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August 2, 2019

248286

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423-0001

ENTERED
Office of Proceedings
August 2, 2019
Part of
Public Record

Re: **Docket No. FD 36339**
Wisconsin Rapids Railroad, L.L.C. -- Lease and
Operation Exemption -- Line of Wisconsin Central Ltd.

Dear Ms. Brown:

Attached for filing in the above-captioned proceeding is the **Verified Notice of Exemption of Wisconsin Rapids Railroad, L.L.C. Pursuant to 49 C.F.R. § 1150.32**, dated August 2, 2019. The sum of \$2,000, representing the appropriate fee for this filing, has been tendered electronically via Pay.gov.

If you have any questions regarding this filing, please feel free to contact me.
Thank you for your assistance on this matter.

Respectfully submitted,



Audrey L. Brodrick
Attorney for Wisconsin Rapids Railroad, L.L.C.

ALB:tjl

Attachment
FEE RECEIVED
August 2, 2019
SURFACE
TRANSPORTATION BOARD

FILED
August 2, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36339

WISCONSIN RAPIDS RAILROAD, L.L.C.
-- LEASE AND OPERATION EXEMPTION --
LINE OF WISCONSIN CENTRAL LTD.

**VERIFIED NOTICE OF EXEMPTION
OF
WISCONSIN RAPIDS RAILROAD, L.L.C.
PURSUANT TO 49 C.F.R. § 1150.32**

Robert A. Wimbish
Audrey L. Brodrick
Fletcher & Sippel
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR WISCONSIN RAPIDS
RAILROAD, L.L.C.**

Dated: August 2, 2019

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36339

WISCONSIN RAPIDS RAILROAD, L.L.C.
-- LEASE AND OPERATION EXEMPTION --
LINE OF WISCONSIN CENTRAL LTD.

**VERIFIED NOTICE OF EXEMPTION
OF
WISCONSIN RAPIDS RAILROAD, L.L.C.
PURSUANT TO 49 C.F.R. § 1150.32**

Wisconsin Rapids Railroad, L.L.C. ("WRR"), a non-carrier, hereby files this notice of exemption under 49 C.F.R. § 1150.31, *et seq.* to lease and operate a rail line of Wisconsin Central Ltd. ("WCL") extending from approximately milepost 0.4 to approximately milepost 1.5 in Biron, Wisconsin, a distance of approximately 1.1 miles (the "Biron Lead"). Based on projected revenues for the Biron Lead, WRR expects to be a Class III rail carrier.

This Notice is related to Docket No. FD 36340, *Watco Holdings, Inc. -- Continuance in Control Exemption -- Wisconsin Rapids Railroad, L.L.C.*, in which Watco Holdings, Inc. ("Watco") is concurrently filing a notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of WRR once WRR leases the Biron Lead and becomes a carrier. Watco is a non-carrier holding company which controls forty Class II or Class III rail carriers operating in 25 states.

In accordance with the requirements of 49 C.F.R. § 1150.33, WRR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.33(a)

The full name and address of the applicant herein is as follows:

Wisconsin Rapids Railroad, L.L.C.
315 West 3rd Street
Pittsburg, Kansas 66762

Applicant's Representative: 49 C.F.R. § 1150.33(b)

The WRR representative to whom correspondence regarding this transaction should be sent is as follows:

Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.33(c)

WRR and WCL will shortly execute a Track Lease and Operating Agreement pursuant to which WRR will lease the Biron Lead from WCL.

Operation of the Property: 49 C.F.R. § 1150.33(d)

WRR will be the operator of the Biron Lead upon consummation of the lease transaction proposed in this proceeding. As discussed further below, WCL, WRR and ND Paper Inc. ("ND"), the sole shipper on the Biron Lead, have entered into arrangements that contemplate WCL's abandonment of, and WRR's discontinuance of service on, the Biron Lead, ND's subsequent acquisition of the trackage as a non-carrier, and WRR's provision of contract switching services for ND on what will then be ND industry trackage.

Summary of the Transaction: 49 C.F.R. § 1150.33(e)

WRR is a newly-formed, indirect non-carrier subsidiary of Watco. Pursuant to the Track Lease and Operating Agreement to be executed by WRR and WCL, WRR will lease and operate WCL's rail line extending from the connection with WCL at approximately milepost 0.4 at Plover Road to the connection with ND's plant trackage at approximately milepost 1.5 at Biron Drive, a distance of approximately 1.1 miles in Biron, Wood County, Wisconsin.

WRR's lease of the Biron Lead from WCL will allow WRR to commence service to ND's paper mill in Biron, which is the only shipper facility on the Biron Lead. WRR and WCL have each entered into agreements with ND that contemplate the future abandonment of the Biron Lead as a regulated line of railroad and the subsequent conveyance of the Biron Lead trackage to ND, which will retain the trackage to serve the Biron paper mill and will contract with WRR to provide private switching services on the trackage. To accommodate this process, and with ND's express consent and support, WRR will shortly seek discontinuance authority and WCL will seek abandonment authority from the Board for the Biron Lead.¹ WRR is leasing the Biron Lead from WCL and submitting this notice of exemption at the present time at the request of ND, so that WRR service to ND can begin immediately while the parties' longer-term arrangements are implemented.

The full name and address of the entity leasing the Biron Lead to WRR is as follows:

Wisconsin Central Ltd.
17641 South Ashland Avenue
Homewood, Illinois 60430

¹ WRR's discontinuance request will be filed as Docket No. AB-1290X, *Wisconsin Rapids Railroad, L.L.C. -- Discontinuance of Service Exemption -- In Wood County, WI*. WCL's abandonment request will be filed as Docket No. AB-303 (Sub-No. 52X), *Wisconsin Central Ltd. -- Abandonment Exemption -- In Wood County, WI*.

WCL is a wholly-owned, indirect subsidiary Canadian National Railway Company. *See Canadian National Ry. Co. -- Control -- Wisconsin Central Transp. Corp.*, 5 S.T.B. 890 (2001).

WRR intends to consummate its lease of the Biron Lead and commence operations on September 1, 2019.

Map: 49 C.F.R. § 1150.33(f)

A map showing the Biron Lead and indicating the area served by the line, including origins, termini, stations, and cities, is attached as Exhibit A to this notice.

Certificate of Compliance: 49 C.F.R. § 1150.33(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit B to this notice.

Interchange Commitments: 49 C.F.R. § 1150.33(h)

The Track Lease and Operating Agreement between WRR and WCL does not include any provision limiting WRR's future interchange of traffic on the Biron Lead with a third-party connecting carrier.

Advance Notice: 49 C.F.R. § 1150.32(e)

The projected annual revenue of WRR does not exceed \$5 million, and accordingly the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See Exhibit B hereto.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

Under 49 C.F.R. § 1105.6(c)(2), the proposed lease of the Biron Lead by WRR is exempt from environmental reporting requirements. WRR's lease and operation of the Biron

Lead will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), the proposed lease of the Biron Lead by WRR also is exempt from historic preservation reporting requirements. WRR's lease of the Biron Lead is for the purpose of continuing rail operations while the longer-term arrangements of ND, WCL and WRR are implemented, and further Surface Transportation Board approval will be obtained prior to discontinuance or abandonment of any service. There are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary in appropriate form is attached as Exhibit C to this notice.

Respectfully submitted,

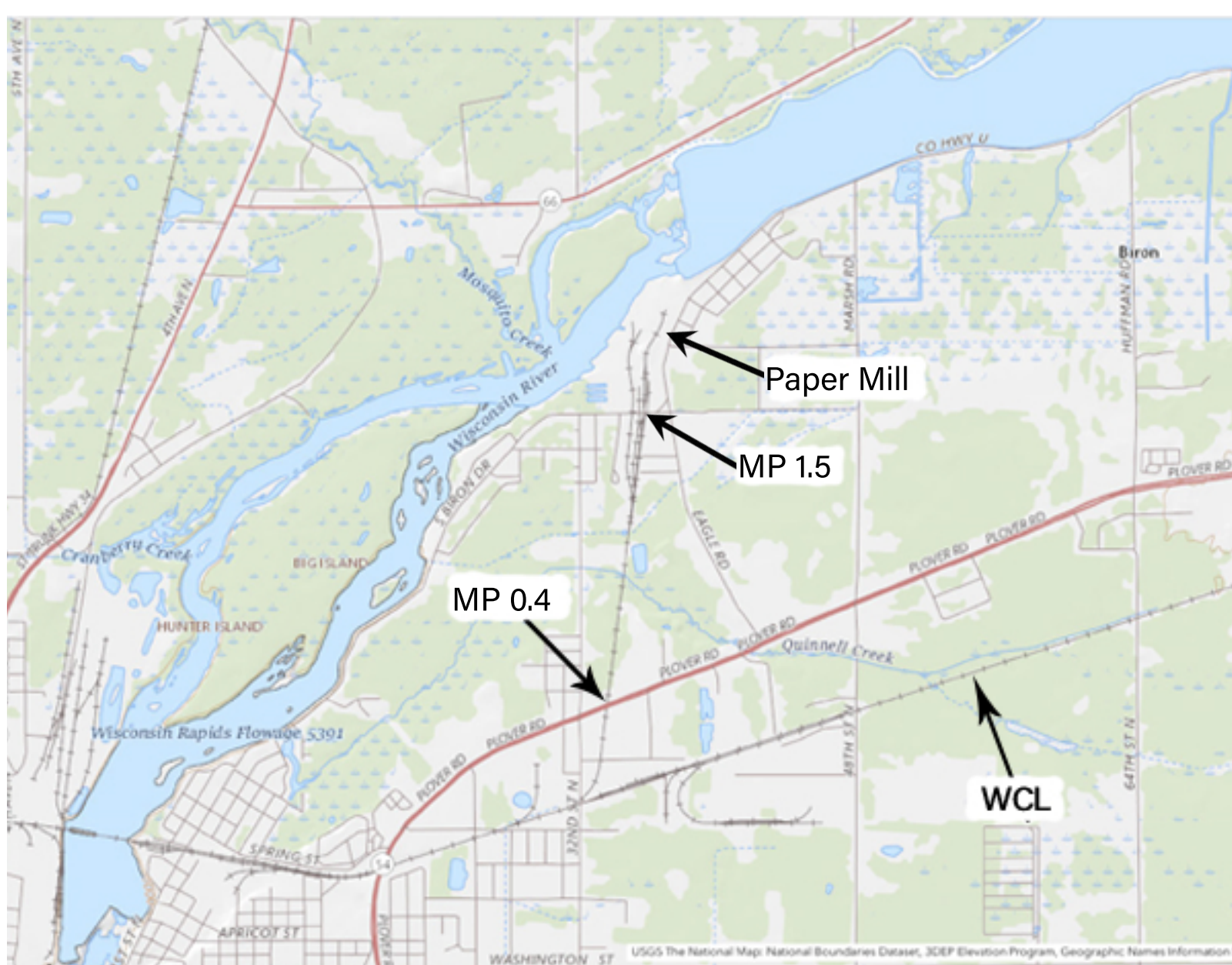
By: 
Robert A. Wimbish
Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR WISCONSIN RAPIDS
RAILROAD, L.L.C.**

Dated: August 2, 2019

Wisconsin Rapids Railroad, L.L.C.

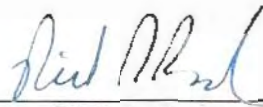
Biron, Wisconsin



CERTIFICATION

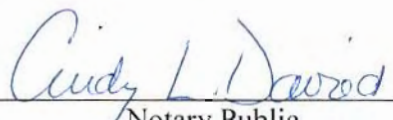
State of Kansas)
) ss:
County of Crawford)

Rick D. Baden, being duly sworn, hereby certifies that the projected annual rail revenue of Wisconsin Rapids Railroad, L.L.C. does not exceed \$5 million and will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1).

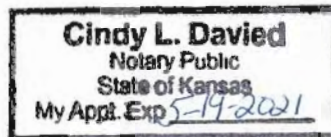


Rick D. Baden
President

SUBSCRIBED AND SWORN TO
before me this 2nd day
of August, 2019.



Notary Public



My Commission expires: 5-19-2021

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36339

WISCONSIN RAPIDS RAILROAD, L.L.C.
-- LEASE AND OPERATION EXEMPTION --
LINE OF WISCONSIN CENTRAL LTD.

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WRR expects to consummate its lease of the Biron Lead and commence operations on September 1, 2019.

Comments must be filed with the Board and served on:

Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

This proceeding is related to Docket No. FD 36340, *Watco Holdings, Inc. -- Continuance in Control Exemption -- Wisconsin Rapids Railroad, L.L.C.*, in which Watco Holdings, Inc. has concurrently filed a notice of exemption pursuant to 49 U.S.C. §§ 11323, et seq. and 49 C.F.R. § 1180.2(d)(2) to continue in control of WRR once WRR leases the Biron Lead and becomes a carrier.

This Notice is filed under 49 C.F.R. § 1150.31. If this 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.

Dated: August __, 2019

By the Board

VERIFICATION

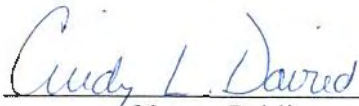
State of Kansas)
) ss:
County of Crawford)

Rick D. Baden, being duly sworn, deposes and says that he is President of Wisconsin Rapids Railroad, L.L.C., that he has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated.



Rick D. Baden

SUBSCRIBED AND SWORN TO
before me this 2nd day
of August, 2019.



Notary Public

My Commission expires: 5-19-2021

