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SERVICE DATE - APRIL 10, 1997

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-167 (Sub-No. 1175)

CONSOLIDATED RAIL CORPORATION--ABANDONMENT--
IN HUNTINGDON COUNTY, PENNSYLVANIA

IN THE MATTER OF AN OFFER OF FINANCIAL ASSISTANCE

Decided: April 7, 1997

By certificate and decision served and published in the *Federal Register* on February 4, 1997 (62 FR 5273), Consolidated Rail Corporation (Conrail) was authorized to abandon its 1.6-mile line of railroad known as the Mt. Union Industrial Track, from milepost 0.0 to milepost 1.60, in the Borough of Mt. Union, Huntingdon County, PA. A timely offer of financial assistance (OFA) to purchase this line was filed by Kovalchick Corporation (KOV).¹

In a decision served February 19, 1997, KOV was found to be a financially responsible entity offering financial assistance and the effective date of the certificate and decision authorizing the abandonment of the line was postponed under 49 U.S.C. 10904.¹ On March 19, 1997, the parties notified the Board that they had reached an agreement on the sale of the line.

When a carrier and a person offering to purchase a line enter into an agreement for continued rail service, the Board is required to approve the transaction and to dismiss the abandonment application. See 49 CFR 1152.27(f)(2). Accordingly, the sale is approved, and the application to abandon this line will be dismissed.²

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

¹ The ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803 has made changes to the previous law regarding the processing of abandonments. To implement these changes, the Board has issued final rules in *Abandonment and Discontinuance of Rail Lines and Rail Transportation under 49 U.S.C. 10903*, STB Ex Parte No. 537 (STB served Dec. 24, 1996), that became effective on January 23, 1997. Because this application was filed prior to the effectiveness of the new rules, it has been processed under the former regulations.

² On February 3, 1997, Southern Alleghenies Resource Conservation and Development Council and the Southern Alleghenies Conservancy jointly filed a petition requesting a public use condition under 49 U.S.C. 10905 and the issuance of a certificate of interim trail use or abandonment. The OFA procedures take precedence over public use and trail use requests. Because Conrail and KOV have now reached an agreement of sale, both the trail use and public use requests are moot.

It is ordered:

1. Kovalchick Corporation is authorized to acquire the line, and the application to abandon the line is dismissed effective on consummation of the sale.

2. This decision is effective on April 10, 1997.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams
Secretary