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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34653]

Appalachian & Ohio Railroad, Inc.–Lease and Operation Exemption–CSX

Transportation, Inc.

Appalachian & Ohio Railroad, Inc. (AO), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to lease, from CSX Transportation, Inc. (CSXT), and operate approximately 158.22 miles of rail line extending between: (1) milepost BUC 0.0, at Berkeley Run Jct., WV, and milepost BUC 119.0, at Cowen, WV; (2) milepost BUN 0.0, at Berryburg Jct., WV, and milepost BUN 4.0, at the Sentinel Mine near Berryburg Jct.; (3) milepost BUO 0.0, at Century Jct., WV, and milepost BUO 5.05, at the Century Mine, near Century Jct.; (4) milepost BUJ 0.0, at Buckhannon, WV, and milepost BUJ 1.65, near Buckhannon; (5) milepost BUF 0.0, at Burnsville, WV, and milepost BUF 6.2, at Gilmer, WV; (6) milepost BUR 0.0, at Cowen, and milepost BUR 1.0, near Cowen; (7) milepost BUH 0.0, at Hampton Jct., WV, and milepost BUH 17.0, at Alexander, WV; and (8) milepost BTF 0.0, at Island Creek Jct., WV, and milepost BTF 4.32, near Island Creek Jct.

AO certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier. However, because its projected annual revenues will exceed \$5 million, AO also certifies that it has complied with the posting and service requirements of 49 CFR 1150.32(e). In accordance with that

section, the transaction cannot be consummated before March 22, 2005, the effective date of the exemption. The transaction is scheduled to be consummated on or shortly after March 25, 2005.

This transaction is related to STB Finance Docket No. 34654, Watco Companies, Inc.-Continuance in Control Exemption-Appalachian & Ohio Railroad, Inc., wherein Watco Companies, Inc., has concurrently filed a verified notice of exemption to continue in control of AO upon its becoming a carrier.

If the verified 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. 34653, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Karl Morell, Of Counsel, Ball Janik LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

Board decisions and notices are available on our website at  
“[WWW.STB.DOT.GOV](http://WWW.STB.DOT.GOV).”

Decided: March 7, 2005

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

Vernon A. Williams

Secretary