review, such MOUs should be updated as needed.

Either the local FTA or FHWA office will be responsible for project administration. In cases where the project is clearly related to transit, FTA will determine the project's eligibility and administer the project. Similarly, traffic flow improvements that improve air quality through operational improvements of the road system are be administered by FHWA. For projects that include both traffic flow and transit elements, such as park-and-ride lots and intermodal projects, the administering agency will be decided on a case-bycase basis. Following initial review by the administering agency and consultation with EPA, the administering agency makes the final determination on whether the project or program is likely to contribute to attainment of a NAAQS and is eligible for CMAQ funding. The consultation process should provide for timely review and handling of CMAQ funding proposals.

State and MPO Responsibilities

Decisions over which projects and programs to fund under CMAQ should be made through the appropriate metropolitan and/or statewide planning process which would include the involvement of State and local air quality agencies. This process serves to develop a pool of potential CMAQ projects to be considered for funding in a State's nonattainment and maintenance areas. States, MPOs and transit agencies, in consultation with air quality agencies, are encouraged to cooperatively develop criteria for selection of CMAQ projects. The programming of CMAQ projects should be consistent with the appropriate metropolitan plan.

Projects to be funded with CMAQ funds must be included in the plans and TIPs that are developed by the MPOs in cooperation with the State and transit operators. Under the metropolitan planning regulations (23 CFR 450.300), TIPs must contain a priority list of projects to be carried out in the 3-year period following adoption. As a minimum, projects must be identified by year and proposed funding source. For projects targeting CMAQ funds, priority in the TIP should be based on the projects' estimated air quality benefits.

Since the TIPs must be consistent with available funding, it is important that the State advise the MPOs of the estimated amount of CMAQ funds in a timely manner. Once CMAQ projects are included in a TIP (approved by the MPO and the Governor), and included in a

FHWA/FTA-approved statewide TIP, those projects in the first year may be implemented. Projects in the second or third year of the TIP could be advanced for implementation using the specified project selection procedures in the planning regulation.

It is the State's responsibility to manage its obligation authority made pursuant to title 23 to ensure that CMAQ (and other Federal-aid) funds are obligated in a timely fashion and do not lapse. Other provisions affecting the overall Federal-aid program, such as advance construction authority, apply to the CMAQ program as well.

Close coordination is needed between the State and MPO to assure that CMAQ funds are used appropriately and to maximize their effectiveness in meeting the CAA requirements. States and MPOs must fulfill this responsibility so that nonattainment and maintenance areas are able to make good-faith efforts to attain and maintain the NAAQS by the prescribed deadlines. State DOTs and MPOs should consult with State and local air quality agencies to develop an appropriate project list of CMAQ programming priorities which will have the greatest impact on air quality.

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DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket Number FRA-1999-6252]

CSX Transportation, Inc.; Cancellation of Public Hearing

On January 21, 2000, the Federal Railroad Administration (FRA) published a notice in the Federal Register (65 FR 3529) announcing that a public hearing will be held on February 23, 2000, based upon CSX Transportation, Inc.'s (CSXT) request to obtain a temporary waiver of compliance from certain provisions of the Railroad Locomotive Safety Standards, title 49, Code of Federal Regulations (CFR), part 229, CSXT has requested that the public hearing be postponed for a period of at least 30 days in order to provide time for all interested parties to resolve differences regarding the petition. FRA is therefore canceling the February 23 hearing.

All parties expressing an interest in this proceeding have been notified of this request and have concurred in this action. Depending on the results of discussions among the interested parties, a hearing may or may not be scheduled in the future. If a hearing is rescheduled, a notice will be published in the **Federal Register**.

Issued in Washington, DC on February 18, 2000.

Michael T. Haley,

Deputy Chief Counsel, Federal Railroad Administration.

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33849]

Colorado Central Railroad Company, Operation Exemption, Yreka Western Railroad Company

Colorado Central Railroad Company (Colorado), a noncarrier, newly created to become a Class III railroad, has filed a verified notice of exemption under 49 CFR 1150.31 to operate approximately 8.9 miles of rail line currently owned by Yreka Western Railroad Company (Yreka), between milepost 0.0 in Montague and milepost 8.9 near Yreka, in Siskiyou County, CA.1

Colorado indicates that it has executed an agreement with Yreka to provide common carrier freight service as well as excursion passenger service.²

The transaction was scheduled to be consummated on or after January 31, 2000.

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. 33849, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423—

¹Colorado states that the Surface Transportation Board (Board) had previously authorized abandonment by Yreka of its entire 8.9 miles of rail line. See Yreka Western Railroad Company— Abandonment Exemption—in Siskiyou County, CA, STB Finance Docket No. AB–246 (Sub-No. 2X) (STB served May 4, 1999). Colorado further states that, as of the January 24, 2000 filing of the verified notice of exemption, the abandonment had not been consummated.

Colorado certifies that its annual revenues will not exceed those that would qualify it as a Class III rail carrier and that its revenues are not projected to exceed \$5 million.

² Colorado asserts that intrastate excursion rail passenger service is not subject to the Board's regulatory jurisdiction, citing Napa Valley Wine Train, Inc.-Pet. for Declaratory Order, 7 I.C.C.2d 954, 960–65 (1991) and cases discussed therein and Magner-O'Hara Scenic Ry. v. I.C.C., 692 F.2d 441 (6th Cir. 1982).