

37057

SERVICE DATE – JUNE 23, 2006

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34729 (Sub-No. 1)]

Saginaw Bay Southern Railway Company–Acquisition and Operation Exemption–In

Saginaw County, MI

Saginaw Bay Southern Railway Company (SBS), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire from CSX Transportation, Inc. its contractual right to operate, via trackage rights, over approximately 6.84 miles of rail line owned by Huron & Eastern Railway Company, Inc. (HESR) in Saginaw County, MI, extending from a point 440 feet northeast of GTW milepost 40.96 along the Zilwaukee Spur at the Saginaw Station to milepost CBE 7.72 at the Paines Station.¹

SBS certifies that its projected revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier. SBS further certifies that its projected annual revenues are expected to exceed \$5 million. SBS has included a request

¹ This notice was filed pursuant to the Board's May 5, 2006 decision directing SBS to file a new notice of exemption to acquire the authority sought here. See Saginaw Bay Southern Railway Company–Acquisition and Operation Exemption–Rail line of CSX Transportation, Inc., STB Finance Docket No. 34729 (STB served May 5, 2006). SBS had inadvertently failed to include what would have been a grant of incidental trackage rights to operate over HESR's line in its notice of exemption filed on September 1, 2005, and thus did not have Board authority to operate over the subject line. See Saginaw Bay Southern Railway Company–Acquisition and Operation Exemption–Rail line of CSX Transportation, Inc., STB Finance Docket No. 34729 (STB served and published in the Federal Register on Sept. 27, 2005) (70 FR 56525).

in its notice filed on May 26, 2006, for waiver of the requirements of 49 CFR 1150.42(e) to permit the exemption to become effective without providing the 60-day advance notice. Finding no adverse impact on the affected employees, by decision served on June 19, 2006, the Board has granted SBS's request and waived the requirements of 49 CFR 1150.42(e).² The waiver decision has the effect of making the exemption in this proceeding effective on June 19, 2006.

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. 34729 (Sub-No. 1), must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Andrew B. Kolesar III, Slover & Loftus, 1224 17th Street, N.W., Washington, DC 20036.

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

² See Saginaw Bay Southern Railway Company–Acquisition and Operation Exemption–In Saginaw County, MI, STB Finance Docket No. 34729 (Sub-No. 1) (STB served June 19, 2006).

Decided: June 19, 2006.

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

Vernon A. Williams

Secretary