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March 20, 2002



VIA AIRBORNE EXPRESS

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D. C. 20423

ENTERED
Office of the Secretary

MAR 21 2002

Part of
Public Record

**Re: STB Docket No. AB-55 (Sub-No. 601X) -
CSX Transportation, Inc.- Abandonment
Exemption in Lenoir County, North Carolina**

Dear Mr. Williams:

CSXT is in receipt of the Board's Decision served on March 6, 2002, in the above-captioned matter. Pursuant to the Board's directive, CSXT served notice of the decision upon PCS Phosphate Co., Inc., on March 20, 2002. A copy of such notice is attached hereto. Please feel free to contact my office if you have any questions regarding this matter.

Very truly yours,


Natalie S. Rosenberg

Enclosure

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SERVICE DATE - MARCH 8, 2002

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-55 (Sub-No. 601X)



CSX TRANSPORTATION, INC.-ABANDONMENT EXEMPTION-
IN LENOIR COUNTY, NC

Decided: March 6, 2002

By petition filed on November 20, 2001, CSX Transportation, Inc. (CSXT), seeks an exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 to abandon a portion of its line of railroad known as the Florence Division, Parmele Subdivision, extending from milepost AA-173.09 to railroad milepost AA-173.70, a distance of 0.61 miles, in Elmer, Lenoir County, NC. Pursuant to 49 U.S.C. 10502(b), the Board served and published a notice in the Federal Register (66 FR 63742) on December 10, 2001. We will grant the exemption, subject to standard employee protective conditions.

BACKGROUND

According to CSXT, the only shipper that uses the line, PCS Phosphate Co., Inc. (PCS), supports the abandonment.¹ CSXT states that PCS operates an animal feed production facility at the end of the line and intends to purchase the abandoned line to expand its facility. CSXT further states that it will continue to provide service to PCS.

DISCUSSION AND CONCLUSIONS

Under 49 U.S.C. 10903, a rail line may not be abandoned without our prior approval. Under 49 U.S.C. 10502, however, we must exempt a transaction or service from regulation when we find that: (1) continued regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. 10101; and (2) either (a) the transaction or service is of limited scope, or (b) regulation is not necessary to protect shippers from the abuse of market power.

Detailed scrutiny under 49 U.S.C. 10903 is not necessary to carry out the rail transportation policy. By minimizing the administrative expense of an abandonment application, an exemption will reduce regulatory barriers to exit [49 U.S.C. 10101(7)]. An exemption will

¹ CSXT submitted a letter in support from PCS with its petition. CSXT also certifies that it served a copy of its petition on PCS.

2. CSXT is directed to serve a copy of this decision on PCS within 5 days after the service date of this decision and certify to the Board that it has done so.

3. An offer of financial assistance (OFA) under 49 CFR 1152.27(c)(1) to allow rail service to continue must be received by the railroad and the Board by March 18, 2002, subject to time extensions authorized under 49 CFR 1152.27(c)(1)(i)(C). The offeror must comply with 49 U.S.C. 10904 and 49 CFR 1152.27(c)(1). Each OFA must be accompanied by a \$1,000 filing fee. See 49 CFR 1002.2(f)(25).

4. OFAs and related correspondence to the Board must refer to this proceeding. The following notation must be typed in bold face on the lower left-hand corner of the envelope: **"Office of Proceedings, AB-OFA."**

5. Provided no OFA has been received, this exemption will be effective on April 7, 2002. Petitions to stay must be filed by March 25, 2002; petitions to reopen must be filed by April 2, 2002.

6. Pursuant to the provisions of 49 CFR 1152.29(e)(2), CSXT shall file a notice of consummation with the Board to signify that it has exercised the authority granted and fully abandoned the line. If consummation has not been effected by CSXT's filing of a notice of consummation by March 8, 2003, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire. If a legal or regulatory barrier to consummation exists at the end of the 1-year period, the notice of consummation must be filed not later than 60 days after satisfaction, expiration or removal of the legal or regulatory barrier.

By the Board, Chairman Morgan and Vice Chairman Burkes.

Vernon A. Williams
Secretary