

45208

SERVICE DATE – MAY 20, 2016

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36003]

Paul Didelius—Continuance in Control Exemption—WRL, LLC

Paul Didelius (Didelius), an individual and noncarrier,¹ has filed a verified notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of WRL, LLC (WRL), upon WRL's becoming a Class III rail carrier.

This transaction is related to a concurrently filed verified notice of modified certificate of public convenience and necessity in WRL, LLC—Notice of Modified Rail Certificate, Docket No. FD 36002, in which WRL seeks Board approval to lease and operate a line of railroad (the Line) which was previously authorized for abandonment, and thereafter acquired by the Port of Royal Slope, a Washington State municipal corporation. The total distance of the Line is approximately 26 miles: (1) originating at milepost 1989.06, near Othello, Adams County, Wash., and continuing west to milepost 2009, at Royal City Junction, Grant County, Wash.; and (2) then northbound, a distance of 5.2 miles, terminating at an industrial siding near Royal City, Grant County, Wash.

¹ Didelius currently owns 100% of LRY, LLC d/b/a Lake Railway (LRY), a Class III carrier that leases and operates rail lines owned by Union Pacific Railroad Company in California and Oregon; 49% of YCR Corporation (YCR), a Class III rail carrier established for the purpose of leasing and operating a line of railroad owned by Yakima County, Wash; and 100% of CCET, LLC (CCET), a Class III short line rail carrier organized for the purpose of leasing and operating a rail line owned by Norfolk Southern Railway Company in Ohio.

The transaction may be consummated on or after June 5, 2016, the effective date of the exemption (30 days after the verified notice of exemption was filed).

Didelius represents that: (1) the rail properties that will be operated and controlled by Didelius, namely WRL, YCR, LRY, and CCET, do not connect with each other or any railroad in their corporate family; (2) there are no plans to acquire additional rail lines for the purpose of making a connection; and (3) each of the carriers involved in the continuance in control transaction is a Class III carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 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 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 effectiveness of the exemption. Petitions for stay must be filed no later than May 27, 2016 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36003, must be filed with Surface Transportation Board, 395 E Street, S.W., Washington, DC

20423-0001. In addition, one copy of each pleading must be served on James H. M. Savage, 22 Rockingham Court, Germantown, MD 20874.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

Decided: May 17, 2016.

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