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SERVICE DATE – JUNE 24, 2005

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34708]

Genesee & Wyoming Inc., RP Acquisition Company One and RP Acquisition Company Two—Control Exemption—Rail Partners, L.P., AN Railway, et al., Atlantic & Western Railway, et al., and KWT Railway, Inc.

Genesee & Wyoming Inc. (GWI), a noncarrier holding company, and RP Acquisition Company One (RP 1) and RP Acquisition Company Two (RP 2), newly created noncarrier holding companies which are wholly owned by GWI (collectively, applicants), have filed a notice of exemption to permit: (1) GWI and RP 1 to acquire control of Rail Partners, L.P., and eight Class III rail carriers formed as limited partnerships;¹ and (2) GWI and RP 2 to acquire control of Rail Partners, L.P., KWT Railway, Inc., a Class III rail carrier corporation, and five Class III rail carriers organized as limited liability companies.²

¹ The limited partnership Class III rail carriers are: Atlantic & Western Railway, Limited Partnership; East Tennessee Railway, L.P.; Galveston Railroad, L.P.; Georgia Central Railway, L.P.; Little Rock & Western Railway, L.P.; Tomahawk Railway, Limited Partnership; Valdosta Railway, L.P.; and Wilmington Terminal Railroad, Limited Partnership (collectively, Atlantic & Western Railway, et al. group).

² The limited liability companies are: AN Railway, L.L.C.; The Bay Line Railroad, L.L.C.; M&B Railroad, L.L.C.; Riceboro Southern Railway, LLC; and Western Kentucky Railway, L.L.C. (collectively, AN Railway, et al. group).

The transaction was scheduled to be consummated on or after June 1, 2005, the effective date of the exemption (7 days after the notice was filed).

GWJ directly or indirectly controls Buffalo & Pittsburgh Railroad, Inc. (BPRR),³ a Class II rail carrier operating in New York and Pennsylvania, and the following 23 Class III rail carriers: Arkansas, Louisiana & Mississippi Railroad Company, operating in Arkansas and Louisiana; Chattahoochee Industrial Railroad, operating in Georgia; Commonwealth Railway, Inc., operating in Virginia; Corpus Christi Terminal Railroad, Inc., operating in Texas; Dansville and Mount Morris Railroad Company, operating in New York; First Coast Railroad, Inc., operating in Florida and Georgia; Fordyce & Princeton Railroad Company, operating in Arkansas; Genesee & Wyoming Railroad Company, Inc., operating in New York; Golden Isles Terminal Railroad, Inc., operating in Georgia; Illinois & Midland Railroad, Inc., operating in Illinois; Louisiana & Delta Railroad, Inc., operating in Louisiana; Portland & Western Railroad, Inc., operating in Oregon; Rochester & Southern Railroad, Inc., operating in New York; Salt Lake City Southern Railroad Company, operating in Utah; Savannah Port Terminal Railroad, Inc., operating in Georgia; South Buffalo Railway Company, operating in New York; St. Lawrence & Atlantic Railroad Company, operating in Vermont, New Hampshire, and Maine; St. Lawrence & Atlantic Railroad (Quebec), Inc., operating in Vermont; Talleyrand Terminal Railroad, Inc., operating in Florida; Tazewell & Peoria Railroad, Inc., operating in Illinois; Utah Railway Company, operating in Colorado and Utah;

³ GWJ also has control over Allegheny & Eastern, L.L.C. and Pittsburgh & Shawmut Railroad, L.L.C., two non-operating Class III rail carriers that separately hold certain rail assets over which BPRR operates.

Willamette & Pacific Railroad, Inc., operating in Oregon; and York Railway Company (York),⁴ operating in Pennsylvania (collectively, Affiliates).

Rail Partners, L.P., a noncarrier limited partnership, currently holds all non-managing membership interests or all limited partnership interests (as applicable) in each of the AN Railway, et al. group and the Atlantic & Western Railway, et al. group. Under the proposed transaction, RP 1 will acquire the entire general partnership interest of Rail Partners, L.P., and the entire general partnership interest of each rail carrier identified in the Atlantic & Western Railway, et al. group. RP 2 will acquire 100% ownership of KWT Railway, Inc., the entire limited partnership interest of Rail Partners, L.P., and the entire managing member interest of each rail carrier identified in the AN Railway, et al. group.

GWl states: (1) that neither the KWT Railway, Inc. carriers in the AN Railway, et al. group nor the carriers in the Atlantic & Western, et al. group (collectively, Acquired Railroads) will connect with any of the Affiliates; (2) that the control transaction is not part of a series of anticipated transactions that would connect any of the Acquired Railroads with the Affiliates; and (3) that no Class I railroad is involved in the control transaction. Therefore, the control transaction is 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.

⁴ GWl also has control over Maryland and Pennsylvania, L.L.C., and Yorkrail, L.L.C., two non-operating Class III rail carriers that separately hold the rail assets over which York operates.

Because the transaction involves at least one Class II and one or more Class III rail carriers, the exemption is subject to the labor protection requirements of 49 U.S.C. 11326(b).

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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34708, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Rose-Michele Nardi, Weiner Brodsky Sidman Kider PC, 1300 Nineteenth Street, N.W., Fifth Floor, Washington, DC 20036-1609.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

Decided: June 20, 2005.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary