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SERVICE DATE - JUNE 17, 2003

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34323]

Alabama Gulf Coast Railway LLC–Acquisition and Operation Exemption–The

Burlington Northern and Santa Fe Railway Company

Alabama Gulf Coast Railway LLC (AGR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire from The Burlington Northern and Santa Fe Railway Company (BNSF) approximately 288.43 miles of rail line in Alabama and Mississippi. AGR proposes to: (1) purchase BNSF's rail line between milepost 654.005 near Whitbury, MS, and milepost 776.1 near Gulf, AL, a distance of 122.095 miles; (2) lease BNSF's rail line between milepost 649.3 near Columbus, MS, and milepost 654.005 near Whitbury, MS, a distance of 4.705 miles; (3) acquire overhead trackage rights over BNSF's rail line between Amory, MS Yard, milepost 612.32, and Columbus, MS, milepost 649.3, a distance of 36.98 miles; (4) acquire by assignment BNSF's trackage rights over Norfolk Southern Railway Company (NS) line between Kimbrough, AL, and Mobile, AL (TASAD Switch), a distance of about 102.55 miles;¹

¹ NS's predecessor Southern Railway Company granted BNSF's predecessor, the Burlington Northern Railroad Company, the above-described trackage rights. See Burlington Northern Railroad Company–Trackage Rights Exemption–Southern Railway Company, ICC Finance Docket No. 30739 (ICC served Nov. 5, 1985); and Burlington Northern Railroad Company–Trackage Rights Exemption–Southern Railway Company, ICC Finance Docket No. 30739 (Sub-No. 1) (ICC served May 5, 1994).

(5) lease BNSF's rail line between milepost 851.4 near M&T Chemical, AL, and milepost 873.5 at Mobile, AL; and (6) sublease certain facilities of the Terminal Railway Alabama State Docks. BNSF will retain overhead trackage rights on the rail lines that are purchased by AGR and trackage rights on the rail lines that are leased and subleased to AGR.

Because AGR's projected annual revenues will exceed \$5 million, AGR certified to the Board on March 11, 2003, that, on that date, it had posted the required notice of intent to undertake the proposed transaction at the workplace of the employees on the affected line and had served a copy of the notice of intent on the national offices of all labor unions with employees on the rail line. See 49 CFR 1150.42(e).

AGR states that it intends to consummate the transaction on or after June 1, 2003, which is more than 60 days after it certified to the Board that it had complied with the Board's rule at 49 CFR 1150.42(e).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34323, must be filed with the Surface Transportation Board, 1925 K Street NW, Washington, DC 20423-0001. In addition, one copy of each pleading must be served on

Louis E. Gitomer, Ball Janik LLP, 1445 F Street, NW, Suite 225, Washington, DC
20005.

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Decided: June 9, 2003.

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

Vernon A. Williams

Secretary