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SERVICE DATE - LATE RELEASE JUNE 9, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-564

CAMAS PRAIRIE RAILNET, INC.--ABANDONMENT--IN LEWIS, NEZ PERCE, AND  
IDAHO COUNTIES, ID  
(BETWEEN SPALDING AND GRANGEVILLE, ID)

Decided: June 8, 2000

On May 26, 2000, Camas Prairie RailNet, Inc., filed an application for authority under 49 U.S.C. 10903 to abandon its line of railroad known as the 2nd Subdivision or Grangeville Line extending from milepost 0.00 near Spalding, ID, to milepost 66.8 (end of track) near Grangeville, ID, a distance of 66.8 miles, in Lewis, Nez Perce, and Idaho Counties, ID.

Requests for an oral hearing have been filed by United States Senators Larry Craig and Mike Crapo, jointly, the Idaho Public Utilities Commission (Idaho PUC), Save The Camas Prairie Railroad Committee (SCPRC), Idaho State Representative Charles D. Cuddy, the Board of Lewis County Commissioners, the Idaho Farm Bureau Federation, and U.S. Timber Co.<sup>1</sup>

Senators Craig and Crapo urge the Board to hold a local oral hearing in Grangeville. They are concerned that abandonment would damage local shippers, discourage new business, burden an inadequate highway system, and raise transportation costs. They seek investigation of the merits of the proposed abandonment through an oral hearing.

The Idaho PUC criticizes the applicant's projected revenues, maintenance expenses, and net liquidation value, and points to the anticipated adverse impact of the abandonment on rural and economic development. The Idaho PUC maintains that these matters can best be addressed at an oral hearing.

SCPRC, an unincorporated, ad hoc committee of shippers on the line, states that it will dispute many of applicant's factual assertions bearing on traffic, revenues, costs, and other financial matters. SCPRC states that it already has been able to identify issues that require development on cross-examination; for instance, it would challenge forecast year maintenance expenses, particularly those related to track, bridge, and equipment maintenance, and forecast year traffic and revenues, particularly as related to efforts to develop additional traffic. SCPRC also would examine the predicate for applicant's asserted off-branch costs. Finally, SCPRC

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<sup>1</sup> In addition, in a joint letter submitted before the abandonment application was filed, Senators Craig and Crapo, United States Congresswoman Helen Chenoweth-Hage, and United States Congressman Mike Simpson expressed support for an oral hearing.

states that applicant's abbreviated ownership of the line also raises factual issues regarding its good faith in acquiring the line and its stewardship in operating it.

The other parties who request an oral hearing generally assert that abandonment of the Grangeville Line would have a significant negative economic impact. Several contend that hearings would afford local users a better opportunity to express their concerns and enable the Board more fully to evaluate the application.

Under 49 CFR 1112.1, the Board may decide that a proceeding will be heard under the modified procedure when it appears that substantially all material issues of fact can be resolved through submission of written statements, and efficient disposition of the proceeding can be accomplished without oral testimony. A party seeking oral hearing must set out the reasons why a matter cannot properly be resolved under modified procedure. 49 CFR 1112.10(a). For an oral hearing to be held, material facts must be in dispute. 49 CFR 1112.10(b).

The parties requesting an oral hearing have not shown that one is necessary to resolve material issues of fact in this case. General arguments regarding economic impact of abandonment and the value of oral hearings do not serve to establish that an oral hearing is necessary here. The Idaho PUC and SCPRC have cited specific matters they would challenge, but have shown no reason why they and other opponents cannot satisfactorily do so in written statements. If any parties want to challenge the support the railroad has offered for its figures related to maintenance, future traffic levels, or net liquidation value, they may do so in a protest. The Board customarily uses the modified procedure to resolve issues of the type protestants say they would raise, and there is nothing in the record to suggest that this procedure would not afford a fair and proper process for resolving those issues here.

In sum, the Board can properly resolve the issues and concerns raised here on the basis of a written record. As indicated, protesting parties, through written statements, will be free to specifically question applicant's evidence and arguments. The Board will fully consider those challenges, bearing in mind that applicant has the burden of proving its case in the face of those challenges.

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

It is ordered:

1. The requests for oral hearing are denied.
2. This decision is effective on its service date.

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

Vernon A. Williams  
Secretary