



SLOVER & LOFTUS LLP

ATTORNEYS AT LAW

PETER A. PFOHL

January 18, 2023

306003

VIA ELECTRONIC FILING

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

ENTERED
Office of Proceedings
January 18, 2023
Part of
Public Record

Re: FD 36661, *Willamette Valley Railway Company – Lease and Operation
Exemption – Line of Union Pacific Railroad Company*

Dear Ms. Brown:

Attached for filing in the above referenced docket is the Verified Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E for the Willamette Valley Railway Company. The filing fee of \$2,200.00 has been paid electronically via pay.gov.

Please contact the undersigned if there are any questions regarding this filing. Thank you for your attention to this matter.

Respectfully submitted,

Peter A. Pfohl
Attorney for
Willamette Valley Railway Company

Enclosure

FILED
January 18, 2023
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
January 18, 2023
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

	)	
Willamette Valley Railway Company – Lease	)	
and Operation Exemption – Line of Union	)	FD 36661
Pacific Railroad Company	)	
	)	

**VERIFIED NOTICE OF EXEMPTION OF
WILLAMETTE VALLEY RAILWAY COMPANY
PURSUANT TO 49 C.F.R. PART 1150, SUBPART E**

Peter A. Pfohl
SLOVER & LOFTUS LLP
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
Phone: (202) 347-7170

Dated: January 18, 2023

Attorney for
Willamette Valley Railway Company

BEFORE THE
SURFACE TRANSPORTATION BOARD

Willamette Valley Railway Company – Lease	)	
and Operation Exemption – Line of Union	)	FD 36661
Pacific Railroad Company	)	
	)	

**VERIFIED NOTICE OF EXEMPTION OF
WILLAMETTE VALLEY RAILWAY COMPANY
PURSUANT TO 49 C.F.R. PART 1150, SUBPART E**

Pursuant to 49 C.F.R. Part 1150, Subpart E, Willamette Valley Railway Company (“WVR”), a Class III rail carrier, hereby submits this Verified Notice of Exemption (“Notice”) to lease from Union Pacific Railroad Company (“UP”) the following lines of railroad extending approximately 32 miles: the West Stayton Branch between Mile Post (“MP”) 708.11 at Stayton, Oregon and MP 737.76 at Woodburn, Oregon, and the Geer Branch between MP 719.16 at Geer, Oregon and MP 721.10 at or near the Geer Station, Oregon (collectively, the “Lines”). The location of the Lines is depicted in Exhibit A, attached to this Notice.

In support of this Notice, and in accordance with the requirements of 49 C.F.R. §1150.43, WVR submits the following information:

Information Required by 49 C.F.R. § 1150.43

(a) Full name and Address of the Applicant

Willamette Valley Railway Company
103 East Broadway Street
Woodburn, OR 97071

(b) Name and Address of Representatives to Receive Correspondence

Peter A. Pfohl
Slover & Loftus LLP
1224 Seventeenth Street NW
Washington, D.C. 20036
Phone: (202) 347-7170
Email: pap@sloverandloftus.com

(c) Statement Regarding Agreement

WVR and UP have recently entered into a Lease Agreement, replacing a previous lease agreement dated February 16, 1993, governing the continued use, management, and operation of the Lines.

(d) The Operator of the Property

WVR will operate and provide all rail common carrier service to shippers on the Lines.

(e) Brief Summary of the Transaction

The involved Lines extend approximately 32 miles between MP 708.11 and MP 737.76 on the West Stayton Branch and between MP 719.16 and MP 721.10 on the Geer Branch. WVR has operated the Lines pursuant to a longstanding lease agreement with UP and its predecessor, Southern Pacific Transportation Company, dated February 16, 1993. *Willamette Valley Railway Co. – Acquisition, Lease & Operation Exemption – Southern Pacific Transportation Co.*, FD 32249 (ICC served Mar. 5, 1993).¹ WVR and

¹ Under the original lease, WVR operated a total of 72 miles of rail lines over three branch lines. However, with line abandonments and discontinuances occurring over time, WVR's service of the Lines is currently approximately 32 route miles. *See*

UP have recently entered into a new lease for the Lines, effective upon the receipt of all regulatory approvals, allowing for WVR to continue to use, manage, and operate the Lines.²

The parties contemplate and intend that, upon receipt of all necessary regulatory approvals, the lease transaction will be consummated and common carrier operations on the Lines will continue under the terms of the Lease Agreement.

(1) Name and Address of the Railroad Transferring the Subject Property:

UP is the railroad that is leasing the lines to WVR. UP's address is:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

(2) Proposed Schedule for Consummation of the Transaction

The proposed transaction will be consummated as soon as practicable after the effective date of this Notice. Common carrier rail operations by WVR will continue pursuant to the terms of the Lease Agreement. The parties anticipate that the transaction will be consummated on or after 30 days after filing this notice of exemption.

Willamette Valley Railway Co. – Discontinuance Exemption – In Marion County, Oregon, AB 435 (Sub. No. 1X) (ICC served Mar. 29, 1995); Willamette Valley Railway Company – Discontinuance of Service Exemption – In Linn County, OR, AB 435 (Sub- No. 2X) (STB served Nov. 16, 2007).

² In *Willamette Valley Railway Co. – Acquisition Exemption – Certain Lines of the Southern Pacific Transportation Co.*, FD 32684 (STB served Aug. 22, 1996) the Board authorized, via an exemption, WVR's acquisition of the Lines, along with portions of the separate Mill City Branch, through WVR's exercise of an acquisition option contained in the parties' 1993 lease agreement. However, the authorized transaction contemplated by WVR's petition in FD 32684 was never finally consummated and effectuated. Instead, the parties' 1993 lease agreement has remained in effect and governed transportation over the Lines.

(3) Mileposts of the Property

The mileposts of the Lines include MP 708.11 to MP 737.76 on the West Stayton Branch and MP 719.16 to MP 721.10 on the Geer Branch

(4) Total Route Miles

A total of approximately 31.59 route miles is to be operated.

(f) Map

A map depicting and describing the Lines, the Mile Posts, UP's connection, and the immediate vicinity is included as Exhibit A to this Notice.

(g) Certificate of Projected Revenues

Certification by WVR that its projected freight revenues will not exceed those that would qualify it as a Class I or Class II rail carrier is included with the verification of this Notice.

(h) Interchange Commitments

The Lease Agreement does not include an interchange commitment.

Advance Notice

The projected annual freight revenue of WVR is not expected to exceed five (5) million dollars, and, accordingly, the workforce advance notice requirements of 49 C.F.R. § 1150.42(e) do not apply to this transaction.

Environmental and Historical Reports

Under 49 C.F.R. § 1105.6(c)(1), the proposed operations are exempt from environmental reporting requirements, and the proposed operations will not result in

changes that will exceed the environmental reporting thresholds established in 49 C.F.R. § 1105.7(e) (4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), the proposed operations are exempt from historic preservation reporting requirements. The proposed transaction will provide for the continuation of common carrier rail service. Separate Board approval would be required to abandon or discontinue service over the Lines, and address any future plans to dispose of or alter properties subject to the Board's jurisdiction that are fifty years old or older. WVR has no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

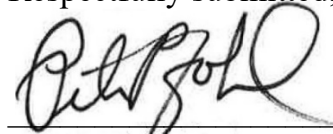
Accordingly, no environmental or historic documentation is required.

Caption Summary Pursuant to 49 C.F.R. § 1150.44

A caption summary in the form prescribed by the Board is attached hereto as Exhibit B to this Notice.

Respectfully submitted,

By:



Peter A. Pfohl
SLOVER & LOFTUS LLP
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
(202) 347-7170

Dated: January 18, 2023

Attorney for
Willamette Valley Railway Company

EXHIBIT A

MAP

FD 36661, Willamette Valley Railway Company – Lease and Operation
Exemption – Line of Union Pacific Railroad Company

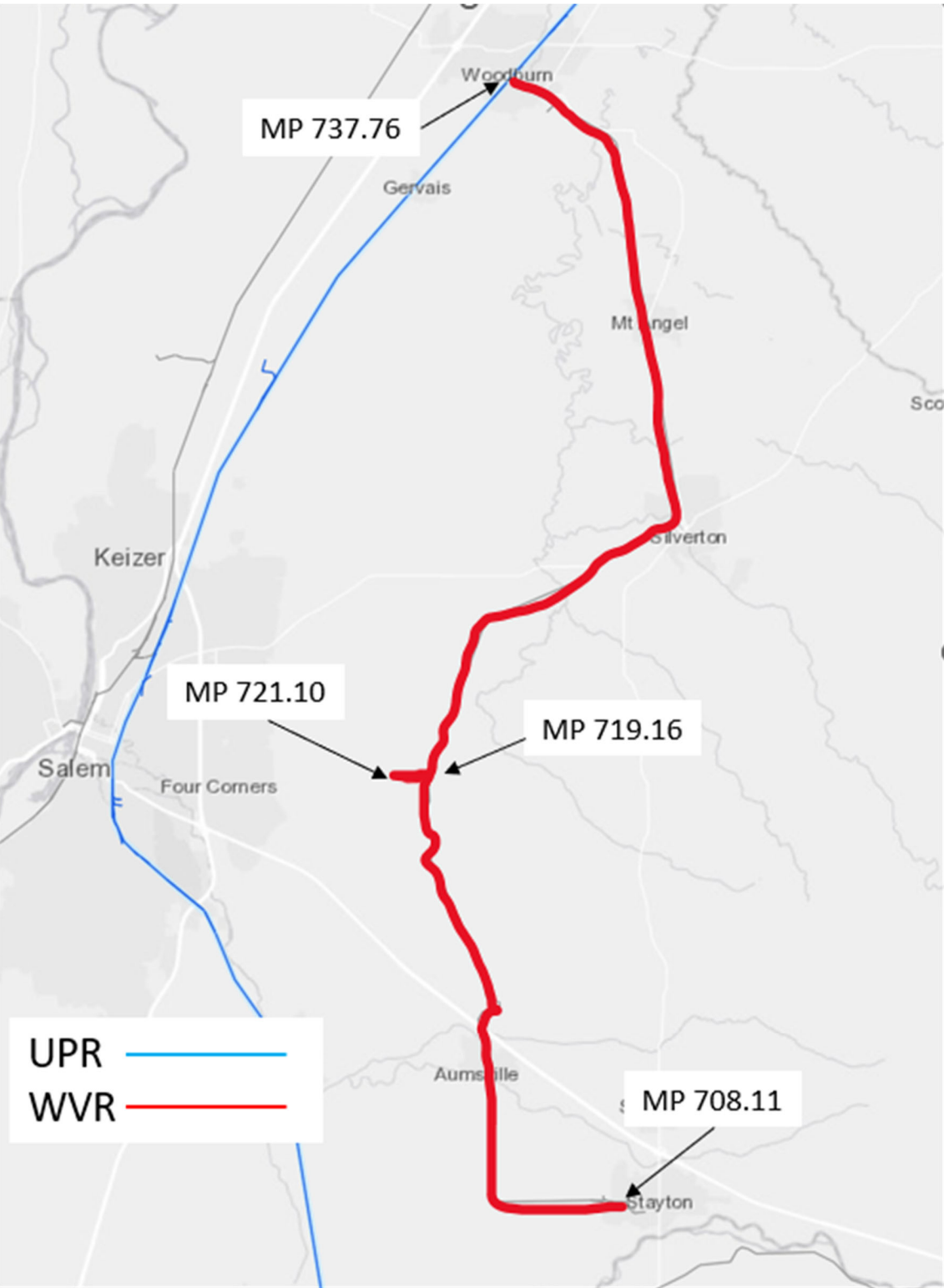


EXHIBIT B

Federal Register Notice

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB Finance Docket No. 36661

Willamette Valley Railway Company
– Lease and Operation Exemption –
Line of Union Pacific Railroad Company

Willamette Valley Railway Company, a Class III rail carrier, has filed a notice of exemption (the “Notice”) to lease from Union Pacific Railroad Company the following lines of railroad extending approximately 32 miles: the West Stayton Branch between Mile Post (“MP”) 708.11 at Stayton, Oregon and MP 737.76 at Woodburn, Oregon, and the Geer Branch between MP 719.16 at Geer, Oregon and MP 721.10 at or near the Geer Station, Oregon.

Comments must be filed with the Board and served on:

Peter A. Pfohl
Slover & Loftus LLP
1224 Seventeenth Street NW
Washington, D.C. 20036

Phone: (202) 347-7170
Email: pap@sloverandloftus.com

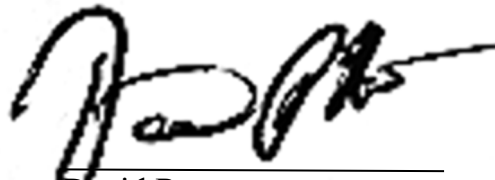
The Notice is filed under 49 C.F.R. § 1150.41. If the Notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

CERTIFICATION AND VERIFICATION

David Root hereby certifies and verifies under penalty of perjury as follows:

1. I am the President of Willamette Valley Railway Company (“WVR”).
2. The annual rail revenues of WVR will not result in WVR becoming a Class I or II rail carrier under the thresholds set forth at 49 C.F.R. § 1201 (1-1).
3. I have read the foregoing Notice of Exemption and know that the facts stated herein are true.

Dated: January 18, 2023



David Root