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SERVICE DATE – AUGUST 11, 2010

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. NOR 42110

SEMINOLE ELECTRIC COOPERATIVE, INC.

v.

CSX TRANSPORTATION, INC.

Decided: August 10, 2010

This decision grants a motion filed by Seminole Electric Cooperative, Inc. (SECI) to stay and to hold this proceeding in abeyance.

On October 3, 2008, SECI filed a complaint challenging the reasonableness of the rates established by CSX Transportation, Inc. (CSXT) for transportation of coal from various origins to SECI's Seminole Generating Station, near Palatka, Fla., effective January 1, 2009. SECI alleges that CSXT possesses market dominance over this traffic and requests that reasonable rates be prescribed pursuant to the Board's stand-alone cost (SAC) test.

The Board established a procedural schedule in this proceeding in a decision served on December 11, 2008. After filing 3 rounds of evidence, the parties filed final briefs on June 4, 2010. The Board held an oral argument on the market dominance aspect of this proceeding on June 30, 2010.

By a motion filed on July 30, 2010, SECI requests that the Board hold this proceeding in abeyance and stay all further actions in the matter until September 15, 2010. SECI states that it has reached an agreement-in-principle with CSXT to resolve this rate litigation, and that both parties believe that they will be able to reach a full and final negotiated resolution and enter into a new rail transportation contract. According to SECI, CSXT consents to SECI's motion.

SECI's request is reasonable and will be granted. The Board will hold this proceeding in abeyance until September 15, 2010, while the parties attempt to reach a settlement agreement.

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

It is ordered:

1. SECI's motion to stay and to hold this proceeding in abeyance is granted.
2. This proceeding will be held in abeyance until September 15, 2010.
3. This decision is effective on its date of service.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.