separate statements of affiliated companies. Furthermore, adherence to FASB No. 94 for all regulatory reporting purposes would be in keeping with our general policy of following GAAP unless such procedures are inconsistent with our regulatory requirements.

Certain modifications to FASB No. 94 would seem to be appropriate for our use, however. FASB No. 94 generally requires consolidated reporting for all majority-owned subsidiaries,[5] whether or not operating in the United States. For our regulatory reporting purposes, however, we would require consolidated reports for only the activities of commonly controlled U.S. railroads and their U.S. railroad-related affiliates.[6] We would not expect data on non-U.S. railroads and on non-railroad related operations to be included in consolidated reports filed with the Board.[7] Parties may comment on this issue, and on whether there are situations in which railroads under common control ought not to be required to report on a consolidated basis (for example, where the railroads under common control have no connection with one another except for a common parent).

We propose to require all railroads to follow FASB No. 94 standards in their reporting and to file reports on a consolidated basis, beginning with calendar year 2001 operations. This approach could change the ''classification'' status of some railroads,[8] whose revenues would be combined with the revenues of their corporate siblings to determine whether the railroads that are part of the commonly controlled families should be classified as Class I, Class II, or Class III.[9]

Carriers and other interested parties have 30 days following the issuance of this notice to submit comments regarding this proposal. After considering the comments, we will decide whether use of the FASB No. 94 standards will be mandated for all railroad reporting.[10]

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

Decided: September 18, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams,

Secretary.

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[5] Under GAAP, consolidated reporting is required when an entity has greater than 50 percent (direct or indirect) ownership of an affiliate.

[6] An affiliate is considered rail-related if it could not exist but for the revenues derived from, or support provided for, railroad operations. *See Supplemental Reporting*, 5 I.C.C.2d at 67–68.

[7] Indeed, when non-railroad-related activities are included in carrier reports to facilitate complete disclosure, the non-railroad-related activities should be segregated and the information reported separately.

[8] Railroads are classified according to their revenues. A Class I railroad is one that has annual revenues of at least $250 million, as indexed for inflation. A Class II railroad has inflation-adjusted annual revenues between $20 million and $250 million. And a Class III railroad has inflation-adjusted revenues below $20 million. *See* 49 CFR 1201, General Instruction 1–1.

[9] The parent of the commonly controlled railroads, whether that parent is a railroad or non-railroad, would be required to file consolidated financial reports. *See* 49 U.S.C. 721(b) (authorization for the collection of data from persons controlling a carrier). And if a family of carriers were to attain Class I status, it would be required to follow the Uniform System of Accounts (49 CFR Part 1201) and to file a variety of reports (49 CFR Part 1241–1248).

[10] Some Class I railroads currently file consolidated reports with the STB.

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB–55 (Sub–No. 580X)]

CSX Transportation, Inc.—Abandonment Exemption—in Muhlenberg and McLean Counties, KY

On September 5, 2000, CSX Transportation, Inc. (CSXT) filed with the Surface Transportation Board (Board) a petition under 49 U.S.C. 10502 for exemption from the provisions of 49 U.S.C. 10903 to abandon a portion of its line of railroad in the Midwest Region, known as its Nashville Division, O&N Nashville Subdivision, extending from railroad Milepost 00D–186.35 near Moorman in Muhlenberg County, KY, to railroad Milepost 00D–193.83 near Livermore in McLean County, KY, a distance of 7.48 miles. The line traverses United States Postal Service ZIP Codes 42327 and 42352 and includes no stations.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by the labor protective conditions imposed in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

By issuing this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued by December 22, 2000.

Any offer of financial assistance (OFA) under 49 CFR 1152.27(b)(2) will be due no later than 10 days after service of a decision granting the petition for exemption. Each offer must be accompanied by a $1,000 filing fee. *See* 49 CFR 1002.2(f)(25).

All interested persons should be aware that, following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use. Any request for a public use condition under 49 CFR 1152.28 or for trail use/rail banking under 49 CFR 1152.29 will be due no later than October 16, 2000. Each trail use request must be accompanied by a $150 filing fee. *See* 49 CFR 1002.2(f)(27).

All filings in response to this notice must refer to STB Docket No. AB–55 (Sub-No. 580X) and must be sent to: (1) Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423–0001; and (2) Natalie S. Rosenberg, 500 Water Street-J150, Jacksonville, FL 32202. Replies to the CSXT petition are due on or before October 16, 2000.

Persons seeking further information concerning abandonment procedures may contact the Board's Office of Public Services at (202) 565–1592 or refer to the full abandonment or discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis (SEA) at (202) 565–1545. [TDD for the hearing impaired is available at 1–800–877–8339.]

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by SEA will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Other interested persons may contact SEA to obtain a copy of the EA (or EIS). EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition.

The deadline for submission of comments on the EA will generally be within 30 days of its service.

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

Decided: September 15, 2000.

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

Vernon A. Williams,

Secretary.

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