

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF PALOUSE RIVER & COULEE CITY) CASE NO. PRC-R-09-01
RAILROAD FOR APPROVAL TO)
ABANDON A THREE-MILE SECTION OF) NOTICE OF
ITS RAIL LINE IN MOSCOW, IDAHO) PROPOSED ABANDONMENT
)
) NOTICE OF
) TELEPHONIC HEARING
)
) ORDER NO. 30891**

BACKGROUND

On May 22, 2009, the Commission received correspondence from the Idaho Department of Environmental Quality (IDEQ) regarding Palouse River & Coulee City Railroad's (PRCCR or Company) proposal to abandon a three-mile section of its rail line in Moscow, Idaho, adjacent to Paradise Creek. On June 29, 2009, PRCCR submitted Environmental and Historic Reports describing the expected environmental and historical effects accompanying the proposed abandonment. The Company also submitted a map of the affected area. On July 10, 2009, PRCCR notified the Commission of its intent to file, on or shortly after July 20, 2009, a Notice of Exemption with the Surface Transportation Board (STB).

STATE LAW

Although the authority to grant or deny 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
NOTICE OF TELEPHONIC HEARING
ORDER NO. 30891

NOTICE OF PROPOSED ABANDONMENT

YOU ARE HEREBY NOTIFIED that PRCCR has filed a Notice of Intent to File a Notice of Exemption with the Commission. The Company states that the rail lines subject to abandonment “are in poor condition and in need of substantial rehabilitation.” PRCCR Environmental Report at 2. The rail lines subject to abandonment:

are located between (1) milepost 84.0 at the Washington-Idaho State Line and milepost 85.91, in Moscow, ID; (2) milepost 86.11 and milepost 86.9, in Moscow; and (3) milepost 85.5 and the end of the line at the intersection of A Street and Almon Street, in Moscow. The Lines traverse Zip Code 83843.

Id. at 1. Once the Company receives authority for abandonment it intends to “remove the rail, track material and ties.” *Id.* The Company states that there is one small bridge located on the rail line at issue in this case. *Id.* Local entities have expressed an interest in “rail-banking all or most of the Lines.” *Id.* Therefore, the bridge and ballast will not be removed. *Id.* at 1, 7.

YOU ARE FURTHER NOTIFIED that PRCCR claims that the “proposed abandonment of the rail lines will have no adverse effect on regional or local transportation systems and patterns” because “no local or overhead traffic has been handled on the Lines in over two years.” *Id.* at 2. “There is little or no likelihood that the rail corridors are needed for a transit or highway corridor.” *Id.* at 3.

YOU ARE FURTHER NOTIFIED that PRCCR has filed a Notice of Exemption with the STB. STB Docket No. AB-570 (Sub-No. 3X). 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.

NOTICE OF TELEPHONIC HEARING

YOU ARE FURTHER NOTIFIED that the Commission has scheduled a telephonic hearing in this matter to commence at **10:00 A.M. (MOUNTAIN STANDARD TIME) ON SEPTEMBER 15, 2009, IN THE COMMISSION HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE, IDAHO.** Persons wishing to offer their testimony telephonically or listen to the proceedings may dial **1-208-334-0391**. The purpose of the hearing is to take public testimony as to whether the Palouse River & Coulee City Railroad’s

abandonment of an approximately three-mile section of rail line in Moscow, Idaho 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" and 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 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 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 telephonic hearing in this matter as set out above.

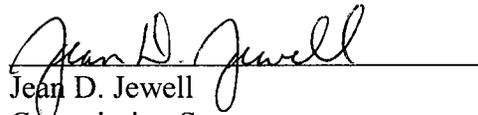
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31st
day of August 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

O:PRC-R-09-01_np