

By the Board,  
**Rachel D. Campbell,**  
*Director, Office of Proceedings.*  
**Raina S. White,**  
*Clearance Clerk.*

[FR Doc. 2014-11984 Filed 5-22-14; 8:45 am]

BILLING CODE 4915-01-P

## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35828]

#### **The Apache Railroad Company, LLC—Corporate Family Transaction Exemption—the Apache Railway Company**

The Apache Railroad Company, LLC (APA), and The Apache Railway Company (Apache) (collectively, applicants) have jointly filed a verified notice of exemption under 49 CFR 1180.2(d)(3) for a corporate family transaction.

According to the applicants, APA is a noncarrier and a limited liability company established for the purpose of owning and operating a common carrier short line railroad. Apache is an existing Class III railroad. Both are wholly owned subsidiaries of Snowflake Community Foundation (Snowflake), a noncarrier entity that, according to the applicants, was established to acquire Apache's common stock to preserve the railroad's track, facilities, and operations. Applicants state that APA would acquire all of the assets, franchises, rights, obligations, and operations of Apache, which would be merged into APA. Consequently, APA would become a Class III railroad upon the consummation of this transaction.<sup>1</sup> According to the applicants, the purpose of this transaction is to enable Snowflake to obtain a federal loan in order to finance the acquisition of Apache's assets and operations.

Unless stayed, the exemption will be effective on June 7, 2014 (30 days after the verified notice was filed).

Applicants state that they intend to consummate the proposed transaction on or about mid-June 2014.

Applicants state that the transaction qualifies for the class exemption for corporate family transactions under 49 CFR 1180.2(d)(3) and have not indicated that the transaction would result in

adverse changes in service levels, significant operational changes, or any changes 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 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because the only carrier involved is a Class III rail carrier.

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 effectiveness of the exemption. Petitions for stay must be filed no later than May 30, 2014 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35828, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on John D. Heffner, Strasburger & Price, LLP, 1025 Connecticut Ave. NW., Suite 717, Washington, DC 20036.

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

Decided: May 19, 2014.

By the Board, Rachel D. Campbell,  
*Director, Office of Proceedings.*

**Jeffrey Herzig,**  
*Clearance Clerk.*

[FR Doc. 2014-12005 Filed 5-22-14; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35789]

#### **Pacific Harbor Line, Inc.—Lease and Operation Exemption—Union Pacific Railroad Company**

Pacific Harbor Line, Inc. (PHL), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to lease from Union Pacific Railroad Company (UP), and to operate, pursuant to a lease agreement, approximately 30,820 feet of rail line, known as the Santa Ana Bypass Track, extending from milepost 21.7 at CP Compton to milepost 15.9 at Firestone Park in Los Angeles County, Cal.

This transaction is related to a concurrently filed verified notice of exemption in *Pacific Harbor Line, Inc.—Operation Exemption—Union Pacific Railroad Company*, Docket No. FD 35814, wherein PHL seeks Board approval to operate, also pursuant to the above lease agreement, approximately 5.75 miles of rail line that UP currently operates in Los Angeles County, Cal. This line is owned by the City of Los Angeles, Cal., acting by and through its Board of Harbor Commissioners, and the City of Long Beach, Cal., acting by and through its Board of Harbor Commissioners.

According to PHL, the agreement between PHL and UP does not contain any provision that may limit future interchange of traffic with any third-party connecting carrier. PHL states that, under the terms of the lease, UP will retain the exclusive common carrier obligation to provide service over the line.

PHL intends to consummate the proposed transaction 30 days or more after the exemption was filed (May 7, 2014), or 60 days or more after filing its certification with the Board pursuant to 49 CFR 1150.42(e).

PHL certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier. Because PHL's projected annual revenues will exceed \$5 million, PHL certified to the Board on April 30, 2014, that it had complied with the requirements of 49 CFR 1150.32(e) by providing notice to employees and their labor unions on the affected 30,820 feet of rail line. Under 49 CFR 1150.32(e), this exemption cannot become effective until 60 days after the date notice was provided, which would be June 29, 2014.

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 effectiveness of the exemption. Petitions to stay must be filed no later than June 20, 2014 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35789, must be filed with the Surface Transportation Board, 395 E Street, SW., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Rose-Michele Nardi, Transport Counsel PC, 1701 Pennsylvania Avenue NW., Suite 300, Washington, DC 20006.

<sup>1</sup> Pursuant to 49 CFR 1180.6(a)(7)(ii), applicants are required to submit "a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction." According to the applicants, an agreement has not yet been prepared. Applicants are directed to file a copy of the agreement as soon as it is available.