

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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AUDREY L. BRODRICK
(312) 252-1518
abrodrick@fletcher-sippel.com

May 2, 2018

245642

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

ENTERED
Office of Proceedings
May 2, 2018
Part of
Public Record

Re: **Docket No. FD 36193**
Chicago Junction Railway Company, LLC -- Change in
Operators Exemption Including Interchange Commitment --
Chicago Terminal Railroad Company

Dear Ms. Brown:

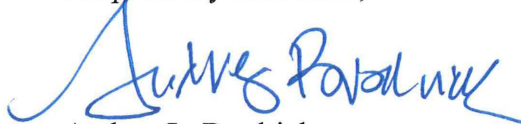
Attached for filing in the above-captioned proceeding is the **Verified Notice of Exemption of Chicago Junction Railway Company, LLC Pursuant to 49 C.F.R. § 1150.31(a)(3)**, dated May 2, 2018. A check in the amount of \$2,000.00, representing the appropriate fee for this filing, has been delivered to your office today by overnight courier.

Certain confidential materials that are included as exhibits to the Notice are being separately filed under seal pursuant to 49 C.F.R. §§ 1104.14(a) and 1150.33(h)(1).

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

FEE RECEIVED
May 2, 2018
SURFACE
TRANSPORTATION BOARD

Respectfully submitted,



Audrey L. Brodrick
Attorney for Chicago Junction
Railway Company, LLC

FILED

May 2, 2018

SURFACE

TRANSPORTATION BOARD

ALB/tjl

Attachment

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36193

CHICAGO JUNCTION RAILWAY COMPANY, LLC
-- CHANGE IN OPERATORS EXEMPTION
INCLUDING INTERCHANGE COMMITMENT --
CHICAGO TERMINAL RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
OF
CHICAGO JUNCTION RAILWAY COMPANY, LLC
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

Thomas J. Litwiler
Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEYS FOR CHICAGO JUNCTION
RAILWAY COMPANY, LLC**

Dated: May 2, 2018

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36193

CHICAGO JUNCTION RAILWAY COMPANY, LLC
-- CHANGE IN OPERATORS EXEMPTION
INCLUDING INTERCHANGE COMMITMENT --
CHICAGO TERMINAL RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
OF
CHICAGO JUNCTION RAILWAY COMPANY, LLC
PURSUANT TO 49 C.F.R. § 1150.31(a)(3)**

Pursuant to 49 C.F.R. § 1150.31, et seq., Chicago Junction Railway Company, LLC ("CJR") a non-carrier, hereby files this Verified Notice of Exemption to assume operation of approximately 25 miles of rail line owned by Union Pacific Railroad Company ("UP") located in the Centex Industrial Park and 11,500 feet of track in the adjacent Elk Grove Yard (collectively referred to herein as "the Lines") in Elk Grove Village, Illinois. The Lines originate at the west end of UP's approximate 800-foot Elk Grove Lead track extending from its Milwaukee Subdivision at Milepost 7.8. The Lines are currently operated by Chicago Terminal Railroad Company ("CTR"). Based on projected revenues for the Lines, CJR expects to be a Class III rail carrier after consummation of the transaction proposed herein.

This Notice is related to Docket No. FD 36194, Progressive Rail Incorporated -- Continuance in Control Exemption -- Chicago Junction Railway Company, LLC, 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 CJR once CJR commences operation of the

Lines and becomes a carrier. PGR is a Class III rail carrier and controls five other Class III rail carriers operating in the Upper Midwest and North Carolina.

In accordance with the requirements of 49 C.F.R. § 1150.33, CJR 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 Junction Railway Company, LLC
21778 Highview Avenue
Lakeville, Minnesota 55044
(612) 791-3255

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

CJR's representative to whom correspondence regarding this transaction should be sent is as follows:

Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

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

CJR and UP have agreed to enter into a Lease Agreement providing for CJR's lease and operation of, and provision of rail common carrier service on, the Lines.

CTR's current operations on the Lines are governed by an agreement between UP and CTR that will be terminated as of May 31, 2018.

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

CJR will operate and provide all rail common carrier service to shippers on the Lines pursuant to the transaction proposed herein. CJR's operations will replace those of CTR, the prior operator, which will have no further common carrier obligation with respect to the Lines. CTR does not object to CJR's assumption of operations over the Lines.

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

CJR is a newly-formed, non-carrier subsidiary of PGR. Pursuant to the Lease Agreement between UP and CJR, CJR will lease and operate the Lines in Centex Industrial Park and the adjacent Elk Grove Yard in Elk Grove Village, Illinois. The Lines originate at the west end of UP's approximate 800-foot Elk Grove Lead track extending from its Milwaukee Subdivision at Milepost 7.8, and total approximately 25 miles of tracks in the Centex Industrial Park and 11,500 feet of tracks in Elk Grove Yard.

The complete name and address of the current operator of the Lines to be replaced by CJR pursuant to this change in operators class exemption notice is as follows:

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

CTR is ceasing its operation of the Lines pursuant to termination of its operating agreement with UP and does not object to the proposed change in operators.

The complete name and address of the owner of the Lines¹ is as follows:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68

¹ CTR's 2007 notice of exemption in Docket No. 35005 inaccurately indicated that some of the Lines were jointly owned by UP and Canadian Pacific Rail System ("CP"). That trackage is instead subject to a joint facility agreement between UP and CP, and CP will consent as necessary under the agreement to the lease of the Lines to CJR.

CJR intends to consummate its proposed lease and operation of the Lines on June 1, 2018.

Map: 49 C.F.R. § 1150.33(f)

Maps showing the Lines and the surrounding area are attached as Exhibit A to this Notice.

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

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

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

(i) The proposed change of operators on the Lines does involve, and the Lease Agreement between UP and CJR does include, an interchange commitment with respect to lease payments by CJR to UP.

(ii) The complete, confidential version of the Lease Agreement to be entered into by UP and CJR is being separately filed under seal herewith as Exhibit B-1.

(iii) A list of shippers located on the Lines that have made use of rail service over the past two years is attached hereto as Exhibit B-2.

(iv) The confidential aggregate number of carloads originated or terminated on the Lines by the above-listed shippers is being separately filed under seal herewith as Exhibit B-3.

(v) CJR certifies that it has provided notice of the proposed transaction and interchange commitment to the above-listed shippers, under cover of the letter attached hereto as Exhibit B-2.

(vi) Upon assumption of operation of the Lines, CJR could physically interchange (in addition to UP) with Soo Line Railroad Company, d/b/a Canadian Pacific Railway.

(vii) A confidential estimate of the difference between the Lines' rental with and without the applicable interchange commitment is being separately filed under seal herewith as Exhibit B-4.

(viii) CJR has filed this Notice of Exemption with the existence of an interchange commitment designated in the caption.

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

CJR has provided notice of the proposed change in operators to the shippers on the Lines. A list of the shippers served and a copy of the notice letter sent to those shippers are attached hereto as Exhibit B-2.

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

The projected annual revenue of CJR does not exceed \$5 million, and accordingly the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See the certification included with the verification to this Notice.

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

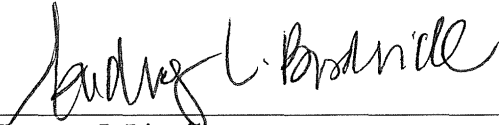
Under 49 C.F.R. § 1105.6(c)(2), CJR's proposed operation of the Lines is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), CJR's assumption of operations on the Lines 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. § 1150.34

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

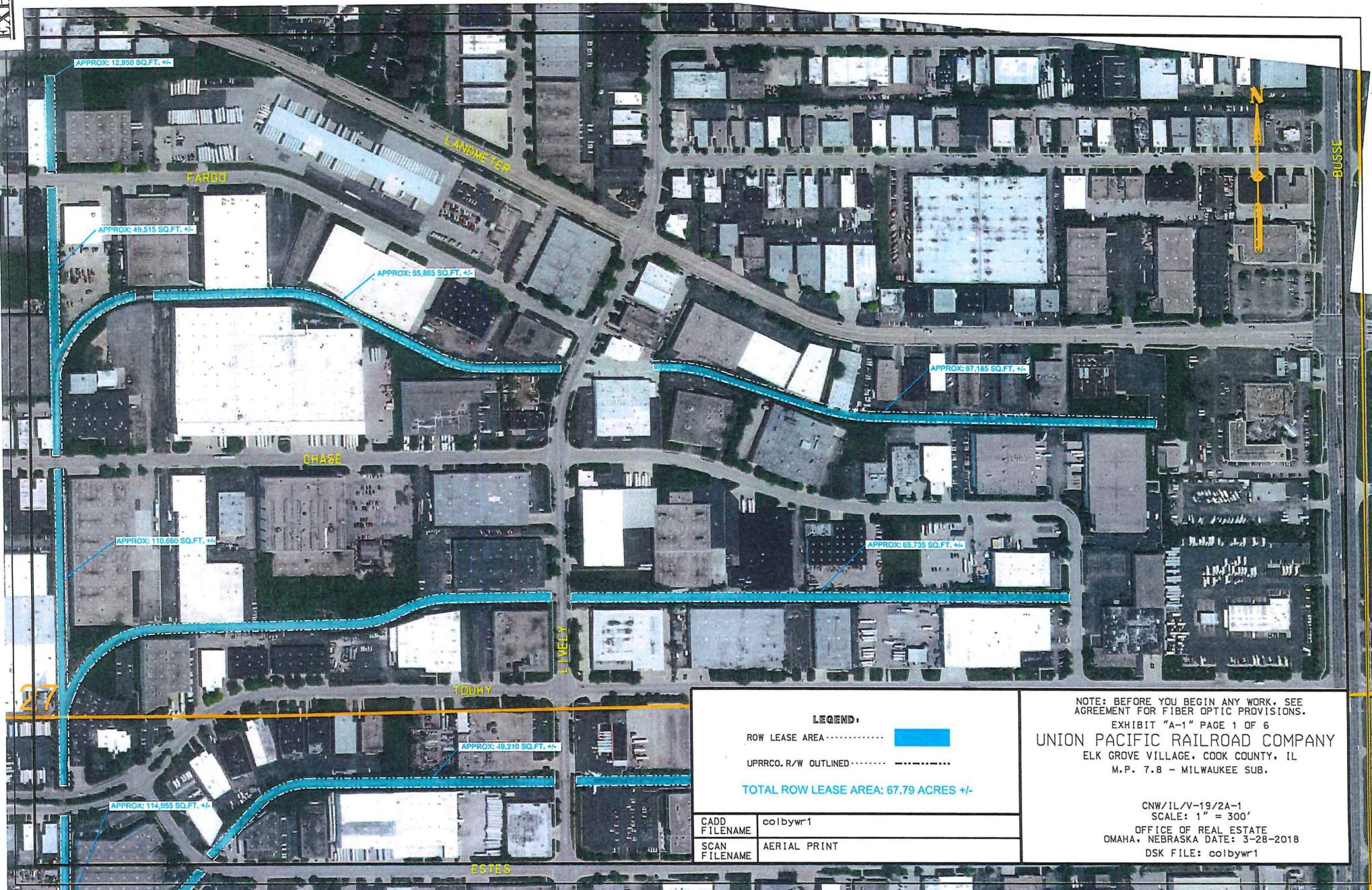
Respectfully submitted,

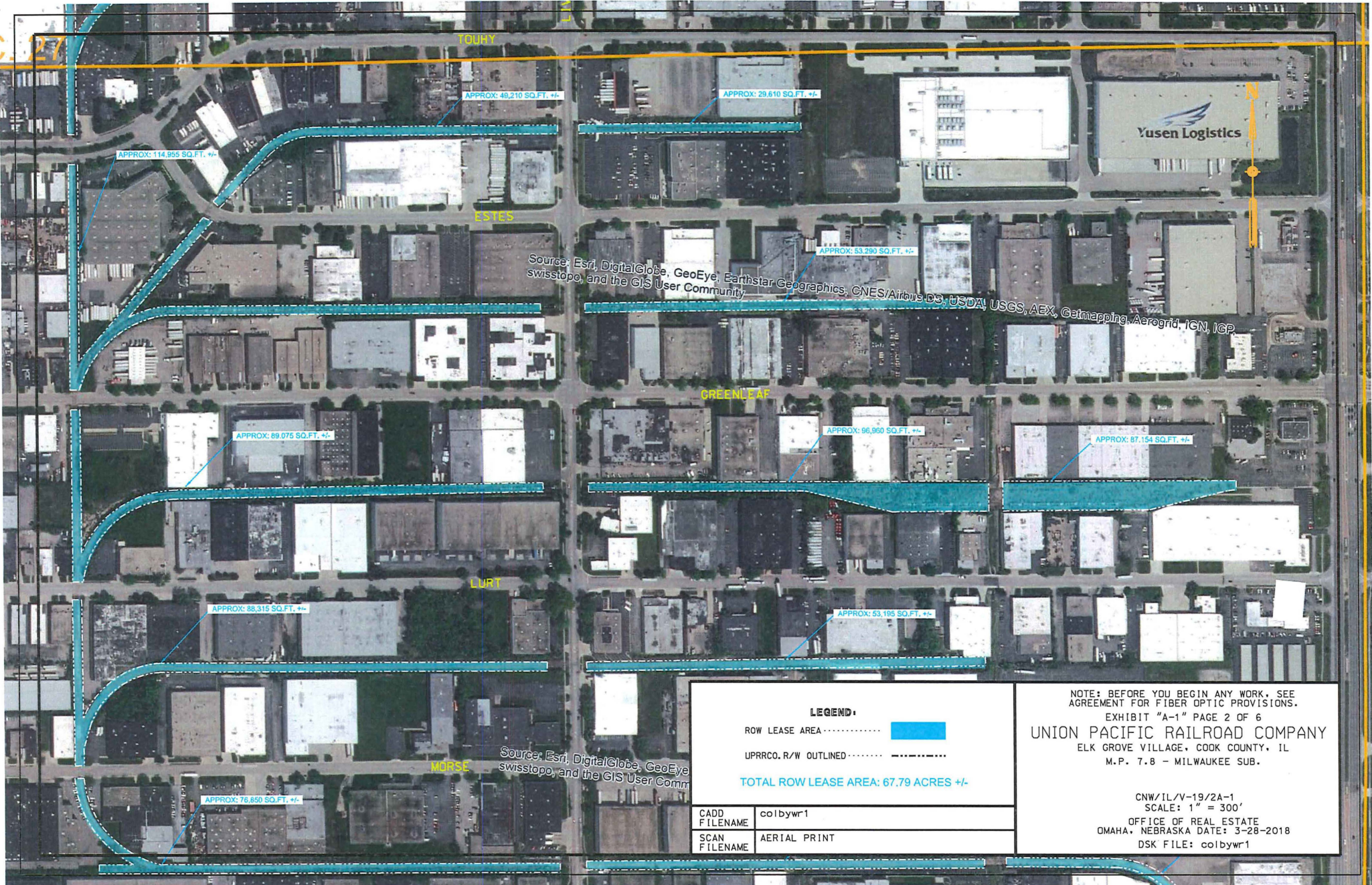
By: 

Thomas J. Litwiler
Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEYS FOR CHICAGO JUNCTION
RAILWAY COMPANY, LLC**

Dated: May 2, 2018





LEGEND:

ROW LEASE AREA

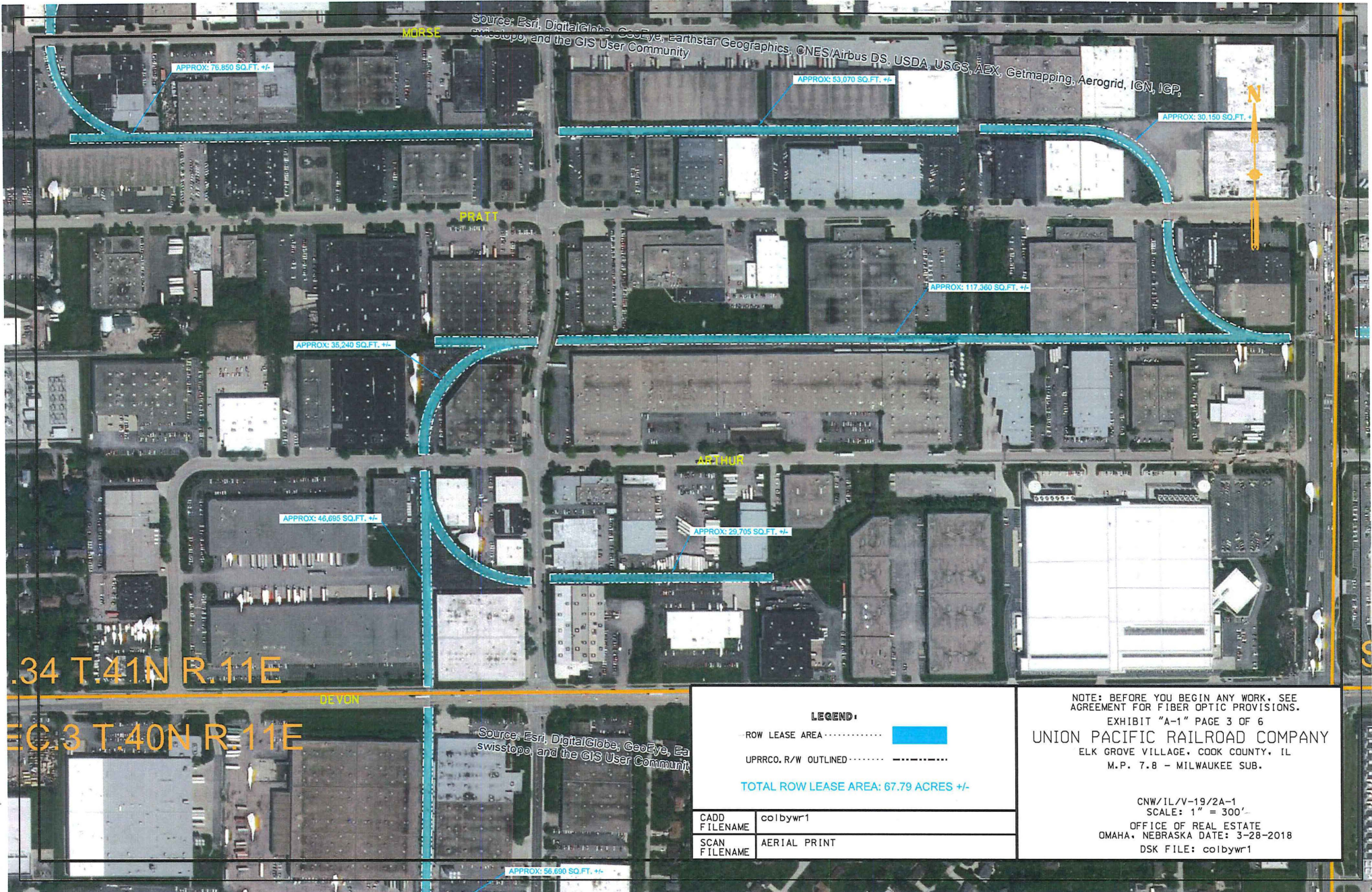
UPPRCO, R/W OUTLINED

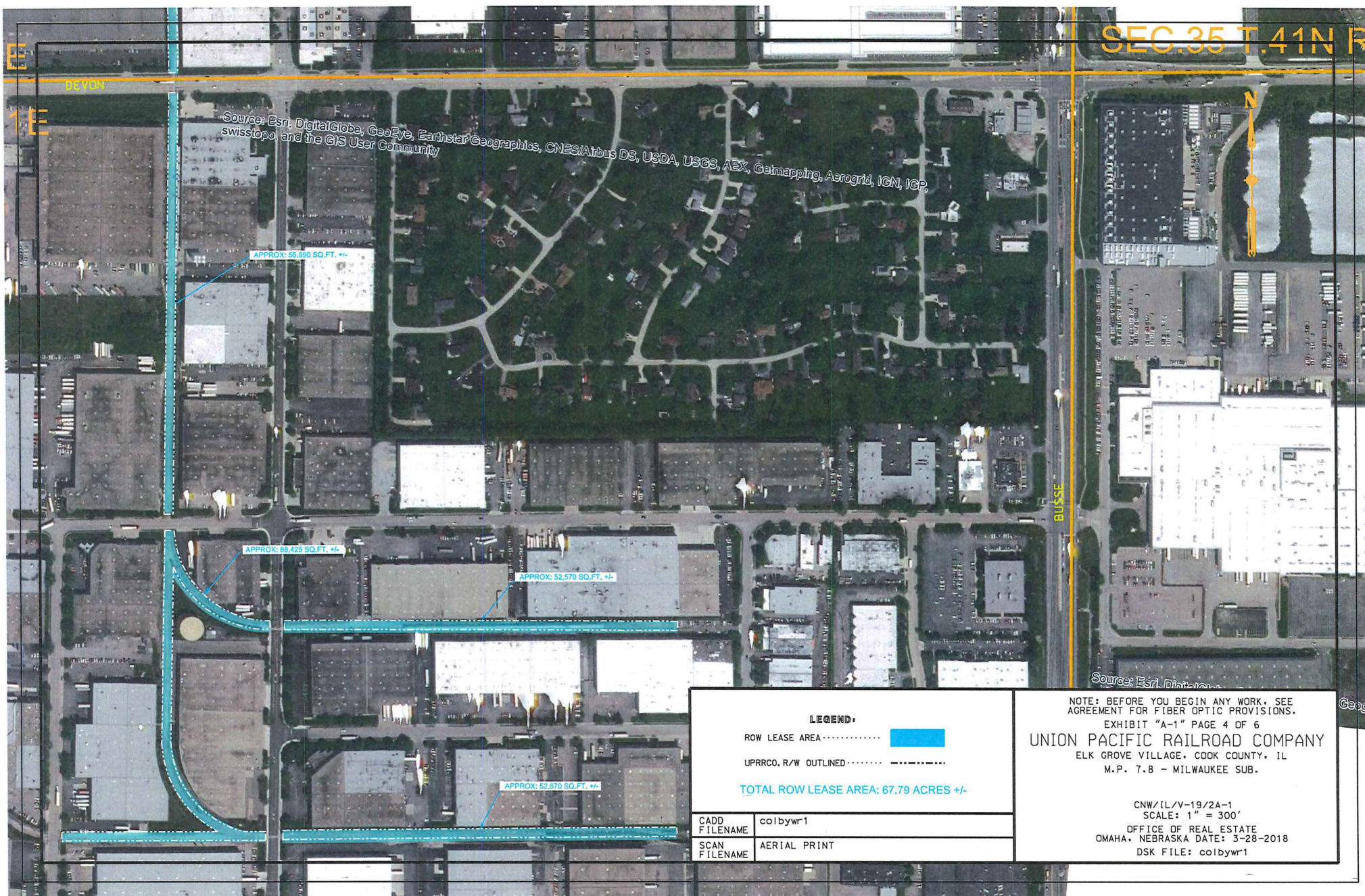
TOTAL ROW LEASE AREA: 67.79 ACRES +/-

CADD FILENAME	colbywr1
SCAN FILENAME	AERIAL PRINT

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISIONS.
 EXHIBIT "A-1" PAGE 2 OF 6
UNION PACIFIC RAILROAD COMPANY
 ELK GROVE VILLAGE, COOK COUNTY, IL
 M.P. 7.8 - MILWAUKEE SUB.

CNW/IL/V-19/2A-1
 SCALE: 1" = 300'
 OFFICE OF REAL ESTATE
 OMAHA, NEBRASKA DATE: 3-28-2018
 DSK FILE: colbywr1





LEGEND:

ROW LEASE AREA

UPPRCO, R/W OUTLINED

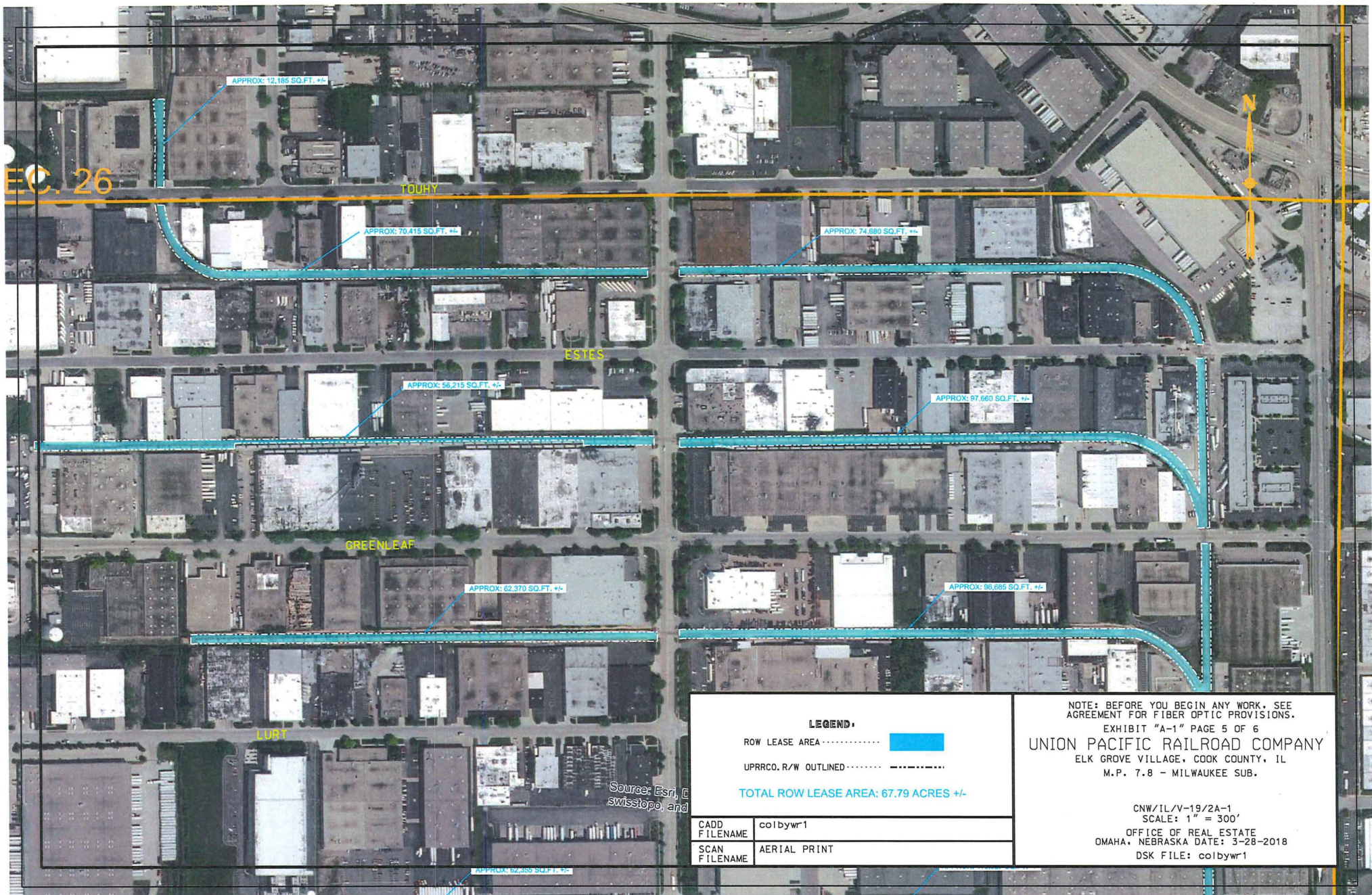
TOTAL ROW LEASE AREA: 67.79 ACRES +/-

CADD FILENAME	colbywr1
SCAN FILENAME	AERIAL PRINT

NOTE: BEFORE YOU BEGIN ANY WORK, SEE
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EXHIBIT "A-1" PAGE 4 OF 6
UNION PACIFIC RAILROAD COMPANY
ELK GROVE VILLAGE, COOK COUNTY, IL
M.P. 7.8 - MILWAUKEE SUB.

CNW/IL/V-19/2A-1
SCALE: 1" = 300'
OFFICE OF REAL ESTATE
OMAHA, NEBRASKA DATE: 3-28-2018
DSK FILE: colbywr1



LEGEND:

- ROW LEASE AREA
- UPRRCO, R/W OUTLINED

TOTAL ROW LEASE AREA: 67.79 ACRES +/-

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISIONS.

EXHIBIT "A-1" PAGE 5 OF 6

UNION PACIFIC RAILROAD COMPANY

ELK GROVE VILLAGE, COOK COUNTY, IL

M.P. 7.8 - MILWAUKEE SUB.

CNW/IL/V-19/2A-1

SCALE: 1" = 300'

OFFICE OF REAL ESTATE

OMAHA, NEBRASKA DATE: 3-28-2018

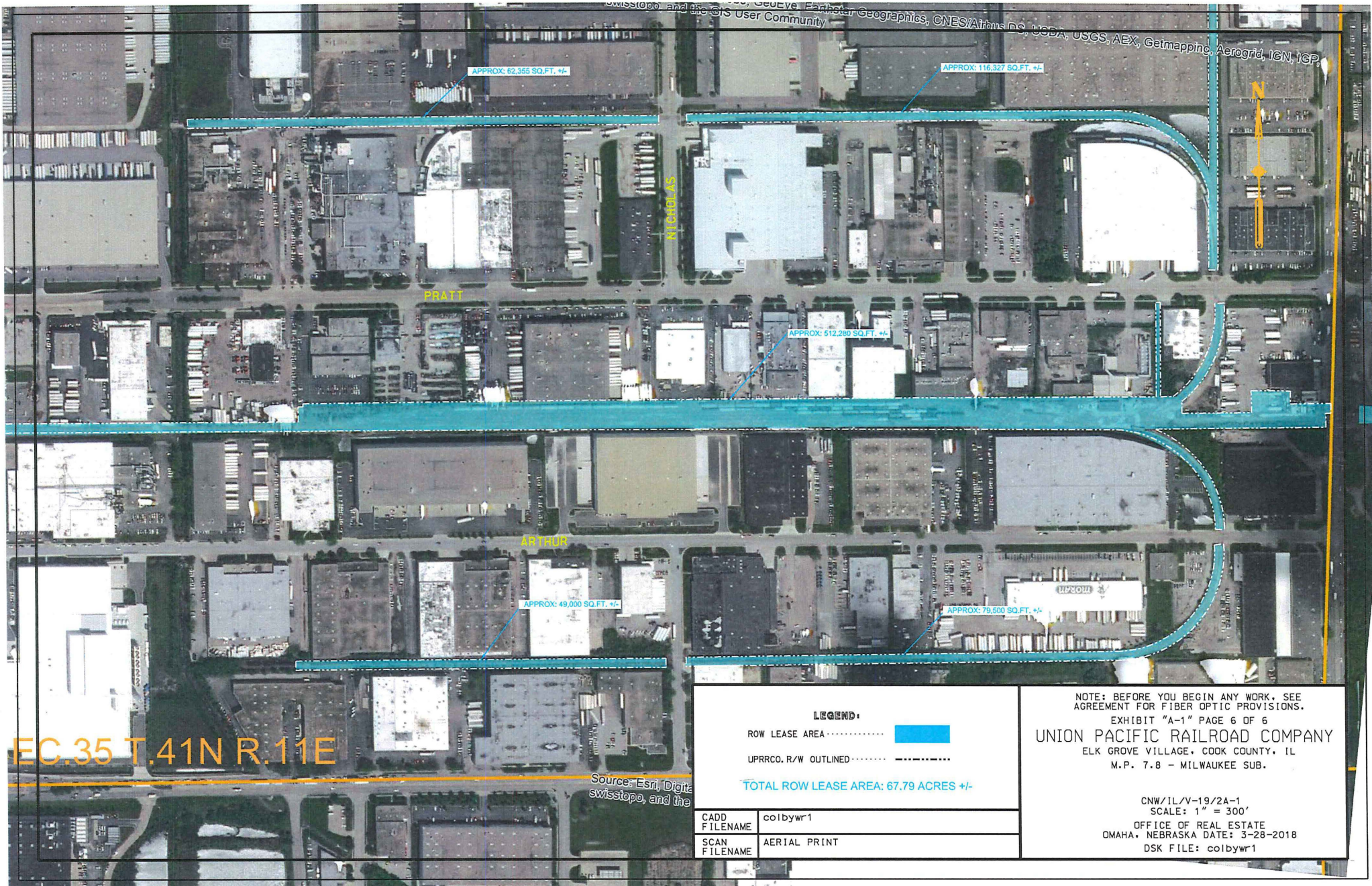
DSK FILE: colbywr1

CADD
FILENAME

colbywr1

SCAN
FILENAME

AERIAL PRINT



LEGEND:

ROW LEASE AREA

UPPRCO, R/W OUTLINED

TOTAL ROW LEASE AREA: 67.79 ACRES +/-

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISIONS.

EXHIBIT "A-1" PAGE 6 OF 6

UNION PACIFIC RAILROAD COMPANY

ELK GROVE VILLAGE, COOK COUNTY, IL

M.P. 7.8 - MILWAUKEE SUB.

CNW/IL/V-19/2A-1
SCALE: 1" = 300'

OFFICE OF REAL ESTATE
OMAHA, NEBRASKA DATE: 3-28-2018

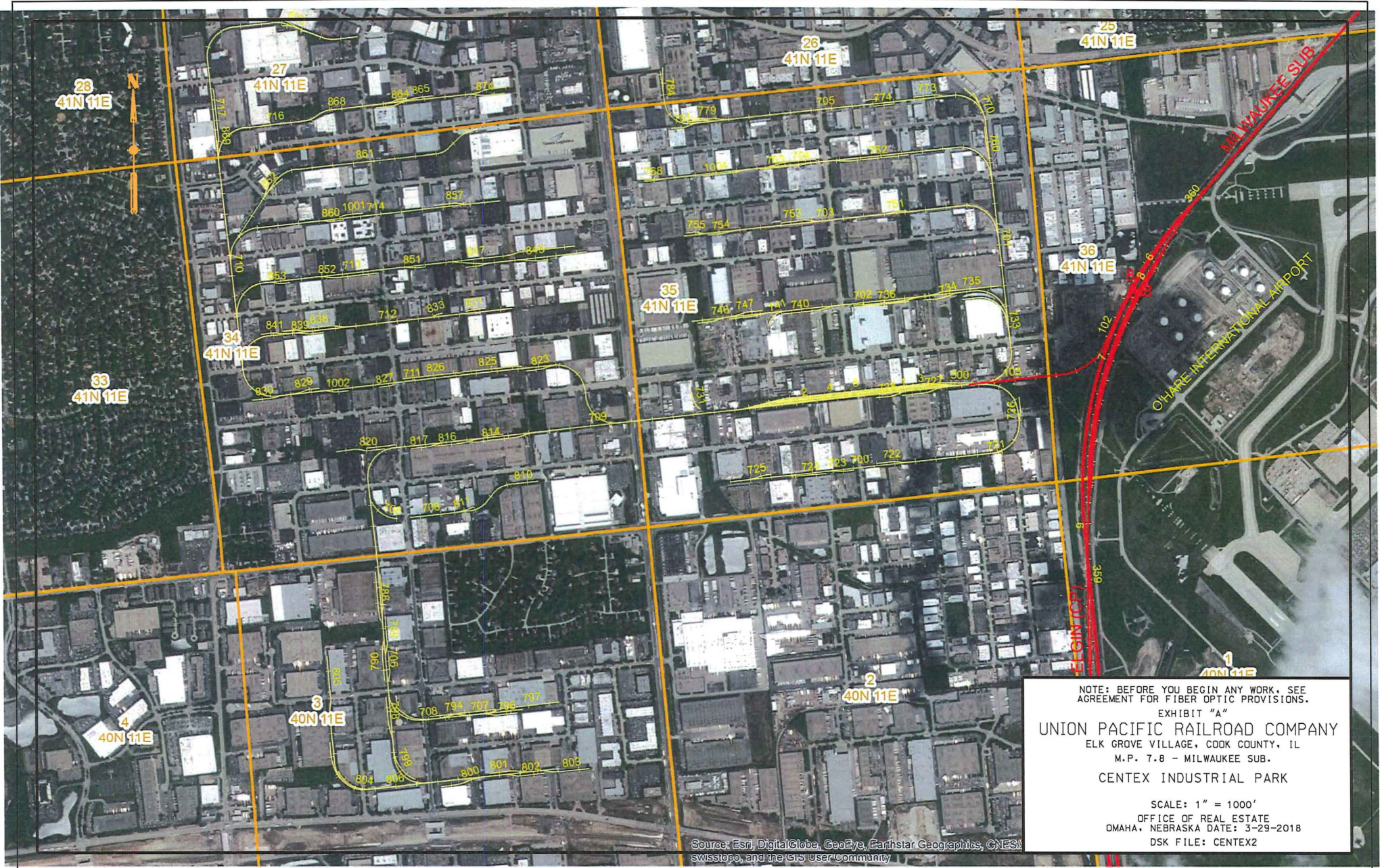
DSK FILE: colbywr1

CADD
FILENAME

colbywr1

SCAN
FILENAME

AERIAL PRINT



NOTE: BEFORE YOU BEGIN ANY WORK, SEE
AGREEMENT FOR FIBER OPTIC PROVISIONS.
EXHIBIT "A"
UNION PACIFIC RAILROAD COMPANY
ELK GROVE VILLAGE, COOK COUNTY, IL
M.P. 7.8 - MILWAUKEE SUB.
CENTEX INDUSTRIAL PARK
SCALE: 1" = 1000'
OFFICE OF REAL ESTATE
OMAHA, NEBRASKA DATE: 3-29-2018
DSK FILE: CENTEX2

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES
SwissTopo, and the GIS User Community

UP-CJR LEASE AGREEMENT

FILED UNDER SEAL

PURSUANT TO 49 C.F.R. §§ 1104.14(a) and 1150.33(h)(1)

SHIPPERS ON THE LINES

ALL TILE INC
AR-BEE TRANSPARENT PRODUCTS
BATORY FOODS
BROWNING FERRIS INDUSTRIES INC
BWAY CORP
CARGO PACIFIC LOGISTICS INC
CHEM-PLATE INDUSTRIES INC
CHICAGO TERMINAL RAILROAD
CLEAR LAM PACKAGING FORMING FILMS DIVISION
CLEAR LAM PACKAGING INC
COLORS FOR PLASTICS INC
CONSOLIDATED CONTAINER COMPANY LLC
D&W FINE PACK HOLDINGS LLC
DEACERO
DIRECT WAREHOUSING INC
DOUMAK INC
DSV AIR & SEA INC
FOX METALS SERVICE INC
JASON STORAGE & DISTRIBUTION
JFC INTERNATIONAL INC
LAWRENCE FOODS INC
LEON KOROL CO
LOYOLA PAPER CO
MAIN STEEL LLC
MASS DISTRIBUTORS WAREHOUSE
MSC LAMINATES COMPOSITES
NATIONAL MATERIAL LP
PENTEL OF AMERICA LTD
PIONEER FIBERS INC
RELADYNE
RICHELIEU FOODS
ROLLEX CORP
RUNGE PAPER COMPANY INC
SANFORD CHEMICAL COMPANY INC
SCHIFFMAYER PLASTIC CORP
SHELL LUBRICANTS
SUMMITVILLE TILES INC
THE GOODYEAR TIRE & RUBBER CO
THE PENRAY COMPANIES INC
WRUTH BAER SUPPLY CO

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832

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AUDREY L. BRODRICK
(312) 252-1518
abrodick@fletcher-sippel.com

May 2, 2018

Re: **STB Docket No. FD 36193**
Chicago Junction Railway Company, LLC -- Change in
Operators Exemption Including Interchange Commitment --
Chicago Terminal Railroad Company

Change of Rail Operators for Centex Industrial Park

To Whom It May Concern:

Chicago Junction Railway Company, LLC ("CJR"), a subsidiary of Progressive Rail Incorporated, is filing a notice of exemption at the Surface Transportation Board ("STB") for a "change in operators" at the Centex Industrial Park and the adjacent Elk Grove Yard (collectively "the Lines") in Elk Grove Village, Illinois. Effective June 1, 2018, CJR will assume operation of the Lines from Chicago Terminal Railroad Company and will be responsible for providing rail service to your facility.

CJR's operations over the Lines is pursuant to a lease from Union Pacific Railroad Company ("UP"). The transaction includes an interchange commitment between CJR and UP. We are providing you with this notice pursuant to the requirements of the STB, and you are not required to respond or to participate in the STB proceeding. If you have any questions regarding this matter, please feel free to contact me.

Very truly yours,



Audrey L. Brodrick
Attorney for Chicago Junction
Railway Company, LLC

ALB/tjl

**AGGREGATE NUMBER OF CARLOADS THAT
ORIGINATED OR TERMINATED ON THE LINE**

FILED UNDER SEAL

PURSUANT TO 49 C.F.R. §§ 1104.14(a) and 1150.33(h)(1)

RENTAL VALUE ESTIMATE

FILED UNDER SEAL

PURSUANT TO 49 C.F.R. §§ 1104.14(a) and 1150.33(h)(1)

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36193

**CHICAGO JUNCTION RAILWAY COMPANY, LLC
-- CHANGE IN OPERATORS EXEMPTION
INCLUDING INTERCHANGE COMMITMENT --
CHICAGO TERMINAL RAILROAD COMPANY**

Chicago Junction Railway Company, LLC ("CJR"), a non-carrier, has filed a Verified Notice of Exemption to assume operation of rail line owned by Union Pacific Railroad Company ("UP") located in the Centex Industrial Park and the adjacent Elk Grove Yard ("the Lines") in Elk Grove Village, Illinois. The Lines originate at the west end of UP's approximately 800-foot Elk Grove Lead track extending from its Milwaukee Subdivision at Milepost 7.8, and total approximately 25 miles of track in the Centex Industrial Park and 11,500 feet of tracks in Elk Grove Yard. CJR's operation of the Lines will replace the operations currently conducted by Chicago Terminal Railroad Company, which will have no further common carrier obligation with respect to the Lines.

CJR expects to consummate the change in operators transaction and commence operation of the Lines on June 1, 2018.

Comments must be filed with the Board and served on:

Audrey L. Brodrick
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

This proceeding is related to Docket No. FD 36194, Progressive Rail Incorporated -- Continuance in Control Exemption -- Chicago Junction Railway Company, LLC, in which Progressive Rail Incorporated has concurrently filed a notice of exemption pursuant to 49 U.S.C. §§ 11323, et seq. and 49 C.F.R. § 1180.2(d)(2) to continue in control of CJR once CJR assumes operation of the Lines and becomes a carrier.

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: May ____ 2018

By the Board

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

VERIFICATION

James L. Thornton declares under penalty of perjury under the laws of the United States of America as follows:

I am the Managing Director - Legal and Secretary of Chicago Junction Railway Company, LLC. I hereby verify that the projected annual rail revenue of Chicago Junction Railway Company, LLC will not exceed \$5 million and will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1 1). Further, I have read the forgoing Notice of Exemption and know that the facts asserted therein are true as stated.

Executed on May 1, 2018

