

SERVICE DATE – DECEMBER 28, 2020

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36462

PATRIOT RAIL TRANSPORTATION COMPANY, LLC, PATRIOT RAIL COMPANY LLC, SRTV HOLDINGS LLC, STEELRIVER TRANSPORT VENTURES LLC, GLOBAL DIVERSIFIED INFRASTRUCTURE FUND (NORTH AMERICA) LP, FIRST STATE INFRASTRUCTURE MANAGERS (INTERNATIONAL) LIMITED, AND MITSUBISHI UFJ FINANCIAL GROUP, INC.—CONTROL EXEMPTION—SALT LAKE GARFIELD AND WESTERN RAILWAY COMPANY

Digest:¹ This decision grants a request by certain non-carrier applicants to expedite the effective date of a notice of exemption to acquire control of a Class III rail carrier.

Decided: December 23, 2020

Patriot Rail Transportation Company, LLC (Patriot), Patriot Rail Company LLC (PRC), SRTV Holdings LLC, SteelRiver Transport Ventures LLC, Global Diversified Infrastructure Fund (North America) LP, First State Infrastructure Managers (International) Limited, and Mitsubishi UFJ Financial Group, Inc. (collectively, Applicants), all noncarriers, filed a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to acquire control of Salt Lake Garfield and Western Railway Company (SLGW), a Class III rail carrier operating in Utah. Notice of the exemption was served and published in the Federal Register on December 23, 2020 (85 Fed. Reg. 84,094). Under 49 C.F.R. § 1180.4(g), a verified notice of exemption must be filed at least 30 days before the transaction is consummated. Therefore, based on the filing date in this case, the exemption ordinarily would be effective on January 9, 2021.²

On December 18, 2020, Applicants filed a motion for an expedited effective date, asking that the exemption become effective on December 30, 2020. Applicants state that they have arranged the financing for 2020 and that extending the effective date into 2021 “would result in less favorable terms” for Applicants. (Mot. 2.) Applicants also state that the Purchase and Sale Agreement specifically requires the proposed transaction to close no later than December 31, 2020. (Id.) According to Applicants, shippers using SLGW have been contacted about the

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol’y Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² The verified notice was initially submitted on November 17, 2020. Applicants filed supplements on November 18, December 1, and December 10, 2020. December 10, 2020, therefore, is deemed the filing date of the verified notice.

proposed transaction and “are expecting service based on the benefits available from the [Applicants’] efficient and customer driven rail service, including their financial strength and operating experience.” (Id.) Applicants have also submitted a letter of support from SLGW describing the need for the proposed transaction to take effect in 2020, including tax implications for its shareholders and employees and the funding of future projects. (Id., Attach. 1 at 1.) No party has filed in opposition to the notice of exemption or the request for an expedited effective date.

The Board will grant the unopposed motion, waive the 30-day requirement under § 1180.4(g), and permit the exemption to take effect on December 30, 2020, unless it is stayed. Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption’s effective date.

It is ordered:

1. Applicants’ motion to expedite is granted, and the 30-day requirement under 49 C.F.R. § 1180.4(g) is waived in this case. The exemption, unless stayed, will become effective on December 30, 2020.

2. This decision and notice is effective on its service date.

By the Board, Board Members Begeman, Fuchs, and Oberman.