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July 15, 2004

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 700
Washington, D. C. 20423

FILED

JUL 15 2004

SURFACE
TRANSPORTATION BOARD



RE: Docket No. AB-55 (Sub-No. 653X), *CSX Transportation, Inc.—
Abandonment Exemption—in Pike County, KY*

Dear Secretary Williams:

Enclosed are the original and 10 copies of a Petition for Exemption for abandonment in the above-entitled proceeding and a check for the filing fee of \$4,700. Also enclosed are three computer diskettes in containing the Petition.

Please time and date stamp the additional copy of this letter and the Petition and return them with our messenger. Thank you for your assistance.

If you have any questions please call or email me.

Sincerely yours

Louis E. Gitomer
Attorney for: CSX Transportation, Inc.

Enclosures

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Public Record

211584 ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-55 (Sub-No. 653X)

CSX TRANSPORTATION, INC.-ABANDONMENT EXEMPTION-
IN PIKE COUNTY, KENTUCKY



PETITION FOR EXEMPTION

EXPEDITED HANDLING REQUESTED

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Attorneys for: CSX TRANSPORTATION,
INC.

Dated: July 15, 2004

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BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-55 (Sub-No. 653X)

CSX TRANSPORTATION, INC. -ABANDONMENT EXEMPTION-
IN PIKE COUNTY, KENTUCKY



PETITION FOR EXEMPTION

CSX Transportation, Inc. ("CSXT") petitions the Surface Transportation Board ("STB") to exempt, under 49 U.S.C. § 10502, CSXT's abandonment of a 1.43-mile rail line from the prior approval requirements of 49 U.S.C. §§ 10903 and 10905. CSXT also requests expedited handling of this Petition to assist the Kentucky Transportation Cabinet with a highway expansion project.

PROPOSED TRANSACTION

CSXT proposes to abandon the 1.43-mile rail line portion of its Southern Region, Huntington Division, Big Sandy Subdivision, between Dunleary, milepost CMH 0.00, and the end of track, milepost CMH 1.43, also known as the Beaver Creek Spur (the "Line"), all in Pike County, KY. The Line traverses Zip Code 41522, and stations Praise Dock, milepost CMZ 126, Little Beaver, milepost CMH 1, and Little Beaver Dock, milepost CMZ 1.

A map of the Line is attached as Exhibit A. The Environmental Report is in Exhibit B and the Historic Report is in Exhibit C. A letter from the Kentucky Transportation Cabinet ("KTC") supporting exemption of the abandonment and exemption from the offer of financial assistance ("OFA") process is in Exhibit D. A summary of traffic is in Exhibit E. Exhibit F

contains the Federal Register notice, Exhibit G contains the certificate of publication, and Exhibit H contains the certificate of service.

Based on information in CSXT's possession, the Line does not contain any federally granted right-of-way. Any documentation in CSXT's possession concerning title will be made available to those requesting it.

LACK OF TRAFFIC AND FUTURE USE OF THE LINE SUPPORT ABANDONMENT

The only shipper on the Line had been ELC Inc. ("AEP"). AEP shipped coal from Praise Dock. In 2002 AEP shipped 2,934 carloads, in 2003 AEP shipped 3,791, and in 2004 AEP shipped 0 carloads. AEP stopped shipping in October 2003. AEP no longer requires the Line for rail service. AEP was the only shipper on the Line. With the closing of AEP, CSXT has no customers on the Line to serve. CSXT does not expect any rail oriented business to develop on the Line. There is no overhead traffic on the Line because the Line is a stub-end. There is no demand for CSXT service on the Line. This petition has been served on AEP.

Abandonment of the Line by CSXT would also assist the Commonwealth of Kentucky in the expansion of highway infrastructure on State Route 80. Upon abandonment, CSXT plans to sell the right-of-way to the KTC for use in the highway expansion project.

CSXT has not been advised of any opposition to the abandonment, and does not expect any opposition.

ARGUMENT SUPPORTING THE ABANDONMENT

CSXT seeks an exemption under 49 U.S.C. § 10502 from the applicable requirements of 49 U.S.C. § 10903 in order to abandon this unused 1.43-mile line of railroad, and from the applicable requirements of 49 U.S.C. § 10905 in order to avoid delays under the OFA process in selling the right-of-way to the KTC for its use in a highway expansion project.

Under 49 U.S.C. § 10502, the STB must exempt a transaction from regulation when it finds that:

(1) regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and

(2) either:

(a) the transaction is of limited scope, or

(b) regulation is not necessary to protect customers from the abuse of market power.

The legislative history of Section 10502 reveals a clear Congressional intent that the STB should liberally use its exemption authority to free certain transactions from the administrative and financial costs associated with continued regulation. In enacting the Staggers Rail Act of 1980, Pub. L. No. 96-488, 94 Stat. 1895, Congress encouraged the STB's predecessor agency to liberally use the expanded exemption authority under former Section 10505:

The policy underlying this provision is that while Congress has been able to identify broad areas of commerce where reduced regulation is clearly warranted, the Commission is more capable through the administrative process of examining specific regulatory provisions and practices not yet addressed by Congress to determine where they can be deregulated consistent with the policies of Congress. The conferees expect that, consistent with the policies of this Act, the Commission will pursue partial and complete exemption from remaining regulation.

H.R. Rep. No. 1430, 96 the Cong. 2d Sess. 105 (1980). See also *Exemption From Regulation--Boxcar Traffic*, 367 I.C.C. 424, 428 (1983), vacated and remanded on other grounds, *Brae Corp. v. United States*, 740 F.2d 1023 (D.C. Cir 1984). Congress reaffirmed this policy in the conference report accompanying the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which re-enacted the rail exemption provision as Section 10502. H.R. Rep. No. 422, 104th Cong., 1st Sess. 168-69 (1995).

A. The Application of 49 U.S.C. § 10903 Is Not Necessary to Carry Out the Rail Transportation Policy

Detailed scrutiny of this transaction is not necessary to carry out the rail transportation policy. An exemption would minimize the unnecessary expense associated with the preparation and filing of a formal abandonment application, expedite regulatory decisions and reduce regulatory barriers to exit. 49 U.S.C. § 10101 (2) and (7). By abandoning the Line, CSXT will be able to avoid maintenance costs and opportunity costs for a line of railroad with no prospects for railroad use. Granting this exemption, therefore, fosters sound economic conditions and encourages efficient management by permitting the rationalization of an unnecessary rail line. 49 U.S.C. § 10101 (3), (5) and (9). Upon abandonment, CSXT plans to sell the right-of-way to the KTC for use in a highway expansion project. Other aspects of the rail transportation policy are not adversely affected. For example, competition and the continuation of a sound rail transportation system are not affected since the public will not be deprived of any needed rail services.

B. This Transaction Is Of Limited Scope

The proposed transaction is of limited scope. CSXT seeks to abandon its 1.43-mile line. The length of the Line, its limited geographic area (one county in one State), and the limited use made of the Line, all demonstrate the limited scope of CSXT's proposed abandonment.

C. This Transaction Will Not Result In An Abuse Of Market Power

There is no freight traffic, either local or overhead, on the Line. The last customer on the Line stopped using rail service in October 2003. Hence, there are no customers on the Line that can be subjected to the abuse of market power by CSXT.

D. An Offer of Financial Assistance Would Frustrate the Purpose of the Abandonment

Permitting the abandonment to become effective without application of the OFA condition will minimize the need for federal regulatory control over the rail system, expedite the STB's regulatory decisions, and reduce the regulatory barriers to exit from unprofitable rail service. 49 U.S.C. § 10101(2) and (7). The STB and its predecessor, the Interstate Commerce Commission have granted exemptions from 49 U.S.C. § 10905 where the right-of-way is needed for a valid public purpose and there is no overriding public need for continued rail service.¹ CSXT contends that the Line meets these criteria.

CSXT is going to sell the right-of-way to the KTC for use in a highway expansion project. The imposition of an OFA condition would delay the sale of the right-of-way to the KTC. The sale could be delayed for at least six months, if not more if this abandonment were subjected to an OFA condition. The road project would be delayed, if not thwarted.

Finally, there has been no demand for service over the Line since October 2003 when the last shipper on the Line closed its mine. The Line is not needed for rail service.

EXPEDITED HANDLING REQUESTED

CSXT respectfully requests expedited handling of this Petition for Exemption. CSXT has agreed to sell the right-of-way of the Line to KTC for use in a highway expansion project. However, KTC must begin working on the project by September 5, 2004, and in order to obtain

¹ See, *Doniphan, Kensett and Searcy Railway—Abandonment Exemption—In Searcy, White County, AR*, STB Docket No. AB-558X (STB served May 6, 1999); *Union Pacific Railroad Company—Abandonment Exemption—In Salt Lake County, UT*, STB Docket No. AB-33 (Sub-No. 116X) (STB served September 30, 1998); *K & E Railway Company—Abandonment Exemption—In Alfalfa, Garfield, and Grant Counties, OK and Barber County, KS*, STB Docket No. AB-480X (STB served December 31, 1996); and *Southern Pacific Transportation*

Federal construction funding, KTC must let the contract to begin construction by November 5, 2004. In order to assist KTC, CSXT will grant KTC access to the right-of-way to begin preliminary work by September 5, as long as KTC agrees not to disturb the track structure. In addition, CSXT is requesting the Board to expedite the handling of this petition and serve a decision within 60 days of the filing date, which is September 13, 2004.

ENVIRONMENTAL REPORT

The Environmental Report containing the information required by 49 C.F.R. § 1105.7 is attached hereto as Exhibit B.

HISTORIC REPORT

The Historic Report containing the information required by 49 C.F.R. § 1105.8 is attached hereto as Exhibit C.

FEDERAL REGISTER NOTICE

For the convenience of the Board, two draft Federal Register notices are attached hereto in Exhibit E. The first notice is modified to take into account the requests for an expedited decision and exemption of the offer of financial assistance process. The second notice is in the form required by 49 C.F.R. § 1152.60(c).

LABOR PROTECTION

The interests of railroad employees of CSXT who may be adversely affected by the proposed abandonment will be adequately protected by the labor protective conditions in *Oregon Short Line R. Co.--Abandonment--Goshen*, 360 I.C.C. 91 (1979).

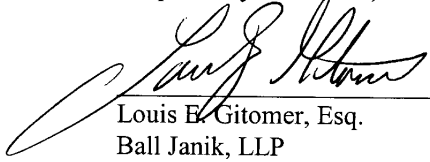
Company--Discontinuance of Service Exemption--In Los Angeles County, CA, ICC Docket No. AB-12 (Sub-No. 172X) (ICC served December 23, 1994).

CONCLUSION

Application of the regulatory requirements and procedures of 49 U.S.C. §§ 10903 and 10905 is not required to carry out the rail transportation policy set forth in 49 U.S.C. § 10101, as previously shown. Nor is STB regulation required to protect customers from the abuse of market power. Moreover, this abandonment is of limited scope. Accordingly, CSXT respectfully requests the STB to grant the proposed exemption of the abandonment of the 1.43-mile Line from the provisions of 49 U.S.C. § 10903, and the OFA from the provisions of 49 U.S.C. § 10905. CSXT also respectfully requests that the Board expeditiously grant this exemption and serve its decision by September 13, 2004.

Respectfully Submitted,

Jonathan C. Gold, Esq.
CSX Transportation, Inc.
500 Water Street
Jacksonville, FL 32202
(904) 366-4228

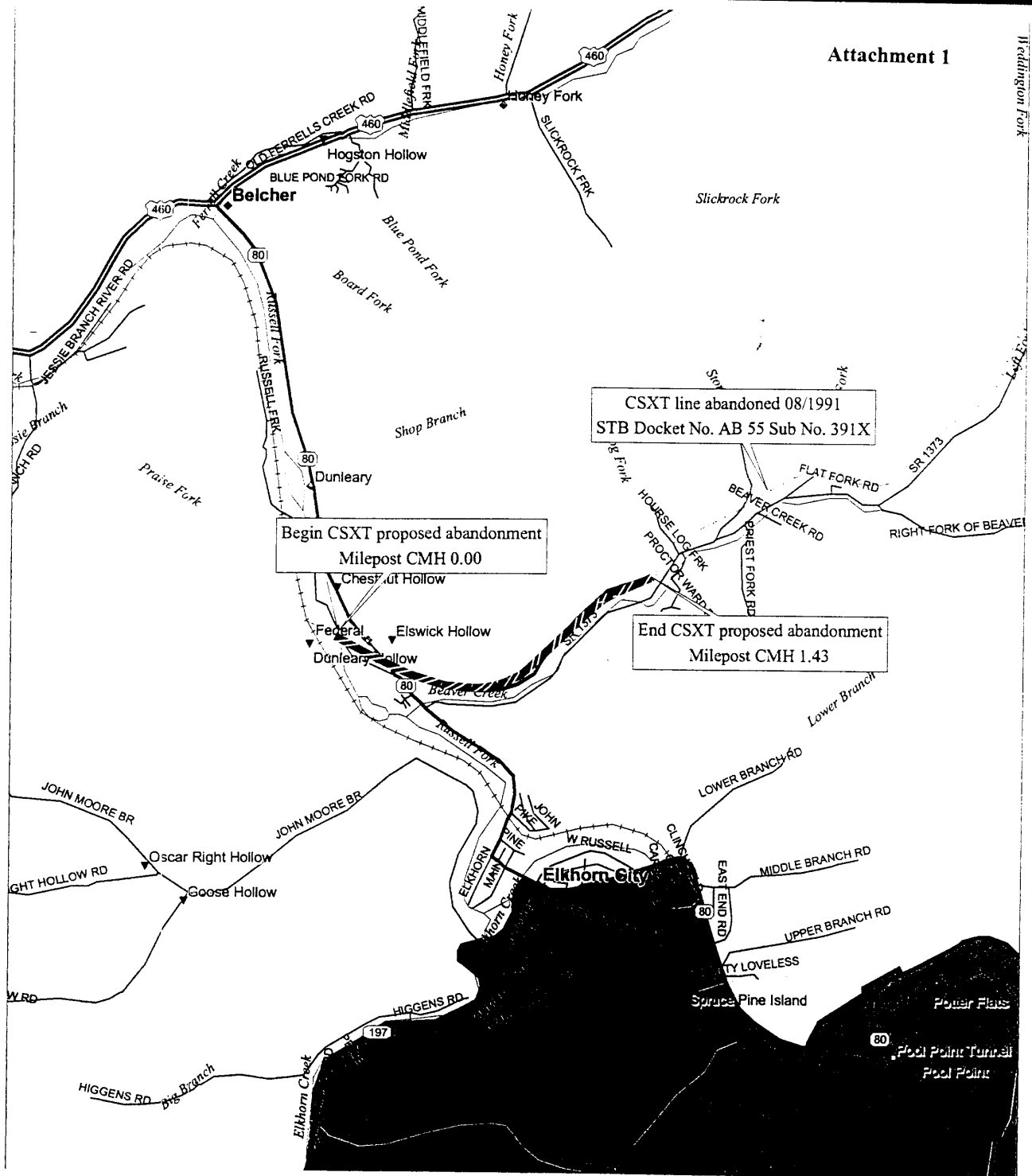


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Attorneys for:
CSX TRANSPORTATION, INC.

Dated: July 15, 2004

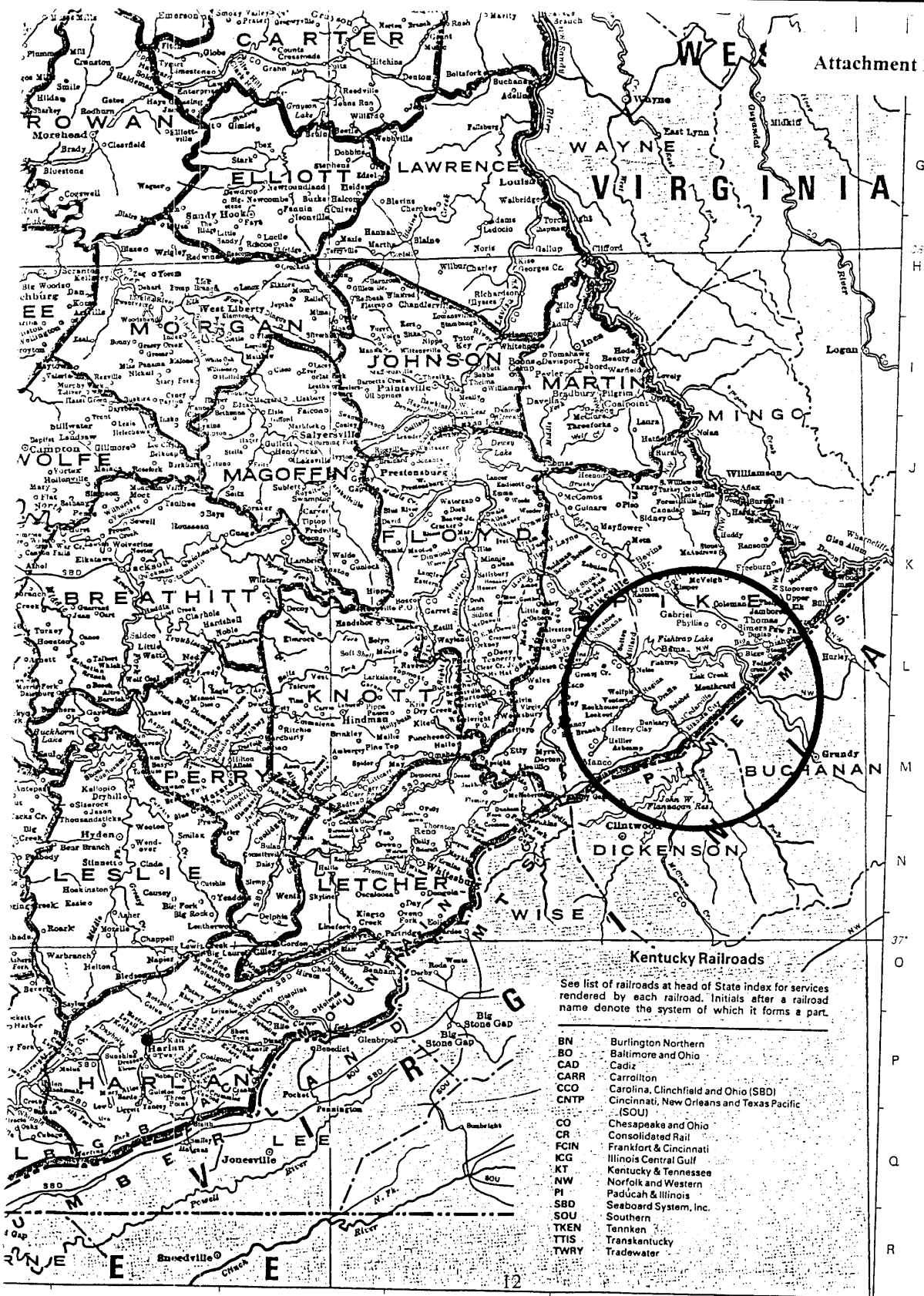
EXHIBIT A-MAP



CSX Transportation, Inc

Dunleary Jct to End of Track, Pike County, Kentucky

1.43 miles of line proposed to be abandoned



Kentucky Railroads

See list of railroads at head of State index for services rendered by each railroad. Initials after a railroad name denote the system of which it forms a part.

BN	Burlington Northern
BO	Baltimore and Ohio
CAD	Cadiz
CARR	Carrollton
CCO	Carolina, Clinchfield and Ohio (SBO)
CNTP	Cincinnati, New Orleans and Texas Pacific (SOU)
CO	Chesapeake and Ohio
CR	Consolidated Rail
FCIN	Frankfort & Cincinnati
ICG	Illinois Central Gulf
KT	Kentucky & Tennessee
NW	Norfolk and Western
PI	Paducah & Illinois
SBO	Seaboard System, Inc.
SOU	Southern
TKEN	Tenniken
TTIS	Trans Kentucky
TWRY	Tradewater

EXHIBIT B-ENVIRONMENTAL REPORT

ENVIRONMENTAL REPORT

CSX TRANSPORTATION, INC.

DOCKET AB-55 (SUB-NO. 653X)

BEAVER CREEK SPUR, PIKE COUNTY, KENTUCKY

The following information is provided in accordance with 49 C.F.R. Section 1105.7:

(1) PROPOSED ACTION AND ALTERNATIVES

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

CSX Transportation, Inc. (CSXT) proposes to abandon 1.43 Miles of its rail line from Railroad Milepost CMH 0.00 near Dunleary to Railroad Milepost CMH 1.43 at end of track, Pike County, Kentucky. This line was formerly used to ship coal; however, there has been no originating or terminating traffic since December of 2003. AEP Coal has ceased operations at this location and no future traffic is anticipated.

Abandonment of this line will result in the removal of the rail, crossties, and upper layer of ballast; and operations and maintenance of this line will cease.

The only alternative would be not to abandon and to pass the opportunity costs of retaining the line to all other CSXT customers. This would not be a prudent utilization of carrier resources.

Futhermore, CSXT has entered into negotiations with the Kentucky Transportation Cabinet to utilize the post-abandonment corridor as an alternative usage corridor to expand the highway infrastructure system.

Two maps, which delineate the proposed project, are attached. (See Attachments 1 and 2.)

(2) TRANSPORTATION SYSTEM

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

There is no CSXT passenger or freight traffic on this line. There will be no effect on existing regional or local transportation systems or patterns.

(3) LAND USE

- (i) **Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.**

Applicant has not received a response to its inquiry of May 27, 2004, to the Pike County Planning Department requesting information regarding this statement. (See Attachment 3.)

Based on the fact that the line has stopped generating any rail traffic and Applicant has entered into negotiations with the Kentucky Transportation Department for a post abandonment sale of right-of-way for a proposed highway infrastructure expansion, Applicant believes the proposed action is not inconsistent with local land use plans.

- (ii) **Based on consultation with the U. S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land.**

Applicant has not received a response to its inquiry of May 27, 2004, to the U.S. Department of Agriculture – NRCS in Mt. Sterling, Kentucky requesting information regarding this statement. (See Attachment 4.)

Whereas some prime farmland may exist in the vicinity of this project, Applicant feels that the simple removal of track material should not have an adverse impact.

- (iii) **If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9.**

The State of Kentucky does not have a Coastal Zone Management Program

- (iv) **If the proposed action is an abandonment, state whether or not the right of way is suitable for alternative public use under 49 U.S.C. 10906 and explain why.**

This line may be suitable for other public purposes. Applicant is currently in negotiations with the Kentucky Transportation Department for a post abandonment sale of right-of-way for a proposed highway infrastructure expansion.

(4) ENERGY

- (i) Describe the effect of the proposed action on transportation of energy resources.

Since the only customer has closed its coal facility and the line has will no longer be used, Applicant does not anticipate any adverse impact on the future transportation of energy resources.

- (ii) Describe the effect of the proposed action on recyclable commodities.

The proposed action will have no effect on the movement and/or recovery of recyclable commodities.

- (iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

The proposed action will not result in an increase or decrease in overall energy efficiency.

- (iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.

There will be no diversion of rail traffic to motor carriage.

(5) AIR

- (i) If the proposed action will result in either: (A) an increase in rail traffic of at least 100% (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) an increase in rail yard activity of at least 100% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions.

The above thresholds will not be exceeded.

- (ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act; and will it result in either: (A) an increase in rail traffic of a least 50% (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line, or (B) an increase in rail yard activity of a least 20% (measured by carload activity), or (C) an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan.

The above thresholds will not be exceeded.

- (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity, the frequency of service; safety practices (including any speed restriction); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

Not applicable.

(6) NOISE

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more, or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

The above thresholds will not be exceeded.

(7) SAFETY

- (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

Applicant believes that the abandonment will result in an improvement to public safety by the elimination of one (1) road crossing.

- (ii) **If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.**

Not applicable.

- (iii) **If there are any known hazardous waste sites or sites where there have been known hazardous material spills on the right of way, identify the location of those sites and the types of hazardous materials involved.**

Applicant's records do not indicate any hazardous waste sites or sites where there have been hazardous material spills on this line segment.

(8) BIOLOGICAL RESOURCES

- (i) **Based on consultation with the U. S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.**

Applicant has not received a response to its inquiry of May 27, 2004, to the U.S. Department of Interior, Fish and Wildlife Service in Cookeville, Tennessee requesting information regarding this statement. (See Attachment 5.)

Based upon Applicant's intention to remove only the track material and the upper layer of ballast, Applicant does not believe that any federally endangered or threatened species will be negatively affected, nor that any critical habitats will be modified by the proposed action.

- (ii) **State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.**

Based upon Applicant's review of the area, the line is not within any wildlife sanctuaries or refuges, National or State parks or forests.

(9) WATER

- (i) **Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.**

Applicant has not received a response to its inquiry of May 27, 2004, to the U.S. Environmental Protection Agency in Frankfort, Kentucky (State) or the U.S. Environmental Protection Agency, Region 4 in Atlanta, Georgia (Federal), requesting information regarding this statement. (See Attachments 6 and 7.)

Applicant does not contemplate any action known to be inconsistent with federal, state and/or local water quality standards. Any necessary permits or applications will be obtained as well as compliance with conditions or procedures required by regulatory agencies.

- (ii) **Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.**

Applicant has not received a response to its inquiry of May 27, 2004, to the U.S. Army Corps of Engineers, Louisville, Kentucky, requesting information regarding this statement. (See Attachment 8.)

Applicant is not aware of any designated wetlands or 100-year flood plains within the proposed project.

Upon receiving abandonment authority, removal of material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbed or perform any activities that would cause sedimentation or erosion of the soil, and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way nor be placed or left in streams or wetlands, or along the banks of such waterways. Also, during track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any waterways. Based upon this course of action, Applicant does not believe a permit under Section 404 of the Clean Water Act will be required.

- (iii) **State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U. S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required).**

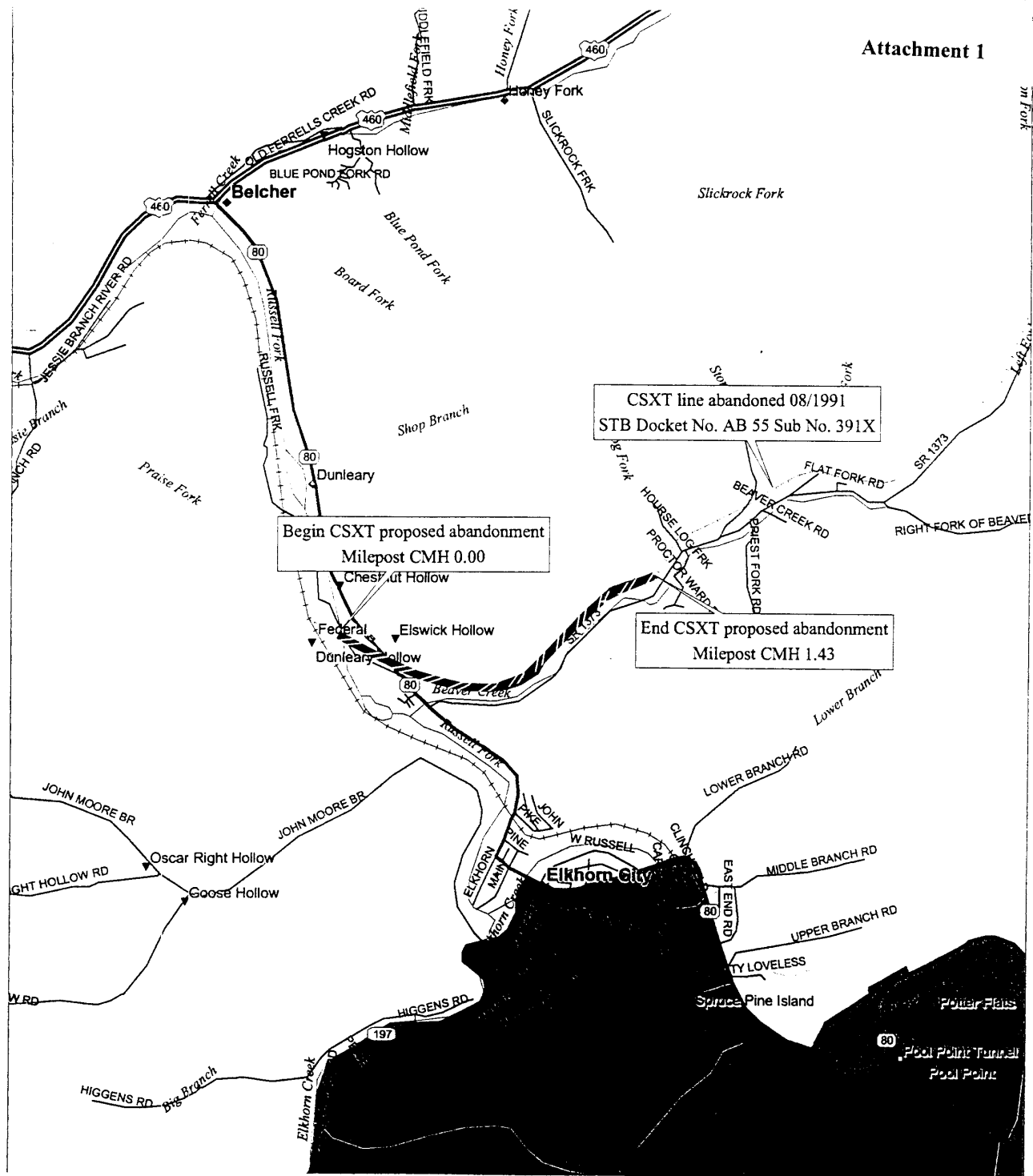
Applicant has not received a response to its inquiry of May 27, 2004, to the U.S. Environmental Protection Agency, Region 4 and Department for Environmental Protection, Frankfort, Kentucky, requesting information regarding this statement. (See Attachment 6 and 7.)

Based upon the course of action described in Section 9 (ii), Applicant does not believe a permit under Section 402 of the Clean Water Act will be required.

10. MITIGATION

Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

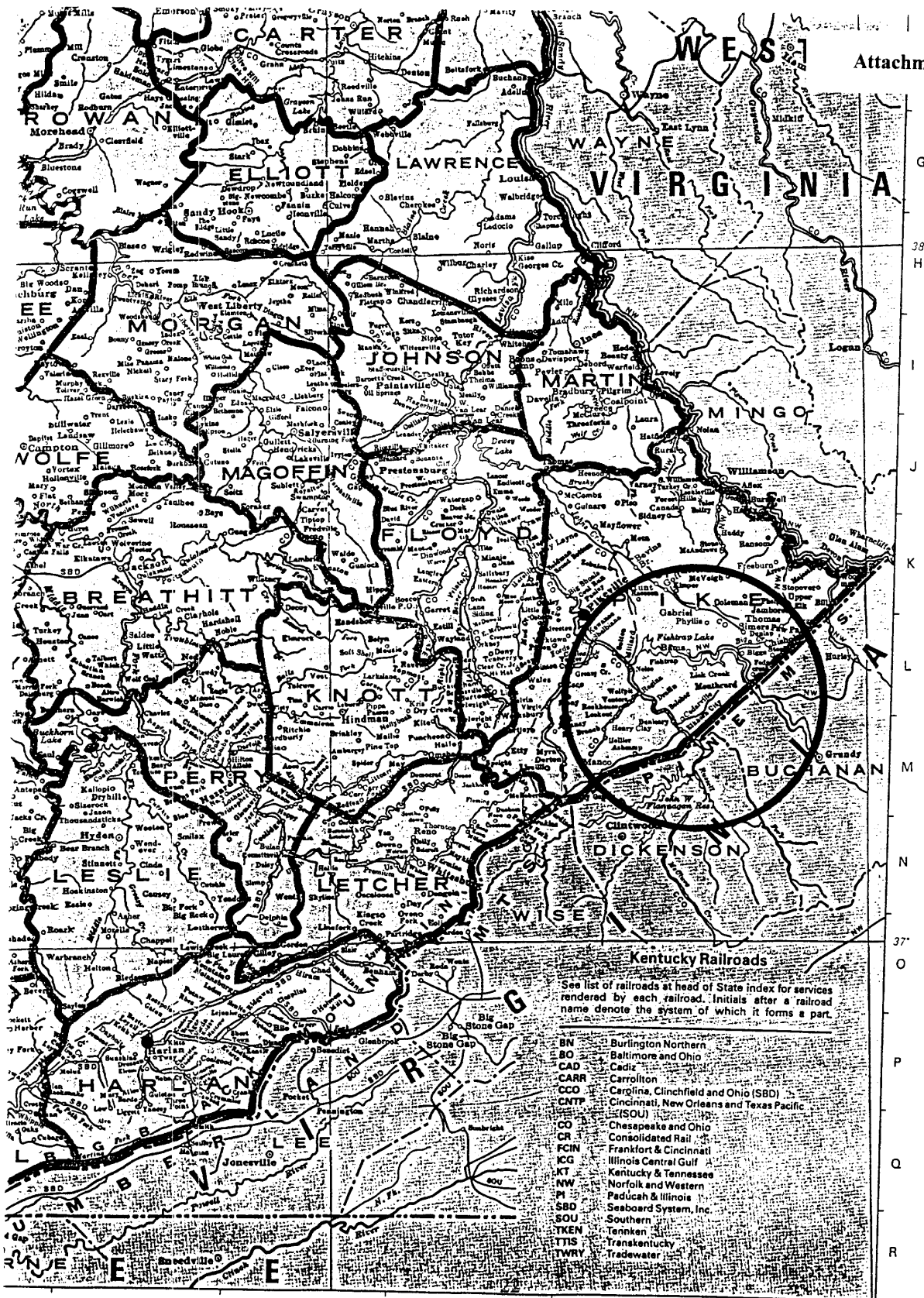
There will be no adverse environmental impacts in the project area as a result of this abandonment; therefore, mitigating action will not be necessary.



CSX Transportation, Inc

Dunleary Jct to End of Track, Pike County, Kentucky

 1.43 miles of line proposed to be abandoned



Kentucky Railroads

See list of railroads at head of State index for services rendered by each railroad. Initials after a railroad name denote the system of which it forms a part.

BN	Burlington Northern
BO	Baltimore and Ohio
CARR	Carrollton
CCO	Carolina, Clinchfield and Ohio (SBO)
CNTF	Cincinnati, New Orleans and Texas Pacific
(SOU)	
CO	Chesapeake and Ohio
CR	Consolidated Rail
FCIN	Frankfort & Cincinnati
ICG	Illinois Central Gulf
KT	Kentucky & Tennessee
NW	Norfolk and Western
PI	Paducah & Illinois
SBO	Seaboard System, Inc.
SOU	Southern
TKEN	Tenniken
TTIS	Trans-Kentucky
TWRY	Tradewater



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 3

May 27, 2004

Mr. William M. Deskins, County Judge
Pike County Planning Department
146 Main Street
Pikeville, KY 41501

Dear Mr. Deskins:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known at the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(i) require that we develop a response to the following statement:

"Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies."

I would appreciate your advice as to the existence of a long-range comprehensive planning map for Pike County and the line's relationship to such planning.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Geraci", written over a horizontal line.

Attachment



TRANSPORTATION
Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 4

May 27, 2004

USDA - NRCS
Area 3 Area Office
509 Willin Way
Mt. Sterling, KY 40353

Gentlemen:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known as the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(3)(ii) require that we develop a response to the following statement:

"Based on consultation with the U. S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land."

Please advise if any of the land contiguous to CSXT's line in the project area is classified as prime agriculture land.

Sincerely,

Attachment



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 5

May 27, 2004

U.S. Department of the Interior
Fish & Wildlife Service
446 Neal Street
Cookeville, TN 38501

Gentlemen:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known at the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

The action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (8) (i) and (ii) require that we develop responses to the following statements:

- (i) Based on consultation with the U. S. Fish and Wildlife Service state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.
- (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other materials from entering any watercourses.

Based upon the above described actions, we would appreciate your concurrence in CSXT's position that there would be no adverse impact to any federally-listed endangered or threatened species, critical habitats, wildlife sanctuaries or refuges, National or State parks, or forests.

We would appreciate your comments; and, if you have any questions, please feel free to contact me.

Sincerely,

Attachment



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 6

May 27, 2004

Mr. Jack Wilson, Director
U.S. EPA Region 4
Natural Resources and
Environmental Protection Cabinet
Frankfort Office Park
18 Reilly Road
Frankfort, KY 40601

Dear Mr. Wilson:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known at the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that we develop a response to the following statements:

(i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."

(iii) State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, we would appreciate receiving your concurrence with CSXT's position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

If you have any questions, please feel free to contact me.

Sincerely,

Attachment



Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 7

May 27, 2004

U.S. EPA - Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-3104

Gentlemen:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known as the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7 (9) (i) and (iii) require that we develop a response to the following statements:

(i) "Based on consultation with State Water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies."

(iii) State whether permits under Section 402 of the Clean Water Act 33 U.S.C. 1342 are required for the proposed action."

There are no refueling or maintenance areas within the project area. The removal of CSXT's rail material will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. We do not intend to disturb any of the underlying roadbeds and do not anticipate any dredging or use of fill in the removal of the track material. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways. During track removal, appropriate measures will be implemented to prevent or control spills from fuels, lubricants or any other pollutant materials from entering any watercourses.

Based upon the above described actions, we would appreciate receiving your concurrence with CSXT's position that the proposed project is consistent with applicable Federal, State and local water quality standards, and that no permits under Section 402 are required at this time.

If you have any questions, please feel free to contact me.

Sincerely,

Attachment



TRANSPORTATION
Dave Geraci
Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Phone: (904) 359-1086
FAX: (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 8

May 27, 2004

U.S. Army Corps of Engineers
Louisville District
PO Box 59
Louisville, KY 40201-0059

Gentlemen:

Please be advised that CSX Transportation, Inc. is considering abandonment of a portion of its rail line from Dunleary to the end of track, known as the Beaver Creek Spur, Pike County, Kentucky as depicted on the attached map. This abandonment is being filed in conjunction with a planned purchase by the Kentucky Transportation Cabinet for use of this rail corridor for a highway expansion project.

This action requires Surface Transportation Board approval and Federal Regulations 49 C.F.R. 1105.7(9)(ii) require that we develop a response to the following statement:

"Based on consultation with the U. S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100 year flood plains will be affected. Describe the effects."

It is our opinion that there will be no impact on designated wetlands or 100-year flood plains because our intent at this time is to only remove CSXT's metal track material, crossties and perhaps the upper layer of ballast, and to preserve the existing routes of water flow and drainage. We do not intend to disturb any of the underlying roadbeds or perform any activities that would cause sedimentation or erosion of the soil, and we do not anticipate any dredging or use of fill in the removal of the track material. The track removal will be accomplished by use of the right of way for access, along with existing public and private crossings, and no new access roads are contemplated. The crossties and/or other debris will be transported away from the rail line and will not be discarded along the right of way, nor be placed or left in streams or wetlands, or along the banks of such waterways.

Based upon the above described actions, we would appreciate your concurrence in CSXT's position that there would be no adverse impact on wetlands or 100-year flood plains, and that no permits under Section 404 will be required.

We would appreciate your comments; and, if you have any questions, please feel free to call me.

Sincerely,

Attachment

ENVIRONMENTAL REPORT—CERTIFICATE OF SERVICE

Pursuant to the requirements of 49 C.F.R. § 1105.7, the undersigned hereby certifies that a copy of the Environmental Report in Docket No. AB-55 (Sub-No. 653X) was mailed via first class mail on June 24, 2004 to the following parties:

Mr. William M. Deskins, County Judge Pike County Planning Department 146 Main Street Pikeville, KY 41501	Mr. Timothy Sturgill Railroad Development Office Department of Local government 1024 Capital Center Drive, Suite 340 Frankfort, KY 40601-8204
U.S. EPA – Region 4 Atlanta Federal Center 61 Forsyth Street, SW Atlanta, GA 30303-3104	Mr. Carey Tichenor Trails Coordinator Kentucky Department of Parks 10 th Floor CPT 500 Metro Street Frankfort, KY 40601
Mr. Jack Wilson, Director U.S. EPA Region 4 Natural Resources & Environmental Protection Cabinet Frankfort Office Park 18 Reilly Road Frankfort, KY 40601	Office of Intermodal Programs 125 Holmes Street – 3 rd Floor Frankfort, KY 40601
U.S. Department of the Interior Fish & Wildlife Service 446 Neal Street Cookeville, TN 38501	National Park Service, Southeast Region Attn: Regional Director 100 Alabama Street, SW 1924 Building Atlanta, GA 30303
U.S. Army Corps of Engineers Louisville District P.O. Box 59 Louisville, KY 40201-0059	Mr. Frank Maida U.S. Department of Commerce – NOAA National Geodetic Survey N/NGS23 1315 East West Highway, Station 8736 Silver Spring, MD 20910-3282
U.S. Department of Agriculture – NRCS Area 3 Area Office 509 Willin Way Mt. Sterling, KY 40353	Kentucky State Clearinghouse 700 Capitol Avenue Suite 100 Frankfort, KY 40601

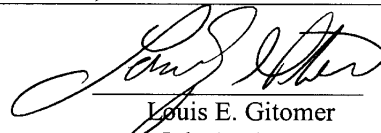

Louis E. Gitomer
July 15, 2004

EXHIBIT C—HISTORIC REPORT

HISTORIC REPORT

CSX TRANSPORTATION, INC.
(BEAVER CREEK SPUR, PIKE COUNTY, KENTUCKY)
DOCKET AB-55 (SUB-NO. 653X)

1105.7(e)(1)

PROPOSED ACTION AND ALTERNATIVES. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable detailed map and drawings clearly delineating the project.

CSX Transportation, Inc. (CSXT) proposes to abandon 1.43 Miles of its rail line from Railroad Milepost CMH 0.00 near Dunleary to Railroad Milepost CMH 1.43 at end of track, Pike County, Kentucky. This line was formerly used to ship coal; however, there has been no originating or terminating traffic since December of 2003. AEP Coal has ceased operations at this location and no future traffic is anticipated.

Abandonment of this line will result in the removal of the rail, cross-ties, and upper layer of ballast; and operations and maintenance of this line will cease.

The only alternative would be not to abandon and to pass the opportunity costs of retaining the line to all other CSXT customers. This would not be a prudent utilization of carrier resources.

Furthermore, CSXT has entered into negotiations with the Kentucky Transportation department to utilize the post-abandonment corridor as an alternative usage corridor to expand the highway infrastructure system.

Two maps, which delineate the proposed project, are attached. (See Attachments 1 and 2.)

1105.8(d)

- (1) A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action.

Attached is a copy of the Elkhorn City quadrangle topographic map prepared by the U. S. Department of Interior Geological Survey prepared by the U. S. Department of Interior Geological Survey. The line to be abandoned has been identified by a heavy black diagonal line. (See Attachment 3.)

There is one CSXT-owned structures that is 50 years old or older that may be eligible for listing in the National Register that are part of the proposed action.

- (2) A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristic of the surrounding area:

The right of way widths along this line vary between 30 and 100 feet from the center-line of track. The rail line traverses the Russell Fork River and the town of Baeyer Bottom then follows the meandering of Beaver Creek.

- (3) Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area:

Photographs can be provided upon request.

- (4) The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known:

Bridge No. 3 is a 502-foot Deck Plate Girder built in 1945.

- (5) A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action:

This property was acquired by the Chesapeake & Ohio Railway Company (C&O) between 1944 and 1951. The line was built to serve several coal mines, none of which are active.

The C&O was incorporated under the general laws of Virginia and West Virginia on July 1, 1878.

On February 26, 1973, the Chessie System Inc. was formed, and Chessie System Railroads was adopted as the new corporate identity for the C&O, B&O and WM Railroads. On November 1, 1980, Seaboard Coast Line Industries Inc. and Chessie System Inc. merged and became CSX Corporation. On April 30, 1987, the Baltimore & Ohio Railroad Company was merged into the Chesapeake and Ohio Railway Company. The Chesapeake and Ohio Railway Company was merged into CSX Transportation on September 2, 1987.

Upon receiving abandonment authority, Applicant's operations and maintenance over this line will cease.

- (6) A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic:

Engineering Sketches and Valuation Maps,
Office of Chief Engineer, Jacksonville, FL.

- (7) An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities):

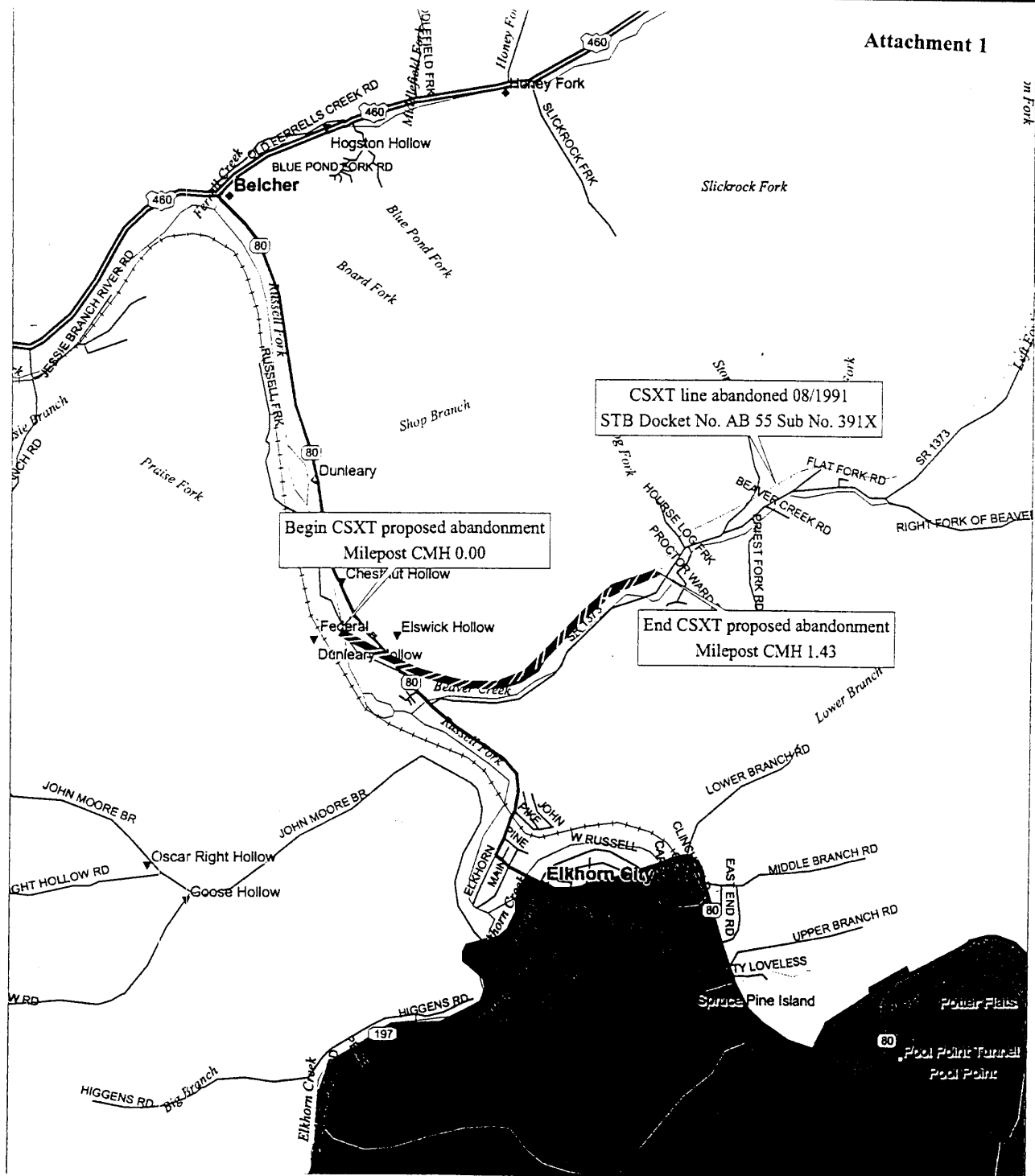
A review of our records indicates there is one CSXT-owned structures over 50 years old on this line segment that which may be eligible for listing in the National Register.

We do not know of any significance or uniqueness to this structure that would warrant your consideration, since to our knowledge, it is not associated with any event that has made a contribution to the broad patterns of history; or was not associated with lives of persons significant to our past; does not embody the distinctive characteristics of a type, period or method of construction and does not represent a significant and distinguishable entity whose component may lack individual distinction and has not or may not be likely to yield information important in prehistory or history.

Applicant received a response dated June 17, 2004 from the Kentucky State Historic Preservation Officer stating "CONCUR, No Effect on Historic Properties" (See Attachment 4.)

- (8) A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or man-made) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.

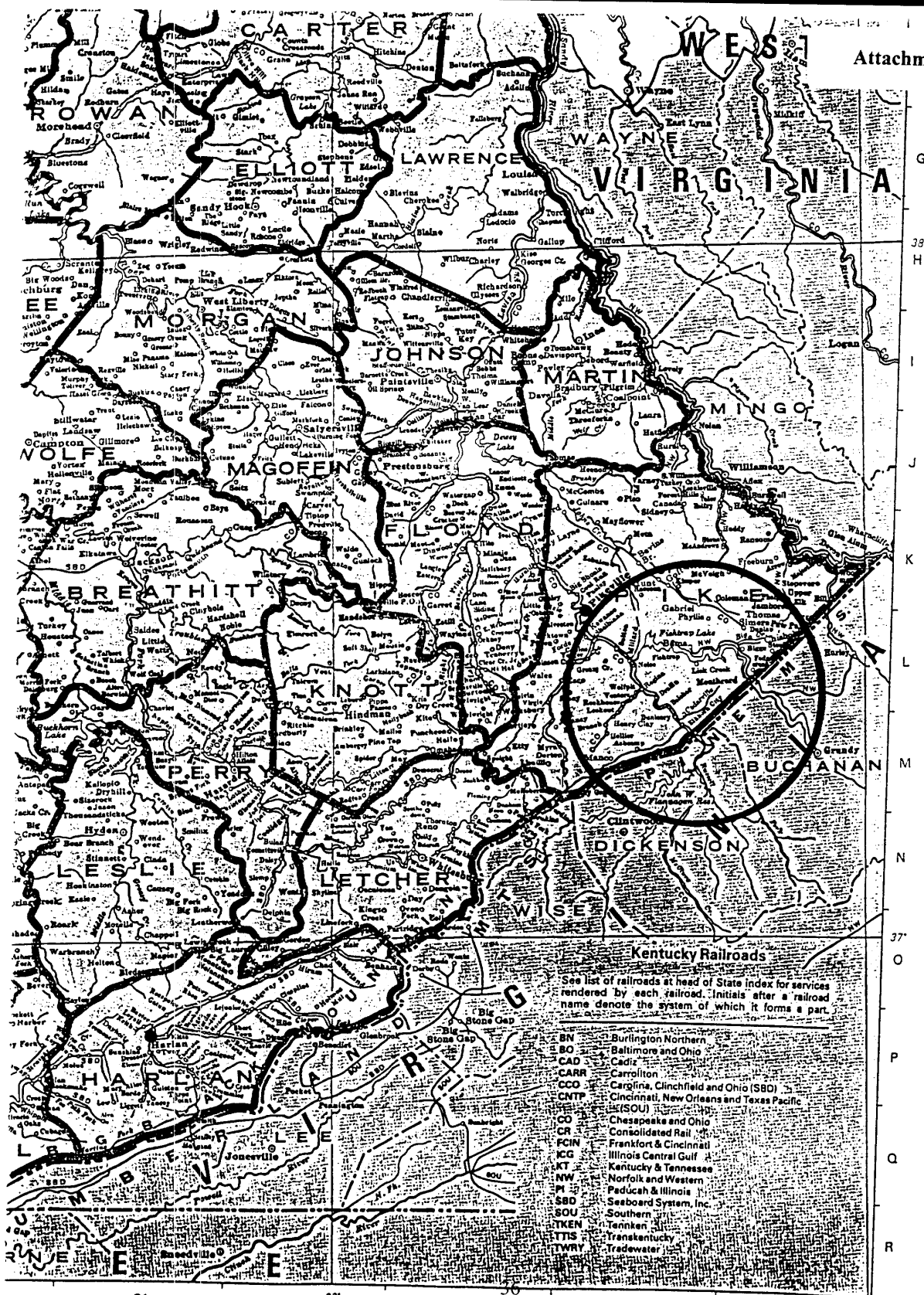
The line was disturbed during construction by cuts and fill and any archeological resources that may have been located in the proposed project area would have been affected at that time versus during the proposed salvage operations associated with rail removal. Our records do not indicate that any swampy conditions exist, or that any hazardous material spills have occurred within the project area.



CSX Transportation, Inc

Dunleary Jct to End of Track, Pike County, Kentucky

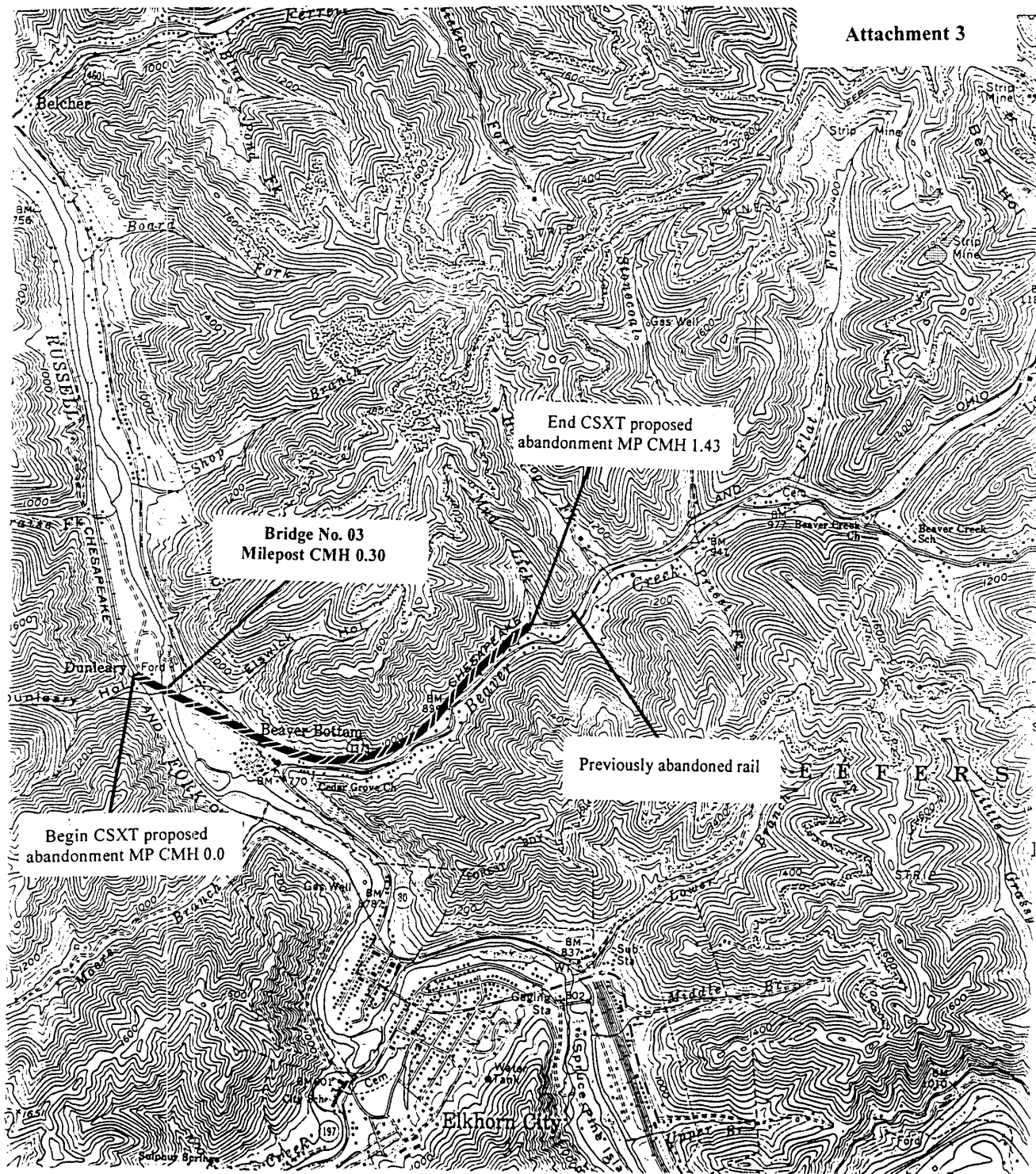
 1.43 miles of line proposed to be abandoned



Kentucky Railroads
See list of railroads at head of State index for services rendered by each railroad. Initials after a railroad name denote the system of which it forms a part.

- BN Burlington Northern
- BO Baltimore and Ohio
- CAD Cadiz
- CARR Carrollton
- CCO Carolina, Clinchfield and Ohio (SBD)
- CNTP Cincinnati, New Orleans and Texas Pacific
- IS(SOU) Illinois Central (SOU)
- CO Chesapeake and Ohio
- CR Consolidated Rail
- FCIN Frankfort and Cincinnati
- ICG Illinois Central Gulf
- KT Kentucky & Tennessee
- NW Norfolk and Western
- PI Paducah & Illinois
- SBD Seaboard System, Inc.
- SOU Southern
- TEN Tenniken
- TTIS Trans Kentucky
- TWRY Tradewater

Attachment 3





Dave Geraci
Project Manager - Network Rationalization

500 Water Street - J200
Jacksonville, FL 32202
Tel. (904) 359-1086
Fax (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

Attachment 4

June 11, 2004

Mr. David L. Morgan
Director - Kentucky Heritage Council &
State Historical Preservation Officer
300 Washington Street
Frankfort, KY 40601

RE: CSX Transportation, Inc.
Proposed Line Abandonment
Floyd County, Kentucky
Docket AB-55 (Sub-No. 653X)

RECEIVED

JUN 17 2004

KY HERITAGE
COUNCIL

Dear Mr. Morgan:

Please be advised that CSX Transportation, Inc., anticipates filing for abandonment approximately 1.43 miles of its rail line between railroad milepost CMH 0.0 (near Dunleary) and railroad milepost 1.43 (end of track), Pike County, Kentucky, as shown in the attached historic report.

In connection with rail lines that are to become the subject of applications for authority to abandon, Federal Regulations at 49 CFR 1105.8(d), require that a Historic Report be submitted to the State Historic Preservation Officer prior to filing with the Surface Transportation Board. In accordance with those Regulations, I am attaching a Historic Report covering the above proposed abandonment.

I would appreciate receiving a letter confirming that this project will have no impact upon cultural resources from your office. If you have questions, please feel free to call me.

Sincerely,

Attachments

Copy:
Surface Transportation Board
Section of Environmental Analysis
1925 K Street NW - Suite 534
Washington, DC 20423-0001

Concur
No Effect on Historic Properties
by Greg A. [Signature] Date 6-28-04
for **David L. Morgan**
Kentucky State Historic Preservation Officer

Mr. Lou Gitomer, Counsel, Ball Janik, LLP, 1455 F Street, NW, Suite 225, Washington, DC, 20005
Mr. Jon Gold, Counsel, CSXT, 500 Water St.-J150, Jacksonville, FL 32202



Dave Geraci
Project Manager – Network Rationalization

500 Water Street – J200
Jacksonville, FL 32202
Tel. (904) 359-1086
Fax (904) 359-1111
E-Mail: Dave_Geraci@CSX.com

June 11, 2004

Mr. David L. Morgan
Director – Kentucky Heritage Council &
State Historical Preservation Officer
300 Washington Street
Frankfort, KY 40601

RE: CSX Transportation, Inc.
Proposed Line Abandonment
Floyd County, Kentucky
Docket AB-55 (Sub-No. 653X)

Dear Mr. Morgan:

Please be advised that CSX Transportation, Inc., anticipates filing for abandonment approximately 1.43 miles of its rail line between railroad milepost CMH 0.0 (near Dunleary) and railroad milepost 1.43 (end of track), Pike County, Kentucky, as shown in the attached historic report.

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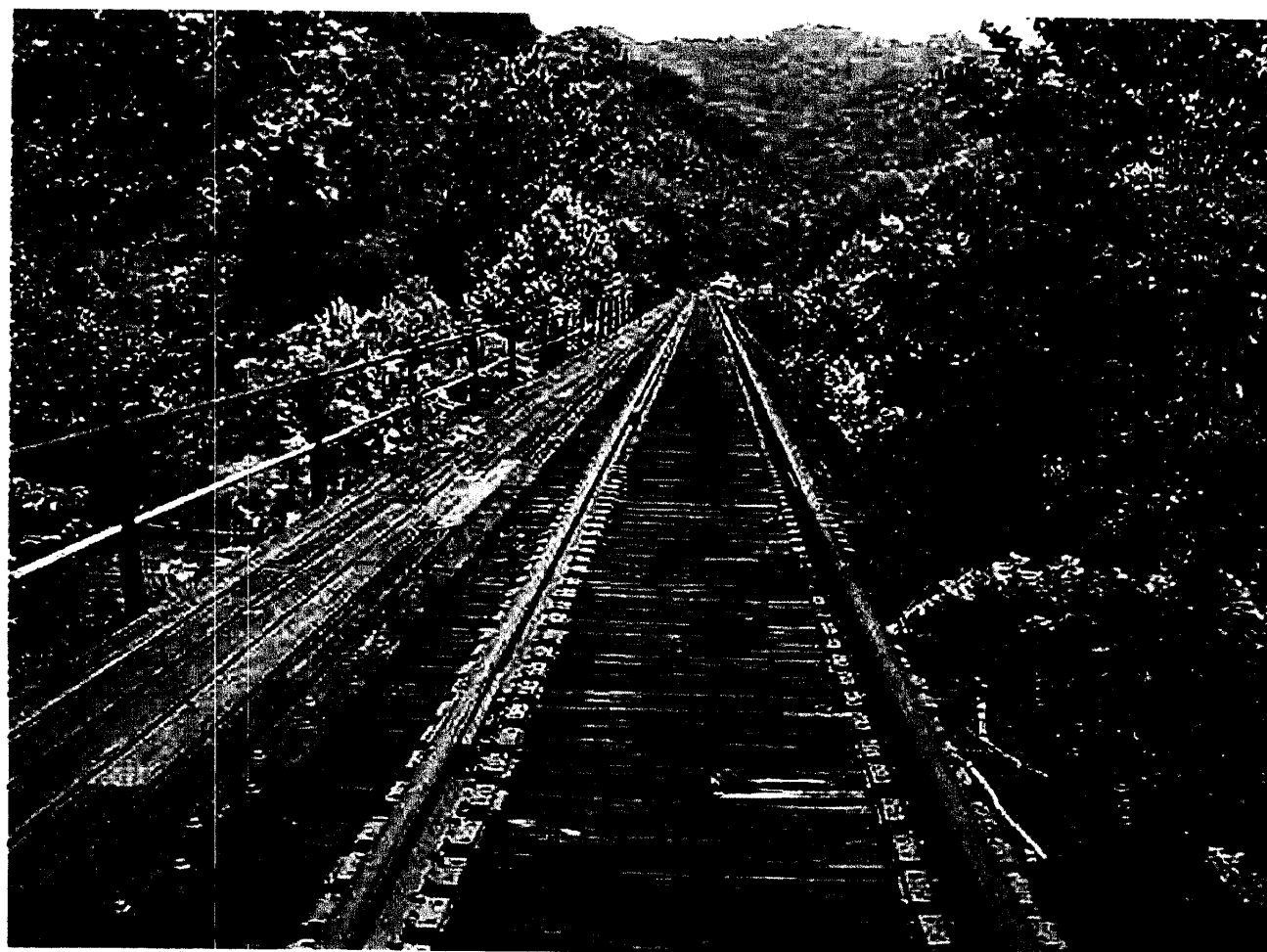
I would appreciate receiving a letter confirming that this project will have no impact upon cultural resources from your office. If you have questions, please feel free to call me.

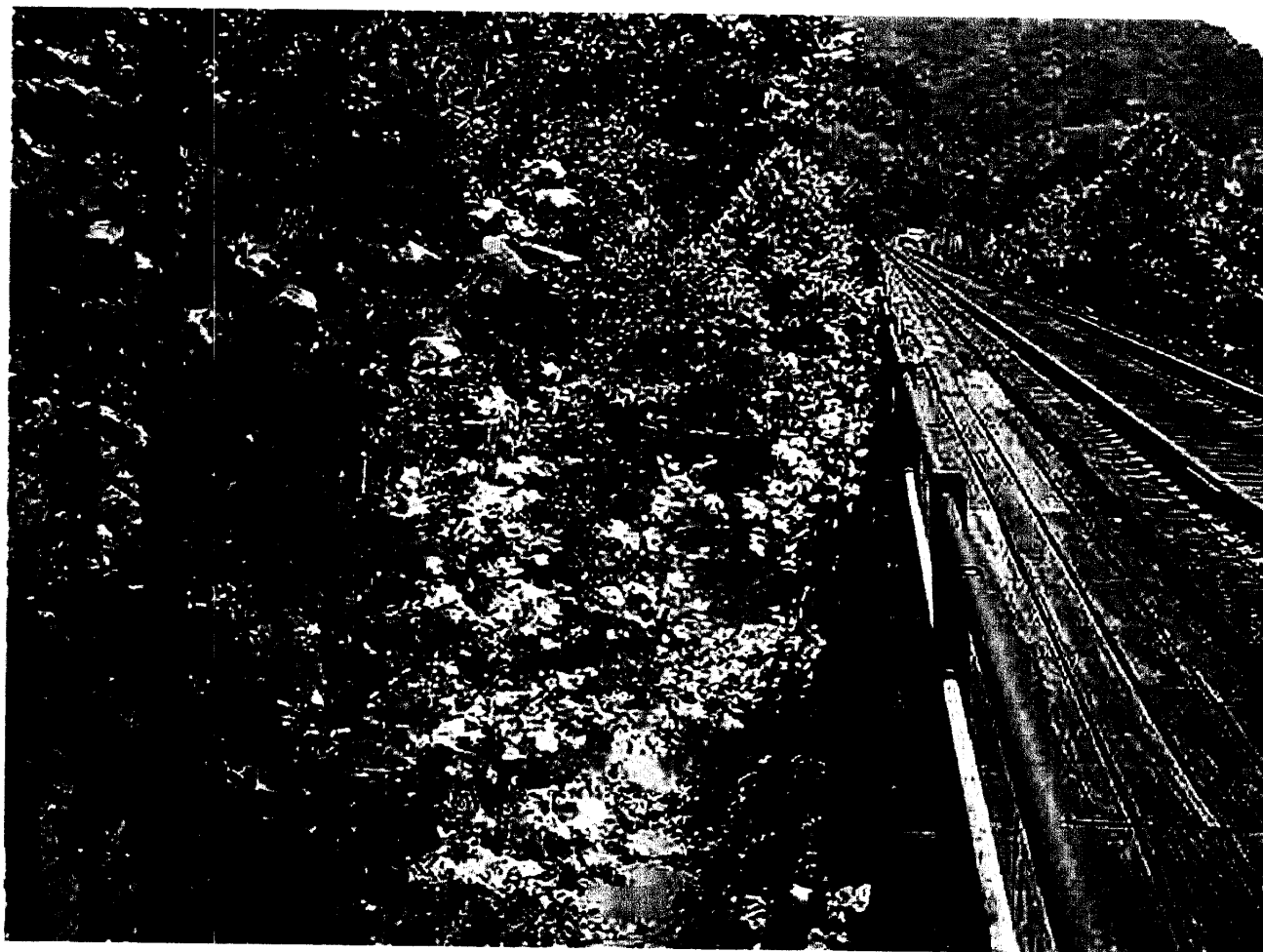
Sincerely,

Attachments

Copy:
Surface Transportation Board
Section of Environmental Analysis
1925 K Street NW - Suite 534
Washington, DC 20423-0001

Mr. Lou Gitomer, Counsel, Ball Janik, LLP, 1455 F Street, NW, Suite 225, Washington, DC, 20005
Mr. Jon Gold, Counsel, CSXT, 500 Water St.-J150, Jacksonville, FL 32202









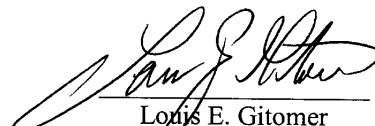




**HISTORIC REPORT
CERTIFICATE OF SERVICE**

Pursuant to the requirements of 49 C.F.R. § 1105.8(c), the undersigned hereby certifies that a copy of the Historic Report in Docket No. AB-55 (Sub-No. 653X) was mailed via first class mail on June 11, 2004, to the following party:

Mr. David L. Morgan
Director – Kentucky Heritage Council &
State Historical Preservation Officer
300 Washington Street
Frankfort, KY 40601



Louis E. Gitomer
July 15, 2004

EXHIBIT D-SUPPORT LETTER FROM KENTUCKY TRANSPORTATION CABINET



KENTUCKY TRANSPORTATION CABINET
FRANKFORT, KENTUCKY 40622
WWW.KENTUCKY.GOV

ERNE FLETCHER
GOVERNOR

MAXWELL C. BAILEY
SECRETARY

July 8, 2004

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
1925 K Street, N.W.
Room 700
Washington, D. C. 20423

Dear Secretary Williams:

RE: Docket No. AB-55 (Sub-No. 653X), *CSX Transportation, Inc.-Abandonment Exemption-in Pike County, KY*

The Kentucky Transportation Cabinet supports CSX Transportation, Inc.'s proposed abandonment of the 1.43-mile rail line portion of its Southern Region, Huntington Division, Big Sandy Subdivision, between Dunleary, milepost CMH 0.00, and the end of track, milepost CMH 1.43, also known as the Beaver Creek Spur (the "Line"), all in Pike County, KY. The Kentucky Transportation Cabinet also supports CSXT's request to exempt the abandonment of the Line from the provisions of 49 U.S.C. § 10905 pertaining to the offer of financial assistance process.

The Kentucky Transportation Cabinet is in the process of expanding Kentucky Highway 80. Abandonment of the Line by CSXT will reduce the costs of the project. In addition, exemption of the abandonment from the offer of financial assistance process will remove a potential delay from the plans to expand the highway infrastructure.

Enclosed are the original and 10 copies of this letter.

Sincerely,


Kenneth R. Sperry
Deputy State Highway Engineer
for Project Development

KRS/LN

Enclosure

c: Dave Geraci, CSX Transportation, Inc.
Lou Gitomer, Ball-Janik, LLP

An Equal Opportunity Employer M/F/D

EXHIBIT E-TRAFFIC SUMMARY

Jacksonville, FL
July 7, 2004

Mr. Louis Gitomer

**RE: KY-22 – CSXT Proposed Abandonment - Southern Region, Huntington Division, Big Sandy Subdivision, between Dunleary (Milepost CMH-0.00) and end of track (Milepost CMH-1.43), also known as the Beaver Creek Spur, a distance of 1.43 miles in Pike County, Kentucky.
STB Docket No. AB-55 (Sub-No. 653X)**

In preparation for filing a Petition for Exemption on the above-referenced line segment, listed below are the carloads handled over the line for the years 2002, 2003, and 2004 year-to-date:

<u>PATRON</u>	<u>STATION</u>	<u>COMMODITY</u>	<u>CARLOADS</u>		
			<u>2002</u>	<u>2003</u>	<u>2004(ytd)</u>
ELC Inc (AEP) ELC Inc 328 North Lake Drive Prestonsburg, KY 41653 (no longer an active patron)	Praise Dock	Coal	2,934	3,791	-0-

Rail operations on this line ceased in October 2003 with the last waybill for ELC Inc originating traffic dated October 1, 2003. The line is no longer required for operating purposes. In addition, the Kentucky Transportation Cabinet (KTC) has offered to purchase the right of way for the alternative public use of expanding the highway infrastructure. For that reason, a post-abandonment sale to the State is expected.

There are no defense installations served by this line or in the immediate vicinity.

Ellen M. Preslar
Ellen M. Preslar
Manager – Regulatory Costing
CSXT Network Rationalization

EXHIBIT F—FEDERAL REGISTER NOTICE

STB DOCKET NO. AB-55 (Sub-No. 653X)

CSX TRANSPORTATION, INC.--ABANDONMENT EXEMPTION--
(BETWEEN DUNLEARY AND END OF LINE) IN PIKE COUNTY, KENTUCKY

Notice of Petition for Exemption to Abandon Service

On July 15, 2004 CSX Transportation, Inc., filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the abandonment of a line of railroad known as the Beaver Creek Spur, extending from railroad milepost CMH 0.00 near Dunleary, KY to railroad milepost CMH 1.43 at the end of the line, which traverses through 41522, United States Postal Service ZIP Code, a distance of 1.43 miles, in Pike County, KY. The line for which the abandonment exemption request was filed includes the stations of Praise Dock, milepost CMZ 126, Little Beaver, milepost CMH 1, and Little Beaver Dock, milepost CMZ 1.

CSXT has requested the Board to serve a decision by September 13, 2004, to make the underlying right-of-way available to the Kentucky Transportation Cabinet for a highway expansion project.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

CSXT has requested the Board to grant an exemption from the offer of financial assistance process. If the exemption is not granted, any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

All interested persons should be aware that following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the FEDERAL REGISTER.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

STB DOCKET NO. AB-55 (Sub-No. 653X)

CSX TRANSPORTATION, INC.--ABANDONMENT EXEMPTION--
(BETWEEN DUNLEARY AND END OF LINE) IN PIKE COUNTY, KENTUCKY

Notice of Petition for Exemption to Abandon Service

On July 15, 2004 CSX Transportation, Inc., filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the abandonment of a line of railroad known as the Beaver Creek Spur, extending from railroad milepost CMH 0.00 near Dunleary, KY to railroad milepost CMH 1.43 at the end of the line, which traverses through 41522, United States Postal Service ZIP Code, a distance of 1.43 miles, in Pike County, KY. The line for which the abandonment exemption request was filed includes the stations of Praise Dock, milepost CMZ 126, Little Beaver, milepost CMH 1, and Little Beaver Dock, milepost CMZ 1.

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EXHIBIT G—CERTIFICATE OF PUBLICATION

CERTIFICATE OF PUBLICATION

The undersigned hereby certifies that notice of the proposed abandonment in Docket No. AB-55 (Sub-No. 653X) was advertised on July 14, 2004 in the Appalachian News-Express, a newspaper of general circulation in Pike County, KY, as required by 49 C.F.R. § 1105.12.



Louis E. Gitomer
July 15, 2004

EXHIBIT H—CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

Pursuant to 49 C.F.R. § 1152.50 (d) (1), the undersigned hereby certifies that a copy of the Petition for Exemption for the proposed abandonment in Docket No. AB-55 (Sub-No. 653X) was mailed via first class mail on July 15, 2004, to the following parties:

State Public Service Commission

Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Military Traffic Management Command

MTMCTEA
ATTN: Railroads for National Defense
720 Thimble Shoals Blvd.
Suite 130
Newport News, VA 23606-2574

National Park Service

Recreation Resources Assistance Division
National Park Service
P.O. Box 37127
Washington, D.C. 20013-7127

National Park Service

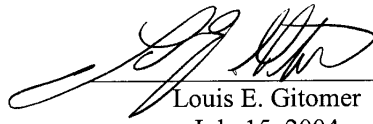
U.S. Department of Interior
National Park Service
Land Resources Division
800 North Capitol St., N.E.
Room 540
Washington, DC 20002

U.S. Department of Agriculture

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor N.W., Auditors' Building
14th Street and Independence Avenue, S.W.
Washington, DC 20250

Shipper

ELC Inc. (AEP)
328 North Lake Drive
Prestonsburg, KY 41653



Louis E. Gitomer
July 15, 2004