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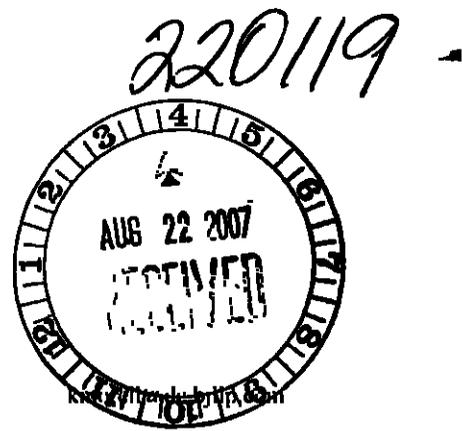
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KARL MORELL



August 22, 2007

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
395 E Street SW
Washington, DC 20423-001

Re. STB Docket No. AB-1000 (Sub-No 1X), Georgia Southwestern
Railroad, Inc -- Abandonment Exemption -- In Harris and
Meriwether Counties, Georgia

Dear Secretary Williams.

Attached for filing are the original and ten copies of a Petition for
Exemption under 49 U.S.C. § 10502. Also attached is a check covering the \$5,400
filing fee

Please time and date stamp the extra copy of the Petition and return it
with our messenger

If you have any questions, please call me

Sincerely,

Karl Morell

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AUG 22 2007

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Enclosures

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AUG 22 2007

**SURFACE
TRANSPORTATION BOARD**

FILED

AUG 22 2007

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO AB-1000 (Sub-No. 1X)

GEORGIA SOUTHWESTERN RAILROAD, INC
--ABANDONMENT AND DISCONTINUANCE OF TRackage RIGHTS EXEMPTION--
IN HARRIS AND MERIWETHER COUNTIES, GEORGIA

PETITION FOR EXEMPTION

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TRANSPORTATION BOARD

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Attorney for:
Georgia Southwestern Railroad, Inc.

Dated August 22, 2007

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TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. AB-1000 (Sub-No 1X)



GEORGIA SOUTHWESTERN RAILROAD, INC.
--ABANDONMENT AND DISCONTINUANCE OF TRackage RIGHTS EXEMPTION--
IN HARRIS AND MERIWETHER COUNTIES, GEORGIA

PETITION FOR EXEMPTION

Georgia Southwestern Railroad, Inc. ("GSR") petitions the Surface Transportation Board ("STB" or "Board") to exempt, under 49 U.S.C. § 10502, from the prior approval requirements of 49 U.S.C. § 10903, GSR's abandonment of a 43-mile rail line and the discontinuance of trackage rights over a 10-mile rail line located in Harris and Meriwether Counties, Georgia

PROPOSED TRANSACTION

GSR proposes to abandon its rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia (the "Line"). In addition, GSR proposes to discontinue its overhead trackage rights over the rail line owned by Central of Georgia Railroad Company ("CGR") located between milepost R-20, north of Columbus, and milepost R-12.0, at Florida Rock, in Harris County, Georgia (the "Trackage Rights Line"). The Line and the Trackage Rights Line traverse U.S. Postal Service Zip Codes 31804, 31811, 31822 and 30222. A map of the Line and the Trackage Rights Line is attached as Exhibit A.

Based on information in GSWR's possession, the Line does not contain any federally granted right-of-way. Any documentation in GSWR's possession will be made available to those requesting it.

STATEMENT OF FACTS

GSWR acquired the Line and obtained the overhead trackage rights from CGR in 2005. *Sec STB Finance Docket No. 34699, Georgia Southwestern Railroad, Inc. – Acquisition and Operation Exemption – Central of Georgia Railroad Company* (not printed), served May 22, 2005. At the time GSWR acquired the Line it had been out of service for nearly two years due to a washed out bridge that prevented access to the only active customer on the Line. GSWR completed the repair of the bridge by August 2005, at a cost of about \$150,000, and resumed service to the one customer on the Line. GSWR has been unable to develop any new rail traffic moving to or from the Line and the revenues generated by the one customer have been woefully inadequate to cover the cost of operations. In fact, the total *gross* revenues received to date do not even cover the cost of repairing the bridge.

The only traffic that moved over the Line since it was acquired by GSWR has been inbound shipments of logs and outbound shipments of plywood and veneer moving to and from the Georgia-Pacific plant at Durand, Georgia. Georgia-Pacific has direct access to CSX Transportation, Inc. ("CSXT"), at its Durand facility and utilizes CSXT for the vast majority of its rail-based transportation needs. Between May 2003 and August 2005, the Line was out of service due to a washout of one of the bridges. During that time, most, if not all, of the traffic handled by GSWR's predecessor was shifted to CSXT. If the proposed abandonment is granted by the Board, most, if not all, of the traffic currently handled by GSWR will likely shift back to CSXT.

As the following table illustrates, in 2006, GSWR handled 322 cars and generated \$85,744 in gross revenues from traffic moving to and from the Line

<u>YEAR</u>	<u>ANNUAL CARLOADS</u>	<u>GROSS REVENUES</u>
2005 ¹	100	\$26,008 00
2006	322	\$85,744 00
2007 ²	134	\$20,100.00

In 2006, service to the shipper on the Line was provided an average of two days a week. GSWR utilized a two-man crew which was stationed in Columbus, GA. Service is usually provided on Tuesdays and Thursdays and occasionally on Saturdays depending on the needs of the shipper. The crew gathers empty and loaded cars in the GSWR yard and operates over the Trackage Rights Line and the portion of the Line to Durand to switch the Georgia-Pacific plant. The crew then proceeds south with the load and/or empty cars to the CGR yard in Columbus for interchange. On the operating days, the crew works full time on the Line.

Trains on the Line are powered by two SD40-2 locomotives, which are utilized exclusively on the Line an average of two days a week.

REVENUE AND COST DATA FOR 2006

During 2006, GSWR generated the following revenues on the Line:

Revenue:

Freight Originating and/or Terminating On-Branch	\$85,744
Bridge Traffic	0
Other Income	<u>3,250</u>
Total Revenues	\$88,994

¹ Carloads and revenues are for August through December 2005.

² Carloads and revenues are for January 1 through June 15, 2007.

On-Branch Avoidable Costs:

GSWR's on-branch avoidable costs for 2006 were as follows:

a. Maintenance-of-Way and Structures	\$258,000
b. Maintenance of Equipment	50,744
c. Transportation	107,695
d. General & Administrative	1,597
e. Deadheading, Taxi and Hotel	0
f. Overhead Movement	0
g. Freight Car Costs (other than return)	1,932
h. Return on Value - Locomotives	4,830
i. Return on Value - Freight Cars	0
j. Revenue Taxes	0
k. Property Taxes	<u>12,294</u>
Total Avoidable costs:	\$437,092
 Avoidable (Loss) or Profit:	 (\$348,098)

REVENUES

The identified freight revenues generated by GSWR in 2006 were all from traffic originated or terminated on the Line. The Line is stub-ended and, therefore, not capable of handling overhead traffic. In 2006, GSWR generated \$3,250 in other income, mainly from leases along the Line.

AVOIDABLE COSTS

Lines b through k under On-Branch Costs represent the actual on-branch costs incurred by GSWR in operating the Line during 2006. GSWR is utilizing normalized maintenance costs for Maintenance-of-Way and Structure costs (line a).

Maintenance-of-way and Structure costs (line a) equal \$258,000 and are based on normalized maintenance levels necessary to maintain the Line in Class 1 operating conditions. The actual maintenance-of-way costs incurred by GSWR on the Line in 2006 are estimated to be

approximately \$167,270.³ The Board and its predecessor have long recognized the appropriateness of considering normalized maintenance costs in instances of deferred maintenance. *See Chicago and North Western Transp Co. – Abandonment*, 366 I.C.C. 373, 377 (1982)(“Normalized maintenance is the amount needed for economic and efficient operation over the long term. *** We have, in the past, applied normalized maintenance calculations to actual maintenance figures and found that costs for normalized maintenance when compared to actual maintenance expenditures are indicative of deferred maintenance and are to be given consideration in determining whether or not the public convenience and necessity permit abandonment of a line”)

The normalized maintenance costs of \$6,000 per mile being utilized by GSWR are conservative and based on the per-mile maintenance costs accepted by the Board and its predecessor in other abandonment proceedings. For example, the Board and its predecessor found as reasonable per-mile normalized maintenance costs of \$10,943 in STB Docket No. AB-33 (Sub-No. 156), *Union Pacific Railroad Company – Abandonment – In Harris, Fort Bend, Austin, Wharton and Colorado Counties, TX* (not printed), served November 8, 2000; \$6,957 in STB Docket No. AB-564 *Camas Prairie Railnet, Inc. – Abandonment – In Lewis, Nez Perce, and Idaho Counties, ID* (not printed), served September 13, 2000; \$6,029 in STB Docket No. AB-441 (Sub-No. 2X), *SWKR Operating Co – Abandonment Exemption in Cochise County, AZ* (not printed), served February 14, 1997, slip op. at 5 (“We know from extensive experience that \$6,000 per mile/per year is a reasonable figure for maintenance by a Class III railroad.”)

Maintenance of Equipment costs (line b) are derived from the system-wide average daily

³ The estimated actual maintenance-of-way costs are derived from the average per-mile costs experienced by GSWR in 2006 system-wide.

costs incurred by GSWR to maintain its locomotive fleet (\$225) multiplied by the number of locomotives utilized to perform service on the Line (2) which, in turn, is multiplied by the number of days service was provided on the Line during 2006 (104) [$\$225 \times 2 \times 104 = \$46,800$] During 2006, each of the two locomotives used on the Line incurred a depreciation expense of \$5,915.71 Since the two locomotives operate 6 days per week, one third of the total depreciation expense of \$11,831 is attributable to the Line [\$3,944].

Transportation costs (line c) include wages and fringe benefits associated with the freight operations on the Line, and locomotive fuel and lube oil costs. The total wage and fringe benefits costs of \$75,400 are derived by multiplying the average system-wide cost per day for a two-man crew incurred by GSWR in 2006 [\$725] and the number of days the two-man crew operated over the Line in 2006 [104] Total locomotive fuel costs of \$30,183 are derived by multiplying the average system-wide gallons of fuel used per loaded car in 2006 [35.37224], the average price per gallon of fuel paid by GSWR in 2006 [\$2.65], and the total number of loaded cars handled over the Line in 2006 [322] The total lube oil costs of \$2,112 are derived by multiplying the average system-wide gallons of lube oil used per loaded car in 2006 [0.9385228], the average price per gallon of lube oil paid by GSWR in 2006 [\$6.99], and the total number of loaded cars handled over the Line in 2006 [322].

General and Administrative expenses (line d) include only the actual electric expenses incurred on the Line GSWR has not apportioned any motor vehicle expenses, claims, telephone expenses, office and general supplies, or insurance costs to the Line.

GSWR did not incur any Deadheading, Taxi and Hotel expenses (line e) on the Line during 2006.

Because the Line is stub-ended, there are no costs associated with overhead movements (line f).

Freight car costs (line g) in 2006, consisting of car hire payments, were \$1,932

In 2006, SWRR utilized two SD40-2 locomotives on the Line. On January 1, 2006, each of these locomotives had an un-depreciated value of \$41,400. As previously noted, these locomotives spent one-third of their operating time on the Line. Consequently, the return on value (line h) for these locomotives attributable to the Line in 2006 was \$4,830 [$\$82,800$ (total un-depreciated value of the two locomotives) \times 17.5% (pre-tax cost of capital) divided by 3].

Freight car cost-return on value (line i) was \$0, since the cars used on the Line were all foreign cars.

There were no revenue taxes associated with GSWR's operations over the Line in 2006. Property taxes (line k) totaled \$12,294 in 2006, of which \$5,412 was paid to Harris County and \$6,882 was paid to Meriwether County.

FORECAST YEAR OPERATIONS⁴

In 2006, GSWR handled 129 carloads of inbound logs, generating \$19,350.00 in gross revenues, 153 carloads of outbound veneer, generating \$49,674.00 in gross revenues, and 40 carloads of outbound plywood, generating \$16,720.00 in gross revenues.

From January 1 through June 15, 2007, GSWR handled 134 inbound carloads of logs generating \$20,100.00 in gross revenues. No outbound traffic was tendered to GSWR during that time period. Because of the reduced carloads being tendered in 2007, service to the shipper on the Line is averaging about one and one half times a week. Based on the number of carloads

⁴ Pursuant to 49 C.F.R. § 1152.2(h), the Forecast Year is the 12-month period beginning August 1, 2007.

and the commodities handled on the Line between January 1st and June 15th, GSWR estimates that the total carloads for the Forecast Year will be 295 and the total gross revenues will be \$44,250.00. Consequently, GSWR projects that it would generate the following revenues and incur the following costs on the Line in the Forecast Year:

Revenue:

Freight Originating and/or Terminating On-Branch	\$44,250
Bridge Traffic	0
Other Income	<u>3,250</u>
Total Revenues	\$47,500

On-Branch Avoidable Costs:

GSWR's projected on-branch avoidable costs for the Forecast Year are as follows:

a. Maintenance-of-Way and Structures	\$258,000
b. Maintenance of Equipment	38,058
c. Transportation	86,137
d. General & Administrative	1,597
e. Deadheading, Taxi and Hotel	0
f. Overhead Movement	0
g. Freight Car Costs (other than return)	1,770
h. Return on Value – Locomotives	2,846
i. Return on Value – Freight Cars	0
j. Revenue Taxes	0
k. Property Taxes	<u>12,294</u>
Total Avoidable costs:	\$400,702
 Avoidable (Loss) or Profit.	 (S353,202)

REVENUES

The identified freight revenues projected by GSWR in the Forecast Year were all from inbound movements of logs to the Georgia-Pacific facility on the Line. The projections are based on the shipments tendered to GSWR by Georgia-Pacific during first five and one half months of 2007. As previously noted, the Line is stub-ended and, therefore, not capable of

handling overhead traffic. GSWR projects generating \$3,250 in other income, mainly from leases along the Line during the Forecast Year.

AVOIDABLE COSTS

GSWR is utilizing normalized maintenance costs, as explained above, for Maintenance-of-Way and Structure costs during the Forecast Year (line a).

Lines b through j under On-Branch Costs represent the projected costs for the Forecast Year based on the actual on-branch costs or the system-wide average per unit costs incurred by GSWR during 2006.

Maintenance of Equipment costs (line b) are derived from the system-wide average daily costs incurred by GSWR to maintain its locomotive fleet in 2006 (\$225), multiplied by the number of locomotives utilized to perform service on the Line (2) which, in turn, is multiplied by the number of days service is projected to be provided on the Line during the Forecast Year (78) [$\$225 \times 2 \times 78 = \$35,100$]. During the Forecast Year, each of the two locomotives used on the Line is projected to incur a depreciation expense of \$5,915.71. Since the two locomotives operate 6 days per week, 25 percent of the total depreciation expense of \$11,831 is attributable to the Line [\$2,958]

Transportation costs (line c) include wages and fringe benefits associated with the freight operations on the Line, and locomotive fuel and lube oil costs. The total wage and fringe benefits costs of \$56,550 are derived by multiplying the average system-wide cost per day for a two-man crew incurred by GSWR in 2006 [\$725] and the number of days the two-man crew is projected to operate over the Line during the Forecast Year [78]. Total locomotive fuel costs of \$27,652 are derived by multiplying the average system-wide gallons of fuel used per loaded car in 2006 [35.37224], the average price per gallon of fuel paid by GSWR in 2006 [\$2.65], and the

total number of loaded cars projected to be handled over the Line in the Forecast Year [295].

The total lube oil costs of \$1,935 are derived by multiplying the average system-wide gallons of lube oil used per loaded car in 2006 [0.9385228], the average price per gallon of lube oil paid by GSWR in 2006 [\$6.99], and the total number of loaded cars projected to be handled over the Line in the Forecast Year [295].

General and Administrative expenses (line d) include only the projected electric expenses to be incurred on the Line during the Forecast Year. GSWR has not projected any motor vehicle expenses, claims, telephone expenses, office and general supplies, or insurance costs to the Line for the Forecast Year.

GSWR does not expect to incur any Deadheading, Taxi and Hotel expenses (line e) on the Line during the Forecast Year.

Because the Line is stub-ended, there are no costs associated with overhead movements (line f).

Freight car costs (line g) during the Forecast Year, consisting of car hire payments, are projected to be \$1,770.

In the Forecast Year, GSWR will utilize two SD40-2 locomotives on the Line. These locomotives are projected to spend 25 percent of their operating time on the Line during the Forecast Year. Consequently, the return on value (line h) for these locomotives attributable to the Line during the Forecast Year is estimated to be \$2,846 [$\$65,053$ (estimated un-depreciated value of the two locomotives on July 1, 2007) X 17.5% (pre-tax cost of capital) divided by 4].

Freight car cost-return on value (line i) will be \$0, since the cars used on the Line are all foreign cars

There will be no revenue taxes associated with GSWR's operations over the Line during the Forecast Year. Property taxes (line k) are projected to total \$12,294 in the Forecast Year, based on the taxes paid in 2006.

OPPORTUNITY COSTS

Opportunity costs reflect the economic loss experienced by GSWR from forgoing a more profitable alternative use of the assets associated with the Line. Pursuant to *Abandonment Regulations – Costing*, 3 I.C.C 2d 340 (1987), the opportunity cost of road property is computed on an investment base equal to the sum of (1) allowable working capital; (2) the net liquidation value (“NLV”) of the Line, and (3) current income tax benefits (if any) resulting from abandonment.

The NLV of the track components of the Line is set forth in the following Table.

**Net Liquidation Value Of The Line⁵
43 Track Miles of Mainline**

Rail and Other Track Materials:

<u>Net Tonnage</u>	<u>Average Value/Ton</u>	<u>Total \$ Value</u>
8,567	\$450	\$3,855,150
	Cost of Removal	(\$443,995)
	Cost of Transportation	(\$488,950)
Net Value of Rail and Other Track Materials		\$2,922,205

Cross and Switch Ties:

<u>Number</u>	<u>Average Value/Tie</u>	<u>Total \$ Value</u>
135,500	\$6.40	\$867,200

⁵ The NLV of the track components is based on a detailed inspection of the Line conducted in June 2007 by The Tie Yard of Omaha.

Cost of Removal	(\$159,000)
Cost of Transportation	(\$201,500)
Net Value of Cross and Switch Ties	\$506,700
NET SALVAGE VALUE	\$3,428,905

The Line consists of 43 miles of main line track that can be salvaged. The track components consist of 8,567 net tons of track and other track materials. The total value of the track components is \$3,855,150, and the total removal and transportation costs for the track components are estimated to be \$932,945. The total value of the Cross and Switch Ties is \$867,200, and the total removal and transportation costs for the ties are estimated to be \$360,500. Consequently, the NLV of the track structures and ties on the Line is \$3,428,905.

The underlying right-of-way is primarily held in fee. While GSWR has not retained a real estate expert to value the right-of-way, GSWR has been informed by certain adjacent land owners along the Line that the land values along the Line range from \$6,000 to \$10,000 per acre. GSWR is aware of one parcel of land adjacent to the Line that was offered for sale for \$20,000 per acre. For purposes of this filing, GSWR is utilizing an average per acre gross value of the real estate of \$8,000. Since the rail corridor is comprised of 305.5 acres, GSWR estimates the gross value of the real estate to be \$2,444,000. Adjusting the gross value by 13 percent to account for selling costs, holding costs/gains and a discount factor, produces a net real estate value of \$2,126,280⁶

Consequently, the **Net Liquidation Value** of the Line equals \$5,555,185.

⁶ The adjustment assumes a sell-off period of 2 years, 10 percent real estate commission, very limited holding costs, since the only holding costs will be property taxes and the lease incomes partially offset those costs, and a modest discount factor. In STB Docket No. AB-492 (Sub-No. 2X), *Fillmore Western Railway Company – Abandonment Exemption – In Fillmore County, NE* (not printed), served October 31, 2001 (“*Fillmore*”), the Board adjusted the gross land value by

VALUATION OF ROAD PROPERTIES:

a. Working Capital	16,229 ⁷
b. Income Tax Consequences	0 ⁸
c. Net Liquidation Value	5,555,185
d. Valuation of Property Before Holding Gain	5,571,414
Nominal Rate of Return	17.5%
Total Return on Value – Opportunity Cost:	\$974,997 ⁹

SUBSIDY:

a. Forecast Year Avoidable (Loss) or Profit from Operations	(\$353,202)
b. Estimated Rehabilitation	\$0
c. Total Return on Value – Opportunity Cost	<u>(\$974,997)</u>
Estimated Subsidy Payment	(\$1,328,199)

SUMMARY

In 2006, GSWR would have had an operating loss of \$348,098 from operations on the Line if a normalized level of maintenance had been performed. Even if the actual maintenance costs (\$167,270) instead of the normalized maintenance costs (\$258,000) are utilized, GSWR experienced an operating loss of approximately \$257,368 during 2006. Moreover, GSWR is incurring foregone opportunity costs of approximately \$974,997 for a total economic loss of approximately \$1,348,448 in the Forecast Year.

In order for GSWR to cover its operating costs and earn its cost of capital, the shipper on the Line would have to make a subsidy payment of \$1,328,199 for the Forecast Year.

approximately 13.6 percent. Since the property in *Fillmore* generated no income whereas the Line does, GSWR's use a 13 percent adjustment to the gross land value is reasonable.

⁷ On-branch Avoidable costs (\$400,702) less depreciation (\$2,958) and less Return on Value – Locomotive (\$2,846) = \$394,898 divided by 365 and times 15 = \$16,229

⁸ GSWR has tax credits and tax loss carry forwards more than adequate to offset any capital gains realized by the sale of the track assets and underlying real estate.

⁹ GSWR is not including any Holding Gains or Losses. Given the historically high prices for steel, it is more likely than not that the prices will decline rather than increase during the Forecast Year.

EXEMPTION REQUESTED

GSWR seeks an exemption under 49 U.S.C. § 10502 from the applicable requirements of 49 U.S.C. § 10903 in order for GSWR to abandon this underutilized 43-mile rail line. GSWR also seeks an exemption to discontinue its overhead trackage rights over the Trackage Rights Line.

Under 49 U.S.C. § 10502, the STB must exempt a transaction from regulation when it finds that:

- (1) regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and
- (2) either:
 - (a) the transaction is of limited scope; or
 - (b) regulation is not necessary to protect shippers from the abuse of market power.

The legislative history of Section 10502 reveals a clear Congressional intent that the STB should liberally use its exemption authority to free certain transactions from the administrative and financial costs associated with continued regulation. In enacting the Staggers Act of 1980, Pub. L. No. 96-448, 94 Stat. 1895, Congress encouraged the STB's predecessor to liberally use the expanded exemption authority under former Section 10505:

The policy underlying this provision is that while Congress has been able to identify broad areas of commerce where reduced regulation is clearly warranted, the Commission is more capable through the administrative process of examining specific regulatory provisions and practices not yet addressed by Congress to determine where they can be deregulated consistent with the policies of Congress. The conferees expect that, consistent with the policies of this Act, the Commission will pursue partial and complete exemption from remaining regulation.

H.R. Rep. No. 1430, 96th Cong 2d Sess 105 (1980). *See also Exemption From Regulation – Boxcar Traffic*, 367 I.C.C. 424, 428 (1983), *vacated and remanded on other grounds, Brae Corp. v. United States*, 740 F.2d 1023 (D C. Cir. 1984). Congress reaffirmed this policy in the conference report accompanying the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which re-enacted the rail exemption provisions as Section 10502 H.R. Rep. 422, 104th Cong., 1st Sess. 168-69 (1995)

A. The Application Of 49 U.S.C. § 10903 Is Not Necessary to Carry Out The Rail Transportation Policy

Detailed scrutiny of this transaction is not necessary to carry out the rail transportation policy. An exemption would minimize the unnecessary expenses associated with the filing of a formal abandonment application, expedite regulatory decisions and reduce regulatory barriers to exit [49 U.S.C § 10101(2) and (7)]. *See, e.g., Norfolk & W. Ry Co – Abandonment Exem – Cinn., Hamilton County, OH*, 3 S T.B. 110 (1998); STB Docket No. AB-367 (Sub-No 2X), *Georgia Central Railroad, L P – Abandonment Exemption – In Chatham County, GA* (not printed), served September 17, 1997 (“*Georgia Central*”). By abandoning the Line, GSWR will be able to avoid the out-of-pocket expenses and significant opportunity costs associated with retaining this underutilized Line. Granting the exemption will thus foster sound economic conditions and encourage efficient management. 49 U.S.C. § 10101(5) and (9). *See, e.g., STB Docket No AB-318 (Sub-No. 4X), Louisiana & Delta Railroad, Inc. – Abandonment Exemption – In Lafourche and Assumption Parishes, LA* (not printed), served August 26, 1997; STB Docket No. AB-497 (Sub-No. 1X), *Minnesota Northern Railroad, Inc. – Abandonment Exemption – In Red Lake and Polk Counties, MN* (not printed), served November 14, 1997. GSWR will be able to rid itself of a line that has seen very low volumes of traffic in the two

years since GSWR acquired the Line and repaired the bridge. GSWR took a calculated risk in repairing the bridge without first obtaining traffic commitments from Georgia Pacific. GSWR cannot afford to continue experiencing the substantial operating losses associated with the Line without adversely affecting the operations on the remainder of its railroad. Consequently, GSWR seeks to abandon the Line so that it can utilize the salvage funds to maintain the tracks on the remainder of GSWR's system. Other aspects of the rail transportation policy are not affected adversely. For example, competition and the continuation of a sound rail transportation system are not affected since the Line has been inactive for a year.

B. This Transaction Is Of Limited Scope

In determining whether a proposed transaction is of limited scope, the Board considers a variety of factors, such as the length of the rail line, the number of shippers on the line and the traffic volume. *See, e.g.,* Docket No. AB-347 (Sub-No. 1X), *Florida West Coast Railroad Company – Abandonment Exemption – Gilchrist and Levy Counties, FL* (not printed), served January 16, 1992; Docket No. AB-6 (Sub No. 349X), *Burlington Northern Railroad Company – Abandonment Exemption – In Greene and Polk Counties, MO* (not printed), served August 27, 1993.

The proposed transaction is clearly of limited scope. GSWR is seeking to abandon a 43-mile line that traverses a predominantly rural area with little demand for rail service in recent years. There is only one active rail customer on the Line and its use of the Line has been very limited in the past two years, averaging only about 7.5 carloads per track mile. The limited geographic area involved and the very limited use demonstrate the limited scope of the proposed abandonment. *See, e.g.,* Docket No. AB-397 (Sub-No. 3X), *Tulare Valley Railroad Company –*

Abandonment Exemption – In Tulare And Fresno Counties, CA (not printed), served February 9, 1995.

C. This Transaction Will Not Result In An Abuse of Market Power

There is only one active rail customer on the Line and that customer has direct access to CSXT. Indeed, the sole customer on the Line moves the vast majority of its traffic with CSXT and other modes, making little use of GSWR's services. Therefore, regulation is not necessary to protect shippers from an abuse of market power. *See, e.g.,* STB Docket No. AB-55 (Sub-No. 576) *CSX Transportation, Inc – Abandonment Exemption – In Guernsey County, OH* (not printed), served November 22, 1999; STB Docket No. AB-55 (Sub-No. 563X), *CSX Transportation, Inc – Abandonment Exemption – In Harrison County, WV* (not printed), served September 25, 1998; *Georgia Central*.

When the Line was out of service, Georgia-Pacific shifted its traffic to CSXT and, possibly to a limited extent, trucks. All of the traffic moving to and from the Line is truck competitive. The communities along the Line have an adequate highway network capable of supporting motor carrier transportation. For example, Interstate Hwy 185 and U.S. Hwy 27 run essentially parallel to the Line. Transportation services are available from numerous motor carriers that serve the area.

Accordingly, the only active shipper on the Line has more than adequate intra- and intermodal options available. Where, as here, few shippers utilize the rail line to be abandoned and they have adequate alternative transportation options available, there is no potential abuse of market power. *See* Docket No. AB-290 (Sub-No. 123X), *Norfolk Southern Railway Company – Abandonment Exemption – In Franklin, Marion, and Winston Counties, AL* (not printed), served May 3, 1995.

Moreover, the Board and its predecessor have consistently rejected speculation about future traffic as a sound basis for denying the abandonment of an otherwise unprofitable rail line. *See, e.g.*, STB Docket No. AB-433X, *Idaho Northern & Pacific Railroad Company – Abandonment Exemption – In Wallowa and Union Counties, OR* (not printed), served April 16, 1997 (“*Idaho Northern*”);¹⁰ STB Docket No. 290 (Sub-No. 260X), *Tennessee Railway Company – Abandonment Exemption – In Scott County, TN* (not printed), served June 17, 2005 (“*Tennessee*”);¹¹ STB Docket No. AB-6 (Sub-No. 370X), *Burlington Northern Railroad Company – Abandonment Exemption – Between Mesa and Basin City, Franklin County, WA* (not printed), served January 27, 1997; Docket No. AB-290 (Sub-No. 122X), *Norfolk and Western Railway Company – Abandonment Exemption – In Randolph, Macon, Adair, and Schuyler Counties, MO, and Davis, Appanoose, and Monroe Counties, IA* (not printed), served September 17, 1993; Docket No. AB-55 (Sub-No. 413X), *CSX Transportation, Inc. – Abandonment Exemption – In Webster County* (not printed), served May 29, 1992. Also, a shipper “may not insist upon the maintenance of a burdensome line solely for its own benefit.” *Busboom Grain Company, Inc. v. ICC*, 856 F.2d 790, 795 (7th Cir. 1988)

ENVIRONMENTAL AND HISTORIC REPORTS

The Environmental Report and the Historic Report containing the information required by 49 C.F.R. §§ 1105.07 and 1105.08 are attached as Exhibit D. The Certificate of Service is attached as Exhibit C.

¹⁰ In *Idaho Northern*, the Board granted the abandonment even though a lumber mill had projected a total of 2,102 outbound movements of lumber and wood chips. In granting the abandonment, the Board found the traffic projections speculative but also noted that the mill had been utilizing truck service to deliver the finished products.

FEDERAL REGISTER NOTICE

A draft Federal Register notice is attached to this Petition as Exhibit B.

LABOR PROTECTION

The interests of railroad employees who may be adversely affected by the proposed abandonment will be adequately protected by the labor protection conditions in Oregon Short Line R. Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

CONCLUSION

Application of the regulatory requirements and procedures of 49 U.S.C. § 10903 is not required to carry out the rail transportation policy set forth in 49 U.S.C. § 10101, as previously described in this Petition. Nor is STB regulation required to protect shippers from the abuse of market power. Moreover, this abandonment is of limited scope. Accordingly, GSWR respectfully urges the Board to grant the requested exemption.

Respectfully submitted,



Karl Morell
Of Counsel
Ball Janik LLP
1455 F Street, N W.
Suite 225
Washington, D.C 20005
(202) 638-3307

Dated. August 22, 2007

¹¹ Citing *Idaho Northern*, the Board, in *Tennessee*, noted that under its precedent “mere speculation about future traffic is not a sound basis upon which to deny an abandonment.” *Tennessee*, slip op , at 4

EXHIBIT A

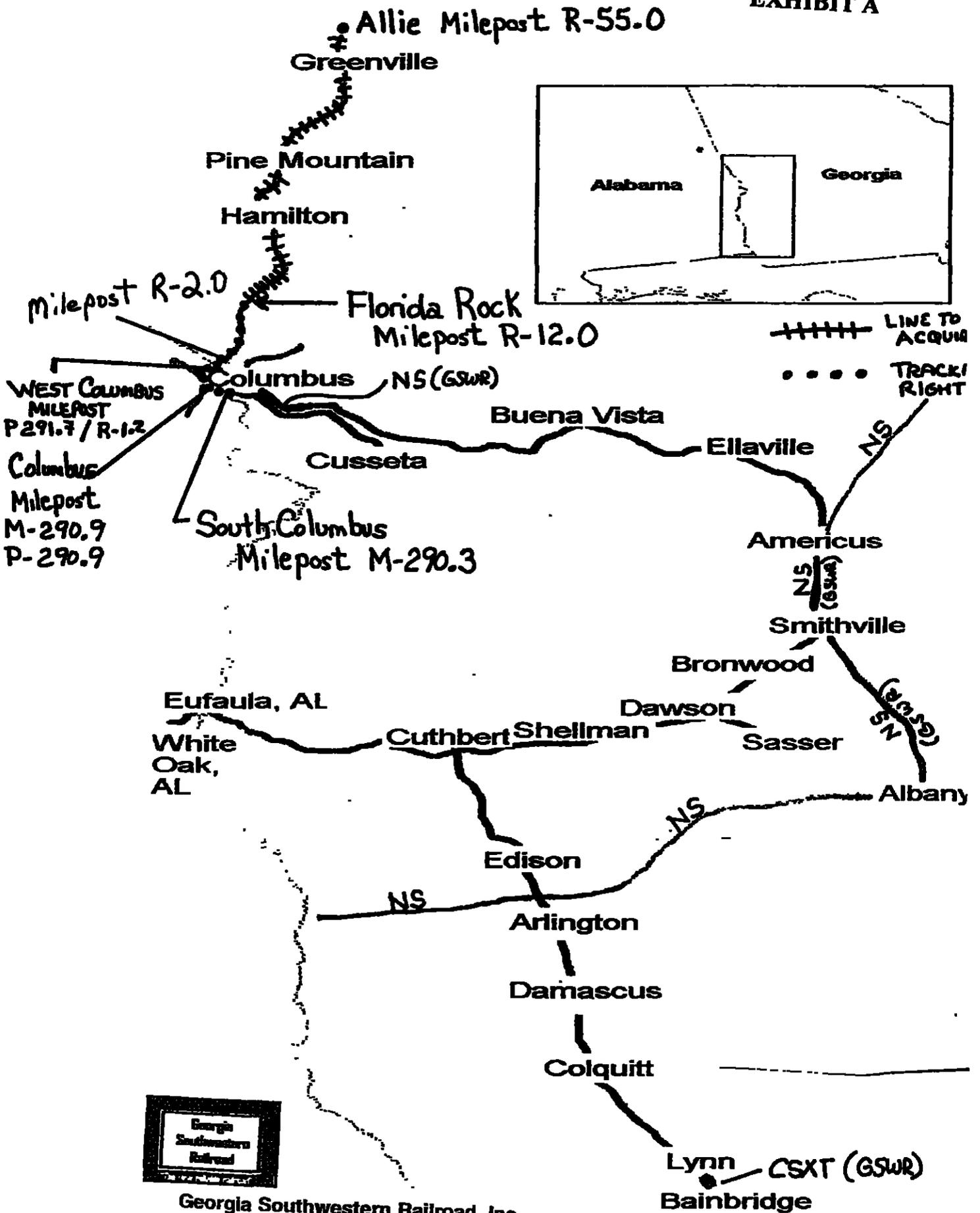


EXHIBIT B

SURFACE TRANSPORTATION BOARD

STB DOCKET NO. AB-1000 (Sub-No. 1X)

**GEORGIA SOUTHWESTERN RAILROAD, INC.
--ABANDONMENT AND DISCONTINUANCE OF TRackage RIGHTS EXEMPTION--
IN HARRIS AND MERIWETHER COUNTIES, GEORGIA**

On August 22, 2007, Georgia Southwestern Railroad, Inc. (GSR) filed with the Surface Transportation Board a petition under 49 U.S.C. 10502 for exemption from the provision of 49 U.S.C. 10903 for GSR to abandon a line of railroad extending from railroad milepost R-12.0, at Florida Rock, to railroad milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia (the "Line"). In addition, GSR proposes to discontinue its trackage rights over the rail line owned by Central of Georgia Railroad Company located between milepost R-2.0, north of Columbus, and milepost R-12.0, at Florida Rock, in Harris County, Georgia (the "Trackage Rights Line"). The Line and the Trackage Rights Line traverse U.S Postal Service Zip Codes 31804, 31811, 31822 and 30222. There are no stations on the line for which abandonment exemption was filed

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interests of railroad employees will be protected by the conditions set forth in Oregon Short Line R. Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued within 90 days (by December, 2007).

Any offer of financial assistance under 49 C.F.R. 1152.27(b)(2) will be due no later than 10 days after service of a decision granting the petition for exemption. Each offer of financial assistance must be accompanied by the filing fee, which currently is set at \$1,300. *See* 49 C.F.R. 1002.2(f)(25).

All interested person should be aware that following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use. Any request for a public use condition under 49 C.F.R. 1152.28 and any request for trail use/rail banking under 49 C.F.R. 1152.29 will be due no later than 20 days after notice of the filing of the petition for exemption is published in the *Federal Register*. Each trail use request must be accompanied by a \$200 filing fee. *See* 49 C.F.R. 1002.2(f)(27).

All filings in response to this notice must refer to STB Docket No. AB-1000 (Sub-No. 1X) and must be sent to: (1) Office of the Secretary, Case Control Unit, Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423. (2) Karl Morell, Of Counsel, Ball Janik LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

Persons seeking further information concerning abandonment procedures may contact the Board's Office of Public Services at (202) 245-0230 or refer to the full abandonment or discontinuance regulations at 49 C.F.R. Part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis at (202) 245-0295 [Assistance for the hearing impaired is available through the Federal Information Relay Service at 1-800-877-8339.]

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any

other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

Decided: _____ 2007.

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

Vernon A. Williams

EXHIBIT C

CERTIFICATE OF SERVICE

Pursuant to 49 C.F.R. § 1152.60(d), the undersigned hereby certifies that the Petition for Exemption in STB Docket No. AB-1000 (Sub-No. 1X) was mailed via first class mail on August 22, 2007, to the following parties:

<p>State Public Service Commission</p> <p>Public Service Commission 244 Washington Street, SW Suite 127 Atlanta, GA 30303</p> <p>Military Traffic Management Command</p> <p>MTMCTEA ATTN: Railroads for National Defense 720 Thimble Shoals Blvd., Suite 130 Newport News, VA 23606-2574</p>	<p>National Park Service</p> <p>Chief of National Recreation and Trails U.S. Dept. of Interior - Nat'l. Park Service Recreation Resources Assistance Division 1849 C Street, NW Washington, DC 20240-0001</p> <p>National Park Service</p> <p>National Park Service 100 Alabama Street SW Atlanta, GA 30303</p> <p>U.S. Department of Agriculture</p> <p>U.S Department of Agriculture Chief of the Forest Service 4th Floor N.W., Auditors' Building 14th St. and Independence Ave., S.W. Washington, DC 20250</p>
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Dated: August 22, 2007

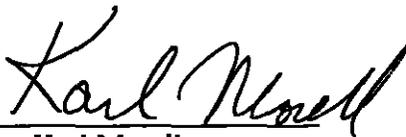


Karl Morell

CERTIFICATE OF PUBLICATION

The undersigned hereby certifies that notice of the proposed abandonment in STB Docket No AB-1000 (Sub-No 1X) was published on July 13, 2007, in The Columbus Ledger-Enquirer, a newspaper of general circulation in Harris and Meriwether Counties, Georgia as required by 49 C.F.R. § 1105.12.

Dated: August 22, 2007



Karl Morell

**ENVIRONMENTAL REPORT
CERTIFICATE OF SERVICE**

Pursuant to the requirements of 49 C.F.R. § 1105.7, the undersigned hereby certifies that a copy of the Environmental Report in STB Docket No. AB-1000 (Sub-No. 1X) was mailed via first class mail on June 26, 2007, to the following parties:

<p>Georgia State Clearinghouse Management Review Division Room 534-A 254 Washington Street, S.W. Atlanta, Georgia 30334</p> <p>Harris County Commissioners P.O. Box 365 County Courthouse Hamilton, GA 31811-0365</p> <p>Meriwether County Commissioners P.O. Box 428 County Courthouse Greenville, GA 30222-0428</p> <p>USDA Natural Resources Conservation Service 355 East Hancock Avenue Stop Number 200 Athens, GA 30601</p> <p>U.S. Fish and Wildlife Service Richard B. Russell Building, Room 1200 1875 Century Boulevard Atlanta, GA 30345</p> <p>National Park Service 100 Alabama Street, SW Atlanta, GA 30303</p>	<p>Department of Natural Resources 2 Martin Luther King Drive SE Suite 1252 Atlanta, GA 30334</p> <p>U.S. Environmental Protection Agency Sam Nunn Atlanta Federal Center 61 Forsyth Street, SW Atlanta, GA 30303-3104</p> <p>U.S. Army Engineer District, Mobile P.O. Box 2288 Mobile, AL 36628-0001</p> <p>The National Geodetic Survey Department of Commerce/NOAA SSMC3 Station 9356 1315 East West Highway Silver Spring, MD 20910</p>
---	---

Dated: August 22, 2007


Karl Morell

**HISTORIC REPORT
CERTIFICATE OF SERVICE**

Pursuant to the requirements of 49 C.F.R. § 1105.8(c), the undersigned hereby certifies that a copy of the Historic Report in STB Docket No. AB-1000 (Sub-No. 1X) was mailed via first class mail on June 26, 2007, to the following party:

Historic Preservation Division
Department of Natural Resources
156 Trinity Avenue, SW
Suite 101
Atlanta, GA 30303

Dated: August 22, 2007



Karl Morell

ENVIRONMENTAL REPORT

(49 C.F.R. 1105.7)

STB Docket No. AB-1000 (Sub-No. 1X)

**GEORGIA SOUTHWESTERN RAILROAD, INC.
–ABANDONMENT EXEMPTION–
IN HARRIS AND MERIWETHER COUNTIES, GEORGIA**

(1) Proposed Action and Alternatives. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

Georgia Southwestern Railroad, Inc. ("GSR"), proposes to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, Harris and Meriwether Counties, Georgia (the "Line"). Upon receipt of abandonment authority, GSR intends to remove the rail, track material, and cross-ties. The bridges, culverts and ballast on the Line will remain in place while GSR explores rail-banking all or a portion of the Line.

GSR acquired the Line from Central of Georgia Railroad Company in 2005. See Finance Docket No. 34699, *Georgia Southwestern Railroad, Inc. – Acquisition and Operation Exemption – Central of Georgia Railroad Company* (not printed), served May 20, 2005. At the time GSR acquired the Line it had been out of service for nearly two years due to a washed out bridge that prevented access to the only active customer on the Line. GSR completed the repair of the bridge by August 2005 and resumed service to the one customer on the Line. The volume of traffic, however, has been low and the revenues generated from the Line woefully inadequate to cover the cost of operations.

The Line has had limited traffic in years. Between May 2003 and August 2005, the Line was out of service due to a washout of one of the bridges. The number of carloads for the remainder of 2005 was 100, in 2006 the number of carloads was 322 and through June 15th, the number of carloads for 2007 was 134. Because of the low volume of traffic, only limited maintenance has been performed on the Line for some time. Indeed, GSWR's predecessors had the Line out of service for nearly two years. Therefore, the proposed abandonment will have limited impact on rail freight operations and maintenance practices on the Line.

A map of the proposed abandonment is attached hereto as Exhibit 1.

(2) Transportation System. Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

No passenger traffic will be diverted to other modes as a result of the proposed abandonment. The only active shipper on the Line has direct access to CSX Transportation, Inc. ("CSXT"). That shipper primarily uses the services of CSXT for rail-bound traffic and makes little use of GSWR's services. Presumably, the traffic now handled by GSWR will be shifted to CSXT as it was for the nearly two years that the Line was out of service prior to GSWR's acquisition of the Line. Consequently, the proposed abandonment will have no adverse effects on regional or local transportation systems and patterns.

(3) Land Use. (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies. (ii) Based on consultation with the U.S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land. (iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9. (iv)

If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. § 10905 and explain why.

(i) GSWR is confident that the proposed abandonment is not inconsistent with existing land use plans. The Harris County Commissioners and the Meriwether County Commissioners were contacted concerning the proposed abandonment. See Exhibit 2. Harris County responded with several questions which were orally answered by counsel for GSWR. See Exhibit 2. No response has been received to date from the Meriwether Commissioners. A copy of this Report has been mailed to the appropriate local and state agencies for their information and comment.

(ii) The proposed abandonment will not have any detrimental effect on prime agricultural land. GSWR notified the Natural Resources Conservation Service of the proposed abandonment and requested assistance in identifying any potential effects on prime agricultural land. See Exhibit 3. No response to this request has been received to date. A copy of this Report is being supplied to the USDA Natural Resources Conservation Service for its information and comment.

(iii) The Line does not pass through a designated coastal zone.

(iv) The involved right-of-way does not appear to be suitable for alternative public use other than a recreational trail since it is located mainly in a rural, sparsely populated area.

GSWR has been contacted by various public and private parties seeking to rail-bank the Line.

(4) Energy. (i) Describe the effect of the proposed action on transportation of energy resources. (ii) Describe the effect of the proposed action on recyclable commodities. (iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why. (iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.

(i) The proposed abandonment will have no effect on the transportation of energy resources.

(ii) The proposed abandonment will have no effect on the transportation of recyclable commodities.

(iii) The proposed abandonment will have limited or no effect on overall energy efficiency since most, if not all, of the current traffic handled by GSWR will shift to CSXT.

(iv) The proposed abandonment will cause limited, if any, diversions of rail traffic to motor carriage, since most, if not all, of GSWR's current traffic will shift to CSXT. Even if all of GSWR's traffic were to shift to motor carriage, the number of rail carloads, at current traffic levels, would be less than 300 per year, or less than 7 carloads per mile per year, and well below the above specified thresholds.

(5) Air. (i) If the proposed action will result in either: (A) An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) an increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions. For a proposal under 49 U.S.C. § 10901 (or § 10505) to construct a new line or reinstitute service over a previously abandoned line, only the eight train a day provision in sub-section (5)(i)(A) will apply. (ii) If the proposed action affects a class I or nonattainment area under the Clean Air Act, and will result in either: (A) an increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line; (B) an increase in rail yard activity of at least 20 percent (measured by carload activity); or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan. However, for a rail construction under 49 U.S.C. § 10901 (or 49 U.S.C. § 10505), or a case involving the reinstatement of service over a previously abandoned line, only the three train a day threshold in this item shall apply. (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity; the frequency of service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with

accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

(1) The proposed abandonment will not result in meeting or exceeding the specified thresholds.

(ii) The proposed abandonment will not result in meeting or exceeding the specified thresholds.

(iii) The proposed abandonment will not affect the transportation of ozone depleting materials.

(6) Noise. If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more; or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

Not applicable

(7) Safety. (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings). (ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials. (iii) If there are any known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved.

(i) The proposed abandonment will have no detrimental effects on public health and safety.

(ii) The proposed abandonment will not affect the transportation of hazardous materials.

(iii) There are no known hazardous material waste sites or sites where known hazardous material spills have occurred on or along the rail corridor of the Line.

(8) Biological Resources. (i) Based on consultation with the U.S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects. (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

(i) The proposed abandonment will not have an adverse affect on endangered or threatened species or areas designated as a critical habitat. GSWR notified the U.S. Fish and Wildlife Service of the proposed abandonment and requested assistance in determining whether endangered or threatened species or areas designated as a critical habitat are likely to be adversely affected. See Exhibit 4. The U.S. Fish and Wildlife Service has determined that the proposed abandonment is not expected to significantly impact fish and wildlife resources See Exhibit 4. A copy of this Report is being supplied to the U.S. Fish and Wildlife Service for its information and further comment.

(ii) GSWR does not believe that any wildlife sanctuaries or refuges, National or State parks or forests would be adversely affected by the proposed abandonment. GSWR notified the National Parks Service of the proposed abandonment and requested assistance in identifying any potential effects on wildlife sanctuaries or refuges, National or State parks or forests. See Exhibit 5. To date, no response to this request has been received. A copy of this Report is being supplied to the National Park Service for its information and comment.

(9) Water. (i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies. (ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. § 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects. (iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. § 1342) are required for the proposed action.

(i) The proposed abandonment, in GSWR's view, will be consistent with applicable water quality standards. GSWR contacted the Georgia Department of Natural Resources ("GDNR") and the U.S. Environmental Protection Agency ("US EPA") concerning this matter requesting assistance in determining whether the proposed abandonment is consistent with applicable Federal, State, or local water quality standards. See Exhibit 6. To date, no responses to these requests have been received. A copy of this Report is being supplied to the US EPA and the GDNR for their information and comment.

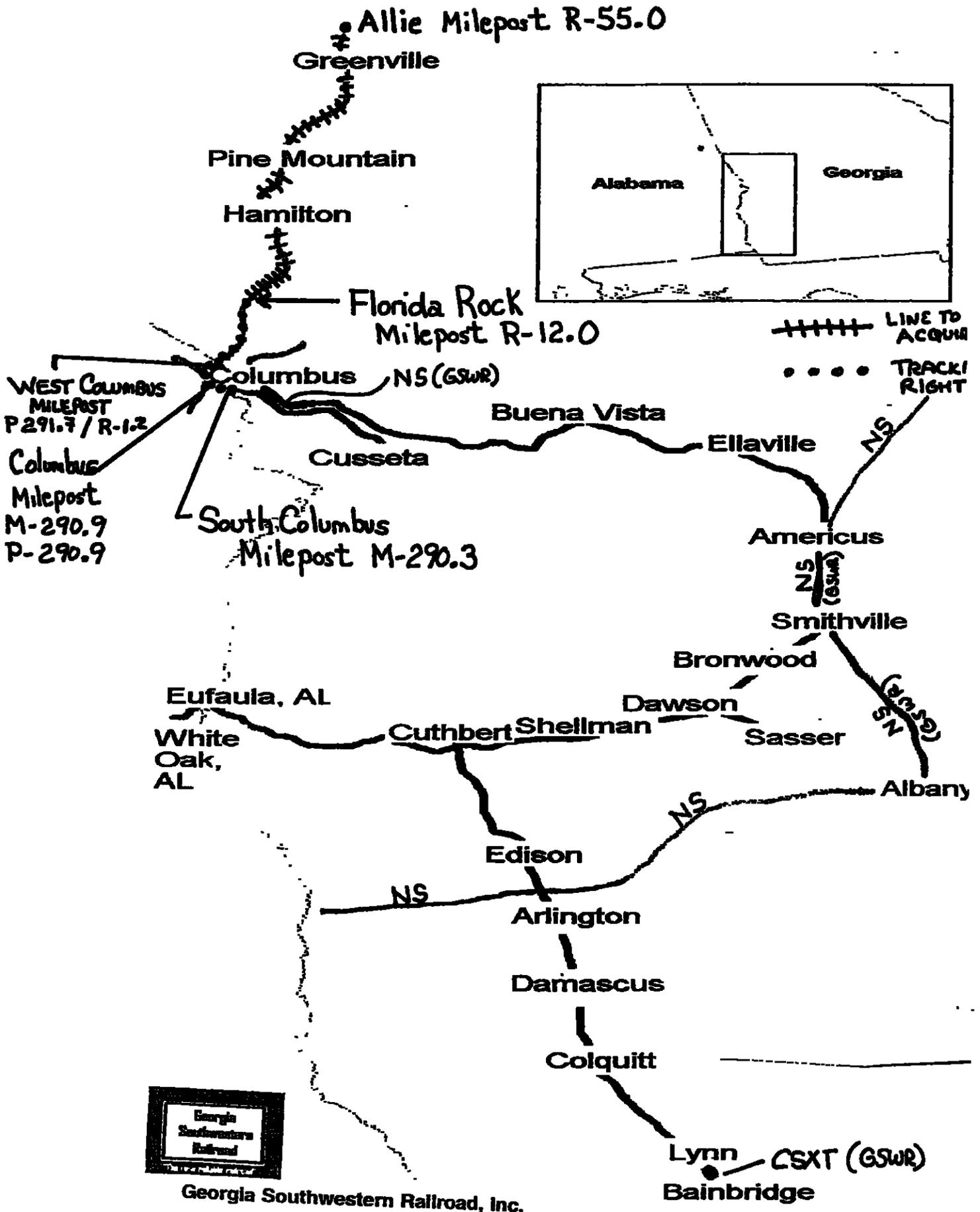
(ii) GSWR is confident that no designated wetlands or 100-year flood plains will be adversely affected by the proposed abandonment. GSWR contacted the Corps of Engineers concerning these matters. See Exhibit 7. To date, no response to this inquiry has been received. A copy of this Report is being supplied to the U.S. Army Corps of Engineers for its information and comment.

(iii) GSWR believes the proposed abandonment will not require the issuance of any permits under Section 402 of the Clean Water Act. GSWR contacted the US EPA concerning this matter and requested assistance in identifying any potential effects on applicable water quality standards and determining whether the proposed abandonment is consistent with applicable Federal, State, or local water quality standards. See Exhibit 6. To date, no response

to this request has been received. A copy of this Report is being supplied to the US EPA for its information and comment.

(10) Proposed Mitigation. Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

GSWR does not expect any adverse environmental impact from the proposed abandonment and, therefore, sees no need for any mitigating actions. GSWR will, of course, adhere to any remedial actions suggested by the recipients of this Report and required by the Board.



BALL JANIK LLP

A I T O R N E Y S

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WASHINGTON, D.C. 20005

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TELEPHONE 202-638-3307
FACSIMILE 202-783 6947

KARI MORELL
OF COUNSEL

kmorell@dc bjllp.com

May 4, 2007

Harris County Commissioners
P.O. Box 365
County Courthouse
Hamilton, GA 31811-0365

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc. ("GSRW") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSRW to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

Pursuant to the STB's environmental regulations at 49 C.F.R., Part 1105, we are advising you of this proposed action so that you may assist us in identifying any potential effects on existing land use plans. We must determine whether the proposed abandonment is inconsistent with existing land use plans.

We would appreciate your review of the proposed abandonment and any comments you may wish to offer. We would also appreciate you providing us with a written response so that we can forward it to the STB.

¹ GSRW will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

**May 4, 2007
Page 2**

Thank you in advance for your prompt assistance. If you have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Karl Morell". The signature is written in a cursive style with a large, prominent "K" and "M".

**Karl Morell
Attorney for:
Georgia Southwestern Railroad, Inc.**

KM:ps

BALL JANIK LLP

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TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

KARL MORELL
OF COUNSEL

kmorell@dc.bjllp.com

May 4, 2007

Meriwether County Commissioners
P.O. Box 428
County Courthouse
Greenville, GA 30222-0428

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam.

Georgia Southwestern Railroad, Inc (“GSR”) is planning to file a Petition for Exemption with the Surface Transportation Board (“STB”), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

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We would appreciate your review of the proposed abandonment and any comments you may wish to offer. We would also appreciate you providing us with a written response so that we can forward it to the STB.

¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

**May 4, 2007
Page 2**

Thank you in advance for your prompt assistance. If you have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Karl Morell". The signature is written in a cursive style with a large, sweeping initial "K".

**Karl Morell
Attorney for.
Georgia Southwestern Railroad, Inc.**

KM:ps

Morell, Karl

From: Tanner Pittman [tpittman@lagrangemail.com]
Sent: Monday, May 14, 2007 9:30 AM
To: Morell, Karl
Subject: Petition for Exemption with the STB- Harris County, Georgia

Dear Mr. Morell,

I work for the attorney for the Board of Commissioners of Harris County. I'm writing to say that we are in receipt of your letter of May 4, 2007 regarding the abandonment of the stretch of Railroad in Harris and Meriwether Counties and possible conflict with Harris County's land use plans.

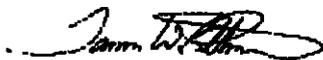
The County has nearly completed its examination of its own land use plan and will respond to your letter soon.

County managers had asked us, however, if we couldn't find out a little more as to the nature of the abandonment. Specifically, can you provide me with a very brief, informal statement as to the reason for the abandonment? Furthermore, as the County understands it, the line was only recently acquired by Georgia Southwestern. Is there a reason it was bought and then so quickly abandoned?

I don't believe that Harris County's letter to you and the STB will be in any way contingent on your response to these questions. Still, it would help the County in its future planning if, as a courtesy, you could informally respond to the above questions.

I look forward to hearing back from you. Please don't hesitate simply to call me if that would be *more convenient*.

Yours sincerely,
Tanner Pittman



Tanner W. Pittman
LEWIS, TAYLOR & TODD, P.C.

205 North Lewis Street
Post Office Drawer 1027
LaGrange, Georgia 30241
Phone 706-882-2501
Fax 706-882-4905

5/30/2007

BALL JANIK LLP

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KARL MORELL
OF COUNSEL

kmorell@dc.bjlp.com

May 4, 2007

USDA Natural Resources Conservation Service
355 East Hancock Avenue
Stop Number 200
Athens, GA 30601

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam.

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached¹

Pursuant to the STB's environmental regulations at 49 C.F.R., Part 1105, we are advising you of this proposed action so that you may assist us in identifying any potential effects on existing land use plans. We must determine whether the proposed abandonment is inconsistent with existing land use plans.

We would appreciate your review of the proposed abandonment and any comments you may wish to offer. We would also appreciate you providing us with a written response so that we can forward it to the STB.

¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

May 4, 2007
Page 2

Thank you in advance for your prompt assistance. If you have any questions concerning this matter, please contact me

Sincerely,

A handwritten signature in black ink that reads "Karl Morell". The signature is written in a cursive, slightly slanted style.

Karl Morell
Attorney for:
Georgia Southwestern Railroad, Inc.

KM:ps

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D C 20005

www.balljanik.com

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

KARL MORELI
OF COUNSEL

kmorell@dc.bjllp.com

May 4, 2007

U.S. Fish and Wildlife Service
Richard B. Russell Building, Room 1200
1875 Century Boulevard
Atlanta, GA 30345

Re: Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc ("GSRW") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSRW to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

Pursuant to the STB's environmental regulations at 49 C.F.R., Part 1105, we are advising you of this proposed action so that you may assist us in identifying any potential effects on existing land use plans. We must determine whether the proposed abandonment is inconsistent with existing land use plans.

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¹ GSRW will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

BALL JANIK LLP

**May 4, 2007
Page 2**

Thank you in advance for your prompt assistance. If you have any questions concerning this matter, please contact me.

Sincerely,

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**Karl Morell
Attorney for:
Georgia Southwestern Railroad, Inc.**

KM:ps

RECEIVED

MAY 14 2007

ATHENS, GA
USFWS

KARL MORELL
OF COUNSEL

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RECEIVED MAY 8 2007

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MAY 24 2007

FL. BENNING, GA
USFWS

kmorell@dc.bjllp.com

May 4,



U. S. Fish and Wildlife Service
105 West Park Drive Suite D, Athens, Georgia 30605
Phone: 706-613-9493 Fax 706-613-6059

FWS Log No 2007-FA-1108

U S Fish and Wildlife Service
Richard B. Russell Building, Room 1200
1875 Century Boulevard
Atlanta, GA 30345

Based on the information provided, the proposed action is not expected to significantly impact fish and wildlife resources under the U S Fish and Wildlife Service jurisdiction

Sandra S. Tucker
Sandra S. Tucker, Field Supervisor

5/25/07
Date

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached¹

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¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

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KARL MORELL
OF COUNSEL

kmorell@dc.bjllp.com

May 4, 2007

National Park Service
100 Alabama Street, SW
Atlanta, GA 30303

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

Pursuant to the STB's environmental regulations at 49 C.F.R., Part 1105, we are advising you of this proposed action so that you may assist us in identifying any potential effects on existing land use plans. We must determine whether the proposed abandonment is *inconsistent with existing land use plans*.

We would appreciate your review of the proposed abandonment and any comments you may wish to offer. We would also appreciate you providing us with a written response so that we can forward it to the STB.

¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

**May 4, 2007
Page 2**

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Attorney for:
Georgia Southwestern Railroad, Inc.**

KM:ps

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KARL MORELL
OF COUNSEL

kmorell@dc.bjllp.com

May 4, 2007

Department of Natural Resources
2 Martin Luther King Drive SE
Suite 1252
Atlanta, GA 30334

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

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We would appreciate your review of the proposed abandonment and any comments you may wish to offer. We would also appreciate you providing us with a written response so that we can forward it to the STB.

¹ GSR will also be discontinuing its trackage rights over the 40-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

May 4, 2007
Page 2

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KARL MORELL
OF COUNSEL

kmorell@dc.bjllp.com

May 4, 2007

U.S. Environmental Protection Agency
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-3104

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

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**May 4, 2007
Page 2**

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Attorney for:
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KARL MORELL
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kmorell@dc bjlp.com

May 4, 2007

U.S. Army Engineer District, Mobile
P.O. Box 2288
Mobile, AL 36628-0001

Re: **Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. – Abandonment Exemption – Harris and Meriwether, Counties, GA**

Dear Sir/Madam:

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allic, in Harris and Meriwether Counties, Georgia. A map of the proposed abandonment is attached.¹

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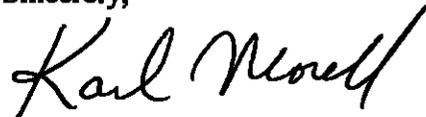
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¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA

**May 4, 2007
Page 2**

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**Karl Morell
Attorney for:
Georgia Southwestern Railroad, Inc.**

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HISTORIC REPORT

(49 C.F.R. 1105.8)

Docket No. AB-1000 (Sub-No. 1X)

GEORGIA SOUTHWESTERN RAILROAD, INC. –ABANDONMENT EXEMPTION– IN HARRIS AND MERIWETHER COUNTIES, GEORGIA

The Historic Report should contain the information required by 1105.7(e)(1) of the Environmental Report. The following is excerpted from the Environmental Report prepared for the proposed abandonment:

(1) Proposed Action and Alternatives. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

Georgia Southwestern Railroad, Inc. ("GSR"), proposes to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia (the "Line").¹ Upon receipt of abandonment authority, GSR intends to remove the rail, track material, and crossties. The bridges, culverts and ballast on the Line will remain in place while GSR explores rail-banking all or a portion of the Line.

GSR acquired the Line from Central of Georgia Railroad Company in 2005. See Finance Docket No. 34699, *Georgia Southwestern Railroad, Inc. – Acquisition and Operation Exemption – Central of Georgia Railroad Company* (not printed), served May 20, 2005. At the time GSR acquired the Line it had been out of service for nearly two years due to a washed out bridge that prevented access to the only active customer on the Line. GSR completed the

repair of the bridge by August 2005 and resumed service to the one customer on the Line. The volume of traffic, however, has been low and the revenues generated from the Line woefully inadequate to cover the cost of operations.

The Line has had limited traffic in years. Between May 2003 and August 2005, the Line was out of service due to a washout of one of the bridges. The number of carloads for the remainder of 2005 was 100, in 2006 the number of carloads was 322 and through June 15th, the number of carloads for 2007 was 134. Because of the low volume of traffic, only limited maintenance has been performed on the Line for some time. Indeed, GSWR's predecessors had the Line out of service for nearly two years. Therefore, the proposed abandonment will have limited impact on rail freight operations and maintenance practices on the Line.

A map of the proposed abandonment is attached hereto as Exhibit 1.

HISTORIC REPORT

1. ***A U.S.G.S. topographic map (or alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action;***

Maps and the identification of the structures on the Line that are 50 years old or older have been supplied to the Historic Preservation Division of the Department of Natural Resources ("HPD). See Exhibit 2.

2. ***A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristics of the surrounding area;***

¹ GSWR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between North Columbus, GA, and Florida Rock, GA.

The right-of-way varies in width from 25 feet to 120 feet. The 43-mile rail Line is located between Florida Rock and Allie in Harris and Meriwether Counties, Georgia. The Line begins at milepost R-12.0, at Florida Rock and runs in a generally northern direction through Hamilton and Pine Mountain and then in a northeasterly direction through Durand and then in a northerly direction through Harris City and Greenville to the end of the Line at Milepost R-55.0, at Allie.

3. ***Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediate surrounding area;***

There are seventeen (17) bridges on the Line. Of the 17 bridges, 10 are 50 years old or older. Pictures of the bridge are contained in Exhibit 2.

4. ***The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known;***

There are 10 bridges located on the Line which may be fifty years old or older. See Exhibit 2. GSWR is in possession of some engineering documents regarding the maintenance or repair of these bridges.

5. ***A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action;***

Since the Line was acquired by GSWR, the only traffic moving over the Line has been inbound shipments of logs and outbound shipments of plywood and veneer. The only active rail shipper on the Line is also directly served by CSX Transportation, Inc. ("CSXT"). During the two years the Line was out of service most, if not all, of the traffic now handled by GSWR was handled by CSXT. GSWR anticipates that most, if not all, of the GSWR traffic will shift back to CSXT once the Line is abandoned.

6. ***A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic;***

There are no available individual drawings for the bridges on the Line.

7. ***An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities);***

GSWR is of the opinion that the bridges are quite common in design and construction and that they have no historical significance as to the history of railroad construction or operation. The HPD, however, appears to be of a contrary opinion. The HPD believes that the rail bed of the Linc should be considered eligible for listing in the National Register of Historic Places. In addition, the HPD considers 10 of the bridges to be historic: Bridge Nos. 4, 5, 6, 7, 9, 10, 11, 12, 14, and 17. The HPD does not oppose the salvaging of the rail and rail materials provided that "the rail bed will remain intact and the bridges will not be removed." See Exhibit 3. There are no known archeological resources in the project area.

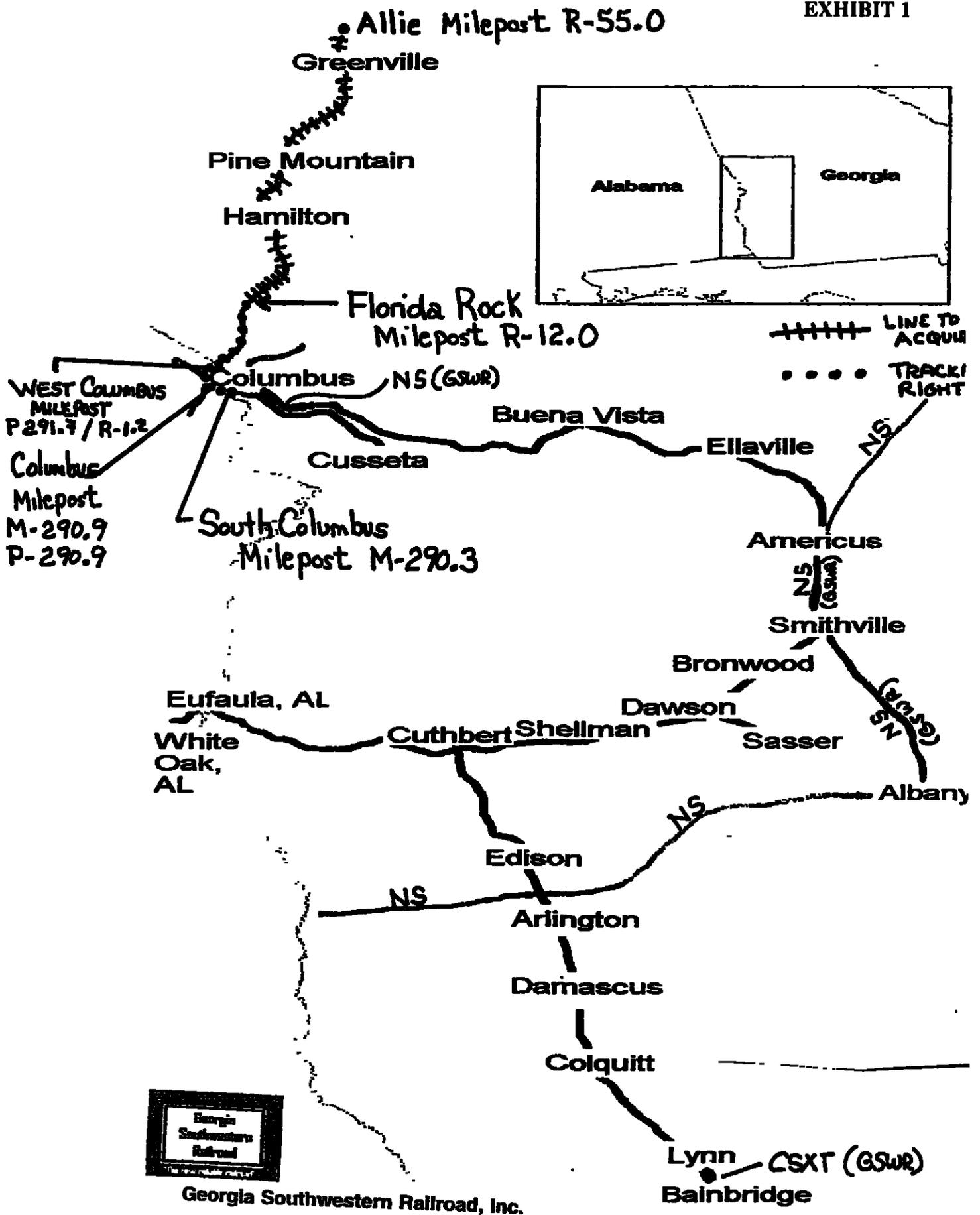
8. ***A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or manmade) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic waste), and the surrounding terrain.***

There are no existing records as to the nature of any known subsurface ground disturbance or fill, or environmental condition that might affect the archeological recovery of any potential resources.

9. ***Within 30 days of receipt of the historic report, the State Historic Preservation Officer may request the following additional information regarding specific non railroad owned properties or groups of properties immediately adjacent to the railroad right-of-way: photographs of specified properties that can be***

readily seen from the railroad right-of-way (or other public rights-of-way adjacent to the property) and a written description of any previously discovered archeological sites, identifying the location and type of the site (i.e. prehistoric or native American).

The GSWR does not foresee the likelihood that any additional information will need to be supplied in association with the proposed line abandonment other than the information previously submitted. But, if any additional information is requested, GSWR will promptly supply the necessary information.



BALL JANIK LLP**A T T O R N E Y S****1455 F STREET, NW, SUITE 225
WASHINGTON, D C 20005****www.balljanik.com****TELEPHONE 202 638 3307
FACSIMILE 202 783 6947****KARI MORELL
OF COUNSEL****kmorell@dc.bjllp.com****May 4, 2007****Historic Preservation Division
Department of Natural Resources
156 Trinity Avenue, SW
Suite 101
Atlanta, GA 30303****Re: Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad,
Inc. – Abandonment Exemption – Harris and Meriwether Counties,
GA****Dear Sir/Madam:**

Georgia Southwestern Railroad, Inc. ("GSR") is planning to file a Petition for Exemption with the Surface Transportation Board ("STB"), on or about June 29, 2007, for GSR to abandon the 43-mile rail line located between milepost R-12.0, at Florida Rock, and milepost R-55.0, at Allie, in Harris and Meriwether Counties, Georgia.¹ One of the requirements for this filing with the STB is that the owner of the rail line contact the State Historic Preservation Office regarding the proposed abandonment.

Enclosed are maps depicting the area where the rail is located. The proposed abandonment will involve the removal of the rail, track materials, and crossties; however, there are currently no plans to remove the bridges along the rail line.

The 43-mile rail line GSR seeks to abandon begins at milepost R-12.0, at Florida Rock and extends in a northerly direction via Hamilton, Pine Mountain, and Greenville to the end of the line at milepost R-55.0 in Allie, GA, approximately 3.5 miles north of Eufaula.

There are seventeen (17) bridges on the rail line. A list of the bridges and pictures of the bridges are attached. Of the 17 bridges, 10 are 50 years old or older (Bridge Nos. 4, 5, 6, 7, 9, 10, 11, 12, 14, and 17). These structures are quite common in design and construction

¹ GSR will also be discontinuing its trackage rights over the 10-mile rail line owned by the Central of Georgia Railroad Company located between north Columbus, GA, and Florida Rock, GA.

May 4, 2007

Page 2

and, in GSWR's view, have no historical significance.

We will send you a copy of the Historic Report as soon as it is completed. If I can be of further assistance regarding this matter, please call me at (202) 638-3307.

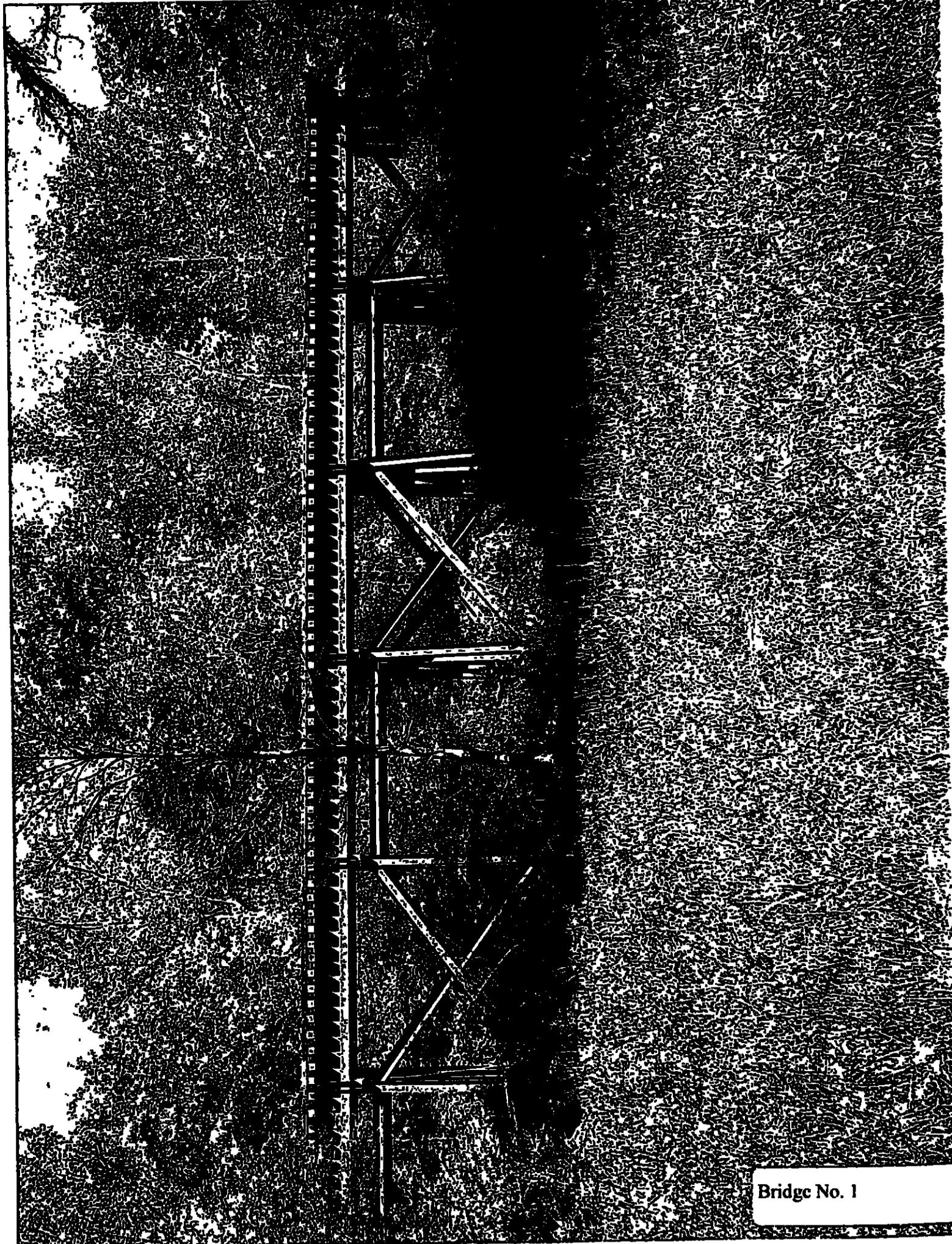
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**Karl Morell
Attorney for:
Georgia Southwestern Railroad, Inc**

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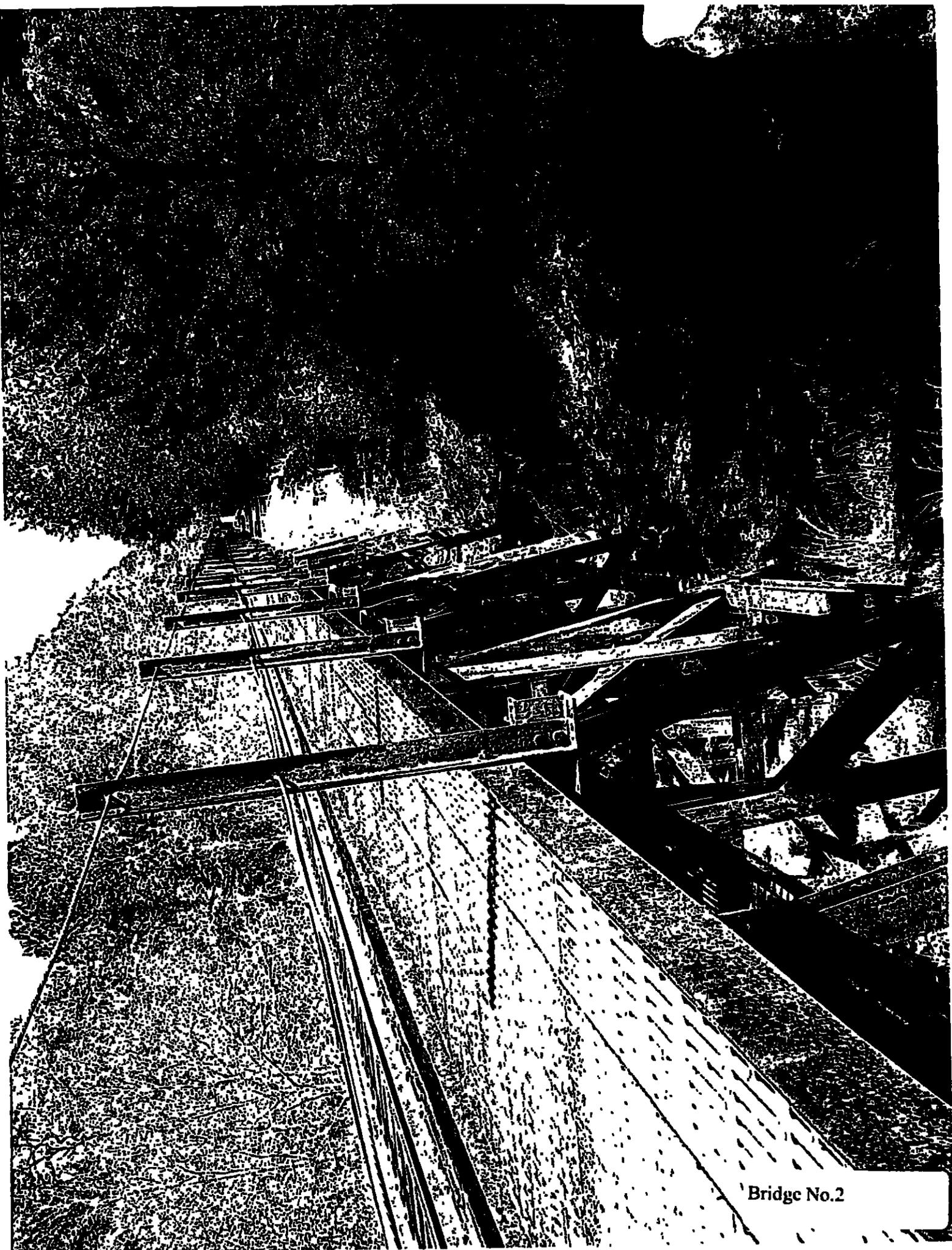
Bridge #	Location	Min Length		Height	Over	Built	
		Post in FT	Length			Date	Type construction
1	Cataula	13.70	213.00	25.00	Water	1993	Steel beams od
2	Kingsboro	18.70	262.00	33.00	Water	1976	Steel beams od
3	Mulberry Creek	20.10	260.00	54.00	Water	1994	Deck truss steel beam
4	Callaway Gardens	29.70	85.30	21.00	WHWY	1950	Steel thru gdr
5	Pine Mtn	30.65	12.00	10.00	Water	pre- 1950	Concrete Arch w/ ballast deck
6	Pine Mtn	34.60	16.00	10.00	Water	pre- 1950	Concrete Arch w/ ballast deck
7	Pine Mtn	34.90	12.00	30.00	Water	pre- 1950	Concrete Arch w/ ballast deck
8	Pine Mtn	36.00	54.60	14.00	Road	1980	Steel beam OD
9	Pine Mtn	36.20	16.00		Water	pre- 1950	Concrete Arch w/ ballast deck
10	W Sulphur Springs	37.10	134.00	20.00	Road	1950	Overhead Hwy timber
11	White Sulphur	38.20	57.00	15.00	Water	1907	Deck plate girder
12	CSXT	39.40	14.00	26.00	RR	1919	Stee Beam w/ ballast deck
13	Greenville	46.80	65.00	10.00	Water	1997	Pre-Stressed Concrete ballast deck
14	SR 18,109	49.60	84.00		Hwy	1937	Reinforced conc
15	SR 100	50.46	146.00		Hwy	1972	Reinforced conc
16	Greenville	53.20	152.00	30.00	Water	1976	Steel tress OD
17	Greenville	53.90	78.00	19.00	Water	pre- 1950	I-Beam Tress OD



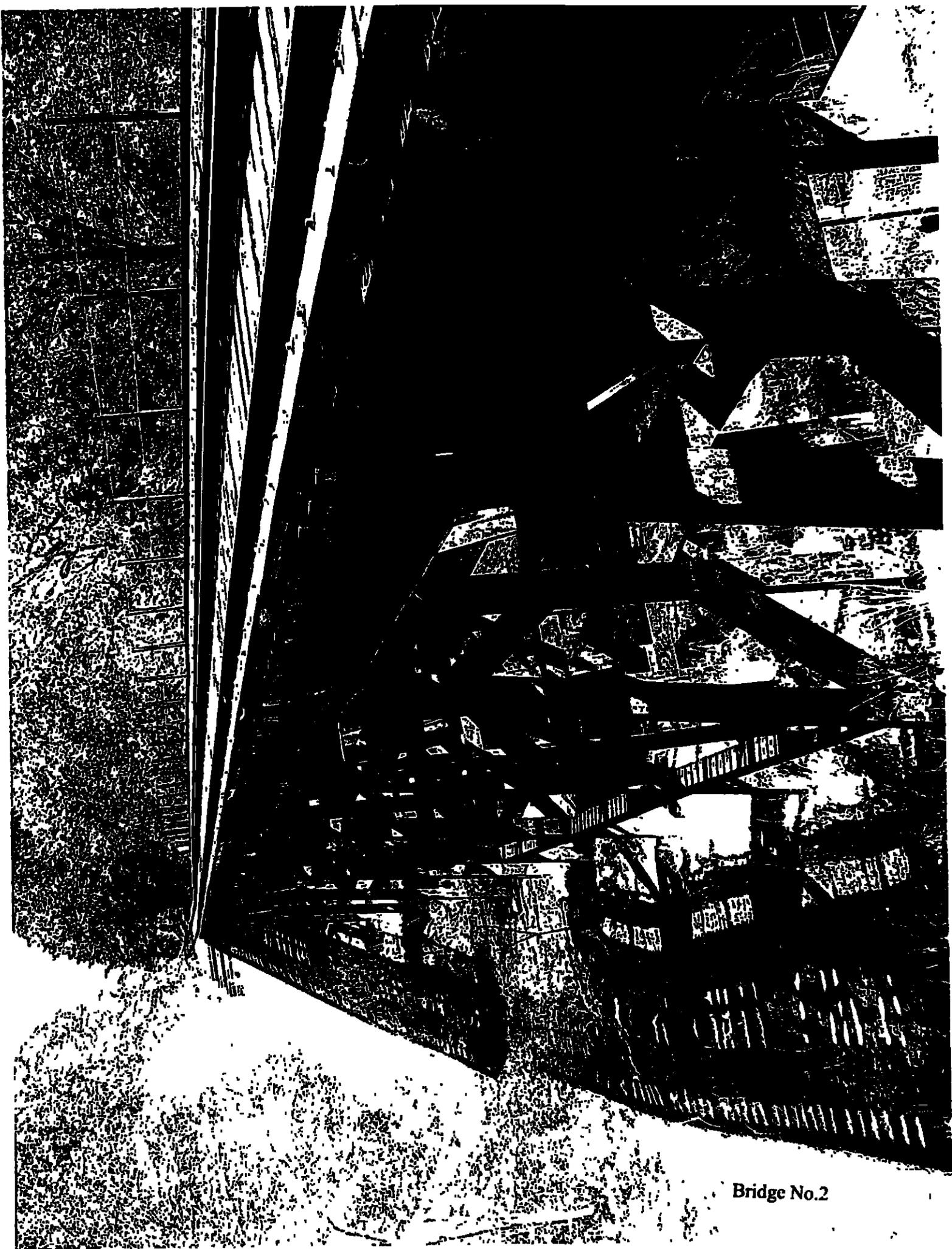
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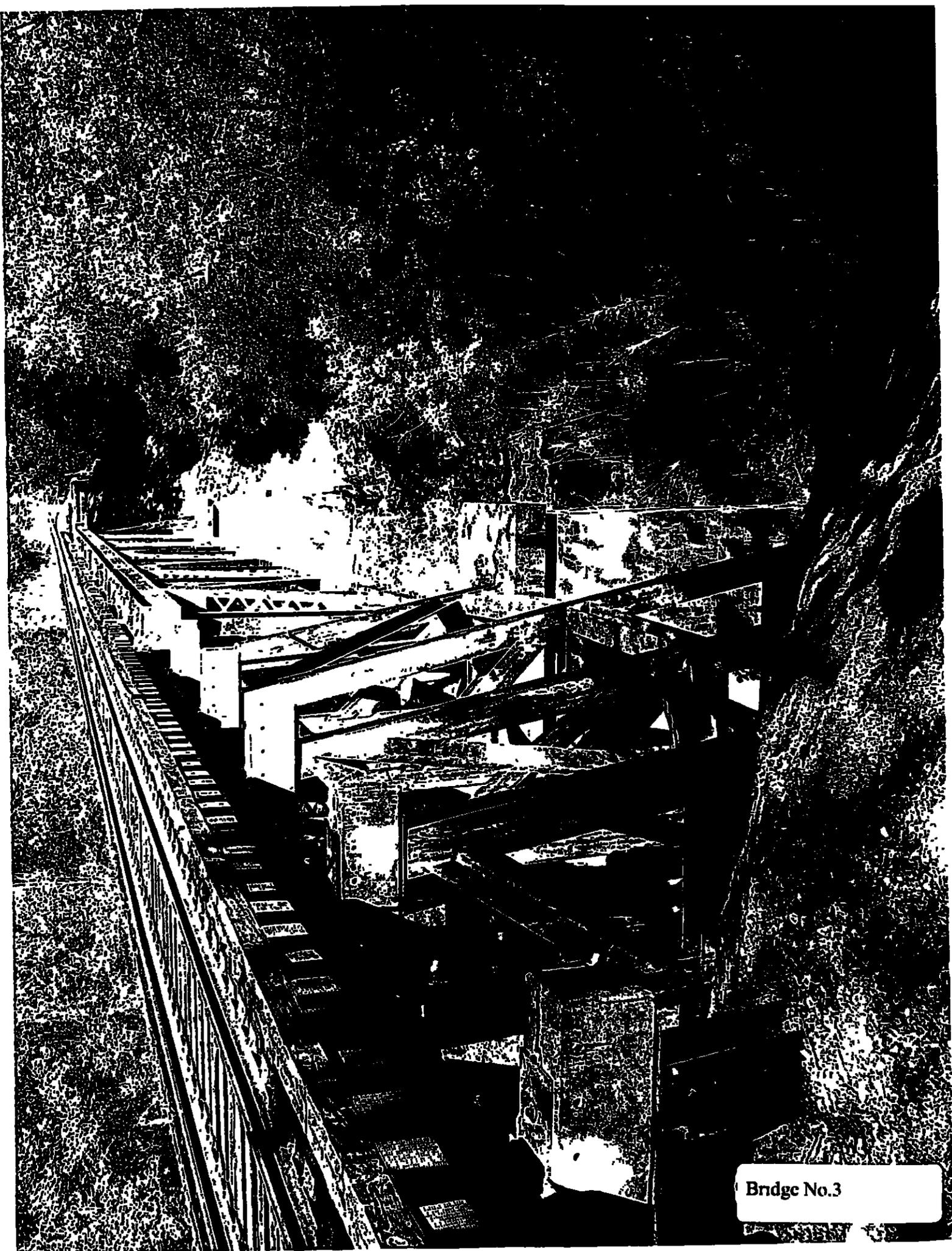
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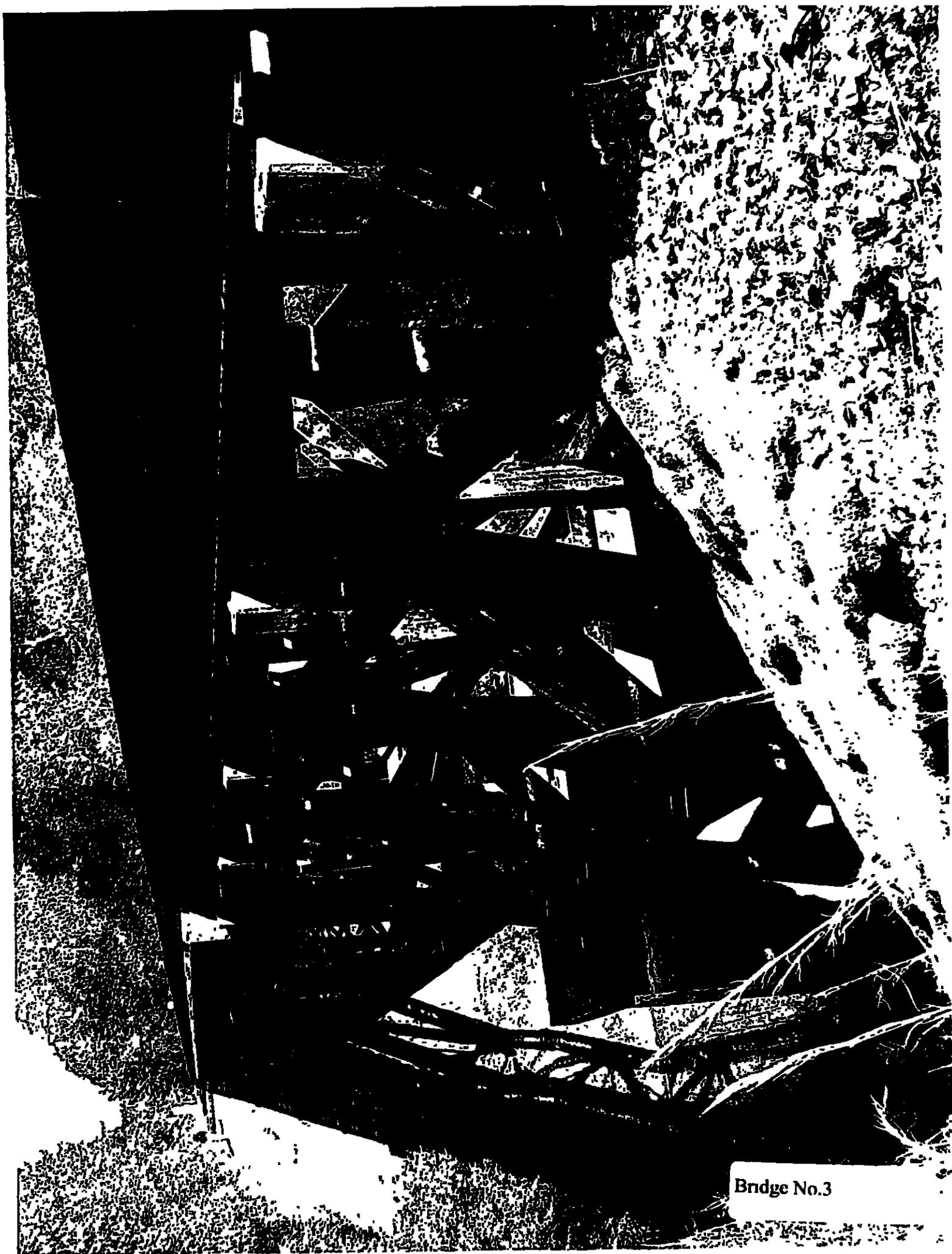
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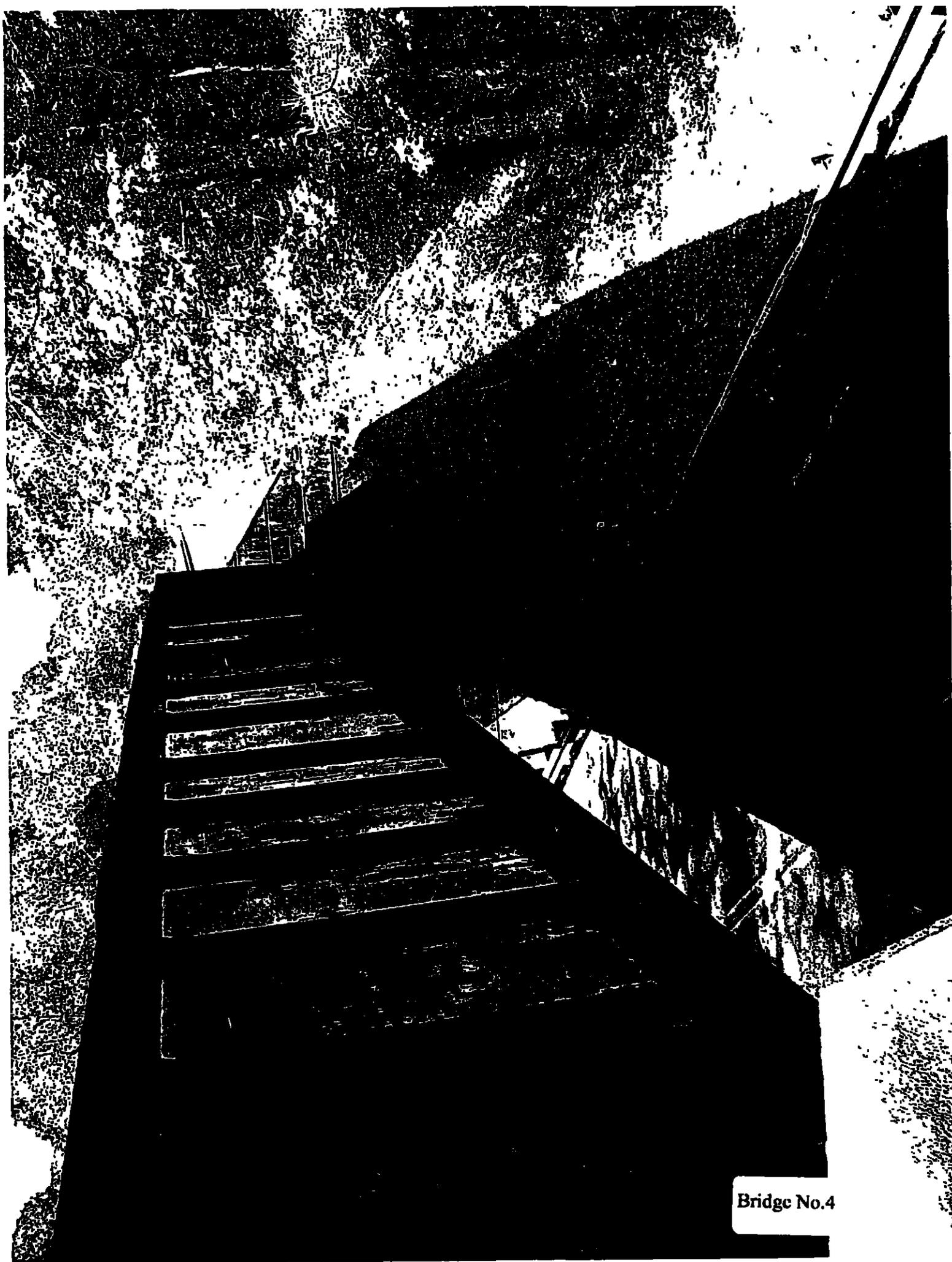
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Bridge No.3



Bridge No.3



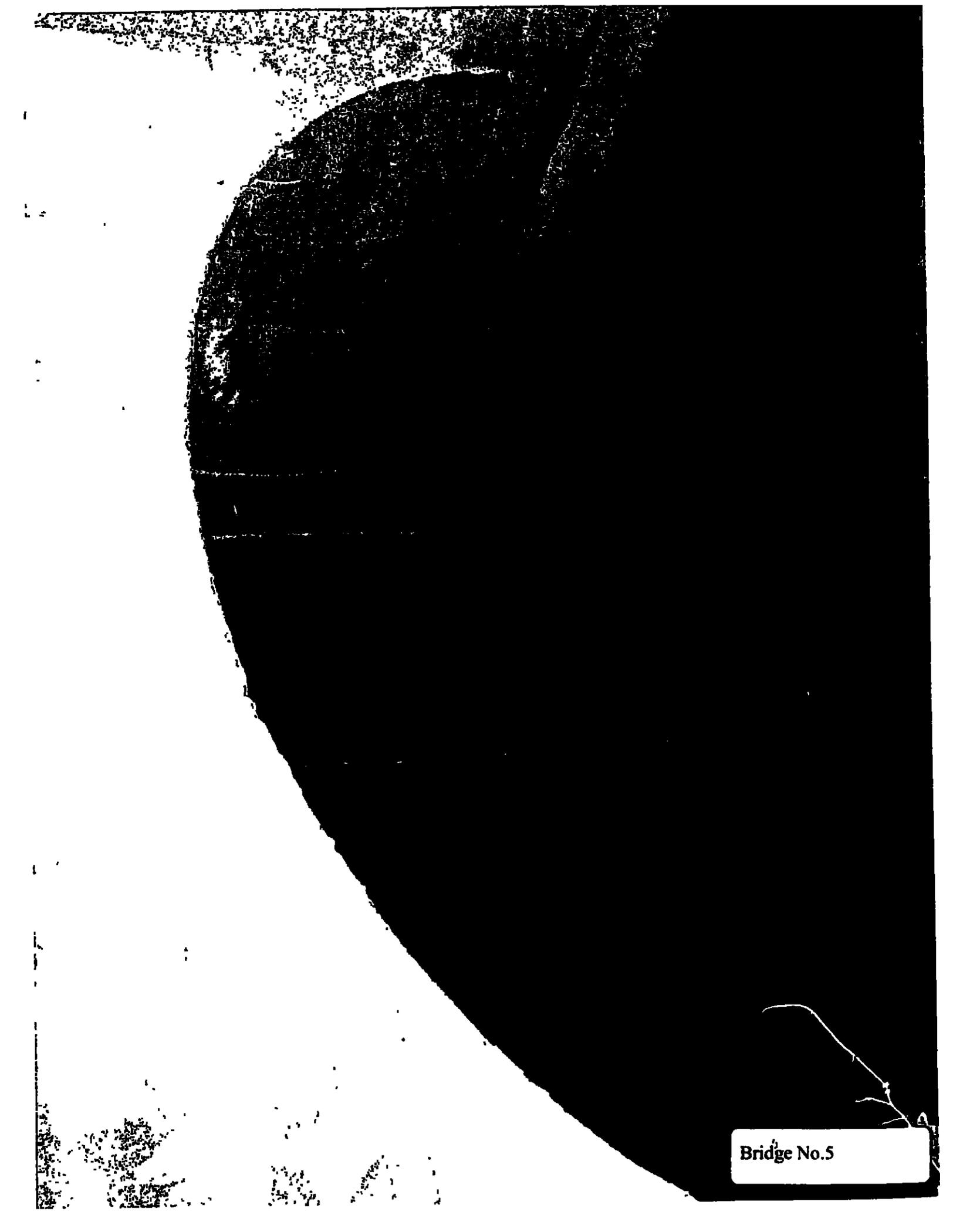
Bridge No.4



Bridge No.4



Bridge No 5



Bridge No.5



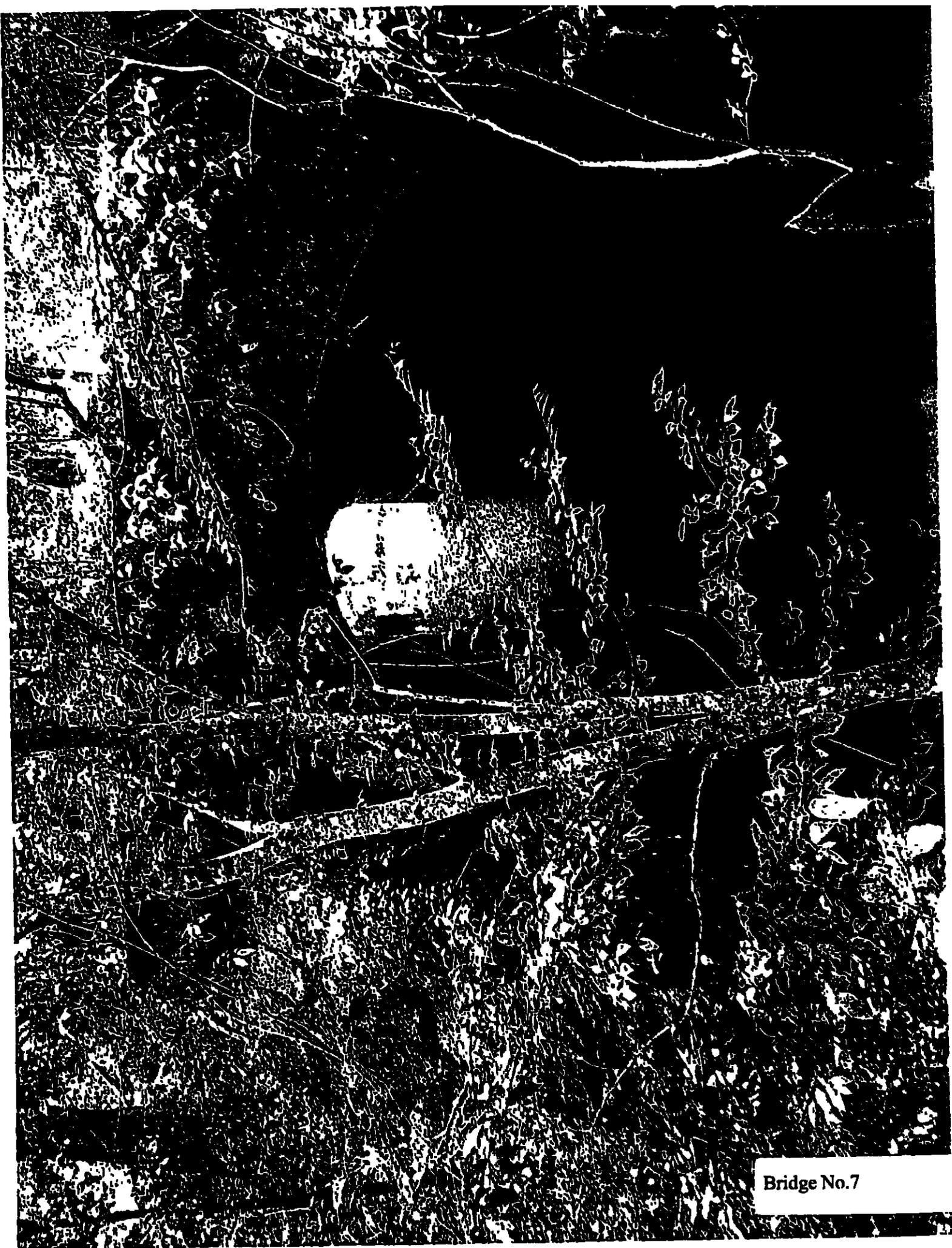
Bridge No.6



Bridge No.6



Bridge No.7



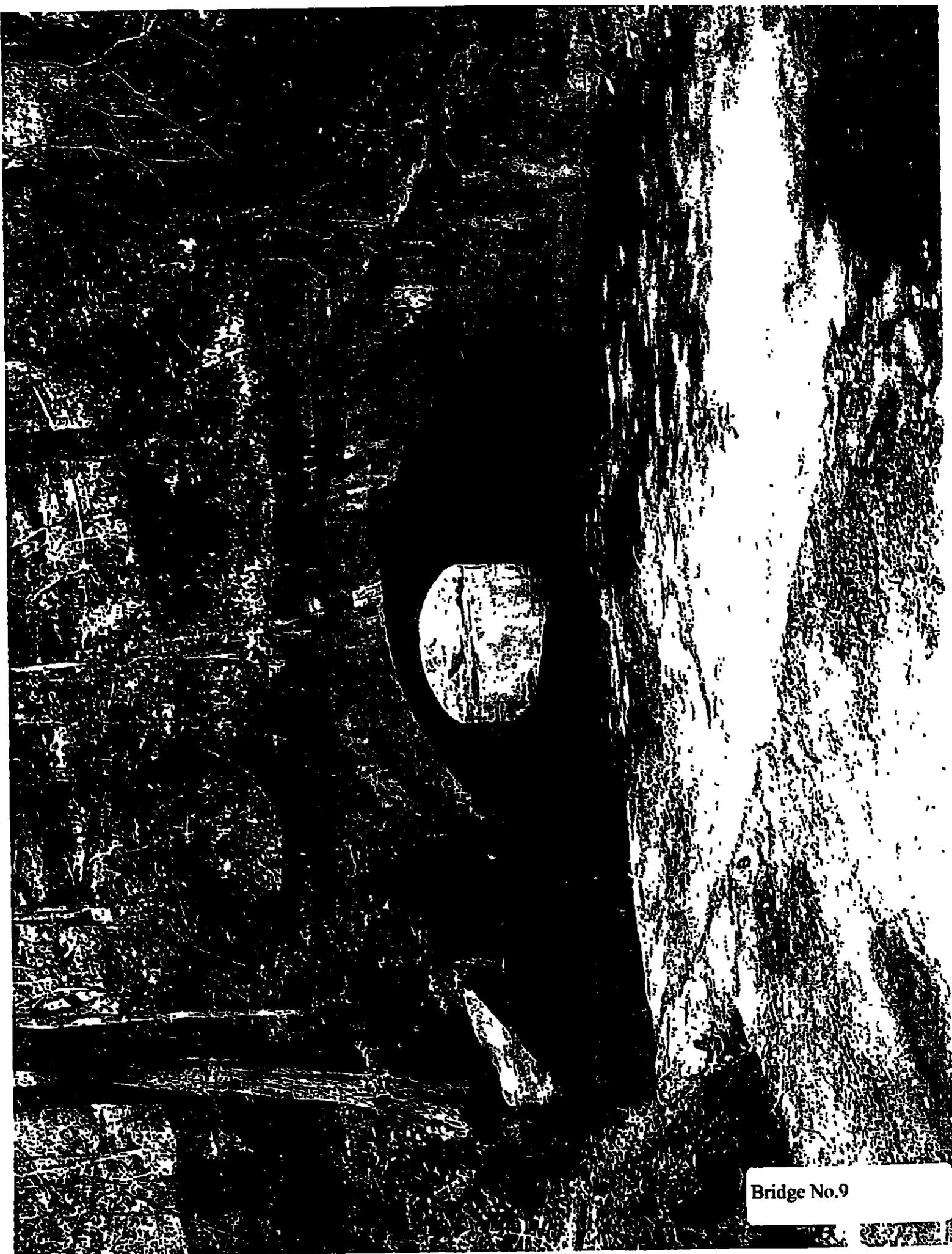
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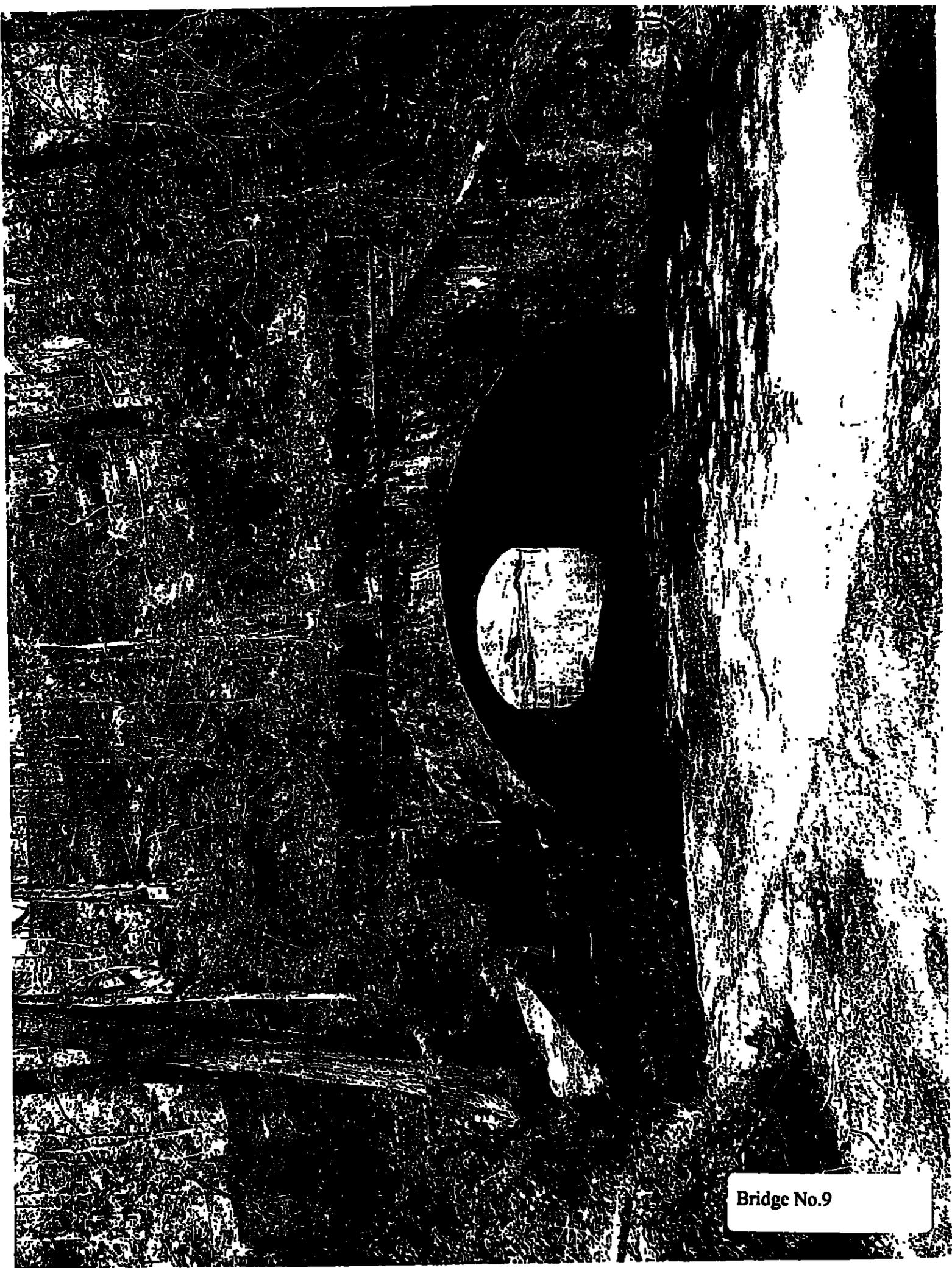
Bridge No.8



Bridge No.8



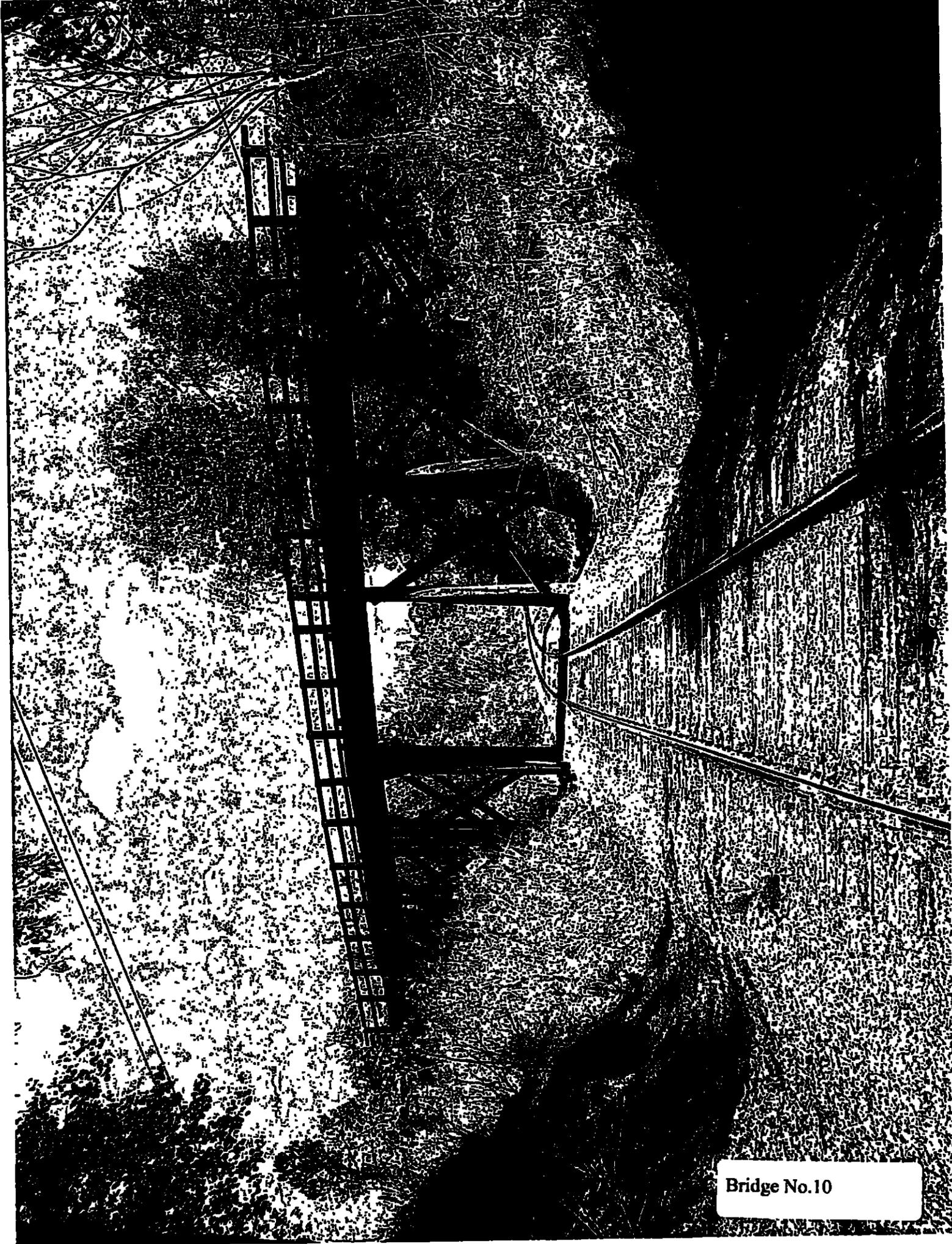
Bridge No.9



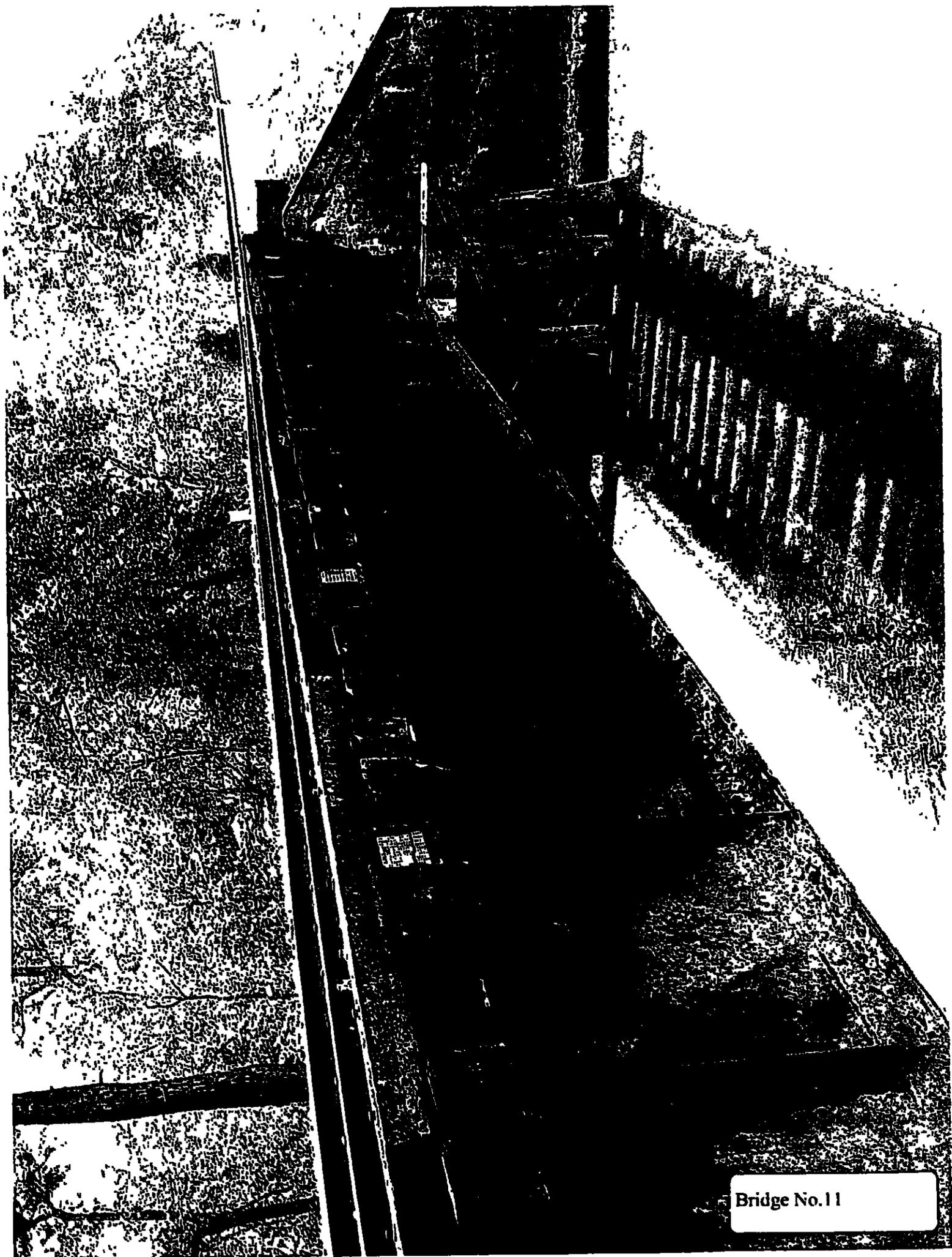
Bridge No.9



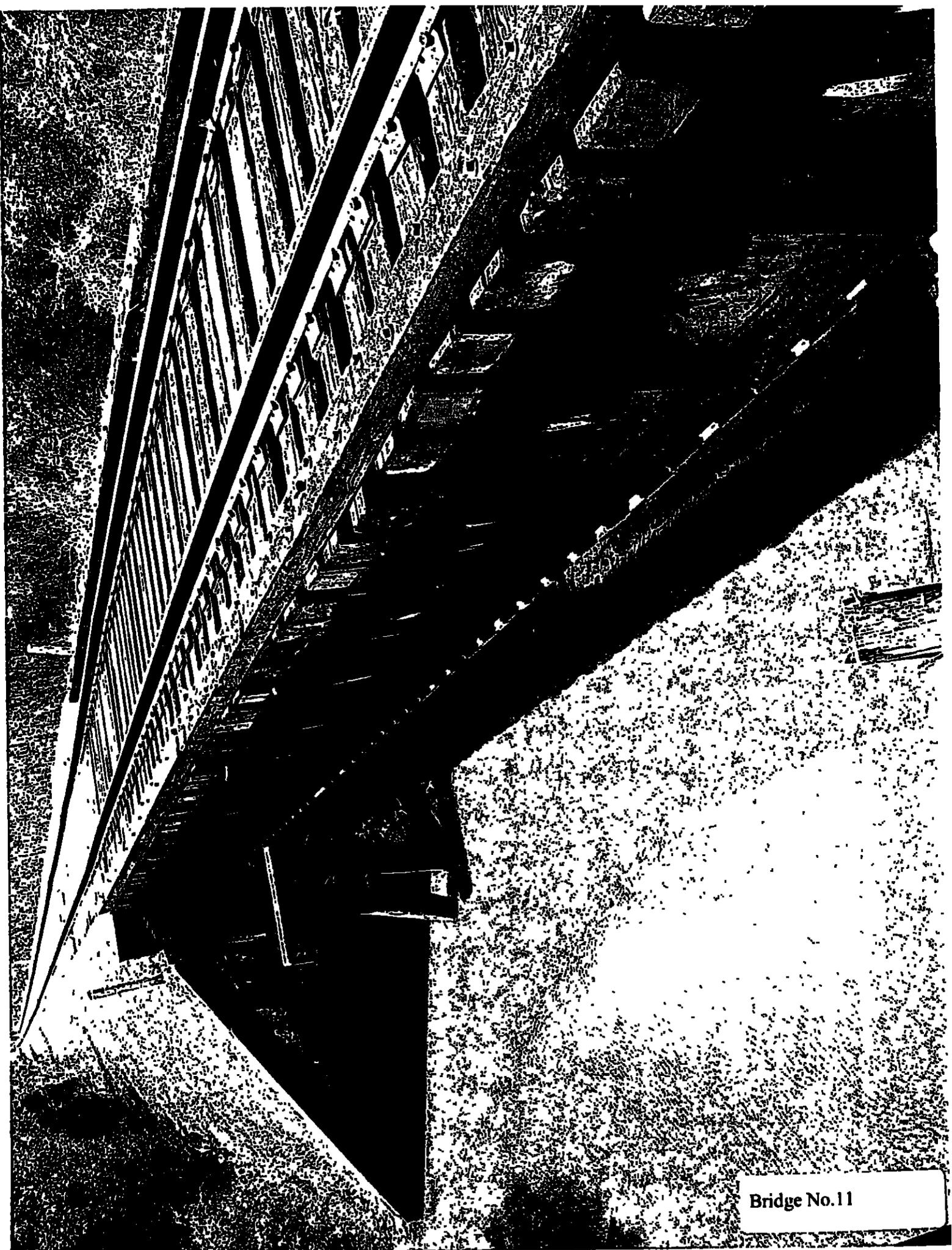
Bridge No.10



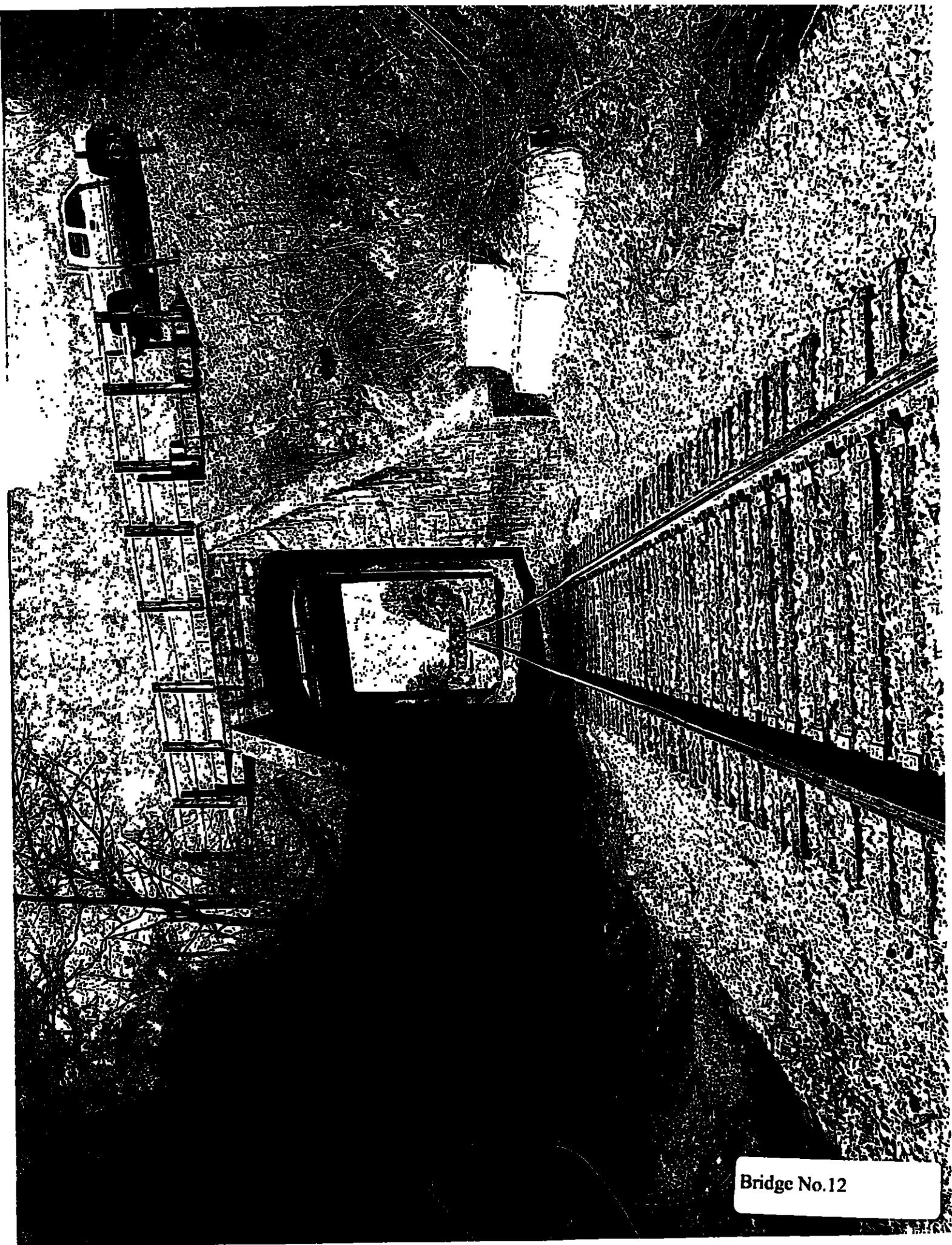
Bridge No.10



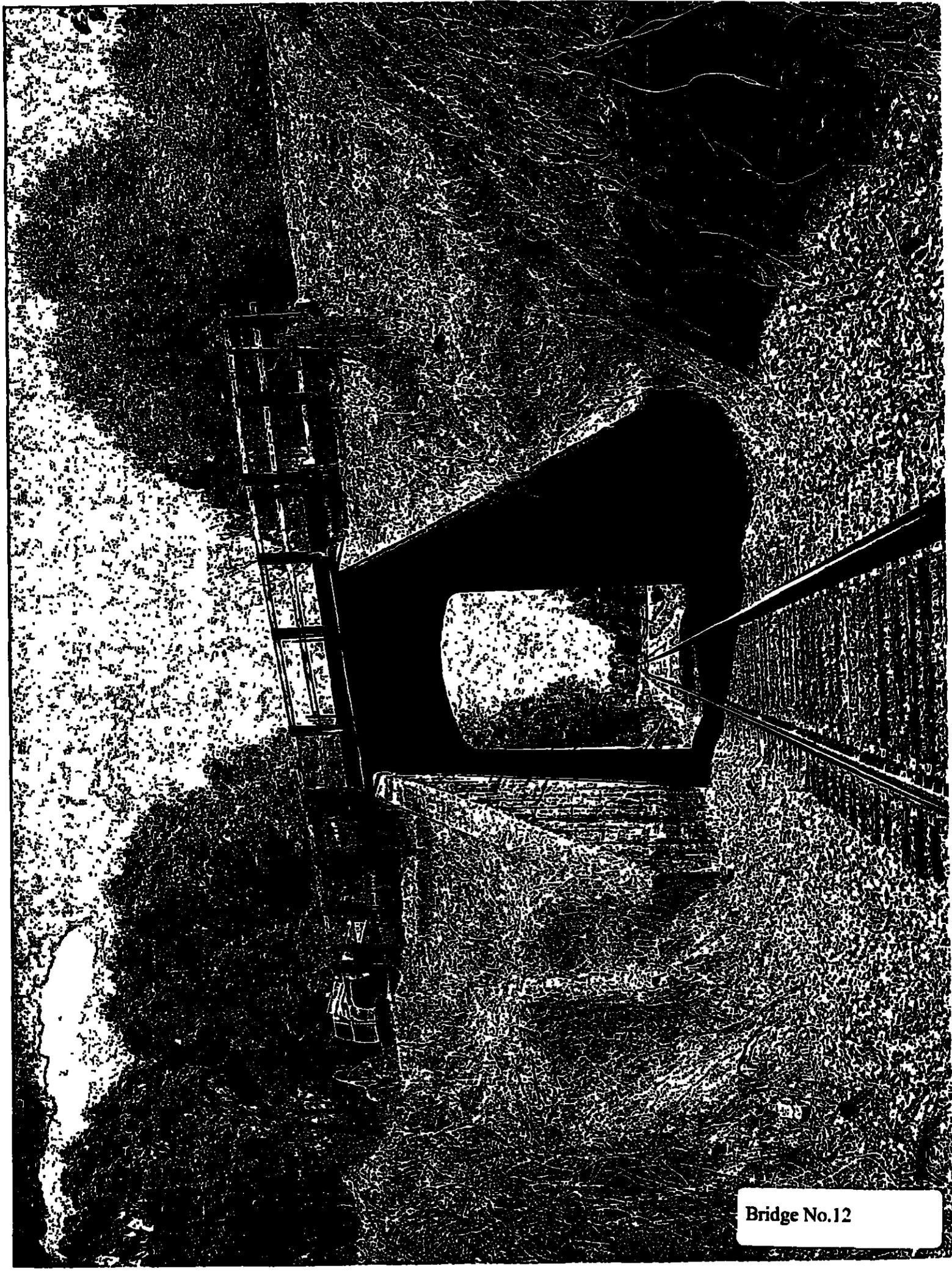
Bridge No.11



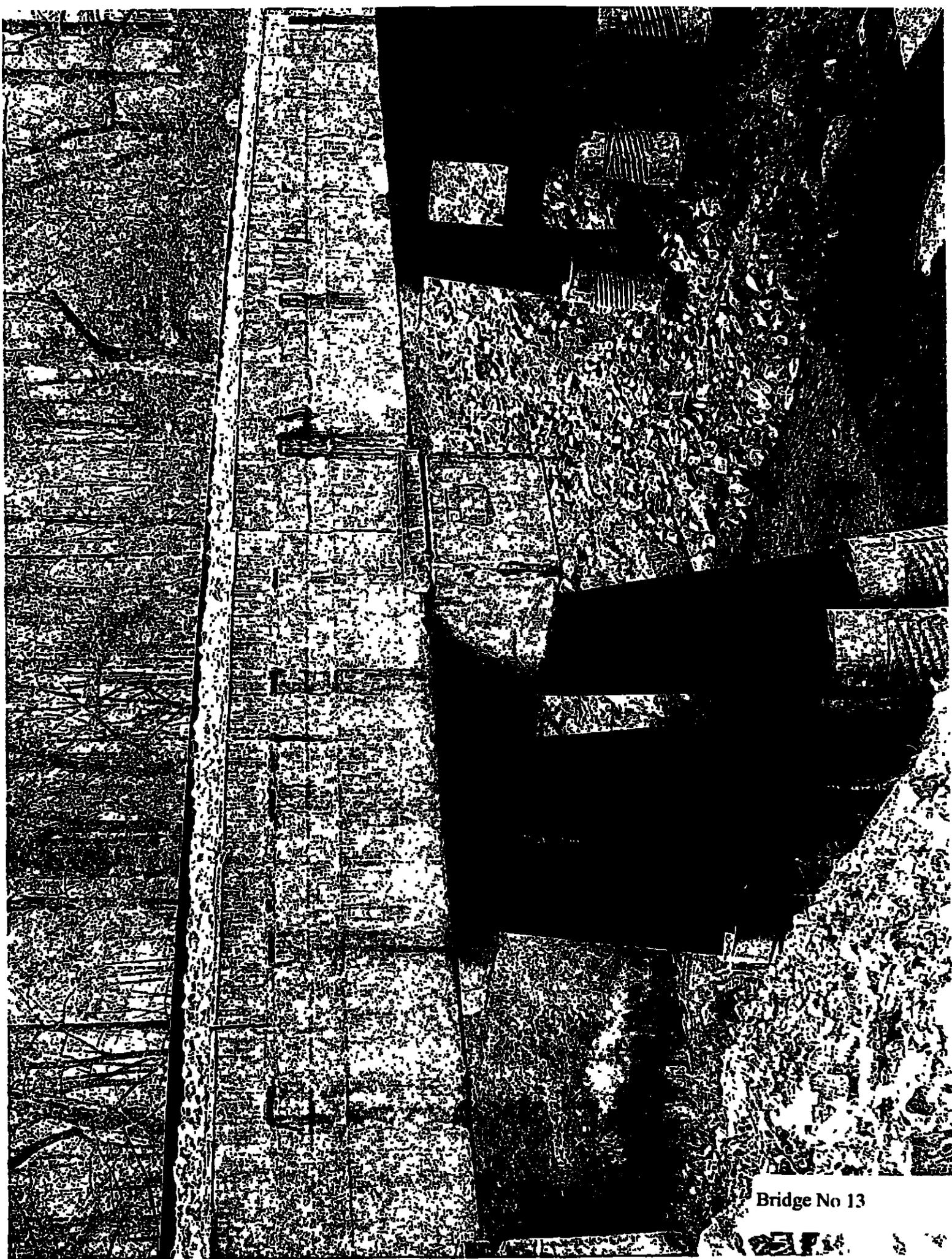
Bridge No.11



Bridge No.12



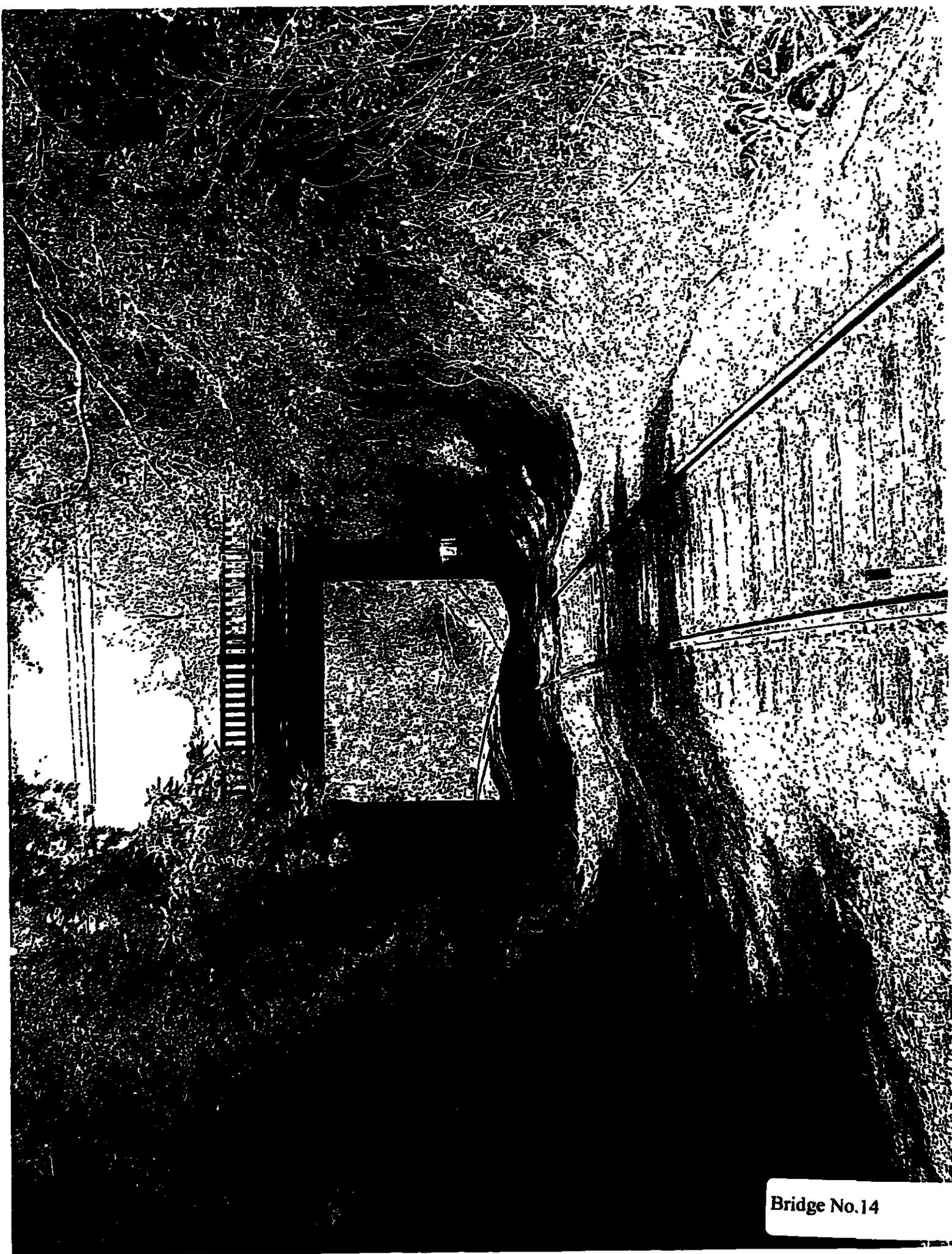
Bridge No.12



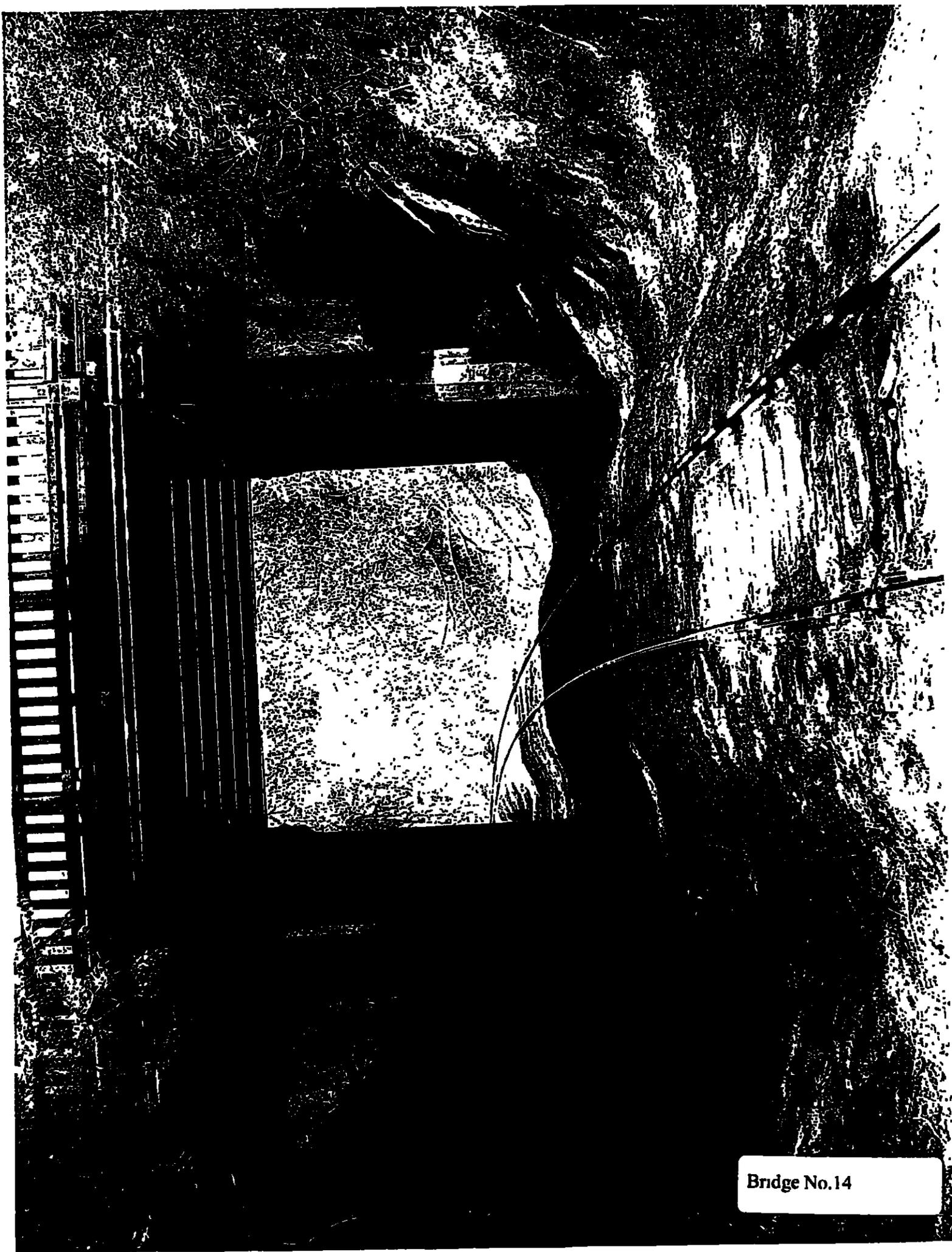
Bridge No 13



Bridge No.13



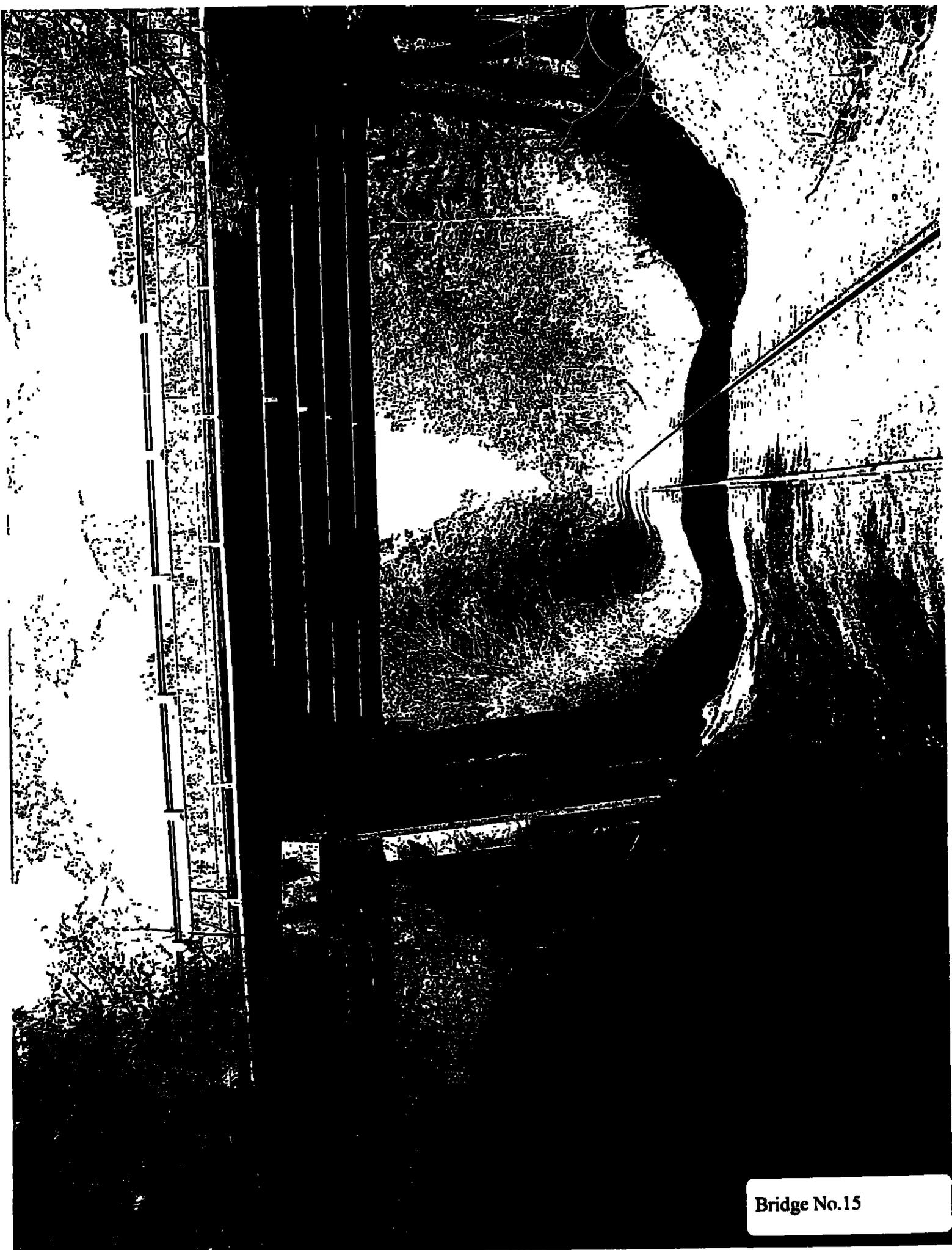
Bridge No.14



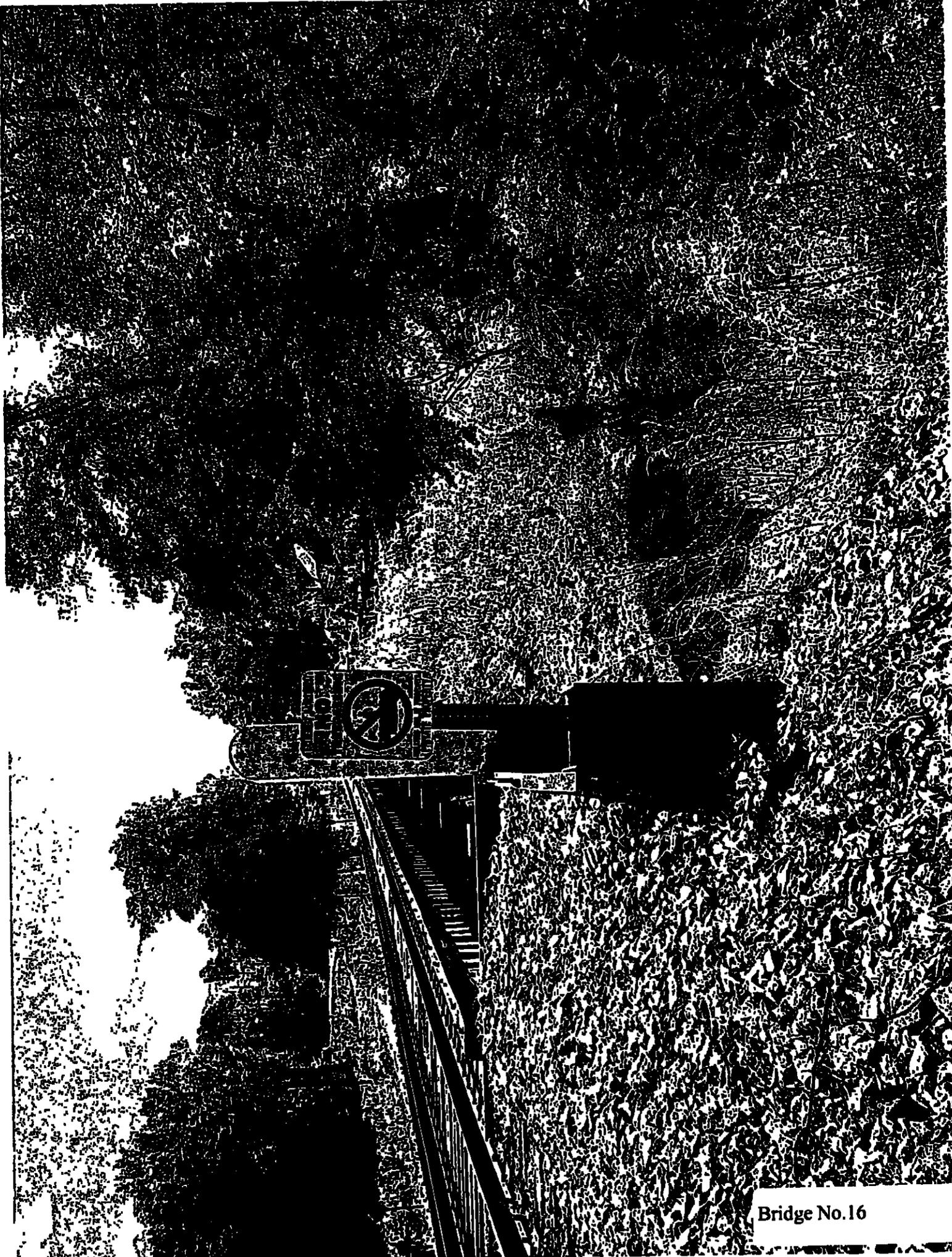
Bridge No.14



Bridge No.15



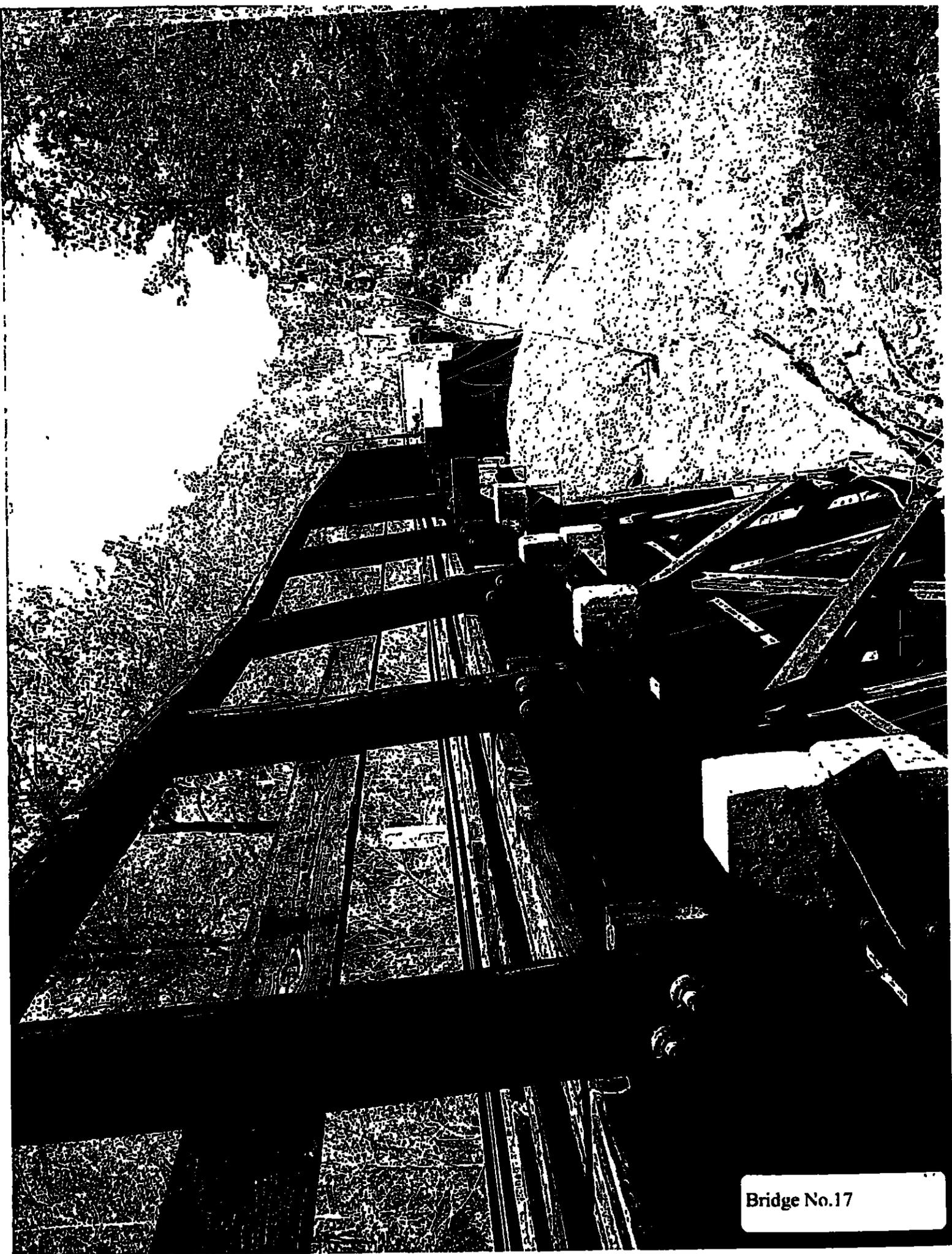
Bridge No.15



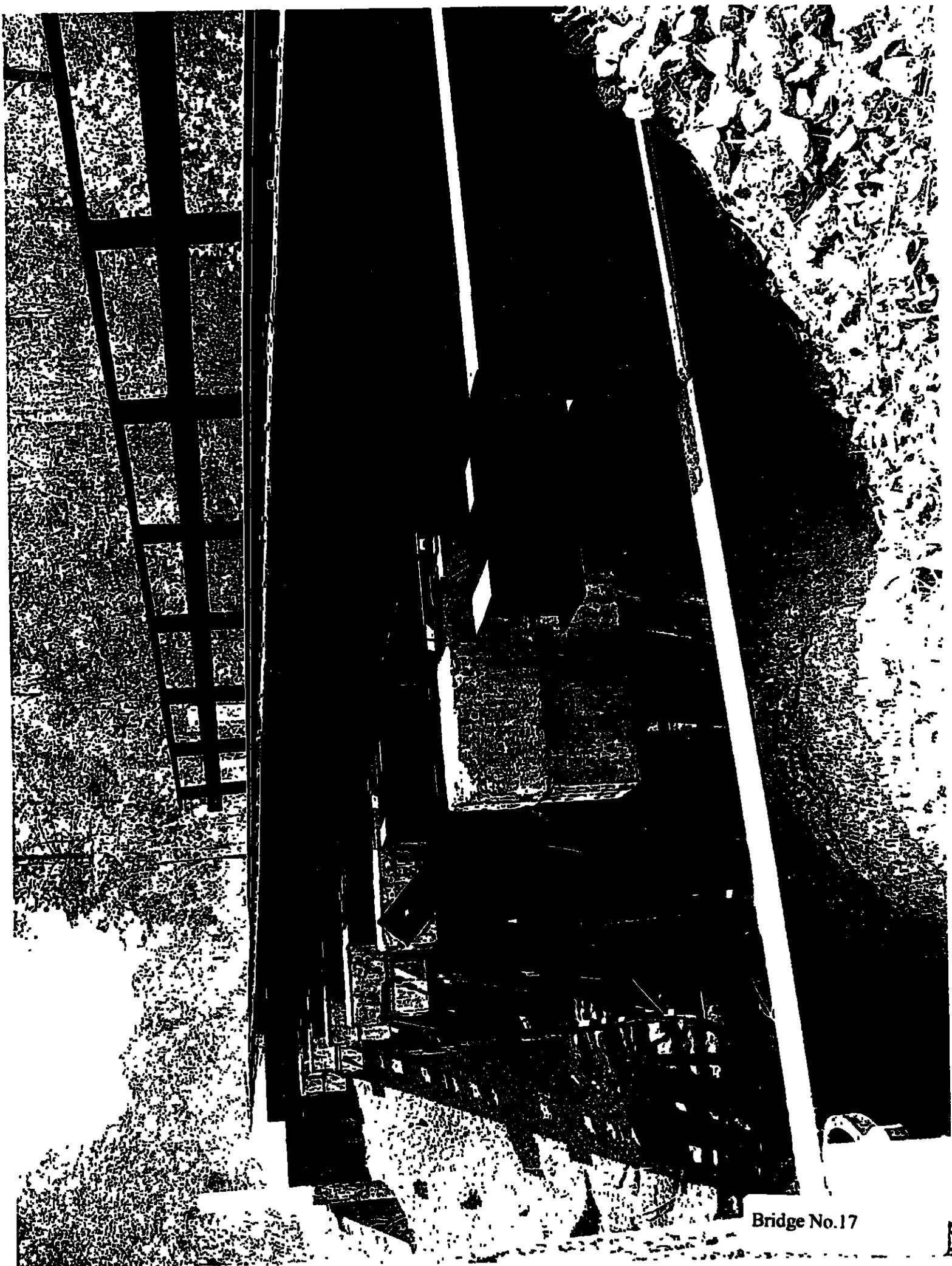
Bridge No.16



Bridge No.16



Bridge No.17



Bridge No.17

Georgia Department of Natural Resources

Historic Preservation Division

Noel Holcomb, Commissioner

W. Ray Luce, Division Director and Deputy State Historic Preservation Officer
34 Peachtree Street, NW, Suite 1600, Atlanta, Georgia 30303-2316
Telephone (404) 656-2840 Fax (404) 657-1040 <http://www.gashpo.org>

June 18, 2007

Karl Morell
Attorney
Ball Janik, LLP
1455 F Street, NW, Suite 225
Washington, D.C. 20005

**RE: Abandon 43 Miles of Railroad, R-12.0 at Florida Rock, to R-55.0 at Allie
Harris and Meriwether Counties, Georgia
HP-070518-006**

Dear Mr. Morell

The Historic Preservation Division (HPD) has reviewed the information submitted concerning the above referenced project. Our comments are offered to assist the Surface Transportation Board (STB) and its applicants in complying with the provisions of Section 106 of the National Historic Preservation Act of 1966 as amended (NHPA).

Based on the information provided, HPD believes that the rail bed of the Georgia Southwestern Railroad, Inc., from Allie, Georgia to Florida Rock, Georgia in Harris and Meriwether counties, should be considered eligible for listing in the National Register of Historic Places (NRHP). We also believe that the bridges associated with the railroad are contributing elements to this property. The historic bridges are 4 (Callaway Gardens), 5 (Pine Mountain), 6 (Pine Mountain), 7 (Pine Mountain), 9 (Pine Mountain), 10 (White Sulphur Springs), 11 (White Sulphur), 12 (CSXT), 14 (State Route 18, 109), and 17 (Greenville). The railroads were critical to the development of Georgia and their history is explained in numerous publications and in the historic context, *The Statewide Railroad Industry Context*, by Alexandra C. de Kok (1991).

We believe that the rail abandonment will have no adverse effect to the historic rail bed and ten historic bridges provided the following conditions: the rail bed will remain intact and the bridges will not be removed.

If we may be of further assistance, please do not hesitate to contact Steven Morrison, Architectural Historian, at (404) 651-5906, or Michelle Volkema, Environmental Review Specialist, at (404) 651-6546.

Sincerely,



Karen Anderson-Córdova
Manager, Planning and Local Assistance Unit

KAC/ECS

cc Allison Slocum, Lower Chattahoochee RDC
Lynne Miller, Chattahoochee-Flint RDC