OCC

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36944]

Chicago Rock Island & Pacific Railroad, LLC—Change of Operator Exemption—Railroad Line in Monterey and Santa Cruz Counties, Cal.

Chicago Rock Island & Pacific Railroad, LLC (Rock Island), has filed a verified notice of exemption under 49 CFR 1150.41 to replace St. Paul & Pacific Railroad Company, LLC (SPPR), as the common carrier operator over an approximately 2.567-mile rail line (the Line) owned by the Santa Cruz County Regional Transportation Commission (RTC), in Monterey and Santa Cruz Counties, Cal.[1] The Line extends from milepost 0.433 at Watsonville Junction, Monterey County, to a point west of Watsonville Junction at milepost 3.00 in Santa Cruz County.

Rock Island states SPPR currently holds an exclusive freight common carrier easement over the Line. According to the verified notice, Rock Island recently entered into an agreement with RTC pursuant to which RTC will arrange for the voluntary transfer of the Line from SPPR to Rock Island, giving Rock Island the right to provide

[1] By decision served July 7, 2026, Rock Island was directed to supplement its verified notice to provide the information necessary to determine that SPPR consents to the proposed change in operators. See Chi. Rock Island & Pac. R.R.—Change in Operator Exemption—R.R. Line in Monterey & Santa Cruz Cntys., Cal., FD 36944, slip op. at 1 (July 7, 2026). On July 8, 2026, SPPR filed a letter stating that it consents to being replaced as the operator of the Line. July 8, 2026, is therefore considered the filing date of the verified notice.

common carrier service on the Line on or after the effective date of the exemption. As noted above, SPPR consents to being replaced as the operator of the Line.

Rock Island certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier and will not exceed $5 million. Rock Island also certifies that the proposed transaction does not involve any provision or agreement that may limit future interchange of traffic with a third-party connecting carrier. Under 49 CFR 1150.42(b), a change in operators exemption requires that notice be given to shippers. Rock Island states that it has provided a copy of the notice to all shippers on the Line.

The transaction may be consummated on or after August 7, 2026, the effective date of the exemption (30 days after the verified notice was filed).

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 effectiveness of the exemption. Petitions for stay must be filed by July 31, 2026 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36944, 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, a copy of each pleading must be served on Rock Island's representative, Robert J. Riley, Chicago Rock Island & Pacific Railroad, LLC, 2747 Pass Road, Biloxi, MS 39531.

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

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

Decided: July 15, 2026.

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