

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36339]

Wisconsin Rapids Railroad, L.L.C.—Lease and Operation Exemption—Line of
Wisconsin Central Ltd.

Wisconsin Rapids Railroad, L.L.C. (WRR), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to lease from Wisconsin Central Ltd. (WCL) and operate approximately 1.1 miles of rail line (the Line), extending from milepost 0.4 at Plover Road to milepost 1.5 at Biron Drive in Biron, Wis.

This transaction is related to a concurrently filed verified notice of exemption in Watco Holdings, Inc.—Continuance in Control Exemption—Wisconsin Rapids R.R., Docket No. FD 36340, in which Watco Holdings, Inc., seeks to continue in control of WRR upon WRR's becoming a Class III rail carrier.

WRR states that it and WCL will shortly execute a Track Lease and Operating Agreement pursuant to which WRR will lease the Line from WCL and will be the operator of the Line.¹ WRR further states that the proposed agreement between WRR

¹ WRR states that it, WCL, and ND Paper, Inc. (ND), the sole shipper on the Line, have entered into arrangements that contemplate WCL's abandonment of, and WRR's discontinuance of service on, the Line; ND's subsequent acquisition of the trackage as a noncarrier; and WRR's provision of switching service for ND on what will then be ND industry trackage. WRR states that it is leasing the Line from WCL and submitting its verified notice of exemption here at the request of ND, so that WRR service to ND can begin immediately while the parties' longer-term arrangements are implemented. Acquisitions of active rail lines under 49 U.S.C. § 10901 are supposed to be for continued rail use. See, e.g., Land Conservancy—Acquis. & Operation Exemption—Burlington N. & Santa Fe Ry., 2 S.T.B. 673 (1997), recons. denied,

(continued . . .)

and WCL does not contain any provision that limits WRR's future interchange of traffic on the Line with a third-party connecting carrier.

WRR certifies that its projected annual revenues as a result of this transaction will not result in WRR's becoming a Class II or Class I rail carrier. WRR further certifies that the projected annual revenue of WRR will not exceed \$5 million.

The transaction may be consummated on or after September 1, 2019, the effective date of the exemption (30 days after the verified notice was filed).

If the verified 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 effectiveness of the exemption. Petitions for stay must be filed no later than August 23, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36339, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on

FD 33389 (STB served May 13, 1998), pet. for judicial review dismissed sub nom. Land Conservancy of Seattle & King Cty. v. STB, 238 F.3d 429 (9th Cir. 2000). If WRR elects to file for discontinuance authority, it must submit evidence showing that discontinuance of service over the Line is warranted under the Board's statutory authority and rules, and must, under these circumstances, demonstrate (e.g., by providing the parties' agreement or a statement from ND) that the interests of the shipper here will be protected. See Almono LP—Acquis. & Operation Exemption—Line of Monogahela Connecting R.R., FD 34250, slip op. 1 n.2 (STB served Oct. 2, 2002).

WRR's representative, Audrey L. Brodrick, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to WRR, this action is excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic reporting requirements under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: August 13, 2019.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.