

is encouraged and will be solicited. Public outreach meetings will be held to discuss the information to be included in the SDEIS.

**DATES:** Initial outreach meeting will be held on Thursday April 19, 2001 at 6:00 p.m. at the location identified below. Subsequent meetings will be announced by mail, Internet, and other appropriate mechanisms, and conducted throughout the study area. Written comments should be sent to MTA New York City Transit by April 23, 2001. See

**ADDRESSES** below.

**ADDRESSES:** The initial outreach meeting will be held at the Metropolitan Transportation Authority, Fifth Floor Boardroom, 347 Madison Avenue, New York, New York. Subsequent meetings will be held throughout the study area.

**FOR FURTHER INFORMATION CONTACT:**

Irwin Kessman, Director, Office of Planning and Program Development, Federal Transit Administration, Region II, One Bowling Green, Suite 29-40, New York, NY 10004-1415; Telephone 212-668-2170. James Dubbs, Assistant Director, Government and Community Relations, MTA New York City Transit, 130 Livingston Street, Brooklyn, NY 11201; Telephone 718-694-5141. Additional project information may be obtained from the MTA website: <http://www.mta.nyc.ny.us/planning/index.html>.

**SUPPLEMENTARY INFORMATION:** The MESA DEIS evaluated four major alternatives: (1) Do-nothing or "No-Build," (2) Transportation System Management (primarily bus service changes and prioritizations), (3) Build Alternative 1 (subway extension of the Broadway Line, beneath Second Avenue from East 63rd Street to East 125th Street, and bus improvements), and (4) Build Alternative 2 (Build Alternative 1 plus a Light Rail system from 14th Street to Whitehall Street through the Lower East Side). The MESA DEIS suggested that Build Alternative 1 provided the best combination of improved transit mobility and accessibility, reduced auto and taxi trip making, and cost-effectiveness.

In this SDEIS, MTA/NYCT will evaluate a new "Build Alternative 3" and a No-Build Alternative. The Build Alternative 3 is a full-length two-track Second Avenue Subway alignment from the vicinity of 125th Street to the Financial District in Lower Manhattan. The alignment between 125th Street and 63rd Street is unchanged from the alignment presented in the DEIS, including a connection to the 63rd Street/7th Avenue Broadway line. Build Alternative 3 continues the subway beneath Second Avenue south of 63rd

Street, and for the portion of the Second Avenue Subway south of 14th Street, two alignment options will be evaluated in the SDEIS: Option A continues the subway beneath Chrystie Street, St. James Place, and Water Street to a terminal in Lower Manhattan. Option B proposes connecting the new subway to the existing tracks of the former BMT "Nassau Loop" beneath Kenmare Street to access Lower Manhattan.

The MESA DEIS originally presented a Light Rail Transit system alternative in the Lower East Side as a complementary project to the initial 125th Street to 63rd Street subway proposal. The SDEIS also will explore additional transit solutions to Lower East Side needs that may have fewer neighborhood impacts. Subsequent findings regarding Lower East Side transit solutions discussed in the SDEIS may supplement Build Alternative 3, or advance as an independent project.

The SDEIS will fully evaluate Build Alternative 3, including Options A and B, with respect to benefits and costs, environmental and other impacts (including any cumulative impacts) and proposed mitigation measures. The SDEIS will also provide responses to public comments received on the MESA DEIS during the public comment period, which occurred between August 13 and October 8, 1999.

While an alignment south of 63rd Street to Lower Manhattan was originally discussed during the preliminary MESA MIS, it was also considered during the Major Investment Study phase of the MTA's Lower Manhattan Access MIS. Much of the technical information gathered in the Lower Manhattan Alternatives MIS will be incorporated into the MESA SDEIS. The MTA will hold public meetings in late spring 2001 to discuss the conclusions and recommendations of the Lower Manhattan Alternatives MIS, which is scheduled for completion by the end of 2001.

As noted above the SDEIS will evaluate the potential social, economic and environmental impacts of a full-length Second Avenue Subway alternative. Upon completion the SDEIS will be made available for public and agency review and comment. Public hearing(s) will be held within the study area. On the basis of the SDEIS as well as comments received from the public participation process, a final EIS will be prepared.

Issued on: March 16, 2001.

**Letitia Thompson,**

*Regional Administrator, Federal Transit Administration.*

[FR Doc. 01-7070 Filed 3-21-01; 8:45 am]

**BILLING CODE 4910-57-P**

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[STB Finance Docket No. 33984]

#### **Borealis Infrastructure Trust Management Inc., Sole Trustee of the Borealis Transportation Infrastructure Trust—Acquisition Exemption—Detroit River Tunnel Company**

Borealis Infrastructure Trust Management Inc., sole trustee of the Borealis Transportation Infrastructure Trust (BTIT), a noncarrier, has filed a notice of exemption under 49 CFR 1150.37<sup>1</sup> to acquire, pursuant to a share and asset purchase agreement (agreement) with Canadian National Railway Company (CNR), CNR's undivided one-half interest in the Detroit River Tunnel Company (DRTC). The rail line of the DRTC extends for 3.24 miles between milepost 228.08 in Detroit, MI, and milepost 224.84 in Windsor, Ontario, CN, of which, according to BTIT, approximately 1.79 miles are located in the United States. The total area of DRTC's lands is approximately 27.894 acres, of which approximately 15.041 acres are located in Canada and approximately 12.853 acres are in the United States. In addition to an undivided one-half ownership interest in the DRTC, the agreement involves a long term lease of the Detroit River Tunnel property (the Tunnel), as well as CNR's undivided one-half ownership interest in certain improvements to the Tunnel. All shares of the stock of DRTC, a corporation of the State of Michigan and the Dominion of Canada, currently are held by CNCP Niagara-Detroit Partnership (N-D Partnership), which is equally owned by CNR and Canadian Pacific Railway Company (CPR).<sup>2</sup> As part of the proposed transaction, the N-D

<sup>1</sup> BTIT simultaneously filed a motion to dismiss the notice of exemption on jurisdictional grounds. That motion will be addressed by the Board in a separate decision.

<sup>2</sup> See *Canadian National Railway Company and Canadian Pacific Limited-Acquisition-Interests of Consolidated Rail Corporation in Canada Southern Railway Company and Detroit River Tunnel Company*, Finance Docket No. 30387 and *Canadian National Railway and Canadian Pacific Limited-Application for Trackage Rights Over Consolidated Rail Corporation Trackage in Detroit, MI*, Finance Docket No. 30387 (Sub-No. 1) (ICC served Sept. 4, 1984).

Partnership will be dissolved and its assets will be distributed to CNR and CPR, with CNR then transferring its undivided 50% interest in the Tunnel to BTIT. CPR and BTIT will form a new partnership, Detroit River Tunnel Partnership, which will be 50% owned by CPR and 50% owned by BTIT, and to which CPR and BTIT will contribute their undivided one-half interests in DRTC and the related Tunnel assets. BTIT certifies that its annual revenues will not exceed those that would qualify it as a Class III rail carrier.<sup>3</sup>

The transaction was scheduled to be consummated on or shortly after March 6, 2001, the effective date of the exemption (7 days after the exemption was filed).

Whether BTIT and its affiliates need an exemption for the acquisition described in this notice or need some other Board approval or exemption in connection with this transaction are matters that will be addressed by the Board in its consideration of BTIT's motion to dismiss.

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. 33984, 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 Fritz R. Kahn, 1920 N Street, N.W., 8th Floor, Washington, DC 20036-1601.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Dated: March 14, 2001.

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

**Vernon A. Williams,**  
Secretary.

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<sup>3</sup> This transaction is related to the following simultaneously filed verified notices of exemption: STB Finance Docket No. 34005, *Canadian Pacific Railway Company—Corporate Family Transaction Exemption—Interests in Detroit River Tunnel and Niagara River Bridge*; STB Finance Docket No. 34006, *Canadian Pacific Railway Company—Trackage Rights Exemption—Detroit River Tunnel Company*; STB Finance Docket No. 34007, *Canadian National Railway Company—Corporate Family Exemption—Interest in Detroit River Tunnel and Niagara River Bridge*; and STB Finance Docket No. 34001, *Canadian National Railway Company—Trackage Rights Exemption—Detroit River Tunnel Company*.

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[STB Finance Docket No. 34007]

#### Canadian National Railway Company— Corporate Family Transaction Exemption—Interest in Detroit River Tunnel and Niagara River Bridge

Canadian National Railway Company (CNR) has filed a notice of exemption under 49 CFR 1180.2(d)(3), for what CNR describes as a corporate family transaction involving CNR's creation with the Canadian Pacific Railway Company (CPR) of a new partnership, CNCP Niagara-Windsor Partnership (NWP), to control certain rail assets currently controlled by CNCP Niagara-Detroit Partnership (N-D Partnership). The transaction is related to CNR's anticipated transfer of certain interests in the Detroit River Tunnel property (the Tunnel) to Borealis Infrastructure Trust Management Inc., sole trustee of the Borealis Transportation Infrastructure Trust (BTIT). The Tunnel and other rail assets were acquired jointly by CNR and CPR in 1984, and those assets acquired by CNR and CPR at that time were placed under the control of N-D Partnership, of which CNR and CPR each hold an undivided 50% interest.<sup>1</sup> CNR states that the corporate arrangements described in and purported to be covered by this notice are beyond the scope of the Board's jurisdiction.<sup>2</sup>

The transaction was scheduled to be consummated on or shortly after March 6, 2001, the effective date of the exemption (7 days after the exemption was filed).<sup>3</sup>

<sup>1</sup> See *Canadian National Railway Company and Canadian Pacific Limited—Acquisition—Interests of Consolidated Rail Corporation in Canada Southern Railway Company and Detroit River Tunnel Company*, Finance Docket No. 30387 and *Canadian National Railway and Canadian Pacific Limited—Application for Trackage Rights Over Consolidated Rail Corporation Trackage in Detroit, MI*, Finance Docket No. 30387 (Sub-No. 1) (ICC served Sept. 4, 1984).

<sup>2</sup> CNR simultaneously filed a motion to dismiss the notice of exemption on jurisdictional grounds. That motion will be addressed by the Board in a separate decision.

<sup>3</sup> This transaction is related to the following simultaneously filed verified notices of exemption: STB Finance Docket No. 33984, *Borealis Infrastructure Trust Management Inc., Sole Trustee of the Borealis Transportation Infrastructure Trust—Acquisition Exemption—Detroit River Tunnel Company*; STB Finance Docket No. 34005, *Canadian Pacific Railway Company—Corporate Family Transaction Exemption—Interests in Detroit River Tunnel and Niagara River Bridge*; STB Finance Docket No. 34006, *Canadian Pacific Railway Company—Trackage Rights Exemption—Detroit River Tunnel Company*; and STB Finance Docket No. 34001, *Canadian National Railway Company—Trackage Rights Exemption—Detroit River Tunnel Company*.

The purpose of the transaction is to allow CNR and CPR to dissolve the N-D Partnership, permit distribution of the N-D Partnership assets to CNR and CPR, permit CNR's, transfer of its 50% interest in the Tunnel to BTIT, and then to allow CNR and CPR to create NWP.<sup>4</sup>

CNR has filed its notice of exemption under 49 CFR 1180.2(d)(3) based on its assertion that the proposed reorganization is exempt as one within the CNR corporate family.<sup>5</sup> As described, the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family, but whether CNR and its affiliates qualify for the corporate family transaction class exemption and whether they need that exemption or some other Board approval (or exemption) for the proposed transaction are matters that will be addressed by the Board in its consideration of CNR's motion to dismiss.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. As a condition to this exemption, any United States railroad employees, affected by the transaction will be protected by the conditions imposed in *New York Dock Ry.—Control—Brooklyn Eastern Dist.*, 360 I.C.C. 60 (1979).

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. 34007, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Paul A. Cunningham, HARKINS

<sup>4</sup> The properties that will be held by NWP include, as relevant here, the Canada Southern Railway Company (CSR), which is owned by N-D Partnership, whose lines are located entirely in Canada. CSR, in turn, controls the Niagara River Bridge Company, whose line extends across the U.S.-Canada border at Niagara Falls, NY.

<sup>5</sup> Unredacted versions of the draft Dissolution Agreement, the draft Distribution Agreement, and the draft Partnership Agreement, each relating to the dissolution of the N-D Partnership, and the creation of the NWP between CNR and CPR, as required by 49 CFR 1180.6(a)(7)(ii), were filed under seal. A motion for protective order was filed on February 27, 2001. That motion was granted and a protective order in this proceeding was served on March 14, 2001.