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SEC

SERVICE DATE - LATE RELEASE MAY 15, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 33854

MERIDIAN SOUTHERN RAILWAY, LLC
--ACQUISITION AND OPERATION--
LINE OF KANSAS CITY SOUTHERN RAILWAY COMPANY

Decided: May 12, 2000

On March 24, 2000, Meridian Southern Railway, LLC (Meridian Southern), filed a verified notice of exemption under 49 CFR 1150.31 to acquire (by purchase) Kansas City Southern Railway Company's ownership interest in, and to operate, approximately 54.5 miles of rail line between Meridian, MS, and Waynesboro, MS. The notice was served and published in the Federal Register (65 FR 17943) on April 5, 2000. The exemption became effective on March 31, 2000.

On April 14, 2000, Marshall Durbin Companies (MDC) filed a petition to revoke the exemption. At the same time, MDC served its first set of discovery requests on Meridian Southern.

On May 4, 2000, Meridian Southern filed a motion to dismiss MDC's petition for revocation and a motion for protective order in which it seeks to quash MDC's discovery requests connected with the petition to revoke. On that same date, the American Short Line and Regional Railroad Association (ASLRRA) filed a petition for leave to intervene. ASLRRA requests the opportunity to explain why it believes that MDC's assertion that a "threshold requirement" for demonstrating financial and operational viability under 49 U.S.C. 10901 class exemption is without merit. Also, on that same date, ASLRRA filed comments in support of Meridian Southern's motion to dismiss. ASLRRA's intervention request is reasonable and will be granted. Intervention will not unduly broaden the issues or disrupt the procedural schedule.

On May 10, 2000, MDC filed a motion to extend the current May 15, 2000 deadline for completion of discovery. MDC states that it is preparing its responses to Meridian Southern's motion to dismiss and motion for protective order and that the responses will be filed on or before the May 24, 2000 due date for those responses. MDC thus seeks an extension of the current schedule to permit the Board to consider Meridian Southern's motions and MDC's replies and to render a decision on them. The extension is necessary to permit the Board to consider these pending matters. The extension request will therefore be granted and the procedural schedule will be held in abeyance pending further order of the Board. This decision to extend the procedural schedule reflects no consideration of the merits of the issues to be resolved by the Board in addressing Meridian Southern's pending motions.

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

It is ordered:

1. MDC's request for an extension of the deadline for completion of discovery is granted and the procedural schedule, including the deadline for completion of discovery, will be held in abeyance pending further order of the Board.

2. ASLRRA's petition for leave to intervene is granted.

3. The decision is effective on its service date.

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams
Secretary