Transportation, Inc. (MC–139100); (14) Town & Country Transportation & Leasing Corp. (MC–167514); (15) Travel Time Bus Lines, Inc. (MC–147777); (16) Tri-State Transit Corp. (MC–134039); (17) United Transportation, Inc. d/b/a Mark IV Coaches (MC–167307); (18) Vancom, Inc. (MC–163845); (19) Vancom-Indiana, Inc. (MC–141600); (20) Vancom Transportation, Inc. (MC–256505); and (21) Van Trans, Inc. (MC–167403).

Laidlaw states that all of the merged carriers primarily provided school transportation services within the United States, except for Raleigh, which primarily provided transit services in the U.S.

Applicant asserts that the combined aggregate gross revenues of its affiliates exceed the $2 million jurisdictional threshold of section 14303(g). Applicant states further that most of its operations are either unregulated, or take place outside the U.S. Allegedly, the regulated U.S. transportation service faces substantial competition from other bus companies and transportation modes.

Laidlaw further indicates that the transactions have produced and will produce substantial benefits, including interest cost savings from restructuring of debt and reduced operating costs from its enhanced volume purchasing power. Applicant claims that the carriers it controls benefit from the lower insurance premiums it has negotiated and from volume discounts for equipment and fuel. Applicant also avers that it improves the efficiency of all acquired carriers, while maintaining responsiveness to local conditions, by providing centralized supporting services, including legal affairs, accounting, purchasing, safety management, equipment maintenance, driver training, human resources and environmental compliance. In addition, applicant states that it facilitates vehicle sharing arrangements between acquired entities, so as to ensure maximum utilization and efficient operation of equipment. According to applicant, employees will benefit from efficient operations and from applicant's policy to honor all collective bargaining agreements of acquired carriers.

Under 49 U.S.C. 14303(b), the Board must approve and authorize transactions it finds consistent with the public interest, taking into account at least: (1) The effect of the transactions on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

On the basis of the application, we find that the proposed acquisition of control and merger transactions are consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated and a procedural schedule will be adopted to reconsider the application. If no timely comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.[3]

Board decisions and notices are available on our website at: ''WWW.STB.DOT.GOV.''

This decision will not significantly affect the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The acquisitions of control and mergers are approved and authorized, subject to the timely filing of opposing comments.

2. If timely opposing comments are filed, the findings made in this decision will be deemed vacated.

3. This decision will be effective September 21, 1998, unless timely opposing comments are filed.

4. A copy of this notice will be served on (1) the U.S. Department of Transportation, Office of Motor Carriers-HIA 30, 400 Virginia Avenue, SW, Suite 600, Washington, DC 20024; and (2) the U.S. Department of Justice, Antitrust Division, 10th Street and Pennsylvania Avenue, NW, Washington, DC 20530.

Decided: July 30, 1998.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams,

Secretary.

[FR Doc. 98–21295 Filed 8–6–98; 8:45 am]

BILLING CODE 4915–00–P

[3] Laidlaw seeks *nunc pro tunc* approval of these transactions. While we are granting our tentative approval, the need for retroactive effect has not been demonstrated. Laidlaw evidently recognizes that it should have sought our approval sooner but, under the circumstances, the Board does not intend to pursue enforcement actions against Laidlaw for the previously unauthorized common control.

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33407]

Dakota, Minnesota & Eastern Railroad Corporation—Construction and Operation of New Rail Facilities in Campbell, Converse, Niobrara, and Weston Counties, Wyoming; Custer, Fall River, Jackson, and Pennington Counties, South Dakota; and Blue Earth, Nicollet, and Steele Counties, Minnesota

AGENCIES: Surface Transportation Board; U.S.D.A. Forest Service; U.S.D.I. Bureau of Land Management; U.S. Army Corps of Engineers (collectively, the ''Agencies'').

ACTION: Amended Notice of Intent to Prepare an Environmental Impact Statement (EIS); Extension of Request for Comments on the Draft EIS Scope.

SUMMARY: On February 20, 1998, the Dakota, Minnesota & Eastern Railroad Corporation (DM&E) filed an application with the Surface Transportation Board (Board) for authority to construct and operate new rail line facilities in east-central Wyoming, southwest South Dakota, and south-central Minnesota. The project involves approximately 280.9 miles of new rail line construction. Additionally, DM&E proposes to rebuild approximately 597.8 miles of existing rail line along its current system to standards acceptable for operation of unit coal trains. On April 28, 1998, DM&E submitted a Special Use Application to the U.S.D.A. Forest Service (USFS) for an easement under the Federal Land Management Policy Act to build new rail lines across portions of the Thunder Basin National Grassland in Wyoming, administered by the Medicine Bow-Routt National Forests, and across portions of the Buffalo Gap National Grassland, administered by the Nebraska National Forest. Because portions of RARE II roadless areas on the Buffalo Gap National Grassland could be affected, there is a possibility that the Nebraska National Forest Land and Resource Management Plan could be amended in the Forest Service Record of Decision. The Northern Great Plains (NGP) Management Plan Revision Environmental Impact Statement (EIS) is being prepared at this time, which could affect the proposed action. Conversely, the proposed action, if approved, could affect the NGP Management Plan and a plan amendment may also be necessary. In April, 1998, DM&E also submitted its application to the U.S.D.I. Bureau of

Land Management (BLM) for a right-of-way across public lands administered by the BLM in Wyoming and South Dakota for the construction of new rail lines. Because the BLM is presently preparing the Newcastle Resource Management Plan EIS, the proposed action could affect this Plan as well or the Plan could have an effect on the proposed action. Additionally, the DM&E will submit an application to the U.S. Army Corps of Engineers (COE), when appropriate, for a permit regarding the proposed dredge and fill activities within the waters of the United States, and any other appropriate permit required by the COE, relative to the proposed construction of new rail lines or reconstruction of existing lines. The U.S. Bureau of Reclamation is presently preparing an EIS on the Cheyenne River/Angostura project, which could be affected by the proposed action or which could have an effect on the proposed action.

Because the construction and operation of the proposed project has the potential to result in significant impacts on the quality of the human environment, the Agencies have determined that the preparation of an EIS is appropriate. The Board's Section of Environmental Analysis (SEA) has previously held agency and public scoping meetings and has accepted written public comments as part of the EIS process. However, the previous Notice of Intent did not include notification to the public that other federal agencies would have decision-making authority. Therefore, the purpose of this Amended Notice of Intent is to notify persons and agencies interested in or affected by the proposed project, of additional USFS, BLM, and COE agency decisions that will be triggered by the project, and to seek additional comments relating to these agency decisions.

DATES: *Additional Public Comment Period:* SEA will continue to make available to the public a draft scope of the EIS. The Agencies will also provide an additional thirty-day period for the public to submit written comments on the draft scope. The additional comment period will close 30 days after the publication date of this Amended Notice of Intent in the **Federal Register**, which shall be September 8, 1998.

Please Note: If you have previously submitted comments to SEA regarding this project, you are not required to re-submit those comments to be considered by the Agencies. However, you may submit additional comments if you so desire.

FOR FURTHER INFORMATION CONTACT: Victoria Rutson, Project Manager, Surface Transportation Board, Powder River Basin Expansion Project, 1–877–404–3044; U.S.D.A. Forest Service, Wendy Schmitzer (307) 358–4690; U.S.D.I. Bureau of Land Management, Bill Carson, (307) 746–4453; U.S. Army Corps of Engineers, Patsy Freeman, (402) 221–3803 or Jerry Folkers (402) 221–4173.

SUPPLEMENTARY INFORMATION:

Background

The proposed rail construction project, referred to as the ''Powder River Basin Expansion Project,'' would involve the construction and operation of approximately 280.9 miles of new rail line by the Dakota, Minnesota & Eastern Railroad Corporation (DM&E), Brookings, South Dakota. The project would provide access for a third rail carrier to serve the region's coal mines and transport coal eastward from the Powder River Basin. New rail construction would include approximately 262.03 miles of rail line extending off DM&E's existing system near Wasta, South Dakota, extending generally southwesterly to Edgemont, South Dakota, and then westerly into Wyoming to connect with existing coal mines located south of Gillette, Wyoming. This portion of the new construction would traverse portions of Custer, Fall River, Jackson, and Pennington Counties, South Dakota and Campbell, Converse, Niobrara, and Weston Counties, Wyoming.

New rail construction would also include an approximate 13.31 mile line segment around Mankato, Minnesota, within Blue Earth and Nicollet Counties. DM&E currently has trackage on both sides of Mankato, accessed by trackage rights on rail line operated by Union Pacific Railroad (UP). The proposed Mankato construction would provide DM&E direct access between its existing lines, avoid operational conflicts with UP, and route rail traffic around the southern side of Mankato, avoiding the downtown area.

The final proposed segment of new rail construction would involve a connection between the existing rail systems of DM&E and I&M Rail Link. The connection would include construction and operation of approximately 2.94 miles of new rail line near Owatonna, Steele County, Minnesota. The connection would allow interchange of rail traffic between the two carriers.

In order to transport coal over the existing system, DM&E proposes to rebuild approximately 597.8 miles of rail line along its existing system. The majority of this, approximately 584.95 miles, would be along DM&E's mainline between Wasta, South Dakota, and Winona, Minnesota. An additional approximate 12.85 miles of existing rail line between Oral and Smithwick, South Dakota, would also be rebuilt. Rail line rebuilding would include rail and tie replacement, additional sidings, signals, grade crossing improvements, and other systems.

DM&E's plans to transport coal as its principal commodity. However, shippers desiring rail access could ship other commodities in addition to coal over DM&E's rail line. Existing shippers along the existing DM&E system would continue to receive rail service.

Environmental Review Process

The Surface Transportation Board shall be the lead agency, pursuant to 40 CFR 1501.5(c), and shall supervise the preparation of the EIS. The USFS, the BLM, and the COE shall be cooperating agencies, pursuant to 40 CFR 1501.6, and shall adopt the EIS and base their respective decisions on it. In order to assure that the EIS includes all of the information necessary for the decisions by each of the Agencies, they are requesting information and general comments on the scope of environmental issues to be addressed in the EIS for the proposed project. The National Environmental Policy Act (NEPA) process is intended to assist the Agencies and the public in identifying and assessing the potential environmental consequences of a proposed action before a decision on the proposed action is made. The SEA has developed and will continue to make available a draft scope of study for the EIS and provide a period of submission of written comments on it. Following this additional comment period, SEA will issue a final scope of study for the EIS.

Thereafter, SEA will prepare a Draft Environmental Impact Statement (DEIS) for the proposed project. The DEIS will address those environmental issues and concerns identified during the scoping process and detailed in the scope of study. It will also contain a reasonable range of alternatives to the proposed action and recommended environmental mitigation measures. The DEIS will be made available upon its completion for public review and comment. A Final EIS (FEIS) will then be prepared reflecting SEA's further analysis and the comments on the DEIS. In reaching each decision in this case, the Agencies will take into account the DEIS, the FEIS, and all public and agency comments received.

Filing Comments

The Agencies encourage broad participation in the EIS process. Interested persons and agencies are invited to participate in the scoping phase through reviewing the scope of study and submitting written comments to the SEA. A signed original of comments should be submitted to: Office of the Secretary, Case Control Unit, STB Finance Docket No. 33407, Surface Transportation Board, 1925 K Street, NW, Washington, D.C. 20423–0001.

To ensure proper handling of your comments, you must mark your submission: Attention: Elaine K. Kaiser, Chief, Section of Environmental Analysis, Environmental Filing.

By following this procedure, your comments will be placed in the formal public record for this case. In addition, SEA will add your name to its mailing list for distribution of the final scope of study for the DEIS and FEIS and the decision documents relating thereto.

By the Board, Elaine K. Kaiser, Chief, Section of Environmental Analysis.

Vernon A. Williams,

Secretary.

[FR Doc. 98–21215 Filed 8–6–98; 8:45 am]

BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 32760 (Sub–No. 26)][1]

Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company—Control and Merger—Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and The Denver and Rio Grande Western Railroad Company; Houston/Gulf Coast Oversight

AGENCY: Surface Transportation Board, DOT.

ACTION: Decision No. 6; Notice of acceptance of Requests for additional conditions to the UP/SP merger for the Houston, Texas/Gulf Coast area.

SUMMARY: The Board is accepting for consideration requests for additional conditions to the UP/SP merger for the Houston/Gulf Coast region, filed July 8, 1998: (1) jointly by the Texas Mexican Railway Company (Tex Mex), Kansas City Southern Railway Company (KCS), and certain shipper and governmental interests; (2) by the Burlington Northern and Santa Fe Railway Company (BNSF); and (3) by certain individual shippers. Certain requested conditions will be transferred for consideration to the Board's general oversight proceeding for the UP/SP merger that began July 1, 1998, in Finance Docket No. 32760 (Sub-No. 21).

DATES: Notices of intent to participate in the Houston/Gulf Coast oversight proceeding are due August 28, 1998. All comments, evidence, and argument opposing the requested new conditions are due September 18, 1998. Rebuttal in support of the requested conditions is due October 16, 1998.

ADDRESSES: An original plus 25 copies of all documents, referring both to STB Finance Docket No. 32760 (Sub-No. 26) and, if applicable, the sub-number additionally assigned to a particular request for conditions, must be sent to the Office of the Secretary, Case Control Unit, ATTN: STB Finance Docket No. 32760 (Sub-No. 26), Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423–0001.

In addition, one copy of all documents in this proceeding must be sent to UP's representative, Arvid E. Roach II, Esq., Covington & Burling, 1201 Pennsylvania Avenue, N.W., P.O. Box 7566, Washington, D.C. 20044, and to Administrative Law Judge Stephen Grossman, Federal Energy Regulatory Commission, 888 First Street, N.E., Suite 11F, Washington, D.C. 20426.

Electronic Submissions. In addition to an original and 25 copies of all paper documents filed with the Board, the parties shall also submit, on 3.5 inch IBM-compatible diskettes or compact discs, copies all textual materials, electronic workpapers, data bases and spreadsheets used to develop quantitative evidence. Textual material must be in, or convertible by and into, WordPerfect 7.0. Electronic spreadsheets must be in, or convertible by and into, Lotus 1–2–3 97 Edition, Excel Version 7.0, or Quattro Pro Version 7.0.

The data contained on the diskettes or compact discs submitted to the Board may be submitted under seal (to the extent that the corresponding paper copies are submitted under seal), and materials submitted under seal will be for the exclusive use of Board employees reviewing substantive and/or procedural matters in this proceeding. The flexibility provided by such computer data is necessary for efficient review of these materials by the Board and its staff. The electronic submission requirements set forth in this decision supersede, for the purposes of this proceeding, the otherwise applicable electronic submission requirements set forth in our regulations. *See* 49 CFR 1104.3(a), as amended in *Expedited Procedures for Processing Rail Rate Reasonableness, Exemption and Revocation Proceedings,* STB Ex Parte No. 527, 61 FR 52710, 711 (Oct. 8, 1996), 61 FR 58490, 58491 (Nov. 15, 1996).[2]

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar, (202) 565–1600. [TDD for the hearing impaired: (202) 565–1695.]

SUPPLEMENTARY INFORMATION: By decision served August 12, 1996, the Board approved the common control and merger of the rail carriers controlled by Union Pacific Corporation and those controlled by Southern Pacific Rail Corporation (collectively UP/SP), subject to various conditions.[3] Common control was consummated on September 11, 1996. We imposed a 5-year oversight condition to examine whether the conditions we imposed ''effectively addressed the competitive issues they were intended to address,'' and we retained jurisdiction to impose additional remedial conditions if those already imposed proved insufficient. *UP/SP Merger* at 13. In our initial oversight proceeding, we determined that, while it was still too early to tell, there was no evidence at that time that the merger, with the conditions that the Board had imposed, had produced any adverse competitive consequences.[4] We indicated, however, that our oversight would be ongoing, and that we would continue vigilant monitoring.[5]

[1] This decision embraces the following: (1) Finance Docket No. 32760 (Sub-No. 27), Texas Mexican Railway Company & Kansas City Southern Railway—Construction Exemption—Rail Line Between Rosenberg and Victoria, TX; (2) Finance Docket No. 32760 (Sub-No. 28), Burlington Northern and Santa Fe Railway Company—Terminal Trackage Rights—Texas Mexican Railway Company; (3) Finance Docket No. 32760 (Sub-No. 29), Burlington Northern and Santa Fe Railway Company—Application for Additional Remedial Conditions Regarding Houston/Gulf Coast Area; (4) Finance Docket No. 32760 (Sub-No. 30), Texas Mexican Railway Company, et al.—Request For Adoption of Consensus Plan; (5) Finance Docket No. 32760 (Sub-No. 31), Houston & Gulf Coast Railroad—Application for Trackage Rights and Forced Line Sales; (6) Finance Docket No. 32760 (Sub-No. 32), Capital Metropolitan Transportation Authority— Responsive Application—Interchange Rights.

[2] A copy of each diskette or compact disc submitted to the Board should be provided to any other party upon request.

[3] *Union Pacific Corp.—Control and Merger—Southern Pacific Rail Corp.,* Finance Docket No. 32760 (**UP/SP Merger**), Decision No. 44 (STB served Aug. 12, 1996).

[4] *Union Pacific Corp.—Control and Merger—Southern Pacific Rail Corp.,* Finance Docket No. 32760 (Sub-No. 21), Decision No. 10 (STB served Oct. 27, 1997) (*UP/SP* Oversight).

[5] *Id.* at 2–3.