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June 20, 2023
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June 19, 2023

VIA E-FILING

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

Re: Docket No. FD 36647
Pennsylvania & Southern Railway, LLC – Acquisition and Operation Exemption –
Letterkenny Industrial Development Authority

Dear Ms. Brown:

Enclosed for filing in the above-referenced docket is a Notice of Exemption of
Pennsylvania & Southern Railway, LLC. 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
June 20, 2023
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
June 20, 2023
SURFACE
TRANSPORTATION BOARD

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36647

PENNSYLVANIA & SOUTHERN RAILWAY, LLC
– ACQUISITION AND OPERATION EXEMPTION –
LETTERKENNY INDUSTRIAL DEVELOPMENT AUTHORITY

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902

(includes color images)

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*Attorneys for Pennsylvania & Southern
Railway, LLC*

Dated: June 19, 2023

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36647

PENNSYLVANIA & SOUTHERN RAILWAY, LLC
– ACQUISITION AND OPERATION EXEMPTION –
LETTERKENNY INDUSTRIAL DEVELOPMENT AUTHORITY

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902

Pennsylvania & Southern Railway, LLC (“PSCC”), a Class III railroad, files this Notice of Exemption under 49 U.S.C. § 10902 to exempt from regulation PSCC’s acquisition from the Letterkenny Industrial Development Authority (“LIDA”), and the operation as a common carrier, of approximately 25 miles of rail lines serving the Cumberland Valley Business Park (“CVBP”) and the Letterkenny Army Depot (together, the “Rail Lines”) near Chambersburg, Franklin County, Pennsylvania.

PSCC is the current operator of the Rail Lines and first received operating authority in 2004. *Pennsylvania & Southern Railway, LLC – Operation Exemption – Franklin County General Authority*, STB Finance Docket No. 34461 (served Feb. 12, 2004). In 2015, PSCC and FCGA extended the term of the agreement until 2039 and made other minor changes. *Pennsylvania & Southern Railway, LLC – Operation Exemption – Franklin County General Authority*, STB Finance Docket No. 35893 (served Jan. 8, 2015).

PSCC has entered into an Agreement of Sale (“Agreement”) with LIDA¹ to acquire ownership of the Rail Lines. A map of the Rail Lines is included as Exhibit A.

¹ LIDA is the current owner of the Rail Lines and associated property and easements. See footnote 2 for additional detail.

Notice

In accordance with 49 C.F.R. §1150.43, PSCC hereby provides the following information:

- (a) The full name and address of Applicant: Pennsylvania & Southern Railway, LLC
1 Evergreen Trail, Lenox, MA 01240.

- (b) Applicant's Representatives:

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- (c) PSCC has entered into an Agreement of Sale with LIDA for PSCC to own and operate as a common carrier over approximately 25 miles of tracks and associated right of way serving the Cumberland Valley Business Park ("CVBP") and the Letterkenny Army Depot. The purchase transaction closed at the end of September 2022. Because PSCC was already the operator of the Rail Lines, it inadvertently did not file for the acquisition of the Rail Lines at that time.
- (d) The current operator of the Rail Lines is PSCC. PSCC will continue to operate the Rail Lines after the acquisition under the Agreement becomes effective.
- (e) Brief Summary of the Proposed Transaction:

PSCC purchased the Rail Lines that it has operated since 2004 under a Rail Operating Agreement that was extended in 2014. *Pennsylvania & Southern Railway, LLC – Operation Exemption – Franklin County General Authority*, STB Finance Docket No. 34461 (served Feb. 12, 2004); *Pennsylvania & Southern Railway, LLC – Operation Exemption – Franklin County General Authority*, STB Finance Docket No. 35893 (served Jan. 8, 2015). The purchase gives PSCC ownership of the Rail Lines and thus incentive to invest in the tracks and further development of the rail business.

- (1) The seller/ owner of the Rail Lines is the Letterkenny Industrial Development Authority.² The name and address of LIDA is 4759 Innovation Way, Chambersburg, PA 17201.
- (2) PSCC is already operating the Rail Lines. It will commence operation of the Rail Lines as the owner of the Rail Lines pursuant to the Agreement on or after the effective date of this Notice, thirty days after filing.
- (3) There are no mileposts associated with the Rail Lines. The Rail Lines are comprised of approximately 25 miles of tracks and associated right of way located on approximately 70 acres of property and easements near Chambersburg in Franklin County, Pennsylvania.
- (4) The total route miles to be acquired and operated is approximately 25 miles.
- (f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Line

² LIDA owns the property and/or easements on which the Rail Lines are located. LIDA previously had assigned the easements to the Franklin County General Authority (FCGA) which entered into the previous Rail Operating Agreements with PSCC, and FCGA in turn, later reassigned the easements back to LIDA.

showing the general location of the Rail Lines.

- (g) PSCC certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.
- (h) PSCC certifies that the Agreement does not include an interchange commitment.
- (i) In addition to the information set forth above, PSCC certifies that its annual operating revenues after the transaction will not exceed \$5,000,000.

Labor Protection

PSCC is a Class III carrier and pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions. Additionally, since PSCC is the current operator of the Rail Line, no employees will be adversely affected by the transaction.

Environmental and Historic Reports

Pursuant to 49 C.F.R. §1105.6(c)(2), no environmental documentation should be required because this proceeding involves authority for an agreement for acquisition that will allow for continued rail operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves a sale of the Rail Lines with no changes in rail operations and further Board approval is required for PSCC to abandon or discontinue service on the Rail Line. PSCC has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Caption Summary

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

Conclusion

Accordingly, PSCC requests that the Board issue a notice allowing PSCC to acquire the Rail Lines effective 30 days after the date of filing of this notice of exemption.

Respectfully submitted,

/s/ Eric M. Hocky

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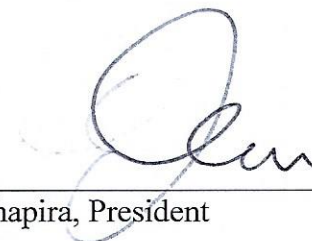
*Attorneys for Pennsylvania & Southern Railway,
LLC*

Dated: June 19, 2023

VERIFICATION

I hereby verify on behalf of Pennsylvania & Southern Railway, LLC, 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 June 16, 2023.



Eyal Shapira, President

EXHIBIT A

MAP

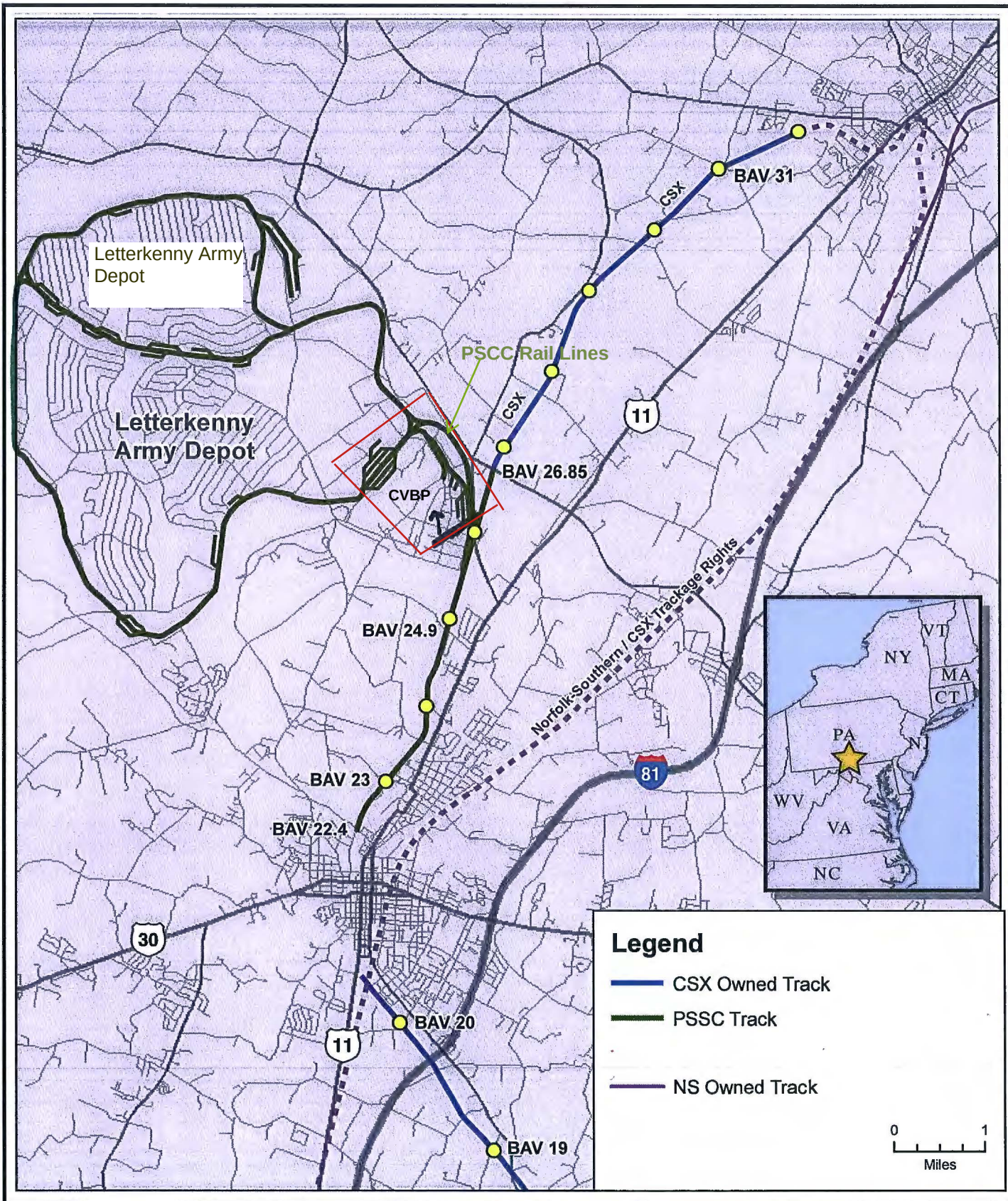


EXHIBIT B

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB Docket No. FD 36647

**PENNSYLVANIA & SOUTHERN RAILWAY, LLC
- ACQUISITION AND OPERATION EXEMPTION –
LETTERKENNY INDUSTRIAL DEVELOPMENT AUTHORITY**

VERIFIED NOTICE OF EXEMPTION

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Comments must be filed with the Board and served on PSCC’s representative, Justin Marks, Clark Hill, 1001 Pennsylvania Ave. N.W., Suite 1300 South, Washington, DC 20004, (202) 772 0916, jmarks@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*. 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.

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

Decided: _____, 2023.

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