

SERVICE DATE – JUNE 9, 2020

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. AB 1296X

R. J. CORMAN RAILROAD PROPERTY, LLC—ABANDONMENT EXEMPTION—
IN SCOTT, CAMPBELL, AND ANDERSON COUNTIES, TENN.

Decided: June 9, 2020

R. J. Corman Railroad Property, LLC (RJC Railroad Property), filed a verified notice of exemption under 49 C.F.R. part 1152 subpart F—Exempt Abandonments and Discontinuances of Service to abandon a railroad line extending from milepost 0.95 at or near Oneida, Tenn., to the end of the line at milepost 42.0 at or near Devonia, Tenn., a distance of approximately 41.05 miles in Scott, Campbell, and Anderson Counties, Tenn. (the Line).¹ Notice of the exemption was served and published in the Federal Register on March 9, 2020 (85 Fed. Reg. 13,696).

On March 19, 2020, Arkansas-Oklahoma Railroad Co. (AOK), a Class III rail carrier, filed a notice of intent to file an offer of financial assistance (OFA) to purchase the Line, and, on April 20, 2020, AOK late-filed a motion to extend the deadline to file an OFA. Following a reply by RJC Railroad Property, by decision served on May 26, 2020, the Board, among other things, granted AOK's motion in part, extending the OFA deadline to June 9, 2020. The Board also provided that any request to toll that deadline would be due June 4, 2020.

On June 1, 2020, RJC Railroad Property filed a letter it sent to AOK estimating the Line's net liquidation value and providing certain information "in its possession or readily attainable" "[i]n accordance with 49 C.F.R. § 1152.27(a)(3)[.]" (RJC R.R. Prop. Reply 1, June 1, 2020.) On June 3, 2020, AOK requested a further 21-day extension of the time to prepare and file its OFA. The next day, RJC Railroad Property filed a reply opposing AOK's extension request and asserting, among other things, that it has provided the required information in a prompt manner. (RJC R.R. Prop. Reply 2, June 4, 2020.) The Board also received a letter supporting extension of the OFA deadline from the Tennessee Mining Association, dated May 21, 2020, and a similar letter of support from Anderson County Government, dated June 4, 2020.

¹ The verified notice also embraced Docket No. AB 875 (Sub-No. 1X), R. J. Corman Railroad Company/Bardstown Line—Discontinuance Exemption—in Scott, Campbell, & Anderson Counties, Tenn., in which R. J. Corman Railroad Company/Bardstown Line sought an exemption to discontinue service over the Line.

As noted, RJC Railroad Property has recently provided information to AOK; under the circumstances, a brief additional extension is reasonable to permit AOK to complete and file its OFA. Therefore, AOK's OFA will be due on June 23, 2020.²

It is ordered:

1. AOK's motion for an extension of time to file an OFA is granted, in part. The deadline for AOK to file its OFA is extended to June 23, 2020.
2. The NITU and public use condition served on April 17, 2020 are stayed until June 23, 2020, pending the outcome of the OFA process.
3. The effective date of the abandonment exemption covered by the verified notice is stayed until June 23, 2020.
4. This decision is effective on its service date.

By the Board, Allison C. Davis, Director, Office of Proceedings.

² In its May 26, 2020 order, the Board stayed the notice of interim trail use or abandonment (NITU) and public use condition served on April 17, 2020, until the due date for AOK's OFA, pending the outcome of the OFA process. That decision also stayed the effective date of the abandonment exemption covered by the verified notice until the due date for AOK's OFA. As such, the NITU, public use condition, and effective date of the exemption will continue to be stayed until June 23, 2020.