

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36431]

R. J. Corman Railroad Company, LLC and R. J. Corman Railroad Group, LLC—
Continuance in Control Exemption—R. J. Corman Railroad Company/Lehigh Line, LLC,
R. J. Corman Railroad Company/Owego & Harford Line, Inc., and R. J. Corman Railroad
Company/Luzerne & Susquehanna Line, LLC¹

R. J. Corman Railroad Company, LLC (RJCR) and R. J. Corman Railroad Group,
LLC (RJRG) (collectively, Applicants),² have filed a verified notice of exemption under
49 C.F.R. § 1180.2(d)(2) to continue in control of R. J. Corman Railroad
Company/Lehigh Line, LLC (RJLR), R. J. Corman Railroad Company/Luzerne &
Susquehanna Line, LLC (RJLS), and R. J. Corman Railroad Company/Owego & Harford
Line, Inc. (RJOH),³ currently noncarriers, upon RJLR, RJLS, and RJOH becoming Class
III rail carriers.

This transaction is related to the following concurrently filed notices: (1) R. J.
Corman Railroad Company/Lehigh Line, LLC—Change in Operators Exemption with

¹ The title of this proceeding is being updated to reflect the fact that, in response to a decision served on September 17, 2020, R. J. Corman Railroad Company, LLC requested that R. J. Corman Railroad Group, LLC be added as an applicant in the proceeding.

² The verified notice states that RJCR is a noncarrier and wholly owned subsidiary of RJRG.

³ On August 27, 2020, RJCR and RJOH filed a letter in this and a related docket with additional information relating to a change in RJOH's corporate status from limited liability company to corporation.

Interchange Commitment—Lehigh Railway, LLC and Norfolk Southern Railway Company, Docket No. FD 36428, in which RJLR seeks authority to assume the lease and operation of 56.0 miles of rail line and related industrial track located in Bradford and Wyoming Counties, Pa.; (2) R. J. Corman Railroad Company/Luzerne & Susquehanna Line, LLC—Change in Operators Exemption—Luzerne and Susquehanna Railway Co. and Luzerne County Rail Corporation, Docket No. FD 36429, in which RJLS seeks authority to assume the lease and operation of approximately 41.19 miles of rail line located in Luzerne and Lackawanna Counties, Pa.; and (3) R. J. Corman Railroad Company/Owego & Harford Line, Inc.—Modified Certificate of Public Convenience and Necessity, Docket No. FD 36430, in which RJOH filed a notice for a modified certificate to assume the lease and operation of approximately 27.6 miles of rail line located between milepost 0.0 at Owego, N.Y., and milepost 27.6 at North Harford, N.Y..

The earliest this transaction may be consummated is November 20, 2020, the effective date of the exemption.

Applicants seek to continue in control of RJLR, RJLS, and RJOH upon their becoming Class III rail carriers, while remaining in control of 15 other Class III rail carriers, including two non-operating rail carriers, collectively operating in 11 states. For a complete list of these rail carriers, see the verified notice of exemption filed in this docket. The notice is available at www.stb.gov.

The verified notice states that: (1) RJLR, RJLS, and RJOH, and the railroads under RJCR's (and therefore Applicants') ownership and control, would not connect with each other or any other railroad in the corporate family; (2) the continuance in control is

not part of a series of anticipated transactions that would connect the carriers with each other or any railroad in their corporate family; and (3) the transaction does not involve a Class I carrier. The proposed transaction is, therefore, exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

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. However, 49 U.S.C. § 11326(c) does not provide for labor protection for transactions under 49 U.S.C. §§ 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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 November 13, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36431, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on Applicants' representative, David R. Irvin, Irvin Rigsby PLC, 110 North Main Street, Nicholasville, KY 40356.

According to the verified notice, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b)(1).

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

Decided: November 2, 2020.

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