

NEW HAMPSHIRE CENTRAL RAILROAD, INC.

P.O. Box 165, North Stratford, NH 03590-0165
(603) 922-3400 Fax: (603) 922-9058

May 1, 2007

The Honorable Vernon Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

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MAY 1 - 2007
SURFACE
TRANSPORTATION BOARD

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Re: STB Finance Docket No. 35022, New Hampshire Central Railroad, Inc. -
Lease and Operation Exemption - Certain Lines of the State of New Hampshire
Department of Transportation

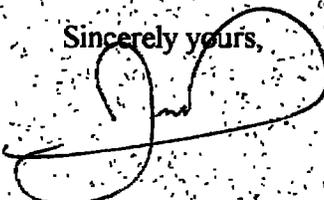
Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 CFR: § 1150.41 and a check covering the \$1,500 filing fee. Also enclosed is a 3 5-inch diskette containing the Notice and Summary. Please time and date stamp the extra copy of the Notice of Exemption and return it to my office at the following address:

Jack E. Dodd
Director of Marketing and Sales
New Hampshire Central Railroad, Inc.
Post Office Box 28
Saint Albans, VT 05478-0028

If you have any questions, please contact me.

Sincerely yours,



Jack E. Dodd
Director of Marketing and Sales

Enclosures

cc: Edward W. Jeffrey, President, New Hampshire Central Railroad, Inc.

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SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 35022



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TRANSPORTATION BOARD

NEW HAMPSHIRE CENTRAL RAILROAD, INC.

-LEASE AND OPERATION EXEMPTION-

CERTAIN LINES OF THE STATE OF NEW HAMPSHIRE

DEPARTMENT OF TRANSPORTATION

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New Hampshire Central Railroad, Inc. ("NHCR"), a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. 1150.41 to lease from the State of New Hampshire Department of Transportation ("NHDT"), an agency of the State of New Hampshire, a rail line located between Whitefield, NH and Lunenburg, VT. NHCR will be leasing approximately 8.47 miles of track between Engineering Station 5060+25, Valuation Section 17 NH Map 53 in Whitefield, NH and Station 5503, Valuation Section 18 NH Map 3 in Lunenburg, VT (River Road).

Comments must be filed with the Board and served on Jack E. Dodd, Director of Marketing and Sales, New Hampshire Central Railroad, Inc., Post Office Box 28, Saint Albans, VT 05478-0028, telephone (802) 524-2035).

This notice is filed under 49 C.F.R. 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35022

**NEW HAMPSHIRE CENTRAL RAILROAD, INC.
-LEASE AND OPERATION EXEMPTION-
CERTAIN LINES OF THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION**

**VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R, § 1150,41, Et Seq.**

**Jack E. Dodd
Director of Marketing and Sales
New Hampshire Central Railroad, Inc.
Post Office Box 28
Saint Albans, VT 05478-0028
(802) 524-2035**

Dated: May 1, 2007

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35022

**NEW HAMPSHIRE CENTRAL RAILROAD, INC.
-LEASE AND OPERATION EXEMPTION-
CERTAIN LINES OF THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION**

**VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.41, Et Seq.**

New Hampshire Central Railroad, Inc. ("NHCR"), a Class III rail carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E - Exempt Transactions Under 49 U.S.C. 10902, to permit NHCR to lease a rail line from the State of New Hampshire Department of Transportation ("NHDOT"), an agency of the State of New Hampshire.

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

(a) Full name and address of applicant:

New Hampshire Central Railroad, Inc.
Post Office Box 165
North Stratford, NH 03590-0165

(b) Applicant's Representative:

Jack E. Dodd
Director of Marketing and Sales
New Hampshire Central Railroad, Inc.
Post Office Box 28
Saint Albans, VT 05478-0028
(802) 524-2035

(c) **Summary of Agreement:**

See Exhibit A, letter dated April 18, 2007 from Christopher Morgan, Administrator, Bureau of Rail & Transit, NHDOT, to Edward W. Jeffrey, President, NHCR, authorizing NHCR to provide rail freight service on the state-owned Mountain Division corridor between Whitefield, NH and Lunenburg, VT.

(d) **The operator of the property:**

Operations on the leased line will be performed directly by NHCR.

(e) **Summary of proposed transaction:**

NHCR proposes to lease and operate the rail line between Whitefield, NH and Lunenburg, VT.

(1) **The name and address of the entity leasing the subject property is:**

New Hampshire Department of Transportation
Bureau of Rail & Transit
John O. Morton Building
7 Hazen Drive
P. O. Box 483
Concord, NH 03302-0483

(2) NHCR's lease of the rail line is effective April 18, 2007.

(3) The length of the rail line being leased is approximately 8.47 miles, between Engineering Station 5060+25, Valuation Section 17 NH Map 53 in Whitefield, NH and Station 5503, Valuation Section 18 VT Map 3 in Lunenburg, VT (River Road).

(4) NHCR and NHDOT have incorporated the subject line into the existing Railroad Operating Agreement in effect between the two parties.

(f) A map of the rail line being leased is attached as Exhibit B.

(g) NHCR hereby certifies that NHCR's projected revenues as a result of this

transaction will not result in NHCR becoming a Class II or Class I rail carrier.

NHCR further certifies that its projected annual rail freight revenues from operation of the leased line, when combined with NHCR's projected revenues from its current rail freight operations, will not exceed \$5 million. Consequently, the requirements of 49 C.F.R. § 1150.42(3) are not applicable to this transaction.

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

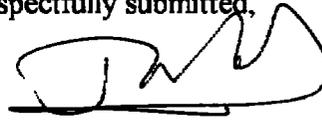
ENVIRONMENTAL AND HISTORIC IMPACTS

NHCR is leasing the subject line from NHDOT to provide rail freight service to shippers located on the subject line. If NHCR desires to discontinue service, then further approval of the Surface Transportation Board ("Board") would be required. Moreover, NHCR does not plan to alter or remove or otherwise dispose of properties subject to the Board's jurisdiction that are 50 years old or older. Thus, this Notice of Exemption does not require an historic report as provided in 49 C.F.R. § 1105.8(b)(1).

As background, the subject line has not been used to provide rail freight service since the late 1990s. In fact, the subject line has been out of service for several years and requires substantial rehabilitation before NHCR begins providing rail freight service. When the subject line is returned to service, NHCR will provide rail freight service as was provided before the line was taken out of service. Therefore, NHCR's lease of the subject line will not result in the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) being exceeded, and no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. E. Dodd', written over a horizontal line.

Jack E. Dodd, Director of Marketing and Sales
New Hampshire Central Railroad, Inc
Post Office Box 28
Saint Albans, VT 05478-0028
(802) 524-2035

VERIFICATION

STATE OF VERMONT)

) ss.

COUNTY OF FRANKLIN)

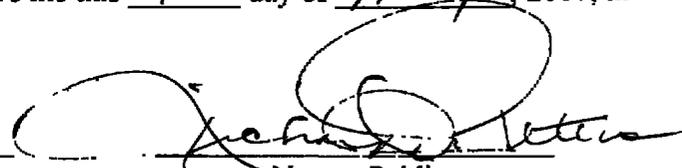
I, Jack E. Dodd, being duly sworn, depose and state that I am Director of Marketing and Sales for the New Hampshire Central Railroad, Inc., that I am authorized to make this verification and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information and belief



Jack E. Dodd

SUBSCRIBED AND SWORN TO before me this 1st day of May, 2007, in the County of Franklin, State of Vermont.

My Commission Expires: 02/10/11


Notary Public -



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



CHARLES P. O'LEARY, JR.
Commissioner

JEFF BRILLHART, P.E.
Assistant Commissioner

EXHIBIT A

April 18, 2007

Edward W. Jeffrey, President
New Hampshire Central Railroad
PO Box 165
North Stratford, NH 03590

Dear Mr. Jeffrey,

Pursuant to Section 2.1.3 of your railroad operating agreement with the Department of Transportation, you are hereby authorized to provide rail freight service on the state-owned Mountain Division corridor between Engineering Station 5060+25, Valuation Section 17 NH Map 53 in Whitefield and Station 5503, Valuation Section 18 VT Map 3 in Lunenburg, Vermont (River Road), effective immediately.

The terms and conditions of the operating agreement will apply to this service as well as to the existing operations on the Groveton-Berlin branches and the North Stratford branch.

Please submit the required filings to the Surface Transportation Board as provided in your operating agreement.

Feel free to contact me if you need any additional information.

Sincerely,


Christopher Morgan
Administrator

File: Mountain Division/NH Central

