Practice (Title 49 CFR Part 211.25), by a representative designated by the FRA.

The hearing will be a nonadversary proceeding and, therefore, there will be no cross-examination of persons presenting statements. The FRA representative will make an opening statement outlining the scope of the hearing. After all initial statements have been completed, those persons wishing to make brief rebuttal statements will be given the opportunity to do so in the same order in which they made their initial statements. Additional procedures, if necessary for the conduct of the hearing, will be announced at the hearing.

Issued in Washington, D.C. on August 11, 1998.

Michael J. Logue,

Acting Deputy Associate Administrator for Safety Compliance and Program Implementation.

[FR Doc. 98–22217 Filed 8–17–98; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–98–4320; Notice 1]

Shelby American, Inc.; Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208

Shelby American, Inc., of Las Vegas, Nevada (''Shelby''), has applied for an exemption until July 1, 2000, from the automatic restraint provisions of Federal Motor Vehicle Safety Standard No. 208 *Occupant Crash Protection* (S4.1.5.3). The basis of the application is that compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard.

This notice of receipt of the petition is published in accordance with agency regulations on the subject and does not represent any judgment by the agency about the merits of the petition.

Shelby is a Texas corporation, privately held and wholly owned by Carroll Shelby. Its current business activities are conducted by three wholly owned subsidiaries. The first of these subsidiaries is Shelby Series One, Inc., the unit that will produce a new sports car which is the subject of this application for a temporary exemption. These vehicles currently exist in prototype form only, and none have been produced. The second subsidiary is Shelby CSX4000, Inc., which produces ''a component vehicle sold without engine or transmission,'' to individuals who will install the power train of their choice. Shelby sold 75 of these Cobra replica assemblies in the past year. The third subsidiary is Shelby Original 427S/Cs, Inc., whose business is to assemble automobiles ''from certain new old stock parts surviving from the original 1965 Shelby Cobra production run . . . supplemented by newly manufactured parts utilizing original tooling.'' Two such vehicles have been assembled and sold to date.

The Series I is a two-passenger open convertible sports car, powered by the Oldsmobile Aurora engine. The first prototypes were shown in early 1997. Shelby has asked to be excused from compliance with the automatic restraint requirements of Standard No. 208. Shelby is working ''with many outside companies'' to complete the vehicle development and certification. Development of the Series I started in March 1995 (i.e., engineering tasks subsequent to initial design development). To date, Shelby has spent an estimated total of 400 man hours and $75,000 related to air bag development. As with development of the engine and interior, Shelby must contract the air bag development to an outside company. This cost will total $4,643,500 over the period of time for which it has asked for an exemption. Additional expenditures of $546,000 will be necessary to cover the costs of testing, and integration of airbag wiring. In the interim, the Series I will be equipped with a three-point driver and passenger restraint system. It is optimistic that it can sell 500 Series I cars in the period for which it has requested exemption. With these sales ''Shelby American will be able to support the estimated $216,229 monthly development expenditure necessary for implementation of the airbag at the end of the two year period.''

Shelby had no material operations in 1995. Its unaudited consolidated balance sheet shows a net loss of $738,415 for 1996, and a net income of $147,904 for 1997.

The applicant argues that ''the production of the Shelby Series I is in the best interest of the public and the US economy.'' The company is opening a new 100,000 square foot facility in June 1998 in Las Vegas to produce the Series I. The new facility ''will provide direct employment to approximately 200 employees.'' In addition, ''there are approximately 25 development/partner companies working with Shelby American on the development of the Shelby Series I, providing indirect employment for those companies' personnel . . .'' The car will be sold through select Oldsmobile dealers . . . providing employment to many sales and service personnel at the dealership level.'' Most major components are produced in the United States, including the engine (Oldsmobile), tires (Goodyear), and transmission (ZF, from RBT, a US company). The Series I is technically advanced, combining ''an aluminum chassis with a carbon-fiber body, a new concept amongst production vehicles, which provides strength and durability while minimizing weight.'' Shelby believes that ''the reduced weight achieved with this vehicle will translate into a new standard for improved emissions and fuel efficiency. Aside from Standard No. 208, the car will be certified as conforming to all applicable Federal motor vehicle safety standards.

Interested persons are invited to submit comments on the application described above. Comments should refer to the docket and notice number, and be submitted to: Docket Management, National Highway Traffic Safety Administration, room PL–401, 400 Seventh Street, SW, Washington, DC 20590. It is requested that two copies be submitted.

All comments received before the close of business on the comment closing date below will be considered, and will be available for examination in the docket at the above address both before and after that date, between the hours of 10 a.m. and 5 p.m. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the petition will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: September 17, 1998.

Authority: 49 U.S.C. 30113; delegations of authority at 49 CFR 1.50 and 501.4.

Issued on: August 13, 1998.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 98–22209 Filed 8–17–98; 8:45 am]

BILLING CODE 4910–59–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33626]

Union Pacific Railroad Company and Central Kansas Railway—Joint Relocation Project Exemption—in Wichita, Sedgwick County, KS

Union Pacific Railroad Company (UP) has filed a notice of exemption under 49 CFR 1180.2(d)(5) to relocate lines of railroad in the City of Wichita,

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]

BILLING CODE 4915–00–P

[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).

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]

BILLING CODE 4915–00–P

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