

Coastal, its ninth Class III carrier, indirectly through Cape Rail.<sup>2</sup>

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.<sup>3</sup> 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.

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. Petitions for stay must be filed no later than March 22, 2013 (at

<sup>2</sup> See *Iowa Pac. Holdings, LLC & Permian Basin Rys.—Control Exemption—Cape Rail, Inc. & Mass. Coastal R.R.*, FD 35684 (STB served October 26, 2012).

<sup>3</sup> As a result of this transaction, SLRG would control two common carrier railroads, Saratoga & North Creek Railway and Mass Coastal.

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](http://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),<sup>1</sup> 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

<sup>1</sup> 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 a portion of the subject trackage to SLWC. The original trackage rights were supplemented in 2009 to allow GNBC to operate between Snyder and Altus, Okla., with the right to perform limited local service at Long, Okla. See *Grainbelt Corp.—Trackage Rights Exemption—BNSF Ry. and Stillwater Cent. R.R.*, FD 35332 (STB served Dec. 17, 2009). The original and supplemental trackage rights will not be affected by the amended trackage rights that are the subject of this proceeding.

668.73).<sup>2</sup> 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.<sup>3</sup> 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 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 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](http://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**

<sup>2</sup> 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.

<sup>3</sup> 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.