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VIA ELECTRONIC FILING

Hon. Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street SW
Washington, DC 20024

December 17, 2008

Re: U S RAIL Corporation – Lease and Operation Exemption –
Winamac Southern Railway Company and Kokomo Grain Co., Inc.
STB Docket No. 35205
Corrected Notice of Exemption

Dear Secretary Quinlan:

U S RAIL Corporation has been advised of several errors in the Notice of Exemption that was filed with the Board on December 5, 2008. We are filing together with this letter a Corrected Notice of Exemption. The corrections include the elimination of a request to operate over the Marion Belt Line, and accordingly changes to the designated points of connection. We are also correcting an error in the mileposts of the incidental trackage rights described in the Notice of Exemption filed with the Board, as well as other typographical errors. For the Board's benefit we are enclosing both a "clean" Corrected Notice, as well as copy which shows the changes from the original Notice.

Because the nature of the transaction has not changed with the elimination of one segment and the change in mileposts, US Rail requests that the exemption continue to become effective 30 days after the original Notice was filed.

Please let us know if you have any questions. Thank you for making the corrections in the record.

Pittsburgh

Philadelphia

Princeton

Wheeling

Respectfully,

Eric M. Hocky

EMH/e

Enclosures
cc (by email; w/encls.):
Gabriel D. Hall
Tom McFarland, Esq.

Thorp Reed & Armstrong, LLP
One Commerce Square
2005 Market Street
Suite 1910
Philadelphia, PA 19103
215 640 8500
215 640 8501 Fax

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 35205

U S RAIL CORPORATION

- LEASE AND OPERATION EXEMPTION -

WINAMAC SOUTHERN RAILWAY COMPANY AND KOKOMO GRAIN CO., INC.

**CORRECTED
VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41, et seq.**

**ERIC M. HOCKY
THORP REED & ARMSTRONG, LLP
One Commerce Square
2005 Market Street, Suite 1910
Philadelphia, PA 19103
(215) 640-5000**

Dated: December 17, 2008

Attorneys for U S RAIL Corporation

STB FINANCE DOCKET NO. 35205

**U S RAIL CORPORATION
- LEASE AND OPERATION EXEMPTION -
WINAMAC SOUTHERN RAILWAY COMPANY AND KOKOMO GRAIN CO., INC.**

**CORRECTED
VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41, et seq.**

This Corrected Verified Notice is filed to correct certain errors contained in the Verified Notice of Exemption filed on December 5, 2008, pursuant to 49 C.F.R. §1150.41 by U S RAIL Corporation ("US RAIL"), a Class III carrier, to exempt from regulation under 49 U.S.C. §10902, its lease and operation of the lines of railroad (the "Rail Lines") described on Exhibit A and shown on the map attached as Exhibit B. The Rail Lines are currently owned by Winamac Southern Railway Company ("WSRY") and Kokomo Grain Co., Inc. ("Kokomo Grain"), and operated by Central Railroad Company of Indianapolis ("CERA"). The total mileage of the Rail Lines is approximately 58.89 miles. Pursuant to the lease, US RAIL will also be obtaining incidental trackage rights over 3.0 miles of Toledo, Peoria & Western Railway Corp. ("TPW").

Notice

In accordance with 49 C.F.R. §1150.43, US RAIL hereby states as follows:

- (a) The full name and address of Applicant: U S RAIL Corporation, 7846 Central Ave., Toledo, Ohio 43617.
- (b) The name, address and telephone number of the representative of US RAIL who should receive correspondence: Eric M. Hocky, Esquire, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1910, Philadelphia, PA 19103; (215) 640-5000.

(c) US RAIL has entered into a lease agreement with WSR Y and Kokomo Grain to cover operation of the Rail Lines. Under the lease, US RAIL has authority to operate over the Rail Lines as of January 1, 2009. US RAIL will not commence operations until the authority sought hereunder becoming effective. Pursuant to the lease, US RAIL will also be obtaining incidental trackage rights over TPW that will connect portions of the Rail Lines.

(d) US RAIL will be the operator of the Rail Lines.

(e) Brief Summary of the Proposed Transaction:

The Rail Lines are currently operated by CERA. That arrangement, as extended, expires as of December 31, 2008. WSR Y and Kokomo Grain decided not to extend the arrangement with CERA further, and to find a new operator. WSR Y and Kokomo Grain selected US RAIL as the new operator. WSR Y and Kokomo Grain have sent a notice to CERA requesting that it stop operating the Rail Lines after December 31, 2008. WSR Y and Kokomo Grain have negotiated a lease that will allow US RAIL to commence operations as of January 1, 2009, subject to US RAIL obtaining operating authority for the Rail Lines.

(1) The names and address of the owners of the Rail Lines who have granted US RAIL operating rights: Winamac Southern Railway Company and Kokomo Grain Co, Inc., 1002 West Morgan Street, PO Box 745, Kokomo, IN 46903-0745.

The current operator is Central Railroad Company of Indianapolis, 1990 East Washington Street, East Peoria, IL 61611. Its operation of the Rail Lines, as extended expires on December 31, 2008.

(2) US RAIL expects to commence operations on or after January 5, 2009, thirty days after the filing of the original Notice of Exemption.

(3) Milepost descriptions of the Rail Lines are shown on Exhibit A attached hereto. Mileposts for the incidental trackage rights are also shown on Exhibit A. All of the lines are located in Indiana.

(4) The total mileage to be leased and operated is approximately 61.89 miles – the Rail Lines total approximately 58.89 miles, and the incidental trackage rights are approximately 3.0 miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Lines, and the incidental trackage rights.

(g) US RAIL certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.¹

(h) The Rail Lines connect with lines of Norfolk Southern Railway (“NSR”) at Marion Goodman Yard and Clymers, with TPW at Logansport, and with CERA at Kokomo. US RAIL is not aware of any existing interchange commitments with any of the connecting carriers, and does not contemplate that any will be required as part of this transaction. US RAIL will be meeting with the various connecting carriers to confirm interchange arrangements; currently, there are no interchange arrangements with NSR at Clymers.

Environmental and Historic Reports

Pursuant to 49 C.F.R. §1105.6(c)(2)(i), no environmental documentation should be required because this proceeding involves authority for an acquisition under 49 U.S.C. §10902 for

¹ US RAIL additionally certifies that its projected revenues after the transaction will not exceed \$5,000,000 per year.

continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (e)(5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. US RAIL has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Labor Protection

Pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions.

Caption Summary

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R. §1150.44.

Respectfully submitted,



ERIC M. HOCKY
THORP REED & ARMSTRONG, LLP
One Commerce Square
2005 Market Street, Suite 1910
Philadelphia, PA 19103
(215) 640-5000

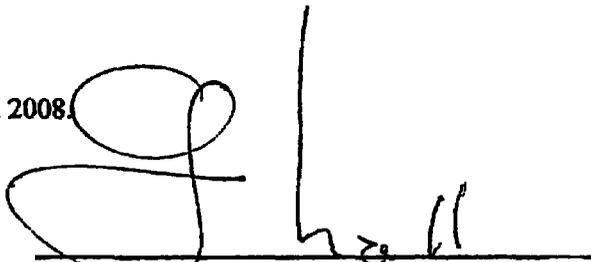
Dated: December 17, 2008

Attorneys for U S RAIL Corporation

VERIFICATION

I, Gabriel D. Hall, President of U S RAIL Corporation, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on December 17, 2008.



Gabriel D. Hall

DESCRIPTION OF RAIL LINES

EXHIBIT A

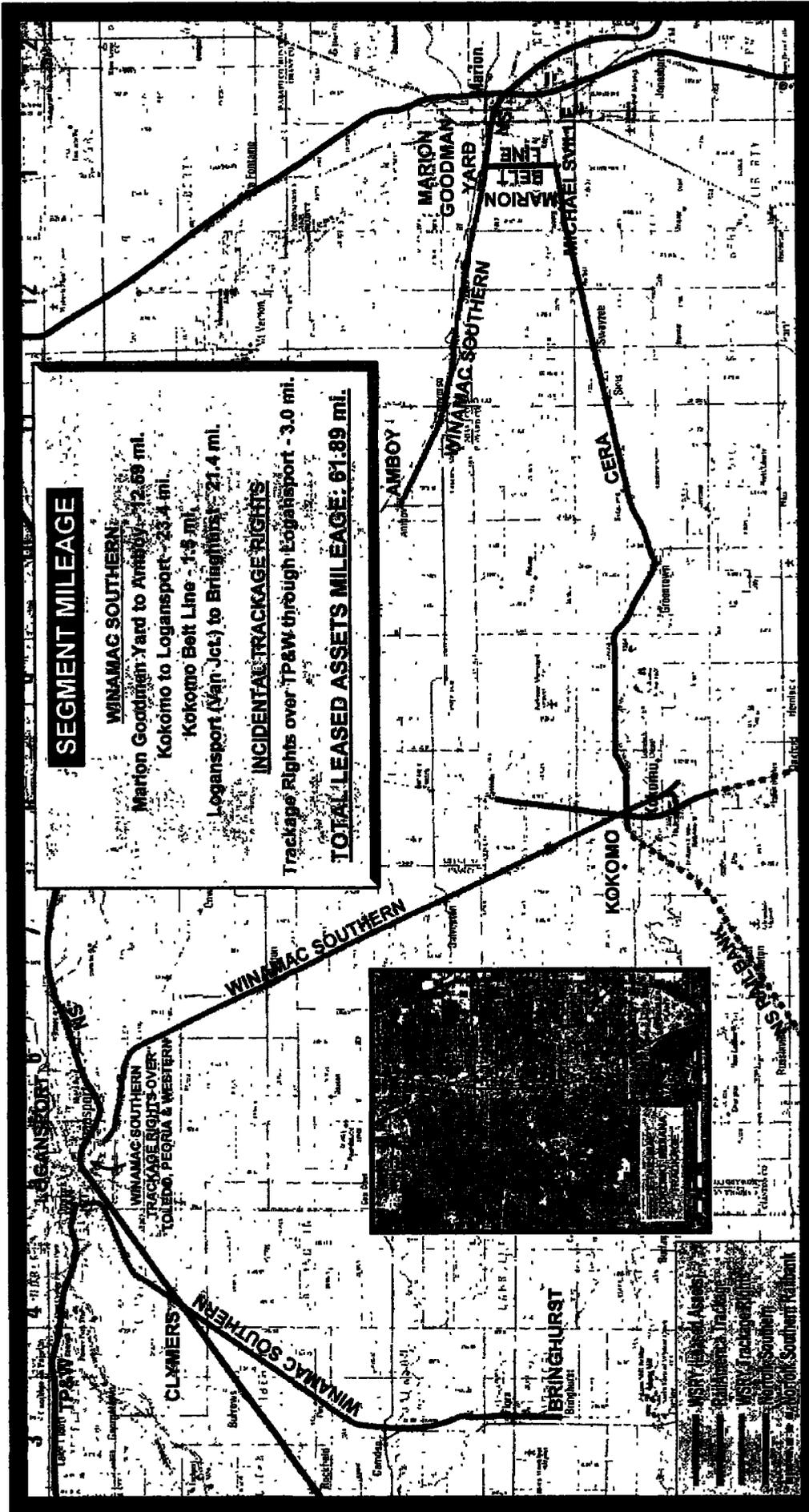
**Winamac Southern Railway Company and
Kokomo Grain Co., Inc. Mileage**

Indiana

			M.P.
Bringham Line			
Bringham	M.P.		50.1
Van Jct. (Logansport)	M.P.		71.5
Total Mileage Bringham Line			21.4
Kokomo Line			
Eighteenth St. Yard (Logansport)	M.P.		74.5
Kokomo	M.P.		97.9
Total Mileage Kokomo Line			23.4
Kokomo Belt Line			
E. Markland Ave. (Kokomo)	M.P.		0.0
S. Union St. (Kokomo)	M.P.		1.5
Total Mileage Kokomo Belt Line			1.5
Amboy Line			
Amboy	M.P.		147.07
Marion	M.P.		134.48±
Total Mileage Amboy Line			12.59
TP&W Incidental Trackage Rights			
Van Jct. (Logansport)	M.P.		71.5
Eighteenth St. Yard (Logansport)	M.P.		74.5
Total Mileage TP&W Incidental Trackage Rights			3.0
TOTAL MILEAGE			61.89

MAP

EXHIBIT B



[Redacted]

EXHIBIT 1

CAPTION SUMMARY

EXHIBIT C

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 35205

**U S RAIL CORPORATION
- LEASE AND OPERATION EXEMPTION -
WINAMAC SOUTHERN RAILWAY COMPANY AND KOKOMO GRAIN CO., INC.**

U S RAIL Corporation ("US RAIL"), a Class III carrier, has filed a Notice of Exemption to lease from Winamac Southern Railway Company and Kokomo Grain Co., Inc., and to operate, the following rail lines in Indiana: (a) between M.P. 50.1 at Bringhurst and MP 71.5 at Van Jct. (Logansport); (b) between M.P. 74.5 at Eighteenth St. Yard (Logansport) and M.P. 97.9 at Kokomo; (c) between M.P. 0.0 at E. Markland Ave. (Kokomo) and M.P. 1.5 at Union St. (Kokomo); and (d) between M.P. 147.07 at Amboy, and M.P. 134.48 ± at Marion. The total mileage to be acquired and operated is approximately 58.89 miles. The rail lines are currently operated by Central Railroad of Indianapolis under a lease, as extended, that is scheduled to expire as of December 31, 2008. Pursuant to the lease, US RAIL will also be obtaining incidental trackage rights over the 3.0 mile line of Toledo, Peoria & Western Railway Corp. between M.P. 71.5 at Van Jct. (Logansport) and M.P. 74.5 at Eighteenth St. Yard (Logansport).

Comments must be filed with the Board and served on US RAIL's representative, Eric M. Hocky, Esquire, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1910, Philadelphia, PA 19103; (215) 640-5000.

The Notice is filed under 49 C.F.R. §1150.41. If the 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 transaction.

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35205

U S RAIL CORPORATION

- LEASE AND OPERATION EXEMPTION -

WINAMAC SOUTHERN RAILWAY COMPANY AND KOKOMO GRAIN CO., INC.

CORRECTED

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

ERIC M. HOCKY
THORP REED & ARMSTRONG, LLP
One Commerce Square
2005 Market Street, Suite 1910
Philadelphia, PA 19103
(215) 640-5000

Dated: December 4, 17, 2008

Attorneys for U S RAIL Corporation

STB FINANCE DOCKET NO. 35205

**U S RAIL CORPORATION
- LEASE AND OPERATION EXEMPTION -
WINAMAC SOUTHERN RAILWAY COMPANY AND KOKOMO GRAIN CO., INC.**

**CORRECTED
VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41, et seq.**

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Notice

In accordance with 49 C.F.R. §1150.43, US RAIL hereby states as follows:

(a) The full name and address of Applicant: U S RAIL Corporation,
7846 Central Ave., Toledo, Ohio 43617.

⁺ ~~WSRY has operating rights over the Marion Belt Line which will be assigned to US RAIL under the lease. WSRV owns one third of the Marion Belt, and Norfolk Southern Railway owns the remaining two thirds.~~

(b) The name, address and telephone number of the representative of US RAIL who should receive correspondence: Eric M. Hocky, Esquire, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1910, Philadelphia, PA 19103; (215) 640-5000.

(c) US RAIL has entered into a lease agreement with WSRV and Kokomo Grain to cover operation of the Rail Lines. Under the lease, US RAIL has authority to operate over the Rail Lines as of January 1, 2009. US RAIL will not commence operations until the authority sought hereunder becoming effective. Pursuant to the lease, US RAIL will also be obtaining incidental trackage rights over TPW that will connect portions of the Rail Lines.

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The current operator is Central Railroad Company of Indianapolis, 1990 East Washington Street, East Peoria, IL 61611. Its leaseoperation of the Rail Lines, as extended expires on December 31, 2008.

(2) US RAIL expects to commence operations on or after January 5, 2009, thirty days after the filing of ~~this~~ the original Notice of Exemption.

(3) Milepost descriptions of the Rail Lines are shown on Exhibit A attached hereto. Mileposts for the incidental trackage rights are also shown on Exhibit A. All of the lines are located in Indiana.

(4) The total mileage to be leased and operated is approximately ~~64.261.89~~ miles – the Rail Lines total approximately ~~60.958.89~~ miles, and the incidental trackage rights are approximately ~~3.33.0~~ miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Lines, and the incidental trackage rights.

(g) US RAIL certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.²¹

(h) ~~US RAIL will interchange~~ The Rail Lines connect with lines of Norfolk Southern Railway (“NSR”) at Marion Goodman Yard, ~~Michaelsville~~, and Clymers, with TPW at Logansport, and with CERA at ~~Michaelsville and~~ Kokomo. US RAIL is not aware of any existing interchange commitments with any of the connecting carriers, and does not contemplate that any will be required as part of this transaction. US RAIL will be meeting with the various connecting carriers to confirm interchange arrangements; currently, there are no interchange arrangements with NSR at Clymers.

²¹ US RAIL additionally certifies that its projected revenues after the transaction will not exceed \$5,000,000 per year.

Environmental and Historic Reports

Pursuant to 49 C.F.R. §1105.6(c)(2)(i), no environmental documentation should be required because this proceeding involves authority for an acquisition under 49 U.S.C. §10902 for continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (e)(5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. US RAIL has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Labor Protection

Pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions.

Caption Summary

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R. §1150.44.

Respectfully submitted,

ERIC M. HOCKY
THORP REED & ARMSTRONG, LLP
One Commerce Square
2005 Market Street, Suite 1910
Philadelphia, PA 19103

(215) 640-5000

Dated: December 4, 17, 2008

Attorneys for U S RAIL Corporation

VERIFICATION

I, Gabriel D. Hall, President of U S RAIL Corporation, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on December 17, 2008.

Gabriel D. Hall

DESCRIPTION OF RAIL LINES

EXHIBIT A