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March 22, 2018
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Public Record

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440 1st Street, NW, Suite 440
Washington, DC 20001
(202) 595-9045
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March 22, 2018

E-Filed

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

Re: Finance Docket No. 36173, Alabama & Tennessee River
Railway – Lease and Operation Exemption – HGS-ATN,
LLC

Finance Docket No. 36174, Fulton County Railway, LLC –
Lease and Operation Exemption – HGS-FCR, LLC

Dear Ms. Brown:

Attached please find the Verified Notices in each of these proceedings. Also enclosed is a check in the amount of \$4,000 to cover the two filing fees.

If you have any questions, please contact me.

Sincerely yours,



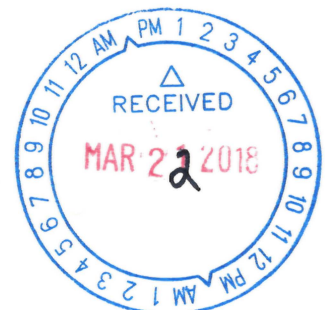
Karl Morell

Enclosures

FILED
March 22, 2018
SURFACE
TRANSPORTATION BOARD

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FEE RECEIVED
March 22, 2018
SURFACE
TRANSPORTATION BOARD



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36173

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
HGS-ATN, LLC

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.41, Et Seq.

KARL MORELL
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, D.C. 20001
(202) 595-9045

Attorney for:
ALABAMA & TENNESSEE RIVER
RAILWAY, LLC

Dated: March 22, 2018

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36173

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
HGS-ATN, LLC

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.41, Et Seq.

Alabama & Tennessee River Railway, LLC ("ATN"), a Class III rail carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E--Exempt Transactions Under 49 U.S.C. 10902, to permit ATN to lease from HGS-ATN, LLC ("HGS-ATN") and operate approximately 121 miles of rail lines located in Alabama.

In support of this Notice of Exemption, ATN submits the following information as required by 49 C.F.R. § 1150.43:

- (a) Full name and address of applicant:

Alabama & Tennessee River Railway, LLC
252 Clayton Street
Fourth Floor
Denver, CO 80206

- (b) Applicant's Representative:

Karl Morell
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, DC 20001
(202) 595-9045

(c) Statement of Agreement:

ATN entered into an agreement with CSXT Transportation, Inc. ("CSX"), for the lease of the rail lines in December 2004. *See* STB Finance Docket No. 34611, *Alabama & Tennessee River Railway, LLC – Lease and Operation Exemption -- CSX Transportation, Inc.* (not printed) served December 17, 2004. HGS-ATN will shortly enter into an agreement to acquire the rail lines from CSX. As part of that transaction, CSX will assign the lease of the rail lines by ATN to HGS-ATN.

(d) The operator of the property:

ATN will continue to be the operator of the leased lines.

(e) Summary of proposed transaction:

(1) The name and address of the company leasing the subject property:

HGS-ATN, LLC
252 Clayton Street, Fourth Floor
Denver, CO 80206

(2) The involved transaction is expected to be consummated on or shortly after the effective date of this Notice of Exemption.

(3) The 121 miles of rail lines that ATN will lease are located: (1) Milepost SG 737.06, at or near Birmingham, to approximately Milepost SG 673.43 at or near Wellington (Birmingham Subdivision), from OAM 522.91 at or near Wellington to OAM 545.93 at or near Moragne (Gadsden Subdivision), from Milepost AG 114.81 at or near Moragne to AG 85.0, at or near Guntersville (Guntersville Subdivision), and Milepost OLE 447.89 at or near

Moragne, to Milepost 0LE 442.60 at or near Ivalee (Ivalee Spur), in Jefferson, St. Clair, Calhoun, Etowah and Marshall Counties, Alabama.

- (4) The length of the rail lines being leased is approximately 121 miles.
- (f) A map of the rail lines being leased is attached as Exhibit A.
- (g) ATN hereby certifies that ATN's projected revenues as a result of this transaction will not result in ATN becoming a Class II or Class I rail carrier. ATN further certifies that the projected annual revenue of ATN will exceed \$5 million.

Consequently, the requirements of 49 C.F.R. § 1150.42(e) apply to this transaction. Because ATN has been the freight operator over the involved rail lines and because ATN's operations will not change as a result of this transaction, ATN is seeking a waiver of the requirements of Section 1150.42(e). Out of an abundance of caution, ATN has complied with the requirements of Section 1150.42(e) and has certified its compliance with the Board on March 19, 2018. A copy of ATN's letter is attached as Exhibit B.

A caption summary, as required by 49 C.F.R. § 1150.34, is attached.

ENVIRONMENTAL AND HISTORIC IMPACTS

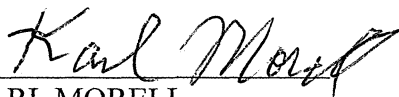
ATN is leasing the lines from HGS-ATN for continued rail operations. Further Board approval is required for ATN to discontinue any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

ATN's lease and operation of the rail lines will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent

or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. ATN's lease and operation of the rail lines will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

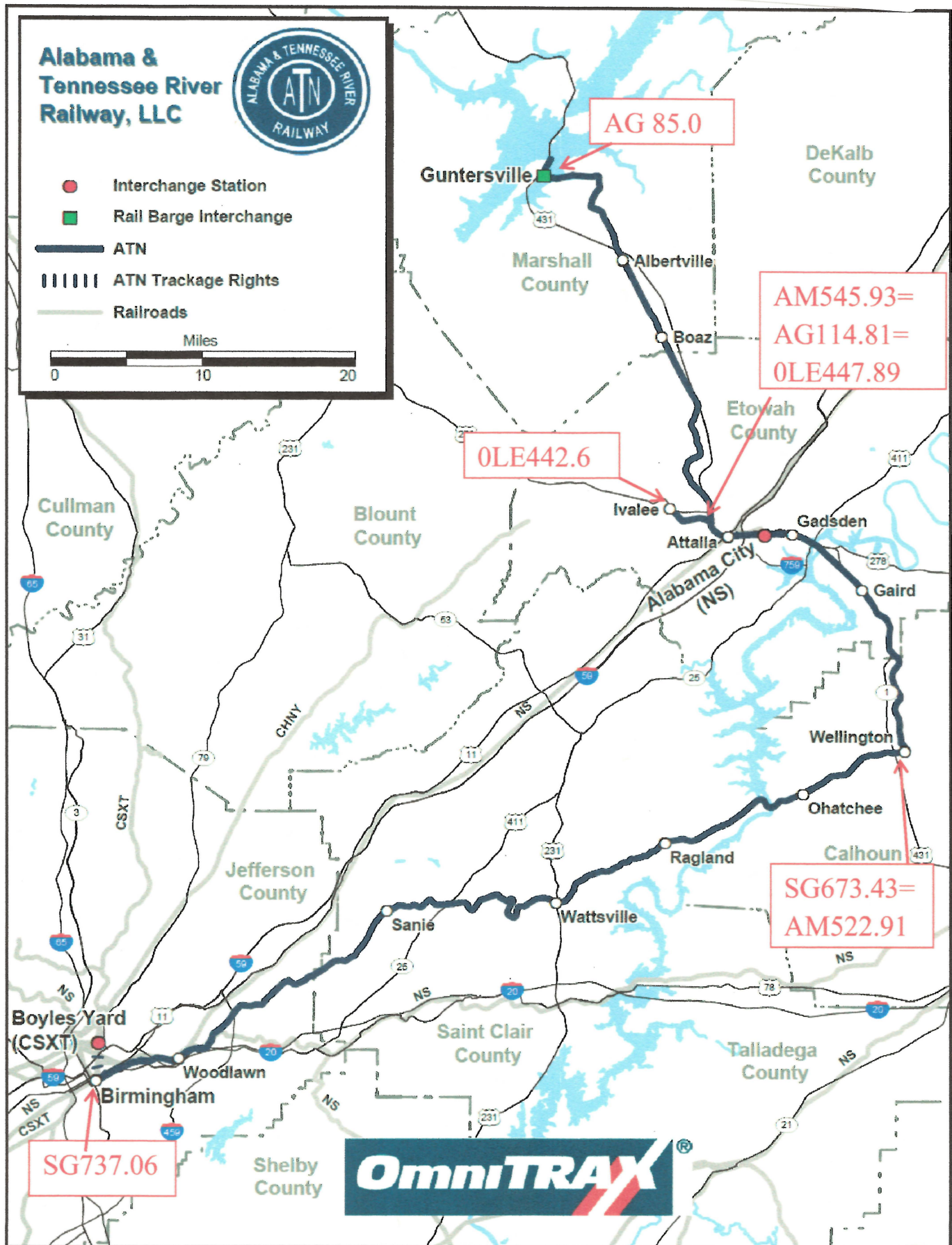


KARL MORELL
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, DC 20001
(202) 595-9045

Attorney for:
ALABAMA & TENNESSEE RIVER RAILWAY,
LLC.

Dated: March 22, 2018

EXHIBIT A



Karl Morell & Associates
440 1st Street, NW, Suite 440
Washington, DC 20001
(202) 595-9045
karlm@karlmorell.com

245328

March 19, 2018

ENTERED
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E-Filed

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

Re: Finance Docket No. 36173, Alabama & Tennessee River
Railway, LLC – Lease and Operation Exemption – HGS-
ATN, LLC

Dear Ms. Brown:

Alabama & Tennessee River Railway, LLC ("ATN") hereby certifies that on March 16, 2018, ATN posted the attached Notice at the workplace of the employees of ATN and on March 19, 2018, ATN served a copy of the Notice on SMART – TD, the only labor union with employees working on the ATN.

If you have any questions, please contact me.

Sincerely yours,



Karl Morell

Enclosures

NOTICE

Alabama & Tennessee River Railway, LLC ("ATN"), will be leasing the rail lines being acquired by HGS-ATN LLC and now owned by CSX Transportation, Inc., located between: Milepost SG 737.06, at or near Birmingham, to approximately Milepost SG 673.43 at or near Wellington (Birmingham Subdivision), from AM 522.91 at or near Wellington to AM 545.93 at or near Moragne (Gadsden Subdivision), from Milepost AG 114.81 at or near Moragne to AG 85.0, at or near Guntersville (Guntersville Subdivision), and Milepost OLE 447.89 at or near Moragne, to Milepost OLE 442.60 at or near Ivalee (Ivalee Spur), in Jefferson, St. Clair, Calhoun, Etowah and Marshall Counties, Alabama. ATN is currently the freight operator on these lines.

ATN does not expect to hire any additional employees as a result of leasing the lines from HGS-ATN.

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
252 Clayton Street, Fourth Floor
Denver, Colorado 80206
(303) 398-4500

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 36173

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
HGS-ATN, LLC

Alabama & Tennessee River Railway, LLC (“ATN”), a Class III rail carrier, has filed a notice of exemption to lease from HGS-ATN, LLC, and operate approximately 121 miles of rail lines. The rail lines being leased are located: (1) Milepost SG 737.06, at or near Birmingham, to approximately Milepost SG 673.43 at or near Wellington (Birmingham Subdivision), from OAM 522.91 at or near Wellington to OAM 545.93 at or near Moragne (Gadsden Subdivision), from Milepost AG 114.81 at or near Moragne to AG 85.0, at or near Guntersville (Guntersville Subdivision), and Milepost OLE 447.89 at or near Moragne, to Milepost OLE 442.60 at or near Ivalee (Ivalee Spur), in Jefferson, St. Clair, Calhoun, Etowah and Marshall Counties, Alabama.

Comments must be filed with the Board and served on Karl Morell, Suite 440, 440 1st Street, N.W., Washington, DC 20001, (202) 595-9045.

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. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

STATE OF COLORADO

)

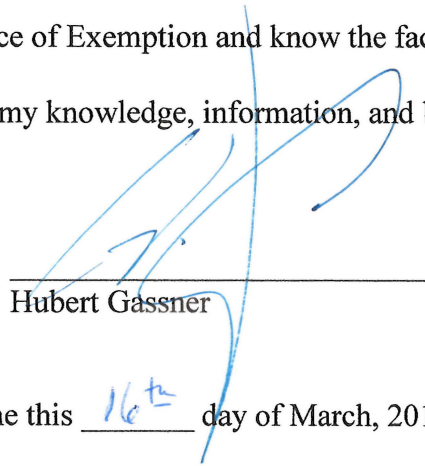
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ss.

CITY AND COUNTY OF DENVER

)

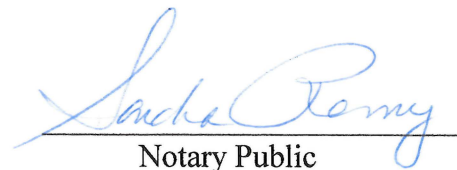
I, Hubert Gassner, being first duly sworn, depose and state that I am the Manager and CFO of the Alabama & Tennessee River Railway, LLC, that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.



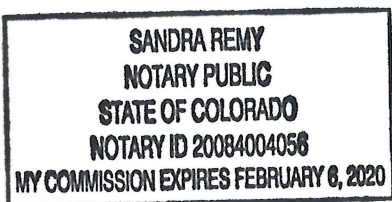
Hubert Gassner

SUBSCRIBED AND SWORN TO before me this 16th day of March, 2018, in the City and County of Denver, State of Colorado.

My Commission Expires: 2-6-2020



Notary Public



NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 00000000000000000000
MY COMMISSION EXPIRES FEBRUARY 6, 2025
SANDRA REIN