MULLINS LAW GROUP PLLC

Transportation Solutions for the 21st Century

2001 L Street NW, Suite 720
Washington, DC 20036

Crystal M. Zorbaugh
czorbaugh@mullinslawgroup.net
mullinslawgroup.net

Telephone: (202) 663-7850
Direct: (202) 663-7831
Facsimile: (202) 464-9123

December 11, 2024

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December 11, 2024
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VIA E-FILING
Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

Re: Knoxville & Holston River Railroad Co., Inc., a wholly owned subsidiary of Gulf & Ohio Railways, Inc. – Abandonment Exemption – In Knox County, Tennessee AB-580 (Sub-No. 1X)

Dear Ms. Brown:

Pursuant to 49 C.F.R. Part 1152, Subpart G – Special Rules for Petitions for Abandonments Knoxville & Holston River Railroad Co., Inc. ("KXHR"), a wholly-owned subsidiary of Gulf & Ohio Railways, Inc. ("G&O") is filing a Petition for Exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10903, for the abandonment of an approximately 3.8-mile long rail line, extending from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville, TN (the "Line" or "K&A Belt") in Knox County, Tennessee. A $9,200.00 filing fee has been paid via Pay.gov. If there are any questions about this matter, please contact me directly, either by telephone: at 202-663-7831 or by e-mail: at czorbaugh@mullinslawgroup.net. If I am unavailable you may contact Spencer M. Naake, who can be reached at (202) 663-7829 or by e-mail at snaake@mullinslawgroup.net.

Respectfully submitted,

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh

Attorneys for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

Enclosures
cc: Greg Hall

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SURFACE
TRANSPORTATION BOARD

F I L E D
December 11, 2024
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

Crystal M. Zorbaugh
Spencer M. Naake
MULLINS LAW GROUP PLLC
2001 L Street, NW
Suite 720
Washington, DC 20036
Tel: (202) 663-7831
czorbaugh@mullinslawgroup.net

Attorneys for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

December 11, 2024

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

INTRODUCTION

Pursuant to 49 U.S.C. § 10502, Knoxville & Holston River Railroad Co., Inc. ("KXHR" or "Petitioner"), a wholly owned subsidiary of Gulf & Ohio Railways, Inc. ("G&O"), submits this Petition for Exemption from 49 U.S.C. § 10903 seeking the Board's authorization for the abandonment of an approximately 3.8-mile rail line between milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville, TN (hereinafter, the "Line" or "K&A Belt") in Knox County, Tennessee. The subject Line traverses the United States Postal Zip Code territory of 37920.

Based on information in KXHR's possession, the Line does not contain federally granted rights-of-way. Any documentation in Petitioner's possession will be made available promptly to those requesting it. There are no stations on the Line to be abandoned. A copy of this Petition has been served on known shippers located on the Line as well as the affected political subdivisions.

The Line is a burden on KXHR and interstate commerce because the potential annual revenue that could be generated by the one existing shipper on the Line, Ergon Terminaling, Inc.

("Ergon"),[1] would be heavily outweighed by the costs of maintaining and operating the Line. KXHR faces significant hardship from continued operation of the Line (at a substantial avoidable cost loss), because rail traffic on the Line has been infrequent and unreliable over the past five years, and the current traffic volume is not anticipated to increase significantly. In fact, since 2019, KXHR has not received enough revenue to sustain operations, receiving an average of 8.2 carloads per year from 2019-2024.[2] The average revenue per year over the last five years for the Line is $5,343.00, which is approximately 5.7% of KXHR's operating cost of $92,982.00 for 2024.[3] In sum, the requested abandonment should be granted because:

- The operating costs of the Line currently exceed the average revenue generated from the Line by over 90%;
- Rail traffic on the Line has averaged 8.2 carloads over the past five years, and rail traffic volumes are not anticipated to increase significantly;
- The Line's remaining shipper, Ergon, can –and has—used alternative modes for their transportation needs; and
- In keeping with the standards of 49 U.S.C. § 10502 – (a) application of the Board's formal abandonment process is unnecessary to carry out the Rail Transportation Policy ("RTP") of 49 U.S.C. § 10101; (b) the proposed transaction is of limited scope; and (c) application of 49 U.S.C. § 10502 in whole or in part is not necessary to protect the one remaining customer on the Line from the abuse of market power.

[1] Ergon receives, stores, and loads products for customers in the chemical, asphalt, and oil industries. Ergon owns eight terminaling facilities, where it stores products "until they are ready for loading into tankers, railcars, trucks, barges or to be fed through pipelines." See Ergon Terminaling, Inc. Website.

[2] See Exhibit E, Verified Statement of Christopher Todd Starnes, p. 7, Table One – KXHR K&A Belt Traffic & Revenue, 2019-2024 ("Table One").

[3] Id.

Accordingly, KXHR respectfully requests that the Board grant its Petition, as the Line's operating costs significantly exceed revenues from operations, the proposed transaction is of limited scope, and the application of 49 U.S.C. § 10502 in whole or in part is not necessary to protect the one remaining customer on the Line from the abuse of market power.

MAPS AND EXHIBITS

A map of the Line is attached as Exhibit A. A Combined Environmental and Historic Report is attached as Exhibit B. A draft Federal Register notice is attached as Exhibit C, and the certifications of compliance with 49 C.F.R. §§ 1105.12 and 1152.60(d) are included as Exhibit D. The Verified Statement of Christopher Todd Starnes ("V.S. Starnes"), Chief Operating Officer – G&O, is attached as Exhibit E.[4]

BASIS FOR ABANDONMENT AND FACTUAL BACKGROUND

KXHR seeks authority to abandon the Line because the traffic and revenues from the sole shipper, Ergon, are insufficient to cover the direct costs of providing rail service let alone the costs of normalized maintenance and opportunity costs. The circumstances leading to this Petition are set forth in the attached V.S. Starnes.

The Line, which is proposed for abandonment, extends from milepost 0.1 in Knoxville, TN, to the end of the line, also in Knoxville, began operations in May 1998 after KXHR purchased the Line and other rail assets from Norfolk Southern Railway Company ("NSR").[5] In recent years, the Line has served one customer,[6] Ergon, which has significantly reduced its use of the Line, has used

[4] Mr. Starnes, who has been employed by G&O since 2008, offers testimony in support of the proposed abandonment and in his capacity as the Chief Operating Officer for G&O supplies traffic and economic analysis to demonstrate the avoidable cost losses that KXHR would continue to incur (totally unrecoverable due to insufficient revenues generated by the Line) should the subject Petition be denied.

[5] See V.S. Starnes at 1.

[6] Prior to 2014, the Line also served Holston Gates in addition to Ergon. However, Holston Gates relocated in 2014, causing a drastic decrease in the use of the Line. Since then, Ergon has continued to decrease its use of the Line and, when it does use the Line, its use is unreliable and unpredictable. Id. at 1-2.

other more convenient modes of transportation, including barge and truck. KXHR's initiatives to market and develop new local businesses on the Line have failed. Portions of the Line are situated in a rapidly developing area, with the first mile and a half expanding into a mixed-use residential/ commercial development area, making it extremely costly and unlikely for new shippers or industries to make use of or require freight services, as the surrounding real property is developed for residential and commercial purposes. In fact, the Line has averaged 8.2 carloads over the last five years, with an average revenue of $5,343.00 per year.[7] Moreover, the tunnel at milepost 0.1 requires significant rehabilitation efforts to ensure continued safe and efficient operations on the Line.[8] According to Mr. Starnes, "if you base this cost [of $2.5 million to rehabilitate the tunnel] on the current revenue generated by the Line, it will take over 26 years to pay off the cost to rehabilitate the tunnel, alone."[9] Given the Line's extremely limited and unpredictable traffic and lack of projected future traffic, KXHR seeks Board relief to abandon the Line because there is no way the Line can be operated profitably.

In 2024, KXHR received 8 carloads from Ergon over the Line, resulting in $6,200.00 of revenue. The data for 2024 is final and KXHR does not anticipate additional carloads or revenue through the end of the year. KXHR notified Ergon that sometime around October of 2024, KXHR planned to seek abandonment authority and terminate common carrier operations over the Line. Moreover, as stated by Mr. Starnes, "if the lowest revenue years, 2021 and 2023, are examined, where KXHR only received one (1) carload each year on the K&A Belt, the amount of revenue, $654.00 and $749.00, respectively, is insubstantial and not enough for the labor for a two-member

[7] Id. at 7, Table One.

[8] The state of the tunnel currently limits the type of freight that can traverse the Line, furthering limiting KXHR's potential for new traffic.

[9] Id. at 9-10.

crew (engineer and conductor) for a single day."[10] Further, as demonstrated in V.S. Starnes, Ergon's use of the Line is extremely unpredictable and unreliable as KXHR does not have a contractual relationship with Ergon and instead charges Ergon pursuant to the freight tariff for KXHR. See V.S. Starnes, Attachment E. The tariff lists charges of $775.00 for a carload of asphalt, which is insubstantial for the amount of traffic and the cost of labor for a single day of use on the Line.

Ergon consistently uses the Line as a secondary means of transporting its freight. In fact, Ergon markets its services at its Knoxville, TN facility as having a 10' draft with a "(2) barge berth limit" and access via a "truck rack with 2 loading positions."[11] Although Ergon sporadically uses the Line, Ergon's averaged and projected carloads per year fall far short of the amount needed to make the Line sufficient and profitable for KXHR. The Line does not have any overhead traffic. To ensure Ergon has knowledge of this proceeding, KXHR has served Ergon with a copy of this Petition.

PETITIONER'S REPRESENTATIVE

KXHR is represented by Crystal M. Zorbaugh, Mullins Law Group PPLC, 2001 L St. NW, Suite 720, Washington, D.C. 20036; telephone: (202) 663-7831; and email: czorbaugh@mullinslawgroup.net.

THE EXEMPTION STANDARDS HAVE BEEN MET

Under 49 U.S.C. § 10903, service over a rail line cannot be abandoned without prior Board approval. However, under 49 U.S.C. § 10502, the Board must exempt a transaction from the application of section 10903 when it finds that – (1) regulation of the transaction is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101 ("RTP"); and (2) either (a) the

[10] Id. at 8; see also Id. at 8, n. 4 ("The total cost for 2 crew members for 8 hours a day for 16 days is $15,872. If you divide the total by 16, the cost is $992 per day.").

[11] See Ergon Website Locations at Knoxville, TN. Further, the Knoxville, TN location notes it only has rail unloading capabilities.

transaction is of limited scope, or (b) regulation is not needed to protect shippers from the abuse of market power. The proposed abandonment meets section 10502's statutory requirements.

A. Regulation Is Not Necessary To Carry Out The Rail Transportation Policy

The RTP obviates the need for detailed Board scrutiny under 49 U.S.C. § 10903 in this instance. Granting KXHR's Petition – rather than requiring it to incur the substantial costs and potential delays involved in submitting a full-blown application – promotes a fair and expeditious regulatory decision-making process; ensures the development and continuation of a sound rail transportation system with effective competition among rail carriers and other modes to meet the needs of the public; reduces regulatory barriers to exit from the industry; and provides for the expeditious handling and resolution of proceedings required or permitted to be brought under this part. See 49 U.S.C. §§ 10101(2), (4), (7), and (15).

Moreover, allowing KXHR to abandon the Line will promote a safe and efficient rail transportation system by enabling the railroad to avoid continuing losses and, in turn, facilitate the railroad's ability to earn adequate revenues. See 49 U.S.C. § 10101(3). Finally, granting KXHR's Petition to abandon the Line that the evidence proves is not remunerative will foster sound economic conditions and encourage efficient management in accordance with the RTP. See 49 U.S.C. §§ 10101(5) and (9) (*emphasis added*).

As indicated in the discussion below, KXHR's Line does not handle nearly enough traffic to even sustain operations, let alone profit. According to Mr. Starnes, "based on the current Tariff for asphalt of $775.00, KXHR would need to receive over 120 carloads to even generate revenue on par with the cost of operations,"[12] which was $92,982.00 for 2024.[13] KXHR would need to receive far more carloads on top of the 120 to undertake the deferred maintenance on the Line and rehabilitate

[12] See V.S. Starnes at 8.

[13] Id.

the tunnel at milepost 0.1 – and then some to see a profit. See V.S. Starnes at 8; Table One; and Table Two – Immediate Maintenance and Rehabilitations Costs for K&A Belt. These losses are not short-term losses, but rather the losses will likely continue in perpetuity because rail traffic on the Line has seen at most 22 carloads and as few as one over the past five years, and rail traffic volumes are only expected to continue to decrease or cease entirely for the foreseeable future.

For these reasons, the Board need not, and should not, require KXHR to use the formal abandonment application procedures to carry out the RTP. Indeed, the proposed abandonment and KXHR's use of the Board's exemption procedures is consistent with that policy.

B. The Proposed Abandonment Is of Limited Scope

The proposed abandonment is of limited scope, involving 3.8 miles of a low-density rail line that has handled an average of 8.2 carloads over the last five years. [14] There is only one active customer on the Line, and this customer's traffic is unreliable and infrequent. Even at the height of the Line's traffic flows in 2019 (22 carloads over the entire year), the revenue generated was still only $13,502.00,[15] or 14.5% of the current operating costs. Specifically, the average revenue over the last five years is $5,343.00, which is approximately 5.7% of KXHR's operating costs of $92,982.00 for 2024. See V.S. Starnes at 7. As indicated above, there is no overhead traffic.

C. Regulation of the Abandonment Is Not Necessary to Protect Shippers from Market Power Abuse

Section 10502(a) requires, as a second condition, that application in whole or in part of a requested jurisdictional provision is not necessary because either (1) the transaction or service is of

[14] The Board has granted individual exemptions in similar circumstances for comparable circumstances. See, Central Michigan Railway Company – Abandonment Exemption in Saginaw County, MI, AB 308 (Sub-No. 3X) (STB Served Oct. 31, 2003) (Board granted abandonment petition for approximately 1.77 miles of rail line that received 81 carloads in 2002 and 57 carloads in 2001); see also Paducah & Louisville Railway, Inc. – Abandonment Exemption – In McCracken County, KY, AB 468 (Sub-No. 5X) (STB Served June 20, 2003) (Board granted abandonment petition for approximately 5,780 feet of rail line that received 58 carloads in 2002 and 66 carloads in 2001).

[15] See V.S. Starnes at 8, Table One.

limited scope or (2) the application in whole or in part of the applicable provision is not needed to protect shippers from the abuse of market power. Because the proposed abandonment is of limited scope, KXHR does not need to prove also that regulation is not needed to protect shippers from the abuse of market power. But given the limited number of carloads at issue and the fact that the commodities transported are subject to competition from alternative modes of transportation, it is clear that the use of the Board's formal abandonment procedures is not necessary to protect shippers from any potential abuse of market power in this case.

In addition, the email exchanges, attached to V.S. Starnes,[16] show where KXHR has periodically requested monthly railcar projections from Ergon. These email exchanges are evidence that the traffic from Ergon is both infrequent and unsubstantial. As shown in V.S. Starnes in Table One, the Line handled 22 carloads in 2019; 7 carloads in 2020; 1 carload in 2021; 10 carloads in 2022; 1 carload in 2023; and 8 carloads in 2024 – totaling to 49 carloads in the past five years with total five year revenue of $32,060.00. KXHR's revenue from the Line, which is derived from the traffic of KXHR's sole customer, clearly falls far short of the operating costs of $92,982.00 for 2024 alone and has not (and will not in the future) allowed KXHR to sustain operations over the K&A Belt.

Further, KXHR knows that Ergon, the last customer on the Line, regularly makes use of alternative modes of transportation, receiving its inbound freight via barge and outbound via truck.[17] In fact, such competitive constraints preclude KXHR from exploring the sizeable rate increases that could make continuing service economically practicable. However, given the volumes

[16] See V.S. Starnes, Attachment A – Railcar Projections from Ergon

[17] See Central Michigan Railway Company, AB 308 (Sub-No. 3X), slip op. at 6 (STB served October 31, 2003) ("[I]t is well settled that a railroad will not be required to operate a rail line simply to prevent shippers from incurring higher transportation costs by truck.").

transported by rail, even a tariff increase would not make operations sustainable. Clearly, regulation is not needed to protect the sole shippers on the Line from market abuse as the sole shipper on the K&A Belt has more than adequate transportation alternatives.[18]

Under the circumstances, there is no basis to presume that KXHR's decision to seek abandonment authority is driven by any consideration aside from the avoidance of future operating losses and continued investment in a Line whose traffic levels cannot support economic operations. KXHR has neither the leverage nor the propensity to subject the Line's sole customer to market power abuse. Because the Line's sole customer has, and generally does use, multiple forms of transportation other than rail, permitting abandonment of the Line will not increase any market power those other forms of transportation have over that customer. No other rail carrier serves this customer, so ending KXHR service to this customer will not leave this customer with only one available rail carrier option.

PUBLIC INTEREST FACTORS

Due to the unrecoverable and substantial operating losses that would result from the Line's remaining – if any – activity, continued operation of the Line would be wholly uneconomical.

Even when factoring community and shipper interests against the Line's economic circumstances, the public interest militates in favor of the proposed discontinuance.

A. KXHR's Economic Analysis

As has been mentioned above, KXHR's total operating costs for 2024 were $92,982.00. This includes costs related to crew members, locomotive use, and mechanical/track inspections – which is further broken down in V.S. Starnes at Attachment D into sub-costs related to labor, vehicles,

[18] This is shown by Ergon's, the sole shipper of the K&A Belt, seamless pivot of its infrequent rail cars to its primary modes of transport (barge and truck), and as discussed in Section D, infra, Ergon has yet to express an interest in the alternative rail transport opportunity offered by KXHR via the KXHR Line on the north side of the river.

bridges, and vegetation control. During 2024,[19] KXHR handled eight (8) carloads. KXHR submits that the reported traffic volumes are representative of current rail service demand on the Line. Accordingly, KXHR has averaged out the number of carloads and revenue over the past five years on which to base its economic analysis of the Line. Per year, the averages broke down to 8.2 carloads and $5,343.00 in revenue. Such low levels of traffic and insignificant revenue make the Line unattractive to a potential new operator or new customer, given that the lack of traffic and revenue have caused KXHR to postpone necessary repairs and would require any new party to undertake its own substantial costs to bring the Line into a state of good repair. Given that the prospect of new customers seems unlikely as the surrounding property is developed for new residential and commercial use, it seems unlikely that a new operator would be willing to undertake the significant costs without much promise for future profit and customer expansion.

B. Avoidable Costs Loss

As is detailed in Mr. Starnes's verified statement, KXHR incurred $92,982.00 in operating costs for 2024, which, when offset against the average revenue per year over the last five years, $5,343.00, results in enough traffic and revenue to make up for approximately 5.7% of KXHR's operating costs in 2024. Furthermore, KXHR estimates it would cost approximately $3.32 million in total for immediate costs needed to bring the Line up to FRA Class I standards.[20] This initial $3.32 million does not include the projected ongoing maintenance needed over the next five years, which includes replacing an additional 1,000 ties and adding surfacing, which is estimated to cost another $2.12 million.[21]

[19] As previously stated, KXHR notified Ergon that sometime around October of 2024, KXHR planned to seek abandonment authority and terminate common carrier operations over the Line. No further rail shipments are anticipated.

[20] See V.S. Starnes, at 8.

[21] Id.

KXHR estimates that, for purposes of immediate maintenance and rehabilitation costs, it would incur costs of $3,320,000.00 in addition to the yearly operating costs.[22] Based on the 2024 total operating cost of $92,982.00, the total costs for operating and maintenance are over $3.4 million, which is incredibly insufficient when compared to the average revenue of only $5,343.00 per year. Moreover, according to Mr. Starnes, "if you base this cost [of 2.5 million to rehabilitate the tunnel] on the current revenue generated by the Line it will take over 26 years to pay of the cost to rehabilitate the tunnel, alone."[23]

Mr. Starnes testifies to the Line's revenue and to the computation of various cost inputs that comprise the total avoidable cost figures employed here. His testimony demonstrates KXHR's compliance with the applicable Board rules for calculating such cost inputs. Mr. Starnes's testimony speaks for itself.

KXHR has presented maintenance of way and structures costs of $524,000.00 for replacement and disposal of 30% of ties; $193,000.00 for adding ballast and surfacing to the Line; $103,000.00 for repairs to the Gilbert Lane Bridge; and $2,500,000.00 for repairs to the tunnel at milepost 0.1, which include scaling loose items, installing rocks bolts and shotcrete to 350-feet of tunnel.[24] All of which are needed to bring the Line to FRA Class I standards and conditions. Mr. Starnes explains that the estimates are based on recent track inspections, which revealed that at minimum 30% of the crossties need to be immediately replaced, with an additional 1,000 ties being

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[22] Id.

[23] Id. at 9-10; see also Union Pacific Railroad Company—Discontinuance—In Utah County, Utah, AB-33 (Sub-No. 209) (STB Served Jan. 2, 2008) (the Board in granting UP's abandonment application agreed that it "would take over 20 years to pay off the rehabilitation costs" and thus, the "continued operations of the line clearly would be burdensome for UP.") While UP sought discontinuance in its application, KXHR is facing the same burden here as the Line it seeks to abandon is generating a paltry sum of revenue, $5,343.00 per year, when compared to UP, which was generating $1,392,891.00 in revenue per year. Yet, despite the significant differences in annual revenues, KXHR is facing similar rehabilitation costs of $3.32 million, when compared to UP's $4.33 million, without insubstantial revenues. This significant difference in revenue while facing the same rehabilitation costs of a Class I railroad, again demonstrates why KXHR must abandon the Line.

[24] Id.at 9.

done over five years.[25] KXHR stands behind its maintenance figures as the most accurate and realistic estimate based upon actual track maintenance costs and data.

Specifically, the cost to rehabilitate the tunnel at milepost 0.1 alone is estimated at $2.5 million, and as explained above, the $2.5 million tunnel repairs, when offset with the current revenue, indicate it would take KXHR over 26 years to pay off the tunnel repairs alone.[26] Rehabilitation and maintenance of the Line is necessary to provide safe and efficient operations and without it, the Line is almost impossible to market to new customers.

C. Return on Value

KXHR has prepared and is submitting evidence on the new liquidation value of the rail and track materials should an interested party propose to subsidize KXHR's operation of the Line. The evidence was prepared under the supervision of Mr. Starnes."[27]

Under the circumstances, KXHR believes that the net liquidation value ("NLV") of the rail and track materials is $35,000.00.[28] The underlying real property will be donated to the City of Knoxville following the Board granting abandonment authority so that it can be used to pursue alternative public use.

D. Alternative Transportation

KXHR believes that Ergon, the Line's existing customer, has access to viable alternative transportation modes. KXHR, in its recent communications with Ergon, offered an alternative rail transport opportunity via the KXHR Line on the north side of the river, which Ergon has not yet expressed significant interest in KXHR's alternative location.[29] As explained here and in V.S.

[25] Id. at 7.

[26] Id. at 9-10.

[27] Id. at 10.

[28] Id.

[29] Id. at 4.

Starnes, Ergon uses the Line as a secondary mode of transportation, relying primarily on receiving its inbound freight via barge and outbound via truck.

KXHR submits that an alternative (and competitive) transportation service is readily available to the current user of the Line. However, given the low volumes, and that the principal commodities transported over the Line can be safely transported using other modes, there is no possibility of any shippers suffering market abuse. Thus, there is no justification for requiring KXHR to continue to own, operate, and maintain the Line at such avoidable loss levels. Accordingly, KXHR submits that alternative (and competitive) transportation service is readily available to past users of the Line.

E. Other Policy and Public Interest Considerations

KXHR believes that the proposed abandonment of the Line will have no significant impact upon any of the communities through which the Line passes, in large part because its rail service has been a convenient, but non-essential, competitive alternative to truck transportation for the Line's sole customer. Accordingly, KXHR is confident that its proposed abandonment will have a very minimal impact on the communities it serves if it has any impact at all. Further, the subject abandonment will likely not result in the Line's existing customer making much more use of trucks than before, given that Ergon only used the Line to receive an average of 8.2 carloads per year. Nonetheless, KXHR has determined that the truck diversions are so modest that the impacts need not be examined under the Board's environmental assessment processes. Here, the very strong likelihood that the proposed abandonment will minimally impact the communities through which the Line traverses[30] if at all, must be balanced against the evidence presented herein showing that KXHR would be subjected to significant unrecoverable costs going forward if its Petition were to be denied.

[30] See Exhibit B – Combined Environmental and Historic Report.

The process that KXHR has invoked and the evidence it has supplied in its case-in-chief fully support the grant of its abandonment exemption Petition. It also affords interested parties a fair opportunity to express their views on KXHR's proposed action and to comment on the propriety of KXHR's use of the individual petition for exemption process. KXHR believes the evidence supports the grant of the Petition and that holding it to an exacting, expensive, and potentially protracted formal abandonment application process, especially in light of the evidence that KXHR has supplied in support of abandonment, would be unnecessary and wholly contrary to the RTP.

LABOR PROTECTIONS

The interests of railroad employees will be protected by the conditions imposed in Oregon Short Line R. Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

CONCLUSION

Accordingly, KXHR respectfully requests that the Board grant its request for exemption from the provisions of 49 U.S.C. § 10903 to permit it to abandon the subject Line located in Knox County, TN. The exemption is warranted in light of the substantial burden that continued operation of the Line would impose upon KXHR, as has been demonstrated in the foregoing sections of this Petition and in the attached V.S. Starnes. See Exhibit E. For the reasons supplied herein, application of the Board's formal abandonment procedures at section 10903 is not needed to carry out the RTP set forth at 49 U.S.C. §10101, and, in fact, granting KXHR's Petition would promote many of the elements of that policy. Likewise, the proposed abandonment is of limited scope, and no potential for abuse of market power would result from the requested exemption. Accordingly, KXHR urges prompt Board action to grant an exemption for the proposed abandonment of the Line.

Respectfully submitted,

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh
Counsel for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

December 11, 2024

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

EXHIBIT A – MAP

Legend

- KXHR
- CSX
- NS

KNOXVILLE & HOLSTON RIVER RAILROAD

KXHR

RAILROAD CONSULTANTS

Knoxville and Holston River Railroad

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SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

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– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

EXHIBIT B – COMBINED ENVIRONMENTAL AND HISTORICAL REPORT

Certificate of Compliance

49 C.F.R. § 1105.11 – Advance Distribution of Environmental and Historic Report

I hereby certify that, on November 7, 2024, a copy of Knoxville & Holston River Railroad Co., Inc., a wholly owned subsidiary of Gulf & Ohio Railways, Inc.'s Consolidated Environmental and Historic Report for the proposed abandonment encompassed by AB-580 (Sub-No. 1X), accompanied by a transmittal letter conforming to the requirements of 49 C.F.R. § 1105.11, was served upon the following entities as prescribed by 49 C.F.R. § 1105.7(b) and 1105.8(c) (copies of the transmittal letters are also appended hereto as part of Attachment 1):

STATE HISTORICAL SOCIETY
Tennessee Historical Society
305 Sixth Ave. North
Nashville, TN 37243

STATE DOT
Daniel Pallme
Rail and Freight Division
Tennessee Department of Transportation
James K. Polk Building, Suite 400
505 Deaderick Street
Nashville, TN 37243

US ENVIRONMENTAL PROTECTION AGENCY
US EPA
Ariel Rios Building
Mail Code 1101-A
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

REGIONAL/STATE EPA
Jeaneanne Gettle
Acting Regional Administrator
US EPA Region 4
61 Forsyth Street SW
Atlanta, GA 30303

David W. Salyers, P.E., P.G.
Commissioner
Tennessee Department of
Environment & Conservation
Davy Crockett Tower
500 James Robertson Parkway
Nashville, TN 37243

CITY/TOWNSHIP
Indya Kincannon, Mayor
400 Main Street, Room 691
Knoxville, TN 37902

KNOX COUNTY
Glenn Jacobs, County Mayor
Knox County
City County Building
400 Main Street, Suite 615
Knoxville, TN 37902

US ARMY CORPS OF ENGINERS
U.S. Army Corps of Engineers,
Nashville District
Estes Kefauver Federal Building
110 9th Ave S A415
Nashville, TN 37203

STATE COASTAL ZONE MANAGEMENT
April Grippo, Director
Division of Water Resources
Tennessee Department of Environment & Conservation
500 James Robertson Parkway
Nashville, TN 37243

U.S. FISH AND WILDLIFE SERVICE
Mike Oetker, Regional Director
Southeast Region
U.S. Fish & Wildlife Service
1875 Century Boulevard Suite 400
Atlanta, GA 30345

Tennessee Wildlife Resources Agency
Jason Maxedon, Executive Director
5107 Edmondson Pike
Ellington Agricultural Center
Nashville, TN 37211

NATIONAL PARK SERVICE
Mr. Bob Ratcliffe, Chief
Chief, Conservation and Outdoor Recreation Division
Rivers, Trails, and Conservation Assistance Program
1849 C. Street NW, Room 1344
Washington, DC 20240

Mark Foust, Regional Director
Interior Region 2, South Atlantic - Gulf
National Park Service
100 Alabama Street, SW
1924 Building
Atlanta, GA 30303

NATIONAL GEODETIC SURVEY
Communications and Outreach Branch, NOAA, N/NGS12
National Geodetic Survey, SSMC3 #9340
1315 East-West Highway
Silver Spring, MD 20910-3282
Email: RRAE@noaa.gov

NATURAL RESOURCES CONSERVATION SERVICE
USDA Natural Resources Conservation Service
1400 Independence Avenue, SW
Room 5204-S
Washington, DC 20250

Sheldon Hightower
State Conservationist
801 Broadway
675 US Courthouse
Nashville, TN 37203

/s/Crystal M. Zorbaugh

Crystal M. Zorbaugh
Attorney for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

December 11, 2024

ATTACHMENT 1

ENVIRONMENTAL AND HISTORIC REPORT
INCLUDING SAMPLE TRANSMITTAL LETTER

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

Crystal M. Zorbaugh
Spencer M. Naake
Lauren L. Edwards
MULLINS LAW GROUP PLLC
2001 L Street, NW
Suite 720
Washington, DC 20036
Tel: (202) 663-7831
czorbaugh@mullinslawgroup.net

Attorneys for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

November 7, 2024

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

Knoxville & Holston River Railroad Co., Inc. ("KXHR"), a wholly-owned subsidiary of Gulf & Ohio Railways, Inc. ("G&O"), submits this Combined Environmental and Historical Report ("E&HR" or "Report") pursuant to 49 C.F.R. 1105.7(e) and 49 C.F.R. 1105.8(d), respectively, in connection with KXHR's proposed abandonment of an approximately 3.8-mile rail line (hereinafter, the "Line" or "K&A Belt") extending from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville.[1]

[1] In 1998, the Surface Transportation Board (the "STB" or "Board") exempted KXHR's acquisition and operation of the Line and incidental trackage rights from Norfolk Southern Railway Company ("NSR"). See Knoxville & Holston River Railroad Co., Inc. – Acquisition and Operation Exemption – Norfolk Southern Railway Company, FD 33588 (STB served May 15, 1998). In a related transaction in 1998, the Board authorized G&O to continue in control of KXHR. See Gulf & Ohio Railways Holding Co., Inc. – Continuance in Control Exemption – Knoxville & Holston River Railroad Co., Inc., FD 33589 (STB served May 15, 1998).

ENVIRONMENTAL REPORT

(1) PROPOSED ACTION AND ALTERNATIVES

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also, describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

KXHR proposes to abandon its common carrier obligation over an approximately 3.8-mile rail line, the K&A Belt, extending from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville, TN for KXHR to donate the property to the City of Knoxville (the "City").[2] There are three (3) structures on the Line – two (2) bridges and one (1) tunnel.

Following abandonment, KXHR will convey the right of way to the City with the Line's bridges intact. In the future, the City plans to redevelop the Line, create a rail trail, and provide alternative modal access to points located along the Line.[3]

The alternative to abandonment is to not abandon the Line and KXHR retains the Line. This alternative is not satisfactory as KXHR would continue to incur substantial operating losses, track rehabilitation costs, and opportunity costs unless the Line were to be abandoned.

Maps depicting the Line are attached as **Appendix A**. An example of KXHR's letter to federal, state, and local government agencies along with a list of the consulting agencies that KXHR has contacted is attached as **Appendix B.** Comments received as a result of KXHR's written requests for feedback can be found in **Appendix C.** A structure list is attached as **Appendix D**. Carload data is attached as **Appendix E**. Topographical Maps and Color Photos are included in **Appendix F**.

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[2] The City of Knoxville will assume legal and financial responsibility for the trail to be developed on the Line.

[3] The K&A Belt will be conveyed to the City in one or more transactions. The City plans to partner with the Legacy Parks Foundation ("Legacy Parks") to create an art walk, a private component of the rail trail. Legacy Parks also will have the option to build the railings on the two bridges on the rail trail.

(2) TRANSPORTATION SYSTEM

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

KXHR believes that abandonment of the Line will have minimal effect on the regional or local transportation systems and patterns. Only twenty-two (22) carloads in total (fewer than 2 cars per mile per year) have been transported over the Line from 2021-2024. See Carload data attached as Appendix E. Those rail shipments would be diverted to truck-to-truck-rail transportation.

(3) LAND USE

(i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.

KXHR believes that the proposed abandonment is consistent with, and would promote, existing land use plans. The land adjoining the Line consists of a combination of residential and commercial areas, as well as a marble quarry within a nature preserve, which is ideal for the rail trail planned by the City. By letters dated November 7, 2024, copies of this Report have been mailed to the appropriate local and state contacts, including to representatives of the City of Knoxville and Knox County for their information, including a request for an outline of future land use plans, and comments. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(ii) Based on consultation with the U.S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land.

KXHR does not believe that there is any prime agricultural land that would be adversely affected by the proposed abandonment as the Line to be abandoned is within a municipality. Nevertheless, KXHR has notified the United States Department of Agriculture's Natural Resources Conservation Service of the proposed abandonment by letter dated November 7, 2024 (to which this

E&HR was appended) and has requested assistance in identifying any potential effects on prime agricultural land. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9.

The Line is not located within a coastal zone. However, by letter dated November 7, 2024, a copy of the E&HR was mailed to the Division of Water Resources at the Tennessee Department of Environment & Conservation ("TNDEC") for its information and comment. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(iv) If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. 10905 and explain why.

KXHR owns the right of way underlying the Line proposed for abandonment; thus, KXHR may have a corridor available for redeployment for alternative public use(s) under 49 U.S.C. § 10905. KXHR has undertaken this abandonment because it intends to convey the property to the City of Knoxville, which will redevelop the Line, create a rail trail, and provide alternative modal access to points located on the Line as well as coordinate with Legacy Parks for an art walk in and on the Line's tunnel. The Line does not contain any federally granted right of way.

(4) ENERGY

(i) Describe the effect of the proposed action on the transportation of energy resources.

Development and transportation of energy resources will not be affected by the abandonment.

(ii) Describe the effect of the proposed action on recyclable commodities.

Movement or recovery of recyclable commodities will not be affected by the abandonment.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

The proposed action would result in a minor change in overall energy efficiency because the less than 6 carloads (average per year for 2021-2024) that have been recently transported by rail would be transported by less energy-efficient transportation modes (i.e. truck or truck-rail transportation).

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.

The diversion of traffic to motor carriers will not exceed the thresholds set forth at 49 CFR §1105.7(e)(4) as no diversions will occur. Accordingly, there is no need to produce data on diverted traffic or to quantify the net change in energy consumption.

(5) AIR

(i) If the proposed action will result in either:

(A) An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or

(B) An increase in rail yard activity of at least 100 percent (measured by carload activity), or

(C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions. For a proposal under 49 U.S.C. 10901 (or 10505) to construct a new line or reinstitute service over a previously abandoned line, only the eight train-a-day provision in sub-section (5)(i)(A) will apply.

The above thresholds will not be exceeded.

(**ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act, and will result in either:**

(A) An increase in rail traffic or at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of the rail line,

(B) An increase in rail yard activity of at least 20 percent (measured by carload activity), or

(C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, the state whether any expected increased emissions are within the parameters established by the State Implementation Plan. However, for a rail construction 49 U.S.C. 10901(or 49 U.S.C. 10505), or a case involving the reinstitution of service over a previously abandoned line, only the three train a day threshold in this item shall apply.

The Line is **not** a currently designated non-attainment area,[4] and the above-stated thresholds are therefore inapplicable. Nevertheless, the above thresholds will not be exceeded.

(iii) If transportation of ozone-depleting materials (such as nitrogen oxide and freon) is contemplated, identify the materials and quantity; the frequency of service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents, and spills, contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone-depleting materials in the event of a collision or derailment.

Not applicable.

(6) <u>NOISE</u>

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause:

(i) An incremental increase in noise levels of three decibels Ldn or more; or

(ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

None of the thresholds in item 5(i) of this section will be exceeded.

[4] The Knoxville Region ("Region") was formerly designated non-attainment for two of the criteria pollutants (ground-level ozone and fine particulate matter) under federal National Ambient Air Quality Standards. Fortunately, in recent years, the Region has come into compliance with both standards such that the Environmental Protection Agency has formally re-designated the area back to attainment status. The Region is now considered a Maintenance Area for both ozone and fine particulate matter. https://knoxtpo.org/data-and-monitoring/air-quality/

(iii) If transportation of ozone-depleting materials (such as nitrogen oxide and freon) is contemplated, identify the materials and quantity; the frequency of service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents, and spills, contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone-depleting materials in the event of a collision or derailment.

Not applicable.

(6) NOISE

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause:

(iii) An incremental increase in noise levels of three decibels Ldn or more; or

(iv) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

None of the thresholds in item 5(i) of this section will be exceeded.

(7) SAFETY

(i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

The proposed abandonment of an out-of-service rail line should have no material adverse impact on public health and safety.

KXHR will be responsible for salvaging the Line. The City has expressed to KXHR's parent company, G&O, that it will evaluate the closing of some public crossings as a safety measure and develop traffic control systems at road crossings with particular attention to the crossing at Sevier Avenue, an area that is expected to have a major traffic pattern change. By and through G&O, KXHR will work with the City to ensure that the public health and safety of the community is taken into consideration when either leaving in place or closing existing public crossings.

(ii) If hazardous materials are expected to be transported, identify the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents, and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.

Not applicable.

(iii) If there are any known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way; identify the location of those sites and the types of hazardous materials involved.

KXHR has no knowledge of hazardous waste sites or sites where there have been known hazardous materials spills on the Line's right-of-way or adjacent land.

(8) BIOLOGICAL RESOURCES

(i) Based on consultation with the U.S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.

KXHR does not believe that the proposed abandonment is likely to adversely affect endangered or threatened species or areas designated as critical habitats. KXHR has notified the U.S. Fish and Wildlife Service ("USF&W") and the Tennessee Fish & Wildlife Commission ("TNFWC") of the proposed abandonment by letters dated November 7, 2024, and has requested assistance in determining whether the proposed abandonment will adversely affect endangered or threatened species or areas designated as critical habitat. A copy of this report was attached to the letters sent to USF&W and TNFWC. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(ii) State whether wildlife sanctuaries or refuges, National or State parks, or forests will be affected, and describe any effects.

Having consulted local maps, KXHR is unaware of any National or State parks or forests that would be adversely affected by the proposed abandonment; however, KXHR's desktop review indicates a portion of the line runs through a marble quarry and a nature preserve, that latter of

which could be considered a wildlife sanctuary or refuge. Thus, KXHR has notified the National Park Service ("NPS") of the proposed abandonment by letter dated November 7, 2024. NPS has been supplied with a copy of this Report. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(9) WATER

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State, or local water quality standards. Describe any inconsistencies.

KXHR does not intend to remove or alter the contour of the roadbed underlying the Line to be abandoned by way of excavation or other ground-disturbance activity. Accordingly, no soil will be disturbed as a result of the proposed abandonment, and no stormwater mitigation measures – including, but not limited to, a National Pollutant Discharge Elimination System permit – will be required. There are no plans to undertake in-stream work, or dredge and/or use any fill materials in connection with the proposed abandonment, so, for this reason, also, the proposed abandonment will not result in water quality impacts.

Consultation was requested from the Division of Water Resources at the TNDEC and the United States Environmental Protection Agency ("USEPA") by letter dated November 7, 2024. A copy of this report was attached to each of these letters. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

KXHR believes that – (1) no permits under section 404 of the Clean Water Act will be required for the proposed abandonment, and (2) no designated wetlands or 100-year flood plains will be affected. KXHR does not plan to remove or alter the roadbed underlying the Line or undertake in-stream work or dredging or use any fill materials. The geometry of the roadbed will

not be altered, and no in-stream work is contemplated. No discernible effects on either 100-year flood plains or adjacent wetlands are expected in connection with the proposed abandonment. Consequently, KXHR does not believe a Section 404 permit will be required Moreover, consultation was requested from the U.S. Army Corps of Engineers – Nashville District by letter dated November 7, 2024. A copy of this Report was attached to the letter. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action.

KXHR believes that no permit under section 402 of the Clean Water Act would be required for the abandonment.

There will be no excavation or other significant ground-disturbance activity, and, because no soil will be disturbed, no stormwater permitting including a National Pollutant Discharge Elimination System permit, will be required under Section 402. Nevertheless, KXHR has contacted the TNDEC and the USEPA regarding this item by letter dated November 7, 2024, and has requested guidance in identifying any potential water quality impacts (based on applicable water quality standards) and in determining whether the proposed abandonment is consistent with such federal, state, or local standards. A copy of this report was attached to the letter. See E&HR Consultation Letter Example and Service List, attached as **Appendix B**.

(10) PROPOSED MITIGATION

Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

KXHR does not expect any adverse environmental impact will result from the proposed abandonment and, therefore, is of the opinion that mitigating action is unnecessary. KXHR will convey the right of way to the City of Knoxville.

However, KXHR will undertake all reasonable mitigation associated with the proposed

abandonment as directed by the Board to assure the abandonment does not produce adverse environmental impacts, including consulting with federal, state, and/or local agencies on any mitigation measures they may recommend to the Board.

(11) ADDITIONAL INFORMATION FOR RAIL CONSTRUCTIONS

Not applicable.

HISTORIC REPORT

49 CFR 1105.8(d)

PROPOSED ACTION AND ALTERNATIVES

KXHR proposes to abandon its common carrier obligation over an approximately 3.8-mile rail line, the K&A Belt, extending from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville to sell/donate the property to the City of Knoxville (the "City"). There are three (3) structures on the Line – two (2) bridges and one (1) tunnel.

Following abandonment, KXHR will convey the right of way to the City. In the future, the City plans to redevelop the Line, create a rail trail, and provide alternative modal access to points located along the Line.[5]

The alternative to abandonment is to not abandon the Line and KXHR retains the Line. This alternative is not satisfactory as KXHR would continue to incur substantial operating losses, track rehabilitation costs, and opportunity costs unless the Line were to be abandoned. Maps depicting the Line are attached as **Appendix A**.

ADDITIONAL INFORMATION

49 CFR 1105.8(d):

(1) A U.S.G.S. topographic map (or alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action;

U.S.G.S. topographic maps depicting the location of the proposed abandonment and the approximate location of structures that are 50 years old or older and that are located along the Line are attached as part of Appendix A. These maps are being supplied to the Tennessee Historical

[5] The K&A Belt will be conveyed to the City in one or more transactions. The City plans to partner with the Legacy Parks Foundation ("Legacy Parks") to create an art walk, a private component of the rail trail. Legacy Parks also will have the option to build the railings on the two bridges on the rail trail.

Society (“TNHS”) as part of a complete copy of this report. KXHR understands that there are three railroad structures—two (2) bridges and one (1) tunnel—on the Line that are believed to be 50 years old or older. These structures will remain as part of the recreational trail and art walk.

(2) A written description of the right-of-way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristics of the surrounding area;

According to KXHR data and valuation maps, the 3.8 miles of right-of-way is between 25 feet and 120 feet (60 feet on each side of the centerline) in width at all locations. There are no stations on the Line. The right-of-way is in Knox County, TN. Pursuant to Surface Transportation Board policy, the railroad's right-of-way will constitute the Area of Potential Effect (“APE”) for this undertaking. The Line runs adjacent to residential, and commercial, and ends at a marble quarry within a nature preserve. The topography is generally flat.

(3) Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area;

KXHR does not anticipate removing or dismantling any of the structures along the line that are 50 years old or older. KXHR understands that there are three (3) railroad structures on the Line that are believed to be 50 years old or older. KXHR has also supplied railroad valuation maps to TNHS, which may provide further documentation potentially relevant to the historical analysis of the structures in question. (The valuation maps are attached to the copy of this report sent to TNHS as part of **Appendix A** and good quality photographs are attached as **Appendix F**.) Aside from the materials, KXHR does not have any additional information in its possession (such as engineering diagrams or other records) that it believes would be of usefulness in aiding in any historical structures analysis.

(4) The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known;

According to the limited information in KXHR’s possession, there are three structures along

the Line. While these structures have been rehabilitated over time, KXHR has not undertaken any major improvements to these structures during the time that KXHR has owned the Line. A structure list is attached as **Appendix D**.

(5) A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action;

KXHR has no historical records of its own relating to the K&A Belt. Based on research, however, KXHR understands that the K&A Belt connects to the main line of the Knoxville and Augusta Railroad Company ("K&A") chartered under the general laws of Tennessee on March 19, 1875.[6] Construction of the K&A main line from Knoxville, TN to Maryville, TN, was completed in 1881.[7] However, per recorded deeds, the K&A Belt[8] was not completed until 1907. In the 1880s, the K&A main line was owned and operated by K&A before being sold to the East Tennessee, Virginia, and Georgia Railroad Company ("ETVGR") on February 19, 1890.[9] On July 7, 1894, ETVGR was sold at foreclosure to the Southern Railway Company ("Southern Railway).[10] As mentioned above, the K&A Belt was constructed in 1907 as an extension of the former K&A main line, and Southern Railway owned and operated the K&A Belt until 1982 when Southern Railway and Norfolk and Western Railway Company ("N&WR") were both acquired by the Norfolk Southern Corporation.[11] Effective December 31, 1990, Southern Railway changed its name to the

[6] See Southern Railway Company et. al, Valuation Docket No. 566, 37 Valuation Report 1 at 212 (November 6, 1931) ("Southern Railway Valuation Docket").

[7] See Rule, William, 1900, *Standard History of Knoxville, Tennessee*, p. 283. Available at https://www.loc.gov/item/04017868/.

[8] As shown on the Map in Appendix A, the K&A Belt extends westerly from the former K&A mainline (now an NSR branch line) toward the marble quarry/nature preserve and ends at the Tennessee River.

[9] See Southern Railway Valuation Docket at 212.

[10] Id. at 581.

[11] See Norfolk Southern Corporation—Control—Norfolk and Western Railway Company and Southern Railway Company, FD 29430 (Sub-No. 1) (ICC served March 19, 1982).

Norfolk Southern Railway Company ("NSR").[12]

In 1998, KXHR acquired the K&A Belt from NSR, when the Surface Transportation Board (the "STB" or "Board") exempted KXHR's acquisition and operation of the K&A Belt from NSR. See Knoxville & Holston River Railroad Co., Inc. – Acquisition and Operation Exemption – Norfolk Southern Railway Company, FD 33588 (STB served May 15, 1998). In a related transaction in 1998, the Board authorized G&O to continue in control of KXHR. See Gulf & Ohio Railways Holding Co., Inc. – Continuance in Control Exemption – Knoxville & Holston River Railroad Co., Inc., FD 33589 (STB served May 15, 1998). Upon the effectiveness of the exemption, KXHR will donate the Line to the City of Knoxville, and KXHR will terminate its rail common carrier obligation over, and abandon, the Line.

(6) A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic;

As indicated above, the Line appears to have been built circa 1907. However, KXHR is one of many subsequent owners of these rail assets. KXHR was not supplied with and does not have engineering drawings of the structures discussed above. In fact, the only relevant documents in KXHR's possession have been included as part of Appendix A.

(7) An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 CFR 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities);

As indicated above, KXHR's records indicate that there are three structures on or adjacent to the Line (two bridges and one tunnel) that are believed to be 50 years old or older. In KXHR's opinion, these structures would not meet the criteria for listing on the National Register of Historic

[12] At that time, Norfolk and Western Railway also became a wholly owned subsidiary of NSR rather than a subsidiary of Norfolk Southern Corporation.

Places. As the photographs supplied to KXHR would suggest, none of the subject structures appear to have unique or otherwise significant design characteristics. Moreover, none of these structures is linked to events or historic significance. KXHR understands that all of the structures in question could remain in use if the Line's right-of-way was to be converted into a recreational trail. KXHR is unaware of any archeological resources or any other previously unknown historic properties on the Line's right-of-way.

(8) A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill environmental conditions (naturally occurring or manmade) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic waste), and the surrounding terrain.

KXHR has no records of, and is unaware of, any known subsurface ground disturbance or fill, or environmental conditions that might affect the recovery of archeological resources. Undoubtedly, track work and/or construction has occurred regularly over the many years that the Line has been in operation. Such work may have affected the potential for the recovery of archeological resources.

(9) Follow-Up Information – Additional information will be provided as appropriate.

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

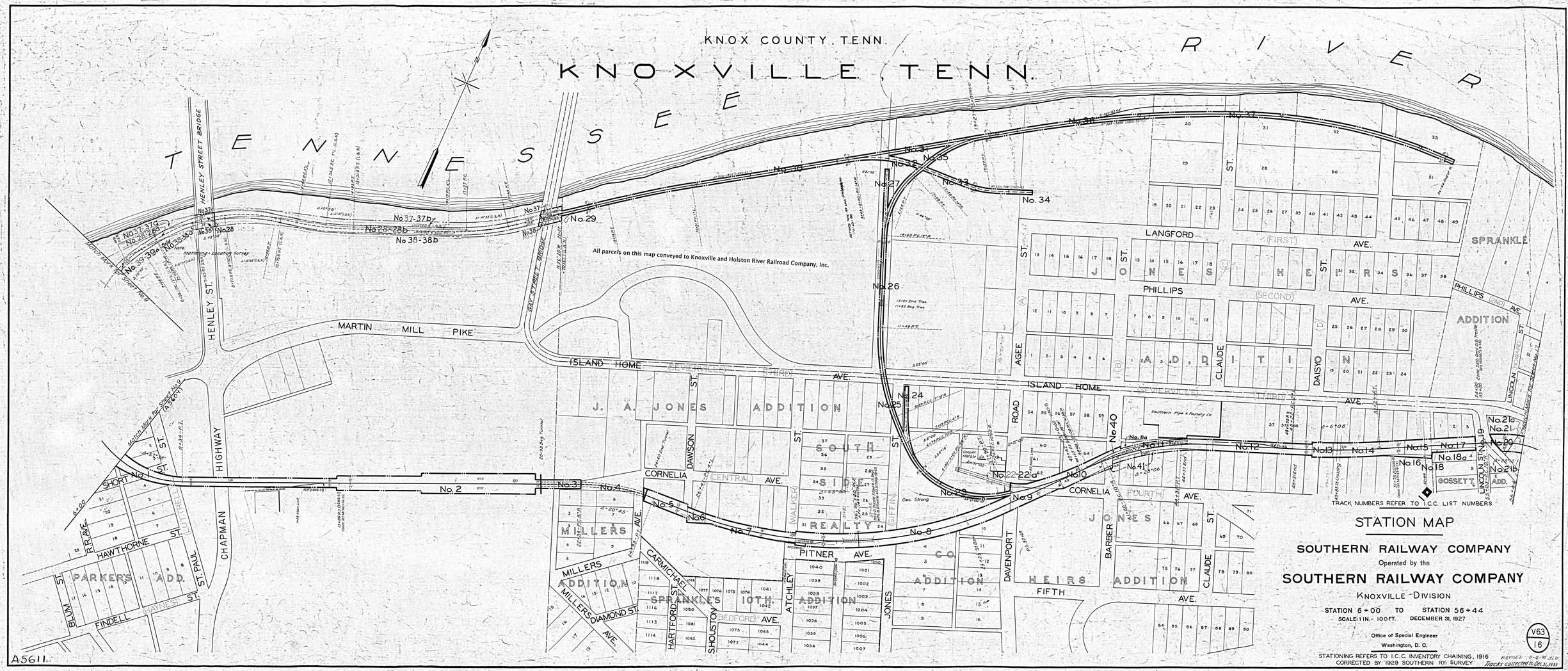
KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX A – MAPS

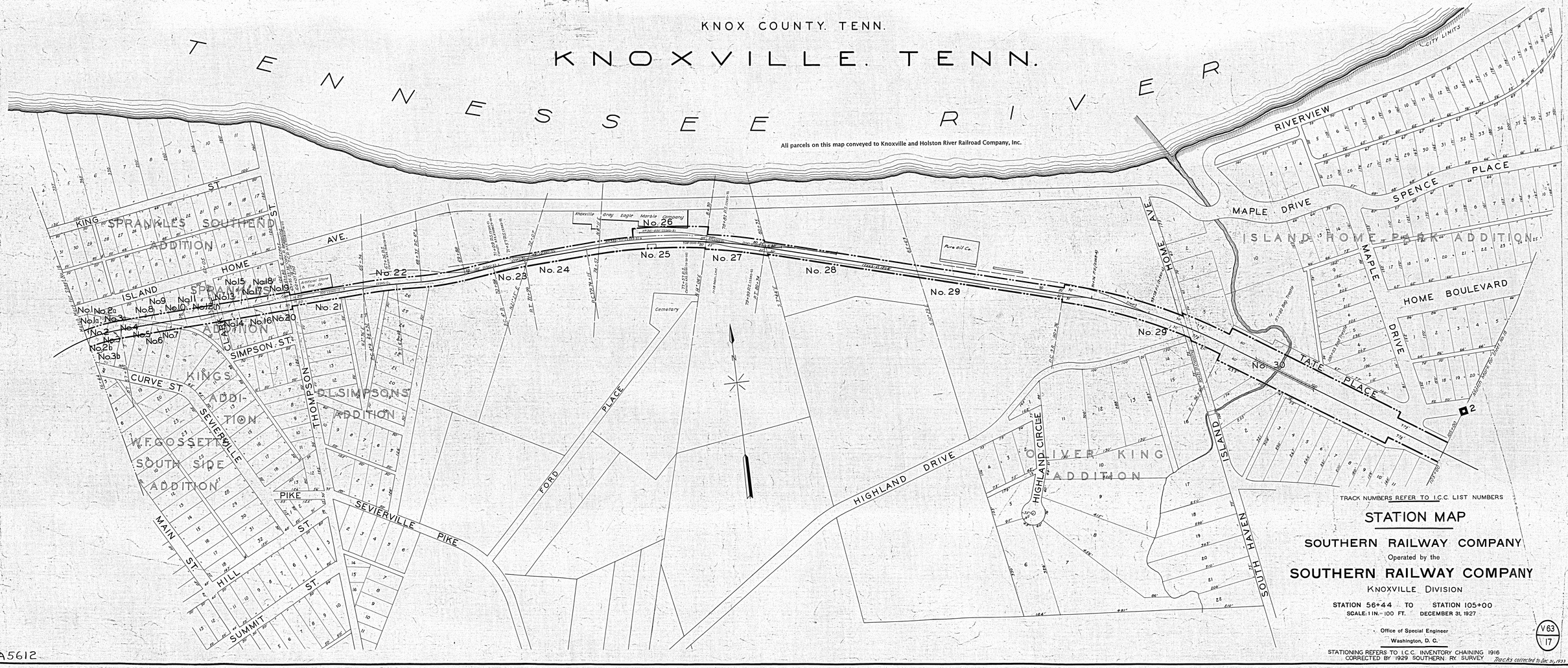
Legend
KXHR
CSX
NS

Knoxville and Holston River Railroad


KNOX COUNTY, TENN.
KNOXVILLE, TENN.
TENNESSEE RIVER
HENLEY STREET BRIDGE
MARTIN MILL PIKE
ISLAND HOME (SEVERVILLE) (THIRD) AVE.
CORNELIA (CENTRAL) AVE.
CORNELIA (FOURTH) AVE.
PITNER AVE.
LANGFORD (FIRST) AVE.
PHILLIPS (SECOND) AVE.
PHILLIPS (2ND) AVE.
FIFTH AVE.
(BEDFORD) AVE.
HIGHWAY
CHAPMAN
DAWSON ST.
GAY ST.
WALKER ST.
GIFFIN ST.
DAVENPORT ROAD
CLAUDE ST.
DAISY ST.
LINCOLN ST.
SHORT ST.
HAWTHORNE ST.
WAYNE ST.
FINDELL ST.
BLUM ST.
ST. PAUL ST.
CARMICHAEL ST.
HARTFORD ST.
SHOUSTON ST.
ATCHLEY ST.
JONES ST.
BARBER ST.
MILLERS DIAMOND ST.
MILLERS AVE.
J. A. JONES ADDITION
SOUTH SIDE REALTY CO. ADDITION
MILLERS ADDITION
SPRANKLES 10TH ADDITION
PARKERS ADD.
JONES HEIRS ADDITION
SPRANKLE ADDITION
GOSSETT ADD.
All parcels on this map conveyed to Knoxville and Holston River Railroad Company, Inc.
TRACK NUMBERS REFER TO I.C.C. LIST NUMBERS
STATION MAP
SOUTHERN RAILWAY COMPANY
Operated by the
SOUTHERN RAILWAY COMPANY
KNOXVILLE DIVISION
STATION 6+00 TO STATION 56+44
SCALE 1 IN. = 100 FT. DECEMBER 31, 1927
Office of Special Engineer
Washington, D. C.
STATIONING REFERS TO I.C.C. INVENTORY CHAINING, 1916
CORRECTED BY 1929 SOUTHERN RY. SURVEY
Tracks corrected to Dec. 31, 1931
REVISED 11-4-99 JLD
V63
16
A5611

KNOX COUNTY. TENN.

KNOXVILLE. TENN.



TRACK NUMBERS REFER TO I.C.C. LIST NUMBERS

STATION MAP

SOUTHERN RAILWAY COMPANY

Operated by the

SOUTHERN RAILWAY COMPANY

KNOXVILLE DIVISION

STATION 56+44 TO STATION 105+00

SCALE: 1 IN. = 100 FT. DECEMBER 31, 1927

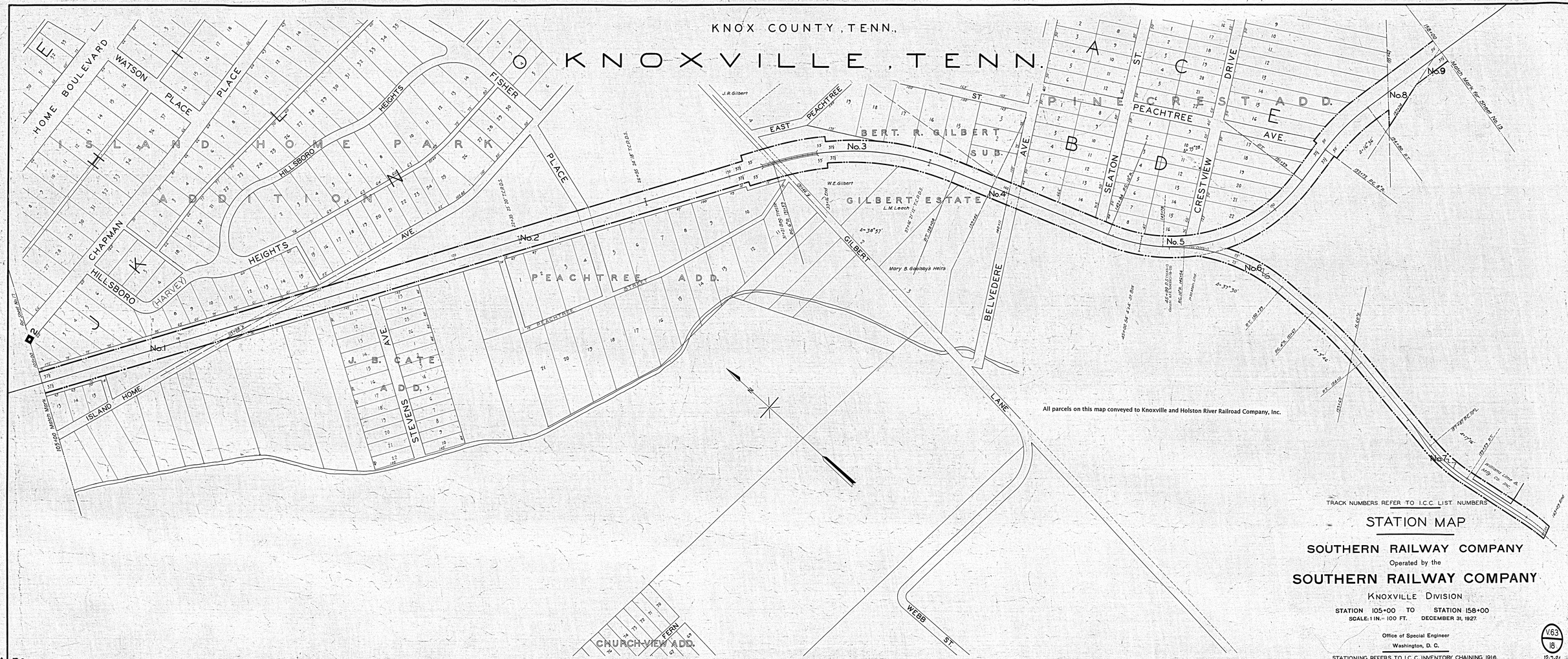
Office of Special Engineer

Washington, D. C.

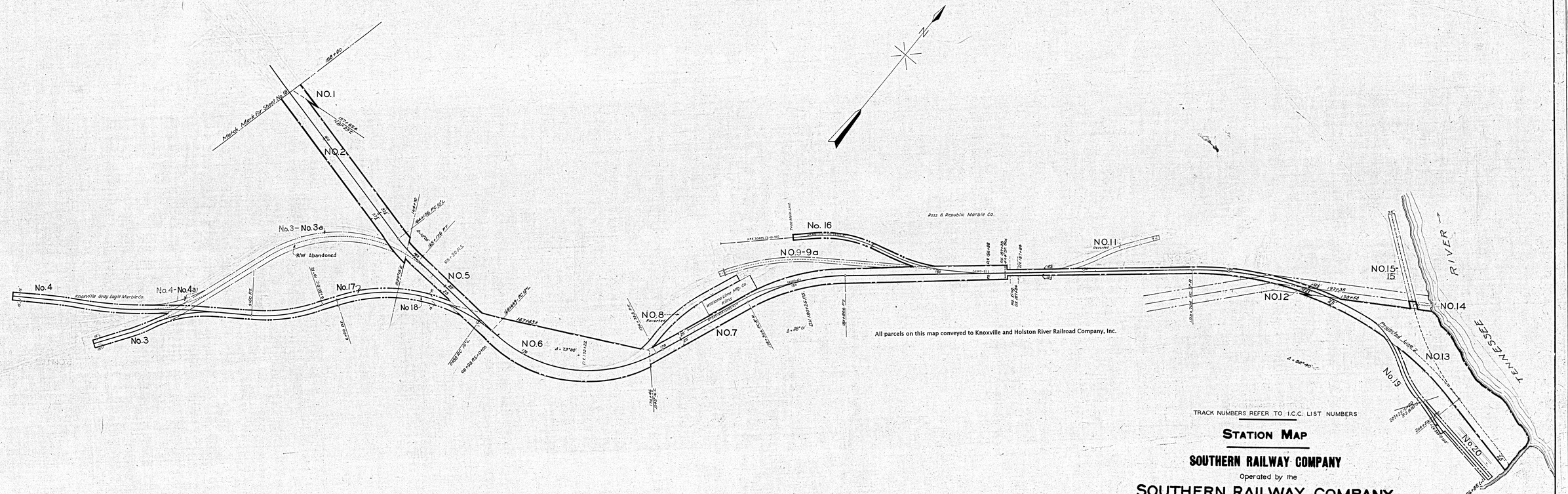
STATIONING REFERS TO I.C.C. INVENTORY CHAINING 1916
CORRECTED BY 1929 SOUTHERN RY. SURVEY *Tracks corrected to Dec 31, 1933*

V 63
17

A5612


KNOX COUNTY, TENN.,
KNOXVILLE, TENN.
ISLAND HOME ADDITION
ISLAND HOME PARK
PEACHTREE ADD.
J. B. CATE ADD.
STEVENS ADD.
PINECREST ADD.
BERT. R. GILBERT SUB.
GILBERT ESTATE
CHURCH VIEW ADD.
HOME BOULEVARD
WATSON PLACE
CHAPMAN PLACE
HILLSBORO HEIGHTS
HILLSBORO AVE.
FISHER PLACE
EAST PEACHTREE ST.
PEACHTREE AVE.
SEATON AVE.
CRESTVIEW DRIVE
GILBERT AVE.
BELVEDERE LANE
WEBB ST.
FERN
ISLAND HOME
No.1
No.2
No.3
No.4
No.5
No.6
No.7
No.8
No.9
Main Track for Street No.9
All parcels on this map conveyed to Knoxville and Holston River Railroad Company, Inc.
TRACK NUMBERS REFER TO I.C.C. LIST NUMBERS
STATION MAP
SOUTHERN RAILWAY COMPANY
Operated by the
SOUTHERN RAILWAY COMPANY
KNOXVILLE DIVISION
STATION 105+00 TO STATION 158+00
SCALE: 1 IN. = 100 FT. DECEMBER 31, 1927.
Office of Special Engineer
Washington, D. C.
STATIONING REFERS TO I.C.C. INVENTORY CHAINING 1916.
(CORRECTED BY 1929 SOU. RY. SURVEY)
Tracks corrected to Dec. 31, 1931
V63
18
12-7-94 JB
A 5613

KNOX COUNTY, TENN.



TRACK NUMBERS REFER TO I.C.C. LIST NUMBERS

STATION MAP

SOUTHERN RAILWAY COMPANY

Operated by the

SOUTHERN RAILWAY COMPANY

KNOXVILLE DIVISION

STATION 158+00 TO STATION 207+00

SCALE 1 IN=100 FT. DECEMBER 31, 1927.

Office of Special Engineer

Washington, D.C.

STATIONING REFERS TO I.C.C. INVENTORY CHAINAGE-1916
(CORRECTED BY 1929 SOU. RY. SURVEY)

V63
19
10-31-91
Tracks corrected to Dec 31, 1933

A 5614

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX B - E&HR CONSULTATION LETTER EXAMPLE AND SERVICE LIST

MULLINS LAW GROUP PLLC

Transportation Solutions for the 21st Century

2001 L Street NW, Suite 720
Washington, DC 20036

Crystal M. Zorbaugh
czorbaugh@mullinslawgroup.net
mullinslawgroup.net

Telephone: (202) 663-7850
Direct: (202) 663-7831
Facsimile: (202) 464-9123

November 7, 2024

[Insert Consulting Party]

RE: Knoxville & Holston River Railroad Co., Inc., a wholly owned subsidiary of Gulf & Ohio Railways Holding Co., Inc.–Abandonment Exemption – In Knox County, TN, AB 580 (Sub-No. 1X)

Dir Sir or Madam,

On or about December 5, 2024, Knoxville & Holston River Railroad Co., Inc. ("KXHR"), a wholly-owned subsidiary of Gulf & Ohio Railways , Inc. ("G&O"), expects to file with the Surface Transportation Board ("STB") a Petition for Exemption pursuant to 49 CFR Part 1152, Subpart G (Special Rules for Petitions for Abandonment), seeking authority for KXHR to abandon its common carrier obligation over an approximately 3.8-mile rail line (hereinafter, the "Line" or "K&A Belt") extending from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville for G&O to sell/donate the property to the City of Knoxville (the "City").

The Line traverses the United States Postal Zip Code territory 37920. In accordance with procedures set forth in 49 C.F.R. 1105.7 and 1105.8, KXHR is required to submit the following consolidated Environmental and Historic Report ("E&HR" or "Report").

Attached is a consolidated Environmental and Historic Report (the "E&HR" or "Report"), which includes a map of the affected area, and describes the proposed action and any expected environmental and historic effects. If you wish to address any of the information contained in the attached E&HR or if you have any questions about the Board's environmental review process, please contact the Board's Office of Environmental Analysis, Surface Transportation Board, 395 E Street, SW, Washington, DC 20423-0001; TEL: (202) 245-0295, and refer to AB 580 (Sub-No. 1X). You may also contact the undersigned counsel for KXHR.

Questions regarding the abandonment process generally, offers of financial assistance, and/or public use or trail use may be directed to the Board's Office of Public Assistance, Governmental Affairs, and Compliance at 202-245-0230. Based on information in our possession, the Line does not contain federally granted rights-of-way. However, any documentation in KXHR's or G&O's possession will be made available promptly to those requesting it.

If there are any questions concerning this notice of intent, please contact me, KXHR's representative, by mail: Crystal Zorbaugh, Mullins Law Group PLLC, 2001 L Street, NW, Suite 720, Washington, DC 20036; by FAX: (202) 663-7849; by e-mail: czorbaugh@mullinslawgroup.net; or by telephone: (202) 663-783l. If I am not available, you may also contact Spencer M. Naake, who can be reached at (202) 663-7829 or by e-mail at snaake@mullinslawgroup.net.

Sincerely,

Crystal M. Zorbaugh
Counsel for Knoxville & Holston River Railroad Co., Inc., a wholly-owned subsidiary of Gulf & Ohio Railways, Inc.

Enclosures

RECIPIENT LIST – AB 580 (Sub No. 1X)

STATE HISTORICAL SOCIETY
Tennessee Historical Society
305 Sixth Ave. North
Nashville, TN 37243

STATE DOT
Daniel Pallme
Rail and Freight Division
Tennessee Department of Transportation
James K. Polk Building, Suite 400
505 Deaderick Street
Nashville, TN 37243

US ENVIRONMENTAL PROTECTION AGENCY
US EPA
Ariel Rios Building
Mail Code 1101-A
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

REGIONAL/STATE EPA
Jeaneanne Gettle
Acting Regional Administrator
US EPA Region 4
61 Forsyth Street SW
Atlanta, GA 30303

David W. Salyers, P.E., P.G.
Commissioner
Tennessee Department of
Environment & Conservation
Davy Crockett Tower
500 James Robertson Parkway
Nashville, TN 37243

CITY/TOWNSHIP
Indya Kincannon, Mayor
400 Main Street, Room 691
Knoxville, TN 37902

KNOX COUNTY
Glenn Jacobs, County Mayor
Knox County
City County Building
400 Main Street, Suite 615
Knoxville, TN 37902

US ARMY CORPS OF ENGINERS
U.S. Army Corps of Engineers,
Nashville District
Estes Kefauver Federal Building
110 9th Ave S A415
Nashville, TN 37203

STATE COASTAL ZONE MANAGEMENT
April Grippo, Director
Division of Water Resources
Tennessee Department of Environment & Conservation
500 James Robertson Parkway
Nashville, TN 37243

U.S. FISH AND WILDLIFE SERVICE
Mike Oetker, Regional Director
Southeast Region
U.S. Fish & Wildlife Service
1875 Century Boulevard Suite 400
Atlanta, GA 30345

Tennessee Wildlife Resources Agency
Jason Maxedon, Executive Director
5107 Edmondson Pike
Ellington Agricultural Center
Nashville, TN 37211

NATIONAL PARK SERVICE
Mr. Bob Ratcliffe, Chief
Chief, Conservation and Outdoor Recreation Division
Rivers, Trails, and Conservation Assistance Program
1849 C. Street NW, Room 1344
Washington, DC 20240

Mark Foust, Regional Director
Interior Region 2, South Atlantic - Gulf
National Park Service
100 Alabama Street, SW
1924 Building
Atlanta, GA 30303

NATIONAL GEODETIC SURVEY
Communications and Outreach Branch,
NOAA, N/NGS12
National Geodetic Survey, SSMC3 #9340
1315 East-West Highway
Silver Spring, MD 20910-3282
Email: RRAE@noaa.gov

NATURAL RESOURCES CONSERVATION SERVICE
USDA Natural Resources Conservation Service
1400 Independence Avenue, SW
Room 5204-S
Washington, DC 20250

Sheldon Hightower
State Conservationist
801 Broadway
675 US Courthouse
Nashville, TN 37203

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX C – AGENCY COMMENTS/RESPONSES

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX D – STRUCTURE LIST

Bridge & Tunnel Inventory

Knoxville & Holston River Railroad (KXHR)

K&A Belt Segment

Structure	Milepost	Description	Length	Height	Width	Date Built	Over/Under	Status	Remarks
Tunnel	0.1	Concrete line tunnel with some steel bracing on the east portal	350 ft	20 ft	12 ft	1907	Sherrod St, Mimosa Ave, & Carmichael St	Out of Service	In Place
Bridge	1.8	Timber bridge (approach and deck) with walkway and railing (steel posts and cables)	300 ft	Various	14 ft	1907	Baker Creek	Out of Service	In Place
Bridge	2.5	Timber bridge (approach and deck) with walkway, railing (steel posts and cables), and two concrete foundational supports	200 ft	Various	14 ft	1907	Gilbert Lane	Out of Service	In Place

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS
– ABANDONMENT EXEMPTION – IN
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX E – CARLOAD DATA

KXHR Line Traffic 2021-2024

			Equipment	
Ln	Description	ICHR Date	Car In	Car Nbr
1	INBOUND SWITCH [NS]	6/10/21	CONX	2528
2	INBOUND SWITCH [NS]	7/13/21	WLPX	60269
3	INBOUND SWITCH [NS]	1/21/22	NATX	51166
4	INBOUND SWITCH [NS]	6/10/22	UTLX	660781
5	INBOUND SWITCH [NS]	6/10/22	UTLX	663885
6	INBOUND SWITCH [NS]	6/10/22	UTLX	663894
7	INBOUND SWITCH [NS]	6/21/22	CONX	2314
8	INBOUND SWITCH [NS]	6/21/22	UTLX	645198
9	INBOUND SWITCH [NS]	6/21/22	UTLX	661452
10	INBOUND SWITCH [NS]	6/21/22	UTLX	661477
11	INBOUND SWITCH [NS]	6/21/22	UTLX	663870
12	INBOUND SWITCH [NS]	9/29/22	TCMX	475002
13	INBOUND SWITCH [NS]	11/11/22	UTLX	645486
14	INBOUND SWITCH [NS]	8/15/23	NATX	230247
15	INBOUND SWITCH [NS]	7/3/24	UTLX	67577
16	INBOUND SWITCH [NS]	7/3/24	UTLX	663891
17	INBOUND SWITCH [NS]	7/3/24	UTLX	668217
18	INBOUND SWITCH [NS]	7/10/24	UTLX	645497
19	INBOUND SWITCH [NS]	9/5/24	GATX	35594
20	INBOUND SWITCH [NS]	9/5/24	NATX	230223
21	INBOUND SWITCH [NS]	9/5/24	UTLX	640650
22	INBOUND SWITCH [NS]	9/5/24	UTLX	646288

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC. ,
a wholly owned subsidiary of GULF & OHIO RAILWAYS
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

ENVIRONMENTAL AND HISTORICAL REPORT

APPENDIX F – TOPOGRAPHICAL MAPS AND COLOR PHOTOS

E Hill Ave
Neyland Greenway
Tennessee River
General Shale Brickyard Site
Dickinson Island
Suttree Landing Park
Island Home Park
Spence Pl
Holston Gases
Island Home Blvd
Maplewood Dr
Anita Dr
Gertrude Ave
Lincoln St
Davenport Rd
Jones St
Atchley St
Yarnell Ave
Valley Ave
Hall St
Sterling Hill Way
Crescent Ave SE
Island Home
Island Home Ave
Ijams Nature Center
S Haven Rd
Beech St SE
Fisher Pl
Home St SE
Gilbert Ln
Dunn St
Dodd St
Hackman St
Berea Ave
Belvedere Ave
Vucrest Ave
Aberdeen Ln
Lloyd Ave
Johnson Road
Baker Ave SE
E Moody Ave
Cottrell St
Price Ave
W Gilbert Ln
Earl Ave
Stanley Lippencott Park
Stanley's Greenhouse
Meads Quarry Park
Grayson Subaru Nature Preserve
Harold Ln
Imerys
E Red Bud Rd
Tipton Ave SE
Ellis St
Sevierville Pike
Vaughn St
Alpine Dr SE
Woodlawn Pike
Chamberlain Blvd
South Knoxville
Talwa Dr
W Martin Mill Pike
Riggs Ave
Galbraith School Rd
South Doyle Middle School
Cruze Rd
Baker Creek Preserve
Marie Myers Park
Daniel Rd
View Park Dr
Island Home Pike
Sam Duff Park
E Young High Pkwy
Taylor Rd
Barclay Dr
Whites Village
Keeble Ave
Higgins Ave SW
W Young High Pkwy
Chapman Square
Woodlawn Cemetery
Lat: 35° 57' 52" N Long: 83° 54' 29" W
DMS DD MGR UTM
Scale 1:18,056
Map Records: 50
Mostly sunny, 76° near Knoxville, TN.
Knoxville

ATTACHMENT 2

CONSULTING AGENCY RESPONSES TO ENVIRONMENTAL AND HISTORIC REPORT (POST-CIRCULATION)

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
NASHVILLE, TENNESSEE 37243-0435

DAVID W. SALYERS, P.E.
COMMISSIONER

BILL LEE
GOVERNOR

December 6, 2024

Via Electronic Mail to czorbaugh@mullinslawgroup.net

Crystal Zorbaugh
Mullins Law Group PLLC
2001 L Street, NW
Suite 7290
Washington, DC 20036
202-663-7831
czorbaugh@mullinslawgroup.net

Dear Madam:

The Tennessee Department of Environment and Conservation (TDEC) appreciates the opportunity to provide comments on the Knoxville and Holston River Railroad Co., Inc.'s (KXHR) Environmental and Historical Report. This report assesses the impacts of the proposed abandonment of KXHR's common carrier obligations over a 3.8-mile rail line from milepost 0.1 in Knoxville, TN, to the end of the line. The property used for this rail line would then be sold or donated to the City of Knoxville. In the future, the City of Knoxville plans to redevelop the line, create a rail trail, and provide alternative modal access to points located along the line.

The Environmental and Historical Report evaluates the environmental impacts associated with the following two alternatives:

- Alternative 1 – Proposed Action Alternative: Under Alternative 1, KXHR would abandon its common carrier obligation over an approximately 3.8-mile rail line, the K&A Belt, extending from milepost 0.1 in Knoxville, TN to the end of the line. KXHR would then sell or donate the property to the City of Knoxville, where the city would subsequently develop plans to redevelop the line, create a rail trail, and provide alternative modal access points located along the line.
- Alternative 2- No Action Alternative: Conversely, under Alternative 2, KXHR would not abandon the line thus incurring substantial operating losses, track rehabilitation costs, and opportunity costs.

TDEC is the environmental and natural resource regulatory agency in Tennessee with delegated responsibility from the U.S. Environmental Protection Agency (EPA) to regulate sources of air pollution; solid and hazardous waste; underground storage tanks; and water resources. TDEC has reviewed the Environmental and Historical Report and offers the following comments regarding the proposed project:

Division of Water Resources

If the rail abandonment merely involves the removal of ties and rail, a construction stormwater permit will not be required. If the removal process goes down to bare soil, a CGP will be required. TDEC encourages

erosion control measures to be taken where the land disturbance is less than one acre, where appropriate.

TDEC appreciates the opportunity to provide comment on the Environmental and Historical Report. Please note that these comments are not indicative of approval or disapproval of the proposed projects or activities contained within. Please contact me should you have any questions regarding these comments.

Sincerely,

Emma Bartolo

Emma Bartolo (Dec 6, 2024 11:52 CST)

TN Department of Environment & Conservation
Emma Bartolo| Policy Analyst
Office of Policy & Planning
Davy Crockett Tower, 5th Floor
500 James Robertson Parkway
Nashville, TN 37243
c. 432-480-2250
emma.bartolo@tn.gov

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

EXHIBIT C – DRAFT FEDERAL REGISTER

STB No. AB-580 (Sub-No. 1X)

Notice of Petition for Exemption To Abandon or To Discontinue Service

On December 12, 2024, Knoxville & Holston River Railroad Co., Inc. ("K&H"), a wholly owned subsidiary of Gulf & Ohio Railways, Inc. ("G&O"), filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the abandonment of an approximately 3.8-mile rail line, which extends from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville (the "Line" or "K&A Belt"), which traverses through the United States Postal Service ZIP Code Territory of 37920 in Knox County, Tennessee. The line for which the abandonment exemption request was filed does not include any stations.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected pursuant to Oregon Short Line R. Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

Any offer of financial assistance will be due no later than 10 days after the service of a decision granting the petition for exemption.

All interested persons should be aware that following the abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the Federal Register.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Office of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Office of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Office of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

EXHIBIT D – CERTIFICATIONS

Certificate of Service

49 C.F.R. § 1152.60(d) – Notice

I certify that, in keeping with 49 C.F.R. § 1152.60(d), I caused the following parties to be served with a copy of Knoxville & Holston River Railroad Co., Inc. foregoing abandonment petition for exemption:

Daniel Pallme
Rail and Freight Division
Tennessee Department of Transportation
James K. Polk Building, Suite 400
505 Deaderick Street
Nashville, TN 37243

Tennessee Public Utility Commission
502 Deaderick Street 4th Floor
Nashville, TN 37243

Sean Neef
Headquarters Military Surface Deployment and Distribution Command
Transportation Engineering Agency
Railroads for National Defense Program
1 Soldier Way, Rm 3129
Scott AFB, IL 62225-5006

Mr. Bob Ratcliffe, Chief
Chief, Conservation and Outdoor Recreation Division
Rivers, Trails, and Conservation Assistance Program
1849 C. Street NW, Room 1344
Washington, DC 20240

Randy Moore
Chief of Forest Service
US Forest Service
1400 Independence Ave., SW
Washington, D.C.
20250-0003

In addition, I also hereby certify that I have served the following past users of the subject rail line with a copy of the foregoing petition for exemption:

Ergon Terminaling
3111 McClure Lane
Knoxville, TN 37920

December 11, 2024

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh
Attorney for Knoxville & Holston River Railroad Co., Inc.

Certificate of Newspaper Publication

49 C.F.R. § 1105.12 – Newspaper Notice

I certify that a "Notice of Intent to Abandon Rail Service" was published in the form prescribed by the Board for a Petition for Exemption (49 C.F.R. § 1105.12). The notice was published one time on December 9, 2024, in the Knoxville Focus, a newspaper of general circulation in Knox County, TN.

December 11, 2024 ***/s/ Crystal M. Zorbaugh***

Crystal M. Zorbaugh
Attorney for Knoxville & Holston River Railroad Co., Inc.

Knoxville-Knox County Homeless Coalition to host memorial service

WHAT: A candlelight walk from the Volunteer Ministry Center parking lot will precede the memorial service at St. John's Lutheran Church.

WHEN: Thursday, December 19, from 6:00 to 7:30 p.m.

WHERE: The walk starts at the Volunteer Ministry Center parking lot (511 N Broadway) and continues with an indoor service hosted by St. John's Lutheran Church (544 N Broadway).

WHO: Friends and family of those who died, service providers, shelters, faith-based organizations, concerned citizens, civil leaders, public officials, and local and state legislators are invited.

The community is invited to honor and remember those who lost their lives while experiencing homelessness.

The Homeless Persons' Memorial Day, organized by the Knoxville-Knox County Homeless Coalition, is a poignant annual event that intentionally falls on or near the first day of winter and the longest night of the year.

Since 2009, our community has convened for a crucial memorial service dedicated to honoring our neighbors who have died during an episode of homelessness. This event serves as a solemn reminder of the challenges faced by those living without stable housing, highlighting the realities that many encounter, including the tragic loss of life. The gathering aims to both honor those who have passed away while homeless and raise awareness about the critical need for compassion and action in addressing homelessness within our society.

For some individuals memorialized, this service may be the only commemoration of their lives.

"The issue of homelessness presents profound risks that extend beyond mere lack of a roof over one's head, significantly impacting health and overall well-being," remarked Bruce W. Spangler, chair of the Knoxville/Knox County Homeless Coalition. "Without access to safe and permanent shelter, many of our vulnerable neighbors are exposed to increased threats of various illnesses and injuries. Tragically, this precarious situation can lead to fatal outcomes. Disturbingly, statistics reveal that individuals experiencing homelessness are nearly three times more likely to lose their lives compared to those with the security of stable housing. This stark reality underscores the pressing need for stable housing and highlights the immense health benefits that come with it."

The service will honor approximately 170 unhoused residents of Knoxville and Knox County who died in the past twelve months while also highlighting and drawing attention to the structural, systemic and policy decisions that can prevent unnecessary premature deaths in our community.

LEGAL & PUBLIC NOTICES

NOTICE TO CREDITORS

ESTATE OF NICKY DREXEL OGLE
DOCKET NUMBER 90270-2

Notice is hereby given that on the 21 day of NOVEMBER, 2024, letters administration in respect of the Estate of NICKY DREXEL OGLE, who died Oct. 30, 2024, were issued to the undersigned by the Clerk and Master of the Chancery Court of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against his or her estate are required to file the same with the Clerk and Master of the above named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of this first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 21 day of NOVEMBER, 2024.

ESTATE OF NICKY DREXEL OGLE

PERSONAL REPRESENTATIVE(S)
JAMES CHRISTOPHER OGLE, ADMINISTRATOR
848 HARRISBURG ROAD
SEVIERVILLE, TN 37876

NOTICE TO CREDITORS

ESTATE OF ELSIE RUTH PORTER
DOCKET NUMBER 90070-3

Notice is hereby given that on the 22 day of NOVEMBER, 2024, letters testamentary in respect of the Estate of ELSIE RUTH PORTER, who died on July 23, 2024, were issued to the undersigned by the Chancery Court, Probate Division, of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against the estate are required to file the same with the Clerk and Master of the above-named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty {60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 22 day of NOVEMBER, 2024.

ESTATE OF ELSIE RUTH PORTER

PERSONAL REPRESENTATIVE(S)
DEBORAH H. DICKEY
7601 GRACEMONT BOULEVARD
KNOXVILLE, TN 37938

JARED T. ANDERSON, ATTORNEY
351 GLASCOCK STREET
ALCOA, TN 37701

NOTICE TO CREDITORS

ESTATE OF JOSEPH "DALLAS" RECTOR
DOCKET NUMBER 90259-3

Notice is hereby given that on the 22 day of NOVEMBER, 2024, letters testamentary in respect of the Estate of JOSEPH "DALLAS" RECTOR, who died September 23, 2024, were issued by the undersigned Clerk and Master of the Chancery Court of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against the estate are required to file the same with the Clerk and Master of the above named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first date of the publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 22 day of NOVEMBER, 2024.

ESTATE OF JOSEPH "DALLAS" RECTOR

PERSONAL REPRESENTATIVE(S)
AMY RECTOR
2216 FROSTLAND LANE
KNOXVILLE, TN 37931

DUSTIN LANDRY, ATTORNEY
859 EBENEZER RD.
KNOXVILLE, TN 37923

NOTICE TO CREDITORS

ESTATE OF KAREN R. SHEPHERD
DOCKET NUMBER 90288-2

Notice is hereby given that on the 21 day of NOVEMBER, 2024, Letters Testamentary in respect of the Estate of KAREN R. SHEPHERD, who died August 28, 2024, were issued to the undersigned by the Chancery Court, Probate Division, of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured and unmatured against the estate are required to file the same with the Clerk and Master of the above named Court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred.

(1)(A) Four (4) months from the date of the first publication of this notice, if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 21 day of NOVEMBER, 2024.

ESTATE OF KAREN R. SHEPHERD

PERSONAL REPRESENTATIVE(S)
TONJA SHOCKLEY
5500 VALDOSTA ROAD
KNOXVILLE, TN 37921

MISTY EVANS
426 CASH ROAD
KNOXVILLE, TN 37924

MELISSA WORTLEY LAWING, ATTORNEY
3715 POWERS STREET
KNOXVILLE, TN 37917

NOTICE TO CREDITORS

ESTATE OF TIMOTHY DEWAYNE SHULTZ
DOCKET NUMBER 90303-2

Notice is hereby given that on the 21 day of NOVEMBER, 2024, letters of administration in respect of the Estate of TIMOTHY DEWAYNE SHULTZ, who died on July 18, 2024, were issued to the undersigned by the Chancery Court, Probate Division, Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against the estate are required to file the same with the clerk of the above-named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 21 day of NOVEMBER, 2024.

ESTATE OF TIMOTHY DEWAYNE SHULTZ

PERSONAL REPRESENTATIVE(S)
ANTHONY SHULTZ, ADMINISTRATOR
2428 E. GALLAHER FERRY RD.
KNOXVILLE, TN 37932

CARIN C. BRIO, ATTORNEY
3217 GARDEN DRIVE, SUITE 1
KNOXVILLE, TN 37918

NOTICE TO CREDITORS

ESTATE OF BRADLEY CHARLES STARRETT
DOCKET NUMBER 90118-3

Notice is hereby given that on the 22 day of NOVEMBER, 2024, letters administration in respect of the Estate of BRADLEY CHARLES STARRETT, who died Apr. 2, 2024, were issued to the undersigned by the Clerk and Master of the Chancery Court of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against his or her estate are required to file the same with the Clerk and Master of the above named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of this first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 22 day of NOVEMBER, 2024.

ESTATE OF BRADLEY CHARLES STARRETT

PERSONAL REPRESENTATIVE(S)
JOHANNA A. STARRETT, ADMINISTRATRIX
1814 WINDING RIDGE TRAIL
KNOXVILLE, TN 37922

NOTICE TO CREDITORS

ESTATE OF KATHY D. STINNETT, a.k.a. KATHY DIANA STINNETT
DOCKET NUMBER 90306-2

Notice is hereby given that on the 21 day of NOVEMBER, 2024, letters testamentary in respect of the Estate of KATHY D. STINNETT, a.k.a. KATHY DIANA STINNETT, who died October 16, 2024, were issued to the undersigned by the Chancery Court, Probate Division, of Knox County, Tennessee. All persons, resident, and non-resident, having claims, matured or unmatured, against the estate are required to file the same with the clerk of the above-named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 21 day of NOVEMBER, 2024.

ESTATE OF KATHY D. STINNETT, a.k.a. KATHY DIANA STINNETT

PERSONAL REPRESENTATIVE(S)
ALISHA D. SMITH
5704 LUTIE ROAD
KNOXVILLE, TN 37912

REBECCA BELL JENKINS, ATTORNEY
9724 KINGSTON PIKE, SUITE 202
KNOXVILLE, TN 37922

NOTICE TO CREDITORS

ESTATE OF CHARLSEY RHEA TRAMMELL
DOCKET NUMBER 90271-3

Notice is hereby given that on the 22 day of NOVEMBER, 2024, letters administration in respect of the Estate of CHARLSEY RHEA TRAMMELL, who died July 31, 2024, were issued to the undersigned by the Clerk and Master of the Chancery Court of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against his or her estate are required to file the same with the Clerk and Master of the above named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of this first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 22 day of NOVEMBER, 2024.

ESTATE OF CHARLSEY RHEA TRAMMELL

PERSONAL REPRESENTATIVE(S)
ROXANN TRAMMELL CALDWELL, ADMINISTRATRIX
1612 WYNRUSH CIRCLE
KNOXVILLE, TN 37923

NOTICE TO CREDITORS

ESTATE OF TROY A. TURRENTINE
DOCKET NUMBER 90264-2

Notice is hereby given that on the 20 day of NOVEMBER, 2024, letters testamentary in respect of the Estate of TROY A. TURRENTINE, who died October 22, 2024, were issued to the undersigned by the Chancery Court, Probate Division, of Knox County, Tennessee. All persons, resident and non resident, having claims, matured or unmatured, against the estate are required to file the same with the clerk of the above-named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 20 day of NOVEMBER, 2024.

ESTATE OF TROY A. TURRENTINE

PERSONAL REPRESENTATIVE(S)
DENISE TURRENTINE
4810 BARBARA DRIVE
KNOXVILLE, TN 37918

MICHAEL R. CROWDER, ATTORNEY
550 W. MAIN ST., FOURTH FLOOR
KNOXVILLE, TN 37902

NOTICE TO CREDITORS

ESTATE OF CORA HUNT WILBURN
DOCKET NUMBER 90267-2

Notice is hereby given that on the 20 day of NOVEMBER, 2024, letters testamentary in respect of the Estate of CORA HUNT WILBURN, who died May 5, 2024, were issued to the undersigned by the Clerk and Master of the Chancery Court of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against his or her estate are required to file the same with the Clerk and Master of the above named Court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of this first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 20 day of NOVEMBER, 2024.

ESTATE OF CORA HUNT WILBURN

PERSONAL REPRESENTATIVE(S)
DAVID H. WEBB, EXECUTOR
8500 CYPRESS LAKE DRIVE E
KNOXVILLE, TN 37923

NOTICE TO CREDITORS

ESTATE OF CHRISTY WATSON WILKINSON
DOCKET NUMBER 90229-3

Notice is hereby given that on the 22 day of NOVEMBER, 2024, letters testamentary (or letters of administration as the case may be) in respect of the Estate of CHRISTY WATSON WILKINSON, who died July 7, 2024, were issued to the undersigned by the Chancery Court, Probate Division, of Knox County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against the estate are required to file the same with the clerk of the above-named court on or before the earlier of the dates prescribed in (1) or (2), otherwise their claims will be forever barred:

(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of first publication as described in (1)(A); or

(2) Twelve (12) months from the decedent's date of death.

This the 22 day of NOVEMBER, 2024.

ESTATE OF CHRISTY WATSON WILKINSON

PERSONAL REPRESENTATIVE(S)
JOSEPH RAYMOND WILKINSON
7145 PISA CIRCLE
CORRYTON, TN 37721

JONATHAN D. REED, ATTORNEY
KAITLYN A. SELL, ATTORNEY
P. O. BOX 2047
KNOXVILLE, TN 37901

MISC. NOTICES

PUBLIC NOTICE

THE KNOX COUNTY BEER BOARD SHALL MEET IN REGULAR SESSION ON MONDAY, DECEMBER 16, 2024, AT 4:00 P.M. IN THE MAIN ASSEMBLY ROOM OF THE CITY-COUNTY BUILDING, MAIN AVENUE.

1. **ROLL CALL:**
2. **PLEDGE OF ALLEGIANCE TO THE FLAG:**
3. **APPROVAL OF MINUTES:**
4. **PUBLIC FORUM: (AGENDA ITEMS ONLY)**

NOTE: Those wishing to speak regarding any Beer Board agenda item can sign up via the Commission website at commission.knoxcounty.org, by emailing Kathy.dailey@knoxcounty.org or calling the Clerk's Office at 865-215-3441. The deadline to sign up to speak is Sunday, December 15, 2024, at 4:00 p.m.

5. **SWEARING IN OF INDIVIDUALS WHO PLAN TO TESTIFY:**
6. **APPLICATIONS:**

6a. Yogi Yogeshwaraya LLC. .....
Yogi Yogeshwaraya LLC
5515 Strawberry Plains Pk
Knoxville, Tn 37914
Off Premises
(District 9)

6b. Weigel Stores, Inc. .....
Weigel's #118
5981 Schaad Rd.
Knoxville, Tn 37931
Off Premises
(District 6)

6c. Gohan Japanese Grill.....
Gohan Japanese Grill
7507 Tazewell Pike
Corryton, Tn 37721
On Premises
(District 8)

* * * * * * * * * * *

7. **ADJOURNMENT:**

PUBLIC NOTICE

Request for Bids – KCDC, the Public Housing Authority for Knoxville & Knox County, posts all of its solicitations at www.kcdc.org/procurement. Click on 'Open Solicitations' and follow the link.

LEGAL SECTION 94

Knox County will receive bids for the following items & services:

BID 3620, Residential Contractor Services for CAC Housing and Energy Services, due 1/8/25.

For additional information call 865-215-5777, stop by the Procurement Division, 1000 North Central St., Suite 100, Knoxville, TN 37917, or visit our website: www.knoxcounty.org/procurement. To bid on Knox County surplus items, go to www.govdeals.com.

PUBLIC NOTICE

NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

December 9, 2024

Knox County Grants and Community Development
400 Main Street, Suite 364
Knoxville, Tennessee 37902
865-215-5253

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by Knox County, Tennessee.

REQUEST FOR RELEASE OF FUNDS

On or about December 27, 2024, Knox County Grants and Community Development will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of Projects-Based Voucher (PBV) Program funds under the Public Housing Program and the Quality Housing and Work Responsibility Act of 1998, to undertake a project on predominantly wooded land with the remnants of a residence in the eastern portion of the property located at 9900 Westland Drive, Knoxville, TN 37922. The project will consist of Elmington Residential, LLC acquiring and constructing a multi-family rental community on the project sit with the assistance of PBVs through Knoxville's Community Development Corporation. The community will consist of 17 residential buildings with 68 total dwelling units. The units will vary in size, number of bedrooms and number of bathrooms. Associated parking, landscape, and amenities will be provided at the development. If released, $26,800,000.00 PBV Program funds would be used for this project.

FINDING OF NO SIGNIFICANT IMPACT

Knox County has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Assessment (EA) on file online at www.knoxcounty.org/communitydevelopment.

PUBLIC COMMENTS

Any individual, group, or agency disagreeing with this determination or wishing to comment on the project may submit written comments to the Knox County Grants and Community Development Department via email at grants@knoxcounty.org or by phone at 865-215-5253. All comments received by December 26, 2024, will be considered by Knox County prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

ENVIRONMENTAL CERTIFICATION

Knox County certifies to HUD that Glenn Jacobs, in his capacity as County Mayor, consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Knox County Community Development to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of funds and Knox County's certifications for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of Knox County; (b) Knox County has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and shall be addressed to the U. S. Department of HUD, Knoxville Field Office, Region IV, John J. Duncan Federal Building, 710 Locust Street, Suite 300, Knoxville, TN 37902-2526. Potential objectors should contact HUD to verify the actual last day of the objection period.

"Si usted necesitara asistencia para este aviso en otro idioma, por favor llame al 694-8880 para mayor información y mencione del Desarrollo Comunitario del Condado de Knox."

Mayor Glenn Jacobs
Certifying Officer

EQUAL HOUSING OPPORTUNITY

NOTICE OF LIEN SALE

The following described vehicles impounded/repaired/towed will be sold at public and/or private auction in compliance with the Tennessee Public Acts 1967, Chapter 240, House Bill 379. The sale will be held at Jim's Garage & Wrecker Service Vehicle Impoundment Lot located at 5906 Walden Street, Knoxville, TN 37919.

These vehicles have been checked through the files of the Commissioner of Revenue, Title Section, Division of Motor Vehicles, Department of Revenue, State of Tennessee. In appropriate cases, the vehicles have been checked in other states, and the owners and/or lienholders have been notified by certified mail. In those instances where no vehicle identification/serial number or license number was available, this Public Notice in the newspaper will comply with the law.

The failure of the owner/lienholder to exercise their rights to reclaim any vehicle listed below not bearing a VIN/serial number shall be deemed a waiver of all rights and title and authorization to sell said vehicle.

1) 12 FORD FOCUS 1FAHP3F26CL441925
2) 12 HYUNDAI SONATA 5NPEC4AC8DH614686
3) 08 NISSAN MAXIMA 1N4BA41E88C834203
4) 98 TOYOTA CAMRY JT2DB02TOV0076076
5) 02 MAZDA TRIBUTE 4F2YU08162KM38730
6) 17 HONDA CIVIC 5HHFK7H44HU205983
7) ? BMW WBAVA37578NL32154
8) ? FORD F-150 1FTRW08L0TKE05513
9) ? BUICK ENCLAVE KL4CJ1SB4KB8922433
10) 19 NISSAN VERSA 3N1CN7AP1KL834466
11) 20 FORD ESCAPE 1FMCU0BZ2LUB44932
12) 03 HONDA ACCORD 1HGCM56343A147065
13) 08 HONDA CIVIC 2HGFG12628H522327
14) 23 VOLVO 4V4NC9EH3PN340051
15) 20 CHEVY COLORADO 1GCHSCEA7L1166076
16) 99 TOYOTA CAMRY 4T1BF28K7XU933501
17) 20 KIA SOUL KNDJ23AU2L7119780
18) 07 TOYOA PRIUS JTDKB20U873286187
19) ? HYUNDAI SONATA 5X4ZK3AB7BG042553
20) ? ACURA RDX 5J8TB3H5XH6019204
21) 09 JEEP WRANGLER 1J4GB39149L753994
22) 01 DOGDE RAM 3B7HC13Y71M261352
23) 08 AUDI A4 WAUDF78E78A098827
24) 99 GMC 1500 2GTEK19T2X1517317
25) 01 CHEVY TAHOE 1GNEK13T01R142929
26) 17 SUBARU JF2SJAFC2GH448167
27) ? VOLVO YV1JS59H241375847
28) 12 BMW WBA3A5C55CF341780
29) 05 DODGE DAKOTA 1D7HW48N75S177106
30) 10 HONDA CRV 3C2RE4H55AG705495
31) 11 FORD MUSTANG 1ZVBP8EMXB5126481
32) 17 HONDA CIVIC SHHFK7H86HU226448
33) 04 CHEVY CAVILER 1G1JC12F347158406
34) 04 BMW 325I WBAEV33484KR31005
35) 06 DODGE 1D4GP24R86B612476
36) 03 DODGE VAN 2D8GP44LX3R217766
37) 99 HONDA VAN 2HKRL1866XH532654
38) 00 GMC 1GTCS1958YK269746
39) ? BMW 318 WGAAJ51060AD39059
40) 13 DODGE VAN SC4RDGC7DR503145
41) 02 HONDA VAN 5FNRL18012B029441

PUBLIC NOTICE

NOTICE OF INTENT TO ABANDON RAIL SERVICE
AB-580 (Sub-No. 1X)

Knoxville & Holston River Railroad Co., Inc ("KXHR"), a wholly-owned subsidiary of Gu & Ohio Railways, Inc. ("G&O") gives notic that on or about December 12, 2024, it intend to file with the Surface Transportation Boar "Board"), Washington, DC 20423, a Petitio for Exemption under 49 U.S.C. 10502 fro the prior approval requirements of 49 U.S.C 10903, et seq., permitting the abandonmer of an approximately 3.8-mile rail line betwee milepost 0.1, in Knoxville, TN, to the end of th line, also in Knoxville, TN (hereinafter, the "Line or "K&A Belt") in Knox County, Tennessee. Th Line traverses the United States Postal Zip Cod territory of 37920. The proceeding has bee docketed as No. AB-580 (Sub-No. 1X).

The proposed action entails the abandonmer of KXHR's common carrier obligations over th Line. The Board's Office of Environmental Analysi (OEA) will generally prepare an Environmenta Assessment (EA), which will normally b available 60 days after the filing of the petitio for abandonment exemption. Comments o environmental and energy matters should b filed no later than 30 days after the EA become available to the public and will be addressed i a Board decision. Interested persons may obtai a copy of the EA or make inquiries regardin environmental matters by writing to OEA, Surfac Transportation Board, Washington, DC or b calling OEA at (202) 245-0295.

Appropriate offers of financial assistanc ("OFA") to continue rail service can be filed wit the Board. Requests for environmental condition public use conditions, or rail banking/trails us also can be filed with the Board. An original an 10 copies of any pleading that raises matte other than environmental issues (such as trai public use, and OFA) must be filed directly wit the Board's Section of Administration, Office o Proceedings, 395 E Street, S.W., Washingto DC 20423 [See 49 C.FR. §§ 1104.1(a) an 1104.3(a)], and one copy must be served o the applicants' representative [See 49 CFR 1104.12(a)]. Questions regarding OFAs, publi use, or trails use may be directed to the Board' Office of Public Assistance, Governmental Affair and Compliance at 202-245-0230. Copies of an comments or requests for specific Board actio should be served on the applicant's representativ Crystal M. Zorbaugh, MULLINS LAW GROU PLLC, 2001 L Street NW, Suite 720, Washingto DC 20036; phone: 202-663-7831.

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

PETITION FOR EXEMPTION

EXHIBIT E – VERIFIED STATEMENT OF CHRISTOPHER TODD STARNES

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

KNOXVILLE & HOLSTON RIVER RAILROAD CO., INC.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

VERIFIED STATEMENT OF CHRISTOPHER TODD STARNES

My name is Christopher Todd Starnes, and I am employed by Gulf & Ohio Railways, Inc. ("G&O") in the capacity of Chief Operating Officer ("COO"). I have a long history with the Knoxville & Holston River Railroad Co., Inc. ("KXHR"), a wholly owned subsidiary of G&O. I received my bachelor's degree in management and leadership from Virginia Intermont College in 2007. From 2008 to the present, I have been employed by G&O in several capacities including as a train crew member, supervisor of locomotive engineers, revenue manager, and general manager. In 2021, I was promoted to COO at G&O and am currently responsible for the Transportation, Engineering & Mechanical departments on G&O's four (4) short-line railroads located in North Carolina, South Carolina, and Tennessee.

The purpose of this statement is to describe the background and events that have led to the filing of an Abandonment Petition for an approximately 3.8-mile rail line (hereinafter, the "Line" or "K&A Belt"), which extends from milepost 0.1, in Knoxville, TN, to the end of the line, also in Knoxville. KXHR began its operations in May 1998 after purchasing the K&A Belt and other rail assets that comprise KXHR from Norfolk Southern Railway Company ("NSR"). While the Line provided freight rail services to two shippers from 1998 to 2014, revenues from

the K&A Belt drastically decreased after its former shipper, Holston Gates, relocated before 2014. Decreased revenues are also attributed to the current shipper, Ergon Terminaling, Inc. ("Ergon"), which over the last decade, has significantly reduced its use of the Line, finding more convenience in alternative modes of transportation, including receiving inbound freight via barge and outbound via trucks. Consequently, the K&A Belt is currently unprofitable for KXHR/G&O.

Moreover, the potential for new shippers or traffic is non-existent as the area adjacent to the first mile and a half of the Line is rapidly becoming a mixed-use residential/commercial development area, limiting the more expansive property needed for new shippers or industries requiring freight rail services. Furthermore, KXHR has been in communication with the City of Knoxville (the "City"). After reviewing the City's plan for land use development, we agree that the best course of action, given the changing landscape in the area adjacent to the Line in Knoxville, TN, is to abandon the Line and convey it to the City so that they can redevelop the Line and create a rail trail. I have been involved in these discussions and agree with this approach as the Line is unprofitable and better serves the City as a rail trail.

Furthermore, as described below, KXHR revenues attributed to freight rail services on the K&A Belt are unsubstantial, and despite marketing efforts by KXHR, the prospects for increasing business and revenues from the current reduced levels are unrealistic. In 2024, for example, the railway operations of the K&A Belt produced revenue of $6,200.00 while costing KXHR $92,982.00 to maintain operations. As a result of this substantial loss in 2024 and equivalently egregious losses from 2019-2024, we have been unable to fund the necessary maintenance and capital expenditures of the Line, leading to significant deferred maintenance and rehabilitation that will require an expenditure of approximately $3.32 million in immediate total costs to rectify. Given this level of losses coupled with the unlikelihood that revenues will

increase and the enormity of the required maintenance and rehabilitation expenditures, the only reasonable alternative is to proceed with an abandonment petition, which will facilitate the City being able to explore alternative public use - a rail trail. The alternative would be for KXHR to incur significant maintenance and rehabilitation costs exceeding the revenue derived from the current or potential traffic on the Line. The supporting traffic and economic analysis that I present below demonstrates the alternative is not a viable option for KXHR.

1. Past, Present, and Future Shippers or Traffic on the Line

a. Current Shipper

The sole current shipper on the Line, Ergon, is located at the end of the Line at 3111 McClure Lane Knoxville, TN 37920. Ergon provides storage for asphalt, chemicals, and oil and also provides its customers logistical support for the transportation of these commodities via truck, rail, and barge. While, in the past, Ergon has utilized the K&A Belt for transportation of freight (asphalt) from its Knoxville, TN terminal to the interchange with NSR, rail is now a secondary mode of transportation for Ergon, and it now receives its inbound freight via barge and outbound via truck with rail being a backup to transport via barge.

In Attachment A – Railcar Projections from Ergon, I have provided email exchanges between Ergon and KXHR, wherein KXHR has periodically requested monthly railcar projections from Ergon. As shown in Attachment A and Table One – KXHR K&A Belt Traffic & Revenue, *infra*, carloads requested and provided to the Line's sole shipper, Ergon, have been infrequent, and the average revenue of $5,343.00 per year (2019-2024) is significantly less than the cost of operations and maintenance of the Line, as discussed below.

Alongside Todd Burchette, President of G&O, I have been involved in KXHR's engagement with Ergon regarding the potential abandonment of the Line since April 28, 2024.

See Attachment B – April 28, 2024 Email from Christopher T. Starnes. As stated in that email, I reached out to Charles Lynch, Ergon's Knoxville, TN Terminal Manager, to discuss rail service options. Following that initial email and conference call in April, two subsequent conference calls were held on June 21, 2024, and July 12, 2024, with three representatives from Ergon: Zachary Young, Vice President; David Ogletree, Regional Manager; and Charles Lynch. During the July 12, 2024 conference call, KXHR verbally communicated to Ergon that it would seek to abandon its freight service sometime in the fall of 2024. Ergon accepted that this was reasonable given the substantial economic loss to KXHR and alternative modes of transportation available for its shipment of asphalt. In addition to giving Ergon notice of the likelihood that we would be filing for abandonment we have also communicated and offered an alternative rail transport opportunity via the KXHR Line on the north side of the river, which is serviced five days per week. To date, Ergon has not expressed significant interest in transloading via KXHR's alternative location.

b. Former Shipper – Holston Gases

At its peak, the K&A Belt served two shippers, Ergon, and Holston Gases, the latter of which relocated to Clinton, TN, before 2014. While I and KXHR know freight services were provided to Holston Gases over the K&A Belt, KXHR's current carload records only go back as far as 2014, and we show no car movement history for Holston Gases from 2014-2024. However, Holston Gases was the high-volume shipper among the two, and when it relocated, traffic volume decreased significantly. Thus, KXHR has had to rely on one low-volume shipper, Ergon, for revenues over the last ten years or more, and given the infrequent carloads received, operations are neither profitable nor sustainable.

c. Potential for New Shippers or Traffic

Having intimate knowledge of KXHR's operations, it is evident that KXHR has no prospects for new shippers or traffic on the K&A Belt as the first mile and a half of the Line is rapidly becoming a mixed-use residential/commercial development area and the remainder of the Line, which contains no industrial sites, extends toward the Ergon terminal runs through a post-industrial marble quarry and a nature preserve, which are both used for recreational purposes. The state of the tunnel at milepost 0.1 also currently limits the type of freight that can be handled on the Line. Thus, there is no potential for KXHR to attract any new shippers or industries that would require rail on the K&A Belt.

My assessment that there is no potential for new shippers or traffic on the K&A Belt is also confirmed by Scott Cox, Director of Business Development at G&O, who describes the challenges faced by KXHR to "attract new tenants and develop business on the…K&A [Belt]" in a letter, dated November 25, 2024. See Attachment C – November 25, 2024 Letter from Scott Cox, Director of Business Development. In that letter directed to me, Mr. Cox states that KXHR cannot attract new shippers or traffic as "[d]uring our market assessments and conversations with prospective tenants, it has become evident that the current inventory of properties does not meet the criteria required to attract and sustain business growth." This is consistent with the changing land use in the area as it departs from an area suitable for companies to be rail-served toward a mixed-use residential and commercial area. Mr. Cox further states that "over the last 5 years, we have observed minimal interest from potential tenants" and that "this lack of engagement appears to stem from the limited availability of suitable properties in Knoxville, TN."

Thus, without any of the prospective new shippers or traffic materializing over the last five (5) years, KXHR is now taking steps toward abandoning the K&A Belt and as described

below it would be an economic burden for KXHR and G&O to continue to operate for the sole purpose of serving the sole shipper on the Line, Ergon, who, as stated above, makes infrequent and unreliable requests for freight service. Accordingly, I respectfully request that the Board grant KXHR's abandonment petition, which will allow the City to utilize the Line as a rail trail.

2. Economic Analysis

a. Cost of Operations

The total 2024 operating costs for 2024 were $92,982.00.[1] See Attachment D – 2024 K&A Belt Operating Costs. These include operational costs related to crew members, locomotive use, and mechanical/track inspections. To provide Ergon with limited freight rail service this year, KXHR has utilized two (2) crew members, an engineer, and a conductor for 16 days or 256 hours for a total transportation cost of $15,872.00. In addition, KXHR's cost to use the locomotive, including fuel, was $3,500.00 per month or $42,000.00 this year. Moreover, KXHR has incurred significant costs for mechanical inspections of $13,720.00 and costs for required track inspections, of $21,390.00.[2] As explained in the next section, the cost of operations to sustain between one (1) and twenty-two (22) carloads per year over the last five (5) years (see Table One, *infra*) has not been supported by the revenue generated by those carloads.

b. Current Revenue Generated by the Line

The current revenue on the Line is generated by carload revenue received from Ergon. Per Freight Tariff KXHR 8001-L ("KXHR Tariff"), which provides charges by commodity for KXHR's performance of switching between industries located on the KXHR and interchanged

[1] As stated in Section 1(a), KXHR notified Ergon that sometime in the fall of 2024, KXHR planned to seek abandonment authority and terminate common carrier operations over the Line. KXHR anticipates no further freight rail service to Ergon this year so there will be no more operating costs related to the Line in 2024

[2] Track inspection sub-costs related to labor, vehicles, bridges, and vegetation control are detailed in Attachment D.

with NSR at Knoxville, TN, the charge for a carload of asphalt is listed as $775.00. See Attachment E – KXHR's Freight Tariff at p. 3. KXHR does not have a contractual relationship with Ergon[3] but rather KXHR relies on the KXHR Tariff and the infrequent carloads from Ergon to generate revenue on the Line. As stated in Section 1(a), Carloads from Ergon are infrequent and vary drastically by year as Ergon uses the K&A Belt as a secondary mode of transport for its freight (asphalt), and as shown in Table One, *infra*, the average revenue per year over the last five years, $5,343.00, is approximately 5.7% of KXHR's operating costs of $92,982.00 for 2024.

Table One – KXHR K&A Belt Traffic & Revenue, 2019-2024

Customer	**Year**	**Carloads**	**Revenue**
Ergon	2019	22	$13,502.00
Ergon	2020	7	$4,350.00
Ergon	2021	1	$654.00
Ergon	2022	10	$6,605.00
Ergon	2023	1	$749.00
Ergon	2024	8	$6,200.00
	Total	49	$32,060.00
	Avg/year	8.2	$5,343.00

Without the potential for new shippers or traffic on the K&A Belt, KXHR is limited to the above-stated revenue from carloads received from Ergon, whose carloads, as demonstrated in Table One above, have been infrequent and unreliable over the past five years. Table One clearly

[3] I am aware that Ergon and NSR have some sort of a contractual agreement for freight services but KXHR is not privy to that agreement.

shows, that since 2019, KXHR has not received enough revenue to sustain operations. For example, in 2019, KXHR handled 22 carloads producing freight revenue of approximately $13,502.00. This is the highest amount in the past five years but only 14.5% of the current cost of operations, which as stated above for 2024 was $92,982.00. And if the lowest revenue years, 2021 and 2023, are examined, where KXHR only received one (1) carload each year on the K&A Belt, the amount of revenue, $654.00 and $749.00, respectively, is insubstantial and not enough for the labor for a two-member crew (engineer and conductor) for a single day.[4]

There are nowhere near enough carloads to sustain operations as based on the current Tariff for asphalt of $775.00, KXHR would need to receive over 120 carloads to generate revenue over the cost of operations.[5] Even under that scenario, the K&A Belt would not operate at a profit given the ongoing costs related to deferred maintenance on the K&A Belt and the identified segments of the Line that require significant rehabilitation, as described in Section 2(c).

c. Maintenance/Rehabilitation Costs to Obtain FRA Class I Standards

The cost to bring the K&A Belt up to FRA Class I standards is substantial and estimated to be $3.32 million in total for immediate costs. See Table Two – Immediate Maintenance and Rehabilitation Costs for K&A Belt, directly below. In addition, for ongoing maintenance (replacing an additional 1,000 ties and adding surfacing) over the next five (5) years, I estimate that the cost will be $2.12 million.[6]

[4] See Attachment D (The total cost for 2 crew members for 8 hours a day for 16 days is $15,872.00. If you divide the total by 16, the cost is $992.00 per day).

[5] I can definitively say that based on discussions with Ergon and given that Ergon uses the K&A Belt as a secondary mode of transport, there is no scenario where Ergon requests 120 carloads in a given year, and therefore no scenario where KXHR does not operate at a loss.

[6] The cost estimate to replace 1,000 ties and surface the line for the next 5 years by year is: Year 1 - $364,000.00; Year 2 - $392,000.00; Year 3 - $422,000.00; Year 4 - $454,000.00; and Year 5 - $490,000.00. This estimate is based

Table Two – Immediate Maintenance and Rehabilitation Costs for K&A Belt

Rail Asset	**Description**	**Estimated Cost**
Track	Replacement and disposal of 30% of Ties	$524,000.00
Track	Adding Ballast and Surfacing to the Line	$193,000.00
Bridge	Repairs to Gilbert Lane Bridge	$103,000.00
Tunnel	Scaling loose items, installing rock bolts and shotcrete to 350-ft tunnel	$2,500,000.00
	Total Immediate Costs	**$3,320,000.00**

As shown in Table Two, the deferred maintenance costs for the Line have been accumulating due to a lack of revenue from the K&A Belt, and in my estimate based on recent track inspections, 30 percent of the crossties need immediate replacement and deteriorated segments of the Line are in immediate need of ballast and surfacing. I estimate the cost to replace 30 percent of the ties and dispose of the same would be $524,000.00 and the cost to add ballast and surfacing to the Line would be $193,000.00, for a total of $717,000.00 in track repairs. This would be the first step toward achieving FRA Class I Standards; however, these track repairs alone would not bring the K&A Belt to a state of good repair to provide safe and efficient operations over the Line as repairs to the Gilbert Lane Bridge and the Tunnel on the K&A Belt are also needed based on recent tunnel and bridge inspections.

Specifically, rehabilitating the 350 ft tunnel at milepost 0.1, including scaling loose items, installing rock bolts, and adding shotcrete to the tunnel would cost KXHR approximately $2.5 million. Rehabilitating the tunnel is necessary to continue safe and efficient operations on the Line. Moreover, if you base this cost on the current revenue generated by the Line, it will take

on recent track inspections made this year that indicate that certain segments of the Line have ties and surfacing that will require replacement.

over 26 years to pay off the cost to rehabilitate the tunnel, alone. In addition, based on last year's inspection records of the Gilbert Lane Bridge at milepost 2.45, I estimate that it would cost $103,000.00 to complete repairs. Thus, there are significant deferred and ongoing maintenance/ rehabilitation costs that cannot be justified by KXHR's current operations and the resulting revenue generated by the K&A Belt.

d. Net Liquidation Value of Rail and Track Materials

The net liquidation value ("NLV") of the rail and track materials on the K&A Belt was calculated under my supervision and direction. All rail and other track materials that have reached the end of their service life will be scrapped, and the rail and other track materials that have not reached the end of their service will be moved to inventory for future use on the four G&O short-line railroads, including the KXHR rail line not being abandoned. For those track materials that have reached the end of their service life and will be scrapped, I have estimated the value of these rail and track materials to be $35,000.00.

e. Liquidation Value of the Underlying Real Estate

Given the current revenues, operating costs, deferred maintenance, and necessary rehabilitation/maintenance costs to bring the K&A Belt to FRA Class I standards as well as the lack of potential new shippers or traffic to increase carloads on the Line, KXHR has determined that the only reasonable alternative is to proceed with an abandonment petition, which will allow the City to pursue an alternative public use – a rail trail. Accordingly, as the underlying real estate will be donated to the City following receiving the Board's abandonment authority, the net liquidation value of the underlying real estate is not a factor that needs to be considered by the Board in evaluating KXHR's petition to abandon the K&A Belt.

CONCLUSION

I have been involved with the operations of G&O and KXHR's K&A Belt since 2008 and as COO, I have first-hand knowledge of the economics of the Line. Without prospective new shippers or traffic, operations over the K&A Belt by KXHR will remain unprofitable. While operations over the Line were once sustainable with the supporting traffic of its former high-volume shipper, Holston Gases, KXHR, at present, cannot sustain operations with only one shipper, Ergon, contributing revenues derived from the K&A Belt. Thus, coupled with the current operating costs, deferred maintenance, and necessary rehabilitation/maintenance costs to bring the K&A Belt to FRA Class I standards, as COO, I can definitively state that the only reasonable alternative is to proceed with an abandonment petition and donate the underlying real estate to the City for a rail trail.

VERIFICATION

I, Christopher Todd Starnes, declare under penalty of perjury that I am authorized to make this verification on behalf of Knoxville & Holston River Railroad Co., Inc., a wholly owned subsidiary of Gulf & Ohio Railways, Inc., and that the information included in the foregoing statement is true and correct to the best of my knowledge and belief.

Christopher Todd Starnes
Chief Operating Officer
Gulf & Ohio Railways, Inc.

Dated: December 11, 2024

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

Knoxville & Holston River railroad Co., inc.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

Attachment A – Railcar Projections from Ergon

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:12 AM
To: Chris Starnes
Subject: FW: Railcar Projections For April 2024

From: Ronnie McKenzie
Sent: Friday, March 29, 2024 11:40 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: Railcar Projections For April 2024

Thank You Charles

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Friday, March 29, 2024 11:31 AM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: Railcar Projections For April 2024

Ronnie,
I don't know of any cars coming in for April.
Thanks
Charles

From: Ronnie McKenzie <rem@gulfandohio.com>
Sent: Friday, March 29, 2024 10:29 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: [EXTERNAL]FW: Railcar Projections For April 2024

From: Ronnie McKenzie
Sent: Thursday, March 28, 2024 3:33 PM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: Railcar Projections For April 2024

Good Afternoon Charles,

What are your railcar projections for April 2024?

I hope that you have a Happy Easter weekend.

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways
422 Cumberland Ave

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:11 AM
To: Chris Starnes
Subject: FW: Railcar Projections For July 2023

From: Ronnie McKenzie
Sent: Wednesday, July 05, 2023 1:28 PM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: Railcar Projections For July 2023

Thanks Charles!

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Wednesday, July 05, 2023 12:14 PM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: Railcar Projections For July 2023

Ronnie,
We have 1 car coming NATX 230247.
Thanks
Charles

From: Ronnie McKenzie <rem@gulfandohio.com>
Sent: Wednesday, July 5, 2023 11:28 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: [EXTERNAL]Railcar Projections For July 2023

Good morning Charles,

I trust that you had a good 4th of July! We are so blessed to live in a country where we are free!

What are your railcar projections for July 2023?

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways
422 Cumberland Ave
Knoxville, TN 37901
865-525-9400 Ext.136 - Office
865-705-8807 - Cell
rem@gulfandohio.com

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:11 AM
To: Chris Starnes
Subject: FW: Railcar Projections For March 2022

From: Ronnie McKenzie
Sent: Wednesday, March 02, 2022 11:29 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: Railcar Projections For March 2022

Thanks Charles!

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Wednesday, March 02, 2022 11:28 AM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: Railcar Projections For March 2022

Ronnie,
Don't know of any , but P66 could change that and I would let you know.
Thanks
Charles

From: Ronnie McKenzie <rem@gulfandohio.com>
Sent: Wednesday, March 2, 2022 10:54 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: [EXTERNAL]Railcar Projections For March 2022

Good morning,

I am just touching base to see what are your railcar projections are for March 2022?

Thank You for your business!

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways
422 Cumberland Ave
Knoxville, TN 37901
865-525-9400 Ext.136 - Office
865-705-8807 - Cell
rem@gulfandohio.com

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Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:09 AM
To: Chris Starnes
Subject: FW: August 2021 Railcar Count Projections

From: Ronnie McKenzie
Sent: Tuesday, August 03, 2021 9:15 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: August 2021 Railcar Count Projections

Thank You Charles!

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Tuesday, August 03, 2021 8:50 AM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: August 2021 Railcar Count Projections

Ronnie,
I don't have anything coming as of now, but Phillips could change that at any time.
Thanks
Charles

From: Ronnie McKenzie <rem@gulfandohio.com>
Sent: Monday, August 2, 2021 3:45 PM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: [EXTERNAL]August 2021 Railcar Count Projections

Good afternoon,

Summer is here and I hope you are drinking plenty of fluids to stay hydrated.

What are you August 2021 railcar count projections?

Many Thanks,

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways
422 Cumberland Ave
Knoxville, TN 37901
865-525-9400 Ext.136 - Office
865-705-8807 - Cell
rem@gulfandohio.com

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:08 AM
To: Chris Starnes
Subject: FW: KXHR January 2020 Railcar Projections

From: Ronnie McKenzie
Sent: Tuesday, January 07, 2020 11:40 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: KXHR January 2020 Railcar Projections

Thank You Charles!

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Tuesday, January 07, 2020 11:39 AM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: KXHR January 2020 Railcar Projections

Ronnie,
I don't see any cars coming this month.
Thanks
Charles

From: Ronnie McKenzie <rem@gulfandohio.com>
Sent: Tuesday, January 07, 2020 11:20 AM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: [EXTERNAL]KXHR January 2020 Railcar Projections

Good morning Charles,

I trust that you had a Happy New Year and looking forward to the year 2020!

I am just touching base with you to see what are your railcar projections for the month of January 2020?

Thank You for your business!

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways
422 Cumberland Ave
Knoxville, TN 37901
865-525-9400 Ext.136 - Office
865-705-8807 - Cell
rem@gulfandohio.com

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:08 AM
To: Chris Starnes
Subject: FW: KXHR Railcar Projections For February 2019

From: Ronnie McKenzie
Sent: Thursday, February 07, 2019 2:09 PM
To: Charles Lynch <Charles.Lynch@ergon.com>
Subject: RE: KXHR Railcar Projections For February 2019

Thank You Charles!

From: Charles Lynch [mailto:Charles.Lynch@ergon.com]
Sent: Thursday, February 07, 2019 1:52 PM
To: Ronnie McKenzie <rem@gulfandohio.com>
Subject: RE: KXHR Railcar Projections For February 2019

Ronnie,
We have 2 cars that will be here tomorrow and maybe 1 more before the month is over.
Thanks
Charles

From: Ronnie McKenzie [mailto:rem@gulfandohio.com]
Sent: Thursday, February 07, 2019 1:50 PM
To: Charles Lynch
Subject: [EXTERNAL]KXHR Railcar Projections For February 2019

Good afternoon Charles,

Would you give me your February railcar projections?

Last month my records show 1 railcar for you into the KXHR.

Thanking you in advance and Thank You for your business!

Ronnie McKenzie
Chief Marketing Officer
Gulf and Ohio Railways, Inc
P.O. Box 2408
Knoxville, TN
865-525-9400 ext.136 (W)
865-705-8807 (C)
rem@gulfandohio.com

Chris Starnes

From: Ronnie McKenzie
Sent: Monday, November 25, 2024 10:06 AM
To: Chris Starnes
Subject: FW: ETI Knoxville Rail Cars - 2018

From: Charles Lynch <Charles.Lynch@ergon.com>
Sent: Thursday, April 12, 2018 3:28 PM
To: Ronnie McKenzie <rem@gulfandohio.com>
Cc: Scott Ogle <mso@gulfandohio.com>
Subject: ETI Knoxville Rail Cars

Ronnie,
Just to let you know I have ordered 4 cars and they should be here in the next 2 weeks.
Thanks
Charles

Charles Lynch
Terminal Manager
ETI Knoxville
O. (865) 577-4403
F. (865) 573-1387
C. (865) 679-6176

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

Knoxville & Holston River railroad Co., inc.,
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– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

Attachment B – April 28, 2024 Email from Christopher T. Starnes

Chris Starnes

From: Chris Starnes
Sent: Sunday, April 28, 2024 1:38 PM
To: 'Charles Lynch'
Subject: This Friday?

Charles,
Hope you are well sir. Are you free this coming Friday (3rd) mid to late morning for me and Todd (our President) to stop by and talk about rail service options or would you prefer we get on a conference call?
Thanks!

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

Knoxville & Holston River railroad Co., inc.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

Attachment C – November 25, 2024 Letter from Scott Cox,
Director of Business Development

Mr. Chris Starnes

Gulf & Ohio Railways

422 Cumberland Ave, Knoxville, TN 37902

November 25th, 2024

Dear Mr. Chris Starnes,

I am writing to inform you of a significant challenge affecting our efforts to attract new tenants and develop business on the Knoxville & Holston River Railroad's K&A line. Despite our ongoing initiatives and marketing efforts over the last 5 years, we have observed minimal interest from potential tenants. This lack of engagement appears to stem from the limited availability of suitable properties in Knoxville, TN. During our market assessments and conversations with prospective tenants, it has become evident that the current inventory of properties does not meet the criteria required to attract and sustain business growth.

Thank you, and if you have any questions, please contact me at **(843) 641-8261**.

Sincerely,

Scott Cox

Gulf & Ohio Railways

Director Business Development

843-641-8261

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

AB 580 (Sub-No. 1X)

Knoxville & Holston River railroad Co., inc.,
a wholly owned subsidiary of GULF & OHIO RAILWAYS, INC.
– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

Attachment D – 2024 K&A Belt Operating Costs

2024 K line operating costs

2 crew members x 8 hour day, 16 days = 256 hours/year

Engineer	$32/hour
Conductor	$30/hour
Total Transportation Cost	**$15,872**

Mechanical inspeciton 4 times yearly, 16 hours each inspection, $3,000/inspection supplies

Mechanic	$27/hour
Supplies	$12,000
Total Mechanical	**$13,720**

Locomotive use & fuel = $3,500/month

Total Locomotive Cost	**$42,000**

Annual track inspection labor ($290/day)	$4,640
Track inspection truck ($250/day)	$4,000
Annual bridge inspections	$2,500
Nordco (rail flaw testing)	$3,500
Gage truck	$2,750
Vegetation control	$4,000
Total Track Inspection Cost	**$21,390**

Total 2024 operating cost	**$92,982**

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– ABANDONMENT EXEMPTION –
IN KNOX COUNTY, TENNESSEE

Attachment E – KXHR's Freight Tariff

FT KXHR 8001-L
(Cancels FT KXHR 8001-K)

KNOXVILLE & HOLSTON RIVER RAILROAD COMPANY, INC.

FREIGHT TARIFF KXHR 8001-L

(Cancels Freight Tariff KXHR 8001-K)

CONTAINING
TERMINAL AND MISCELLANEOUS CHARGES
AND
SWITCHING CHARGES
BETWEEN INDUSTRIES LOCATED
ON THE
KNOXVILLE & HOLSTON RIVER RAILROAD COMPANY, INC.
AND INTERCHANGE
WITH NORFOLK SOUTHERN RAILWAY COMPANY

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items or rates.

ISSUED: May 7, 2024

EFFECTIVE: June 1, 2024

ISSUED BY

Ronnie McKenzie
Senior Vice President Business Development
P. O. Box 2408
Knoxville, TN 37901-2408

RULES AND REGULATIONS - GENERAL

ITEM 5

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel corresponding numbered items in the original tariff, or in a prior supplements. Letter suffixes will be used in alphabetical sequence starting with A. Example: Item 300-B cancels Item 300–A in a prior supplement which, in turn, cancelled Item 300.

RULES AND REGULATIONS - UNLIMITED

ITEM 20

DAYS OF OPERATION

Routine days of operation for the KXHR are 8:00 a.m. to 8:00 p.m., Monday through Friday. The KXHR observes the following holidays:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day and Friday following Thanksgiving
Christmas Eve
Christmas Day

Customers requesting service after operating hours, on weekends or observed holidays may do so for an additional switching fee of $2500.00 per day.

ITEM 30

RULE 5 - SWITCHING CAR HIRE EXPENSE RECOVERY

Subject to Rule 5 - Switching Car Hire Expense Recovery - Code of Car Hire Rules and Interpretations - Freight, as published in the Official Railway Equipment Register - OT Circular 10 (See Exception).

Exception: Car hire responsibility of interchanging carrier shall be a maximum of 72 hours.

ITEM 40

FAILURE TO PULL INTERCHANGE

The KXHR will assess connecting carrier a charge of $50.00 per car per day for failure to pull cars offered in interchange.

ITEM 45

CARS ERRONEOUSLY PLACED AT INTERCHANGE

The KXHR will assess delivering carrier a charge of $175.00 per car on those cars erroneously placed at interchange.

ITEM 50

CARS RETURNED AFTER BEING RELEASED

A charge of $100.00 per car will be assessed customer on those cars that are released, loaded or empty, and subsequently returned to customer to complete loading or unloading, or for any other reason not attributable to this railroad.

(Above charge will be in addition to all other applicable charges.)

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.

RULES AND REGULATIONS - UNLIMITED

ITEM 55

CHARGE FOR HEAVY DUTY OR SPECIAL TYPE FLAT CARS

(Exception to Demurrage Charges in FT RIC 6004)

When heavy-duty or special type flat cars covered by Items 630 and 688 of FT RIC 6740-series are used on shipments originating and/or terminating on this railroad, the charges to apply will be 110% of the USE, NON-USE and SPECIAL DETENTION CHARGES published for such cars in Items 630 and 688-series of FT RIC 6740-series.

Charges assessed under this item will be in lieu of demurrage charges published in FT RIC 6004-series, but in addition to any other charges.

SECTION 1
SWITCHING
(Rates in dollars and cents per car, except as noted)

ITEM 100

INTRAPLANT SWITCHING

The KXHR will provide switching services for repositioning of cars within an industry that does not involve placement of cars at interchange or to another customer for a fee of $125.00 per request, such switching not to exceed 6 cars repositioned without interchange or delivery to another customer.

The KXHR will provide switching services on cars not subject to demurrage charges once per operating day. Additional switching requests will be performed for a fee of $300.00 per car.

ITEM 200
[I]

INTERCHANGE/RECIPROCAL SWITCHING

The Knoxville and Holston River Railroad Co., Inc (KXHR) will perform switching between industries located on the KXHR shown below and interchanged with Norfolk Southern Railway Company at Knoxville, TN at the following charges:

INDUSTRY	COMMODITY	CHARGE
All Customers	All, except as otherwise specified, Not Oversize, Not Overweight, Not TIH/PIH	$1,005.00
	Aluminum Ingots, Slab (STCC 33 341)	725.00
	Asphalt (STCC 29 5)	775.00
	Aviation Fuel (STCC 29 111)	530.00
	Beans, Edible (STCC 01 134 90)	463.00 [NC]
	Biodiesel (STCC 29 5)	604.00
	Bolts (STCC 34 521 90)	451.00
	Canned Goods (STCC 20, except as otherwise provided)	465.00
	Cement (Hydraulic, Portland) (STCC 32 41115)	256.00
	Crankcase Waste (40 251 29)	605.00
	Crossties (STCC 24 912 10)	427.00 [NC]
	Crude oil (STCC 13 111 10)	676.00 [NC]
	Empty Bad Order Railcars	223.00

(Continued on Next Page)

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.

SECTION 1
SWITCHING
(Rates in dollars and cents per car, except as noted)

ITEM 200 (Cont'd)
[I]

INTERCHANGE/RECIPROCAL SWITCHING

The Knoxville and Holston River Railroad Co., Inc (KXHR) will perform switching between industries located on the KXHR shown below and interchanged with Norfolk Southern Railway Company at Knoxville, TN at the following charges:

INDUSTRY	COMMODITY	CHARGE
All Customers	Empty Bad Order Railcars	223.00
	Ethanol (STCC 49 091 52)	630.00
	Flour (STCC 20 4)	555.00
	Flue Dust Waste (STCC 48 601)	870.00
	Hides, Pelts or Skins, not dressed or tanned, nec (STCC 20 141 91)	426.00 [NC]
	Kerosene (STCC 49 122 XX)	709.00 [NC]
	Liquefied Petroleum Gas, nec. Compressed (STCC 29 12190/49 057 52)	975.00
	Locomotives, moving on own wheels (STCC 37 411 10)	1,115.00
	Lumber & Wood Products (STCC 24, except as otherwise provided)	820.00
	Metal Products (STCC 33, except as otherwise provided)	505.00
	Minerals (STCC 32, except as otherwise provided)	605.00
	Mineral Oil (STCC 29 114 25)	448.00 [NC]
	Plastics (STCC 28 2)	820.00
	Potash (STCC 28 125)	427.00 [NC]
	Salt (STCC 14 715)	504.00

(Continued in next column)

SECTION 1
SWITCHING
(Rates in dollars and cents per car, except as noted)

ITEM 200 (Cont'd)
[I]

INTERCHANGE/RECIPROCAL SWITCHING

The Knoxville and Holston River Railroad Co., Inc (KXHR) will perform switching between industries located on the KXHR shown below and interchanged with Norfolk Southern Railway Company at Knoxville, TN at the following charges:

INDUSTRY	COMMODITY	CHARGE
All Customers	Scrap Metal (STCC 40 211)	481.00
	Scrap Paper (STCC 40 241)	375.00
	Steel Coils (STCC 33 123)	535.00
	Steel Beams (STCC 33 125 28)	606.00
KXHR Storage Tracks	Railway Cars, moving on own wheels (STCC 37 422)	(a) 395.00 [NC]

Explanation of reference ( ):

(a) - Applicable on cars to be stored by KXHR. Charge applies in each direction, inbound cars for storage and outbound cars from storage.

EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS

KXHR - Knoxville & Holston River Railroad Company, Inc.
NS - Norfolk Southern Railway Company
OPSL - Official Railroad Station List

[A] - Addition
[C] - Change
[I] - Increase, except as noted
[NC] - No change
[R] - Reduction/Decrease

(Underscored portion denotes change)

- END -