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SERVICE DATE – JULY 26, 2019

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36325]

Spokane, Spangle & Palouse Railway, L.L.C.—Lease and Operation Exemption—

Washington State Department of Transportation

Spokane, Spangle & Palouse Railway, L.L.C. (SSPR), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to lease from the Washington State Department of Transportation (WSDOT) and operate approximately 102.6 miles of rail line (the Lines). SSPR states that the Lines consist of: (1) the Colfax-Moscow Line (a) between milepost 3.0 at Colfax, Wash., and milepost 18.7 at Pullman, Wash., and (b) between milepost 75.9 at Pullman and milepost 84.05 at the Washington-Idaho state line; (2) the Washington, Idaho, and Montana Line between milepost 0.0 at Palouse, Wash., and milepost 3.85 at the Washington state line; and (3) the Palouse and Lewiston Line between milepost 1.0 at Marshall, Wash., and milepost 75.9 at Pullman.¹

SSPR states that it will shortly enter into an agreement with WSDOT to lease the Lines from WSDOT and SSPR will be the operator of the Lines.

¹ Although SSPR's original submission stated that the Lines are "located in Washington and Idaho," (Verified Notice 1), on July 12, 2019, SSPR filed a supplement clarifying that the Lines are located within the State of Washington and none are located in the State of Idaho.

According to SSPR, the lease does not contain any provision that prohibits SSPR from interchanging traffic with a third party or limits SSPR's ability to interchange with a third party.

SSPR certifies that its projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier and will not exceed \$5 million.

The earliest this transaction may be consummated is August 11, 2019 (30 days after the verified notice of exemption was filed).²

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than August 2, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36325, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on SSPR's representative, Karl Morell, Karl Morell and Associates, 440 1st Street, N.W., Suite 440, Washington, DC 20001.

According to SSPR, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b)(1).

² The date of SSPR's supplement (July 12, 2019) will be considered the filing date for the purposes of calculating the effective date of the exemption.

Board decisions and notices are available at www.stb.gov.

Decided: July 17, 2019.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.