

BEFORE THE  
SURFACE TRANSPORTATION BOARD

ENTERED  
Office of Proceedings  
November 19, 2015  
Part of  
Public Record

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DOCKET NO. FD 35975

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CENTRAL MAINE & QUEBEC RAILWAY US INC.-LEASE AND OPERATE  
EXEMPTION-STATE OF MAINE

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VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41, *et seq.*

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Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou@lgraillaw.com

Attorney for: Central Maine & Quebec  
Railway US Inc.

Dated: November 19, 2015

FEE RECEIVED  
November 19, 2015  
SURFACE  
TRANSPORTATION BOARD

FILED  
November 19, 2015  
SURFACE  
TRANSPORTATION BOARD

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CENTRAL MAINE & QUEBEC RAILWAY US INC.-LEASE AND OPERATE  
EXEMPTION-STATE OF MAINE

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VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41, *et seq.*

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Central Maine & Quebec Railway US Inc. (“CMQ”), a Class III carrier, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart E-Exempt Transactions Under 49 U.S.C. § 10902 for Class III Rail Carriers, with the Surface Transportation Board (the “Board”) for CMQ to operate under a Lease between CMQ and the State of Maine Department of Transportation (“Maine”) (the “Lease Agreement”) over approximately 59.42 miles located in Maine and owned by Maine, consisting of: (1) the Brunswick Yard between the east side of Church Road, milepost CPL 15 and Rock Jct., milepost CPL 17; (2) the Rockland Branch between milepost 29.40 at Brunswick Yard in Brunswick and milepost 85.85 in Rockland; and (3) the Atlantic Branch Line between milepost 85.36 and milepost 86.65 in Rockland (collectively the “Line”). The Line runs through Knox, Lincoln, and Sagadahoc Counties, ME.

Under 49 CFR 1150.41(c), CMQ will replace the Morrystown & Erie Railway, Inc., d/b/a Maine Eastern Railroad (“MER”)<sup>1</sup> as the operator of the Line. CMQ will enter a new lease with Maine for the Line.

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<sup>1</sup> *Morrystown & Erie Railway, Inc.-Lease and Operation Exemption-State of Maine*, Docket No. FD 34403 (served October 23, 2003).

CMQ's annual revenues exceed \$5,000,000. CMQ will remain a Class III rail carrier after consummation of this transaction.

CMQ is filing this notice pursuant to 49 U.S.C. §10902. CMQ provided notice and certification to the Board under the requirements of 49 C.F.R. §1150.42(e) on October 30, 2015.

In support of this Notice of Exemption, CMQ submits the following information as required by 49 C.F.R. §1150.43:

a. Full name and address of applicant:

Central Maine & Quebec Railway US Inc.  
700 Main Street, Suite 3  
Bangor, ME 04401

b. Applicant's Representative:

Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer, LLC  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou@lgraillaw.com

c. Maine, as lessor, and CMQ, as lessee, expect to enter the Lease Agreement in the near future.

d. The operator of the property will be CMQ.

e. Summary of proposed transaction:

1. The name and address of the party leasing the property is:

State of Maine  
Maine Department of Transportation  
16 State House Station  
Augusta, ME 04333-0016

2. The proposed schedule for consummation of the transaction is January 1, 2016.

3. Pursuant to the Lease Agreement between CMQ and the Maine, CMQ will replace

MER as operator of the Line. The Line runs approximately 59.42 miles located in Maine and is

owned by Maine, consisting of: (1) the Brunswick Yard between the east side of Church Road, milepost CPL 15 and Rock Jct., milepost CPL 17; (2) the Rockland Branch between milepost 29.40 at Brunswick Yard in Brunswick and milepost 85.85 in Rockland; and (3) the Atlantic Branch Line between milepost 85.36 and milepost 86.65 in Rockland.

4. CMQ will lease about 59.42 miles of track from the Maine and replace MER as the operator on the Line and all ancillary trackage and property.

f. A map of the Line is attached as Exhibit D. The map is in color and will be the last page of this pleading.

g. A Certificate of Compliance with the provisions of 49 C.F.R. §1150.43(g) is attached as Exhibit A. CMQ's annual revenues exceed \$5,000,000. CMQ will offer up to four positions to MER's employees prior to consummation.

h. Interchange commitments. There are no interchange commitments to Maine or any rail carrier as part of the transaction.

i. A caption summary, as required by 49 C.F.R. §1150.44, is attached as Exhibit B.

j. No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. The proposed transaction is a lease of the Line. Hence, this Notice of Exemption does not require environmental documentation under 49 C.F.R. §1105.6(b)(4) and (c)(2)(i).

k. An historic report is not required because CMQ will operate the Line, will require further Board authorization to discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,



Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou@lgraillaw.com

Attorney for: Central Maine & Quebec  
Railway US Inc.

Dated: November 19, 2015

EXHIBIT A—CERTIFICATE OF COMPLIANCE

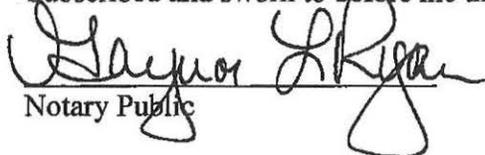
CERTIFICATION

State of Maine                    )  
  )ss:  
County of Penobscot            )

I, Harold D. Tynes being duly sworn depose and state that I am the Chief Financial Officer of the Central Maine & Quebec Railway US Inc., and that the projected annual revenues from the rail operations of the Central Maine & Quebec Railway US Inc., would not exceed those that would make it a Class III carrier under 49 C.F.R. Part 1201(1-1).



Subscribed and sworn to before me this 17 day of November, 2015.

  
Notary Public

(SEAL)

**Gaynor L. Ryan**  
**Notary Public, State of Maine**

My Commission Expires:

~~My Commission Expires June 9, 2022~~

**EXHIBIT B – CAPTION SUMMARY**

**SURFACE TRANSPORTATION BOARD**

**DOCKET NO. FD 35975**

**CENTRAL MAINE & QUEBEC RAILWAY US INC.-LEASE AND OPERATE  
EXEMPTION-STATE OF MAINE**

Central Maine & Quebec Railway US Inc. (“CMQ”) has filed a verified notice of exemption under 49 C.F.R. § 1150.41(c) to change operators under a Lease between the State of Maine Department of Transportation (“Maine”) and CMQ (the “Lease Agreement”) covering approximately 59.42 miles located in Maine and owned by Maine, consisting of: (1) the Brunswick Yard between the east side of Church Road, milepost CPL 15 and Rock Jct., milepost CPL 17; (2) the Rockland Branch between milepost 29.40 at Brunswick Yard in Brunswick and milepost 85.85 in Rockland; and (3) the Atlantic Branch Line between milepost 85.36 and milepost 86.65 in Rockland (collectively the “Line”). The Line runs through Knox, Lincoln, and Sagadahoc Counties, ME.

The transaction is scheduled to be consummated on January 1, 2016.

If the verified notice contains false or misleading information, the exemption is void *ab initio*. Petitions to reopen the proceeding 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 Docket No. FD 35975, 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 E. Gitomer, Esq., Law Offices of Louis E. Gitomer, LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (410) 296-2250, Lou@lgrailaw.com.

Board decisions and notices are available on our website at “[www.stb.dot.gov](http://www.stb.dot.gov).” Decided:

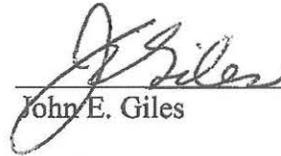
\_\_\_\_\_, 2015.

By the Board, Rachel D. Campbell, Director, Office of Proceedings

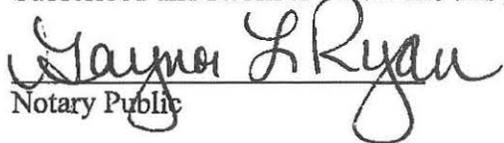
**VERIFICATION**

State of Maine                    )  
  )ss:  
County of Penobscot            )

I, John E. Giles, being duly sworn depose and state that I am the President & Chief Executive Officer of the Central Maine & Quebec Railway US Inc., and that I am authorized to make this verification, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
John E. Giles

Subscribed and sworn to before me this 5<sup>th</sup> day of November 2015

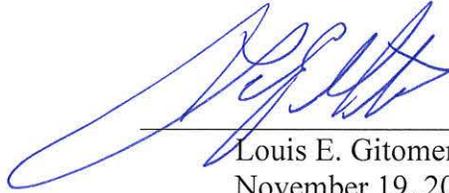
  
\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires: Gaynor L. Ryan  
Notary Public, State of Maine  
**My Commission Expires June 9, 2022**

**EXHIBIT C—CERTIFICATION OF LABOR NOTICE**

On October 29, 2015 CMQ posted the attached Notice at the workplace of employees on the rail line that is the subject of this transaction and on October 30, 2015 filed the attached certification of posting with the Surface Transportation Board.



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Louis E. Gitomer  
November 19, 2015

LAW OFFICES OF  
**LOUIS E. GITOMER, LLC.**

LOUIS E. GITOMER  
Lou@lgraillaw.com

MELANIE B. YASBIN  
Melanie@lgraillaw.com  
410-296-2225

600 BALTIMORE AVENUE, SUITE 301  
TOWSON, MARYLAND 21204-4022  
(410) 296-2250 • (202) 466-6532  
FAX (410) 332-0885

October 30, 2015

Ms. Cynthia T. Brown  
Chief of the Section of Administration, Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D. C. 20423

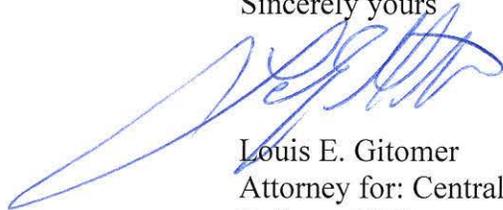
RE: Docket No. FD 359 <sup>75</sup> *Central Maine & Quebec Railway US Inc.-Lease  
and Operate Exemption-State of Maine*

Dear Ms. Brown:

Pursuant to 49 CFR 1150.42(e), Central Maine & Quebec Railway US Inc. ("CMQ") hereby certifies that on October 29, 2015, the attached notice was posted at the workplace of employees in Rockland, ME, and distributed to the employees of the Morristown & Erie Railway, Inc. on the 85.19-mile rail line that CMQ proposes to lease from the State of Maine. None of the employees belong to a union, and therefore, CMQ has not served this notice on the national offices of any of the labor unions.

CMQ is efileing this letter. If you have any questions please call or email me.

Sincerely yours



Louis E. Gitomer  
Attorney for: Central Maine & Quebec  
Railway US Inc.

Attachments

# NOTICE OF INTENT DIRECTED TO EMPLOYEES OF THE MAINE EASTERN RAILROAD

On September 2, 2015, MAINEDOT selected to operate freight service on the Rockland Branch rail line to Central Maine and Quebec Railway US Inc. ("CMQ"). CMQ is currently in the process of filing the required Notice of Exemption with the Surface Transportation Board. CMQ will commence operations on January 1, 2016, subject to receipt of all required U.S. regulatory approvals or agreements between CMQ and MAINEDOT. A map of CMQs' current rail lines is attached as Exhibit A. A map of Maine Eastern Railroad ("MER") rail lines is attached as Exhibit B.

Pursuant to the STB's regulations at 49 C.F.R. § 1150.32 (e), CMQ is providing this notice to current MER employees to inform them of employment opportunities that will be available when CMQ commences operations. CMQ hopes to staff its operations primarily with current MER employees. While the precise number of positions available has not been finally determined, CMQ expects that the total number of employees hired at the commencement of operations will be less than the number of persons currently in active service on MER. Exhibit C sets forth CMQ's estimate of the number (and types) of positions that it expects to offer.

CMQ is an equal opportunity employer. CMQ employees will be selected based upon their experience and suitability for the particular position(s) offered. Wages offered to prospective CMQ employees will be commensurate with their experience. Benefits will be consistent with those currently provided to CMQ employees, including railroad retirement, medical insurance, customary railroad holidays, vacation time and other benefits.

Current MER employees are encouraged to apply for employment with CMQ. Your application should include a cover letter specifying the position(s) for which you are applying, and a current resume that identifies all positions held during the last five years and any other prior rail industry experience. Cover letters and resumes should be sent by regular mail to: Ms. Gaynor Ryan, Chief Administration Officer, 700 Main Street, Suite 3, Bangor, Maine 04401, or by electronic mail to: [gaynor.ryan@cmqrailway.com](mailto:gaynor.ryan@cmqrailway.com). Successful applicants will be required to pass a standard background check and pre-employment drug and alcohol screening, complete a medical questionnaire, and take a physical examination.

Any MER employee interested in obtaining more information regarding employment opportunities with CMQ should contact Ms. Gaynor Ryan, Chief Administration Officer, 700 Main Street, Suite 3, Bangor, Maine 04401, or by

electronic mail to: [gaynor.ryan@cmqrailway.com](mailto:gaynor.ryan@cmqrailway.com). CMQ looks forward to working with you as it begins its operations.

CENTRAL MAINE & QUEBEC RAILWAY  
COMPANY US INC.



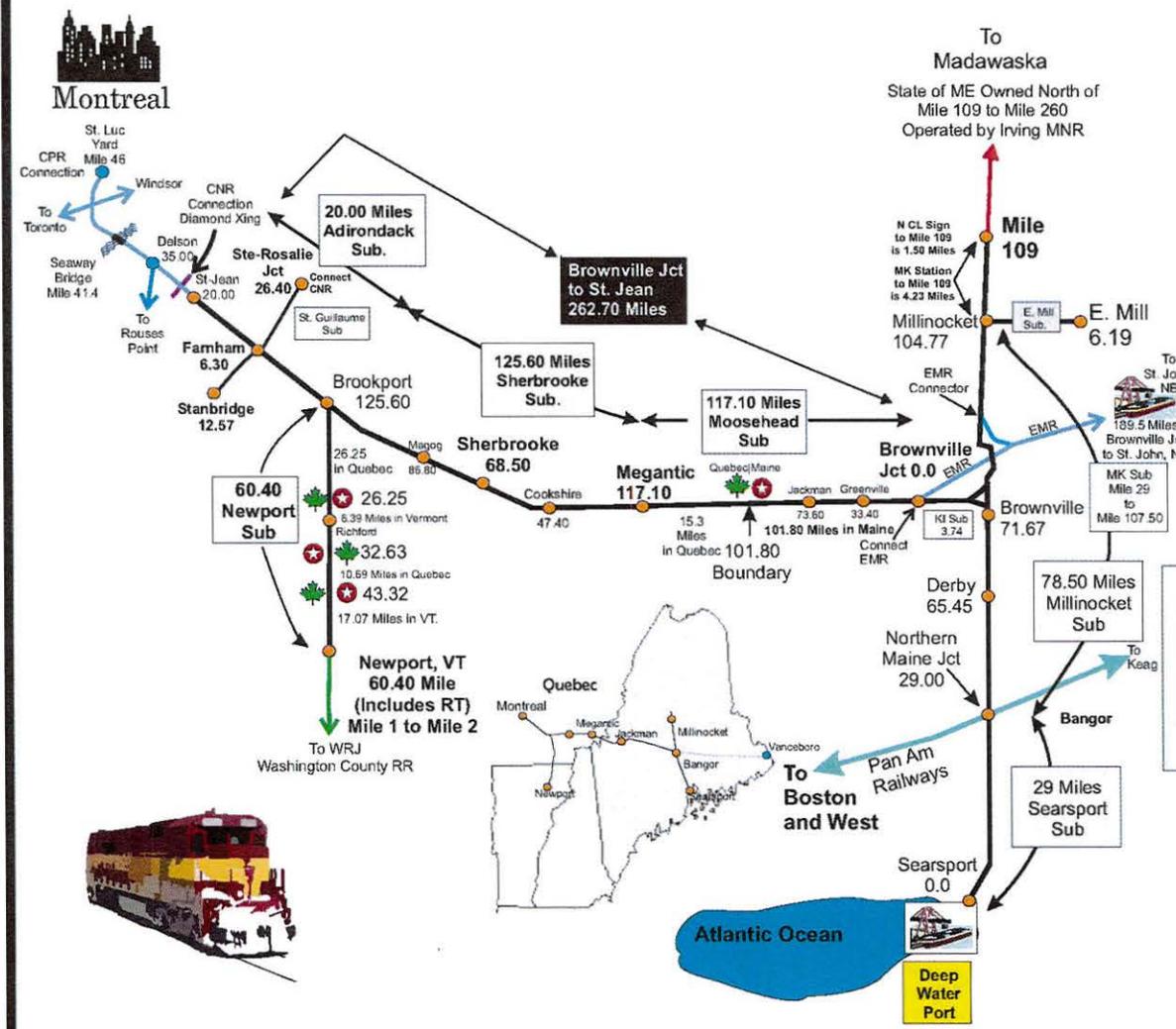
By: \_\_\_\_\_  
John E. Giles  
Chief Executive Officer and Secretary

Dated: October 29, 2015

# Central Maine & Quebec Railway Mileage Information

Map Not to Scale

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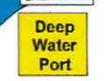


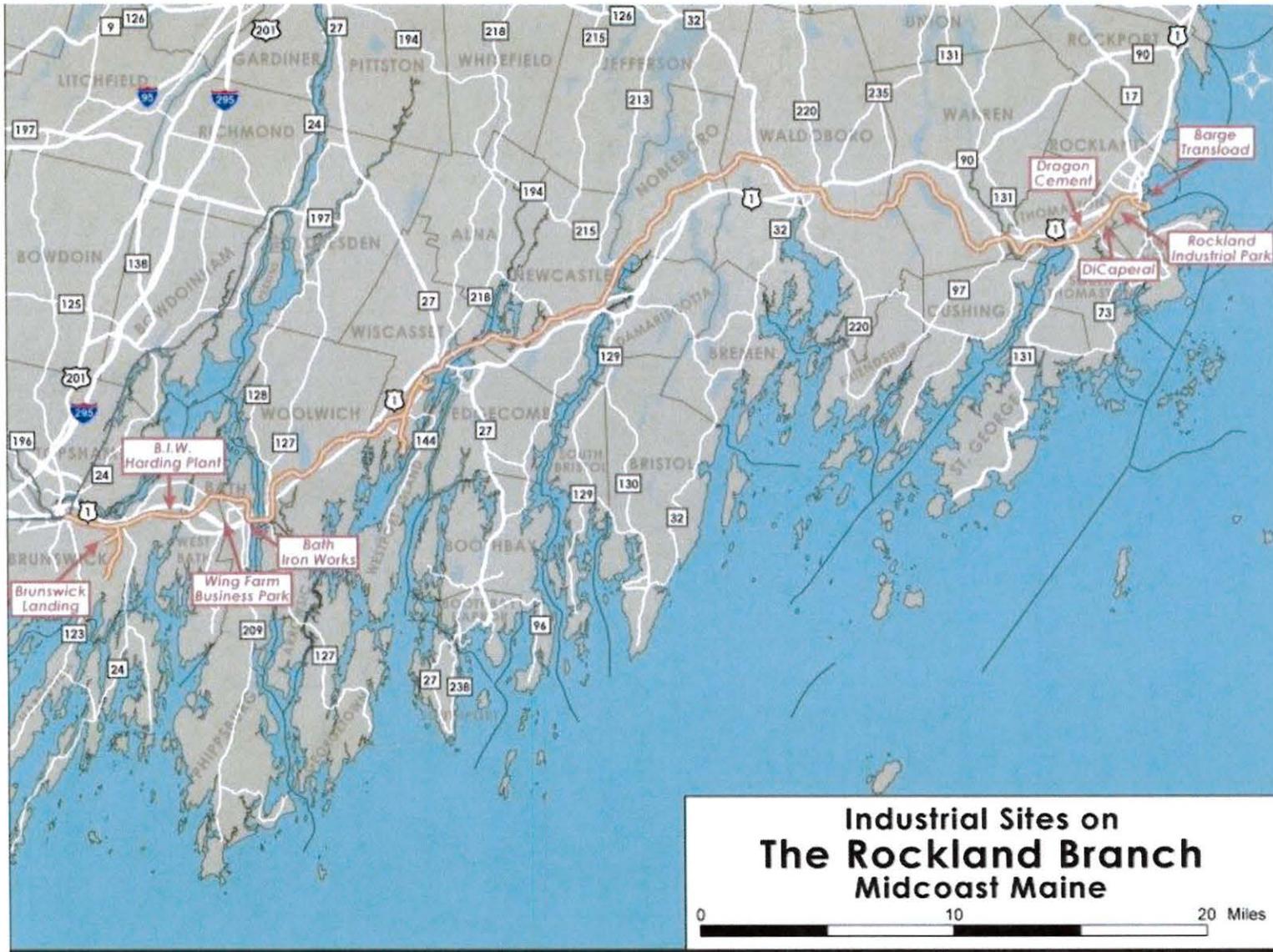
<b>Maine</b>	<b>220.73</b>
<b>Quebec</b>	<b>236.81</b>
<b>Vermont</b>	<b>23.47</b>
<b>Total</b>	<b>481.01</b>

Distances in Miles	
Brownville Jct to St. John	189.50
Millinocket to St. Jean	299.54
Millinocket to Montreal	325.54
Millinocket to Brownville Jct	36.84
Searsport to St. Jean	338.11
Searsport to Montreal	364.11
NMJ to St. Jean	309.11
<u>Brownville Jct to St. Jean</u>	<u>262.70</u>
Sherbrooke to St. Jean	77.10
Famham to St. Jean	20.00
Newport to St. Jean	80.40

Sub Mileages			
Adirondack	20.00	KI	3.74
Stanbridge	12.57	Searsport	29.00
Ste-Rosalie	26.40	Millinocket	78.50
Sherbrooke	125.60	E. Millinocket	6.19
Newport	60.40	Madawaska	1.50
Moosehead	117.10		

EXHIBIT A  
 CMQ RAIL MAP





MERRAIL MAP

EXHIBIT B

**EXHIBIT C**  
**JOB LISTING**

Engineering

~ Track Foreman

~ Signal Maintainer

Transportation

~ Engineer

~ Conductor

**STATEMENT OF SERVICE**

STATE OF MAINE

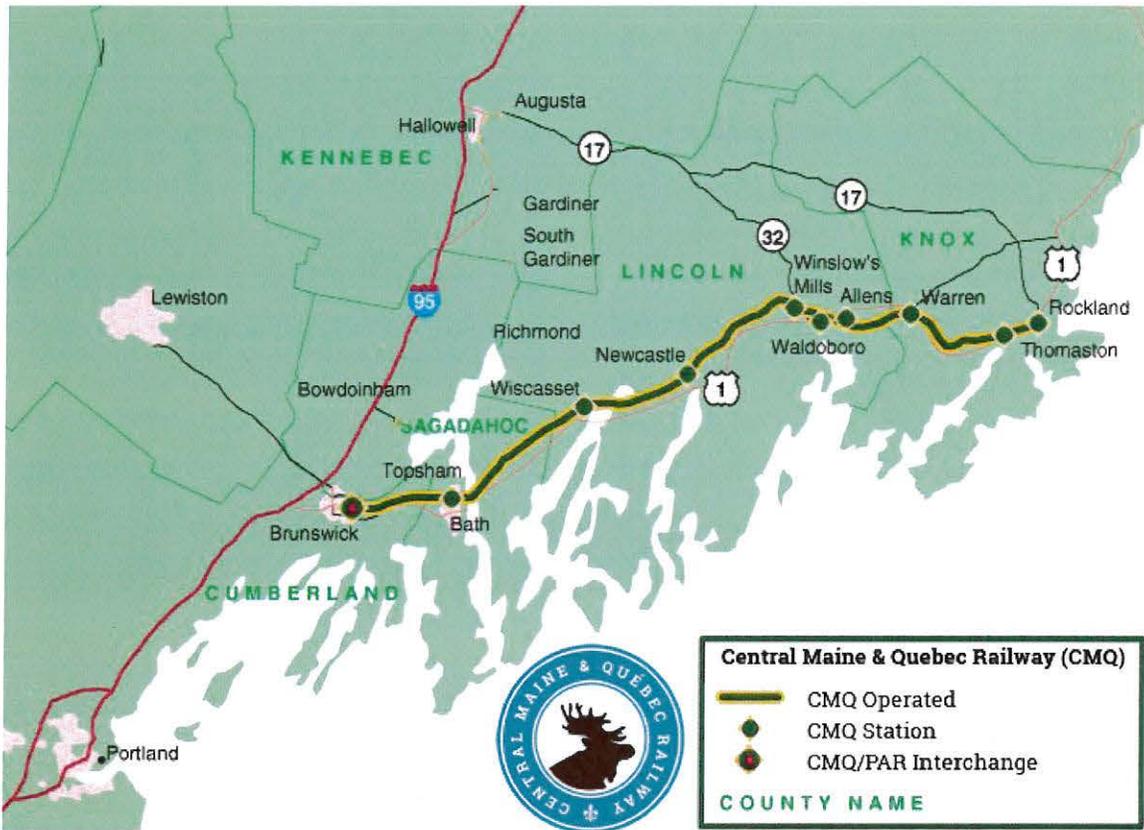
COUNTY OF KNOX

I, **Gaynor L. Ryan** certify that I personally distributed the Central Maine & Quebec Railway Notice of Intent Directed to Employees to the eight full time employees of Maine Eastern Railroad on Thursday, October 29, 2015.

Dated at Bangor, Maine this 29th day of October, 2015.

  
Gaynor L. Ryan  
Chief Administration Officer  
Central Maine & Quebec Railway

## EXHIBIT D—MAP



### Rockland Branch

Station	Milepost
Brunswick	30.0
Bath	37.9
Wiscasset	49.3
Newcastle	N/A
Winslows Mills	N/A
Waldoboro	67.7
Allens	N/A
Warren	74.4
Thomaston	81.8
Rockland	85.0

**Central Maine & Quebec Railway**  
 700 Main Street, Suite #3  
 Bangor, Maine 04401  
 Phone: (207)848-4200