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SERVICE DATE – JUNE 10, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36932

CHANNEL PACIFIC RAILROAD—OPERATION EXEMPTION—IN WEST
SACRAMENTO, YOLO COUNTY, CAL.

[WAIVER OF 49 C.F.R. § 1150.32(e)]

Digest:¹ This decision waives the 60-day advance notice requirement and allows Channel Pacific Railroad to operate approximately 2,132 linear feet of track located within a terminal facility in West Sacramento, Yolo County, Cal., on or after June 11, 2026.

Decided: June 9, 2026

On May 12, 2026, Channel Pacific Railroad (CHPR), a non-carrier, filed a verified notice of exemption under 49 C.F.R. § 1150.31 to operate a rail line located within a terminal facility (the Facility) in West Sacramento, Yolo County, Cal. (the Line). The Line consists of two tracks that begin at a point of connection with a rail line owned by Union Pacific Railroad Company (UP) at the northern boundary of the Facility, immediately south of Channel Drive, and extend southward to ending points immediately north of the Sacramento River Deep Water Ship Channel for a combined total of approximately 2,132 linear feet of track.² The Line has no mileposts.

CHPR states that the Line is currently unregulated private track and that the Line and the Facility are owned by CHPR's corporate affiliate, Greencycle Properties, LLC (Greencycle), also a noncarrier.³ The verified notice states that CHPR and Greencycle have reached an agreement pursuant to which CHPR will acquire the right to provide common carrier service over the Line. (Verified Notice 2.) CHPR also states that, under the agreement, it will provide comprehensive, railroad-oriented transportation services within the Facility. (Id. at 2.)

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol'y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

² CHPR states that a third track, which is excluded from the linear footage of the Line, will be spur track pursuant to 49 U.S.C. § 10906. (Verified Notice 3.)

³ According to CHPR, it and Greencycle are both controlled by Teichert Inc. (Teichert), a noncarrier. CHPR states that Teichert does not own any other rail carriers. (Id. at 1.)

In its verified notice, CHPR certifies that its projected annual revenues may exceed \$5 million. (Id. at 4.) Accordingly, unless waived, 49 C.F.R. § 1150.32(e) would require CHPR, at least 60 days before the exemption becomes effective, to post a notice of its intent to undertake the proposed transaction setting forth certain information 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, CHPR argues that the 60-day labor notice requirements are unnecessary in this case because there are currently no common carrier operations on the Line and therefore “no ‘rail freight employees’ to whom CHPR could supply notice.” (Id.) CHPR further states that it would not displace any Greencycle employees. (Id. at 4-5.)

Notice of CHPR’s exemption was served and published in the Federal Register on May 28, 2026 (91 Fed. Reg. 31,818). The published notice announced that the Board would establish the effective date of the exemption in a separate decision.

DISCUSSION AND CONCLUSIONS

The purpose of the notice requirements at 49 C.F.R. § 1150.32(e) is to ensure that rail labor unions and employees who would be affected by the transfer of a line are given sufficient notice of the transaction before consummation.

Here, however, it does not appear that the purpose behind the requirements would be thwarted if they are waived. The record indicates that no employees would be adversely affected by a waiver of the 60-day notice requirements because there are no existing railroad employees to receive notice. Further, no Greencycle employees will be displaced.

Because no employees would be adversely affected by the waiver of the 60-day notice period, the Board will waive the notice requirements. CHPR’s operation exemption, unless stayed, will become effective on June 11, 2026, the effective date under the Board’s rules absent the notice requirements.

This action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c).

It is ordered:

1. The notice requirement under 49 C.F.R. § 1150.32(e) is waived for CHPR’s transaction in this docket.
2. CHPR’s exemption will be effective on June 11, 2026, unless stayed.
3. This decision is effective on its date of service.

By the Board, Board Members Fuchs, Hedlund, Kloster, and Schultz.