

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>21</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2016-16724 Filed 7-14-16; 8:45 am]

**BILLING CODE 8011-01-P**

## **SURFACE TRANSPORTATION BOARD**

[Docket No. **AB 290 (Sub-No. 383X)**]

### **Norfolk Southern Railway Company— Discontinuance of Service Exemption—In Shenandoah County, VA**

Norfolk Southern Railway Company (NSR) has filed a verified notice of exemption under 49 CFR part 1152, subpart F—*Exempt Abandonments and Discontinuance of Service* to discontinue service over an approximately 16.9-mile rail line extending from milepost B 62.0 (at Strasburg, VA) to milepost B 78.9 (near Edinburg, VA) in Shenandoah County, VA (the Line). The Line traverses United States Postal Service Zip Codes 22657, 22660, 22644, 22664, and 22824.

NSR has certified that: (1) No local traffic has moved over the Line for at least two years; (2) because the Line is not a through route, no overhead traffic has operated, and, therefore, none needs to be rerouted over other lines; (3) no formal complaint filed by a user of rail service on the Line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the Line is pending either with the Surface Transportation Board (Board) or with any U.S. District Court or has been decided in favor of complainant within the two-year period; and (4) the requirements at 49 CFR 1105.12 (newspaper publication) and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to this exemption, any employee adversely affected by the discontinuance of service shall be protected under *Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho*, 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed.

Provided no formal expression of intent to file an offer of financial assistance (OFA) to subsidize continued rail service has been received, this exemption will be effective on August

16, 2016, unless stayed pending reconsideration. Petitions to stay that do not involve environmental issues and formal expressions of intent to file an OFA to subsidize continued rail service under 49 CFR 1152.27(c)(2)<sup>1</sup> must be filed by July 25, 2016.<sup>2</sup> Petitions to reopen must be filed by August 4, 2016, with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423-0001.

A copy of any petition filed with the Board should be sent to NSR's representative: William A. Mullins, Baker & Miller PLLC, 2401 Pennsylvania Ave. NW., Suite 300, Washington, DC 20037.

If the verified notice contains false or misleading information, the exemption is void ab initio.

Board decisions and notices are available on our Web site at [WWW.STB.DOT.GOV](http://WWW.STB.DOT.GOV).

Decided: July 12, 2016.

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

**Raina S. Contee,**

*Clearance Clerk.*

[FR Doc. 2016-16773 Filed 7-14-16; 8:45 am]

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## **SURFACE TRANSPORTATION BOARD**

[Docket No. **FD 36029**]

### **Watco Holdings, Inc.—Continuance in Control Exemption—Kanawha River Railroad, LLC**

Watco Holdings, Inc. (Watco), a noncarrier, has filed a verified notice of exemption pursuant to 49 CFR 1180.2(d)(2) to continue in control of Kanawha River Railroad, LLC (KNWA), upon KNWA's becoming a Class III rail carrier. Watco owns, indirectly, 100% of the issued and outstanding stock of KNWA, a limited liability company.<sup>1</sup>

This transaction is related to a concurrently filed verified notice of exemption in *Kanawha River Railroad, L.L.C.—Lease Exemption Containing Interchange Commitment—Norfolk Southern Railway Company*, Docket No. FD 36028, wherein KNWA seeks Board approval to lease and operate

<sup>1</sup> Each OFA must be accompanied by the filing fee, which is currently set at \$1,600. See 49 CFR 1002.2(f)(25).

<sup>2</sup> Because this is a discontinue proceeding and not an abandonment, interim trail use/rail banking and public use conditions are not appropriate. Because there will be an environmental review during abandonment, this discontinuance does not require an environmental review.

<sup>1</sup> The notice of exemption was initially filed on June 28, 2016. After representative consultation with the Board, the filing was resubmitted on July 1, 2016, and therefore that is the official filing date and the basis for all dates in this notice.

approximately nine rail segments, totaling 308.85 miles of rail line from the Norfolk Southern Railway Company. The line segments run (1) between mileposts V 382.0 at Maben, W. Va., and V 435.0 at DB (Deepwater Bridge), W. Va.; (2) between milepost RR 7.0 at Refugee, Ohio, and milepost RR 116.5 at Hobson Yard, Ohio; (3) between milepost WV 125.6 at Conco, Ohio and milepost WV 253.4 at Cornelia, W. Va.; (4) between milepost VC 0.0 at Vaco Junction, W. Va., and milepost VC 0.84 at Deepwater, W. Va. (5) between Hitop RT at milepost TP 0.0 at Charleston, W. Va., and the end of the track at milepost TP 1.0; (6) between Jones IT at milepost JT 0.0 at Jones, W. Va., and the end of the track at milepost JT 1.3; (7) between milepost VG 0.0 at Virwest, W. Va., and milepost VG 12.1 at Bolt, W. Va., (8) between milepost MY 0.0 at Milam, W. Va., and the end of the track at MY 1.0; and (9) between milepost PE 0.0 at Putt, W. Va., and milepost PE 2.3 at Putt End Branch, W. Va.

The transaction may be consummated on or after July 31, 2016, the effective date of the exemption, 30 days after the supplemental notice of exemption was filed.

Watco currently controls, indirectly, 33 Class III rail carriers and one Class II rail carrier, collectively operating in 23 states. For a complete list of these rail carriers, and the states in which they operate, see Watco's notice of exemption filed on July 1, 2016. The notice is available on the Board's Web site at [WWW.STB.DOT.GOV](http://WWW.STB.DOT.GOV).

Watco represents that: (1) The rail lines to be operated by KNWA do not connect with any other railroads operated by the carrier in the Watco's corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the rail lines to be operated by KNWA with any other railroad in applicant's corporate family; 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. 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 carriers.

If the notice contains false or misleading information, the exemption

<sup>21</sup> 17 CFR 200.30-3(a)(12).