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August 9, 2024

VIA-E-FILING

Ms. Cynthia T. Brown
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

Re: Great Lakes Terminal Railroad, LLC – Lease and Operation Exemption – Norfolk
Southern Railway Company, FD 36801

Dear Ms. Brown:

Pursuant to 49 C.F.R. § 1150.41, et. seq., Great Lakes Terminal Railroad, LLC hereby files this Verified Notice of Exemption to lease from the Norfolk Southern Railway Company approximately 14,215 linear feet of 10906 industry track (2.69 miles) of existing railroad right-of-way, trackage, and transloading facilities in Chicago, Illinois.

The requisite filing fee in the amount of \$2,200, pursuant to 49 C.F.R. 1002.2(f)(14)(ii) has been paid on pay.gov. If there are any questions about this matter, please contact me directly, either by telephone: at 202-663-7831 or by e-mail: czorbaugh@mullinslawgroup.net or Spencer M. Naake, who can be reached at (202) 663-7829 or by e-mail at snaake@mullinslawgroup.net.

Sincerely,

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh
Attorney for Great Lakes Terminal Railroad, LLC

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36801

**GREAT LAKES TERMINAL RAILROAD, LLC
– LEASE AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR §1150.41, ET SEQ**

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***Counsel for Great Lakes Terminal
Railroad, LLC***

August 9, 2024

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36801

**GREAT LAKES TERMINAL RAILROAD, LLC
– LEASE AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR §1150.41, ET SEQ.**

Pursuant to 49 C.F.R 1150.41, et seq., Great Lakes Terminal Railroad, LLC (“GLTRR”),¹ a Class III carrier, files this Notice of Exemption (the “Notice”) to lease back and operate 14,215 linear feet (2.69 miles) of trackage (“NSR Industrial Track”) upon Norfolk Southern Railway Company’s (“NSR”) acquisition of the trackage from GLTRR’s parent company Great Lakes Terminal, LLC (“GLT”). Id. GLTRR has operated over the trackage since 2018.² A complete description of all trackage that comprises the Chicago Transloading Facility Trackage can be found in the July 31st Decision, which details how GLTRR became a carrier in 2018, and

¹ The Board recently granted GLTRR after-the-fact authority to lease and operate approximately 22,568 feet of track in Chicago, Ill., owned by GLT, CRRC Sifang America Incorporated (“CRRC”), and the Chicago Enterprise Center Owners’ Association (“Owner Association”). See Great Lakes Terminal Railroad, LLC – Acquisition and Operation Exemption – Great Lakes Terminal, LLC, CRRC, SIFANG America Incorporated, and Chicago Enterprise Owners’ Association, FD 36764 (Sub-No. 1) (STB served July 31, 2024) (“July 31st Decision”). The July 31st Decision corrected inadvertent regulatory omission by GLTRR and GLT.

² GLTRR will continue to operate over the contiguous trackage owned by CRRC (850 linear feet/ 0.16 miles) and the Chicago Enterprise Center Owners’ Association (“Owners’ Association”) (7,503 linear feet/ 1.42 miles). The entirety of the trackage owned by the three entities constitutes 22,568 linear feet (4.27 miles) in Chicago, Illinois (“Chicago Transloading Facility” or “Chicago Transload Facility Trackage”).

the events that have taken place since as fully explained in GLTRR’s Acquisition and Operation Exemption Petition (“Petition”).³

As GLTRR’s Petition further explained, GLT has reached an agreement with NSR to sell NSR the entirety of its 14,215 linear feet of 10906 industry track (2.69 miles) (“Purchase and Sale Agreement”).⁴ This transaction is expected to close on or after September 6, 2024. As this is industrial track for NSR,⁵ Board authority is not required for the Purchase and Sale Agreement between GLT and NSR. However, GLTRR’s subsequent leaseback and continued operation of the NSR Industrial Track does require authority and such authority is being sought in this Notice.⁶ GLTRR’s subsequent leaseback of the NSR Industrial Track will occur on or after the effective date of the Notice (30 days after filing). In support of this Notice,⁷ GLTRR submits the following information as required by 49 C.F.R. 1150.43:⁸

³ See July 31, 2024 Decision.

⁴ Referenced above as “NSR Industrial Track.”

⁵ While GLTRR’s operations, which are limited solely to operating over the Chicago Transload Facility Trackage, constitute a line of railroad subject to the Board’s Jurisdiction under the Tenant Use Test, NSR’s acquisition of the GLT-owned industry tracks, which partially comprise the Chicago Transload Facility Trackage, does not require Board approval because per 49 U.S.C § 10906 “[t]he STB does not have authority . . . over the construction, acquisition, operation, abandonment, or discontinuance of spur, industrial, team, switching, or side tracks.” Such track is often referred to as excepted track or ancillary track. Although these tracks are not subject to the STB’s licensing authority, until abandoned by the carrier, they are subject to the STB’s exclusive jurisdiction for preemption purposes. See Tri-City R.R. – Petition for Declaratory Order, FD 36037, slip op. at 4 (S.T.B. served June 1, 2017).

⁶ Shippers served by the NSR Industrial Track will continue to be served by GLTRR, as they have since 2018.

⁷ The Board granted permissive authority for GLTRR to proceed with this Notice and stated “once GLTRR obtains all necessary after-the-fact authority for prior transactions, it can proceed with a notice of exemption for its proposed lease with NSR.” See July 31, 2024 Decision, slip op. at 2; citing Great Lakes Terminal Railroad – Acquisition & Operation Exemption – Norfolk Southern Railway, FD 36764, slip op. at 3 (STB served April 26, 2024).

⁸ See, e.g., North Carolina & Virginia Railroad, LLC, Chesapeake & Albermarle Railroad Division – Lease Amendment Exemption – Norfolk Southern Railway Company, FD 35564 (Sub-No. 1) (STB served December 16, 2011) (granting lease amendment exemption which provided the required information under 49 C.F.R. § 1150.43).

(a) Full Name and Address of the Applicant

The full name and address of the applicant is:

Great Lakes Terminal Railroad, LLC
13535 South Torrence Avenue
Chicago, Illinois 60633

(b) Name, Address, and Telephone Number of Representatives to Receive Correspondence:

GLTRR's representatives are:

Crystal M. Zorbaugh
Spencer M. Naake
MULLINS LAW GROUP PLLC
2001 L Street NW, Suite 720
Washington, DC 20036
Tel: (202) 663-7831

(c) Statement Regarding Agreement

As stated above, GLT has reached an agreement with NSR to sell NSR 14,215 linear feet of 10906 industry track (2.69 miles), which comprises part of the Chicago Transloading Facility Trackage on or on or after September 6, 2024. Accordingly, a new lease agreement between GLTRR and NSR is necessary for GLTRR to continue to operate over the NSR Industrial Track upon close of the sale of the NSR Industrial Track. Thus, NSR, as lessor, and GLTRR, as lessee, have entered into a lease agreement, which will be effective on or after the effective date of the Notice (30 days after filing).

(d) The Operator of the Property

GLTRR, a Class III rail carrier, has been the operator of the Chicago Transloading Facility Trackage since 2018 and will remain the operator of the entire trackage (including the NSR Industrial Track), pursuant to a new lease with NSR.

(e) Brief Summary of the Transaction

a. Name and Address the Railroad Transferring the Subject Property:

Norfolk Southern Railway Company
650 W. Peachtree Street NW
Atlanta, Georgia 30308

b. Proposed Schedule for Consummation

The acquisition of the NSR Industrial Track by NSR from GLT is set to close on or after September 6, 2024. GLTRR's subsequent leaseback of the NSR Industrial Track will occur on or after the effective date of the Notice (30 days after filing).

c. Mileposts of the Property

The NSR Industrial Track does not have mileposts.

d. Total Route Miles

Pursuant to the lease agreement with NSR, GLTRR will continue operations over the 14,215 linear feet (2.69 miles) of industrial trackage, currently owned by GLT, and to be purchased by NSR. GLTRR will also continue to operate over the related contiguous trackage, within the Chicago Transload Facility, owned by CRRC (850 linear feet/ 0.16 miles), and the Owners' Association (7,503 linear feet/ 1.42 miles).

(f) Map

A Map depicting the NSR Industrial Track is attached as Exhibit 1.

(g) Certificate of Projected Revenues & Advance Notice Requirements (49 C.F.R. 1150.42)

The required certificate is attached, along with the verification for this Notice. See Verification and Certification, attached as Exhibit 2. The projected annual rail revenue of GLTRR from operations of the NSR Industrial Track will not exceed \$5 million. Further, GLTRR's projected annual operating revenues are not expected to exceed those that would

qualify it as a Class III carrier. Accordingly, the advance notice requirements of 49 C.F.R.1150.42(e) do not apply to the transaction.

(h) Interchange Commitments

The transaction that is the subject of this Notice does not involve any provision or agreement that may limit future interchange with a third-party connecting carrier, nor is the NSR Industrial Track currently subject to any agreement that imposes such an interchange commitment. The transaction will not result in any adverse change in competition or service levels or any significant operational changes.

Labor Protection

Because the proposed transaction involves acquisition of 49 U.S.C. 10906 track by NSR and a Class III carrier lease, employee protective conditions may not be imposed as a condition of this exemption. See 49 U.S.C. § 11326(c).

Environmental and Historical Reports

Under 49 C.F.R. § 1105.6(c)(1), the proposed transaction is exempt from environmental reporting requirements because it will not result in a “significant change in carrier operations” and does not exceed the thresholds in 49 C.F.R. § 1105.7(e)(4) or (5). Specifically, the transaction that is the subject of this Notice will not cause a diversion of (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of these lines to motor carriage. Nor will the transaction result in (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the subject rail line; (2) an increase of rail yard activities of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. This transaction will not exceed the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii). The transaction will

not result in the transportation of any ozone-depleting materials. Therefore, pursuant to the Board's regulations at 49 C.F.R. § 1105.6(c), no environmental documentation is required.

Similarly, under 49 C.F.R. 1105.8(b)(1), the acquisition and operation of the NSR Industrial Track is exempt from historic preservation reporting requirements. The proposed acquisition will continue the status quo concerning freight rail operations and NSR does not intend to dispose of or alter properties subject to the STB's jurisdiction that are 50 years or older. Accordingly, no environmental or historical documentation is required.

Caption Summary (49 C.F.R. § 1150.44)

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

Conclusion

Pursuant to 49 C.F.R. 1150.41, et seq., GLTRR respectfully requests that the Board exempt its lease back and operation of the NSR Industrial Track from regulation under 49 U.S.C. 10902 upon NSR taking over ownership of the NSR Industrial Track.

Respectfully submitted,

Crystal M. Zorbaugh

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***Counsel for Great Lakes Terminal
Railroad, LLC***

August 9, 2024

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

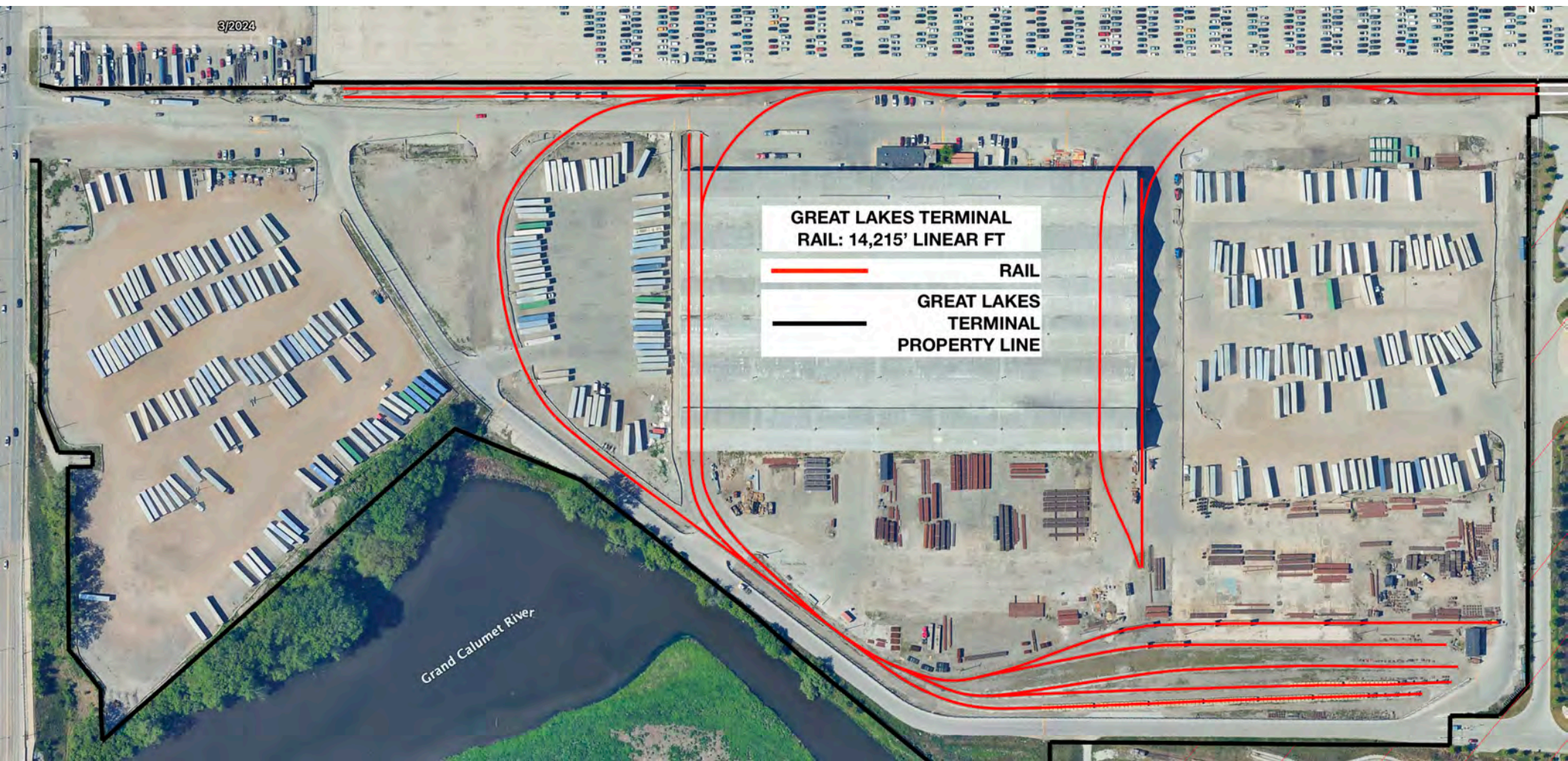
FD 36801

**GREAT LAKES TERMINAL RAILROAD, LLC
– LEASE AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR §1150.41, ET SEQ**

EXHIBIT 1

MAP



**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36801

**GREAT LAKES TERMINAL RAILROAD, LLC
– LEASE AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY**

**VERIFIED NOTICE OF EXEMPTION
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EXHIBIT 2

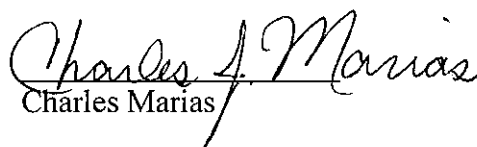
CERTIFICATION & VERIFICATION

CERTIFICATION AND VERIFICATION

I, Charles Marias, hereby certify that and verify under penalty of perjury the following:

1. I am the President of The Transload Group, LLC, the parent company of Great Lakes Terminal Railroad, LLC (“GLTRR”), and am therefore qualified to make the subject “Certification and Verification” on behalf of GLTRR.
2. GLTRR’s actual and projected annual operating revenues are less than \$5 million, and its projected annual operating revenues are not expected to exceed those that would qualify it as a Class III carrier.
3. I have read the foregoing document and verify that the facts stated therein are true and correct.

Executed on August 9, 2024.


Charles Marias

**BEFORE THE
SURFACE TRANSPORTATION BOARD
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FD 36801

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EXHIBIT 3

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FD 36801

GREAT LAKES TERMINAL RAILROAD, LLC – LEASE AND OPERATION EXEMPTION – NORFOLK SOUTHERN RAILWAY COMPANY

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Comments must be filed with the Board and served on GLTRR's representative: Crystal M. Zorbaugh, Mullins Law Group PLLC, 2001 L Street, NW, Suite 720, Washington, DC 20036, (202) 663-7850. This Notice is filed under 49 C.F.R. § 1150.41, et. seq. 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.

Decided: _____ By the Board