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BY HAND

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

**RE: FD 36320, Mississippi Export Railroad Company --
Continuance in Control Exemption -- Alabama Export
Railroad, Inc.**

**FD 36321, Alabama Export Railroad, Inc. Lease
and Operation Exemption**

Dear Ms. Brown:

I am enclosing on behalf of the Mississippi Export Railroad Company and its subsidiary Alabama Export Railroad, Inc., originals of the following documents:

(1) a verified notice of exemption under 49 CFR §1180.2(d)(2) for the continuance in control by Mississippi Export Railroad Company of Alabama Export Railroad Company; and

(2) a verified notice of exemption under 49 CFR §1150.31 for the lease and operation by Alabama Export Railroad Company of a line of railroad owned by the Illinois Central Railroad Company.

I am including a check payable to the Board for \$3,500 covering the requisite filing fees. Please date stamp and return the additional copy for each document for our files.

FILED
August 12, 2019
SURFACE
TRANSPORTATION BOARD

Sincerely yours,

CLARK HILL

Sloane Carlough
Sloane S. Carlough

FEE RECEIVED
August 12, 2019
SURFACE

TRANSPORTATION BOARD

Enclosures

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36320

**MISSISSIPPI EXPORT RAILROAD COMPANY
-- CONTINUANCE IN CONTROL EXEMPTION --
ALABAMA EXPORT RAILROAD, INC.
VERIFIED NOTICE OF EXEMPTION
UNDER 49 CFR § 1180.2(d) (2)
*(color copies included)***



Submitted By:

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Counsel for Applicants

Dated: August 12, 2019

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36320



**MISSISSIPPI EXPORT RAILROAD COMPANY
-- CONTINUANCE IN CONTROL EXEMPTION --
ALABAMA EXPORT RAILROAD, INC.
VERIFIED NOTICE OF EXEMPTION
UNDER 49 CFR § 1180.2(d) (2)**

Comes now Mississippi Export Railroad Company ("MSE"), and its wholly owned subsidiary Alabama Export Railroad, Inc. ("ALE")¹ and state as follows:

1. Pursuant to the provisions of Section 1180 of the Board's Railroad Consolidation Rules (49 C.F.R. § 1180), Applicants hereby give notice of a transaction which qualifies for exemption under Section 1180.2(d) (2) of those rules.

2. As relevant here, MSE is a Class III short line railroad common carrier that has been in business for over 90 years. It owns and operates a 42 mile short line railroad between Evanston and Pascagoula in the State of Mississippi and is owned in part (a one third interest) by the Illinois Central Railroad Company

¹ Collectively, "Applicants."

(“IC”) and in part (a two thirds interest) by various individual shareholders. It is a corporation in good standing under the laws of Mississippi.

3. MSE has established ALE as a wholly-owned subsidiary for the purposes of leasing and operating certain terminal area trackage in downtown Mobile, AL, that IC currently owns and operates. As discussed in more detail in the Notice of Exemption for authority to lease and operate the subject track being filed in FD 36321, the subject rail lines total approximately 12.1 miles in length. They extend from Belt Jct. at MP 6.6 to the State Docks at MP 0.0 on IC’s Beaumont Subdivision and from Belt Jct. at MP 6.6 to Frascati Jct at MP 1.1 on IC’s Frascati Lead.

4. The lines currently owned and operated by MSE will not connect with the line to be operated by ALE as they are located approximately 40 miles apart, and there are no plans to connect these lines.

5. Under Section 1180.2(d) (2) of the Board’s consolidation rules, certain transactions are automatically exempt from the prior approval requirements for common control. Specifically, Section 1180.2(d) (2) exempts the acquisition of non-connecting carriers where (i) the railroads will not connect with each other or any railroad in their corporate family, (ii) the acquisition is not part of a series of

anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and (iii) the transaction does not involve a Class I carrier.

6. In order to claim the Section 1180.2(d)(2) exemption, Section 1180.4(g) requires the filing of a verified notice of exemption furnishing the information requested in Sections 1180.6(a)(1)(i) – (iii), 1180.6(a)(5) – (6), and 1180.6(a)(7)(ii) of those rules. That information is provided as follows:

Summary of Proposed Transaction: 49 CFR § 1180.6(a) (1) (i)

MSE will own the entire ownership interest in ALE. As noted above, ALE is a newly established noncarrier organized by MSE for the purpose of operating certain rail lines owned by IC in Mobile.

Applicants' name, address, and telephone number:

Mississippi Export Railroad Company
Alabama Export Railroad, Inc.
4519 McInnis Avenue,
Moss Point, MS 39563
(228) 475-3322

Legal counsel to whom questions should be addressed:

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Schedule for consummation: **49 CFR §1180.6(a) (1) (ii)**

The parties intend to consummate the proposed transaction at least 30 days from the date of this notice, on or about September 11, 2019.

Purpose to be accomplished by the transaction: **49 CFR §1180.6(a) (1) (iii)**

The purpose of this transaction is for ALE to replace the switching services currently provided in downtown Mobile by IC. MSE and IC believe that ALE can provide more economical service to about 8 customers presently served by IC and can provide a service that is more responsive to local needs than a Class I railroad could furnish. It plans to work closely with the Port of Mobile, the on line shippers, the local community, and the connecting carriers to develop the freight potential of this trackage.

State(s) in which the property of each carrier is situated: **49 CFR**

§1180.6(a) (5)

Alabama and Mississippi

Map: **49 CFR § 1180.6(a) (6)**

Attached hereto as Exhibit A.

Copy of Agreement: **49 CFR § 1180.6(a) (7) (ii)**

N.A. There is no agreement covering MSE's control of ALE.

Related transaction:

Concurrently with this filing, ALE is submitting a verified Notice of Exemption for its lease and operation of the subject lines. That notice has been assigned Docket Number FD 36321.

Interchange Commitments: **49 CFR § 1180.4(g) (4)**

None exist.

Other information / Certification:

Applicants hereby certify that (1) the lines to be operated by the rail carrier [ALE] to be controlled pursuant to this notice of exemption do not connect with those of MSE, (2) the subject acquisition proceeding is not a part of a series of

anticipated transactions that would connect these railroads with each other, and (3) the transaction does not involve a Class I carrier.

Environmental and historical considerations:

This continuance in control proceeding is exempt from environmental review under 49 CFR §1105.6(c) (2) (i) because the proposed action will not cause any operating changes that exceed the thresholds established in 49 CFR §1105.7(e) (4) or (5). In addition, this proceeding is exempt from historic review under 49 CFR §1105.8(b)(1) because there are no plans to dispose of or alter properties subject to Board jurisdiction that are at least 50 years old. Accordingly, no historic report is required.

Labor Protection to be Imposed:

No labor protection applies on transactions involving only Class III railroads. See, 49 U.S.C. §11326(c).

Respectfully submitted,

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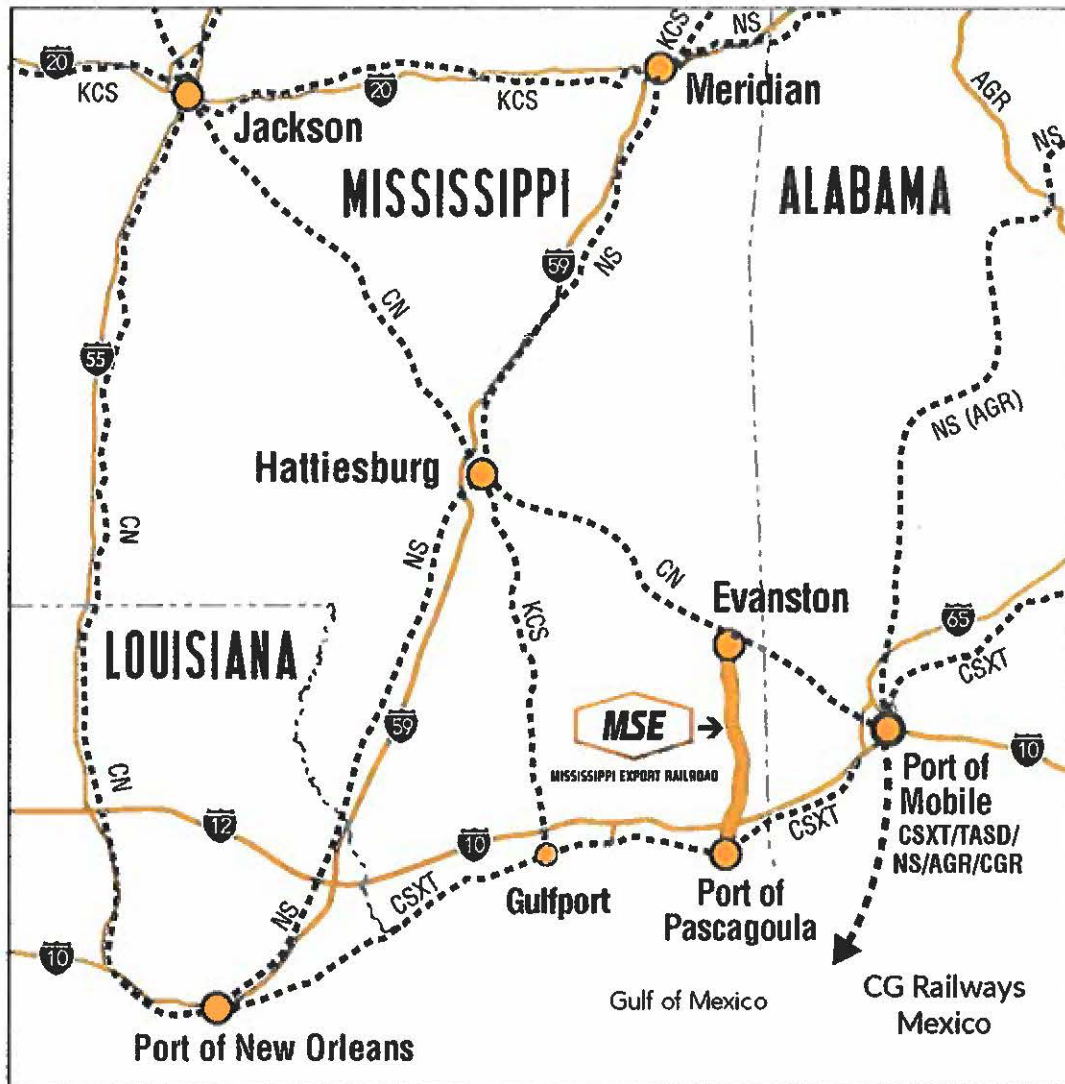


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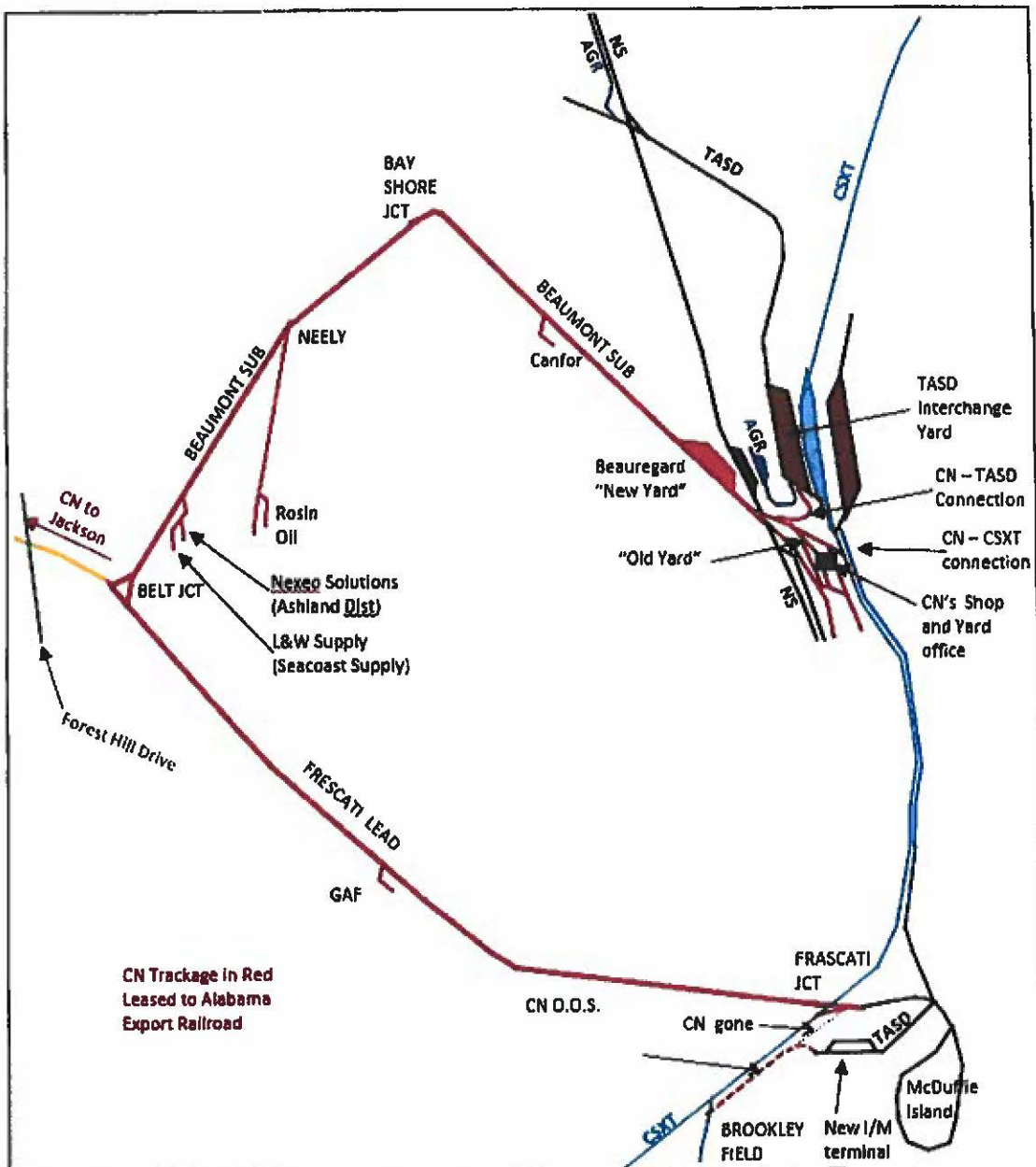
Counsel for Applicants

Dated: August 12, 2019

EXHIBIT A



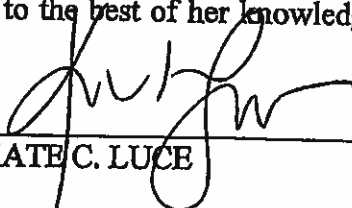
CN/ALE Leased Track



VERIFICATION

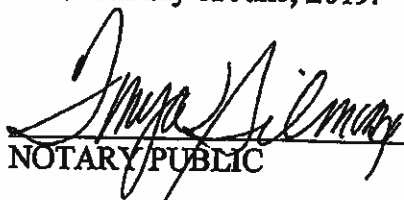
STATE OF MISSISSIPPI)
)
COUNTY OF JACKSON)

Kate C. Luce, being duly sworn according to law, hereby deposes and states that (s)he holds the position of President and CEO with affiant, is authorized to make this Verification, has read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of her knowledge, information, and belief.



KATE C. LUCE

Subscribed to and sworn to before me, a Notary Public, in and for the County of Jackson in the State of Mississippi, this the 26th day of June, 2019.



NOTARY PUBLIC

My Commission expires:

