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SERVICE DATE – AUGUST 1, 2008

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 35165]

Sierra & Central Pacific Railroad Company, Inc.–Acquisition and Operation Exemption–
Sierra Northern Railway and Sierra Railroad Company

Sierra & Central Pacific Railroad Company, Inc. (SCPRR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Sierra Northern Railway (SNR) and Sierra Railroad Company (SRC) and to operate, pursuant to a Letter of Intent dated March 20, 2008,¹ approximately 80.30 miles of track as follows:

- (1) SRC's rail line between Oakdale, CA, milepost 0.0, and Sonora, CA, milepost 49.0;
- (2) SNR's Woodland Branch, between milepost 1.75 and milepost 16.5, with the right of access through the Union Pacific Railroad Company's (UP) Westgate Yard; (3) SNR's industrial switching operation over approximately 4.50 miles at the Riverbank Arsenal over property leased from the U.S. Government through its agent NI Industries, Inc.; and
- (4) SNR's operation at the Port of Sacramento over track that is leased from the Port of

¹ A redacted version of the Letter of Intent was included with the notice. The full version of the Letter of Intent was concurrently filed under seal along with a motion for protective order. The motion for protective order is being addressed in a separate decision.

Sacramento, with the right of access through UP's Westgate Yard.² All of the lines are currently operated by SNR.

This transaction is related to the concurrently filed verified notice of exemption in STB Finance Docket No. 35166, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.–Continuance in Control Exemption–Sierra & Central Pacific Railroad Company, Inc. In that proceeding, Patriot Rail, LLC and its subsidiaries, Patriot Rail Holdings LLC and Patriot Rail Corp., jointly have filed a verified notice of exemption to continue in control of SCPRR, upon its becoming a rail carrier.

The transaction is scheduled to be consummated on or after August 15, 2008 (30 days after the notice of exemption was filed).

SCPRR certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and will not exceed \$5 million. According to SCPRR, the proposed acquisition and operation does not involve a provision or agreement that may limit future interchange with a third-party connecting carrier.

Pursuant to the Consolidated Appropriations Act, 2008, Pub. L. No. 110-161, § 193, 121 Stat. 1844 (2007), nothing in this decision authorizes the following activities at any solid waste rail transfer facility: collecting, storing or transferring solid waste outside of its original shipping container; or separating or processing solid waste (including baling, crushing, compacting and shredding).

² The 80.38 miles of track that SCPRR is acquiring include spur, side, and yard trackage in addition to the main lines being acquired.

The term “solid waste” is defined in section 1004 of the Solid Waste Disposal Act, 42 U.S.C. 6903.

If the verified 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 effectiveness of the exemption. Petitions to stay must be filed no later than August 8, 2008 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35165, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis F. Gitomer, Esq., 600 Baltimore Avenue, Suite 301, Towson, MD 21204.

Board decisions and notices are available on our website at [“WWW.STB.DOT.GOV.”](http://WWW.STB.DOT.GOV)

Decided: July 25, 2008.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Anne K. Quinlan
Acting Secretary