

SLOVER & LOFTUS

ATTORNEYS AT LAW

1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036-3003

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III
PETER A. PFOHL
DANIEL M. JAFFE
KENDRA A. ERICSON

OF COUNSEL
DONALD G. AVERY

TELEPHONE:
(202) 347-7170

FAX:
(202) 347-3619

WRITER'S E-MAIL:

kae@sloverandloftus.com

Expedited Action Requested

January 30, 2006

VIA HAND DELIVERY

The Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 711
Washington, D.C. 20423

ENTERED
Office of Proceedings

JAN 30 2006

Part of
Public Record



Re: Docket No. AB-290 (Sub-No. 259X) Tennessee Railway Company - 215688
Between Oneida, Tennessee and Nicks Creek, Tennessee
Docket No. AB-290 (Sub-No. 260X), Tennessee Railway Company - 215689
Abandonment Exemption - In Anderson and Campbell Counties, Tennessee

Dear Secretary Williams:

Enclosed for filing in the referenced proceedings, please find an original and 10 copies of the Joint Petition to Continue to Hold Proceedings in Abeyance. In light of the impending deadline sought to be held in abeyance, expedited consideration of the Petition is requested.

An additional copy of the Petition also is enclosed. Kindly indicate receipt and filing by time-stamping this copy and returning it to the bearer of this letter.

Thank you for your attention to this matter.

Sincerely,

Kendra A. Ericson
An Attorney for
National Coal Corporation

Enclosure

cc: Mr. Joseph Dettmar

Expedited Action Requested

BEFORE THE
SURFACE TRANSPORTATION BOARD



TENNESSEE RAILWAY COMPANY -)
ABANDONMENT EXEMPTION -)
BETWEEN ONEIDA, TENNESSEE AND)
NICKS CREEK, TENNESSEE - IN SCOTT)
COUNTY, TENNESSEE)

Docket No. AB-290 (Sub-No. 259X)

ENTERED
Office of Proceedings

215688

JAN 30 2006

TENNESSEE RAILWAY COMPANY -)
ABANDONMENT EXEMPTION - IN)
ANDERSON AND CAMPBELL)
COUNTIES, TENNESSEE)

Part of
Public Record

Docket No. AB-290 (Sub-No. 260X)

215684

JOINT PETITION TO CONTINUE TO
HOLD PROCEEDINGS IN ABEYANCE

Pursuant to 49 C.F.R. Parts 1104.7(b) and 1117.1, National Coal

Corporation ("NCC") and Norfolk Southern Railway Company and its wholly-owned subsidiary, Tennessee Railway Company (collectively "NS"), petition the Board for an order to continue to hold further proceedings in the captioned dockets in abeyance until February 15, 2006, in order to allow the parties time to formalize and close on agreements whereunder NCC will acquire and restore service over the lines at issue in these dockets.

In support hereof, NCC and NS show as follows:

1. By Decision served July 14, 2005, the Board granted a request by NCC and NS to extend the due date for either party to submit a request that the Board establish the terms and conditions for a purchase of the subject lines by NCC under the provisions of 49 U.S.C. § 10904, to August 12, 2005. This was done to facilitate ongoing negotiations between the parties over the terms of such a purchase. The Board further extended the deadline until September 15, 2005 in a decision served on August 12, 2005, and again extended the deadline to September 30, 2005 in a Decision served on September 15, 2005, in response to joint requests by NCC and NS. On September 29, 2005, the parties filed a Joint Petition to Hold Proceedings in Abeyance until December 15, 2005. Therein, the parties advised the Board that they had reached an agreement in principle as to the essential terms of a comprehensive transaction whereunder NCC (or its designee) will acquire the subject lines and restore rail operations. At the time, the parties believed that they could conclude negotiations over the necessary agreements and close on the purchase by December 15. The Board granted this petition in an order served on September 30, 2005. On December 8, 2005, the parties again requested an extension of time to finalize the proceeding. In a decision served on December 12, 2005, the Board granted the petition and extended the deadline to January 31, 2006, in order to allow the parties additional time to prepare formal documents, conduct due diligence, and review third party issues.

2. Since the Board's December 12 Order, NCC and NS have continued to work to formalize their agreements and finalize the many different documents involved in concluding the sale of the lines and the restoration of operations. Despite these efforts, however, NCC and NS now find that they need additional time to work out final closing details, such as the preparing the formal documents for closing, completing the due diligence process, reviewing third party agreements, licenses and easements that also will be transferred and otherwise preparing for the transfer of ownership and renewal of service. The parties believe they can finalize these matters and conclude a transfer under the OFA procedures without further Board intervention by February 15, 2006.

3. Consistent with 49 C.F.R. Parts 1104.7(b) and 1117.1, good cause exists for the Board to hold further proceedings in these dockets in abeyance pending the formalization of the parties' agreement and eventual closing on or before February 15, 2006. The relief requested will afford NCC and NS the opportunity to conclude their transaction, at which point NS will request dismissal of these dockets. As the parties noted in their prior requests for due date extensions, this solution will conserve administrative resources and directly serve the national transportation policy goal of minimizing the need for federal regulatory intervention. *See* 49 U.S.C. § 10101(2).

4. Finally, in light of the impending expiration of the current abeyance period on January 31, 2006, NCC and NS respectfully request expedited Board action on this Petition.

WHEREFORE, for good cause shown, NCC and NS respectfully request that the Board issue an order to continue to hold further proceedings in these dockets in abeyance until February 15, 2006.

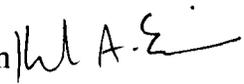
Respectfully submitted,

NORFOLK SOUTHERN RAILWAY

By: James R. Paschall, Esq.
Senior General Attorney
Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510

NATIONAL COAL CORPORATION

By: Charles W. Kite
Senior Vice President and
Corporate Counsel
National Coal Corporation
8815 George Williams Road
Knoxville, Tennessee 37923

Kelvin J. Dowd
Kendra A. Ericson 
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: January 30, 2006

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of January, 2006, I caused copies of the foregoing Joint Petition to Continue to Hold Proceedings in Abeyance to be served upon all parties of record in this proceeding by first class United States mail, postage prepaid.



Kendra A. Ericson