

John D. Heffner
T (202) 742-8607
F (202) 742-8697
Email: John.Heffner@clarkhillstrasburger.com

Clark Hill Strasburger
1025 Connecticut Avenue, N.W.
Suite 717
Washington, D.C. 20036-4104
T 202 742 8600
F 202 742 8699

clarkhill.com

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September 25, 2018

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Office of Proceedings
September 25, 2018
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BY E-FILING

Ms. Cynthia T. Brown
Chief of Administration
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: FD 36199, Oregon International Port of Coos Bay and Coos Bay Rail Line, Inc. -- Intra-Corporate Family Transaction

Re: FD 36228, Coos Bay Rail Line, Inc.-Change in Operators Exemption-Coos Bay Railroad Operating Company, LLC d/b/a Coos Bay Rail Link Rail

Dear Ms. Brown:

I am writing on behalf of Coos Bay Railroad Operating Company, LLC ("CBR"), the incumbent operator of rail service on the subject rail line, in connection with the two above-captioned exemption filings. CBR had previously filed a Petition to Reject or Stay the Notice of Exemption filed on May 31, 2018, by the Oregon International Port of Coos Bay and Coos Bay Rail Line, Inc. (collectively "the Port"). By decision served June 29, 2018, the Board issued a housekeeping stay in that proceeding pending further order of the agency. On September 21, 2018, Coos Bay Rail Line, Inc. ("Coos Rail") filed another notice of exemption, for it to "acquire the common carrier rights and obligations of [CBR] and therefore to effectuate a change in common carrier operators with respect to the subject rail lines.

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My purpose in writing is to make CBR's position in these two proceedings clear in order to avoid any misunderstandings. CBR has an arbitration pending against the Port for breach of contract. CBR is willing to vacate the subject rail line and to remove its personal property from the premises by October 31, 2018. It is also agreeable to the Port hiring CBR's current railroad operating employees once it vacates the Line.

However, for the Port to claim that "the Port and [CBR] have reached an agreement under which [CBR] has consented to transfer its common carrier rights and obligations" to Coos Rail" is a distortion of CBR's position. The Port is not purchasing CBR or its assets. Contrary to the Port's representation, there is no transaction occurring between CBR and the Port. The Port has demanded that CBR vacate the Line which it will do. Moreover, CBR has *not* advised Coos Rail and the Port that "it does not object to CBRL's (sic) assumption of operations over the Line and that it will cooperate in the planned transition from CBR to Coos Rail."

Thus CBR will vacate the Line on October 31 so the Port and its railroad subsidiary, Coos Rail, may commence service on November 1, 2018. By this letter, CBR is withdrawing its Petition to Reject or Stay to allow the Port's exemption to proceed.

Sincerely yours,

CLARK HILL STRASBURGER

A handwritten signature in blue ink, appearing to read "J. D. Heffner", with a long horizontal flourish extending to the right.

John D. Heffner
Attorney

Cc: Service list

CERTIFICATE OF SERVICE

I, John D. Heffner, hereby certify that a copy of "Comments of Coos Bay Railroad Operating Company, LLC" dated September 25, 2018, was sent by electronic mail to all parties of record in this proceeding.

Robert Wimbush
Fletcher & Sippel LLC
29 North Wacker Dr.
Suite 800
Chicago, IL 60606-3208

Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, IL 60606-3208



John D. Heffner

Dated: September 25, 2018