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SERVICE DATE – MARCH 27, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36894

AJAK RAIL, LLC—ACQUISITION EXEMPTION—RAIL LINE OF FRANKLIN STORAGE,
LP AT ADVANTAGE AVENUE TRANSLOAD FACILITY, CHAMBERSBURG, PA.

Docket No. FD 36895

NPJ RAIL, LLC—ACQUISITION EXEMPTION—RAIL LINE OF FRANKLIN STORAGE,
LP AT GUILFORD SPRINGS ROAD TRANSLOAD FACILITY, CHAMBERSBURG, PA.

Docket No. FD 36896

PNGT RAIL, LLC—ACQUISITION EXEMPTION—RAIL LINE OF FRANKLIN
STORAGE, LP AT WCN DRIVE TRANSLOAD FACILITY, CHAMBERSBURG, PA.

Docket No. FD 36897

WCN RAIL, LLC—ACQUISITION EXEMPTION—RAIL LINE OF FRANKLIN
STORAGE, LP AT KRINER ROAD TRANSLOAD FACILITY, CHAMBERSBURG, PA.

Docket No. FD 36913¹

FRANKLIN STORAGE, INC.—CONTINUANCE IN CONTROL EXEMPTION—
AJAK RAIL, LLC, NPJ RAIL, LLC , PNGT RAIL, LLC, AND WCN RAIL, LLC

Decided: March 27, 2026

This decision addresses proposed transactions involving four noncarrier applicants seeking to become Class III rail carriers: AJAK Rail, LLC (AJAK); NPJ Rail, LLC (NPJ); PNGT Rail, LLC (PNGT); and WCN Rail, LLC (WCN) (collectively, Applicants). Applicants have filed, in separate dockets, notices of exemption to acquire rail lines located at various transloading facilities in Chambersburg, Pa., from Colby Nitterhouse (Nitterhouse), on behalf of Franklin Storage, LP (Franklin Storage).² In connection with these proposed acquisitions,

¹ These proceedings are not consolidated but are being addressed in the same decision for administrative convenience.

² In the submissions in these dockets and in the February 27, 2026 notice of exemption for continuance in control in Docket No. FD 36913, Franklin Storage is identified as Franklin

Franklin Storage has also filed a verified notice of exemption to continue in control of Applicants upon their becoming Class III rail carriers. For the reasons explained below, the Board will reject AJAK's notice of exemption, postpone the effective date of the continuance in control exemption, and order further filings in connection with these dockets.

On December 15, 2025, in Docket No. FD 36894, AJAK filed a notice of exemption under 49 C.F.R. § 1150.31 to acquire from Nitterhouse, on behalf of Franklin Storage, and operate approximately 2,665 feet of rail line³ located at a transloading facility owned by AJAK Properties, LP, and leased by Franklin Storage, in Chambersburg. On the same date, in Docket No. FD 36895, NPJ filed a notice of exemption under 49 C.F.R. § 1150.31 to acquire from Nitterhouse, on behalf of Franklin Storage, and operate approximately 1,800 feet of rail line located at a transloading facility owned by NPJ Properties, LP, and leased by Franklin Storage, in Chambersburg. Also on December 15, 2025, in Docket No. FD 36896, PNGT filed a notice of exemption under 49 C.F.R. § 1150.31 to acquire from Nitterhouse, on behalf of Franklin Storage, and operate approximately 2,200 feet of rail line at a transloading facility owned by PNGT Properties, LP, and leased by Franklin Storage, in Chambersburg. On December 18, 2025, in Docket No. FD 36897, WCN filed a notice of exemption under 49 C.F.R. § 1150.31 to acquire from Nitterhouse, on behalf of Franklin Storage, and operate approximately 2,220 feet of rail line at a transloading facility owned by WCN Properties, LP, and leased by Franklin Storage, in Chambersburg.

On January 13, 2026, CSX Transportation, Inc. (CSXT), filed a petition asking the Board to reject AJAK's and WCN's notices of exemption, or, in the alternative, issue a stay and require Nitterhouse to file a notice of exemption to continue in control of AJAK and WCN. In support of its petition, CSXT argued that the exemptions would result in Nitterhouse, a noncarrier and the sole member of the AJAK and WCN limited liability corporations, obtaining unauthorized control of two or more carriers.⁴ (CSXT Pet. 6 (citing 49 U.S.C. § 11323(a)(5)).)

Also on January 13, 2026, NPJ, PNGT, and WCN submitted supplements to their respective notices of exemption.⁵ Later the same day, the Board issued an order directing those three companies, as well as AJAK, to supplement their notices of exemption to correct certain errors and omissions by January 27, 2026, to the extent they had not already done so. The

Storage Co., Inc.; Franklin Storage, Inc.; and Franklin Storage, LP. These appear to be the same entity.

³ AJAK's December 15, 2025 filing stated that the rail line was 7,665 feet in length; however, in a supplement filed on January 27, 2026, AJAK clarified that the rail line consists of three tracks totaling 2,665 feet.

⁴ CSXT observed that Nitterhouse would also control NPJ and PNGT but limited its petition to the AJAK and WCN dockets where CSXT is involved in interchange with the lines being acquired.

⁵ While the supplements were submitted to the Board on January 13, 2026, the filing date for each of the supplements was January 14, 2026, the date when Applicants provided certificates of service as required by 49 C.F.R. § 1104.12.

decision also postponed the effective dates of the four exemptions addressed in that decision until further order of the Board. On January 27, 2026, AJAK submitted a supplement to its notice of exemption.

On January 28, 2026, the Board issued a decision requiring Nitterhouse to either seek Board authorization to continue in control of Applicants upon their becoming carriers,⁶ or alternatively, explain why such control authority is not required. Proviso R.R., Inc.—Acquis. Exemption—L. Neill Cartage Co., Inc., FD 36875 et al., slip op. at 3-4 (STB served Jan. 28, 2026). As explained in the decision, if Applicants' exemptions were to become effective, Nitterhouse would control four rail carriers, and pursuant to 49 U.S.C. § 11323(a)(5), Board authority is required for the acquisition of control of a rail carrier by a person that is not a rail carrier but that controls any number of rail carriers.

On February 6, 2026, Pennsylvania & Southern Railway, LLC (PSCC), petitioned the Board to reject or revoke AJAK's notice of exemption in Docket No. FD 36894. In accordance with 49 C.F.R. § 1104.13(a), replies to PSCC's petition were due by February 26, 2026. AJAK has not replied to PSCC's petition or requested an extension of time to reply.

On February 27, 2026, Franklin Storage filed a notice of exemption under 49 C.F.R. § 1180.2(d)(2) seeking to continue in control of Applicants upon their becoming carriers.

AJAK notice. A verified notice will be rejected if regulation is necessary to carry out the rail transportation policy of 49 U.S.C. § 10101 or if it contains false or misleading information. See Sunrise Indus. Rail, LLC—Lease & Change of Operator Exemption—R.R. Lines of Brookhaven Logistics Center, LLC, in Suffolk Cnty., N.Y., FD 36876 et al., slip op. at 1 (STB served Aug. 29, 2025). Additionally, where a verified notice lacks sufficient information for the Board to determine that the proposed transaction qualifies for an exemption, it will be rejected. See SJRE-R.R. Series—Exemption Under 49 C.F.R. § 1150.31—Rail Line in Harris Cnty., Tex., FD 36279, slip op. at 1 (STB served June 6, 2019). Moreover, a verified notice that is incomplete under the Board's rules may be rejected. See Sunrise Indus. Rail, LLC, FD 36876 et al., slip op. at 1-2 (rejecting a verified notice for, among other things, failing to provide indication that carrier consents to replacement); Wash. & Idaho Ry.—Lease & Operation Exemption—BNSF Ry., slip op. at 1, FD 35370 (STB served Apr. 23, 2010) (rejecting a verified notice for failing to submit complete version of lease agreement).

In light of the unresolved issues identified by PSCC in its petition to reject or revoke, which are discussed below, PSCC's petition will be granted and AJAK's verified notice will be rejected. According to PSCC, the revised map submitted by AJAK in its January 27 supplement "gives the deceptive impression that two of the three tracks that AJAK proposes to operate

⁶ Generally, a noncarrier does not require Board authority to control its first carrier. See Williams—Control Exemption—S&S Shortline Leasing, LLC, FD 36460 et al., slip op. at 3-4 (STB served Jan. 26, 2021). Here, however, it is not clear which of the transactions would be Nitterhouse's first carrier acquisition because some of the verified notices, or supplements thereto, were filed on the same date and therefore would have the same effective date.

connect with each other near Vocation Avenue.” (PSCC Pet. 4.) PSCC asserts that the two tracks do not connect with each other but instead are connected to each other by a PSCC line that runs between the two tracks. (*Id.* at 5.) According to PSCC, PSCC owns the track, switches, and connecting tracks at this “point of connection,” which therefore cannot be subject to the proposed acquisition and operation by AJAK. (*Id.* at 5-6.) As noted above, AJAK did not file a reply to PSCC’s petition.

Under the circumstances, where AJAK has not responded to PSCC’s petition, it is unclear whether the notice, as supplemented, accurately describes the line that AJAK plans to acquire and operate. *See* 49 C.F.R. §1150.33(e)-(f); Sunrise Indus. Rail, LLC, FD 36876 et al., slip op. at 1-2. Therefore, AJAK’s notice of exemption will be rejected as defective without prejudice to AJAK refile in a new docket. Should AJAK choose to refile, it should clarify the description and map of the line at issue.⁷

Franklin Storage notice. With respect to Franklin Storage’s continuance in control request, the Board will require either clarification by Franklin Storage in Docket No. FD 36913 or, alternatively, a notice of exemption by Nitterhouse for continuance in control in a new docket. In its January 28, 2026 decision, the Board ordered Nitterhouse to either seek continuance in control authority or, alternatively, explain why no authority was needed. As indicated both by the Applicants’ notice of exemption filings and the Operating Agreements attached to each, Nitterhouse, not Franklin Storage, would control Applicants upon their becoming carriers. (*See, e.g.*, AJAK Notice, Operating Agreement at 4, AJAK Rail.—Acquis. Exemption—Rail Line of Franklin Storage, FD 36874 (agreement between AJAK and Nitterhouse states that the “powers of the Company [AJAK] shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by, the Member [Nitterhouse].”).) Thus, it appears that Nitterhouse would be the proper party to seek continuance in control authority. But, as noted above, Franklin Storage filed the continuance in control request. The Board will therefore direct Franklin Storage to file, no later than April 27, 2026, a submission explaining why it is the proper entity to seek continuance in control

⁷ PSCC further notes that AJAK and PSCC have not entered into an agreement that would allow AJAK to use PSCC track to cross over from one AJAK track to the other, nor have they held discussions regarding AJAK’s planned operations. (PSCC Pet. 6.) PSCC argues that AJAK’s failure to approach PSCC regarding an agreement to use PSCC’s track and to discuss operations shows that AJAK does not understand the complexities of the transaction or the operations it would undertake. (*Id.*) Therefore, PSCC argues, the transaction should not be eligible for a class exemption. (*Id.*) Given that the notice will be rejected as defective, this argument need not be addressed, but AJAK should note that while the Board’s authority is permissive, in order to exercise that authority, AJAK would still need to obtain any necessary rights under state property or contract law. Ohio River Partners LLC—Aquis. & Operation Exemption—Hannibal Dev. LLC, FD 35984, slip op. at 3 (STB served Apr. 1, 2016). Further, AJAK would need to work with PSCC to address operations issues. *See id.* at 4; (*see also* PSCC Pet. 6 (“Nor has there been any discussion or indication from AJAK about how or where interchange would take place with PSCC without disruption of PSCC’s operations on its serving line of railroad.”)).

authority. Alternatively, no later than April 27, 2026, Franklin Storage shall seek dismissal of its continuance in control authority request in Docket No. FD 36913 and Nitterhouse shall simultaneously file for continuance in control in a new docket. The effective dates of Franklin Storage's continuance in control request will be postponed pending further filings by Franklin Storage or Nitterhouse.⁸ If neither course of action is timely pursued by April 27, 2026, Docket Nos. FD 36913, FD 36895, FD 36896, and FD 36897 will be dismissed without further order of the Board, effective April 28, 2026.

Finally, in its continuance in control filing, Franklin Storage failed to provide information required by 49 C.F.R. § 1180.6(a)(1)(iii), which requires continuance in control applicants to explain "[t]he purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants." This requirement must be addressed in either Franklin Storage's submission in Docket No. FD 36913 explaining why it is the proper entity to seek continuance in control authority, or in any notice of exemption for continuance in control that Nitterhouse may file with the Board in a new docket.⁹

It is ordered:

1. PSCC's petition to reject or revoke AJAK's notice is granted, and AJAK's notice of exemption in Docket No. FD 36894 is rejected without prejudice to AJAK refiling in a new docket.
2. The effective date of the continuance in control exemption in Docket No. FD 36913 is postponed until further order of the Board.
3. By April 27, 2026, either (1) Franklin Storage shall file in Docket No. FD 36913 a submission explaining why it is the proper entity to seek continuance in control authority or (2) Franklin Storage shall seek dismissal of its continuance in control authority request in Docket No. FD 36913 and Nitterhouse shall simultaneously file for continuance in control authority under a new docket number, as described above.
4. If the filing(s) in ordering paragraph 3 above are not filed by April 27, 2026, then the notices of exemption in Docket Nos. FD 36895, FD 36896, FD 36897, and FD 36913 will be rejected without further order of the Board, effective April 28, 2026.
5. Any supplement by Franklin Storage to the notice of exemption in Docket No.

⁸ As established in the Board's January 13, 2026 decision, the effective dates of the associated exemptions in Docket Nos. FD 36895, FD 36896, and FD 36897 remain postponed until further order of the Board.

⁹ As noted in the Board's January 28, 2026 decision, questions may be directed to the Board's Rail Customer and Public Assistance (RCPA) program, which provides informal assistance to the public on a wide range of matters within the Board's expertise. RCPA can be reached by telephone at (202) 245-0238 or email at rcpa@stb.gov.

FD 36913, or notice of exemption for continuance in control by Nitterhouse under a new docket number, shall contain the information required by 49 C.F.R. § 1180.6(a)(1)(iii).

6. This decision is effective on its date of service.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.