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SERVICE DATE - SEPTEMBER 14, 1998

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-32 (Sub-No. 83)

BOSTON AND MAINE CORPORATION--ABANDONMENT--IN HARTFORD AND NEW  
HAVEN COUNTIES, CT

STB Docket No. AB-355 (Sub-No. 23)

SPRINGFIELD TERMINAL RAILWAY COMPANY--DISCONTINUANCE OF SERVICE--IN  
HARTFORD AND NEW HAVEN COUNTIES, CT

Decided: September 9, 1998

By decision served on April 22, 1998, the Board found that the public convenience and necessity permit Boston and Maine Corporation (B&M) to abandon and Springfield Terminal Railway Company (ST) to discontinue service over a line of railroad, known as the Canal Branch, extending from milepost 14.50 in Cheshire, CT, to milepost 24.00 in Southington, CT, a distance of 9.50 miles, in Hartford and New Haven Counties, CT (the line). Before the decision authorizing abandonment and discontinuance became effective, Dalton Enterprises, Inc. (Dalton), timely filed an offer of financial assistance under 49 U.S.C. 10904 and 49 CFR 1152.27(c) to purchase the line.

By decision served on May 5, 1998, Dalton was found to be financially responsible and the effective date of the April 22 decision authorizing abandonment and discontinuance was postponed to permit the financial assistance process to proceed. Subsequently, as no agreement was reached, Dalton filed a request that the Board establish the conditions and amount of compensation for the sale of the line. By decision served on July 1, 1998, the Board set the purchase price for the line and established terms for transfer of the line.

By letter filed on July 10, 1998, Dalton accepted the Board's terms and conditions to purchase the line. By decision served on July 20, 1998, Dalton was authorized to acquire the line and the application was dismissed effective on the date the sale is consummated.

In a motion filed on August 31, 1998, Dalton requests permission to substitute its corporate affiliate, Canal Line Railroad Company (CLRC), as the purchaser of the line.<sup>1</sup> Dalton owns 100% of the issued and outstanding stock of CLRC and guarantees CLRC's financial responsibility.

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<sup>1</sup> Under 49 CFR 1152.27(i), an offeror is permitted to substitute its corporate affiliate as the purchaser under an agreement, provided the Board has determined that either: (1) the original offeror has guaranteed the financial responsibility of its affiliate; or (2) the affiliate has demonstrated financial responsibility in its own right.

Therefore, the substitution of CLRC for Dalton will be permitted.

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

It is ordered:

1. Dalton's motion is granted.
2. Canal Line Railroad Company is substituted as the purchaser of the line effective on the service date of this decision.
3. This decision is effective on its service date.

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

Vernon A. Williams  
Secretary