unauthorized entrants; and ensuring the reliability and durability of the device.

As required by 49 U.S.C. 33106 and 49 CFR 543.6 (a)(4) and (5), the agency finds that Fuji has provided adequate reasons for its belief that the antitheft device will reduce and deter theft. This conclusion is based on the information Fuji provided about its device. For the foregoing reasons, the agency hereby grants in full Fuji's petition for exemption for the vehicle line from the parts-marking requirements of 49 CFR part 541.

If Fuji decides not to use the exemption for this line, it must formally notify the agency, and, thereafter, the line must be fully marked as required by 49 CFR parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Fuji wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the anti-theft device on which the line's exemption is based. Further, §543.9(c)(2) provides for the submission of petitions ''to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption.''

The agency wishes to minimize the administrative burden that part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

Issued on: October 3, 2005.

Stephen R. Kratzke,

Associate Administrator for Rulemaking.

[FR Doc. 05–20186 Filed 10–6–05; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Petition for Exemption From the Federal Motor Vehicle Motor Theft Prevention Standard; Mazda

AGENCY: National Highway Traffic Safety Administration, Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full the petition of Mazda Motor Corporation, (Mazda) for an exemption in accordance with § 543.9(c)(2) of 49 CFR part 543, *Exemption from the Theft Prevention Standard,* for the Mazda CX–7 vehicle line beginning with model year (MY) 2007. This petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard.

DATES: The exemption granted by this notice is effective beginning with model year (MY) 2007.

FOR FURTHER INFORMATION CONTACT: Ms. Rosalind Proctor, Office of International Policy, Fuel Economy and Consumer Programs, NHTSA, 400 Seventh Street, SW., Washington DC 20590. Ms. Proctor's phone number is (202) 366–0846. Her fax number is (202) 493–2290.

SUPPLEMENTARY INFORMATION: In a petition dated June 21, 2005, Mazda Motor Corporation (Mazda), requested an exemption from the parts-marking requirements of the theft prevention standard (49 CFR part 541) for the Mazda CX–7 vehicle line beginning with MY 2007. The petition requested an exemption from parts-marking pursuant to 49 CFR part 543, *Exemption from Vehicle Theft Prevention Standard,* based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under § 543.5(a), a manufacturer may petition NHTSA to grant exemptions for one line of its vehicle lines per year. In its petition, Mazda provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the new vehicle line. The anti-theft device is a transponder-based, electronic, immobilizer system. Mazda will install its antitheft device, as standard equipment on its CX–7 vehicle line beginning with MY 2007. Mazda's submission is considered a complete petition as required by 49 CFR 543.7, in that it meets the general requirements contained in § 543.5 and the specific content requirements of § 543.6.

Mazda's antitheft device is activated when the driver/operator turns off the engine using the properly coded ignition key. When the ignition key is turned to the ''ON'' position, the transponder (located in the head of the key) transmits a code to an immobilizer control module which then communicates with powertrain's electronic control module. The vehicle's engine can only be started if the transponder code matches the code previously programmed into the immobilizer control module. If the code does not match, the engine will be disabled. Mazda stated that communications between the immobilizer system control function and the powertrains electronic control module are encrypted with 18×10^{18} different codes, and each transponder is hard coded with a unique code at time of manufacture. Mazda also stated that its immobilizer system incorporates a light-emitting diode (LED) that provides information as to when the system is ''set and ''unset''. When the ignition is initially turned to the ''ON'' position, a three-second continuous LED indicates the proper ''unset'' state of the device. When the ignition is turned to ''OFF'', a flashing LED indicates the ''set'' state of the system and provides a visual confirmation that the vehicle is protected by the immobilizer system. The integration of the setting/unsetting device (transponder) into the ignition key prevents any inadvertent activation of the system.

In addressing the specific content requirements of 543.6, Mazda provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Mazda conducted tests based on its own specified standards. Mazda also provided a detailed list of the tests conducted and believes that the device is reliable and durable since the device complied with its specified requirements for each test. The components of the immobilizer device are tested in climatic, mechanical and chemical environments, and, immunity to various electromagnetic radiation. Mazda stated that for reliability/durablility purposes, its key and key cylinders must also meet unique strength tests against attempts of mechanical overriding. The tests conducted were for thermal shock, high temperature exposure, low-temperature exposure, thermal cycle, humidity temperature cycling, functional, random vibration, dust, water, connector and lead/lock strength, chemical resistance, electromagnetic field, power line

variations, DC stresses, electrostatic discharge, transceiver/key strength and transceiver mounting strength. Mazda also stated that its proposed device is reliable and durable because it does not have any moving parts, nor does it require a separate battery in the key. Any attempt to slam-pull the ignition lock cylinder, for example, will have no effect on a thief's ability to start the vehicle. If the correct code is not transmitted to the electronic control module there is no way to mechanically override the system and start the vehicle. Furthermore, Mazda stated that drive-away thefts are virtually eliminated with the sophisticated design and operation of the electronic-engine immobilizer system which makes conventional theft methods (*i.e.*, hot-wiring or attacking the ignition-lock cylinder) ineffective.

Additionally, Mazda reported that in MY 1996, the proposed system was installed on certain U.S. Ford vehicles as standard equipment (*i.e.* on all Ford Mustang GT and Cobra models, Ford Taurus LX, SHO and Sable LS models). In MY 1997, the immobilizer system was installed on the Ford Mustang vehicle line as standard equipment. When comparing 1995 model year Mustang vehicle thefts (without immobilizer), with MY 1997 Mustang vehicle thefts (with immobilizer), data from the National Insurance Crime Bureau showed a 70% reduction in theft. (Actual NCIC reported thefts were 500 for MY 1995 Mustang, and 149 thefts for MY 1997 Mustang.)

Mazda's proposed device, as well as other comparable devices that have received full exemptions from the parts-marking requirements, lack an audible or visible alarm. Therefore, these devices cannot perform one of the functions listed in 49 CFR 543.6(a)(3), that is, to call attention to unauthorized attempts to enter or move the vehicle. However, theft data have indicated a decline in theft rates for vehicle lines that have been equipped with devices similar to that which Mazda proposes. In these instances, the agency has concluded that the lack of a visual or audio alarm has not prevented these antitheft devices from being effective protection against theft.

On the basis of this comparison, Mazda has concluded that the proposed antitheft device is no less effective than those devices installed on lines for which NHTSA has already granted full exemption from the parts-marking requirements.

Based on the evidence submitted by Mazda, the agency believes that the antitheft device for the Mazda vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR 541).

The agency concludes that the device will provide four of the five types of performance listed in § 543.6(a)(3): Promoting activation; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

As required by 49 U.S.C. 33106 and 49 CFR 543.6(a)(4) and (5), the agency finds that Mazda has provided adequate reasons for its belief that the antitheft device will reduce and deter theft. This conclusion is based on the information Mazda provided about its device. For the foregoing reasons, the agency hereby grants in full Mazda's petition for exemption for its vehicle line from the parts-marking requirements of 49 CFR part 541.

If Mazda decides not to use the exemption for this line, it should formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Mazda wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, § 543.9(c)(2) provides for the submission of petitions ''to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption.''

The agency wishes to minimize the administrative burden that § 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

Dated: October 3, 2005.

Stephen R. Kratzke,

Associate Administrator for Rulemaking.

[FR Doc. 05–20184 Filed 10–6–05; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34752]

Watco Companies, Inc.—Continuance in Control Exemption—Louisiana Southern Railroad, Inc.

Watco Companies, Inc. (Watco), has filed a verified notice of exemption to continue in control of the Louisiana Southern Railroad, Inc. (LSRR), upon LSRR's becoming a Class III rail carrier.[1]

The transaction was scheduled to be consummated on or shortly after September 25, 2005.

This transaction is related to the concurrently filed verified notice of exemption in STB Finance Docket No. 34751, *Louisiana Southern Railroad, Inc.—Lease and Operation Exemption—The Kansas City Southern Railway Company.* In that proceeding, LSRR seeks to acquire by lease from The Kansas City Southern Railway Company and operate approximately 165.8 miles of rail line extending between: (1) A point 1,600 feet south of LN&W milepost 62, near Gibsland, LA, and milepost B–192, near Pineville, LA; (2) milepost 148.8, at Winnfield, LA, and the end of the track, at Joyce, LA; (3) milepost 78.8, at Minden, LA, and milepost 83.5, at Sibley, LA; and (4) milepost 48.48, south of Springhill, LA, and milepost B–102, east of Hinkle, LA.

Watco, a Kansas corporation, is a noncarrier that currently controls 13 Class III rail carriers: South Kansas and Oklahoma Railroad Company (SKO); Palouse River & Coulee City Railroad, Inc. (PRCC); Timber Rock Railroad, Inc. (TIBR); Stillwater Central Railroad, Inc. (SLWC); Eastern Idaho Railroad, Inc. (EIRR); Kansas & Oklahoma Railroad, Inc. (K&O); Pennsylvania Southwestern Railroad, Inc. (PSWR); Great Northwest Railroad, Inc. (GNR); Kaw River Railroad, Inc. (KRR); Mission Mountain Railroad, Inc. (MMT); Appalachian & Ohio Railroad, Inc. (AO); Mississippi Southern Railroad, Inc. (MSRR); and Yellowstone Valley Railroad, Inc. (YVRR).

Applicant states that: (1) The rail lines operated by SKO, PRCC, TIBR, SLWC, EIRR, K&O, PSWR, GNR, KRR, MMT, AO, MSRR, and YVRR do not connect

[1] Watco owns 100% of the issued and outstanding stock of LSRR.