

**SURFACE TRANSPORTATION BOARD**

[Docket No. FD 36431]

**R. J. Corman Railroad Company, LLC and R. J. Corman Railroad Group, LLC—Continuance in Control Exemption—R. J. Corman Railroad Company/Lehigh Line, LLC, R. J. Corman Railroad Company/Owego & Harford Line, Inc., and R. J. Corman Railroad Company/Luzerne & Susquehanna Line, LLC**

R. J. Corman Railroad Company, LLC (RJCR) and R. J. Corman Railroad Group, LLC (RJRG) (collectively, Applicants),<sup>1</sup> have filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to continue in control of R. J. Corman Railroad Company/Lehigh Line, LLC (RJLR), R. J. Corman Railroad Company/Luzerne & Susquehanna Line, LLC (RJLS), and R. J. Corman Railroad Company/Owego & Harford Line, Inc. (RJOH),<sup>2</sup> currently noncarriers, upon RJLR, RJLS, and RJOH becoming Class III rail carriers.

This transaction is related to the following concurrently filed notices: (1) *R. J. Corman Railroad Company/Lehigh Line, LLC—Change in Operators Exemption with Interchange Commitment—Lehigh Railway, LLC and Norfolk Southern Railway Company*, Docket No. FD 36428, in which RJLR seeks authority to assume the lease and operation of 56.0 miles of rail line and related industrial track located in Bradford and Wyoming Counties, Pa.; (2) *R. J. Corman Railroad Company/Luzerne & Susquehanna Line, LLC—Change in Operators Exemption—Luzerne and Susquehanna Railway Co. and Luzerne County Rail Corporation*, Docket No. FD 36429, in which RJLS seeks authority to assume the lease and operation of approximately 41.19 miles of rail line located in Luzerne and Lackawanna Counties, Pa.; and (3) *R. J. Corman Railroad Company/Owego & Harford Line, Inc.—Modified Certificate of Public Convenience and Necessity*, Docket No. FD 36430, in which RJOH filed a notice for a modified certificate to assume the lease and operation of approximately 27.6 miles of rail line located between milepost 0.0 at Owego, N.Y., and milepost 27.6 at North Harford, N.Y.

<sup>1</sup> The title of this proceeding is being updated to reflect the fact that, in response to a decision served on September 17, 2020, RJCR requested that RJRG be added as an applicant in the proceeding. The verified notice states that RJCR is a noncarrier and wholly owned subsidiary of RJRG.

<sup>2</sup> On August 27, 2020, RJCR and RJOH filed a letter in this and a related docket with additional information relating to a change in RJOH's corporate status from limited liability company to corporation.

The earliest this transaction may be consummated is November 20, 2020, the effective date of the exemption.

Applicants seek to continue in control of RJLR, RJLS, and RJOH upon their becoming Class III rail carriers, while remaining in control of 15 other Class III rail carriers, including two non-operating rail carriers, collectively operating in 11 states. For a complete list of these rail carriers, see the verified notice of exemption filed in this docket. The notice is available at [www.stb.gov](http://www.stb.gov).

The verified notice states that: (1) RJLR, RJLS, and RJOH, and the railroads under RJCR's (and therefore 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 CFR 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. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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 to stay must be filed no later than November 13, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36431, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on Applicants' representative, David R. Irvin, Irvin Rigsby PLC, 110 North Main Street, Nicholasville, KY 40356.

According to the verified notice, 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)(1).

Board decisions and notices are available at [www.stb.gov](http://www.stb.gov).

Decided: November 2, 2020.

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

**Brendetta Jones,**  
Clearance Clerk.

[FR Doc. 2020-24664 Filed 11-5-20; 8:45 am]

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**SURFACE TRANSPORTATION BOARD**

[Docket No. FD 36428]

**R. J. Corman Railroad Company/Lehigh Line, LLC—Change in Operators, Lease and Operation Exemption With Interchange Commitment—Lehigh Railway, LLC and Norfolk Southern Railway Company**

R. J. Corman Railroad Company/Lehigh Line, LLC (RJLR), a noncarrier, has filed a verified notice of exemption pursuant to 49 CFR 1150.31 to change operators and assume the lease and operation of approximately 56.0 miles of rail line between milepost IS 269.5 at Athens, Pa., and milepost IS 213.5 at Mehoopany, Pa., and related industrial track, located in Bradford and Wyoming Counties, Pa. (the Line). The Line is currently operated by Lehigh Railway, LLC (LR), pursuant to a lease with Norfolk Southern Railway Company (NSR).

According to RJLR, this transaction is part of a larger transaction in which noncarrier holding company R. J. Corman Railroad Company, LLC (RJCR), through RJLR and two other newly formed noncarrier subsidiaries, has entered into an agreement to purchase the material assets of LR and two other carriers under the ownership and control of Stephen C. May and operate those respective rail lines. Accordingly, this transaction is related to a concurrently filed verified notice of exemption in *R. J. Corman Railroad Company, LLC & R. J. Corman Railroad Group, LLC—Continuance in Control Exemption—R. J. Corman Railroad Company/Lehigh Line, LLC, R. J. Corman Railroad Company/Owego & Harford Line, Inc., and R. J. Corman Railroad Company/Luzerne & Susquehanna Line, LLC*, Docket No. FD 36431,<sup>1</sup> in which RJCR and RJRG seek to continue in control of RJLR and the other two newly formed subsidiaries

<sup>1</sup> In response to a decision served on September 17, 2020 requesting additional information about certain aspects of the larger transaction, RJCR requested that R. J. Corman Railroad Group, LLC (RJRG) be added as an applicant in Docket No. FD 36431.

upon their becoming Class III rail carriers, while remaining in control of 15 other Class III rail carriers.

According to RJLR, it has reached an agreement in principle with NSR regarding a Lease Amendment No. 2 under which RJLR will assume LR and NSR's underlying October 28, 2008 Lease Agreement, as amended by the July 11, 2016 Lease Amendment No. 1, and operate the Line. *See Lehigh Ry.—Lease & Operation Exemption—Norfolk S. Ry.*, FD 35192 (STB served Nov. 14, 2008); *Lehigh Ry.—Lease Exemption Containing Interchange Commitment—Norfolk S. Ry.*, FD 36062 (STB served Sept. 30, 2016). According to RJLR, a final version Lease Amendment No. 2 is expected to be executed shortly.

RJLR certifies that the proposed Lease Amendment No. 2 between RJLR and NSR contains an interchange commitment that affects interchange with carriers other than NSR at the interchange points of Mehoopany and Towanda, Pa.<sup>2</sup> RJLR has provided additional information regarding the interchange commitment as required by 49 CFR 1150.33(h).

RJLR certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III carrier but also states that its projected annual revenues will exceed \$5 million following the transaction. Pursuant to 49 CFR 1150.32(e), if a carrier's projected annual revenues will exceed \$5 million, it must, at least 60 days before the exemption becomes 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. RJLR states that it posted notice consistent with 1150.32(e) at the workplace of employees as of August 19, 2020, that LR employees do not have a collective bargaining agreement and are not represented, and that NSR does not have any employees on the Line.<sup>3</sup>

RJLR states that it provided notice of the proposed transaction and interchange commitment shippers on the Line through service of a copy of the verified notice.

The earliest this transaction may be consummated is November 20, 2020, the effective date of the exemption.

<sup>2</sup> A copy of Lease Amendment No. 2 with the interchange commitment was submitted under seal with the verified notice. *See* 49 CFR 1150.33(h)(1).

<sup>3</sup> RJLR initially requested a waiver of the provisions of 1150.32(e) to allow the exemption to become effective after 30 days. That request is now moot.

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 13, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36428, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on RJLR's representative, David R. Irvin, Irvin Rigsby PLC, 110 North Main Street, Nicholasville, KY 40356.

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

Board decisions and notices are available at [www.stb.gov](http://www.stb.gov).

Decided: November 2, 2020.

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

**Aretha Laws-Byrum,**  
*Clearance Clerk.*

[FR Doc. 2020-24688 Filed 11-5-20; 8:45 am]

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## **SURFACE TRANSPORTATION BOARD**

**[Docket No. FD 36429]**

### **R. J. Corman Railroad Company/ Luzerne & Susquehanna Line, LLC— Change in Operators, Lease and Operation Exemption—Luzerne and Susquehanna Railway Co. and Luzerne County Rail Corporation**

R. J. Corman Railroad Company/  
Luzerne & Susquehanna Line, LLC  
(RJLS), a noncarrier, has filed a verified notice of exemption pursuant to 49 CFR 1150.31 to change operators and assume the lease and operation of approximately 41.19 miles of rail line in Luzerne and Lackawanna Counties, Pa. (the Line).<sup>1</sup> The Line currently is

<sup>1</sup> In the verified notice, RJLS initially stated that the total mileage at issue was approximately 55.09 miles. In a letter filed on August 26, 2020, RJLS amended its verified notice to remove the assumption of certain trackage rights from its description of the proposed transaction. By decision served on September 17, 2020, the Board requested additional information relating to this transaction and a related transaction, including an explanation of certain apparent discrepancies in the mileage and/or descriptions of the line segments RJLS seeks to operate and clarification of RJLS's description of the agreement. In a reply filed on October 2, 2020, RJLS amended its descriptions of two line segments

operated by Luzerne and Susquehanna Railway Company (LSX) pursuant to a lease and operating agreement with the Luzerne County Rail Corporation (LCRC), a political subdivision and non-operating Class III rail carrier.

As amended and supplemented, the verified notice states that the Line consists of: (1) The Dunmore Secondary Track, between milepost 6.5, at Avoca, and milepost 8.6, at Rocky Glen, a distance of 2.1 miles; (2) the Avoca Industrial Track, between milepost 4, at Rock Street, and milepost 6.5, at Avoca, a distance of 2.5 miles, including the connection with the track of Consolidated Rail Corporation between "LB" Junction and the switch of the Dunmore Secondary Track, a distance of 0.123 miles, and the Langcliff Connecting Track, between milepost 0.0, at Duryea, and the connection with Delaware & Hudson (D&H) in the middle of York Avenue, at milepost 0.867, a distance of 0.867 miles;<sup>2</sup> (3) the Suscon Industrial Track, between milepost 154.5, at Suscon, and milepost 158.7, at Hillside, a distance of 4.2 miles; (4) the Wilkes-Barre Secondary, between milepost 169.2, at Ashley, and milepost 185.5, at Pittston, a distance of 16.3 miles; (5) between milepost 0.0, at Ashley, and milepost 0.5, at Hanover Industrial Track, a distance of 0.5 miles;<sup>3</sup> (6) the Brownsville Industrial Track, between milepost 0.0, at Hillside, and milepost 1.0, at Brownsville, a distance of 1.0 miles; (7) the Wilkes Barre Industrial Track, between milepost 59.9, at Ferry Street, and milepost 62.9, at Wilkes Barre, a distance of 3.0 miles; (8) the Kingston Industrial Track, between milepost

and removed another altogether, clarified the nature of the agreement in principle that has been reached, and provided additional information. On October 9, 2020, RJLS provided further correction and explanation regarding one of the line segments. Although RJLS did not provide a revised total mileage in any of its supplements, it appears, based on the revised line descriptions submitted, that the total mileage is approximately 41.19 miles.

<sup>2</sup> In the October 2, 2020 filing, RJLS states that, although LSX also has authority to operate on an additional segment of track between milepost 1.7, at Junction 7, and milepost 4, at Rock Street, RJLS is not seeking authority to operate that segment.

<sup>3</sup> In its October 9, 2020 supplement, RJLS explains that LSX also operates over a track segment from milepost 0.5 to the end of the track at approximately milepost 3.82. RJLS states that it has identified no Board authority addressing the track beyond milepost 0.5 and that it believes LSX operates the portion beyond milepost 0.5 as a spur. RJLS states that it seeks approval only for the portion between milepost 0.0 and milepost 0.5, but also indicates that it would operate over some or all of the track from milepost 0.5 to the end of the line at approximately milepost 3.82. This notice does not decide the status of the track segment beyond milepost 0.5. If RJLS believes that the 3.32-mile segment is rail line rather than spur, RJLS should request appropriate authority from the Board.