

IDAHO PUBLIC UTILITIES COMMISSION

C.L. "Butch" Otter, Governor

P.O. Box 83720, Boise, Idaho 83720-0074

Mack A. Redford, President
Marsha H. Smith, Commissioner
Jim Kempton, Commissioner

July 29, 2008

UPR-R-08-01

Pamela Lowe, Director
Idaho Transportation Dept
PO Box 7219
Boise, ID 83707-1129

RE: Purposed Union Pacific Railroad Abandonment in Coeur d'Alene, STB Docket No. AB-33
(Sub-No. 272X)

Dear Pamela Lowe:

Union Pacific Railroad has notified the Commission that it intends to file an Application with the Surface Transportation Board (STB) to further abandon a portion of the Coeur d'Alene Industrial Lead from M.P. 7.50 near Gibbs to the end of the line at M.P. 8.79 in Coeur d'Alene, Idaho. This rail line is approximately 1.29 miles long and served the city of Coeur d'Alene and Kootenai County (see attached map). The line proposed for abandonment is between the Spokane River and Northwest Boulevard. The STB is the entity within the U.S. Department of Transportation with the authority to approve or deny rail line abandonments.

We anticipate that the railroad will seek to use the expedited "exemption" process to abandon this rail line. The exemption process may be used if no rail traffic had moved on the line for the past two years. In 2004, Union Pacific previously abandoned 5.29 miles in the "middle" of this line to M.P. 7.5 near Gibbs. The portion of the line now proposed for abandonment is the remaining eastern end of the line. Once the exemption notice is filed, the STB will publish the notice in the Federal Register within 20 days. Unless stayed, the railroad may abandon the line 30 days after the notice is published in the Federal Register.

Although the authority to grant or deny rail abandonments is governed by federal law, *Idaho Code* § 62-424 requires that the Public Utilities Commission conduct a public hearing on the proposed abandonment. If the Commission finds that abandonment of the rail line would adversely affect the area being served and that the line has a potential for profitability, then the Commission represents the State in the STB proceeding. I suspect that the Commission will soon issue a formal Notice of the proposed abandonment, and will convene a hearing in this matter.

Located at 472 West Washington Street, Boise, Idaho 83702
Telephone: (208) 334-0300 Facsimile: (208) 334-3762

When the Notice is issued, it will be available on the Commission's web site:
www.puc.idaho.gov.

Your agency may be contacted by Union Pacific to comment on the impact of abandonment. The Governor's Executive Order No. 2006-24 provides that all state agencies notify the PUC when contacted by railroads of potential abandonments. If your agency is contacted about the abandonment of the Coeur d'Alene Industrial Lead, please notify me at 334-0330. Finally, please contact me if your agency believes that the abandonment will adversely affect Idaho.

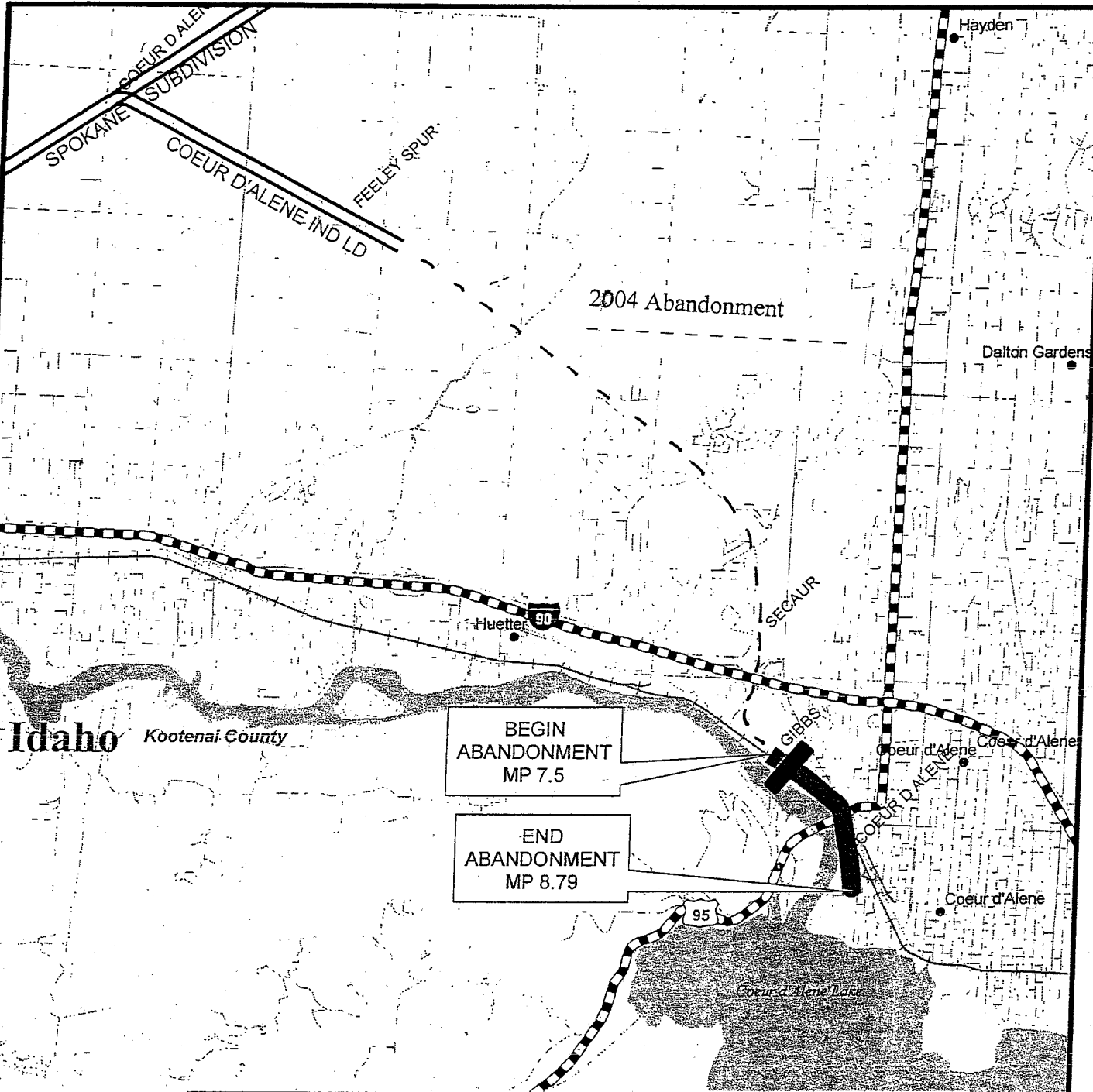
Thank you for your assistance in this matter. If you or your staff have any questions regarding the abandonment process, please feel free to call me at 334-0330.

Very truly yours,

A handwritten signature in black ink that reads "Ron Law". The signature is written in a cursive style with a large initial "R" and a long, sweeping underline.

Ron Law
Executive Administrator

cc: Commissioners
Don Howell, DAG
John Chatburn, Special Assistant to the Governor
Kootenai County Commission



BEGIN
ABANDONMENT
MP 7.5

END
ABANDONMENT
MP 8.79

BRIDGE NO.	BRIDGE TYPE	TOTAL LENGTH	DATE
7.67	1-SPAN TIMBER PILE TRESTLE - OPEN DECK	11'	YNK

Legend

- UPRR LINES TO BE ABANDONED
- OTHER UPRR LINES
- OTHER RAILROADS
- PRINCIPAL HIGHWAYS
- OTHER ROADS
- 50 + YEAR OLD STRUCTURES

COEUR D'ALENE INDUSTRIAL LEAD

MP 7.50 TO MP 8.79
TOTAL OF 1.29 MILES IN KOOTENAI COUNTY
IN IDAHO

UNION PACIFIC RAILROAD CO.
COEUR D'ALENE INDUSTRIAL LEAD
IDAHO

INCLUDING 50+ YEAR OLD STRUCTURES



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