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SERVICE DATE FEBRUARY 23, 2005

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34624]

R.J. Corman Railroad Company/Central Kentucky Lines, LLC–Acquisition and  
Operation Exemption–Line of R.J. Corman Railroad Property, LLC

R.J. Corman Railroad Company/Central Kentucky Lines, LLC (RJCC),<sup>1</sup> a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to acquire by sublease from its corporate affiliate R. J. Corman Railroad Property, LLC (Railroad Property) and operate a line of railroad in Louisville, KY, known as the Water Street Lead, extending from the southeast edge of the Mellwood Avenue crossing of the Water Street Lead at or near milepost OTR 4.74 (also known as milepost OOT 1.8) on CSX Transportation, Inc.'s (CSXT) Louisville Terminal Subdivision to the end of track north of River Road, a total distance of approximately 2.4 miles, along with associated industry leads and switch tracks.<sup>2</sup> The Water Street Lead is owned by CSXT and will be leased by Railroad Property. RJCC will also acquire by assignment from Railroad Property

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<sup>1</sup> RJCC is controlled by Richard J. Corman, who also controls eight other Class III rail carriers in the eastern United States.

<sup>2</sup> According to RJCC, an agreement has been reached with Railroad Property providing for RJCC's sublease and operation of the Water Street Lead immediately upon Railroad Property's lease of the Water Street Lead from CSXT. The agreement also provides for the assignment of the Anchorage Trackage Rights from Railroad Property to RJCC.

incidental overhead trackage rights on a CSXT line between Louisville and Anchorage, KY, on CSXT's LCL Subdivision between the Water Street Lead and milepost 12.49 at HK Tower in Anchorage, a distance of approximately 10.75 miles (the Anchorage Trackage Rights), to allow connection with other RJCC operations at the latter location.<sup>3</sup>

This transaction is related to STB Finance Docket No. 34625, R.J. Corman Railroad Property, LLC—Lease Exemption—Line of CSX Transportation, Inc., wherein Railroad Property seeks to lease the Water Street Lead and acquire the Anchorage Trackage Rights from CSXT.

RJCC certifies that its projected revenues as a result of this transaction will not result in RJCC becoming a Class II or Class I rail carrier. But, because RJCC's projected annual revenues will exceed \$5 million, RJCC certified to the Board on December 7, 2004, that, prior to that date, it sent the required notice of the transaction to the national offices of all labor unions representing employees on the affected lines and posted a copy of the notice at the workplace of the employees on the affected lines. See 49 CFR 1150.42(e).

RJCC stated that it intended to consummate the transaction on February 5, 2005, and commence operations on February 7, 2005.

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

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<sup>3</sup> Railroad Property also will assign to RJCC its operating rights over CSXT between the Water Street Lead and CSXT's Osborne Yard in Louisville for purposes of effectuating interchange.

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. 34624, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Ronald A. Lane, 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: February 15, 2005.

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

Vernon A. Williams

Secretary