

with a GVWR of 4,536 kilograms (10,000 pounds) or less. GM filed an appropriate report pursuant to 49 CFR part 573, *Defect and Noncompliance Responsibility and Reports* dated July 26, 2010.

Pursuant to 49 U.S.C. 30118(d) and 30120(h) and the rule implementing those provisions at 49 CFR Part 556, GM has petitioned for an exemption from the notification and remedy requirements of 49 U.S.C. chapter 301 on the basis that this noncompliance is inconsequential to motor vehicle safety. Notice of receipt of the petition was published, with a 30-day public comment period, on November 19, 2010 in the **Federal Register** (75 FR 70963). No comments were received. To view the petition and all supporting documents log onto the Federal Docket Management System (FDMS) Web site at: <http://www.regulations.gov/>. Then follow the online search instructions to locate docket number "NHTSA-2010-0151."

For further information on this decision, contact Mr. John Finneran, Office of Vehicle Safety Compliance, the National Highway Traffic Safety Administration (NHTSA), telephone (202) 366-0645, facsimile (202) 366-5930.

GM estimates that approximately 1,113 model year 2011 Buick Regal passenger cars manufactured between January 20, 2010, and May 18, 2010, at GM's Rüsselsheim assembly plant are affected.

GM explains that the noncompliance with FMVSS No. 110 is the omission of the letter "T" in the spare tire size printed on the tire and loading information labels that it affixed to the vehicles. Currently the tire size designation shows the spare tire size as "125/80R16" instead of "T125/80R16."

GM additionally stated that it believes that this noncompliance is inconsequential to motor vehicle safety for the following reasons:

(1) All information for maintaining and/or replacing the front and rear tires, as well as the seating capacity and vehicle capacity weight are correct on tire and loading information labels on the subject vehicles.

(2) The vehicles are equipped with spare tires that have the complete tire size (T125/80R16) molded into their sidewalls.

(3) When a customer needs to replace the spare tire, he/she will take the vehicle to a tire store. The tire store will know what compact spare tire is needed based on the information in their catalog or by looking at the spare tire provided with the vehicle. If they rely on spare tire size printed on the tire and loading

information label, they will find the spare tire size "125/80R16" without the letter T. This should not cause confusion or error because the only tire available with the size designation of "125/80R16" is the compact spare tire "T125/80R16."

(4) Risk to the public is negligible because the vehicles are equipped with the correct spare tire, and the tire and loading information label does have the correct inflation pressure for the compact spare tire.

(5) GM is not aware of any incidents or injuries related to the subject condition.

GM has additionally informed NHTSA that it has corrected the noncompliance so that all future production vehicles will have compliant labels.

Supported by the above stated reasons, GM believes that the subject noncompliance is inconsequential to motor vehicle safety, and that its petition, to exempt it from providing recall notification of noncompliance as required by 49 U.S.C. 30118 and remedying the recall noncompliance as required by 49 U.S.C. 30120, should be granted.

**NHTSA Decision:** The intent of FMVSS No. 110 is to ensure that vehicles are equipped with tires appropriate to handle maximum vehicle loads and prevent overloading. NHTSA has confirmed that: The installed and labeled tires, including the spare, when inflated to the labeled recommended cold inflation pressure are appropriate to handle the vehicle maximum loads; the tire and loading information labels on subject vehicles are correct, except for the subject noncompliance; the vehicles are equipped with spare tires that have the complete tire size (T125/80R16) molded into their sidewalls; and the only tire available with the size designation of "125/80R16" is the compact spare tire "T125/80R16". Consequently, the subject noncompliance should not cause any unsafe conditions associated with determination of the correct tire inflation pressures or replacement tire selection for the subject vehicles.

Therefore, NHTSA agrees with GM that the omission of the letter "T" in the spare tire size printed on the tire and loading information labels that it affixed to the vehicles does not have any adverse safety implications.

NHTSA is also not aware of any customer complaints or field reports relating to this issue and GM has stated that it has corrected the problem that caused these errors so that they will not be repeated in future production.

The National Highway Traffic Safety Administration (NHTSA) notes that the statutory provisions (49 U.S.C. 30118(d) and 30120(h)) that permit manufacturers to file petitions for a determination of inconsequentiality allow NHTSA to exempt manufacturers only from the duties found in sections 30118 and 30120, respectively, to notify owners, purchasers, and dealers of a defect or noncompliance and to remedy the defect or noncompliance. Therefore, these provisions only apply to the 1,113<sup>2</sup> vehicles that have already passed from the manufacturer to an owner, purchaser, or dealer.

In consideration of the foregoing, NHTSA has decided that GM has met its burden of persuasion that the subject FMVSS No. 110 labeling noncompliance is inconsequential to motor vehicle safety. Accordingly, GM's petition is granted and the petitioner is exempted from the obligation of providing notification of, and a remedy for, the subject noncompliance under 49 U.S.C. 30118 and 30120.

**Authority:** 49 U.S.C. 30118, 30120; delegations of authority at CFR 1.50 and 501.8.

Issued on: November 22, 2011.

**Claude H. Harris,**

*Director, Office of Vehicle Safety Compliance.*

[FR Doc. 2011-31002 Filed 12-1-11; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35570]

#### Port Rail Link, Inc.—Acquisition and Operation Exemption—Rail Lines of Union Pacific Railroad Company and The Lake Charles Harbor and Terminal District

Port Rail Link, Inc. (PRL), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to: (1) Acquire by lease from Union Pacific Railroad Company (UP) and operate a 2.3-mile rail line between mileposts 9.45 and 7.15, at or near Harbor Yard at Lake Charles; and (2) acquire by lease from The Lake Charles Harbor and Terminal District (the District), operator

<sup>2</sup> GM's petition, which was filed under 49 CFR part 556, requests an agency decision to exempt GM as a manufacturer from the notification and recall responsibilities of 49 CFR part 573 for the affected vehicles. However, a decision on this petition cannot relieve distributors and dealers of the prohibitions on the sale, offer for sale, or introduction or delivery for introduction into interstate commerce of the noncompliant vehicles under their control after GM notified them that the subject noncompliance existed.

of the Port of Lake Charles (the Port), and operate a 2.8-mile rail line between mileposts 0.0 and 2.8 at or near the City Docks of the Port, a total distance of 5.1 miles in Calcasieu Parish, La.<sup>1</sup>

PRL states that it will interchange manifest traffic with UP at Harbor Yard and interchange unit trains with UP at New Yard, located adjacent to UP's industrial lead track.

The transaction may not be consummated until December 17, 2011 (30 days after the notice of exemption was filed).

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

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 9, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35570, 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 Thomas F. McFarland, 208 South LaSalle St., Suite 1890, Chicago, IL 60604.

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

Decided: November 25, 2011.

By the Board.

**Joseph H. Dettmar,**  
*Acting Director, Office of Proceedings.*

**Raina S. White,**  
*Clearance Clerk.*

[FR Doc. 2011-30900 Filed 12-1-11; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Surface Transportation Board

[Docket No. FD 35561]

#### Lake State Railway Company—Intra-Corporate Family Merger Exemption—Saginaw Bay Southern Railway Company

Lake State Railway Company (LSRC) and Saginaw Bay Southern Railway Company (SBS), both Class III rail carriers, have jointly filed a verified notice of exemption under 49 CFR 1180.2(d)(3) for an intra-corporate family transaction.

Applicants state that both rail carriers operate within the state of Michigan. LSRC owns or operates approximately 225 miles of rail line extending from (a) Bay City to Gaylord, (b) Pinconning (on the Bay City-Gaylord line) to Alpena, and (c) Alabaster Junction (near Tawas City on the Pinconning-Alpena line) to Alabaster. SBS owns or operates over approximately 74 miles of rail line extending primarily between (a) a point of connection with CSX Transportation, Inc. (CSXT) at Mt. Morris and Saginaw, and (b) Saginaw and Midland, Bay City/Essexville and Paines. LSRC and SBS lines connect at Bay City. Applicants note that SBS provides service over its lines through use of LSRC as a contract operator, and LSRC, therefore, already conducts all rail operations on the LSRC/SBS system. Applicants are commonly controlled by J&JG Holding Company, Inc., a noncarrier.<sup>1</sup>

Pursuant to an agreement and plan of merger by the applicants, SBS will merge with and into LSRC, with LSRC being the surviving corporation. According to applicants, the consolidated entity will continue all existing operations of LSRC and SBS.

Applicants point out that, for railway accounting purposes, LSRC functions today as an Interline Settlement System (ISS) carrier, while SBS functions as a Junction Settlement (JS) carrier through CSXT. Applicants state that after the merger of LSRC and SBS, the former SBS lines will be converted to the ISS status,<sup>2</sup> but for administrative and logistical reasons, that change is not expected to occur until on or after March 1, 2012, two months after the formal merger is consummated. During the interim period, LSRC will operate the former SBS lines as "doing business as" Saginaw Bay Southern. CSXT

supports the proposed transaction and the change from JS to ISS for accounting purposes.

The transaction is scheduled to be consummated on January 1, 2012.

The purpose of the transaction is to simplify the corporate structure and reduce overhead costs and duplication by combining the two separate rail carrier corporations.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or any change in the competitive balance with carriers outside the corporate family.

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 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III rail carriers.

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 effectiveness of the exemption. Petitions for stay must be filed no later than December 9, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35561, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423-0001. In addition one copy of each pleading must be served on Thomas J. Litwiler, 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: November 22, 2011.

By the Board.

**Joseph H. Dettmar,**  
*Acting Director, Office of Proceedings.*

**Raina S. White,**  
*Clearance Clerk.*

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<sup>1</sup> UP and the District use different milepost designations. The 2.3-mile segment is identified by UP milepost numbers and the 2.8-mile segment is identified by District milepost numbers. The line segments connect at UP milepost 9.45, which is District milepost 2.8.

<sup>1</sup> James George and J&JG Holding Co.—Continuance in Control Exemption—Saginaw Bay S. Ry., FD 34730 (STB served Oct. 17, 2005).

<sup>2</sup> The Railway Accounting Rules of the Association of American Railroads do not permit a railroad to be both an ISS carrier and a JS carrier.