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SERVICE DATE - SEPTEMBER 12, 2003

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34386]

R.J. Corman Equipment Company, LLC—Acquisition Exemption—Lines of CSX
Transportation, Inc.

R.J. Corman Equipment Company, LLC (RJCE), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire from CSX Transportation, Inc. (CSXT), approximately 100.04 miles of rail line in Kentucky. Pursuant to an agreement to be entered into between RJCE and CSXT, RJCE will acquire CSXT's line of railroad, known as the Old Road, extending between approximately milepost 12.49 at HK Tower in Anchorage, KY (near Louisville), and approximately milepost 113.81 in Winchester, KY, a distance of approximately 91.48 miles.¹ In addition, RJCE will acquire the following associated branch lines: (1) the Bloomfield Branch, extending from a connection with the Old Road main line at milepost 30.64 to milepost 33.71, a distance of approximately 3.07 miles, in Shelbyville, KY; and (2) the Chilesburg Branch, extending from a connection with the Old Road main line at milepost 643.90 in Lexington, KY (milepost 97.74 on the Old Road main line), to milepost

¹ RJCE states that there are milepost equations on the line: at Christianburg, KY, where milepost 39.52 = milepost 49.46; at Lexington, KY, where milepost 93.43 = milepost 96.89; and near Montrose, KY, where milepost 102.76 = milepost 99.20.

638.41 near Cadentown, KY, a distance of approximately 5.49 miles. RJCE will also acquire certain industrial, spur and yard tracks in Lexington and Frankfort, KY. RJCE states that it will purchase the track and materials from CSXT and will lease the underlying real estate from CSXT for 15 years. CSXT will retain restricted overhead trackage rights on the portion of the Old Road between Winchester and Lexington for the operation of unit coal trains.

Based on projected annual revenues for the line, RJCE states that it expects to remain a Class III rail carrier after consummation of the proposed transaction. It certifies that its projected annual revenues do not exceed those that would qualify it as a Class III rail carrier. Nevertheless, RJCE certified to the Board on July 31, 2003, that a 60-day notice of this transaction, pursuant to 49 CFR 1150.42(e), was posted at the workplace of the employees on the Old Road line and was served on the national offices of the labor unions with employees on the Old Road.

RJCE states that it intends to consummate the transaction on September 30, 2003 (60 days after its certification to the Board under 49 CFR 1150.42(e)).

This transaction is related to a simultaneously filed verified notice of exemption in STB Finance Docket No. 34387, R.J. Corman Railroad Company/Central Kentucky Lines–Lease Exemption–Lines of R.J.Corman Equipment Company, LLC, wherein R.J. Corman Railroad Company/Central Kentucky Lines (RJCK) will lease and operate the line and associated branch lines being acquired by RJCE.

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. 34386, 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 Ronald A. Lane, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606-2875.

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

Decided: September 8, 2003.

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

Vernon A. Williams

Secretary