

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-1043 (Sub-No. 1)

MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.—DISCONTINUANCE OF
SERVICE AND ABANDONMENT—IN AROOSTOOK AND PENOBSCOT COUNTIES, ME

Decided: April 14, 2010

On February 25, 2010, Montreal, Maine & Atlantic Railway, Ltd. (MMA) filed an application under 49 U.S.C. 10903 for authority to discontinue service over and abandon approximately 233 miles of line in Aroostook and Penobscot Counties, ME.¹ MMA cites substantial operating losses on the line as the reason it is seeking such authority.

The State of Maine (State), by and through its Department of Transportation, has expressed opposition to the proposed discontinuance of service and abandonment. The State asserts that this line is vital to the shippers and communities in northern Maine. The State is seeking funds to purchase the line. A proposal to issue bonds for that purpose was approved by the legislature on April 12, 2010. A referendum is required before the State may issue bonds. This process will require some time to complete.

The Board believes that a meeting between the State and MMA, facilitated by Board staff, could be very beneficial in this case. While there is much that separates these parties, they also share some common interests. The State is interested in acquiring these lines to protect local industries and communities, while the railroad wishes to relieve itself of the obligation of owning and operating these rail lines if abandonment authority is granted. In these circumstances, the Board believes it is in everyone's best interest to explore any and all options that may help preserve this rail corridor as part of the national rail system. We appreciate that

¹ Specifically, MMA seeks authority to abandon and discontinue service over: (1) the Madawaska Subdivision, consisting of approximately 151 miles of line between milepost 109 near Millinocket and milepost 260 near Madawaska in Penobscot and Aroostook Counties; (2) the Presque Isle Subdivision, consisting of approximately 25.3 miles of line between milepost 0.0 near Squa Pan and milepost 25.3 near Presque Isle in Aroostook County; (3) the Fort Fairfield Subdivision, consisting of approximately 10 miles of line between milepost 0.0 near Presque Isle and milepost 10.0 near Easton in Aroostook County; (4) the Limestone Subdivision, consisting of approximately 29.85 miles of line between milepost 0.0 near Presque Isle and milepost 29.85 near Limestone in Aroostook County; and (5) the Houlton Subdivision, consisting of approximately 16.9 miles of line between milepost 0.0 near Oakfield and milepost 16.9 near Houlton in Aroostook County.

the parties already have been engaged in lengthy discussions toward that end, and we encourage them to continue to do so. The Board has mediation resources and staff with extensive knowledge of its abandonment, discontinuance, and offer of financial assistance (OFA) procedures that may help the parties reach an agreeable resolution of some of their issues. A meeting between the railroad and the State under the auspices of Board staff may thus offer opportunities for the consideration of procedures that could benefit all the parties in the case.

Therefore, MMA and the State are directed to appear at the Board's offices at 395 E Street, S.W., Washington, DC, at 10:00 a.m. Eastern Daylight Time on April 22, 2010 to participate in that meeting. The parties should provide the Board with the names of the individuals who will be representing them at the meeting on or before April 16, 2010. The meeting will be facilitated by our mediation staff, together with technical advisors with knowledge of this case and our abandonment, discontinuance, and OFA procedures. The meeting will be treated as confidential and Board staff who participate at this meeting will not participate in the decision-making process or discuss the case with anyone who is participating in that process.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. A meeting in this proceeding is scheduled for 10:00 a.m. Eastern Daylight Time on April 22, 2010, as discussed above.
2. This decision is effective on its service date.

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