

28230

SERVICE DATE - SEPTEMBER 11, 1997

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33448]

Arizona & California Railroad Company Limited Partnership—Acquisition and Operation
Exemption—The Burlington Northern and Santa Fe Railway Company

Arizona & California Railroad Company Limited Partnership (ARZC), a Class III rail common carrier, has filed a notice of exemption under 49 CFR 1150.41 to acquire and operate approximately 83.5 mainline route miles of rail line over two connecting branch lines and a connecting spur track from The Burlington Northern and Santa Fe Railway Company (BNSF), as follows: (i) the Centralia-Hoquiam Line, which extends from milepost 0.6, at or near Centralia, WA, to the western end of the line at about milepost 74.1, at or near Hoquiam, WA, including the Horn Spur Track, which connects to the Centralia-Hoquiam Line at milepost 72.5 and extends northward to the end of the track at approximately milepost 2.0; and (ii) the Elma-Shelton Line, which extends from milepost 0.0, at Elma, WA, (connecting to the Centralia-Hoquiam Line at about milepost 46.7) northward to the end of BNSF-owned track at milepost 25.1, at or near Shelton, WA.¹

¹ The Centralia-Hoquiam Line, the Horn Spur Track, and the Elma-Shelton Line are collectively referred to as the Subject Lines.

In connection with ARZC's acquisition of the Subject Lines, ARZC will also acquire incidental trackage rights as follows: (i) BNSF will assign its trackage rights to operate over Union Pacific Railroad Company (UP)² from (a) milepost 68.9 to milepost 69.4 and (b) milepost 70.3 to 72.0, at and near Aberdeen, WA; (ii) BNSF will grant to ARZC incidental trackage rights, for the sole purpose of operating overhead rail freight service, that extend from BNSF milepost 0.6 to BNSF milepost 0.4, at or near Centralia, WA; and (iii) BNSF will assign its rights under a December 11, 1994 agreement between its predecessor, Northern Pacific Railway Company, and the United States of America, pursuant to which BNSF provides service on a government-owned line from its connection with the Elma-Shelton Line to Bangor, a distance of approximately 44 miles, and a branch line to Bremerton Navy Yard, a distance of approximately 4.6 miles.³

The transaction was expected to be consummated on or after August 29, 1997. The Subject Lines and the incidental trackage rights will be operated by an operating division of ARZC, d/b/a Puget Sound & Pacific.

If the 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 does not automatically stay the transaction.

² The notice of exemption states that should the assignment by BNSF to ARZC of incidental trackage rights over UP's rail line require UP's consent, such consent will be obtained.

³ On August 21, 1997, Simpson Timber Company (Simpson) filed a petition to stay or revoke the exemption in this proceeding. ARZC replied in opposition to Simpson's petition. BNSF also sought leave to intervene in the proceeding and submitted a reply in opposition to Simpson's petition. Simpson subsequently requested permission to withdraw its petition. BNSF is granted permission to intervene and Simpson is granted permission to withdraw its petition.

STB Finance Docket No. 33448

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33448, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Jo A. DeRoche, Esq., Weiner, Brodsky, Sidman & Kider, P.C., 1350 New York Avenue, N.W., Suite 800, Washington, DC 20005-4797.

Decided: September 4, 1997.

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

Vernon A. Williams

Secretary