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SEC

SERVICE DATE – SEPTEMBER 4, 2009

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 35247

GRENADA RAILWAY, LLC—ACQUISITION AND OPERATION EXEMPTION—
ILLINOIS CENTRAL RAILROAD COMPANY AND WATERLOO RAILWAY COMPANY

Decided: September 3, 2009

Grenada Railway, LLC (Grenada), a noncarrier, filed a verified notice of exemption (Grenada's Notice) under 49 CFR 1150.31 to acquire (by purchase) from the Illinois Central Railroad Company (ICR) and to operate a rail line approximately 175.4 miles long between milepost 403.0, at Southaven, MS, and milepost 703.8, near Canton, MS, and to acquire from Waterloo Railway Company and to operate a connecting rail line approximately 11.42 miles long between milepost 603.0, at Bruce Junction, MS, and milepost 614.42, at Water Valley Junction, MS.¹ All of the rail lines are located in the State of Mississippi.² On May 29, 2009, a notice of exemption (May 2009 Notice) was served and published in the Federal Register (74 FR 25799-800) in this proceeding for Grenada's acquisition and operation of the two lines.

On June 9, 2009, State of Mississippi Representative Sidney Bondurant (Rep. Bondurant) filed a petition to revoke the May 2009 Notice, arguing that Grenada's notice of exemption contains inaccurate and misleading information. On June 10, 2009, and June 29, 2009, Grenada replied to Rep. Bondurant's petition.

¹ Grenada's Notice had described this line as extending from milepost 603.0, at Water Valley Junction, to milepost 614.42, at Bruce Junction. In a letter received on June 3, 2009, the attorney for Grenada informed the Board that the milepost termini were inadvertently transposed in Grenada's Notice, and that the milepost termini should have been identified as milepost 603.0, at Bruce Junction, and milepost 614.42, at Water Valley Junction. On June 8, 2009, the Board issued a Notice to the Parties with the correct milepost termini (74 FR 27860).

² This transaction is related to a concurrently filed verified notice of exemption in STB Finance Docket No. 35249, Kern W. Schumacher—Continuance in Control Exemption—Grenada Railway, LLC and Natchez Railway, LLC, wherein Kern W. Schumacher seeks to continue in control of Grenada and Natchez Railway, LLC (Natchez), upon their becoming Class III rail carriers. STB Finance Docket No. 35249 is also related to STB Finance Docket No. 35248, Natchez Railway, LLC—Acquisition and Operation Exemption—Illinois Central Railroad Company, wherein Natchez seeks to acquire from ICR and to operate approximately 65.6 miles of rail line in Natchez, MS.

The petition to revoke raises issues that require further consideration by the Board. By this decision, the Board is instituting a proceeding under 49 U.S.C. 10502(d).

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

It is ordered:

1. Under 49 U.S.C. 10502(d), a proceeding is instituted.
2. This decision is effective on its date of service.

By the Board, Anne K. Quinlan, Acting Secretary.

Anne K. Quinlan
Acting Secretary