

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 35416

ARKANSAS MIDLAND RAILROAD COMPANY, INC.—ALTERNATIVE RAIL
SERVICE—LINE OF CADDO VALLEY RAILROAD COMPANY

Decided: October 15, 2010

Digest: Arkansas Midland Railroad Company's authority to provide emergency rail service on a rail line in Gurdon, Ark. is extended to February 14, 2011.¹

On September 10, 2010, Arkansas Midland Railroad Company, Inc. (AKMD) filed an unopposed petition pursuant to 49 U.S.C. § 11123 and 49 C.F.R. pt. 1146 for an emergency service order allowing it to provide local rail service for an initial period of 30 days on 3 miles of rail line at Gurdon, Ark. (Gurdon Segment), now owned by Caddo Valley Railroad Company (CVR). In a decision served on September 17, 2010, the Board granted AKMD's petition for an initial period of 30 days, and AKMD began service on September 20, 2010.

In a petition filed on October 8, 2010, AKMD seeks an extension of its service authority for 120 days. AKMD explains that CVR has ceased operations, has no serviceable locomotives, and is not in a financial position to obtain a locomotive or to resume service. AKMD further explains that it will meet with CVR on October 11, 2010, to discuss the long-term disposition of the Gurdon Segment, and it believes a 120-day extension will provide sufficient time for the parties to reach an agreement on and consummate a transfer of the line. AKMD states that CVR and the two active shippers on the line support the extension, as does the connecting carrier, Union Pacific Railroad Company. No opposition to the requested extension has been filed.

DISCUSSION AND CONCLUSIONS

Alternative rail service orders may not exceed 30 days initially under § 11123(a), but may be extended for an additional 240 days, if the Board finds that a transportation emergency continues to exist. See 49 U.S.C. § 11123(c)(1). AKMD has requested an extension of the service authorization for an additional 120 days, which all other interested parties support. The record in this case shows that the transportation emergency continues to exist and that the extension of the alternative rail service is appropriate. The record also indicates that the parties

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

are working toward a long-term solution to the situation. This extension should provide the parties the requisite time to finalize a permanent arrangement for future operations on the Gurdon Segment.

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

It is ordered:

1. Petitioner's unopposed petition for extension of the emergency service authority is granted, and AKMD is authorized to provide alternative rail service on the Gurdon Segment for an additional 120 days, until February 14, 2011.

2. This decision is effective on its service date.

By the Board, Chairman Elliott, Vice Chairman Mulvey, and Commissioner Nottingham.