

# JACKSONKELLY PLLC

100 WEST MAIN STREET • SUITE 700 • LEXINGTON, KENTUCKY 40507 • TELEPHONE: 859.255.9500 • FAX: 859.281.6478

[www.jacksonkelly.com](http://www.jacksonkelly.com)

[catherine.wright@jacksonkelly.com](mailto:catherine.wright@jacksonkelly.com)

859-288-2836

November 11, 2022

305624

ENTERED  
Office of Proceedings  
November 14, 2022  
Part of  
Public Record

## BY E-FILING

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Surface Transportation Board  
395 E Street, S. W., Room 1034  
Washington, DC 20423-0001

**RE: Docket No. FD 36645; Raleigh and Fayetteville Railroad, LLC – Acquisition, Lease and Operation Exemption with Interchange Commitment–Norfolk Southern Railway Company.**

Dear Ms. Brown:

Attached for filing in Docket No. FD 36645 is the Verified Notice of Exemption of Raleigh and Fayetteville Railroad, LLC filed under 49 C.F.R. §§ 1150.31-1150.34, and a Submission of Confidential Materials and Information Relating to the Interchange Commitment.

This latter filing is made under seal and is to be kept confidential as provided in 49 C.F.R. § 1150.33(h)(1).

Sincerely,

/s/ Catherine S. Wright

Catherine S. Wright  
*Attorney for Raleigh and Fayetteville  
Railroad, LLC*

FILED  
November 14, 2022  
SURFACE  
TRANSPORTATION BOARD

FEE RECEIVED  
November 14, 2022  
SURFACE  
TRANSPORTATION BOARD

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

---

**FD 36645**

---

**RALEIGH AND FAYETTEVILLE RAILROAD, LLC – ACQUISITION, LEASE AND  
OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT–  
NORFOLK SOUTHERN RAILWAY COMPANY**

---

**VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. §§ 1150.31-1150.34**

---

Submitted by:  
Catherine S. Wright, Esq.  
Jackson Kelly PLLC  
100 West Main Street, Suite 700  
Lexington, Kentucky 40588-2150  
[catherine.wright@jacksonkelly.com](mailto:catherine.wright@jacksonkelly.com)  
(859) 288-2836  
*Counsel for Raleigh and Fayetteville  
Railroad, LLC*

Dated: November 11, 2022

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

---

**FD 36645**

---

**RALEIGH AND FAYETTEVILLE RAILROAD, LLC – ACQUISITION, LEASE AND  
OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT–  
NORFOLK SOUTHERN RAILWAY COMPANY**

---

**VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. §§ 1150.31-1150.34**

---

Pursuant to 49 C.F.R. §§ 1150.31-1150.34, Raleigh and Fayetteville Railroad, LLC (“RFCC”),<sup>1</sup> a non-carrier, hereby files this Verified Notice of Exemption to permit RFCC to: (1) acquire approximately 42.38 miles of rail lines from Norfolk Southern Railway Company (“NSR”), (2) lease approximately 19.88 miles of rail lines from NSR, and (3) assume NSR’s trackage rights over 0.59 miles of CSX Transportation, Inc.’s (“CSXT”) line (totaling approximately 62.85 miles), and to operate those lines, all of which form a contiguous rail line between Raleigh, North Carolina and Fayetteville, North Carolina in Wake, Harnett and Cumberland Counties, North Carolina. Each of the lines are collectively hereinafter referred to as the “Line”.

---

<sup>1</sup> R. J. Corman Railroad Company, LLC (“RJCRC”), a non-carrier holding company that owns 100% of RFCC, and R. J. Corman Railroad Group, LLC (“RJCG”), a non-carrier that owns 100% of RJCRC, are filing a notice of exemption concurrently herewith, to continue in control of RFCC upon it becoming a carrier while remaining in control of other existing RJCRC and RJCG owned and controlled Class III STB regulated carriers. *See R. J. Corman Railroad Group, LLC and R. J. Corman Railroad Company, LLC – Continuance in Control Exemption – Raleigh and Fayetteville Railroad, LLC*, FD No. 36646.

In accordance with the requirements of 49 C.F.R. § 1150.32-1150.34, RFCC submits the following information:

**Name and Address of Applicant (49 C.F.R. §1150.33(a)):**

The full name and address of the Class III rail carrier applicant herein is as follows:

Raleigh and Fayetteville Railroad, LLC  
101 R. J. Corman Drive  
PO Box 788  
Nicholasville, Kentucky 40356

**Applicant's Representative (49 C.F.R. §1150.33(b)):**

Catherine S. Wright, Esq.  
Jackson Kelly PLLC  
100 West Main Street, Suite 700  
Lexington, Kentucky 40588-2150  
[catherine.wright@jacksonkelly.com](mailto:catherine.wright@jacksonkelly.com)  
(859) 288-2836

**Statement Concerning Agreement (49 C.F.R. §1150.33(c)):**

On or about November 10, 2022, RFCC and RJCG executed a Transaction Agreement providing for RFCC's acquisition from NSR, and operation of approximately 42.38 miles of operating railroad, known as the Fayetteville Line, from the convergence of the NS-Line and VF-Line at approximately Milepost VF 0.13, at Fuquay-Varina, North Carolina to Milepost VF 42.29, at Fayetteville, North Carolina and from Milepost VF 42.88, at Fayetteville, North Carolina to Milepost VF 43.1, at Fayetteville, North Carolina. *See* Maps 1 and 3-4. As part of the Transaction Agreement, RFCC will also assume NSR's trackage rights over, and operate over, the CSXT line between Milepost VF 42.29 at Fayetteville, North Carolina to Milepost VF

42.88 at Fayetteville, North Carolina.<sup>1</sup> See Map 4.<sup>2</sup> RFCC and RJCG will also obtain operating rights over NSR's rail line at Milepost NS 233.25 to Milepost NS 231.0 solely for the purpose of interchange traffic with NSR at its Glenwood Yard at Raleigh, North Carolina.

RFCC and NSR have also entered into a Lease Agreement providing for RFCC's lease and operation of approximately (1) 19.75 miles of rail lines from the southern boundary of the North Carolina Railroad right of way at Milepost NS 233.25, at Raleigh, North Carolina to Milepost NS 253.0 at Fuquay-Varina, North Carolina and (2) 0.13 miles of rail lines from the junction of NSR's NS Line at Milepost VF 0.0 at Fuquay-Varina, North Carolina to the beginning of RFCC's ownership at Milepost VF 0.13 at Fuquay-Varina, North Carolina. See Maps 2-3.

**Operator of the Property (49 C.F.R. §1150.33(d)):**

RFCC will replace NSR as the operator of the Line pursuant to the above referenced agreements. Upon RFCC's assumption of operations, NSR will have no further common carrier obligation on the Line.

**Summary of the Transaction (49 C.F.R. §1150.33(e)):**

Under the Transaction Agreement and the Lease Agreement, RFCC, currently a non-carrier, would acquire, lease and operate the Line, thereby becoming a rail common carrier.

---

<sup>1</sup> These trackage rights were granted by CSXT's predecessors in a 1904 agreement with NSR's predecessors. Neither the Board nor its predecessor, the Interstate Commerce Commission, have authorized these trackage rights, because they were acquired several years before any such regulatory authorization was required by law.

<sup>2</sup> Map 4 also shows a small segment of track being acquired by RFCC from NSR that is a small yard at Fayetteville, North Carolina which runs parallel to the rail line that RFCC is acquiring from NSR that interchanges with the Aberdeen and Rockfish Railroad at Fayetteville, North Carolina.

- (1) Name and Address of railroad transferring the subject property:

Norfolk Southern Railway Company  
650 W Peachtree St NW  
Atlanta, GA 30308

- (2) Proposed time schedule for consummation:

The transaction is expected to be consummated on or after December 16, 2022 (more than 30 days after filing of this Notice), provided that all necessary conditions set forth in the Transaction Agreement (including authorization of the transaction by the Board) have been satisfied.

- (3) Mileposts of the subject property:

(a) Line Purchased: From the convergence of the NS-Line and VF-Line at approximately Milepost VF 0.13 at Fuquay-Varina, North Carolina to Milepost VF 42.29 at Fayetteville, North Carolina and from Milepost VF 42.88 at Fayetteville, North Carolina to Milepost VF 43.1 at Fayetteville, North Carolina.

(b) Line being Leased: From the southern boundary of the North Carolina Railroad right of way at Milepost NS 233.25, at Raleigh, North Carolina to Milepost NS 253.0 at Fuquay-Varina, North Carolina, and 0.13 miles of rail lines from the junction with NSR's NS Line at Milepost VF 0.0 at Fuquay-Varina, North Carolina to the beginning of RFCC's ownership at Milepost VF 0.13 at Fuquay-Varina, North Carolina.

(c) Trackage Rights: From Milepost VF 42.29, at Fayetteville, North Carolina to Milepost VF 42.88 at Fayetteville, North Carolina.

(4) Route Miles being leased and/or acquired: Total mileage of Line, including trackage rights, is 62.85 miles.

**Maps (49 C.F.R. §1150.43(f)):**

Maps showing the Line are attached as Exhibit A to this Notice.

**Certificate of Compliance (49 C.F.R. §1150.33(g)):**

A Certificate of Compliance consistent with the provisions of 49 C.F.R. § 1150.33(g) stating that RFCC's projected revenues will not result in the creation of a Class I or II rail carrier is attached as Exhibit B to this Notice.

**Interchange Commitments (49 C.F.R. § 1150.33(h)(1)):**

The Transaction Agreement and Lease Agreement between RFCC and NSR contain an "interchange commitment" within the meaning of 49 C.F.R. § 1150.33(h). Accordingly, RFCC provides the following information regarding the interchange commitment:

- i. Existence of agreement and identification of affected interchange point: Under the Transaction Agreement and Lease Agreement, the affected interchange points are: Raleigh, NC and Fayetteville, NC.
- ii. Confidential compete version of document: A confidential version of the Transaction Agreement and Lease Agreement are being field with the Board under separate cover pursuant to 49 C.F.R. § 1104.14(a).
- iii. List of shippers that have used the line over the past two years: The following shippers or consignees ("Shippers") are currently using the Line to ship or receive freight by rail or have done so since November 2020:

Harnett Transload Intermodal LLC  
9029 US 401  
Fuquay-Varina, NC 27526

Thomas Concrete  
140 Pamela Court

Fuquay-Varina, NC 27526

CFI Ready Mix  
304 East McNeill Street  
Lillington, NC 27546

Kelly Springfield Tire Company  
6650 Ramsey Street  
Fayetteville, NC 28311

Fay Block Materials  
130 Builders Boulevard  
Fayetteville, NC 28301

iv. Aggregate number of carloads the Shippers originated or terminated over the Line: The aggregate number of carloads the Shippers named above originated or terminated within the last two (2) years is being filed under separate cover pursuant to 49 C.F.R. § 1104.14(a).

v. Certification that shippers have been provided notice of proposed transaction and interchange commitment: RFCC hereby certifies that it has contemporaneously with this filing, furnished all Shippers identified in subparagraph (iii) above on the Line with notice of the proposed transaction and interchange commitment by serving them each a copy of this Verified Notice of Exemption.

vi. List of third-party railroads that could physically Interchange with the Line:

Aberdeen and Rockfish Railroad; CSX Transportation Inc.<sup>1</sup>

---

<sup>1</sup> While RFCC will physically interchange with Aberdeen and Rockfish Railroad (“A&R”) or CSX Transportation Inc. (“CSXT”), RFCC will have no involvement in the commercial relationship between NS and A&R or NS and CSXT. In this transaction, RFCC is only serving as an overhead carrier for NS traffic destined for A&R or CSXT. RFCC believes that interchange frequency and service will improve as a result of this transaction.

vii. Estimated difference between sale or lease price with and without interchange commitment: As estimate of the difference between the sale or lease price with and without the interchange commitment is being filed under separate cover pursuant to 49 C.F.R. § 1104.14(a).

**Advance Notice (49 C.F.R. § 1150.32(e)):**

The projected annual revenue of RFCC does not exceed \$5 million, and accordingly the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. *See* Exhibit B to this Notice.

**Environmental and Historic Preservation Data (49 C.F.R. Part 1105):**

Pursuant to 49 C.F.R. § 1105.6(c)(1), the proposed transaction is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) and (5).

The proposed transaction also is exempt from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b)(1). The proposed transaction is for the purpose of continuing rail operations. Additional Board approval would be required to discontinue rail service or to abandon the Line. Moreover, there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older.

**Caption Summary (49 C.F.R. § 1150.34):**

A caption summary in an appropriate form is attached as Exhibit C to this Notice.

Respectfully submitted this 11th day of November 2022.

/s/ Catherine S. Wright  
Catherine S. Wright, Esq.  
Jackson Kelly PLLC  
100 West Main Street, Suite 700  
Lexington, Kentucky 40588-2150  
[catherine.wright@jacksonkelly.com](mailto:catherine.wright@jacksonkelly.com)  
(859) 288-2836  
*Counsel for Raleigh and Fayetteville  
Railroad, LLC*

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

---

**FD 36645**

---

**RALEIGH AND FAYETTEVILLE RAILROAD, LLC – ACQUISITION, LEASE AND  
OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT–  
NORFOLK SOUTHERN RAILWAY COMPANY**

---

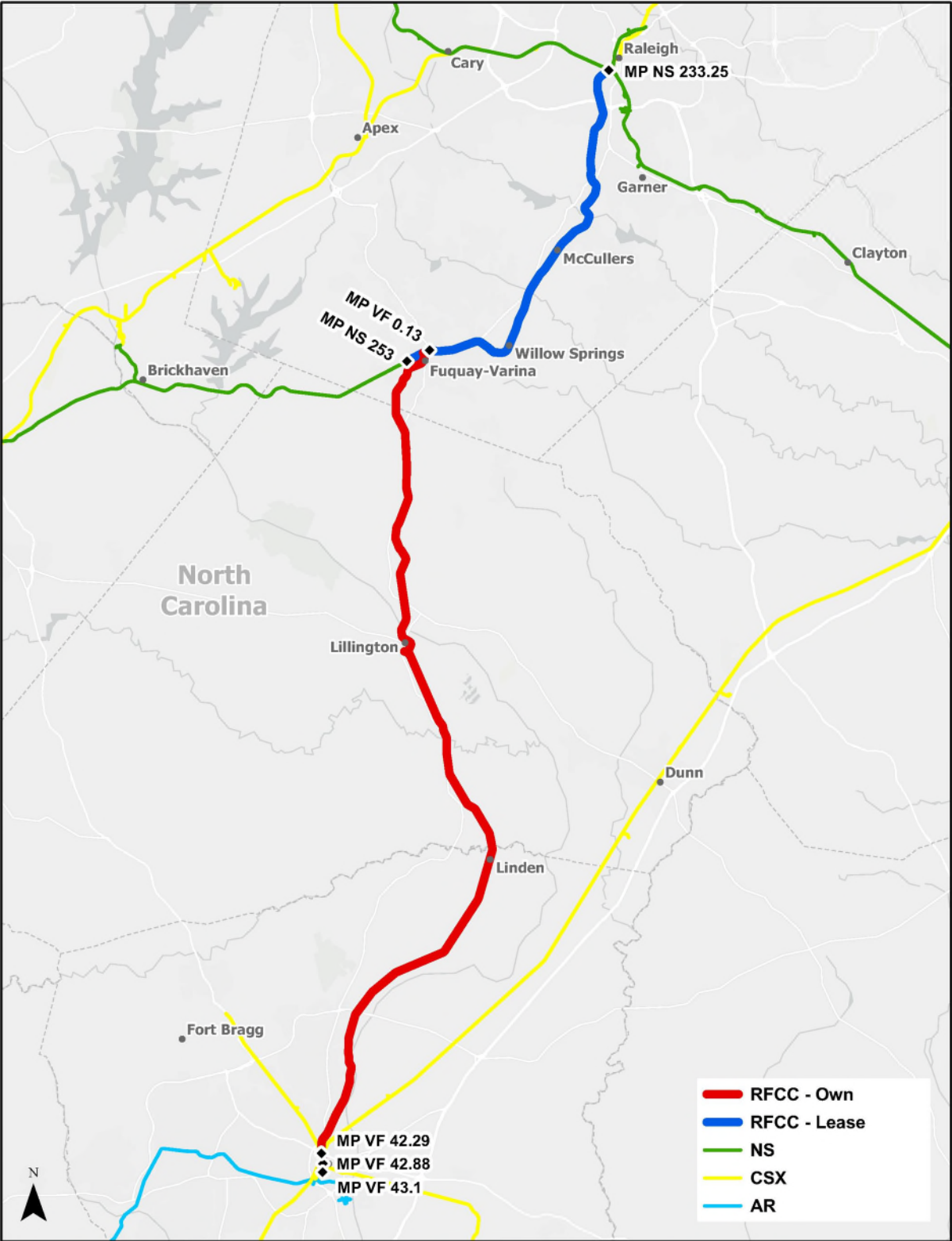
**VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. § 1150.31 *et seq.***

---

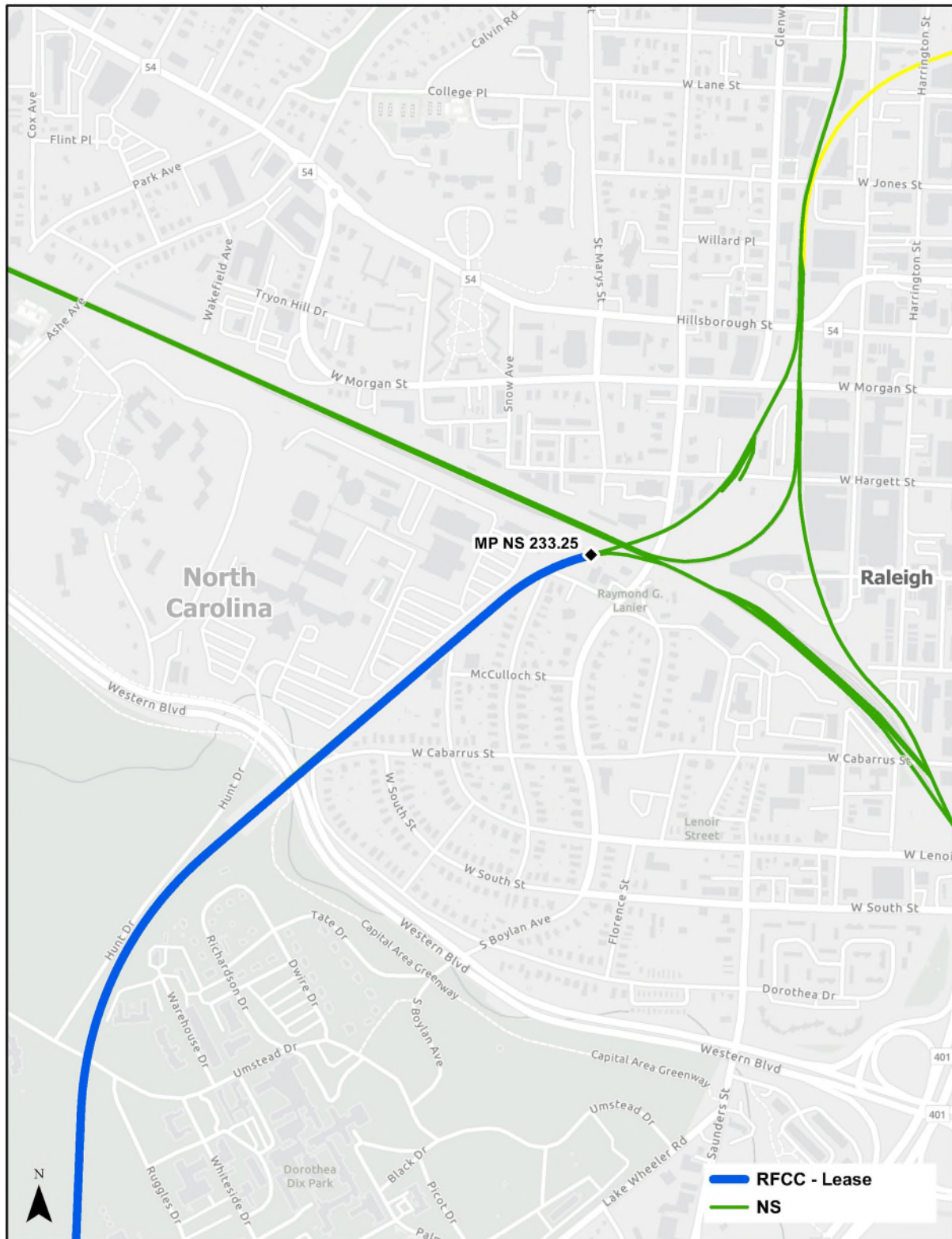
**EXHIBIT A**

(MAPS)

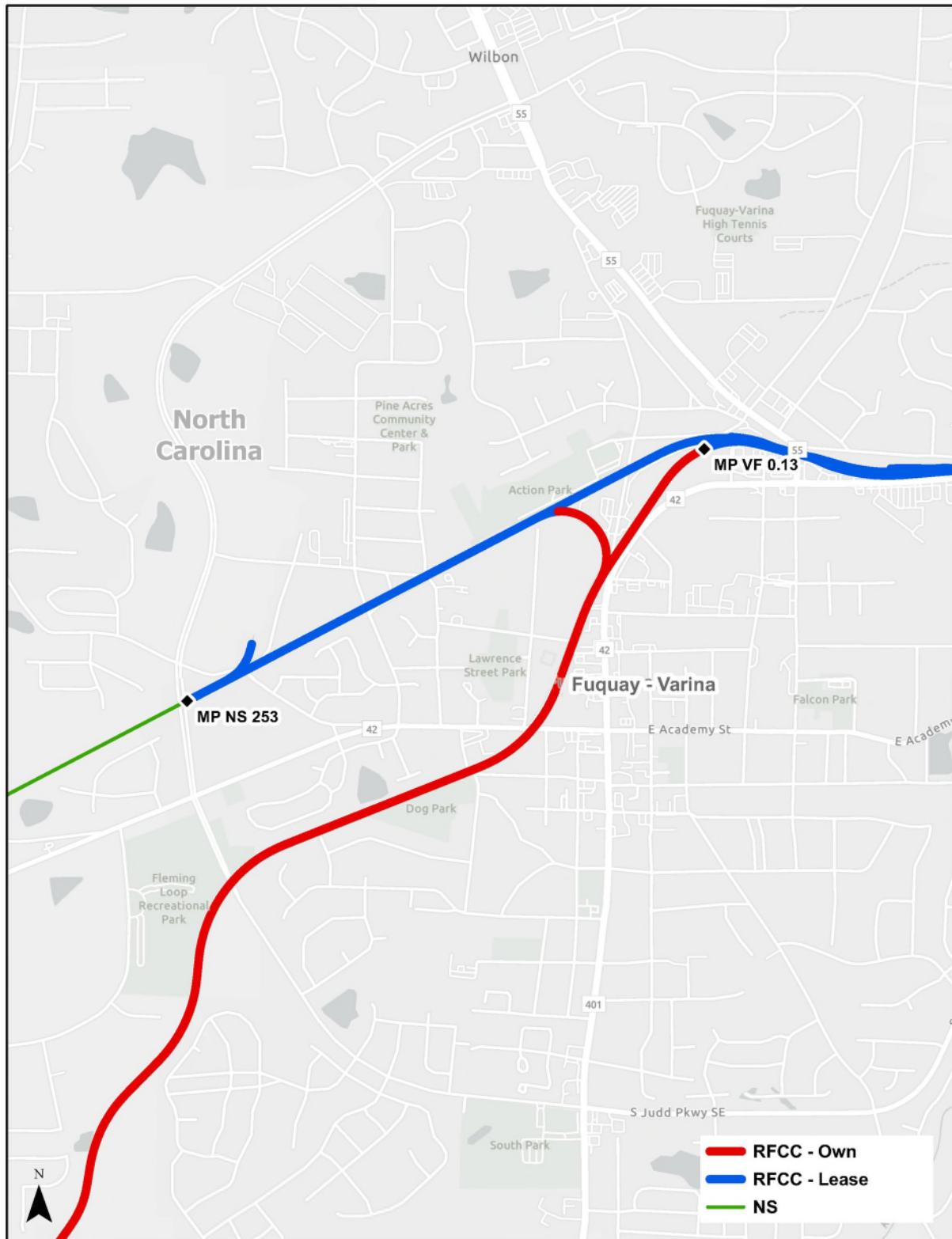
Raleigh Fayetteville Railroad, LLC (RFCC)



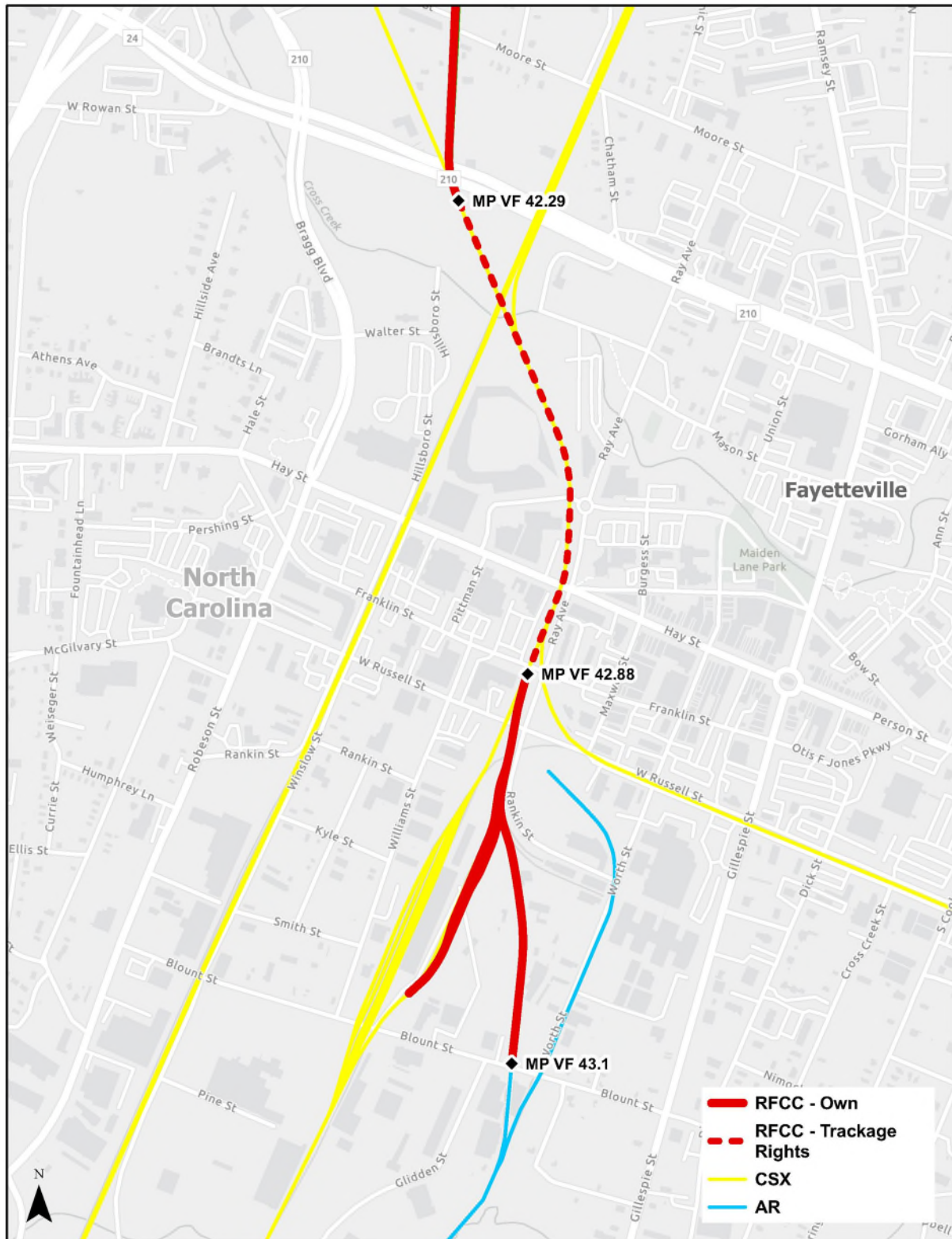
Map 2



Map 3



Map 4



**EXHIBIT B**

**CERTIFICATION AND VERIFICATION**

I, Ray Goss, President of Raleigh and Fayetteville Railroad, LLC, hereby certify that RFCC's projected annual revenues will not as a consequence of the proposed transaction result in RFCC becoming a Class I or Class II rail carrier so as to require processing of the foregoing notice of exemption under 49 C.F.R. § 1150.45, and that RFCC's projected annual revenues will not exceed \$5,000,000.00.

Furthermore, pursuant to 28 U.S.C. § 1746 and 49 C.F.R. § 1104.5(b), I declare under penalty of perjury under the laws of the United States that the foregoing Verified Notice of Exemption, including all exhibits thereto, is true and correct to the best of my knowledge and belief. Further, I certify that I am qualified and authorized to file this pleading.

Executed on November 10, 2022.

A handwritten signature in cursive script, appearing to read "Ray Goss", is written over a horizontal line.

Ray Goss  
President, Raleigh and Fayetteville Railroad,  
LLC

**SURFACE TRANSPORTATION BOARD**

**NOTICE OF EXEMPTION**

**DOCKET NO. FD 36645**

**RALEIGH AND FAYETTEVILLE RAILROAD, LLC – ACQUISITION, LEASE AND  
OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT–  
NORFOLK SOUTHERN RAILWAY COMPANY**

---

Raleigh and Fayetteville Railroad, LLC (“RFCC”),<sup>1</sup> a non-carrier, hereby files this Verified Notice of Exemption to permit RFCC to:

- (1) acquire and operate approximately 42.38 miles of rail lines from Norfolk Southern Railway Company (“NSR”) consisting of lines: (1) starting from the convergence of the NS-Line and VF-Line at approximately Milepost VF 0.13 at Fuquay-Varina, North Carolina to Milepost VF 42.29 at Fayetteville, North Carolina, and (2) from Milepost VF 42.88 at Fayetteville, North Carolina to Milepost VF 43.1 at Fayetteville, North Carolina;
- (2) lease and operate approximately 19.88 miles of rail lines from NSR, consisting of lines: (1) starting from the southern boundary of the North Carolina Railroad right of way at Milepost NS 233.25, at Raleigh, North Carolina to Milepost NS 253.0 at Fuquay-Varina, North Carolina, and (2) from the junction with NSR’s NS Line at Milepost VF 0.0 at Fuquay-Varina, North Carolina to the beginning of RFCC’s ownership at Milepost VF 0.13 at Fuquay-Varina, North Carolina; and
- (3) assume NSR’s trackage rights over, and to operate on, 0.59 miles of CSX Transportation, Inc.’s (“CSXT”) line from Milepost VF 42.29 at Fayetteville, North Carolina to Milepost VF 42.88 at Fayetteville, North Carolina.

---

<sup>1</sup> R. J. Corman Railroad Company, LLC (“RJCRC”), a non-carrier holding company that owns 100% of RFCC, and R. J. Corman Railroad Group, LLC (“RJCG”), a non-carrier that owns 100% of RJCRC, are filing a notice of exemption concurrently herewith, to continue in control of RFCC upon it becoming a carrier while remaining in control of other existing RJCRC and RJCG owned and controlled Class III STB regulated carriers. *See R. J. Corman Railroad Group, LLC and R. J. Corman Railroad Company, LLC – Continuance in Control Exemption – Raleigh and Fayetteville Railroad, LLC*, FD No. 36646.

Upon effective date of his Notice, RFCC will become a carrier and replace NSR as the Line's operator.

RFCC expects to consummate the proposed transaction on or shortly after the effective date of this Notice of Exemption.

Comments must be filed with the Board and served on Catherine S. Wright, Jackson Kelly PLLC, 100 West Main Street, Suite 700, Lexington, Kentucky 40588-2150 ([catherine.wright@jacksonkelly.com](mailto:catherine.wright@jacksonkelly.com); 859-288-2836).

This Notice is filed under 49 C.F.R. § 1150.31. If this Notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 C.F.R. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Dated: \_\_\_\_\_, 2022

By the Board