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SERVICE DATE – DECEMBER 7, 2011

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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35576]

PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.—Acquisition
Exemption—Pennsylvania Department of Transportation

PPL Susquehanna, LLC, and Allegheny Electric Cooperative, Inc. (collectively PPLS), both noncarriers, have filed a verified notice of exemption under 49 C.F.R. § 1150.31. The notice invokes a class exemption from 49 U.S.C. § 10901, which requires that authority be obtained from the Board before the acquisition of an active rail line. PPLS seeks the exemption for its purchase, from the Pennsylvania Department of Transportation (PennDOT), of an approximately 7-mile line of railroad (the Line), a portion of the former Bloomsburg Branch. The Line extends between the PPLS nuclear powered electric generating plant at milepost 170.00 and a point of connection with North Shore Railroad Company (NSRR) at milepost 176.97 at Berwick in Luzerne County, Pa.

PPLS acquired the Line from PennDOT on July 12, 2005, and belatedly seeks approval for the purchase. PPLS's acquisition of the Line came to light in North Shore R.R.—Acquis. & Operation Exemption—PPL Susquehanna, LLC (North Shore), FD 35377, where NSRR, on May 17, 2010, filed a verified notice of exemption to acquire a rail operating easement over the Line. The Board held NSRR's notice in

abeyance and instead issued an order on April 26, 2011, directing PPLS to respond to questions about its acquisition of the Line from PennDOT. PPLS, in a response filed on May 26, 2011, stated that its failure to seek Board approval for its acquisition of the Line was an oversight and expressed the intent to take corrective action. It filed the instant notice on November 21, 2011.

PPLS states that it intends to grant an easement to NSRR, a Class III rail carrier, to provide common carrier service over the Line.¹ That issue will be addressed in North Shore.

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

The exemption will become effective on December 21, 2011 (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 to stay must be filed no later than December 14, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35545, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington,

¹ PPLS states that the easement it is granting to NSRR will become effective 31 days after the filing date of this notice of exemption or on the date NSRR is authorized to operate over the Line, whichever date is later.

DC 20423-0001. In addition, a copy of each pleading must be served on John M. Cutler, Jr. and Andrew P. Goldstein, Suite 700, 1825 K Street, N.W., Washington, DC 20006.

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

Decided: December 2, 2011.

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