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SERVICE DATE - JULY 9, 2004

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-55 (Sub-No. 640)

CSX TRANSPORTATION, INC. — ABANDONMENT —
IN ATKINSON AND WARE COUNTIES, GA

IN THE MATTER OF AN OFFER OF FINANCIAL ASSISTANCE

Decided: July 8, 2004

By decision served on December 24, 2003, the Board, under 49 U.S.C. 10903, granted CSX Transportation, Inc. (CSXT), authority to abandon and discontinue service over a 23.25-mile portion of its Southern Region, Jacksonville Division line extending from milepost AP 594.69, near Waresboro, to milepost AP 617.94, near Pearson, in Atkinson and Ware Counties, GA (the line). The abandonment authorization was scheduled to become effective on January 23, 2004, unless an offer of financial assistance (OFA) was filed on or before January 5, 2004.

On January 2, 2004, St. Marys Railroad Company (St. Marys) timely filed an OFA under 49 U.S.C. 10904 and 49 CFR 1152.27 to purchase the line for its net liquidation value of \$261,203. By decision served on January 7, 2004, the effective date of the decision authorizing the abandonment was postponed to permit the OFA process to proceed.

In a motion filed on April 2, 2004, St. Marys requested permission to substitute its corporate affiliate, St. Marys Railway West, LLC (SMRW), as the purchaser of the line. By decision served on June 4, 2004, the Board granted St. Marys' motion, and SMRW was substituted as purchaser of the line.

By letter filed on June 30, 2004, SMRW advised the Board that the parties have reached an agreement on the terms and conditions for purchase of the line.

When a carrier and a person offering to purchase a line enter into an agreement for continued rail service, the Board is required to approve the transaction and dismiss the abandonment notice of exemption. See 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2). Accordingly, the sale will be approved and the notice of exemption will be dismissed.¹

¹ A decision served on December 24, 2003, imposed environmental and historic preservation conditions. Because the line is being sold under the OFA procedures, the dismissal (continued...)

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

It is ordered:

1. Under 49 U.S.C. 10904, SMRW is authorized to acquire and operate the line.
2. Under 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2), the abandonment proceeding is dismissed, effective on the date the sale is consummated.
3. This decision is effective on its service date.

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

Vernon A. Williams
Secretary

¹(...continued)
of the abandonment proceeding will render the environmental and historic preservation conditions moot.