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SERVICE DATE – MAY 31, 2002

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34185]

Cloquet Terminal Railroad Company, Inc.–Acquisition and Operation Exemption–

Duluth & Northeastern Railroad Company

Cloquet Terminal Railroad Company, Inc. (Cloquet), a noncarrier,<sup>1</sup> has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Duluth & Northeastern Railroad Company (DNRC) and operate the assets currently owned by DNRC, including a line of railroad between milepost 0.0 and milepost 1.24, a distance of 1.24 miles in Cloquet, Carlton County, MN.<sup>2</sup>

Cloquet indicates that it intends to consummate the transaction on or after the effective date of the exemption (7 days after the exemption was filed).<sup>3</sup>

If the verified notice contains false or misleading information, the exemption is void ab

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<sup>1</sup> Cloquet is a wholly owned subsidiary of Northern Holdings LLC (Northern), a noncarrier, which has been or will be renamed Sappi Cloquet LLC. Northern has entered into an Asset Purchase Agreement with Potlatch Corporation, DNRC's owner, pursuant to which Cloquet will acquire and operate the assets of DNRC.

<sup>2</sup> According to Cloquet, there is additional trackage that is industrial or spur trackage serving only an adjacent paper production facility.

<sup>3</sup> Cloquet certifies that its projected annual revenues will not exceed those that would qualify it as a Class III carrier.

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.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34185, must be filed with the Surface Transportation Board, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Diane P. Gerth, Leonard, Street and Deinard, 150 South Fifth St., Suite 2300, Minneapolis, MN 55402.

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

Decided: May 23, 2002.

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

Vernon A. Williams

Secretary