

33013

SERVICE DATE - SEPTEMBER 25, 2002

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 30142 (Sub-No. 5)]

Norfolk Southern Railway Company—Extension of Lease Exemption—Virginia and

Southwestern Railway Company

Norfolk Southern Railway Company (NSR),¹ a Class I rail carrier, has leased and operated the properties of its wholly owned subsidiary, Virginia and Southern Railway Company (VSW), consisting of approximately 100 miles of rail line in Tennessee and Virginia, under a lease originally authorized by the Board's predecessor, the Interstate Commerce Commission, in 1958. The lease, which has been extended five times, is scheduled to expire on March 14, 2003. The railroads have agreed to extend the lease until March 14, 2023.

This verified notice is filed under 49 CFR 1180.2(d)(3), which exempts transactions within a corporate family and do not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family; and 49 CFR 1180.2(d)(4), which exempts renewals of leases and other matters where the Board has previously authorized the transactions, and only an extension in time is involved.

¹ NSR, formerly known as Southern Railway Company, is controlled through stock ownership by Norfolk Southern Corporation, a noncarrier holding company.

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 revoke will not automatically stay the transaction.

Any employee affected by the subject transaction will be protected by the labor conditions imposed in Mendocino Coast Ry., Inc.–Lease and Operate, 354 I.C.C. 732 (1978), as modified in Mendocino Coast Ry., Inc.–Lease and Operate, 360 I.C.C. 653 (1980), aff’d sub nom. RLEA v. ICC, 675 F.2d 1248 (D.C. Cir. 1982).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 30142 (Sub-No. 5), 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 David A. Shelton, Three Commercial Place, Norfolk, VA 23510-9241.

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

Decided: September 17, 2002.

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

Vernon A. Williams

Secretary