



FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. AB 1349 (Sub-No. 1X)]

Buckingham Branch Railroad Company—Discontinuance Exemption—in the City of Virginia Beach and the City of Norfolk, Va.

On March 9, 2026, Buckingham Branch Railroad Company (Buckingham Branch), 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 4.2 miles of rail line in the City of Virginia Beach and the City of Norfolk, Va. (the Line). The Line extends between milepost SN 6.7 at Diamond Springs (Virginia Beach), Va., to milepost SN 2.5 at Coleman Place (Norfolk), Va. Two stations exist on the Line: Coleman Place (milepost SN 2.4) and Diamond Springs (milepost SN 5.2). The Line traverses U.S. Postal Service Zip Codes 23455 and 23502.

According to Buckingham Branch, the Line is owned by Norfolk Southern Railway Company (NSR), and it has operated the Line under a lease with NSR since 2018.¹ (Pet. 1-2.) Buckingham Branch states that the Line is stub-ended but handles overhead traffic originating or terminating on a connecting line segment (CAC Line), which Buckingham Branch leases from the Canonie Atlantic Co. (CAC). (*Id.* at 2.) Buckingham Branch further states that the Line's local traffic derives from a single shipper, Gordon Paper. (*Id.*)

According to Buckingham Branch, it operates the Line as part of its Norfolk Division, together with the CAC Line, and the vast majority of Norfolk Division traffic derives from shippers on the CAC Line. (*Id.* at 2-3.) According to Buckingham Branch,

¹ See Buckingham Branch R.R.—Change in Operators Exemption—Cassatt Mgmt., LLC, FD 36202 (STB served July 18, 2018).

the U.S. Navy (Navy) desires to acquire a portion of the CAC Line and related yard property (Parcel 4B) for national security purposes and to extend the Navy's control of the waterfront.² (Pet 3.) Buckingham Branch contends that once the abandonment and discontinuance authority sought in Docket No. AB 1266 (Sub-No. 2X) et al. is authorized and Parcel 4B is sold to the Navy, its continued operation of the Line will not be operationally or economically feasible. (Id. at 3-4.)

Buckingham Branch states that, based on the information in its possession, it does not believe that the Line contains federally granted rights-of-way. (Id. at 2.)

Buckingham Branch further states that any documentation in its possession related to federally granted rights-of-way will be made available to those requesting it. (Id.)

As a condition to this exemption, any employee adversely affected by the discontinuance in service will be protected by the conditions set forth in 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 no later than June 26, 2026.³

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

² Concurrent with the petition in this proceeding, CAC and Buckingham Branch filed a joint petition, in Docket No. AB 1266 (Sub-No. 2X) et al., for CAC to abandon and for Buckingham Branch to discontinue service over the CAC Line.

³ Buckingham Branch states that it will consummate the discontinuance of service on the Line and on the CAC Line simultaneously. (Pet. 10.) In light of the Navy's "expressed urgency to acquire Parcel 4B," and CAC and Buckingham Branch's request for expedited consideration of the joint petition in Docket No. AB 1266 (Sub-No. 2X) et al., Buckingham Branch requests prompt consideration of its petition. (Id.)

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.⁴ Persons interested in submitting an OFA must first file a formal expression of intent to file an offer by April 6, 2026, 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 pleadings, referring to Docket No. AB 1349 (Sub-No. 1X), 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 Buckingham Branch's representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 N. Wacker Drive, Suite 800, Chicago, IL 60606. Replies to the petition are due on or before April 16, 2026.

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 an accommodation under the Americans with Disabilities Act, please call (202) 245-0245.

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

Decided: March 24, 2026.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Regena Smith-Bernard,

⁴ The filing fee for OFAs can be found at 49 CFR 1002.2(f)(25).

Clearance Clerk.

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