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FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33822]

Tuscola and Saginaw Bay Railway Company—Acquisition and Operation Exemption—Grand
Trunk Western Railroad Incorporated. and Central Michigan Railway Company

Tuscola and Saginaw Bay Railway Company (TSBY), a Class III common carrier, has filed a verified notice of exemption under 49 CFR 1150.41 for its acquisition of a Grand Trunk Western Railroad Incorporated (GTW) rail line extending from milepost 105.0 to milepost 109.46, in Owosso, MI, including a short connecting track extending from milepost 63.9 (approximately milepost 107.5 on the first segment) to milepost 64.4, in Owosso, a total distance of approximately 4.96 miles (Owosso Trackage). Additionally, as part of the exemption, TSBY's seeks to continue operations on the Durand-Owosso Line as follows: (1) over GTW's line between milepost 94.0 and milepost 97.5, in Durand; (2) over Central Michigan Railway Company's (CMGN) main line between milepost 97.5, in Durand, and milepost 105, in Owosso; and (3) within CMGN's San Yard, between milepost 105 and milepost 106, in Owosso. The total distance of TSBY's operations on the Durand-Owosso Line is approximately 12 miles.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> TSBY states that it acquired the Owosso Trackage pursuant to a Real Estate Purchase Contract dated October 28, 1997, and that the acquisition was completed on January 5, 1998. TSBY further states that it has been operating the Owosso Trackage in conjunction with other TSBY lines radiating out of Owosso since 1982 and that it will continue to operate the Owosso Trackage.

<sup>&</sup>lt;sup>2</sup> TSBY represents that it has been conducting only overhead operations on the Durand-(continued...)

Apparently unaware until recently that further regulatory authorization was needed, TSBY did not file its verified notice of exemption with the Board until March 30, 2000. Thus, the effective date of the exemption is April 6, 2000 (7 days after the exemption was filed).

If the verified notice contains false or misleading information, the exemption is void <u>ab</u> <u>initio</u>. 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 does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33822, 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, one copy of each pleading must be served on Kevin M. Sheys, Esq., Oppenheimer Wolff Donnelly & Bayh LLP, 1350 Eye Street, N.W., Suite 200, Washington, DC 20005-3324.

<sup>&</sup>lt;sup>2</sup>(...continued)

Owosso Line pursuant to an Operating Agreement with the Michigan Department of Transportation dated September 19, 1985, as amended, but that its operation of the Durand-Owosso Line also dates to 1982. In 1995, TSBY attempted to obtain a modified certificate of public convenience and necessity pursuant to the provisions of 49 CFR 1150, Subpart C, to operate the Owosso Trackage and the Durand-Owosso Line. See Tuscola and Saginaw Bay Railway Company, Inc., Modified Certificate, Finance Docket No. 32743 (ICC served Oct. 12, 1995).

STB Finance Docket No. 33822

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Decided: April 4, 2000.

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

Vernon A. Williams

Secretary