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SERVICE DATE – MAY 12, 2023

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FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36700]

Grenada Railroad, LLC—Acquisition and Operation Exemption—North Central
Mississippi Regional Railroad Authority and Grenada Railway, LLC

Grenada Railroad, LLC (GRR), a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.41 to acquire and operate approximately 228 miles of rail line from the North Central Mississippi Regional Railroad Authority (NCMRRA) and Grenada Railway, LLC (GRY). The line consists of three segments:

(1) approximately 175.4 miles of main line between milepost 403.0 at Southaven, Miss. (GRY MP 491.09), and milepost 703.8 near Canton, Miss. (GRY MP 616.49), along with certain side and yard tracks (the Grenada Line); (2) approximately 11.42 miles of branch line between a point of connection with the Grenada Line at milepost 603.0 and milepost 614.42 at Bruce Junction, Miss. (the Water Valley Branch); and (3) approximately 21.70 miles of branch line between a point of connection with the Grenada Line at milepost H-0.20 at Aberdeen Junction, Miss., and milepost H-21.90 near Kosciusko, Miss. (the Aberdeen Branch) (collectively, the Lines). According to the verified notice, GRR has operated the Grenada Line and Water Valley Branch pursuant to a lease and operating agreement since 2015¹ and now seeks authority to acquire these

¹ See Ill. Co. Rail Road—Lease & Operation Exemption—N. Cent. Miss. Reg'l R.R. Auth., FD 35940 (STB served July 9, 2015).

lines and the Aberdeen Branch, which is owned by NCMRRA.² GRR states that the Aberdeen Branch has been out of service since prior to NCMRRA's acquisition of that segment.

The verified notice states that the parties entered into an Asset Purchase Agreement on April 27, 2023.

GRR certifies that the proposed acquisition of the Lines does not involve any interchange commitments. GRR further certifies that its projected revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier. Pursuant to 49 C.F.R. § 1150.42(e), if a carrier's projected annual revenues will exceed \$5 million, it must, at least 60 days before the exemption becomes effective, post a notice of its intent to undertake the proposed transaction at the workplace of the employees on the affected lines, serve a copy of the notice on the national offices of the labor unions with employees on the affected lines, and certify to the Board that it has done so. However, GRR has filed a request for partial waiver of the 60-day advance labor notice requirements to allow the transaction to proceed after 30 days' notice to employees on the Lines. GRR's waiver request will be addressed in a separate decision. The Board will establish the effective date of the exemption in its separate decision on the waiver request.

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

² See N. Cent. Miss. Reg'l R.R. Auth.—Acquis. & Operation Exemption—Miss. Dep't of Transp., FD 36182 (STB served Nov. 20, 2018).

effectiveness of the exemption. Petitions for stay must be filed no later than May 19, 2023.

All pleadings referring to Docket No. FD 36700, should be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on GRR's representative, Terence M. Hynes, Sidley Austin LLP, 1501 K Street, N.W., Washington, DC 20005.

According to GRR, 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: May 9, 2023.

By the Board, Mai T. Dinh, Director, Office of Proceedings.