

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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

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

ROBERT A. WIMBISH
(312) 252-1504
rwimbish@fletcher-sippel.com

November 28, 2018

246828

VIA E-FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20024

ENTERED
Office of Proceedings
November 28, 2018
Part of
Public Record

Re: **Docket No. FD 36257**
Alcoa Energy Services, Inc. – Acquisition Exemption – Rockdale,
Sandow & Southern Railroad Company

Dear Ms. Brown:

Enclosed for e-filing in the above-captioned proceedings is a **Verified Notice of Exemption of Alcoa Energy Services, Inc., Pursuant to 49 C.F.R. § 1150.31(a)(3)** dated November 28, 2018. Payment in the amount of \$2,000, representing the appropriate fee for the subject class exemption filing has been furnished to the Board via electronic payment.

If you have any questions regarding this filing, please feel free to contact the undersigned. Thank you for your assistance on this matter. Kind regards.

Respectfully submitted,



Robert A. Wimbish
Attorney for Alcoa Energy Services, Inc.

RAW/ah

Attachments

FILED
November 28, 2018
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
November 28, 2018
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36257

ALCOA ENERGY SERVICES, INC.
– ACQUISITION EXEMPTION –
ROCKDALE, SANDOW & SOUTHERN RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
ALCOA ENERGY SERVICES, INC.
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEY FOR ALCOA ENERGY
SERVICES, INC.**

Dated: November 28, 2018

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36257

ALCOA ENERGY SERVICES, INC.
– ACQUISITION EXEMPTION –
ROCKDALE, SANDOW & SOUTHERN RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
ALCO ENERGY SERVICES, INC.
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

Pursuant to 49 C.F.R. part 1150, subpart D, Alcoa Energy Services, Inc. (“AESI”), currently a non-carrier, hereby files this Verified Notice of Exemption to acquire from Rockdale, Sandow & Southern Railroad Company (“RSSR”) a railroad line (the “Line”) extending roughly six miles from Marjorie, Texas, to Sandow, Texas.

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

Alcoa Energy Service, Inc.
Attention: Real Estate Department
201 Isabella St., Suite 500
Pittsburgh, PA 15212-5858

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

AESI’s representative to whom correspondence regarding this transaction should be sent is as follows:

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

RSSR, a rail carrier subsidiary of short line holding company Genesee & Wyoming Inc. ("G&W"), is in the process of completing an Asset Purchase Agreement with AESI, indirect subsidiary of Alcoa Corporation ("Alcoa"), pursuant to which AESI will, among other things, acquire RSSR's railroad track and appurtenant land assets, including RSSR's railroad line approximately six route miles in length extending between Marjorie and Sandow. The parties anticipate finalizing that agreement within the next several business days.

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

AESI will acquire the Line, and, in so doing, it will assume the associated common carrier obligations under federal law, including the obligation to provide rail service. The Line is currently inactive, however, and it is uncertain at what future point demand for rail service over the Line could again materialize to warrant restored rail operations.

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

AESI proposes to purchase from RSSR and to own a stub-ended railroad line (the Line) extending from milepost 0.0 at a point of connection with Union Pacific Railroad Company ("UP") at Marjorie, Texas, to milepost 6.0 at Sandow, Texas, a total of approximately six route miles, along with appurtenant land and ancillary trackage. Upon the consummation of the proposed railroad line sale, AESI will become a railroad common carrier.

RSSR was, at one point in the past, a short line subsidiary of an Alcoa corporate predecessor in interest, but in 2005, that Alcoa predecessor transferred its interest in RSSR to

RailAmerica, Inc. ("RailAmerica"), along with its interest in three other short line railroads.¹ In late 2012, control of RSSR passed to G&W.² Alcoa currently has no rail carrier holdings within its corporate family. AESI will become the first Alcoa-controlled U.S. short line holding since Alcoa divested itself of its railroad businesses in 2005.

The complete name and address of the seller of the Line is as follows:

Rockdale, Sandow & Southern Railroad Company
113901 Sutton Park Drive, S., Suite 125
Jacksonville, FL 32224

The subject exemption will become effective as of December 28, 2018, and the proposed transaction is intended to be consummated on, or very shortly after, that date.

Map: 49 C.F.R. § 1150.33(f)

A map showing the Line and the surrounding area is attached as Exhibit A.

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

The required certification that AESI's projected revenues will not exceed those that would qualify it as a Class III carrier is included as part of Exhibit C (Certification and Verification).

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

The proposed sale of the Line is not subject to any provision or agreement that would limit future interchange with a third-party connecting carrier. (As it is, the Line connects to the line of a single carrier – UP.) A certification regarding interchange commitments is included as part of the Certification and Verification appended hereto as Exhibit C.

¹ See RailAmerica, Inc., et al. – Control Exemption – Point Comfort and Northern Railway Company, Rockdale, Sandow & Southern Railroad Company, The Massena Terminal Railroad Company, and Bauxite & Northern Railway Company, Docket No. FD 34758 (STB served Oct. 19, 2005).

² Genesee & Wyoming Inc. – Control – RailAmerica, Inc., et al., Docket No. FD 35654 (STB served Dec. 20, 2012).

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

The projected annual revenues for AEIS are not expected to exceed \$5 million. Accordingly, the advance notice provisions of section 1150.32(e) are not applicable.

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

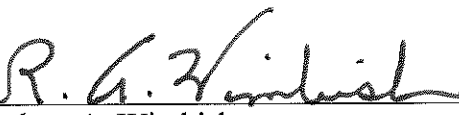
Under 49 C.F.R. § 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements. The sale of the Line to AEIS will not result in significant changes in (currently non-existent) railroad operations, *i.e.*, changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), the transaction also is exempt from historic preservation reporting requirements. Further Surface Transportation Board approval would be required to for AEIS to abandon the Line or to discontinue common carrier service over it, and the subject transaction will not affect properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary in appropriate form is attached as Exhibit B.

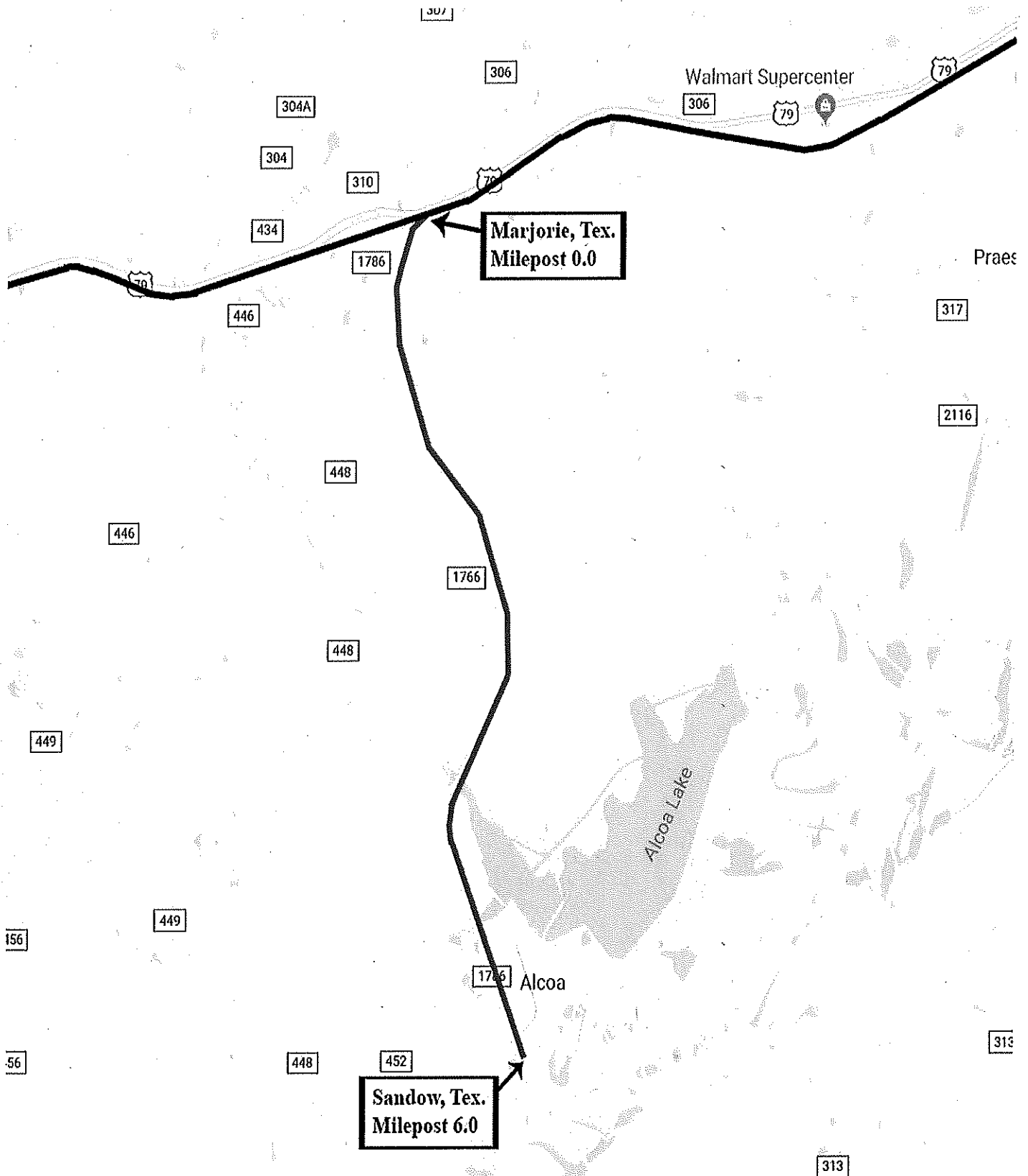
Respectfully submitted,

By: 
Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEY FOR ALCOA ENERGY
SERVICES, INC.**

Dated: November 28, 2018

Alcoa Energy Services, Inc.



SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36241

ALCOA ENERGY SERVICES, INC.
– ACQUISITION EXEMPTION –
ROCKDALE, SANDOW & SOUTHERN RAILROAD COMPANY

Alcoa Energy Services, Inc. (“AESI”), a non-carrier, has filed a Verified Notice of Exemption to acquire from Rockdale, Sandow & Southern Railroad Company a railroad line extending from milepost 0.0 at a point of connection with Union Pacific Railroad Company (“UP”) at Marjorie, Texas, to milepost 6.0 at Sandow, Texas, a total of approximately six route miles, along with appurtenant land and ancillary trackage.

The class exemption for this transaction will become effective as of December 28, 2018, and AESI intends to consummate the subject transaction as of that date or very shortly thereafter.

Comments must be filed with the Board and served on:

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

This 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.

Dated: December __ 2018

By the Board

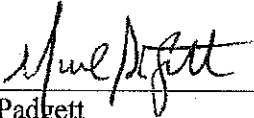
Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings

CERTIFICATION AND VERIFICATION

I, Michael Padgett, Vice President of Alcoa Energy Services, Inc. ("AESI"), hereby certify as follows:

1. The projected annual rail revenues of AESI will not, as a consequence of the transaction proposed herein, result in AESI becoming a Class II or a Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1 1).
2. The projected annual revenues of AESI are not projected, as a result of the transaction proposed herein, to exceed \$5 million.
3. The line sale transaction that is the subject of the present Notice of Exemption proceeding does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier.

I also hereby verify that that – (a) I have read the foregoing Notice of Exemption; (b) know the facts asserted therein; (c) the same are true as stated; and (d) that I am duly authorized to offer this certification and verification on behalf of AESI.



Michael Padgett
Vice President of Alcoa Energy Services, Inc.

Dated: November 28, 2018