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SERVICE DATE – NOVEMBER 14, 2018

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36241]

Coos Bay Rail Line, Inc.—Change in Operators Exemption—Coos Bay Railroad
Operating Company, LLC d/b/a Coos Bay Rail Link

Coos Bay Rail Line, Inc. (Coos Rail), has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to assume operations over two interconnected railroad lines (the Line) owned by Oregon International Port of Coos Bay (the Port). The Line extends from milepost 652.114 at Danebo, Or., to milepost 763.13 at Cordes, Or.; and from milepost 763.13 at Cordes to milepost 785.5 at Coquille, Or., a total distance of approximately 133 miles. The Line is currently operated by Coos Bay Railroad Operating Company, LLC d/b/a Coos Bay Rail Link (CBR). The verified notice states that the Port formed Coos Rail to operate the Line on its behalf.¹ Upon consummation of the subject transaction, Coos Rail will succeed and replace CBR as rail common carrier on the Line. Coos Rail states that CBR has advised Coos Rail that it does not object to the proposed change in operators and that it will cooperate in the transition.

The transaction is related to a concurrently filed verified notice of exemption in Oregon International Port of Coos Bay—Continuance in Control Exemption—Coos Bay

¹ According to the verified notice, Coos Rail is a public, nonprofit corporation formed and controlled by the Port.

Rail Line, Inc., Docket No. FD 36242, in which the Port seeks to continue in control of Coos Rail upon Coos Rail's becoming a Class III rail carrier.

Coos Rail certifies that the proposed change in operators transaction and Coos Rail's anticipated operation of the Line do not involve any provision or agreement that would limit future interchange with a third-party connecting carrier. Further, Coos Rail certifies that its projected annual rail revenues as a result of the transaction will not exceed \$5 million and will not result in Coos Rail's becoming a Class II or Class I rail carrier. Under 49 C.F.R. § 1150.32(b), a change in operator requires that notice be given to shippers. Coos Rail states that it provided notice of the proposed change in operators to the shippers on the Line.

The earliest this transaction may be consummated is November 28, 2018, the effective date of exemption (30 days after the verified notice was filed).²

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 21, 2018.³

² On October 31, 2018, Coos Rail filed a petition for partial waiver of 49 C.F.R. § 1150.32(b) to permit the exemption to become effective by no later than November 19, 2018, instead of the standard 30 days after the verified notice was filed. The waiver request will be addressed in a separate Board decision.

³ Should the Board grant Coos Rail's waiver request and accelerate the effective date of the exemption, the due date for stay petitions may be revised accordingly.

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An original and 10 copies of all pleadings, referring to Docket FD 36241, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

Board decisions and notices are available on our website at www.stb.gov.

Decided: November 8, 2018.

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