

DEPARTMENT OF TRANSPORTATION**Surface Transportation Board****[Docket No. FD 35609]****North Louisiana & Arkansas Railroad, Inc.—Acquisition and Operation Exemption—Line of Lake Providence Port Commission**

North Louisiana & Arkansas Railroad, Inc. (NLA), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to lease from Lake Providence Port Commission (LPPC), a political subdivision of the State of Louisiana,¹ and to operate approximately 16.2 miles of rail line between milepost 454.8, at or near the Louisiana-Arkansas border, and milepost 471.0, at or near East Carroll Parish, La.

As part of the transaction, NLA is also seeking to acquire by assignment from LPPC approximately 1.25 miles of incidental overhead trackage rights between milepost 471.00, at or near a certain highway barn near Lake Providence, La., and milepost 472.25 in East Carroll Parish. The trackage rights will allow NLA to operate over a line of the Delta Southern Railroad, Inc. (Delta Southern), in order to access LPPC's private tracks serving the LPPC port.²

NLA states that, at the present time, the line is impassable but that operations will commence once the lease is authorized by the Board and rehabilitation of the line is completed. NLA also states that it will interchange traffic with Union Pacific Railroad Company, Arkansas Midland Railroad Company, and Delta Southern.

According to NLA, the lease agreement will have an initial term of 10 years, beginning on the effective date of the Board's decision approving the proposed transaction. NLA states that the lease does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier. NLA has included a copy of the lease agreement as part of its filing.

¹ LPPC states that it does not operate the line but has a residual common carrier obligation for the segment of the line between mileposts 463.0 and 471.0, which it acquired through the Board's offer of financial assistance process. See *Delta S. R.R.—Aban. Exemption—In E. Carroll Parish, La.*, AB 384 (Sub-No. 2X) (STB served June 7, 2011). LPPC acquired the remainder of the line after it had been abandoned.

² NLA concurrently filed a separate verified notice of exemption to acquire the trackage rights in *North Louisiana & Arkansas Railroad, Inc.—Acquisition of Trackage Rights Exemption*, Docket No. FD 35610. Because the trackage rights sought there are incidental to the lease of the line in Docket No. FD 35609, the Board is issuing a single notice of exemption in Docket No. FD 35609 covering the entire transaction.

The earliest the transaction can be consummated is October 20, 2012, the effective date of the exemption (30 days after the exemption was filed).

NLA certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier. NLA further certifies that its projected annual revenues as a result of this transaction will not exceed \$5 million.

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 effectiveness of the exemption. Stay petitions must be filed no later than October 12, 2012 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35609, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Richard H. Streeter, 5255 Partridge Lane NW., Washington, DC 20016.

Board decisions and notices are available on our Web site at "www.stb.dot.gov."

Decided: October 2, 2012.

By the Board, Rachel D. Campbell,
Director, Office of Proceedings.

Jeffrey Herzig,
Clearance Clerk.

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DEPARTMENT OF TRANSPORTATION**Surface Transportation Board****[Docket No. FD 35677]****Iowa Traction Railway Company—Change in Operators Exemption—Rail Line of Backtrack, Inc.**

Iowa Traction Railway Company (Iowa Railway)¹ has filed a verified

¹ As of the September 19, 2012, the filing date of this notice of exemption, Iowa Railway was a noncarrier. Iowa Railway was authorized to acquire from Iowa Traction Railroad Company (Iowa Railroad) and to operate a 10.4-mile line of railroad in Cerro Gordo County, Iowa. *Iowa Traction Ry.—Acquis. and Operation Exemption—Rail Line of Iowa Traction R.R.*, FD 35670 (STB served Sept. 14, 2012). As of September 30, 2012, the effective date of the exemption, Iowa Railway states that it became a Class III rail carrier. In *Progressive Rail Incorporated—Continuance in Control Exemption—Iowa Traction Railway Company*, FD 35671 (STB served Sept. 14, 2012), Progressive Rail Incorporated was authorized to continue in control of Iowa Railway upon Iowa Railway's becoming a

notice of exemption under 49 CFR 1150.31 to change operators from Iowa Traction Railroad Company (Iowa Railroad) to Iowa Railway over a 3-mile rail line between milepost 152.5 and milepost 155.5 at Mason City, Iowa (the Line), owned by Backtrack, Inc. (Backtrack).² The change in operators for the Line is being accomplished through Iowa Railroad's assignment of its authority to operate the Line to Iowa Railway, with the consent of Backtrack. Iowa Railway states that the change of operators of the Line does not involve a provision or agreement that may limit future interchange between Iowa Railway and a third-party connecting rail carrier. This change in operators is exempt under 49 CFR 1150.31(a)(3).³

The transaction may be consummated on or after October 19, 2012 (30 days after the notice of exemption was filed).

Iowa Railway certifies that its projected annual revenues as a result of this transaction will not exceed \$5 million and will not result in Iowa Railway's becoming a Class I or Class II rail carrier.

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 effectiveness of the exemption. Petitions for stay must be filed no later than October 12, 2012 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35677, must be filed with the Surface Transportation Board, 395 E Street, SW., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Thomas F. McFarland, 208 South LaSalle Street, Suite 1890, Chicago, IL 60604.

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Decided: October 2, 2012.

Class III rail carrier. This exemption also became effective on September 30, 2012.

² Iowa Railroad was authorized to lease and operate the 3-mile rail line from the owner, Hermitage Homes, Inc. (Hermitage), in *Iowa Traction Railroad Company—Operation Exemption—Hermitage Homes, Inc.*, FD 31353, (ICC served Nov. 23, 1988). Backtrack is the corporate successor of Hermitage.

³ To qualify for a change of operators exemption, an applicant must give notice to shippers on the line. See 49 CFR 1150.32(b). In a letter filed on September 24, 2012, Iowa Railway certified to the Board that, at present, there are no shippers on the Line; therefore, no service of this notice is required on shippers.