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SERVICE DATE – APRIL 25, 2025

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36831]

Marquette Rail, LLC—Lease and Operation Exemption Including Interchange
Commitment—CSX Transportation, Inc.

Marquette Rail, LLC (MQT), a Class III railroad, has filed a verified notice of exemption pursuant to 49 CFR 1150.41 to continue to lease from CSX Transportation, Inc. (CSXT), and operate the following several segments of rail line in Michigan totaling approximately 129.03 miles: (1) from milepost CGE 3.6 at the Grand Rapids station to milepost CGE 73.71 at the Baldwin station; (2) from milepost CB 106.91 at the Baldwin station to milepost CB 136.5 at the Ludington station; (3) from milepost CBA 87.0 at the Walhalla station to milepost CBA 113.7 at the Manistee station; and (4) the Filer City Spur extending an additional 2.63 miles from milepost CBA 113.7 at the Manistee station to the end of track at Filer City (the Line).¹

According to the verified notice, MQT entered into an agreement to lease from CSXT and operate the Line in 2005. Marquette Rail, LLC—Lease & Operation Exemption—CSX Transp., Inc., FD 34728 (STB served Oct. 26, 2005). MQT states that it and CSXT have agreed to extend the term of the lease and make other commercial

¹ MQT supplemented its verified notice on April 11, 2025, which is therefore deemed the filing date of the verified notice.

changes. The verified notice states that MQT currently operates the Line and will continue to do so after the amended lease becomes effective.

According to the verified notice, the lease includes an interchange commitment. MQT has provided additional information regarding the interchange commitment, as required by 49 CFR 1150.43(h).²

MQT certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and that its annual revenues currently exceed \$5,000,000. Pursuant to 49 CFR 1150.42(e), if a carrier's projected annual revenues will exceed \$5 million, it must, at least 60 days before the exemption becomes effective, post a notice of its intent to undertake the proposed transaction at the workplace of the employees on the affected lines, serve a copy of the notice on the national offices of the labor unions with employees on the affected lines, and certify to the Board that it has done so. However, MQT has requested waiver of the 60-day advance labor notice requirement. MQT's waiver request will be addressed in a separate decision. The Board will establish the effective date of the exemption in its separate decision on the waiver request.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the

² Concurrent with the initial filing of its verified notice, CMQT filed, under seal, a copy of the amended lease. See 49 CFR 1150.43(h)(1) (providing that certain information related to interchange commitments, such as copies of agreements, will be kept confidential without an accompanying motion for a protective order). In its April 11 supplement, PNWR provided a replacement copy of that confidential agreement.

effectiveness of the exemption. Petitions for stay must be filed no later than May 2, 2025.

All pleadings, referring to Docket No. FD 36831, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on MQT's representative, Eric M. Hocky, Clark Hill PLC, Two Commerce Square, 2001 Market Street, Suite 2620, Philadelphia, PA 19103.

According to MQT, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic reporting requirements under 49 CFR 1105.8(b).

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

Decided: April 21, 2025.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.