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May 30, 2017

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Via Hand Delivery

Cynthia T. Brown, Chief
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Surface Transportation Board
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May 30, 2017
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Re: CSX Transportation, Inc. – Acquisition of Operating Easement – Grand Trunk
Western Railroad Company, STB Docket No. FD 35522

Dear Ms. Brown:

Enclosed for filing is an original plus 10 copies of CSX Transportation, Inc.'s Report on Operational Fluidity, which responds to the Board's April 27, 2017 Order in the above-referenced matter. Please date stamp the extra copy and return it to the messenger.

If you have any questions regarding the enclosed, please contact the undersigned.

Sincerely,

Hanna M. Chouest

HMC:mld

Enclosures

**BEFORE THE
SURFACE TRANSPORTATION BOARD**



DOCKET NO. FD 35522

**CSX TRANSPORTATION, INC.—ACQUISITION OF OPERATING
EASEMENT—
GRAND TRUNK WESTERN RAILROAD COMPANY**

REPORT ON OPERATIONAL FLUIDITY

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Dated: May 30, 2017

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I. INTRODUCTION

CSX Transportation, Inc. (“CSXT”) appreciates this opportunity to report to the Board and the public on CSXT’s operations on the Elsdon Line.¹ CSXT’s 2013 acquisition of an operating easement on the Line was designed to improve the efficiency of the Nation’s busiest and most important rail terminal² by allowing CSXT to route trains from other more congested lines in the Chicago Terminal onto the relatively underutilized Elsdon Line. While the transaction has achieved that purpose, its initial implementation was accompanied by unexpected challenges and equipment failures that contributed to regrettable delays and inconvenience to the public.

CSXT engaged with the public, elected officials, and the Board about their concerns about the Line, and CSXT took direct, proactive action to achieve significant operational improvement. CSXT is able to report today that it has substantially reduced delays on the Line through focused planning, improved

¹ “Elsdon Line” and “Line” are used in the same sense as in prior Board decisions in this docket. They describe the 22.37-mile line that runs between Elsdon, IL (milepost 8.7) and Munster, IN (milepost 31.07) over which CSXT acquired a railroad operating easement as authorized by *CSX Transp., Inc.—Acquisition of Operating Easement—Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (Feb. 8, 2013) (“*Acquisition Decision*”).

² See, e.g., *United States Rail Service Issues – Performance Data Reporting*, STB Docket No. Ex Parte 724 (Sub-No. 4) at 6 (served Dec. 30, 2014) (recognizing that Chicago is a “crucial network hub” and recognizing “the longstanding importance of Chicago as a hub in national rail operations”); Amtrak, Report of the Amtrak Chicago Gateway Blue Ribbon Panel, at 8 (Oct. 2015), *available at* <https://www.amtrak.com/ccurl/873/180/Chicago-Gateway-Amtrak-Blue-Ribbon-Panel-Final-Report.pdf> (noting that Chicago is the nation’s most important—and most congested—rail hub).

operating protocols, community outreach, and significant capital investments. Both train-related grade crossing delays and false gate activations have seen substantial improvement.

Train-related grade crossing delays have been substantially mitigated. In the typical month CSXT trains pass over a grade crossing on the Line over 11,000 times. 97.2% of those times the train clears that grade crossing in less than ten minutes.³ And in the few instances where a train occupies a grade crossing for ten minutes or more, three-quarters of the time that train is constantly moving—not stopped.⁴ As a result, a substantial majority (64%) of the train occupancies of 10 minutes or more on the Line are between 10 and 15 minutes. CSXT's operations are as fluid as can be reasonably expected for normal train operations on a line in a dynamic, complex terminal.

Importantly, delays have been reduced to a bare minimum at every grade crossing that the community has expressed concern about (either in the acquisition proceeding or in post-acquisition comments). In particular, CSXT's monthly reports show that it has significantly reduced the number of trains that take 10 minutes or

³ See Verified Statement of Kaustuv Chakrabarti, Ex. FTI-2. Unless otherwise indicated, grade crossing delay statistics are based on an average of CSXT's monthly reports covering October 2016 through April 2017. The attached Verified Statement of Kaustuv Chakrabarti explains how these statistics were calculated.

⁴ Moreover, the times reported for "stopped" trains on CSXT's monthly reports indicate the total time that gates were activated, which includes the time that a train moved into a crossing and the time it was moving out of a crossing. Thus, a train that is reported as "stopped" for 15 minutes was likely in motion for a significant majority of the 15 minutes that the gates were occupied.

more to clear grade crossings in Evergreen Park and the Nineteenth Ward. These crossings are located on the northern section of the Line on an 8-mile stretch that contains no separated grade crossings, so they were a special focus of the acquisition proceeding and the genesis of conditions relating to grade crossing blockages. (Every comment about grade crossings in the acquisition proceeding was addressed to a crossing on this section of the line, and every post-acquisition comment that the Board has received about trains occupying grade crossings concerned crossings on this section of the Line. *See infra* at 11-13, 22.)

For this critical section of the Line, 98.3% of trains clear crossings in less than ten minutes. And only a small fraction of those instances involve trains that were forced to stop. As Exhibit 1 illustrates, all the crossings on this section of the Line have seen minimal delays from train traffic.

CSXT has achieved these results by taking a variety of steps to improve operational fluidity on the Line. As detailed herein, CSXT has invested more than \$20 million in capital in the Line, improved and refined operating protocols, and designed its operations to minimize the potential for delays. Part of CSXT's efforts have been devoted to improving visibility into grade crossing delays on the Elsdon. Beginning in 2015, CSXT invested significant capital to install equipment to allow remote gate monitoring at the most critical grade crossings. After the Board required monthly reporting for all Elsdon crossings, CSXT invested further time to develop and improve methodologies to identify crossing delays at grade crossings

without remote monitoring equipment. The result is that the Elsdon Line now may be the most monitored stretch of track on CSXT's network.

CSXT will continue to strive to avoid unnecessary delays on the Line. CSXT respectfully submits that its actions fully addressed concerns about the potential impact of CSXT operations that were raised in the acquisition proceeding and have responded to the operational issues that concerned citizens and communities have raised about the Line more recently.

CSXT appreciates that some sections of the Line continue to see a number of trains that occupy a grade crossing for ten minutes or more—particularly in the densest section of the corridor between Blue Island Junction and Thornton Junction. As the Board has recognized, the section of eight grade crossings from 150th Street to 159th Street accounts for a high share of total grade crossing occupancies of ten minutes or more—nearly 60% of the total for the Elsdon Line over the last four months. CSXT's operational fluidity in the area is generally strong—approximately 96% of the time trains operate over grade crossings in this area in less than ten minutes. But preexisting factors like a multitude of at-grade rail crossings, signals changing from green to red without advance notice, and speed restrictions for trains entering and leaving the Line mean that many trains have to slow down or stop for safety and operational reasons and thus do not clear crossings in less than ten minutes. Moreover, this section of the corridor contains multiple separated grade crossings that allow the free flow of vehicular traffic, which is a reason that grade crossings in this area were not an issue in the acquisition

proceeding and have never been the subject of any post-acquisition complaint to the Board. In sum, CSXT's operations are as fluid as can be expected with normal train operations on a complex part of the Chicago Terminal where multiple rail lines cross and converge.⁵

False gate activations on the Line also have been slashed by 75% through an aggressive capital program and by focused signals maintenance. While factors like third-party accidents and weather interference make some false activations unavoidable, the rate of false activations on the Elsdon Line now is comparable to that of other CSXT lines in Chicago.

While CSXT is in substantial compliance with the commitments it has made to the Board and the public, CSXT recognizes that some of its expectations about operational fluidity on the Elsdon Line proved unattainable. Specifically, operational complexities and speed limits for trains getting onto and off the Line make it impossible for CSXT to achieve a 40 mph speed throughout the Line, as it had projected during the acquisition proceeding. But CSXT can continue to commit to ensure a "clear route" before any train enters the Line, and CSXT will always have a strong incentive to move trains through the corridor as quickly as possible.

CSXT also believes that the language of Voluntary Mitigation Measure No. 6 ("VM 6") should be clarified to better reflect the intent and spirit of that condition,

⁵ As explained *infra*, the increase to reported blockages on this segment between November 2016 and January 2017 is due in large part to an improved methodology for identifying train occupancies at gates that do not provide remote access—not to any material deterioration in the efficiency of train operations.

which is that CSXT commits to clear any stopped train occupying a grade crossing as quickly as practicable. As CSXT has explained, the process of cutting and rebuilding a train can take an hour or more, and it would be counterproductive for CSXT to cut a train when that would only lengthen the time a crossing is blocked. CSXT thus proposes to modify VM 6 to clarify that CSXT's commitment is to cut stopped trains to clear crossings when that is the most efficient way to clear the grade crossing. And CSXT will continue to be bound by other conditions designed to address concerns about trains occupying grade crossings, including requirements to maintain operating protocols with other railroads to prevent interference; to make a closed-circuit TV system available for emergency service providers for the Advocate Christ Medical Center and the Little Company of Mary Hospital; and to notify emergency responders of trains occupying grade crossings on significant routes.

These commitments—and CSXT's demonstrated record of improved performance—show CSXT's resolve to operate the Elsdon Line in a manner that is efficient and sensitive to the community's needs. CSXT will continue to prioritize fluidity on the Elsdon Line, work to keep grade crossing delays to a minimum, and otherwise be responsive to the concerns of the communities through which CSXT operates.

II. BACKGROUND

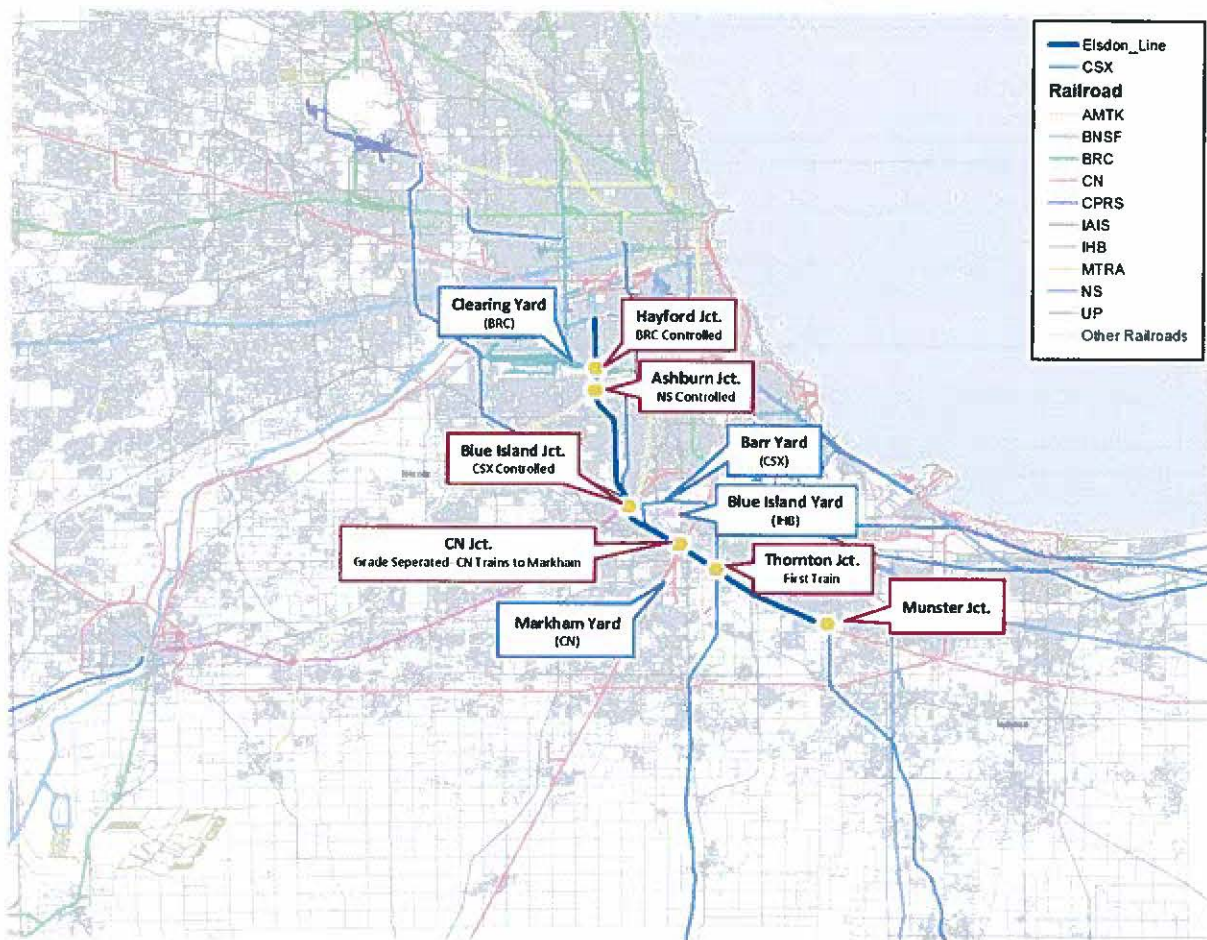
A. CSXT's Acquisition of an Operating Easement on the Elsdon Line Was Designed to Improve Fluidity in Chicago.

The Elsdon Line is a 22.37 mile line running between Elsdon, IL, and Munster, IN.⁶ The Elsdon Line has been used for rail operations for well over a century, and the communities that surround it were built around what has always been an active rail line.⁷ Like many Chicago rail lines, the Elsdon Line connects with and intersects multiple other rail lines, including the Belt Railway Company at Hayford Junction; Norfolk Southern at Ashburn Junction; the Indiana Harbor Belt at Blue Island Junction; Canadian National at CN Junction; and Union Pacific at Thornton Junction. Multiple rail yards in the area make operations even more complex; the rail yards near the Elsdon include BRC's Clearing Yard, CN's Markham Yard, IHB's Blue Island Yard, UP's Yard Center, and CSXT's own Barr Yard. And operations on the Line are also impacted by passenger and commuter railroads. Amtrak operates over the southern end of the Line between Munster and Thornton Junction, and the Line is crossed by Metra at Ashburn. See Exhibit 3 (reproduced below).

⁶ See Exhibit 2 (rail map of Line).

⁷ See, e.g., *Valuation Docket No. 445 et al., Grand Trunk Ry. Co. of Canada et al.* 143 I.C.C. 1, 11 (1928) (acknowledging existence of a Grand Trunk rail line between Thornton Junction and Chicago as early as 1881).

**Figure 1 (Reproduction of Exhibit 3)
Map of Relevant Rail Lines Including Interchanges, Junctions, and Yards**



Canadian National Railway Company through its U.S. subsidiary Grand Trunk Railway Company ("CN") was the owner and primary operator over the Elsdon Line for many years. As of 2008, CN was transporting approximately 22.1 trains per day over portions of the Elsdon Line.⁸ After CN acquired the Elgin, Joliet

⁸ See Application, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 15 (filed Aug. 13, 2012) ("Acquisition Application").

and Eastern Railway ("EJ&E"), it rerouted many trains to the EJ&E, and volumes on the densest portions of the Elsdon dropped to just 9.7 trains per day.⁹

CSXT proposed to acquire a perpetual rail operating easement on the Elsdon Line in order to improve overall operating fluidity in Chicago by rerouting CSXT trains from other highly congested Chicago lines onto the then-underutilized Elsdon Line. CSXT predicted that this shift would reduce the need for CSXT to operate over rail lines controlled and dispatched by foreign railroads and would lead to fewer blocked crossings in the Chicago terminal as a whole.¹⁰ The shift would also reduce conflicts with passenger trains that operate north of Thornton Junction. *See Acquisition Application* at 16-17. Third parties agreed that the transaction "will be of great benefit to the region" because it "will save as much as 1 hour per train by rerouting traffic over this line or 20 hours per day."¹¹

When the Board approved CSXT's purchase of a perpetual rail operating easement on the Elsdon Line, it agreed that "CSXT's acquisition of the easement and operations over the Elsdon Line would likely create many public and private benefits." *See Acquisition Decision* at 6. Because the transaction would allow CSXT to "divert its shipper traffic from the lines of these other railroads and more fully

⁹ *See id.*

¹⁰ *Acquisition Application* at 18 ("As a result of CSXT acquiring the easement over the Elsdon Line . . . CSXT will be able to take advantage of an underutilized freight line that affords CSXT unique operating benefits to more efficiently provide transportation service to its customers").

¹¹ Comment, Chicagoland Chamber of Commerce, *CSX Transp. In. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (filed Oct. 9, 2012).

use the Elsdon route,” “[t]he new routing would also result in more efficient CSXT operations in the Chicago area.” *Id.*¹²

B. Concerns About Grade Crossing Delays Focused on One Section of the Line That Lacks Separated Grade Crossings.

While no commenter doubted the overall benefits of the transaction for the efficiency of rail movements in Chicago, several commenters expressed concern about the potential impact of the transaction on grade crossing delays. The Elsdon Line has an unusually high number of road crossings: 43 at-grade crossings and 16 grade separated crossings over just 22.37 miles. Importantly, those grade-separated crossings are not evenly distributed over the Line. Instead, grade-separated crossings are generally concentrated in the northern and southern parts of the Line, leaving an 8-mile stretch of the Line between 67th Street and Vermont Street with no grade separated crossings.¹³

¹² See also Draft Environmental Assessment, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 1-6 (served Oct. 5, 2012) (“*Draft EA*”) (observing that the transaction would help to alleviate “CSXT network inefficiencies . . . [that] increase operating costs, reduce productivity, increase environmental impacts, and degrade the level of service CSXT can provide to its customers”).

¹³ Figures 3.1-1 through 3.1-4 from the Draft Environmental Assessment are a four-panel map of crossings on the Line that illustrate this well. Specifically, Figures 3.1-2 and 3.1-3 show six separated grade crossings between Calumet Expressway and Vermont Street; after Vermont Street, Figures 3.1-3 and 3.1-4 show an approximately eight-mile stretch before the next separated grade crossing at 67th Street. These figures are reproduced as Exhibit 4.

on grade crossing delays.¹⁵ In particular, commenters noted that several of the routes crossed by the Line on this segment were important for emergency resources and hospital access.¹⁶ For example, the five 911 protocol crossings on the Elsdon Line are all located in Evergreen Park or the Nineteenth Ward.¹⁷ 95th Street in Evergreen Park was a specific focus of the comments, in part because it was identified as a primary access point for several hospitals. *Id.* Evergreen Park requested several conditions designed to limit grade crossing delays, including a grade separation at 95th Street and a limit on the number of trains CSXT would be permitted to operate over the Line on a daily basis.¹⁸

In comparison to the 8-mile stretch between 67th Street and Vermont Street, which contains no grade separated crossings, the subsequent 8-mile southern segment between Vermont Street and the Calumet Expressway contains six such

¹⁵ Cf. *Draft EA* at ES-12 to ES-13 (observing that lack of a grade separated route near 95th Street in Evergreen Park was a factor supporting the mitigation condition designed to ensure access to emergency services).

¹⁶ See Letter from Rep. Kelly Burke, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (filed Nov. 5, 2012).

¹⁷ The City of Chicago has designated certain grade crossings as 911 crossings and has executed a Memorandum of Understanding with CSXT and other railroads under which railroads agree to notify City emergency services when a train would block a 911 crossing for 10 minutes or more. See *Draft EA* at 3-48 & 3-49. The five 911 crossings on the Elsdon Line are 87th Street, 95th Street, 103rd Street, 111th Street, and 115th Street. See *id.*

¹⁸ See Final Environmental Assessment, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 at 19 (served Jan. 9, 2013) (“*Final EA*”) (rejecting the Village of Evergreen Park’s comments and requests regarding an under pass at 95th Street and prohibition on train movements during rush hour).

crossings.¹⁹ This section also contains the highest train density and most complex rail operations on the Line, including rail-to-rail at-grade crossings at Thornton Junction, CN Junction, and Blue Island Junction and trains entering and leaving the Line for Barr Yard, Blue Island Yard, and Markham Yard.²⁰ While the communities on this section of the Line all participated in the acquisition proceeding, none of their comments expressed any concern about potential grade crossing delays on the Line.²¹

C. The Board's Decision

After a review of the community comments and a complete Environmental Assessment, the Board ultimately approved the transaction, determining that it “would likely create many public and private benefits;” would permit “more efficient CSXT operations in the Chicago area;” and would “advance the goals of CREATE” by redirecting traffic from more congested corridors in the Chicago area. *Acquisition Decision* at 5-6. The Board found that the transaction was in the public interest, as

¹⁹ See Exhibit 4 (Figures 3.1-2 and 3.1-3 from Draft EA indicating separated grade crossings at Calumet Expressway, the Tri-State Tollway, Indiana Avenue, 139th Street, Interstate 57, and Vermont Street.).

²⁰ See Exhibit 9 (density map of Line); Exhibit 2 (rail map of Line).

²¹ See, e.g., *Final EA* at 33 (Letter from the City of Blue Island (dated Oct. 16, 2012)) (expressing concern about “noise pollution,” not blocked crossings); *Draft EA*, Appendix A, Attachment 2 (Letter of South Suburban Mayors Association (dated June 14, 2012)) (discussing quiet zones, economic development opportunities, and commuter rail impacts—not crossing blockages. This association includes all communities on the southern portion of the Line, including Blue Island, Robbins, Dixmoor, Riverdale, Posen, Harvey, Phoenix, and South Holland).

it would allow CSXT to take advantage of more efficient routings “without eliminating service options for shippers.” *Id.* at 6.

The Board imposed certain mitigation measures to reduce any potential adverse impacts to the communities through which the Line runs. *See Acquisition Decision* at 19-24. Those conditions included VM 6:

CSXT shall operate under U.S. Operating Rule No. 526 (Public Crossings), which provides that a public crossing must not be blocked longer than 10 minutes unless it cannot be avoided and that, if possible, rail cars, engines, and rail equipment may not stand closer than 200 feet from a highway/rail at-grade crossing when there is an adjacent track. If the blockage is likely to exceed this time frame, then the train shall be promptly cut to clear the blocked crossing or crossings.

This condition mirrored a condition imposed five years earlier in the *CN/EJE* transaction. *See Canadian Nat’l Ry. Co. & Grand Trunk Corp. – Control – EJ&E West Co.*, STB Docket No. 35087, at 63 (served Dec. 24, 2008) (Voluntary Mitigation Measure No. 35). Other conditions were adopted to require CSXT to make closed-circuit TV monitoring available for emergency responders, to notify emergency responders of significant delays, and to create a community liaison to consult with affected communities and businesses and to develop cooperative solutions to local concerns. *See Acquisition Decision* at 22-24 (Voluntary Mitigation Measure No. 37; OEA’s Environmental Mitigation Measures Nos. 2 and 4).

The Board declined to impose additional conditions that would require a grade separation at 95th Street (or at any other crossing) or operational restrictions that would limit the volume of trains traversing Evergreen Park. The Board found

that “the impacts of the transaction on the 95th Street crossing will not exceed Federal Highway Administration (FHWA) criteria, which include consideration of vehicle delay, roadway classification, average daily vehicular traffic, and number of trains per day,” and it therefore found no need for the additional mitigation requested by the Village of Evergreen Park. *Acquisition Decision* at 12-13.

D. Subsequent Proceedings

After the transaction was completed, CSXT faced challenges with the Line. The track and signals on the Line were not in the condition required for consistent and reliable operations, and the complexities of dispatching a new Line in a complex track environment in the heart of Chicago caused delays that CSXT did not anticipate. These challenges led to false activations and train delays that were unacceptable to CSXT and that justifiably prompted concerns from both the communities and the Board. CSXT immediately began to make investments and operational improvements to the Line to reduce the impact of rail operations on the communities through which the Line runs. Those investments, discussed in more detail in Section III, below, included significant improvements to crossings and signal communications that have minimized false gate activations and greatly reduced the number and duration of blocked crossings along the Elsdon Line.

On February 12, 2016, the City of Chicago and the Village of Evergreen Park jointly petitioned the Board to reopen the acquisition proceeding alleging that CSXT's operations were causing blocked crossings that were negatively impacting the communities. See *Petition of the City of Chicago and Village of Evergreen Park*

to Reopen and to Impose Sanctions, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (filed Feb. 12, 2016) (“Petition to Reopen”). The Petitioners requested sanctions and operational limitations on CSXT, neither of which the Board imposed. Instead, the Board ordered CSXT to show cause why it could not comply with the representation that it would not allow a train to enter the Elsdon Line unless the Line is clear and imposed a one-year reporting requirement on the railroad, requesting information including the number of blocked crossings in excess of 10 minutes and the number of monthly gate malfunctions. *See CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (served June 22, 2016).

CSXT responded by affirming its commitment to the “clear route” requirement and by detailing to the Board the precise steps that CSXT takes to ensure that trains entering the Elsdon have a clear route. *See CSXT Monthly Report No. 1, CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 3 (filed Aug. 15, 2016); Technical Conference Transcript, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 37-38 (Oct. 21, 2016) (“Tech. Conf. Tr.”). In the ensuing months, CSXT complied with the Board’s reporting requirements, including the additional details requested by the Board in October 2016. *See Decision, CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (served Oct. 7, 2016). CSXT

also participated in a technical conference with the Board and the communities on October 21, 2016, and regularly engaged with community representatives regarding operations on the Line.

On April 27, 2017 the Board directed CSXT to provide additional information on how it intends to further improve operational fluidity on the Elsdon Line and how it planned to “fulfill the operational representations it made during the acquisition proceeding” and “best address the concerns of the affected communities and the operational realities of railroading in this part of Chicago.” *See April 27, 2017 Order* at 3.

III. CSXT HAS SIGNIFICANTLY IMPROVED OPERATIONS ON THE ELSDON SUBDIVISION

Since the time that CSXT acquired the Line, CSXT has taken multiple steps to improve operations over the Line. Major capital investments have reduced signal failures and increased operating fluidity. Refined operating protocols with other railroads have improved communications and minimized interference from other trains. And commitments to ensuring a clear route and to clearing crossings as quickly as possible have resulted in substantial improvement for the citizens and communities that have expressed concerns about CSXT’s operations on the Elsdon. Section III.A. below describes the progress CSXT has made to reduce false gate activations, Section III.B. discusses the significant reduction in trains occupying grade crossings in Evergreen Park and the Nineteenth Ward for ten minutes or more, and Section III.C. shows that CSXT’s 96% success rate in moving trains over grade crossings in less than 10 minutes on the complex trackage between 150th

Street and 159th Street is reasonably fluid performance for this segment of the Chicago Terminal.

A. Gate Malfunctions Have Been Substantially Reduced.

Most of the concerns that have been expressed to the Board about at-grade crossings on the Elsdon Line have focused on malfunctioning gates. *See* Petition to Reopen at 14 (asserting that equipment malfunctions made up 86% of the “total number of incidents reported to Evergreen Park police”). As CSXT explained in its response to the Petition to Reopen, these gate malfunctions were the result of aging signal equipment that CSXT inherited in the acquisition. *See* Reply of CSX Transp., Inc. to Petition to Reopen, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 4-5, 10 (filed Mar. 10, 2016) (“Reply to Petition to Reopen”).

CSXT took a two-pronged strategy to address the problem. First was a sustained program of intensive capital investment to improve crossings and signals infrastructure on the Line. *See id.* at 10 & Ex. 3; *see also* CSX Transp., Inc. Reply to Community Comments, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 3-4 (filed Mar. 30, 2016) (“Reply to Community Comments”). For example, CSXT installed double bonded electrical circuits on the track at many crossings (and on all crossings in Evergreen Park and the Nineteenth Ward). Double bonded electrical circuits ensure a secondary means of protecting the continuity in the rail and electrical circuitry to prevent false activations. As a result, if one of the bonds fails, a secondary bonded

circuit is in place to prevent a false activation. CSXT also rebuilt grade crossings at many major intersections on the Elsdon Line, including all the grade crossings in Evergreen Park and the Nineteenth Ward.²² To date, CSXT has invested more than \$20 million to improve infrastructure along the Elsdon Line, including a recent \$8 million investment in the Hayford Junction Connection, discussed in more detail *infra* at 26-27.

CSXT is planning future capital investments to further improve signals and grade crossing performance on the Line. For example, CSXT is planning to install continuous welded rail on portions of the Elsdon Line, which will reduce signal failures by eliminating the need for wire bonds between jointed track. CSXT is also planning future signals and crossings improvements in connection with PTC installation on the Elsdon Line. PTC installation will coincide with improvements on all 43 rail crossings on the subdivision, including the complete replacement of certain crossings.

The second prong of CSXT's strategy has been to improve its signal maintenance plan for the Elsdon Line. CSXT responded to the unexpectedly high number of false activations by assigning two additional signal maintainers to the Elsdon Line. This ensured 24 hour a day, 7 day a week coverage on site to improve response times in the event of a false activation. CSXT also has instructed its signal

²² For example, CSXT rehabilitated the at-grade crossings at 103rd Street, 87th Street, 94th Street/Kedzie Ave, 99th Street, 119th Street, 95th Street, and 51st Street; replaced approximately 42,000 ties; installed new mobile-based signal technology; and rebuilt road crossings at 127th, 119th, 115th, 111th, 103rd, 99th, 95th, 94th Street/Kedzie, 91st Street, and 87th Street.

maintainers to repair any signal malfunctions in a manner that minimizes the impact to the traveling public. For example, CSXT ensures that gates are returned to the up position as quickly as possible to alleviate blocked crossings. CSXT's policy is to have the signal maintainers return the gates to an up position when they arrive at the crossing as soon as it is safe to do so and then continue to troubleshoot the malfunction from that point. This allows traffic to move more efficiently without compromising the safety of the community.

All of these efforts have led to significant reductions in false gate activations on the Elsdon Line. In the first nine months of CSXT operations, gate-crossing failures averaged 49 per month for the entire segment. By September 2016, that number was reduced to 21—a 57% improvement. *See Tech. Conf. Tr. at 35.* And the Board observed that the average is now “about 13 per month (including those caused by events outside of CSXT’s control).” *April 27, 2017 Order at 3.* The Board’s observed average thus reflects a decrease of nearly 75% from the conditions at the time CSXT acquired rights on the Line. The improvement continued in the most recent monthly report, which showed just 14 false activations over the entire Line in April. *See CSXT Monthly Report No. 10, CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co., STB Fin. Docket No. 35522, Exhibit 1-B (filed May 15, 2017) (“Monthly Report No. 10”).*

As the Board has recognized, many of the false gate activations that currently occur on the Line are outside CSXT’s control. For example, in March 2017, four false activations were caused by damage by unknown third parties and eight

were triggered by weather conditions like high winds and heavy rains. CSXT Monthly Report No. 9, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Docket No. FD 35522, at 2 (filed Apr. 17, 2017). April 2017 similarly saw four false activations caused by damage to the gates by unknown third parties. See Monthly Report No. 10, Exhibit 1-B. In the most recent two monthly reports for March and April, 16 of 31 (52%) of false gate activations thus have been caused by either the actions of third parties or weather-related damage.

Today false gate activations on the Elsdon Line are rare and comparable to typical false activation rates elsewhere on CSXT's network. As CSXT explained at the technical conference, after CSXT's substantial investments, the false gate activation rate on the Elsdon Line fell to a level comparable to that of the nearby Blue Island Subdivision (once one accounts for the larger number of gates on the Elsdon). See Tech. Conf. Tr. at 83. Some false gate activations are to be expected on any rail line. In part this is because, for safety reasons, gates are designed to fail-safe into the down position when any error occurs. In part this is because damage from third parties and weather-related malfunctions is inevitable and cannot be eliminated. And in part this is because signal malfunctions are an aspect of real-world railroading that occur in even the best-maintained signals equipment. In April 2017, at-grade crossing signals on the Elsdon Line were activated and operated properly 11,924 times. The 14 false activations during that month (several

of which were caused by third party accidents) thus amount to just 0.1% of total gate activations.

In short, CSXT's efforts have reduced false activations on the Elsdon Line to the lowest level that can be reasonably expected and to a level that is comparable to other lines in the Chicago Terminal.

B. Blocked Crossings in Evergreen Park and the Nineteenth Ward Are Rare.

As discussed above, the Board's and the community's concerns about grade crossings on the Elsdon Line have always been focused on the 8-mile stretch of the Line that lacks grade-separated crossings, which includes Evergreen Park and the Nineteenth Ward. All of the comments relating to grade crossings in the acquisition proceeding related to this portion of the line.²³ And all post-acquisition complaints the Board has received about individual grade crossings have related to crossings on this same portion of the Line.²⁴

CSXT has worked hard to eliminate instances where trains occupy Elsdon grade crossings for ten minutes or more and has seen particular success on this stretch of the Line. Between October 2016 and April 2017, 98.3% of trains have

²³ See, e.g., *Acquisition Decision* at 12 (acknowledging comments from Little Company of Mary Hospital and Village of Evergreen Park expressing concern about blocked crossings at 95th Street); *id.* at 13 (noting comments from Rep. Burke regarding safety at the 94th Street and Kedzie Avenue crossing).

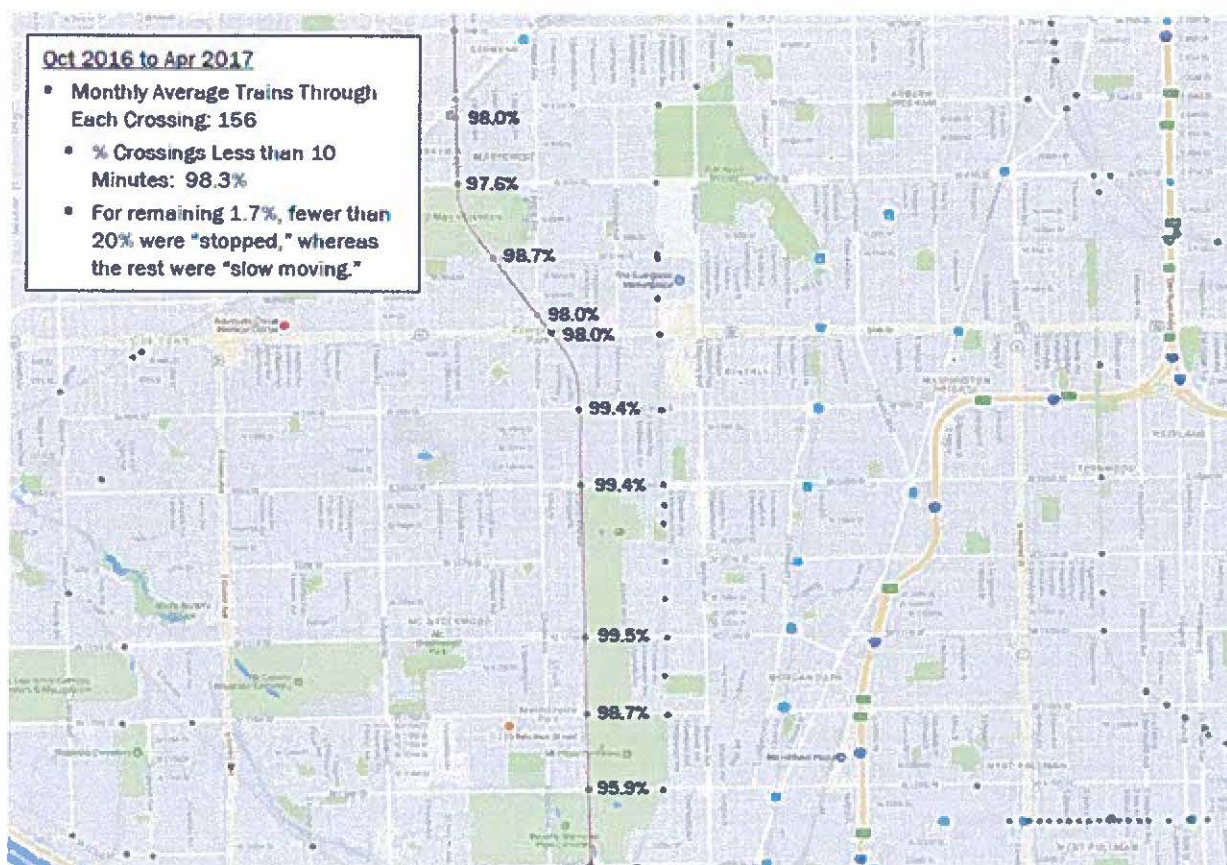
²⁴ See *Petition to Reopen, Exhibit C* (complaining about blocked crossings between 87th and 111th Streets); Comment, Concerned Citizens of Ward 19 and Evergreen Park, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522 (filed Mar. 10, 2016) (complaining about crossings between 87th and 119th Streets).

successfully traversed the Evergreen Park and Nineteenth Ward crossings without occupying a crossing for more than 10 minutes. In April 2017, there were just 10 instances of crossings being occupied for ten minutes or more on this Line segment.

This represents a substantial improvement over prior periods. In the fall of 2015 (September-November), approximately 4.8% of gate activations in Evergreen Park occupied a crossing for more than ten minutes. *See* Reply to Community Comments at 5. By the next quarter (December 2015-February 2016), that percentage had decreased to 2.2%. *See id.* And in recent months it is down to 1.7%.

The following Figure 3 illustrates the success rate of trains traversing Evergreen Park and the Nineteenth Ward and identifies the percentage of trains that occupied crossings for less than 10 minutes between October 2016 and April 2017:

Figure 3 (Reproduction of Exhibit 6)
Success Rate in Evergreen Park and Nineteenth Ward



As these percentages indicate, instances where trains occupy grade crossings for ten minutes or more are increasingly rare at Evergreen Park and the Nineteenth Ward. One way to illustrate this rarity is to consider the average time that a crossing goes between an instance where a train occupies it for ten minutes or more. For 9 of the 10 crossings in Evergreen Park and the Nineteenth Ward, an average of a week or more passes between every instance of a train occupation of ten minutes or more. *See Ex. 7.* For three crossings, the average is a month or more. *See id.*

The record is even better when one considers that 83% of the trains that occupy crossings for over ten minutes on this section of the Line never stop. Since volumes on this portion of the Line average approximately 156 trains per month, each crossing sees a stopped train about once every two months.

The rare occurrence of grade crossing delays on this portion of the Line is no accident. It is the result of several concrete steps CSXT has taken to achieve these operational improvements. First, CSXT has refined its clear-route protocol, which ensures that no train enters the Line unless it is clear and CSXT has confirmed with its partner railroads that they are ready to accept the train. The protocol requires CSXT's train dispatcher to receive verbal confirmations from all railroads whose operations could affect the continuous operation of the CSXT movement. This includes a requirement to obtain verbal confirmation that the receiving road can accept the train and intermediate verbal confirmation from other roads that control crossings over which the CSXT train must operate.

Second, CSXT has improved its operating protocols with other railroads to minimize conflicts and promote the free flow of traffic. For example, after CSXT installed remote monitoring on gates in Evergreen Park and analyzed the causes of delays, it noticed that a significant number of delays were caused by interference from NS and Metra trains at Ashburn. While CSXT and NS had been communicating verbally about Ashburn as part of the clear-route protocol, CSXT determined that giving NS better visibility into CSXT's operations would improve those communications and make it easier to avoid conflicts. CSXT thus purchased

dispatching equipment for Norfolk Southern at its Ashburn dispatch office in order to provide NS with visual access to CSXT's rail operations in the Chicago Terminal. See Reply to Community Comments at 3. CSXT continues to secure verbal commitment from NS before moving trains onto the Line, but NS is now also able to see the train further out, which allows NS to display a signal sooner, leading to more favorable signals for CSXT trains. The favorable signals will improve overall train velocity across the Line, because the trains are not required to slow to wait for the necessary signal. CSXT also has visual access to the Union Pacific system, which provides CSXT with improved visibility into UP's operations in the Chicago Terminal. As with NS, this improved visibility assists with fluid operations over the Elsdon Subdivision.

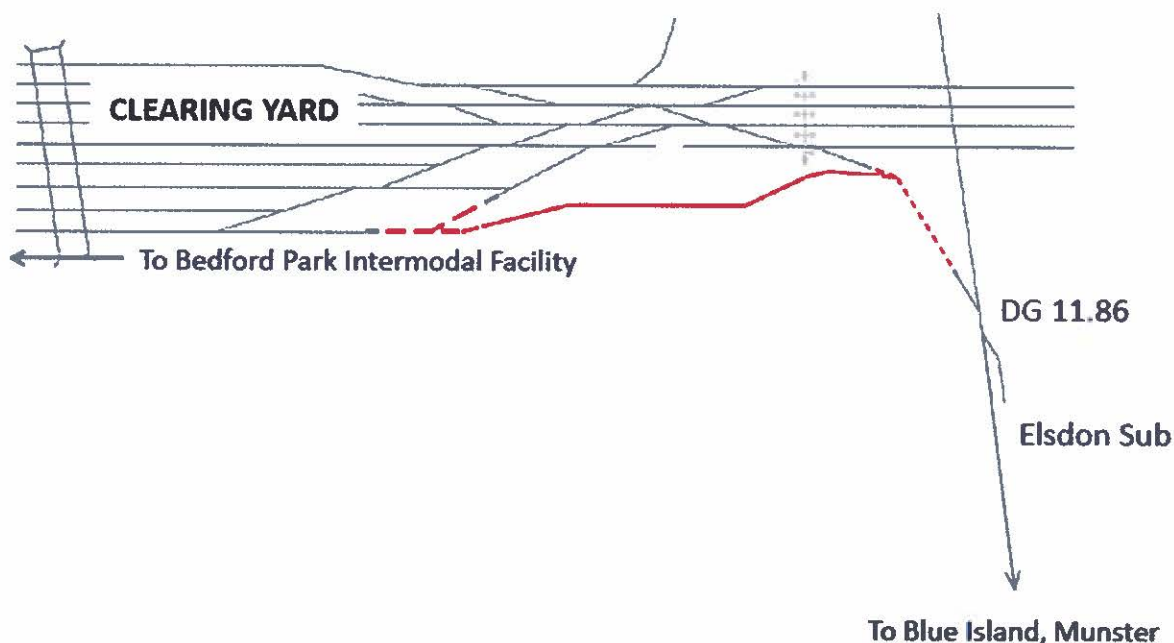
Third, CSXT has invested more than \$8 million to build the Hayford Junction Connection, which has improved access to the Bedford Park Intermodal Terminal Facility. The Hayford Junction Connection allows CSXT trains to operate directly to or from Bedford Park without traversing the main line of the BRC, thereby reducing delays along this segment, which often resulted in slow moving trains across the Elsdon. The two northernmost grade crossings near Hayford Junction have had the lowest success rate of any crossings on the Line—approximately 92.5%—and CSXT expects that the Hayford Junction Connection will reduce delays at those crossings.

Construction of the Hayford Junction Connection was recently completed and operations over the new connection have begun.²⁵

Figure 4 (Reproduction of Exhibit 8)

CSXT's Hayford Junction Investment

CSXT's \$8 million investment in the Hayford Junction Connection allows trains to operate directly to and from the Bedford Park Intermodal Facility without congesting the Belt Railway of Chicago's (BRC) tracks used to access BRC's Clearing Yard



Finally, CSXT participates in a variety of railroad initiatives aimed at improving fluidity across the Chicago Terminal. CSXT is an active partner in the CREATE initiative, the Chicago Transportation Coordination Office ("CTCO"), and took a leading role in implementing the Chicago Integrated Rail Operating Center ("CIROC"). CIROC is located at Metra headquarters in Chicago and offers visibility to the dispatch screens of every railroad operating in Chicago. CIROC is manned 24

²⁵ See Exhibit 8 (schematic illustrating Hayford Junction Connection); Tech Conf. Tr. at 43 (describing plan for connection).

hours a day, 7 days a week by railroad representatives who act as liaisons between the roads to share real-time updates and take proactive steps to ensure that trains traversing Chicago run smoothly. Together, CTCO and CIROC enable railroads to communicate quickly to address any interruptions to train operations in the Terminal.²⁶

Each of these investments has led to improvements on the Elsdon Line, including minimized crossing delays and improved train velocity. CSXT is dedicated to continuing to contribute to these projects to ensure operations on the Elsdon Line—and in the Chicago Terminal—remain as fluid as possible.

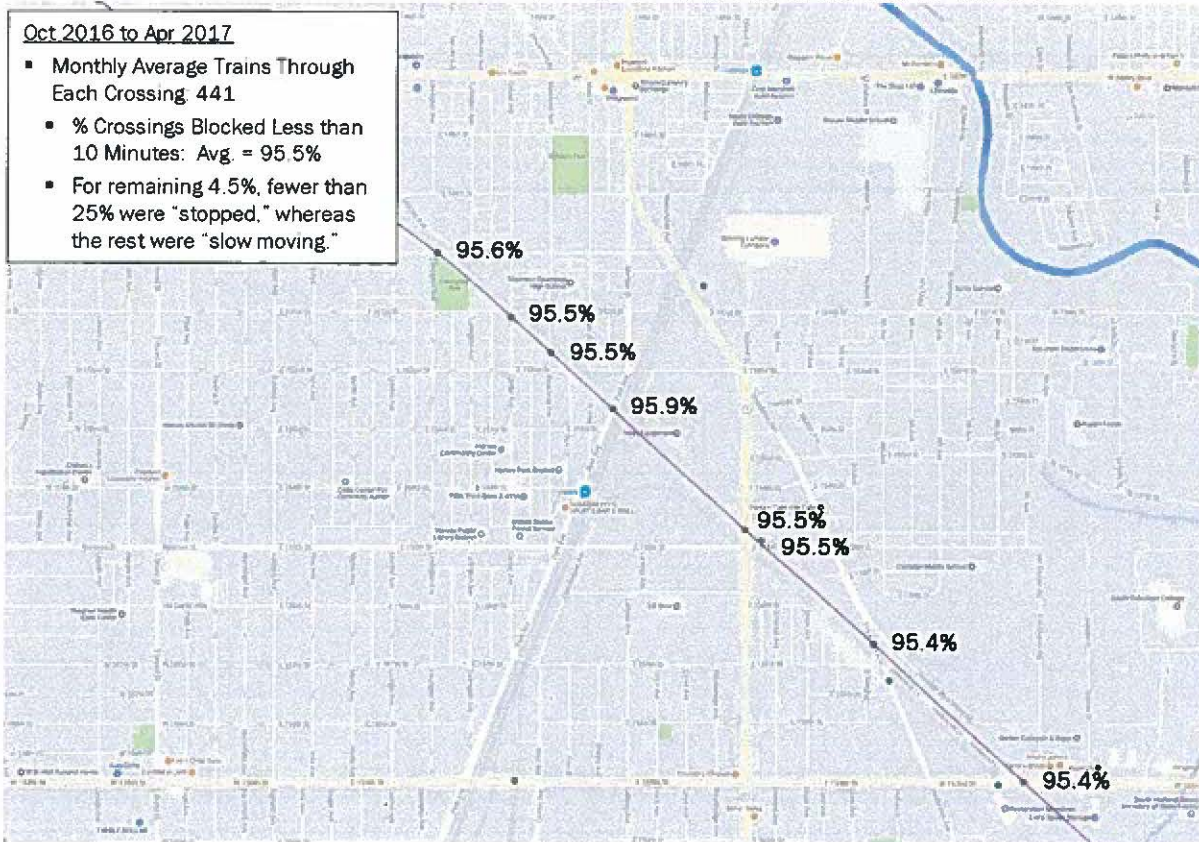
C. CSXT's Operations On the 150th Street-159th Street Segment Are Reasonably Fluid In Light of the Complexity of Operations In That Area.

The *April 27, 2017 Order* asked CSXT to address the total number of instances where trains occupy crossings for ten minutes or more reflected in CSXT's monthly reports and specifically the number of such instances "between 150th Street and 159th Street." *April 27, 2017 Order* at 3. The Board is right to identify this area as the primary source of grade crossing delays on the Line, as more than one-half of the train occupancies of ten minutes or more on the Line in the last seven months are attributable to these eight crossings.

²⁶ See, e.g., Association of American Railroads, *More Than Cargo: How Freight Rail Keeps Commuters Moving*, available at https://www.aar.org/Documents/SOTI%20PDFs/AAR%20State%20of%20the%20Industry%202016%20Report%20_C3A3.pdf.

CSXT is committed to minimizing grade crossing delays on this portion of the Elsdon Line. But the extraordinarily complex operations on this section of the Line make it unlikely to expect instances where trains occupy crossings for ten minutes or more to be reduced to the levels that they have been in Evergreen Park and the Nineteenth Ward. As detailed below, preexisting conditions like the first-come, first-served interchange at Thornton Junction and multiple connection tracks where trains must slow to enter or exit the Elsdon Line makes it impossible for operations on this segment to be perfectly fluid at all times. Even so, on this segment 95.5% of the time trains clear grade crossings in less than ten minutes. Of the 4.5% of all train occupancies that exceed 10 minutes, only 22% are caused by stopped trains. This performance shows CSXT's commitment to minimizing grade crossing delays as much as possible without simply pushing additional congestion onto other more congested portions of the Chicago Terminal.

**Figure 5 (Reproduction of Exhibit 6)
Success Rate Between 150th Street and 159th Street**



This section of the Line is the primary source of the “upward trend” in grade crossing delays that the Board mentioned in the April 27, 2017 Order. To be clear, the “upward trend” the Board identified was a one-time increase in reported blockages between November 2016 and January 2017; nearly 90% of this increase on the entire Line was caused by an increase in reported occurrences on crossings between 150th Street and 159th Street. Total reported occurrences have not trended upward since January. CSXT believes that this one-time increase is attributable to several factors, including changes in traffic flows, weather

conditions,²⁷ and CSXT's adoption of a more accurate programming logic to estimate train occupancy on grade crossings on the 150th Street–159th Street portion of the Line (none of which are yet equipped with remote monitoring equipment).²⁸

CSXT will continue to work to improve fluidity of operations and to reduce delays on the entire Elsdon Line—including the dense and extraordinarily complex section between 150th Street and 159th Street. But the segment of the Elsdon Line between 150th Street and 159th Street has several characteristics that make it

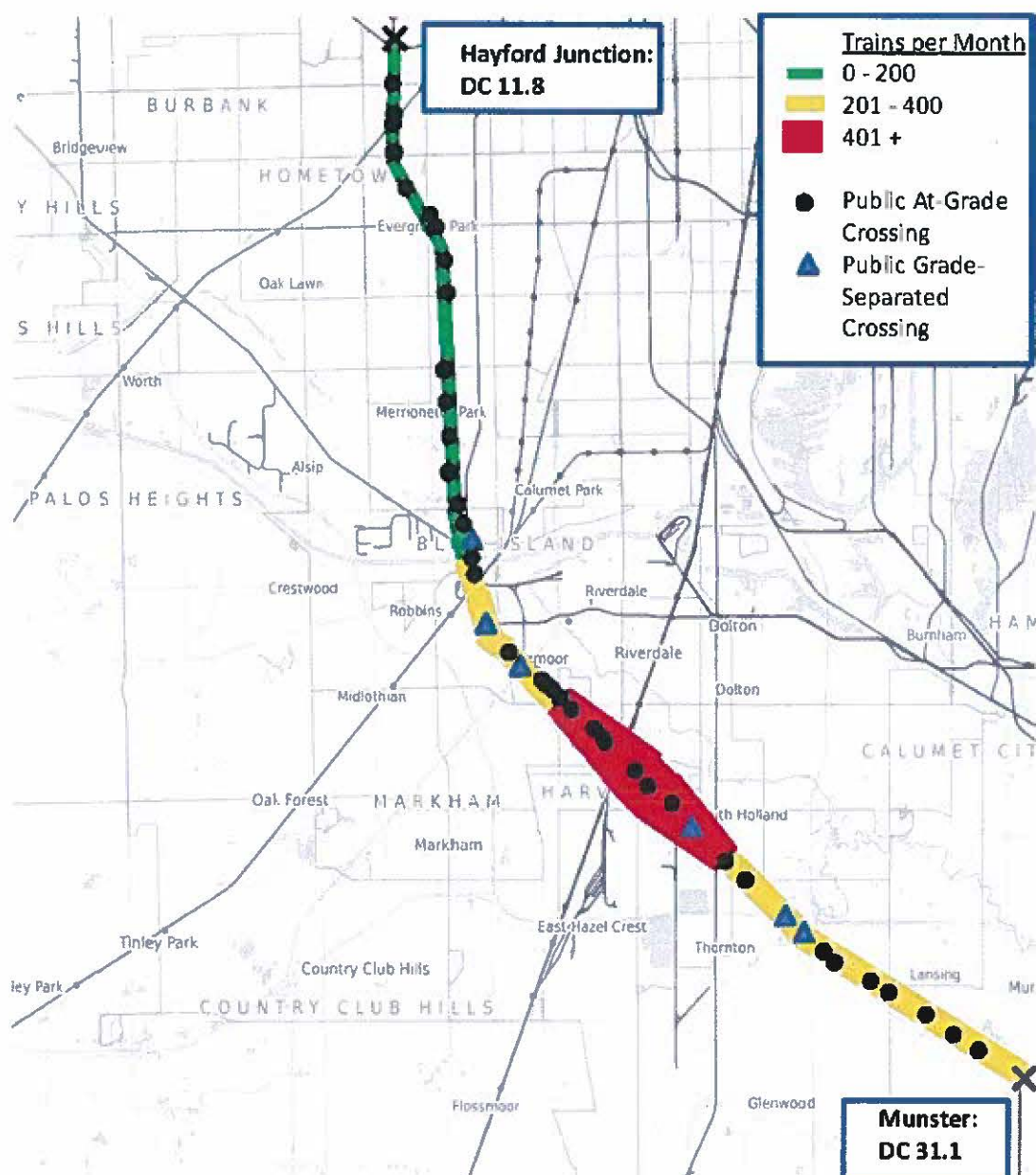
²⁷ CSXT described some of the weather conditions that slowed operations in its monthly reports. See CSXT Monthly Report No. 6, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 5 (filed Jan. 17, 2017); CSXT Monthly Report No. 7, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 5 (filed Feb. 15, 2017); CSXT Monthly Report No. 8, *CSX Transp., Inc. – Acquisition of Operating Easement – Grand Trunk W. R.R. Co.*, STB Fin. Docket No. 35522, at 5 (filed Mar. 15, 2017).

²⁸ To comply with the Board's reporting order for gates without remote monitoring, CSXT had to evaluate available data sources such as Track Circuit data (or CADS) and data from locomotives equipped with GPS tracking in light of its real-world operating experience. See Tech. Conf. Tr. at 131-32 (discussing differences between reporting for remote monitored gates and other gates). As CSXT explained at the technical conference, this method for gates without remote monitoring equipment lacked the "precision" of data from remotely monitored crossings, and CSXT was "working on how to improve that." *Id.* After several months of reporting CSXT developed a programming logic to allow more specific identification of individual train movements and their locations at particular times, and thus more accurate matching to grade crossings occupied by those trains. CSXT believes that its development and adoption of this more refined methodology was a contributing factor to the apparent increases in total blockages in December and January. The fact that the remotely monitored gates on the Line did not show any corresponding increase in the number of blockages during this period indicates that the "upward trend" was in large part a function of CSXT's improved methodology for identifying likely blockages at unmonitored gates between 150th and 159th Street.

unrealistic to predict that train occupancies of ten minutes or more could ever be entirely eliminated.

The first is the sheer density of this segment of the Line as compared to other segments. As Figure 6 below illustrates, the average train density in the 150th Street–159th Street area is approximately 441 trains per month, making it by far the heaviest-used section of the Line. As a comparison, the Evergreen Park/Nineteenth Ward area averages just 156 trains per month. Not only are there more trains on this portion of the Line, more of those trains are getting onto and off of the Elsdon Line in this area. This relatively high density creates more potential for delays, particularly because of some of the unique operational characteristics of this section of the Line.

**Figure 6 (Reproduction of Exhibit 9)
Average Density of Elsdon Line**



While train delays in this complex area can be caused by a host of factors, 87% of all instances in which a train occupies a grade crossing for ten minutes or more on this section are attributable to one of two issues. The first is Thornton Junction, an at-grade crossing with UP that gives priority to the first train arriving

at the junction. Thornton Junction is the cause of 27% of all crossings occupied for 10 minutes or more between 150th Street and 159th Street and a full 25% of such instances anywhere on the Elsdon Line. It is also the leading cause of occupancies involving stopped trains, accounting for 50% of such occurrences anywhere on the Elsdon Line. Because Thornton Junction is an automatic railroad interlocking that is first-come, first-served, there is no way to guarantee that the junction will be clear by the time a CSXT train approaches it. Trains occasionally have to slow when approaching the junction or briefly stop to accommodate a UP train that arrived first at the junction. This leads to a number of slow-moving and stopped trains. Of course, most CSXT trains are able to negotiate Thornton Junction without delays—nearby crossings have success rates of 95% or better. But Thornton Junction has been and will continue to be a part of the Elsdon Line's track geography that will lead to some delays. Those delays have little negative impact on surrounding vehicle traffic, however, in light of the three separated grade crossings located close to the Thornton Junction. See *Draft EA* at Figure 3.1-2 (reproduced as Exhibit 4).

The second major cause of delays in the 150th–159th Street area is trains entering and exiting CSXT's Chicago Heights line, which cause 60% of occupancies over ten minutes on this section. Indeed, approximately one-third of the total occupancies over ten minutes on the Elsdon Line are attributable to trains having to slow to enter or exit Chicago Heights. Nearly all of these instances (96%) are attributable to moving trains. Trains entering and exiting the Elsdon Line onto Chicago Heights en route to CSXT's Barr Yard are subject to a 10 mph speed limit

on that connecting track. This means that as soon as any part of a train is on the connecting track, the entire train is subject to the 10 mph speed limit. Thus, a southbound train entering the Elsdon Line from Barr Yard must remain at 10 mph until the tail end of the train leaves the connecting track, and a northbound train exiting the Elsdon Line en route to Barr Yard must slow to 10 mph by the time that the front locomotive enters the connecting track. The need to slow trains to accommodate this speed limit results in many moving trains that take ten minutes or more to clear nearby grade crossings. But like at Thornton Junction, slow-moving train delays near Chicago Heights cause few problems for surrounding vehicle traffic, in light of the nearby separated grade crossings at Indiana Avenue, 139th Street, and Interstate 57. *See id.*

Furthermore, a number of the delays that CSXT is required to report on the Line are from foreign trains. 21% of the blocked crossings are caused by non-CSXT trains exercising their preexisting rights to use the Line. For example, CN trains traveling to or from Markham Yard must stop so that the train crew can hand-throw a switch at a location where the tail end of the train is still on the Elsdon Line. Trains entering and exiting Markham Yard must obey yard track speed limits and therefore must slow down on the Elsdon Line to comply with the required yard speeds. Instances where such trains occupy grade crossings for longer than ten minutes are both outside CSXT's ability to control and plainly the result of conditions that predated CSXT's acquisition of an operating easement.

In short, this is the highest-traffic portion of the Elsdon and an area featuring multiple junctions and yards. Occasional slow-moving trains and brief stoppages are a fact of life in such a heavily-trafficked area, and a condition that long predated the acquisition. But even here, 96% of the time trains pass through grade crossings in less than ten minutes. That means that only one out of 25 trains occupies a crossing for that time—and nearly all of those trains are moving. In short, CSXT has achieved the best level of operational fluidity that can be reasonably expected in light of “the operational realities of railroading in Chicago.”

April 27, 2017 Order at 3.

IV. THE BOARD SHOULD MODIFY VOLUNTARY MITIGATION MEASURE NO. 6 TO BETTER REFLECT ITS PURPOSE AND OPERATING REALITIES.

CSXT is determined to build on its operational progress and to continue to adhere to the commitments it made during the acquisition proceeding once the Board’s monitoring period expires. With that goal in mind, CSXT believes that some clarifications to the conditions on the transaction would be appropriate to reflect operational realities in the Chicago Terminal, while fulfilling the spirit and purpose of the Board’s original conditions.

CSXT is bound by conditions designed to address the communities’ concerns, including Voluntary Mitigation Measure Number 4, requiring CSXT to maintain protocols with other railroads to prevent interference; Mitigation Measure Number 2, requiring CSXT to make a closed-circuit TV system available for emergency service providers for the Advocate Christ Medical Center and the Little Company of

Mary Hospital to monitor key crossings; and Voluntary Mitigation Measure Number 37, requiring CSXT to notify emergency responders of significant blockages. And CSXT will ensure that no trains enter the Elsdon without a clear route confirmation.

However, there are two points that CSXT believes warrant clarification. First, CSXT believes that VM 6 should be modified to better reflect its intent (*i.e.*, requiring CSXT to clear crossings as quickly as possible) without suggesting the counterproductive step of cutting a train when that would only lengthen the time that a crossing is occupied. Second, CSXT acknowledges that its projected train speeds over the Line proved unattainable. CSXT will commit to operate trains over the Line as quickly as possible, but safety considerations and operational factors mean that many trains must sometimes operate at speeds below the posted speed limit.

A. Voluntary Mitigation Measure No. 6 Should Be Modified.

Pursuant to VM 6, CSXT agreed that, in the event a crossing is blocked for more than 10 minutes, CSXT would cut the train to clear the crossing. *See Acquisition Decision* at 19. CSXT followed the example set by the *CN/EJE* transaction, in which the Board imposed the same condition that a train would be cut after 10 minutes. *See Canadian Nat'l Ry. Co. & Grand Trunk Corp. – Control – EJ&E West Co.*, STB Docket No. 35087, at 63 (served Dec. 24, 2008) (Voluntary Mitigation Measure No. 35). CSXT understood this condition to mean that stopped

trains would be cut after 10 minutes if that action would alleviate congestion faster than simply leaving the train intact and stopped.

As CSXT has explained, the process to cut a train is time consuming and often can result in more significant delays than would occur if the train were not cut. See Reply to Petition to Reopen at 5-6. To cut a train, the crew must first stop the train. The crew then must call ahead to the dispatch office to try to understand why they have stopped and to obtain an estimate of when they will be able to proceed. It is possible that dispatch will have to call other foreign roads to assess the situation and determine the likely length of the delay. From that point, if the decision is made to cut the train, the conductor will have to walk back to a point to cut a section of the cars at least 200 feet from both sides of the crossing. The average length of trains on this line is over a mile long, but many are longer than that. So it is possible that walking back to the point of the cut will take significant time. The conductor will also have to throw handbrakes on the cars that have been cut to ensure they are secured. A hand brake test is then conducted to ensure that the number of hand brakes are sufficient to hold the cut of cars. Subsequently, the engineer will pull the train forward to make the cut. This entire process must be completed a second time to reassemble the train.

On the Elsdon Line, given the density of crossings, it is possible that a train would foul more than one crossing and therefore the process would need to be completed for each crossing that is being blocked. In the event that there is insufficient space between the crossings to make the necessary cut, the train may

need to be shoved backward to a place on the line where the cut can be made. Each of these actions takes additional time and extends the time during which the gates are down. In CSXT's experience a cut at each crossing takes approximately 30 minutes, meaning that it would take a minimum of 60 minutes (two 30-minute periods to cut and reconstruct the train) to clear just one crossing.

As CSXT explained in its March 2016 Reply to the Petition to Reopen, it has always interpreted VM 6 to mean that a train must be cut if that is the most efficient way to clear a crossing—and not that trains must be cut in the much more common situation where the fastest way to clear a crossing is to keep a train intact and ready to move. The community would be subjected to significantly longer delays in the event that CSXT were required to cut a train every time it was anticipated to occupy a crossing for more than 10 minutes.

In the interest of clarity and transparency, CSXT proposes a modification to VM 6 that would formalize that interpretation and require CSXT to cut a train occupying a grade crossing whenever it appears that doing so would shorten the period of time that a crossing is occupied. CSXT's proposed modification also removes references to US Operating Rule 526. CSXT issued new Operating Rules on April 1, 2017. VM 6 should be modified to remove any doubt that CSXT may apply those new rules consistently across its system, while making clear that CSXT has a continuing commitment to clear crossings as quickly as possible. CSXT proposes the following adjustments to the language:

Proposed Modification to VM 6²⁹: CSXT shall ~~operate under U.S. Operating Rule No. 526 (Public Crossings), which provides that~~ *take appropriate actions to clear a public crossing or crossings blocked by a stopped train as quickly as possible, including by cutting the train where it appears that cutting the train would be the fastest way to clear the crossing* ~~a public crossing must not be blocked longer than 10 minutes unless it cannot be avoided and that~~ *and*, if possible, rail cars, engines, and rail equipment may not stand closer than 200 feet from a highway/rail at-grade crossing when there is an adjacent track. ~~If a blockage is likely to exceed this time frame, then the train shall be promptly cut to clear the blocked crossing or crossings.~~

CSXT believes that this modification will bring clarity to the Board and to the communities along the Elsdon Line, while allowing CSXT to meet operationally achievable commitments on the Line. CSXT is committed to continuing safe and efficient operations over the Elsdon Line and believes these modifications will further those efforts.

B. CSXT's Projected Train Speeds Proved Unattainable, But the Clear Route Requirement Ensures Fluidity on the Line.

CSXT made several statements in the acquisition proceeding reflecting its plans to operate trains over the Elsdon as quickly and efficiently as possible. CSXT committed to ensuring a "clear route" for trains before they entered the Line and it projected that it would operate trains at the maximum speed limit of 40 mph. See Acquisition Application at 18 ("CSXT anticipates all trains operating over the Elsdon Line will be moving at about 40 miles per hour"). CSXT has complied with the first commitment and has developed protocols with other railroads operating in

²⁹ Deletions from the original condition language are indicated in strikethrough, and added language is in bold italics.

the Chicago area to ensure that, before permitting a train to enter the Elsdon Line, dispatchers have confirmed that there is a clear route across the Line and that a connecting carrier is prepared to receive that train. *See supra* at 25.

CSXT has not been able to achieve its projected train speeds on the line, however. As explained above, operational complexities (including unexpected changes of green signals to red) and speed limits for trains getting onto and off the line make it impossible for CSXT to achieve a 40 mph speed throughout the Line. *See supra* at 32-36; Tech. Conf. Tr. at 135-36.³⁰ The Board has long recognized that it is common for post-transaction reality to not match pre-transaction expectations that a railroad made in good faith.³¹ But CSXT can continue to commit to ensure a “clear route” before any train enters the Line. This significant continuing commitment will promote fluid operations on the Line and minimize crossing delays.

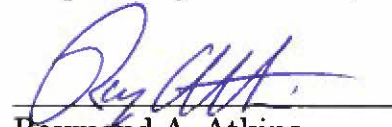
³⁰ Even the Board has recognized that operating conditions might not always allow a train speed of 40 mph. For example, in conducting its traffic delay analysis for the Environmental Assessment, the Board did not assume a fixed 40 mph speed across the Elsdon. Instead, the Board assumed that trains would operate at speeds ranging from 20 to 50 miles per hour at crossings along the Line. *See Draft EA* at 3-18.

³¹ *See, e.g., Canadian Pac. R.R. Co.—Control—Dakota, Minn. & E. R.R. Corp.*, STB Fin. Docket No. 35081 (Sub-No. 2) (served Sept. 23, 2015) (finding that railroad “largely adhered” to its representations even though it took more time than initially anticipated to make capital investments); *Canadian Pac. R.R. Co.—Control—Dakota, Minn. & E. R.R. Corp.*, STB Fin. Docket No. 35081 (Sub-No. 1) (served Aug. 16, 2011) (“[W]hile the Board requires that operating plans be presented in good faith, it has never required carriers to hold to every detail of an operating plan when circumstances warrant otherwise.”); *Major Rail Consolidation Procedures*, 5 S.T.B. 539, 561 (2001) (“It is not our objective to hold railroads to every detail of an operating plan in implementing an approved transaction”).

CONCLUSION

CSXT has taken the concerns of the public, elected officials, and the Board seriously, and CSXT has taken significant and measurable actions to achieve substantial improvements. CSXT asks that the Board make the one requested modification to Voluntary Mitigation No. 6 detailed above, which will better reflect the spirit of that condition. CSXT continues to operate the Elsdon Line in a safe and efficient manner, consistent with the commitments it made in the acquisition proceeding and overall passenger and freight railroad operations in the Chicago Terminal. CSXT will continue to work diligently to operate the Elsdon Line in a way that furthers the transaction's purpose to improve traffic flows in the Chicago Terminal while minimizing inconvenience to the community.

Respectfully submitted,



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Attorneys for CSX Transportation, Inc.

Dated: May 30, 2017

CERTIFICATE OF SERVICE

I hereby certify that on May 30, 2017, I caused the foregoing Report on Operational Fluidity, in Finance Docket 35522, *CSX Transportation, Inc.—Acquisition of Operating Easement —Grand Trunk Western Railroad Company*, to be served by first class mail or more expedient method upon all parties of record.


Alec Weingart

EXHIBIT 1

Exhibit 1

**Evergreen Park and 19th Ward Train Crossings
Totals for October 2016 to April 2017**

Location	Train Crossings	Blockages Less than 10 Minutes		Blockages More than 10 Minutes			Blockages More than 10 Minutes by Stopped Trains	
		Blockages	% of Train Crossings	Blockages	% of Train Crossings	Days Between Blockages 1/	Blockages	% of Train Crossings
83rd St	1,090	1,068	98.0%	22	2.0%	10	2	0.2%
87th St	1,090	1,064	97.6%	26	2.4%	8	3	0.3%
91st St	1,090	1,076	98.7%	14	1.3%	15	1	0.1%
94th St	1,090	1,068	98.0%	22	2.0%	10	1	0.1%
95th St	1,090	1,068	98.0%	22	2.0%	10	1	0.1%
99th St	1,090	1,083	99.4%	7	0.6%	30	1	0.1%
103rd St	1,090	1,083	99.4%	7	0.6%	30	2	0.2%
111th St	1,090	1,085	99.5%	5	0.5%	42	2	0.2%
115th St	1,090	1,076	98.7%	14	1.3%	15	3	0.3%
119th St	1,090	1,045	95.9%	45	4.1%	5	16	1.5%
Total	10,900	10,716	98.3%	184	1.7%		32	0.3%

1/ The number of days in the period, 212, divided by the number of train crossings blocked more than 10 minutes.

EXHIBIT 2



EXHIBIT 3

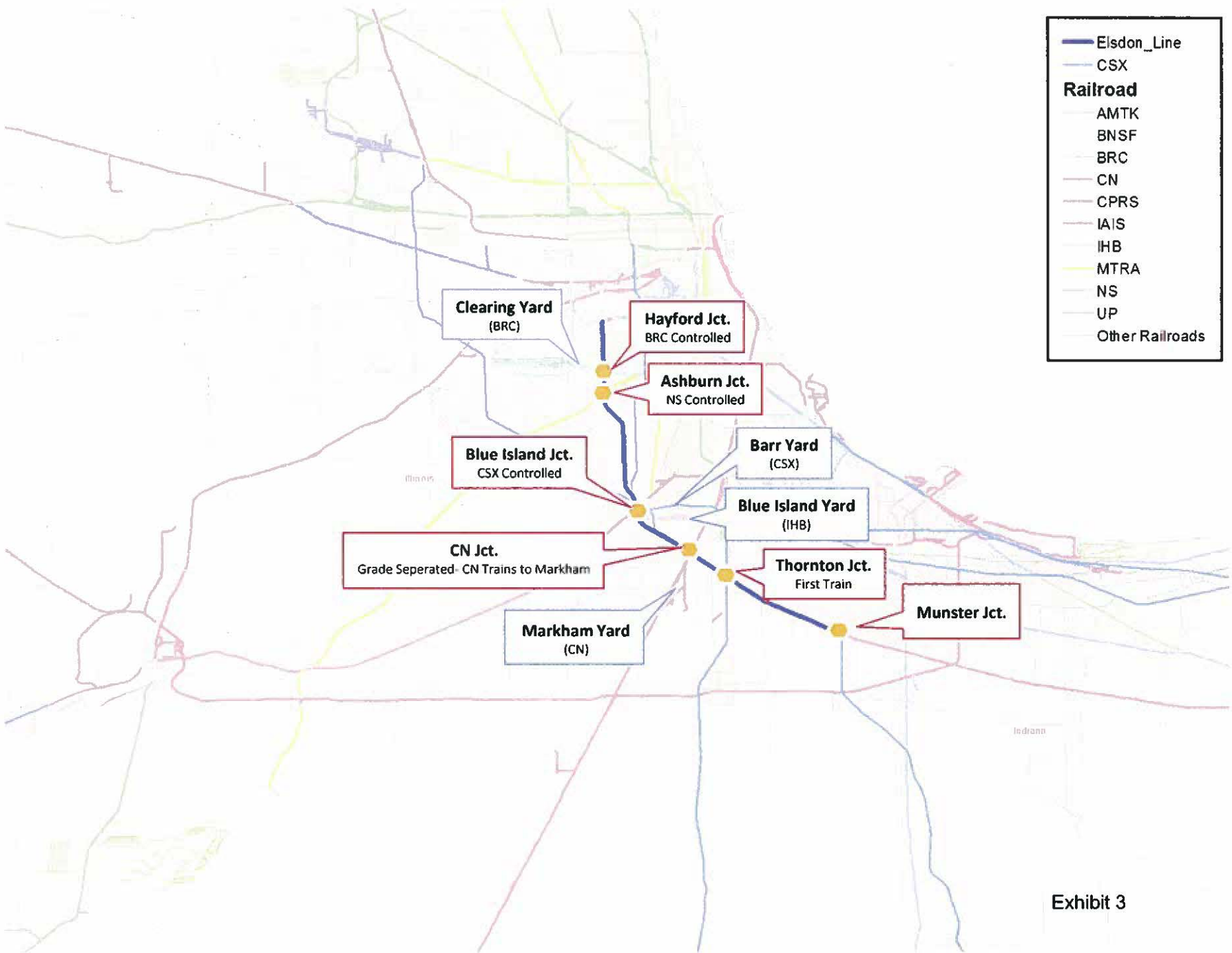


Exhibit 3

EXHIBIT 4

Figure 3.1-1. Highway/Rail At-Grade Crossings

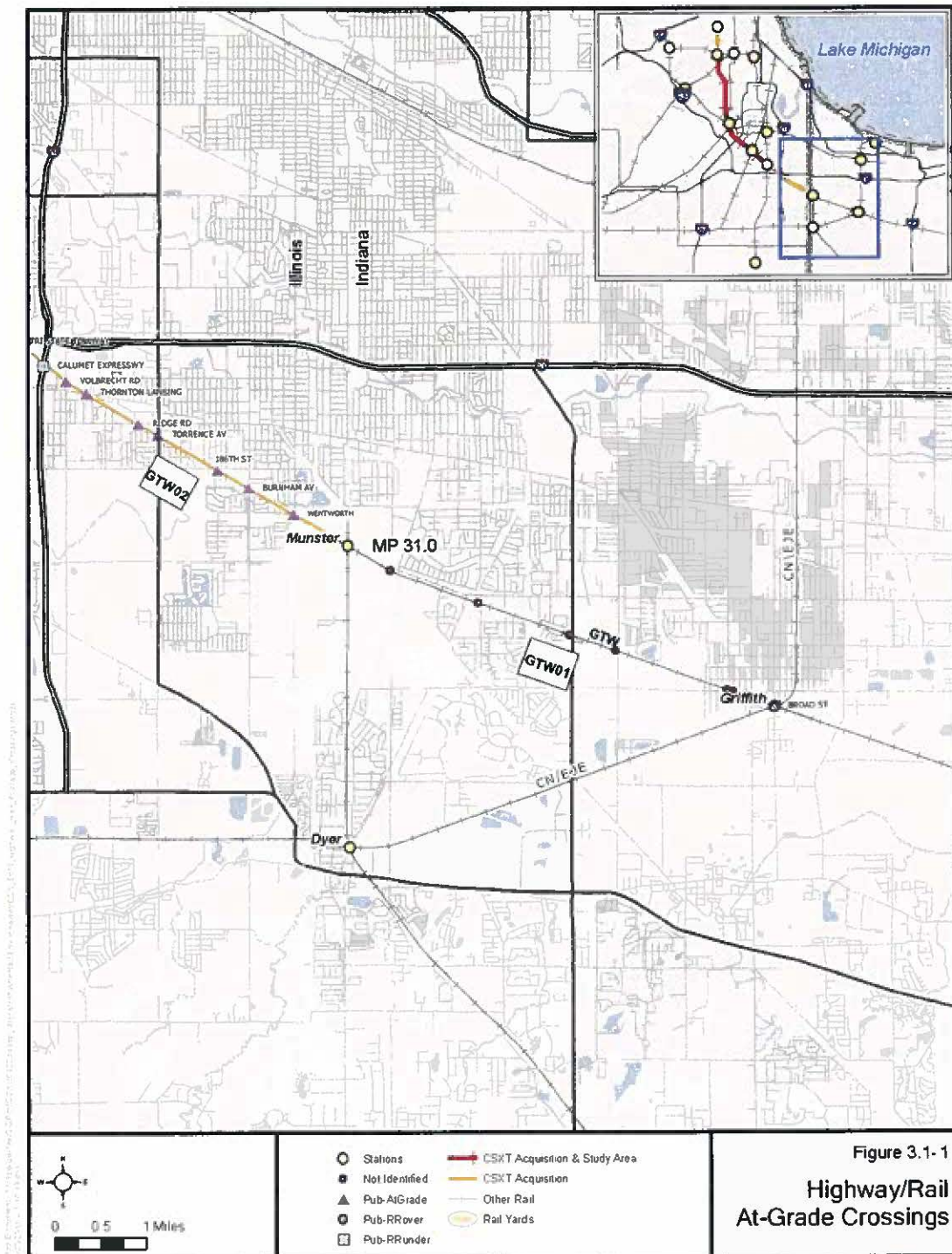


Figure 3.1-2. Highway/Rail At-Grade Crossings

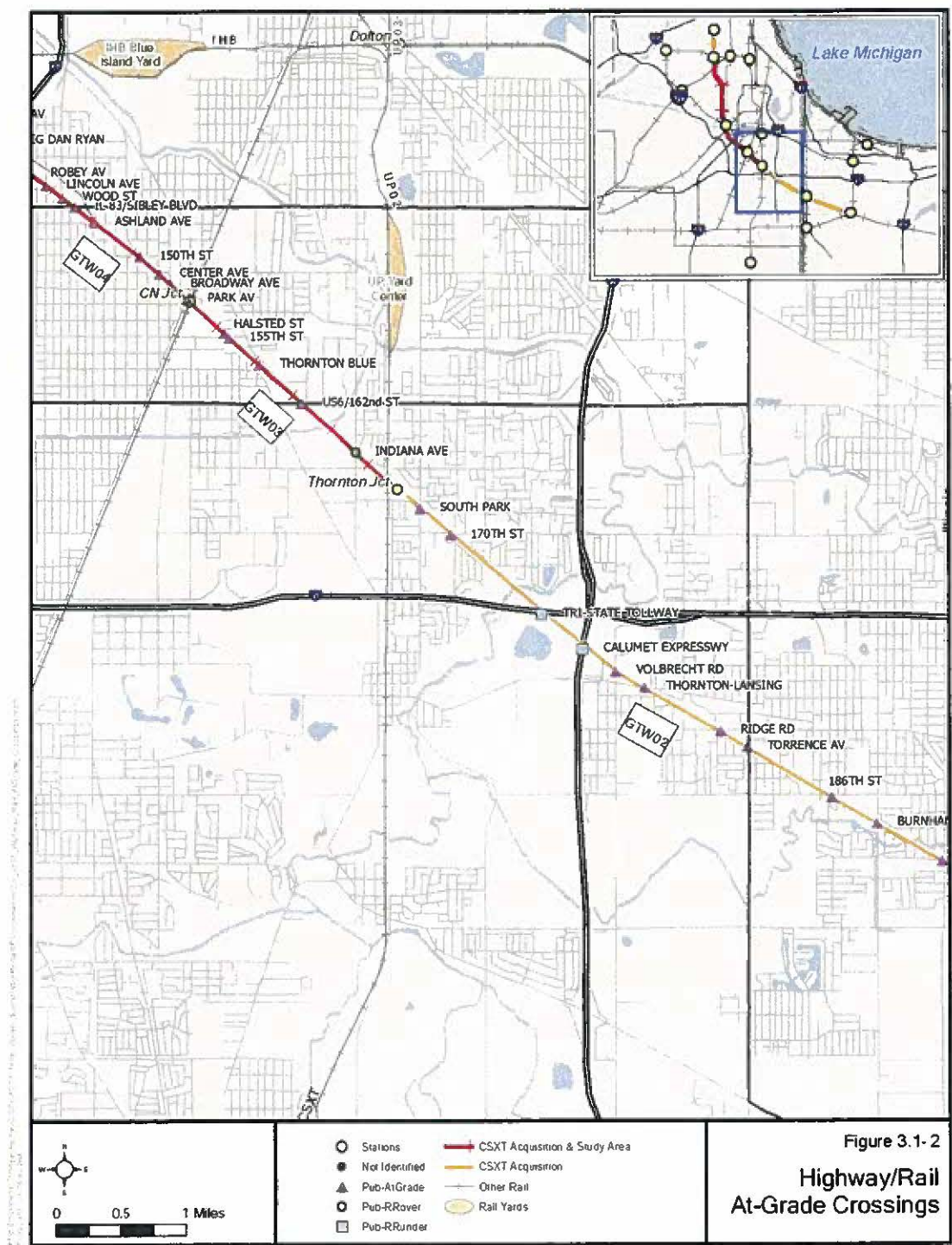


Figure 3.1-4. Highway/Rail At-Grade Crossings

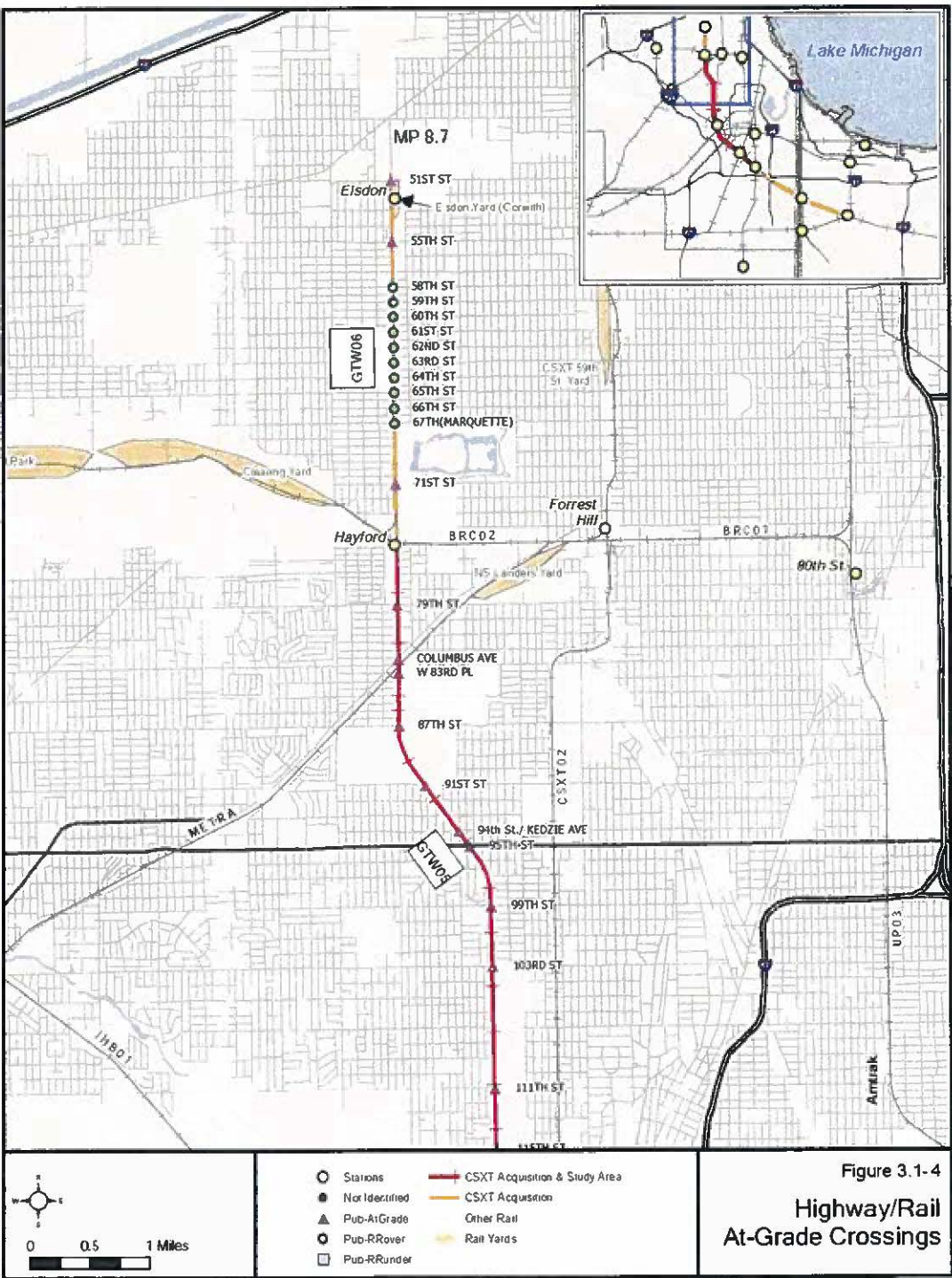


EXHIBIT 5

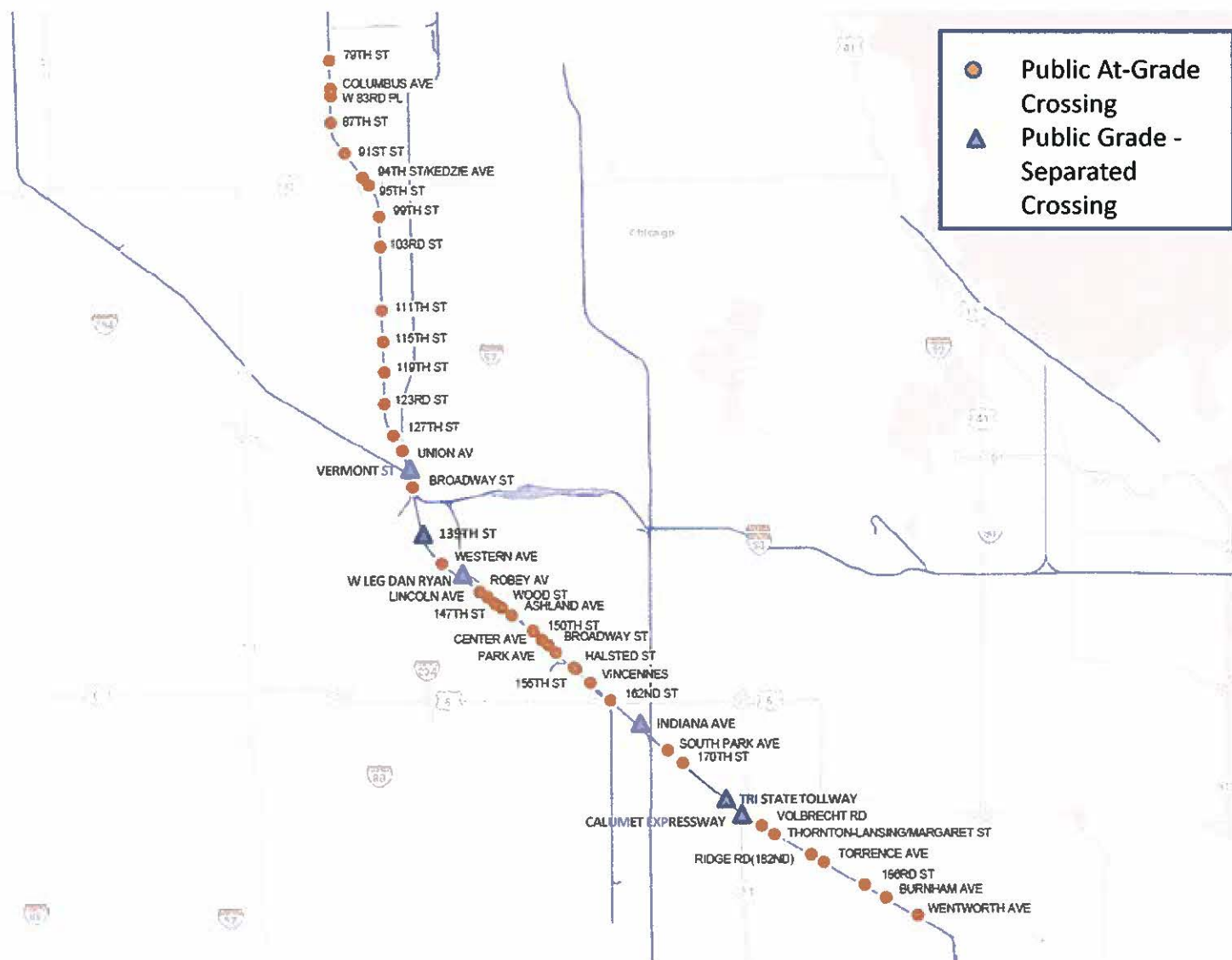
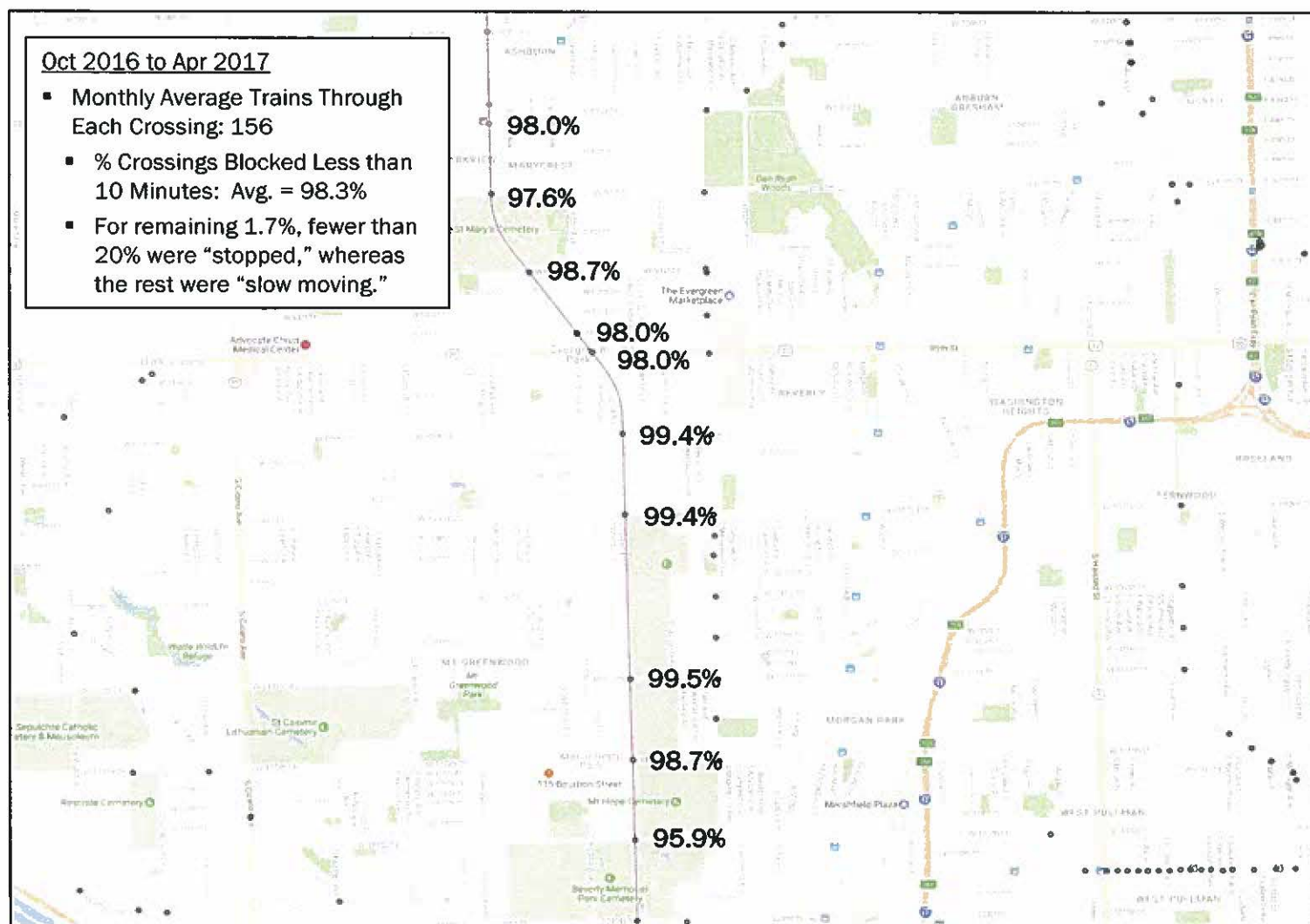


EXHIBIT 6

Percentage of Crossings Blocked for Less than 10 Minutes *Evergreen Park and 19th Ward, Oct 2016 to Apr 2017*



Percentage of Crossings Blocked for Less than 10 Minutes 150th to 159th Street, Oct 2016 to Apr 2017

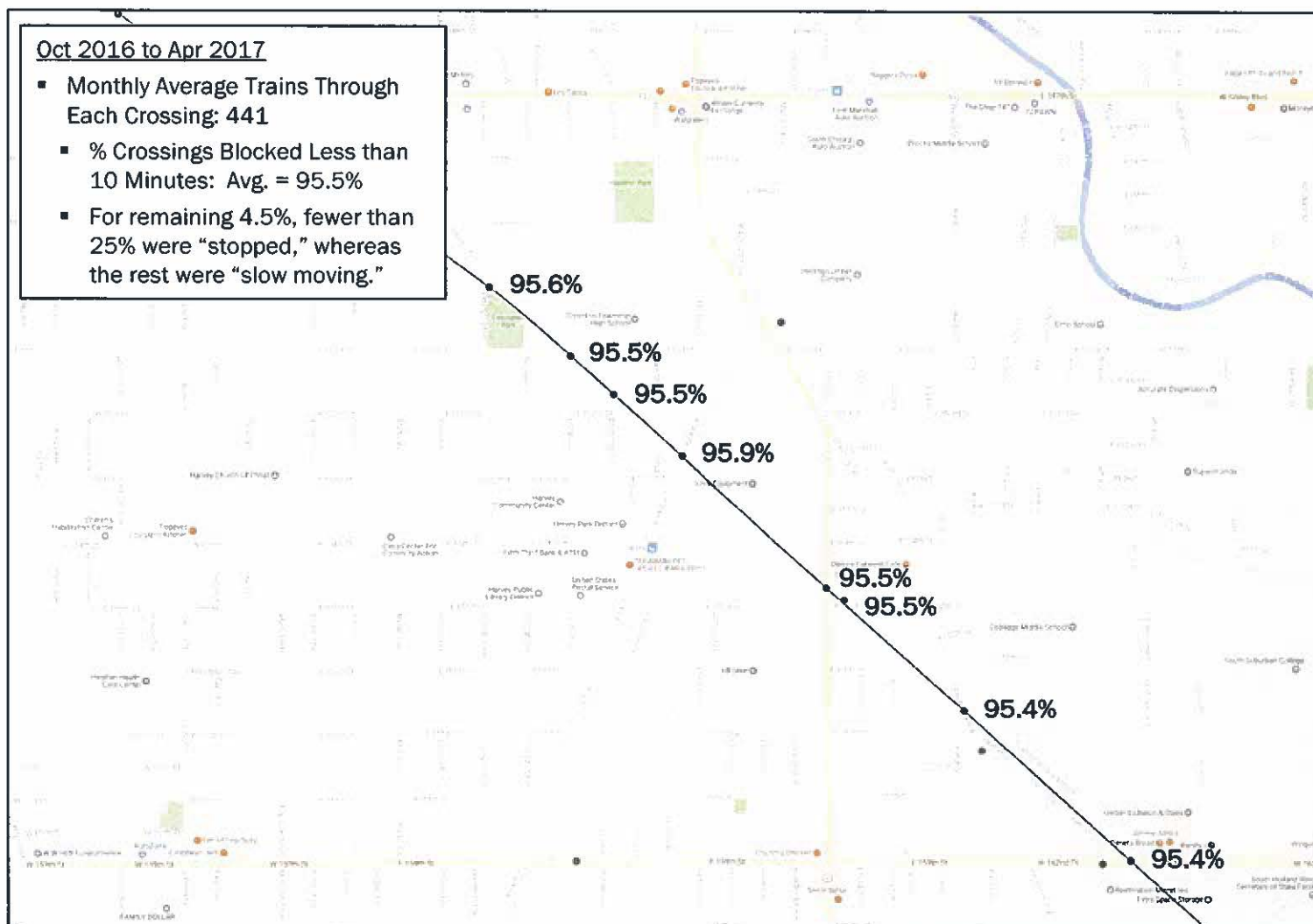


EXHIBIT 7

Average Days Between Crossings Blocked for More than 10 Minutes
Evergreen Park and 19th Ward, Oct 2016 to Apr 2017

- For all but one crossing, more than 7 days on average elapsed between crossings blocked for more than 10 minutes. For three crossings, 30 days or more elapsed.

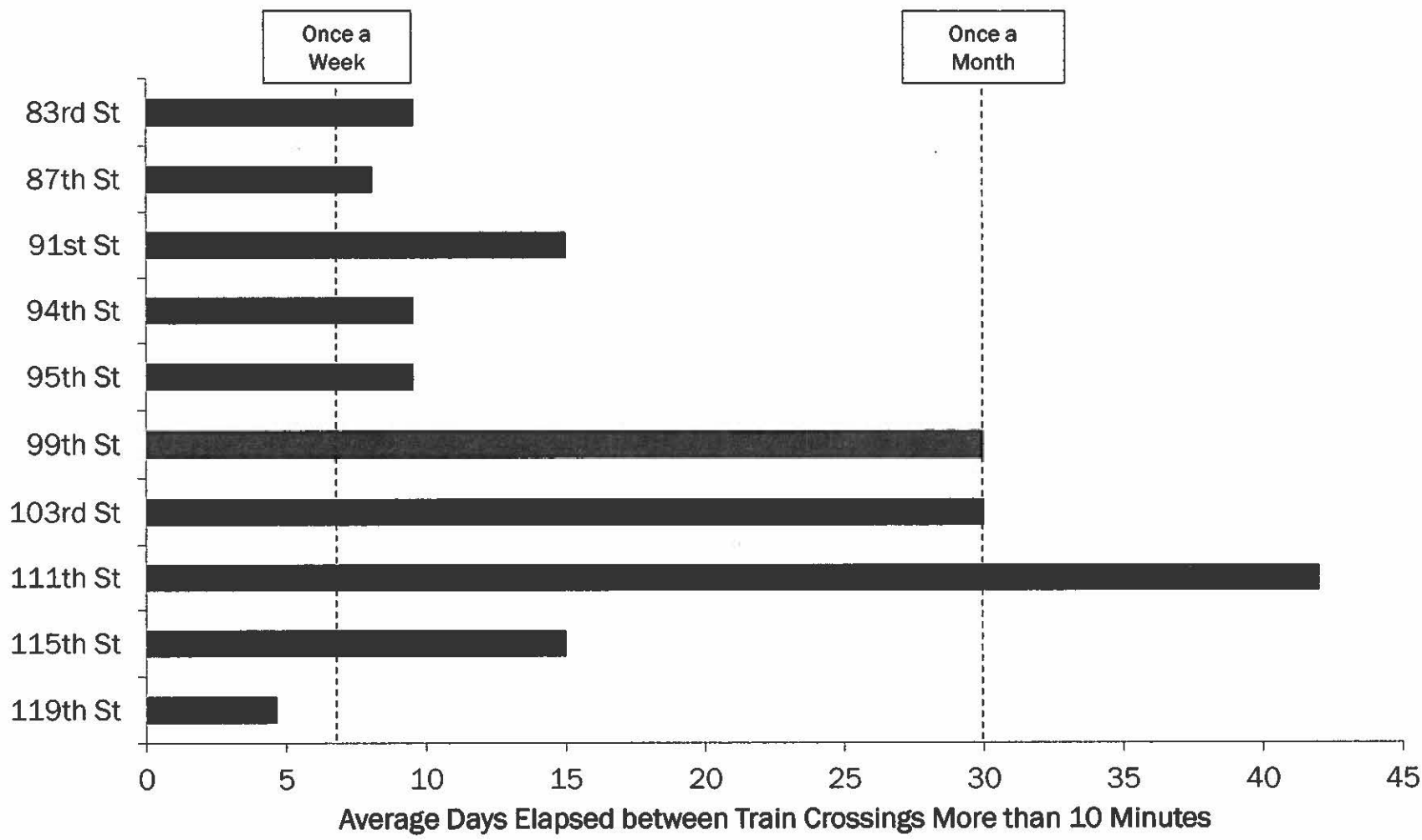


EXHIBIT 8

CSXT's Hayford Junction Investment

CSXT's \$8 million investment in the Hayford Junction Connection allows trains to operate directly to and from the Bedford Park Intermodal Facility without congesting the Belt Railway of Chicago's (BRC) tracks used to access BRC's Clearing Yard

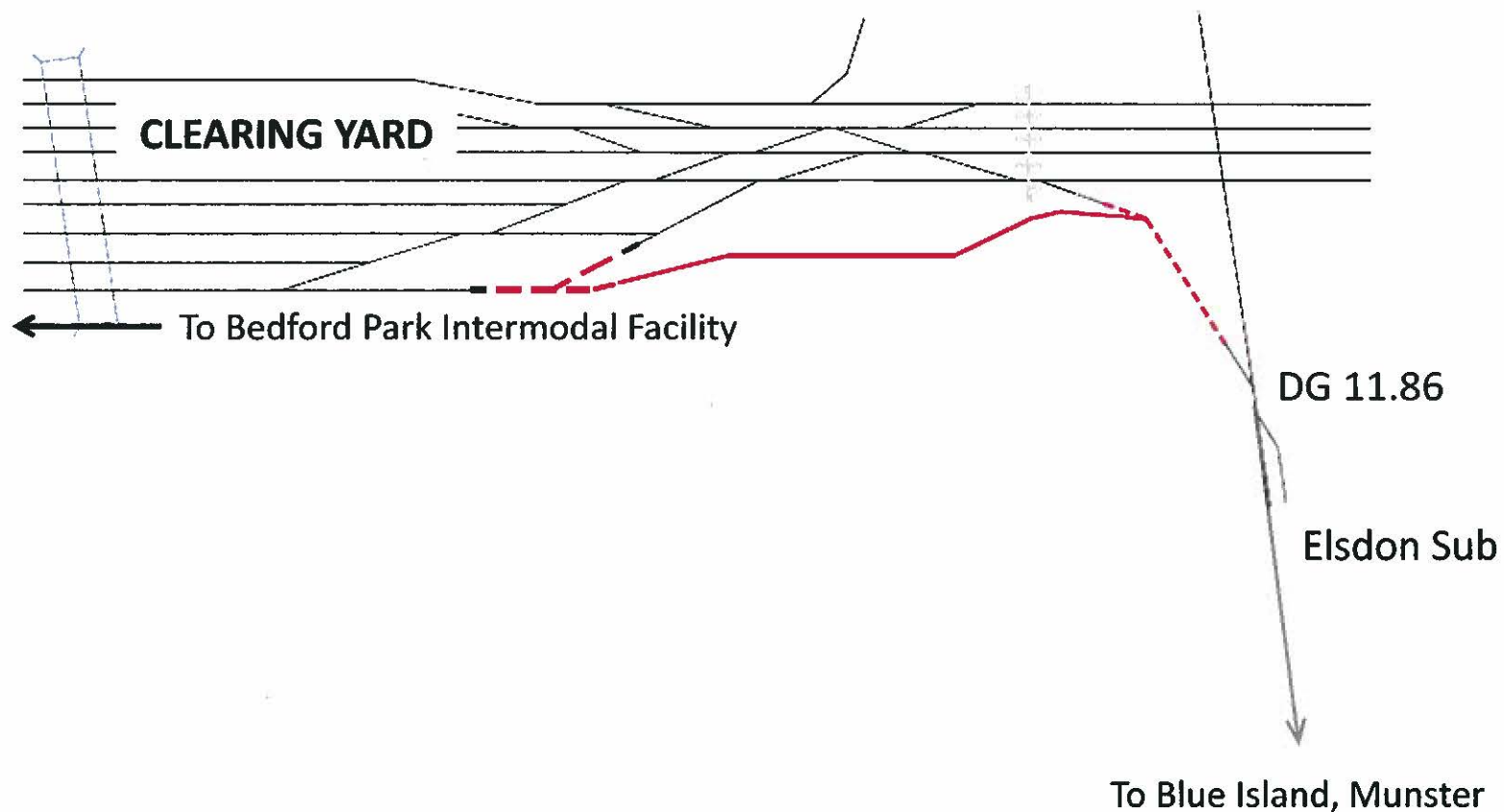
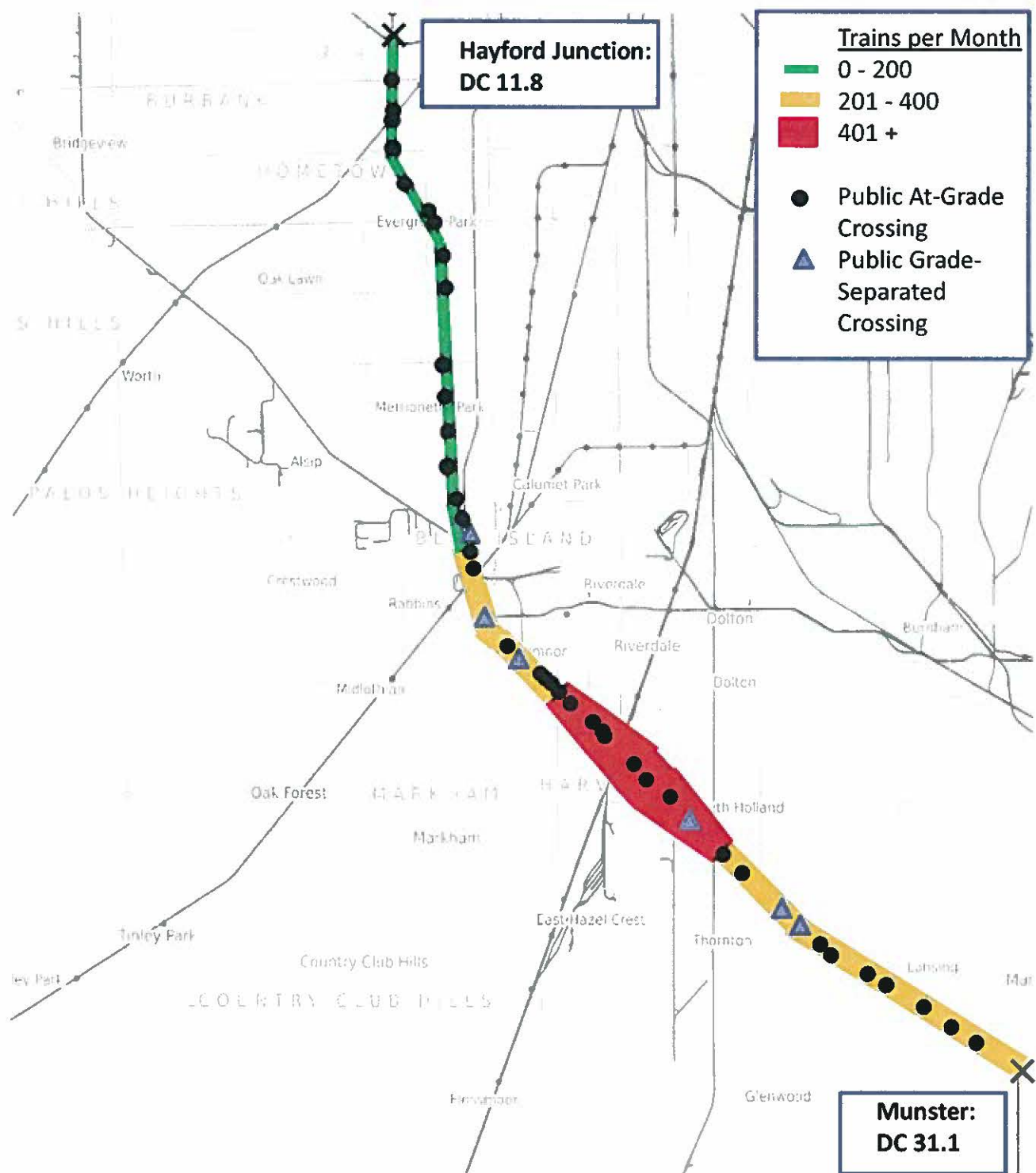


EXHIBIT 9

Exhibit 9



V.S. CHAKRABARTI

BEFORE THE SURFACE TRANSPORTATION BOARD

STB Docket No. FD 35522

**CSX Transportation, Inc. – Acquisition of Operating Easement –
Grand Trunk Western Railroad Company**

Report on Operational Fluidity

Verified Statement of

Kaustuv Chakrabarti

I. Introduction

I am Kaustuv Chakrabarti, Senior Director at FTI Consulting, an economic consulting firm. My office is located at 8251 Greensboro Drive, McLean, VA, 22102. A statement describing my background, experience, and qualifications is attached hereto as Exhibit FTI-1. I am actively involved in various aspects of transportation consulting, including economic studies of costs and revenues, traffic and operating analyses, and work with costing and financial reporting systems. Much of my work for the railroad industry has required working with detailed railroad traffic data that are used by the Surface Transportation Board (“STB” or “Board”) for a variety of regulatory purposes. I am sponsoring the numerical data in CSXT’s Report on Operational Fluidity generated from the sources described below, as well as Exhibits 1, 6, 7, and 9.

I have been asked by CSX Transportation, Inc. (“CSXT”) to evaluate CSXT data on train volumes and the instances of at-grade crossings blocked by trains for more than 10 minutes on its

“Elsdon Line” from October 2016 to April 2017.¹ I utilized two sources of data to conduct this evaluation, as described in Section II below.

II. Source Data

The first data source I used for my calculations are the monthly reports CSXT has filed with the Board since November 15, 2016 pursuant to the Board’s June 22, 2016 decision in this proceeding. That Decision ordered CSXT to file monthly reports “about at-grade crossings on the line, blockages of those crossings, and the status of operating protocols with third-party carriers to assist Board monitoring of the situation.” Decision, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk Western R.R. Co.*, STB Fin. Docket No. 35522 at 1 (served June 22, 2016). Each month’s report includes an “Exhibit 2A” that provides detailed information for crossings that are blocked for more than 10 minutes during that month. These details identify the crossing that was blocked; the date, time of day, and duration of the blockage; the train symbol of the train causing the blockage; whether the train causing the blockage was “stopped” or “slow-moving;” and the cause of the blockage. CSXT submitted to the Board spreadsheet versions of Exhibit 2A beginning with the November 15, 2016 Report, which covered the crossing activities from October 2016. For this statement I rely upon the spreadsheet versions of the Exhibits that are currently available on the Board’s public website, which cover the most recent seven months, October 2016 to April 2017.²

¹ The Elsdon Line is defined in CSXT’s monthly reports as “the 22.22-mile Elsdon Subdivision between the connection of the Grand Trunk Western Railroad Company and CSXT at Munster, IN, milepost 30.92, and Elsdon, IL, which connects to the southern end of the BNSF Railway Company’s (‘BNSF’) Corwith Yard, milepost 8.7 (the ‘Elsdon Line’).” See, e.g., Monthly Report No. 10, *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk Western R.R. Co.*, STB Docket No. 35522 at 1 (filed May 15, 2017).

² See, e.g., Monthly Report No. 4 *CSX Transp. Inc. – Acquisition of Operating Easement – Grand Trunk Western R.R. Co.*, STB Docket No. 35522 (filed Nov. 15, 2016), *spreadsheets available at*

The second data source I utilized was a table provided by CSXT that summarized the monthly train volumes that traversed each Elsdon Line crossing for the same recent period, October 2016 to April 2017.

III. Analysis

Using these two sources of data, I calculated various statistics for the at-grade crossings on the Elsdon Line for October 2016 to April 2017. These statistics included the number of trains traversing each crossing, the percentage of crossings that were blocked by trains for more than 10 minutes, the distribution of the duration of the blockage, whether the train causing the blockage was a CSXT or foreign train, whether the train was reported as “slow-moving” or “stopped,” and the reported cause of the blockage (*e.g.*, delays due to trains entering or exiting the Chicago Heights Subdivision or interference at the Elsdon Line’s at-grade railroad crossing with Union Pacific at Thornton Junction). Exhibit FTI-2 to this verified statement summarizes the total train crossings and the number of blockages greater than 10 minutes for each of the at-grade crossings covered by CSXT’s monthly reports.

VERIFICATION

I, Kaustuv Chakrabarti, declare under penalty of perjury that I have read CSXT's Report on Operational Fluidity and accompanying Exhibits that I have sponsored (as described in the foregoing Verified Statement), that I know the contents thereof, and that the evidence I have sponsored is true and correct. Further, I certify that I am qualified and authorized to file this statement.



Kaustuv Chakrabarti

Executed on this 30th day of May, 2017.

FTI-1

Kaustuv Chakrabarti

Senior Director – Economic Consulting

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Tel: (571) 830-1055

EDUCATION

Bachelor of Science in
Chemistry and Economics from
the College of William and Mary
Master of Arts in Applied
Economics from the Johns
Hopkins University

Kaustuv Chakrabarti is a Senior Director at FTI Consulting in the Network Industries Strategies group within the Economic Consulting practice. Mr. Chakrabarti conducts economic and financial analysis for primarily the transportation, telecommunications, and energy industries. He holds an M.A. in Applied Economics from the Johns Hopkins University and a Bachelor of Science, majoring in Chemistry and Economics, from the College of William and Mary, and is a CFA (Chartered Financial Analyst) charterholder.

Background

Mr. Chakrabarti has developed analyses in the transportation industry to estimate and forecast operating expenses, investment costs, variable costs, and other income-related elements. He has constructed and utilized databases to analyze operational data and in support of strategic decision-making. He has applied the STB's URCS regulatory costing model and the above analyses in rate cases brought before the STB under the Full SAC, Simplified SAC, and Three-Benchmark standards. He has also conducted valuations of firms or business segments outside of the transportation industry. For these valuations, he analyzed financial statements and other income data to develop various discount cash flow models.

Mr. Chakrabarti has conducted numerous business case analyses for the federal government in voice telephony, information technology, and building construction. In these efforts, he worked with clients to design potential investment solutions; compare the costs, benefits, and risks of each; and identify the optimal solution.

TESTIMONY

Surface Transportation Board

November 30, 2012	Docket No. 42125 E.I. DuPont De Nemours & Company v. Norfolk Southern Railway Company, Reply Evidence of Norfolk Southern Railway Company
January 7, 2013	Docket No. 42130 SunBelt Chlor Alkali Partnership v. Norfolk Southern Railway Company, Reply Evidence of Norfolk Southern Railway Company
April 12, 2013	Docket No. 42136, Intermountain Power Agency v. Union Pacific Railroad Company, Reply Evidence of Union Pacific Railroad Company

Kaustuv Chakrabarti

June 26, 2014	STB Ex Parte 665 (Sub-No. 1) Rail Transportation of Grain, Rate Regulation Review, Joint Verified Statement of Benton V. Fisher and Kaustuv Chakrabarti Supporting BNSF Opening Filing
July 21, 2014	Docket No. NOR 42121 Total Petrochemicals & Refining USA, Inc. v. CSX Transportation, Inc., Reply Evidence of CSX Transportation, Inc.
August 25, 2014	STB Ex Parte 665 (Sub-No. 1) Rail Transportation of Grain, Rate Regulation Review, Joint Verified Statement of Benton V. Fisher and Kaustuv Chakrabarti Supporting BNSF Reply Filing
October 7, 2015	Docket No. NOR 42121 Total Petrochemicals & Refining USA, Inc. v. CSX Transportation, Inc., Supplemental and Compliance Evidence of CSX Transportation, Inc.
November 20, 2015	Docket No. NOR 42121 Total Petrochemicals & Refining USA, Inc. v. CSX Transportation, Inc., Reply to Supplemental and Compliance Evidence
March 7, 2016	Docket No. NOR 42142 Consumers Energy Company v. CSX Transportation, Inc., Reply Evidence of CSX Transportation, Inc.
March 6, 2017	Docket No. NOR 42142 Consumers Energy Company v. CSX Transportation, Inc., Supplemental Reply Evidence of CSX Transportation, Inc.

FTI-2

Eldson Line Train Crossings
Totals for October 2016 to April 2017

No.	Location	Train Crossings	Blockages Less than 10 Minutes		Blockages More than 10 Minutes		Blockages More than 10 Minutes by Stopped Trains	
			% of Train		% of Train		% of Train	
			Blockages	Crossings	Blockages	Crossings	Blockages	Crossings
1	79th St	1,090	1,012	92.8%	78	7.2%	9	0.8%
2	Columbus Ave	1,090	1,009	92.6%	81	7.4%	9	0.8%
3	83rd St	1,090	1,068	98.0%	22	2.0%	2	0.2%
4	87th St	1,090	1,064	97.6%	26	2.4%	3	0.3%
5	91st St	1,090	1,076	98.7%	14	1.3%	1	0.1%
6	94th St	1,090	1,068	98.0%	22	2.0%	1	0.1%
7	95th St	1,090	1,068	98.0%	22	2.0%	1	0.1%
8	99th St	1,090	1,083	99.4%	7	0.6%	1	0.1%
9	103rd St	1,090	1,083	99.4%	7	0.6%	2	0.2%
10	111th St	1,090	1,085	99.5%	5	0.5%	2	0.2%
11	115th St	1,090	1,076	98.7%	14	1.3%	3	0.3%
12	119th St	1,090	1,045	95.9%	45	4.1%	16	1.5%
13	123rd St	1,090	1,017	93.3%	73	6.7%	28	2.6%
14	127th St	1,090	1,069	98.1%	21	1.9%	8	0.7%
15	Union St	1,090	1,084	99.4%	6	0.6%	3	0.3%
16	Broadway St	2,325	2,321	99.8%	4	0.2%	1	0.0%
17	Western Ave	2,325	2,254	96.9%	71	3.1%	27	1.2%
18	Robey Ave	2,325	2,291	98.5%	34	1.5%	7	0.3%
19	Lincoln Ave	2,325	2,293	98.6%	32	1.4%	10	0.4%
20	Wood St	2,325	2,296	98.8%	29	1.2%	9	0.4%
21	147th St	2,325	2,299	98.9%	26	1.1%	10	0.4%
22	Ashland Ave	2,325	2,309	99.3%	16	0.7%	10	0.4%
23	150th St	3,017	2,883	95.6%	134	4.4%	20	0.7%
24	Center Ave	3,017	2,881	95.5%	136	4.5%	16	0.5%
25	Broadway Ave	3,017	2,881	95.5%	136	4.5%	16	0.5%
26	Park Ave	3,133	3,004	95.9%	129	4.1%	13	0.4%
27	Halsted St	3,133	2,992	95.5%	141	4.5%	31	1.0%
28	155th St	3,133	2,992	95.5%	141	4.5%	30	1.0%
29	Vincennes Ave	3,133	2,988	95.4%	145	4.6%	48	1.5%
30	159th/162nd St	3,133	2,985	95.3%	148	4.7%	71	2.3%
31	S Park Ave	2,095	2,028	96.8%	67	3.2%	8	0.4%
32	170th St	2,095	2,080	99.3%	15	0.7%	2	0.1%
33	Volbrecht Rd	2,095	1,991	95.0%	104	5.0%	54	2.6%
34	Thornton Rd	2,095	2,013	96.1%	82	3.9%	44	2.1%
35	182nd St	2,095	2,078	99.2%	17	0.8%	5	0.2%
36	Torrence Ave	2,095	2,060	98.3%	35	1.7%	4	0.2%
37	186th St	2,095	2,060	98.3%	35	1.7%	3	0.1%
38	Burnham Ave	2,095	2,075	99.0%	20	1.0%	0	0.0%
39	Wentworth Ave	2,095	2,092	99.9%	3	0.1%	0	0.0%
Total		76,196	74,053	97.2%	2,143	2.8%	528	0.7%