

From: [John A. Yellich](#)
To: [Wood, Diana](#)
Subject: Comments to October 20, 2022 FD36500 Illinois Central Railroad Request for comments
Date: Monday, November 28, 2022 2:40:26 PM
Attachments: [Surface Transportation board CN RR 10-20-22.pdf](#)

Good afternoon Diana,

The Michigan Geological Survey (MGS) is not a regulatory body for the State of Michigan. MGS does assess the geologic situation of any projects to determine if there are any geologic issues with any project.

MGS has reviewed this notice and reviewed the geologic location and does not see an issue with the Detroit Yard. I attached the letter sent with my pencil notes, does not apply, to the margin of the letter on Page 2, just to confirm I have read the notice letter and the MGS does not have a geologic issue with the CN Detroit yard expansion.

Best!

John

John A. Yellich, CPG

Director

Michigan Geological Survey

269-387-8649 (O)

269-370-1645 (M)

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SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 20, 2022

John Yellich
Director
Michigan Geological Survey
1903 W Michigan Ave
Kalamazoo, MI 49008-5241

Rec
11/14/22

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. Yellich:

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,⁵² 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.⁵³ The proposed acquisition of KCS by CP is the subject of a separate ongoing environmental review by the Board.⁵⁴ Should the Board authorize both the

⁵² 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.

⁵³ 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.

⁵⁴ 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.

*MGS
Nond.*

nothing in

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.

Nothing

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

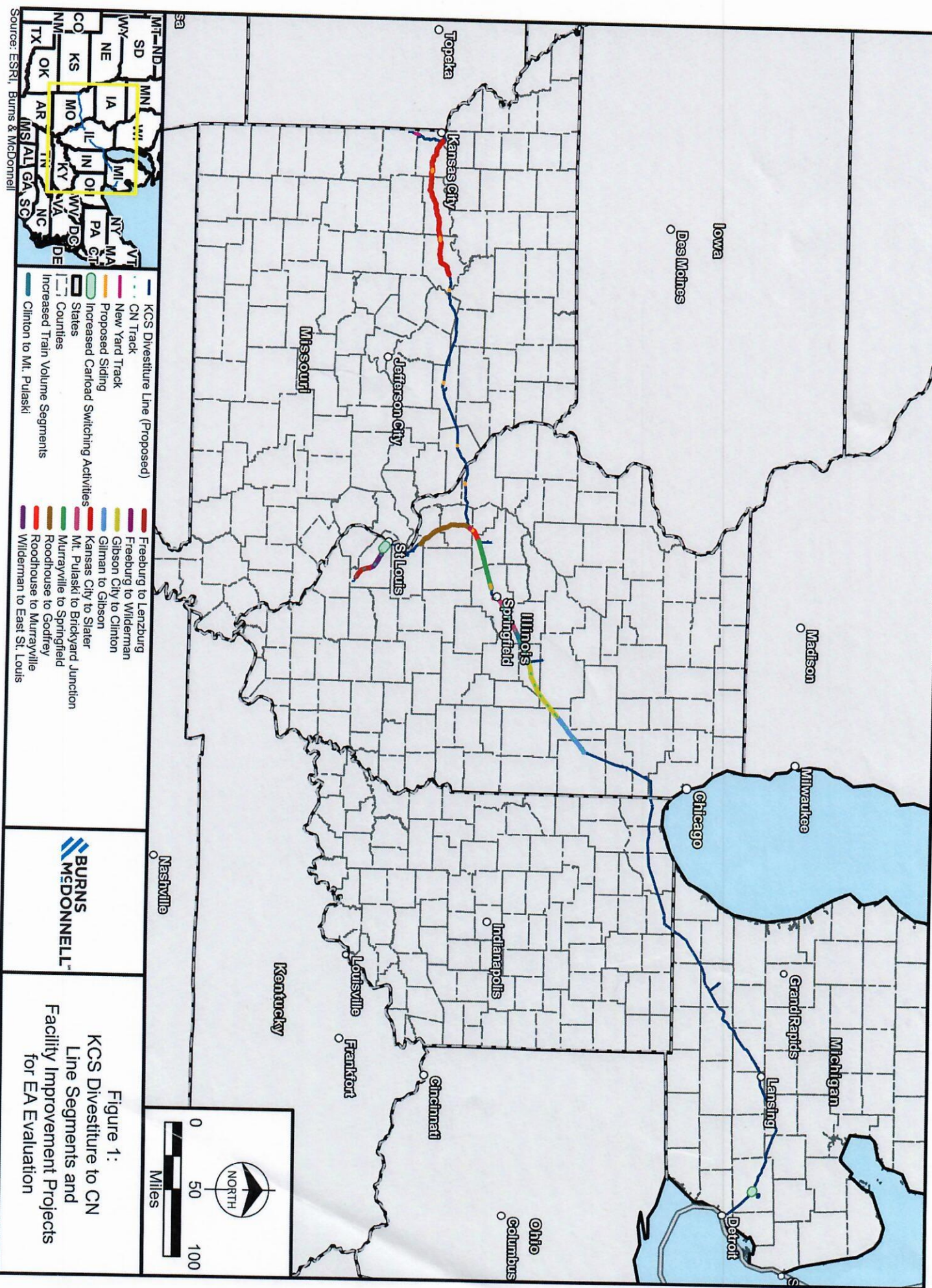
If you have any questions, please feel free to contact Diana Wood, OEA's Project Manager for the environmental review, at 202-245-0302 or by email at Diana.Wood@stb.gov.
Please send your responses by December 2, 2022.

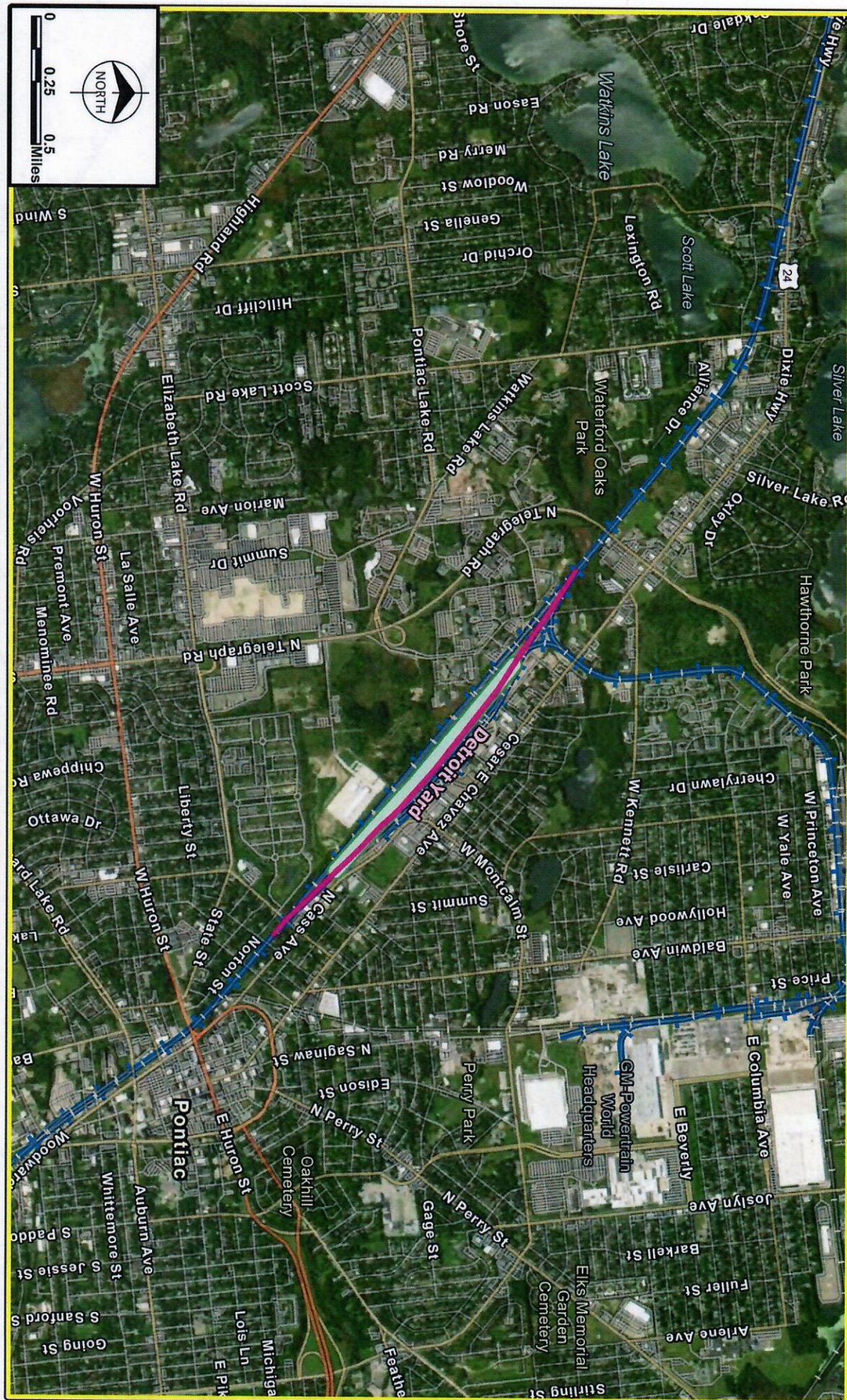
Sincerely,



Danielle Gosselin
Director
Office of Environmental Analysis

Map Attachments

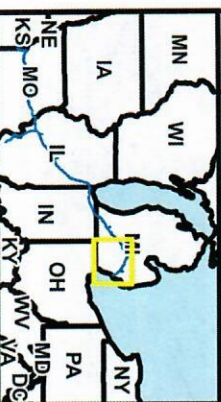
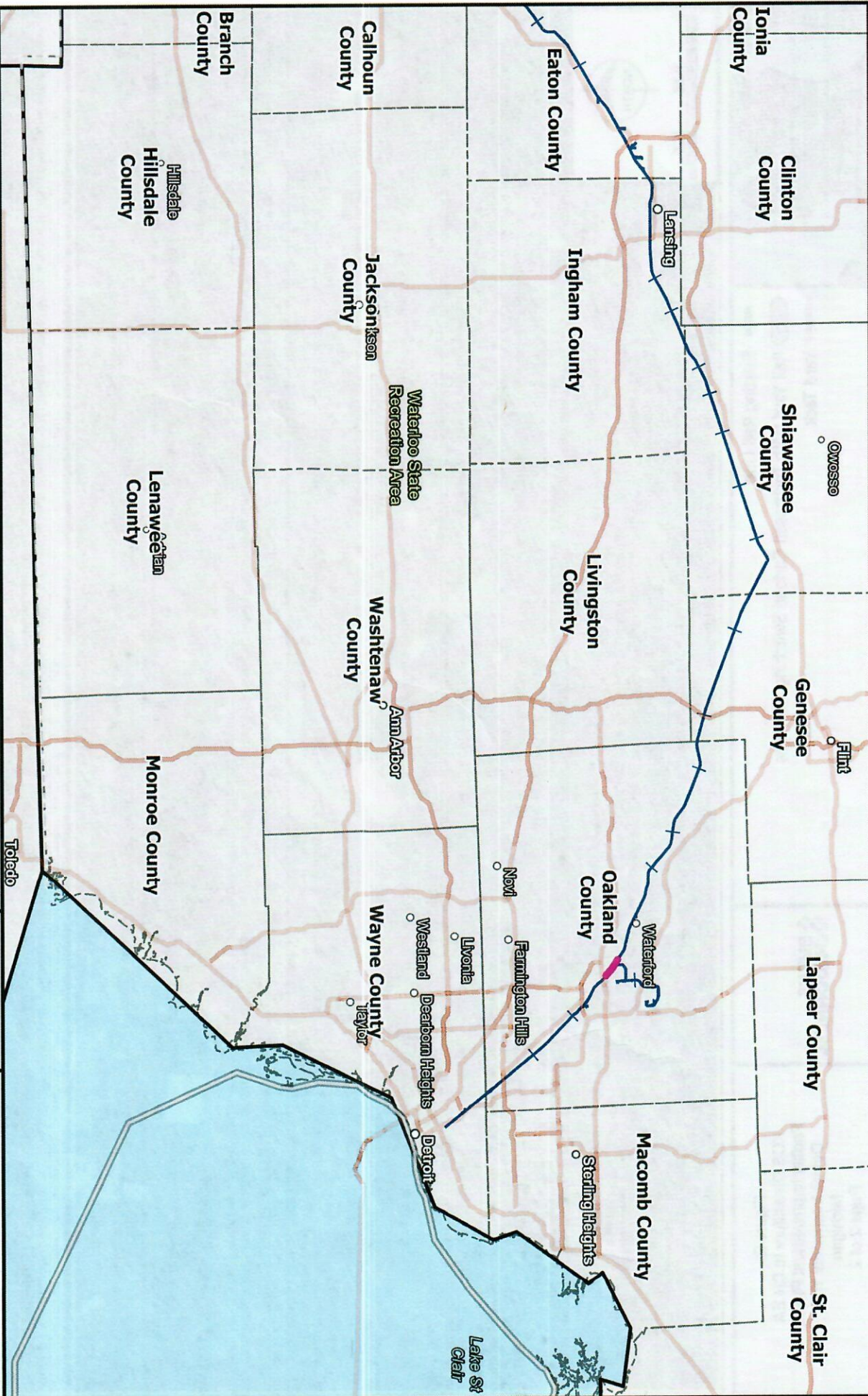




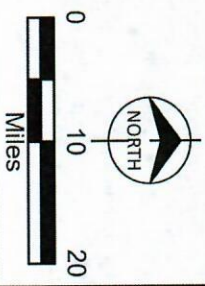
- Existing Rail Line
- Rail Yard With Increased Carload Switching Activities
- Yard Tack

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Figure 2:
KCS Divestiture to CN EA
Facility Improvement Project
Detroit Intermodal Yard
Michigan
Page 2 of 2



States
County
Yard Tack



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Figure 2:
KCS Divestiture to CN
Facility Improvement Projects
for EA Evaluation
Michigan (Overview)
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