

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE PALOUSE RIVER)
& COULEE CITY RAILROAD'S INTENT TO) CASE NO. PRC-R-06-01
ABANDON 0.2 MILES OF RAILROAD LINE)
IN MOSCOW, IDAHO.) NOTICE OF
) PROPOSED ABANDONMENT
)
) NOTICE OF HEARING
)
) ORDER NO. 30313**

On April 30, 2007, Palouse River & Coulee City Railroad filed a Petition for Exemption with the U.S. Surface Transportation Board (STB). The Petition seeks to abandon 0.2-miles of track in Moscow, Idaho. The exemption process allows railroads to abandon rail lines if the abandonment is of limited scope and does not adversely affect national rail policy. 49 U.S.C. §§ 10502 and 10101. Under STB procedures, once the exemption is filed, the STB will publish a notice in the Federal Register within 20 days. Unless stayed, the Railroad may then abandon the rail line 30 days after the notice is published in the Federal Register.

STATE LAW

Although the authority to grant or deny an abandonment rests with the STB and is governed by federal law, the Commission has an obligation under state law to hold a public hearing regarding the abandonment, and to represent the State in STB abandonment proceedings if deemed necessary. *Idaho Code* § 62-424 provides that the "commission shall schedule a public hearing on the proposed abandonment." The purpose of the hearing is for the Commission to determine whether the abandonment would: (1) adversely affect the area being served; (2) impair the access of Idaho shippers to vital goods and markets; and (3) whether the rail line has a potential for profitability. If the Commission finds that the abandonment would be adverse to the public interest, then it may represent the State in the STB abandonment proceeding. *Idaho Code* § 62-424(2).

NOTICE OF PROPOSED ABANDONMENT

YOU ARE HEREBY NOTIFIED that the rail line and right-of-way in question runs between milepost (MP) 85.91 and 86.11 within the City of Moscow. The rail line proposed for abandonment generally runs between College Street/8th Street and the new bridge on U.S.

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Highway 95, in the southern part of downtown and to the east of the University of Idaho campus. See attached map. The Railroad asserts in its Petition that no local rail traffic has moved on the line in over a year. Petition at 4. The Railroad's Historic Report notes that a parallel rail line will remain active. The Railroad states that the line does not contain any federally granted right-of-way. Exhibit B.

YOU ARE FURTHER NOTIFIED that the Railroad asserts the area surrounding the line is undergoing commercial redevelopment and the existence of the rail line is impeding this redevelopment. Petition at 4. The Railroad reports that only one car was shipped on the subject line in 2006 and the only shipper, Moscow Idaho Seed Company, has closed its facilities. The Railroad maintains that once the area is redeveloped, there is no possibility that future rail service will be needed. *Id.* The Railroad concludes that the exemption process is appropriate given the limited scope of the abandonment in this case.

NOTICE OF HEARING

YOU ARE FURTHER NOTIFIED that the Commission has scheduled a public hearing in this matter to commence at **11:00 A.M. (MOUNTAIN STANDARD TIME) ON TUESDAY, MAY 29, 2007, IN THE COMMISSION HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE, IDAHO (208-334-0330)**. Persons wishing to offer their testimony telephonically or listen to the proceedings may dial **1-601-354-1086 and enter Participant Code 263892**. (This is a toll free call.) The purpose of the hearing is to take public testimony as to whether the abandonment of the 0.2 miles of rail right-of-way in Moscow would be adverse to Idaho's public interest. The railroad, any shipper, local government leaders, and any other interested persons are encouraged to testify.

YOU ARE FURTHER NOTIFIED that all hearings will be conducted in accordance with the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that the Railroad's Petition for Exemption, Environmental and Historic Reports, together with any attachments have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Petition and Reports are also available on the Commission's Website at www.puc.idaho.gov by clicking on "File Room," then "Rail Cases." The Environmental and Historic Reports describe any expected environmental and historic effects of the proposed abandonment.

YOU ARE FURTHER NOTIFIED that all workshops and hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to *Idaho Code* § 62-424.

ORDER

IT IS HEREBY ORDERED that the Commission shall convene a public hearing in this matter as set out above.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th
day of May 2007.



PAUL KJELLANDER, PRESIDENT



MARSHA H. SMITH, COMMISSIONER



MACK A. REDFORD, COMMISSIONER

ATTEST:

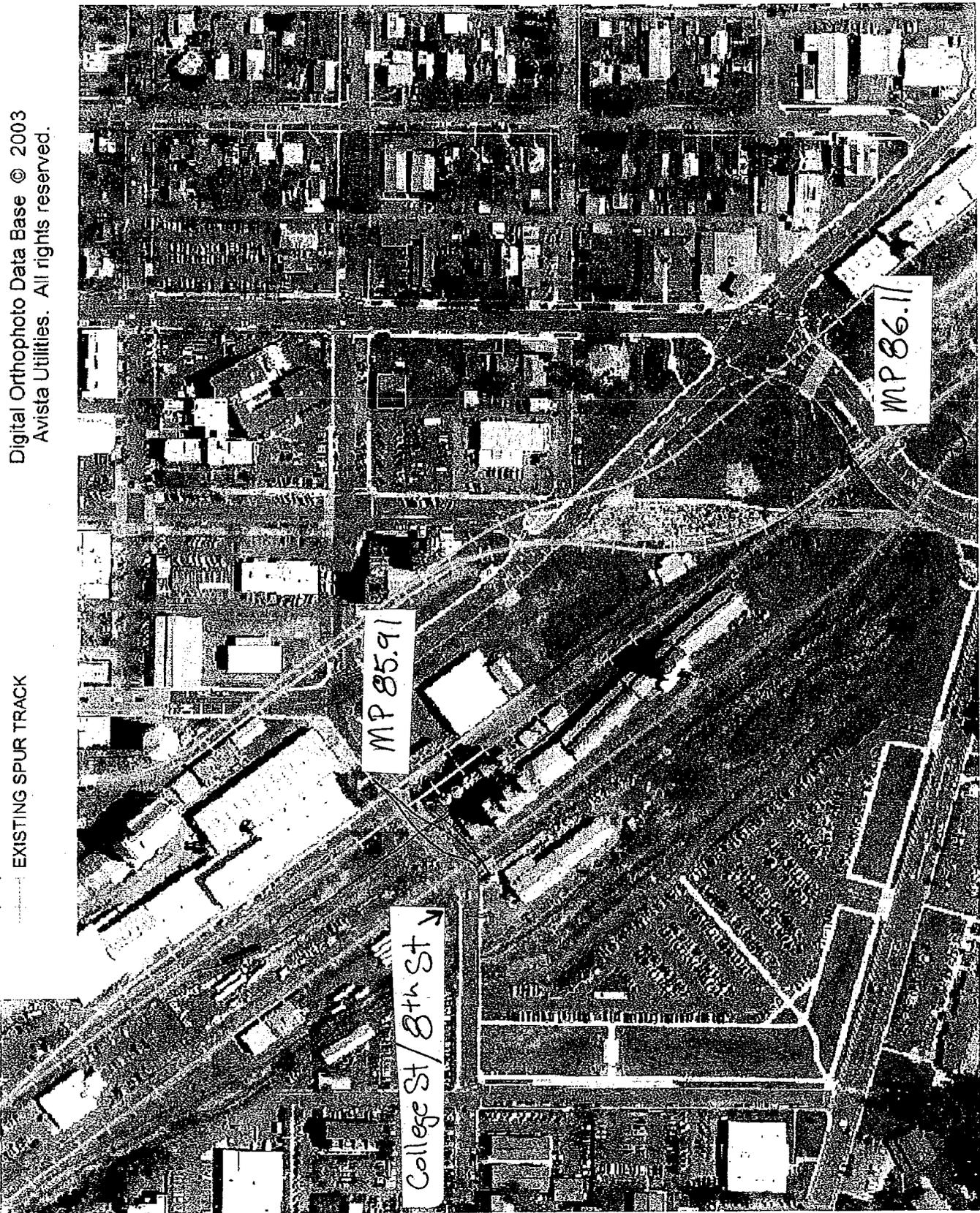


Jean D. Jewell
Commission Secretary

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EXISTING SPUR TRACK



Palouse River & Coulee City Railroad Abandonment
Moscow, Idaho
Case No. PRC-R-06-01