

39069

SERVICE DATE – JUNE 5, 2008

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 35143]

R.J. Corman Railroad Company/Pennsylvania Lines Inc.—Acquisition and Operation  
Exemption—Line of Norfolk Southern Railway Company

R.J. Corman Railroad Company/Pennsylvania Lines Inc. (RJCP), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire by purchase from Norfolk Southern Railway Company (NS)<sup>1</sup> a rail line extending between milepost 64.5 near Winburne, PA, and milepost 45.5 near Gillintown, PA, a distance of approximately 19 miles in Clearfield and Centre Counties, PA (the Snow Shoe Industrial Track).<sup>2</sup>

---

<sup>1</sup> NS succeeded to Consolidated Rail Corporation's (Conrail) ownership of the subject line as a result of the merger proceeding in CSX Corp. et al.—Control—Conrail Inc. et al., 3 S.T.B. 196 (1998).

<sup>2</sup> This proceeding also is related to STB Finance Docket No. 35116, R.J. Corman Railroad Company/Pennsylvania Lines Inc.—Construction and Operation Exemption—in Clearfield County, PA, in which RJCP seeks an exemption to construct and to operate over approximately 10.8 miles of abandoned Conrail right-of-way from Wallaceton Junction, at Conrail milepost 11.76, to Winburne, at milepost 64.5 (Conrail milepost 22.56), (the Western Segment), and to rebuild the track on a rail banked 9.3-mile portion of the Snow Shoe Industrial Track between milepost 64.5 near Winburne and milepost 55.2 near Gorton, PA (the Eastern Segment). RJCP takes the position that it does not need Board authority for construction with respect to the rail banked Eastern Segment and has filed a motion to dismiss that part of the construction petition for exemption that pertains to the Eastern Segment. The Western Segment connects at Wallaceton Junction with RJCP's existing rail line. Together, the Eastern and Western Segments would be operated by RJCP as the Beech Creek Branch Line.

RJCP intends to operate rail service over the Eastern Segment.<sup>3</sup>

Based on projected revenues for the line being acquired, RJCP expects to remain a Class III rail carrier after consummation of the proposed transaction. RJCP certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier.

Because the projected annual revenues of the lines, together with RJCP's projected annual revenue, will exceed \$5 million, RJCP is required, at least 60 days before an exemption is to become effective, to send notice of the transaction to the national and local offices of the labor unions with employees on the affected lines and post a copy of the notice at the workplace of the employees on the affected lines and certify to the Board that it has done so. 49 CFR 1150.42(e). However, RJCP has noted that there are no affected employees as there is no current rail line. Therefore, RJCP has filed for a waiver from the requirements of 49 CFR 1150.42(e). RJCP states in the waiver request that the track materials on the line have been removed, no rail operations have been conducted for at least 15 years, and no railroad workers have been employed

---

<sup>3</sup> A Certificate of Interim Trail Use or Abandonment (CITU) was issued for the entire 19 miles of the Snow Shoe Industrial Track in Conrail Abandonment of the Snow Shoe Industrial Track in Centre and Clearfield Counties, PA, Docket No. AB-167 (Sub-No. 1004N) (ICC served Nov. 5, 1993) and remains in place. The Headwaters Charitable Trust (HCT) has been using the rail banked right-of-way as a recreational trail on an interim basis. RJCP has concurrently filed a petition in STB Docket No. AB-167 (Sub-No. 1004N), seeking vacation of the CITU with respect to the Eastern Segment. With respect to the remaining portion of the Snow Shoe Industrial track, from milepost 55.2 to milepost 45.5, RJCP states that it intends to maintain the agreement with HCT to allow continued recreational trail use.

on the line for at least the same period of time. RJCP's waiver request will be handled in a subsequent decision.

The Board will establish in the decision on the waiver request the earliest this transaction may be consummated. RJCP states that it intends to consummate the transaction only following approval of RJCP's petition for exemption in STB Finance Docket No. 35116.

If the 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. Petitions for stay must be filed no later than 7 days before the exemption becomes effective.

Pursuant to the Consolidated Appropriations Act, 2008, Pub. L. No. 110-161 § 193, 121 Stat. 1844 (2007), nothing in this decision authorizes the following activities at any solid waste rail transfer facility: collecting, storing, or transferring solid waste outside of its original shipping container; or separating or processing solid waste (including baling, crushing, compacting, and shredding). The term "solid waste" is defined in section 1004 of the Solid Waste Disposal Act, 42 U.S.C. 6903.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35143, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Ronald A. Lane, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606-2832.

Board decisions and notices are available on our website at

“[WWW.STB.DOT.GOV](http://WWW.STB.DOT.GOV).”

Decided: May 30, 2008.

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

Anne K. Quinlan

Acting Secretary