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302343

May 14, 2021

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceeding
Surface Transportation Board
395 E Street, SW
Washington, DC 20024

ENTERED
Office of Proceedings
May 14, 2021
Part of
Public Record

Re: STB FD No. ~~35617~~ **FD 36517**
C&S Railroad Corporation – Lease and Operation Exemption –
Reading Blue Mountain & Northern Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-referenced docket is a Notice of Exemption of C&S Railroad Corporation. The filing fee has been paid via pay.gov.

If there are any questions related to this filing, please contact me.

Respectfully,

CLARK HILL, PLC

s/ Eric M. Hocky

Eric M. Hocky

EMH:e
Enclosure

FILED
May 14, 2021
SURFACE TRANSPORTATION
BOARD

FEE RECEIVED
May 14, 2021
SURFACE
TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD ~~35617~~ 36517

**C&S RAILROAD CORPORATION
-- LEASE AND OPERATION EXEMPTION--
READING BLUE MOUNTAIN & NORTHERN
RAILROAD COMPANY**

**VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 U.S.C. § 10902 and 49 C.F.R. § 1150.41**

(includes color images)

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Attorneys for C&S Railroad Corporation

Dated: May 14, 2021

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD ~~35617~~

36517

**C&S RAILROAD CORPORATION
-- LEASE AND OPERATION EXEMPTION--
READING BLUE MOUNTAIN & NORTHERN
RAILROAD COMPANY**

**VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 U.S.C. § 10902 and 49 C.F.R. § 1150.41**

C&S Railroad Corporation (“C&S”), an existing Class III railroad, files this Notice of Exemption under 49 C.F.R. Part 1150, Subpart D - Exempt Transactions, to permit it to lease and operate an approximately 19.5-mile line of railroad being purchased by Reading Blue Mountain & Northern Railroad Company (“RBMN”) from Carbon County, Pennsylvania (“County”).¹ The line is located between milepost 19.5 near Tamenend, Schuylkill County, PA, and milepost 0.0± at Packerton Jct., Carbon County, PA (the “Rail Line”). C&S currently leases the Rail Line from the County (through the Carbon County Railroad Commission) and operates the Rail Line under a modified rail certificate.² At the time when RBMN acquires the Rail Line from the County, the C&S lease with the County will be terminated, and C&S will immediately enter into

¹ The acquisition by RBMN from the County is the subject of a separate notice being filed by RBMN. *Reading Blue Mountain & Northern Railroad Company – Acquisition Exemption – Carbon County, Pennsylvania*, STB Docket No. FD 35616.

² The portion of the Rail Line between milepost 18 ± at Mauch Chunk Jct. and the end of the line at milepost 19.5 has been out of service and unused for many years. C&S does not currently operate that portion of the Rail Line and does not anticipate doing so under the new lease with RBMN.

a new lease with RBMN (the “RBMN Lease”) that will allow C&S to continue operating the Rail Line. The Rail Line is shown on the map attached as Exhibit A.

Notice

In accordance with the requirements of 49 C.F.R. § 1150.43, C&S hereby provides the following information:

(a) Full name and address of Applicant:

C&S Railroad Corporation
PO Box 206Port Clinton, PA 19549

(b) Applicant’s Representative:

Eric M. Hocky
Clark Hill PLC
Two Commerce Square
2001 Market St., Suite 2620
Philadelphia, PA 19103
(215) 640-8523

(c) Statement of Agreement:

C&S will be entering into the RBMN Lease on or before RBMN closes on the acquisition of the Rail Line from the County, to be effective on the date of closing.

(d) The operator of the property:

C&S is the current operator of the Rail Line, and will continue to operate the Rail Line following the RBMN acquisition. RBMN has overhead trackage rights over the Rail Line which it will continue to operate.

(e) Summary of proposed transaction:

C&S is an existing Class III common carrier railroad that holds authority from the Board to operate the Rail Line under a modified certificate.³ C&S is entering into the new lease with RBMN, also an existing Class III common carrier railroad, to allow C&S to continue operation of the Rail Line without interruption when RBMN acquires the Rail Line from the County.

(1) The name and address of the railroad leasing the Rail Line:

Reading Blue Mountain & Northern Railroad Company
PO Box 218
Port Clinton, PA 19549

(2) C&S and RBMN will be entering into a new lease agreement that will be effective as of the date of closing of RBMN's acquisition of the Rail Line (which date will be on or after 30 days from the date of this notice).

(3) Mileposts:

The Rail Line is located between milepost 19.5 near Tamenend , Schuylkill County, PA, and milepost 0.0± at Packerton Jct., Carbon County, PA. The portion of the Rail Line between milepost 18 ± at Mauch Chunk Jct. and the end of the line at milepost 19.5 has been out of service and unused for many years.

(4) The total route miles to be acquired and operated are approximately 19.5 miles.

³ C&S Railroad Corporation Modified Rail Certificate, ICC Finance Docket No. 31618 (served April 10, 1990). The modified certificate was partially terminated as to other lines in 1992. *See C&S Railroad Corporation Modified Rail Certificate*, ICC Finance Docket No. 31618 (served September 28, 1992).

(f) Map:

A map of the Rail Lines is attached as Exhibit A.

(g) Certification of Projected Revenue:

C&S certifies that its projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier.

(h) Interchange Commitment:

C&S certifies that the RBMN Lease will not impose or include an interchange commitment.

Labor Notice Certification

In addition to the information set forth above, C&S certifies that its projected annual revenues as a result of the transaction will not exceed \$5,000,000. Accordingly, no advance notice is required under 49 C.F.R. §1150.42(e).

Labor Protection

C&S is a Class III carrier, and pursuant to 49 U.S.C. §10902(d), exemption of this transaction may not be subjected to labor protection conditions.

Environmental and Historic Reports

This is a transaction for continued rail operations that will not result in changes in carrier operations that will exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5). Further Board approval is required for C&S to discontinue service (or for RBMN to abandon the Rail Line) or to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. Accordingly, no environmental or historic documentation is required. *See* 49 C.F.R. §1105.6(c)(1); 49 C.F.R. §1105.8(b)(1).

Caption Summary

Attached hereto as Exhibit B is the caption summary required by 49 C.F.R. §1150.44.

Conclusion

Accordingly, C&S requests that the Board issue a notice permitting C&S to lease the Rail Line from RBMN at any time after 30 days from the filing of this Notice of Exemption.

Respectfully submitted,

s/ Eric M. Hocky

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Clark Hill PLC
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2001 Market St., Suite 2620
Philadelphia, PA 19103
(215) 640-8523
ehocky@clarkhill.com

Attorneys for C&S Railroad Corporation

Dated: May 14, 2021

VERIFICATION

I hereby verify on behalf of C&S Railroad Corporation, under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verification.

Executed on May 14, 2021.



Christina Muller-Levan
President

EXHIBIT A

MAP



EXHIBIT B

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD ~~35617~~ 36517

**C&S RAILROAD CORPORATION
-- LEASE AND OPERATION EXEMPTION--
READING BLUE MOUNTAIN & NORTHERN
RAILROAD COMPANY**

C&S Railroad Corporation (C&S), an existing Class III railroad, files this Notice of Exemption under 49 C.F.R. Part 1150, Subpart D - Exempt Transactions, to permit it to lease from Reading Blue Mountain & Northern Railroad Company (RBMN), another existing Class III railroad, an approximately 19.5-mile line of railroad that RBMN is acquiring from Carbon County, Pennsylvania. The line is located between milepost 19.5 near Tamenend, Schuylkill County, PA, and milepost 0.0± at Packerton Jct., Carbon County, PA. C&S is the current lessee of the line from Carbon County, and will be entering into a new lease with RBMN. The acquisition of the line by RBMN is the subject of *Reading Blue Mountain & Northern Railroad Company – Acquisition Exemption – Carbon County, Pennsylvania*, STB Docket No. FD 35616. The transaction may be consummated on or after _____, 2021, the effective date of the exemption.

C&S has certified that as a result of the transaction it will not become a Class I or Class II carrier, and that its projected annual revenues will not exceed \$5 million.

Comments must be filed with the Board and served on C&S's representative, Eric M. Hocky, Esquire, Clark Hill PLC, Two Commerce Square, 2001 Market Street, Suite 2620, Philadelphia, PA 19103; (215) 640-8523; ehocky@clarkhill.com.

The Notice is filed under 49 C.F.R. §1150.41. If the Notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

Decided: _____, 2021.

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