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SERVICE DATE – JANUARY 31, 2011

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. EP 695

CONSOLIDATED RAIL CORPORATION'S SALES AND DISCONTINUANCES

Decided: January 28, 2011

In a decision served May 17, 2010, in this proceeding, the Board ordered Consolidated Rail Corporation (Conrail) to submit a full explanation by July 1, 2010, of (1) how and under what authority it came purportedly to transfer title to parts of a 2.27 mile line of railroad in Hudson County, N.J., known as the "Lehigh Valley Main Line" (the Line), to New Jersey Transit Corporation, and (2) when and under what authority and circumstances it purported to discontinue service on the Line. The Board also ordered Conrail to disclose all of its line or partial line sales and all of its discontinuances of service since January 1, 1996, for which no Board authority was sought and no exemption notice was filed, along with an explanation of why Board authority was not sought and no exemption notice was filed.

The decision resulted from the Board's concerns about Conrail seeking abandonment authority over the Line in November 2008 without disclosing that it had sold portions of the Line in 1996 without Board authorization.<sup>1</sup> On July 1, 2010, Conrail filed a detailed explanation concerning the transfer of, and discontinuance of service on, the Line in accordance with the decision. On September 27, 2010, Conrail filed a report explaining that it had fully searched its records and found no other line or partial line sales or discontinuances since January 1, 1996, for which Board authority was required and was not sought and obtained.

Conrail has provided information responsive to the Board's concerns and has not identified deficiencies similar to the Lehigh Valley Main Line. Accordingly, this proceeding will be terminated.

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

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<sup>1</sup> In a decision served concurrently, the Board granted abandonment authority over the Line and exempted the Line from the Board's offer of financial assistance provisions at 49 U.S.C. § 10904. Consol. Rail Corp.—Aban. Exemption—in Hudson Cnty., N.J., AB 167 (Sub-No. 1190X) (STB served May 17, 2010).

It is ordered:

1. This proceeding is terminated.
2. This decision is effective on its service date.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.