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SERVICE DATE - FEBRUARY 28, 2002

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FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34148]

Genesee & Wyoming Inc.–Control Exemption–ETR Acquisition Corporation and Emons Transportation Group, Inc.

Genesee & Wyoming Inc. (GWI), a noncarrier holding company,¹ has filed a verified notice of exemption to (i) acquire all of the stock of Emons Transportation Group, Inc. (Transportation), a noncarrier holding company, and (ii) continue in control of ETR Acquisition Corporation (Acquisition), a noncarrier wholly owned subsidiary of GWI. Transportation directly controls Emons Railroad Group, Inc. (Emons Rail), a noncarrier holding company, and indirectly controls the following wholly owned Class III rail carrier subsidiaries (subsidiaries) of Emons Rail: York Railway Company (York), operating in the State of Pennsylvania; Penn Eastern Rail Lines, Inc., operating in the State of Pennsylvania; St. Lawrence & Atlantic Railroad Company (SLR), operating in the States of Vermont, New Hampshire, and Maine; and St. Lawrence & Atlantic Railroad (Quebec) Inc., operating in the State of Vermont via trackage rights over a

¹ The verified notice indicates that GWI has direct control of one Class II rail carrier subsidiary and 14 Class III rail carrier subsidiaries. In addition, GWI has indirect control of three Class III rail carrier subsidiaries, through its ownership of noncarrier Rail Link, Inc. The direct and indirect subsidiary rail carriers of GWI are collectively referred to as Affiliates.

portion of the rail line owned by SLR.² Acquisition will be the mechanism used by GWI to acquire ownership of Transportation.³ Through GWI's acquisition of Transportation, GWI will have indirect control of the subsidiaries.

The transaction is expected to be consummated on or shortly after February 22, 2002.

GWI states that: (i) the properties of subsidiaries and affiliates will not connect with each other; (ii) the acquisition and continuance in control are not part of a series of anticipated transactions that would connect the rail lines of subsidiaries and affiliates with each other; and (iii) the transaction does not involve a Class I 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. Because the transaction involves one Class II and one or more Class III rail carriers, the exemption is subject to the labor protection requirements of 49 U.S.C. 11326(b).

² The verified notice states that Transportation also controls Maryland and Pennsylvania Railroad, LLC, and Yorkrail, LLC, two non-operating common carriers, which separately hold the rail assets over which York operates.

³ According to the verified notice, the shareholders of Transportation will become entitled to payment of money and their shares will be cancelled. Further, Acquisition will be merged into the surviving Transportation with each share of Acquisition being converted into a share of stock of the surviving Transportation and GWI thereby becoming the sole shareholder of Transportation.

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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34148, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Troy W. Garris, Esq., Weiner Brodsky Sidman Kider PC, 1300 Nineteenth Street, N.W., Fifth Floor, Washington, DC 20036-1609.

Board decisions and notices are available on our website at www.stb.dot.gov.

Decided: February 21, 2002.

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

Vernon A. Williams

Secretary