

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. AB 1087 (Sub-No. 1X)

GRENADA RAILWAY LLC—ABANDONMENT EXEMPTION—IN MONTGOMERY,
CARROLL, HOLMES, YAZOO, AND MADISON COUNTIES, MISS.

Docket No. AB 1087 (Sub-No. 2X)

GRENADA RAILWAY LLC—ABANDONMENT EXEMPTION—IN YALOBUSHA
COUNTY, MISS.

Decided: July 22, 2014

On December 17, 2013, Grenada Railway LLC (GRYR) filed with the Surface Transportation Board (Board) in Docket No. AB 1087 (Sub-No. 1X) a petition under 49 U.S.C. § 10502 for exemption from the prior approval requirements of 49 U.S.C. § 10903 to abandon the segment of its line of railroad between milepost 626.1 near Elliot and milepost 703.8 near Canton, a distance of 77.7 miles, in Montgomery, Carroll, Holmes, Yazoo, and Madison Counties, Miss. Notice of the petition was served and published in the Federal Register on January 6, 2014 (79 Fed. Reg. 702). In that notice, the Board instituted an exemption proceeding and notified the public that any replies to GRYR's petition for exemption would be due no later than January 27, 2014.¹

Shortly thereafter, on January 2, 2014, GRYR filed in Docket No. AB 1087 (Sub-No. 2X) a verified notice of exemption under 49 C.F.R. pt. 1152 subpart F – Exempt Abandonments to abandon its Water Valley Branch railroad line between milepost 604.0 at Water Valley Junction and milepost 614.42 at Bruce Junction, a distance of 10.42 miles in Yalobusha County, Miss. Notice of the proposed abandonment was served and published in the Federal Register on January 22, 2014 (79 Fed. Reg. 3,663). The Board's notice stated that the exemption would take effect on February 21, 2014, unless a formal expression of intent to file an offer of financial assistance (OFA) had been received or the exemption was stayed pending reconsideration.² On

¹ Requests for a public use condition under 49 C.F.R. § 1152.28 or for interim trail use/rail banking under 49 C.F.R. § 1152.29 were also due by January 27, 2014.

² The Board's notice also provided that petitions to stay that do not involve environmental issues, formal expressions of intent to file an OFA under 49 C.F.R. § 1152.27(c)(2), and interim trail use/rail banking requests under 49 C.F.R. § 1152.29 were due by February 3, 2014, and that petitions to reopen or requests for public use conditions under 49 C.F.R. § 1152.28 were due by February 11, 2014.

January 27, 2014, the Board's Office of Environmental Assessment (OEA) issued an environmental assessment (EA) regarding the proposed abandonment and set a deadline of February 10, 2014, for public comments on the EA.

On January 17 and January 31, 2014, the Mississippi Transportation Commission (MTC) filed letters in these two proceedings, each stating that MTC would like to explore all alternatives to the proposed abandonment and asking the Board to defer the due date for filing protests or comments until April 28, 2014.³ GRYR agreed to both requested postponements,⁴ and the Board granted both. On February 14, 2014, OEA issued an EA in Docket No. AB 1087 (Sub-No. 1X), which also adopted the same April 28, 2014 comment deadline.

On April 11, 2014, the North Central Mississippi Regional Railroad Authority (NCMRRRA) filed functionally identical letters in both dockets asking for an additional 60-day extension of the filing deadline for protests and comments, until June 27, 2014. MTC filed in support of the extension requests and GRYR stated that it did not object.⁵ The Board granted both extension requests.⁶

Further extension requests were filed by NCMRRRA in the two dockets on June 30, 2014. These requests ask for an additional 120-day extension of the filing deadlines for protests and comments. NCMRRRA states that it is in negotiations with two interested short line operators that are considering providing equity funding to complete the purchase of the lines, but that additional time is needed to complete the necessary due diligence. NCMRRRA also states that it is working with the Federal Railroad Administration to identify funds for enhancing the lines once they have been acquired. No replies to NCMRRRA's latest extension requests have been received.

³ Docket No. AB 1087 (Sub-No. 1X), MTC Letter 1, Jan. 17, 2014; Docket No. AB 1087 (Sub-No. 2X), MTC Letter 1, Jan. 31, 2014.

⁴ Docket No. AB 1087 (Sub-No. 1X), GRYR Letter 1, Jan. 22, 2014; Docket No. AB 1087 (Sub-No. 2X), GRYR Letter 1, Jan. 31, 2014.

⁵ MTC Letter 1, Apr. 14, 2014; GRYR Letter 1, Apr. 14, 2014.

⁶ In Grenada Railway—Abandonment Exemption—in Montgomery, Carroll, Holmes, Yazoo, & Madison Counties, Mississippi, AB 1087 (Sub-No. 1X) et al. (STB served Apr. 24, 2014), the procedural schedule was adjusted so that replies to GRYR's petition were due June 27, 2014, and any offers of financial assistance (OFA) under 49 C.F.R. § 1152.27(b)(2) were due 10 days after the service date of a decision granting the petition for exemption. That same decision adjusted the procedural schedule in Grenada Railway—Abandonment Exemption—in Yalobusha County, Mississippi, Docket No. AB 1087 (Sub-No. 2X), so that petitions for stays or reopening, requests for interim trail use/rail banking under 49 C.F.R. § 1152.27(c)(2), requests for public use conditions under 49 C.F.R. § 1152.29, and comments on the EA were due June 27, 2014; any OFAs were due 10 days after the service date of a decision granting the petition for exemption in Docket No. AB 1087 (Sub-No. 1X); and the effective date of the exemption was set at 10 days after the OFA deadline.

The Board favors the private resolution of disputes whenever possible. Here, GRYR has not indicated that it opposes the request. Further, granting the extension appears to be in the best interest of preserving rail service on the affected lines. Accordingly, the Board will modify the comment deadlines as requested and restate other procedural deadlines, as follows:

In Docket No. AB 1087 (Sub-No 1X):

- Replies to GRYR's petition⁷ and comments regarding the Board's EA are due on October 27, 2014.
- OFAs under 49 C.F.R. § 1152.27(b)(2) will be due no later than 10 days after the service date of a decision granting the petition for exemption.

In Docket No. AB 1087 (Sub-No. 2X):

- All petitions for stays or reopening, requests for interim trail use/rail banking under 49 C.F.R. § 1152.27(c)(2), requests for public use conditions under 49 C.F.R. § 1152.29, and comments regarding the Board's EA are due on October 27, 2014.
- OFAs under 49 C.F.R. § 1152.27(b)(2) will be due no later than 10 days after the service date of a decision granting GRYR's pending petition for abandonment exemption in Docket No. AB 1087 (Sub-No. 1X).⁸
- The effective date of the exemption will be 10 days after the OFA deadline.

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

It is ordered:

1. The procedural schedules in Docket Nos. AB 1087 (Sub-No. 1X) and AB 1087 (Sub-No. 2X) are modified as discussed above.
2. This decision is effective on its date of service.

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

⁷ On December 27, 2013, Robert Riley filed a motion to reject the petition. Mr. Riley's motion will be addressed in a subsequent Board decision.

⁸ Each OFA must be accompanied by the filing fee of \$1,600. A notice of intent to file an OFA is not required because the Board previously waived the requirement under 49 C.F.R. § 1152.27(c)(2) for parties seeking to file an OFA in the Sub-No. 2X proceeding to first file a formal expression of intent to do so. Grenada Ry.—Aban. Exemption—in Yalobusha Cnty., Miss., Docket No. AB 1087 (Sub-No. 2X), slip op. at 2 n.6 (STB served Feb. 7, 2014).