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ENTERED
Office of Proceedings
October 20, 2017
Part of
Public Record

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October 20, 2017



VIA FEDEX

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20006

Re: **Docket No. FD 36154**
Goose Lake Railway, LLC – Change in
Operator Exemption – LRY, LLC d.b.a Lake Railway

Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Verified Notice of Exemption of Goose Lake Railway, LLC, Pursuant to 49 C.F.R. § 1150.41(c)**, dated October 20, 2017. A check in the amount of \$2,000.00, representing the appropriate fee for this filing, and a compact disc containing the text of the Notice and the *Federal Register* caption summary in MS Word format are attached.

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

Respectfully submitted,

Robert A. Wimbish
Attorney for Goose Lake Railway, LLC

RAW/ekf

Enclosures

FEE RECEIVED
October 20, 2017
SURFACE
TRANSPORTATION BOARD

FILED
October 20, 2017
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. FD 36154

GOOSE LAKE RAILWAY, LLC
-- CHANGE IN OPERATOR EXEMPTION --
LRY, LLC D.B.A LAKE RAILWAY

**VERIFIED NOTICE OF EXEMPTION OF
GOOSE LAKE RAILWAY, LLC
PURSUANT TO 49 C.F.R. § 1150.41(c)**

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEY FOR GOOSE LAKE
RAILWAY, LLC**

Dated: October 20, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36154

GOOSE LAKE RAILWAY, LLC
-- CHANGE IN OPERATOR EXEMPTION --
LRY, LLC D.B.A LAKE RAILWAY

**VERIFIED NOTICE OF EXEMPTION OF
GOOSE LAKE RAILWAY LLC
PURSUANT TO 49 C.F.R. § 1150.41(c)**

Pursuant to 49 C.F.R. § 1150.41, et seq., Goose Lake Railway, LLC (“GOOS”), a rail common carrier,¹ hereby files this Verified Notice of Exemption to assume operation of approximately 64.11 miles of interconnected railroad line (the “Line”) between MacArthur, CA, and Perez, CA, owned by the Union Pacific Railroad Company (“UP”) and currently operated by LRY, LLC d.b.a Lake Railway (“LRY”). Based on projected combined revenues associated with both its existing operations and those that would result from the proposed transaction, GOOS expects to remain a Class III rail carrier.

In accordance with the requirements of 49 C.F.R. § 1150.43, GOOS submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the rail carrier applicant herein is as follows:

¹ See Goose Lake Railway, LLC – Change of Operator Exemption – LRY, LLC d.b.a. Lake Railway, Docket No. FD 36143 (STB served Aug. 25, 2017) (“Goose Lake NOE”). In Goose Lake NOE, Goose Lake Railway LLC used the short-form acronym “GLRY” to refer to itself. In keeping with the railroad’s reporting mark issued by the Association of American Railroads, it now uses its reporting mark designation of GOOS.

Goose Lake Railway, LLC
P.O. Box 6720
Aloha, OR 97007-0720
877-824-6913

Applicant's Representative: 49 C.F.R. § 1150.43(b)

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

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

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

Currently, the Line is operated pursuant to the terms of a lease between UP (the Line's owner) and LRY (the leaseholder).² GOOS and UP recently reached an understanding whereby UP will consent to GOOS' assumption of the leasehold interest in the Line in place of LRY. Under this transfer of leasehold interest, GOOS would replace LRY as common carrier operator of the Line.

Operator of the Property: 49 C.F.R. § 1150.43(d)

GOOS will operate and provide all rail common carrier service to shippers on the Line in place of LRY, so that, upon consummation of the proposed transaction, LRY will be relieved of any further common carrier obligation with respect to the Line.

² See LRY, LLC D.B.A. Lake Railway – Lease and Operation Exemption – Union Pacific Railroad Company, Docket No. FD 35389 (STB served Jul. 30, 2010); and LRY, LLC D.B.A. Lake Railway – Lease and Operation Exemption – Union Pacific Railroad Company, Docket No. 35250 (STB served Dec. 18, 2009).

Summary of the Transaction: 49 C.F.R. § 1150.43(e)

As indicated in footnote 2, LRY is the current leasehold operator of the UP-owned Line.

GOOS is a recently-established carrier that operates a 54.45-mile line of railroad owned by Lake County, Oregon, known as the “Lakeview Branch,”³ which connects to the Line that is the subject of this proceeding. UP has notified the parties to this transaction that it wishes to install GOOS as leasehold operator of the Line in place of LRY, thereby intending to see LRY relieved of its common carrier obligation over the Line and ending LRY’s principal role as a bridge carrier between UP and GOOS. GOOS has agreed to assume a leasehold relationship with UP, and GOOS will operate the Line as follows:

1. Part of the Modoc Subdivision from milepost 445.6 near MacArthur, CA, to milepost 508.0 near Perez, CA; and
2. A portion of the Lakeview Branch, extending from a connection with the Modoc Subdivision at milepost 456.89 to milepost 458.60 (and a connection there to existing GOOS-operated lines), all within Alturas, CA.

The Line consists of approximately 64.11 route miles of railroad.

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

LRY, LLC d.b.a Lake Railway
425 SE 3rd Ave., Suite 206
Portland, OR 97214

LRY has agreed to the termination of its common carrier status on the Line upon the consummation of the transaction. LRY does not object to the proposed change in operator.

The complete name and address of the rail carrier owner of the Line is as follows:

³ See Goose Lake NOE.

Union Pacific Railroad Company
1400 Douglas Street, MS 1350
Omaha, NE 68179

GOOS intends to consummate this transaction on or about November 19, 2017.

Map: 49 C.F.R. § 1150.43(f)

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

Certificate of Compliance: 49 C.F.R. § 1150.43(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.43(g) (and Verification of the contents of the subject notice) is attached as Exhibit B.

Interchange Commitments: 49 C.F.R. § 1150.43(h)

GOOS hereby certifies through the undersigned counsel that the proposed change of operator does not involve, and the Lease Agreement between UP and GOOS will not include, any provision or agreement that would limit future interchange with a third-party connecting carrier.

Shipper Notice: 49 C.F.R. § 1150.42(b)

GOOS understands that there are no active shippers on the subject Line (and have not been any for some time), and that all current freight traffic handled over the Line originates or terminates on connecting lines. Accordingly, GOOS submits that the shipper notice requirement of section 1150.42(b) is not applicable.

Advance Notice: 49 C.F.R. § 1150.42(e)

The projected, cumulative annual revenue of GOOS (accounting for its proposed operation of the Line and its existing Lakeview Branch operation) is not expected to exceed \$5 million, and, accordingly, the advance notice requirements of 49 C.F.R. § 1150.42(e) are not applicable. See Exhibit B.

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

Under 49 C.F.R. § 1105.6(c)(2), GOOS' proposed operation of the Line 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), GOOS' assumption of operations on the Line also is exempt from historic preservation reporting requirements. The proposed transaction is for the purpose of continued rail operations. Further 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. § 1150.44

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

Respectfully submitted,

By: R. A. Wimbish
Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEY FOR GOOSE LAKE
RAILWAY, LLC**

Dated: October 20, 2017

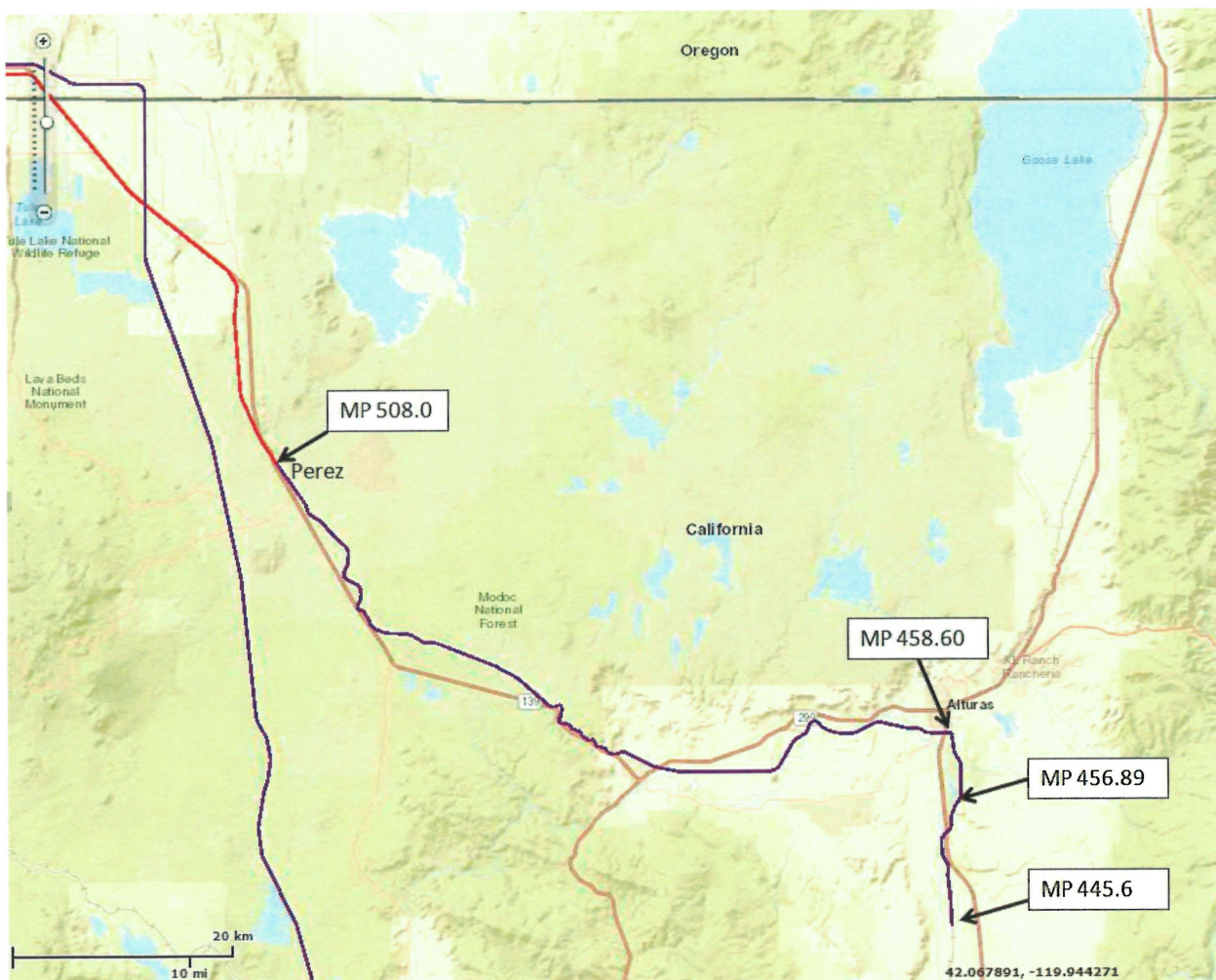
BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36154

GOOSE LAKE RAILWAY, LLC
-- CHANGE IN OPERATOR EXEMPTION --
LRY, LLC D.B.A LAKE RAILWAY

**VERIFIED NOTICE OF EXEMPTION OF
GOOSE LAKE RAILWAY LLC
PURSUANT TO 49 C.F.R. § 1150.41(c)**

**EXHIBIT A
MAP**



BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36154

GOOSE LAKE RAILWAY, LLC
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LRY, LLC D.B.A LAKE RAILWAY

VERIFIED NOTICE OF EXEMPTION OF
GOOSE LAKE RAILWAY LLC
PURSUANT TO 49 C.F.R. § 1150.41(c)

EXHIBIT B
CERTIFICATION AND VERIFICATION

CERTIFICATION AND VERIFICATION

I, A. Bruce Addington, President of Goose Lake Railway, LLC ("GLRY"), hereby certify that the projected annual rail revenue of GLRY would 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 (11).

Also, I hereby verify that the foregoing Change of Operator Notice of Exemption is true and correct to the best of my knowledge and belief.



A. Bruce Addington
President, Goose Lake Railway

Dated: October 19, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36154

GOOSE LAKE RAILWAY, LLC
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PURSUANT TO 49 C.F.R. § 1150.41(c)**

**EXHIBIT C
CAPTION SUMMARY**

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36154

GOOSE LAKE RAILWAY LLC
-- CHANGE IN OPERATOR EXEMPTION --
LRY, LLC D.B.A LAKE RAILWAY

Goose Lake Railway, LLC (“GOOS”), an existing Class III carrier, has filed a Verified Notice of Exemption to assume operation of approximately 64.11 route miles of interconnecting rail line (the “Line”) in California owned by Union Pacific Railroad Company, consisting of a part of the Modoc Subdivision from milepost 445.6 near MacArthur, CA, to milepost 508.0 near Perez, CA; and a portion of the Lakeview Branch, extending from a connection with the Modoc Subdivision at milepost 456.89 to milepost 458.60 (and a connection there to existing GOOS-operated lines), all within Alturas, CA.

GOOS’ operation of the Line will replace operations currently conducted by LRY, LLC d.b.a Lake Railway (“LRY”), which will have no further common carrier obligation with respect to the Line upon consummation of the subject operator change.

GOOS expects to consummate the change in operator transaction on or about November 19, 2017.

Comments must be filed with the Board and served on:

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

This Notice is filed under 49 C.F.R. § 1150.41. 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: November __, 2017

By the Board

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