

may be of any dollar value within the maximum amounts allowed for each area of interest (so long as those amounts do not exceed the total amount available under the BAA), but it is anticipated that most, if not all, individual awards (or that part of the Government's portion in a cost sharing arrangement) will have dollar values ranging between \$25,000 and \$500,000 each. Prospective offerors are advised that awards greater than \$500,000 will generally require the awardee (except a small business concern) to already have in place or prepare, at or before the time of award, an acceptable plan to maximize the participation of minority, women-owned and disadvantaged business enterprises. Because the range and diversity of activities that may be proposed under the BAA does not permit a common work statement, no single Standard Industrial Classification (SIC) code will be issued for the BAA. SIC codes will be specific to each individual contract award as determined by the type of activity in which the actual offeror will be engaged, and as a function of the ownership characteristics of the prospective offeror. Cost sharing by awardees is not mandatory under this BAA, however because of the potential for long-term benefits to those firms or institutions involved in these research and development activities, offerors are strongly encouraged to consider sharing the cost of their proposed projects.

#### Awards

Research projects, technology advancements, and/or demonstrations proposed under this BAA will be considered for award through a two-step process. In the first step, interested parties must submit a pre-proposal concept paper for each research project, technology advancement or demonstration (by area of interest) the applicant wishes the FRA to consider. The purpose of the pre-proposal concept paper is to preclude unwarranted and possibly costly effort on the part of interested parties whose proposed work may not be of interest to the FRA under this BAA. Pre-proposal concept papers submitted under this BAA will be subject to technical review in accordance with the established evaluation criteria. Based upon its evaluations, the FRA will subsequently notify each respondent who submits a pre-proposal concept paper as to whether the Government encourages or does not encourage the submission of a full proposal. In the second step, respondents whose pre-proposal concept papers are evaluated favorably and determined by the FRA to be

consistent with the objectives of the BAA and of interest to the Government, may be requested to submit a full technical and cost proposal or other information relative to the initial submission for further consideration. Such a request will NOT guarantee the applicant that an award will be forthcoming for the offered work or project, nor otherwise create an obligation on the part of the Government. Awards may take the form of contracts, grants or cooperative agreements. Contracts will be used when the principal purpose is the acquisition of supplies or services (including research and development) for the direct benefit or use of the Federal Government. Grants or cooperative agreements will be used when the principal purpose of the transaction is to stimulate or support research and development for another public purpose.

#### Areas of Technology Interest

Technologies which are high-priority research candidates for evaluation pursuant to this announcement include: (1) Grade crossing hazard mitigation systems. (2) Innovative, low cost technologies to improve track and structures. (3) Advance train control systems. (4) Non-electric locomotives and passenger equipment systems. (5) Other scientific study, technology adaptation, or demonstration directed toward advancing the state-of-the-art or increasing the knowledge or understanding of high-speed passenger rail service in the U.S.

#### Pre-Proposal Concept Papers and Preparation Instructions

Pre-proposal concept papers should be ten (10) pages or less (except as otherwise noted). Pre-proposal concept paper submissions must contain a Technical Concept Section and a Cost or Pricing Section, and when applicable, should contain a Phased or Follow-on Research Project Section. Specific content and format requirements and additional instructions for preparing submissions, as well as further information on the areas of interest themselves and the evaluation/selection process, are provided in the BAA 98-01 Package. Interested parties may obtain a copy of the BAA 98-01 Package by submitting a written request to U.S. Department of Transportation, Federal Railroad Administration, Office of Acquisition and Grants Services, RAD-30, 400 7th Street, SW, Mail Stop 50, Washington, DC 20590, or via telefacsimile request (Fax No. 202/632-3846), to the attention of the Grants/Contracting Officer, Mr. Riddle. The

request should also reference the Solicitation No. BAA 98-01. The BAA 98-01 Package should also be available on the Internet in July 1998,

#### Evaluation Criteria

Pre-proposal concept papers (and later full proposals or other submissions, if and when requested) will be evaluated using the following criteria, which are listed in descending order of relative importance: (1) The overall scientific merit and/or technical merits of the proposal. (2) The degree to which the overall proposed technical effort will advance U.S. high-speed rail technology, and the extent to which its application to railroad operations would improve intercity passenger operations through improved railroad capital equipment or infrastructure, traffic control centers, interfaces among these, or operating methods, and/or its potential for performance improvement in one or more qualities such as, cost effectiveness, reliability, safety, availability, or maintainability. (3) The technical qualifications and demonstrated experience of key personnel proposed to perform the technical efforts. (4) The administrative qualifications and demonstrated experience of the proposing organization to support projects such as those proposed. (5) The reasonableness and realism of the proposed costs and fee (if any). (6) The degree to which Federal funds are leveraged by private, non-Federal, and/or Federal funds available from sources other than FRA programs. (7) The availability of funds. THIS ANNOUNCEMENT CONSTITUTES THE ONLY SOLICITATION. NO OTHER REQUEST FOR PROPOSALS OR ANNOUNCEMENT WILL BE ISSUED.

Dated: June 18, 1998.

**James T. McQueen,**

*Associate Administrator for Railroad Development.*

[FR Doc. 98-16762 Filed 6-25-98; 8:45 am]

BILLING CODE 4910-06-P

#### DEPARTMENT OF TRANSPORTATION

##### Surface Transportation Board

[STB Finance Docket No. 33556]

**Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated—Control—Illinois Central Corporation, Illinois Central Railroad Company, Chicago, Central and Pacific Railroad Company, and Cedar River Railroad Company**

**AGENCY:** Surface Transportation Board.

**ACTION:** Decision No. 5 in STB Finance Docket No. 33556; Request for Comments on Procedural Schedule.

**SUMMARY:** The Surface Transportation Board (Board) is inviting comments from interested persons on a proposed procedural schedule for this proceeding. On February 12, 1998, Canadian National Railway Company (CNR), Grand Trunk Corporation (GTC), and Grand Trunk Western Railroad Incorporated (GTW),<sup>1</sup> and Illinois Central Corporation (IC Corp.), Illinois Central Railroad Company (ICR), Chicago, Central and Pacific Railroad Company (CCP), and Cedar River Railroad Company (CRRC),<sup>2</sup> filed a notice of intent (CN/IC-1)<sup>3</sup> to file a joint application seeking Surface Transportation Board (Board) authority under 49 U.S.C. 11321-26 for the acquisition of control, by CNR, through its indirect wholly owned subsidiary Blackhawk Merger Sub, Inc., of control of IC Corp. and through it of ICR and its railroad affiliates, and for the resulting common control by CNR of GTW and its railroad affiliates and ICR and its railroad affiliates.<sup>4</sup>

**DATES:** Written comments on the Board's proposed schedule must be filed with the Board no later than July 16, 1998. Applicants' reply is due by July 27, 1998.

**ADDRESSES:** Send an original and 25 copies of all pleadings referring to STB Finance Docket No. 33556 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of all documents in this proceeding must be sent to Administrative Law Judge David Harfeld, Federal Energy Regulatory Commission, Office of Administrative

Law Judges, 888 First Street, N.E., Suite 11F, Washington, DC 20426 [(202) 219-2514; FAX: (202) 219-3289] and to each of Applicants' representatives: (1) Paul A. Cunningham, Esq., Harkins Cunningham, 1300 19th Street, N.W., Suite 600, Washington, DC 20036-1609; and (2) William C. Sippel, Esq., Oppenheimer Wolff & Donnelly, Two Prudential Plaza, 45th Floor, 180 North Stetson Avenue, Chicago, IL 60601-6710. Comments should contain the name and address of the commenting party, any recommendations for changes to the attached proposed procedural schedule and support for any such changes.

In addition to submitting an original and 25 copies of all paper documents filed with the Board, the parties shall also submit, on disks or CDs, copies of all textual materials, electronic workpapers, data bases and spreadsheets used to develop quantitative evidence. Data must be submitted on 3.5 inch IBM-compatible floppy disks or CDs. Textual materials must be in, or convertible by and into, WordPerfect 7.0. Electronic spreadsheets must be in, or convertible by and into, Lotus 1-2-3 97 Edition, Excel Version 7.0, or Quattro Pro Version 7.0. A copy of each disk or CD submitted to the Board should be provided to any other party upon request.<sup>5</sup>

**FOR FURTHER INFORMATION CONTACT:** Julia M. Farr, (202) 565-1613. [TDD for the hearing impaired: (202) 565-1695.]

**SUPPLEMENTARY INFORMATION:** On May 20, 1998, Applicants filed a petition (CN/IC-5) to establish a proposed procedural schedule<sup>6</sup> as follows:

#### **Applicants' Proposed Procedural Schedule<sup>7</sup>**

F Primary Application and any related applications filed.

F + 30 Board notice of acceptance of primary application (and any related applications) published in the **Federal Register**.

<sup>5</sup> In Decision No. 3 (served May 19, 1998, and published on May 22, 1998, in the **Federal Register** at 63 FR 28442-44), we denied a petition for reconsideration of Decision No. 2, concerning the requirement that parties submit copies of all textual materials on disks or CDs, and stated that parties may individually seek a waiver from the disk-CD requirement.

<sup>6</sup> Applicants' proposed schedule is similar to the 180-day schedule proposed to the Interstate Commerce Commission by applicants in Finance Docket No. 32549, *Burlington Northern Inc. and Burlington Northern Railroad Company—Control and Merger—Santa Fe Pacific Corporation and The Atchison, Topeka and Santa Fe Railway Company (BN/SF)*.

<sup>7</sup> The term "F" designates the date of filing of the application and "F + n" means "n" days following that date.

F + 30 Environmental Report and Safety Integration Plan due.

F + 45 Notification of intent to participate in proceeding due. Description of anticipated inconsistent and responsive applications due; petitions for waiver or clarification due with respect to such applications.

F + 60 Inconsistent and responsive applications due. All comments, protests, requests for conditions, and any other evidence and argument in opposition to the Primary Application due. Comments by U.S. Department of Justice ("DOJ") and U.S. Department of Transportation ("DOT") due.

F + 75 Notice of acceptance (if required) of inconsistent and responsive applications published in the **Federal Register**.

F + 90 Response to inconsistent and responsive applications due. Response to comments, protests, requested conditions, and other opposition due. Rebuttal in support of primary application and related applications due.

F + 105 Rebuttal in support of inconsistent and responsive applications due.

F + 125 Briefs due, all parties (not to exceed 50 pages).

F + 145 Oral argument.

F + 150 Voting conference (at Board's discretion).

F + 180 Date of service of final decision.

The proposed schedule contains substantially shorter time periods than those provided for in the statute at 49 U.S.C. 11325. For instance, pursuant to 49 U.S.C. 11325(b)(1), written comments about an application may be filed with the Board within 45 days after Board notice of acceptance of the primary application (and any related applications) is published in the **Federal Register**. Applicants propose that comments be filed within 30 days of publication in the **Federal Register**. The proposed schedule also suggests that inconsistent and responsive applications be filed 30 days following acceptance of the primary application rather than the 90 days noted in the statute.

Comments in opposition to the Applicants' proposed procedural schedule were filed by the Brotherhood of Maintenance of Way Employees (BMWE), on June 2, 1998, and the United Transportation Union (UTU), on June 8, 1998. Both BMWE and UTU state that the proposed schedule is too short and urge the Board to adopt the statutory procedural schedule set forth at 49 U.S.C. 11325(b). Alternatively, UTU urges the Board to adopt a 350-day schedule modeled upon the procedural

<sup>1</sup> CNR, GTC, and GTW, and their affiliates, are referred to collectively as CN.

<sup>2</sup> IC Corp., ICR, CCP, and CRRC, and their affiliates, are referred to collectively as IC. CN and IC are referred to collectively as Applicants.

<sup>3</sup> CN/IC-1 reflected Applicants' expectation that they would file the Primary Application on or before June 12, 1998. In view of the need to take account of subsequent developments, Applicants state that they now expect to file in July.

<sup>4</sup> In Decision No. 2 (served March 13, 1998, and published that day in the **Federal Register** at 63 FR 12574), we found that the transaction contemplated by Applicants is a major transaction, as that term is defined at 49 CFR 1180.2(a); we assigned the proceeding to Administrative Law Judge David Harfeld for handling of all discovery matters and the initial resolution of discovery disputes; and we advised the parties that they will be required to submit all pleadings both in the required paper form and also as computer data contained on diskettes (disks) or compact discs (CDs).

In Decision No. 4 (simultaneously being served with this decision today), we address Applicants' petition (CN/IC-4) for waiver or clarification of certain filing requirements.

schedule issued by the Board in *CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company—Control and Operating Leases/Agreements—Conrail Inc., and Consolidated Rail Corporation*, STB Finance Docket No. 33388, Decision No. 6 (STB served May 30, 1997).

We do not at this time see any compelling reason to adopt a 6-month procedural schedule for this proceeding. The statute allows 16 months for the processing of major consolidation proceedings. Under 49 U.S.C. 11325(b)(3), the Board must conclude the evidentiary stage of the proceeding within 13 months of the application's filing date,<sup>8</sup> and must issue the final decision by the 90th day after the conclusion of the evidentiary stage. We believe that a 10-month procedural schedule would be sufficiently expeditious so as not to delay unnecessarily any benefits that would flow from the proposed integration of the CN and IC systems, while at the same time allowing sufficient time to develop the record upon which the Board's decision would be based. We propose to modify Applicants' proposed procedural schedule so as to conclude the evidentiary stage of this proceeding approximately 8 months after the application is filed, and to issue the final decision approximately 2 months thereafter.

Given the importance of the safe implementation of major rail consolidations, we propose to require Applicants to file Safety Integration Plans on Day (F + 30) as they have proposed. Also, we propose to require inconsistent and responsive applicants to file their Responsive Environmental Reports and Environmental Verified Statements on Day (F + 100), which is 20 days in advance of when inconsistent and responsive applications would be due.

Specifically, as for the remainder of the procedural schedule, we propose to modify Applicants' proposed schedule to allow 30 more days for parties intending to file comments, protests, requests for conditions, and any other opposition evidence and argument, so that these filings would not be due until 90 days after the application is filed [Day (F + 90)]. Comments from the U.S. Department of Justice (DOJ) and the U.S. Department of Transportation (DOT) would be due 120 days after the application is filed. Responses to

comments, protests, requested conditions, and other opposition (except DOJ and DOT), and also rebuttal in support of the primary application and related applications would be due on Day (F + 120). We propose to keep inconsistent and responsive applications due 120 days after the application is filed [Day (F + 120)] as provided for under 49 U.S.C.

11325(b)(2). Response to comments of DOJ and DOT would be due on Day (F + 150). Descriptions of anticipated inconsistent and responsive applications and petitions for waiver or clarification due with respect to such applications would be due on Day (F + 60) (rather than Day (F + 45)).

In addition, we propose adding 5 days for responses to inconsistent and responsive applications (which would be due Day (F + 155)), and adding 15 days for rebuttals for inconsistent and responsive applications (which would be due Day (F + 185)). Briefs would be due on Day (F + 205), and we are proposing page limitations for briefs for all parties to promote useful, focused filings, with Applicants permitted to file somewhat longer briefs, as they would have more points to address at that time than would other parties. We propose, however, adding 10 days to Applicants' proposed period of time for parties to prepare for oral argument, so that oral argument would occur on Day (F + 235). The oral argument would close the record. We propose (as did the Applicants) a 5-day interval between the oral argument and the voting conference, so that a voting conference would occur on Day (F + 240). We also propose allowing 60 days after the voting conference for the service of the Board's final decision on Day (F + 300).

#### **Proposed Procedural Schedule as Modified by The Board**

F Primary application and any related applications filed.

F + 30 Board notice of acceptance of primary application (and any related applications) published in the **Federal Register**.

F + 30 Safety Integration Plan due.

F + 45 Notification of intent to participate in proceeding due.

F + 60 Description of anticipated inconsistent and responsive applications due; petitions for waiver or clarification due with respect to such applications.

F + 90 All comments, protests, requests for conditions, and any other evidence and argument in opposition to the Primary Application due (except filings by U.S. Department of Justice (DOJ) and U.S. Department of Transportation (DOT)).

F + 100 Responsive Environmental Report and Environmental Verified Statements for inconsistent and responsive applicants due.

F + 120 Inconsistent and responsive applications due. Comments by DOJ and DOT due. Response to comments, protests, requested conditions, and other opposition (except DOJ and DOT) due. Rebuttal in support of primary application and related applications due.

F + 140 Notice of acceptance (if required) of inconsistent and responsive applications published in the **Federal Register**.

F + 150 Response to comments of DOJ and DOT due.

F + 155 Response to inconsistent and responsive applications due.

F + 185 Rebuttal in support of inconsistent and responsive applications due.

F + 205 Briefs due, all parties (not to exceed 50 pages for Applicants and not to exceed 25 pages for all other parties).

F + 235 Oral argument (close of record).

F + 240 Voting conference (at Board's discretion).

F + 300 Date of service of final decision.

Immediately upon each evidentiary filing, the filing party will place all documents relevant to the filing (other than documents that are privileged or otherwise protected from discovery) in a depository open to all parties, and will make its witnesses available for depositions. Access to documents subject to protective order will be appropriately restricted.<sup>9</sup> Discovery relating to applications and other filings (including responsive and inconsistent applications), where permitted, will begin immediately upon their filing. The Administrative Law Judge (ALJ) assigned to this proceeding will have the authority initially to resolve any discovery disputes.

#### **Environmental Review Process**

Based on consultations with Applicants, the Board's Section of Environmental Analysis (SEA) has determined that preparation of an Environmental Assessment (EA) is appropriate in this proceeding. This approach is consistent with the Board's environmental rules at 49 CFR 1105.6 (b)(4), which call for an EA in a merger or acquisition such as this proceeding. Also, in making its determination to prepare an EA, SEA considered the nature of the transaction, including the projected changes in train traffic, the

<sup>8</sup>Specifically, the statute requires the completion of the evidentiary stage within 12 months after publication of the **Federal Register** notice accepting the application. That publication is due no later than 30 days after the application is filed.

<sup>9</sup>In Decision No. 1 (served February 26, 1998), a protective order was issued in this proceeding.

anticipated changes at rail yards and intermodal facilities, and the number, type, and location of proposed construction projects. However, if SEA determines that this proceeding has the potential for significant environmental impacts, then SEA may prepare an Environmental Impact Statement, as required by the National Environmental Policy Act (NEPA).

Applicants originally proposed to file an environmental report 30 days after they filed their application. In a letter dated June 18, 1998, however, Applicants requested that SEA conduct a modified environmental review process in this proceeding. SEA concurs with this approach. Under this approach, Applicants will provide, with their application and operating plan, an environmental overview rather than an environmental report. This is consistent with the Board's environmental rules at 49 CFR 1105.10 (d), which waive the requirement for an environmental report for applicants that retain an independent third-party contractor to work under SEA's direction to prepare the necessary environmental documentation. For this proceeding, Applicants have retained the requisite independent third-party contractor.

With direction and guidance from SEA, Applicants will prepare and submit to SEA a Preliminary Draft Environmental Assessment (PDEA). Preparation of a PDEA is consistent with the Council on Environmental Quality regulations at 40 CFR 1506.5(b) that permit preparation of an environmental assessment by an applicant. Upon receipt of Applicants' PDEA, SEA will review and verify the environmental information provided by Applicants in this document. SEA will then prepare a Draft Environmental Assessment (Draft EA) for public review and comment. The Draft EA will include SEA's independent preliminary recommendations for mitigation to address potentially adverse environmental impacts.

As part of the environmental review process, Applicants also propose to submit a safety integration plan, which will fully describe the extensive plans they have for maximizing the safe operation of the combined system.

After reviewing all of the public comments on the Draft EA and conducting additional analyses, SEA will prepare a Final Environmental Assessment (Final EA). The Final EA will include SEA's final recommendations for environmental mitigation. The Board will consider all public comments, the Draft EA and Final EA, and SEA's environmental

recommendations in making its final decision in this proceeding.

#### Other Matters

Applicants recommend that, in addition to noting that new evidence may not be filed with briefs, the Board should further clarify that cross-examination depositions of rebuttal witnesses cannot be used as a vehicle for adding to the evidentiary record any documents not filed with the Board as part of the application or one of the rounds of evidentiary filings specifically provided for by the Board's schedule.

Applicants suggest that the Board include in its procedural schedule language which reminds parties that, in discovery and in submissions to the Board, they focus strictly on relevant issues.

Applicants request that the Board direct that parties wishing to engage in discovery consult with the ALJ designated to handle all discovery matters and to resolve initially all discovery disputes, and that the Board give the ALJ authority to adopt discovery guidelines and rule on discovery matters but not to modify the procedural schedule.

Applicants also suggest that the Board require appeals of ALJ decisions to be filed within 3 working days of the date of a bench ruling, or in its absence the date of a written ruling, with replies to appeals or to any motion filed with the Board to be filed within 3 working days.

We invite all interested persons to submit written comments on the procedural schedule we are proposing here. Comments must be filed by July 16, 1998. Applicants may reply by July 27, 1998.<sup>10</sup>

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

Decided: June 22, 1998.

By the Board, Chairman Morgan and Vice Chairman Owen.

**Vernon A. Williams,**

*Secretary.*

[FR Doc. 98-17132 Filed 6-25-98; 8:45 am]

BILLING CODE 4915-00-P

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[STB Finance Docket No. 33585]

**RailTex, Inc.—Control Exemption—Central Properties, Inc., The Central Railroad Company of Indianapolis, and The Central Railroad Company of Indiana**

**AGENCY:** Surface Transportation Board.

**ACTION:** Notice of exemption.

**SUMMARY:** Under 49 U.S.C. 10502, the Board exempts from the prior approval requirements of 49 U.S.C. 11323-25 the acquisition of control by RailTex, Inc., of The Central Railroad Company of Indianapolis and The Central Railroad Company of Indiana, Class III rail carriers, through the purchase of all of the stock of their noncarrier parent holding company, Central Properties, Inc.

**DATES:** The exemption will be effective July 26, 1998. Petitions to stay must be filed by July 13, 1998, and petitions to reopen must be filed by July 21, 1998.

**ADDRESSES:** Send an original and 10 copies of all pleadings referring to STB Finance Docket No. 33585 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423-0001. In addition, send one copy of pleadings to petitioner's representative: Karl Morell, Ball Janik LLP, Suite 225, 1455 F Street, NW, Washington, DC 20005.

**FOR FURTHER INFORMATION CONTACT:** Joseph H. Dettmar (202) 565-1600. [TDD for the hearing impaired (202) 565-1695.]

**SUPPLEMENTARY INFORMATION:** Additional information is contained in the Board's decision. To purchase a copy of the full decision, write to, call, or pick up in person from: DC News & Data, Inc., 1925 K Street, NW, Suite 210, Washington, DC 20006. Telephone: (202) 289-4357. [Assistance for the hearing impaired is available through TDD services (202) 565-1695.] Board decisions and notices are available on our website at WWW.STB.DOT.GOV.

Decided: June 22, 1998.

By the Board, Chairman Morgan and Vice Chairman Owen.

**Vernon A. Williams,**

*Secretary.*

[FR Doc. 98-17133 Filed 6-25-98; 8:45 am]

BILLING CODE 4915-00-P

<sup>10</sup> The comments of BMWE and UTU will be considered along with any other comments received in response to this notice.