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SERVICE DATE – FEBRUARY 2, 2007

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-33 (Sub-No. 230X)

UNION PACIFIC RAILROAD COMPANY—ABANDONMENT EXEMPTION—IN LASSEN  
COUNTY, CA, AND WASHOE COUNTY, NV

Decided: February 1, 2007

By decision served on January 26, 2007 (January 26 decision), the Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903 the abandonment by Union Pacific Railroad Company (UP), of 21.77 miles of rail line in Washoe County, NV, and Lassen County, CA, and a .57-mile of line in Lassen County, CA. The Board granted this exemption subject to environmental conditions, standard employee protective conditions, and a historic preservation condition. The exemption is scheduled to become effective on February 25, 2007, unless stayed by the Board or unless a formal offer of financial assistance (OFA) under 49 U.S.C. 10904 and 49 CFR 1152.27(c)(1) is filed by February 5, 2007, 10 days after the January 26 decision's service date.

On November 8, 2006, Nevada Central Railroad (NCR) filed a notice of intent to file an OFA to purchase both lines proposed for abandonment. In the filing, NCR also requested that UP provide it with information necessary to formulate its OFA. On January 29, 2007, RTI Railroad Services (RTI) also filed a notice of intent to file an OFA. Both parties have requested that UP provide the financial data and information prescribed in 49 CFR 1152.27(a), including: the most recent report on the physical condition of the lines, UP's estimate of the net liquidation value (NLV) of the lines, data supporting the NLV, and the minimum purchase price of both lines.<sup>1</sup>

By letter filed on January 25, 2007, NCR requested that the time period for it to submit an OFA be tolled, until 10 days after it has received the data requested from UP, and/or no sooner than the additional allowance of time otherwise afforded by regulation. RTI's notice of intent to file an OFA also included a request to toll the deadline for it to file an OFA. The Board will consider requests to toll the period for filing an OFA when a petitioner has failed to provide a potential offeror with the information necessary to the development of an OFA and that information is not contained in the petition. See 49 CFR 1152.27(c)(1)(i)(C). In this case, because the information necessary to formulate an OFA has not been provided to potential offerors, NCR's and RTI's requests will be granted. Accordingly, an OFA will be due 10 days

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<sup>1</sup> In addition, RTI has specifically requested a real estate appraisal, a track chart and inventory of track material, an estimate of UP's salvage costs, and an estimate of rehabilitating the line to a Federal Railroad Administration Class 1 track standard.

after UP provides NCR and RTI with the requested information, and the effective date of the exemption will be extended until 10 days after the due date of filing the OFA.<sup>2</sup>

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

It is ordered:

1. The time period for NCR and RTI to file an OFA is tolled, until 10 days after UP provides NCR and RTI with the requested information.
2. UP is directed to notify the Board in writing that it has provided NCR and RTI with the information requested once it has done so.
3. The effective date of the exemption is postponed until 10 days after the due date for the filing of OFAs.
4. This decision is effective on its service date.

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

Vernon A. Williams  
Secretary

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<sup>2</sup> On November 2, 2006, Tulare Valley Railroad Company (Tulare Valley) also filed a notice of intent to file an OFA and asked UP for information needed to file an OFA. Tulare Valley has not sought a tolling of the OFA deadline.