

248280
248281

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

BRADON J. SMITH
(312) 252-1516
bsmith@fletcher-sippel.com

ENTERED
Office of Proceedings
August 1, 2019
Part of
Public Record

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

August 1, 2019

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 36327**
Chicago St. Paul & Pacific Railroad LLC — Change in
Operators Exemption — Chicago Terminal Railroad

Docket No. FD 36335
Progressive Rail Incorporated — Continuance in Control
Exemption — Chicago St. Paul & Pacific Railroad LLC

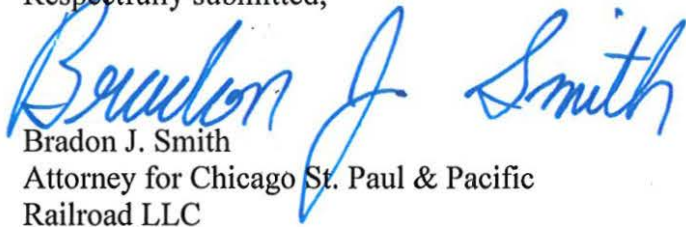
Dear Ms. Brown:

Attached for filing in the above-captioned proceedings are the **Verified Notice of Exemption of Chicago St. Paul & Pacific Railroad LLC Pursuant to 49 C.F.R. § 1150.31(a)(3)**, and the **Verified Notice of Exemption of Progressive Rail Incorporated Pursuant to 49 C.F.R. § 1180.2(d)(2)** dated August 1, 2019. The sums of \$2,000 and \$1,600, representing the appropriate fees for these respective filings, have been tendered electronically herewith. The Pay.gov Tracking IDs for Docket No. FD 36327 is 26J4T096 and for Docket No. FD 36335 is 26J4T0AO.

If you have any questions regarding these filings, please feel free to contact me.
Thank you for your assistance on these matters.

FEE RECEIVED
August 1, 2019
SURFACE
TRANSPORTATION BOARD

Respectfully submitted,


Bradon J. Smith
Attorney for Chicago St. Paul & Pacific
Railroad LLC

Attachment

FILED
August 1, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36327

CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
— CHANGE IN OPERATORS EXEMPTION —
CHICAGO TERMINAL RAILROAD

**VERIFIED NOTICE OF EXEMPTION OF
CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

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

**ATTORNEYS FOR CHICAGO ST. PAUL &
PACIFIC RAILROAD LLC**

Dated: August 1, 2019

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36327

CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
— CHANGE IN OPERATORS EXEMPTION —
CHICAGO TERMINAL RAILROAD

**VERIFIED NOTICE OF EXEMPTION OF
CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

Pursuant to 49 C.F.R. § 1150.31, et seq., Chicago St. Paul & Pacific Railroad LLC (“CSP”), a non-carrier, hereby files this Verified Notice of Exemption to assume operation of approximately 3.47 miles of track owned by Soo Line Railroad Company (“Soo Line”) and currently operated by Chicago Terminal Railroad (“CTM”) near Bensenville, Illinois (“the Line”). The Line does not have mileposts. Based on projected annual revenues, CSP expects to be a Class III rail carrier after consummation of the proposed transaction.

This Notice is related to Docket No. FD 36335, in which Progressive Rail Incorporated (“PGR”) is concurrently filing a notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of CSP once CSP commences operations and becomes a carrier. PGR is a Class III rail carrier and controls nine other Class III rail carriers operating in the Upper Midwest, California, Oregon, Washington, and North Carolina.

In accordance with the requirements of 49 C.F.R. § 1150.33, CSP 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:

Chicago St. Paul and Pacific Railroad LLC
21778 Highview Avenue
Lakeville, Minnesota 55044
(612) 791-3255

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

CSP's 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)

PGR and Soo Line will enter into a Lease Agreement governing CSP's operation of, and provision of rail common carrier service on, the Line. Prior to the commencement of operations, and with Soo Line consent, PGR will assign the Lease Agreement to PGR's wholly-owned subsidiary, CSP.

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

CSP will operate and provide all rail common carrier service to shippers on the Line pursuant to the aforementioned agreement. CSP will replace CTM as the Line's operator, and, upon consummation of the transaction, CTM will cease to serve as a common carrier with respect to the Line. Based on information from Soo Line, CSP understands that CTM does not object to the proposed change in operators.

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

The Line extends approximately 3.47 miles within the Bensenville Industrial Park in Bensenville, Illinois. Soo Line previously entered into an agreement with CTM whereby CTM acquired a leasehold and common carrier status on the Line.¹ CSP is a newly-formed, non-carrier subsidiary of PGR which will lease the Line from Soo Line and assume operations from CTM.

The name and address of the current operator of the Line is:

Chicago Terminal Railroad
118 South Clinton Street, Suite 300
Chicago, IL 60661

The name and address of the owner, Soo Line, is:

Soo Line Railroad Company
Suite 800
120 S. 6th St.
Minneapolis, MN 55402

CSP intends to consummate the proposed lease transaction and assume operations of the Line on September 1, 2019.

Map: 49 C.F.R. § 1150.33(f)

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

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

Certification of compliance with the provisions of 49 C.F.R. § 1150.33(g) is included with the verification to this Notice.

¹ Chicago Terminal Railroad — Lease and Operation Exemption — Soo Line Railroad Company d/b/a Canadian Pacific Railway, Docket No. FD 35101 (STB served Nov. 30, 2007).

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

CSP's proposed lease and operation of the Line does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier.

Shipper Notice: 49 C.F.R. § 1150.32(b)

CSP has provided notice of the proposed change in operators to the shippers on the Line. A list of the shippers served and a copy of the notice letter sent to those shippers are attached hereto as Exhibit B.

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

CSP has posted and served the notice required by 49 C.F.R. § 1150.32(e) ("the Labor Notice") and certified its compliance therewith by letter filed on July 2, 2019 in this docket. On July 15, 2019, the International Association of Sheet Metal, Air, Rail and Transportation Workers – Transportation Division filed a document acknowledging its receipt of the Labor Notice.

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

Under 49 C.F.R. § 1105.6(c)(2), CSP's proposed operation of the Line is exempt from environmental reporting requirements. The proposed transaction 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), CSP's assumption of operations on the Line also is exempt from historic preservation reporting requirements. The proposed transaction is for the purpose of continued rail operations. Further Surface Transportation Board approval is required

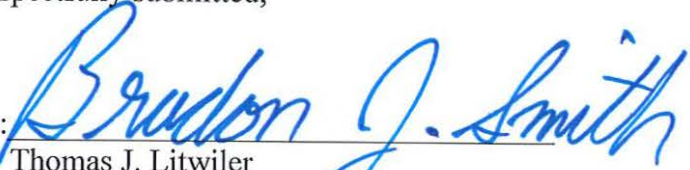
to discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.32 (a)

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

Respectfully submitted,

By:


Thomas J. Litwiler

Bradon J. Smith

Fletcher & Sippel LLC

29 North Wacker Drive

Suite 800

Chicago, Illinois 60606-3208

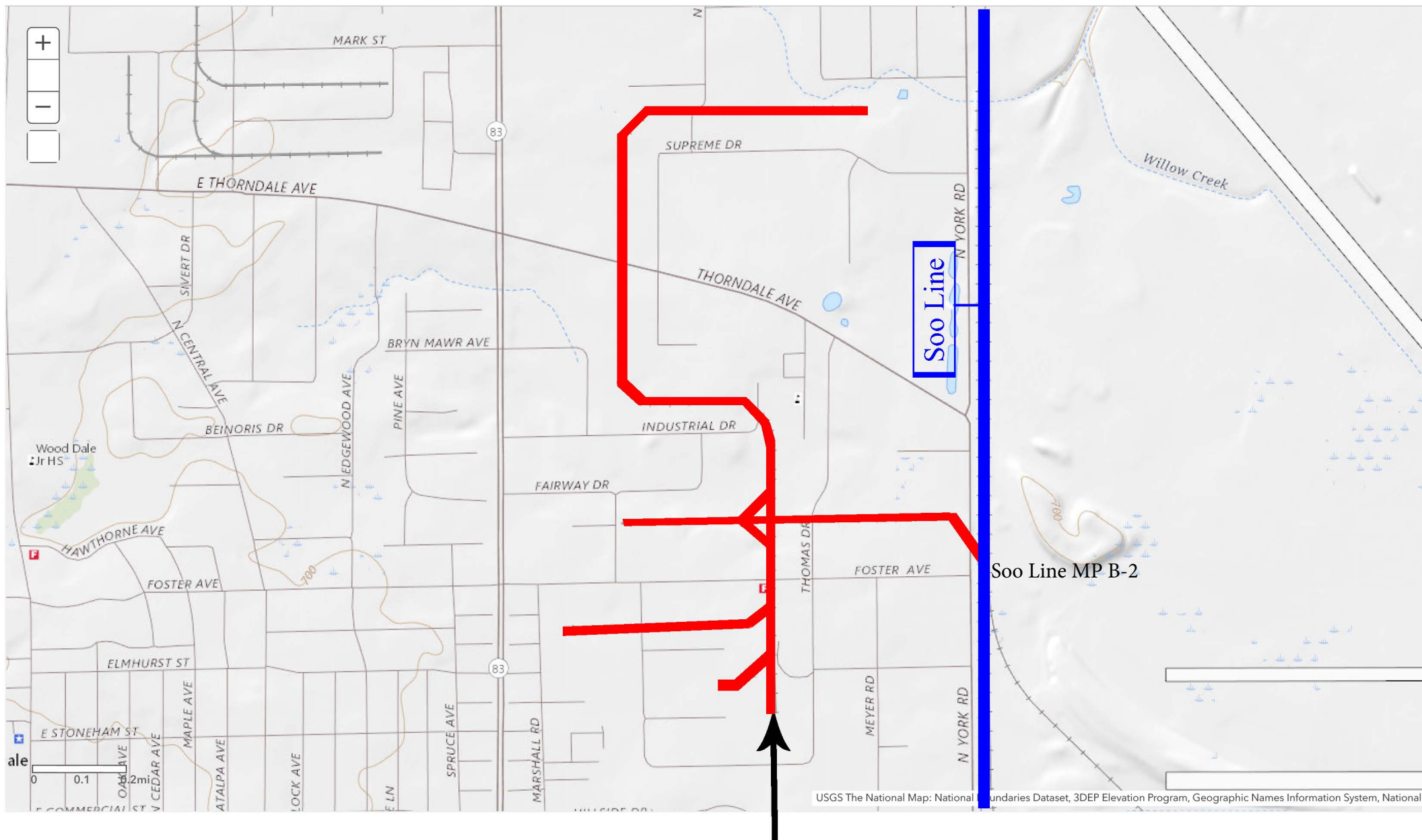
(312) 252-1500

**ATTORNEYS FOR CHICAGO ST. PAUL &
PACIFIC RAILROAD LLC**

Dated: August 1, 2019

EXHIBIT A

Docket No. FD 36327
Chicago St. Paul & Pacific Railroad LLC
– Change in Operators Exemption
– Chicago Terminal Railroad



Proposed Chicago St. Paul & Pacific Lease and Operation

EXHIBIT B

EXAMPLE OF NOTIFICATION TO SHIPPERS

Re: **Docket No. FD 36327**
Chicago St. Paul & Pacific Railroad LLC — Change in
Operators Exemption — Chicago Terminal Railroad

Dear Sirs:

Chicago St. Paul & Pacific Railroad LLC (“CSP”) has filed a Notice of Exemption with the Surface Transportation Board (“STB”) for a Change in Operators on 3.47 miles of railroad near Bensenville, Illinois formerly served by Chicago Terminal Railroad. A map of the lines CSP will operate on is enclosed. Effective on or about September 1, 2019, or as soon thereafter as possible, CSP will begin to serve facilities on the lines.

We are providing you with this information in keeping with STB shipper notice requirements. You are not required to respond or to this letter or otherwise participate in the STB proceeding. If you have any questions regarding this matter, please feel free to contact me.

Very truly yours,

Bradon J. Smith
Attorney for Chicago St. Paul & Pacific
Railroad LLC

EXHIBIT B

SHIPPERS NOTIFIED

National Sugar National Sugar Marketing LLC

Addresses:
100 Galleria Pkwy, Ste 1400,
Atlanta, GA 30339

591 Supreme
Bensenville, IL 60106

The PRI Group

Address:
600 Thomas Drive
Bensenville, IL 60106

Doumak

Addresses:
1004 Fairway Drive
Bensenville, IL 60106

2201 Touhy Avenue
Elk Grove Village, IL 60007

EXHIBIT C

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36327

**CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
— CHANGE IN OPERATORS EXEMPTION —
CHICAGO TERMINAL RAILROAD**

Chicago St. Paul & Pacific Railroad LLC (“CSP”), a non-carrier, has filed a notice of exemption to change operators on a 3.47 mile line of railroad near Bensenville, Illinois (“the Line”) owned by Soo Line Railroad Company and currently operated by Chicago Terminal Railroad.

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 36335, in which Progressive Rail Incorporated has concurrently filed a notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of CSP once CSP assumes operation of the Line and becomes a carrier.

The notice is filed under 49 C.F.R. § 1150.31(a)(3). 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.

CERTIFICATION AND VERIFICATION

Nicholas Dillon hereby certifies and verifies under penalty of perjury as follows:

1. I am the Chief Financial Officer of Progressive Rail Incorporated, the sole member interest of Chicago St. Paul & Pacific Railroad LLC ("CSP").
2. The annual rail revenues of CSP will not result in CSP 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 asserted therein are true as stated.

Dated: August 1, 2019



Nicholas Dillon

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36327

CHICAGO ST. PAUL & PACIFIC RAILROAD LLC
— CHANGE IN OPERATORS EXEMPTION —
CHICAGO TERMINAL RAILROAD

CERTIFICATE OF SERVICE

I certify that I have this day served copies of the Verified Notice of Exemption of Chicago St. Paul & Pacific Railroad LLC pursuant to 49 C.F.R. § 1150.31 upon all parties of record in this proceeding by email.



Bradon J. Smith

Dated: August 1, 2019