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SERVICE DATE – AUGUST 23, 2019

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36331]

R. J. Corman Railroad Group, LLC and R. J. Corman Railroad Company, LLC—
Continuance in Control Exemption—R. J. Corman Railroad Company/Childersburg Line,
LLC

R. J. Corman Railroad Group, LLC, a noncarrier, and its wholly owned subsidiary, R. J. Corman Railroad Company, LLC (RJCR) (collectively, Applicants), have filed a verified notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of R. J. Corman Railroad Company/Childersburg Line (RJAL) (currently a noncarrier owned and controlled by Applicants) upon RJAL's becoming a Class III rail carrier.

This transaction is related to a concurrently filed verified notice of exemption in R. J. Corman Railroad Company/Childersburg Line, LLC—Change in Operators, Lease & Operation Exemption with Interchange Commitment—City of Childersburg Local Redevelopment Authority, Docket No. FD 36330. In that proceeding, RJAL seeks an exemption under 49 C.F.R. § 1150.31 to: (1) change operators and assume the lease and operation of approximately 10.30 miles of rail line and related industrial track located at the former Alabama Army Ammunition Plant (the CLRA Line), which has been jointly operated by Central of Georgia Railroad Company (CoG), Norfolk Southern Railway Company (NSR), and CSX Transportation, Inc. (CSXT), pursuant to a lease from the

City of Childersburg Local Redevelopment Authority (CLRA), a municipal agency of the City of Childersburg, Ala.; (2) lease and operate 0.73 miles of track from CSXT (the CSXT Line) that connects to the north end of the CLRA Line; and (3) lease and operate 2.29 miles of track (the NSR Line) owned by NSR and CoG, a wholly owned subsidiary of NSR, that connects to the south end of the CLRA Line. The CLRA Line, the NSR Line, and the CSXT Line all are located in Talladega County, Ala.

The earliest this transaction may be consummated is September 6, 2019, the effective date of the exemption (30 days after the verified notice was filed).

Applicants state that they will continue in control of RJAL upon RJAL's becoming a Class III rail carrier, while remaining in control of 14 other Class III rail carriers, including two non-operating rail carriers, collectively operating in 10 states. For a complete list of these rail carriers, see RJAL's notice of exemption filed August 7, 2019. The notice is available at www.stb.gov.

Applicants represent that: (1) RJAL and the railroads under Applicants' ownership and control would not connect with each other or any other railroad in the corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the carriers with each other or any railroad in their corporate family; and (3) the transaction does not involve a Class I carrier. The proposed transaction is, therefore, exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees.

However, 49 U.S.C. § 11326(c) does not provide for labor protection for transactions under 49 U.S.C. §§ 11324 and 11325 that involve only Class III rail carriers.

Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III carriers.

If the 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. Stay petitions must be filed no later than August 30, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36331, must be filed with the Surface Transportation Board either via e-filing 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 Applicants' representative, David R. Irvin, Irvin Rigsby PLC, 110 N. Main St., Nicholasville, KY 40356.

According to Applicants, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b).

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

Decided: August 20, 2019

By the Board, Allison C. Davis, Director, Office of Proceedings.