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SERVICE DATE – AUGUST 12, 2011

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35542]

Regional Rail, LLC—Continuance in Control Exemption—Tyburn Railroad, LLC

Regional Rail, LLC (Regional), a noncarrier, has filed a verified notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of Tyburn Railroad, LLC (Tyburn), upon Tyburn's becoming a Class III rail carrier.

This transaction is related to a concurrently filed verified notice of exemption in Docket No. FD 35541, Tyburn Railroad—Acquisition and Operation Exemption—Tyburn Railroad, wherein Tyburn seeks Board approval to acquire from Tyburn Railroad Company and operate approximately 0.9 miles of rail lines in Morrisville, Pa.

The parties intend to consummate the transaction on or shortly after the effective date of the verified notice of exemption.

Regional is a Delaware limited liability company that currently controls 2 Class III railroads, East Penn Railroad, LLC (ESPN) and Middletown and New Jersey Railroad, LLC (Middletown). ESPN operates rail lines in Pennsylvania and Delaware, and Middletown operates rail lines in New York. Regional also owns 100 percent of the issued and outstanding shares of Tyburn.

Regional represents that: (1) the rail lines to be operated by Tyburn do not connect with any other railroads in the corporate family; (2) the transaction is not part of

a series of anticipated transactions that would connect the rail lines with any other railroads in the corporate family; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

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 § 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 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. Stay petitions must be filed no later than August 19, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35542, 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 Karl Morell, Suite 225, 655 15th St., N.W., Washington, DC 20005.

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Docket No. FD 35542

Decided: August 5, 2011.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.