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SERVICE DATE – JULY 15, 2022

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36626]

OmniTRAX Holdings Combined, Inc., and HGS Railway Holdings, Inc.—Continuance
in Control Exemption—Omni River Ridge, LLC d/b/a River Ridge Railroad

OmniTRAX Holdings Combined, Inc. (OmniTRAX), and HGS Railway Holdings, Inc. (HGS) (collectively, Omni-HGS), both noncarriers, have filed a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to continue in control of Omni River Ridge, LLC d/b/a River Ridge Railroad (RRR), a noncarrier controlled by OmniTRAX, upon RRR's becoming a Class III rail carrier.

This transaction is related to a verified notice of exemption filed concurrently in Omni River Ridge, LLC d/b/a River Ridge Railroad—Operation Exemption—in Clark County, Ind., Docket No. FD 36625, in which RRR seeks to operate approximately 0.943 miles of track that extends from a point of connection with a line of CSX Transportation, Inc., Hoosier Subdivision, Branch NABB BR, at milepost B 0041.950 at Charlestown, Ind., roughly southward for 4,980 feet to the north end of the wye track in Clark County, Ind.

Omni-HGS states that it will continue in control of RRR upon RRRs becoming a railroad common carrier. According the verified notice, OmniTRAX and HGS are under joint managerial and operational control. OmniTRAX currently controls 20 Class III rail carriers: Alabama & Tennessee River Railway, LLC; Brownsville & Rio Grande

International Railway, LLC; Central Texas & Colorado River Railway, LLC; Chicago Rail Link, L.L.C.; Cleveland & Cuyahoga Railway, LLC; Fulton County Railway, LLC; Georgia & Florida Railway, LLC; Georgia Woodlands Railroad, L.L.C.; Great Western Railway of Colorado, L.L.C.; Illinois Railway, LLC; Kettle Falls International Railway, LLC; Manufacturers' Junction Railway, L.L.C.; Nebraska, Kansas and Colorado Railway, LLC; The Newburgh & South Shore Railroad, LLC; Northern Ohio & Western Railway, L.L.C.; Panhandle Northern Railroad, L.L.C.; Peru Industrial Railroad, LLC; Sand Springs Railway Company; Stockton Terminal and Eastern Railroad; and The Winchester and Western Railroad Company. HGS controls two Class III railroads: HGS-ATN, LLC; and HGS-FCR, LLC.

Omni-HGS represents that: (1) the rail line to be operated by RRR does not connect with the rail lines of any of the rail carriers controlled by Omni-HGS;¹ (2) the transaction is not part of a series of anticipated transactions that would result in such a connection; and (3) the transaction does not involve a Class I rail carrier. The proposed transaction is therefore exempt from the prior approval requirements of 49 U.S.C. § 11323 pursuant to 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. However, 49 U.S.C. § 11326(c) does not provide for labor protection for transactions under 49 U.S.C. §§ 11324 and 11325 that involve only Class III rail carriers. Because

¹ Although the map appended to the verified notice as Exhibit A-2 may not provide the detail called for under 49 C.F.R. § 1180.6(a)(6), the list of states provided under § 1180.6(a)(5) indicates that no other Class III railroad controlled by Omni-HGS operates in Indiana, where RRR proposes to operate.

this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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 July 22, 2022 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36626, 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, one copy of each pleading must be served on Omni-HGS's representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606-3208.

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

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

Decided: July 12, 2022.

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