

From: [Gosselin, Danielle](#)
To: [Whitfield, Peter](#)
Cc: [Atkins, Raymond](#); [Wood, Diana](#); [Wayland, Joshua](#)
Subject: Draft CN Divestiture Work Plan
Date: Friday, October 21, 2022 10:36:00 AM
Attachments: [image001.png](#)
[CN Divestiture Draft Work Plan. 10.21.22.pdf](#)

Hi Peter,

Attached please find the revised Draft Work Plan for the CN Divestiture. Please let us know if you have any questions or comments.

Thanks,
Danielle

Danielle Gosselin
Director
Office of Environmental Analysis
Surface Transportation Board
(202) 245-0300

From: Whitfield, Peter <pwhitfield@sidley.com>
Sent: Wednesday, October 12, 2022 9:24 AM
To: Gosselin, Danielle <Danielle.Gosselin@stb.gov>
Cc: Atkins, Raymond <ratkins@sidley.com>
Subject: Quick call re: CN Divestiture Work Plan

Danielle,

We received the attached work plan from Diana last week and had some concerns about the proposed timing given that a draft EA won't be complete before the STB's indicated timeline for a decision on the merger. This would appear to prevent the STB from considering CN's proposal. Do you have time for a call with Ray and me to discuss?

PETER WHITFIELD

SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, DC 20005
Cell 202.669.2160 (Please use to contact)
+1 202 736 8531
pwhitfield@sidley.com
www.sidley.com
SIDLEY

This e-mail is sent by a law firm and may contain information that is privileged or confidential.

If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately.

**Draft Work Plan for the
Canadian Pacific/Kansas City Southern
Rail Line Divestiture to Canadian National/Illinois Central
Third Party National Environmental Policy Act Documentation**

Finance Docket No. 36500 (Sub-No. 1)

BURNS & MCDONNELL'S WORK PLAN

A. GOAL

Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) is to assist the Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) in conducting the environmental review and preparing the environmental documentation related to a request by the Canadian National Railway Company and its United States affiliate, Illinois Central Railroad Company (ICCR) (together, CN) for the Board to order the divestiture to CN of certain rail lines in Missouri and Illinois and associated rail yard facilities in Missouri, Illinois, and Michigan. The scope of work, approach, and activities regarding the environmental review shall be under the sole supervision, direction, and control of OEA.

B. PURPOSE OF WORK PLAN

As required by the Memorandum of Understanding (MOU) among the Board, CN, and Burns & McDonnell dated July 11, 2022, Burns & McDonnell will prepare a Work Plan in consultation with OEA and CN. This Work Plan addresses the requirements of the MOU, including providing a description of the work to be performed, staff members anticipated to perform the environmental review, and an outline of the environmental analysis. These topics are outlined in the following sections of this Work Plan.

C. OVERALL PROJECT DESCRIPTION

By amended responsive application (Responsive Application) filed by CN on June 9, 2022, in Finance Docket No. 36500 (Sub-No. 1), CN requests that the 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). 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.

According to CN, the purpose of the Proposed Divestiture would be to increase competition along a parallel rail line should the Board decide to approve the acquisition of KCS by CP in Docket No. FD 36500. CN states that approval of the Amended Responsive Application would address horizontal competition concerns raised by CN in Docket No. FD 36500 by preserving and providing an efficient competitive option in the

Kansas City to Chicago corridor, restoring and upgrading the Springfield Line, and ultimately offering a higher-speed routing option through the U.S. heartland. CN states that the Proposed Divestiture would offer shippers the benefits of increased competition with trucks and other rail carriers, new innovative product offerings (like temperature protected service), faster transit time from upgraded track and more frequent service, new and improved intermodal and automotive terminal facilities, and access to new product markets, among other benefits. CN also states that the Proposed Divestiture would support truck-to-rail diversions of approximately 80,000 long-haul trucks per year, which would result in reductions of greenhouse gas emissions.

In addition to forecasted changes in rail traffic and operations over the rail lines proposed for divestiture, CN intends to make capital improvements along those rail lines and within rail yards and intermodal facilities, including expanding passing sidings. Increases in truck traffic associated with increased train operations between various yards with connections to the divested lines are also anticipated.

In considering CN's request, the Board will consider the potential environmental impacts that could result from the Proposed Divestiture, including capital improvements and expected increases in rail and truck traffic that would meet or exceed the Board's thresholds for environmental review. Pending consultation with federal, state and local agencies and other outside parties, it is currently assumed that an Environmental Assessment (EA) will be prepared in accordance with the National Environmental Policy Act of 1969 (NEPA), Federal regulations at 40 C.F.R. §§ 1500-1508 and 49 C.F.R. § 1105, and the requirements of OEA. Pursuant to 40 C.F.R. § 1506(c), 49 C.F.R. § 1105.4(j), and 49 C.F.R. § 1105.10(d), Burns & McDonnell has been selected as the Board's independent third-party contractor to assist OEA in preparing the EA. If the consultation process reveals that significant environmental impacts are likely to occur as a result of the Proposed Divestiture, then OEA will prepare an Environmental Impact Statement (EIS) instead of an EA for the Proposed Divestiture, with the assistance of Burns & McDonnell. See 49 C.F.R § 1105.6(d).

D. SCOPE OF WORK

The following outlines the general categories of activities to be conducted in order to complete the preparation of an EA for the Proposed Divestiture. Overall, activities to be performed as part of this work plan will comply with those required in the MOU. The subsequent section further defines the activities required to complete these activities.

1. Burns & McDonnell will review data provided by CN to identify a study area within which to collect appropriate environmental, social, and historic information in order to establish the baseline conditions and determine rail operations' conditions to be analyzed.
2. Burns & McDonnell will work with OEA to prepare a list of agencies, tribes, individuals, and public/community groups (particularly in potential environmental justice communities) to establish points of contact for information and data collection,

distribution of project-related information and materials, and collection of comments on issues and concerns associated with the Proposed Divestiture.

3. Burns & McDonnell will contact appropriate federal, tribal, state, and local agencies for input and information concerning environmental issues and concerns, environmental and human resources, regulatory jurisdictional areas, environmental justice concerns and considerations, and other resources as may be identified.
4. Burns & McDonnell will communicate and coordinate regularly with OEA, providing progress updates, discussions of issues and concerns, and for guidance and direction in the preparation of the appropriate environmental documentation for implementation of the NEPA process.
5. Burns & McDonnell will assist OEA as requested in printing and distribution of the EA and preparation of any responses to comments received.

Environmental Documentation: OEA has assumed the likely level of NEPA documentation for the Proposed Divestiture is an EA. Burns & McDonnell will assist OEA in preparing a draft EA and final EA, or an EIS if impacts are likely to be significant. All work performed by the contractor, or any sub-contractors shall be under the sole direction, control, supervision and final approval of OEA. The anticipated EA will focus on rail line segments, rail yards/intermodal facilities, and capital improvements identified by OEA as appropriate for analysis. Contractor will provide review versions of documents electronically, in Word and .pdf formats. Upon receipt of comments, Burns & McDonnell will revise the EA and provide final electronic review documents to OEA. Burns & McDonnell also will prepare an appropriate number of paper copies for libraries and other recipients as may be identified.

E. WORK PLAN

The EA will utilize information collected by Burns & McDonnell from agencies, site visits, and published information to establish the environmental, historical, and social baseline of the project area. CN's plans for rail operations and capital improvements will be evaluated against the environmental baseline for impacts to the environment. The EA will include an executive summary with a summary of major conclusions, description of the purpose and need, description of the proposed action and alternatives, description of the affected environment, potential environmental impacts of the project, mitigation measures, cumulative impacts, and other sections deemed necessary by OEA. All correspondence with federal, tribal, state, and local agencies, other pertinent correspondence, analysis, or information will be included as appendices.

Task 1. Kick-off Meeting

Following receipt of the notice to proceed from OEA, Burns & McDonnell will attend a kick-off meeting, anticipated to be a virtual meeting, with OEA. The purpose of the meeting will be to discuss the work plan, scope of work, approach, and schedule.

Administrative protocols will be established, communication protocols and channels defined, and expectations, philosophies and policies discussed and defined.

Task 2. Work Plan

Burns & McDonnell will develop a work plan, according to the requirements of the MOU, for completion of the environmental review process. The work plan will provide a description of the work to be performed, identify staff members anticipated to perform the environmental review, and present an outline of the proposed environmental analysis.

Task 3. Information Request

Burns & McDonnell will review materials and information provided by CN and will work with OEA to identify information gaps, needs and clarifications. Burns & McDonnell will assist OEA in requesting information from CN, reviewing additional provided information, and determining if any additional information requests are necessary. Burns & McDonnell will coordinate with OEA to identify any information needs that may become evident as the analysis progresses.

Task 4. Data Collection

Following review of the CN's information, OEA and Burns & McDonnell will define the necessary study area for the Proposed Divestiture. The study area will be based on the locations of rail lines and rail yards/intermodal facilities where the Board's thresholds for environmental review would be met, as well as locations of planned capital improvements. Environmental data is anticipated to be required for locations throughout Missouri and Illinois, as well as select locations in Michigan. While not anticipated necessary at this time, Burns & McDonnell would be available for meetings and site visits with agencies and other stakeholders, as determined appropriate.

Task 5. Prepare Preliminary Analysis of Alternatives

The environmental review will include a comparison of alternatives, including, at a minimum, the Proposed Divestiture and the No-Action Alternative, which would occur if the Board were to deny CN's proposal.

Task 6. Agency Contacts

Burns & McDonnell will contact appropriate federal, tribal, state, local agencies and community organizations, including those in areas with potential Environmental Justice populations, to identify their concerns, policies, jurisdictions, permit requirements, regulations, procedures and available information regarding the natural and human environment within the project area for the Proposed Divestiture. Initial requests for this information will be made by letter or email, with follow-up telephone calls or emails, as necessary.

Agencies representative of those to be contacted would include:

- Federal (State/Regional offices in Missouri, Illinois, Michigan, as appropriate)
- Department of the Interior, U.S. Geological Survey
- U.S. Army Corps of Engineers
- Department of the Interior, Natural Resource Conservation Service

- Department of the Interior, National Park Service
- Department of the Interior, U.S. Fish and Wildlife Service
- U.S. Environmental Protection Agency
- State (appropriately named agency in each state with jurisdiction)
 - Department of Natural Resources
 - Department of Fish and Game
 - State Historical Society
 - Department of Agriculture
 - Department of Parks and Recreation
 - Department of Labor
 - Office of the State Archaeologist
 - Department of Transportation
- Local
 - County Highway Engineer
 - County Zoning Office
 - County Information System
 - County Commissioners
 - Mayor's Office
 - City Planning and Zoning

Burns & McDonnell will assist OEA in consulting with appropriate State Historic Preservation Officers (SHPOs) to identify the appropriate tribal contacts within the affected states. Should areas of potential environmental justice concern be identified, Burns & McDonnell will identify appropriate local and community organizations and leaders for additional contact. As many agency personnel may still be working remotely due to COVID 19, Burns & McDonnell will determine if letters or email contacts are most appropriate and develop a plan for stakeholder communications.

Task 7. Field Investigation

Burns & McDonnell will conduct field investigations, as appropriate, focused on those locations where CN intends to add capital improvements if the Board authorizes the Proposed Divestiture. The investigations will characterize the biological, water, and cultural resources within the area and in the vicinity of the capital improvements. Access to railroad property will be coordinated with the appropriate railroad for the safety of rail operations and field crews.

Task 8: Impact Analysis

Burns & McDonnell will work with OEA to identify the appropriate level of analysis, with special consideration of Board thresholds based on anticipated changes in rail and truck traffic. Impact analysis efforts are expected to include:

- Air quality emissions inventory
- Noise and vibration modeling (train and horn)
- Grade crossing delay calculation
- Grade crossing safety analysis
- Freight and passenger rail safety analysis
- Environmental Justice review and assessment

Additionally, the following resources would be analyzed for the planned capital improvements:

- Biological resources, including threatened and endangered species
- Water resources, including surface waters and wetlands
- Cultural resources, including above ground and archaeological resources

Task 9. Mitigation Measures

Based on the identified impacts of the Proposed Divestiture, Burns & McDonnell will work with OEA to identify appropriate mitigation measures.

Task 10. Prepare EA Style Guide

Burns & McDonnell will prepare a Style Guide for preparation of the EA. The Style Guide will provide guidelines to EA authors on naming and formatting convention, tense, table and figure labeling and color schemes, and other factors to address common questions, terms, circumstances anticipated in the production of the EA to minimize revisions and editing during peer and technical reviews. Burns & McDonnell will coordinate with OEA for review and approval of the Style Guide prior to release to the EA production team.

Task 11. Prepare Draft EA

Burns & McDonnell will assist OEA in preparing a Draft EA. The Draft EA will include an executive summary, description of the Proposed Divestiture and alternatives, description of the affected environment, potential environmental impacts, mitigation measures, cumulative impacts, and other sections as may be requested by OEA. All correspondence with federal, tribal, state, and local agencies and other pertinent correspondence, analysis, or information will be included as appendices. Resource modeling and analysis supporting EA discussion and conclusions will also be considered for inclusion in EA appendices. Burns & McDonnell anticipates providing OEA individual chapters of the Draft EA for initial review as they are completed. Following incorporation of comments on initial chapters, a complete Draft EA will be assembled and provided to OEA for review. The Draft EA will be provided in Word format to provide for tracking changes if desired. Figures, maps, and drawings will be provided in .pdf format. Burns & McDonnell will work with OEA to determine the best format and any subdivision of the Draft EA to best facilitate making the Draft EA available on the Board's website or other venues.

Task 12. Prepare Final EA

Following receipt of comments on the Draft EA, Burns & McDonnell will assist OEA in revising the Draft EA accordingly. A Word file of the Final EA, along with a complete .pdf file, will be provided to OEA for their final review. Once approved, a final .pdf of the document will be provided for publication. Burns & McDonnell will work with OEA to determine the best format and any subdivision of the Final EA to best facilitate making the Final EA available on the Board's website or other venues.

Task 13. EA Reproduction

At this time, it is anticipated that access to the EA would be mostly online with a few paper copies for libraries and elsewhere if requested. Burns & McDonnell will coordinate with OEA on the number and format of copies required and distribution of the EA to the required contacts.

Task 14. OEA Coordination

Burns & McDonnell will coordinate with OEA to provide progress updates, discussions of issues and concerns, and to receive guidance and direction in the preparation of the EA and implementation of the NEPA process. Coordination will be achieved primarily by telephone, email, and virtual conferencing. Regularly scheduled meetings between Burns & McDonnell and OEA as well as between OEA, Burns & McDonnell, and CN, will be scheduled for appropriate project coordination and updates. Additional meetings with OEA will be held as necessary.

F. PROJECT TEAM ORGANIZATION AND STAFFING

As an independent third-party contractor, under the terms of the MOU dated July 11, 2022, Burns & McDonnell will take direction from OEA and prepare the EA according to the guidelines and regulations stated above. All work performed by Burns & McDonnell or any subcontractor shall be under the sole direction, control, supervision and final approval of OEA. The MOU sets forth the relationships and responsibilities among the parties.

Burns & McDonnell's contact with OEA should be through the Project Manager, Stephen Thornhill.

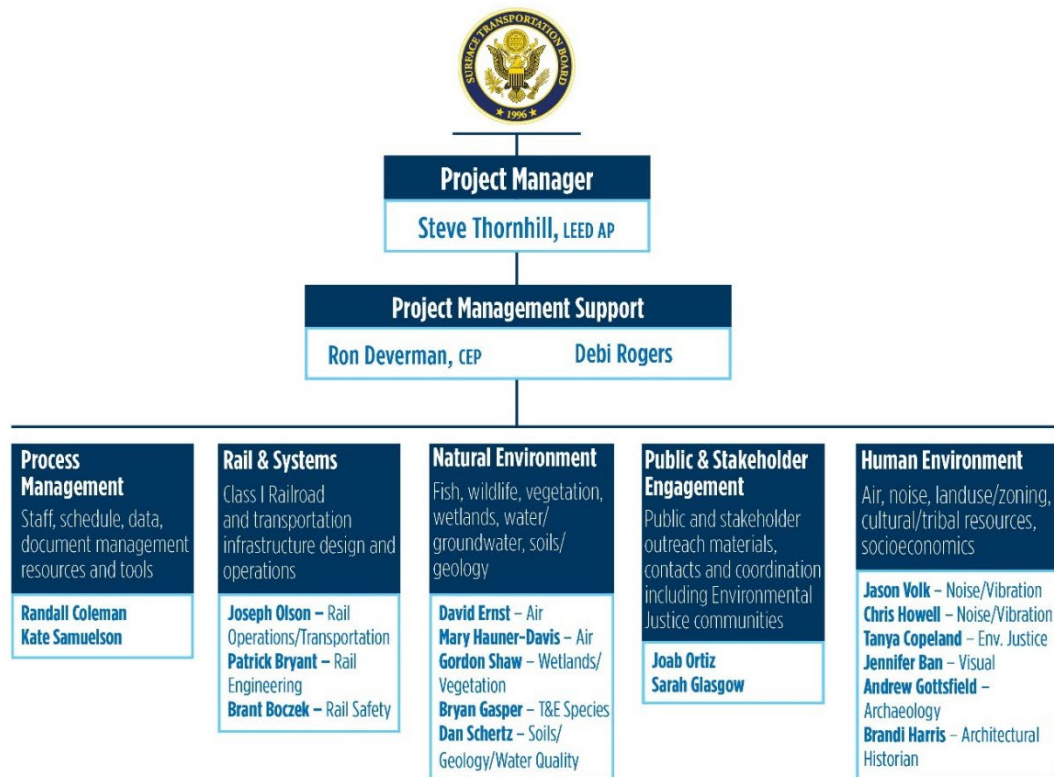
All information obtained, generated, or analyzed concerning the Proposed Divestiture is considered confidential unless and until otherwise directed by OEA, or the information has been publicly released by the Board or OEA. Staff of Burns & McDonnell and any subcontractors are not to talk to the media regarding the Proposed Divestiture without the express direction of OEA. Any contacts by media personnel for information are to be immediately referred to OEA and the Board's Office of Public Assistance, Governmental Affairs and Compliance at (202) 245-0238.

The following organizational chart summarizes how Burns & McDonnell and its subcontractors (ICF Jones & Stokes, Inc. and STV Incorporated) intend to generally staff this project. This team is designed to meet the environmental analysis needs of OEA, capitalizing on the various strengths of each firm for completion of this environmental review. This organizational chart is based around a management team that includes:

Project Manager: Stephen Thornhill will serve as the overall project manager and point of contact for Burns & McDonnell. He is responsible for the project's administration, staffing, conduct of work, communications, schedule, technical and work product quality, adherence to budgets and coordination with subcontractors. In particular, Burns & McDonnell is well positioned geographically for the natural resources studies and investigations that are anticipated.

Assistant PM and ICF Lead: Debi Rogers will be the assistant project manager supporting Steve in carrying out his responsibilities. Debi will also coordinate ICF's team in completing the activities and preparation of portions of the EA assigned to ICF as outlined in the Roles and Responsibilities Matrix following the organizational chart.

Assistant PM and STV Lead: Ron Deverman will also serve as an assistant project manager supporting Steve in carrying out PM responsibilities. Ron will be responsible to coordinate STV's team in completing the activities and preparation of portions of the EA assigned to STV, in particular those studies and evaluations related to rail and vehicle operations and rail engineering and design.



Additional staff are available in all resource areas to support these task and resource leads should specific needs require additional support. Additionally, these staff are presented for those resources typically of greatest concern for projects of this nature. Should additional resource areas be identified during the course of project completion, the Project management team will identify experienced staff to support consideration and evaluation of those resources in the EA.

The following matrix of roles and responsibilities presents our general expectation for activity and resource assignments. As noted previously, these assignments are subject to resource needs and may be adjusted to maintain a timely schedule and quality expectations.

Proposed Project Activities Task Matrix

1	2022 CN Divestiture Project for Surface Transportation Board		
2	Task Matrix as of 8/1/22		
3			
4	PROJECT RESOURCE	ROLE	Division of Responsibility (DOR)
5			
6	Management Team	Principal	BMcD
7	Management Team	Project Manager	BMcD
8	Management Team	Assistant PM	STV & ICF
9	Management Team	Advisor – NEPA	STV & ICF
10	Management Team	Advisor - Rail Engineering	STV & ICF
11	Human Environment	Technical Lead	ICF
13	Human Environment	Historic Resources	BMcD support ICF
14	Human Environment	Archeological Resources	BMcD support ICF
15	Human Environment	Tribal	BMcD support ICF
18	Human Environment	Environmental Justice	ICF
19	Natural Environment	Technical Lead	BMcD
20	Natural Environment	Hazardous Materials	BMcD
21	Natural Resources	Vegetation/Wetlands	BMcD
22	Natural Resources	Wildlife, Fish, Vegetation	BMcD
23	Natural Resources	Water Resources	BMcD
25	Rail & Systems	Technical Lead	STV
26	Rail & Systems	Air Quality and Climate	ICF support from BMcD
27	Rail & Systems	Noise and Vibration	ICF
29	Rail & Systems	Grade Crossing/Vehicle Safety and Delay	STV
30	Rail & Systems	Rail Operations	STV
31	Rail & Systems	Track Signals & Sightings	STV
32	Rail & Systems	Energy	STV
33	Public & Stakeholder Engagement	Technical Lead	ICF
34	Public & Stakeholder Engagement	Comment Analysis	ICF
35	Public & Stakeholder Engagement	Public Involvement	ICF/BMcD/STV
36	Public & Stakeholder Engagement	Project Website Manager	ICF/BMcD/STV
37	Process Management	Technical Lead	STV
38	Process Management	Mitigation	STV
39	Process Management	Planned Actions (Cumulative Impacts)	BMcD
40	Process Management	Purpose and Need, Proposed Action, Alternatives	STV with ICF/BMcD assistance
41	Process Management	Document Mgmt. (Style Guide, Document Production etc.)	ICF
42	Process Management	Tech Ed	BMcD, ICF, STV
43	Process Management	GIS & Data Mgmt.	BMcD Lead with ICF/STV assistance
44	Process Management	QA/QC	BMcD Lead with ICF/STV assistance
45	Not on Org Chart	Comment Response	BMcD, ICF, STV
46	Not on Org Chart	Admin Record	BMcD with ICF/STV assistance
47	Not on Org Chart	Mailing and Printing	BMcD
48	Not on Org Chart	Administrative	BMcD, ICF, STV

G. ENVIRONMENTAL ASSESSMENT OUTLINE

The following is the proposed outline of the anticipated EA. These sections are subject to OEA approval. Additional sections and reordering or reformatting of these section may occur as directed by OEA based on the issues and concerns identified, topics for review and evaluation, agency and stakeholder comments, and resource impacts identified during the environmental review process.

Outline

- Executive Summary and Major Conclusions
- Chapter 1. Purpose and Need
- Chapter 2. Proposed Action and Alternatives
 - Introduction
 - Proposed Action
 - Alternatives Considered
- Chapter 3. Description of the Existing Environment
 - Introduction
 - Freight and Passenger Rail Safety
 - 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 Release Sites
 - Biological Resources
 - Water Resources
 - Environmental Justice
- Chapter 4. Environmental Consequences
 - Introduction
 - Freight and Passenger Rail Safety
 - 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 Release Sites
 - Biological Resources
 - Water Resources
 - Environmental Justice
 - Cumulative Impacts
- Chapter 5. Mitigation
 - Introduction
 - Voluntary Mitigation Measures
 - OEA's Recommendations for Mitigation
- Appendices
 - Agency and Stakeholder Correspondence
 - Technical Studies and Modeling Reports (as appropriate)
 - Supporting detailed maps, figures, drawings

References
List of Preparers

H. SCHEDULE AND MILESTONES

Burns & McDonnell will coordinate with OEA as the environmental review progresses and make adjustments to ensure that preparation of the EA or EIS is completed as soon as possible.