

process of being acquired by the Washington State Department of Transportation (WSDOT) from Palouse River and Coulee City Railroad, Inc. (PCC).¹ The line to be leased and operated, known as the CW Branch, extends from a connection with BNSF Railway Company at milepost 1.0 near Cheney, WA, to the end of track at milepost 108.8, in Coulee City, WA.

This transaction is related to STB Finance Docket No. 35030, *U.S. Rail Partners, Ltd.—Continuance in Control Exemption—Eastern Washington Gateway Railroad Company*, wherein U.S. Rail Partners, Ltd. (USRP), seeks to continue in control of EWGR upon its becoming a Class III rail carrier.

EWGR certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and will not exceed \$5 million.

The earliest this transaction may be consummated is the June 15, 2007 effective date of the exemption (30 days after the exemption was filed).²

If the verified 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 transaction. Petitions for stay must be filed no later than June 8, 2007, unless the Board grants the joint petition of EWGR and USRP to make their exemptions effective sooner, in which case the due date for stays will be established in the Board's decision acting on the joint petition.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35029, 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 William C. Sippel, 29 North Wacker Drive, Suite 920, Chicago, IL 60606-2832.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: May 24, 2007.

¹ A related notice of exemption was filed on May 21, 2007 in STB Finance Docket No. 35024, *Washington State Department of Transportation—Acquisition Exemption—Palouse River and Coulee City Railroad, Inc.*, wherein WSDOT seeks to acquire the line involved in this proceeding and other lines from PCC.

² On May 18, 2007, EWGR and USRP filed a joint petition requesting that the Board partially revoke the class exemptions as necessary to allow the exemptions in this proceeding and in STB Finance Docket No. 35030 to become effective on June 4, 2007, instead of on June 15. That request will be addressed in a separate Board decision.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. E7-10636 Filed 5-31-07; 8:45 am]

BILLING CODE 4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 35028]

Washington & Idaho Railway, Inc.— Lease and Operation Exemption— Washington State Department of Transportation

Washington & Idaho Railway, Inc. (WIR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire by lease and to operate approximately 86.9 miles of railroad that are in the process of being acquired by the Washington State Department of Transportation (WSDOT) from Palouse River and Coulee City Railroad, Inc. (PCC).¹ The lines, known as the P&L Branch, to be leased and operated by WIR are as follows: (1) The WIM line between milepost 0.0 at Palouse, and milepost 3.85 at the Washington-Idaho State line, and (2) the P&L line between milepost 1.0 at Marshall, and milepost 75.9 at Pullman and continuing to milepost 84.05 at the Washington-Idaho State line,² located in Whitman and Spokane Counties, WA.³ WIR certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and will not exceed \$5 million.

The earliest this transaction may be consummated is June 10, 2007, the effective date of the exemption (30 days after the exemption was filed).⁴

If the verified notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d)

¹ A related notice of exemption was filed on May 21, 2007 in STB Finance Docket No. 35024, *Washington State Department of Transportation—Acquisition Exemption—Palouse River and Coulee City Railroad, Inc.*, wherein WSDOT seeks to acquire the lines involved in this proceeding and other lines from PCC.

² The segment between mileposts 75.9 and 84.05 is described in the notice in STB Finance Docket No. 35024 as part of another PCC branch. The authority to be granted here is only permissive in nature, however, and it is up to the parties to resolve this inconsistency.

³ WIR states that it currently operates over these lines as a contract carrier for PCC.

⁴ On May 21, 2007, WSDOT filed a petition requesting that the Board partially revoke the class exemption as necessary to allow the exemption in this proceeding to become effective on June 1, 2007, rather than on June 10. That request will be addressed in a separate Board decision.

may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction. Petitions for stay must be filed no later than June 4, 2007, unless the Board grants WSDOT's petition to make the exemption effective sooner, in which case the due date for stays will be established in the Board's decision acting on WSDOT's petition.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35028, 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 Charles H. Montange, 426 NW., 162nd Street, Seattle, WA 98177.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: May 24, 2007.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. E7-10601 Filed 5-31-07; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

[STB Finance Docket No. 35024]

Washington State Department of Transportation—Acquisition Exemption—Palouse River and Coulee City Railroad, Inc.

The Washington State Department of Transportation (WSDOT), a noncarrier, has filed a notice of exemption under 49 CFR 1150.31¹ to acquire from Palouse River and Coulee City Railroad, Inc. (PCC), certain physical assets, operating rights, and underlying rights-of-way of eight rail lines (the Lines), totaling approximately 296 miles, in the State of Washington. The Lines are sub-divided into three branches: (1) The CW Branch, between milepost 1.0 at Cheney and milepost 108.81 at Coulee City; (2) the P&L Branch, consisting of (a) the WIM line between milepost 0.0 at Palouse and milepost 3.85 at the Washington-Idaho State line, and (b) the P&L line between milepost 1.0 at Marshall and milepost 75.9 at Pullman; and (3) the PV-Hooper Branch, consisting of (a) the Hooper Jct.-Winona line between milepost 26.6 at Hooper Junction and milepost 52.3 at Winona, (b) the

¹ This notice was initially submitted on May 10, 2007, but not docketed until May 21, 2007, when the appropriate filing fee was submitted. Because the notice could not be processed until the Board received the filing fee, May 21 is the official filing date.

Thornton-Winona line between milepost 0.0 at Winona and milepost 31.7 at Thornton, (c) the Winona-Endicott line between milepost 52.3 at Winona and milepost 57.9 at Endicott, (d) the Endicott-Colfax line between milepost 57.9 at Endicott and milepost 77.7 at Colfax, and (e) the Colfax-Moscow line (i) between milepost 0.0 at Colfax and milepost 18.7 at Pullman, and (ii) between milepost 75.9 at Pullman and milepost 84.05 at the Washington-Idaho State line.

WSDOT states that it is in the process of formalizing a Purchase and Sale Agreement with PCC, pursuant to which PCC will: (1) Convey to WSDOT certain track and track structures and the rights-of-way underlying the involved Lines; (2) continue to operate the CW and P&L Branches through May 31, 2007; and (3) continue to operate the PV-Hooper Branch under its existing 15-year lease with WSDOT.² WSDOT will lease the P&L and CW Branches to third party operators under contracts awarded by public bid.³ WSDOT will not operate the lines, but will retain the residual common carrier obligation should the operators prove unable to perform. WSDOT is acquiring the Lines in order to preserve freight rail service for the public in Eastern Washington.

WSDOT certifies that the projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III railroad and will not exceed \$5 million.

The earliest this transaction may be consummated is June 20, 2007, the effective date of the exemption (30 days after the exemption was filed).⁴

² WSDOT recites that PCC will also retain an "exclusive freight rail easement" to provide service under the lease. However, because WSDOT recites that it will acquire the common carrier obligation for the PV-Hooper Branch, PCC's interests after this transaction cannot constitute an easement interest and apparently will be in the form of a leasehold only. While the notice filed by WSDOT is somewhat ambiguous, the fact that it asserts it will obtain a common carrier obligation and the fact that it has invoked Board authority to acquire ownership of the Lines indicates that it is acquiring the right to operate over the Lines, and intends to execute leases with other carriers, including PCC, to satisfy WSDOT's common carrier obligation.

³ Related notices of exemption have been filed in: (1) STB Finance Docket No. 35028, *Washington & Idaho Railway, Inc.—Lease and Operation Exemption—Washington State Department of Transportation*, wherein Washington & Idaho Railway, Inc., seeks to operate over the P&L Branch; and (2) STB Finance Docket No. 35029, *Eastern Washington Gateway Railroad Company—Lease and Operation Exemption—Washington State Department of Transportation*, wherein Eastern Washington Gateway Railroad Company seeks to operate over the CW Branch.

⁴ On May 21, 2007, WSDOT filed a petition requesting that the Board partially revoke the class exemption as necessary to allow the exemption in this proceeding to become effective on June 1, 2007,

If the verified 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 transaction. Petitions for stay must be filed no later than June 13, 2007, unless the Board grants WSDOT's petition to make the exemption effective sooner, in which case the due date for stays will be established in the Board's decision acting on WSDOT's petition.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35024, 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 Mark S. Lyon, 7141 Cleanwater Drive, SW, Tumwater, WA 98501-6503.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: May 24, 2007.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB-156 (Sub-No. 26X)]

Delaware and Hudson Railway Company, Inc., d/b/a Canadian Pacific Railway Company—Abandonment Exemption—in Albany County, NY

Delaware and Hudson Railway Company, Inc., d/b/a Canadian Pacific Railway Company (D&H) has filed a notice of exemption¹ under 49 CFR 1152 Subpart F—*Exempt Abandonments* to abandon 1.98 +/- miles of rail line between mileposts A 6.95 +/- (in Colonie) and A 7.13 +/- and mileposts T 0.0 +/- and T 1.81 +/- (in Green Island), in Albany County, NY.² The line traverses

rather than on June 20. That request will be addressed in a separate Board decision.

¹ D&H filed a supplement to its notice of exemption on May 17, 2007.

² Pursuant to 49 CFR 1152.50(d)(2), the railroad must file a verified notice with the Surface Transportation Board (Board) at least 50 days before the abandonment or discontinuance is to be consummated. D&H initially indicated in its notice of exemption a proposed consummation date of June 29, 2007, but because the verified notice was filed on May 14, 2007, consummation may not take place prior to July 3, 2007. D&H has been informed

United States Postal Service Zip Codes 12183 and 12189.

D&H has certified that: (1) No local traffic has moved over the line for at least 2 years; (2) any overhead traffic can be and has been 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 either is pending with the Board or with any U.S. District Court or has been decided in favor of complainant within the 2-year period; and (4) the requirements at 49 CFR 1105.7 (environmental reports), 49 CFR 1105.8 (historic reports), 49 CFR 1105.11 (transmittal letter), 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 abandonment shall be protected under *Oregon Short Line R. Co.—Abandonment—Goshen*, 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) has been received, this exemption will be effective on July 3, 2007, unless stayed pending reconsideration.³ Petitions to stay that do not involve environmental issues,⁴ formal expressions of intent to file an OFA under 49 CFR 1152.27(c)(2),⁵ and trail use/rail banking requests under 49 CFR 1152.29 must be filed by June 11, 2007. Petitions to reopen or requests for public use conditions under 49 CFR 1152.28 must be filed by June 21, 2007, 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 D&H's representative: W. Karl Hansen,

by a Board staff member that consummation may not take place until July 3, 2007.

³ On May 17, 2007, R. Freedom & Son, Inc., filed a notice of intent to file an OFA to purchase the line. The Board will address the request and any other requests that may be timely filed in a separate decision.

⁴ The Board will grant a stay if an informed decision on environmental issues (whether raised by a party or by the Board's Section of Environmental Analysis (SEA) in its independent investigation) cannot be made before the exemption's effective date. *See Exemption of Out-of-Service Rail Lines*, 5 I.C.C.2d 377 (1989). Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption's effective date.

⁵ Each OFA must be accompanied by the filing fee, which currently is set at \$1,300. *See* 49 CFR 1002.2(f)(25).