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SERVICE DATE – FEBRUARY 2, 2007

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-865X

HONEY CREEK RAILROAD, INC.–ABANDONMENT EXEMPTION–
IN HENRY COUNTY, IN

Decided: January 31, 2007

The Honey Creek Railroad, Inc. (HCR) filed a notice of exemption under 49 CFR 1152 Subpart F–Exempt Abandonments to abandon its entire approximately 5.9-mile line of railroad, between Sulphur Springs and New Castle, in Henry County, IN. Notice of the exemption was served and published in the Federal Register on August 20, 2004 (69 FR 51751). In the August 20 notice, the Board stated that, if consummation has not been effected by HCR’s filing of a notice of consummation by August 20, 2005, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire.

By decision and notice of interim trail use or abandonment (NITU) served September 20, 2004, the proceeding was reopened and a 180-day period was authorized for the Indiana Trails Fund, Inc. (ITF), to negotiate an interim trail use/rail banking agreement with HCR for the entire line pursuant to the National Trails System Act, 16 U.S.C. 1247(d) (Trails Act).¹ The trail use negotiating period expired on March 20, 2005.

By decisions served July 22, 2005, February 6, 2006, and August 15, 2006, the due date for filing a notice of consummation was extended to February 11, 2007.

On January 16, 2007, HCR filed a request to extend indefinitely the time to file its notice of consummation. HCR states that an indefinite extension is needed so as to maintain the status quo in this abandonment proceeding pending resolution of the issues presented to the Board in its petition for declaratory order filed pursuant to an order of the Circuit Court of Henry County, Indiana,² referring a jurisdictional question involving whether HCR had abandoned the above-described rail line.³ HCR further states that an indefinite extension of the deadline for filing a notice of consummation will avoid the necessity of further periodic requests for such extensions

¹ The September 20, 2004 decision also imposed a public use condition, which expired on March 20, 2005.

² Case No. 33C01-0506-CT-0019, Honey Creek Railroad, Inc. v. Gary L. Roberts et al.

³ See Honey Creek Railroad, Inc.-Petition for Declaratory Order, STB Finance Docket No. 34869 (STB served Jan. 8, 2007).

and will ensure that HCR retains an effective abandonment authorization until finalization of the proceedings in STB Finance Docket No. 34869.

Under 49 CFR 1152.29(e)(2), a railroad may, for good cause shown, file a request for an extension of time to file a notice of consummation in abandonment proceedings. Good cause has been shown and the deadline for filing the notice of consummation will be extended. This extension, however, will be limited to a period of 1-year (until February 11, 2008). HCR can seek a further extension at that time if necessary.

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

It is ordered:

1. HCR's request for an extension of time to file a notice of consummation is granted.
2. The authority to abandon must be exercised, and the notice of consummation must be filed, on or before February 11, 2008.
3. This decision is effective on its service date.

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

Vernon A. Williams
Secretary