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October 3, 2019

ENTERED
Office of Proceedings
October 3, 2019
Part of
Public Record

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20024

Re: Vermilion Valley Railroad Company -
Lease and Operation Exemption -
CSX Transportation, Inc.
STB Docket No. FD 36350

Dear Ms. Brown:

Enclosed for e-filing on behalf of Vermilion Valley Railroad Company ("VVRC") is a Notice of Exemption being filed under 49 USC 10902 and 49 CFR 1150.41. The filing fee of \$2,100 was paid using Pay.gov.

Please let me know if there are any questions regarding this filing. Thank you for your assistance.

Respectfully,

CLARK HILL PLC



Eric M. Hocky

EMH/e
Encl.

FILED
October 3, 2019
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
October 3, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 36350

VERMILION VALLEY RAILROAD COMPANY
- LEASE AND OPERATION EXEMPTION -
CSX TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902

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Dated: October 3, 2019

Attorneys for
Vermilion Valley Railroad Company

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 36350

**VERMILION VALLEY RAILROAD COMPANY
- LEASE AND OPERATION EXEMPTION -
CSX TRANSPORTATION, INC.**

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902**

Vermilion Valley Railroad Company ("VVRC"), a Class III railroad, files this Notice of Exemption under 49 USC § 10902 to exempt from regulation, VVRC's lease from CSX Transportation, Inc. ("CSXT"), and operation of the line of railroad between approximately CSXT milepost QSO 5.2 at or near Valuation Station 11606+40 and CSXT milepost QSO 3.3 at or near the switch to the existing coal loop track, near Pan, Illinois (the "Line"). The Line is a part of CSXT's Olin Secondary of the Woodland Subdivision. VVRC has been operating over the Line for interchange purposes. The Line is shown on the map attached as Exhibit A.

Notice

In accordance with 49 C.F.R. §1150.43, VVRC hereby provides the following information:

(a) The full name and address of Applicant are: Vermilion Valley Railroad Company, c/o Indiana Boxcar Company, 916 Vine Street, Connersville, IN 47331.

(b) The name, address and telephone number of the representatives of VVRC who should receive correspondence are: Eric M. Hocky, Clark Hill PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500; and Justin J. Marks,

Clark Hill PLC, 1001 Pennsylvania Avenue, NW, Suite 1300 South, Washington, DC 20004;
(202) 272-0916.

(c) VVRC is currently the operator of a line of railroad in Indiana that connects to the Line at the Indiana / Illinois state line. *Vermilion Valley Railroad Company, Inc. - Operation Exemption - FNG Logistics Co.*, STB Finance Docket No. 34340 (served May 16, 2003). VVRC currently uses the Line for interchange with CSXT. VVRC and CSXT are now entering into a land and rail assets lease agreement under which VVRC will lease and operate over the Line as a common carrier. There are currently no shippers located on the Line, but VVRC believes that it can develop business on the Line.

(d) The current owner and operator of the Line is CSXT; VVRC will be the operator after the transaction.

(e) Brief Summary of the Proposed Transaction:

As described above, VVRC has been the operator of a connecting line and has used the Line for interchange with CSXT. VVRC has now reached an agreement with CSXT to lease the Line, and to become the common carrier with respect to the Line. Although there are currently no shippers located on the Line, VVRC believes that it can develop business on the Line, and can operate the line efficiently using its local work forces.

(1) The name and address of the railroad transferring the Line: CSX Transportation, Inc., 500 Water Street, J-801, Jacksonville, FL 32202.

(2) The lease to VVRC is expected to be effective shortly after the effective date of this Notice of Exemption, thirty days after filing.

(3) The mileposts of the Line are between approximately CSXT milepost QSO 5.2 at or near Valuation Station 11606+40 and CSXT milepost QSO 3.3 at or near the switch to the existing coal loop track, near Pan, Illinois (the “Line”).

(4) The total route miles to be acquired and operated are approximately 1.9 miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Line.

(g) Attached as Exhibit B to this Notice of Exemption is a certification by VVRC that following this transaction, VVRC’s annual revenues will be less than \$5,000,000 annually, and that it will remain a Class III carrier.

(h) VVRC certifies that its proposed acquisition does not involve an interchange commitment.

Labor Protection

VVRC is a Class III carrier, and pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions.

Environmental and Historic Reports

This is a lease for continued rail operations that will not result in changes in carrier operations that will exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5). Further Board approval is required for VVRC to discontinue (or CSXT to abandon service), or to dispose of or alter properties subject to the Board’s jurisdiction that are 50 years old or older. Accordingly, no environmental or historic documentation is required. *See* 49 C.F.R. §1105.6(c)(2); 49 C.F.R. §1105.8(b)(1).

Caption Summary

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R. §1150.44.

Conclusion

Based on the foregoing, VVRC requests that the Board issue a notice of exemption as requested, and permit the transaction to close at any time after 30 days from the filing of this Notice of Exemption.

Respectfully submitted,



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Dated: October 3, 2019

Attorneys for
Vermilion Valley Railroad Company

VERIFICATION

I hereby verify on behalf of Vermilion Valley Railroad Company, Inc., under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verification.

Executed on October 3, 2019.

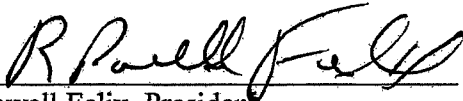
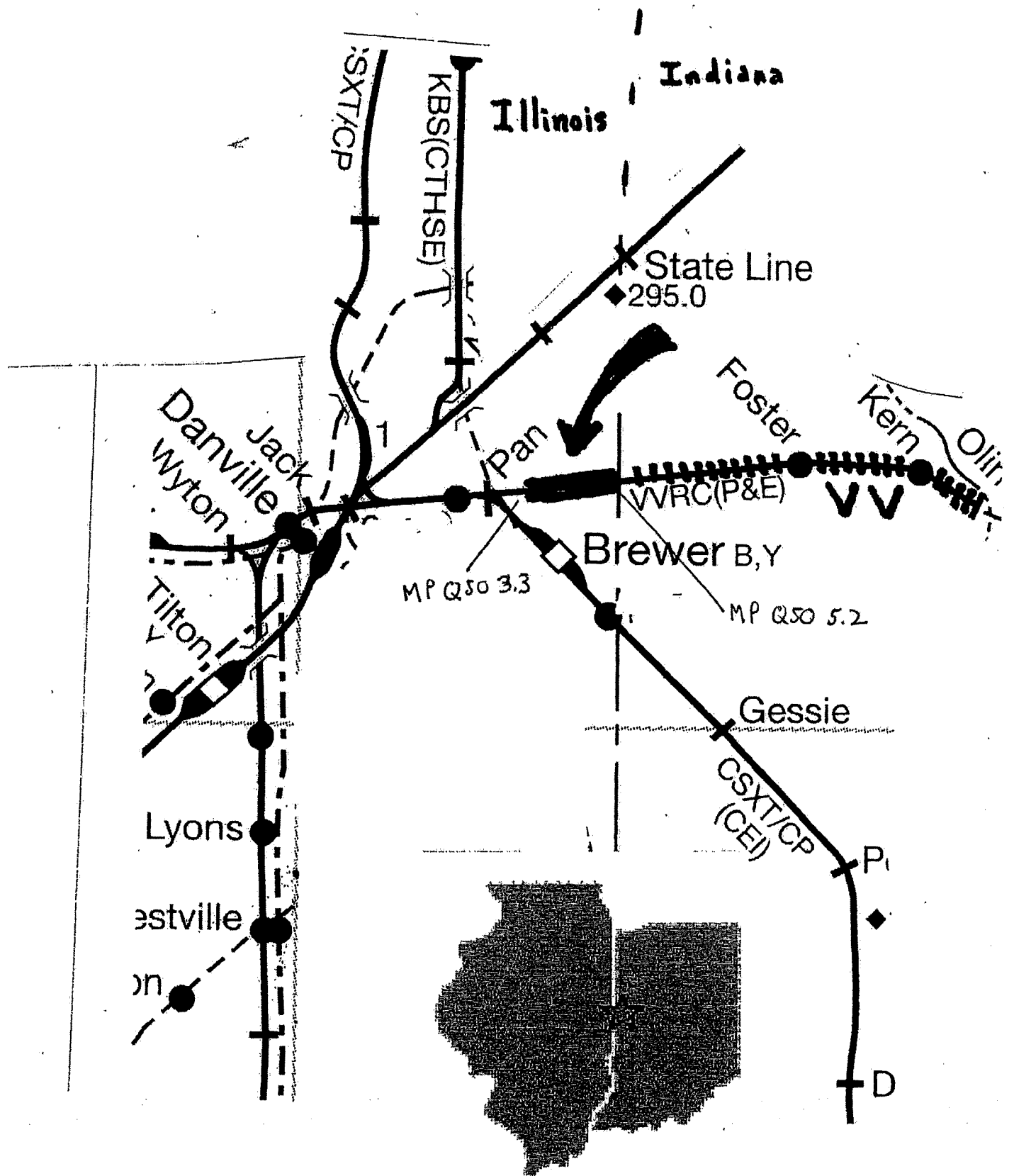

R. Powell Felix, President

EXHIBIT A

MAP



CERTIFICATION

State of Indiana)
) SS:
County of Fayette)

R. Powell Felix, being duly sworn, hereby certifies that the projected annual rail revenues of Vermilion Valley Railroad Company as a result of the transaction proposed herein (a) will be than \$5,000,000 annually, and (b) will not result in the creation of a Class II or a Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1).



R. Powell Felix
President

SUBSCRIBED AND SWORN TO
before me this 3rd day
of October, 2019.

(Notary Public)

EXHIBIT C

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 36350

**VERMILION VALLEY RAILROAD COMPANY
- LEASE AND OPERATION EXEMPTION -
CSX TRANSPORTATION, INC.**

Vermilion Valley Railroad Company (VVRC), a Class III carrier, has filed a Notice of Exemption under 49 CFR §1150.41 to lease and operate a line of railroad that extends 1.9 miles between approximately CSXT milepost QSO 5.2 at or near Valuation Station 11606+40 and CSXT milepost QSO 3.3 at or near the switch to the existing coal loop track, near Pan, Illinois (the Line). The lease transaction includes does not include an interchange commitment. The Line is currently owned by CSX Transportation, Inc. (CSXT) and has been used by VVRC and CSXT for interchange purposes.

The transaction may be consummated on or after _____, 2019, the effective date of the exemption.

VVRC certifies that its projected annual revenues as a result of this transaction will not exceed \$5 million annually and will not result in VVRC becoming a Class I or Class II carrier. 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 filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than October __, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to STB Docket No. FD 36350, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on VVRR's representatives: Eric M. Hocky, Esquire, Clark Hill PLC, One Commerce Square, 2001 Market Street, Suite 2620, Philadelphia, PA 19103; (215) 640-8500; and Justin J. Marks, Clark Hill PLC, 1001 Pennsylvania Avenue, NW, Suite 1300 South, Washington, DC 20004; (202) 772-0916.

According to VVRR, this action is excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: _____, 2019

By the Board, Allison C. Davis, Director, Office of Proceedings.