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SEC

SERVICE DATE - DECEMBER 18, 2002

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 34110

MONTREAL, MAINE & ATLANTIC RAILWAY, LLC—ACQUISITION AND OPERATION
EXEMPTION—BANGOR & AROOSTOOK RAILROAD COMPANY, CANADIAN
AMERICAN RAILROAD COMPANY, THE NORTHERN VERMONT RAILROAD
COMPANY, INC., NEWPORT & RICHFORD RAILROAD COMPANY, AND
VAN BUREN BRIDGE COMPANY

Decided: December 17, 2002

On August 27, 2002, the Montreal, Maine & Atlantic Railway, LLC (MMA-LLC) filed a notice of exemption pursuant to 49 CFR 1150.31 and 1150.35 to acquire and to operate certain rail lines and other assets of the Bangor & Aroostook Railroad Company (BAR) and other named railroads in the BAR rail system (collectively, the “BAR system assets”). The exemption took effect on September 17, 2002, but MMA-LLC has not yet consummated the transaction.

By motion filed on December 12, 2002, the MMA-LLC and the Montreal, Maine & Atlantic Railway, Ltd. (MMA-Ltd.) jointly request that the Board substitute MMA-Ltd. for MMA-LLC as the party that may acquire and operate the BAR system assets under the exemption. In support of the request, these parties state that MMA-LLC’s investors recently formed MMA-Ltd. after determining that acquisition of the BAR system assets by a corporation, such as MMA-Ltd., rather than a limited liability corporation, such as MMA-LLC, would result in significant financing and tax advantages. They maintain that the substitution would not change the substance of the information provided pursuant to our regulations governing the filing of the notice. They also assert that the substitution would have no bearing on the transportation-related issues addressed in the exemption proceeding. Finally, they state that the only difference would be that the BAR system assets would be acquired by an entity with a different corporate form than was originally contemplated.

The motion will be granted. The reasons advanced for the substitution proposed in the motion are sufficient under the circumstances to warrant granting the request.

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

It is ordered:

1. The motion is granted.
2. This decision is effective on the date of service.

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams
Secretary