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August 23, 2021

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 20006

Re: **Docket No. FD 36542**
NCSR, LLC d/b/a New Castle Southern Railroad — Lease and
Operation Exemption with Interchange Commitment —
Norfolk Southern Railway Company

Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding is the **Verified Notice of Exemption of NCSR, LLC d/b/a New Castle Southern Railroad Pursuant to 49 C.F.R. § 1150.31**, dated August 23, 2021. Payment of the appropriate filing fee was made through www.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,

Thomas J. Healey

Thomas J. Healey
Attorney for NCSR, LLC d/b/a
New Castle Southern Railroad

TJH:th

Enclosure

FEE RECEIVED
August 23, 2021
SURFACE
TRANSPORTATION BOARD

FILED
August 23, 2021
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
PURSUANT TO 49 C.F.R. § 1150.31**

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

**ATTORNEYS FOR NCSR, LLC D/B/A
NEW CASTLE SOUTHERN RAILROAD**

Dated: August 23, 2021

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
NCSR, LLC D/B/A/ NEW CASTLE SOUTHERN RAILROAD
PURSUANT TO 49 C.F.R. § 1150.31**

Pursuant to 49 C.F.R. § 1150.31, NCSR, LLC d/b/a New Castle Southern Railroad (“NCSR”), a non-carrier, hereby files this Verified Notice of Exemption (the “Notice”) to operate as a common carrier over approximately twenty-one (21) miles of rail line from M.P. CB 5.40 at Beesons, IN, to M.P. CB 25.30 at New Castle, IN, and from M.P. R 0.09 to M.P. R 1.16 at New Castle, IN (collectively, the “Lines”). The Lines are owned by Norfolk Southern Railway Company (“NSR”), a common carrier. Based upon projected annual revenues, NCSR expects to be a Class III rail carrier following consummation of the transaction proposed herein.

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

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

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

NCSR, LLC d/b/a New Castle Southern Railroad
43 W. Union
Liberty, IN 47353

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

NCSR’s representative to whom correspondence regarding this transaction should be sent is as follows:

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

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

NCSR and NSR have recently reached a lease agreement (the “Agreement”) pursuant to which NCSR will provide common carrier rail service on the Lines. NCSR’s obligation to provide common carrier rail service is anticipated to commence on or after September 13, 2021.¹

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

NCSR will operate and provide common carrier rail service to shippers accessed from the Lines.

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

NCSR and NSR have entered into the aforementioned Agreement, pursuant to which NCSR will provide common carrier rail service on the Lines. The Lines are comprised of approximately twenty-one (21) miles of railroad from M.P. CB 5.40 at Beesons, IN, to M.P. CB 25.30 at New Castle, IN, and from M.P. R 0.09 to M.P. R 1.16 at New Castle, IN.

¹ The Board recently granted the current operator authorization to discontinue service over the Lines. C&NC Railroad, LLC – Discontinuance Exemption – In Wayne and Henry Counties, IN, AB-1093 (Sub-No. 2X) (STB served August 20, 2021) (“Decision No. 50916”). In light of that decision, NSR has opted to have NCSR operate the Lines. As the result of recent railroad service issues mentioned in Decision No. 50916, NCSR (at NSR’s request) has concurrently filed a motion to expedite the effective date of the present exemption so that it may take effect on September 13, 2021. NCSR understands NSR will be tendering a letter filing in this docket addressing the operating arrangement for the Lines.

The complete name and address of the owner of the Lines is as follows:

Norfolk Southern Railway Company
1200 Peachtree Street NE
Atlanta, GA 30309

NCSR intends to consummate its operation on the Lines on or after September 13, 2021.

Map: 49 C.F.R. § 1150.33(f)

A map showing the Lines is attached as Exhibit A to this Notice.

Certificate of Class III Status: 49 C.F.R. § 1150.33(g)

Certification in accordance with the provisions of 49 C.F.R. § 1150.33(g) (establishing that NCSR would qualify as a Class III carrier) is attached as Exhibit B.

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

(i) The existence of that provision or agreement and identification of the affected interchange points;

An interchange commitment exists for one interchange point - Beesons, IN.

(ii) A confidential, complete version of the document(s) containing or addressing that provision or agreement;

A complete confidential version of the terms of the Agreement is being filed under seal as Exhibit C.

(iii) A list of shippers that currently use or have used the line in question within the last two years;

There is only one shipper located on the Line, Neal Scrap Metals, which is located at milepost R 0.94 of the Lines.

(iv) The aggregate number of carloads those shippers specified in paragraph (h)(1)(iii) of this section originated or terminated (confidential);

This information is confidential and is being filed under seal. See Exhibit D.

(v) A certification that the filing party has provided notice of the proposed transaction and interchange commitment to the shippers identified in paragraph (h)(1)(iii) of this section;

NCSR certifies that it has provided notice of the proposed transaction and interchange commitment to the above-listed customer (per the letter attached as Exhibit E).

(vi) A list of third party railroads that could physically interchange with the line sought to be acquired or leased;

NSR and Big Four Terminal Railroad, LLC are the third-party carriers that could physically interchange with NCSR at the respective interchange points listed above.

(vii) An estimate of the difference between the sale or lease price with and without the interchange commitment (confidential);

This information is confidential and is being filed under seal. See Exhibit F

(viii) A change in the case caption so that the existence of an interchange commitment is apparent from the case title.

NCSR has noted the existence of an interchange commitment in the proceeding's caption.

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

NCSR's projected annual revenue is not expected to exceed \$5 million, and, accordingly, the advance notice requirements of 49 C.F.R. § 1150.32(e) are inapplicable to this transaction. See Certification and Verification attached as Exhibit B.

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

Under 49 C.F.R. § 1105.6(c)(1)(i), NCSR's proposed operation on the Lines is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in operations within the NSR-owned facilities, 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), NCSR's proposed operation of the Lines also is exempt from historic preservation reporting requirements. The proposed transaction is for the purpose of restored rail service. Separate Surface Transportation Board approval would be required to 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.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary in appropriate form is attached as Exhibit G to this Notice.

Respectfully submitted,

By: *R. A. Wimbish*

Robert A. Wimbish
Thomas J. Healey
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 8000
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR NCSR, LLC d/b/a
NEW CASTLE SOUTHERN RAILROAD**

Dated: August 23, 2021

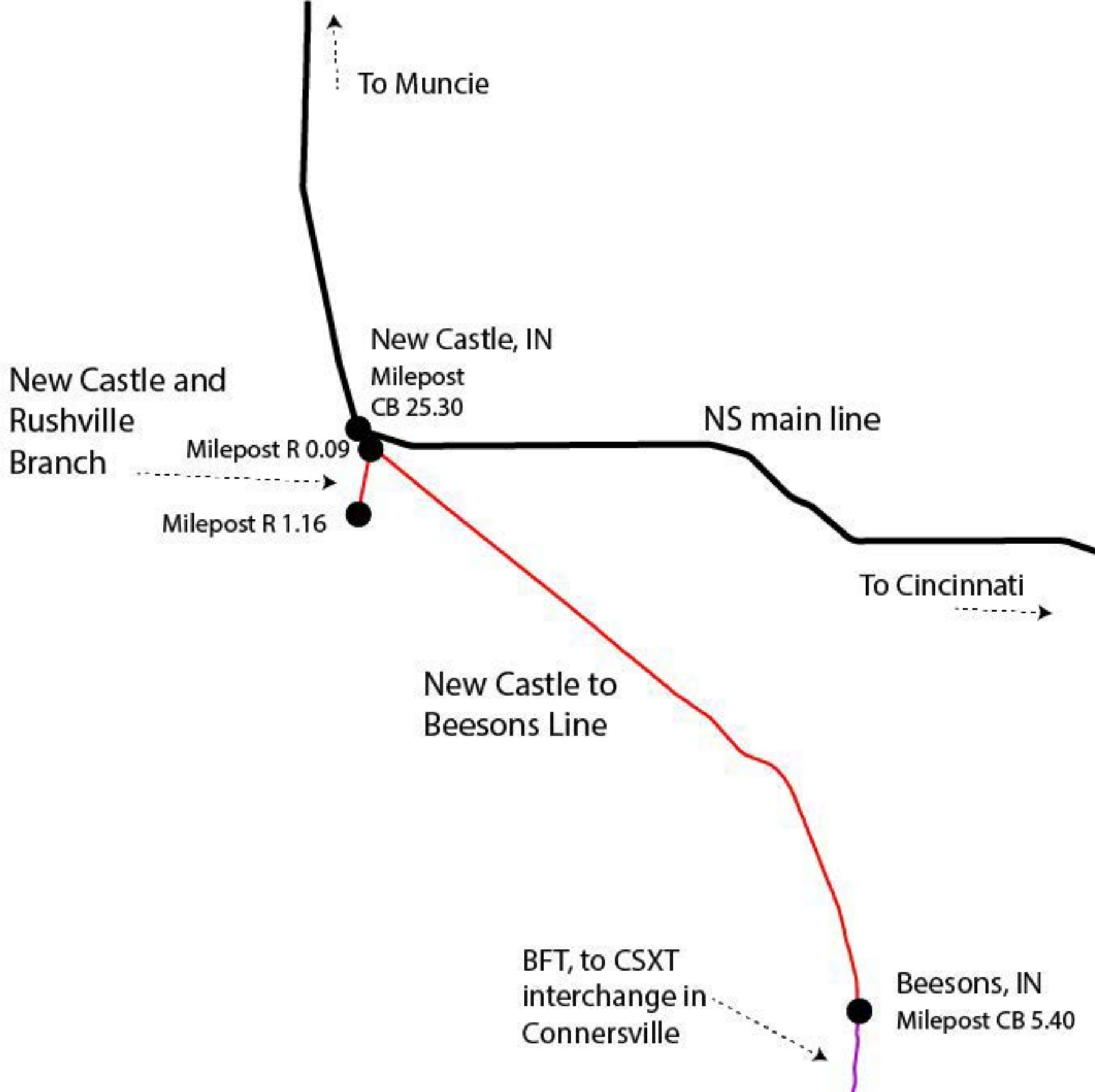
BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT A

MAP



BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT B

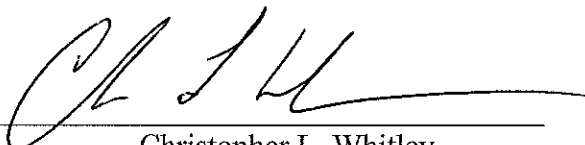
CERTIFICATION AND VERIFICATION

CERTIFICATION AND VERIFICATION

I, Christopher L. Whitley, the President of New Castle Southern Railroad ("NCSR"), under penalty of perjury, certify and verify as follows:

1. I am authorized to provide the present certification and verification on behalf of NCSR.
2. I certify that NCSR's annual rail revenues are not expected to exceed \$5 million, and that the transaction that is the subject of this exemption proceeding will not result in NCSR becoming Class I or II rail carrier under the thresholds set forth at 49 C.F.R. § 1201(11).
3. I verify that I have read the foregoing Notice of Exemption and know that the facts stated herein are true.

Dated: August 23, 2021



Christopher L. Whitley

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT C

COMPLETE CONFIDENTIAL VERSION OF THE
AGREEMENT

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT D

CONFIDENTIAL CARLOAD INFORMATION

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT E

NOTICE TO SHIPPER(S)

NOTICE TO RAILROAD SERVICE CUSTOMERS

August 23, 2021

**Re: NCSR, LLC d/b/a New Castle Southern Railroad — Lease and Operation Exemption
with Interchange Commitment — Norfolk Southern Railway Company
FD 36542**

Today, the New Castle Southern Railroad (“NCSR”) has tendered to the U.S. Surface Transportation Board (“STB” or the “Board”) in the referenced docket a “notice of exemption” pursuant to which NCSR is invoking the appropriate regulatory procedures to be authorized to lease and operate certain rail lines in Indiana owned by Norfolk Southern Railway Company. A public version of NCSR’s notice of exemption (which describes the proposed lease transaction) as filed with the STB is enclosed.

We are supplying you with a copy of NCSR’s notice of exemption in keeping with the STB’s regulations at 49 C.F.R. § 1150.33(h)(v). Specifically, the Board’s regulations require NCSR to advise you of the proposed transaction as a railroad customer that would have access to NCSR service upon consummation of the proposed lease, which is expected to occur on or after September 13, 2021. NCSR has petitioned the Board to expedite NCSR’s operating authority to authorize the September 13, 2021 effective date.

NCSR is supplying you with a copy of the enclosed notice of exemption as information in adherence with the Board’s filing and notification requirements. *You are not expected nor are you obligated to participate in the STB proceeding, but you are entitled to do so if you wish.*

If you have any questions, you are welcome to contact counsel for NCSR as follows: Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, Illinois 60606-3208; 312-252-1500 rwimbish@fletcher-sippel.com.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT F

CONFIDENTIAL INFORMATION
PURSUANT TO 49 C.F.R. § 1150.33(h)(vii)

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

EXHIBIT G

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FD 36542

NCSR, LLC D/B/A NEW CASTLE SOUTHERN RAILROAD
— LEASE AND OPERATION EXEMPTION WITH INTERCHANGE COMMITMENT —
NORFOLK SOUTHERN RAILWAY COMPANY

NCSR, LLC d/b/a New Castle Southern Railroad (“NCSR”), a non-carrier, has filed a Verified Notice of Exemption to operate approximately twenty-one (21) miles of rail line from M.P. CB 5.40 at Beesons, IN to M.P. CB 25.30 at New Castle, IN, and from M.P. R 0.09 to M.P. R 1.16 at New Castle, IN. The Lines is owned by Norfolk Southern Railway Company.

Pursuant to a concurrently-filed waiver request, NCSR expects to consummate the subject transaction and commence operations on the Lines on or after September 13, 2021.

Comments must be filed with the Board and served on:

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

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: September __, 2021

By the Board

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings