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LAW OFFICES  
JOHN D. HEFFNER, PLLC  
1750 K STREET, N.W.  
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WASHINGTON, D.C. 20006  
PH: (202) 296-3333  
FAX: (202) 296-3939

**FILED**

AUG 12 2009

**SURFACE  
TRANSPORTATION BOARD**

**ENTERED  
Office of Proceedings**

AUG 12 2009

**Part of  
Public Record**



August 12, 2009

**BY HAND**

Hon. Anne K. Quinlan Acting  
Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423

**ORIGINAL**

**RE: STB Finance Docket No. 35257  
Progressive Rail Incorporated-Acquisition  
Exemption- Rail Lines of Wisconsin Central Ltd.  
In Barron County, Wisconsin**

Dear Secretary Quinlan:

Enclosed for filing in the above captioned proceeding are an original and ten copies of the Verified Notice of Exemption of Progressive Rail Incorporated ("PGR") pursuant to 49 U.S.C. 10902 and 49 CFR 1150.41 (c). A check in the amount of \$1,800.00, representing the appropriate fee for this filing pursuant to 49 CFR 1002.2 (f) (11) (ii), and a 3.5-inch computer diskette containing the text of the Notice and the *Federal Register* caption summary in MS Word 2003 format are attached.

One extra copy of each Notice and this letter are also enclosed. Please deliver one date-stamped copy of those items to my representative.

Respectfully submitted,  
John D. Heffner, PLLC

*James H. M. Savage*  
By: James H. M. Savage  
Of Counsel

**FEE RECEIVED**

AUG 12 2009

**SURFACE  
TRANSPORTATION BOARD**

**CERTIFICATION OF SERVICE**

I, James H. M. Savage, an attorney-at-law of the District of Columbia, certify that I have served this day by electronic mail a true copy of the within pleading upon T.J. Litwiler, counsel for Wisconsin Central Ltd., and upon Kathleen Chung, counsel for the State of Wisconsin Department of Transportation.

  
James H. M. Savage

Dated: August 12, 2009

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

**STB FINANCE DOCKET NO. 35257**

**PROGRESSIVE RAIL INCORPORATED  
-- ACQUISITION EXEMPTION --  
RAIL LINES OF WISCONSIN CENTRAL LTD.  
IN BARRON COUNTY, WI**

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

**ENTERED  
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**SURFACE  
TRANSPORTATION BOARD**

Submitted By:

John D. Heffner  
John D. Heffner, PLLC  
1750 K Street, N.W. – Suite 200  
Washington, D.C. 20006  
(202) 296-3333

**FILED**

**AUG 12 2009**

**SURFACE  
TRANSPORTATION BOARD**

James H. M. Savage  
Of Counsel

Counsel for Applicant  
Progressive Rail Incorporated

Dated: August 12, 2009

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

**STB FINANCE DOCKET NO. 35257**

**PROGRESSIVE RAIL INCORPORATED  
-- ACQUISITION EXEMPTION --  
RAIL LINES OF WISCONSIN CENTRAL LTD.  
IN BARRON COUNTY, WI**

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

**INTRODUCTION**

Pursuant to 49 C.F.R. § 1150.41 *et. seq.*, Progressive Rail Incorporated (“PGR”), a Class III rail carrier, provides notice of exemption from 49 U.S.C. § 10902 to acquire from Wisconsin Central Ltd. (“WCL”) the Rail Line known as the Almena-Cameron Branch between Milepost 80.88 at or near Almena and Milepost 97.80 at or near Cameron, a distance of 16.92 miles in Barron County, WI; and the Rail Line known as the Rice Lake-Cameron Branch between Milepost 49.0 at or near Cameron and Milepost 56.05 at or near Rice Lake, a distance of 7.05 miles, also in Barron County, WI (“Rail Lines”). The Rail Lines to be acquired from WCL are currently being leased and operated by PGR under the



distance of 7.05 miles, all of which is located in Barron County, WI. The Rail Lines to be acquired by PGR from WCL total 23.97 miles, which Rail Lines are currently being leased and operated by PGR pursuant to a lease and operating agreement with WCL.

**Operator of the Property                    49 CFR 1150.43(d)**

In all cases anticipated by this Notice, and as described in the transaction summary provided below, PGR will continue to hold itself out to provide common carrier rail freight service over the subject rail property.

**Brief Summary of Transaction                    49 CFR 1150.43(e)**

This exemption involves the acquisition by PGR, an existing Class III short line rail carrier, of Rail Lines totaling 23.97 miles, which Rail Lines are currently being leased and operated by PGR pursuant to a lease and operating agreement with WCL.<sup>2</sup>

(1) The name and address of the railroad transferring the subject property to the Class III rail carrier applicant is: Wisconsin Central Ltd., 17641 South Ashland Ave., Homewood, IL 60430.

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<sup>2</sup> Following the consummation of this transaction, PGR anticipates a future transaction wherein PGR shall convey the Rail Lines' rights-of-way and rail assets to the State of Wisconsin Department of Transportation ("WisDOT") which shall acquire the Rail Lines pursuant to the State of Maine Decision, with PGR retaining the associated common carrier obligation; with any and all necessary STB filings to be submitted at that time.

(2) The proposed consummation of this transaction will occur no earlier than sixty (60) days after the filing of this Notice of Exemption and the posting of Labor Notices as required by 49 C.F.R. 1150.42(e).

(3) The mileposts of the subject Rail Lines, including any branch lines are: the Almena Line between Milepost 80.88 at or near Almena and Milepost 97.80 at or near Cameron, a distance of 16.92 miles; and the Rice Lake Line between Milepost 49.0 at or near Cameron and Milepost 56.05 at or near Rice Lake, a distance of 7.05 miles, all of which are located in Barron County, WI.

(4) A total of 23.97 route miles will be acquired upon consummation of this transaction.

**Map of Area to be Served            49 CFR 1150.43(f)**

A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states, is attached as Exhibit A.

**Certificate of Carrier Classification            49 CFR 1150.43(g)**

PGR certifies that, with this acquisition, its projected annual revenues will not result in the creation of a Class II or Class I rail carrier. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached as Exhibit B to this notice.

**Interchange Commitments            49 C.F.R. 1150.43(h)**

The proposed acquisition involves no provisions or agreements limiting future interchange with connecting carriers.

Labor Protection **49 U.S.C. 10902**

Labor protective conditions do not apply and will not be imposed.

Statement of Agency Authority

The subject property (1) is being operated as a common carrier line of rail subject to the agency's licensing authority; (2) is currently owned by a rail carrier (WCL) and operated by a rail carrier (PGR) subject to the agency's jurisdiction, and (3) has not been abandoned pursuant to 49 U.S.C. 10502 and 10903.

Disclosure of Intent to Transport Waste

PGR does not presently intend to transport, or to provide facilities for collecting, sorting, loading, unloading, or transferring municipal solid waste or construction and demolition material.

Caption Summary **49 CFR 1150.44**

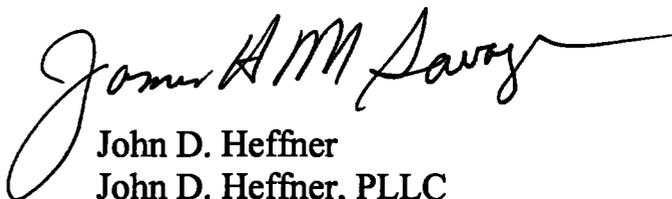
A caption summary in the prescribed form is attached as Exhibit C to this Notice.

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 1105.6(c)(2)(i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 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 that are 50 years old or older.

Respectfully submitted,



John D. Heffner  
John D. Heffner, PLLC  
1750 K Street, N.W.  
Suite 200  
Washington, D.C. 20006  
(202) 296-3333

By: James H. M. Savage  
Of counsel

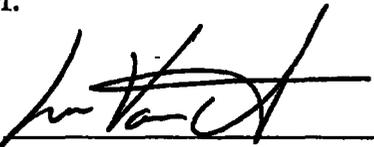
Counsel for Applicant  
Progressive Rail, Incorporated

Dated: August 12, 2009

VERIFICATION

STATE OF MINNESOTA     )  
  )  
COUNTY OF DAKOTA     )     SS

I, Lon Van Gemert, being duly sworn according to law, hereby depose and state that I am authorized to make this Verification, that I have read the foregoing document, and that I know the facts asserted therein are true and accurate as stated, to the best of my knowledge, information and belief.

  
\_\_\_\_\_

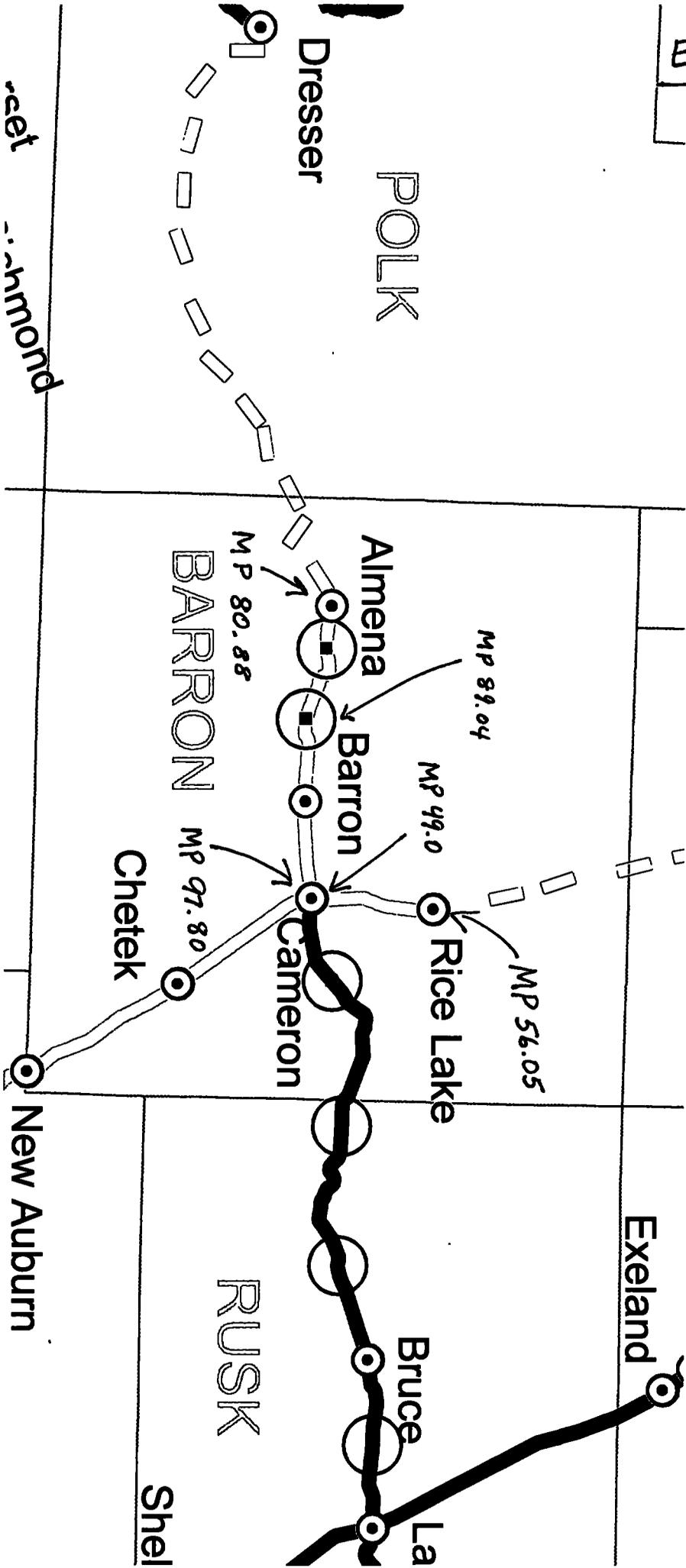
Subscribed and sworn to before me, a Notary Public, in and for the County of Dakota, in the State of Minnesota, this 9th day of July, 2009.

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

My Commission expires:



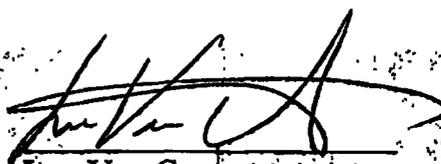
EXHIBIT A



**EXHIBIT B**

**CERTIFICATION**

I, Lon Van Gemert , CEO of Progressive Rail Incorporated (“PGR”) hereby certify under penalty of perjury that following consummation of this transaction the projected annual carrier operating revenues of PGR, in the aggregate, will not exceed the revenue limits of a Class III rail carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I certify that I am qualified and authorized to make this certification on behalf of PGR.



Lon Van Gemert

Dated: August 4, 2009

**EXHIBIT C**

**SURFACE TRANSPORTATION BOARD**

**NOTICE OF EXEMPTION**

**STB FINANCE DOCKET NO. 35257**

**PROGRESSIVE RAIL INCORPORATED  
-- ACQUISITION EXEMPTION --  
RAIL LINES OF WISCONSIN CENTRAL LTD.  
IN BARRON COUNTY, WI**

Progressive Rail Incorporated ("PGR"), a Class III rail carrier, has filed a Verified Notice of Exemption under 49 CFR 1150.41 to acquire from Wisconsin Central Ltd. ("WCL") the Rail Line known as the Almena-Cameron Branch extending between milepost 80.88 at or near Almena and milepost 97.80 at or near Cameron, a distance of 16.92 miles in Barron County, WI; and a Rail Line known as the Rice Lake-Cameron Branch extending between milepost 49.0 at or near Cameron and milepost 56.05 at or near Rice Lake, a distance of 7.05 miles, also in Barron County, WI. The Rail Lines to be acquired from WCL are currently being leased and operated by PGR under the trade name "Wisconsin Northern Railroad". The Rail Lines to be acquired total 23.97 miles.

PGR certifies that its projected revenues as a result of this transaction will not result in the creation of a Class I or Class II rail carrier. Pursuant to the requirements of 49 C.F.R. 1150.42(e), this transaction is scheduled to be consummated no earlier than sixty (60) days after the filing date of this exemption.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35257 must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423 and served on PGR's representative, James H. M. Savage, c/o John D. Heffner, PLLC, 1750 K Street, N.W. – Suite 200, Washington, D.C. 20006, Telephone: (202) 296-3333, with copy to WCL's representative, William C. Sippel, Fletcher & Sippel, LLC, 29 North Wacker Drive - Suite 920, Chicago, Illinois 60606-2832, Telephone (312) 252-1500.

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 transaction.

(seal)

By the Board  
Anne K. Quinlan, Acting Secretary

LAW OFFICES  
**JOHN D. HEFFNER, PLLC**  
1750 K STREET, N.W.  
SUITE 200  
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August 12, 2009

Hon. Anne K. Quinlan  
Acting Secretary  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423-0001

Hand Delivered

**RE: STB Finance Docket No. 35257 Progressive Rail Incorporated  
Acquisition Exemption – Rail Lines of Wisconsin Central Ltd.**

**CERTIFICATE OF COMPLIANCE WITH 49 CFR §1150.42(e)**

Dear Secretary Quinlan:

I am writing on behalf of Progressive Rail Incorporated (“PGR”) in connection with the above-captioned proceeding.

On or after October 12, 2009, PGR proposes to acquire by purchase from Wisconsin Central Ltd. (“WCL”) the following Rail Lines, which are currently operated by PGR pursuant to lease:

The Rail Line known as the Rice Lake-to-Cameron Branch beginning at Milepost 56.05 at or near Rice Lake, and extending southward to Milepost 49.0 at or near Cameron, all within the County of Barron, State of Wisconsin; and

The Rail Line known as the Almena-to-Cameron Branch beginning at Milepost 80.88 at or near Almena, and extending eastward to Milepost 97.80 at or near Cameron, all within the County of Barron, State of Wisconsin.

The Rail Lines which PGR proposes to acquire and to continue to operate total 23.07 miles. The Wisconsin Department of Transportation

intends to purchase the Rail Lines from PGR by subsequent transaction, with PGR retaining the associated common carrier obligation.

PGR currently generates annual revenues exceeding \$5 million. The annual revenues that PGR is projected to generate after consummating this transaction are expected to continue to exceed \$5 million dollars.

By this instrument, and through its designated counsel, PGR hereby certifies that, as of August 12, 2009, PGR had complied with the advance notice requirements for a rail line transaction as prescribed by 49 CFR §1150.42(e). Specifically, and as is set forth in the attached documents, notice of the proposed transaction fully conforming to the provisions of 49 §1150.42(e) has been – (1) served upon the national offices of the labor unions with WCL employees on the affected lines, and (2) posted at the workplaces of WCL employees on the affected lines.

Simultaneously with this letter, PGR is filing with the Board a verified notice of exemption pursuant to 49 C.F.R.1150.41 *et. seq.* from the requirements of 49 U.S.C. 10902 governing its proposed acquisition of those rail lines described in the attached documents. PGR does not anticipate consummating the proposed transaction until after October 12, 2009, at least 60 days from the date of posting the attached notice and filing this certification.

I certify upon penalty of perjury that I have complied with the foregoing statutory and regulatory requirements. Any questions regarding this certification or the anticipated notice of exemption filing relating thereto should be addressed to the undersigned, PGR's designated counsel.

Respectfully submitted,  
John D. Heffner, PLLC

  
By: James H. M. Savage  
Of Counsel

Counsel for Applicant  
Progressive Rail Incorporated

cc w/Enc.:

**Mr. Don M. Hahs, International  
President  
Brotherhood of Locomotive  
Engineers & Trainmen  
Standard Building  
1370 Ontario Street  
Cleveland, OH 44113-1702**

**Mr. Freddie N. Simpson, President  
Brotherhood of Maintenance of Way  
Employees Division  
20300 Civic Center Drive, Suite 320  
Southfield, MI 48076-4169**

**Mr. Paul C. Thompson,  
International President  
United Transportation Union  
14600 Detroit Avenue  
Cleveland, OH 44107**

STB Finance Docket No. 35257

**PROGRESSIVE RAIL INCORPORATED**

**NOTICE OF INTENT TO ACQUIRE RAIL LINES**

**PURSUANT TO 49 U.S.C. 10902 AND  
49 CFR 1150.42(e)**

Pursuant to Surface Transportation Board regulations at 49 CFR 1150.42(e), Progressive Rail Incorporated ("PGR"), hereby offers notice to employees of the Wisconsin Central Ltd. ("WCL") that on or after October 2, 2009, PGR proposes to acquire by purchase from WCL the following Rail Lines, which are currently operated by PGR pursuant to lease:

The Rail Line known as the Rice Lake-to-Cameron Branch beginning at Milepost 56.05 at or near Rice Lake, and extending southward to Milepost 49.0 at or near Cameron, all within the County of Barron, State of Wisconsin; and

The Rail Line known as the Almena-to-Cameron Branch beginning at Milepost 80.88 at or near Almena, and extending eastward to Milepost 97.80 at or near Cameron, all within the County of Barron, State of Wisconsin.

The trackage which PGR proposes to acquire and continue to operate totals 23.07 miles.

PGR currently projects that it will not create any new employment positions in connection with the proposed transaction. PGR will continue to employ one (1) locomotive engineer, one (1) trainman/conductor and two (2) maintenance of way personnel to operate the Lines as needed.

Any employee interested in further information concerning positions available with PGR should contact PGR CEO Lon Van Gemert at telephone number (952) 469-0323.

**CERTIFICATION OF POSTING**

This will confirm that the foregoing Notice of Intent to Acquire Rail Lines owned by Wisconsin Central Ltd. was posted on August 8, 2009, at Ladysmith, Wisconsin, on August 11, 2009 at Superior, Wisconsin and on August 8, 2009 at Stevens Point, Wisconsin to ensure that any affected WCL employees are properly notified of a proposed rail line transaction as provided under 49 CFR 1150.42(e).

Signed: \_\_\_\_\_



Thomas J. Litwiler  
Attorney for Wisconsin Central Ltd.

Dated: August 11, 2009