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SERVICE DATE – NOVEMBER 15, 2007

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 35102]

Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Control

Exemption—Utah Central Railway Company

Patriot Rail, LLC (PRL) and its subsidiaries, Patriot Rail Holdings LLC (PRH) and Patriot Rail Corp. (Patriot) (collectively, applicants), jointly have filed a verified notice of exemption to permit PRL, PRH, and Patriot to acquire control of Utah Central Railway Company (Utah Central) through Patriot's acquisition of 100% of the outstanding stock of Utah Central, pursuant to a Stock Purchase Agreement dated October 29, 2007 (Agreement).¹

PRL is a noncarrier limited liability company that owns 51% of the stock of PRH. PRH is a noncarrier limited liability company that owns 100% of the stock of Patriot. Patriot is a noncarrier holding company that owns 100% of the stock of the Tennessee Southern Railroad Company, a Class III rail carrier, operating in Tennessee and Alabama, and 100% of the stock of Patriot Rarus Acquisition Corp., which owns 100% of the outstanding stock of Rarus Railway Company, a Class III rail carrier, operating in

¹ The full version of the stock purchase agreement, as required by 49 CFR 1180.6(a)(7)(ii), concurrently was filed under seal along with a motion for protective order. A decision on the motion for protective order will be issued separately from this decision.

Montana.² Pursuant to the Agreement, Patriot will acquire direct control of Utah Central. PRL, through its control of PRH, and PRH, through its control of Patriot, will acquire indirect control of Utah Central. Utah Central is a Class III rail carrier that leases and operates a line of railroad from Union Pacific Railroad Company in the Ogden, UT area.³ The trackage encompasses the former Denver, Rio Grande & Western Railroad main line trackage and appurtenances. Utah Central also acquired approximately 15 miles of trackage in the Ogden area.⁴

The transaction is scheduled to be consummated on or after the date that this notice becomes effective (which will occur on November 29, 2007).

Applicants state that: (i) the rail lines involved in this transaction do not connect with any rail lines now controlled, directly or indirectly, by PRL, PRH, or Patriot; (ii) the acquisition of control of Utah Central by PRL, PRH, and Patriot is not part of a series of anticipated transactions that would connect any of these railroads with each other or any railroad in their corporate family; and (iii) this transaction does not involve a Class I carrier. Therefore, this transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

² Patriot Rail, LLC and Patriot Rail Corp.—Control Exemption—Rarus Railway Company, STB Finance Docket No. 35013 (STB served Apr. 11, 2007).

³ Utah Central Railway Company—Lease and Operation Exemption—Union Pacific Railroad Company, STB Finance Docket No. 34051 (STB served Aug. 22, 2001).

⁴ Utah Central Railway Company—Acquisition and Operation Exemption—Boyer BDO, L.C. and City of Ogden, UT, STB Finance Docket No. 34457 (STB served Feb. 6, 2004). By letter filed on November 7, 2007, counsel for applicants clarified that the location of the trackage is in the Ogden area.

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. Section 11326(c), however, does not provide for labor protection for transactions under sections 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.

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 21, 2007 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35102, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Esq., Law Offices of Louis E. Gitomer, 600 Baltimore Avenue, Suite 301, Towson, MD 21204.

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Decided: November 8, 2007.

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

Vernon A. Williams

Secretary