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August 24, 2004

The Honorable Vernon A. Williams, Secretary
Surface Transportation Board
1925 K St. N.W.
Washington, D.C. 20043

RE: STB Ex Parte No. 647, *Class Exemption for Expedited Abandonment Procedure for Class II and Class III Railroads*

Dear Secretary Williams:

On May 15, 2003, sixty-five short line and regional carriers (Petitioners) filed a petition requesting the Board to institute a rulemaking proceeding to take comments on an exemption proposed by the Petitioners, by which the Board would issue rules that would exempt a class of small carriers from the prior approval abandonment requirements of 49 U.S.C. 10903. On July 22 and August 3, 2004, the Board served a Notice permitting any interested party to submit written comments.

This letter is written on behalf of The National Industrial Transportation League ("League"). The League is one of the oldest and largest nationwide organizations representing parties concerned with the transportation of goods. The League has over 600 separate company members who conduct industrial and/or commercial enterprises throughout the United States and internationally. League members ship substantial volumes of commodities by railroad, including over the nation's short lines. Accordingly, the League has a substantial interest in the Board's resolution of the issues raised in this proceeding.

The League believes that the Board should grant the petition and institute a rulemaking to take comments on the proposed exemption. As a substantive matter, the League believes that the proposal advanced by the Petitioners has fundamental merit. A simplification of the regulatory process for Class II and Class III carriers that permits abandonments and offers of financial assistance to proceed before rail infrastructure deteriorates will strengthen the rail network. However, the League also believes that there are aspects of the proposal that might be modified and improved during the rulemaking process. Specifically, the League believes that there should be more notice to shippers of the proposed abandonment and more time to develop an OFA than the periods proposed by the Petitioners. The League believes that these matters can be easily and most appropriately considered during the rulemaking process. In addition, the rulemaking process would provide an opportunity for any concerns of other persons interested in the nation's transportation system to be heard. The League pledges to work cooperatively both with the Petitioners and any other persons to craft a final rule acceptable to a broad cross-section of the industry.

Sincerely,

Nicholas J. DiMichael
Counsel for The National Industrial Transportation League

cc: Mark Sidman, Esq.

Nick.DiMichael@ThompsonHine.com Phone 202.263.4103 Fax 202.331.8330

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THOMPSON HINE LLP
ATTORNEYS AT LAW

1920 N Street, N.W.
Washington, D.C. 20036-1600

www.ThompsonHine.com
Phone 202.331.8800
Fax 202.331.8330