

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36686]

Bogalusa and Northern Railway, LLC—Change in Operator Exemption—Bogalusa Bayou Railroad, LLC

Bogalusa and Northern Railway, LLC (BNR), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to permit BNR to acquire from Illinois Central Railroad Company (IC) trackage rights over a one-mile rail line extending between milepost 68.85, at Leescreek, La, and milepost 69.85, at Bogalusa, La. (the Line). The Line is currently operated by Bogalusa Bayou Railroad, LLC (BBRR), pursuant to a trackage rights agreement between IC and BBRR.¹

According to the verified notice, BNR and IC have entered into an agreement granting BNR restricted overhead rights over the Line limited to movements of crude tall oil, crude sulphate turpentine, pulpboard, and recycled paper.² IC will also continue to be an operator over the Line. The verified notice further states that the transaction will effectuate a change of common carrier operator from BBRR to BNR, under which, coterminous with BNR's commencement of common carrier operations,

¹ See Bogalusa Bayou R.R.—Acquis. of Trackage Rights Exemption Containing Interchange Commitment—Ill. Cent. R.R., FD 35880 (STB served Dec. 17, 2014).

² BNR has provided public and confidential version of its trackage rights agreement. The confidential version was submitted under seal concurrently with a motion for protective order, which will be addressed in a separate Board decision.

the current trackage rights agreement between BBRR and IC governing BBRR's operations will terminate and BBRR's common carrier operations will cease.³

This transaction is related to a concurrently filed verified notice of exemption in Rio Grande Pacific Corp.—Continuance in Control Exemption—Bogalusa & Northern Railway, Docket No. FD 36687, in which Rio Grande Pacific Corporation seeks to continue in control of BNR upon BNR's becoming a Class III rail carrier.

BNR certifies that the agreement between BNR and IC does not contain any provision that would limit interchange with a third-party carrier. BNR also certifies that its projected annual revenues as a result of this transaction will not result in it becoming a Class II or Class I rail carrier and that its projected annual revenue will not exceed \$5 million.

Under 49 C.F.R. § 1150.32(b), a change in operator requires that notice be given to shippers. BNR states that it has sent a copy of its verified notice to International Paper, the sole customer on the Line.

The transaction may be consummated on or after June 9, 2023, the effective date of the exemption (30 days after the verified notice was filed).

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 June 2, 2023 (at least seven days before the exemption becomes effective).

³ BNR states that BBRR is aware of the proposed change of operators and concurs in the same.

All pleadings, referring to Docket No. FD 36686, must be filed with the Surface Transportation Board via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on BNR's representative, Karl Morell, Karl Morell & Associates, 440 1st Street, N.W., Suite 440, Washington, DC 20001.

According to BNR, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b)(1).

Board decisions and notices are available at www.stb.gov.

Decided: May 22, 2023.

By the Board, Mai T. Dinh, Director, Office of Proceedings.