

**DEPARTMENT OF TRANSPORTATION****Surface Transportation Board****[STB Finance Docket No. 35355]****Albany & Eastern Railroad Company—  
Acquisition and Operation  
Exemption—Union Pacific Railroad  
Company and Willamette & Pacific  
Railroad, Inc.**

Albany & Eastern Railroad Company (AERC), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire and operate the exclusive rail freight easement between milepost 682.25, near Greenberry, OR, and milepost 687.6, near Corvallis, OR (the Line), a distance of approximately 5.35 miles. AERC will: (1) Acquire the rail freight easement from Union Pacific Railroad Company (UP), the current owner of the Line; and (2) take assignment of UP's lease with Willamette & Pacific Railroad, Inc. (WPRR), the current operator on the Line, and any and all of WPRR's remaining operating rights and obligations with respect to the Line. UP and WPRR will retain limited overhead trackage rights on the Line.

This transaction is related to a concurrently filed notice of exemption in STB Finance Docket No. 35353, *VFRC, LLC—Acquisition Exemption—Union Pacific Railroad Company*. In that proceeding, VFRC, LLC (VFRC) seeks an exemption under 49 CFR 1150.31 to acquire from UP the physical assets and the underlying right-of-way of the Line.

AERC states that it will execute an operating agreement with VFRC, pursuant to which it will provide all rail freight service between industries on the Line and connecting carrier WPRR near Corvallis. To physically interchange cars with WPRR, AERC and WPRR will enter into an interchange agreement that will provide AERC incidental operating rights over certain additional trackage owned by UP and leased by WPRR.

AERC also states that the proposed transaction does not contain any provision or involve any agreement that would limit its future ability to interchange traffic with a third party connecting carrier.

AERC certifies that its projected annual revenues as a result of the transaction will not result in AERC becoming a Class II or Class I rail carrier and further certifies that its projected annual revenues will not exceed \$5 million.

AERC states that it expects the transaction to be consummated on or shortly after the effective date of this exemption. The earliest this transaction

may be consummated is March 24, 2010, the effective date of the exemption (30 days after the exemption was filed).

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 for stay must be filed no later than March 17, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35355, 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 Myles L. Tobin, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: March 5, 2010.

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

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

[FR Doc. 2010-5081 Filed 3-9-10; 8:45 am]

**BILLING CODE 4915-01-P**

**DEPARTMENT OF TRANSPORTATION****Surface Transportation Board****[STB Finance Docket No. 35353]****VFRC, LLC—Acquisition Exemption—  
Union Pacific Railroad Company**

VFRC, LLC (VFRC), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire certain physical assets of a rail line and the underlying right-of-way from the Union Pacific Railroad Company (UP), between milepost 682.25, near Greenberry, OR, and milepost 687.6, near Corvallis, OR (the Line), a distance of approximately 5.35 miles.

VFRC states that it will not provide rail freight service over the Line, but that UP will retain a permanent, exclusive rail freight easement to provide service over the Line. In a currently filed notice of exemption to become the operator of the Line, the Albany & Eastern Railroad Company seeks to acquire the freight easement from UP and to acquire by assignment from the Willamette & Pacific Railroad, Inc. (WPRR), the current operator of the Line, WPRR's operating rights and obligations with respect to the Line. *See*

*Albany & Eastern Railroad Company—Acquisition and Operation Exemption—Union Pacific Railroad Company and Willamette & Pacific Railroad, Inc.*, STB Finance Docket No. 35355.

VFRC states that it is in the process of finalizing a Line Sale Contract with UP, pursuant to which UP will: (1) Convey to VFRC certain track and track structures on, and the right-of-way underlying, the Line; and (2) retain the freight easement for operating the Line. VFRC also states that the Line Sale Contract does not contain a provision prohibiting the interchange of traffic with a third party.<sup>1</sup>

VFRC certifies that its projected annual revenues as a result of the transaction will not exceed those that would qualify it as Class III rail carrier and further certifies that its projected annual revenues will not exceed \$5 million.

VFRC states that it expects the transaction to be consummated on or shortly after the effective date of this exemption. The earliest this transaction may be consummated is March 24, 2010, the effective date of the exemption (30 days after the exemption was filed).

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 for stay must be filed no later than March 17, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35353, 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 Karl Morell, Ball Janik LLP, 1445 F Street, NW., Suite 225, Washington, DC 20005.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: March 5, 2010.

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

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

[FR Doc. 2010-5077 Filed 3-9-10; 8:45 am]

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<sup>1</sup> VFRC indicates that it will shortly be filing a motion to dismiss this notice of exemption on the grounds that the Board does not have jurisdiction over the involved purchase. If such a motion is filed, it will be addressed in a subsequent Board decision.