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SERVICE DATE – NOVEMBER 12, 2021

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36553]

3i RR Holdings GP LLC, 3i Holdings Partnership L.P., 3i RR Intermediate Holdings LLC, 3i RR LLC, Regional Rail Holdings, LLC, and Regional Rail, LLC—Continuance in Control Exemption—Port Manatee Railroad LLC

3i RR Holdings GP LLC, 3i Holdings Partnership L.P., 3i RR Intermediate Holdings LLC, and Regional Rail Holdings, LLC, (collectively 3i RR) and Regional Rail, LLC (Regional Rail), all noncarriers, have filed a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to continue in control of Port Manatee Railroad, LLC (PMR), a noncarrier controlled by Regional Rail, upon PMR's becoming a Class III rail carrier.¹ According to the verified notice, the proposed transaction will allow Regional Rail to acquire direct control, and 3i RR to acquire indirect control, of PMR.

This transaction is related to a verified notice of exemption filed concurrently in Port Manatee Railroad—Operation Exemption—Manatee County Port Authority, Docket No. FD 36552, in which PMR seeks to operate approximately seven miles of rail line within the Port of Manatee, in Manatee County, Fla.

According to the verified notice, 3i RR Holdings GP LLC controls 3i Holdings Partnership L.P., which in turn controls 3i RR Intermediate Holdings LLC, which in turn

¹ On November 3, 2021, 3i RR and Regional Rail filed a motion for protective order under 49 C.F.R. § 1104.14(b), which will be addressed in a separate decision.

controls 3i RR LLC, which in turn controls Regional Rail Holdings, LLC, which controls Regional Rail. The verified notice states that Regional Rail is a non-carrier holding company that directly controls the following seven Class III railroads: (1) East Penn Railroad, LLC, which operates in Delaware and Pennsylvania; (2) Middletown & New Jersey Railroad, LLC, which operates in New York; (3) Tyburn Railroad LLC, which operates in Pennsylvania; (4) the Florida Central Railroad Company, Inc., which operates in Florida; (5) Florida Midland Railroad Company, Inc., which operates in Florida; (6) Florida Northern Railroad Company, Inc., which operates in Florida; and (7) Carolina Coastal Railway, Inc., which operates in North Carolina and South Carolina (collectively, the Subsidiary Railroads).² 3i RR and Regional Rail certify that the proposed transaction will not create a provision or agreement that may limit future interchange with a third-party connecting carrier.

3i RR and Regional Rail represent that: (1) the rail line to be operated by PMR does not connect with the Subsidiary Railroads; (2) the acquisition of control of PMR is not intended to connect with any railroads in the corporate family of 3i RR or Regional Rail; and (3) the transaction does not involve a Class I rail carrier. The proposed transaction is therefore exempt from the prior approval requirements of 49 U.S.C.

§ 11323 pursuant to 49 C.F.R. § 1180.2(d)(2).

² See Reg'l Rail Holdings, LLC—Acquis. of Control Exemption—Reg'l Rail, LLC, FD 35945 (STB served Aug. 7, 2015); 3i RR Holdings GP LLC—Control Exemption—Reg'l Rail Holdings, LLC, FD 36289 (STB served Apr. 19, 2019); 3i RR Holdings GP LLC—Control Exemption—Fla. Cent. R.R., FD 36365 (STB served Nov. 22, 2019); 3i RR Holdings GP LLC—Control Exemption—Carolina Coastal Ry., FD 36383 (STB served Feb. 14, 2020).

This transaction may be consummated on or after November 28, 2021, the effective date of the exemption (30 days after the verified notice was filed).

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 for stay must be filed no later than November 19, 2021 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36553, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, one copy of each pleading must be served on 3i RR and Regional Rail's representative, Louis E. Gitomer, Law Offices of Louis E. Gitomer, LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204.

According to 3i RR and Regional Rail, 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: November 5, 2021.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.