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OEA

SERVICE DATE – FEBRUARY 18, 2022

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36500

CANADIAN PACIFIC RAILWAY LIMITED; CANADIAN PACIFIC RAILWAY COMPANY; SOO LINE RAILROAD COMPANY; CENTRAL MAINE & QUEBEC RAILWAY US INC.; DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION; AND DELAWARE & HUDSON RAILWAY COMPANY, INC.

—CONTROL—

KANSAS CITY SOUTHERN; THE KANSAS CITY SOUTHERN RAILWAY COMPANY; GATEWAY EASTERN RAILWAY COMPANY; AND THE TEXAS MEXICAN RAILWAY COMPANY

Decided: February 15, 2022

**AGENCY:** Surface Transportation Board.

**ACTION:** Notice of Availability of the Final Scope of Study for the Environmental Impact Statement.

**SUMMARY:** On October 29, 2021, Canadian Pacific Railway Limited, Canadian Pacific Railway Company, and their U.S. rail carrier subsidiaries Soo Line Railroad Company; Central Maine & Quebec Railway U.S. Inc.; Dakota, Minnesota & Eastern Railroad Corporation; and Delaware & Hudson Railway Company, Inc. (collectively, CP) and Kansas City Southern, The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and The Texas Mexican Railway Company (collectively, KCS) filed an application with the Surface Transportation Board (Board) seeking the Board’s approval of the acquisition of control by CP of KCS (Proposed Acquisition). The Proposed Acquisition has the potential to result in significant environmental impacts; therefore, the Board’s Office of Environmental Analysis (OEA) has determined that the preparation of an Environmental Impact Statement (EIS) is appropriate to meet the Board’s obligations under the National Environmental Policy Act (NEPA) and related laws, including Section 106 of the National Historic Preservation Act (NHPA). The purpose of this Notice is to inform stakeholders—including members of the public; elected officials; tribes; federal, state, and local agencies; and organizations—interested

in or potentially affected by potential environmental and cultural impacts related to the Proposed Acquisition that the Final Scope of Study for the EIS is available.

**FOR FURTHER INFORMATION CONTACT:** Joshua Wayland, Office of Environmental Analysis, Surface Transportation Board, c/o VHB, 940 Main Campus Dr., Suite 500, Raleigh, NC 27606, or call OEA's toll-free number for the project at 1-888-319-2337. Assistance for the hearing impaired is available through the Federal Information Relay Service at 1-800-877-8339. The website for the Board is <https://www.stb.gov>. For further information about the Board's environmental review process and the EIS, you may also visit the Board-sponsored project website at [www.CP-KCSMergerEIS.com](http://www.CP-KCSMergerEIS.com).

## **SUPPLEMENTARY INFORMATION:**

### **Background**

On October 29, 2021, CP and KCS (collectively, the Applicants) filed an application with the Board under 49 U.S. Code (U.S.C.) §§ 11323-25 seeking the Board's approval of the Proposed Acquisition. CP and KCS are two of the seven Class I railroads in the United States, which are the largest railroads, defined as having annual revenue greater than \$250 million. CP is one of Canada's two major railroads, extending across the country and connecting east and west coast ports. In the U.S., CP connects to Buffalo and Albany, New York and Searsport, Maine. CP also runs south into the U.S. Midwest and connects with KCS in Kansas City, Missouri. The KCS network extends from Kansas City, Missouri to the Gulf Coast and into Mexico, operating across 10 states in the Midwest and Southeast. CP and KCS provide rail service for a variety of industries, including agriculture, minerals, military, automotive, chemical and petroleum, energy, industrial, and consumer products. CP and KCS are the two smallest Class I railroads, and the combined railroad would be the smallest Class I railroad by revenue.

### **Summary of the Board's Review Processes for this Proceeding**

The Board will review the Proposed Acquisition through two parallel but distinct processes: (1) the transportation-related process that examines the competitive, transportation, and economic implications of the Proposed Acquisition on the national rail system, and (2) the environmental process conducted by OEA that assesses the potential environmental effects of the Proposed Acquisition on the human and natural environment through the preparation of an EIS. Interested persons and entities may participate in either, or both, processes but if interested persons or entities are focused on potential environmental and historical impacts on communities, such as noise, vibration, air emissions, grade crossing safety and delay, emergency vehicle access, and other similar environmental issues, the appropriate forum is OEA's environmental review process. The statute setting forth the procedures for Board review of

acquisitions at 49 U.S.C. § 11325 and the Board’s implementing regulations at 49 C.F.R. § 1180.4 (2000) require that the Board complete the process within approximately 15 months after the primary application is accepted for a “major” transaction such as this, and OEA must complete the environmental process before the Board decides whether to authorize the merger.

### **Environmental Review Process**

On November 12, 2021, OEA issued a Notice of Intent (NOI) to inform interested agencies, tribes, and the public of its decision to prepare an EIS and to initiate the formal scoping process under NEPA (42 U.S.C. §§ 4321-4370m-12) and the Section 106 consultation process under the NHPA (54 U.S.C. § 306108). The NEPA process is intended to assist the Board and the public in identifying and assessing the potential environmental consequences of a proposed action before a decision on that proposal is made. OEA is responsible for ensuring that the Board complies with NEPA and related statutes, including Section 106 of the NHPA and Section 7 of the Endangered Species Act (16 U.S.C. § 1536).

### **Purpose and Need**

The Proposed Acquisition involves an application for Board authority under 49 U.S.C. §§ 11323-25 for CP to acquire KCS. The Proposed Acquisition is not a federal government-proposed or sponsored project. Thus, the project’s purpose and need is informed by both the Applicants’ goals and the Board’s enabling statute—the Interstate Commerce Act as amended by the ICC Termination Act, Pub. L. No. 104-188, 109 Stat. 803 (1996). See Alaska Survival v. STB, 705 F.3d 1073, 1084-85 (9th Cir. 2013).

According to the Applicants, the purpose of the Proposed Acquisition is to combine America’s two smallest but fastest-growing Class I railroads to build a more efficient and competitive rail network. The Applicants state that the Proposed Acquisition would further the need for expanded and more capable and efficient transportation infrastructure while simultaneously advancing the interests of current and future customers in more reliable and economical rail transportation options serving important North-South trade flows. The Applicants also state that the Proposed Acquisition would generate environmental benefits by reducing truck transportation on highways in North America by more than 60,000 trucks annually, resulting in less congestion, less maintenance, and improved safety on those roads; as well as less noise pollution in the places where those trucks would have driven; and lowered air emissions, including greenhouse gas emissions. Under the Interstate Commerce Act, as amended, the Board “shall approve and authorize a transaction” such as this when, after considering several factors, “it finds the transaction is consistent with the public interest.” 49 U.S.C. §§ 11324 (b) & (c).

## Proposed Action and Alternatives

The proposed federal action in this proceeding is the Applicants' Proposed Acquisition of KCS by CP. If the Board authorizes the Proposed Acquisition, CP and KCS would combine to form an integrated system to be known as Canadian Pacific Kansas City (CPKC). The combination of these two railroads would be an end-to-end merger because the CP and KCS railroad networks do not overlap. The Proposed Acquisition would result in changes in rail traffic on portions of the combined rail network. Rail traffic would increase on certain rail line segments and would decrease on others. The largest change would occur on the CP mainline between Sabula, Iowa, and Kansas City, Missouri, which would experience an increase in rail traffic of approximately 14.4 additional trains per day, on average. Increases in activities at rail yards and intermodal facilities would also occur.

If the Board authorizes the Proposed Acquisition, the Applicants plan to make capital improvements within the existing rail right-of-way to support the projected increases in rail traffic. The capital improvements would include extending 13 existing passing sidings, adding 10 new passing sidings, adding approximately four miles of double track in Blue Valley near Kansas City, Missouri, and approximately five miles of facility working track adjacent to the International Freight Gateway intermodal terminal near Kansas City. The Applicants have stated that they would add the capital improvements only as needed based on increasing traffic and that design-level engineering for each capital improvement would only occur if and when the capital improvement is needed. The Applicants do not propose to construct any new rail lines subject to Board licensing or to abandon any rail lines as part of the Proposed Acquisition.

As discussed in the NOI, the Applicants initially informed OEA that they intended to add 11 new passing sidings as part of the Proposed Acquisition. Following the issuance of the NOI, however, the Applicants submitted information clarifying that one of the sidings, located near Brownsville, Minnesota, had been previously designed to accommodate projected increases in rail traffic unrelated to the Proposed Acquisition. The Applicants previously obtained a permit for the siding from the U.S. Army Corps of Engineers (Corps) under Section 404 of the Clean Water Act (33 U.S.C. §§ 1251–1387) (CWA), and the Corps conducted an environmental and historic review of the siding as part of the permitting process. Because the Brownsville siding is a preexisting proposed project, OEA has concluded that this capital improvement would not occur as a result of the Proposed Acquisition and, therefore, it would not be appropriate to assess the potential environmental impacts of the planned siding as part of the EIS for the Proposed Acquisition. Accordingly, the EIS will evaluate a total of 25 capital improvements. An interactive map showing the locations of those capital improvements is available on the Board-sponsored project website at [www.CP-KCSMergerEIS.com](http://www.CP-KCSMergerEIS.com).

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 capital improvements are related to a proposed merger or acquisition requiring Board approval, OEA considers, as appropriate, the potential environmental impacts from such capital improvements on a case-by-case basis. In this case, the Applicants have stated that certain capital improvements would be necessary to accommodate the increase in rail traffic that the Applicants expect would occur as a result of the Proposed Acquisition. Further, the Applicants have identified the location and general layout of these 25 planned capital improvements in sufficient detail to support an environmental review. Therefore, OEA will assess the potential impacts of the planned capital improvement projects, as appropriate, as part of the EIS.

The alternative to the Proposed Acquisition is the No-Action Alternative. The No-Action Alternative would occur if the Board were to deny authority for the Proposed Acquisition. Under the No-Action Alternative, CP would not acquire KCS and the projected changes in rail operations, rail yard activity, and intermodal facility activity would not occur. Rail traffic on rail lines and activities at rail yards and intermodal facilities could change to support regular railroad operations or as a result of changing market conditions, such as general economic growth, but would not change as a result of the Proposed Acquisition. Similarly, the Applicants would not construct the 25 planned capital improvement projects under the No-Action Alternative. However, CP and KCS could construct sidings, extend existing sidings, or add additional track within the rail right-of-way in the future without seeking Board authority if needed to support rail operations on their respective rail networks. Under the No-Action Alternative, none of the anticipated adverse or beneficial environmental impacts of the Proposed Acquisition would occur.

During the public comment period for the scoping process, the U.S. Environmental Protection Agency (EPA) recommended that the EIS assess alternatives for sidings, double tracking, and other new infrastructure components. OEA notes that potential locations for siding extensions, new sidings, and other capital improvements along the combined CPKC system are limited. The locations of the 13 planned siding extensions are determined by the locations of the existing sidings that would be extended, so no alternative locations can be considered. The locations of the 10 planned new sidings are based on system-wide requirements, including the need for sidings to be placed at regular intervals along the mainline. The start and end points of new sidings are also constrained by site-specific conditions, such as the curvature of the existing mainline. For example, the start and end points for passing sidings are generally placed on straight sections of track for operational reasons. OEA understands that the planned double tracking and the planned facility working track are intended to serve site-specific operational needs and could not be constructed in other locations to serve those needs. Further, because the

capital improvements would be constructed only as needed if traffic were to increase, the final engineering and design of these improvements has not been completed to allow for comparison of alternatives that would differ in terms of final engineering and design (such as the final placement of switches or the locations of construction laydown areas).

### **Responsive Applications**

Certain railroads have notified the Board that they may submit Responsive Applications for consideration by the Board. Responsive Applications are proposals that parties other than the Applicants file with the Board to request modifications or conditions to the primary application. After the Board receives any Responsive Applications, OEA will determine what, if any, environmental review would be required. If any environmental review would be required, that review would be conducted separately from the EIS for the Proposed Acquisition.

### **Summary of Scoping Process**

The scoping process began on November 12, 2021, when OEA issued the NOI and published the NOI in the *Federal Register*. OEA also distributed the NOI to agencies, organizations, and tribes with jurisdiction or interest in areas where the Proposed Acquisition could result in environmental and cultural impacts, including along the CP and KCS mainlines from Chicago, Illinois to Sabula, Iowa and from Sabula, Iowa, to Laredo, Texas, where projected increased rail traffic resulting from the Proposed Acquisition would exceed the Board's thresholds for environmental review. OEA distributed the NOI via:

- Letters to local, state, and federal elected officials;
- Letters to community leaders, such as school principals, police and fire chiefs, library leadership, and religious leaders;
- Geotargeted online banner advertisements for minority and low-income populations;
- Letters to tribal governments and Tribal Historic Preservation Officers (THPOs);
- Letters to federal, state, and local agencies; and
- A press release to television stations, radio stations, and newspapers.

OEA held six online public scoping meetings during the scoping period. To promote participation in the meetings, OEA published meeting information in the NOI and circulated information to elected officials (federal, state, and local) and local community leaders through direct mail and email. OEA also used Google banner advertisements to advertise the public scoping meetings in minority and low-income communities.

Project information was and continues to be available for public review on the Board-sponsored project website and the online meeting room. OEA considered all comments equally

no matter how comments were received, and it was not necessary to attend an online public meeting to provide scoping comments. Public scoping meeting participants had the option to deliver their oral comments during the meeting. Interested parties were encouraged to file their written scoping comments electronically on the Board's website, <https://www.stb.gov>, or through the Board-sponsored project website at [www.CP-KCSMergerEIS.com](http://www.CP-KCSMergerEIS.com). Scoping comments could also be submitted by mail. All comments submitted during scoping are available to the public on the Board's website and OEA has added commenters' email addresses to its email distribution list.

The deadline for submitting comments regarding the scope of the EIS was originally set for December 17, 2021. However, based on requests from the public, OEA extended the comment period to January 3, 2022. In total, OEA received 492 comments, 49 of which were oral comments at the public scoping meetings and 443 of which were written comments, between November 12, 2021 and the end of the scoping comment period on January 3, 2022.

OEA has and will continue to update and monitor the Board-sponsored project website, project email inbox, and toll-free information phone line throughout the environmental review process to provide current project information.

### Summary of Scoping Comments

- **Environmental Review Process:** Commenters requested an extension of the scoping comment period, an extended comment period on the Draft EIS, an extension of the Board's oversight period of the Proposed Acquisition, and that OEA publish a draft Scope of Study for the EIS. As discussed above, OEA extended the scoping comment period in response to requests from commenters. Requests for other extensions will be considered if filed at the appropriate time. Regarding the issuance of a draft Scope of Study, the Board's regulations at 49 C.F.R. § 1105.10(a)(2) only require the issuance of an NOI with a description of the proposed action and a request for written comments on the scope of the EIS. The NOI and public involvement and agency consultation materials that OEA issued in this case provided the list of topics that the EIS might address and, therefore, the public and agencies had information necessary to provide comments regarding the scope of the EIS.

Commenters requested that the EIS consider projected changes in rail operations extending at least 10 years after authorization of the Proposed Acquisition. Consistent with past practice, OEA will assess impacts related to changes in rail operations projected over five years from the authorization of the Proposed Acquisition because five years is not too long to produce reasonable and reliable freight rail forecasts. The 10-year

projections recommended by commenters, however, would be too long to produce reasonable estimates.

- **Proposed Action and Alternatives:** Commenters requested that OEA consider reasonable alternatives to the Proposed Acquisition. As discussed above, the EIS will evaluate the Proposed Acquisition and the No-Action Alternative.
- **Freight Rail Capacity and Safety:** Commenters requested that the EIS evaluate potential public health and safety impacts that could be associated with the accidental release of oil and other hazardous substances that could be transported on the combined network. Commenters expressed concerns about safety, citing their understanding of CP's safety record, specific incidents, and the potential for derailments. Commenters requested that the Board impose mitigation measures to address rail safety, including measures requiring reduced train speeds and preventative measures for reducing the risk of derailments. Commenters requested additional information regarding the potential changes in operations that could occur as a result of the Proposed Acquisition, including changes to lengths of trains, and questioned some data provided by the Applicants regarding operations changes, including the projected number of trains per day and the projected volumes of oil and other hazardous materials that trains operating on the combined network could transport. The EIS will provide additional available information regarding potential changes in operations, will disclose the potential impacts of those changes on freight rail capacity and safety, and will consider potential appropriate mitigation measures to address impacts related to freight rail capacity and safety.
- **Passenger Rail Capacity and Safety:** Commenters expressed concern regarding increased delays and service impacts to passenger rail service, such as the Metra commuter rail service. As described below in the Final Scope, the EIS will address passenger rail capacity and safety, including impacts to commuter rail, and will consider potential appropriate mitigation measures to address impacts related to passenger rail capacity and safety.
- **Roadway/Rail At-Grade Crossing Safety and Delay:** Commenters expressed concern regarding the increased number and length of trains causing traffic delays and delays to emergency services. Commenters recommended that the EIS estimate the impact of the Proposed Acquisition on extended blockages at each crossing, develop mitigation to address those impacts, and then measure the actual changes using gate monitoring during the Board's oversight period if the Board authorizes the Proposed Acquisition. Commenters expressed concern about trains using the new sidings and blocking access to roads, public land access, and private driveways (including delays for emergency response services). Commenters expressed concern regarding decreased safety for drivers, pedestrians, and bicyclists as a result of projected increased train traffic at grade

crossings. Commenters also expressed concern regarding increased delays at grade crossings blocking access to important economic activities, recreational facilities, and schools. Commenters requested that OEA consider mitigation measures, such as grade separations, to address impacts associated with increased rail traffic at grade crossings. As described below in the Final Scope, the EIS will address grade crossing safety and delay impacts and will consider potential appropriate mitigation measures to address impacts related to grade crossing safety and delay.

- **Traffic and Roadway Systems:** Commenters requested additional information regarding truck traffic increases at intermodal facilities and requested that the analysis of traffic operations include a morning, afternoon/evening, and off-peak period analysis. As described below in the Final Scope, the EIS will address traffic and roadway system impacts and will consider potential appropriate mitigation measures to address impacts related to traffic and roadway systems.
- **Noise:** Commenters recommended that the impact of noise and vibration on people and animals living in proximity to the rail lines be considered. Commenters expressed concern about their communities experiencing negative impacts from increased train noise. Commenters also expressed concern regarding vibrations damaging utilities, roadways, and buildings in their communities. Commenters recommended mitigation measures for noise impacts on their communities, including quiet zone restrictions, idling policies, gate crossing policies, and horn policies. As described below in the Final Scope, the EIS will address noise and vibration impacts and will consider potential appropriate mitigation measures to address impacts related to noise and vibration.
- **Air Quality and Climate Change:** Commenters expressed concern regarding potential air quality impacts on human health, communities, and wildlife due to emissions from locomotives, vehicles delayed at at-grade crossings, and from activities at rail yards and intermodal facilities. Commenters recommended that the EIS evaluate the short- and long-term emissions and associated potential health impacts using best available methods, particularly in areas with special air quality protections and areas where vulnerable community are located. Commenters also recommended a “hotspot” analysis be conducted at rail yards, intermodal terminals, grade crossings, junctions, and other places of concentrated rail activity. Commenters further requested that the EIS consider measures to reduce air emissions, such as vegetative barriers, staging zones, and using electric switching locomotives. Commenters requested that the EIS evaluate the potential air quality benefits of the Proposed Acquisition. Commenters requested that OEA evaluate the impact of the Proposed Acquisition on climate change in terms of greenhouse gas emissions and consider climate change resiliency and adaptation measures or plans to ensure that infrastructure would maintain structural integrity under

changing climate conditions. The Final Scope reflects that the EIS will consider beneficial and adverse impacts related to air quality and climate change, as well as potential appropriate mitigation measures to address air quality and climate change impacts.

- **Energy:** Commenters expressed concern that the Proposed Acquisition could increase rail transportation of crude oil. As described below in the Final Scope, the EIS will analyze the effect of the Proposed Acquisition on the transportation of energy resources and will consider potential appropriate mitigation measures to address impacts related to energy.
- **Cultural Resources:** Commenters expressed concern that the 25 planned capital improvements could affect cultural resources. Commenters recommended consultation with tribal governments and THPOs regarding the Proposed Acquisition. Commenters expressed concerns regarding vibration impacts to historic districts, sites, and landmarks. The Final Scope reflects that the EIS will consider impacts on cultural resources, as well as potential appropriate mitigation measures to address impacts on cultural resources.
- **Natural Resources (Water Resources and Biological Resources):** Commenters expressed concerns regarding impacts from increased train traffic, including noise and vibration impacts, and impacts from the use of chemical and herbicides along the rail right-of-way on wildlife and vegetation, including migratory birds, forest preserve assets, and threatened and endangered species. Commenters recommended that OEA consult with the U.S. Fish and Wildlife Service, state natural resources departments, and regional and local wildlife experts regarding impacts on wildlife and vegetation and appropriate mitigation measures, potentially including wildlife crossings, methods to prevent the spread of invasive species, and alternative management practices to limit herbicide use. The Final Scope reflects that the EIS will consider impacts on wildlife and vegetation, as appropriate.

Commenters recommended that the EIS identify impacts on water resources, including wetlands, and discuss compliance with Sections 404, 402, and 303(d) of the CWA. Commenters expressed concern that increased rail traffic could worsen existing impacts related to rail operation, such as by increasing structural fatigue and maintenance costs for water crossings, increasing the potential for harmful runoff from the rail right-of-way, and increasing the risk of derailments or spills that could affect water quality. The Final Scope reflects that the EIS will consider potential impacts on water resources, as well as potential appropriate mitigation measures to address impacts on water resources.

- **Environmental Justice:** Commenters expressed concerns regarding potentially disproportionate impacts on minority and low-income populations, including impacts from increased rail traffic and increased activity at rail yards and intermodal facilities on economic advancement, business development, healthcare and pharmacy access, commute times, education access, and food access in minority and low-income communities. Commenters recommended expanded outreach to minority and low-income populations, including multilingual outreach to impacted communities.

Commenters suggested mitigation measures for environmental justice communities living adjacent to the tracks and near rail yards to protect their health, including air quality monitoring and air filters in schools. As described below in the Final Scope, the EIS will address environmental justice impacts and will recommend potential appropriate mitigation measures to address disproportionately high and adverse impacts on environment justice communities.

- **Cumulative Impacts:** Commenters expressed concern that cumulative impacts from the Proposed Acquisition and other projects and activities could result in impacts on people, communities, and the environment, including impacts related to increased noise, increased air pollution, decreased economic activity, and decreased safety. As described below in the Final Scope, the EIS will address cumulative impacts, as appropriate.

Based on the comments received and OEA's own analysis, OEA has prepared the Final Scope of Study for the EIS, which is detailed below.

## **FINAL SCOPE**

### **Environmental Impact Analysis**

The EIS will address proposed activities and their potential environmental impacts, as appropriate. OEA will evaluate only the potential environmental impacts of operational and physical changes that are related to the Proposed Acquisition.

The scope of the analysis will include the following types of activities:

1. Anticipated changes in level of operations on rail lines (for instance, an increase in average number of trains per day) for those rail line segments that meet or exceed the Board's thresholds for environmental review in 49 C.F.R. § 1105.7(e).
2. Expected changes in activity at rail yards and intermodal facilities to the extent such changes may exceed the Board's thresholds for environmental analysis in 49 C.F.R. § 1105.7(e).

3. Planned capital improvements, including new sidings, siding extensions, and installation of double track and industry track.

Based on OEA's initial screening of topics pertinent to the Proposed Acquisition and on the fact that no comments were received on the topics of land use, recreation, geology, soils, and aesthetics, the Draft EIS will not analyze these topics.

### **Environmental Impact Categories**

The EIS will analyze potential impacts of the Proposed Acquisition on the environment, including the areas of: freight and passenger rail capacity and safety, including hazardous materials transport safety; roadway/rail at-grade crossings, including safety, delay, and emergency response delay; transportation systems; noise; air quality and climate change; energy; cultural resources; hazardous waste sites; natural resources, water resources, and navigation; environmental justice; and cumulative impacts as described below.

#### **1. Freight and Passenger Rail Capacity and Safety**

The EIS will:

- A. For rail line segments on which rail traffic is projected to meet or exceed the Board's thresholds for environmental review as a result of the Proposed Acquisition, describe projected freight rail operations and analyze the potential for increased probability of train accidents including derailments, as appropriate.
- B. For rail line segments with existing passenger rail traffic and a projected average increase of one or more freight trains per day, describe projected passenger rail operations and analyze the potential for increased probability of train accidents including derailments, as appropriate.
- C. Determine adequacy of freight rail capacity.
- D. For rail line segments with existing passenger rail traffic and a projected increase of one or more freight trains per day, determine adequacy of existing and proposed passenger rail capacity and any impacts to passenger rail service.
- E. Identify hazardous materials that would be transported on the combined network, the materials and quantity; the projected frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the Applicants' safety record on derailments, accidents, and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.
- F. Describe the Applicants' emergency management or emergency response plans.

#### **2. Roadway/Rail At-Grade Crossing Safety and Delay**

The EIS will:

- A. For all roadway/rail at-grade crossings on rail line segments where increased traffic would exceed applicable thresholds for environmental review, describe the existing crossing delay and analyze the potential for an increase in delay related to the proposed rail operations, as appropriate.
- B. For all roadway/rail at-grade crossings on rail line segments where projected increases in rail traffic would exceed applicable thresholds for environmental review, describe the probability of vehicle accidents, as appropriate.
- C. For the 25 planned capital improvements, evaluate the potential for trains stopped on sidings to block roadway/rail at-grade crossings.
- D. Evaluate the potential for disruption and delays to the movement of emergency vehicles.

### 3. Traffic and Roadway Systems

The EIS will:

- A. Describe the effects of the Proposed Acquisition on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that would be diverted to other transportation systems or modes because of the Proposed Acquisition.
- B. Describe potential diversions of freight traffic from trucks to rail and from rail to trucks that would occur as a result of the Proposed Acquisition, as appropriate.
- C. Analyze increased truck traffic to and from intermodal facilities where the Proposed Acquisition would result in an increase of 50 or more trucks per day or a 10 percent increase in ADT on affected roadways.

### 4. Noise

The EIS will:

- A. For rail line segments, analyze noise impacts where an increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains per day is projected to occur as a result of the Proposed Acquisition.
- B. For rail yards, analyze noise impacts where an increase in rail yard activity of at least 100 percent (measured by carload activity) is projected to occur.
- C. For intermodal facilities, analyze noise impacts where an average increase in truck traffic of more than 10 percent of the ADT or 50 vehicles per day on any affected road segment is projected to occur.
- D. Analyze noise and vibration impacts resulting from the 25 planned capital improvements, as appropriate.
- E. If any of the thresholds above would be exceeded, determine whether the Proposed Acquisition would cause:
  - i. An incremental increase in noise levels of three decibels (dB) day-night average sound level (Ldn) or more; and

- ii. An increase to a noise level of 65 dB Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

## **5. Air Quality and Climate Change**

The EIS will:

- A. Quantify air emissions in areas where the Proposed Acquisition would result in:
  - i. An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains per day on any segment of rail line affected by the proposal, or
  - ii. An increase in rail yard activity of at least 100 percent (measured by carload activity), or
  - iii. An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles per day on any affected road segment.
- B. If the Proposed Acquisition would affect Class I or nonattainment areas under the Clean Air Act, quantify air emissions where the Proposed Acquisition would result in:
  - i. An increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains per day on any segment of rail line,
  - ii. An increase in rail yard activity of at least 20 percent (measured by carload activity), or
  - iii. An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles per day on a given road segment.
- C. State whether any expected increased emissions are within the parameters established by the applicable State Implementation Plan.
- D. Discuss potential air emissions increases from vehicle delays at roadway/rail at-grade crossings where the crossing is projected to experience a change in rail traffic arising from the Proposed Acquisition that would exceed the threshold described above.
- E. Evaluate the air emissions and air quality impacts from potential changes in operation of trains and changes in truck traffic that would result from the Proposed Acquisition, including potential greenhouse gas emissions, as appropriate.
- F. Analyze the potential impacts of climate change on the 25 planned capital improvements.

## **6. Energy**

The EIS will:

- A. Describe the effect of the Proposed Acquisition on transportation of energy resources.
- B. Describe the effect of the Proposed Acquisition on recyclable commodities.

- C. State whether the Proposed Acquisition would result in an increase or decrease in overall energy efficiency and explain why.

## **7. Cultural Resources**

For the 25 planned capital improvements, the EIS will:

- A. Identify historic buildings, structures, sites, objects, or districts eligible for listing on or listed on the National Register of Historic Places (National Register) within the Area of Potential Effect (APE).
- B. In consultation with federally recognized tribes participating in the Section 106 process, identify properties of traditional religious and cultural importance to tribes and prehistoric or historic archaeological sites evaluated as potentially eligible, eligible, or listed on the National Register (archaeological historic properties) within the APE and analyze potential project-related impacts to them, including indirect visual effects.

## **8. Hazardous Waste Sites**

For the 25 planned capital improvements, the EIS will:

- A. Identify known hazardous waste sites or sites where there have been known hazardous materials spills within 500 feet of the capital improvement locations, identify the location of those sites and the types of hazardous waste involved.

## **9. Natural Resources**

For the 25 planned capital improvements, the EIS will:

- A. Based on consultation with the U.S. Fish and Wildlife Service, state whether the Proposed Acquisition would be likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.
- B. State whether the Proposed Acquisition would affect wildlife sanctuaries, refuges, or rearing facilities; national or state parks, forests, or grasslands; critical, unique, or high-value habitats that support threatened or endangered species; and riparian habitats and describe any effects.
- C. Evaluate the existing biological resources within the project area, including vegetative communities, wildlife, fisheries, wetlands, and federally and state-listed threatened and endangered species (including candidate species).

## **10. Water Resources**

- A. For the existing mainline, the EIS will, identify any movable-span bridges that an increase in trains per day might affect.
- B. For the 25 planned capital improvements, the EIS will:

- i. State whether the Proposed Acquisition would be consistent with applicable federal, state, or local water quality standards and describe any inconsistencies.
- ii. State whether the capital improvements would require permits under Section 404 of the CWA and whether any designated wetlands or 100-year floodplains would be affected.
- iii. State whether the capital improvements would require permits under Section 402 of the CWA.
- iv. Describe the existing surface water and groundwater resources within the project area, including lakes, rivers, streams, stock ponds, wetlands, and floodplains.
- v. Evaluate potential impacts from the Proposed Acquisition on the aquatic habitat environment and fish, including the potential effects of stream-crossing structures (i.e., culverts and bridges) on fish passage.
- vi. Consider the potential impacts on groundwater and surface water quality, including 303(d) listed impaired surface waters, from the capital improvements.
- vii. Evaluate potential alterations of stream morphology and surface water and groundwater movement and flow from the presence of culverts, bridges, and rail embankments for each capital improvement.
- viii. Identify existing navigable waterways within the project area.

## **11. Environmental Justice**

The EIS will:

- A. Evaluate whether the Proposed Acquisition would adversely or beneficially affect low-income or minority populations.
- B. Conduct enhanced outreach efforts to environmental justice populations.
- C. Identify potentially high and adverse impacts to minority and low-income populations.
- D. Determine whether those impacts are disproportionately borne by minority and low-income populations.

## **12. Cumulative Impacts**

The EIS will:

- A. Evaluate the cumulative and incremental impacts of the Proposed Acquisition when added to other past, present, and reasonably foreseeable future actions in the project area, as appropriate.

## **13. Mitigation Measures**

The EIS will:

- A. Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

By the Board, Danielle Gosselin, Acting Director, Office of Environmental Analysis.