

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34968

CHICAGO TERMINAL RAILROAD
-- ACQUISITION AND OPERATION EXEMPTION --
SOO LINE RAILROAD COMPANY
D/B/A CANADIAN PACIFIC RAILWAY

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

NOTICE OF OPERATION OF RAIL LINE

ENTERED
Office of Proceedings
NOV 22 2006
Part of
Public Record

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Submitted By:

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner.

ORIGINAL

Dated: November 22, 2006

RECEIVED
NOV 22 2006
JACK
ENTERED

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NOTICE OF OPERATION OF RAIL LINE

INFORMATION REQUIRED BY 49 CFR 1150.33

Name and Address of Applicant 49 CFR 1150.33(a)

Chicago Terminal Railroad
C/o Iowa Pacific Holdings, LLC
118 South Clinton
Suite 300
Chicago, IL 60611

Applicant's Representative 49 CFR 1150.33(b)

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Statement of Agreement(s) 49 CFR 1150.33(c)

Iowa Pacific Holdings LLC ("IPH") on behalf of its wholly-owned subsidiary Chicago Terminal Railroad ("CTR") has executed an agreement with the Soo Line Railroad Company d/b/a Canadian Pacific Railway ("Soo") for the purchase and operation of rail property known as the C&E Line located in the City of Chicago, Cook County, IL. The subject rail property totals approximately 4.5 miles in length and does not have any mileposts.

CTR plans to commence operations on or after December 21, 2006, more than 7 days after the filing of this notice.

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, CTR will hold itself out to provide common carrier rail freight service over the subject rail property.

Brief Summary of Transaction

49 CFR 1150.33(e)

This exemption involves the purchase and operation by CTR, a new class III short line railroad and non-carrier subsidiary established by IPH.¹ CTR will replace service presently being performed by Soo. Shippers will benefit insofar as CTR will market its service so as to be more responsive to the needs of local customers. Moreover,

¹ IPH will own CTR through its wholly owned subsidiary Permian Basin Railways, Inc. ("Permian"). IPH and Permian are filing a verified notice of exemption for continuance in control of CTR concurrently with this filing.

CTR's lower cost structure will enable it to provide service at lower rates than a class railroad can provide.

Certificate of Carrier Classification **49 CFR 1150.33(g)**

CTR certifies that, with this acquisition, its projected annual revenues will be 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.

Labor Protection

Under 49 U.S.C. 10901 the imposition of labor protective conditions is discretionary. CTR requests that no conditions be imposed as there are no employees who will be adversely affected.

Caption Summary **49 CFR 1150.34**

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

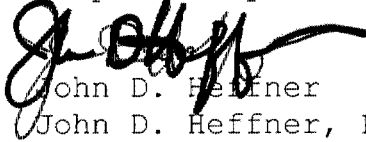
Environmental and Historic Preservation Data **49 CFR 1105**

Pursuant to 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105(c)(2)(i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). Under this section, a sale,

lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Respectfully submitted,



John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

Dated: November 22, 2006

EXHIBIT A

Chicago, IL



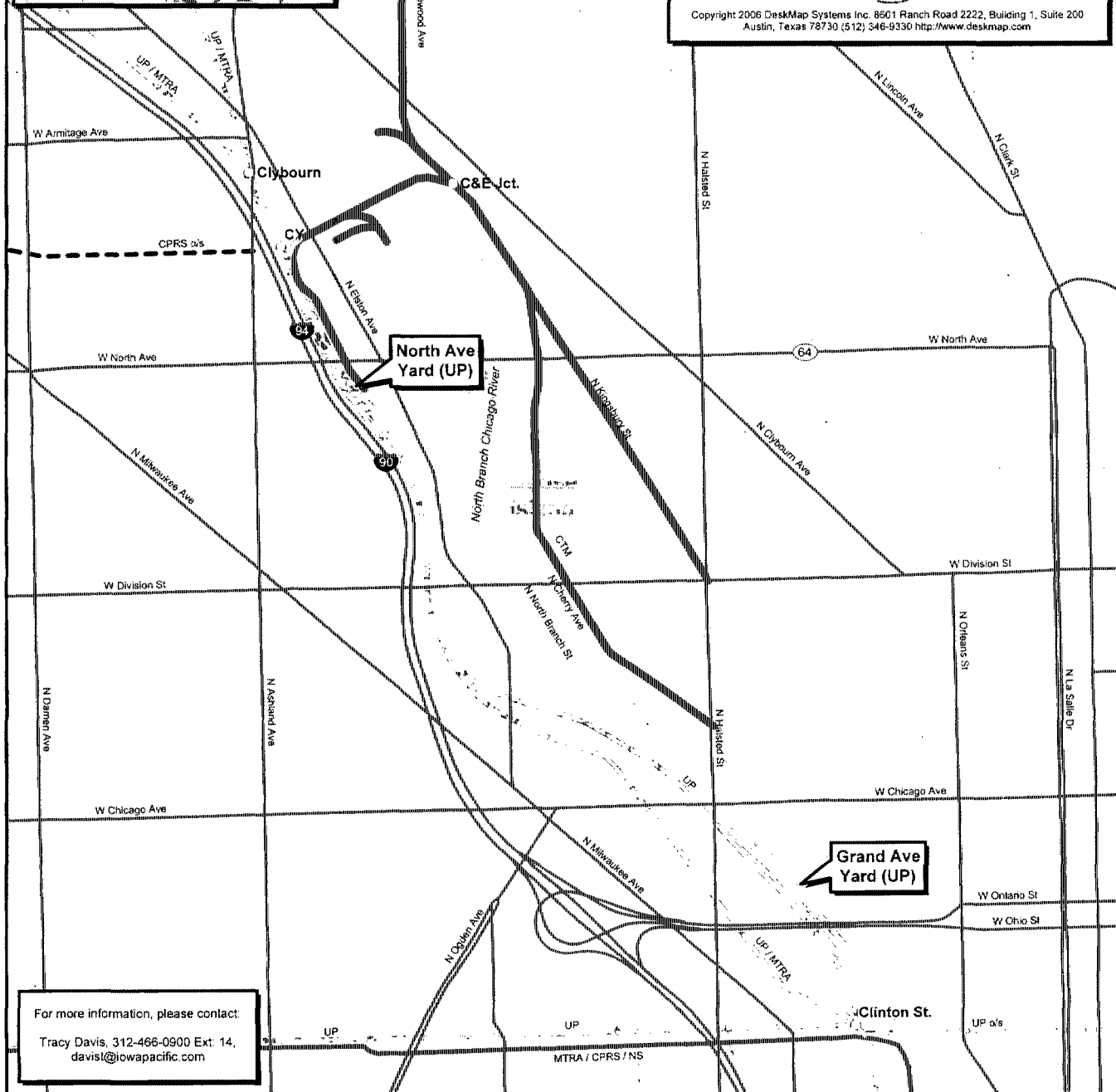
Chicago Terminal Railroad

	CTM	Chicago Terminal Railroad
	MTRA	Chicago Commuter Rail Authority
	UP	Union Pacific

Connections: CTM with UP at North Ave,
Chicago, IL



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Austin, Texas 78730 (512) 346-9330 <http://www.deskmap.com>



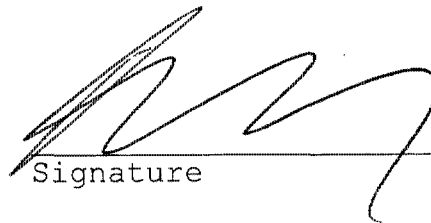
For more information, please contact:

Tracy Davis, 312-466-0900 Ext: 14,
davis1@towapacific.com

EXHIBIT B

CERTIFICATION

I, Edwin Ellis, an officer of the Chicago Terminal Railroad ("CTR") hereby certify under penalty of perjury that the projected annual railroad operating revenues of CTR, in the aggregate, will not exceed \$5,000,000, and that CTR will be a Class III rail carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I certify that I am qualified and authorized to make this certification on behalf of CTR.



Signature

EXHIBIT C

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SOO LINE RAILROAD COMPANY
D/B/A CANADIAN PACIFIC RAILWAY

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

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

The Chicago Terminal Railroad ("CTR"), a newly established non-carrier, has filed a Verified Notice of Exemption under 49 CFR 1150.31 to purchase and operate a line of railroad known as the C&E Line currently owned by the Soo Line Railroad Company d/b/a Canadian Pacific Railway ("Soo"). The subject rail property consists of approximately 4.5 miles of railroad located in Chicago, Cook County, IL. The line does not have any mileposts.

CTR plans to consummate this transaction on or after December 21, 2006, more than seven days after the filing of this exemption.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the

A verified notice of exemption for continuance in control of CTR is being filed concurrently with this notice in Finance Docket No. 34967.

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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34968, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition, a copy of each pleading must be served on:

John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N Street, N.W.,
Suite 800
Washington, D.C., 20036
Telephone: (202) 263-4180

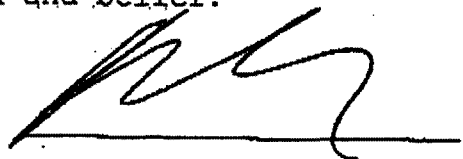
(seal)

Vernon A. Williams
Secretary

VERIFICATION

STATE OF)
) SS
CITY OF)

Edwin Ellis, being duly sworn according to law, hereby deposes and states that (s)he is authorized to make the Verification, has read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of (her)his knowledge, information and belief.



Subscribed and sworn to before me, a Notary Public, in and for the City of Chicago in the State of Illinois, this 22nd day of November


Notary Public

My Commission expires:

