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William A. Mullins

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ENTERED
Office of Proceedings
September 13, 2018
Part of
Public Record

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September 13, 2018

BY HAND DELIVERY

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

Re: North Central Mississippi Regional Railroad Authority – Acquisition and
Operation Exemption – Mississippi Department of Transportation, FD 36182
Cover Letter and Filing Fee Waiver Request

Dear Ms. Brown:

Enclosed please find an original and eleven copies of a Verified Notice of Exemption under 49 C.F.R. § 1150.31 et. seq., for North Central Mississippi Regional Railroad Authority (“NCMRRA”), a non-carrier, to acquire and operate an approximately 21.70-mile rail line owned by the Mississippi Department of Transportation.

Please acknowledge receipt and filing of this notice of exemption by date stamping the enclosed eleventh copy and returning it to the courier to return to me. This submission also includes an electronic copy of the entire filing and a separate electronic copy of a draft Federal Register notice.

Filing Fee Waiver Request

Pursuant to 49 CFR § 1002.2(e)(1) the Board grants filing fee waiver requests made by a federal government agency or state or local government entity; or, pursuant to 49 CFR § 1002.2(e)(2)(ii) when the requesting entity demonstrates that waiver is in the best interest of the public or that payment of the filing fee would impose an undue hardship on the requestor.

FILED

FEE RECEIVED

September 13, 2018

September 13, 2018

SURFACE

SURFACE

TRANSPORTATION BOARD

TRANSPORTATION BOARD

Cynthia T. Brown, Chief
September 13, 2018
Page 2

NCMRRA¹ is a local government entity. As such, NCMRRA respectfully requests that the Board waive the filing fee associated with this transaction.

To avoid delaying the Board processing the notice of exemption pending the fee waiver request, NCMRRA is enclosing a filing fee check for \$2,000.00. If the Board grants NCMRRA's filing fee waiver request, NCMRRA requests that the Board send back the check or refund the amount paid.

If there are any questions concerning this matter, please contact me directly at (202) 663-7831 or by e-mail at wmullins@bakerandmiller.com. If I am unavailable, you may contact my associate, Crystal M. Zorbaugh, who can be reached at (202) 663-7831 or by e-mail at zorbaugh@bakerandmiller.com.

Sincerely,



William A. Mullins
An Attorney for North Central Mississippi Regional
Railroad Authority

Enclosure
cc: Larry Hart

¹ NCMRRA was created in 2012 as a regional railroad authority pursuant to Section 19-29-1 et. seq. of the Miss. Code Annotated of 1972 by representatives from the counties of Tate, Panola, Yalobusha, Grenada, Montgomery, Carroll, and Holmes Counties to protect long term rail service in the region. In 2015, NCMRRA acquired a stock interest in its first railroad, Grenada Railway, LLC ("GRYR"), after its previous owners filed for abandonment authority.

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

FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
– ACQUISITION AND OPERATION EXEMPTION –
MISSISSIPPI DEPARTMENT OF TRANSPORTATION**

VERIFIED NOTICE OF EXEMPTION

**William A. Mullins
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September 13, 2018

**Attorneys for North Central Mississippi
Regional Railroad Authority**

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

FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
– ACQUISITION AND OPERATION EXEMPTION –
MISSISSIPPI DEPARTMENT OF TRANSPORTATION**

VERIFIED NOTICE OF EXEMPTION

Pursuant to 49 C.F.R. § 1150.31, *et seq.*, North Central Mississippi Regional Railroad Authority (“NCMRRA”), a non-carrier,¹ hereby files this Verified Notice of Exemption to acquire and operate a 21.70-mile rail line owned by the Mississippi Department of Transportation (“MSDOT”) that extends from milepost H-0.20 (at Aberdeen Junction) to milepost H-21.90 (at Kosciusko), in Holmes and Attala Counties, MS (“Kosciusko Line”).²

REQUIRED INFORMATION

In support of this Notice of Exemption, NCMRRA submits the following information as required by 49 C.F.R. § 1150.32-1150.34:

(a) **Full name and Address of Applicant: 49 C.F.R. § 1150.33(a)**

North Central Mississippi Regional Railroad Authority
C/O Chairman Larry Hart

¹ NCMRRA, a local government entity as defined in 49 CFR § 1002.2(e)(1), was created in 2012 as a regional railroad authority pursuant to Section 19-29-1 *et. seq.* of the Miss. Code Annotated of 1972 by representatives from the counties of Tate, Panola, Yalobusha, Grenada, Montgomery, Carroll, and Holmes Counties to protect long term rail service in the region.

² MSDOT purchased the rail line previously owned by Illinois Central Railroad Company (“IC”), by filing an offer of financial assistance after IC filed for authority to abandon the rail line. See Illinois Central Railroad Company – Abandonment Between Aberdeen Junction and Kosciusko, In Holmes and Attala Counties, MS, AB-43 (Sub-No. 163), 1997 STB LEXIS 2970 (STB served Apr. 17, 1997).

P.O. Box 888
Water Valley, MS 38965

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

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

NCMRRA has reached an agreement with MSDOT for NCMRRA to acquire and operate the Kosciusko Line upon the effective date established by the Board.

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

NCMRRA will become the owner and operator of the Kosciusko Line.

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

NCMRRA, a non-carrier, is filing for authority to acquire and operate a 21.70-mile rail line owned by MSDOT that extends from milepost H-0.20 at Aberdeen Junction to milepost H-21.90 at Kosciusko, in Holmes and Attala Counties, MS. NCMRRA currently owns, through stock ownership, Grenada Railway, LLC ("GRYR"), a Class III carrier. GRYR became a class III carrier after filing for authority to acquire and operate lines owned by Illinois Central Railroad Company and Waterloo Railroad Company. See Grenada Railway, LLC-- Acquisition and Operation Exemption—Illinois Central Railroad Company and Waterloo Railway Company, FD 35247 (STB served May 29, 2009).

In 2015, NCMRRA purchased the stock and assumed control of GRYR after GRYR filed for authority to abandon operations over the segments it acquired in FD

35247. See Grenada Railway, LLC – Abandonment Exemption – In Grenada, Montgomery, Carroll, Holmes, Yazoo, and Madison Counties, MS, AB-1087 (Sub-No. 1x) and Grenada Railway, LLC – Abandonment Exemption – In Yalobusha County, MS, AB-1087 (Sub-No. 2x).³

After acquiring control of GRYR in 2015, NCMRRA and GRYR leased the lines owned by GRYR to Illinois Central Rail Road, LLC in July 2015. See Illinois Company Rail Road, LLC—Lease and Operation Exemption—North Central Mississippi Regional Railroad Authority and Grenada Railway, LLC, FD 35940 (STB served July 9, 2015). In a filing to the Board on July 14, 2015, Illinois Company Rail Road's name was changed to Grenada Railroad, LLC.

Through direct acquisition of the Kosciusko Line, NCMRRA will become a Class III carrier while remaining in control of GRYR. Concurrent with this Notice, in North Central Mississippi Regional Railroad Authority and Grenada Railway, LLC – Corporate Family Transaction, FD 36224, NCMRRA has filed a corporate family notice of exemption to bring both railroads into the same corporate family.

- (1) Name and address of railroad transferring the subject property:

Mississippi Department of Transportation
401 North West Street
Jackson, Mississippi 39201

- (2) Proposed time schedule for consummation:

³ As a non-carrier not controlling any other railroads at the time, NCMRRA could acquire control of GRYR without having to obtain STB authority. See Louisville & J. B. & R. Co. Merger, 295 I.C.C. 11 (1955), *affirmed on other grounds sub nom. Alleghany Corp. v. Breswick & Co. et al.*, 353 U.S. 151 (1957); Broth. of Ry. and Airline Clerks v. Burlington Northern, 671 F. 2d 1085 (8th Cir 1982).

The involved transaction will be consummated on or after October 13, 2018 (30 days after filing this Notice of Exemption).

(3) Mileposts of the subject property:

The Kosciusko Line extends from milepost H-0.20 at Aberdeen Junction to milepost H-21.90 at Kosciusko, in Holmes and Attala Counties, MS.

(4) Route miles being acquired:

The Kosciusko Line that NCMRRA seeks to acquire totals approximately 21.70 miles.

(f) **Map: 49 C.F.R. § 1150.33(f)**

A map of the Kosciusko Line is attached as Exhibit A.

(g) **Certification of Revenues: 49 C.F.R. § 1150.33(g)**

NCMRRA hereby certifies that its projected annual revenues will not exceed those that would qualify it as a Class III carrier. See certification attached as Exhibit B.

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

The transaction does not include any interchange commitments that prohibits NCMRRA from interchanging traffic with a third party or limits NCMRRA's ability to interchange with a third party.

ADVANCE NOTICE REQUIREMENTS

NCMRRA's projected annual revenues will not exceed \$5 million as a result of this transaction. See Exhibit B. For this reason, the 60-day advance notice and posting requirements of 49 C.F.R. § 1150.32(e) does not apply here.

ENVIRONMENTAL AND HISTORIC IMPACTS

Under 49 C.F.R. § 1105.6(c)(1), the proposed transaction 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).

Also, under 49 C.F.R. § 1105.8(b)(1), the proposed transaction is exempt from historic preservation reporting requirements. The proposed transaction is for the purpose of continued rail operations. Further Board approval would be required for NCMRRA to abandon or discontinue any service. There are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

CAPTION SUMMARY

A caption summary in the required form (49 C.F.R. § 1150.34) is attached as Exhibit C to this Notice of Exemption.

Respectfully submitted,



William A. Mullins
Crystal M. Zorbaugh
Baker & Miller PLLC
2401 Pennsylvania Ave., NW
Suite 300
Washington, DC 20037
Tel: (202) 663-7820
Fax: (202) 663-7849

September 13, 2018

Attorneys for North Central Mississippi
Regional Railroad Authority

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

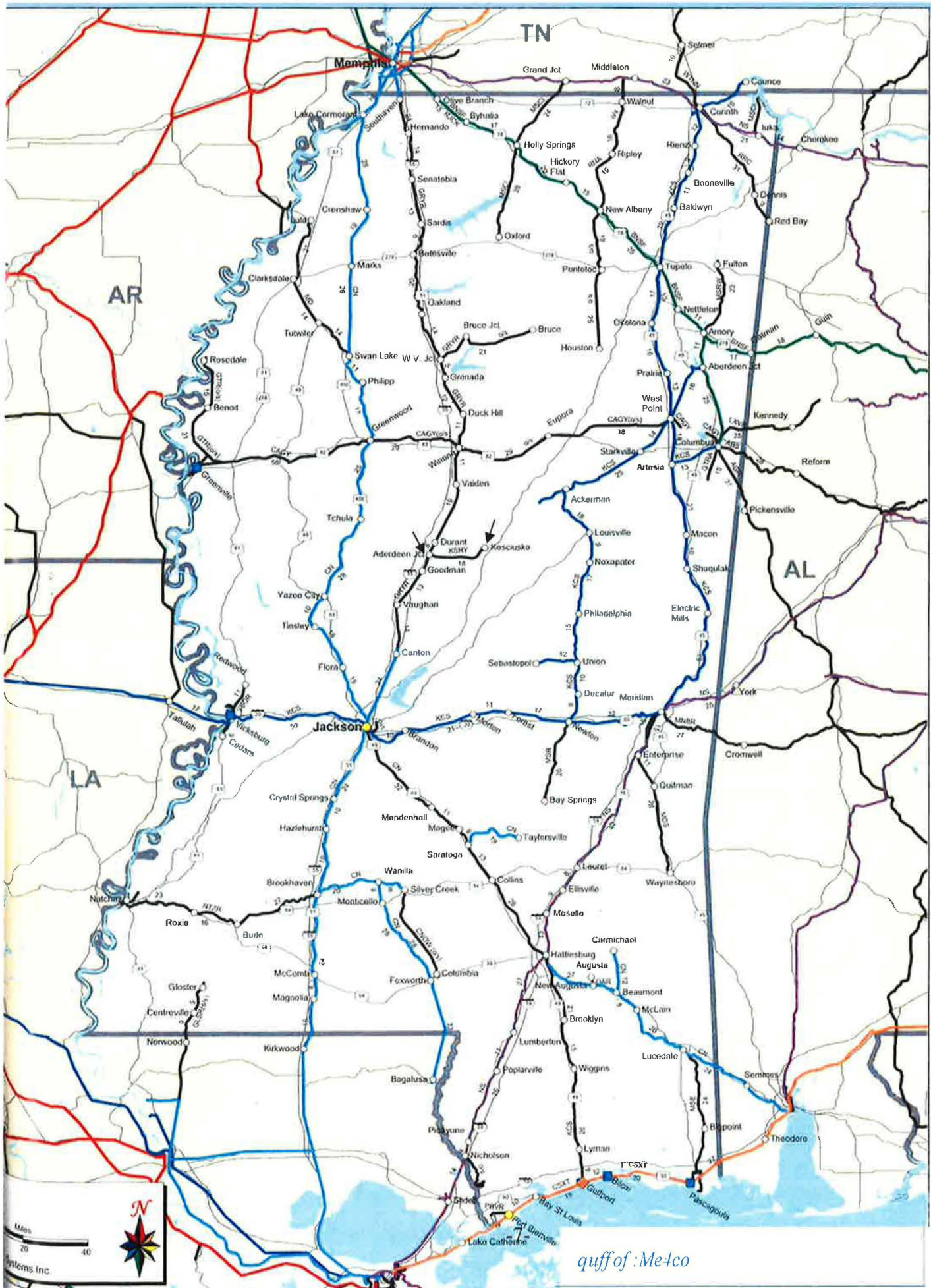
FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
– ACQUISITION AND OPERATION EXEMPTION –
MISSISSIPPI DEPARTMENT OF TRANSPORTATION**

VERIFIED NOTICE OF EXEMPTION

EXHIBIT A

MAP



Gulf of Mexico

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

FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
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EXHIBIT B

CERTIFICATION OF REVENUES

CERTIFICATION

I, Larry Hart, Chairman - Executive Committee for North Central Mississippi Regional Railroad Authority ("NCMRRA"), hereby certify pursuant to 49 C.F.R. § 1150.43(g) that projected annual revenues of NCMRRA will not exceed \$5,000,000 following consummation of the subject transaction.

A handwritten signature in blue ink, appearing to read "Larry Hart", is written over a horizontal line.

Larry Hart
Chairman - Executive Committee
North Central Mississippi Regional Railroad
Authority

September 13, 2018

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

FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
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EXHIBIT C

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FD 36182

**NORTH CENTRAL MISSISSIPPI REGIONAL RAILROAD AUTHORITY
– ACQUISITION AND OPERATION EXEMPTION –
MISSISSIPPI DEPARTMENT OF TRANSPORTATION**

North Central Mississippi Regional Railroad Authority (“NCMRRA”), a non-carrier, has filed a verified notice of exemption to acquire and operate a 21.70-mile rail line owned by the Mississippi Department of Transportation (“MSDOT”) that extends from milepost H-0.20 (at Aberdeen Junction) to milepost H-21.90 (at Kosciusko), in Holmes and Attala Counties, MS. This notice is related to a concurrently related notice of exemption filed in North Central Mississippi Regional Railroad Authority and Grenada Railway, LLC – Corporate Family Transaction, FD 36224.

Comments must be filed with the Surface Transportation Board and served on NCMRRA’s representative: William A. Mullins, Baker & Miller PLLC, 2401 Pennsylvania Ave., NW, Suite 300, Washington, DC 20037, Tel. (202) 663-7820.

The notice is filed under the class exemption procedures set forth at 49 C.F.R. § 1150.31, 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.

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VERIFICATION

VERIFICATION

I, Larry Hart, Chairman - Executive Committee, hereby verify under penalty of perjury on behalf of North Central Mississippi Regional Railroad Authority that I have read the foregoing Verified Notice of Exemption and that its statements are true and correct to best of my knowledge, information, and belief. I further declare that I am qualified and authorized to make such verification on behalf of North Central Mississippi Regional Railroad Authority in connection with this proceeding before the Surface Transportation Board.

Executed this 13th day of September 2018.



Larry Hart
Chairman - Executive Committee
North Central Mississippi Regional Railroad
Authority