

LAW OFFICE

**MCLEOD, WATKINSON & MILLER**

MICHAEL R. MCLEOD  
WAYNE R. WATKINSON  
MARC E. MILLER  
RICHARD T. ROSSIER  
CHARLES A. SPITULNIK  
RICHARD PASCO  
ALEX MENENDEZ  
ELIZABETH A. HAWS\*\*  
AMY B. JONES\*\*\*

ONE MASSACHUSETTS AVENUE, N.W.  
SUITE 800  
WASHINGTON, DC 20001-1401  
(202) 842-2345  
TELECOPY (202) 408-7763

KATHRYN A. KLEIMAN\*  
OF COUNSEL  
(\*Admitted in Virginia only)

ROBERT RANDALL GREEN  
LAURA L. PHELPS  
GOVERNMENT RELATIONS

*209632*

(\*\*Admitted in Ohio only)  
(\*\*\*Admitted in New York only)

December 15, 2003

DEC 15 2003  
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Honorable Vernon A. Williams  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

RECEIVED  
DEC 15 2003  
SURFACE  
TRANSPORTATION BOARD

Re: Docket No. 34450, PAV Railroad, Inc. – Acquisition and Operation  
Exemption – Assets of N&T Railway LLC

Dear Sir:

I am enclosing an original and ten copies of the Notice of Exemption and Petition of PAV Railroad, Inc. for Waivers in the above referenced proceeding. An extra copy is enclosed for date stamp and return to our messenger. In addition, we are enclosing a 3.5" diskette with this document.

Thank you for your attention to this matter.

Sincerely,

*Charles A. Spitulnik*  
Charles A. Spitulnik

**FILED**

DEC 15 2003

**SURFACE  
TRANSPORTATION BOARD**

Enclosure

**FEE RECEIVED**

DEC 15 2003

**SURFACE  
TRANSPORTATION BOARD**

209632

BEFORE THE  
SURFACE TRANSPORTATION BOARD

PAV RAILROAD, INC.  
- ACQUISITION AND OPERATION EXEMPTION -  
ASSETS OF N&T RAILWAY COMPANY LLC

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STB FINANCE DOCKET NO. 34450

VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 C.F.R. § 1150.31

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PAV Railroad, Inc. ("PAV Railroad"), a noncarrier subsidiary of PAV Republic, Inc., ("Republic"), hereby files this Verified Notice of Exemption to acquire from N&T Railway Company LLC ("N&T") all of N&T's interests in the track and related properties as described below ("Subject Line"). PAV Railroad has filed today as well a Petition for Waiver of the requirements of 49 C.F.R. § 1150.35 (a)&(e) and 49 C.F.R § 1150.42, regulations that would otherwise be applicable to the transaction.

- 1. Applicant's name and current mailing address:

PAV Railroad, Inc.  
c/o PAV Railroad, Inc.  
3770 Embassy Parkway  
Fairlawn, OH 44333-8367

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DEC 15 2003  
SURFACE  
TRANSPORTATION BOARD

- 2. Applicant's representative to receive correspondence:

Charles A. Spitulnik  
Alex Menendez  
McLeod, Watkinson & Miller  
One Massachusetts Avenue, NW  
Suite 800  
Washington, DC 20001  
(202) 842-2345 ext. 206

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DEC 15 2003  
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TRANSPORTATION BOARD

3. Information concerning the agreement:

PAV Railroad, a non-carrier, and the trustee in bankruptcy of N&T (a subsidiary of Republic Engineered Products, LLC), are close to reaching an agreement whereby PAV Railroad will acquire N&T's interests in the Subject Line.<sup>1</sup> PAV Railroad expects the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division (the "Court"), under Chapter 11 of the Bankruptcy Code to issue an order approving the sale of the line today, with a mandate that the transaction close on or before December 22, 2003. PAV Railroad will acquire the property and will offer employment to all of the current employees of N&T, and will provide service to all current customers of N&T.

4. Operator of the property:

PAV Railroad will operate the Subject Line.

5. Brief summary of the proposed transaction:

PAV Railroad and the trustee for N&T expect to consummate the transaction on or after December 22, 2003. PAV Railroad will acquire all of N&T's interest in the Subject Line, approximately 21 miles of track extending from a point at or near the Township of Canton, OH, to the points of interchange with the Norfolk Southern Railway Company and The Wheeling & Lake Erie Railway Company, at or near the City of Canton, OH.

There appear to be no mileposts on the Subject Line. Maps of the Subject Line are attached hereto as Exhibit A.

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<sup>1</sup> In N&T Railway Company LLC – Acquisition and Operation Exemption – Rail Lines in Stark County, OH, STB Finance Docket No. 34243 (served Jan. 16, 2003), N&T received authority to acquire and operate two rail lines: the Subject Line and a line known as the Massillon Line. It is PAV Railroad, Inc.'s understanding that N&T exercised its authority only with regards to the Subject Line. In any event, the Subject Line is the only rail line for which PAV Railroad seeks authority here.

6. Related Proceedings.

This proceeding is related to the bankruptcy proceeding *In re: Republic Engineered Product Holdings, LLC* et al., Case Nos: 03-55118, 03-55120 and 03-55121 and jointly administered as Case No. 03-55118.

7. Environmental Issues:

Pursuant to the Interstate Commerce Commission's decision in *Ex Parte* No. 55 (Sub-No. 22A), *Implementation of Environmental Laws*, 7 I.C.C.2d 807 (1991) ("*Environmental Laws*"), environmental documentation normally need not be prepared for a transaction that does not involve the diversion from rail to motor carriage of more than (A) 1,000 rail carloads a year, or (B) an average of 50 rail carloads per mile per year for any part of the affected line (49 C.F.R. § 1105.7(e)(4)), on the one hand, or that does not involve (A) an increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, (B) an increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment (49 C.F.R. § 1105.7(e)(5)), on the other hand. *See* 49 C.F.R. § 1105.6(c)(2).

This transaction will not result in changes in carrier operations that exceed the above-listed thresholds. Therefore, no environmental documentation is required for this Verified Notice of Exemption.

Pursuant to the *Environmental Laws* decision, transactions involving a sale, lease or transfer of a rail line for the purpose of continued rail operations are exempt from the historic report requirements of 49 C.F.R. § 1105.8(a) if termination of such operations requires further approval by the Surface Transportation Board (the "Board") and there are no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. *See* 49 C.F.R. § 1105.8(b)(1).

Common carrier service on the Subject Line will be continued. There are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 or more years old. Therefore, a historic report is not required for this filing.

Respectfully submitted,



Charles A. Spitulnik  
Alex Menendez  
~~McLeod, Watkinson & Miller~~  
One Massachusetts Avenue, NW  
Suite 800  
Washington, DC 20001  
(202) 842-2345 ext. 206

Counsel for PAV Railroad

Dated: December 15, 2003

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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**PAV RAILROAD, INC.  
- ACQUISITION AND OPERATION EXEMPTION -  
ASSETS OF N&T RAILWAY COMPANY LLC**

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**STB FINANCE DOCKET NO. 34450**

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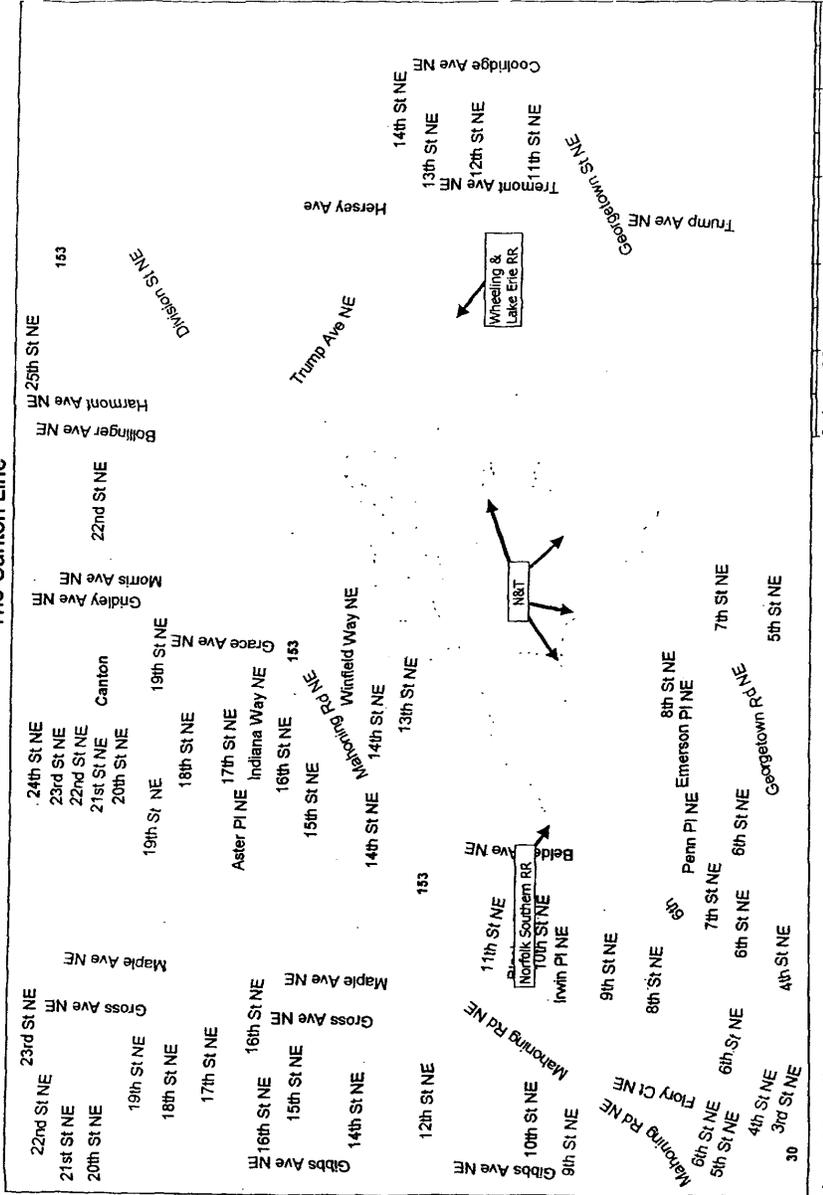
**VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 C.F.R. § 1150.31**

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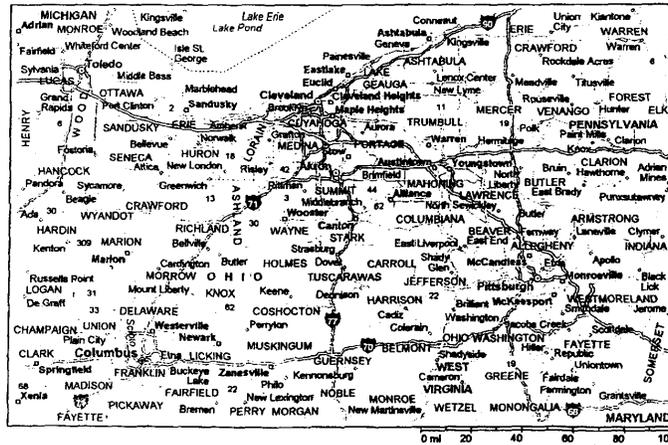
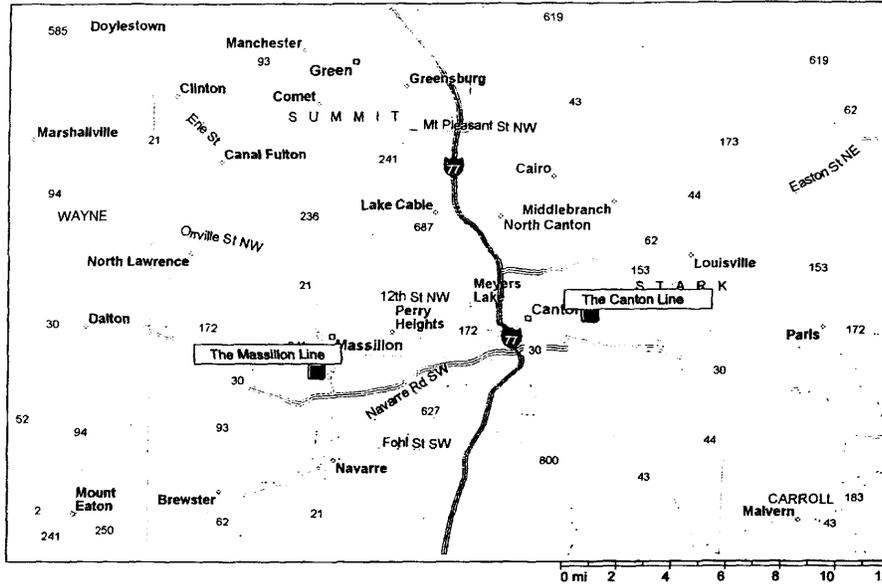
**EXHIBIT A  
MAPS OF SUBJECT LINE**



# The Canton Line



### Regional Overview



**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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**PAV RAILROAD, INC.  
– ACQUISITION AND OPERATION EXEMPTION –  
ASSETS OF N&T RAILWAY COMPANY LLC**

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**STB FINANCE DOCKET NO. 34450**

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**VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 C.F.R. § 1150.31**

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**CAPTION SUMMARY**

PAV Railroad Inc., a non-carrier, has filed a notice of exemption to acquire all of N&T Railway Company LLC's ("N&T's") interests in, and operate, approximately 21 miles of track (and related assets), extending from a point, at or near the Township of Canton, OH, to the points of interchange with the Norfolk Southern Railway Company and The Wheeling & Lake Erie Railway Company, at or near the City of Canton, OH (the "Subject Line"). There appear to be no mileposts on the Subject Line.

Comments must be filed with the Surface Transportation Board and served on Charles A. Spitulnik or Alex Menendez, McLeod, Watkinson & Miller, One Massachusetts Avenue, NW, Suite 800, Washington, DC 20001, phone (202) 842-2345 ext. 206.

This notice is filed under 49 CFR § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49

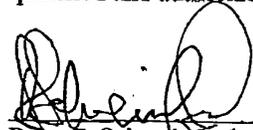
U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Dated:

By the Board,

**VERIFICATION**

I, Peter F. Schweinfurth, certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief. Further, I certify that I am qualified and authorized to file this Verified Notice of Exemption.



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Peter F. Schweinfurth  
President and Secretary  
PAV Railroad, Inc.

Dated: December 15, 2003