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**BALL JANIK LLP**

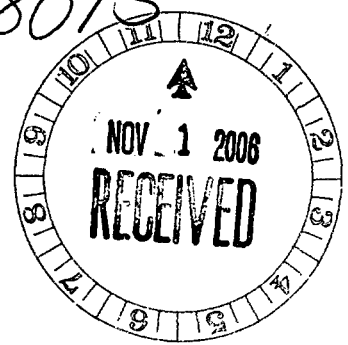
A T T O R N E Y S

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KARL MORELL



kmorell@dc.bjllp.com

November 1, 2006

BY HAND DELIVERY

The Honorable Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W., Suite 700  
Washington, DC 20423-0001

**FILED**

NOV 1 - 2006

**SURFACE  
TRANSPORTATION BOARD**

Re: STB Finance Docket No. 34949, Georgia Southwestern Railroad,  
Inc. -- Acquisition Exemption -- The South Western Railroad  
Company and Central of Georgia Railroad Company

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. § 1150.41 and a check covering the \$1,500 filing fee. Also enclosed is a 3.5-inch diskette containing the Notice and Summary.

Please time and date stamp the extra copy of the Notice of Exemption and return it with our messenger.

If you have any questions, please contact me.

Sincerely yours,

Karl Morell

Enclosures

ENTERED  
Office of Proceedings  
NOV 1 2006  
Part of  
Public Record

**FEE RECEIVED**  
NOV 1 - 2006  
**SURFACE  
TRANSPORTATION BOARD**

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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FINANCE DOCKET NO. 34949

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GEORGIA SOUTHWESTERN RAILROAD, INC.  
--ACQUISITION EXEMPTION--  
THE SOUTH WESTERN RAIL ROAD COMPANY AND  
CENTRAL OF GEORGIA RAILROAD COMPANY

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VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41, Et Seq.

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KARL MORELL  
Of Counsel  
BALL JANIK LLP  
Suite 225  
1455 F Street, N.W.  
Washington, D.C. 20005  
(202) 638-3307

Attorneys for:  
GEORGIA SOUTHWESTERN  
RAILROAD, INC.

Dated: November 1, 2006

BEFORE THE  
SURFACE TRANSPORTATION BOARD

\_\_\_\_\_  
FINANCE DOCKET NO. 34949  
\_\_\_\_\_

GEORGIA SOUTHWESTERN RAILROAD, INC.  
--ACQUISITION EXEMPTION--  
THE SOUTH WESTERN RAIL ROAD COMPANY AND  
CENTRAL OF GEORGIA RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41, Et Seq.  
\_\_\_\_\_

Georgia Southwestern Railroad, Inc. ("GSR"), a Class III rail carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E--Exempt Transactions Under 49 U.S.C. 10902, to permit GSR to acquire a 79.41-mile rail line from The South Western Rail Road Company ("SWRR") and Central of Georgia Railroad Company ("CGRR"). SWRR and CGRR are subsidiaries of Norfolk Southern Railway Company ("NSR") and will be collectively referred to as NSR.

In support of this Notice of Exemption, GSR submits the following information as required by 49 C.F.R. § 1150.43:

- (a) Full name and address of applicant:

Georgia Southwestern Railroad, Inc.  
78 Pulpwood Road  
Dawson, GA 39842

(b) Applicant's Representative:

Karl Morell  
Of Counsel  
BALL JANI K LLP  
Suite 225  
1455 F Street, N.W.  
Washington, DC 20005  
(202) 638-3307

(c) Statement of Agreement:

GSWR has entered into an agreement with NSR for the acquisition of the rail line.

(d) The operator of the property:

GSWR currently leases the line and after the acquisition will continue to be the operator of the property.

(e) Summary of proposed transaction:

(1) The name and address of the railroads selling the subject property is:

The South Western Rail Road Company and  
Central of Georgia Railroad Company  
Three Commercial Place  
Norfolk, VA 23510

(2) GSWR's acquisition of the rail line is expected to be consummated on or shortly after November 8, 2006.

(3) The rail line GSWR seeks to acquire is currently leased and operated by GSWR. The rail line is located between Milepost H-275.00, at Smithville, GA, and Milepost H-339.00, at Eufaula. AL, then extending between

Milepost H-333.59, which equates to Milepost L-333.59, at Eufaula, AL and Milepost L-349.00 near White Oak, AL.<sup>1</sup>

- (4) The length of the rail line being acquired is 79.41 miles.
- (f) A map of the rail line being acquired is attached as Exhibit 1.
- (g) GSWR hereby certifies that GSWR's projected revenues as a result of this transaction will not result in GSWR becoming a Class II or Class I rail carrier. GSWR further certifies that the projected annual revenue of GSWR will not exceed \$5 million as a result of this transaction. Accordingly, the requirements of 49 C.F.R. § 1150.42(e) do not apply to this transaction.

A caption summary, as required by 49 C.F.R. § 1150.44, is attached.

#### **ENVIRONMENTAL AND HISTORIC IMPACTS**

GSWR is currently leasing the line from NSR and the acquisition is for continued rail operations. Further Board approval is required for GSWR to abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

Because GSWR is currently leasing and operating the line, the acquisition of the line by GSWR will not result in any changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an

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<sup>1</sup> SWRR owns the portion of the Line between Milepost H-275, at Smithville, GA, and Milepost H-339.00, at Eufaula, AL and CGRR owns the segment between Milepost L-333.59, at Eufaula, AL, and Milepost L-349.00, near White Oak, AL.

increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. GSWR's acquisition of the rail line will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Karl Morell", is written over a horizontal line.

KARL MORELL  
Of Counsel  
BALL JANIK LLP  
Suite 225  
1455 F Street, N.W.  
Washington, DC 20005  
(202) 638-3307

Attorneys for:  
GEORGIA SOUTHWESTERN RAILROAD, INC.

Dated: November 1, 2006

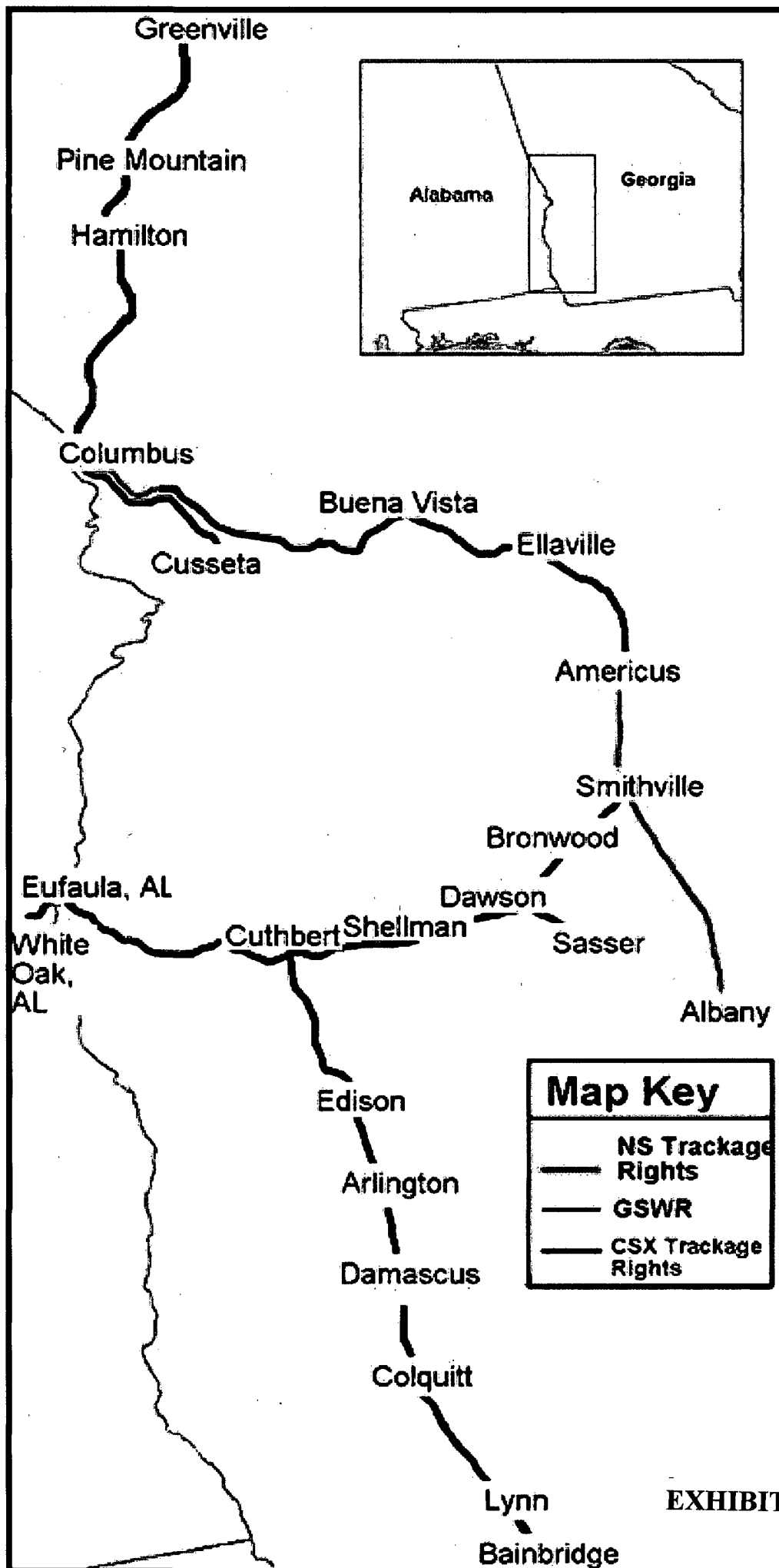


EXHIBIT A

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34949

GEORGIA SOUTHWESTERN RAILROAD, INC.  
--ACQUISITION EXEMPTION--  
THE SOUTH WESTERN RAIL ROAD COMPANY AND  
CENTRAL OF GEORGIA RAILROAD COMPANY

Georgia Southwestern Railroad, Inc., a Class III rail carrier, has filed a notice of exemption to acquire from The South Western Rail Road Company ("SWRR") and Central of Georgia Railroad Company ("CGRR") the rail line located Milepost H-275.00, at Smithville, GA, and Milepost H-339.00, at Eufaula, AL, then extending between Milepost H-333.59, which equates to Milepost L-333.59, at Eufaula, AL and Milepost L-349.00 near White Oak, AL.

Comments must be filed with the Board and served on Karl Morell, Of Counsel, BALL JANIK LLP, Suite 225, 1455 F Street, N.W., Washington, DC 20005, (202) 638-3307.

This notice is filed under 49 C.F.R. 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

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SS.

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Terry R. Small  
Terry R. Small

My Commission Expires: **MY COMMISSION EXPIRES MARCH 4, 2007**

  
\_\_\_\_\_  
Notary Public

