

January 7, 2015

JOHN D. HEFFNER
(202) 742-8607
Direct Fax (202) 742-8697
John.Heffner@strasburger.com

VIA COURIER

237405

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.,
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings
January 7, 2015
Part of
Public Record



**RE: Motive Rail, Inc. d/b/a Missouri North Central Railroad-Operation
Exemption-Sault Ste. Marie Bridge Company**

Dear Ms. Brown:

I am enclosing for filing in the above-captioned proceeding an original and ten copies of a verified notice of exemption under 49 U.S.C. §10902 and 49 CFR §1150.41. Also I am submitting a copy of this filing on a computer disk as well as a filing fee check payable to the Board for \$1800.

Please date stamp and return one copy of this filing for our records.

FILED
January 7, 2015
Surface Transportation Board

Sincerely yours,


John D. Heffner

Enclosures

cc: Mr. Luke Respondek
Thomas Healey, Esq.
St. John Daugherty, Esq.

FEE RECEIVED
January 7, 2015
Surface Transportation Board

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 35894

**MOTIVE RAIL, INC.
d/b/a MISSOURI NORTH CENTRAL RAILROAD
—OPERATION EXEMPTION—
SAULT STE. MARIE BRIDGE COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. §10902 and 49 CFR §1150.41**

Submitted By:

John D. Heffner
Strasburger & Price, LLP
1025 Connecticut Avenue, N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Counsel for Petitioner

Dated: January 7, 2015

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 35894

**MOTIVE RAIL, INC.
d/b/a MISSOURI NORTH CENTRAL RAILROAD
—OPERATION EXEMPTION—
SAULT STE. MARIE BRIDGE COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. §10902 and 49 CFR §1150.41**

Motive Rail, Inc., d/b/a Missouri North Central Railroad (“MNCR”), an existing Class III short line railroad, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D – Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit it to operate pursuant to a track lease and an operating agreement, both of which are currently under negotiation and are expected to be finalized shortly, approximately 9,504 lineal feet of track (“the Line”) presently owned by the Sault Ste. Marie Bridge Company (“SSMBC”). The Line extends between MP 24.5 and MP 22.7 in Quinnesec, MI. A map illustrating the Line is attached as Exhibit A.

INFORMATION REQUIRED BY 49 CFR §1150.43

Name and Address of Applicant

49 CFR §1150.43(a)

Motive Rail, Inc.
937 N. Cape Rock Drive,
Cape Girardeau, MO 63701

Applicant's Representative

49 CFR §1150.43(b)

John D. Heffner
Strasburger & Price, LLP
1025 Connecticut Ave., N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Statement of Agreement

49 CFR §1150.43(c)

MNCR is negotiating the terms of a track lease and an operating agreement with SSMBC to provide common carrier rail service over the Line. MNCR anticipates that these agreements will be executed shortly.

Operator of the Property

49 CFR §1150.43(d)

MNCR will provide common carrier railroad service on the Line to replace a local switching service that SSMBC presently provides. While MNCR's agreement with SSMBC provides it with a nonexclusive agreement to provide common carrier rail operations over the Line, SSMBC will also retain the right to provide service over it. The two entities will coordinate their operations as necessary pursuant to the terms of the operating agreement.

Brief Summary of Transaction

49 CFR §1150.43(e)

MNCR is an existing Class III common carrier short line railroad that holds authority from the Board to operate about 7.75 miles of track in northern Missouri.¹ MNCR is owned by Motive Rail, Inc., which provides railroad switching services under contract for numerous clients including port authorities, industrial parks, and railroad shippers in Missouri, Indiana, and Kentucky. MNCR will move rail cars between two shippers in Quinnesec, Gunville Warehouse and Verso Paper Corp., replacing service presently provided by SSMBC.

Other information required

(1) Name and address for the party transferring the subject property:

SSMBC's address is:

17641 South Ashland Avenue,
Homewood, IL 60430-1345

The proposed time schedule for consummation of the transaction:

¹ *Motive Rail, Inc. d/b/a Missouri North Central Railroad—Lease Exemption—The City of Chillicothe, MO*, FD 34500 (STB served May 13, 2004). Pursuant to a decision served February 23, 2007, MNCR discontinued service between MP 188.7 and MP 226.0 on that line, leaving just 7.75 miles of operating railroad. See, *Motive Rail, Inc. d/b/a Missouri North Central Railroad—Discontinuance Exemption—in Livingston, Linn, and Chariton Counties, MO*, STB Docket No. AB-993X.

MNCR intends to consummate this transaction 30 days from the date of this notice, probably around early to mid-February 2015.

The mileposts of the subject property, including any branch lines:

The Line extends between MP 24.5 and MP 22.7 in Quinnesec, MI, a distance of 9,504 lineal feet.

Map 49 CFR §1150.43(f)

A map depicting the railroad trackage to be operated is attached as Exhibit A.

Certificate of Carrier Classification 49 CFR §1150.43(g)

MNCR certifies that with this transaction its projected annual revenues will be less than \$5,000,000. A certificate complying with the provisions of 49 CFR §1150.43(g) is attached as Exhibit B to this notice.

Transactions Imposing Interchange Commitments 49 CFR §1150.43(h)

Not applicable. There are no agreements applicable to the Line imposing any interchange commitments.

Labor Protection

Labor protective conditions are not applicable to transactions under 49 U.S.C. §10902.

Caption Summary 49 CFR §1150.44

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data 49 CFR §1105

Pursuant to 49 CFR §1105.6(c) (2), the proposed transaction is exempt from environmental review under 49 CFR §1105(c) (2) (i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 49 CFR §1105.7(e) (4) or (5).

In addition, this transaction is exempt from historic review under 49 CFR §1105.8(b) (1). Under this section, a sale, lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Submitted By:



John D. Helfner

Strasburger & Price, LLP
1025 Connecticut Avenue, N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Counsel for Petitioner

Dated: January 7, 2015

Exhibit B

Certification

I, Jay Rosanvick, certify that I am Vice President (state position) of Motive Rail, Inc (name of carrier) and that applicant's projected revenues will not exceed \$5 million annually and will not result in the applicant becoming a Class I or Class II carrier under the provisions of 49 CFR 1201(1-1).

Dated: 12-10, 2014

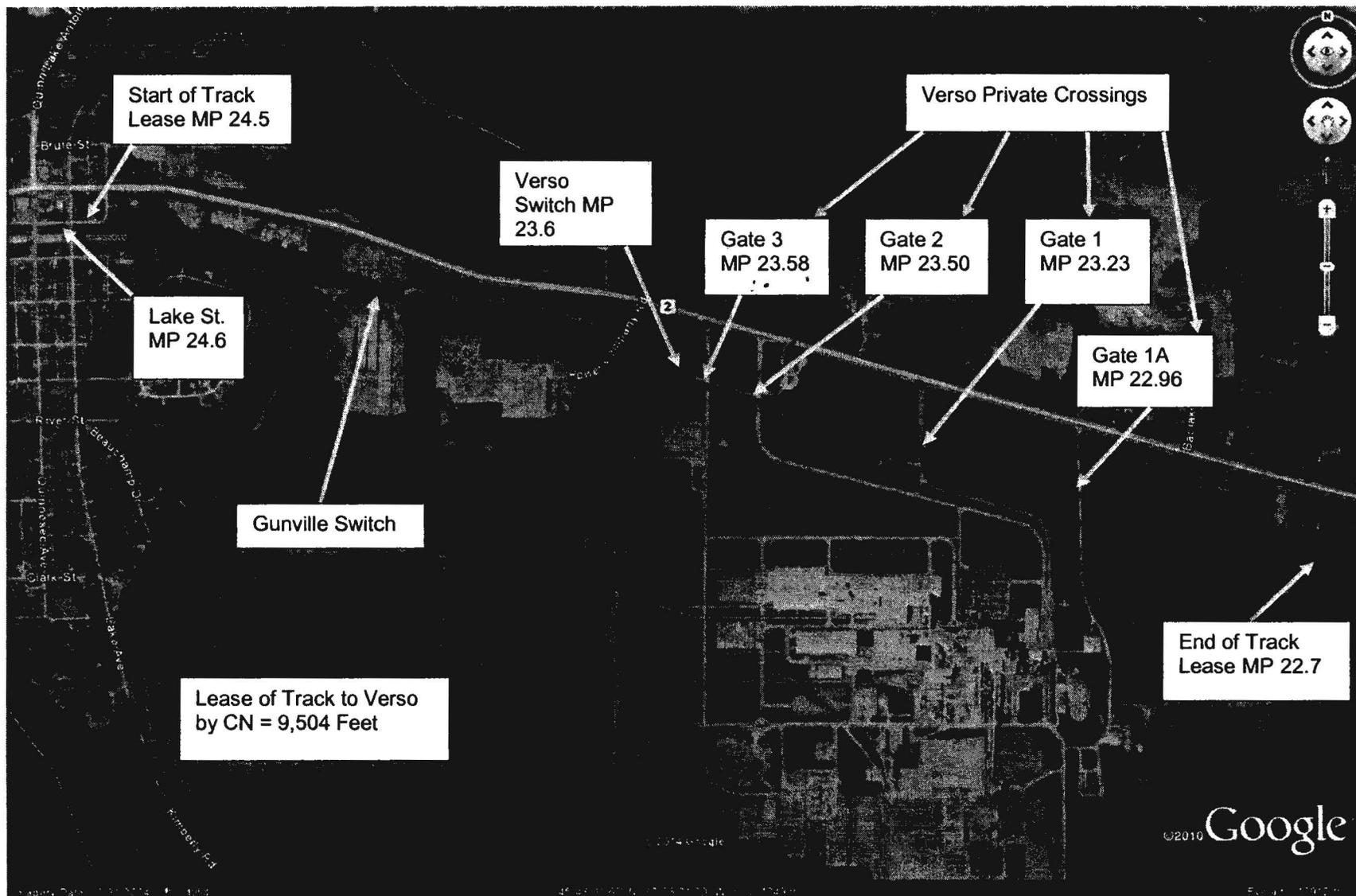
Signature



Exhibit A

DESCRIPTION OF TRACK

That section of CN's rail track in Quinnesec, Michigan, that starts at Milepost 24.5 east of the Lake Street track crossing and ends at Milepost 22.7 east of Verso's Gate 1A track crossing as shown on the track exhibit below.



MICHIGAN'S RAILROAD SYSTEM

Quilmesec, MI.

RAILROADS OPERATING IN MICHIGAN

CLASS I RAILROADS

- CN Canadian National Railway
- CSX CSX Transportation
- NS Norfolk Southern Railway
- CR Consolidated Rail Corporation (Owned by CSX and NS)

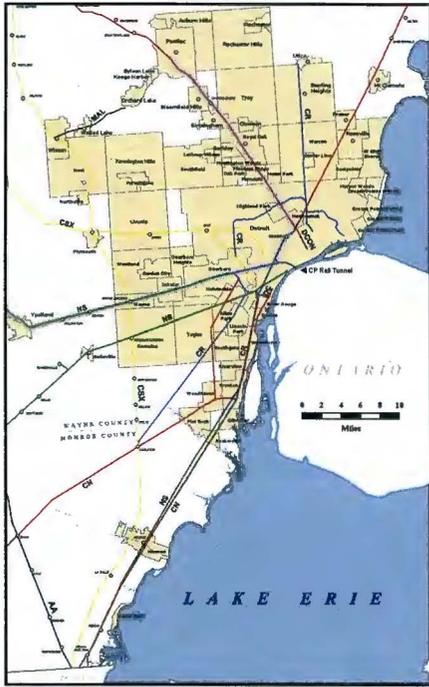
Note: A Class I railroad is one with annual operating revenue greater than \$256 million.

OTHER RAILROADS

- ADBF Adrien & Blinfield Railroad
- AMTK Amtrak (National Railroad Passenger Corporation)
- AA Ann Arbor Railroad
- CP Canadian Pacific Railway*
- CHS Charlotte Southern Railroad
- DC Delray Connecting Railroad
- DCON Detroit Connecting Railroad
- ELS Escanaba & Lake Superior Railroad
- ORE Onond Rapids Eastern Railroad
- OLC Onond Lakes Central Railroad
- HE Huron & Eastern Railway
- IN Indiana Northwestern Railroad
- IO Indiana & Ohio Railroad
- LS Lake State Railway
- LSI Lake Superior & Ishpeming Railroad
- LIRR Lapeer Industrial Railroad
- MQT Marquette Rail
- MAL Michigan Air-Line Railway
- MS Michigan Shore Railroad
- MSO Michigan Southern Railroad
- M&M Mid-Michigan Railroad
- SBS Saginaw Bay Southern
- WMI West Michigan Railroad
- Intercity Passenger Rail Service (Amtrak)

* Canadian Pacific is a Class I railroad but owns limited track in Michigan.

DETROIT AREA INSET



Produced by
Michigan Center for Geographic Information
Department of Information Technology
January 2007
www.michigan.gov/gi
Ph: (517) 373-7910



EXHIBIT C

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 35894

**MOTIVE RAIL, INC.
d/b/a MISSOURI NORTH CENTRAL RAILROAD
—OPERATION EXEMPTION—
SAULT STE. MARIE BRIDGE COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. §10902 and 49 CFR §1150.41**

Motive Rail, Inc., d/b/a Missouri North Central Railroad (“MNCR”), an existing Class III short line railroad, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D – Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit it to operate pursuant to a track lease and an operating agreement approximately 9,504 lineal feet of track (“the Line”) presently owned by the Sault Ste. Marie Bridge Company (“SSMBC”). The Line extends between MP 24.5 and MP 22.7 in Quinnesec, MI.

MNCR certifies that its projected annual revenues as a result of this transaction would not exceed those that would qualify it as a Class III rail carrier and further certifies that its projected annual revenues will not exceed \$5 million. 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 for stay must be filed no later than January 30, 2015 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to FD 35894, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423 0001. In addition, one copy of each pleading must be served on John D. Heffner, Esq., Strasburger & Price, 1025 Connecticut Ave., N.W. – Suite 717, Washington, D.C. 20036, Telephone: (202) 742-8607, counsel for MNCR, and Thomas Healey, Esq., counsel for SSMBC, 17641 South Ashland Avenue, Homewood, IL 60430-1345.

Board decisions and notices are available on our website at
WWW.STB.DOT.GOV.

Decided:

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

VERIFICATION

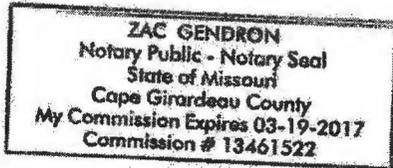
STATE OF Missouri)

CITY OF Cape Girardeau)

Jay Respondek, being duly sworn according to law, hereby deposes and states that (s)he holds the position of Vice President with applicant/petitioner, is authorized to make this Verification, had read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of (her)his knowledge, information, and belief.

Jay Respondek

Subscribed to and sworn to before me, a Notary Public, in and for the County of Cape Girardeau in the State of MO, this 10 day of December.



Zac Gendron
Notary Public

My Commission expires: 3/19/2017