

Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590. You may also send comments electronically via the Internet at <http://www.regulations.gov>. All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m. and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Linda Williams, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE., Room W23-453, Washington, DC 20590. Telephone 202-366-0903, Email [Linda.Williams@dot.gov](mailto:Linda.Williams@dot.gov).

**SUPPLEMENTARY INFORMATION:** As described by the applicant the intended service of the vessel C23 is:

*Intended Commercial Use of Vessel:* "We intend to operate passenger-only short excursions between Juneau, AK and Taku Inlet. Our Season of operation would be at most May 2014–September 2014 this year."

*Geographic Region:* "Alaska (limited to excursions between Juneau, AK and Taku Inlet, including Sitka Sound)"

The complete application is given in DOT docket MARAD-2014-0024 at <http://www.regulations.gov>. Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-flag vessels. If MARAD determines, in accordance with 46 U.S.C. 12121 and MARAD's regulations at 46 CFR Part 388, that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels in that business, a waiver will not be granted. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD's regulations at 46 CFR Part 388.

#### Privacy Act

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if

submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78).

By Order of the Maritime Administrator.

Dated: February 24, 2014.

**Julie P. Agarwal,**

*Secretary, Maritime Administration.*

[FR Doc. 2014-04470 Filed 2-27-14; 8:45 am]

**BILLING CODE 4910-81-P**

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35805]

#### Central Maine & Quebec Railway U.S. Inc.—Acquisition and Operation Exemption—Montreal, Maine & Atlantic Railway, Ltd.

Central Maine & Quebec Railway U.S. Inc. (CMQR),<sup>1</sup> a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire and operate certain rail lines in the United States currently owned and operated by Montreal, Maine & Atlantic Railway, Ltd. (MMA).<sup>2</sup>

<sup>1</sup> CMQR is a subsidiary of Rail Acquisition Holdings LLC (RAH). RAH is, in turn, indirectly owned and controlled by Fortress Worldwide Transportation and Infrastructure General Partnership (Fortress Worldwide), an investment fund managed by an affiliate of Fortress Investment Group LLC (Fortress Investment).

<sup>2</sup> CMQR will acquire approximately 244.2 miles of rail lines located in the United States. The specific lines to be acquired by CMQR include: (1) A rail line beginning at a point in the vicinity of Searsport, Me., designated on MMA's system map as milepost 0.0+ of MMA's Searsport Subdivision and continuing north through the state of Maine through Brownville Junction to a point in the vicinity of Millinocket, Me., designated as milepost 109.00+1 of MMA's Madawaska Subdivision; (2) a rail line beginning at a point in the vicinity of Millinocket, Me., designated on MMA's system map as milepost 0.0+ of the East Millinocket Subdivision and continuing southeast to East Millinocket, Me., to a point designated as milepost 6.19+ of MMA's East Millinocket Subdivision; (3) a rail line beginning at a point in the vicinity of Brownville Junction, Me., designated on MMA's system map as milepost 0.0+ on MMA's K.I. Subdivision and continuing to a point in the vicinity of Brownville Junction, Me., designated as milepost 4.0+ of the K.I. Subdivision; (4) a rail line beginning in the vicinity of Brownville Junction, Me., from a point of connection with Eastern Maine Railway Company designated on MMA's system map as milepost 0.0+ of MMA's Moosehead Subdivision and continuing west to the United States/Canada border near Skinner, Me., designated as milepost 101.80+ of the Moosehead Subdivision; and (5) a rail line beginning at the United States/Canada border crossing in the vicinity of Richford, Vt., designated on MMA's system map as milepost 26.25+ of MMA's Newport Subdivision and continuing south to a point in the vicinity of Newport, Vt., designated as milepost 60.4+ at the end of the Newport Subdivision.

MMA and MMA's Canadian affiliate, Montreal Maine & Atlantic Canada Co. (MMA Canada) filed bankruptcy petitions with the United States Bankruptcy Court for the District of Maine and the Superior Court for the Province of Quebec, District of Montreal, respectively, on August 7, 2013, following a rail accident in Lac Mégantic, Que., on July 6, 2013. Since that time, the rail business of MMA and MMA Canada has been operated under the oversight of Robert J. Keach, the Chapter 11 Trustee in the MMA bankruptcy proceeding.

On December 12, 2013, RAH entered into an Asset Purchase Agreement (Agreement) with Trustee Keach, MMA, and MMA Canada, pursuant to which RAH agreed to purchase certain rail assets of both MMA and MMA Canada. Thereafter, both the U.S. Bankruptcy Court and the Quebec Superior Court issued final orders approving the sale of the rail assets of MMA and MMA Canada to RAH.<sup>3</sup>

The purpose of the proposed transaction is to restore and preserve rail service on and over the rail lines of the bankrupt MMA located in Maine and Vermont. Although MMA has continued to provide certain rail services while in bankruptcy, east-west through service between points in Quebec and points in Maine has not been available to shippers since the Lac Mégantic disaster. CMQR and CMQR Canada will provide rail service over the entire pre-bankruptcy rail network of MMA and MMA Canada.

This transaction is related to a concurrently filed verified notice of exemption in *Fortress Investment Group LLC—Continuance in Control Exemption—Florida East Coast Railway, L.L.C. and Central Maine & Quebec Railway U.S. Inc.*, Docket No. FD 35806, wherein Fortress Investment seeks Board approval under 49 CFR 1180.2(d)(2) to continue in control of Florida East Coast Railway, L.L.C., and CMQR upon CMQR's becoming a carrier.

CMQR has certified that its projected annual revenues as a result of this transaction will not result in CMQR's becoming a Class II or Class I rail carrier, but that its projected annual revenues will exceed \$5 million. Accordingly, CMQR is required, at least

<sup>3</sup> Pursuant to the Agreement, RAH will assign its rights under the Agreement to CMQR and to a Canadian subsidiary of RAH, Central Maine & Quebec Railway Canada, Inc. (CMQR Canada), to enable CMQR to acquire the U.S. rail assets of MMA and CMQR Canada to acquire the Canadian rail assets of MMA Canada. CMQR Canada will file an application with the Canada Transportation Agency to seek authority concerning these Canadian lines.

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 1150.32(e). CMQR, concurrently with its notice of exemption, filed a petition for waiver of the 60-day advance labor notice period. CMQR's waiver request will be addressed in a separate decision.

CMQR states that it intends to consummate the transaction as soon as practicable after the effective date of this exemption. The Board will establish in a separate decision on the waiver request the earliest date that this transaction may be consummated.

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 7, 2014.<sup>4</sup>

An original and 10 copies of all pleadings, referring to Docket No. FD 35805 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 Robert J. Keach, Esq. (as Trustee for MMA), c/o Bernstein, Shur, Sawyer & Nelson, P.A., 100 Middle Street, Portland, ME 04104-5029, and on Terence M. Hynes, Sidley Austin LLP, 1501 K Street NW., Washington, DC 20005.

Board decisions and notices are available on our Web site at [www.stb.dot.gov](http://www.stb.dot.gov).

Decided: February 25, 2014.

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

**Jeffrey Herzig,**  
*Clearance Clerk.*

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<sup>4</sup> A stay would normally be due in this case by April 8, 2014. Here, however, the due date for stays will be March 7, 2014. The date is set earlier in case the Board grants CMQR's petition for waiver of the 60-day notice period and allows the exemption to become effective on March 17, 2014. Having stays due on March 7 for this case also creates uniformity with the due date for stays in Docket No. FD 35806.

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35806]

#### **Fortress Investment Group LLC— Continuance in Control Exemption— Florida East Coast Railway, L.L.C. and Central Maine & Quebec Railway US Inc.**

Fortress Investment Group LLC (Fortress Investment) has filed a verified notice of exemption pursuant to 49 CFR 1180.2(d)(2), for the benefit of an investment fund managed by an affiliate of Fortress Investment, Fortress Worldwide Transportation and Infrastructure General Partnership (Fortress Worldwide), to continue in control of Central Maine & Quebec Railway US Inc. (CMQR), a noncarrier, upon CMQR's becoming a Class III railroad.

This transaction is related to a concurrently filed verified notice of exemption in *Central Maine & Quebec Railway US Inc.—Acquisition and Operation Exemption—Montreal, Maine & Atlantic Railway, Ltd.*, Docket No. FD 35805, wherein CMQR seeks Board approval under 49 CFR 1150.31 to acquire and operate approximately 244.2 miles of rail line in Maine and Vermont currently owned and operated by the bankrupt Montreal, Maine & Atlantic Railway, Ltd. (MMA).<sup>1</sup> As discussed in that notice, CMQR is a subsidiary of Rail Acquisition Holdings LLC (RAH), which is, in turn, owned and controlled by Fortress Worldwide.<sup>2</sup>

The purpose of this verified notice of exemption and the concurrently filed one in Docket No. FD 35805 is to restore and preserve rail service on and over the rail lines of the bankrupt MMA located in Maine and Vermont. Although MMA has continued to provide certain rail services while in bankruptcy, east-west through service between points in Quebec and points in Maine has not been available to shippers since the July 2013 Lac Mégantic rail accident in

<sup>1</sup> MMA and MMA's Canadian affiliate, Montreal Maine & Atlantic Canada Co. (MMA Canada) filed bankruptcy petitions with the United States Bankruptcy Court for the District of Maine and the Superior Court for the Province of Quebec, District of Montreal, respectively, on August 7, 2013, following a rail accident in Lac Mégantic, Que., on July 6, 2013.

<sup>2</sup> Pursuant to the Asset Purchase Agreement (Agreement) between the trustee, MMA, and MMA Canada, RAH will assign its rights to CMQR and to a Canadian subsidiary of RAH, Central Maine & Quebec Railway Canada, Inc. (CMQR Canada), to enable CMQR to acquire the U.S. rail assets of MMA and CMQR Canada to acquire the Canadian rail assets of MMA Canada. CMQR Canada will file an application with the Canada Transportation Agency to seek authority concerning the Canadian lines.

Quebec. CMQR and CMQR Canada will provide rail service over the entire pre-bankruptcy rail network of MMA and MMA Canada.

The parties intend to consummate the proposed transaction as soon as practicable after the effective date of this notice of exemption and the concurrent notice of exemption filed in Docket No. FD 35805.<sup>3</sup>

Fortress Investment notes that another rail carrier subject to the Board's jurisdiction, Florida East Coast Railway, L.L.C. (FECR), is currently owned by FECR Rail Holding LLC, which is, in turn, owned by investment funds managed by an affiliate of Fortress Investment. FECR, a Class II carrier, operates approximately 350 miles of rail lines in Florida extending between Jacksonville and the Miami metropolitan area.

Fortress Investment represents that: (1) The railroads would not connect with each other or any railroads in its corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect CMQR's rail lines with the lines of any other rail carrier owned by Fortress Investment or any investment fund managed by any affiliate of Fortress Investment; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(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. As a condition to the use of this exemption, any employees adversely affected by this transaction will be protected by the conditions set forth in *Wisconsin Central Ltd.—Acquisition Exemption—Lines of Union Pacific Railroad*, 2 S.T.B. 218 (1997).

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 7, 2014.

<sup>3</sup> Pursuant to the 49 CFR 1150.32(e), CMQR must provide notice to labor regarding the line acquisition and certify to the Board that it has done so 60 days before the exemption becomes effective; the parties cannot close this transaction until April 15, 2014. CMQR has petitioned the Board to waive this period so that the parties can consummate their sale transaction on or before March 31, 2014, in accordance with the Agreement and the bankruptcy court's expectations. The Board will rule on this waiver request in a separate decision.