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FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33805]

Ameren Corporation--Control Exemption--Missouri Central Railroad Company

Ameren Corporation (Ameren), the parent of wholly owned subsidiary Ameren ERC, Inc. (ERC), has filed a verified notice of exemption to continue in control of the Joppa & Eastern Railroad (JERR) and to acquire control of Missouri Central Railroad Company (MCRR). On October 13, 1999, Ameren and ERC also filed a motion for protective order under 49 CFR 1104.14 and a protective order was granted.¹

The transaction was scheduled to be consummated on or shortly after October 20, 1999.

Ameren, a noncarrier holding company, currently controls one railroad, the JERR, through Ameren's controlling interest in Electric Energy, Inc. (EEI).² ERC is not a rail

¹ See Ameren Corporation--Control Exemption--Missouri Central Railroad Company, STB Finance Docket No. 33805 (STB served Oct. 22, 1999).

² The JERR owns and operates approximately 5 miles of track within Illinois. EEI was authorized by the Board's predecessor, the Interstate Commerce Commission (ICC), to construct the approximately 5-mile line in Joppa and Eastern Railroad Co.--Construction Exemption--Joppa, IL, Finance Docket No. 31656 (ICC served July 5, and Dec. 24, 1990). The ICC also authorized the JERR to lease approximately 2.5 miles of existing trackage in the same vicinity in Joppa and Eastern Railroad Co.--Petition for Exemption--Lease--Missouri Pacific Railroad Co., Finance Docket No. 31656 (Sub-No. 1) (ICC served May 16, 1991).

carrier and does not control any rail carriers. ERC purchased 95% of the stock of MCRR.³ Because ERC's parent is already in control of one railroad (JERR), the MCRR stock purchased by ERC was placed in a voting trust on October 7, 1999. On or shortly after the October 20, 1999 effective date of this control exemption, ERC was expected to assume control of MCRR. The stock of MCRR had been owned 100% by General Railway Corporation, with the principal shareholder being John F. Larkin.

Ameren states that: (i) these railroads do not connect with each other; (ii) the acquisition of control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; 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. 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

³ All of MCRR's rail line will be within Missouri. The verified notice states that MCRR will own and operate approximately 278 miles of railroad. The notice also states that MCRR was to acquire ownership of approximately 244.5 miles of line and trackage rights over 33.5 miles of line on the date of filing of this verified notice (October 13, 1999), upon consummation of noncarrier GRC Holdings Corporation's acquisition and immediate conveyance to MCRR of rail assets from Union Pacific Railroad Company. See GRC Holdings--Acquisition Exemption--Union Pacific Railroad Co., STB Finance Docket No. 33537 (STB served Jan. 27, 1998) and Missouri Central Railroad Co.--Acquisition and Operation Exemption--Lines of Union Pacific Railroad Co., STB Finance Docket No. 33508 (STB served Jan. 27, 1998).

Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33805, 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, one copy of each pleading must be served on John R. Molm, Esq., Troutman Sanders LLP, 1300 I Street, N.W., Suite 500 East, Washington, DC 20005-3314.

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Decided: October 29, 1999.

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

Vernon A. Williams

Secretary