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August 28, 2014
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KARL MORELL

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August 28, 2014

BY HAND DELIVERY

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

Re: Finance Docket No. 32659 (Sub-No. 1), Caldwell Railroad
Commission – Exemption From 49 U.S.C. Subtitle IV

Dear Ms. Brown:

Attached for filing with the Board please find the original and ten copies of the Petition For Partial Revocation of Exemption. Enclosed is a check in the amount of \$300 to cover the filing fee.

If you have any questions, please contact me.

Sincerely yours,

Karl Morell

Enclosures

FILED
August 28, 2014
SURFACE
TRANSPORTATION BOARD

Portland, Oregon

Bend, Oregon

FEE RECEIVED
August 28 2014
SURFACE
TRANSPORTATION BOARD

Orlando, Florida

Washington, DC

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 32659 (SUB-NO. 1)

CALDWELL RAILROAD COMMISSION
-- EXEMPTION FROM 49 U.S.C. SUBTITLE IV

PETITION FOR PARTIAL REVOCATION OF
EXEMPTION

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Attorneys for:
CALDWELL RAILROAD COMMISSION

Dated: August 28, 2014

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SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 32659 (SUB-NO. 1)

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EXEMPTION

Pursuant to 49 U.S.C. § 10502(d) and 49 C.F.R. § 1121, Caldwell Railroad Commission (“Caldwell”) hereby seeks partial revocation of the exemption granted by the predecessor of the Surface Transportation Board (“Board”) in 1995, as necessary to permit Caldwell to railbank the 3.91-mile rail line located between milepost 108.79 and milepost 112.7, in Lenoir, North Carolina (“Line”). Revoking the exemption, in part, to permit the railbanking of the Line is consistent with the Rail Transportation Policy of 49 U.S.C. § 10101.

BACKGROUND

By petition filed January 19, 1995, Caldwell County Economic Development Commission (“CCEDC”) sought an exemption under then 49 U.S.C. § 10505 (now Section 10502) from all obligations under 49 U.S.C. Subtitle IV in connection with its purchase of a 22.1-mile rail line from Norfolk Southern Railway Company. In Finance Docket No. 32659, *Caldwell County Economic Development Commission – Exemption From 49 U.S.C. Subtitle IV* (not printed), served August 3, 1995, CCEDC received the requested exemption. The exemption

was made subject to the conditions that CCEDC: (1) notify the Interstate Commerce Commission (“ICC”), now the Board, in advance of any proposed abandonment or discontinuance of service on the Line; (2) submit any environmental or historic data that may be required to permit the ICC to conduct an environmental review of the abandonment or discontinuance; and (3) comply with any conditions that might be found to be required prior to consummation of the abandonment or discontinuance. In 2008, CCEDC changed its name to Caldwell Railroad Commission.

On January 23, 2014, Caldwell filed its environmental and historic reports with the Board. In March 2014, the Caldwell County Pathways, Inc. (“Pathways”), submitted to the Board a request for the issuance of a Notice of Interim Trail Use (“NITU”). Caldwell seeks to have the 1995 exemption revoked in part so that Caldwell can file a notice of exemption under 49 C.F.R. § 1152.50 for the Line and the Board can subsequently issue the NITU requested by Pathways.

DISCUSSION

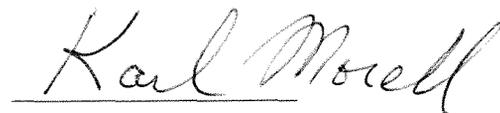
In assessing whether to revoke an exemption, the Board must consider the statutory standard set forth at 49 U.S.C. § 10502(d), which provides that the Board may revoke an exemption, to the extent it specifies, “when it finds that application in whole or in part of a provision of this part to the person, class or transportation is necessary to carry out the transportation policy of § 10101 of this title.”

Revoking the 1995 exemption in part to permit Caldwell to file a notice of exemption to abandon the Line is consistent with the rail transportation policy. Partial revocation will provide for fair and expeditious regulatory decisions. 49 U.S.C. § 10101(2). Partial revocation will also

ensure the development and continuation of a sound rail transportation system (49 U.S.C. § 10101(4)); reduce regulatory barriers to entry into and exist from the industry (49 U.S.C. § 10101(7)); and will provide for the expeditious handling and resolution of all proceeding (49 U.S.C. § 10101(15). Other aspects of the rail transportation policy are not impacted by the partial revocation of the 1995 exemption.

In conclusion, Caldwell respectfully requests the Board to partially revoke the 1995 exemption to permit Caldwell to file a notice of exemption to abandon the Line and provide for the issuance of a NITU.

Respectfully submitted,

A handwritten signature in cursive script that reads "Karl Morell". The signature is written in black ink and is positioned above a thin horizontal line.

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Attorneys for:
Caldwell Railroad Commission

Dated: August 28, 2014