authorize both the

³⁹⁷ 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.

³⁹⁸ 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.

³⁹⁹ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

David Goins
Mayor
City of Alton - Office of the Mayor
101 E. Third St.
Alton, IL 62002

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. David Goins:

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,³⁷⁰ 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.³⁷¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁷² Should the Board authorize both the

³⁷⁰ 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.

³⁷¹ 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.

³⁷² 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Debbie Smith
Chairman
Ford County Board
200 W. State
Paxton, IL 60957

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. Debbie Smith:

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,³³¹ 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.³³² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³³³ Should the Board authorize both the

³³¹ 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.

³³² 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.

³³³ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Debra Hamilton Tidwell
City Clerk
City of East St. Louis - Office of the City Clerk
301 River Park Dr.
East Saint Louis, IL 62201

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. Debra Hamilton Tidwell:

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,³⁷⁹ 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.³⁸⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁸¹ Should the Board authorize both the

³⁷⁹ 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.

³⁸⁰ 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.

³⁸¹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Denise Hayes
City Clerk
City of Jerseyville - Office of the City Clerk
115 E. Prairie St.
Jerseyville, IL 62052

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. Denise 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,³⁶⁷ 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.³⁶⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁶⁹ Should the Board authorize both the

³⁶⁷ 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.

³⁶⁸ 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.

³⁶⁹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Dick Durbin
Senator
U.S. Senate
711 Hart
Senate 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. Dick Durbin:

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,²³² 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.²³³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²³⁴ Should the Board authorize both the

²³² 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.

²³³ 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.

²³⁴ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Donald Little
Chairman
Jersey County Board
200 N. Lafayette St.
Suite 3
Jerseyville, IL 62052

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 Little:

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,³²⁵ 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.³²⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³²⁷ Should the Board authorize both the

³²⁵ 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.

³²⁶ 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.

³²⁷ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Donna Nonneman
City Clerk
City of Carrollton - Office of the City Clerk
621 South Main St.
Carrollton, IL 62016

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. Donna Nonneman:

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,³⁶¹ 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.³⁶² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁶³ Should the Board authorize both the

³⁶¹ 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.

³⁶² 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.

³⁶³ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Doris Turner
Senator District 48
Illinois Senate
130 E. Main St.
Suite B
Carlinville, IL 62626

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. Doris Turner:

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,²⁵⁹ 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.²⁶⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁶¹ Should the Board authorize both the

²⁵⁹ 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.

²⁶⁰ 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.

²⁶¹ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Emily Davenport
Chairman
Logan County Board
1733 N. Ottawa St
Lincoln, IL 62656

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. Emily Davenport:

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,³¹⁹ 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.³²⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³²¹ Should the Board authorize both the

³¹⁹ 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.

³²⁰ 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.

³²¹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Frank Lesko
City Clerk
City of Springfield - Office of the City Clerk
300 S. Seventh St
Springfield, IL 62701

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 Lesko:

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,³⁴⁹ 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.³⁵⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁵¹ Should the Board authorize both the

³⁴⁹ 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.

³⁵⁰ 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.

³⁵¹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Glen Netherton
Village President
City of Melvin
102 S Center St.
Melvin, IL 60952

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. Glen Netherton:

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,⁴²⁴ 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.⁴²⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴²⁶ Should the Board authorize both the

⁴²⁴ 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.

⁴²⁵ 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.

⁴²⁶ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Harry Fraase, Jr.
District 1 - Board Member
Sangamon County Board
200 S. Ninth
Room 201
Springfield, IL 62701

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. Harry Fraase, 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,³⁰⁷ 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.³⁰⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁰⁹ Should the Board authorize both the

³⁰⁷ 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.

³⁰⁸ 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.

³⁰⁹ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

James Langfelder
Mayor
City of Springfield - Office of the Mayor
800 East Monroe
Springfield, IL 62701

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. James Langfelder:

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,³⁴⁶ 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.³⁴⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁴⁸ Should the Board authorize both the

³⁴⁶ 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.

³⁴⁷ 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.

³⁴⁸ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jason Barickman
Senator District 53
Illinois Senate
3004 G.E. Road
Suite 1B
Bloomington, IL 61704

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 Barickman:

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,²⁶⁵ 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.²⁶⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁶⁷ Should the Board authorize both the

²⁶⁵ 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.

²⁶⁶ 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.

²⁶⁷ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jason Plummer
Senator District 54
Illinois Senate
310 W. Gallatin St.
Vandalia, IL 62471

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 Plummer:

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,²⁶⁸ 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.²⁶⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁷⁰ Should the Board authorize both the

²⁶⁸ 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.

²⁶⁹ 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.

²⁷⁰ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jay Wickenhauser
County Board Member
De Witt County Board
23 Kirkwood Dr.
Clinton, IL 61727

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. Jay Wickenhauser:

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,³¹⁶ 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.³¹⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³¹⁸ Should the Board authorize both the

³¹⁶ 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.

³¹⁷ 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.

³¹⁸ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

JB Pritzker
Governor
Office of the Governor
401 S. Spring St.
Springfield, IL 62704

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. JB Pritzker:

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,²⁵⁰ 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.²⁵¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁵² Should the Board authorize both the

²⁵⁰ 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.

²⁵¹ 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.

²⁵² 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jennifer Meyer
City Clerk
City of Belleville - Office of the City Clerk
101 South Illinois St.
Belleville, IL 62220

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. Jennifer Meyer:

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,³⁸⁸ 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.³⁸⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁹⁰ Should the Board authorize both the

³⁸⁸ 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.

³⁸⁹ 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.

³⁹⁰ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jim Sheppard
Chairman
Pike County Commission
121 E Washington
Pittsfield, IL 62363

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 Sheppard:

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,³⁰¹ 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.³⁰² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁰³ Should the Board authorize both the

³⁰¹ 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.

³⁰² 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.

³⁰³ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Joe Behnken
Mayor
City of New Athens
905 Spotsylvania St.
New Athens, IL 62264

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. Joe Behnken:

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,⁴²⁷ 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.⁴²⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴²⁹ Should the Board authorize both the

⁴²⁷ 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.

⁴²⁸ 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.

⁴²⁹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

John Shure
Chairman
Iroquois County Board
1001 East Grant St.
Watseka, IL 60970

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 Shure:

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,³²⁸ 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.³²⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³³⁰ Should the Board authorize both the

³²⁸ 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.

³²⁹ 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.

³³⁰ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Keith Sommer
Representative - District 88
Illinois House of Representatives
216 - N Stratton Office Building
Springfield, IL 62706

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. Keith Sommer:

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,²⁹² 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.²⁹³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁹⁴ Should the Board authorize both the

²⁹² 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.

²⁹³ 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.

²⁹⁴ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kurt Prenzler
County Board Chairman
Madison County Board
157 North Main St.
Ste. 165
Edwardsville, IL 0

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. Kurt Prenzler:

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,³¹⁰ 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.³¹¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³¹² Should the Board authorize both the

³¹⁰ 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.

³¹¹ 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.

³¹² 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kwame Raoul
Attorney General
Illinois Attorney General's Office
500 South Second St.
Springfield, IL 62701

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. Kwame Raoul:

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,²⁵³ 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.²⁵⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁵⁵ Should the Board authorize both the

²⁵³ 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.

²⁵⁴ 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.

²⁵⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kyle Patterson
Chair
Champaign County Commission
1776 East Washington St.
Urbana, IL 61802

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. Kyle Patterson:

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,³³⁷ 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.³³⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³³⁹ Should the Board authorize both the

³³⁷ 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.

³³⁸ 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.

³³⁹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mark Kern
County Board Chairman
St. Clair County Board
10 Public Sq
Belleville, IL 62220

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. Mark Kern:

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,³⁰⁴ 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.³⁰⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁰⁶ Should the Board authorize both the

³⁰⁴ 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.

³⁰⁵ 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.

³⁰⁶ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mayor Martin
City of Roodhouse - Office of the Mayor
137 W. Palm St.
Roodhouse, IL 62082

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. Martin:

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,³⁸² 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.³⁸³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁸⁴ Should the Board authorize both the

³⁸² 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.

³⁸³ 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.

³⁸⁴ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Matt Bobell
Mayor
City of Mt. Pulaski
113 south Lafayette St.
Mt. Pulaski, IL 62548

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. Matt Bobell:

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,⁴²¹ 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.⁴²² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴²³ Should the Board authorize both the

⁴²¹ 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.

⁴²² 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.

⁴²³ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Michael McCormick
Mayor
City of Godfrey
6810 Godfrey Road
PO Box 5067
Godfrey, IL 62035

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. Michael McCormick:

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,⁴¹⁵ 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.⁴¹⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴¹⁷ Should the Board authorize both the

⁴¹⁵ 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.

⁴¹⁶ 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.

⁴¹⁷ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mike Bost
Representative
U.S. House of Representatives
1211 Longworth
House Office Building
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. Mike Bost:

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,²³⁸ 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.²³⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁴⁰ Should the Board authorize both the

²³⁸ 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.

²³⁹ 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.

²⁴⁰ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Mike Snyder
Mayor
City of Carrollton - Office of the Mayor
621 South Main St.
Carrollton, IL 62016

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 Snyder:

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,³⁵⁸ 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.³⁵⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁶⁰ Should the Board authorize both the

³⁵⁸ 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.

³⁵⁹ 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.

³⁶⁰ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Patty Gregory
Mayor
City of Belleville - Office of the Mayor
101 South Illinois St.
Belleville, IL 62220

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. Patty 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,³⁸⁵ 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.³⁸⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁸⁷ Should the Board authorize both the

³⁸⁵ 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.

³⁸⁶ 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.

³⁸⁷ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Rick Theesfeld
Mayor
City of Gilman - Office of the Mayor
215 N. Central St.
PO Box 215
Gilman, IL 60938

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 Theesfeld:

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,³⁹¹ 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.³⁹² The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁹³ Should the Board authorize both the

³⁹¹ 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.

³⁹² 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.

³⁹³ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Robert Eastern
Mayor
City of East St. Louis - Office of the Mayor
301 River Park Dr.
East Saint Louis, IL 62201

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. Robert Eastern:

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,³⁷⁶ 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.³⁷⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁷⁸ Should the Board authorize both the

³⁷⁶ 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.

³⁷⁷ 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.

³⁷⁸ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Roger Cyrulik
Mayor
City of Clinton - Office of the Mayor
118 W. Washington St.
PO Box 378
Clinton, IL 61727

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. Roger Cyrulik:

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,⁴⁰⁶ 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.⁴⁰⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴⁰⁸ Should the Board authorize both the

⁴⁰⁶ 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.

⁴⁰⁷ 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.

⁴⁰⁸ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sally Turner
Senator - District 44
Illinois Senate
120 s. McLean St.
Suite A
Lincoln, IL 62656

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. Sally Turner:

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,²⁵⁶ 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.²⁵⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁵⁸ Should the Board authorize both the

²⁵⁶ 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.

²⁵⁷ 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.

²⁵⁸ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sandra Hamilton
Representative - District 99
Illinois House of Representatives
E-1 Stratton Office Building
Springfield, IL 62706

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. Sandra Hamilton:

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,²⁷⁷ 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.²⁷⁸ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁷⁹ Should the Board authorize both the

²⁷⁷ 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.

²⁷⁸ 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.

²⁷⁹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Scott Testory
Mayor
City of Farmer - Office of the Mayor
105 S. Main St.
Farmer City, IL 61842

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. Scott Testory:

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,⁴⁰⁰ 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.⁴⁰¹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴⁰² Should the Board authorize both the

⁴⁰⁰ 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.

⁴⁰¹ 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.

⁴⁰² 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Seth Speiser
Mayor
City of Freeburg
14 Southgate Center
Freeburg, IL 62243

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. Seth Speiser:

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,⁴¹² 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.⁴¹³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁴¹⁴ Should the Board authorize both the

⁴¹² 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.

⁴¹³ 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.

⁴¹⁴ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Skip Bradshaw
City Clerk
City of Jacksonville - Office of the City Clerk
200 W. Douglas Ave
Jacksonville, IL 62650

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. Skip Bradshaw:

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,³⁴³ 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.³⁴⁴ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁴⁵ Should the Board authorize both the

³⁴³ 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.

³⁴⁴ 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.

³⁴⁵ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Steve McClure
Senator District 50
Illinois Senate
229 S. Main St.
Suite B
Jacksonville, IL 62650

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. Steve McClure:

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,²⁶² 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.²⁶³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁶⁴ Should the Board authorize both the

²⁶² 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.

²⁶³ 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.

²⁶⁴ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Sue Scherer
Representative - District 96
Illinois House of Representatives
E-2 Stratton Office Building
Springfield, IL 62706

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. Sue Scherer:

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,²⁸⁶ 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.²⁸⁷ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁸⁸ Should the Board authorize both the

²⁸⁶ 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.

²⁸⁷ 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.

²⁸⁸ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Tammy Duckworth
Senator
U.S. Senate
524 Hart
Senate 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 Ms. Tammy Duckworth:

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,²³⁵ 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.²³⁶ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²³⁷ Should the Board authorize both the

²³⁵ 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.

²³⁶ 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.

²³⁷ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Thomas Bennett
Representative - District 106
Illinois House of Representatives
220 - N Stratton Office Building
Springfield, IL 62706

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. Thomas Bennett:

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,²⁹⁸ 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.²⁹⁹ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁰⁰ Should the Board authorize both the

²⁹⁸ 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.

²⁹⁹ 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.

³⁰⁰ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Tim Butler
Representative - District 87
Illinois House of Representatives
E-1 Stratton Office Building
Springfield, IL 62706

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. Tim Butler:

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,²⁸⁹ 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.²⁹⁰ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.²⁹¹ Should the Board authorize both the

²⁸⁹ 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.

²⁹⁰ 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.

²⁹¹ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Wendy Kraft
City Clerk
City of Gilman - Office of the City Clerk
215 N. Central St.
PO Box 215
Gilman, IL 60938

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. Wendy Kraft:

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,³⁹⁴ 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.³⁹⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁹⁶ Should the Board authorize both the

³⁹⁴ 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.

³⁹⁵ 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.

³⁹⁶ 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

William Russell
Mayor
City of Jerseyville - Office of the Mayor
115 E. Prairie St.
Jerseyville, IL 62052

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. William Russell:

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,³⁶⁴ 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.³⁶⁵ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.³⁶⁶ Should the Board authorize both the

³⁶⁴ 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.

³⁶⁵ 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.

³⁶⁶ 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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jeffrey Myers
Engineer
Illinois Department of Transportation - Region 4
126 East Ash
Springfield, IL 62704

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. Myers:

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.

²⁶ 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.

²⁷ 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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jerry Costello, II
Director
Illinois Department of Agriculture
801 E. Sangamon Ave
Springfield, IL 62702-1813

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. Costello, II:

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 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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kensil Garnett
Engineer
Illinois Department of Transportation - Region 3
401 Main St
Peoria, IL 61602

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 Garnett:

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

²⁸ 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.

²⁹ 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.

³⁰ 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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Masood Ahmad
Engineer
Illinois Department of Transportation - Region 2
819 Depot Ave
Dixon, IL 61021

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 Ahmad:

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 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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Ngozi Ezike
Director
Illinois Department of Public Health (IDPH)
122 S. Michigan Ave
7th and 20th floors
Chicago, IL 60603

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 Dr. Ezike:

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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" being more prominent than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Richard Berg
Director
Illinois State Geological Survey
615 E. Peabody Dr.
Champaign, IL 61820

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. Berg:

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

³⁷ 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.

³⁸ 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.

³⁹ 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 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

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 Divestiture 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Paul Culberson
Colonel
U.S. Army Corps of Engineers - Chicago District, Great Lakes and Ohio River Division
111 N. Canal St
Suite 600
Chicago, IL 60606-7206

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 Culberson:

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 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.

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 Divestiture 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 passing siding 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Jesse Curry
Colonel
U.S. Army Corps of Engineers - Rock Island Dist, Mississippi Valley Division
1500 Rock Island Dr
Rock Island, IL 61201

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 Curry:

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.

⁵ 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.

⁶ 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 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.

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 Divestiture 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 passing siding 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,

A handwritten signature in black ink, appearing to read "Danielle Gosselin". The signature is fluid and cursive, with the first name "Danielle" written in a larger, more prominent script than the last name "Gosselin".

Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

Kraig McPeck
Field Supervisor Title
U.S. Fish and Wildlife Service - Illinois - Iowa Ecological Services Field office
1511 47th Ave
Moline, IL 61265-7022

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. McPeck:

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 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 right-of-way. See attached maps. The Pleasant Hill siding is in an agricultural area bounded by narrow strips of trees. The Roodhouse and Cockrell facilities are in areas of intense agricultural activity.

Table 1: ESA-listed species

Common and Scientific Name	Federal Status	Habitat Description
Gray Bat (<i>Myotis grisescens</i>)	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.
Indiana Bat (<i>Myotis sodalist</i>)	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.

Common and Scientific Name	Federal Status	Habitat Description
Northern Long-eared Bat (<i>Myotis septentrionalis</i>)	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 (<i>Perimyotis subflavus</i>)	Threatened (Proposed Endangered)	Live and dead leaf clusters of live or 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.
Eastern Massasauga (<i>Sistrurus catenatus</i>)	Threatened	Shallow wetlands and surrounding upland areas as habitat.
Pallid Sturgeon (<i>Scaphirhynchus albus</i>)	Endangered	Large, deep turbid river channels, usually in strong current over firm sand or gravel.
Higgins Eye (<i>Lampsilis higginsii</i>)	Endangered	Large freshwater rivers, usually in deep water with moderate currents; buries itself in sand and gravel.
Spectaclecase (<i>Cumberlandia monodonta</i>)	Endangered	Large rivers in areas sheltered from the main current. Cluster in firm mud such as beneath rock slabs and between boulders.
Monarch Butterfly (<i>Danaus plexippus</i>)	Candidate	Fields containing milkweed and nectar-bearing plants.
Rusty Patched Bumble Bee (<i>Bombus affinis</i>)	Endangered	Has a variety of habitat including prairies, woodlands, marshes, agricultural landscapes and residential parks and gardens. They need an abundance of food such as nectar and pollen for a diverse range of flowers. As well as undisturbed nesting sites in close proximity to these flower sites.
Illinois Cave Amphipod (<i>Gammarus acherondytes</i>)	Endangered	Shallow water (less than 15.7 inches), that has gravel or cobble. Needs cold water.
Decurrent False Aster (<i>Boltonia decurrens</i>)	Threatened	Shores of lakes and stream banks such as the Illinois River.
Eastern Prairie Fringed Orchid (<i>Platanthera leucophaea</i>)	Threatened	Wide variety of habitat, from wet to mesic prairie, to wetlands, marsh. Generally moist or moderately moist is preferred habitat. Requires full sun for optimal growth.

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 carload activity for areas in nonattainment. 49 C.F.R. §§ 1105.7(e)(5)(i)-(ii). CN projects that the Proposed Divestiture 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 passing siding 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



Figure 1:
KCS Divestiture to CN
Line Segments and
Facility Improvement Projects
for EA Evaluation

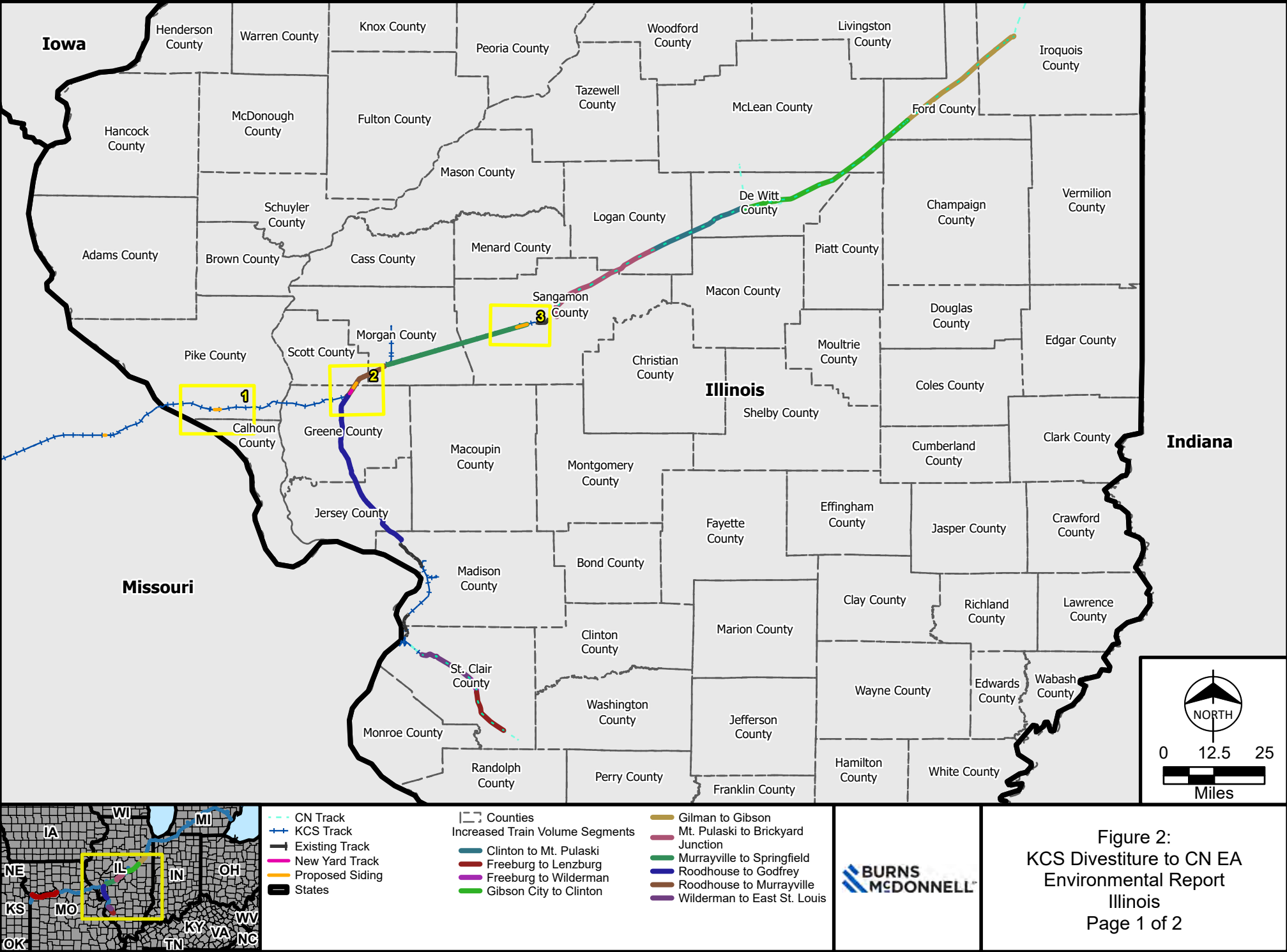
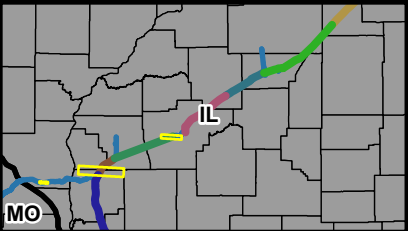
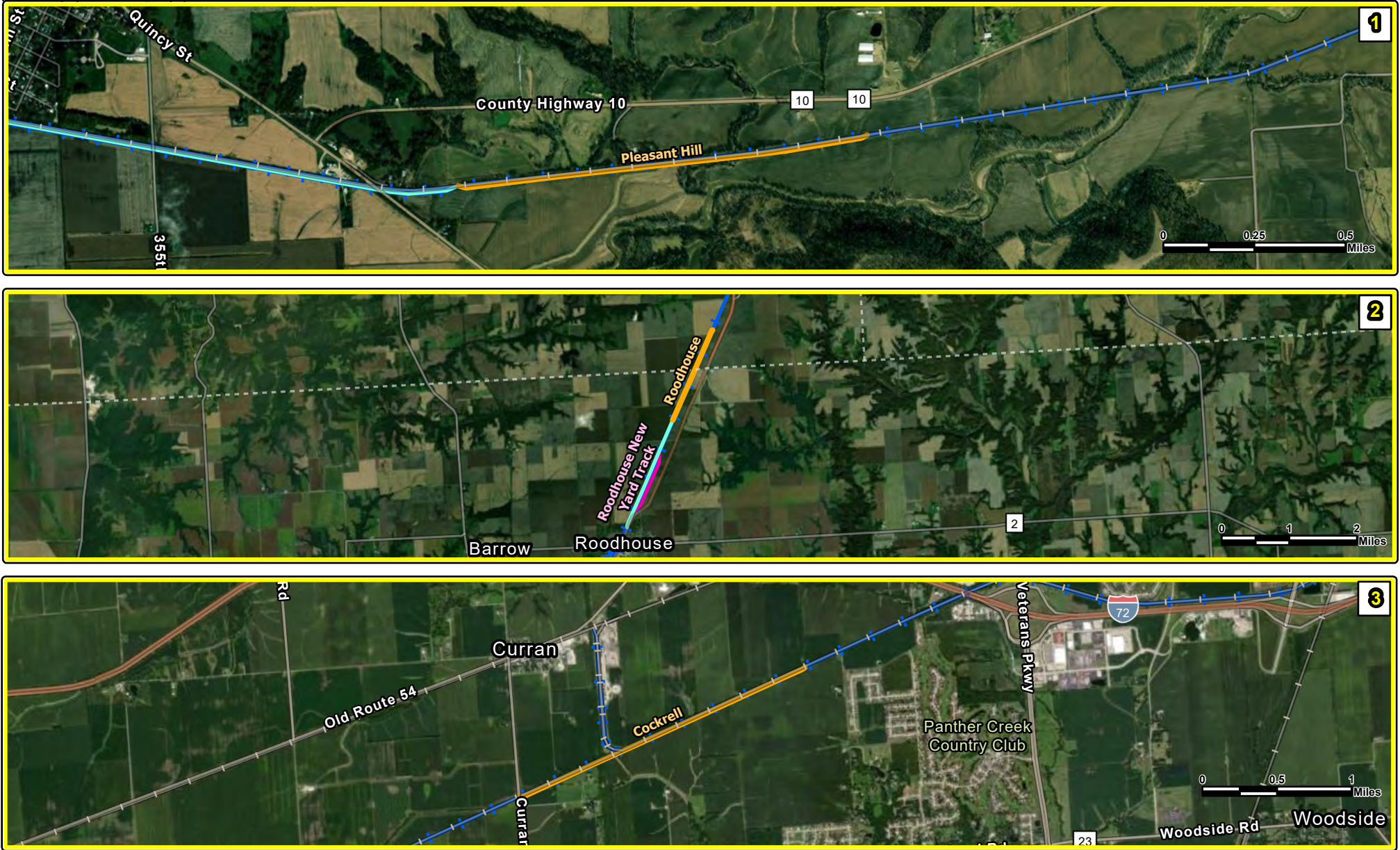


Figure 2:
KCS Divestiture to CN EA
Environmental Report
Illinois
Page 1 of 2



- +— KCS Track
- Proposed Siding
- Existing Siding
- New Yard Track



BURNS
MCDONNELL

Figure 2:
KCS Divestiture to CN EA
Facility Improvement Projects
Illinois
Page 2 of 2

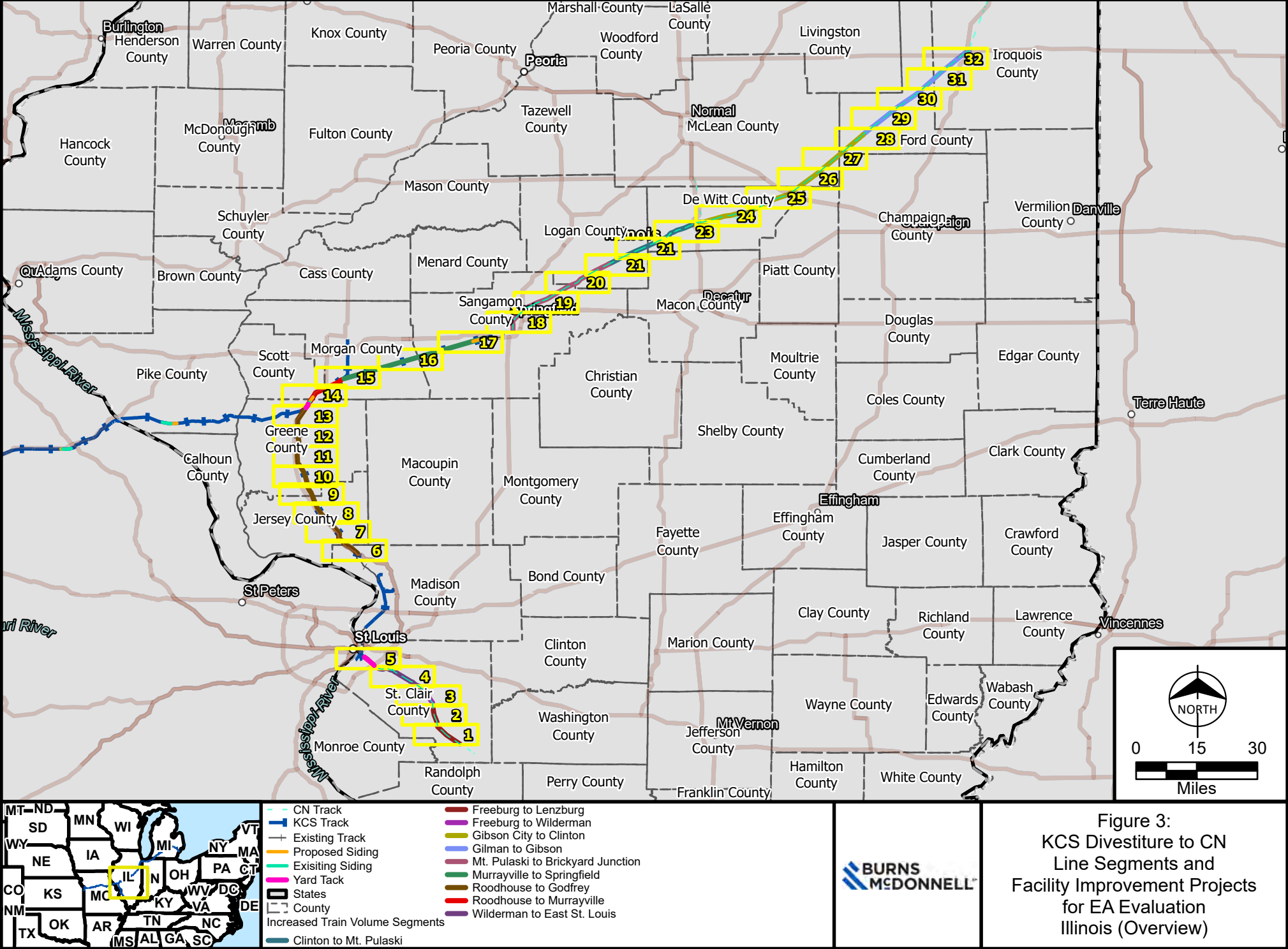
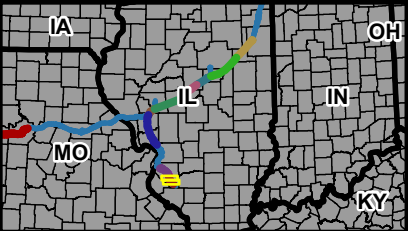


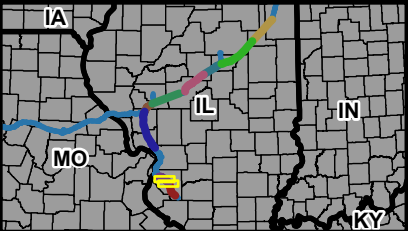
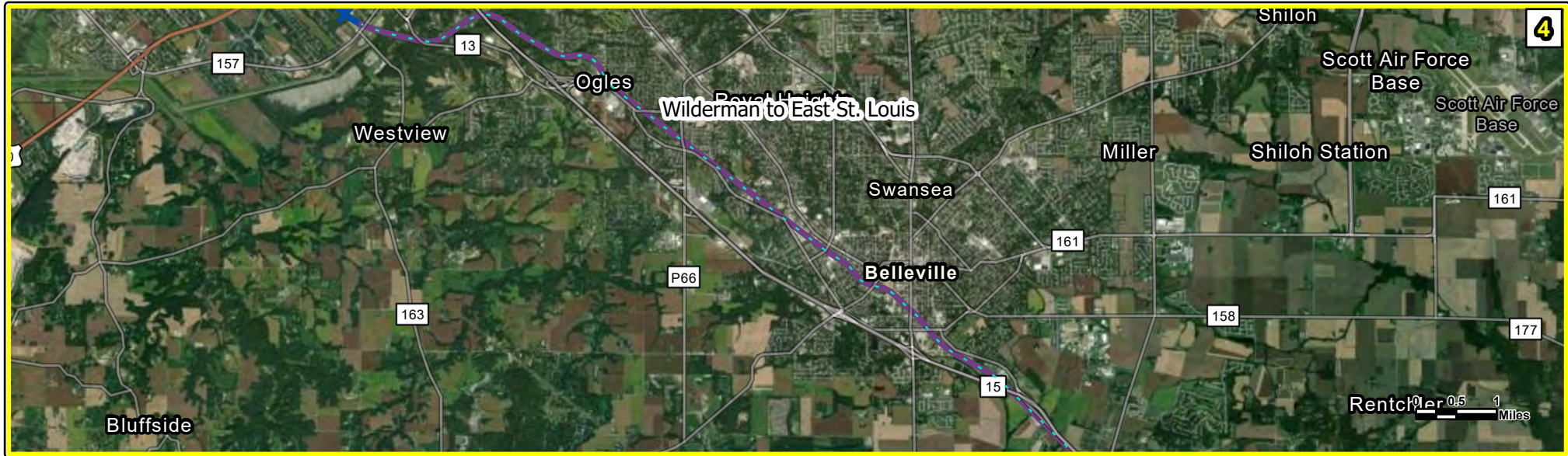
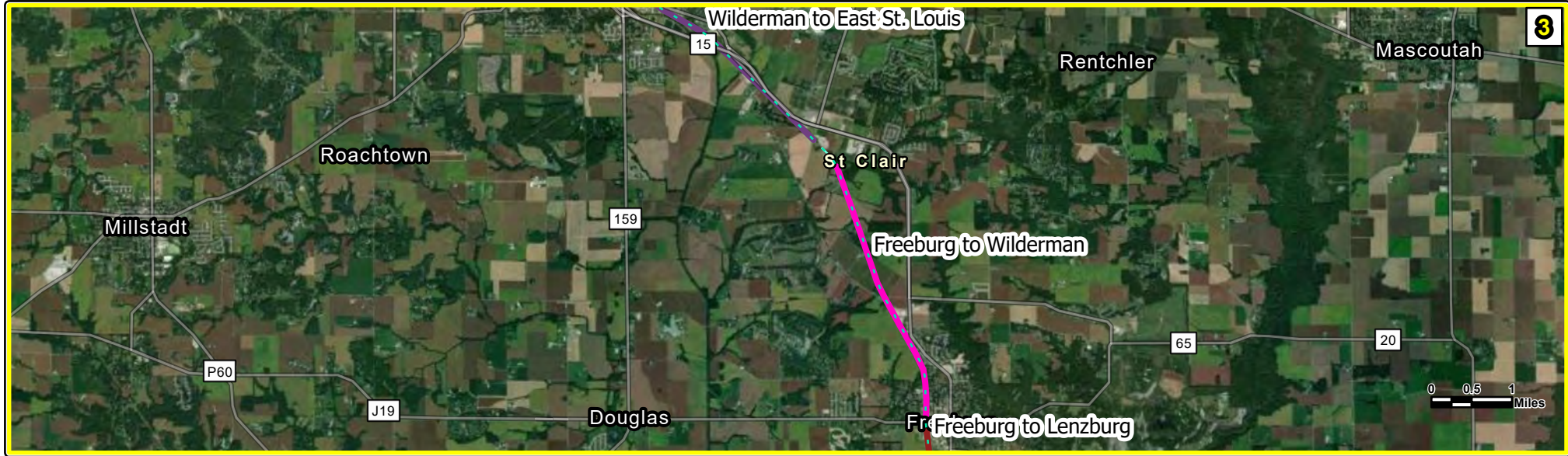
Figure 3:
KCS Divestiture to CN
Line Segments and
Facility Improvement Projects
for EA Evaluation
Illinois (Overview)



--- CN Track
Increased Train Volume Segments
— Freeburg to Lenzburg
— Freeburg to Wilderman



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 1 of 16



— — — CN Track

Increased Train Volume Segments

Name

- Freeburg to Lenzburg
- Freeburg to Wilderman
- Wilderman to East St. Louis



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 2 of 16

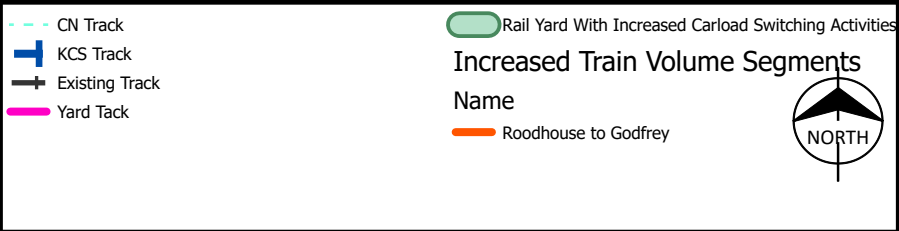
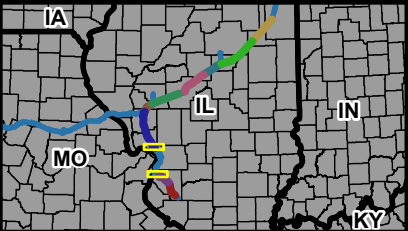
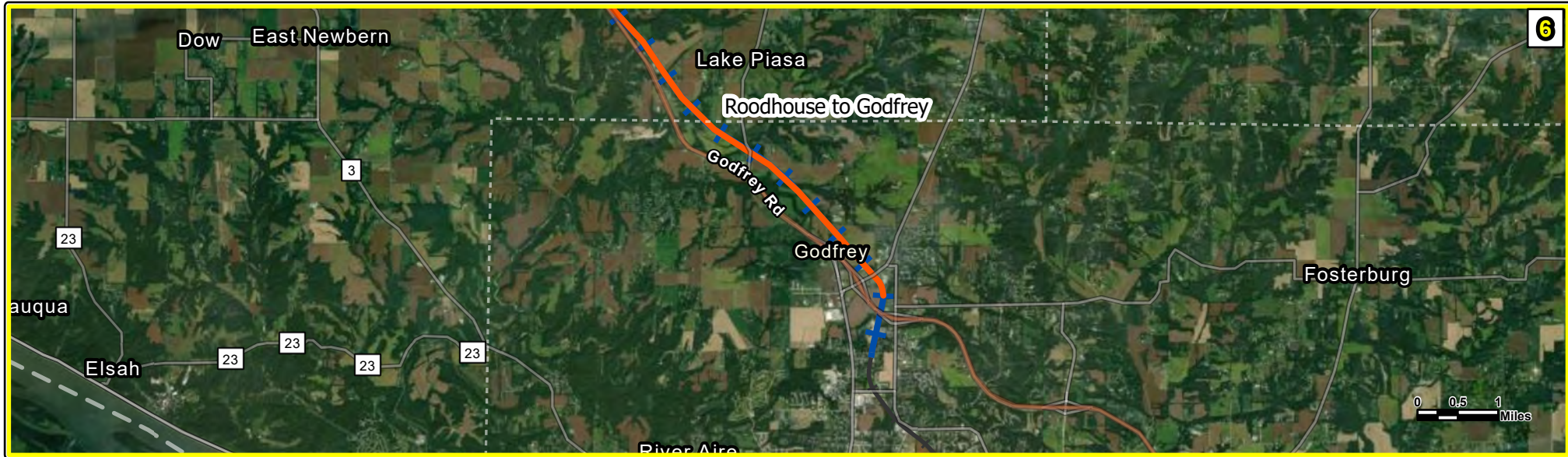
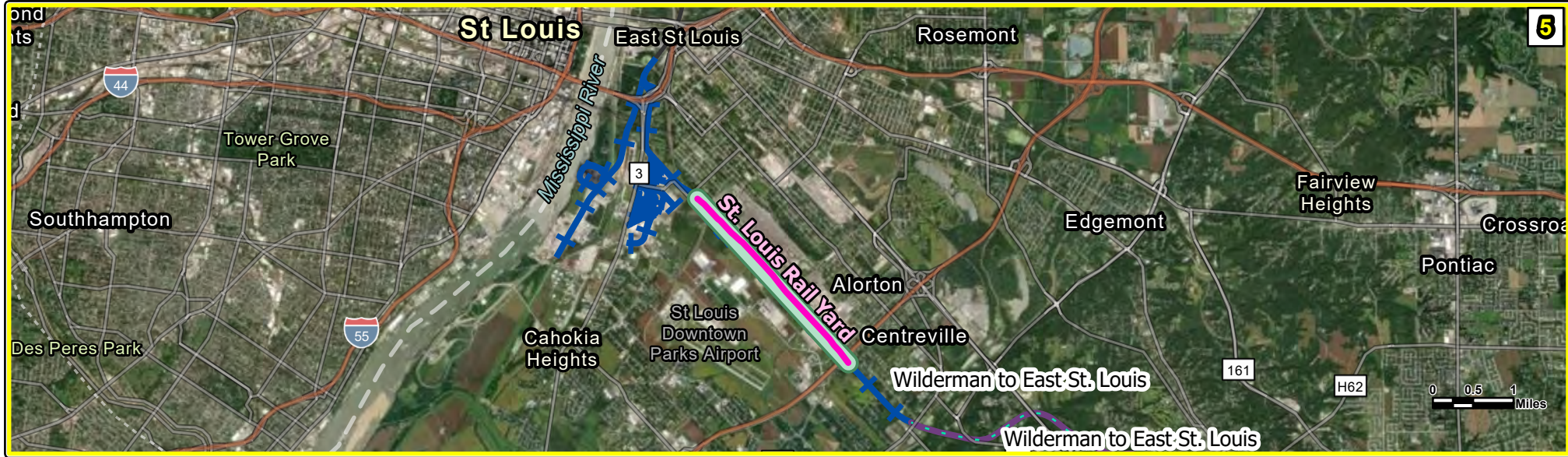
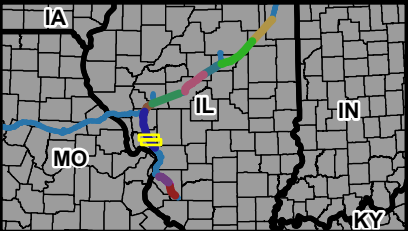
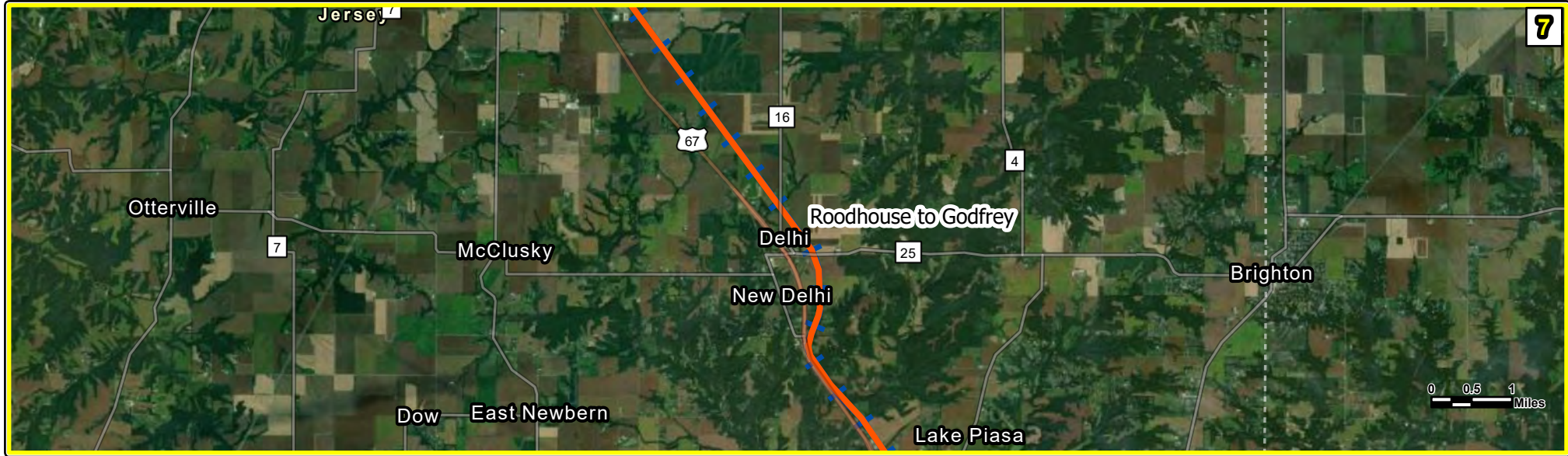


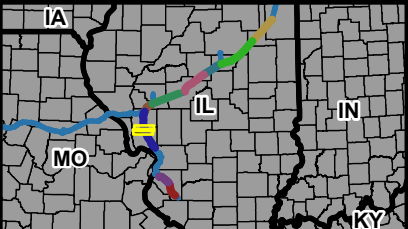
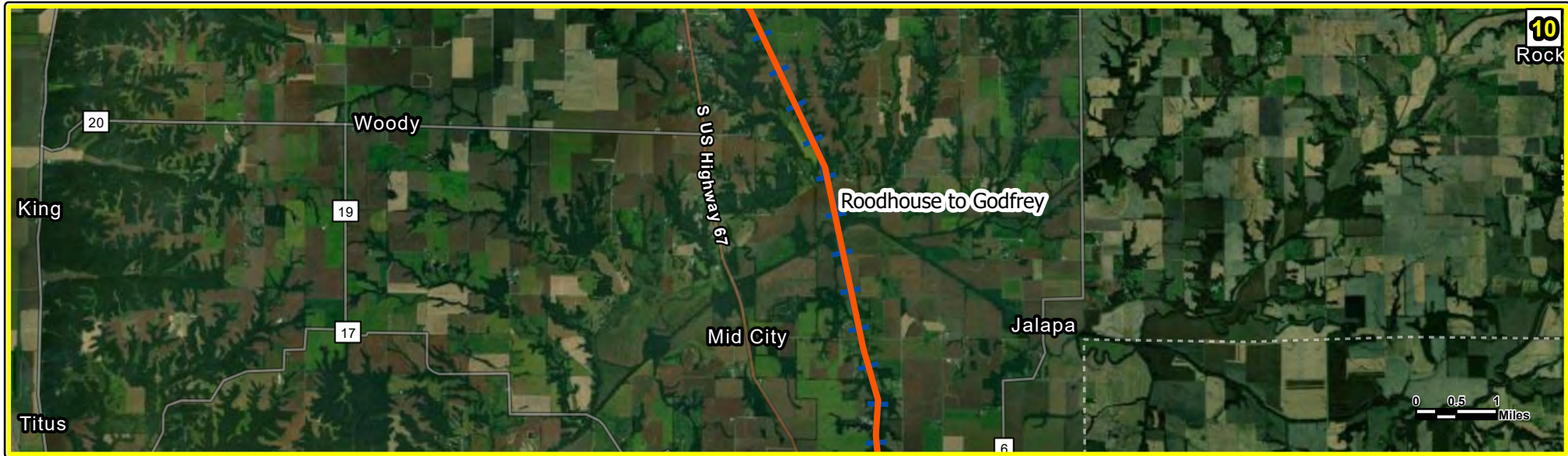
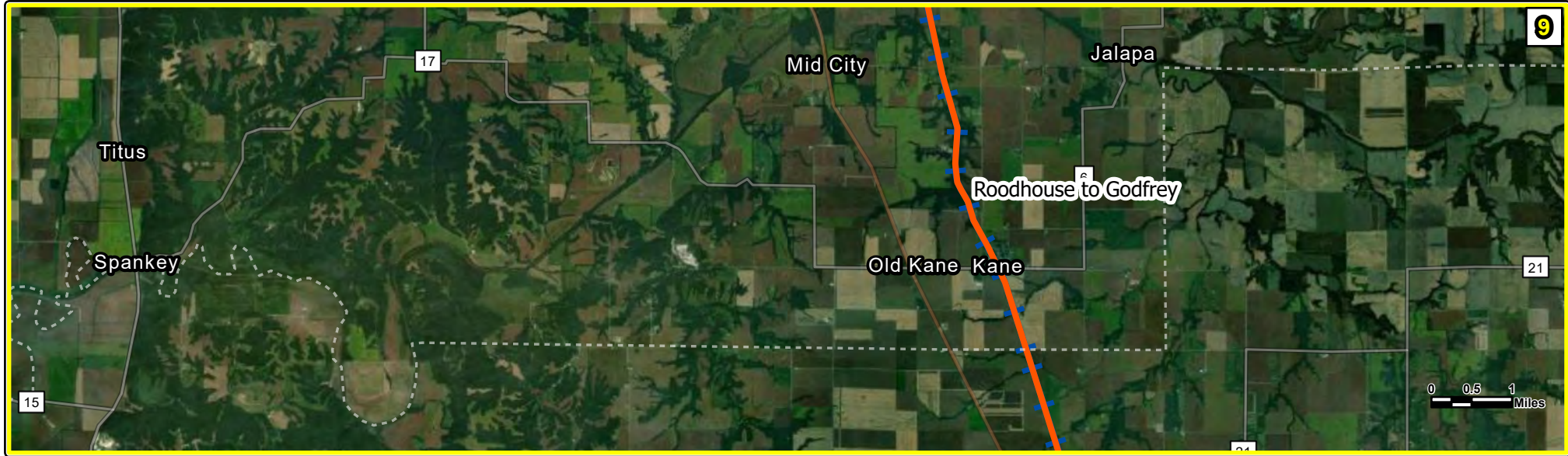
Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 3 of 16



-  KCS Track
 -  Roodhouse to Godfrey
- Increased Train Volume Segments
- Name



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 4 of 16



 KCS Track

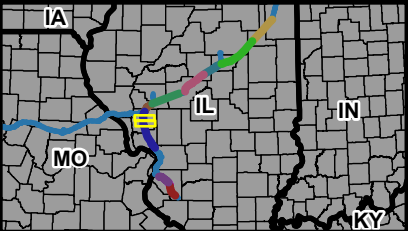
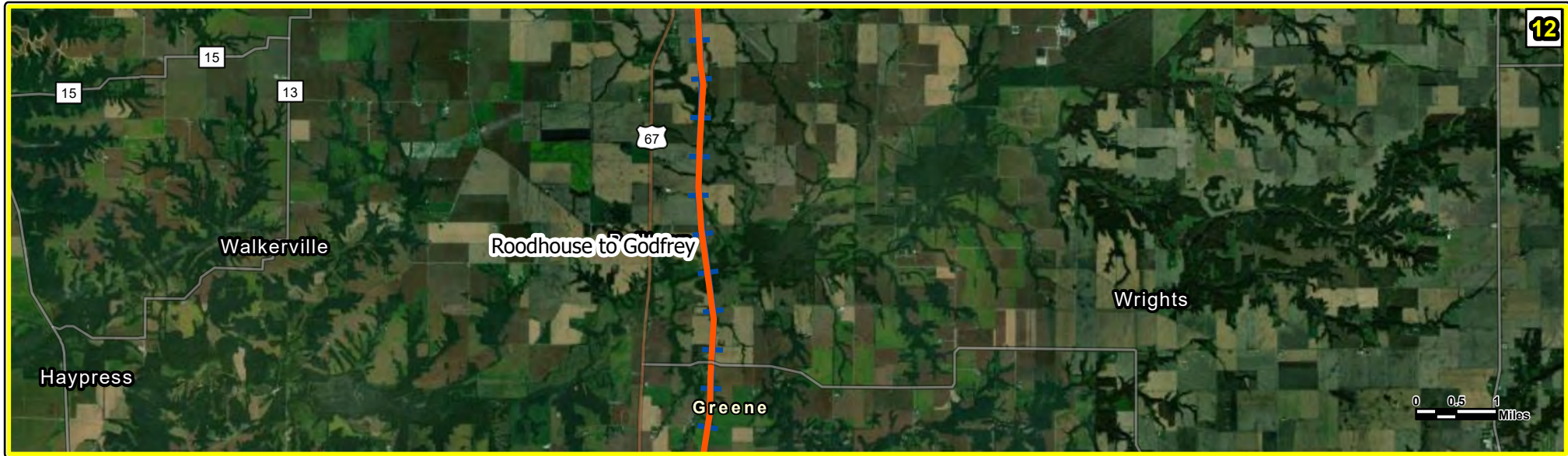
 Roodhouse to Godfrey

Increased Train Volume Segments

Name



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 5 of 16



Legend:

- Blue cross-tick: KCS Track
- Orange line: Increased Train Volume Segments
- Name: Roodhouse to Godfrey

North arrow pointing up.



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 6 of 16

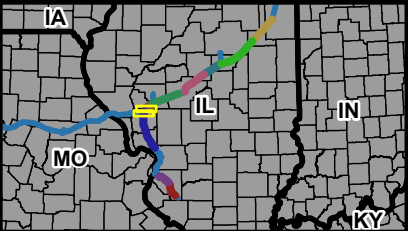
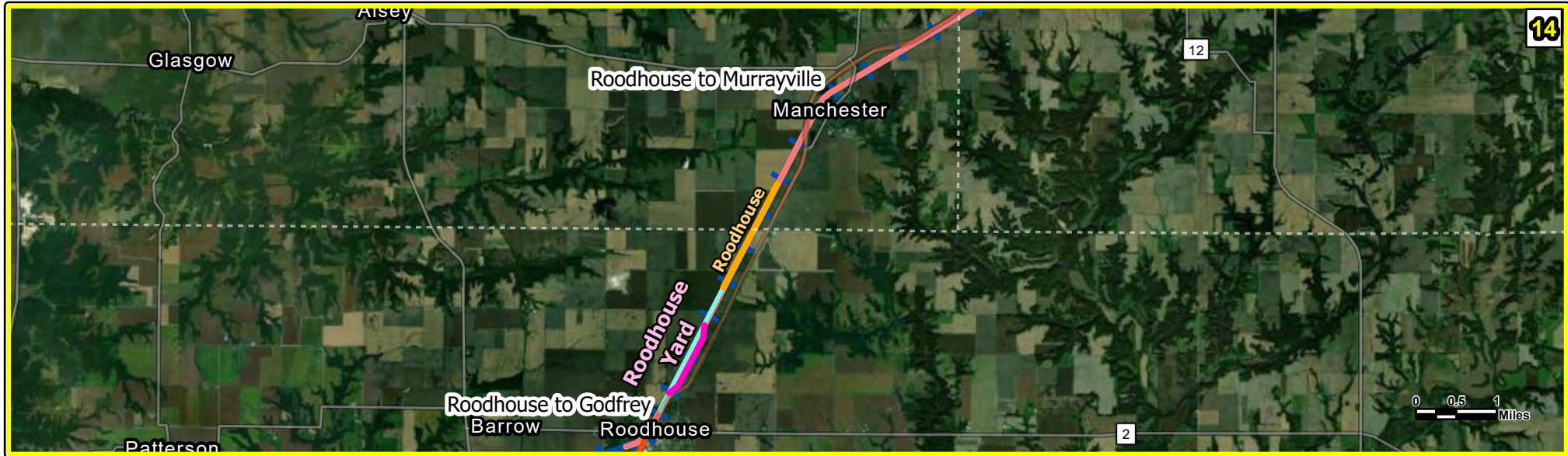
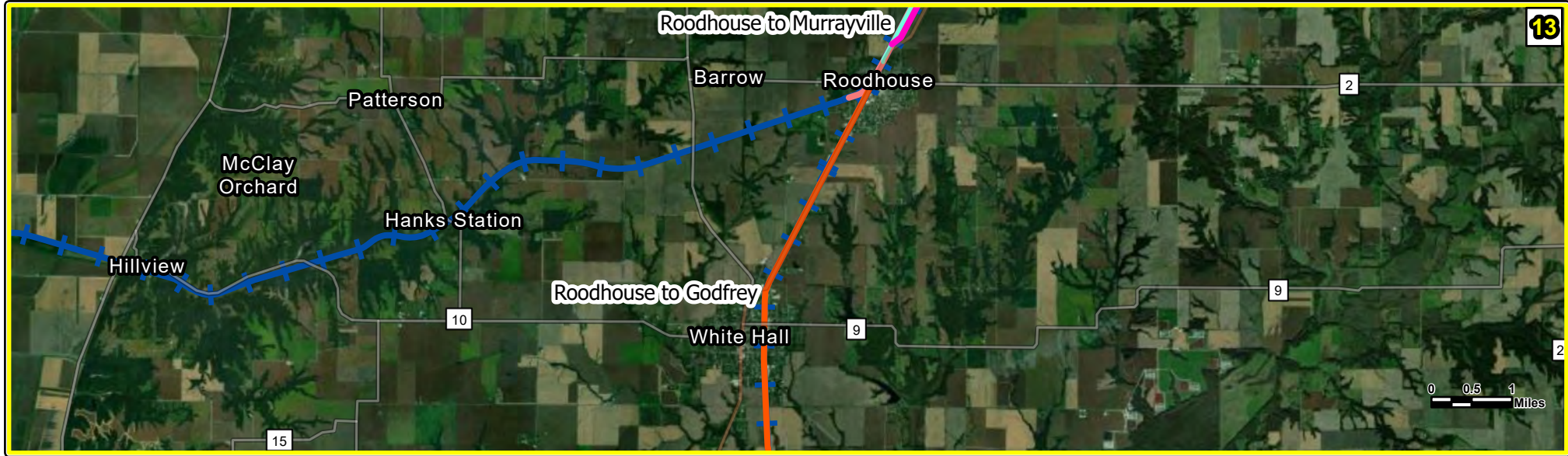
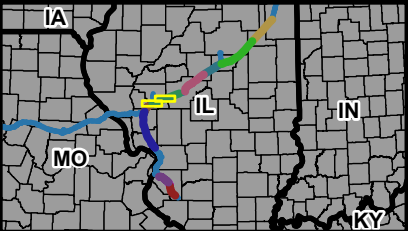
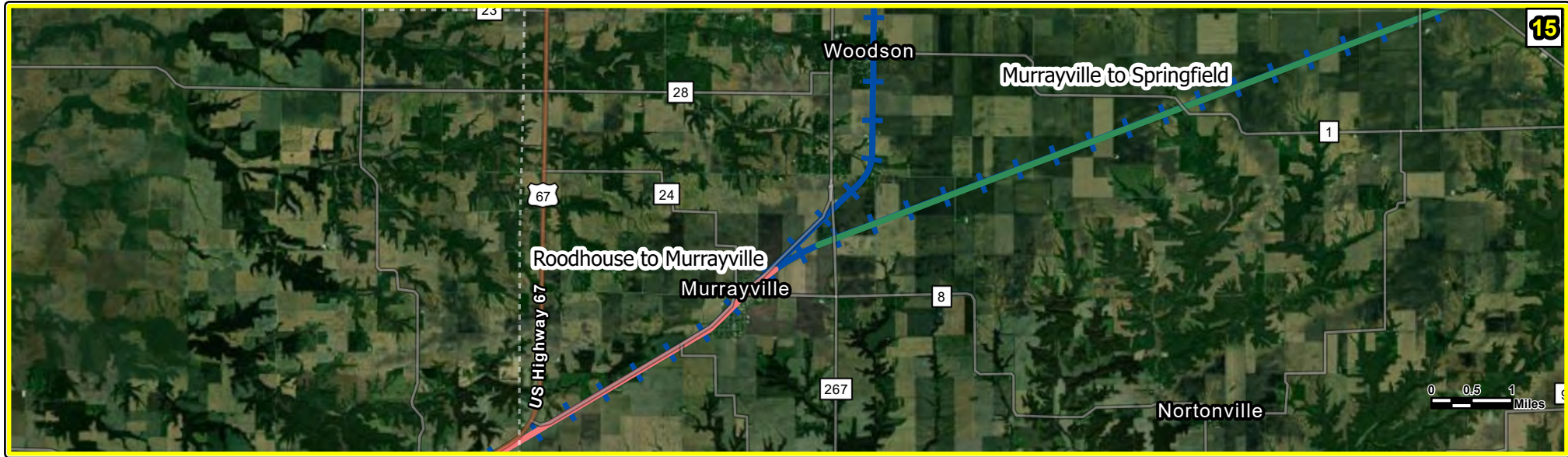


Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 7 of 16



 KCS Track

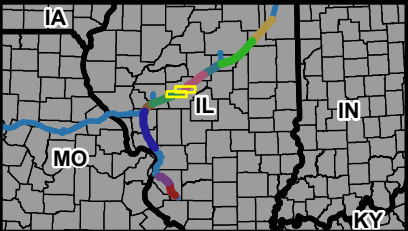
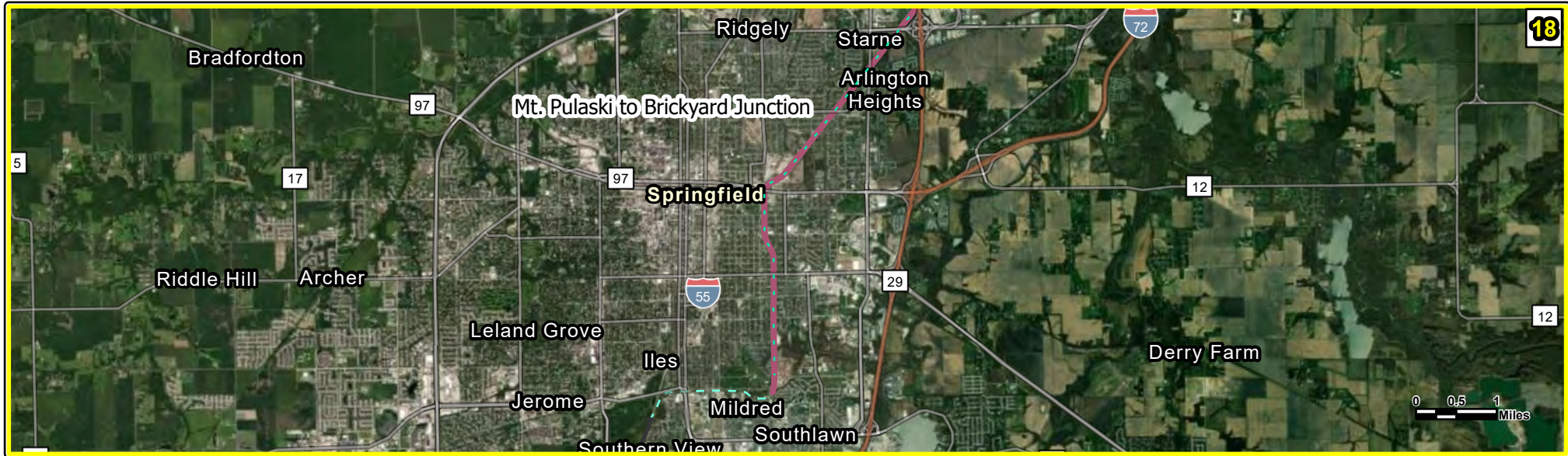
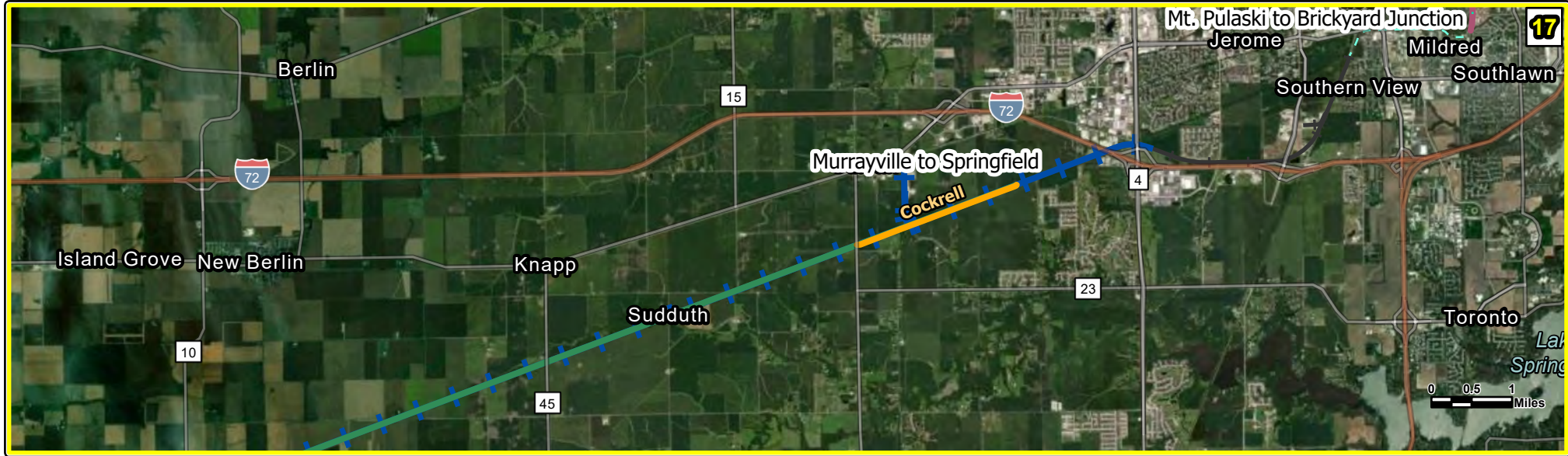
Increased Train Volume Segments

Name

-  Murrayville to Springfield
-  Roodhouse to Murrayville



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 8 of 16



Increased Train Volume Segments

Name

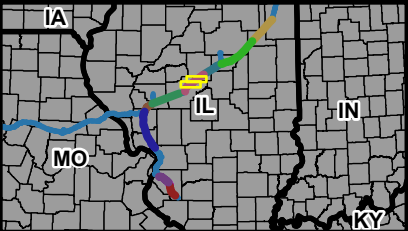
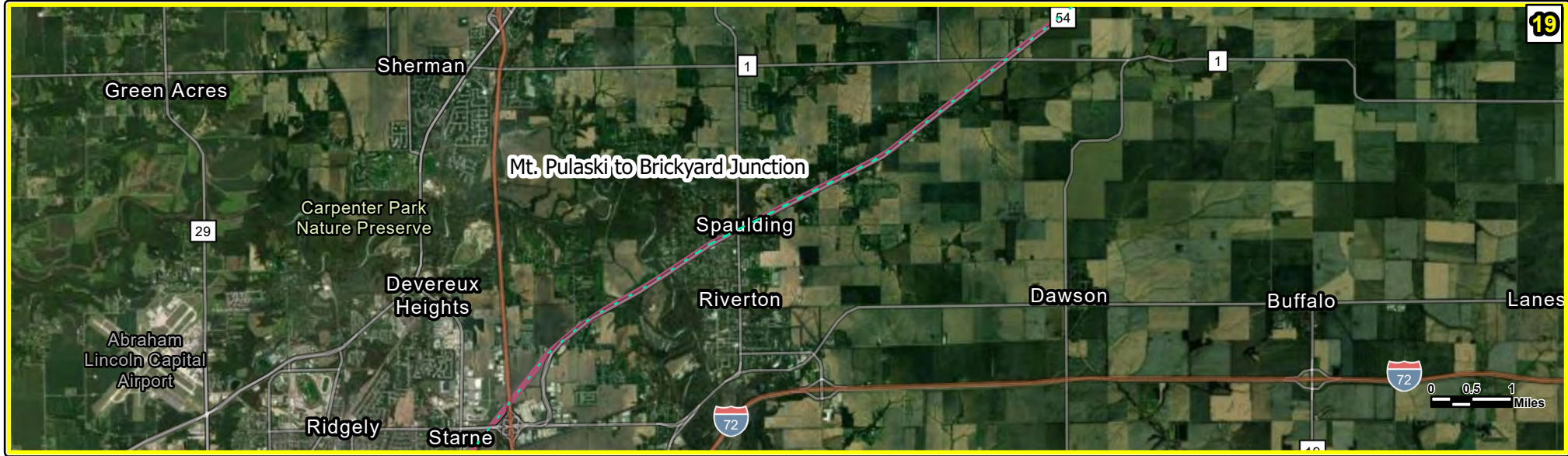
- Mt. Pulaski to Brickyard Junction
- Murrayville to Springfield

Legend:

- CN Track
- + KCS Track
- Existing Track
- Proposed Siding



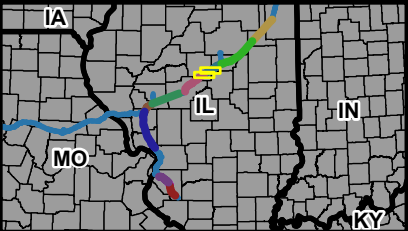
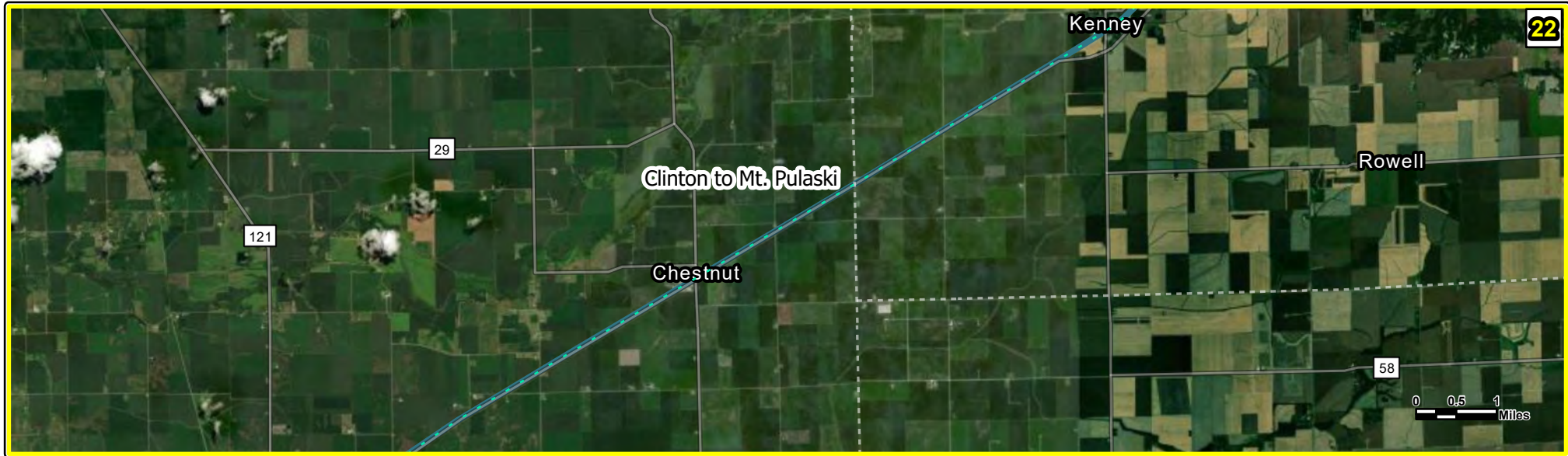
Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 9 of 16



- CN Track
- Increased Train Volume Segments
- Name
- Mt. Pulaski to Brickyard Junction



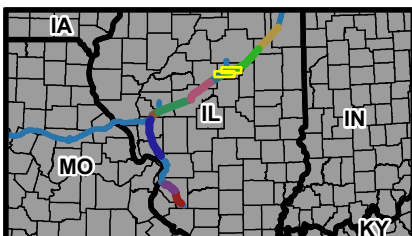
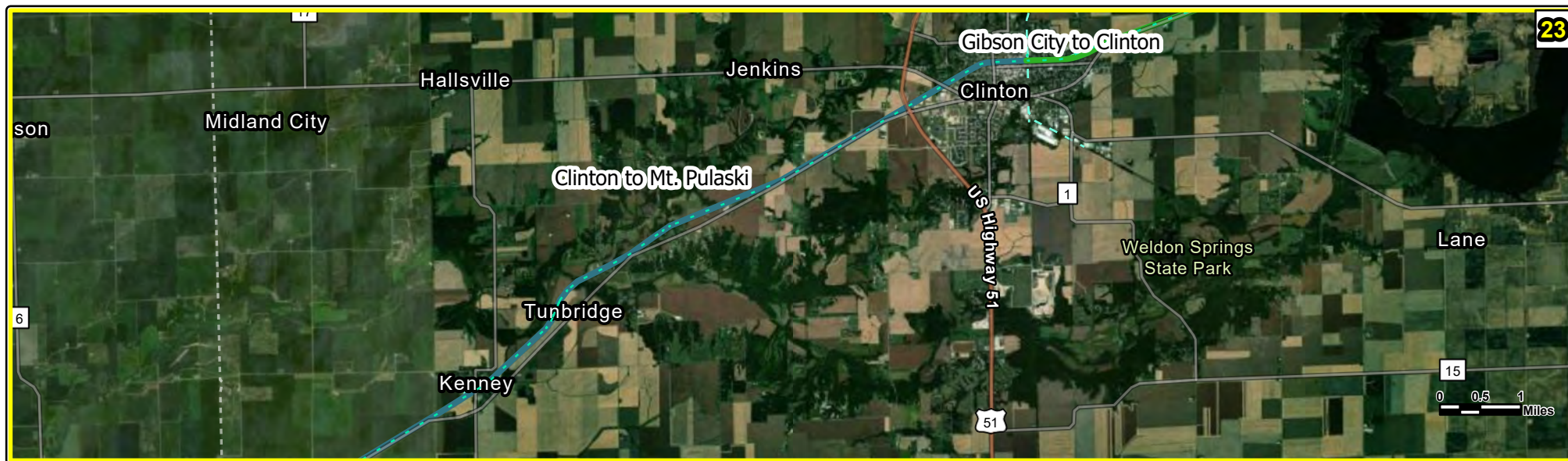
Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 10 of 16



- CN Track
- Increased Train Volume Segments
- Name
- Clinton to Mt. Pulaski
 - Mt. Pulaski to Brickyard Junction



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 11 of 16



Increased Train Volume Segments

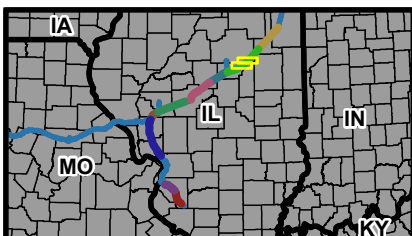
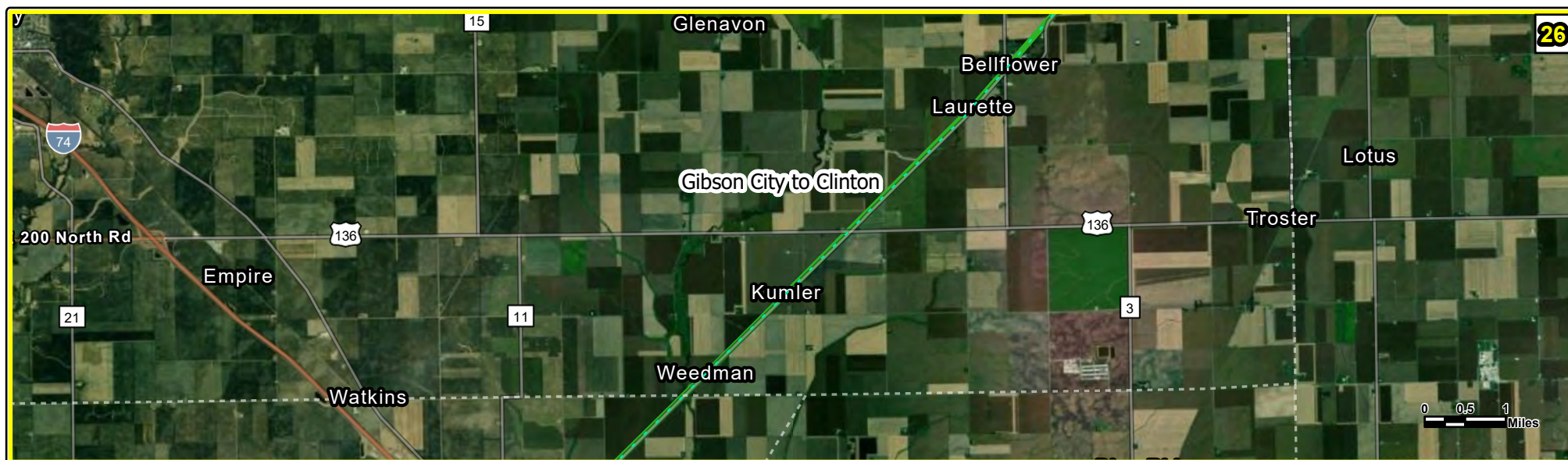
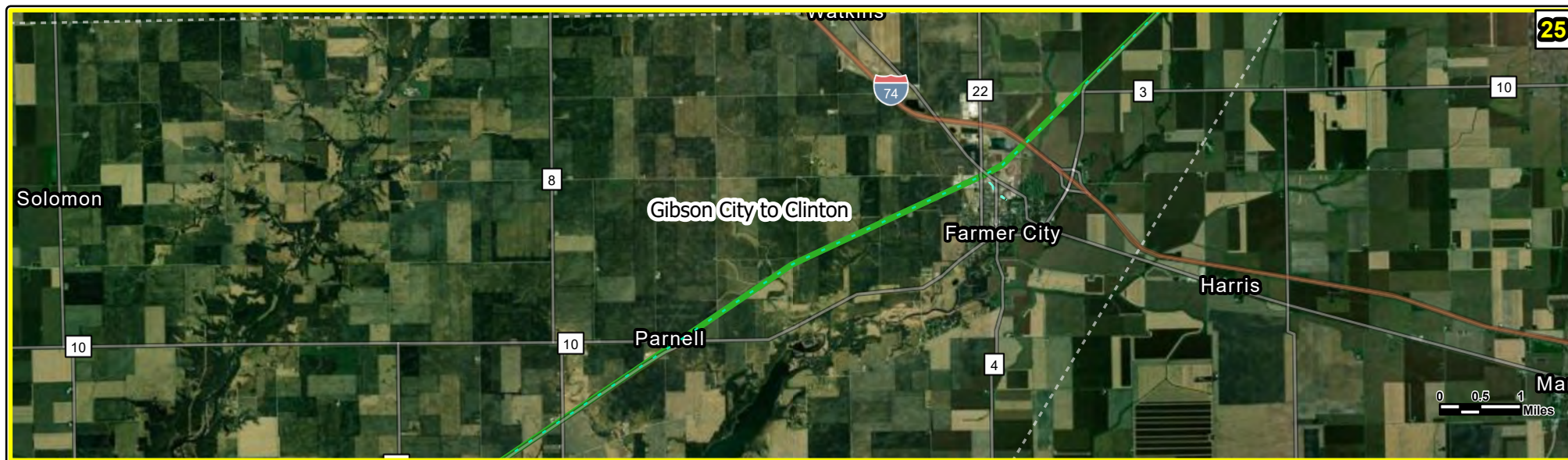
Name

- Clinton to Mt. Pulaski
- Gibson City to Clinton



**BURNS
MCDONNELL**

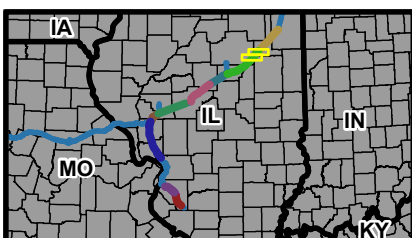
Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 12 of 16



- - - - CN Track
 Increased Train Volume Segments
 Name
 — Gibson City to Clinton



Figure 3:
 KCS Divestiture to CN EA
 Rail Line Exceeding Traffic Increase
 Illinois
 Page 13 of 16



Increased Train Volume Segments

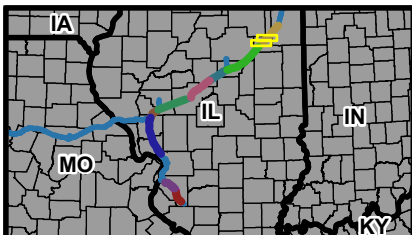
Name

- Gibson City to Clinton
- Gilman to Gibson



**BURNS
MCDONNELL**

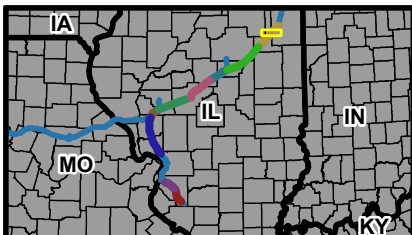
Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 14 of 16



- - - - - CN Track
 Increased Train Volume Segments
 Name
 ——— Gilman to Gibson



Figure 3:
 KCS Divestiture to CN EA
 Rail Line Exceeding Traffic Increase
 Illinois
 Page 15 of 16



..... CN Track

Increased Train Volume Segments

Name

— Gilman to Gibson



Figure 3:
KCS Divestiture to CN EA
Rail Line Exceeding Traffic Increase
Illinois
Page 16 of 16