

SERVICE DATE – APRIL 14, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36909

TRANSLOADX RAILROAD COMPANY, INC.—
ACQUISITION AND OPERATION EXEMPTION—
CSX TRANSPORTATION, INC.

Decided: April 14, 2026

On March 17, 2026, TransloadX Railroad Company, Inc. (TransloadX-RR), a noncarrier, filed a verified notice of exemption under 49 C.F.R. § 1150.31 to lease and operate two rail lines from CSX Transportation, Inc. (CSXT), totaling approximately 37.1 miles (the Lines). The Lines consist of (1) approximately 18.3 miles of CSXT’s Augusta Branch, which extends from Waterville, Me. (MP WVT 0.7), to Augusta, Me. (MP WVT 19.0), in Kennebec County, Me., and (2) approximately 18.8 miles of CSXT’s Bucksport Branch, which extends from Bangor, Me. (MP WVB 0.2), to Bucksport, Me. (MP WVB 19.0), in Penobscot and Hancock Counties, Me. Notice of the exemption was served and published in the Federal Register on April 2, 2026 (91 Fed. Reg. 16,807). The exemption is scheduled to become effective on April 16, 2026.

On March 27, 2026, Chalmers Hardenbergh filed a Combined Petition to Stay and Petition to Revoke the Notice of Exemption. Hardenbergh argues that the transaction “raises serious public interest and fitness concerns.” (Hardenbergh Pet. 2.) According to Hardenbergh, TransloadX-RR is operating a transload facility in the City of Framingham, Mass. (the City), without the required municipal permits, and the City has issued a notice of cease and desist that TransloadX-RR is ignoring. (Id. at 3-4.) He asserts, among other things, that TransloadX-RR may be seeking rail carrier status to invoke federal preemption under 49 U.S.C. § 10501(b) and thereby insulate the transloading operation from municipal oversight. (Id. at 4.) He asks the Board to (1) stay the effectiveness of the verified notice of exemption, and (2) revoke the exemption as “inconsistent with the public interest and with the national rail transportation policy set forth in 49 U.S.C. § 10101.” (Id. at 5-7.)

After the publication of the notice in the Federal Register, Hardenbergh filed a letter on April 6, 2026, supplementing his petition to revoke, to which TransloadX-RR filed a letter in response on April 9, 2026. On April 9, 2026, Hardenbergh filed a motion for leave to further supplement his petition to revoke, to which he attached the requested supplement.

Also on April 9, 2026, the Board received two separate requests asking the Board to reject and/or stay the notice of exemption from the Brotherhood of Railroad Signalmen (BRS) and from Cumberland & Knox Railroad (C&K). BRS indicated that the Lines are part of the former Pan Am rail system that was acquired by CSXT in 2022 subject to the employee

protective conditions of New York Dock Railway—Control—Brooklyn Eastern District (New York Dock), 360 I.C.C. 60 (1979). (BRS Comment 1-2); see also CSX Transp.—Control—Pan Am Sys. (CSXT/Pan Am), FD 36472 (STB served Apr. 14, 2022) (authorizing CSXT to acquire control of seven rail carriers owned by Pan Am Systems, Inc., and Pan Am Railways, Inc., and to merge six of those railroads into CSXT, as well as other related transactions). BRS asks the Board to determine “(1) whether [New York Dock] protections continue to apply to work associated with these lines notwithstanding their proposed transfer; (2) whether this transaction triggers additional labor-protective obligations; and (3) whether [CSXT] may transfer these lines free of further labor review while protections from the Pan Am acquisition remain in effect.” (Id. at 2.) BRS requests that the Board “stay or defer effectiveness of the exemption” until such issues are resolved. (Id.)

C&K filed a petition to reject the notice, in which it also states that the Lines are part of the former Pan Am rail system. (C&K Pet. 3.) Among other things, C&K contends that the proposed transaction is not appropriate for the class exemption notice process because it implicates the Board’s oversight of a significant merger transaction. (Id. at 6; see also id. at 5 (arguing that the class exemption procedures are reserved for transactions involving routine, uncomplicated, and non-controversial matters).) In particular, C&K claims that it does not appear that CSXT has complied with its representation in the merger proceeding to upgrade the Lines that it now seeks to lease to TransloadX-RR, and that it is unclear who will be responsible for maintaining and upgrading the Lines going forward. (Id. at 5.) C&K also argues that the verified notice is misleading because TransloadX-RR failed to disclose the connection to the CSXT/Pan Am merger. (Id. at 6-8.) For these reasons, C&K asks the Board to reject the notice or, in the alternative, grant a stay of the effective date to allow the Board time to resolve the issues raised in its petition. (Id. at 10.) On April 13, 2026, TransloadX-RR filed a reply to C&K’s pleading, arguing that C&K does not provide grounds for rejecting the verified notice and does not meet the stay criteria articulated in Washington Metropolitan Area Transit Commission v. Holiday Tours, Inc., 559 F.2d 841, 843 (D.C. Cir. 1977).

On April 13, 2026, CSXT filed a response to the allegations raised by BRS and C&K regarding the Board’s approval of CSXT’s acquisition of the former Pan Am rail system. CSXT argues that BRS and C&K “made certain misstatements of fact and law in their respective filings.” (CSXT Reply 1.) CSXT goes on to represent that it “does not expect that any of its employees will be adversely affected by the [proposed transaction].” (Id.) CSXT also disputes any allegation that it has not complied with the representations it made in CSXR/Pan Am related to capital improvements. (Id.) While CSXT contends that it did not make any specific commitments regarding capital improvements on the Lines, it states that it has made improvements to both. (Id. at 2.)

Additional information is needed to determine whether this transaction is appropriate for class exemption. See Brookfield Asset Mgmt.—Control Exemption—Genesee & Wyo. Inc., et al., FD 36326 (STB served July 22, 2019). TransloadX-RR will be directed to submit its response to the allegations raised in the requests to reject TransloadX-RR’s notice and/or revoke

the exemption (including any additional response to C&K's petition to reject that TransloadX-RR wishes to file) by May 4, 2026.¹

The effective date of the exemption will be postponed until further order of the Board. The requests to reject the notice and/or revoke the exemption will be addressed in a subsequent decision. The requests to stay the proceeding will be denied as moot given that the effective date of the exemption is being postponed.

It is ordered:

1. Hardenbergh's April 6, 2026 letter is accepted into the record.
2. Hardenbergh's April 9, 2026 motion for leave to file a supplemental pleading is granted, and the supplemental pleading is accepted into the record.
3. TransloadX-RR is directed to file its response to the allegations raised in the requests to reject the notice and/or revoke the exemption (including any additional response to C&K's petition to reject that TransloadX-RR wishes to file) by May 4, 2026.
4. The effective date of the exemption is postponed until further order of the Board.
5. Requests to stay the effective date of the exemption are denied as moot.
6. This decision is effective on its date of service.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

¹ In a decision dated March 30, 2026, TransloadX-RR was directed to file its response to the allegations raised by Hardenbergh's petition to revoke by April 16, 2026. TransloadX R.R.—Acquis. & Operation Exemption—CSX Transp., FD 36909 (STB served Mar. 30, 2026). In light of the subsequently filed requests to reject the notice and/or revoke the exemption and Hardenbergh's supplemental filing, that deadline will be extended to allow TransloadX-RR to respond to all three requests at the same time.

Hardenbergh's April 9, 2026 motion for leave to file a supplemental pleading also will be granted. The motion (along with the supplement) was filed prior to deadline for petitions to stay, and TransloadX-RR will not be prejudiced by its timing since the deadline for it to respond to Hardenbergh's allegations is being extended. For the same reasons, Hardenbergh's April 6, 2026 letter also will be accepted.