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SERVICE DATE – JULY 1, 2020

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36415]

Youngstown & Southeastern Railroad, LLC—Acquisition and Operation Exemption—

Youngstown & Southeastern Railroad Company

Youngstown & Southeastern Railroad, LLC (YSR), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to acquire from Youngstown & Southeastern Railroad Company (Y&S) and operate approximately 35.7 miles of rail line between milepost 0.0 in Youngstown, Ohio, and milepost 35.7 in Darlington, Pa. (the Line), together with Y&S's rights over three miles of contiguous track segments, including incidental trackage rights, running from east of milepost 0.0 and connecting the Line to interchanges with Norfolk Southern Railway Company (NSR) and CSX Transportation, Inc. (CSXT).¹

YSR states that it is a newly established subsidiary of MB Rail IB, LLC (MB Rail), formed to acquire and operate the Line. The acquisition is part of a larger transaction between MB Rail and Indiana Boxcar Corporation (IBC) under which MB Rail will acquire all of the equity in two railroads currently owned by IBC; MB Rail's

¹ According to the verified notice, Y&S acquired the Line and rights over the contiguous track segments from Mule Sidetracks, LLC (MSLLC). See Youngstown & Se. R.R.—Acquis. & Operation Exemption—Mule Sidetracks, LLC, FD 36342 (STB served Aug. 30, 2019). YSR states that the rights are found in various agreements, described in the verified notice, under which MSLLC had succeeded to the interests of the Line's previous owner, Columbiana County Port Authority.

subsidiary YSR will acquire the Line and other assets of a third IBC railroad, Y&S; and another MB Rail subsidiary, Camp Chase Rail, LLC (Camp Chase Rail) will acquire a rail line and other assets of a fourth IBC railroad, Camp Chase Railway Company, LLC (CCRY).

This transaction is related to two concurrently filed verified notices of exemption: MB Rail IB, LLC—Acquisition & Continuance in Control Exemption—Chesapeake & Indiana Railroad, Vermilion Valley Railroad, Camp Chase Rail, & Youngstown & Southeastern Railroad, Docket No. FD 36413, in which MB Rail seeks, among other things, to continue in control of YSR upon YSR's becoming a Class III rail carrier; and Camp Chase Rail—Acquisition & Operation Exemption—Camp Chase Railway, Docket No. FD 36414, in which Camp Chase Rail seeks to acquire the rail line of CCRY.

YSR certifies that its projected annual revenues as a result of this transaction will not exceed \$5 million or the threshold required to qualify as a Class III carrier. YSR also certifies that the proposed acquisition and operation of the Line do not involve a provision or agreement that may limit future interchange with a third-party connecting carrier.

The transaction may be consummated on or after July 15, 2020, the effective date of the exemption (30 days after the verified notice 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 for stay must be filed no later than July 8, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36415, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on YSR's representative, Charles H. Montange, Law Offices of Charles H. Montange, 426 NW 162nd Street, Seattle, WA 98177.

According to YSR, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic reporting requirements under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: June 26, 2020.

By the Board, Allison C. Davis, Director, Office of Proceedings.