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SERVICE DATE – DECEMBER 23, 2019

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. AB 1277X

SAVAGE DAVENPORT RAILROAD COMPANY—DISCONTINUANCE OF SERVICE
EXEMPTION—IN SCOTT COUNTY, IOWA

Digest:¹ This decision denies as moot a petition to reopen and stay the effective date of an exemption allowing Savage Davenport Railroad Company to discontinue service over a 2.8-mile rail line owned by the City of Davenport, in Scott County, Iowa.

Decided: December 20, 2019

By decision served September 30, 2019, the Board granted an exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10903 for Savage Davenport Railroad Company (SDR) to discontinue service over a 2.8-mile rail line (the Line) owned by the City of Davenport (the City), in Scott County, Iowa.² On October 9, 2019, Sterilite Corporation (Sterilite), the sole shipper on the Line, filed a petition to reopen and stay the effectiveness of the exemption until a replacement operator could assume control of the Line without any disruption in service. In a decision served on October 29, 2019, the Board modified the effective date of the exemption from October 30, 2019, to January 1, 2020, in recognition of an agreement between the City and SDR for SDR to continue providing service on the Line through December 31, 2019. The Board also directed the City to file a status update by November 25, 2019, on its efforts to secure a new operator for the Line.

On November 25, 2019, the City reported that it had approved a contract with Davenport Industrial Railroad, LLC (DIR), for DIR to provide service on the Line. In a separate docket, DIR filed a verified notice of exemption for authority to lease and operate the Line, effective December 22, 2019. See Davenport Indus. R.R.—Lease & Operation Exemption—City of Davenport, Iowa, FD 36367 (STB served Dec. 6, 2019). In its verified notice of exemption, DIR has agreed to assume common carrier operations as of the consummation of SDR's

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² The Line extends from a switch near milepost 191.2 on the mainline of a Canadian Pacific Railway subsidiary, west and south to the Davenport Transload Facility owned by the City.

discontinuance authority, anticipated for January 1, 2020. See DIR Notice of Exemption 3-4, Davenport Indus. R.R., FD 36367.³

In light of DIR's authority to commence operations on the Line and its agreement to begin operations on January 1, to coincide with SDR's discontinuance of service, the Board will deny as moot Sterilite's petition to reopen and stay the effectiveness of SDR's exemption to discontinue service.

It is ordered:

1. Sterilite's petition to reopen and stay is denied as moot.
2. This decision is effective on its service date.

By the Board, Board Members Begeman, Fuchs, and Oberman.

³ On December 4, 2019, Sterilite filed a comment in Docket No. FD 36367 stating that it supports the exemption sought by DIR if DIR's service on the Line commences on January 1, 2020.