

Surface Transportation Board Finalizes Approval for "Entergy Arkansas" to Construct 8.6-Mile Rail Line Near Pine Bluff, Arkansas

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has issued a decision finalizing and making effective the agency's conditional exemption from regulation previously granted to Entergy Arkansas, Inc. (Entergy) and Entergy Rail to construct and operate an 8.6-mile rail line near the city of Pine Bluff, Arkansas. The proposed line would allow a second railroad to provide service to Entergy's White Bluff, AR electric generating plant. Entergy's construction project is subject to specified environmental impact mitigation measures.

Entergy, formerly Arkansas Power & Light Company, is an electric utility with approximately 600,000 customers in Arkansas. Entergy has two coal-burning generating plants in Arkansas, both currently served solely by the Union Pacific Railroad Company (UP), and had asked the Board to approve the new line construction so that Entergy could receive alternative, direct rail service to its White Bluff plant from The Burlington Northern and Santa Fe Railway Company (BNSF). Entergy had sought this remedy according to a pro-competitive condition, known as the "build-out" condition, imposed in the Board's August 1996 decision approving the merger of the UP and the Southern Pacific Transportation Company. The Board determined that this condition requires UP to grant BNSF trackage rights over UP's Little Rock, AR-Pine Bluff line to reach Entergy's proposed 8.6-mile line.

In a previous decision in this matter, the Board conditionally granted Entergy's petition for its affiliate, Entergy Rail, to construct and operate the proposed 8.6-mile line, subject to environmental review. In a subsequent environmental assessment (EA) issued to the public, the Board's Section of Environmental Analysis (SEA) preliminarily concluded that the proposed construction and operation would have no significant environmental impacts if SEA's recommended mitigation measures were imposed. In its post-environmental assessment analysis, SEA concluded that the EA adequately identified and assessed potential environmental impacts. The Board's final decision issued today adopts SEA's recommended mitigation measures and imposes them as conditions to the construction exemption.

The Board issued its decision in *Entergy Arkansas and Entergy Rail--Construction and Operation Exemption--White Bluff to Pine Bluff, AR*, STB Finance Docket No. 33782. A printed copy of today's decision is available for a fee by contacting: **D~2-D~ Legal, Room 405, 1925 K Street, N.W., Washington, DC 20006, telephone (202) 293-7776, or via http://Da_To_Da@Hotmail.com. <mailto:http://DaToDa@hotmail.com>. Today's decision is also available for viewing and downloading via the Board's website at <http://www.stb.dot.gov>.**

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