

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36118]

Ellis & Eastern Company—Acquisition and Operation Exemption—E & ER Company

Ellis & Eastern Company (Ellis), a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.41 to acquire from E & ER Company (E&ER) and operate approximately 7.6 miles of rail line, between approximately milepost 41.4, near Manley, Minn., and milepost 49.0, in or near Brandon, S.D., in Rock County, Minn., and Minnehaha County, S.D. (the Line).¹ According to Ellis, the Line is in poor repair and in need of rehabilitation, and has not been operated over since at least 1994, when E&ER acquired the Line.

According to Ellis, it has reached an agreement with E&ER to acquire the trackage, right-of-way, and real property interests of the line owned by E&ER. Ellis also states that the proposed transaction does not involve any provision that may limit future interchange of traffic with any third-party carrier.

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

¹ This transaction is related to a concurrently filed verified notice of exemption in Ellis & Eastern Co.—Operation Exemption—Buffalo Ridge Regional Railroad Authority, Docket No. FD 36119, wherein Ellis seeks to lease and operate approximately 41.44 miles of Buffalo Ridge Regional Railroad's rail line between approximately milepost 0.0 at Agate, Minn., and milepost 41.44 near Manley, Minn.

The transaction may be consummated on June 7, 2017, the effective date of the exemption (30 days after the exemption was filed).

According to Ellis, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic review under 49 C.F.R. § 1105.8(b).

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 transaction. Petitions for stay must be filed no later than May 31, 2017 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36118, 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 John E. Taylor, Taylor Law Firm, LLC, 4820 East 57th St., Suite B, Sioux Falls, SD 57108.

Board decisions and notices are available on our website at WWW.STB.GOV.

Decided: May 19, 2017.

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