

Office of Proceedings
August 12, 2019
Part of
Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36321

**ALABAMA EXPORT RAILROAD, INC.
LEASE AND OPERATION EXEMPTION
UNDER 49 U.S.C. §10901 AND 49 CFR §1150.31
*(color copies included)***

Submitted By:

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Counsel for Applicant

FILED
August 12, 2019
SURFACE
TRANSPORTATION BOARD

Dated: August 12, 2019

FEE RECEIVED
August 12, 2019
SURFACE
TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36321

**ALABAMA EXPORT RAILROAD, INC.
LEASE AND OPERATION EXEMPTION
PURSUANT TO 49 U.S.C. §10901 AND 49 CFR §1150.31**

Alabama Export Railroad, Inc. (“ALE”), a newly established non-carrier that will become a Class III short line railroad common carrier, files this Notice of Exemption, pursuant to 49 U.S.C. §10901 and 49 C.F.R. §1150.31, *et. seq.*, with the Surface Transportation Board (the “Board”) to permit it to lease and operate a line of railroad in downtown Mobile, AL, owned by the Illinois Central Railroad Company (“IC”). The subject line extends between Belt Jct. at MP 6.6 and the State Docks at MP 0.0 on IC’s Beaumont Subdivision and from Belt Jct. at MP 6.6 and Frascati Jct. at MP 1.1 on IC’s Frascati Lead.¹

A map depicting the Line is shown on the attached Exhibit A.

INFORMATION REQUIRED BY 49 CFR §1150. 33

Name and Address of Applicant
Alabama Export Railroad, Inc.
4519 McInnis Avenue,
Moss Point, MS 39563
(228) 475-3322

49 CFR §1150. 33(a)

¹ This Notice is related to the Continuance in Control Exemption being filed by ALE’s parent company Mississippi Export Railroad Company in FD 36320.

Name and Address of Applicant's Representative 49 CFR §1150.33(b)

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Statement of Agreement 49 CFR §1150.33(c)

IC and ALE are negotiating a Track Lease Agreement and a Switching Agreement that provide for ALE's assumption of IC operations on the subject rail trackage. The parties expect that these agreements will be executed on or before this notice of exemption becomes effective.

Operator of the Property 49 CFR §1150.33(d)

IC is the current owner of the property and will continue to be the owner as well as the lessor. After consummation, ALE will be the operator and lessee.

Summary of Transaction 49 CFR §1150.33(e)

ALE is a newly established non-carrier organized by Mississippi Export Railroad Company ("MSE") for the purpose of assuming the switching operations

to 8 customers that IC presently provides over track IC owns in Mobile, AL. The parties believe that the service that ALE will provide will be more economical and efficient than that IC presently provides. ALE believes it can provide a service that is more responsive to local needs than a Class I railroad could furnish.

- (1) The name and address of the subject Line's owner:

Illinois Central Railroad Company
17641 South Ashland Ave.,
Homewood, IL 60430

- (2) The proposed time schedule for consummation of the transaction:

Consummation will occur on or after effective date of this Notice of Exemption, at least 30 days from the date of filing.

- (3) The length of the Line subject to the operating agreement:

Approximately 12.1 miles.

Map 49 CFR §1150.33(f)

A map depicting the subject Line is attached as Exhibit A.

Certificate Regarding Class III status 49 CFR §1150.33(g):

Attached as Exhibit B.

Interchange Commitments 49 CFR §1150.33(h)

None exist.

Caption Summary 49 CFR §1150.44

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

Related transaction

Concurrently ALE's corporate parent, MSE, has filed a notice of exemption under 49 CFR § 1180.2(d)(2) for MSE to continue in control of ALE. That proceeding is docketed as FD 36320.

Environmental and Historic Preservation Data 49 CFR §1105

Pursuant to 49 CFR §1105.6(c) (2), the proposed transaction is exempt from environmental review because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 49 CFR §1105.7(e) (4) or (5).

In addition, this transaction is exempt from historic review under 49 CFR §1105.8(b) (1). Under this section, a sale, lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Respectfully submitted,

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Counsel for Applicant

Dated: August 12, 2019

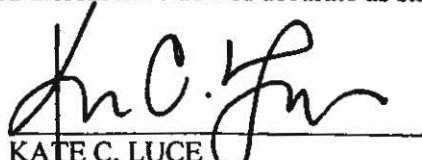
VERIFICATION

STATE OF MISSISSIPPI)

)

COUNTY OF JACKSON)

Kate C. Luce, being duly sworn according to law, hereby deposes and states that she holds the position of President and CEO with Applicant, is authorized to make this Verification, has read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of her knowledge, information and belief.


KATE C. LUCE

Subscribed to and sworn before me, a Notary Public in and for the County of Jackson in the State of Mississippi, this 8 day of August 2019.

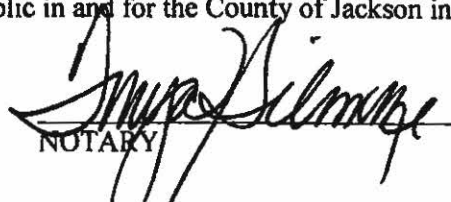

NOTARY



EXHIBIT A

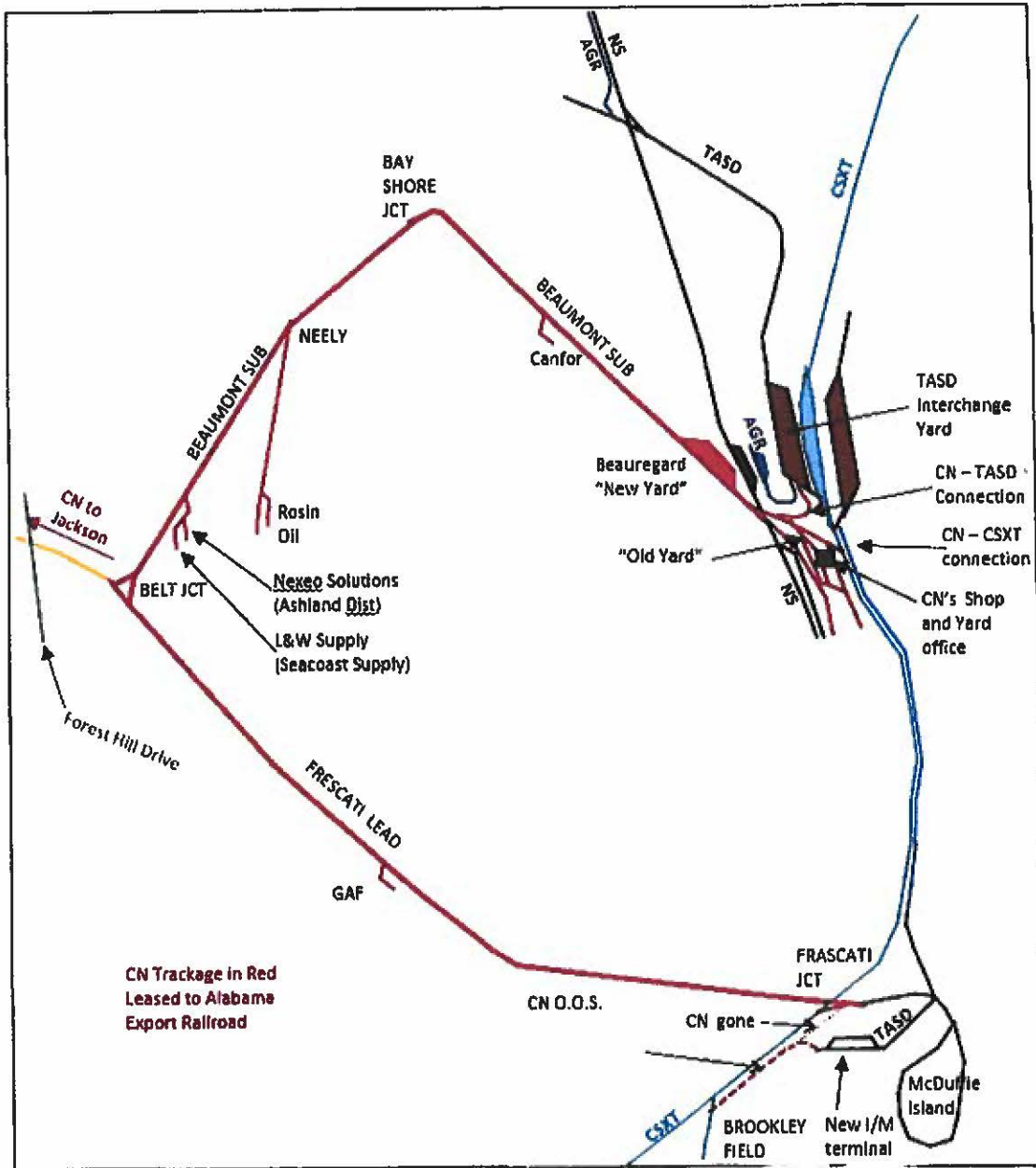
CN/ALE Leased Track

Exhibit B

Certification

I, Kate C. Luce, certify that I am President and CEO of Alabama Export Railroad, Inc. (name of carrier) and that applicant's projected revenues will not exceed \$5 million annually and will not result in the applicant becoming a Class I or Class II carrier under the provisions of 49 CFR 1201(1-1).

Dated: June 26, 2019

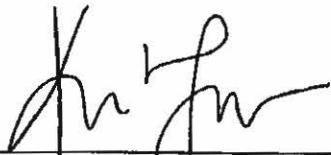

KATE C. LUCE

EXHIBIT C
CAPTION SUMMARY

BEFORE THE
SURFACE TRANSPORTATION BOARD

ALABAMA EXPORT RAILROAD, INC.
LEASE AND OPERATION EXEMPTION
UNDER PURSUANT TO 49 U.S.C. §10901 AND 49 CFR § 1150.31

Alabama Export Railroad, Inc. (“ALE”), a newly established non-carrier that will become a Class III short line railroad common carrier, files this Notice of Exemption, pursuant to 49 U.S.C. §10901 and 49 C.F.R. §1150.31, *et. seq.*, with the Surface Transportation Board (the “Board”) to permit it to lease and operate a line of railroad in downtown Mobile, AL, owned by the Illinois Central Railroad Company (“IC”). The subject line extends between Belt Jct. at MP 6.6 and the State Docks at MP 0.0 on IC’s Beaumont Subdivision and from Belt Jct. at MP 6.6 and Frascati Jct. at MP 1.1 on IC’s Frascati Lead, a total of 12.1 miles.

Related transaction

Concurrently ALE’s corporate parent, Mississippi Export Railroad Company (“MSE”), has filed a notice of exemption under 49 CFR § 1180.2(d)(2) for MSE to continue in control of ALE. That proceeding is docketed as FD 36320.

An original of all pleadings referring to FD 36321 must be filed with the Board and served on ALE’s representatives: Eric M. Hocky, One Commerce

Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103, ehocky@clarkhill.com and Sloane S. Carlough, 1001 Pennsylvania Ave., N.W., Suite 1300 South, Washington, DC 20004, scarlough@clarkhill.com.

This notice is filed under 49 C.F.R. § 1150.31, *et. seq.* If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction. Petitions to stay must be filed no later than _____, at least 7 days before this exemption becomes effective.

Board decisions and notices are available on its website at WWW.STB.GOV

Decided:

By the Board