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SERVICE DATE – FEBRUARY 27, 2009

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-491 (Sub-No. 2X)

R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA
LINES, INC.—ABANDONMENT EXEMPTION—IN CLEARFIELD, JEFFERSON, AND
INDIANA COUNTIES, PA

IN THE MATTER OF A REQUEST TO SET TERMS AND CONDITIONS

Decided: February 26, 2009

R. J. Corman Railroad Company/Pennsylvania Lines, Inc. (RJCP), filed a notice of exemption under 49 CFR 1152 Subpart F—Exempt Abandonments to abandon a 7-mile segment of rail line known as the Hillman Branch, extending from milepost 0 near McGees to the end of the line at milepost 7 near Hillman, in Clearfield, Jefferson, and Indiana Counties, PA (line). Notice of the exemption was served and published in the Federal Register on October 7, 2008 (73 FR 58710-11). The exemption was scheduled to become effective on November 6, 2008, unless an offer of financial assistance (OFA) was timely filed.

On October 15, 2008, P&N Coal Company, Inc. (P&N), timely filed a formal expression of intent to file an OFA, automatically staying the effective date of the exemption and extending the due date for an OFA to be filed until November 6, 2008. Prior to the OFA due date, P&N filed an OFA and also requested additional time to supplement or amend its OFA. This request was granted by decision served on November 5, 2008. Subsequently, P&N timely filed a revised OFA under 49 U.S.C. 10904 and 49 CFR 1152.27(c) to purchase the line. By decision served on December 4, 2008, P&N was found to be financially responsible and the effective date of the exemption was further postponed to permit the OFA process to proceed.

The parties could not reach an agreement for the sale of the line, and, on December 31, 2008, P&N filed a request that the Board set the terms and conditions for the sale of the line. By decision served on January 30, 2009 (January 30 decision), the Board set the purchase price for the line at \$473,469 and established terms for transfer of the line. The January 30 decision stated that its terms would become binding on the parties unless P&N notified the Board and RJCP by February 9, 2009, of P&N's withdrawal of its offer to purchase the line. In a letter filed on February 9, 2009, P&N states that it accepts the Board's terms and conditions for the purchase of the line.

When a person offering to purchase a line accepts the terms and conditions set by the Board, the Board's decision is binding. See 49 U.S.C. 10904 and 49 CFR 1152.27(h)(7). Accordingly, the sale will be approved and the notice of exemption will be dismissed.

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

It is ordered:

1. Under 49 U.S.C. 10904, P&N is authorized to acquire the line.
2. Under 49 U.S.C. 10904 and 49 CFR 1152.27(h)(7), the notice of exemption is dismissed, effective on the date the sale is consummated.
3. This decision is effective on its service date.

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

Anne K. Quinlan
Acting Secretary