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SERVICE DATE - MAY 2, 2001

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-55 (Sub-No. 571X)

CSX TRANSPORTATION, INC.—ABANDONMENT EXEMPTION—
IN SAGINAW COUNTY, MI

Decided: April 25, 2001

By decision served June 18, 1999, CSX Transportation, Inc. (CSXT), was granted an exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 to abandon a 2.29-mile portion of its line in Saginaw County, MI. The exemption was scheduled to become effective on July 18, 1999, unless a formal offer of financial assistance (OFA) was filed by June 28, 1999.

On June 28, 1999, Mid-Michigan Railroad, Inc. (MMRR), filed an OFA to purchase the line. In a decision served July 2, 1999, MMRR was found to be financially responsible and the effective date of the decision authorizing abandonment was postponed. By decision served July 21, 1999, MMRR was authorized to acquire the line and the petition for exemption was dismissed, effective on the date the sale was consummated.

In the June 18, 1999 decision, the Board stated that, if consummation had not been effected by CSXT's filing of a notice of consummation by June 18, 2000, the authority to abandon would automatically expire. On June 15, August 28, and December 11, 2000, CSXT filed requests to extend for an additional 90 days the time to consummate the abandonment. According to the railroad, the parties were in the process of finalizing the sale documents, but such documents would not be completed by the scheduled deadline for consummation. By decisions served June 23, September 13, and December 14, 2000, CSXT's requests were granted, and the consummation date was extended to September 16 and December 15, 2000, and March 31, 2001, respectively.

On April 6, 2001, CSXT filed a letter stating that the parties no longer desire to progress the sale through the OFA process. CSXT further states it has decided to let its abandonment authority lapse and to retain the rail line as an active line.

Because the parties have mutually agreed to end the OFA process, that proceeding will be discontinued. Moreover, because the railroad did not exercise its abandonment authority by March 31, 2001, and instead announced its intention to continue service over the line, the abandonment authority has expired and the line remains subject to the Board's jurisdiction.

This action will not significantly affect either the quality of the human environment or the

conservation of energy resources.

It is ordered:

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

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

Vernon A. Williams
Secretary