

36254

SERVICE DATE – OCTOBER 19, 2005

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34758]

RailAmerica, Inc., et al.—Control Exemption—Point Comfort and Northern Railway Company, Rockdale, Sandow & Southern Railroad Company, The Massena Terminal Railroad Company, and Bauxite & Northern Railway Company

RailAmerica, Inc. (RailAmerica), Palm Beach Rail Holding, Inc. (Palm Beach), and RailAmerica Transportation Corp. (RTC), have filed a notice of exemption to permit RailAmerica, Palm Beach, and RTC to acquire control of Point Comfort and Northern Railway Company (PCNR), Rockdale, Sandow & Southern Railroad Company (RSSR), The Massena Terminal Railroad Company (MTRC), and Bauxite & Northern Railway Company (BXNR) by purchase of all of their stock from Alcoa, Inc. PCNR, RSSR, MTRC, and BXNR are Class III carriers. PCNR and RSSR operate in Texas, MTRC operates in New York and BXNR operates in Arkansas.

The transaction was scheduled to be consummated on or after September 30, 2005.

RailAmerica directly controls one Class II rail carrier and 26 Class III rail carriers. In addition, RailAmerica directly controls Palm Beach, which in turn directly controls RTC.

Applicants state that: (i) the rail lines involved in this transaction do not connect with any rail lines now controlled, directly or indirectly by RailAmerica; (ii) this

transaction is not part of a series of anticipated transactions that would connect any of these rail lines with each other; and (iii) this transaction does not involve a Class I carrier. Therefore, this transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

The purpose of this transaction is to make the efficiencies and economies of the RailAmerica structure available to PCNR, RSSR, MTRC, and BXNR.

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 at least 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).

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. 34758, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Of Counsel, BALL JANIK LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

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

Decided: October 11, 2005.

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

Vernon A. Williams

Secretary