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SERVICE DATE - JANUARY 16, 1998

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33533]

Illinois Central Railroad Company and New Orleans Public Belt Railroad—Joint
Relocation Project Exemption—in New Orleans, LA

On December 23, 1997, Illinois Central Railroad Company (IC) and New Orleans Public Belt Railroad (NOPB) jointly filed a notice of exemption under 49 CFR 1180.2(d)(5) to reconfigure IC and NOPB operations over their adjacent track. The proposed transaction was scheduled to be consummated on or after the December 30, 1997 effective date of the exemption.

IC is a Class I railroad operating approximately 2,600 miles of rail line in six states, and NOPB is a Class III terminal switching railroad owned by the City of New Orleans, LA. NOPB operates approximately 25 miles of rail line in and around New Orleans.

Within the City of New Orleans, IC and NOPB own and operate adjacent mainlines. Under the joint project, IC and NOPB propose the following transactions: (1) NOPB will grant IC non-exclusive bridge trackage rights over 3.4 miles of NOPB's Main Line and Siding Track between milepost JO.3, at Lampert Junction, and milepost 3.4, at Nashville Avenue;¹ (2) IC will relocate its operation to NOPB trackage and will abandon its adjacent Main Line trackage between milepost 917.77, at Nashville Avenue, and milepost 921.13, at

¹ IC will continue to serve the Sewerage and Water Board track near Oak Street.

Lampert Junction, a distance of approximately 3.36 miles; (3) IC will grant NOPB non-exclusive bridge trackage rights over approximately 5,568 feet of IC's Main Line from Station 120+00.00, at Nashville Avenue, to Station 175+68.09, at Valence Street; and (4) IC and NOPB will perform such incidental relocation of signals and power switches as necessary to complete the proposed reconfiguration of operations contemplated by the exemption.

The transaction will simplify rail operations in the area and will reduce the number of unnecessary tracks on street right-of-way and reduce the number of tracks in grade crossings in the area. The joint project will not change service to shippers, expand the operations of IC or NOPB into new territory, or alter the existing competitive situation.

The Board will exercise jurisdiction over the abandonment or construction components of a relocation project, and require separate approval or exemption, only where the removal of track affects service to shippers or the construction of new track involves expansion into new territory. See City of Detroit v. Canadian National Ry. Co., et al., 9 I.C.C.2d 1208 (1993), aff'd sub nom., Detroit/Wayne County Port Authority v. ICC, 59 F.3d 1314 (D.C. Cir. 1995). Line relocation projects may embrace trackage rights transactions such as the one involved here. See D.T.&I.R.--Trackage Rights, 363 I.C.C. 878 (1981). Under these standards, the incidental abandonment, construction, and trackage rights components require no separate approval or exemption when the relocation project, as here, will not disrupt service to shippers and thus qualifies for the class exemption at 49 CFR 1180.2(d)(5).

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk and Western Ry. Co.--Trackage Rights--BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry., Inc.--Lease and Operate, 360 I.C.C. 653 (1980).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33533, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on (1) Anne E. Keating, Esq., Illinois Central Railroad Company, 455 North Cityfront Plaza Drive, Chicago, IL 60611-5504, and (2) A. J. Waechter, Esq., Jones, Walker, Waechter, Portevent, Carrere and Denegre, 202 St. Charles Avenue, 50th Floor, New Orleans, LA 70170-5100.

Decided: January 9, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary

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