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SERVICE DATE - APRIL 30, 1998

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33578]

North American Railnet, Inc.—Continuance in Control Exemption—Camas Prairie Railnet, Inc.

North American Railnet, Inc. has filed a notice of exemption to continue in control of the Camas Prairie Railnet, Inc. (CSPR), upon CSPR's becoming a Class III railroad.

The transaction was scheduled to be consummated on or after April 17, 1998.

This transaction is related to STB Finance Docket No. 33558, Camas Prairie Railnet, Inc.—Acquisition and Operation Exemption—Camas Prairie Railroad Company, Union Pacific Railroad Company, and The Burlington Northern and Santa Fe Railway, wherein CSPR seeks to acquire and operate a series of interconnected rail lines from the Camas Prairie Railroad Company, the Union Pacific Railroad Company, and The Burlington Northern and Santa Fe Railway Company.

Applicant controls two existing Class III railroads: Nebraska, Kansas, & Colorado Railnet, Inc., operating in the States of Kansas, Nebraska, and Colorado; and Illinois RailNet, Inc., operating in the State of Illinois.

Applicant states that: (i) the rail lines to be operated by CSPR do not connect with any railroad in the corporate family; (ii) the transaction is not part of a series of anticipated transactions that would connect CSPR's lines with any railroad in the corporate family; 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. 33578, 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

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each pleading must be served on Robert A. Wimbish, Esq., Rea, Cross & Auchincloss, 1707
L, N.W., Suite 570, Washington, DC 20036.

Decided: April 23, 1998.

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

Vernon A. Williams

Secretary