

WEINER BRODSKY SIDMAN KIDER PC

ENTERED
Office of Proceedings

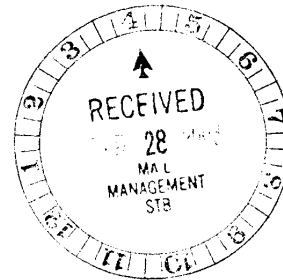
1300 NINETEENTH STREET NW
FIFTH FLOOR
WASHINGTON DC 20036 1609
TEL 202 628 2000
FAX 202 628 2011

RICHARD J. ANDREANO, JR.
SANDRA L. BRICKEL
JAMES A. BRODSKY
DONALD C. BROWN, JR.
JO A. DeROCHE
TROY W. GARRIS
CYNTHIA L. GILMAN
CAMILLO M. GONSALVES*
DON J. HALPERN
STEPHEN E. HART
MITCHEL H. KIDER
THOMAS LAWRENCE III*

ALDYS A. LONDON
JAMES M. MILANO
SUZANNE DE ARMOND MUCCHETTI
LEAH SCHMULEWITZ GETLAN
MARK H. SIDMAN
JOHN D. SOCKNAT
DAVID M. SOUDERS
DIAN P. STEVENS
CYNTHIA G. SWANN
MICHAEL S. WALDRON
HARVEY E. WEINER
ROSE-MICHELE WEINRYB
*NOT ADMITTED IN D.C.

MAR 03 2003

Part of
Public Record



February 28, 2003

FEE RECEIVED

BY HAND DELIVERY

The Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

MAR 3 2003

SURFACE
TRANSPORTATION BOARD

207325

DID# 0102143001

Re: STB Finance Docket No. 34298, Chattahoochee & Gulf Railroad Co., Inc.
– Acquisition and Operation Exemption – Line of Central of Georgia
Railroad Company; and

207324

STB Finance Docket No. 34299, Gulf & Ohio Railways Holding Co., Inc.,
H. Peter Claussen and Linda C. Claussen – Continuance in Control
Exemption – Chattahoochee & Gulf Railroad Co., Inc.

Dear Secretary Williams:

Enclosed for filing in the above-referenced proceedings are an original and 10 copies of each of (i) the verified notice of exemption of Chattahoochee & Gulf Railroad Co., Inc. ("CGR") under 49 C.F.R. § 1150.31 for the acquisition and operation of a line of Central of Georgia Railroad Company, and (ii) the petition for exemption of Gulf & Ohio Railways Holding Co., Inc. and H. Peter and Linda C. Claussen under 49 U.S.C. § 11323 for the continuation in control of CGR.

Also enclosed, pursuant to 49 C.F.R. § 1180.6(a)(6), are 20 additional copies of the pertinent maps, and a check in the amount of \$8,200 to cover the filing fees for these proceedings.

WEINER BRODSKY SIDMAN KIDER PC

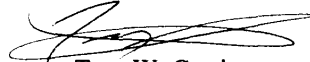
The Hon. Vernon A. Williams

- 2 -

February 28, 2003

Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Sincerely,



Troy W. Garris

Enclosures

cc: Pete Claussen

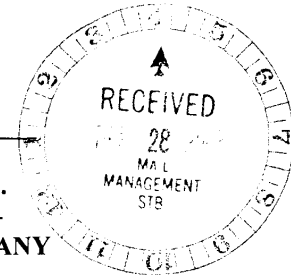
M:\8515\20\tldt546\et chattahoochee filing williams.doc

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**CHATTAHOOCHEE & GULF RAILROAD CO., INC.
– ACQUISITION AND OPERATION EXEMPTION –
LINE OF CENTRAL OF GEORGIA RAILROAD COMPANY**

STB FINANCE DOCKET NO. 34298

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**



The Chattahoochee & Gulf Railroad Co., Inc. (“CGR”), hereby files this Verified Notice of Exemption to acquire the interests from the Central of Georgia Railroad Company (“CGA”) in, and operate, the rail line and related properties as described below (“Subject Line”).

1. Applicant’s name and current mailing address:

Chattahoochee & Gulf Railroad Co., Inc.
401 Henley Street, Suite 5
Knoxville, Tennessee 37902
(865) 525-9400

2. Applicant’s representative to receive correspondence:

Troy W. Garriss
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW
Fifth Floor
Washington, D.C. 20036-1609
(202) 628-2000

3. Information concerning the agreement:

CGR, a non-carrier, and CGA, a subsidiary of Norfolk Southern Railway Company, are close to reaching an agreement whereby CGR will acquire CGA’s interests in the Subject Line.

4. Operator of the property:

CGR will operate the Subject Line.

5. Brief summary of the proposed transaction:

CGR and CGA expect to consummate the transaction on or after March 7, 2003. CGR will acquire all of CGA's interest in the Subject Line, an approximately 24.2 route-mile rail line (and related assets), extending from approximately milepost J357.8 at the Hilton, GA station to approximately milepost J382.0 at the Dothan, AL station. The Subject Line traverses through Houston and Henry Counties, AL and Early County, GA. Maps of the Subject Line are attached hereto as Exhibit A.

6. Related proceedings:

In connection with this proceeding, Gulf & Ohio Railways Holding Co., Inc. ("G&O"), a noncarrier corporation, and H. Peter Claussen and Linda C. Claussen, noncarrier individuals, have filed in STB Finance Docket No. 34299 a petition for exemption, pursuant to 49 U.S.C. § 10502, to continue in control of CGR once CGR becomes a carrier.¹

7. Environmental Issues:

Pursuant to the Interstate Commerce Commission's decision in *Ex Parte* No. 55 (Sub-No. 22A), *Implementation of Environmental Laws*, 7 I.C.C.2d 807 (1991) ("*Environmental Laws*"), environmental documentation normally need not be prepared for a transaction that does not involve the diversion from rail to motor carriage of more than (A) 1,000 rail carloads a year, or (B) an average of 50 rail carloads per mile per year for any part of the affected line (49 C.F.R. § 1105.7(e)(4)), on the one hand, or that does not involve (A) an increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, (B) an increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment (49 C.F.R. § 1105.7(e)(5)), on the other hand. *See* 49 C.F.R. § 1105.6(c)(2).

The subject transaction will not result in changes in carrier operations that exceed the above-listed thresholds. Therefore, no environmental documentation is required for this Verified Notice of Exemption.

Pursuant to the *Environmental Laws* decision, transactions involving a sale, lease or transfer of a rail line for the purpose of continued rail operations are exempt from the

¹ CGR will be wholly owned by G&O, which controls a number of other class III carriers. G&O, in turn, is wholly owned by H. Peter Claussen and Linda C. Claussen (together the "Claussens"). The Claussens also directly own and control the class III carrier H&S Railroad Co., Inc.

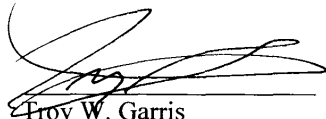
historic report requirements of 49 C.F.R. § 1105.8(a) if termination of such operations requires further approval by the Surface Transportation Board (the "Board") and there are no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. *See* 49 C.F.R. § 1105.8(b)(1).

Common carrier service on the Subject Line will be continued. CGR has no plans to dispose of or alter properties subject to Board jurisdiction that are 50 or more years old. Therefore, a historic report is not required for this filing.

8. Certificate of projected revenue:

In accordance with 49 C.F.R. § 1150.33(g), a certificate concerning CGR's projected revenue is attached as Exhibit B.

Respectfully submitted,



Troy W. Garis
Weiner Brodsky Sidman Kider PC
1300 Nineteenth Street, NW
Fifth Floor
Washington, D.C. 20005-4797
(202) 628-2000

Attorneys for:

CHATTAHOOCHEE & GULF
RAILROAD CO., INC.

Dated: February 28, 2003

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**CHATTAHOOCHEE & GULF RAILROAD CO., INC.
– ACQUISITION AND OPERATION EXEMPTION –
LINE OF CENTRAL OF GEORGIA RAILROAD COMPANY**

STB FINANCE DOCKET NO. 34298

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

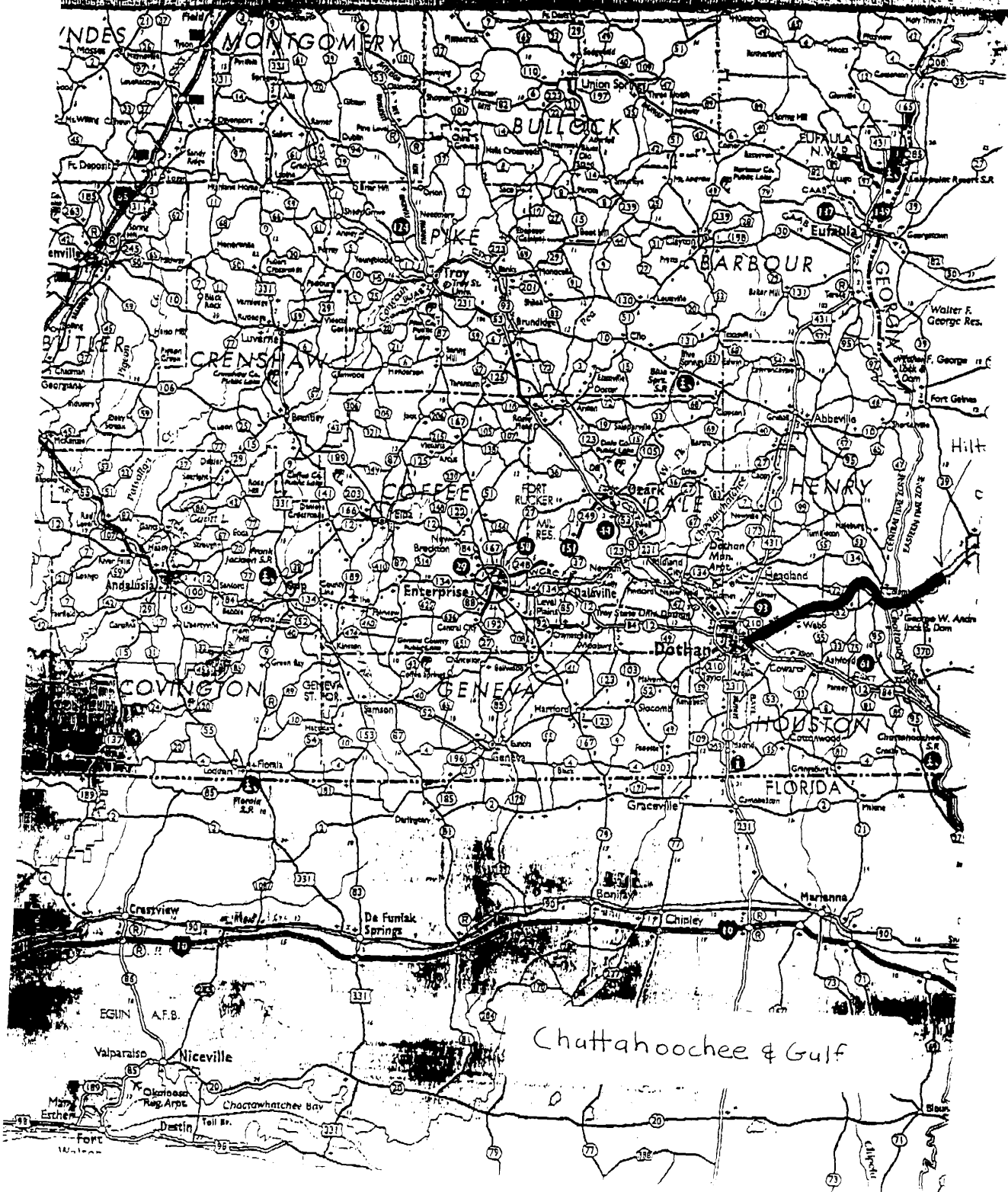
EXHIBIT A

MAPS OF SUBJECT LINE

FEB. 25. 2003 5:43PM

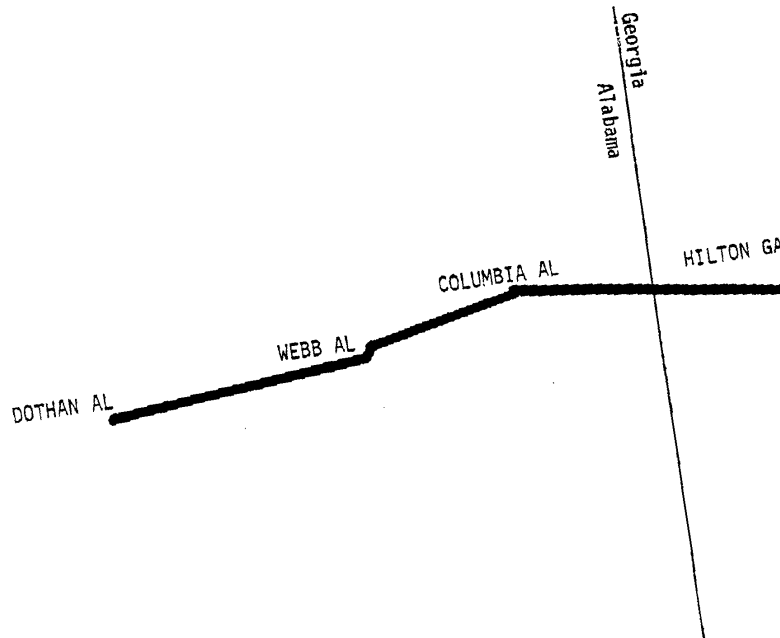
GULF & OHIO RAILWAYS

NO. 884 P. 3/4



Chattahoochee & Gulf

FEB. 25. 2003 5:44PM GULF & OHIO RAILWAYS



Chattahoochee & Gulf

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**CHATTAHOOCHEE & GULF RAILROAD CO., INC.
- ACQUISITION AND OPERATION EXEMPTION -
LINE OF THE NORFOLK SOUTHERN RAILWAY COMPANY**

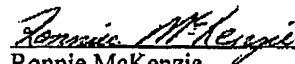
STB FINANCE DOCKET NO. 34298

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

EXHIBIT B

CERTIFICATION OF REVENUE

The undersigned hereby certifies that the projected revenues of Chattahoochee & Gulf Railroad Co., Inc. ("CGR") do not exceed that which qualify it as a class III carrier, nor will they exceed the \$5 million threshold that would require CGR to provide a 60-day notice to employees pursuant to CFR § 1150.32(e).



Ronnie McKenzie
President
Chattahoochee & Gulf Railroad Co., Inc.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**CHATTAHOOCHEE & GULF RAILROAD CO., INC.
– ACQUISITION AND OPERATION EXEMPTION –
LINE OF CENTRAL OF GEORGIA RAILROAD COMPANY**

STB FINANCE DOCKET NO. 34298

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

CAPTION SUMMARY

Chattahoochee & Gulf Railroad Co., Inc. (“CGR”), a non-carrier Tennessee corporation, has filed a notice of exemption to acquire all of Central of Georgia Railroad Company’s interest in an approximately 24.2 route mile rail line (and related assets), extending from approximately milepost J357.8 at the Hilton, GA station to approximately milepost J382.0 at the Dothan, AL station. The line traverses through Houston and Henry Counties, AL and Early County, GA.

Comments must be filed with the Surface Transportation Board and served on Troy W. Garris, Weiner Brodsky Sidman Kider PC, 1300 Nineteenth Street, NW, Fifth Floor, Washington, D.C. 20036-1609.

This proceeding is related to Gulf & Ohio Railways Holding Co., Inc; H. Peter Claussen and Linda C. Claussen. – Continuance in Control Exemption – Chattahoochee & Gulf Railroad Co., Inc., Finance Docket No. 34299, wherein Gulf & Ohio Railways Holding Co., Inc. and H. Peter Claussen and Linda C. Claussen, all non-carriers, have concurrently filed a petition for exemption to continue to control CGR upon CGR’s becoming a carrier.

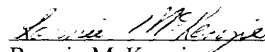
This notice is filed under 49 CFR § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Dated:

By the Board,

VERIFICATION

I, Ronnie McKenzie, certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief. Further, I certify that I am qualified and authorized to file this Verified Notice of Exemption.



Ronnie McKenzie
President
Chattahoochee & Gulf Railroad Co., Inc.

Dated: February 28, 2003