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SERVICE DATE - MARCH 11, 1998

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-477 (Sub-No. 2X)

OWENSVILLE TERMINAL COMPANY, INC.--ABANDONMENT
EXEMPTION--IN GIBSON AND POSEY COUNTIES, IN

Decided: March 3, 1998

By decision served November 7, 1997, the Board granted the Owensville Terminal Company, Inc. (OTC) an exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 to abandon a line of railroad known as the Cynthiana-Owensville Line, subject to labor protection conditions. The line of railroad runs from milepost 277.0 north of Cynthiana to milepost 271.0 north of Owensville, a distance of 6.0 miles, in Gibson and Posey Counties, Inc. Before the decision authorizing abandonment became effective, the Gibson County Farm Bureau Cooperative Association (the Farm Bureau) timely filed an offer of financial assistance (OFA) under 49 U.S.C. 10904 and 49 CFR 1152.27 to purchase a 2-mile segment of the line between milepost 273.0 and milepost 271.0.

A decision served November 20, 1997, found the Farm Bureau financially responsible and postponed the effective date of the exemption for the 2-mile segment to permit the OFA process to proceed. The exemption permitting abandonment of the remainder of the line became effective on December 7, 1997. Subsequently, the Farm Bureau requested that the Board establish the conditions and amount of compensation for sale of the segment. In a decision served January 16, 1998, the Board set the purchase price of the segment at \$120,500 and established terms for transfer of the segment.

On January 26, 1998, the Farm Bureau notified the Board that it accepted the terms and conditions. By decision served February 3, 1998, the Board authorized the Farm Bureau to acquire the segment between milepost 273.0 and milepost 271.0 and dismissed the petition for exemption as to that segment, with the dismissal to become effective on the date of consummation. A decision dated February 25, 1998, and served February 27, 1998, denied a petition filed by the Farm Bureau to reopen the November 7 decision.

By joint motion filed on February 26, 1998, OTC and the Farm Bureau request that the exemption granted in the November 7 decision for the 2-mile segment, which was subject to the OFA, be reinstated. OTC and the Farm Bureau indicate that, in negotiating a mutually agreeable purchase agreement with respect to the 2-mile segment and surrounding properties, they have agreed to settle this matter outside the OFA process. Accordingly, the decision served November 20, 1997, that postponed the effective date of the exemption permitting abandonment of the 2-mile segment between 273.0 and milepost 271.00 will be vacated. The prior abandonment authorization in the November 7 decision for that segment will be effective on the service date of this decision.

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

It is ordered:

1. The joint motion of OTC and the Farm Bureau is granted.
2. The decision served February 3, 1998, is vacated, and the exemption previously authorized in the November 7, 1997, decision for the segment between milepost 273.0 and milepost 271.0 is reinstated effective on the service date of this decision.
3. This decision is effective on its service date.

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

Vernon A. Williams
Secretary