for the State of Alabama dated 12/14/2016.

Incident: Severe Storms with Wind and Flooding.


Effective Date: 12/14/2016.

Physical Loan Application Deadline Date: 02/13/2017.

Economic Injury (EIDL) Loan Application Deadline Date: 09/14/2017.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator’s disaster declaration, applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties: Jackson.


The Interest Rates are:

For Physical Damage:

Homeowners With Credit Available Elsewhere .................. 3.000

Homeowners Without Credit Available Elsewhere .......... 1.500

Businesses With Credit Available Elsewhere .......... 6.250

Businesses Without Credit Available Elsewhere ........... 3.125

Non-Profit Organizations With Credit Available Elsewhere ... 2.500

Non-Profit Organizations Without Credit Available Elsewhere ........ 2.500

For Economic Injury:

Businesses and Small Agricultural Cooperatives Without Credit Available Elsewhere .......... 3.125

Non-Profit Organizations Without Credit Available Elsewhere ........ 2.500

The number assigned to this disaster for physical damage is 150145 and for economic injury is 150150.

The number assigned to this disaster for physical damage is 15007 B and for economic injury is 15008 0.

The States which received an EIDL Declaration # are Alabama, Georgia, Tennessee.

(Catalog of Federal Domestic Assistance Number 59008)
The Board will grant GWI’s petition for exemption, subject to standard labor protective conditions and the condition that GWI will not interfere with the ability of Springfield Terminal Railway (Springfield Terminal) to interchange with CSX Transportation, Inc. (CSXT), in Worcester, Mass.

Background

GWI is a publicly-traded non-carrier holding company that currently controls, through direct or indirect equity ownership, two Class II carriers and 106 Class III carriers operating in the United States. (Pet. 1.) P&W is a Class III carrier based in Worcester, Mass., that owns rail lines and permanent freight easements in Connecticut, Rhode Island, and Massachusetts. (Id. at 2.) It also operates on trackage rights in Connecticut, Massachusetts, Rhode Island, and New York. (Id.)

In its petition, GWI states that it seeks to acquire control of P&W through a merger between P&W and Pullman Acquisition Sub Inc., a newly-formed, wholly-owned non-carrier subsidiary of GWI. (Id.) Upon consummation, P&W will be the surviving entity and will become a wholly-owned subsidiary of GWI. (Id.) P&W connects with several railroads, including two GWI subsidiaries: New England Central Railroad, Inc. (NECR), and Connecticut Southern Railroad, Inc. (CSO). (Id. at 3.) GWI states that, although there are some commonly-served cities and towns, there are no customers that are served solely by NECR or CSO, on the one hand, and P&W, on the other, and that as such there will be no “2-to-1 customers” as a result of the proposed transaction. (Id. at 3.) GWI states that it does not contemplate any material changes to P&W’s operations, maintenance, or service. (Id. at 4.)

GWI also states that P&W and NECR are part of the “Great Eastern Route” strategic alliances. According to GWI, the Great Eastern alliances furnish P&W with pricing authority for service with Canadian National Railway Company (CN) through an arrangement by which NECR provides haulage for P&W between East Alburg, Vt. and Willimantic, Conn. on certain contractually-agreed commodities. GWI states that P&W expanded the Great Eastern Route by entering into an additional strategic alliance with Vermont Rail Systems (VRS), which furnishes P&W with pricing authority for service with Canadian Pacific Railway Limited (CP), through an arrangement by which VRS and NECR provide haulage for P&W between Whitehall, N.Y. and Willimantic, Conn. on certain contractually-agreed commodities. (Id. at 3.) GWI states that its present intention is to keep these strategic alliances, and the connections with CN and CP, in place. (Id.)

Discussion and Conclusions

Statutory Analysis

The acquisition of control of a rail carrier by a person that is not a rail carrier but that controls any number of rail carriers requires approval by the Board pursuant to 49 U.S.C. 11323(a)(5). Under section 10502(a), however, we must exempt a transaction or service from regulation if we find that: (1) regulation is not necessary to carry out the rail transportation policy (RTP) of 49 U.S.C. 10101; and (2) either the transaction or service is limited in scope, or regulation is not needed to protect shippers from the abuse of market power.

In this case, an exemption from the prior approval requirements of sections 11323–24 is consistent with the standards of section 10502. Detailed scrutiny of the proposed transaction through an application for review and approval under sections 11323–24 is not necessary here to carry out the RTP. Approval of the transaction will result in a change in ownership of P&W with no lessening of competition. An exemption will promote the RTP by minimizing the need for federal regulatory control over the transaction, section 10101(2); ensuring the development and continuation of a sound rail transportation system that will continue to meet the needs of the public, section 10101(4); fostering sound economic conditions in transportation, section 10101(5); encouraging efficient management, section 10101(9); and providing for the expedient resolution of this proceeding, section 10101(15). Other aspects of the RTP will not be adversely affected.

Nor is detailed scrutiny of the proposed transactions necessary to protect shippers from an abuse of market power. According to GWI, no shipper will lose any rail options, and operations will not materially change. (Pet. 9.) Although P&W connects with NECR and CSO, GWI states that P&W also connects directly with a Class I