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ENTERED
Office of Proceedings
February 26, 2019
Part of
Public Record

February 26, 2019

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

**RE: Docket No. FD 33043 (Sub-No. 1), CSX Transportation, Inc.—Trackage
Rights Exemption—Paducah & Louisville Railway, Inc.**

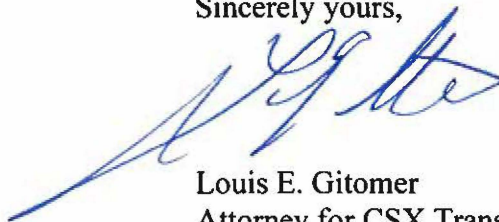
Dear Ms. Brown:

Enclosed for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. § 1180.2(d)(7), a diskette with the file in WORD and pdf format, 20 extra copies of the map, and a check covering the \$1,300.00 filing fee for the Notice.

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them in the enclosed envelop.

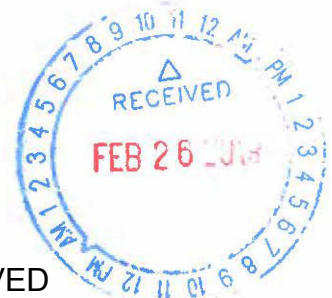
Thank you for your assistance. If you have any questions, please contact me.

Sincerely yours,



Louis E. Gitomer
Attorney for CSX Transportation, Inc.

Enclosures



FILED
February 26, 2019
SURFACE
TRANSPORTATION BOARD

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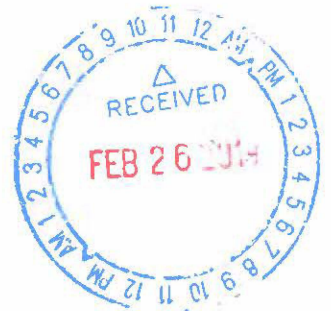
FEE RECEIVED
February 26, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 33043 (Sub-No. 1)

CSX TRANSPORTATION, INC.—TRACKAGE RIGHTS EXEMPTION—
PADUCAH & LOUISVILLE RAILWAY, INC.

VERIFIED NOTICE OF EXEMPTION



Steven C. Armbrust, Esq.
CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202
(904) 359-1229

Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250
Lou@lgraillaw.com

Attorneys for: CSX Transportation, Inc.

Dated: February 26, 2019

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. FD 33043 (Sub-No. 1)

CSX TRANSPORTATION, INC.—TRACKAGE RIGHTS EXEMPTION—
PADUCAH & LOUISVILLE RAILWAY, INC.

VERIFIED NOTICE OF EXEMPTION

CSX Transportation, Inc. (“CSXT”) submits this Verified Notice of Exemption pursuant to the class exemption at 49 C.F.R. §1180.2(d)(7) to extend the term of the overhead trackage rights over a 24.0-mile line of the Paducah & Louisville Railway, Inc. (“PAL”). The trackage rights are between just west of Madisonville, KY, PAL milepost 146, and just east of Central City, KY, PAL milepost 122, in Hopkins and Muhlenberg Counties, KY.

The parties entered an Agreement as of August 19, 1996 where PAL granted CSXT overhead trackage rights over the Line for a limited term. The trackage rights were authorized in *CSX Transportation, Inc.-Trackage Rights Exemption- Paducah & Louisville Railway, Inc.*, STB Finance Docket No. 33043 (served September 6, 1996) (the “*Madisonville Trackage Rights*”). CSXT and PAL have entered Amendment No. 1 dated as of February 15, 2019 to amend Section 6 of the Agreement to extend the term of the trackage rights over the Line “until terminated by mutual consent of the parties.” No other terms of the Agreement have been changed.

The extension of the term of the trackage rights over the Line will be pursuant to Amendment No. 1 and is not sought as a responsive application in a rail consolidation proceeding.

Pursuant to the Surface Transportation Board's (the "Board") regulations at 49 C.F.R. § 1180.4(g), CSXT submits the following information:

Section 1180.6 Supporting Information

(a)(1)(i) Description of Proposed Transaction

Pursuant to the Agreement dated as of August 19, 1996, PAL agreed to grant CSXT overhead trackage rights for a limited term over PAL's line between just west of Madisonville, KY, PAL milepost 146, and just east of Central City, KY, PAL milepost 122. The Board issued the *Madisonville Trackage Rights* allowing CSXT to operate over the Line. CSXT and PAL have agreed to extend the term of the trackage rights "until terminated by mutual consent of the parties."

A map showing the Line is attached hereto in Exhibit C.

The carriers involved in this transaction and their business addresses are:

CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202

Paducah & Louisville Railway, Inc.
200 Clark Street
Paducah, KY 42003

Questions and correspondence concerning this notice may be addressed to:

Louis E. Gitomer
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250
Lou@lgraillaw.com.

(a)(1)(ii) Consummation Date

The transaction is scheduled to be consummated on or shortly after March 28, 2019.

(a)(1)(iii) Purpose Sought to be Accomplished

CSXT proposes to use the Line as an alternative to its underutilized approximately 18-mile line between Madisonville and Moorman, KY, which runs north of and parallel to the Line. CSXT may rationalize the approximately 18-mile line in the future. CSXT's use the Line will improve efficiency and reduce costs.

(a)(5) List of States in which the Party's Property is Situated

CSXT owns and operates about 21,000 miles of railroad in the States of Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia, the District of Columbia, and the Provinces of Ontario and Québec.

PAL's operations and property are entirely within the Commonwealth of Kentucky.

(a)(6) Map

A map illustrating the involved trackage rights is attached as Exhibit C.

(a)(7)(ii) Agreement

A copy of the executed Amendment No. 1 is attached as Exhibit A.

Labor Protection

Any employees of CSXT or PAL who may be adversely affected by the extension of the term of the trackage rights that are the subject of this Notice are entitled to protection under the conditions imposed in *Norfolk and Western Railway Ry. Co.—Trackage Rights—BN*, 354 I.C.C.

605 (1978), as modified by *Mendocino Coast Ry., Inc. –Lease and Operate*, 360 I.C.C. 653 (1980).

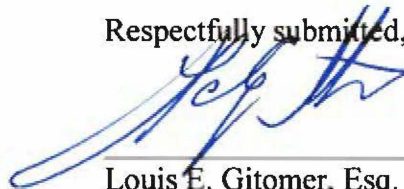
Interchange Commitment

There is no interchange commitment in the Agreement or Amendment No. 1.

Environmental and Historic Matters

Environmental and historic impacts associated with trackage rights transactions generally are considered to be insignificant. CSXT will continue to operate over the Line as it has since 1996. Therefore, environmental and historical reports and documentation normally need not be submitted for this type of transaction, pursuant to 49 C.F.R. § 1105.6(c)(4) and § 1105.8(b)(3).

Respectfully submitted,



Steven C. Armbrust, Esq.
CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202
(904) 359-1229

Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250
Lou@lgraillaw.com

Attorneys for: CSX Transportation, Inc.

Dated: February 28, 2019

VERIFICATION

State of Florida)
)ss
County of Duval)

I, Joseph Lisska, being duly sworn, depose and state that I am Manager Inter-carrier Agreements & Services of CSX Transportation, Inc., that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption, and know the facts asserted therein are true and accurate to the best of my knowledge, information and belief.



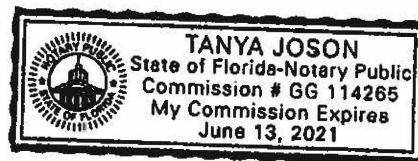
Joseph Lisska

Subscribed and sworn to before me this 22 day of February 2019.



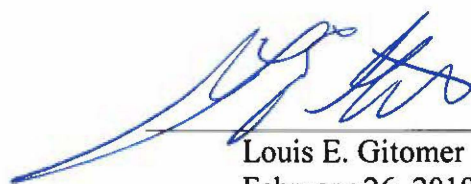
Notary Public

My Commission expires: June 13, 2021



CERTIFICATE OF SERVICE

I hereby certify that I have caused the Verified Notice of Exemption in Docket No. FD 33043 (Sub-No. 1), *CSX Transportation, Inc.—Trackage Rights Exemption— Paducah & Louisville Railway, Inc.*, to be served by first class mail, postage pre-paid on the Secretary of the United States Department of Transportation, the Attorney General of the United States, the Federal Trade Commission and the Governor, Public Service Commission, and Department of Transportation of the Commonwealth of Kentucky.



Louis E. Gitomer
February 26, 2019

EXHIBIT A-AGREEMENT

AMENDMENT No. 1

To Trackage Rights Agreement between Madisonville and Central City, KY

THIS AMENDMENT No. 1, entered into as of this 15 day of February, 2019 between **PADUCAH & LOUISVILLE RAILWAY, INC.**, a Kentucky corporation, (hereinafter referred to as "Owner"; and **CSX TRANSPORTATION, INC.**, a Virginia corporation, (hereinafter referred to as "User") each being hereinafter sometimes collectively called "Parties.";

WITNESSETH:

WHEREAS, by Agreement dated August 19, 1996 (the "Agreement"), User has trackage rights over Owner's track between Madisonville, Kentucky at PAL milepost 146 and Central City, Kentucky at PAL milepost 122;

WHEREAS, the parties desire to extend the term of the Agreement;

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. **Section 6. TERM**, Sub-Section (a), in the Agreement is hereby re-written in its entirety as follows:

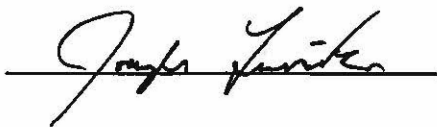
"This Agreement shall be effective the day and year first above written or, in the event Surface Transportation Board (STB) approval is required, on the effective date such approval is secured, and shall remain in full force and effect until terminated by mutual consent of the parties."

2. In all other respects, the Agreement, as amended, shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 1, to be executed by their duly authorized officers as of the day and year first above written.

WITNESS

CSX TRANSPORTATION, INC.



By: 
Name: Shannon Farling Scott
Title: Director Inter-carrier Agreements

WITNESS

PADUCAH & LOUISVILLE RAILWAY, INC.



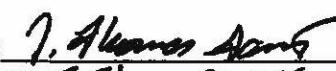
By: 
Name: J. Thomas Garrett
Title: President

EXHIBIT B-FEDERAL REGISTER NOTICE

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 33043 (Sub-No. 1)

CSX TRANSPORTATION, INC.—TRACKAGE RIGHTS EXEMPTION—
PADUCAH & LOUISVILLE RAILWAY, INC.

The Paducah & Louisville Railway, Inc. has agreed to extend the term of the overhead trackage rights to CSX Transportation, Inc. (“CSXT”). The trackage rights are over the 24.0-mile line of the Paducah & Louisville Railway, Inc. (“PAL”). The trackage rights are between just west of Madisonville, KY, PAL milepost 146, and just east of Central City, KY, PAL milepost 122, in Hopkins and Muhlenberg Counties, KY. The trackage rights will be effective on or after March 28, 2019.

CSXT states that the parties are extending the term of the trackage rights over the Line “until terminated by mutual consent of the parties” and that no other terms of the Agreement have been changed.

As a condition to this exemption, any employee affected by the extension of the trackage rights will be protected by the conditions imposed in *Norfolk and Western Railway Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified by *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it 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.

An original and 10 copies of all pleadings, referring to STB Docket No. FD 36049, must

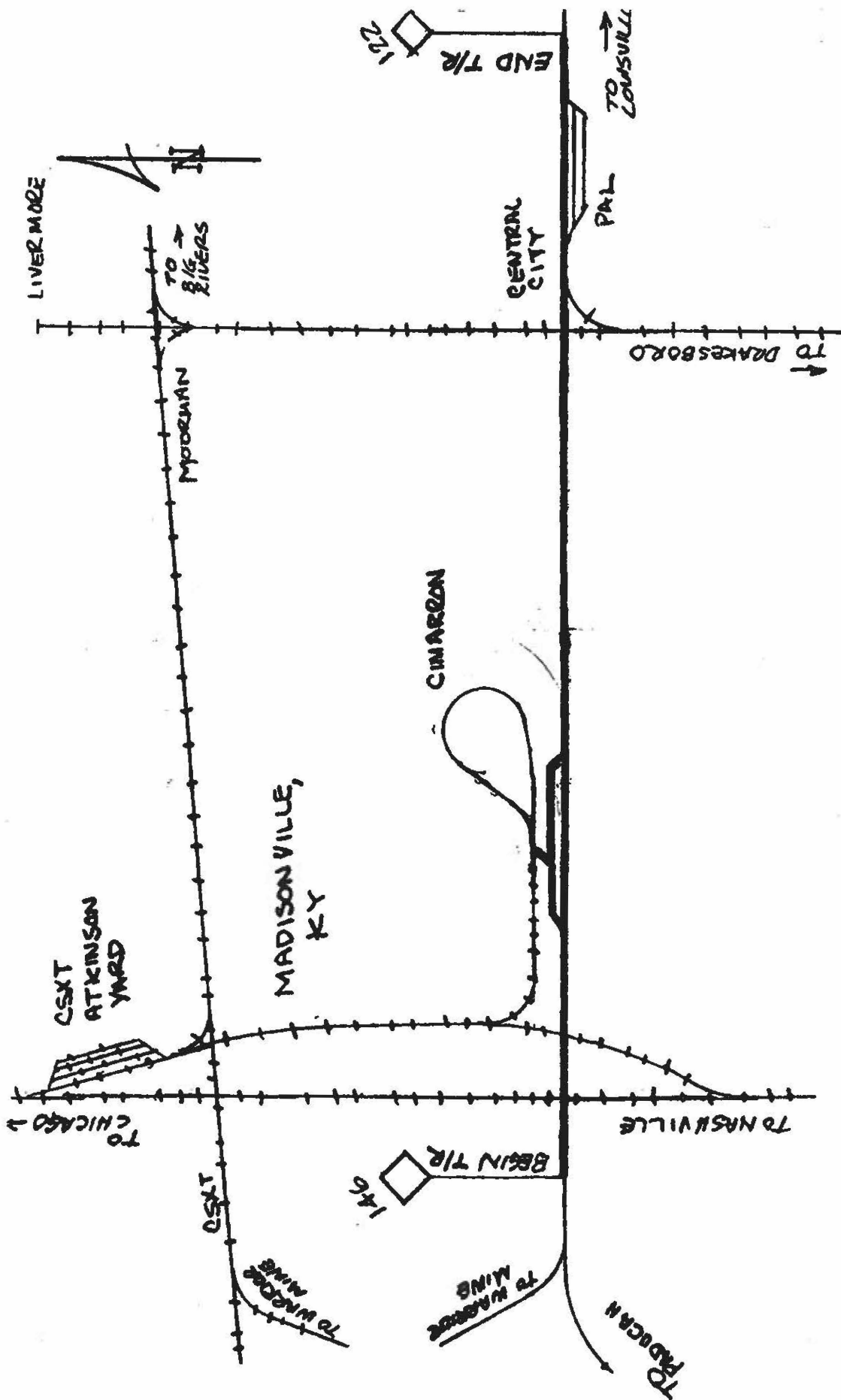
be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Law Offices of Louis E. Gitomer, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, Lou@lgrailaw.com.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

Decided: March __, 2019

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

EXHIBIT C-MAP



LEGEND

- ++++ CSXT TRACKS
- PAL TRACKS
- TRACKAGE RIGHTS

CSX TRANSPORTATION JACKSONVILLE, FLORIDA INTERCOMMERCE AGENTS			
REVISIONS	CSXT TRACKAGE RIGHTS OVER PAL BTWN MADISONVILLE, KY AND CENTRAL CITY, KY		
SCALE	DATE	DWG NO	
NONE	8-15-96	—	