

Congress of the United States

Washington, DC 20515

August 18, 2008

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E St. SW
Washington, DC 20423

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AB-515 Sub 2

Re: STB Finance Docket No. 35160 Oregon International Port of Coos Bay – Feeder
Line Application – Coos Bay Line of the Central Oregon & Pacific Railroad, Inc

Dear Secretary Quinlan:

We write in strong support of the feeder line application of the Oregon International Port of Coos Bay (Port of Coos Bay) to purchase the Coos Bay Line of the Central Oregon and Pacific Railroad (CORP) and urge the Board to take quick action to help re-activate this rail line.

Last September CORP, a subsidiary of RailAmerica, Inc. (RailAmerica), announced it was shutting down service on its Coos Bay line between Coquille, Oregon and Vaughn, Oregon due to unsafe tunnel conditions. The CORP line is vital for shippers and industry along the south coast of Oregon and CORP gave less than 24 hours notice it would be shutting the line down, leaving shippers suddenly without a viable way to get their goods to market. Shippers on the line are now paying 10-15 percent more in shipping costs because they have to use trucks. This area of the state is already very isolated – it has no Interstate highways and no other rail lines – and the embargo of the Coos Bay Line has been devastating.

While there were known problems with the Coos Bay Line, CORP never communicated to its customers or the Oregon Department of Transportation that the line had deteriorated so badly that an emergency closure might be necessary. Furthermore, RailAmerica had owned the line for ten years at the time of the embargo and had clearly not made the basic investments necessary to ensure the line was safe for operation. In our opinion CORP unlawfully embargoed the line with no intention of ever making the necessary repairs to restore service, in violation of its common carrier obligation.

CORP is clearly no longer interested in its common carrier obligation to offer service as evidenced by its abandonment filing on July 14th (Docket No. AB-515 (Sub-No. 2X)). CORP's application proposes to break up the line making future service from the Oregon coast to Union Pacific's mainline in Eugene impossible. The Board should not allow CORP to break up the Coos Bay Line as it has proposed in its abandonment application. In addition, we encourage the Board to order CORP to bring the line back up to FRA Class 2 operation standards before CORP is permitted to benefit from the sale of its assets.

We stand ready to support the Port of Coos Bay in any way we can to purchase and rehabilitate the Coos Bay Line so that service may be restored. In fact, Congressman DeFazio has already included a provision in transportation legislation to transfer money currently reserved to repair a rail bridge on the Line to instead help the Port of Coos Bay purchase and rehabilitate it.

We strongly encourage the Board to take quick action to re-activate the Coos Bay Line and approve the International Port of Coos Bay's feeder line application.

Sincerely,



Peter DeFazio
Member of Congress



Ron Wyden
Senator



Gordon Smith
Senator