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FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36598]

Delaware and Raritan River Railroad, LLC—Modified Rail Certificate

Delaware and Raritan River Railroad, LLC (DRRR), a noncarrier, has filed a notice for a modified certificate of public convenience and necessity under 49 C.F.R. part 1150 subpart C—Modified Certificate of Public Convenience and Necessity, to operate a rail line from Howell, N.J. (approximately milepost 20.3+/-) to a point west of Yellowbrook Road near Farmingdale, N.J. (approximately milepost 22.3+/-), all in Monmouth County, New Jersey (the Line). DRRR states that the Line is owned by New Jersey Transit Corporation (NJT).

According to DRRR, the Line was formerly owned and operated by Penn Central Corporation. DRRR states that, pursuant to the Final System Plan, the Line was part of a larger segment that was not designated for transfer to the Consolidated Rail Corporation (Conrail), and that the Line was therefore authorized to be abandoned without further regulatory approval. DRRR further states that NJT subsequently acquired the Line for potential, future railroad operations, but the Line has remained inactive for many years.

According to DRRR, NJT and DRRR have entered into an agreement (the Agreement) for DRRR to operate over the Line,¹ along with other portions of rail lines

¹ DRRR notes that Conrail is a party to the Agreement because it holds certain rights on portions of other rail lines that DRRR will operate under the Agreement, but that Conrail holds no rights to operate over the Line that is the subject of this proceeding.

for which DRRR seeks operating authority in Delaware & Raritan River Railroad—Operation Exemption—Consolidated Rail Corporation, Docket No. FD 36596. This proceeding is related to a concurrently filed notice of exemption in Kean Burenga—Continuance in Control Exemption—Delaware & Raritan River Railroad, Docket No. FD 36597, in which Kean Burenga and Chesapeake and Delaware, LLC, seek authority to continue in control of DRRR upon its becoming a Class III rail carrier. According to DRRR, although it could commence modified certificate operations over the Line immediately, it does not intend to do so until it can begin operations pursuant to the operating authority sought in Docket No. FD 36596.

The notice states that the Line connects with other sections of track owned by NJT and over which DRRR is seeking operating authority and that, by way of those lines, DRRR will be able to connect to and interchange traffic with Conrail.

The Line qualifies for a modified certificate of public convenience and necessity. See Common Carrier Status of States, State Agencies & Instrumentalities & Political Subdivisions, FD 28990F (ICC served July 16, 1981); 49 C.F.R. § 1150.22.

DRRR states that no subsidy is involved and there are no preconditions that shippers must meet to receive rail service, although service is subject to the restoration of the track along the Line. DRRR also provides information regarding the nature and extent of its liability insurance coverage. See 49 C.F.R. § 1150.23(b)(4)-(5).

This notice will be served on the Association of American Railroads (Car Service Division), as agent for all railroads subscribing to the car-service and car-hire agreement, at 425 Third Street, S.W., Suite 1000, Washington, DC 20024; and on the American

Short Line and Regional Railroad Association at 50 F Street, N.W., Suite 500,
Washington, DC 20001.

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

Decided: May 31, 2022.

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