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Before the

SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36724

**ALABAMA & GULF COAST RAILWAY LLC
– TRACKAGE RIGHTS EXEMPTION –
CSX TRANSPORTATION, INC.**

ENTERED

Office of Proceedings

October 6, 2023

Part of
Public Record

**MOTION OF ALABAMA & GULF COAST RAILWAY LLC
FOR PROTECTIVE ORDER**

Expedited Consideration Requested

 GRANTED Office of Proceedings	DECISION ID NO.: <u>51909</u>
	DECIDED DATE: <u>10/11/2023</u>
	SERVED DATE: <u>10/11/2023</u>
	APPROVED: <u></u>
	Acting Director
☐	

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Dated: October 6, 2023

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36724

ALABAMA & GULF COAST RAILWAY LLC
– TRACKAGE RIGHTS EXEMPTION –
CSX TRANSPORTATION, INC.

MOTION OF ALABAMA & GULF COAST RAILWAY LLC
FOR PROTECTIVE ORDER

Simultaneously with this motion, Alabama & Gulf Coast Railway LLC (“AGR”) filed a notice of exemption under 49 CFR §1180.2(d)(7) to acquire overhead trackage rights being granted to it by CSX Transportation, Inc. (“CSXT”). With the notice of exemption, AGR filed a redacted “public” version of a draft of the trackage rights agreement which was intended to preserve the confidential commercial terms of the agreement. AGR also filed, under seal, a “highly confidential” version of the agreement along with this motion for a protective order.

The overhead trackage rights being granted to AGR will allow AGR to continue to operate over the subject trackage to facilitate AGR’s interchange with Meridian & Bigbee Railroad, L.L.C. (“MNBR”) and other carriers after CSXT re-acquires the subject trackage from MNBR. The commercial arrangements negotiated between the parties reflect the financial and other commercial arrangements for the overhead use of the rail line. Public disclosure of the commercial information in the trackage right agreement could be competitively damaging and is not necessary for the public to have adequate notice of the new trackage rights arrangements that have been granted. Accordingly, AGR requests that the Board issue a protective order in accordance with 49

CFR §1104.14(b) and consistent with orders that have been entered in prior trackage rights exemption proceedings. *See Grainbelt Corporation – Trackage Rights Exemption – BNSF Railway Company and Stillwater Central Railroad LLC, STB Docket No. FD 35831 (served June 12, 2014); Montana Rail Link - Trackage Rights Exemption - BNSF Railway Company, STB Finance Docket No. 34911 (served October 6, 2006); The Kansas City Southern Railway Company – Trackage Rights Exemption – The Texas Mexican Railway Company, STB Finance Docket No. 34848 (served July 14, 2006).*

Issuance of the protective order will ensure that the Board will receive full disclosure of all relevant facts while ensuring that commercially sensitive information in the agreement will be used only in connection with this proceeding and not for any other business or commercial use. A suggested form of protective order is attached as an Appendix to this Motion. CSXT joins in the request for this protective order.

Because the notice is being filed simultaneously with the redacted “public” version of the trackage rights agreement, AGR requests expedited consideration of this request.

Respectfully submitted,



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October 6, 2023

APPENDIX

PROTECTIVE ORDER

1. For purposes of this Protective Order:

(a) “Confidential Documents” means documents and other tangible materials containing or reflecting Confidential Information.

(b) “Confidential Information” means traffic data (including but not limited to waybills, abstracts, study movement sheets, and any documents or computer tapes containing data derived from waybills, abstracts, study movement sheets, or other data bases, and cost work papers); the identification of shippers and receivers, in conjunction with shipper-specific or other traffic data; the confidential terms of contracts with shippers, or carriers; confidential financial and cost data; trackage rights compensation levels and other compensation between carriers; and other confidential or proprietary business or personal information.

(c) “Designated Material” means any documents designated or stamped as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL” in accordance with paragraph 2 or 3 of this Protective Order and any Confidential Information contained in such materials.

(d) “Proceedings” means those before the Surface Transportation Board (“Board”) concerning the Notice of Exemption filed in STB Docket No. FD 36724, and any related proceedings before the Board, and any judicial review proceedings arising from STB Docket No. FD 36724, or from any related proceedings before the Board.

2. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, discovery response it produces, transcript of a deposition or hearing in which it participates, or of a pleading or other paper to be submitted, filed, or served in these Proceedings contains Confidential Information or consists of Confidential Documents, then that party may designate and stamp such Confidential Information and Confidential Documents as “CONFIDENTIAL.” Any information or documents designated or stamped as “CONFIDENTIAL” shall be handled as provided for hereinafter.

3. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, a discovery response it produces, transcript of a deposition or hearing in which it participates, pleading or other paper to be submitted, filed, or served in these Proceedings contains shipper-specific rate or cost data; trackage rights compensation levels or other compensation between carriers; or other competitively sensitive or proprietary information, then that party may designate and stamp such Confidential Information as “HIGHLY CONFIDENTIAL.” Any information or documents so designated or stamped shall be handled as provided hereinafter.

4. Information and documents designated or stamped as “CONFIDENTIAL” may not be disclosed in any way, directly or indirectly, or to any person or entity except to an employee, counsel, consultant, or agent of a party to these Proceedings, or an employee of such counsel, consultant, or agent, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit A to this Protective Order.

5. Information and documents designated or stamped as “HIGHLY CONFIDENTIAL” may not be disclosed in any way, directly or indirectly, to any employee of a party to these Proceedings, or to any other person or entity except to an outside counsel or outside consultant to a party to these proceedings, or to an employee of such outside counsel or outside counsel or outside consultant, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit B to this Protective Order.

6. All parties must file simultaneously a public version of any Highly Confidential or Confidential submission filed with the Board whether the submission is designated a Highly Confidential Version or Confidential Version. When filing a Highly Confidential Version, the filing party does not need to file a Confidential Version with the Board, but must make available (simultaneously with the party’s submission to the Board of its Highly Confidential Version) a Confidential Version reviewable by any other party’s in-house counsel. The Confidential Version may be served on other parties in electronic format only. In lieu of preparing a Confidential Version, the filing party may (simultaneously with the party’s submission to the Board of its Highly Confidential Version) make available to outside counsel for any other party a list of all “highly confidential” information that must be redacted from its Highly Confidential Version prior to review by in-house personnel, and outside counsel for any other party must then redact that material from the Highly Confidential Version before permitting any clients to review the submission.

7. Any party to these Proceedings may challenge the designation by any other party of information or documents as “CONFIDENTIAL” or as “HIGHLY CONFIDENTIAL” by filing a motion with the Board or with an administrative law judge or other officer to whom authority has been lawfully delegated by the Board to adjudicate such challenges.

8. Designated Material may not be used for any purposes, including without limitation any business, commercial or competitive purposes, other than the preparation and presentation of evidence and argument in STB Docket No. FD 36724, any related proceedings before the Board, and/or any judicial review proceedings in connection with STB Docket No. FD 36724, and/or any related proceedings.

9. Any party who receives Designated Material in discovery shall destroy such materials and any notes or documents reflecting such materials (other than file copies of pleadings or other documents filed with the Board and retained by outside counsel for a party to these Proceedings) at the earlier of: (1) such time as the party receiving the materials withdraws from these Proceedings, or (2) the completion of these Proceedings, including any petitions for

reconsideration, appeals or remands.

10. No party may include Designated Material in any pleading, brief, discovery request or response, or other document submitted to the Board, unless the pleading or other document is submitted under seal, in a package clearly marked on the outside as “Confidential Materials Subject to Protective Order.” See 49 CFR 1104.14. All pleadings and other documents so submitted shall be kept confidential by the Board and shall not be placed in the public docket in these Proceedings except by order of the Board or of an administrative law judge or other officer in the exercise of authority lawfully delegated by the Board.

11. No party may include Designated Material in any pleading, brief, discovery request or response, or other document submitted to any forum other than this Board in these Proceedings unless: (1) the pleading or other document is submitted under seal in accordance with a protective order that requires the pleading or other document to be kept confidential by that tribunal and not be placed in the public docket in the proceeding, or (2) the pleading or other document is submitted in a sealed package clearly marked, “Confidential Materials Subject to Request for Protective Order,” and is accompanied by a motion to that tribunal requesting issuance of a protective order that would require the pleading or other document be kept confidential and not be placed in the public docket in the proceeding, and requesting that if the motion for protective order is not issued by that tribunal, the pleading or other document be returned to the filing party.

12. No party may present or otherwise use any Designated Material at a Board hearing in these Proceedings, unless that party has previously submitted, under seal, all proposed exhibits and other documents containing or reflecting such Designated Material to the Board, to an administrative law judge or to another officer to whom relevant authority has been lawfully delegated by the Board, and has accompanied such submission with a written request that the Board, administrative law judge or other officer: (a) restrict attendance at the hearing during any discussion of such Designated Material, and (b) restrict access to any portion of the record or briefs reflecting discussion of such Designated Material in accordance with this Protective Order.

13. If any party intends to use any Designated Material in the course of any deposition in these Proceedings, that party shall so advise counsel for the party producing the Designated Material, counsel for the deponent, and all other counsel attending the deposition. Attendance at any portion of the deposition at which any Designated Material is used or discussed shall be restricted to persons who may review that material under the terms of this Protective Order. All portions of deposition transcripts or exhibits that consist of, refer to, or otherwise disclose Designated Material shall be filed under seal and be otherwise handled as provided in paragraph 10 of this Protective Order.

14. To the extent that materials reflecting Confidential Information are produced by a party in these Proceedings, and are held and/or used by the receiving person in compliance with this Protective Order, such production, disclosure, holding, and use of the materials and of the data that the materials contain are deemed essential for the disposition of this and any related proceedings and will not be deemed a violation of 49 U.S.C. 11904 or of any other relevant provision of the ICC Termination Act of 1995.

15. All parties must comply with all of the provisions of this Protective Order unless the Board or an administrative law judge or other officer exercising authority lawfully delegated by the Board determines that good cause has been shown warranting suspension of any of the provisions herein.

16. Nothing in this Protective Order restricts the right of any party to disclose voluntarily any Confidential Information originated by that party, or to disclose voluntarily any Confidential Documents originated by that party, if such Confidential Information or Confidential Documents do not contain or reflect any Confidential Information originated by any other party.

Exhibit A

UNDERTAKING—CONFIDENTIAL MATERIAL

I, _____, have read the Protective Order served on _____, 2023, governing the production and use of Confidential Information and Confidential Documents in STB Docket No. FD 36724, understand the same, and agree to be bound by its terms. I agree not to use or to permit the use of any Confidential Information or Confidential Documents obtained pursuant to that Protective Order, or to use or to permit the use of any methodologies or techniques disclosed or information learned as a result of receiving such data or information, for any purpose other than the preparation and presentation of evidence and argument in STB Docket No. FD 36724, any related proceedings before the Surface Transportation Board (“Board”), and/or any judicial review proceedings in connection with STB Docket No. FD 36724, and/or any related proceedings. I further agree not to disclose any Confidential Information, Confidential Documents, methodologies, techniques, or data obtained pursuant to the Protective Order except to persons who are also bound by the terms of the Order and who have executed Undertakings in the form hereof, and that at the conclusion of this proceeding (including any proceeding on administrative review, judicial review, or remand), I will promptly destroy any documents containing or reflecting materials designated or stamped as “CONFIDENTIAL,” other than file copies, kept by outside counsel, of pleadings and other documents filed with the Board.

I understand and agree that money damages would not be a sufficient remedy for breach of this Undertaking and that Applicants or other parties producing Confidential Information or Confidential Documents shall be entitled to specific performance and injunctive and/or other equitable relief as a remedy for any such breach, and I further agree to waive any requirement for the securing or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this Undertaking but shall be in addition to all remedies available at law or equity.

Signed: _____

Affiliation: _____

Dated: _____

Exhibit B

UNDERTAKING–HIGHLY CONFIDENTIAL MATERIAL

I, _____, am outside [counsel] [consultant] for _____, for whom I am acting in this proceeding. I have read the Protective Order served on _____, 2023, governing the production and use of Highly Confidential Information and Confidential Documents in STB Docket No. FD 36724, understand the same, and agree to be bound by its terms. I agree not to use or to permit the use of any Highly Confidential Information or Confidential Documents obtained pursuant to that Protective Order, or to use or to permit the use of any methodologies or techniques disclosed or information learned as a result of receiving such data or information, for any purpose other than the preparation and presentation of evidence and argument in STB Docket No. FD 36724 or any related proceedings before the Surface Transportation Board (“Board”), or any judicial review proceedings in connection with STB Docket No. FD 36724, and/or any related proceedings. I further agree not to disclose any Highly Confidential Information, Confidential Documents, methodologies, techniques, or data obtained pursuant to the Protective Order except to persons who are also bound by the terms of the Order and who have executed undertakings in the form hereof.

I also understand and agree, as a condition precedent to my receiving, reviewing, or using copies of any information or documents designated or stamped as “HIGHLY CONFIDENTIAL,” that I will take all necessary steps to ensure that said information or documents be kept on a confidential basis by any outside counsel or outside consultants working with me; that under no circumstances will I permit access to said materials or information by employees of my client or its subsidiaries, affiliates, or owners; and that at the conclusion of this proceeding (including any proceeding on administrative review, judicial review, or remand), I will promptly destroy any documents containing or reflecting information or documents designated or stamped as “HIGHLY CONFIDENTIAL,” other than file copies, kept by outside counsel, of pleadings and other documents filed with the Board.

I understand and agree that money damages would not be a sufficient remedy for breach of this Undertaking and that Applicants or other parties producing Highly Confidential Information or Confidential Documents shall be entitled to specific performance and injunctive and/or other equitable relief as a remedy for any such breach, and I further agree to waive any requirement for the securing or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this Undertaking but shall be in addition to all remedies available at law or equity.

Signed: _____
OUTSIDE [COUNSEL] [CONSULTANT]

Dated: _____

CERTIFICATE OF SERVICE

I hereby certify that on this date a copy of the foregoing Motion for Protective Order was served by email on the persons shown below:

Anthony LaRocca, Alarocca@steptoe.com
Peter Denton, pdenton@steptoe.com
Sally Mordi, smordi@steptoe.com

Louis Gitomer, Lou@graillaw.com

Counsel for CSX Transportation, Inc.



Justin J. Marks

Dated: October 6, 2023