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SERVICE DATE – OCTOBER 5, 2012

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35609]

North Louisiana & Arkansas Railroad, Inc.—Acquisition and Operation Exemption—
Line of Lake Providence Port Commission

North Louisiana & Arkansas Railroad, Inc. (NLA), a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.41 to lease from Lake Providence Port Commission (LPPC), a political subdivision of the State of Louisiana,¹ and to operate approximately 16.2 miles of rail line between milepost 454.8, at or near the Louisiana-Arkansas border, and milepost 471.0, at or near East Carroll Parish, La.

As part of the transaction, NLA is also seeking to acquire by assignment from LPPC approximately 1.25 miles of incidental overhead trackage rights between milepost 471.00, at or near a certain highway barn near Lake Providence, La., and milepost 472.25 in East Carroll Parish. The trackage rights will allow NLA to operate over a line of the

¹ LPPC states that it does not operate the line but has a residual common carrier obligation for the segment of the line between mileposts 463.0 and 471.0, which it acquired through the Board's offer of financial assistance process. See Delta S. R.R.—Aban. Exemption—In E. Carroll Parish, La., AB 384 (Sub-No. 2X) (STB served June 7, 2011). LPPC acquired the remainder of the line after it had been abandoned.

Delta Southern Railroad, Inc. (Delta Southern), in order to access LPPC's private tracks serving the LPPC port.²

NLA states that, at the present time, the line is impassable but that operations will commence once the lease is authorized by the Board and rehabilitation of the line is completed. NLA also states that it will interchange traffic with Union Pacific Railroad Company, Arkansas Midland Railroad Company, and Delta Southern.

According to NLA, the lease agreement will have an initial term of 10 years, beginning on the effective date of the Board's decision approving the proposed transaction. NLA states that the lease does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier. NLA has included a copy of the lease agreement as part of its filing.

The earliest the transaction can be consummated is October 20, 2012, the effective date of the exemption (30 days after the exemption was filed).

NLA certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier. NLA further certifies that its projected annual revenues as a result of this transaction will not exceed \$5 million.

If the verified 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

² NLA concurrently filed a separate verified notice of exemption to acquire the trackage rights in North Louisiana & Arkansas Railroad, Inc.—Acquisition of Trackage Rights Exemption, Docket No. FD 35610. Because the trackage rights sought there are incidental to the lease of the line in Docket No. FD 35609, the Board is issuing a single notice of exemption in Docket No. FD 35609 covering the entire transaction.

filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed no later than October 12, 2012 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35609, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Richard H. Streeter, 5255 Partridge Lane, N.W., Washington, DC 20016.

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Decided: October 2, 2012.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.