DEPARTMENT OF TRANSPORTATION
Surface Transportation Board

[Docket No. FD 35718]

Grainbelt Corporation—Acquisition and Operation Exemption—BNSF Railway Company

Grainbelt Corporation (GNBC), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire from BNSF Railway Company (BNSF), the real property underlying a 178.7-mile line of railroad between milepost 588.3 near Enid, and milepost 767.0 near Frederick, in Garfield, Tillman, Major, Blaine, Dewey, Custer, Washita, and Kiowa, Counties, Okla. (the Line).

GNBC currently owns and operates the facilities that comprise the Line, and leases the underlying property from BNSF. GNBC and BNSF are entering into an agreement in which GNBC will acquire the underlying property of the Line and terminate the lease.

GNBC has certified that its projected annual revenues as a result of this transaction will not result in GNBC's becoming a Class II or Class I rail carrier but that its projected annual revenue will exceed $5 million. Accordingly, GNBC is required, at least 60 days before this exemption is to become effective, to send notice of the transaction to the national offices of the labor unions with employees on the affected lines, post a copy of the notice at the workplace of the employees on the affected lines, and certify to the Board that it has done so. 49 CFR 1150.42(e).

GNBC, concurrently with its notice of exemption, filed a petition for waiver of the 60-day advance labor notice requirement under §1150.42(e), asserting that no employees will be affected by the acquisition of the underlying property of the Line because there will be no changes for any employees working on the Line. GNBC already owns the rail facilities and has been the sole operator of the Line since 1987, and will continue to be the sole operator once the transaction has been completed. GNBC states that no employees have worked on the Line since 1987 and no BNSF employees will be affected or have to make any career choices as a result of the sale. GNBC also states that posting notices on the Line would not provide notice to any BNSF employees because no BNSF employees work on the Line. GNBC further states that the transaction will not result in any operational or maintenance changes on the Line and no GNBC employees will be affected. GNBC's waiver request will be addressed in a separate decision.

GNBC states that it intends to consummate the transaction on March 31, 2013, subject to the waiver of the labor notice requirement. The Board will establish in the decision on the waiver request the earliest this transaction may be consummated.

If the notice contains false or misleading information, the exemption is voided ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than March 25, 2013.

An original and 10 copies of all pleadings, referring to Docket No. FD 35718, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on Eric M. Hocky, Thorp Red & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103.

Board decisions and notices are available at our Web site at www.stb.dot.gov.

Decided: March 12, 2013.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

Jeffrey Herzig,
Clearance Clerk.

[FR Doc. 2013–05938 Filed 3–14–13; 8:45 am]
BILLING CODE 4910–01–P

DEPARTMENT OF TRANSPORTATION
Surface Transportation Board

[Docket No. FD 35721]

Iowa Pacific Holdings, LLC, Permian Basin Railways, and San Luis & Rio Grande Railroad—Corporate Family Transaction Exemption—Massachusetts Coastal Railroad, LLC

Iowa Pacific Holdings, LLC (IPH), its wholly owned subsidiaries Permian Basin Railways (PBR) and San Luis & Rio Grande Railroad (SLRG), and Massachusetts Coastal Railroad, LLC (Mass Coastal) (collectively, applicants), have jointly filed a verified notice of exemption under 49 CFR 1180.2(d)(3) for a corporate family transaction pursuant to which the applicants would reorganize their corporate structure.

According to the applicants, IPH is a noncarrier that wholly owns PBR, which directly controls seven Class III railroads. PBR controls, indirectly through SLRG, an eighth Class III railroad, the Saratoga & North Creek Railway, LLC (Saratoga). In addition, PBR controls 80% of Cape Rail, Inc. (Cape Rail), a noncarrier railroad holding company. Cape Rail owns two railroad subsidiaries, Mass Coastal, a Class III railroad, and Cape Cod Central, a noncarrier intrastate excursion passenger railroad outside the Board’s jurisdiction. Thus, PBR controls Mass

1 These railroads are: (1) SLRG; (2) Austin & Northwestern Railroad operating as the Texas-New Mexico Railroad; (3) Chicago Terminal Railroad; (4) Mount Hood Railroad; (5) Rusk, Palestine & Pacific Railroad, LLC; (6) Santa Cruz and Monterey Bay Railway Company; and (7) West Texas & Lubbock Railway.
Coastal, its ninth Class III carrier, indirectly through Cape Rail.2

The applicants propose to reorganize their corporate structure by transferring 100% control of Mass Coastal from its current direct owner, Cape Rail, to SLRG. Thus, according to the applicants, IPH, through PBR, will control 100% of Mass Coastal through SLRG rather than through Cape Rail.3 In addition, the applicants state that Cape Rail will no longer be subject to Board jurisdiction because its only remaining subsidiary (Cape Cod Central) would be an intrastate excursion passenger railroad outside Board jurisdiction.

Unless stayed, the exemption will be effective on March 29, 2013 (30 days after the verified notice was filed). Applicants state that they intend to consummate the proposed transaction on or about April 1, 2013.

According to the applicants, the purpose of this transaction is to transfer direct control over Mass Coastal from Cape Rail to SLRG for various tax and commercial reasons. This transfer will also allow Cape Rail to concentrate its energies on Cape Cod Central, the intrastate excursion passenger railroad it will continue to own.

Applicants state that the transaction qualifies for the class exemption for corporate family transactions under 49 CFR 1180.2(d)(3) and have not indicated that the transaction would result in adverse changes in service levels, significant operational changes, or any changes in the competitive balance with carriers outside the corporate family.2

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III rail carriers.

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed with the Board not later than March 22, 2013 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35721, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on John D. Heffner, Strasburger & Price, LLP, 1700 K Street NW., Suite 640, Washington, DC 20006. Board decisions and notices are available on our Web site at “www.stb.dot.gov.”

Decided: March 11, 2013.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

Derrick A. Gardner, Clearance Clerk.

[FR Doc. 2013–05961 Filed 3–14–13; 8:45 am]

BILLING CODE 4915–01–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35719]

Grainbelt Corporation—Trackage Rights Exemption—BNSF Railway Company and Stillwater Central Railroad Company

Pursuant to written trackage rights agreements dated February 1, 2013, and February 26, 2013, respectively, BNSF Railway Company (BNSF) and Stillwater Central Railroad Company (SLWC) have each agreed to amend their trackage rights agreements with Grainbelt Corporation (GNBC),1 which together will allow GNBC to provide local service to a grain shuttle facility in Headrick, Okla. Specifically, BNSF is amending its trackage rights with GNBC regarding service over the connecting line between the connection with SLWC east of Long (milepost 668.73) and Altus (milepost 688.00), and SLWC is amending its trackage rights with GNBC regarding service between Snyder Yard (milepost 664.00) and its connection with BNSF east of Long (milepost 668.73).2 The transaction may be consummated on or after March 30, 2013, the effective date of the exemption (30 days after the verified notice was filed). The purpose of this transaction is to allow GNBC to provide local service between the grain shippers located on GNBC and the grain shuttle facility located at Headrick in single line service. The parties’ agreements provide that the trackage rights are temporary in nature and are scheduled to expire automatically in 10 years.3 As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc., 354 I.C.C. 605 (1978), as modified in Mendocino Coast Railway—Lease and Operate—California Western Railroad, 360 I.C.C. 653 (1980) (N&W).

This notice is filed under 49 CFR 1180.2(d)(7). If it contains false or misleading information, the exemption if void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed by March 22, 2013 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35719, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Eric M. Hocky, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103.

Board decisions and notices are available on our Web site at “www.stb.dot.gov.”

Decided: March 12, 2013.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

Raina S. White, Clearance Clerk.

[FR Doc. 2013–06025 Filed 3–14–13; 8:45 am]

BILLING CODE 4915–01–P

1 GNBC already holds overhead trackage rights granted by the predecessor of BNSF between Snyder Yard (milepost 664.00) and Quanah, Tex. (milepost 723.30), under which GNBC has the right to interchange at Quanah with BNSF and Union Pacific Railroad Company. BNSF subsequently sold the connection to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc., 354 I.C.C. 605 (1978), as modified in Mendocino Coast Railway—Lease and Operate—California Western Railroad, 360 I.C.C. 653 (1980) (N&W).

2 Redacted versions of the trackage rights agreements between GNBC/BNSF and GNBC/SLWC were filed with the notice of exemption. The full versions of the agreements, as required by 49 CFR 1180.6(a)(7)(ii), were concurrently filed under seal along with a motion for protective order. That motion will be addressed in a separate decision.

3 GNBC states that this filing is related to a simultaneously filed petition in Docket No. 35719 (Sub-No. 1) for partial revocation of the exemption to permit the amended trackage rights to automatically expire in 10 years. The Board will address that petition in a subsequent decision.