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SERVICE DATE – DECEMBER 24, 2014

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 35888

THE GREAT LAKE PORT CORPORATION D/B/A GRAND RIVER RAILWAY—
ACQUISITION AND OPERATION EXEMPTION—CSX TRANSPORTATION, INC.

Digest:¹ In this docket, the Great Lake Port Corporation d/b/a Grand River Railway seeks authority to acquire and operate a rail line under our streamlined class exemption process and has asked that the requested exemption be permitted to take effect sooner than provided for under the Board's regulations. In this decision the Board grants the request to accelerate the effective date of the exemption.

Decided: December 23, 2014

On December 8, 2014, the Great Lake Port Corporation d/b/a Grand River Railway (GRR) filed a verified notice of exemption under 49 C.F.R. § 1150.31 to permit it to acquire and operate as a common carrier approximately 2.56 miles of CSX Transportation, Inc. (CSXT) track. The track runs between Painesville, former B&O Valuation Station 2535+40, and Grand River, at the end of the track, former Conrail Valuation Station 45+01, in Lake County, Ohio (the Line).² Notice of the exemption was served and published in the Federal Register on December 22, 2014 (79 Fed. Reg. 76,445).

Along with its verified notice, GRR also filed a petition asking that we waive, with respect to this transaction, the provision under 49 C.F.R. § 1150.32(b) that an exemption will become effective 30 days after the verified notice is filed. GRR asks that the Board reduce the period before the exemption becomes effective from 30 days to 18 days so that GRR can acquire the Line by December 26, 2014.

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² In 2003, the Board permitted the abandonment and discontinuance of service over the Line. See N.Y. Cent. Lines—Aban. Exemption—in Lake Cnty., Ohio, AB 565 (Sub-No. 11X), et al. (STB served Jan. 31, 2003). CSXT consummated the abandonment in 2004, see CSXT letter, N.Y. Cent. Lines—Aban. Exemption—in Lake Cnty., Ohio, AB 565 (Sub-No. 11X) (filed Dec. 29, 2004), and, according to GRR, reclassified it as industry track.

GRR argues that granting the petition would enable it to conduct a thorough evaluation of the Line's physical condition, assess the need for rehabilitation, order materials required for rehabilitation, and plan the work for when northern Ohio weather permits. Additionally, GRR states that it would recognize "budgetary benefits" and may enjoy tax advantages in closing the transaction in 2014. GRR also asserts that CSXT would obtain tax savings by closing the transaction by December 26. GRR claims that no other party would be harmed and that the sooner GRR can acquire the Line, the sooner it can restore common carrier service on it.³ Finally, it claims that the Board has previously issued authority expeditiously due to a carrier's tax and budgeting needs.

We will grant GRR's petition. Allowing the exemption to take effect sooner than the normal 30 days will assist the parties with their transaction.⁴ GRR states that expediting the effective date of our authority would allow GRR to more quickly provide service on the Line. The record does not suggest that any party would be harmed.⁵ Accordingly, the exemption will become effective on December 26, 2014.

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

It is ordered:

1. GRR's petition for waiver is granted.
2. GRR's acquisition and operation exemption will be effective on December 26, 2014.
3. This decision is effective on its date of service.

By the Board, Chairman Elliott, Vice Chairman Miller, and Commissioner Begeman.

³ GRR states in its verified notice that, after rehabilitating the Line, it intends to commence common carrier service to Morton Salt, which is located at the end of the Line, and any other shipper that requests service.

⁴ See Kan. City S. Ry.—Acquis. & Operation Exemption—Columbus & Greenville Ry., FD 35094 (STB served Dec. 13, 2007).

⁵ Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time.