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SERVICE DATE – NOVEMBER 20, 2006

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-55 (Sub-No. 674X)

CSX TRANSPORTATION, INC.–ABANDONMENT EXEMPTION–  
IN VIGO COUNTY, IN

IN THE MATTER OF AN OFFER OF FINANCIAL ASSISTANCE

Decided: November 17, 2006

CSX Transportation, Inc. (CSXT) filed a notice of exemption under 49 CFR 1152 Subpart F–Exempt Abandonments to abandon a 7.4-mile line of railroad on its Southern Region, Nashville Division, CE&D Subdivision, Riley Spur, from milepost OZD 5.0 (near Terre Haute) to the end of track at milepost OZF 12.4 (near Riley), in Vigo County, IN. Notice of the exemption was served and published in the Federal Register on September 14, 2006 (71 FR 12857). The exemption was scheduled to become effective on October 14, 2006, but on September 15, 2006, The Indiana Rail Road Company (INRD) timely filed a formal expression of intent to file an offer of financial assistance (OFA) under 49 U.S.C. 10904 and 49 CFR 1152.27(c)(2) to purchase the entire line. The filing had the effect of automatically staying the effective date of the exemption for 10 days, until October 24, 2006. INRD simultaneously requested that CSXT provide it with the information prescribed at 49 CFR 1152.27(a), appropriate for a purchase transaction, by no later than October 4, 2006.

On October 12, 2006, INRD timely filed an OFA under 49 U.S.C. 10904 and 49 CFR 1152.27(c) to purchase the entire line for \$307,220, consisting of the net liquidation value of the track and track materials on the line.<sup>1</sup> By decision served on October 19, 2006, INRD was found to be financially responsible and the effective date of the abandonment exemption was postponed to permit the OFA process to proceed.

By letter dated November 8, 2006, CSXT advised the Board that it and INRD have reached an agreement setting the terms and conditions for the purchase of the line.

When a carrier and a person offering to purchase a line under the OFA process enter into an agreement for continued rail service, the Board is required to approve the transaction and

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<sup>1</sup> INRD states that, because the line is located on a rail use easement, CSXT assigned no value for net liquidation purposes to the right-of-way.

dismiss the abandonment notice of exemption. See 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2). Accordingly, the sale will be approved and the notice of exemption will be dismissed.<sup>2</sup>

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

It is ordered:

1. Under 49 U.S.C. 10904, INRD is authorized to acquire and operate the line.
2. Under 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2), the abandonment proceeding is dismissed, effective on the date the sale is consummated.
3. This decision is effective on its service date.

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

Vernon A. Williams  
Secretary

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<sup>2</sup> The October 19, 2006 decision also imposed several environmental conditions. Because the line is being sold under the OFA procedures, the dismissal of the abandonment proceeding will render the environmental conditions moot.