OCC

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36028 (Sub-No. 2)]

Kanawha River Railroad, L.L.C.—Lease Renewal and Operation Exemption with Interchange Commitment—Norfolk Southern Railway Company

Kanawha River Railroad, L.L.C. (KRR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to amend its lease with Norfolk Southern Railway Company (NSR) of, and continue to operate, nine rail line segments totaling 309.45 miles in West Virginia and Ohio (the Lines). The Lines extend between (1) milepost V 381.8 at Maben, W. Va., and milepost V 435.0 at DB (Deepwater Bridge), W. Va.; (2) milepost RR 7.0 at Refugee, Ohio, and milepost RR 116.5 at Hobson Yard, Ohio; (3) milepost WV 125.6 at Conco, Ohio, and milepost WV 253.4 at Cornelia, W. Va.; (4) milepost 0.0 VC at Vaco Junction, W. Va., and milepost 0.84 VC at Deepwater, W. Va.; (5) Hitop RT at milepost TP 0.0 at Charleston, W. Va., and the end of the track at milepost TP 1.0; (6) Jones IT at milepost JT 0.0 at Jones, W. Va., and the end of the track at milepost JT 1.3; (7) milepost VG 0.0 at Virwest, W. Va., and milepost VG 12.5 at Bolt, W. Va.; (8) milepost MY 0.0 at Milam, W. Va., and the end of the track at milepost MY 1.01; and (9) milepost PE 0.0 at Putt, W. Va., and milepost PE 2.3 at Putt End Branch, W. Va.

According to the verified notice, KRR and NSR have recently entered into a Second Amendment to Lease Agreement (Agreement), dated August 17, 2026, updating

an extending their current arrangements for KRR's lease and operation of the Lines, dating back to an initial lease agreement entered in 2016 and modified once previously. See Kanawha River R.R.—Lease Renewal & Operation Exemption with Interchange Commitment—Norfolk S. Ry., FD 36028 (Sub-No. 1) (STB served Jan. 4, 2023). KRR and NSR are modifying the base lease terms for a second time, under which modified terms KRR would continue to provide common carrier freight service to customers along the Lines.

KRR certifies that its projected revenues resulting from this transaction will not result in the creation of a Class II or Class I rail carrier but that its current annual revenue does exceed $5 million. Pursuant to 40 CFR 1150.42(e), if a carrier's projected annual revenues will exceed $5 million, it must, at least 60 days before the exemption is to become 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. KRR, however, has petitioned for waiver of the 60-day advance labor notice. KRR's waiver request will be addressed in a separate decision in which the Board will also establish the effective date of the exemption.

KRR further certifies that its Agreement with NSR will include an interchange commitment provision regarding interchange with third-party carriers. KRR verifies that the provision was present in the original lease filed in Docket No. FD 36028 and remains

in effect. KRR has provided additional information regarding the interchange commitment, as required by 49 CFR 1150.43(h).[1]

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 no later than November 10, 2026.

All pleadings, referring to Docket No. FD 36028 (Sub-No. 2), 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 KRR's representative, Stephen J. Foland, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606-3208.

According to KRR, 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: October 30, 2026.

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

[1] KRR submitted a copy of the lease with the interchange commitment under seal. See 49 C.F.R. § 1150.43(h)(1).