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SERVICE DATE - LATE RELEASE JANUARY 6, 1999

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33690]

State of Georgia, Department of Transportation--Acquisition Exemption--Line of Central of Georgia Railroad Company

The State of Georgia, Department of Transportation (GDOT), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Central of Georgia Railroad Company (COG) certain railroad assets, including approximately 48.9 miles of rail line extending between milepost CC-445.4 near Chattanooga, Hamilton County, TN, and milepost CC-396.5 near Lyerly, Chattanooga County, GA.

GDOT, COG, and Chattooga and Chickamauga Railway Company (CCKY), a Class III rail carrier, will enter into certain agreements whereby GDOT will acquire from COG fee title to certain railroad assets, but not including the right to conduct common carrier freight operations. The assets will be sold by COG to GDOT, with COG retaining a permanent easement to conduct operations over the line. In a separate and concurrently executed agreement, COG will transfer its retained easement and all rights and obligations pertaining to the assets, including but not limited to the right to maintain and repair the physical assets on the line to CCKY, which will continue to conduct freight operations over the line.<sup>1</sup> It is intended that CCKY will assume COG's common carrier obligation, and that

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<sup>1</sup> CCKY currently conducts operations over the line pursuant to its lease agreement with COG.

neither COG nor GDOT will have a common carrier obligation to provide freight services when the transaction is completed. COG and CCKY will retain their existing interchange arrangement at Chattanooga, TN.

The transaction was scheduled to take place as soon as possible after the December 18, 1998 effective date of the notice of exemption.

This transaction is related to STB Finance Docket No. 33691, Chattooga and Chickamauga Railway Company--Acquisition and Operation Exemption--Line of Central of Georgia Railroad Company, wherein CCKY seeks to acquire the right to conduct common carrier freight operations over the line being acquired by GDOT.

If the notice contains false or misleading information, the exemption is void ab initio.<sup>2</sup> Petitions to reopen the proceeding 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. 33690, 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 Luke Cousins, Georgia Department of Transportation, #2 Capitol Square, Atlanta, GA 30334-1002.

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“WWW.STB.DOT.GOV.”

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<sup>2</sup> A motion to dismiss has been filed in this proceeding. The motion will be addressed in a subsequent Board decision.

STB Finance Docket No. 33690

Decided: December 31, 1998.

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

Vernon A. Williams

Secretary