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May 19, 2008

**VIA FEDERAL EXPRESS**

Ms. Anne K. Quinlan  
Acting Secretary  
Surface Transportation Board  
395 E Street, S W.  
Washington, DC 20024

**FILED**  
MAY 20 2008  
SURFACE  
TRANSPORTATION BOARD



Re: **Finance Docket No. 35116**  
**R.J. Corman Railroad Company/Pennsylvania Lines Inc. –**  
**Construction and Operation Exemption – Clearfield County, PA**

Dear Secretary Quinlan:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Petition for Exemption of R.J. Corman Railroad Company/Pennsylvania Lines Inc.**, dated May 19, 2008. A check in the amount of \$63,800, representing the appropriate fee for this filing, and a diskette containing the text of the Petition in MS Word 2003 format also are enclosed.

An extra copy of the Petition and of this transmittal letter are included as well. I would request that you date-stamp those items to show receipt of this filing and return them to me in the provided envelope.

Should any questions arise regarding this filing, please feel free to contact me. Thank you for your assistance on this matter. Kind regards.

Respectfully submitted,

Ronald A. Lane  
Attorney for R.J. Corman Railroad Company/  
Pennsylvania Lines Inc.

RAL:tjl

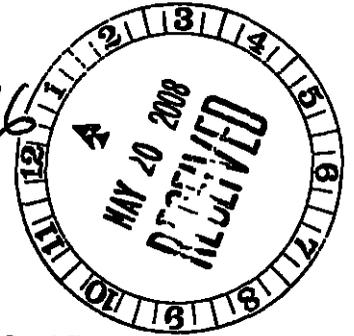
Enclosures

cc: Parties on Certificate of Service

**FEE RECEIVED**  
MAY 20 2008  
SURFACE  
TRANSPORTATION BOARD

BEFORE THE  
SURFACE TRANSPORTATION BOARD

\_\_\_\_\_  
FINANCE DOCKET NO. 35116



R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES INC.  
-- CONSTRUCTION AND OPERATION EXEMPTION --  
CLEARFIELD COUNTY, PENNSYLVANIA

\_\_\_\_\_  
**FILED**

MAY 20 2008

**SURFACE  
TRANSPORTATION BOARD**

**PETITION FOR EXEMPTION OF  
R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES INC.**

Ronald A. Lane  
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Michael J. Barron, Jr.  
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**FEE RECEIVED**  
MAY 20 2008  
**SURFACE  
TRANSPORTATION BOARD**

**ENTERED**  
Office of Proceedings  
MAY 20 2008  
Part of  
Public Record

**ATTORNEYS FOR R.J. CORMAN RAILROAD  
COMPANY/PENNSYLVANIA LINES INC.**

Dated: May 19, 2008

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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FINANCE DOCKET NO. 35116

R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES INC.  
-- CONSTRUCTION AND OPERATION EXEMPTION --  
CLEARFIELD COUNTY, PENNSYLVANIA

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**PETITION FOR EXEMPTION OF  
R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES INC.**

Pursuant to 49 U.S.C. § 10502 and the regulations of the Surface Transportation Board (the "Board") at 49 C.F.R. § 1121, R.J. Corman Railroad Company/Pennsylvania Lines Inc. ("RJCP") hereby petitions the Board for an exemption from the prior approval requirements of 49 U.S.C. § 10901 to reconstruct and operate an abandoned 10.8-mile rail line between Wallaceton Junction and Winburne in Clearfield County, Pennsylvania ("the Western Segment") and to rebuild the track on a connecting 9.3-miles of currently rail-banked line between Winburne and Gorton in Clearfield and Centre Counties, Pennsylvania ("the Eastern Segment") to serve a new quarry, landfill and industrial park near Gorton, Pennsylvania. A map showing the location of the 10.8-mile Western Segment (indicated in pink) proposed to be constructed and the connected 9.3-mile Eastern Segment to be reactivated (indicated in orange) is attached to this petition as Exhibit A.

The Eastern Segment is held under a Certificate of Interim Trail Use or Abandonment ("CITU") issued in *Conrail Abandonment of the Snow Shoe Industrial Track in Centre and Clearfield Counties, PA*, Docket No. AB-167 (Sub-No. 1004N) (ICC served November 5, 1993), and thus is subject to a residual common carrier obligation and the right of the rail carrier -- now to be RJCP -- to resume rail service at any time. As set forth in the

accompanying motion to partially dismiss, RJCP believes that no authority under 49 U.S.C. § 10901 is or can be required with respect to the Eastern Segment. As a protective measure, and explicitly subject to RJCP's motion to partially dismiss, this petition seeks exemption authority to restore the tracks on the Eastern Segment only in the event and to the extent the Board determines that such authority is required.

This petition is related to Finance Docket No. 35143, *R.J. Corman Railroad Company/Pennsylvania Lines Inc. -- Acquisition and Operation Exemption -- Line of Norfolk Southern Railway Company*, in which RJCP has concurrently filed a notice of exemption pursuant to 49 U.S.C. § 10902 and 49 C.F.R. § 1150.41 to acquire the residual common carrier rights and obligations of Norfolk Southern Railway Company ("NS," successor-in-interest to Consolidated Rail Corporation ("Conrail")) in the Eastern Segment. It also is related to Docket No. AB-167 (Sub-No. 1004N), *supra*, in which RJCP seeks to vacate a portion of the CITU and resume common carrier operations over the Eastern Segment. Together the Eastern and Western Segments will be operated by RJCP as the Beech Creek Branch Line.

As shown below, reconstruction and operation of the Western Segment, as well as reactivation of the Eastern Segment, are consistent with the public interest and fully meet the criteria for an exemption from the requirements of 49 U.S.C. § 10901.

The proposed reconstruction and operation of the Western Segment is subject to environmental review by the Board's Section of Environmental Analysis ("SEA"). RJCP has arranged for a third-party consultant to conduct such a review and prepare the appropriate environmental documentation for this project under the direction and supervision of the SEA, and that consultant has commenced its review. *See* Exhibit B. The SEA waived the 6-month advance notice requirement in 49 C.F.R. § 1105.10(a)(1). Exhibit C.

## **I. BACKGROUND**

RJCP seeks to reestablish rail service over a roadbed that was constructed in 1883 and 1884 by the Beech Creek Railroad Company to serve coal mines in Clearfield and Centre Counties. That line became part of the New York Central Railroad Company, and later part of the Penn Central Transportation Company. The line was transferred under the Final System Plan to Conrail on April 1, 1976. During the 1980s and 1990s, coal production from area mines dwindled to levels that could not sustain railroad operations. It appears that no trains have moved over this roadbed since 1990.

Conrail received authority to abandon what it called the “Snow Shoe Industrial Track,” from Winburne through Gorton to Gillintown, in *Conrail Abandonment of the Snow Shoe Industrial Track in Centre and Clearfield Counties, PA*, Docket No. AB-167 (Sub-No. 1004N) (ICC served February 15, 1990). The Snow Shoe Industrial Track includes what RCJP today calls the “Eastern Segment,” extending from Winburne to Gorton.<sup>1</sup> In a decision in that docket served November 5, 1993, the Interstate Commerce Commission issued a CITU pursuant to which Conrail entered into a trails agreement with the Headwaters Charitable Trust (“HCT”). Today the Eastern Segment is maintained and operated by HCT as part of a 19-mile trail that encompasses the entire Snow Shoe Industrial Track and extends east of the proposed reactivation.<sup>2</sup>

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<sup>1</sup> While Winburne-Gorton is the western portion of the former Snow Shoe Industrial Track, it is denominated the “Eastern Segment” by RCJP here because it is the eastern portion of the new Beech Creek Branch Line that RJCP seeks to reconstruct and reactivate.

<sup>2</sup> As noted above, in related filings RJCP is concurrently asking the Board to approve the transfer to RJCP of NS/Conrail’s residual common carrier rights in the Snow Shoe Industrial Track and to vacate the CITU with respect to the Eastern Segment to allow reactivation of this line of railroad.

Subsequently, in 1995, Conrail abandoned additional lines in the area that it referred to as the "Snow Shoe Cluster." *Consolidated Rail Corp -- Abandonment Exemption -- In Clearfield and Centre Counties, PA*, Docket No. AB-167 (Sub-No.1146X) (ICC served September 8, 1995). The Snow Shoe Cluster abandonment included the line from Wallaceton Junction to Winburne (what RJCP now calls the "Western Segment"), and is not subject to any trails agreement. In this proceeding, RJCP seeks authority under 49 U.S.C. § 10901 to reconstruct the Western Segment, to be operated by RJCP as part of its new Beech Creek Branch Line. The roadbed is still largely intact, and RJCP will reacquire the right to use that roadbed for railroad purposes through voluntary sales or, to the extent necessary, by condemnation.

Although RJCP contends that no construction approval is necessary with respect to the Eastern Segment, *see Iowa Power -- Const. Exempt. -- Council Bluffs, IA*, 8 I.C.C.2d 858, 866 n.12 (1990), and is concurrently filing a motion to dismiss this petition as to the Eastern Segment, RJCP conditionally requests authority under 49 U.S.C. § 10901 with respect to the Eastern Segment to the extent that the Board determines such authority is necessary to reactivate the line from Winburne to Gorton.

Both segments of the reactivated rail line will be operated by RJCP and will serve primarily a new quarry, landfill and industrial park near Gorton, Pennsylvania currently being developed by Resource Recovery, LLC ("Resource Recovery"). Resource Recovery is developing approximately 2443.78 acres of land previously strip-mined and not reclaimed. The site will be used for a sand and stone quarry, a landfill and other industrial users. In addition, it has recently been determined that the remaining coal on the site may now be commercially feasible to transport in backhaul empty trash cars and burn with current scrubber technology. Resource Recovery's landfill operations will be governed by permits issued by the Pennsylvania

Department of Environmental Protection and the U.S. Army Corps of Engineers. Resource Recovery supports this Petition, as well as the accompanying notice and petition that RCJP is concurrently filing in Finance Docket No. 35143 and Docket No. AB-167 (Sub-No.1004N), respectively.

## **II. PETITIONER**

R.J. Corman Railroad Company/Pennsylvania Lines Inc. is one of a family of short line railroads controlled indirectly by Mr. Richard J. Corman. RJCP is a Class III railroad, and its acquisition of its current lines in the vicinity of Clearfield, Pennsylvania was authorized pursuant to *R.J. Corman Railroad Company/Pennsylvania Lines, Inc -- Acquisition and Operation Exemption -- Lines of Consolidated Rail Corporation*, Finance Docket No. 32838 (STB served January 26, 1996). As relevant here, RJCP operates over a former Conrail light density line that extends from an interchange with NS at Keating, through Clearfield and Wallaceton, to Osceola Mills, Pennsylvania. The reactivation proposed in this and the related proceedings will extend from a point on the current RJCP line at Wallaceton Junction, Pennsylvania to the site of the development near Gorton, Pennsylvania.

RJCP is controlled directly by R.J. Corman Railroad Group, LLC, a holding company that controls eight operating Class III carriers. R.J. Corman Railroad Group, LLC is majority-owned and controlled by Mr. Richard J. Corman. *See Richard J. Corman and R.J. Corman Railroad Group, LLC -- Continuance in Control Exemption -- R.J. Corman Railroad Company/Tennessee Terminal, LLC*, Finance Docket No. 34775 (STB served February 3, 2006). None of the R.J. Corman companies, including non-rail carrier affiliates, has any affiliation with Resource Recovery through stock ownership, control or otherwise.

### **III. THE PROPOSAL**

Resource Recovery wishes to gain access to rail service at the quarry, landfill and industrial park it is developing near Gorton, Pennsylvania. RJCP wishes to provide that service over the existing Conrail roadbed from RJCP's station at Wallaceeton Junction to the facilities, and NS wishes to provide line haul service via the NS-RJCP interchange at Keating. To that end, RJCP, Resource Recovery and NS have agreed to cooperate to restore rail operations over the Beech Creek Branch Line. In summary, NS will transfer to RJCP its<sup>3</sup> residual right to reactivate rail service over the Eastern Segment. Resource Recovery will fund most of the construction costs to rebuild a single-track rail line approximately 20 miles in length over both the Western Segment and the Eastern Segment. RJCP will operate, maintain and provide common carrier service over its existing lines and the restored Beech Creek Branch Line, and NS will provide line haul service from its interchange with RJCP at Keating.

It is anticipated that RJCP will haul unit trains of sand, stone and perhaps coal outbound from the quarry within the Gorton development to Keating, and will haul unit trains of municipal solid waste and/or construction and demolition debris inbound from the Keating interchange to the landfill portion of the development. Other carload traffic for the industrial park at Gorton will move as needed with the unit trains. At peak capacity, the quarry will produce approximately 2000 tons of sand and stone per day, and rail transportation of that material will keep approximately 90 trucks per day from the local roads and highways. At peak capacity the landfill will receive about 5000 tons of solid waste per day, and rail transportation

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<sup>3</sup> On August 27, 2004, NS obtained all of Conrail's rights with respect to the Snow Show Industrial Track. *See CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreement s-- Conrail Inc. and Consolidated Rail Corporation, Finance Docket No. 33388 (Sub-No.94) (STB served November 7, 2003).*

will keep 250 trucks of waste per day off the highways -- not only in the immediate vicinity of Gorton in central Pennsylvania, but all the way to the Eastern Seaboard.

There is currently no other rail service in the area, and this project will not cross the line of any other railroad. Reconstruction of the track will simply restore the line to the same conditions that existed for decades before it was abandoned in the 1990s. RJCP anticipates that it will serve the Gorton facility -- when quarry and landfill operations reach full capacity -- with one or at most two unit trains daily.

With regard to waste traffic, RJCP will not engage in any transloading or unloading activity. RJCP will simply deliver trains to Resource Recovery, the permitted operator of the landfill, and Resource Recovery will unload and process such materials pursuant to its permit like any other industry. Because the landfill will be fully permitted by the Pennsylvania Department of Environmental Protection and the U.S. Army Corps of Engineers, neither Resource Recovery nor RJCP will seek to preempt the application of any local public health, safety or environmental laws or regulations.<sup>4</sup>

#### **IV. THE LINE**

RJCP seeks exemption from the requirements of 49 U.S.C. § 10901 for the reconstruction of tracks and operation over the existing railway roadbed extending from a point of connection with RJCP at milepost 11.7 near Wallaceton (Wallaceton Junction) to milepost 22.5

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<sup>4</sup> As such, this petition does not implicate the Consolidated Appropriations Act of 2008, Pub. L. No. 110-161, § 193, 121 Stat. 1844 (2007), because RJCP will not be taking any action with respect to solid waste outside the original shipping container (railcars), and because the Board will not be authorizing any activity at any solid waste rail transfer facility. RJCP will not conduct any transfer operations, and the activities at the Resource Recovery landfill will be authorized by the Pennsylvania Department of Environmental Protection and the U.S. Army Corps of Engineers. Further, in the absence of rail service, the same activities would be conducted at the landfill using solid waste transported to the landfill by truck.

(also referred to as NYC milepost 64.5)<sup>5</sup> near Winburne, a distance of 10.8 miles (the “Western Segment”). This is one of the lines of the “Snow Shoe Cluster” that was abandoned by Conrail in 1995 pursuant to the Board’s decision in *Consolidated Rail Corporation -- Abandonment Exemption -- In Clearfield and Centre Counties*, Docket No. AB-167 (Sub-No.1146X) (ICC served September 8, 1995) (in which the Wallace-ton-Winburne line was referred to as the “Snow Shoe Industrial Track”<sup>6</sup>). The roadbed is still almost entirely intact. A major bridge, tunnel, culverts and other related structures remain in place and in good condition. Two grade separated road crossings have been filled in at State Route 2034 in Boggs Township and Township Road 682 in Morris Township, and a small, approximately 1800-foot section of the right-of-way was removed by a local strip mining operation in Boggs Township. Those three locations are the only places where earth work will be required to restore the existing roadbed of the Western Segment. Accordingly, only a minimal amount of earth work for right-of-way restoration will be required.

To the extent that the Board determines that Section 10901 authority is required to rebuild the trackage on the reactivated Eastern Segment, under the vacated CITU, then RJCP requests that this petition be considered to include the 9.3 miles of the currently-railbanked Snow Shoe Industrial Track between Milepost 64.5 near Winburne and Milepost 55.2 near Gorton. As

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<sup>5</sup> Between 1990 and 1995, Conrail apparently changed the milepost designations on the Snow Shoe Industrial Track, so that what was milepost 64.5 at Winburne (ascending westward from Jersey Shore, Pennsylvania, on the historical NYC) in the 1990 *Snow Shoe Industrial Track* abandonment had become milepost 22.5 at Winburne (ascending eastward from Clearfield, Pennsylvania) at the time of the 1995 *Snow Shoe Cluster* abandonment. The meeting point of the reconstructed Western Segment with the reactivated Eastern Segment right-of-way at Milepost 64.5/22.5 is 1100+ feet from the northwest side of the bridge over Black Bear Run at Engineer Station 336+940±, as set forth on Map Sheet 20 of Conrail Deed dated 24 September 1993 conveying interim trail use of the rail banked line to Headwater Charitable Trust.

<sup>6</sup> This can be slightly confusing, since “Snow Shoe Industrial Track” was also the denomination given by Conrail to the Winburne-Gillintown line for which abandonment authority had been sought five years earlier in Docket No. AB-167 (Sub-No. 1004N).

discussed in the motion to partially dismiss filed concurrently herewith, RJCP does not believe any such authority is necessary for the Eastern Segment.

## **V. LEGAL STANDARDS**

The Board has jurisdiction over the proposed reconstruction and operation by RJCP of the Western Segment of the Beech Creek Branch Line pursuant to 49 U.S.C. § 10901. That section, as amended by the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803 (“ICCTA”), provides that an additional or extended railroad line may not be constructed without authority from the Board, but that the Board shall grant such authority, “unless the Board finds that such activities are inconsistent with the public convenience and necessity.” 49 U.S.C. § 10901(c). As the Board has recognized, ICCTA changed the previous statutory standard for line constructions, such that “there is now a presumption that construction projects will be approved,” *Class Exem. for Construction of Connecting Track*, 1 S.T.B. 75, 79 (1996), and “proposed rail construction projects are to be given the benefit of the doubt.” *E.g., The Burlington Northern & Santa Fe Railway Co. -- Construction and Operation Exemption -- Seadrift and Kamey, TX*, Finance Docket No. 34003 (STB served June 19, 2001) at 4.

Moreover, 49 U.S.C. § 10502 requires the Board to exempt a person, transaction or service from the statutory and regulatory requirements otherwise applicable to a rail carrier when the Board determines that: (1) application of those requirements is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and (2) either (a) the transaction is of limited scope or (b) regulation is not needed to protect shippers from an abuse of market power. Indeed, it is “well settled that a showing of public need is not a prerequisite under 49 U.S.C. 10901 and 10502.” *Illinois Central Railroad Company -- Construction and Operation Exemption -- in East Baton Rouge Parish, LA*, Finance Docket No. 33877 (STB served October

25, 2001) at 4 (citing *Dakota, MN & Eastern R. -- Construction -- Powder River Basin*, 3 S.T.B. 847, 864 (1998)).

An exemption from the prior approval requirements of Section 10901 for RJCP's construction and operation of the proposed line will be consistent with the standards set forth in Section 10502. Indeed, but for administrative difficulties associated with the environmental review process, the Board has indicated that it would adopt a class exemption for all line constructions. *Class Exem. for Construction of Connecting Track*, 1 S.T.B. 75, 83 (1996) ("The Board could make a finding that rail constructions [as a class] are in the public interest, subject to an environmental review in each case. But the result would be of little benefit because completion of the environmental review and consideration of the results of that review will in any event be necessary before the exemption can become final.").

This Board has repeatedly found that detailed scrutiny of a proposed line extension and operation of tracks to a site not currently served by rail is unnecessary to carry out the rail transportation policy established in 49 U.S.C. § 10101. *E.g., Ameren Energy Generating Co. -- Construction and Operation Exemption -- In Coffeen and Walshville, IL*, Finance Docket No. 34435 (STB served February 17, 2006) (line extension to serve power plant); *Southwest Gulf Railroad Co. -- Construction and Operation Exemption -- Medina County, TX*, Finance Docket No. 34284 (STB served May 19, 2003), *revocation denied* (STB served August 21, 2003) (line extension to serve quarry); *Alamo North Texas Railroad Co. -- Construction and Operation Exemption -- Wise County, TX*, Finance Docket No. 34002 (STB served November 8, 2001) (line extension to serve quarry); *Six County Assn. of Governments -- Construction and Operation Exemption -- Rail Line Between Levan and Salina, UT*, Finance Docket No. 34075 (STB served October 18, 2001) (line extension to serve coal mines).

Like the cases cited above, regulation of the reconstruction and operation of the Beech Creek Branch Line is not necessary to carry out the rail transportation policy. This project will provide a rail service option and thus promote intermodal competition to serve the industries to be located near Gorton, including the landfill, the quarry, tenants of the industrial park, a possible coal recovery operation as well as other industries that may locate along the line. Exempting the proposed reconstruction and operation will reduce the need for Federal regulation, ensure the development of a sound transportation system with effective competition among modes, foster sound economic conditions in transportation, and reduce regulatory barriers to entry.

In addition, use of the formal application procedures here is not necessary to protect shippers from an abuse of market power. The proposed extension will provide the area with additional transportation options and enhanced intermodal competition. Indeed, the developer of the Gorton facilities supports this petition and is largely financing this project. Finally, the reconstruction and operation of this line extension is a matter of limited scope. RJCP is reactivating an existing roadbed that served this identical area for more than a century, a portion of which has been rail-banked for this very situation.

WHEREFORE, RJCP respectfully requests that the Board exempt from the prior approval requirements of 49 U.S.C. § 10901 the reconstruction and operation of an approximately 10.8-mile line of railroad between Wallaceton Junction and Winburne, Pennsylvania previously abandoned pursuant to *Consolidated Rail Corp. -- Abandonment Exemption -- In Clearfield and Centre Counties, PA*, Docket No. AB-167 (Sub-No.1146X) (ICC served September 8, 1995). Further, to the extent that the Board may conclude that Section 10901 authority is required to rebuild track on the Winburne-Gorton line previously rail-banked

pursuant to the CITU in *Conrail Abandonment of the Snow Shoe Industrial Track in Centre and Clearfield Counties, PA*, Docket No. AB-167 (Sub-No. 1004N) (ICC served November 5, 1993), then RJCP also requests such authority.

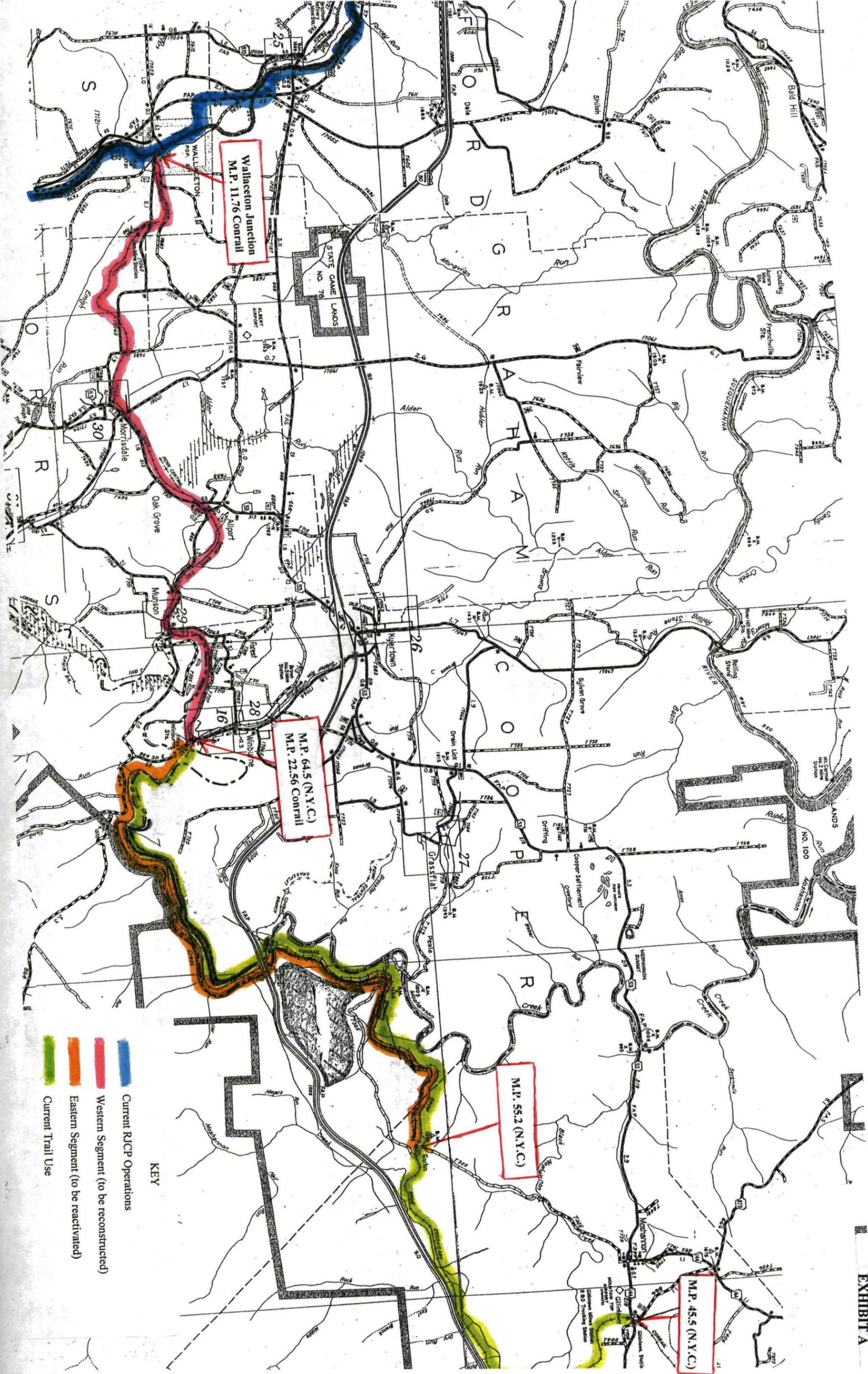
Respectfully submitted,

By: 

Ronald A. Lane  
Thomas J. Litwiler  
Michael J. Barron, Jr.  
Fletcher & Sippel LLC  
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Suite 920  
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(312) 252-1500

**ATTORNEYS FOR R.J. CORMAN RAILROAD  
COMPANY/PENNSYLVANIA LINES INC.**

Dated: May 19, 2008



Wallaceon Junction  
M.P. 11.76 Conrail

M.P. 64.5 (N.Y.C.)  
M.P. 22.56 Conrail

M.P. 55.2 (N.Y.C.)

M.P. 45.5 (N.Y.C.)

KEY

- █ Current RACP Operations
- █ Western Segment (to be reconstructed)
- █ Eastern Segment (to be reactivated)
- █ Current Trail Use



***SURFACE TRANSPORTATION BOARD***  
***Washington, DC 20423***

Office of Economics, Environmental Analysis and Administration

January 24, 2008

Ronald A. Lane, Esq.  
Fletcher & Sippel LLC  
29 North Wacker Drive  
Suite 920  
Chicago, Illinois 60606-2832

**Re: Finance Docket No. 35116, R J. Corman Railroad  
Company/Pennsylvania Lines – Construction, Acquisition and Operation  
– Clearfield County, Pennsylvania; Approval of Third-Party Consultant**

Dear Mr. Lane:

Your request for approval under 49 CFR 1105.10(d) and 40 CFR 1506.5 for retention of Skelly & Loy, Inc. (S&L) as an independent third-party consultant for the above referenced project is approved. S&L will prepare the appropriate environmental document on behalf of the Board in connection with a proposed project by R.J. Corman Railroad Company/Pennsylvania Lines, together with Resource Recovery, Inc, to acquire and construct the Rush Township Industrial Track, requiring reactivation of approximately 20 miles of rail line east of Wallaceton, Pennsylvania. The proposed rail line would handle various commodities to and from a nearby land fill and industrial park.

I have attached a disclosure statement that we ask you to forward to S&L to complete. Once the statement is signed by S&L, we request that S&L send it directly to us. As we discussed in our meeting on December 14, 2007, the Board's Section of Environmental Analysis will directly supervise, review and approve all environmental documents prepared by the independent third-party contractor.

If we can be of further assistance, please do not hesitate to contact me or Danielle Gosselin of my staff at (202) 245-0300.

Sincerely,

Victoria Rutson  
Chief  
Section of Environmental Analysis

Enclosure



**SURFACE TRANSPORTATION BOARD**  
**Washington, DC 20423**

Office of Economics, Environmental Analysis and Administration

January 24, 2008

Ronald A. Lane, Esq.  
Fletcher & Sippel LLC  
29 North Wacker Drive  
Suite 920  
Chicago, Illinois 60606-2832

Re: Finance Docket No 35116, R.J. Corman Railroad  
Company/Pennsylvania Lines – Construction, Acquisition and Operation  
– Clearfield County, Pennsylvania; Waiver of Six-Month Prefiling Notice

Dear Mr. Lane:

Pursuant to 49 CFR 1105.10(c), we are granting your request of January 3, 2008 for a waiver of the six month prefilling notice generally required for construction projects under 49 CFR 1105.10(a)(1).

On December 14, 2007, the Surface Transportation Board's Section of Environmental Analysis (SEA) met with the applicants regarding the proposed acquisition and construction of the Rush Township Industrial Track, requiring reactivation of approximately 20 miles of rail line east of Wallaceton, Pennsylvania. At the meeting, SEA was provided with an overview of the project and viewed maps and photographs of the area surrounding the proposed rail line

R J Corman Railroad Company/Pennsylvania Lines, together with Resource Recovery, Inc., plan to seek authority from the Board to construct, acquire and operate the Rush Industrial Township Track. R.J. Corman Railroad Company already owns half of the rail line and intends to acquire the other half from Norfolk Southern Railway Company. The applicants propose to reactivate service over the line and haul various commodities to and from a nearby land fill and industrial park.

At the December 14, 2007 meeting, SEA presented an overview of the Board's environmental review process, SEA's role in the process, and the use of third-party consultants. Based on information from the initial meeting, SEA believes that it has adequate information and that the applicants are sufficiently aware of the environmental process to grant this waiver request.

If we can be of further assistance, please do not hesitate to contact me or Danielle Gosselin of my staff at (202) 245-0300

Sincerely,

A handwritten signature in black ink, appearing to read "Victoria Rutson". The signature is written in a cursive style with a large initial "V" and "R".

Victoria Rutson  
Chief  
Section of Environmental Analysis



**CERTIFICATE OF SERVICE**

I hereby certify that on this 19<sup>th</sup> day of May, 2008, a copy of the foregoing **Petition for Exemption of R.J. Corman Railroad Company/Pennsylvania Lines Inc.** was served by first class mail, postage prepaid, upon:

Richard R. Wilson  
Richard R. Wilson, P C.  
127 Lexington Avenue, Suite 100  
Altoona, PA 16601  
Attorney for Resource Recovery, LLC

John V. Edwards  
Norfolk Southern Corporation  
Three Commercial Place  
Norfolk, VA 23510-2191

Ms. Jodi Brennan  
Secretary  
Headwaters Charitable Trust  
478 Jeffers Street  
DuBois, PA 15801



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Thomas J. Litwiler