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SEC

SERVICE DATE – JUNE 27, 2007

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. 42080

MINNESOTA NORTHERN RAILROAD, INC.
v.
CANADIAN NATIONAL RAILWAY COMPANY

Decided: June 26, 2007

In a decision served on March 18, 2005 (March 2005 Decision), the Board addressed the complaint filed by Minnesota Northern Railroad, Inc. (MNN), against Canadian National Railway Company (CN), regarding which party should bear the cost of restoring the switch at Warroad, MN, to connect a CN line with an MNN line. The Board determined that both parties bore some responsibility and ordered the parties to negotiate a reasonable arrangement for the reinstallation of the interchange facilities at Warroad. The Board further stated that, if the parties were unable to reach an agreement, either could seek a prescription from the Board.

Because the Board had not received word from the parties regarding progress in their negotiations, by decision served on August 10, 2006, the parties were directed to file a status report regarding any completed or continuing negotiations. The Board has received letter responses from each party. In a letter filed on September 11, 2006, CN urged that the proceeding be discontinued due to MNN's alleged unwillingness to assume any financial responsibility for reinstalling the switch at Warroad. In a letter filed on September 12, 2006, MNN maintained that it had submitted a settlement proposal to CN that remained open. MNN suggested that the Board retain jurisdiction over this matter for 2 more years or some reasonable additional period of time so that the parties can continue negotiations. In a further letter filed on September 20, 2006, CN stated that it had rejected MNN's settlement proposal because that proposal did not contain an adequate commitment from MNN. CN stated that it is willing to work with MNN to develop reasonable interchange arrangements at Warroad, but that there is no need to continue this proceeding because the March 2005 Decision provides sufficient guidance for further discussions.

More than 9 months have passed since the parties filed these letters, and there have been no further submissions regarding the status of negotiations. The parties have had more than sufficient time to negotiate a compromise guided by the March 2005 Decision. Moreover, neither party has sought any further specific Board action. Accordingly, there is little to be gained by continuing to hold this proceeding open. This proceeding will therefore be discontinued.

It is ordered:

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

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams
Secretary