



SURFACE TRANSPORTATION BOARD

[Docket No. FD 36743]

Patriot Rail Company LLC, SteelRiver Transport Ventures LLC, Global Diversified Infrastructure Fund (North America) LP, First State Infrastructure Managers (International) Limited, and Mitsubishi UFJ Financial Group, Inc.—Continuance in Control Exemption—Lakeshore Terminal Railroad LLC

Patriot Rail Company LLC, SteelRiver Transport Ventures LLC, Global Diversified Infrastructure Fund (North America) LP, First State Infrastructure Managers (International) Limited, and Mitsubishi UFJ Financial Group, Inc. (collectively, Applicants), all noncarriers, have filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to continue in control of Lakeshore Terminal Railroad LLC (Lakeshore Terminal) upon Lakeshore Terminal's becoming a Class III rail carrier.

This transaction is related to a verified notice of exemption filed concurrently in Lakeshore Terminal Railroad—Acquisition & Operation Exemption—Track in Lake County, Ind., Docket No. FD 36742, in which Lakeshore Terminal seeks to acquire and commence common carrier operations over approximately 0.5 miles of track located in East Chicago, Lake County, Ind.

According to the verified notice, Applicants currently control Lakeshore Terminal in addition to 31 existing Class III rail carriers in 21 states.¹ Applicants state that they

¹ The verified notice lists the railroads and the location of their operations as follows: (1) Alabama & Florida Railway Co., Inc. d/b/a Ripley & New Albany Railroad Co.—Alabama and Mississippi; (2) Columbia & Cowlitz Railway, LLC—Washington; (3) Decatur Junction Railway Co. LLC—Illinois; (4) Delta Southern Railroad, Inc.—Louisiana; (5) DeQueen and Eastern Railroad, LLC—Arkansas; (6) Elkhart & Western Railroad Co. LLC—Indiana; (7) Fort Smith Railroad Co. LLC—Arkansas; (8) The Garden City Western Railway LLC—Kansas; (9) Georgia Northeastern Railroad Company LLC—Georgia; (10) Georgia Southern Railway Co. LLC—Georgia; (11) Gettysburg & Northern Railroad Co. LLC—Pennsylvania; (12) Golden Triangle

neither contemplate nor require an agreement to continue in control of Lakeshore Terminal once it becomes a rail carrier.

The verified notice indicates that: (1) the Line does not connect with any of the Patriot Short Lines; (2) the acquisition of control is not part of a series of anticipated transactions that would connect the Line or any of the Patriot Short Lines with each other; and (3) the proposed transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

The transaction may be consummated on or after December 31, 2023, the effective date of the exemption (30 days after the verified notice was filed).

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 rail carriers.

Railroad, LLC—Mississippi; (13) Indiana Southwestern Railway Co. LLC—Indiana; (14) Kendallville Terminal Railway Co. LLC—Indiana; (15) Keokuk Junction Railway Co. LLC—Iowa and Illinois; (16) Keokuk Union Depot Company LLC (KUD)—Iowa; (17) Kingman Terminal Railroad, LLC—Arizona; (18) Louisiana and North West Railroad Company, LLC—Arkansas and Louisiana; (19) Merced County Central Valley Railroad LLC—California; (20) Michigan Southern Railroad Company (in Indiana and Ohio, d/b/a Napoleon Defiance and Western Railway)—Indiana, Michigan, and Ohio; (21) Mississippi Central Railroad Co. LLC—Mississippi, Tennessee, and Alabama; (22) Pioneer Industrial Railway Co. LLC—Illinois; (23) Rarus Railway, LLC d/b/a Butte, Anaconda & Pacific Railway Co.—Montana; (24) Sacramento Valley Railroad, LLC—California; (25) Salt Lake, Garfield and Western Railway Company—Utah; (26) Temple & Central Texas Railway, LLC—Texas; (27) Tennessee Southern Railroad Company, LLC—Tennessee and Alabama; (28) Texas Oklahoma & Eastern Railroad, LLC—Oklahoma; (29) Utah Central Railway Company, LLC—Utah; (30) Vandalia Railroad Company—Illinois; (31) West Belt Railway LLC—Missouri (collectively, Patriot Short Lines). Applicants state that they have included KUD in this list out of an abundance of caution, as it is unclear whether KUD is a rail common carrier subject to the Board’s jurisdiction.

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 December 22, 2023.

All pleadings, referring to Docket No. FD 36743, 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 Applicants' representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606-3208.

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).

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

Decided: December 12, 2023.

By the Board, Mai T. Dinh, Director, Office of Proceedings.

Tammy Lowery,

Clearance Clerk.

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