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Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. FD 36802

**MACQUARIE INFRASTRUCTURE PARTNERS V GP, LLC, ET AL.
—CONTROL EXEMPTION—
HONDO RAILWAY, LLC**

DOCKET NO. FD 36803

**HONDO RAILWAY, LLC—ACQUISITION EXEMPTION RAIL LINES OF
SOUTH TEXAS LIQUID TERMINAL, INC.**

JOINT MOTION TO EXPEDITE EFFECTIVE DATE

EXPEDITED HANDLING REQUESTED

On August 28, 2024, Macquarie Infrastructure Partners V GP, LLC (“MIP GP”) filed the Verified Notice of Exemption pursuant to 49 C.F.R. § 1180.2(d)(2) for the benefit of the Macquarie Infrastructure Partners V fund vehicle (“MIP V”), MIP V Rail, LLC (“MIP Rail”), Pinsly Holdco, LLC, and Pinsly Railroad Company, LLC (“Pinsly”), in the above captioned proceeding—STB Docket No. FD 36802—to acquire control of Hondo Railway, LLC (“HRC”). On the same day, HRC filed a Verified Notice of Exemption in the above captioned proceeding—STB Docket No. FD 36803—to acquire 13,200 feet of track currently owned by South Texas Liquid Terminal, Inc. (“STLT”) and operated by HRC pursuant to a lease agreement since 2006. The two transactions are contingent on one another and relate to a larger,

more complex transaction involving the current owners of HRC that is set to close by the end of September. A delay would unnecessarily complicate elements of the overall transaction unrelated to the Board's jurisdiction over a leasehold being converted to ownership and an upstream change of control, neither of which will impact railroad service or operations. Therefore, the parties now respectfully request that the Board take the steps necessary to permit the exemption to become effective on or prior to September 30, 2024.

As noted above, Applicants filed the Notices of Exemption on August 28, 2024, which would provide sufficient time for the exemptions to become effective by September 30, 2024, barring a stay by the Board. Thereafter, on the morning of September 10, 2024, the Board requested that Applicants submit additional maps showing other commonly controlled railroads filed in Docket No. FD 36802 and a more legible map of HRC' rail line filed in Docket Nos. FD 36802 and FD 36803. The requested information was filed several hours later in both dockets. Board staff then requested that the HRC map be supplemented. The further supplemented map was filed on September 11, 2024. Despite the prompt submission of the requested information, Applicants were advised that the 30-day period for notices of exemption required under 49 C.F.R. § 1180.4(g)(1) would restart as of the date of the supplemental filing. Accordingly, the earliest the parties can close is October 11, 2024.

The Board has, at times, granted motions to expedite the effective date of

exemptions¹ for good cause.² In this case, good cause exists. Applicants worked diligently to comply with the Board’s requests regarding the maps of Pinsky-controlled carriers and supplementation of the HRC map, submitting those materials in just a few hours. Moreover, at the time the parties were made aware of the need for additional information, the Notices of Exemption had been on file with the Board for 13 days. No party has filed comments or pleadings in opposition to the Notices of Exemption in the subject dockets. Those Notices were filed in time to enable the parties to consummate the transactions prior to the end of the 3rd quarter of 2024. Any delay would needlessly complicate the closing of the transaction—which has elements unrelated to HRC, its service, or its customers—and rail service will not be impacted by either transaction becoming effective.

Under the circumstances, good cause exists for the Board to grant the joint motion and take the actions necessary to publish the Notices of Exemption in the Federal Register and allow them to become effective no later than September 30,

¹ See, e.g., *Patriot Rail Transportation Co., LLC, et al—Control Exemption—Salt Lake Garfield and Western R.R. Co.*, Docket No. FD 36462 (STB served Dec. 28, 2020); *Portland Vancouver Junction R.R., LLC—Operation Exemption—Rail Lines of Columbia Business Center, Clark County, Wash.* Docket No. FD 36134 (STB served July 28, 2017); *Merced County Central Valley R.R., LLC—Lease and Operation Exemption—In Merced County, Cal.*, STB Docket No. FD 36589 (STB served June 14, 2022).

² See *Merced County Central Valley R.R., LLC*, STB Docket No. FD 35589, at 2 (“Here, however, the Board finds good cause to expedite the effectiveness of the exemptions”) cf. *Western Carolina Railway Service Corporation, Steven C. Hawkins and Cheryl R. Hawkins—Continuance in Control Exemption—Aiken Railway Company, LLC*, STB Docket No. FD 35691, at 2, n.1 (STB served Nov. 21, 2012) (“Applicants have not, however, justified moving the effective date up four days.”).

2024.

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Respectfully submitted,

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