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December 9, 2003
VIA: UPS Overnight

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Mercury Building, #711
1925 K Street, N.W.
Washington, DC 20423-0001

Re: STB Finance Docket No. 34445
Lehigh Valley Rail Management LLC
- Acquisition and Operation Exemption -
ISG Railways, Inc.
Notice of Exemption

Dear Secretary Williams:

Enclosed please find for filing the original and ten (10) copies of the above-referenced Notice of Exemption of Lehigh Valley Rail Management LLC. A check in the amount of \$1,400 representing the filing fee is also enclosed.

Please time stamp the extra copy of this letter to indicate receipt, and return it to me in the stamped self-addressed envelope provided for your convenience.

Respectfully,


ERIC M. HOCKY

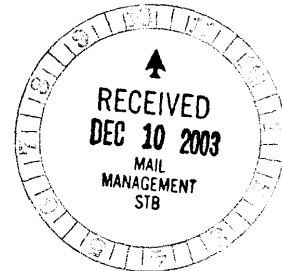
Enclosures

FILED
DEC 10 2003
SURFACE
TRANSPORTATION BOARD
ENTERED
Office of Proceedings
DEC 10 2003
Part of
Public Record

FEE RECEIVED
DEC 10 2003
SURFACE
TRANSPORTATION BOARD
GOLLATZ, GRIFFIN & EWING, P.C.

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34445



LEHIGH VALLEY RAIL MANAGEMENT, LLC
- ACQUISITION AND OPERATION EXEMPTION -
ISG RAILWAYS, INC.

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10901 **FEE RECEIVED**

DEC 10 2003

SURFACE
TRANSPORTATION BOARD

FILED

DEC 10 2003

SURFACE
TRANSPORTATION BOARD

ERIC M. HOCKY
GOLLATZ, GRIFFIN & EWING, P.C.
Four Penn Center
Suite 200
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

Dated: December 9, 2003

Attorneys for Lehigh Valley Rail Management, LLC

ENTERED
Office of Proceedings

DEC 10 2003

Part of
Public Record

**LEHIGH VALLEY RAIL MANAGEMENT, LLC
- ACQUISITION AND OPERATION EXEMPTION -
ISG RAILWAYS, INC.**

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10901**

This Verified Notice is filed pursuant to 49 C.F.R. §1150.31 by Lehigh Valley Rail Management, LLC ("LVRM"), non-carrier, to exempt from regulation under 49 U.S.C. §10901, its acquisition and operation of certain lines of railroad (the "Rail Lines") owned by ISG Railways, Inc. ("ISGR"). The Rail Lines are the rail lines of the former Keystone Railroad, LLC ("Keystone"), Conemaugh & Black Lick Railroad, LLC ("CBLR") and Cambria and Indiana Railroad, Inc. ("C&I") that were acquired by ISGR, along with other rail lines, in May, 2003. *See ISG Railways, Inc. - Acquisition and Control Exemption*, STB Finance Docket No. 34344 (served May 22, 2003). LVRM will be a class III carrier after the transaction.

Notice

In accordance with 49 C.F.R. §1150.33, LVRM hereby states as follows:

- (a) The full name and address of Applicant are: Lehigh Valley Rail Management, LLC, Martin Tower, Room 618, 1170 Eighth Avenue, Bethlehem, PA 18018; (610) 694-5930.
- (b) The name, address and telephone number of the representative of LVRM who should receive correspondence are: Eric M. Hocky, Esquire, Gollatz, Griffin &

Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808; (215) 563-9400.

(c) The parties have entered into an Asset Purchase Agreement to cover the terms of the transaction.

(d) The current operator of the line is ISG Railways, Inc.

(e) Brief Summary of the Proposed Transaction:

In May, 2003, ISGR acquired the rail lines and substantially all of the assets of the Bethlehem Steel subsidiary railroads. ISGR has now agreed to transfer the rail lines and related assets of three of the former Bethlehem Steel subsidiary railroads to LVRM.

(1) The name and address of the railroad transferring the Rail Lines are ISG Railways, Inc., c/o International Steel Group Inc., 3100 East 45th Street, Cleveland, OH 44127.

(2) LVRM expects to consummate the acquisition on or after the seventh day following the filing of this notice.

(3) The Rail Lines are shown on Exhibit A, and are composed of the following:

(A) ISGR's interest in the approximately 132-mile rail line in Northampton County, PA, formerly operated by Keystone. The rail line is composed of yard and switching tracks and does not have assigned mileposts.

(B) ISGR's interest in the approximately 32-mile rail line in Cambria County, PA, formerly operated by CBLR. The rail line is composed of yard and switching tracks and does not have assigned mileposts.

(C) ISGR's interest in the following rail lines formerly operated by C&I: (i) the approximately 4.5-mile rail line extending between approximately milepost 6.4 at Edensburg Junction and approximately milepost 10.45189 in Cambria County, PA; and (ii) the approximately 1.579-mile connecting segment between milepost 15.355 (RJCP milepost 10.45189) and approximately milepost 16.934.

(4) The total mileage to being acquired is approximately 170.079 miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Lines.

(g) LVRM certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.¹

Environmental and Historic Reports

Pursuant to 49 C.F.R. §1105.6(c)(2), no environmental documentation is required because this proceeding involves authority for an acquisition under 49 U.S.C. §10901 for continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5).

No historic report under 49 C.F.R. §1105.8(b)(1) is required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. LVRM has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

¹ LVRM additionally certifies that its projected revenues will not exceed \$5,000,000 per year.

Labor Protection

Pursuant to 49 U.S.C. §10901(e), approval of this transaction may not be subjected to labor protection conditions.

Caption Summary

Attached hereto as Exhibit B is the caption summary required by 49 C.F.R. §1150.34.

Respectfully submitted,


ERIC M. HOCKY
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1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

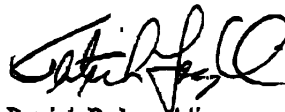
Dated: December 9, 2003

Attorneys for Lehigh Valley Rail Management, LLC

VERIFICATION

I, Patrick R. Loughlin, Manager of Lehigh Valley Rail Management, LLC, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on December 9, 2003.

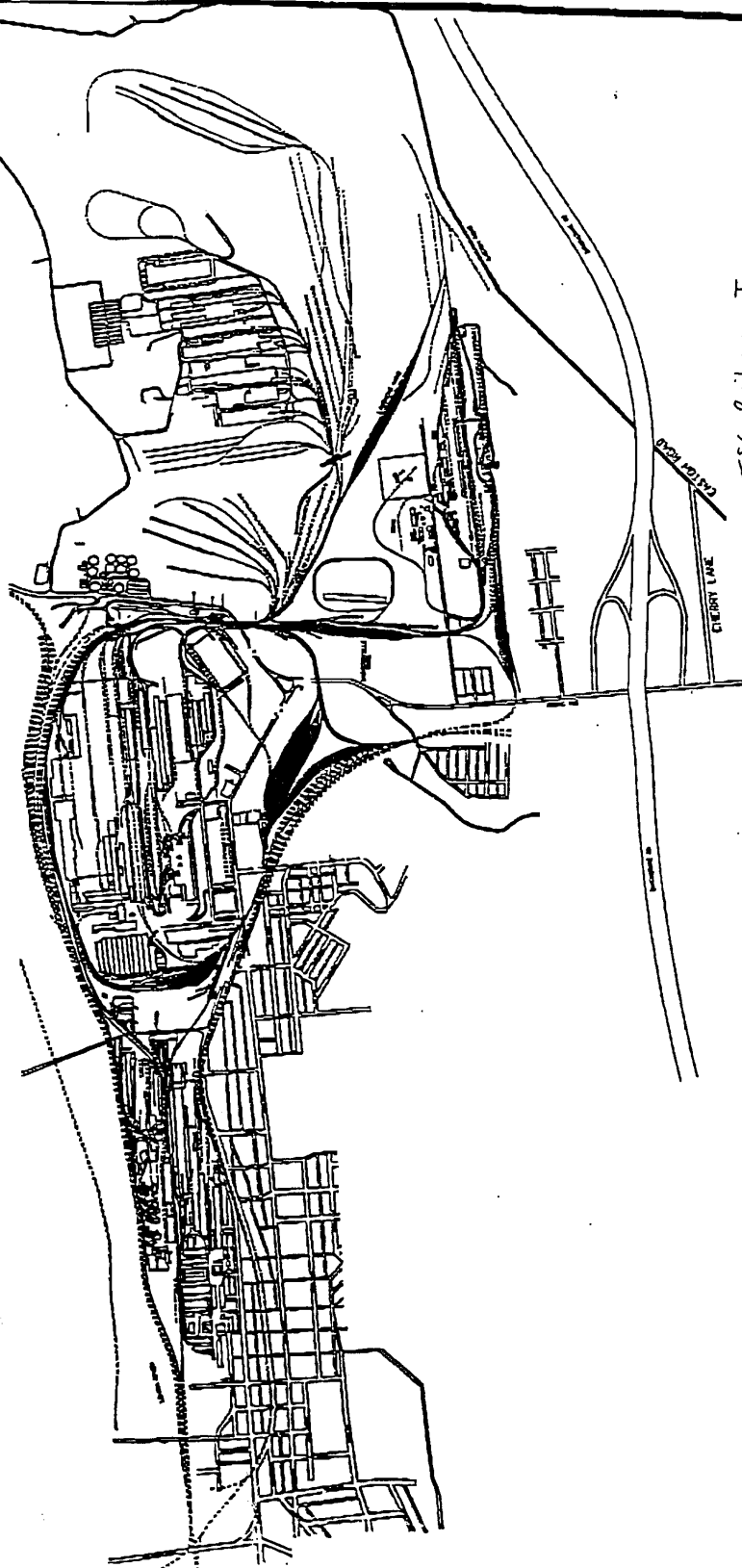


Patrick R. Loughlin

LVRM Acquisition.doc

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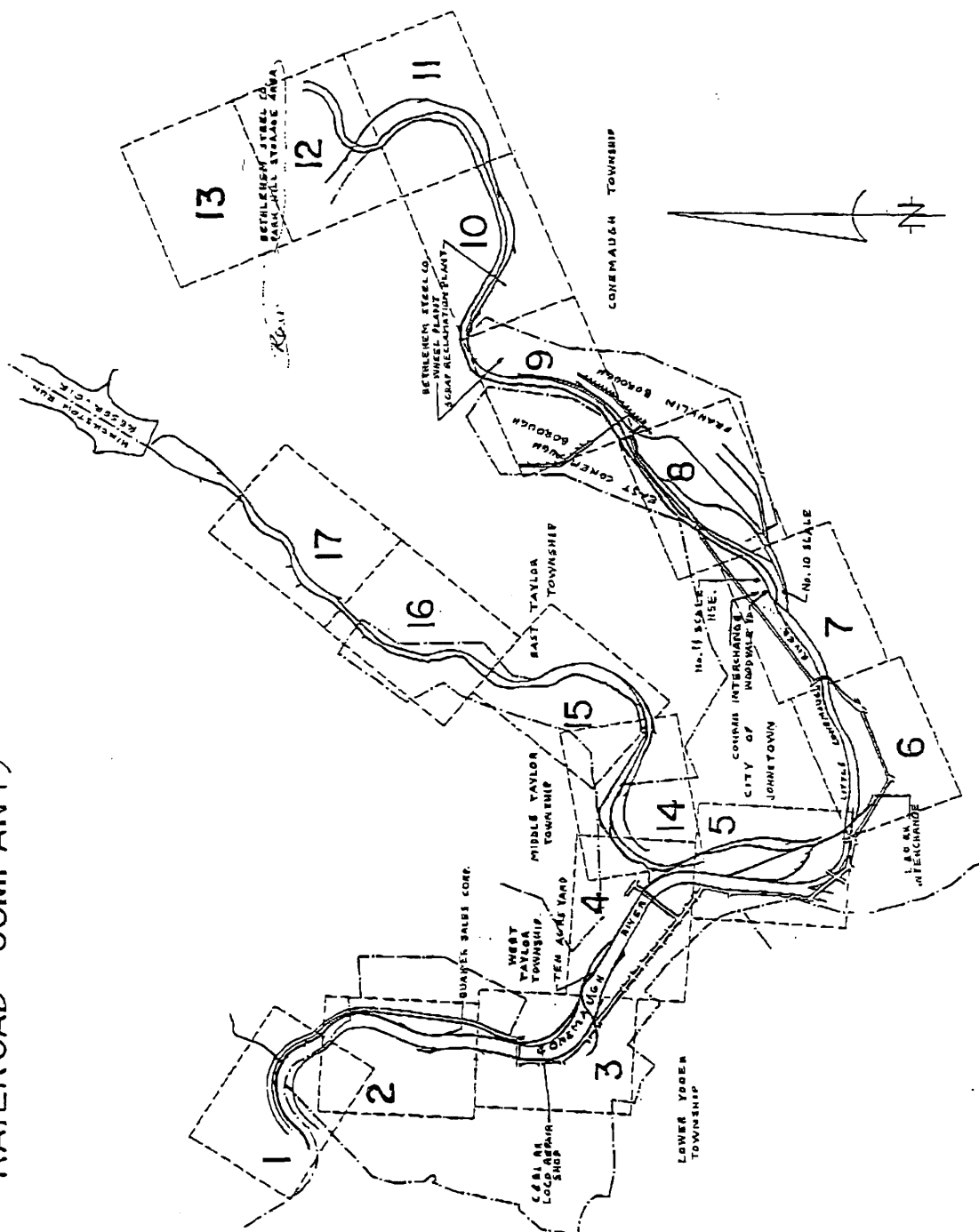
MAP



ISG Railways, Inc.

(KEYSTONE RAILROAD #6/a
Philadelphia, Bethlehem and New England Railroad Co.)
Bethlehem, PA

IS&R Railways, Inc.
(CONEMAUGH AND BLACK LICK
RAILROAD COMPANY)



LMS

REVISED 12-31-92

C & BL RR Co

CAPTION SUMMARY

BEFORE THE
SURFACE TRANSPORTATION BOARD
STB FINANCE DOCKET NO. 34445

**LEHIGH VALLEY RAIL MANAGEMENT
- ACQUISITION AND OPERATION EXEMPTION -
ISG RAILWAYS, INC.**

Lehigh Valley Rail Management, LLC ("LVRM"), a non-carrier has filed a Notice of Exemption to acquire and operate approximately 170.079 miles of rail lines owned by ISG Railways, Inc. ("ISGR"). The Rail Lines are located in Northampton and Cambria Counties, Pennsylvania. The Rail Lines are described as follows:

(A) ISGR's interest in the approximately 132-mile rail line in Northampton County, PA, formerly operated by Keystone Railroad, LLC. The rail line is composed of yard and switching tracks and does not have assigned mileposts;

(B) ISGR's interest in the approximately 32-mile rail line in Cambria County, PA, formerly operated by Connemaugh & Black Lick Railroad, LLC. The rail line is composed of yard and switching tracks and does not have assigned mileposts; and

(C) ISGR's interest in the following rail lines formerly operated by Cambria and Indiana Railroad, Inc.: (i) the approximately 4.5-mile rail line extending between approximately milepost 6.4 at Edensburg Junction and approximately milepost 10.45189 in Cambria County, PA; and (ii) the approximately 1.579-mile connecting segment between milepost 15.355 (RJCP milepost 10.45189) and approximately milepost 16.934.

Comments must be filed with the Board and served on LVRM's representative, Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808; (215) 563-9400.

The 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 transaction.