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SERVICE DATE - AUGUST 4, 2000

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33910]

William J. Drunsic—Continuance in Control Exemption—Nashville & Western Railroad Corp.

William J. Drunsic (Drunsic), an individual, has filed a verified notice of exemption to continue in control of the Nashville & Western Railroad Corp. (N&WRR), upon N&WRR's becoming a Class III railroad.

According to the verified notice of exemption, the parties expected to finalize the transaction by August 1, 2000. The earliest the exemption can be consummated is August 2, 2000, the effective date of the exemption (7 days after the exemption was filed).¹

This transaction is related to STB Finance Docket No. 33907, Nashville & Western Railroad Corp.—Operation Exemption—Cheatham County Rail Authority, wherein N&WRR will succeed to the lease rights and obligations of the Central of Tennessee Railway & Navigation Company under its lease and operating agreement with the Cheatham County Rail Authority.

Drunsic currently controls the Nashville & Eastern Railroad Corp. (N&ERR), which operates in the State of Tennessee. According to Drunsic, the lines of the

¹ Counsel for Drunsic has been contacted by telephone and has acknowledged that the transaction may not be consummated until August 2, 2000.

N&WRR and N&ERR will not connect, and no plans exist to effect such a connection. 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. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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. 33910, 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 John F. McHugh, McHugh & Barnes, P.C., 20 Exchange Place, New York, NY 10005.

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Decided: July 28, 2000.

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

Vernon A. Williams

Secretary