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FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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Suite 800
Chicago, Illinois 60606-3208

ENTERED
Office of Proceedings
September 24, 2020
Part of
Public Record

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ROBERT A. WIMBISH

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September 24, 2020

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423-0001

Re: **Docket No. FD 36437**
Elwood Joliet & Southern Railroad, L.L.C — Lease and
Operation Exemption — Wisconsin Central Ltd.

Dear Ms. Brown:

Attached for filing in the above-captioned proceeding is a **Verified Notice of Exemption of Elwood Joliet & Southern Railroad, L.L.C. Pursuant to 49 C.F.R. § 1150.32**, dated September 24, 2020. The sum of \$2,200, representing the appropriate fee for this filing, has been tendered electronically via Pay.gov.

If you have any questions regarding this filing, please feel free to contact me.
Thank you for your assistance on this matter.

Respectfully submitted,

/s/ *R. A. Wimbish*

Robert A. Wimbish
Attorney for Elwood Joliet & Southern
Railroad, L.L.C.

FEE RECEIVED
September 24, 2020
SURFACE
TRANSPORTATION BOARD

RAW:bjs

Attachment

FILED
September 24, 2020
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36437

ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION —
WISCONSIN CENTRAL LTD.

**VERIFIED NOTICE OF EXEMPTION OF
ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
PURSUANT TO 49 C.F.R. § 1150.32**

Robert A. Wimbish
Bradon J. Smith
Fletcher & Sippel
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR ELWOOD JOLIET &
SOUTHERN RAILROAD, L.L.C.**

Dated: September 24, 2020

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36437

ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION —
WISCONSIN CENTRAL LTD.

**VERIFIED NOTICE OF EXEMPTION OF
ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
PURSUANT TO 49 C.F.R. § 1150.32**

Elwood Joliet & Southern Railroad, L.L.C. (“EJSR”), a non-carrier, hereby files this notice of exemption under 49 C.F.R. Part 1150.31 *et seq.* to lease and operate a rail line of Wisconsin Central Ltd. (“WCL”) known as the “Phoenix Line,” extending southeasterly from a point immediately east of a switch approximately 0.1 mile west of the switch at WCL milepost 2.4/Phoenix Milepost 0.0 at Sprague, in Crest Hill; to Phoenix Milepost 1.1 at Joliet; a distance of approximately 1.2 miles, all within Will County, Illinois. Based on projected revenues for the Phoenix Line, EJSR expects to become a Class III rail carrier.

This Notice is related to Docket No. FD 36438, *Watco Holdings, Inc. – Continuance in Control Exemption – Elwood Joliet & Southern Railroad, L.L.C.*, in which Watco Holdings, Inc. (“Watco”) is concurrently filing a notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of EJSR once EJSR leases the Phoenix Line and becomes a carrier.

In accordance with the requirements of 49 C.F.R. § 1150.33, EJSR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.33(a)

The full name and address of the applicant herein is as follows:

Elwood Joliet & Southern Railroad, L.L.C.
315 West 3rd Street
Pittsburg, Kansas 66762

Applicant's Representative: 49 C.F.R. § 1150.33(b)

The EJSR representative to whom correspondence regarding this transaction should be sent is as follows:

Bradon J. Smith
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.33(c)

EJSR and WCL will shortly execute agreements pursuant to which EJSR will lease the Phoenix Line from WCL and operate it accordingly.

Operation of the Property: 49 C.F.R. § 1150.33(d)

EJSR will provide common carrier service on the Phoenix Line upon consummation of the proposed lease transaction. As the service will constitute the entirety of EJSR's railroad operations, approval of the acquisition by notice of exemption is subject to Board jurisdiction in accordance with *Effingham Railroad Company – Petition for Declaratory Order – Construction at Effingham, Ill.*, Docket No. FD 41986, 2 STB 606, 607 (1997) and *Effingham Railroad Company – Operation Exemption – Line Owned by Agracel*, Docket No. FD 33468 (STB served Sep. 24, 1997), 1 *aff'd United Transp. Union v. United States*, 183 F.3d 606, 614 (7th Cir. 1999).

Summary of the Transaction: 49 C.F.R. § 1150.33(e)

EJSR is a newly-formed, non-carrier subsidiary of Watco. Pursuant to agreements to be executed by EJSR and WCL, EJSR will lease and operate WCL's rail line extending from a point immediately east of a switch lying approximately 0.1 mile west of the switch at WCL milepost 2.4/Phoenix Milepost 0.0 at Sprague in Crest Hill, to Phoenix Milepost 1.1, at Joliet, a distance of approximately 1.2 miles, all within Will County, Illinois.

The full name and address of the entity leasing the Phoenix Line to EJSR is as follows:

Wisconsin Central Ltd.
17641 South Ashland Avenue
Homewood, Illinois 60430

WCL is a wholly-owned, indirect subsidiary Canadian National Railway Company. *See Canadian National Ry. Co. – Control – Wisconsin Central Transp. Corp.*, 5 S.T.B. 890 (2001).

EJSR intends to consummate its lease of the Phoenix Line and commence operations on October 24, 2020.

Map: 49 C.F.R. § 1150.33(f)

A map showing the Phoenix Line and indicating the area served is attached as Exhibit A to this notice.

Certificate of Compliance: 49 C.F.R. § 1150.33(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit B to this notice.

Interchange Commitments: 49 C.F.R. § 1150.33(h)

The Subject agreements between EJSR and WCL do not include any provision

limiting EJSR's future interchange of traffic on the Phoenix Line with a third-party connecting carrier.

Advance Notice: 49 C.F.R. § 1150.32(e)

The projected annual revenue of EJSR does not exceed \$5 million, and accordingly the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See Exhibit B hereto.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

Under 49 C.F.R. § 1105.6(c)(2), the proposed lease of the Phoenix Line by EJSR is exempt from environmental reporting requirements. EJSR's lease and operation of the Phoenix Line will not result in significant changes in carrier operations, *i.e.*, changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), the proposed lease of the Phoenix Line by EJSR also is exempt from historic preservation reporting requirements. EJSR's lease of the Phoenix Line is for the purpose of continuing rail operations.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary in appropriate form is attached as Exhibit C to this notice.

Respectfully submitted,

/s/ *R. A. Wimbish*

Robert A. Wimbish
Bradon J. Smith
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR ELWOOD JOLIET &
SOUTHERN RAILROAD, L.L.C.**

Dated: September 24, 2020

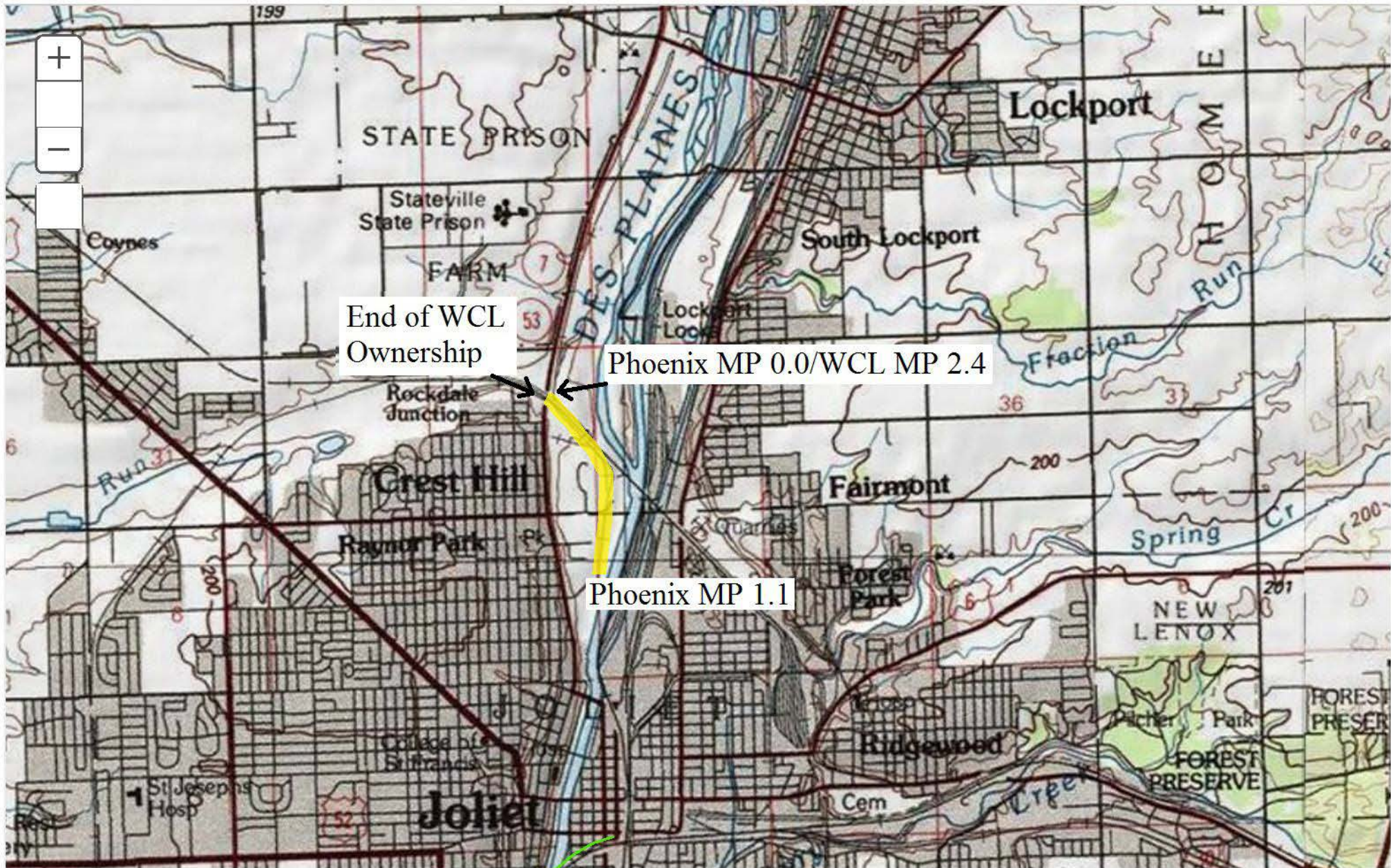
**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD 36437

**ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
— ACQUISITION EXEMPTION —
WISCONSIN CENTRAL LTD.**

EXHIBIT A

MAP



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD 36437

**ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
— ACQUISITION EXEMPTION —
WISCONSIN CENTRAL LTD.**

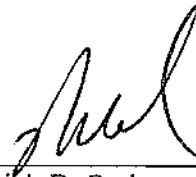
EXHIBIT B

CERTIFICATION

CERTIFICATION

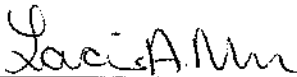
State of Kansas)
) ss:
County of Crawford)

Rick D. Baden, being duly sworn, hereby certifies that the projected annual rail revenue of Elwood, Joliet & Southern Railroad, L.L.C. does not exceed \$5 million and will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1).



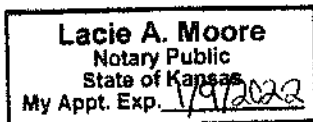
Rick D. Baden
Executive Vice President and Chief Financial
Officer

SUBSCRIBED AND SWORN TO
before me this 16th day
of September, 2020.



Notary Public

My Commission expires: 1/9/2022



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. FD 36437

**ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
-- ACQUISITION EXEMPTION --
WISCONSIN CENTRAL LTD.**

EXHIBIT C

FEDERAL REGISTER NOTICE

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36437

ELWOOD JOLIET & SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION —
LINE OF WISCONSIN CENTRAL LTD.

Elwood Joliet & Southern Railroad, L.L.C. (“EJSR”), a non-carrier, has filed a Verified Notice of Exemption under 49 C.F.R. § 1150.31, *et seq.* to lease from Wisconsin Central Ltd. (“WCL”) a line of railroad known as the “Phoenix Line” extending from a point immediately east of a switch lying approximately 0.1 mile west of the switch at WCL milepost 2.4/Phoenix Milepost 0.0 at Sprague in Crest Hill, to Phoenix Milepost 1.1, at Joliet, a distance of approximately 1.2 miles, all within Will County, Illinois.

EJSR expects to consummate its lease of the Phoenix Line and commence operations on October 24, 2020.

Comments must be filed with the Board and served on:

Bradon J. Smith
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

This proceeding is related to Docket No. FD 36438, *Watco Holdings, Inc. – Continuance in Control Exemption – Elwood Joliet & Southern Railroad, L.L.C.*, in which Watco Holdings, Inc. has concurrently filed a notice of exemption pursuant to 49 U.S.C. §§ 11323, *et seq.*

and 49 C.F.R. § 1180.2(d)(2) to continue in control of EJSR once EJSR leases the Phoenix Line and becomes a carrier.

This Notice is filed under 49 C.F.R. § 1150.31. If this 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: October __, 2020

By the Board

VERIFICATION

State of Kansas)
) ss:
County of Crawford)

Rick D. Baden, being duly sworn, deposes and says that he is Executive Vice President and Chief Financial Officer of Elwood, Joliet & Southern Railroad, L.L.C., that he has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated.



Rick D. Baden

SUBSCRIBED AND SWORN TO
before me this 16th day
of September, 2020.



Notary Public

My Commission expires: 1/9/2022

