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SERVICE DATE - FEBRUARY 27, 1998

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33554]

Twin Cities & Western Railroad Company—Corporate Family Transaction

Exemption—Minnesota River Bridge Company

Twin Cities & Western Railroad Company (TCW) and Minnesota River Bridge Company (MRBC),<sup>1</sup> Class III railroads, have jointly filed a verified notice of exemption. The exempt transaction is a merger of MRBC into TCW, with TCW as the surviving corporation.

The transaction is expected to be consummated on or after February 24, 1998.

The proposed merger will enable the surviving carrier to operate the rail lines more efficiently without affecting the current operations over the rail lines.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family.

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

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<sup>1</sup> TCW and MRBC are owned and controlled by Douglas M. Head, Kent P. Shoemaker, and Charles H. Clay. TCW operates in the States of Minnesota and South Dakota, and MRBC operates in the State of Minnesota.

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 verified notice contains false or misleading information, the exemption is void ab initio. Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to reopen will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33554, 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 Jo A. DeRoche, Esq., Weiner, Brodsky, Sidman & Kider, P.C., 1350 New York Avenue, N.W., Suite 800, Washington, DC 20005-4797.

Decided: February 23, 1998.

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

Vernon A. Williams

Secretary