IDAHO PUBLIC UTILITIES COMMISSION Case No. UPR-R-04-1, Order No. 29571 December 7, 2004 Contact: Gene Fadness (208) 334-0339 Website: <u>www.puc.state.id.us</u>

Commission won't file rail abandonment comments

Boise – The Idaho Public Utilities Commission has determined that Union Pacific Railroad's proposal to abandon a 5.25-mile stretch of railroad track in Kootenai County will not adversely affect Idaho shippers. The commission will not file comments objecting to the abandonment with the Surface Transportation Board, the federal agency that makes the final decision.

The commission conducted a public hearing on July 27 in Coeur d'Alene where no one testified against the proposal. While the commission does not make rail abandonment decisions, its role is to determine if the abandonment 1) adversely affects the area being served, 2) impairs the access of Idaho shippers to vital goods and markets, and 3) whether the rail line has the potential for profitability. If the commission had determined that the abandonment was not in the public interest, it would have filed comments and represented the state before the Surface Transportation Board (STB).

Union Pacific is seeking an exemption from the STB that speeds up the process. Exemptions are granted when the railroad can prove there has not been rail traffic on the line for at least two years and there are no outstanding complaints about lack of rail service. Union Pacific filed its Notice of Exemption on Nov. 26. The STB will publish a notice in the Federal Register within 20 days. After 30 days from the publication of the notice, the railroad is permitted to abandon the rail line unless STB stays the abandonment.

The line runs from east of Meyer Road to Ramsey Road, then south, crossing under Interstate 90, then east along the Spokane River about one mile, terminating a half mile west of U.S. Highway 95. The line was originally built in 1910 by the Spokane International Railroad Company.

The City of Coeur d'Alene and the North Idaho Centennial Trail Foundation will ask the Surface Transportation Board to have this portion of the rail line, "banked," which preserves the right-ofway in the event rail service is restored. The trail foundation will file a public use condition, requesting interim use of that stretch of the rail line for trail use.

The commission expressed its hope that Union Pacific will address concerns raised by the state Department of Environmental Quality and noted that DEQ could file environmental comments with the Surface Transportation Board as it deems necessary.

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