

Sedgwick County, KS. UP is a Class I rail carrier and Central Kansas Railway Limited Liability Company (CKR) is a limited liability rail carrier. The proposed transaction was expected to be consummated on or shortly after July 29, 1998, the effective date of the exemption.

The joint relocation project involves: (1) CKR's grant to UP of overhead trackage rights on CKR's line extending from South Junction westward to the line of Kansas Southwestern Railway (KSR): (a) over a portion of CKR's Wichita Subdivision from milepost 0.20 near South Junction to CKR's milepost 3.45 (which connects with KSR's Hardtner Industrial Lead at milepost 487.80) and (b) over CKR's track from milepost 211.49 (which is also milepost 2.80 on CKR's Wichita Subdivision) to milepost 212.44 (which also connects with KSR's Hardtner Industrial Lead at milepost 488.8); and (2) UP's incidental abandonment of, and discontinuance of operations over, a parallel portion of UP's Hutchinson Industrial Lead between milepost 483.44 and milepost 485.94 at Hardtner Junction, a distance of 2.50 miles in Wichita. The trackage rights to be abandoned includes the non-agency station of Hardtner Junction at milepost 485.94.

The proposed joint relocation project will not disrupt service to shippers. The notice states that the project is to remove long freight trains from UP's trackage and to eliminate approximately 24 grade crossings in Wichita. It also states that the project will facilitate implementation of part of an agreement which has been reached between UP, the City of Wichita and Sedgwick County in a signed Memorandum of Understanding (MOU), filed with the Board on June 26, 1998, and granted.¹

The Board will exercise jurisdiction over the abandonment or construction components of a relocation project, and require separate approval or exemption, only where the removal of track affects service to shippers or the construction of new track involves expansion into a new territory. See *City of Detroit versus Canadian National Ry. Co., et al.*, 9 I.C.C.2d 1208 (1993), *aff'd sub nom., Detroit/Wayne County Port Authority versus ICC*, 59 F.3d 1314 (D.C. Cir. 1995). Line relocation projects may embrace trackage rights transactions

such as the one involved here. See *D.T.&I.R.—Trackage Rights*, 363 I.C.C. 878 (1981). Under these standards, the incidental abandonment, construction, and trackage rights components require no separate approval or exemption when the relocation project, as here, will not disrupt service to shippers and thus qualifies for the class exemption at 49 CFR 1180.2(d)(5).

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).

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. 33626, 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 Joseph D. Anthofer, 1416 Dodge Street, #830, Omaha, NE 68179.

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

Decided: August 10, 1998.

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

Vernon A. Williams,
Secretary.

[FR Doc. 98-22021 Filed 8-17-98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33603]

Richard B. Webb and Susan K. Lundy—Control Exemption—Blue Mountain Railroad, Inc. and Southeast Kansas Railroad Company

AGENCY: Surface Transportation Board.

ACTION: Notice of exemption.

SUMMARY: The Board grants an exemption under 49 U.S.C. 10502, from the prior approval requirements of 49 U.S.C. 11323-25: (1) for Richard B. Webb and Susan K. Lundy to acquire indirect control of Blue Mountain Railroad, Inc. (BMR), and Southeast Kansas Railroad Company (SEK),

through their direct control of South Kansas and Oklahoma Railroad Company (SKO) and the Palouse River & Coulee City Railroad, Inc. (PRCC); and (2) for SKO to acquire control of SEK and for PRCC to acquire control of BMR through the acquisition of all outstanding stock of the respective companies.

DATES: This exemption will be effective on September 17, 1998. Petitions to stay must be filed by September 2, 1998, and petitions to reopen must be filed by September 14, 1998.

ADDRESSES: Send an original and 10 copies of pleadings referring to STB Finance Docket No. 33603 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of pleadings to petitioners' representative: Karl Morell, Of Counsel, Ball Janik LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 565-1600. [TDD for the hearing impaired: (202) 565-1695.]

SUPPLEMENTARY INFORMATION: Additional information is contained in the Board's decision. To purchase a copy of the full decision, write to, call, or pick up in person from: DC News & Data, Inc., 1925 K Street, N.W., Suite 210, Washington, DC 20006. Telephone: (202) 289-4357. [Assistance for the hearing impaired is available through TDD Services (202) 565-1695.]

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

Decided: August 7, 1998.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams,
Secretary.

[FR Doc. 98-21881 Filed 8-17-98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Customs Service

Modification of National Customs Automation Program Test Regarding Reconciliation

AGENCY: Customs Service, Treasury.

ACTION: General notice.

SUMMARY: A notice was published in the **Federal Register** on February 6, 1998, announcing the U.S. Customs ACS Reconciliation Prototype. This document serves to announce certain operational changes to the prototype, as well as to provide clarification on some

¹ See *Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company—Control and Merger—Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and The Denver and Rio Grande Western Railroad Company*, Finance Docket No. 32760 [Decision No. 80] (STB served July 8, 1998).

items. Most aspects of the prototype are unchanged, including the Customs Service policy that the prototype will serve, until implementation of the Reconciliation component of NCAP/P, as the exclusive means to reconcile entry summaries.

EFFECTIVE DATE: The starting date announced in the February 6, 1998 notice is unchanged. This prototype will commence no earlier than October 1, 1998, will run for approximately two years, and may be extended.

Applications to participate in the prototype will be accepted throughout the duration of the prototype.

ADDRESSES: Written comments regarding this notice should be addressed to Mr. Don Luther, Reconciliation Team, U.S. Customs Service, 1300 Pennsylvania Ave. N.W., Mailstop 5.2A, Washington, DC, 20229-0001.

FOR FURTHER INFORMATION CONTACT: Mr. Don Luther at (202) 927-0915.

SUPPLEMENTARY INFORMATION:

Changes and Clarifications

The following items are changes and clarifications to the February 6, 1998 **Federal Register** notice on the Reconciliation Prototype. Unless specifically addressed in this notice, all elements of the earlier notice still apply.

A. Additional Information on the Prototype

Additional information on the prototype is available on the U.S. Customs Internet Web Site. The address for this site is:
www.customs.ustreas.gov/imp-exp2/comm-imp/recon/index.htm

B. Bond Issues

1. Bond Rider

The specific language in the bond rider has been changed to more adequately address coverage for Aggregate Reconciliations. The rider must be filed with the bond prior to any entry summaries being flagged for reconciliation. Because the new bond rider is different, applicants who already have provided the earlier bond rider must provide the new bond rider prior to flagging entries for reconciliation.

The rider shall read as follows:

By this rider to the Customs Form 301 No. _____, executed on _____, by _____ as principal(s), importer no(s). _____, and _____, as surety, code no. _____, which is effective on _____, the principal(s) and surety agree that this bond covers all Reconciliations pursuant to 19 U.S.C. 1484(b) that are elected on any entries

secured by this bond, and that all conditions set out in Section 113.62, Customs Regulations, are applicable thereto. The principal(s) and surety also agree that, when an Aggregate Reconciliation under this rider lists entries occurring in more than one bond period, any liabilities to Customs reflected in that Aggregate Reconciliation shall be attributable (up to the full available bond amount) to any or all of those bond periods.

2. Termination of Bond Rider

Termination of the Reconciliation Bond Rider by either the principal or the surety may be affected in accordance with procedures set forth in § 113.27, Customs Regulations. Termination of the Reconciliation Bond Rider will not serve to terminate the underlying bond. Moreover, it should be noted that Customs will not terminate bonds or riders filed pursuant to this prototype.

3. Bond Coverage to be Evaluated

In addition to the test evaluation criteria listed in the February 6, 1998 notice, adequacy of bond coverage for participating importers will also be evaluated for this prototype.

C. Changes in Terminology

The previous notice described two methods for flagging entry summaries for reconciliation, and two methods for reconciling flagged entry summaries. The method of flagging does not dictate the method of reconciling. Due to some confusion caused by similar terms, Customs is changing the terminology of the flagging methods. The methods themselves are unchanged, but are shown here for clarification.

Individual entry flag (Previously called entry-by-entry flagging): The importer electronically via ABI inputs an indicator on all entries which are subject to reconciliation. This indicator identifies the issue(s) subject to reconciliation.

Blanket flag (Previously called blanket application): Prior to filing entries subject to reconciliation, the importer provides Customs a letter which contains the importer of record number, the time period in which entries are subject to reconciliation, and the issue(s) subject to reconciliation. Customs will input an electronic indicator on ALL entries for that importer for that time period, which will identify them as being subject to reconciliation for the issue(s) indicated. The flag that results is the same as the individual entry flag, except that it is applied by Customs to all entries filed for a given importer of record.

D. Designated Processing Ports

The previous notice stated that Reconciliations may be filed at any Customs port, but would be processed at a processing port assigned to the importer by Customs. Due to intricacies relating to financial collections and routing of documents, Customs has changed this aspect of the prototype. While the underlying entries may still be filed at any port, the Reconciliation must be filed at the processing port assigned to the importer by Customs. For purposes of filing the Reconciliation at the processing port, the broker permit requirement is waived (See below).

The Reconciliation Processing Ports are:

Boston, MA
Champlain, NY
Detroit, MI
El Paso, TX
Laredo, TX
Miami, FL
Minneapolis, MN
New York, NY/Newark, NJ
Nogales, AZ
Pharr, TX
Portland, OR
San Diego/Otay Mesa, CA

Other ports may be added at a later date, at which time affected participants would be notified.

E. Entry Types Eligible for Reconciliation

The notice of February 6, 1998 stated that the following entry types would be eligible for the ACS Reconciliation Prototype: 01, 02, 03, 06 and 07. During the course of program development, it became apparent that Customs would not be able to include entry types 03 and 07 in this initial phase of the prototype. These entry types are those subject to Antidumping/Countervailing duty cases, which due to their inherent complexity, cannot be incorporated into reconciliation at this time. *The entry types covered by the prototype will be types 01, 02, and 06.* (Type 06 Foreign Trade Zone entries are allowed only when no Antidumping/Countervailing duty merchandise is included on them.)

Entry summaries subject to Antidumping/Countervailing duty cases may be adjusted via existing procedures for individually adjusting entry summaries prior to liquidation.

F. Taxes and Fees

For Entry-by-entry Reconciliations, all taxes and fees on each entry summary must be adjusted to show the correct amount appropriate to that entry summary had the complete information for the transaction been known at the time of entry summary filing.

On Aggregate Reconciliations, since monetary changes to individual entry summaries are not reported, adjustments to taxes and fees will be reported on the Summarized Line Item Data Spreadsheet, as follows:

Taxes and Fees applied to individual commodities, such as Cotton Fee, Beef Fee and the like, will be adjusted by multiplying any increase in dutiable value by the rate associated with the tariff number for the product in question.

For Harbor Maintenance Tax (HMT), the importer is responsible for determining and declaring the amount owed, based on any increase in dutiable value, for those products which had been subject to HMT at the time of original entry summary.

Merchandise Processing Fee (MPF) will be determined and declared in a similar fashion. The importer is responsible for determining and declaring the proper amount of MPF due based on any increase in dutiable value, at the MPF rate applied to the product at time of filing the underlying entry summary. Because there is a maximum assessment of MPF for entry summaries, Customs will use the following formula to set the maximum MPF to be paid on an Aggregate Reconciliation: $[(\$485 \times \text{number of entries covered by the Reconciliation which were subject to MPF}), \text{less the amount of MPF already paid on those same entries.}]$

G. Regulatory Provisions

The February 6, 1998 **Federal Register** notice included a section on regulatory provisions suspended. That section is hereby modified by removing all references to Part 113.62, Customs Regulations, and adding the following statement: Certain provisions in Part 111, and Part 141 of the Customs Regulations will be suspended during this prototype test. This will allow brokers to file Reconciliations on behalf of importers at the designated Reconciliation Processing Port, without holding a permit in that port. The suspension provided in this notice pertains only to filing type "09" Reconciliation entries, and not to any other Customs business transacted by brokers.

H. Handbook

A Reconciliation procedures handbook is currently under development by Customs. Participants in the prototype will receive a copy of this handbook, which will contain specific operational information, including instructions on how to file and flag underlying entries, and how to

file Reconciliations. The publication will be made available to the general public via the web site listed above, and a version of it will be distributed to Customs officers.

I. Interest

Interest accrues on all Reconciliations where monetary adjustments take place, whether they are increases or decreases in duties, taxes, and fees. If interest is due Customs, the filer will make payment of the interest upon filing the Reconciliation, along with duties, taxes, and fees. Interest due the importer will be paid upon liquidation of the Reconciliation. Customs is currently seeking a statutory amendment to 19 U.S.C. 1505 which would allow an alternate interest accounting methodology, such as the following, which will be used *if the required statutory change is obtained*:

Interest will be calculated on the entire amount of adjusted duties, taxes, and fees, as if they had been due on the midpoint date of the period covered by the Reconciliation. For example, if a Reconciliation covers January 1, 1999 through December 31, 1999, and results in \$20,000 in increased revenue, the interest would be calculated for the \$20,000 from the midpoint date of July 1, 1999.

If no such statutory amendment occurs: Importers will be required to determine the appropriate amount of interest due for each entry summary, and report such adjustment for each entry summary, either via the Association File for Entry-by-Entry Reconciliations, or as a total amount of interest due for Aggregate Reconciliations.

J. Components of the Reconciliation

Reconciliations will consist of three parts. This is true of both Entry-by-entry and Aggregate Reconciliations: The Header, Association File, and Summarized Line Data Spreadsheet. The characteristics of these three components are unchanged from those described in the **Federal Register** notice of February 6, 1998. In cases where a Reconciliation is filed with no adjustments to value or other elements of the underlying transactions, that is, merely to satisfy the obligation to file a Reconciliation initiated by flagging entry summaries, the spreadsheet need not be provided, as it would be a spreadsheet containing no data. Importers should be aware of the distinction between this situation and one where there are adjustments to value but no revenue implications, in which a spreadsheet would be required.

K. Summarized Line Item Data Spreadsheet

The spreadsheet shown in the February notice is correct except that the title reads "Aggregate Reconciliation" when it should read "Reconciliation Summarized Line Data Spreadsheet," since the spreadsheet is used both for Entry-by-entry and Aggregate Reconciliations. Also, it was brought to Customs attention that totals on certain columns were incorrect. These were typographical errors not intended to represent calculations other than those described in the notice or on the face of the spreadsheet.

L. Application to Participate in the Prototype

Importers interested in participating in the prototype must apply to Customs in writing. Policies from the earlier notice regarding applications remain in effect. Applications will be accepted throughout the duration of the prototype. The application requirements from the earlier notice are unchanged, except that applicants are no longer required to specify the port where the Reconciliations will be filed, as Customs will instruct the importer on where they must be filed.

Applications should be submitted to Mr. Don Luther, Reconciliation Team, U.S. Customs Service, 1300 Pennsylvania Ave, NW, Mailstop 5.2A, Washington, DC, 20229-0001. Applications may be submitted until the start of the prototype and throughout the duration of the prototype. Parties interested in the ACS Reconciliation Prototype should consult the **Federal Register** notice (63 FR 6257) of February 6, 1998. All terms and conditions set forth in that notice remain in effect except to the extent they are specifically modified by this notice.

Dated: August 12, 1998.

Robert S. Trotter,

Assistant Commissioner, Office of Field Operations.

[FR Doc. 98-22148 Filed 8-17-98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Customs Service

[T.D. 98-69]

Recordation of Trade Name: "Ronson Consumer Products Corporation"

AGENCY: U.S. Customs Service, Department of the Treasury.

SUMMARY: On Friday, April 24, 1998, a notice of application for the recordation