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January 20, 2016

Cynthia Brown  
Chief, Section of Administration  
Surface Transportation Board  
Office of Proceedings  
395 E Street, SW  
Washington, DC 20423

Re: Finance Docket No. 35983, Louisiana Southern Railroad,  
L.L.C. -- Lease Exemption Containing Interchange  
Commitment - The Kansas City Southern Railway Company

Dear Ms. Brown:

Attached for filing with the Surface Transportation Board, please  
find the Petition For Waiver of the Notice Requirements of 49 C.F.R.  
1150.42(e).

If you have any questions, please contact me.

Sincerely,



Karl Morell

Enclosure

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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FINANCE DOCKET NO. 35983

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LOUISIANA SOUTHERN RAILROAD, L.L.C.  
--LEASE EXEMPTION  
CONTAINING INTERCHANGE COMMITMENT--  
THE KANSAS CITY SOUTHERN RAILWAY COMPANY

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PETITION FOR WAIVER OF THE NOTICE  
REQUIREMENTS OF 49 C.F.R. § 1150.42(e)

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Attorneys for:  
LOUISIANA SOUTHERN RAILROAD,  
L.L.C.

Dated: January 21, 2016

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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FINANCE DOCKET NO. 35983

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LOUISIANA SOUTHERN RAILROAD, L.L.C.  
--LEASE EXEMPTION  
CONTAINING INTERCHANGE COMMITMENT--  
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PETITION FOR WAIVER OF THE NOTICE  
REQUIREMENTS OF 49 C.F.R. § 1150.42(e)

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Louisiana Southern Railroad, L.L.C. ("LAS"), a Class III rail carrier, hereby petitions the Surface Transportation Board ("Board") to waive the employee notice requirements of 49 C.F.R. § 1150.42(e).

LAS is filing with the Board a notice of exemption under 49 C.F.R. § 1150.41 to permit LAS to continue to lease and operate approximately 165.8 miles of rail lines located in Louisiana from Kansas City Southern Railway Company ("KCS"). The rail lines that will continue to be leased by LAS are located between: (1) a point 1,600 feet south of Highway 80 crossing near Gibsland, Louisiana, and Milepost B-192, near Pineville, Louisiana; (2) on the Sibley Branch, Milepost 83.5 and Milepost 78.8; (3) Milepost 49.6 and Milepost 78.8, and (4) Milepost 78.8 and Milepost B-102, on the Hope

subdivision (the "Lines"). LAS leased the Lines from KCS in 2005 and since that time has been the sole operator over the Lines. See STB Finance Docket No. 34751, *Louisiana Southern Railroad, Inc. – Lease and Operation Exemption – The Kansas City Southern Railway Company* (not printed), served October 7, 2005. In addition, LAS has performed all of the maintenance on the Lines since 2005.

LAS's current revenues exceed \$5 million thus invoking the employee notice requirements of Section 1150.42(e). The purpose underlying the notice requirement, however, would not be thwarted by waiver in this proceeding. The purpose of the notice requirement is to ensure that rail labor unions and employees working on a line being transferred are given adequate notice of the transaction. See *Acq. Of R. Lines Under 49 U.S.C. 10901 & 10902 – Advance Notice*, 2 S.T.B. 592 (1997). In adopting the notice requirement, the Board specifically recognized that "situations may occur necessitating acquirer requests for waiver of the 60-day notice provision...." *Id.* at 601.

Here, labor notice would serve no useful purpose. No KCS employee will be affected by the lease because no KCS employee has performed operations or maintenance on the Lines since 2005. Neither will any LAS employee be affected by the lease because LAS will continue to provide the same service and perform the same maintenance as it has since 2005. Because the transaction will mainly extend the term of the lease agreement

between LAS and KCS, providing advance labor notice would be a futile act. See STB Finance Docket No. 34660, *Georgia Central Railway, L.P. – Acquisition and Operation Exemption – Rail Line of CSX Transportation, Inc.* (not printed), served February 28, 2005; STB Finance Docket No. 34531, *The Indiana Rail Road Company – Acquisition Exemption – Line of Monon Rail Preservation Corporation* (not printed), served November 22, 2004; STB Finance Docket No. 34904, *Dakota, Missouri Valley and Western Railroad, Inc. – Lease and Operation Exemption – Soo Line Railroad Company* (not printed), served July 24, 2006.

In summary, LAS respectfully requests that the Board waive the requirements of 49 C.F.R. § 1150.42(e).

Respectfully submitted,



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Dated: January 21, 2016