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**LAW OFFICES
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22 ROCKINGHAM COURT
GERMANTOWN, MD 20874
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ENTERED
Office of Proceedings
March 8, 2023
Part of
Public Record

**Admitted to Practice
District of Columbia & New Jersey
*Not admitted in Maryland***

**Tel: (908) 361-7097
Fax: (301) 972-5743**

March 8, 2023

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E. Street, S.W.
Washington, D.C. 20423

VIA ELECTRONIC FILING

**Re: Finance Docket No. 36658 Rainier Rail LLC--Acquisition and Change Of Operators
Exemption -- City Of Tacoma, Washington, Department Of Public Works D/B/A
Tacoma Rail Mountain Division**

Dear Ms. Brown:

Pursuant to the Board's electronic filing Rules, attached for filing is a **Verified Notice of Exemption of Rainier Rail LLC** ("Notice") under 49 C.F.R. § 1150.31 in the above-captioned proceeding. Applicant has separately submitted the \$2,200 filing fee per 49 C.F.R. § 1002.2(f)(11)(ii).

Pay.gov tracking ID: 2741ROT2
Agency Tracking ID number: 76371870914

If there are any questions about this matter, please contact me by telephone at **(908) 361-7097** or by email to **jsavagelaw@aim.com**.

Respectfully submitted,

/s/ James H. M. Savage
[electronically signed]

James H. M. Savage, Esq.
Counsel for Rainier Rail LLC

Attachment
**FILED
March 8, 2023
SURFACE
TRANSPORTATION BOARD** ¹

**FEE RECEIVED
March 8, 2023
SURFACE
TRANSPORTATION BOARD**

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 36658

**RAINIER RAIL LLC
-- ACQUISITION AND CHANGE OF OPERATORS EXEMPTION --
CITY OF TACOMA, WASHINGTON, DEPARTMENT OF PUBLIC
WORKS D/B/A TACOMA RAIL MOUNTAIN DIVISION**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. PART 1150, SUBPART D**

Rainier Rail LLC (“Rainier Rail” or “Applicant”), a newly organized, non-carrier that is intended to become a class III railroad common carrier upon consummation of the transaction encompassed by the present class exemption, hereby files this notice (the “Notice”) pursuant to 49 C.F.R. part 1150, subpart D, for authorization to acquire from the City of Tacoma, Department of Public Works dba Tacoma Rail Mountain Division (“TRMW”), and to operate, the following: (1) an approximately 0.8-mile rail line between milepost 28.6 and milepost 27.8C near McKenna, WA (the “McKenna Segment”) currently operated by WRL LLC (“WRL”) pursuant to lease with TRMW and; (2) interconnected line segments currently operated by the City of Tacoma, Washington, Department of Public Utilities d/b/a Tacoma Rail (“Tacoma Rail”) extending between milepost 27.8C at

McKenna and milepost 13.09 near Frederickson, and thence from milepost 13.09 near Frederickson to milepost 5.65 near Tacoma, and from milepost 13.09 near Frederickson to milepost 32 near Eatonville, WA (collectively, the “MD Segments”). Collectively, the McKenna Segment and the MD Segments, a total of roughly 41.86 miles of railroad line, will be referred to as the “Line.”

By virtue of the Line sale transaction proposed herein, Rainier Rail will replace WRL and Tacoma Rail as the common carrier service provider on the McKenna Segment,¹ and will replace Tacoma Rail as the common carrier service provider on the MD Segments.

This Notice is related to Finance Docket 36659 Paul Didelius--Continuance in Control--Rainier Rail LLC (“*Didelius Control*”), filed concurrently herewith.

Name and Address of Applicant

49 C.F.R. 1150.33(a)

Rainier Rail LLC
709 N 10th Ave.
Walla Walla, WA 99362

¹ In 2021, WRL sought to commence operations over the McKenna Segment as the exclusive common carrier service provider pursuant to *WRL LLC d/b/a Rainer Rail – Lease and Operation Exemption – City of Tacoma Department of Public Works d/b/a Tacoma Rail Mountain Division*, FD 36539 (STB served Sep. 10, 2021) (“*WRL – Exemption*”), but WRL did not seek to obtain change in operator authority in that proceeding to replace Tacoma Rail (the then-incumbent operator of the McKenna Segment). As such, Tacoma Rail has retained, inadvertently, an unextinguished common carrier status with respect to the McKenna Segment. (Also, WRL’s exemption notice filing in *WRL – Exemption* did not distinguish between TRMW, as the non-operating owner of the McKenna Segment, and Tacoma Rail, a separate division of the City of Tacoma, Washington, and TRMW, the non-owner operator of the McKenna Segment at the time.) Accordingly, the subject change of operator exemption is intended to terminate both Tacoma Rail’s and WRL’s respective common carrier status on the McKenna Segment.

Applicant's Representative

49 C.F.R. 1150.33(b)

James H. M. Savage
22 Rockingham Court
Germantown, MD 20874
(908) 361-7097

Statement of Agreements

49 C.F.R. 1150.33(c)

Applicant, a non-carrier which will become a Class III short line railroad carrier upon consummation of this transaction, has entered into an agreement with TRMW for the purchase of the above-described Line.

Operator of the Property

49 C.F.R. 1150.33(d)

In all cases anticipated by this Notice, and as described in the transaction summary provided below, Rainier Rail will hold itself out to provide common carrier rail freight service over the Line, and will, in so doing, replace WRL and Tacoma Rail as common carrier service provider on the McKenna Segment, and Tacoma Rail as common carrier service provider on the MD Segments, hence, Rainier Rail's invocation of the Board's change of operator procedures. Further, Rainier Rail advises the Board that WRL and Tacoma Rail do not object to being so replaced.

Brief Summary of Transaction

49 C.F.R. 1150.33(e)

This exemption involves Rainier Rail's acquisition of, and commencement of common carrier operations over, the Line in place of the current operators.

(1) Name and address of the Line's transferor

Tacoma Rail
3628 South 35th St.
Tacoma, WA 98409

(2) Proposed time schedule for consummation of transaction

Rainier Rail plans to commence operations as soon as the Board's authorization processes will allow, subject to Board approval of the *Didelius Control* individual petition for exemption filed concurrently with this Notice.

(3) Mileposts of the subject property

Rainier Rail will acquire and operate trackage extending between milepost 28.6 and milepost 13.09 near Frederickson, WA, between milepost 13.09 and milepost 5.65 near Tacoma, and between milepost 13.09 to milepost 32 near Eatonville, all within Pierce County, WA.

(4) Total Route Miles.

Rainier Rail is acquiring a total of 41.86 route miles by this transaction.

Map of Area to be Served

49 C.F.R. 1150.33(f)

A map clearly indicating the area to be served, including origins, termini, stations, cities, and states, is attached as Exhibit A.

Certificate of Carrier Classification / Advance Labor Notice **49 C.F.R. 1150.33(g)**

A certificate complying with the provisions of 49 C.F.R. 1150.33(g) is attached as Exhibit B to this notice. Additionally, the advance notice requirements of 49 C.F.R. 1150.32(e) are not applicable to this transaction. See Exhibit B.

Transactions Imposing Interchange Commitments **49 C.F.R. 1150.33(h)**

Rainier Rail advises the Board that the TRMW-Rainier Rail transactional documents do not include any provision or agreement that would limit Rainier Rail from interchanging with any third-party connecting carrier.

Caption Summary **49 C.F.R. 1150.34**

A caption summary in the prescribed form is attached as Exhibit C.

Shipper Notification **49 C.F.R. 1150.32(b)**

In compliance with the requirements at Section 1150.32(b) applicable to a transaction such as this one involving changes in operators, Rainier Rail's leadership already has contacted all customers along the Line to advise them of the anticipated change in operators. Moreover, Rainier Rail hereby advises that, contemporaneous with this filing, it also will furnish each affected customer with a copy of the present Notice in further compliance with Section 1150.32(b).

Environmental and Historic Preservation Data **49 C.F.R. 1105**

Under 49 C.F.R. 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements. The proposed transaction will not result in

significant changes in carrier operations, i.e., changes exceeding the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). The proposed transaction involves continued rail operations; further Board approval would be required to abandon or discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Submitted By:

/s/ James H. M Savage
[By Electronic Signature]

James H. M. Savage
22 Rockingham Court
Germantown, MD 20874
Tel. (908) 361-7097
Email: jsavagelaw@aim.com

Counsel for Rainier Rail LLC

Dated: March 8, 2023

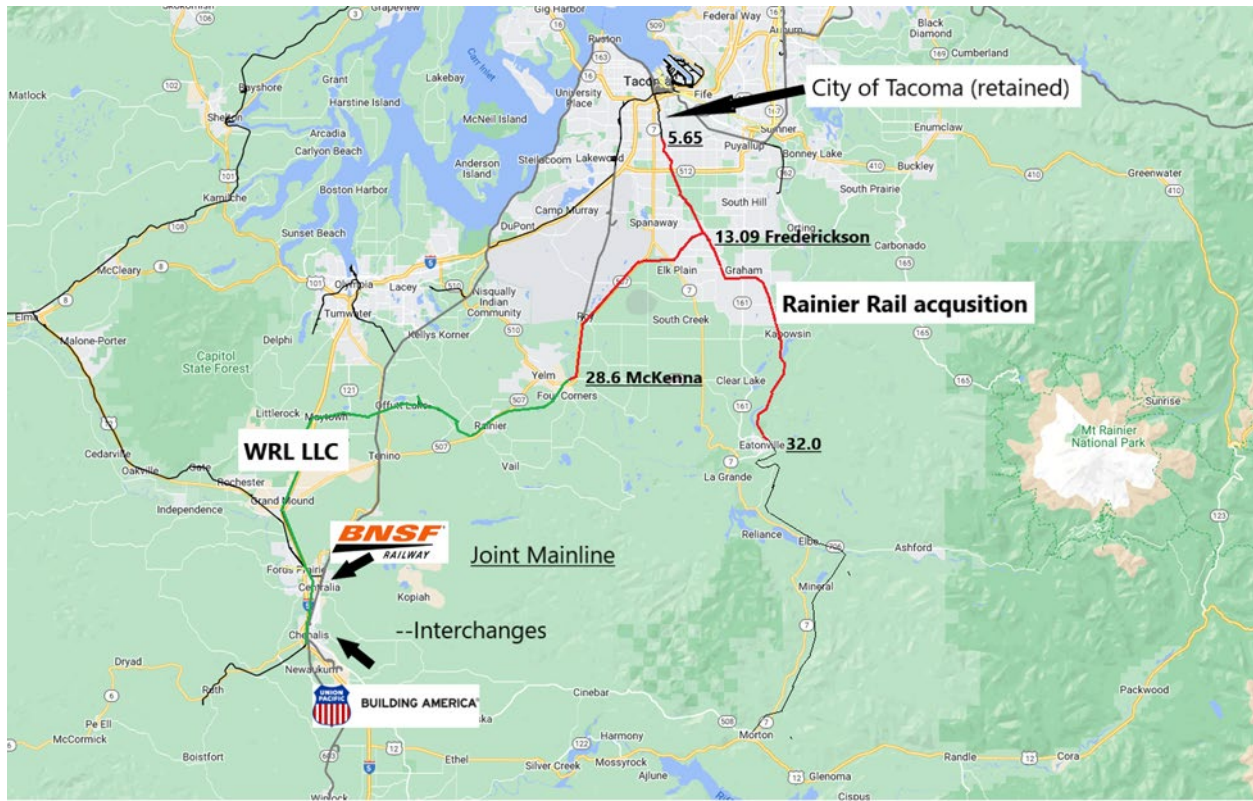


Exhibit B Certificate of Carrier Classification 49 C.F.R. 1150.32(e) and 1150.33(g)

I, Paul Didelius, hereby certify as follows:

1. I am the majority shareholder of Rainier Rail LLC (“Rainier Rail”);
2. Rainier Rail’s projected annual revenues will not exceed \$5 million, thus not triggering the advance labor notice requirements of 49 C.F.R. 1150.32(e); and
3. Rainier Rail’s annual revenues will not exceed the threshold of being a Class III carrier.

I further certify that the foregoing statements made by me are true, and that I am aware that if any of the foregoing statements made by me be willfully false, I am subject to punishment.

Dated: March 8, 2023

/s/ Paul Didelius
[By Electronic Signature]

Paul Didelius, majority shareholder
Rainier Rail LLC

SURFACE TRANSPORTATION BOARD***Notice of Exemption*****FINANCE DOCKET NO. 36658**

**RAINIER RAIL LLC
-- ACQUISITION AND CHANGE OF OPERATORS EXEMPTION --
CITY OF TACOMA, WASHINGTON, DEPARTMENT OF PUBLIC WORKS D/B/A
TACOMA RAIL MOUNTAIN DIVISION**

Rainier Rail LLC has filed a Verified Notice of Exemption under 49 C.F.R. 1151.31 to acquire and operate rail property previously owned by the City of Tacoma, Department of Public Works dba Tacoma Rail Mountain Division (“TRMW”), and to operate, the following: (1) an approximately 0.8-mile rail line between milepost 28.6 and milepost 27.8C near McKenna, WA (the “McKenna Segment”) currently operated by WRL LLC (“WRL”) pursuant to lease with TRMW (and over which the City of Tacoma, Washington, Department of Public Utilities d/b/a Tacoma Rail previously had conducted common carrier operations prior to the commencement of WRL operations in 2021); and (2) interconnected line segments currently operated by Tacoma Rail extending between milepost 27.8C at McKenna and milepost 13.09 near Frederickson, and thence from milepost 13.09 near Frederickson to milepost 5.65 near Tacoma, and from milepost 13.09 near Frederickson to milepost 32 near Eatonville, WA (collectively, the “MD Segments”).

Collectively, the McKenna Segment and the MD Segments, total 41.86 miles of railroad line (the “Line.”).

By virtue of the Line sale transaction proposed herein, Rainier Rail will replace WRL and Tacoma Rail as the common carrier service provider on the McKenna Segment, and will replace Tacoma Rail as the common carrier service provider on the MD Segments.

Comments must be filed with the Board and served on Petitioner's representative, James H. M. Savage, 22 Rockingham Court, Germantown, MD 20874. The telephone number of Applicant's representative is (908) 361-7097.

This notice is filed under 49 C.F.R. 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
Cynthia T. Brown
Chief, Section of Proceedings
(Seal)

VERIFICATION

I, Paul Didelius, of full age, verify under penalty of perjury that I am the majority shareholder of Rainier Rail LCC, that I am fully authorized to make this Verification, that I have read the foregoing document, and that I know the facts asserted therein are true and accurate as stated, to the best of my knowledge, information and belief.

I further certify that I am qualified and authorized to file this Verified Notice.

Executed on: March 8, 2023

/s/ Paul Didelius
[By Electronic Signature]

Paul Didelius, majority shareholder
Rainier Rail LLC

CERTIFICATE OF SERVICE

I certify that pursuant to 49 C.F.R. § 1104.12 (c), I have this day served a copy of the exemption notice of Rainier Rail LLC in the matter bearing Finance Docket No. 36658 by electronic mail upon the below listed persons:

/s/ James H. M. Savage
James H. M. Savage, Esq.
22 Rockingham Court
Germantown, MD 20874
Counsel for Rainier Rail LLC

Dated: March 8, 2023

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Asst. Superintendent
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