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SERVICE DATE - DECEMBER 23, 1999

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33817]

Arkansas Short Line Railroads, Inc.--Continuance in Control Exemption--Central
Columbiana & Pennsylvania Railway, Inc.; Dardanelle & Russellville Railroad, Inc.; and
the Ouachita Railroad

Arkansas Short Line Railroads Inc. (ASR), has filed a notice of exemption under 49
CFR 1180.2(d)(2) to continue in control of Central Columbiana & Pennsylvania Railway,
Inc. (CCPR), upon CCPR's becoming a Class III railroad.¹ This transaction is related to
STB Finance Docket No. 33818, Central Columbiana & Pennsylvania Railway, Inc.--Lease
and Operation Exemption--Columbiana County Port Authority, wherein CCPR seeks to
lease and operate 35.7 miles of rail line.²

¹ ASR controls Dardanelle & Russellville Railroad, Inc. (D&RR), and the Ouachita Railroad (Ouachita). It is not clear from prior filings with the Interstate Commerce Commission (ICC), the Board's predecessor, that appropriate approval was authorized by the ICC, of the control by ASR of D&RR and Ouachita. Therefore, to ensure that ASR is in compliance with the Board's statutory provisions, exemption for ASR's control of D&RR and Ouachita will also be covered by this notice.

² The Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903, the abandonment by Railroad Ventures, Inc., of the 35.7-mile line extending from milepost 0.0 at Youngstown, OH, to milepost 35.7 at Darlington, PA, and a connecting 1-mile line segment near Negley, OH, and the discontinuance of service over the line by The Ohio & Pennsylvania Railroad Company (OHPA). See Railroad Ventures, Inc.--Abandonment Exemption--Between Youngstown, OH, and Darlington, PA, in Mahoning and Columbiana Counties, OH, and Beaver County, PA, STB Docket No. AB-556 (Sub-No. 2X), et al. (STB served Sept. 3, 1999). On November 8,
(continued...)

ASR states that consummation of the transaction is contingent on the approval and acceptance of the OFA filed by CCPA to acquire the line that CCPR will operate and that CCPR has agreed to commence operations on the line at the earliest possible date after all approvals have been acquired and/or granted. The earliest date that the transaction could have been consummated was November 30, 1999, the effective date of the exemption.³

According to ASR, it is the controlling corporate owner of the stock of D&RR and Ouachita and, following consummation of the transactions, it will control, through stock ownership and management, D&RR, Ouachita, and CCPR. ASR states that: the railroads will not connect with one another; the transaction is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and the transaction involves only Class III rail carriers. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323-25. See 49 CFR 1180.2(d)(2).

²(...continued)

1999, Columbiana County Port Authority (CCPA) filed an offer of financial assistance (OFA) to purchase the entire line of railroad. This proceeding is currently pending. The OFA does not cover a connecting 3-mile line segment from milepost 0.0 to milepost -3.0 between Youngstown and Struthers, OH. Portions of this 3-mile segment are apparently owned separately by OHPA, Allied Erecting and Dismantling Company, Inc., and Darlington Pipe Company, Inc./Matteson Equipment. CCPA has a tentative agreement with OHPA concerning the portion of the 3-mile segment that OHPA owns and intends to negotiate with other property owners to obtain the right to operate over their respective portions.

³ Under 49 CFR 1150.32(b), notices of exemption become effective 7 days after being filed. Here, the effective date is calculated from November 23, 1999, when supplemental information was filed by CCPR.

Under 49 U.S.C. 10502(g), the Board may not use its authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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. 33817, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Richard H. Streeter, 1401 Eye Street, N.W., Suite 500, Washington, DC 20005.

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STB Finance Docket No. 33817

Decided: December 16, 1999.

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

Vernon A. Williams

Secretary