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Office of Proceedings
August 20, 2021
Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. FD 36541

CATHCART RAIL, LLC
—CONTINUANCE IN CONTROL EXEMPTION—
CORNHUSKER RAILROAD, LLC

VERIFIED NOTICE OF EXEMPTION

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Counsel for Cathcart Rail, LLC

Date: August 20, 2021

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CATHCART RAIL, LLC
—CONTINUANCE IN CONTROL EXEMPTION—
CORNHUSKER RAILROAD, LLC

VERIFIED NOTICE OF EXEMPTION

Pursuant to 49 C.F.R. § 1180.2(d)(2), Cathcart Rail, LLC, a non-carrier holding company (“Applicant” or “Cathcart”), hereby files this Verified Notice of Exemption from 49 U.S.C. § 11323 for Applicant to continue in control of Cornhusker Railroad, LLC (“CORN”), a non-carrier, upon CORN becoming a Class III rail carrier. CORN is concurrently filing a notice of exemption to operate approximately 27 miles of rail line in or near Grand Island and Hastings, Nebraska. *See Cornhusker R.R., LLC—Operation Exemption*, Docket No. FD 36540. The rail lines to be operated by CORN does not connect with the lines of any of the other Class III rail carriers controlled by Applicant and this control transaction is not part of a series of anticipated transactions that would result in such a connection. Nor does this proposed control transaction involve a Class I carrier. Accordingly, Cathcart’s continuance in control of CORN qualifies for the class exemption at 49 C.F.R. § 1180.2(d)(2).

In accordance with the requirements of 49 C.F.R. § 1180.4(g), Applicant submits the following information:

INFORMATION REQUIRED BY 49 C.F.R. § 1180.6(a)

(1) A description of the proposed transaction, including appropriate references to any supporting exhibits and statements contained in the application and discussing the following:

49 C.F.R. § 1180.6(a)(1)(i) – Description of Transaction and Parties Thereto

Applicant is a non-carrier holding company that controls Bucyrus Industrial Railroad, LLC (“BIR”) in Bucyrus, Ohio¹ and Belpre Industrial Parkersburg Railroad, LLC (“BIP”) in Ohio and West Virginia. *See Bucyrus Indus. R.R, LLC—Operation Exemption—Bucyrus Railcar Repair, LLC*, Docket No. FD 36329 (STB served July 25, 2019), *Belpre Indus. Parkersburg R.R., LLC—Lease and Operation Exemption—CSX Transp., Inc.*, Docket No. FD 36388 (STB served Apr. 3, 2020). In December 2020, Applicant acquired Appalachian Railcar Services, Inc. (“ARS”) whose subsidiary ARS Nebraska, LLC (“ARS Nebraska”) owns and operates rail car service facilities and associated trackage in Nebraska including 1) approximately 22 miles of private track in or near Grand Island, Hall County, Nebraska between its connection with BNSF Railway Company (“BNSF”) at West Airport Road near BNSF milepost 103.55 in Ovina, Nebraska and its connection with Union Pacific Railroad Company (“UP”) at County Road 27 near UP milepost 154.5 in Alda, Nebraska (the “Grand Island Branch”)²; and 2) approximately 5 miles of industry tracks in or near Hastings, Adams County, Nebraska that connect to UP's

¹ BIR has not yet commenced common carrier operations.

² Five miles of the Grand Island Branch were the subject of two prior STB proceedings. In *Cornhusker Railways LLC—Acquisition and Operation Exemption—Rail Line of DTE Rail Services, Inc.* Finance Docket No. 34719 (STB served July 20, 2005) and *FreightCar Short Line, Inc.—Acquisition and Operation Exemption—Line of Cornhusker Railways, LLC*, Docket No. FD 35423 (STB served Sept. 30, 2010), Cornhusker Railways LLC (“CHR”) and FreightCar Short Line, Inc. (FCSL”) each obtained Board authority to operate over private track previously associated with a U.S. Army ordinance plant. Because neither CHR nor FCSL consummated their operating authority, however, and neither carrier provided common carrier service on the Grand Island Branch, it remained private trackage. *See Cornhusker R.R., LLC—Operation Exemption* at pp. 2-3.

Hastings Industrial Park Subdivision (the “Hastings Branch”).³ In a contemporaneously filed notice of exemption in FD 36540, CORN, a new non-carrier wholly owned subsidiary of Cathcart, proposes to operate over the Grand Island Branch and Hastings Branch as a Class III common carrier. In this proceeding, Applicant seeks to continue in control of CORN upon CORN becoming a Class III rail carrier.

Applicant’s Legal Name, Address, and Phone Number

Cathcart Rail, LLC
8940 Lyra Drive, Suite 200
Columbus, Ohio 43240

Legal counsel to whom questions should be addressed

David F. Rifkind
Stinson LLP
1775 Pennsylvania Avenue NW, Suite 800
Washington, D.C. 20006
(202) 969-4218

49 CFR §1180.6(a)(1)(ii) - Schedule for Consummation

The parties intend to consummate the transaction once the notice of exemption becomes effective.

49 CFR §1180.6(a)(1)(iii) - Purpose to be accomplished by the transaction

The purpose of this transaction is for Applicant to remain in control of CORN upon CORN becoming a Class III rail carrier.

49 CFR §1180.6(a)(5) -- State(s) in which the property of each carrier is situated

BIR	Ohio
BIP	Ohio and West Virginia
CORN	Nebraska

³ In 2015, ARS acquired FreightCar America's Nebraska railcar repair facilities, including the Grand Island Branch and the Hastings Branch.

49 CFR § 1180.6(a)(6) -- Map

Maps are attached hereto as Exhibit 1.

49 CFR § 1180.6(a)(7)(ii) -- Copy of Agreement

There is no agreement covering Applicant's control of CORN.

49 CFR §1180.4(g)(1)(i) - Level of Labor Protection

This proposed transaction involves only Class III carriers and no labor protection applies to this transaction. 49 U.S.C. § 11326(c).

49 CFR § 1180.4(g)(4) -- Interchange Commitment

Applicant certifies that this continuance in control transaction does not contain any provision or agreement that would limit future interchange with a third-party connecting carrier. The related proceeding, *Cornhusker R.R., LLC—Operation Exemption*, Docket No. FD 36540, also does not contain an interchange commitment.

49 C.F.R. § 1105.6 through 1105.8 - Environmental and Historic Report

This continuance in control proceeding is exempt from environmental review under 49 C.F.R. § 1105.6(c)(2)(i) because the proposed action will not cause any operating changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5). In addition, this proceeding is exempt from historic review under 49 C.F.R. § 1105.8(b)(1) because there are no plans to dispose of or alter properties subject to Board jurisdiction that are at least 50 years old. Accordingly, no historic report is required.

Caption Summary

A caption summary in an appropriate form is attached as Exhibit 3 to this notice.

Respectfully submitted,

/s/ *David F. Rifkind*

David F. Rifkind

Stinson LLP

1775 Pennsylvania Avenue NW

Suite 800

Washington, D.C. 20006

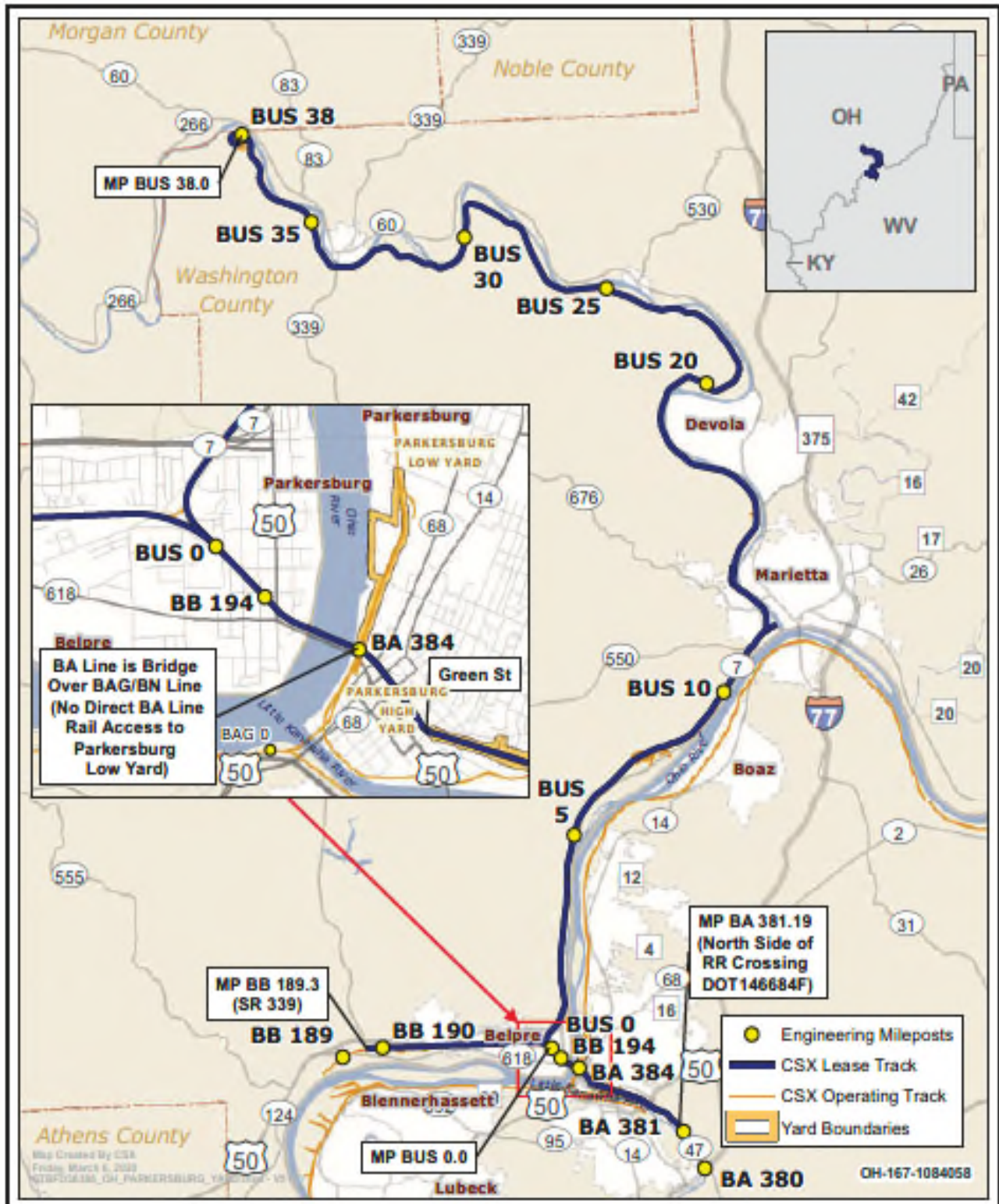
(202) 969-4218

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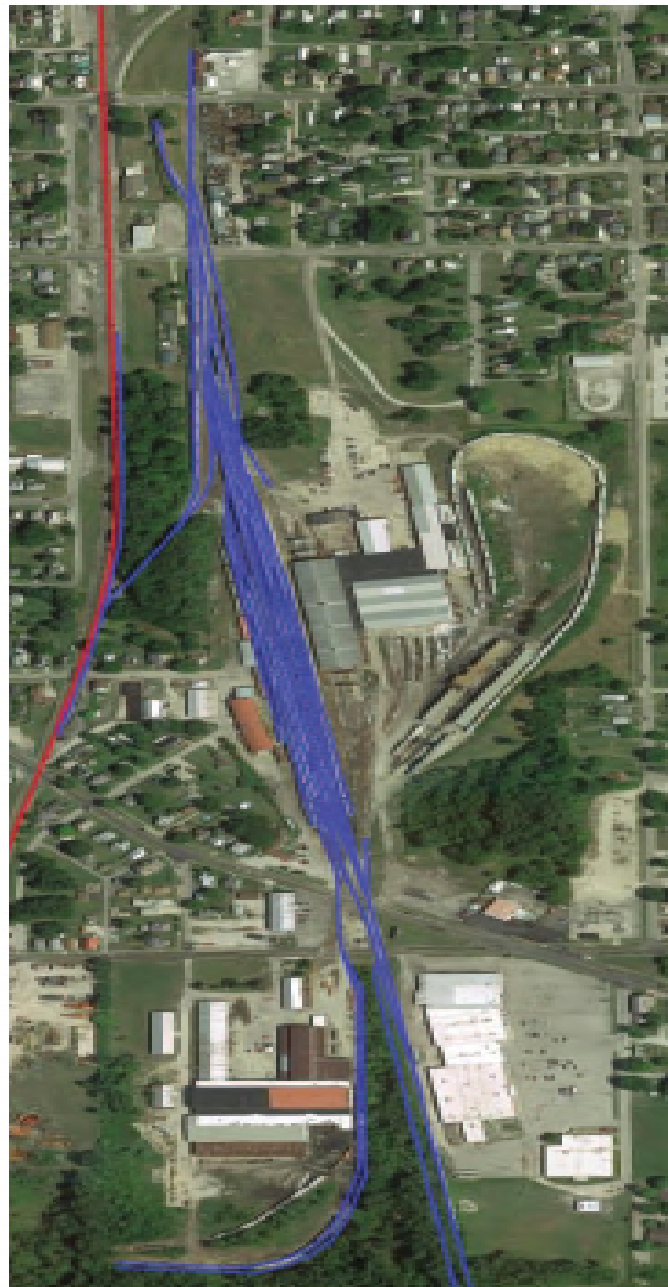
Counsel for Cornhusker Railroad, LLC

Exhibit 1
Maps

Belpre Industrial Parkersburg Railroad

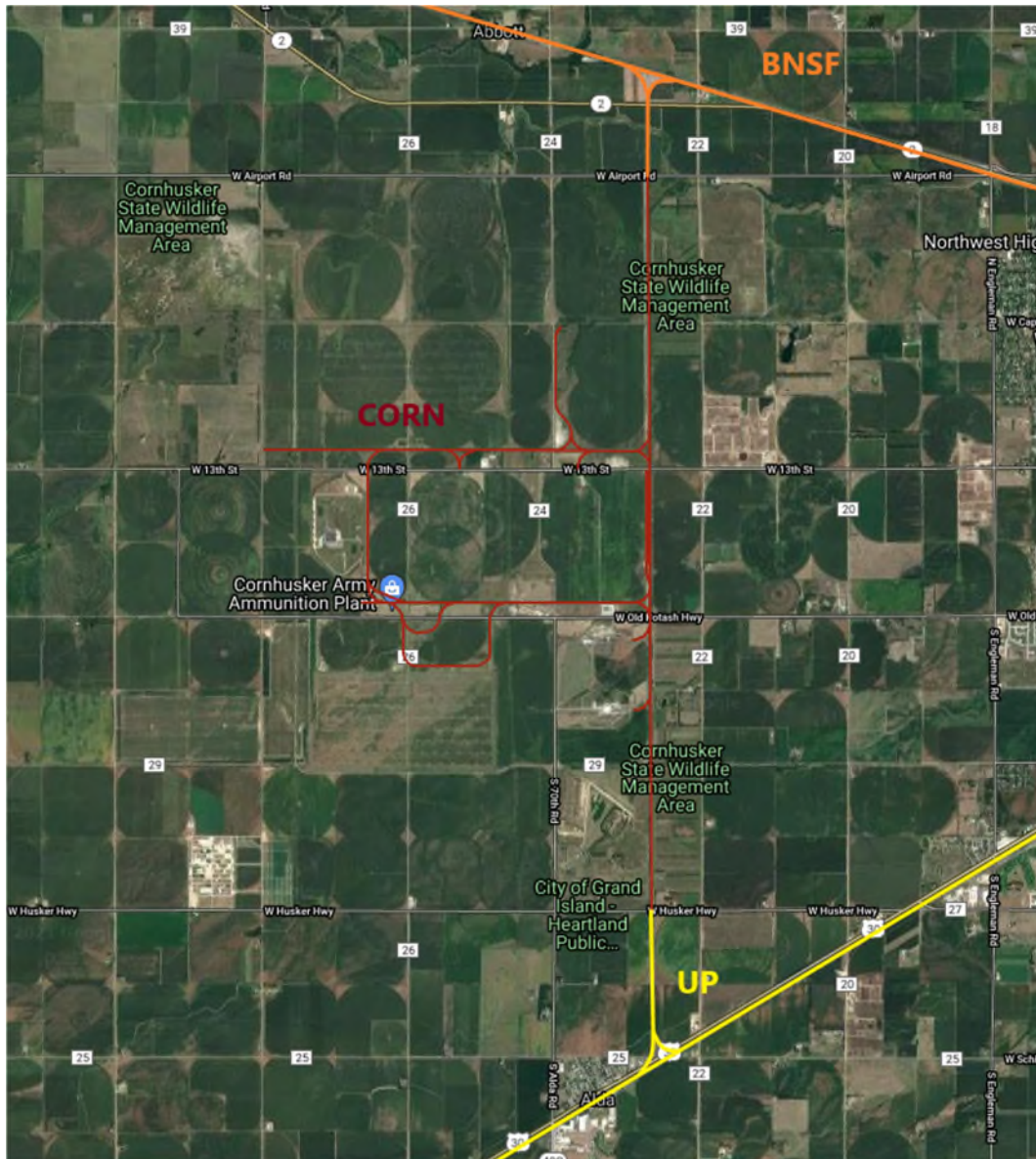


**Bucyrus Industrial Railroad
Bucyrus, Ohio**



Bucyrus Industrial Railroad —————
Norfolk Southern Railway —————

Cornhusker Railroad Grand Island, Nebraska



**Cornhusker Railroad
Hastings, Nebraska**

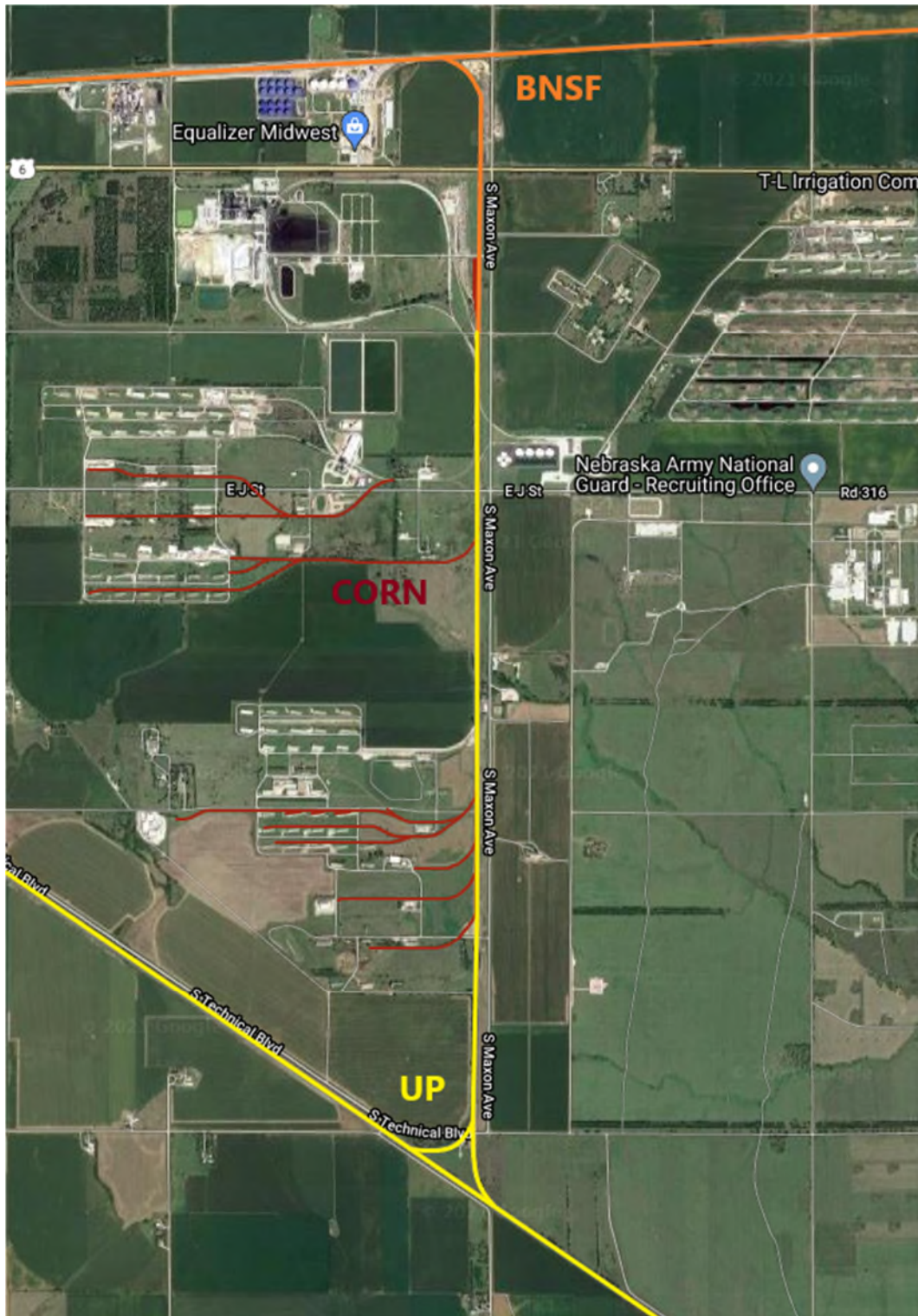


Exhibit 2

VERIFICATION AND CERTIFICATION

I, Casey Cathcart, declare under penalty of perjury that I am the Chairman and Chief Executive Officer of Cathcart Rail, LLC, and that I have read the foregoing Verified Notice of Exemption, know the facts asserted therein, and that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this notice.



Casey Cathcart
Chairman and Chief Executive Officer
Cathcart Rail, LLC
Dated: August 20, 2021

Exhibit 3
Caption

SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36541

CATHCART RAIL, LLC
—CONTINUANCE IN CONTROL EXEMPTION—
CORNHUSKER RAILROAD, LLC

Cathcart Rail, LLC, a non-carrier holding company, has filed a Verified Notice of Exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of Cornhusker Railroad, LLC (“CORN”), upon CORN becoming a Class III rail carrier in *Cornhusker Railroad, LLC—Operation Exemption*, Docket No. FD 36540, while Applicant remains in control of two STB regulated carriers, Bucyrus Industrial Railroad, LLC (“BIR”) and Belpre Industrial Parkersburg Railroad, LLC (“BIP”).

This proceeding is related to *Cornhusker Railroad, LLC—Operation Exemption*, Docket No. FD 36540 filed concurrently with this proceeding.

Applicant intends to consummate the transaction once the notice of exemption becomes effective.

Comments must be filed with the Board and served on David F. Rifkind, Stinson LLP, 1775 Pennsylvania Avenue NW, Suite 800, Washington, D.C. 20006.

The notice is filed under 49 C.F.R. § 1180.2(d). 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.

Dated: _____, 2021

By the Board