

**SURFACE TRANSPORTATION BOARD ALLOWS CAMAS PRAIRIE RAILNET TO ABANDON ITS "GRANGEVILLE"
RAIL LINE IN IDAHO**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has granted the application of Camas Prairie RailNet, Inc. (CSPR) for authority to abandon its 66.8-mile "Grangeville Line" between Spalding and Grangeville, Idaho. The Board granted the application subject to environmental protective, historic preservation, and railroad employee protective conditions.

A railroad may abandon a line of track if the Board finds that the present or future public convenience and necessity permit the proposed abandonment. In implementing this standard, the Board must determine whether the line is a burden on interstate commerce, that is, whether the cost of providing service exceeds revenues earned from that service and, if so, whether that burden is outweighed by the burden on the shippers and public from the loss of rail service.

In this case, the Board determined that the relevant factors weighed in favor of granting CSPR's application. The record showed that CSPR's continued operation of the Grangeville Line would impose a substantial economic burden on the railroad. Indeed, the Board found the line's projected annual loss from operations to be \$158,467, and the projected total annual loss to be \$360,908.

The Board found that the record did not support the claims of opposing parties that CSPR had not actively worked to make the line profitable but, rather, that CSPR had actively tried to obtain more traffic from the line's shippers. The agency also said that there was no showing that CSPR's operations were inefficient or unaccommodating to shippers. The Board concluded that CSPR had made reasonable efforts to operate the Grangeville Line profitably, but that it could not realistically be expected to continue to do so.

The Board decided that, while the record established that CSPR's shippers and communities would suffer adverse effects as a result of the line's abandonment, the effects would not be as harmful as opposing parties had claimed. In particular, the Board noted that shippers on the line had already made heavy use of truck transportation, and that studies showed that anticipated increased truck traffic would not significantly affect highway safety or air quality.

In granting the abandonment request, the Board ordered CSPR to leave intact the right-of-way for 180 days to enable any state, local government agency, or any other interested person or party to negotiate the line's acquisition for public use. The Board also issued a Certificate of Interim Trail Use providing a 180-day period during which CSPR may negotiate with any persons or parties wanting to acquire the line for recreational use. Finally, the Board said that any financially responsible person or parties could acquire the line by proposing an Offer of Financial Assistance--an agreement to purchase or to subsidize the losses of CSPR at a price or subsidy agreed upon by both parties--or, absent agreement, under terms set by the Board.

The Board issued its decision today in *Camas Prairie RailNet, Inc.--Abandonment--In Lewis, Nez Perce, and Idaho Counties, ID (Between Spalding and Grangeville, ID)*, STB Docket No. AB-564. Vice Chairman Burkes commented in a separate expression.

The text of the decision is available for viewing and downloading via the Board's website at www.stb.dot.gov. Copies of

the decision also are available for a fee by contacting **D~To-D~ Office Solutions, Room 405, 1925 K Street, N.W., Washington, DC 20006, telephone (202) 466-5530. [STOP]**