

# CLARK HILL

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February 12, 2016

**VIA E-FILING**

**240114**

Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20024

**ENTERED**  
**Office of Proceedings**  
**February 12, 2016**  
**Part of**  
**Public Record**

Re: Olympia & Belmore Railroad, Inc. -  
Lease and Operation Exemption  
Including Interchange Commitment -  
BNSF Railway Company  
STB Docket No. FD 35999

Dear Ms. Brown:

Enclosed for e-filing on behalf of Olympia & Belmore Railroad, Inc. is a Notice of Exemption filed pursuant to 49 CFR 1150.31.

We are also e-filing with the Notice, as a confidential document, a Confidential Appendix containing the confidential information and documents relating to the interchange commitment required under the regulations. PURSUANT TO 49 C.F.R. 1180.4(g)(4)(i)(B), THESE DOCUMENTS ARE TO BE KEPT CONFIDENTIAL WITHOUT THE NEED FOR THE FILING OF A MOTION FOR PROTECTIVE ORDER UNDER 49 C.F.R. 1104.14(a).

Also enclosed (as a confidential document) is the authorization for payment of the applicable filing fee of \$1,900.

**FILED**  
**February 12, 2016**  
**Surface Transportation Board**

204057228

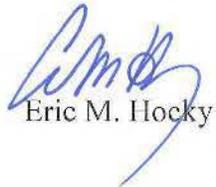
**FEE RECEIVED**  
**February 12, 2016**  
**Surface Transportation Board**

Cynthia T. Brown  
February 12, 2016  
Page 2

Please let me know if there are any questions regarding this filing. Thank you for your assistance.

Respectfully,

CLARK HILL PLC



Eric M. Hocky

EMH/dml  
Encls.

BEFORE THE  
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 35999

OLYMPIA & BELMORE RAILROAD, INC.  
- LEASE AND OPERATION EXEMPTION  
INCLUDING INTERCHANGE COMMITMENT -  
BNSF RAILWAY COMPANY

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VERIFIED NOTICE OF EXEMPTION  
UNDER 49 U.S.C. § 10901

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*(contains color images)*

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Dated: February 12, 2016

Attorneys for  
Olympia & Belmore Railroad, Inc.

STB DOCKET NO. FD 35999

**OLYMPIA & BELMORE RAILROAD, INC.  
- LEASE AND OPERATION EXEMPTION  
WITH INTERCHANGE COMMITMENT -  
BNSF RAILWAY COMPANY**

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**VERIFIED NOTICE OF EXEMPTION  
UNDER 49 U.S.C. § 10901**

This Verified Notice is filed pursuant 49 C.F.R. §1150.31 by Olympia & Belmore Railroad, Inc. ("OBRR"), a non-carrier, to exempt from regulation under 49 U.S.C. §10901, its lease and operation of a line of railroad owned by BNSF Railway Company ("BNSF"), as described more fully below (the "Rail Line"). The total mileage of the Rail Line is approximately 5.50 miles. BNSF will also be assigning OBRR incidental trackage rights as described below. This filing is related to a petition for common control being filed simultaneously with this notice at STB Docket No. FD 36000, *Genesee & Wyoming Inc. – Continuance in Control Exemption – Olympia & Belmore Railroad, Inc.*

**Notice**

In accordance with 49 C.F.R. §1150.33, OBRR hereby provides the following information:

- (a) The full name and address of Applicant: Olympia & Belmore Railroad, Inc., 3220 State Street, Suite 200, Salem, OR 97301.
- (b) The name, address and telephone number of the representative of OBRR who should receive correspondence: Eric M. Hocky, Esquire, Clark Hill, PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.
- (c) OBRR and BNSF have entered into a lease dated February 12, 2016.

(d) The current operator of the Rail Line is Tacoma Municipal Belt Line Railway (“TMBL”). OBRR will be the freight operator of the Rail Line.

(e) Brief Summary of the Proposed Transaction:

OBRR is entering into an agreement with BNSF to lease and operate the Rail Line between Olympia and Belmore, Washington. The Rail Line is currently leased to and operated by TMBL. The current lease expires on March 15, 2016, and TMBL intends to vacate the Rail Line on or before that date. OBRR believes that freight operations over the Rail Line can best be provided by a locally based short line like OBRR, and that OBRR will be able to preserve and grow the freight business served by the Rail Line. OBRR expects to be able to take advantage of efficiencies of having other affiliated railroads operating in the region.

(1) The name and address of the company leasing the Rail Line:  
BNSF Railway Company, 2650 Lou Menk Drive, Fort Worth, TX 76131.

(2) OBRR expects to commence operations on March 16, 2016, more than thirty days after the filing of this Notice of Exemption.

(3) The Rail Line is between Milepost 9.07 near Olympia, WA, and Milepost 14.57 near Belmore, WA. The Rail Line is located in Thurston County, Washington.

BNSF will also be assigning OBRR incidental (a) overhead trackage rights over approximately 7.56 miles of Union Pacific Railroad Company (“UPRR”) track between East Olympia, WA (UP M.P. 0.0, E.S. 0 + 00 = BN M.P. 35.05), and Olympia (M.P. 7.24 E.S. 388 + 54.2), together with approximately 1,428 feet of east leg of wye track at East Olympia connecting BN's main line with UP's branch trackage; former Track No. 8 extension of branch trackage between M.P. 7.24 (E.S. 388.54.2) and M.P. 7.29 (E.S. 2 +68); Track No. 29 between M.P. 6.93 (E.S. 372 +

07.7) and M.P. 7.22; and a UP connecting track to BN trackage at Olympia between a point of switch in Track No. 29 opposite branch track M.P. 7.15 (E.S. 383+87) and a point opposite branch track M.P. 7.20 (E.S. 386 + 33), and (b) joint use of terminal trackage at Olympia, WA.

(4) The total mileage to be acquired and operated is approximately 13.06 miles, plus the terminal trackage.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Line, and the incidental rights being assigned.

(g) OBRR certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.<sup>1</sup>

(h) OBRR certifies that the lease includes an interchange commitment. The following additional information is provided by OBRR with respect to the interchange commitment:

(i) The lease contains an interchange commitment that affects interchange with carriers other than BNSF at the interchange point of East Olympia shown on the map attached as Exhibit A.

(ii) A confidential complete version of the lease that contains the interchange commitment<sup>2</sup> is being submitted under separate cover as part of a Confidential Appendix governed by 49 CFR 1104.14(a).

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<sup>1</sup> OBRR additionally certifies that its projected revenues after the transaction will not exceed \$5,000,000 per year.

<sup>2</sup> Exhibits to the lease that do not relate to or affect the interchange commitment have been omitted.

(iii) A list of the shippers who currently use or who have used the Rail Line in the last two calendar years, and whose traffic is subject to the interchange commitment is attached hereto as Exhibit B.

(iv) The aggregate number of carloads originated or terminated within the last two calendar years by the shippers identified in subparagraph (iii) above is included as part of the Confidential Appendix.

(v) OBRR hereby certifies, as set forth in the certificate of service, that it has provided notice of the proposed transaction and the interchange commitment by serving a copy of this Verified Notice of Exemption on the shippers identified in subparagraph (iii) above.

(vi) UPRR could physically interchange with the Rail Line.

(vii) OBRR does not have the information to estimate the difference between the rent with and without the interchange commitment. Moreover, in connection with the negotiation of the lease, there was no discussion or negotiation of the lease with and without the commitment. Accordingly, OBRR requested an estimate of the difference from BNSF as permitted by the Board. *Information Required in Notices and Petitions Containing Interchange Commitments*, STB Docket No. EP 714 (served September 5, 2013), slip op. at 5-6. A copy of the BNSF response is included in the Confidential Appendix.

(viii) The caption of this proceeding reflects the existence of the existing interchange commitment.

#### **Labor Protection**

Pursuant to 49 U.S.C. §10901(c), approval of this transaction may not be subjected to labor protection conditions.

### **Environmental and Historic Reports**

Pursuant to 49 C.F.R. §1105.6(c)(2)(i), no environmental documentation should be required because this proceeding involves authority for an acquisition under 49 U.S.C. §10901 for continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (e)(5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. OBRR has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

### **Caption Summary**

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R. §1150.34.

### **Conclusion**

Accordingly, OBRR requests that the Board issue a notice allowing the lease to become effective at any time after 30 days from the filing of this Notice of Exemption.

Respectfully submitted,

  
ERIC M. HOCKY  
CLARK HILL PLC  
One Commerce Square  
2005 Market Street, Suite 1000  
Philadelphia, PA 19103  
(215) 640-8500  
[ehocky@clarkhill.com](mailto:ehocky@clarkhill.com)

Dated: February 12, 2016

Attorneys for  
Olympia & Belmore Railroad, Inc.

204044225.2

**VERIFICATION**

I, James Irvin, President of Olympia & Belmore Railroad, Inc., verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on February 12, 2016

  
\_\_\_\_\_  
James Irvin

**EXHIBIT A**

**MAP**



## EXHIBIT B

### LIST OF SHIPPERS

Ancor Pet Packaging  
3045 32<sup>nd</sup> Avenue, SW  
Tumwater, WA 98512

Hancor, Inc  
6001 Belmore St., SW  
Olympia, WA 98512

Kloeckner Metals Corp.  
3215 Cougar Lane  
Tumwater, WA 98508

Mutual Materials  
3150 29<sup>th</sup> St., SW  
Tumwater, WA 98512

Pepsi NW Beverage, LLC  
PO Box 11039  
Olympia, WA 98508-1039

Port of Olympia  
915 Washington Street, NE  
Olympia, WA 98501

**EXHIBIT C**

**CAPTION SUMMARY**

BEFORE THE  
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 35999

**OLYMPIA & BELMORE RAILROAD, INC.  
- LEASE AND OPERATION EXEMPTION  
INCLUDING INTERCHANGE COMMITMENT -  
BNSF RAILWAY COMPANY**

---

Olympia & Belmore Railroad, Inc. ("OBRR"), a non-carrier, has filed a Notice of Exemption to lease from BNSF Railway Company ("BNSF"), and to operate, the line of railroad between Olympia, Washington near Milepost 9.07, and Belmore, Washington near Milepost 14.57. BNSF is also assigning OBRR incidental trackage rights between East Olympia and Olympia, and terminal trackage in Olympia. The total mileage to be acquired and operated is approximately 13.06 miles. This filing is related to a notice of exemption for common control being filed in STB Docket No. FD 36000, *Genesee & Wyoming Inc. – Continuance in Control Exemption – Olympia & Belmore Railroad, Inc.*

Comments must be filed with the Board and served on OBRR's representative, Eric M. Hocky, Esquire, Clark Hill, PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.

The Notice is filed under 49 C.F.R. §1150.31. If the 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 transaction.

CERTIFICATE OF SERVICE

I hereby certify that on this date a copy of the foregoing document was served on the following by U.S. first class mail, postage pre-paid:

Amcor Pet Packaging  
3045 32<sup>nd</sup> Avenue, SW  
Tumwater, WA 98512

Hancor, Inc  
6001 Belmore St., SW  
Olympia, WA 98512

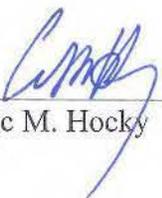
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3150 29<sup>th</sup> St., SW  
Tumwater, WA 98512

Pepsi NW Beverage, LLC  
PO Box 11039  
Olympia, WA 98508-1039

Port of Olympia  
915 Washington Street, NE  
Olympia, WA 98501

Dated: February 12, 2016

  
Eric M. Hocky