

Applicants submit that granting the applications will produce, or continue to produce, substantial benefits, including interest cost savings from the restructuring of debt and reduced operating costs from Coach's enhanced volume purchasing power. Specifically, applicants claim that each carrier will benefit from the lower insurance premiums negotiated by Coach or its subsidiaries and from volume discounts for equipment and fuel. Applicants indicate that the respective subsidiary will provide each of the carriers to be acquired with management services, such as centralized legal and accounting functions and coordinated purchasing services. In addition, applicants state that vehicle sharing arrangements will be facilitated through Coach and its subsidiaries to ensure maximum use and efficient operation of equipment and that coordinated driver training services will be provided. Applicants also state that the proposed transactions will have no adverse impacts on the employees of Ross and VTQ and that Coach Canada and Yellow Cab will honor all collective bargaining agreements.

Applicants assert that, by further decentralizing certain management functions, they will be better able to plan equipment utilization, develop financial plans and coordinate other short- and long-term operational strategies best designed to meet the specific and unique needs of carriers operating in a particular region of the country, and their customers. Specifically, Coach Canada and Yellow Cab will each maintain a database of the assets, including the vehicles operated by each of the operating carriers, which will allow the management of Coach Canada and Yellow Cab to more effectively deploy vehicles, resulting in more timely and efficient service to the traveling public. Further, Coach Canada and Yellow Cab will coordinate the safety and compliance programs of the carriers they control, with the object of maintaining and raising safety performance levels for each of the operating carriers.

Coach anticipates that Coach Canada and Yellow Cab will be well-positioned to aid in the assessment of possible future acquisitions of motor passenger carriers in the particular area in which they function. According to Coach, Coach Canada and Yellow Cab will be able to make those assessments in view of the operations of the carriers under their control and with a view toward developing and carrying out a strategic growth plan. Over the longer term, Coach, Coach Canada and Yellow Cab will provide centralized marketing and

will further enhance the benefits resulting from these acquisitions.

Coach certifies that: (1) the jurisdictional threshold has been met with respect to the transactions that are the subject of the applications;¹⁰ (2) neither Ross nor VTQ has been rated for safety by the U.S. Department of Transportation; (3) each of the acquired carriers has sufficient liability insurance; (4) neither Ross nor VTQ is domiciled in Mexico or owned or controlled by persons of that country; and (5) approval of the transactions will not significantly affect either the quality of the human environment or the conservation of energy resources. Additional information may be obtained from the applicants' representatives.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction we find consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees. The prior consummation of the transaction involving VTQ does not bar approval of the application in STB Docket No. MC-F-20946 under section 14303 if the evidence establishes that the transaction would be consistent with the public interest in other respects, and for the future.¹¹

On the basis of the applications, we find that the proposed acquisitions of control are consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the applications.¹² If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

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

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

¹⁰ See 49 CFR 1182.2(a)(5).

¹¹ Applicants, Coach and Coach Canada, seek *nunc pro tunc* approval of the control of VTQ. While we are granting our tentative approval, the need for retroactive effect has not been demonstrated. Applicants evidently recognize that they should have sought our approval sooner but, under the circumstances, the Board does not intend to pursue enforcement actions against applicants for previously unauthorized common control.

¹² Under revised 49 CFR 1182.6(c), a procedural schedule will not be issued if we are able to dispose of opposition to the application on the basis of comments and the reply.

It is ordered:

1. The proposed acquisitions of control are approved and authorized, subject to the filing of opposing comments.

2. If timely opposing comments are filed, the findings made in this decision will be deemed as having been vacated.

3. This decision will be effective on June 28, 1999, unless timely opposing comments are filed.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Office of Motor Carriers-HIA 30, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20004; and (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530.

Decided: May 10, 1999.

By the Board, Chairman Morgan, Vice Chairman Clyburn, and Commissioner Burkes.

Vernon A. Williams,

Secretary.

[FR Doc. 99-12255 Filed 5-13-99; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33745]

Delaware and Hudson Railway Company d/b/a Canadian Pacific Railway—Trackage Rights Exemption—Norfolk Southern Railway Company

Norfolk Southern Railway Company (NS) has agreed to grant overhead trackage rights to Delaware and Hudson Railway d/b/a Canadian Pacific Railway (D&H) over NS's trackage described as: (1) the Harrisburg Line, between the connection with the Pittsburgh Line at CP Harris, at or near milepost 112.9, in Harrisburg, PA, and CP Walnut, at or near milepost 58.6, in Reading, PA, a distance of approximately 54.3 miles; (2) the Reading Line, between the connection with the Harrisburg Line at CP Wyomissing Jct., at or near milepost 9.4, and the connection with the Reading Belt Branch at CP Valley, Jct., at or near milepost 8.7, all in Reading, a distance of approximately 0.7 miles; and (3) the Reading Belt Branch, between CP Cumru, at or near milepost 11.0, in Reading, and CP Bird, at or near milepost 18.5, in Birdsboro, PA, a distance of approximately 7.5 miles.

The transaction is scheduled to be consummated on May 31, 1999.

The trackage rights will permit D&H to connect its current trackage rights at

Harrisburg to its current trackage rights at Reading to permit fluid through movements between CP Kase, PA, and the Philadelphia, PA area.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it 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. 33745, 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 Diane P. Gerth, Esq., Leonard, Street and Deinard, 150 South Fifth Street, Minneapolis, MN 55402.

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

Decided: May 6, 1999.

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

Vernon A. Williams,
Secretary.

[FR Doc. 99-12114 Filed 5-13-99; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33745]

Delaware and Hudson Railway Company d/b/a Canadian Pacific Railway—Trackage Rights Exemption—Norfolk Southern Railway Company

Norfolk Southern Railway Company (NS) has agreed to grant overhead trackage rights to Delaware and Hudson Railway d/b/a Canadian Pacific Railway (D&H) over NS's trackage described as: (1) the Harrisburg Line, between the connection with the Pittsburgh Line at CP Harris, at or near milepost 112.9, in Harrisburg, PA, and CP Walnut, at or near milepost 58.6, in Reading, PA, a distance of approximately 54.3 miles; (2) the Reading Line, between the connection with the Harrisburg Line at CP Wyomissing Jct., at or near milepost

9.4, and the connection with the Reading Belt Branch at CP Valley, Jct., at or near milepost 8.7, all in Reading, a distance of approximately 0.7 miles; and (3) the Reading Belt Branch, between CP Cumru, at or near milepost 11.0, in Reading, and CP Bird, at or near milepost 18.5, in Birdsboro, PA, a distance of approximately 7.5 miles.

The transaction is scheduled to be consummated on May 31, 1999.

The trackage rights will permit D&H to connect its current trackage rights at Harrisburg to its current trackage rights at Reading to permit fluid through movements between CP Kase, PA, and the Philadelphia, PA area.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it 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. 33745, 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 Diane P. Gerth, Esq., Leonard, Street and Deinard, 150 South Fifth Street, Minneapolis, MN 55402.

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

Decided: May 6, 1999.

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

Vernon A. Williams,
Secretary.

[FR Doc. 99-12263 Filed 5-13-99; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33743]

Pioneer Railcorp—Acquisition of Control Exemption—The Garden City Western Railway, Inc.

Pioneer Railcorp (Pioneer), a noncarrier holding company, has filed a notice of exemption to acquire control

of The Garden City Western Railway, Inc. (GCW), a Class III rail carrier, operating in the State of Kansas.¹

The transaction was scheduled to be consummated on or shortly after May 7, 1999.

Pioneer currently controls fourteen existing shortline rail carriers, thirteen directly and one indirectly.²

Pioneer states that: (i) the railroads do not connect with each other; (ii) the transaction is not part of a series of anticipated transactions that would connect the railroads with each other; and (iii) the transaction does not involve a Class I carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

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 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 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. 33743, 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 all pleadings must be served on John D. Heffner, Esq., Rea, Cross & Auchincloss, 1707 L Street, N.W., Suite 570, Washington, DC 20036.

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

Decided: May 7, 1999.

¹ See *The Garden City CO-OP, Inc.—Acquisition and Operation Exemption—Between Garden City and Wolf, in Finney County, KS*, Finance Docket No. 30091 (ICC served Dec. 30, 1982) and *The Garden City CO-OP, Inc.—Corporate Family Transaction Exemption—The Garden City Western Railway Co. and The Garden City Northern Railway Co.*, Finance Docket No. 31861 (ICC served May 8, 1991).

² See *Pioneer Railcorp and Wabash & Western Railway Co.—Acquisition of Control Exemption—Michigan Southern Railroad Co., Inc.*, STB Finance Docket No. 33704 (STB served Jan. 28, 1999).