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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
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NOV 15 2010

RECEIVED

November 16, 2010

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

FILED

NOV 15 2010

**SURFACE
TRANSPORTATION BOARD**

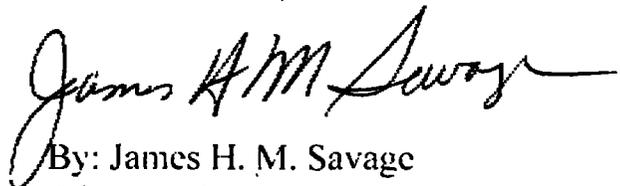
BY HAND DELIVERY

**Re: STB Finance Docket No. 35433
Madison Terminal Railway, LLC—Lease and Operation
Exemption—Line of Railroad in Dane County, WI**

Dear Madam Chief:

Attached for filing are the original and ten (10) copies of Madison Terminal Railway, LLC's Verified Notice of Exemption under 49 C.F.R. 1150.31 and a check for \$1,800 covering the filing fee. Please time and date stamp the extra copy of the Notice and return it to our messenger. Should you have any questions about this filing, or this matter generally, please contact me either by telephone: (202) 296-3335 or by E-mail: jsavage@lawjcdm.com. Thank you for your time and consideration.

Respectfully submitted,
John D. Heffner, PLLC



By: James H. M. Savage
Of counsel

Enc.

ORIGINAL

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

NOV 15 2010
R.L.

STB FINANCE DOCKET NO. 35433

**MADISON TERMINAL RAILWAY, LLC
- LEASE AND OPERATION EXEMPTION -
LINE OF RAILROAD IN DANE COUNTY, WI**

ENTERED
Office of Proceedings
NOV 15 2010
Part of
Public Record

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31**

Submitted By:

Law Offices of John D. Heffner, PLLC
1750 K Street, N.W. - Suite 200
Washington, D.C. 20006

FEE RECEIVED

NOV 15 2010

**SURFACE
TRANSPORTATION BOARD**

James H. M. Savage
Of Counsel
(202) 296-3335

*Attorneys for Applicant
Madison Terminal Railway, LLC*

Dated: November 16, 2010

FILED

NOV 15 2010

**SURFACE
TRANSPORTATION BOARD**

NOV 15 2010
R.L.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 35433

**MADISON TERMINAL RAILWAY, LLC
- LEASE AND OPERATION EXEMPTION -
LINE OF RAILROAD IN DANE COUNTY, WI**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31**

INFORMATION REQUIRED BY 49 CFR 1150.33

Madison Terminal Railway, LLC (“MDSN”), a non-carrier, hereby files this Verified Notice of Exemption under 49 CFR 1150.31, et seq., to lease and operate as a common carrier line of railroad, an existing 0.3 mile industrial spur owned by LN Real Estate, LLC of Oakbrook, IL and leased to ProBuild Holdings, LLC at 1102 Lumbermans Trail, Madison, WI (“ProBuild”). The spur originates at the connection with Union Pacific Railroad Company’s (“UPRR”)¹ Cottage Grove Industrial Lead at Milepost 78.02 in Madison, WI and is located entirely within the

¹ The Cottage Grove Industrial Lead is a 10 mile line of railroad owned by UPRR and operated by Wisconsin & Southern Railroad Company (“WSOR”) pursuant to a Lease Agreement executed October 3, 1996 in STB Finance Docket No. 33139 Wisconsin & Southern Railroad Co.--Acquisition and Operation Exemption--Union Pacific Railroad Company (STB served, Oct. 30, 1996).

ProBuild property. MDSN proposes to lease and operate a new rail-served transload facility to be located on the existing rail line on the ProBuild property.

This transaction is similar to Effingham Railroad Company—Petition for Declaratory Order—Construction at Effingham, IL, STB Docket No. 41986 (Decided Sept. 8, 1997) wherein Petitioner sought to convert “switch track”, formerly used as an industrial spur, to a line of railroad. The Board found the transaction to fall within the exercise of its entry jurisdiction. MDSN, like Petitioner in Effingham, will become a new carrier upon this Exemption taking effect and this line of railroad will constitute its entire operation, both of which factors strongly support a finding of Board jurisdiction.

Name and Address of Applicant

49 CFR 1150.33(a)

Madison Terminal Railway, LLC
2010 Pennsylvania Ave.
Madison, WI 53704

Applicant's Representative

49 CFR 1150.33(b)

John D. Heffner, PLLC
James H. M. Savage, of counsel
1750 K Street, N.W. - Suite 200
Washington, D.C. 20006
(202) 296-3335

Statement of Agreements

49 CFR 1150.33(c)

MDSN expects to shortly execute an agreement with ProBuild to sub-lease a portion of the 13.9 acre parcel of property upon which MDSN proposes to convert an existing 0.3 mile industrial spur into a common carrier line of railroad

to serve a new transload facility to be operated by MDSN. The lease commencement date will not occur until after this Exemption takes effect.

Operator of the Property

49 CFR 1150.33(d)

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

Brief Summary of Transaction

49 CFR 1150.33(e)

This transaction involves the proposed lease and operation by MDSN, a non-carrier which will become a Class III short line railroad carrier upon this exemption taking effect, of an existing industrial spur to be converted to a common carrier line of railroad connecting with the existing UPRR Cottage Grove Industrial Lead, which is currently being operated by WSOR. UPRR has authorized MDSN to advise the Board that it consents to this transaction, which will result in converting the industrial spur into a new common carrier line of railroad. The Wisconsin Department of Transportation Office of Rail Development has likewise authorized MDSN to advise the Board that it consents to this transaction

The existing industrial spur has fallen into disuse. MDSN intends to revive railroad service on the spur, and to operate as an independent carrier performing

transloading service to customers both within and without this industrial development. The following potential railroad freight customers are among those who have indicated interest in receiving railroad service at the proposed transload facility: Gerdeau Ameristeel, Weir Minerals, Bachman Construction and Haralan T.M.

MDSN will not operate on the UPRR Cottage Grove Industrial Lead, but will confine its operations to activities upon its line of railroad and within the proposed transload facility. MDSN expects to shortly enter into an Interchange Agreement with WSOR, pursuant to which WSOR will provide inbound and outbound rail freight transportation service to MDSN's transload facility.

(1) Name and address of incumbent railroad

Owner: Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

Operator: Wisconsin & Southern Railroad Company
5300 N 33rd St
Milwaukee, WI 53209

(2) Proposed time schedule for consummation of transaction.

MDSN plans to commence operations as soon as possible after this Exemption takes effect, but in any event at least 30 days after the filing of this Notice.

(3) Mileposts of the subject property.

The existing track connects with the UPRR-owned Cottage Grove Industrial Lead at Milepost 78.02 in Madison, WI. The existing industrial spur to be converted to a 0.3 mile common carrier line of railroad will have no Mileposts.

(4) Total Route Miles.

By this transaction MDSN intends to lease and operate railroad property comprising a total of 0.3 route miles.

Map of Area to be Served

49 CFR 1150.33(f)

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

Certificate of Carrier Classification

49 CFR 1150.33(g)

MDSN certifies that following this transaction taking effect, its projected annual revenues will remain less than \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.33(g) is attached as Exhibit B to this notice.

Transactions Imposing Interchange Commitments

49 CFR 1150.33(h)

Not applicable, as no interchange commitments are contemplated for this transaction.

Statement Regarding Solid Waste

MDSN certifies that it has no plans to engage in any of the following activities at its proposed railroad transload facility: collecting, storing, or transferring solid waste outside of its original shipping container; or separating or processing solid waste (including baling, crushing, compacting, and shredding). The term “solid waste” is defined in section 1004 of the Solid Waste Disposal Act, 42 U.S.C. 6903.

Caption Summary

49 CFR 1150.34

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

Environmental and Historic Preservation Data

49 CFR 1105

Under 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes exceeding the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). The proposed lease is for the purpose of continued railroad operations, further Board approval would be required to abandon or discontinue any service, and there are no plans to dispose of or alter properties subject to Board

jurisdiction that are fifty years old or older.

Respectfully submitted,

Law Offices of John D. Heffner, PLLC
1750 K Street, N.W. - Suite 200
Washington, D.C. 20006

A handwritten signature in black ink that reads "James H.M. Savage". The signature is written in a cursive style with a horizontal line drawn across the middle of the name.

By: James H.M. Savage. Esq.

Of Counsel
(202) 296-3335

Attorneys for Applicant
Madison Terminal Railway, LLC

Dated: November 16, 2010

EXHIBIT C – CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 35433

**MADISON TERMINAL RAILWAY, LLC
- LEASE AND OPERATION EXEMPTION -
LINE OF RAILROAD IN DANE COUNTY, WI**

NOTICE OF LEASE AND OPERATION OF RAILROAD LINE

Madison Terminal Railway, LLC (“MDSN”), a non-carrier, has filed a Verified Notice of Exemption under 49 CFR 1150.31 to lease and operate as a common carrier line of railroad an existing 0.3 mile industrial spur originating at the connection with the Union Pacific Railroad Company Cottage Grove Industrial Lead at Milepost 78.02 in Madison, WI and terminating at a new transload facility to be operated by MDSN on industrial property owned by LN Real Estate, LLC of Oakbrook, IL and leased to ProBuild Holdings, LLC at 1102 Lumbermans Trail, Madison, WI.

MDSN plans to consummate this transaction as soon as possible after this Exemption takes effect, but in any event at least thirty (30) days after the filing of this Notice.

Comments must be filed with the Board and served on:

James H. M. Savage, Esq.
John D. Heffner, PLLC
1750 K Street, N.W. – Suite 200
Washington, D.C. 20006
Telephone: (202) 296-3335

This notice is filed under 49 C.F.R. 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 effectiveness of the exemption. Petitions to stay must be filed no later than _____, 2010 (at least 7 days before the exemption becomes effective).

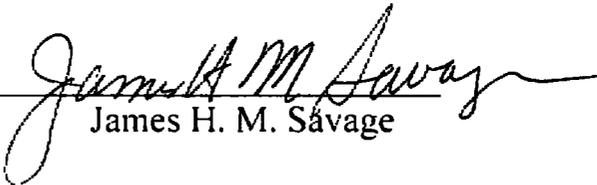
An original and 10 copies of all pleadings, referring to Finance Docket No. 35433, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on James H. M. Savage, Esq, John D. Heffner, PLLC. 1750 K Street, N.W., Suite 200, Washington, D.C. 20006. Telephone: (202) 296-3335.

(seal)

Cynthia T. Brown,
Chief, Section of Administration

CERTIFICATION OF SERVICE

I, James H. M. Savage, an attorney-at-law of the District of Columbia, certify that I have served this day a true copy of the within pleading by electronic mail upon MACK SHUMATE, ESQ. c/o Union Pacific Corp., Law Department, Chicago, IL and upon RON ADAMS, c/o Wisconsin Department of Transportation, Freight Rail Office, Madison, WI.

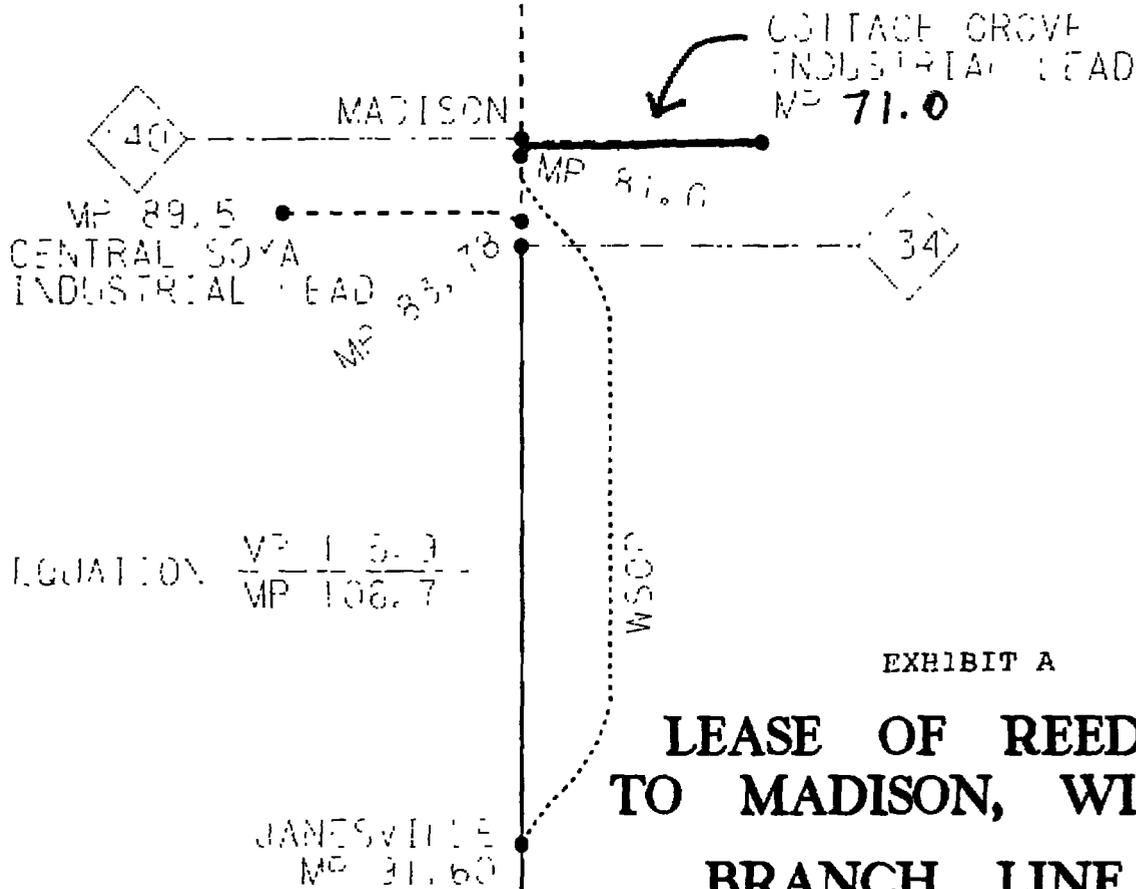

James H. M. Savage

Dated: November 16, 2010

REEDSBURG
MP 191.9

LEGEND

- EXISTING UP ROUTES
- - - - - UP TRACKAGE TO BE LEASED TO WSCR
- CONTINGENT UP TRACKAGE RIGHT OVER WSCR / WICT



EQUATION $\frac{MP 15.3}{MP 108.7}$

EXHIBIT A

LEASE OF REEDSBURG TO MADISON, WISCONSIN BRANCH LINE TO WISCONSIN & SOUTHERN RAILROAD COMPANY

Railroads

Madison Area
January 2005

==== Railroads

● City of Madison

○ Other Cities and Villages

□ Unincorporated Areas

⊗ Madison Terminal Railway

Drawn by:
City of Madison Department of Planning and Development, Planning Unit
Madison Area Metropolitan Planning Organization
City of Madison Department of Public Works, Engineering Division

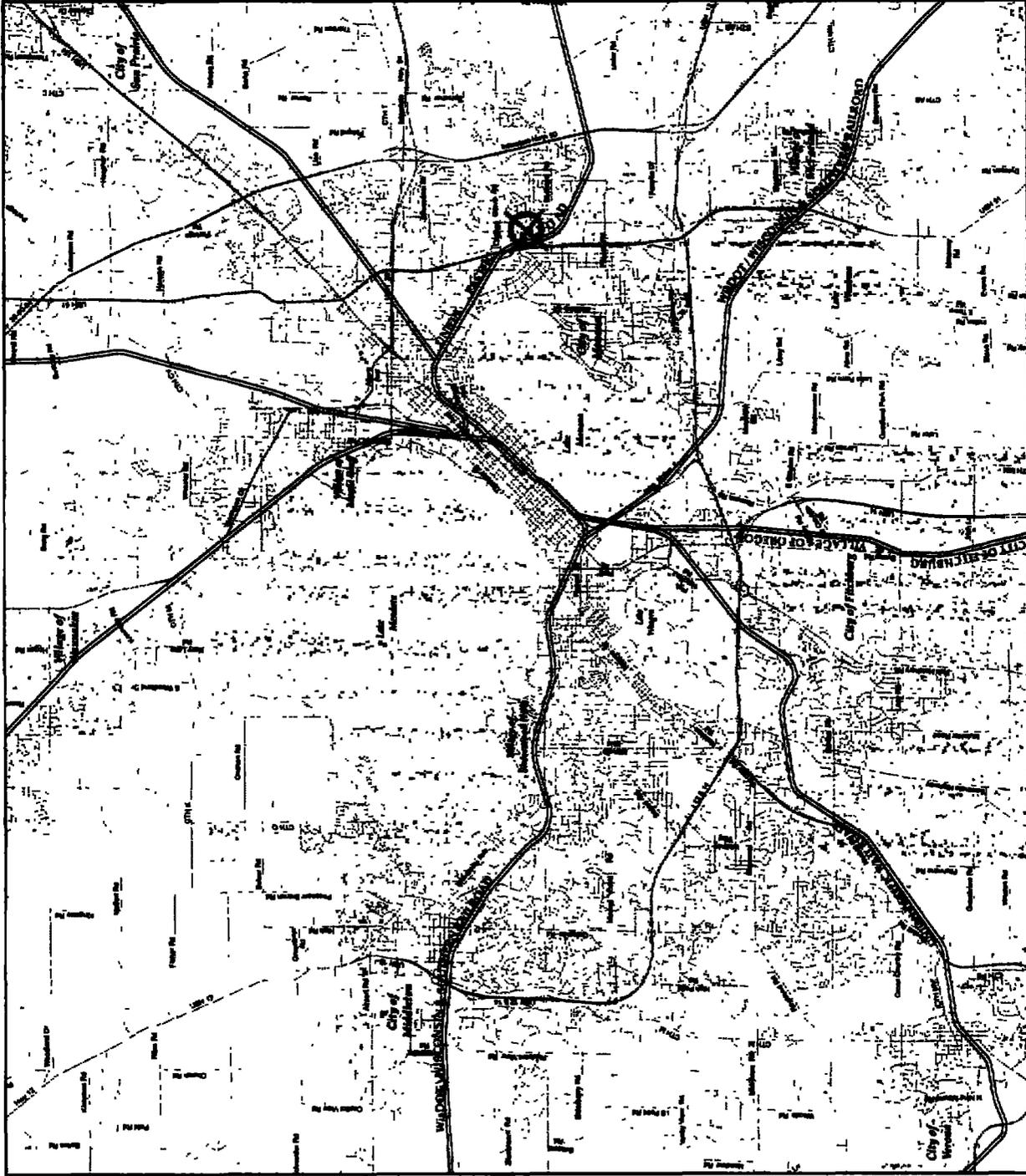
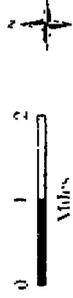


Exhibit B

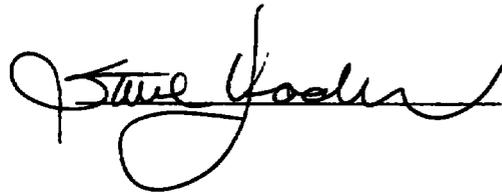
Certification

I, Steven Yoder, certify that I am President (state position) of Madison Terminal Railway (name of carrier) and that applicant's projected revenues will not exceed \$5 million annually and will not result in the applicant becoming a Class I or Class II carrier under the provisions of 49 CFR 1201(1-1).

I further certify that the foregoing statements made by me are true, and that I am aware that if any of the foregoing statements made by me be willfully false, I am subject to punishment.

Dated: 11-17, 2010

Signature

A handwritten signature in black ink, appearing to read "Steven Yoder", written over a horizontal line.

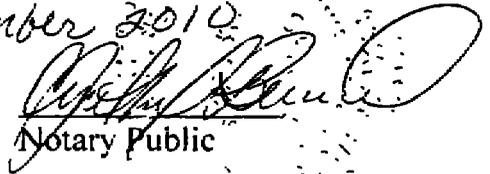
VERIFICATION

STATE OF Wisconsin)
) SS
CITY OF Madison)

Steven Yoder, being duly sworn according to law,
hereby deposes and states that (s)he is holds the position of President
with petitioner, is authorized to make this Verification, has read the
foregoing document. and knows the facts asserted therein are true an
accurate as stated, to the best of (her) his knowledge, information, and
belief.



Subscribed to and sworn to before me, a Notary Public, in and for the City of
Madison in the State of WI, this 12 day of November 2010


Notary Public

My commission expires: July 10, 2014