

SERVICE DATE – MARCH 31, 2009

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-515 (Sub-No. 2)

CENTRAL OREGON & PACIFIC RAILROAD, INC.—ABANDONMENT AND  
DISCONTINUANCE OF SERVICE—IN COOS, DOUGLAS, AND LANE COUNTIES, OR

STB Finance Docket No. 35130

CENTRAL OREGON & PACIFIC RAILROAD, INC.—COOS BAY RAIL LINE

Decided: March 31, 2009

This decision dismisses the abandonment application filed by Central Oregon and Pacific Railroad, Inc. (CORP) in STB Docket No. AB-515 (Sub-No. 2) and terminates the show cause proceeding in STB Finance Docket No. 35130.

On April 11, 2008, the Board served a decision directing RailAmerica, Inc. (RailAmerica) and CORP to show cause why the Board should not consider CORP's ongoing failure to provide service on the Coos Bay Line in Oregon to be an unlawful abandonment and why CORP should not be required either to promptly repair the tunnels on the line and resume rail service or to seek abandonment authority.<sup>1</sup> CORP had embargoed the line on September 21, 2007, citing unsafe conditions in several tunnels, and the line remained embargoed when the Board served the April 11, 2008 show cause order.

On July 14, 2008, CORP filed with the Board an application, under 49 U.S.C. 10903, to abandon certain portions of the Coos Bay Line that it owned, namely from milepost 669.0 near Vaughn to milepost 763.13 near Cordes.<sup>2</sup> In the same application, CORP sought authority to discontinue service over portions of the line that it leased: (1) the Coquille Branch extending from milepost 763.13 near Cordes to milepost 785.5 near Coquille; and (2) the LPN Branch extending from CORP milepost 738.8 to LPN Branch milepost 2.0. Three days prior to CORP's filing of the abandonment/discontinuance application, the Port filed a feeder line application

---

<sup>1</sup> Central Oregon & Pacific Railroad, Inc.—Coos Bay Rail Line, STB Finance Docket No. 35130 (STB served Apr. 11, 2008). RailAmerica and CORP timely responded to the order. The Board also received comments from the Oregon International Port of Coos Bay (the Port), the State of Oregon, and the Coos-Siskiyou Shippers Coalition.

<sup>2</sup> See Central Oregon & Pacific Railroad, Inc.—Abandonment and Discontinuance of Service—in Coos, Douglas, and Lane Counties, OR, STB Docket No. AB-515 (Sub-No. 2) (Coos Bay Line Abandonment).

under 49 U.S.C. 10907.<sup>3</sup> The Port sought to acquire not only the portions of the line for which CORP was seeking abandonment authority, but also an additional 17 miles of the line from milepost 669.0 near Vaughn to milepost 652.114 near Danebo, over which CORP intended to retain ownership and operating authority.

After holding a public hearing in Eugene, OR, in August 2008, and developing a record in both the feeder line and abandonment/discontinuance proceedings, on October 31, 2008, the Board simultaneously served decisions granting both applications. The Board imposed a condition delaying CORP's ability to exercise the abandonment authority until resolution of the feeder line proceeding noting that, if the parties consummated the feeder line sale, the Board would dismiss the abandonment application.<sup>4</sup>

On March 13, 2009, CORP provided notice to the Board that the parties had consummated the feeder line sale on that date. Accordingly, pursuant to the October 31, 2008 decision in STB Docket No. AB-515 (Sub-No. 2), CORP's application for abandonment authority filed July 14, 2008, will be dismissed.<sup>5</sup> However, the discontinuance of service authority granted to CORP regarding the portions of track that it leases will continue to be effective.<sup>6</sup> Additionally, because CORP no longer owns the portions of the line implicated in the show cause proceeding (STB Finance Docket No. 35130), that proceeding is now moot and will be terminated.

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

It is ordered:

1. CORP's application for abandonment authority in STB Docket No. AB-515 (Sub-No. 2) is dismissed.
2. The discontinuance of service authority granted to CORP by decision served October 31, 2008 in STB Docket No. AB-515 (Sub-No. 2) continues to be effective.
3. The proceeding in STB Finance Docket No. 35130 is terminated.

---

<sup>3</sup> See Oregon International Port of Coos Bay—Feeder Line Application—Coos Bay Line of the Central Oregon & Pacific Railroad, Inc., STB Finance Docket No. 35160.

<sup>4</sup> Coos Bay Line Abandonment, slip op. at 14-15 (STB served Oct. 31, 2008).

<sup>5</sup> Id.

<sup>6</sup> Id., slip op. at 13.

4. This decision is effective on its service date.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

Anne K. Quinlan  
Acting Secretary