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October 23, 2018

246527

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20024

ENTERED
Office of Proceedings
October 23, 2018
Part of
Public Record

Re: **EYAL SHAPIRA -
CONTINUANCE IN CONTROL EXEMPTION -
IOWA & MIDDLETOWN RAILWAY LLC AND
WOLF CREEK RAILROAD LLC
STB DOCKET NO. FD 36232**

Dear Ms. Brown:

Enclosed for filing in the above-referenced proceeding is a Continuance in Control Notice of Exemption filed on behalf of Eyal Shapira.

Also enclosed as a confidential document is a credit card authorization for the filing fee of \$1500 representing the filing fee for this Notice.

**FEE RECEIVED
October 23, 2018
SURFACE
TRANSPORTATION BOARD**

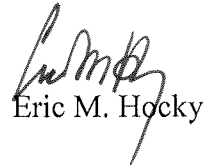
**FILED
October 23, 2018
SURFACE
TRANSPORTATION BOARD**

Cynthia T. Brown
October 23, 2018
Page 2

Please let me know if there are any questions regarding this filing. Thank you for your assistance.

Respectfully,

CLARK HILL PLC



Eric M. Hocky

EMH/e
Encls.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD 36232

**EYAL SHAPIRA
- CONTINUANCE IN CONTROL EXEMPTION -
IOWA & MIDDLETOWN RAILWAY LLC AND
WOLF CREEK RAILROAD LLC**

NOTICE OF EXEMPTION

ERIC M. HOCKY
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Dated: October 23, 2018

Attorneys for Eyal Shapira

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 36232

**EYAL SHAPIRA
- CONTINUANCE IN CONTROL EXEMPTION -
IOWA & MIDDLETOWN RAILWAY LLC AND
WOLF CREEK RAILROAD LLC**

NOTICE OF EXEMPTION

Eyal Shapira (“Shapira”), an individual, files this Notice of Exemption pursuant to 49 C.F.R. §1180.2(d)(2) to exempt from the provisions of 49 U.S.C. §11323, his continuance of control of two non-carriers that each have filed with the Board to lease and operate lines of railroad: Iowa & Middletown Railway LLC (“I&M”) and Wolf Creek Railroad LLC (“Wolf Creek”). *See Iowa & Middletown Railway LLC – Lease and Operation Exemption - American Ordnance LLC, Owner’s Representative for U.S. Army Joint Munitions Command*, STB Docket No. 36231 (filed October 12, 2018), and *Wolf Creek Railroad LLC - Lease and Operation Exemption - American Ordnance LLC, Owner’s Representative for U.S. Army Joint Munitions Command*, STB Docket No. 36236 (filed October 23, 2018).

Shapira currently controls, through equity ownership, two Class III carriers, Pennsylvania & Southern Railway (“PSRR”) and Raritan Central Railway, LLC (“Raritan Central”).¹ Shapira is filing this Notice to enable his continuance in control of I&M and Wolf Creek when they

¹ Shapira was previously authorized to control PSRR along with Raritan Central in *Eyal Shapira – Continuance in Control Exemption – Pennsylvania & Southern Railway LLC*, STB Finance Docket No. 34460 (served February 12, 2004). In that proceeding Shapira was also authorized to control New York & Eastern Railway LLC; however, New York & Eastern Railway LLC later received authority to discontinue its operations, and has ceased doing business. *New York and Eastern Railway LLC – Discontinuance Exemption – In Dutchess County, NY*, STB Docket No. AB-873X (served October 15, 2004).

become carriers. The rail lines of I&M and Wolf Creek do not connect with each other or with the other railroads currently controlled by Shapira, nor is the control of I&M and Wolf Creek part of a series of anticipated transactions that would connect I&M and Wolf Creek with each other or the rail lines of the other railroads currently controlled by Shapira. The proposed transaction does not involve a Class I railroad. Accordingly, this transaction qualifies for the class exemption described in 49 C.F.R. §1180.2(d)(2).

Required Information

In accordance with the provisions of 49 C.F.R. 1180.4(g), Shapira provides the following information as required by 49 C.F.R. §1180.6(a)(1)(i)-(iii), (a)(5), (a)(6), and (a)(7)(ii):

1180.6(a)(1)

(i) The proposed transaction as described above involves the continuance in control of two newly formed non-carriers, I&M and Wolf Creek, when they become common carriers. Because Shapira is the owner of other carriers, his continuance in control of I&M and Wolf Creek when they become carriers requires authorization under 49 U.S.C. §11323(a)(5), or an exemption therefrom.

The full name and address of the applicant are: Eyal Shapira, One Gateway Center, Suite 501B, Newton, MA 02458.

The name, address and telephone number of Shapira's counsel who should receive correspondence are: Eric M. Hocky, Esquire, Clark Hill PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.

(ii) I&M and Wolf Creek each expect to commence common carrier operations on or about January 1, 2019.

(iii) The purpose of the transaction is to allow Shapira, an individual who owns the equity of two Class III carriers, to also control two new proposed carriers that have leased tracks to be operated as lines of railroad on portions of two military plants that are being developed for commercial purposes. Each of the railroads controlled or to be controlled by Shapira serves a separate geographic area, but provide similar types of services. The common control will allow the newly formed railroads to take advantage of the administrative, financial, marketing and operational experience and support that Shapira can provide.

1180.6(a)(5)

I&M and Wolf Creek will lease and operate lines of railroad in Iowa and Tennessee, respectively. The railroads currently controlled by Shapira operate in New Jersey (Raritan Central) and Pennsylvania (PSRR). None of the railroads controlled by Shapira will connect with the rail lines to be operated by I&M or Wolf Creek.

1180.6(a)(6)

Maps showing the rail lines operated by Raritan Central and PSRR, and to be operated by I&M and Wolf Creek, are attached hereto as Exhibit A. Twenty extra copies of the maps are also included.

1180.6(a)(7)(ii)

There are no agreements governing the common control of the railroads controlled and to be controlled by Shapira.

Interchange Commitments

The continuance in control is not part of a transaction involving an interchange commitment.

Labor Protection

Shapira recognizes that under 49 U.S.C. §10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. However, because this transaction only involves Class III carriers, it is not subject to labor protection pursuant to 49 U.S.C. §11326(c).

Environmental and Historic Reports

The proposed transaction involves only the continuance of control and will not cause operating changes that exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5), and accordingly should be exempt from the Board's environmental reporting requirements pursuant to 49 C.F.R. §1105.6(c)(1)(i). Further, the proposed transaction is exempt from the historic preservation reporting requirements since the proposed transaction only involves the common control of railroads that will not substantially change the level of maintenance of railroad property. *See* 49 C.F.R. §1105.8(b)(3).

Conclusion

For the foregoing reasons, Shapira requests that the Board issue a notice of exemption pursuant to 49 C.F.R. §1180.2(d)(2).

Respectfully submitted,



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Dated: October 23, 2018
220436317.2

Attorneys for Eyal Shapira

VERIFICATION

I, Eyal Shapira verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

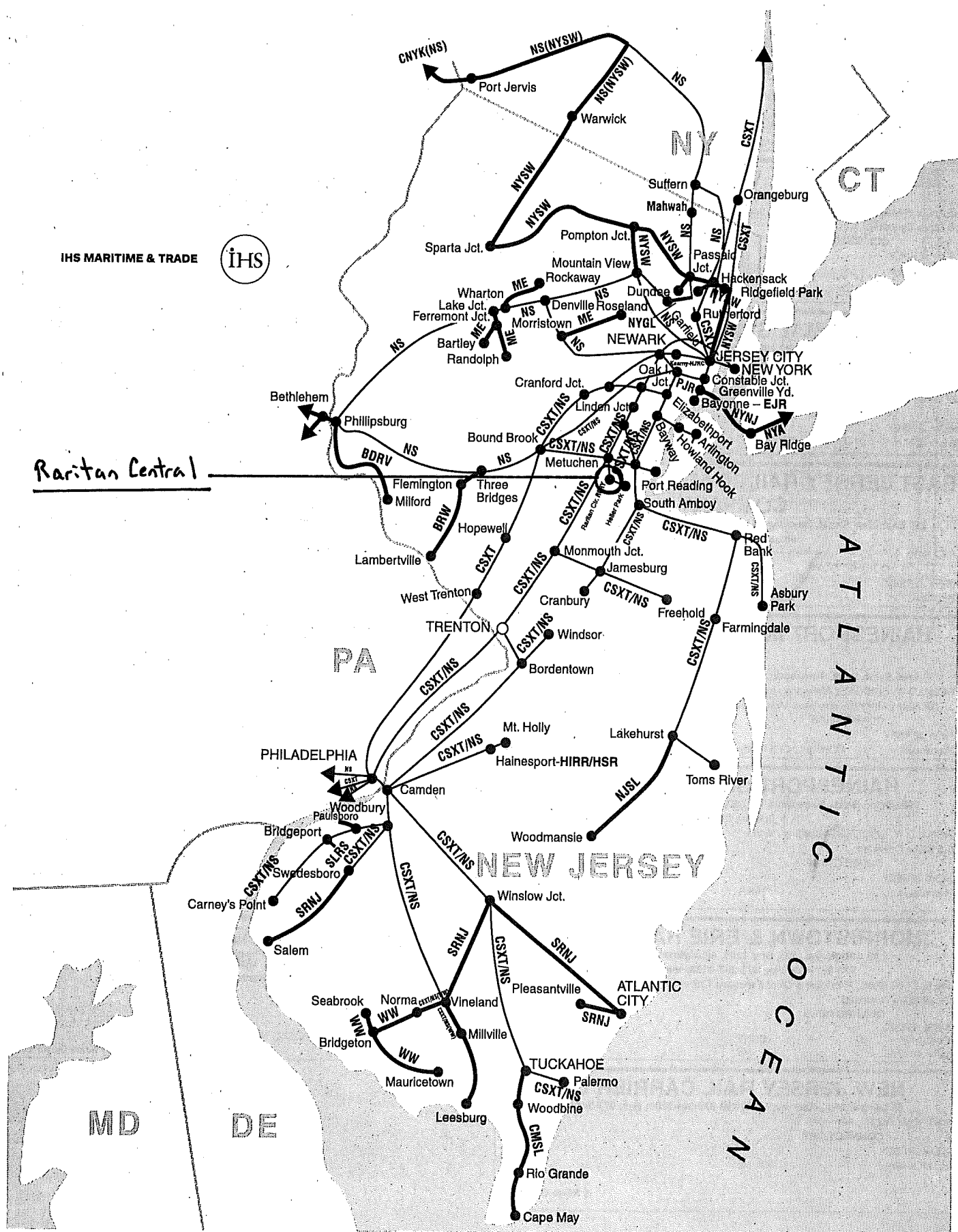
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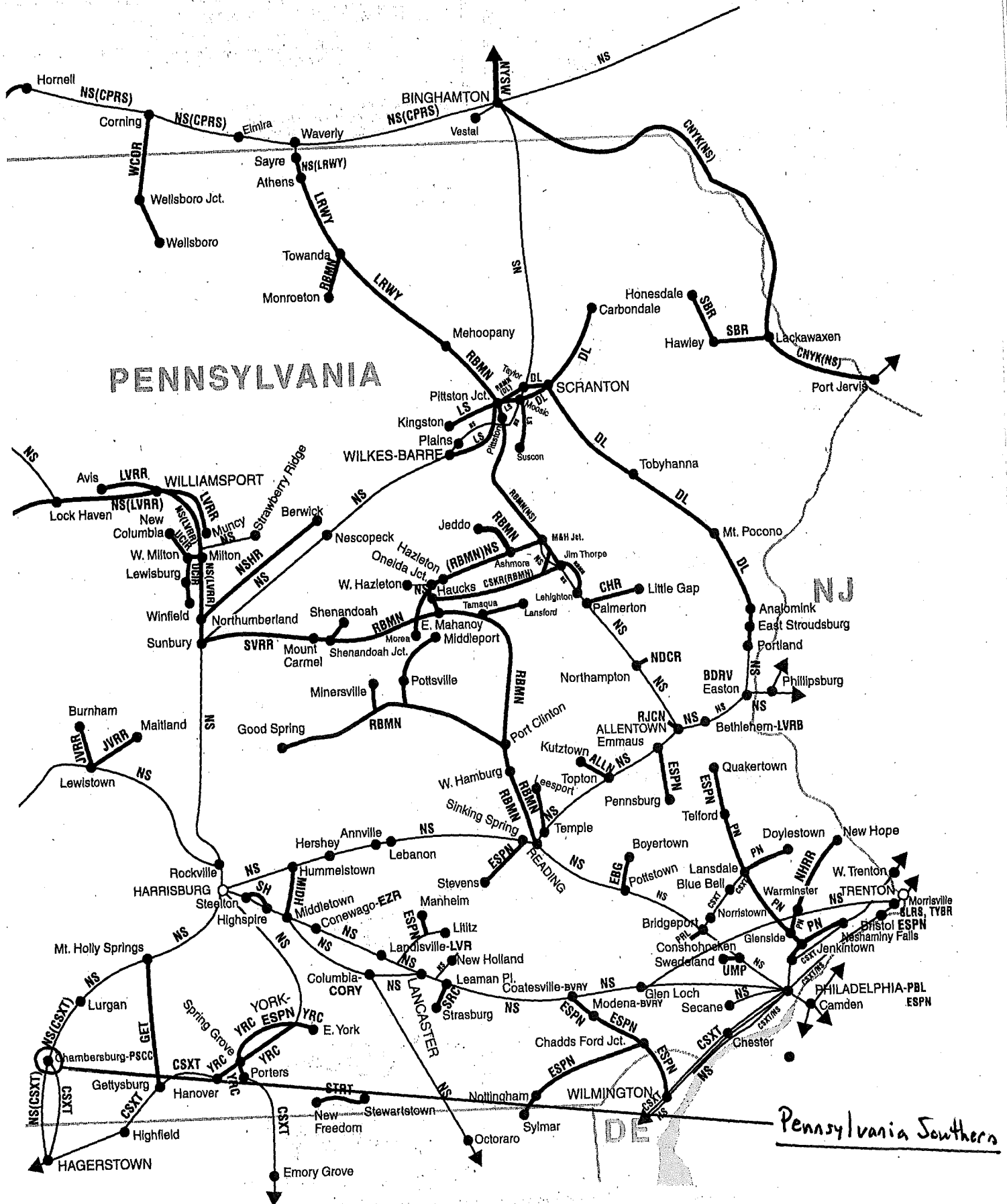


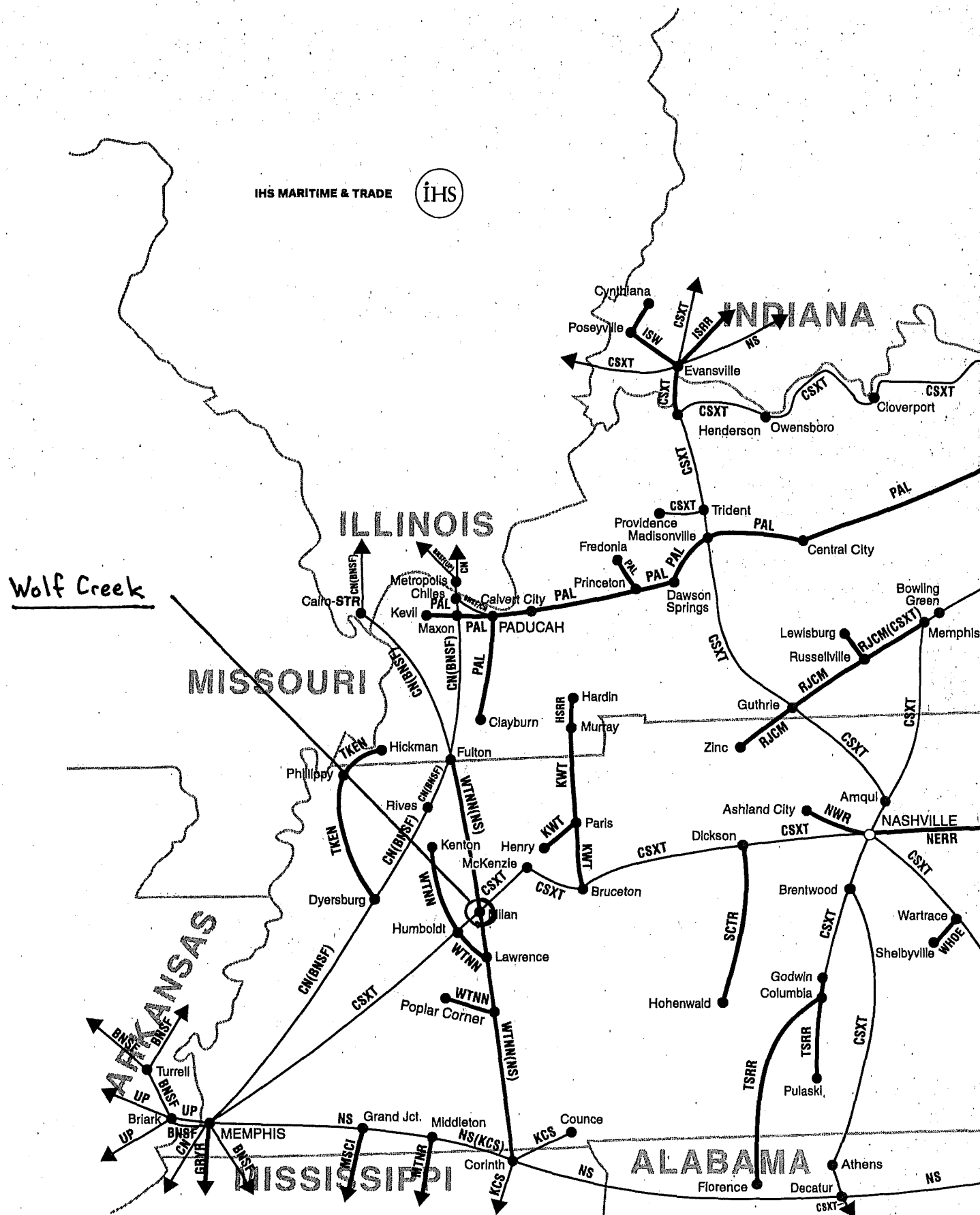
Eyal Shapira

EXHIBIT A

MAPS



REGION 6
PA



REGION 19

IA/KS/NE/MO

