



SURFACE TRANSPORTATION BOARD

[Docket No. AB 1336X]

Katahdin Railcar Services LLC—Discontinuance of Service Exemption—in Monroe County, Ohio

On November 20, 2023, Katahdin Railcar Services LLC (KRS), a Class III rail carrier, filed a petition under 49 U.S.C. 10502 for exemption from the prior approval requirements of 49 U.S.C. 10903 to discontinue service over approximately 12.2 miles of rail line in Monroe County, Ohio, extending between milepost 60.5 near Powhatan Point, Ohio, and milepost 72.7 near Hannibal, Ohio (the Omal Line). The Omal Line traverses U.S. Postal Service Zip Codes 43942 and 43915. The Omal Line includes the following stations: Omal, Clarrington, and Powhatan Point.

KRS states that it was authorized to operate the Omal Line pursuant to a lease with the Omal Line's former owner, Ohio River Partners Shareholder LLC (ORPS), in 2020.¹ (Pet. 1.) According to KRS, in 2023 East Ohio Valley Railway LLC (EOVR) obtained Board authority to acquire the Omal Line from ORPS and operate it.² KRS states that, pursuant to that authority, EOVR acquired the Omal Line and commenced operations as of October 1, 2023, at which time KRS's lease was terminated. (*Id.* at 1-2.) As such, KRS states that it now seeks authority to discontinue its operations and end its common carrier obligation with respect to the Omal Line. (*Id.*) According to KRS, the proposed discontinuance would not leave any Omal Line customer without access to railroad common carrier service, as all customers now have service via EOVR. (*Id.*)

¹ See Fortress Invest. Grp. LLC—Exemption for Intra-Corp. Fam. Transaction—Ohio River Partners S'holder LLC, Docket No. FD 36402 (STB served May 15, 2020); see also Katahdin Railcar Servs. LLC—Change in Operators Exemption—Ohio Terminal Ry., Docket No. FD 36487 (STB served March 30, 2021).

² See E. Ohio Valley Ry.—Acquis. & Operation Exemption—Ohio River Partners S'holder LLC, Docket No. FD 36682 (STB served March 31, 2023).

KRS states that, based on the information in its possession, the Omal Line does not contain federally granted rights-of-way and that any documentation in its possession will be made available to those requesting it. (Id. at 3.)

As a condition to this exemption, any employee adversely affected by the discontinuance of service shall be protected under Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho, 360 I.C.C. 91 (1979).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued by March 8, 2024.

Because this is a discontinuance proceeding and not an abandonment, interim trail use/rail banking and public use conditions are not appropriate. Because there will be environmental review during any subsequent abandonment, this discontinuance does not require an environmental review. See 49 CFR 1105.6(c)(5), 1105.8(b).

Any offer of financial assistance (OFA) for subsidy under 49 CFR 1152.27(b)(2) will be due no later than 120 days after the filing of the petition for exemption, or 10 days after service of a decision granting the petition for exemption, whichever occurs sooner.³ Persons interested in submitting an OFA must first file a formal expression of intent to file an offer by December 18, 2023, indicating the intent to file an OFA for subsidy and demonstrating that they are preliminarily financially responsible. See 49 CFR 1152.27(c)(1)(i).

All filings in response to this notice must refer to Docket No. AB 1336X and 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 KRS's representative, Terence M. Hynes,

³ The filing fee for OFAs can be found at 49 CFR 1002.2(f)(25).

Sidley Austin LLP, 1501 K Street, N.W., Washington, DC 20005. Replies to the petition are due on or before December 28, 2023.

Persons seeking further information concerning discontinuance procedures may contact the Board's Office of Public Assistance, Governmental Affairs, and Compliance at (202) 245-0238 or refer to the full abandonment and discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Office of Environmental Analysis at (202) 245-0294. If you require accommodation under the Americans with Disabilities Act, please call (202) 245-0245.

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

Decided: December 1, 2023.

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

Kenyatta Clay,

Clearance Clerk.

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