

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36002]

WRL, LLC—Modified Rail Certificate of Public Convenience and Necessity—Adams and Grant Counties, Wash.

WRL, LLC (WRL), a noncarrier, filed a notice for a modified certificate of public convenience and necessity under 49 C.F.R. pt. 1150 subpart C—Modified Certificate of Public Convenience and Necessity, to lease and operate a line of railroad (the Line) owned by the Port of Royal Slope (Port), a Washington State municipal corporation. The total distance of the Line is approximately 26 miles: (1) originating at milepost 1989.06, near Othello, Adams County, Wash., and continuing west for 20.44 miles to milepost 2009, at Royal City Junction, Grant County, Wash.; and then (2) proceeding north a distance of 5.2 miles, terminating at an industrial siding at milepost 5.2 near Royal City, Grant County, Wash.¹

WRL states that the Line was authorized for abandonment by a decision of the Interstate Commerce Commission in Docket No. AB 7 (Sub-No. 86) served on January 30, 1980, though the abandonment of the Line was never consummated. WRL states that the Line was acquired by the Port in 1982, “came under the control” of Sunfresh, Inc., in

¹ This proceeding is related to Paul Didelius—Continuance in Control Exemption—WRL, LLC, Docket No. FD 36003, in which Paul Didelius filed an exemption to continue in control of WRL upon WRL’s becoming a Class III rail carrier. Notice of the continuance in control exemption was served and published in the Federal Register on May 20, 2016 (81 Fed. Reg. 32,004).

1992,² was purchased by the Washington State Department of Transportation in 1993, and was reacquired by the Port in 2015.

Pursuant to an Operating Lease Agreement, WRL, as lessee, and the Port, as owner, have agreed that WRL will commence freight rail operation upon this exemption taking effect on or after June 5, 2016, for an initial term of five years, which may be extended upon the agreement of both parties for additional five-year terms. WRL states that the Line's only interline connection is with Columbia Basin Railroad (CBRW) at milepost 1989.06 in Othello, Wash. WRL states that it expects to enter into an agreement with CBRW imposing no interchange commitments.

The Line qualifies for a modified certificate of public convenience and necessity. See Common Carrier Status of States, State Agencies & Instrumentalities & Political Subdivisions, FD 28990F (ICC served July 16, 1981) and 49 C.F.R. § 1150.22.

WRL states that no subsidy is involved and that there are no preconditions for shippers to meet in order to receive rail service. WRL also states that Operating Lease Agreement requires it to obtain property and liability insurance coverage.

² According to WRL, Sunfresh, Inc., was the guarantor of a Federal Railroad Administration loan upon which the Port defaulted in 1992.

This notice will be served on the Association of American Railroads (Car Service Division), as agent for all railroads subscribing to the car-service and car-hire agreement, at 425 Third Street, S.W., Suite 1000, Washington, DC 20024; and on the American Short Line and Regional Railroad Association at 50 F Street, N.W., Suite 7020, Washington, DC 20001.

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Decided: May 31, 2016.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.