

212649

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

www.balljanik.com

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947



November 30, 2004

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

FEE RECEIVED

NOV 30 2004

**SURFACE
TRANSPORTATION BOARD**

Re: Finance Docket No. 34611, Alabama & Tennessee River Railway,
LLC – Lease and Operation Exemption – CSX Transportation, Inc.

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. 1150.31 and a check covering the \$1,500.00 filing fee. Also enclosed is a 3.5-inch diskette containing the Notice and Summary.

Please time and date stamp the extra copy of the Notice of Exemption and return it with our messenger.

If you have any questions, please contact me.

Sincerely,

Karl Morell

Enclosures

FILED
NOV 30 2004
**SURFACE
TRANSPORTATION BOARD**

ENTERED
Office of Proceedings

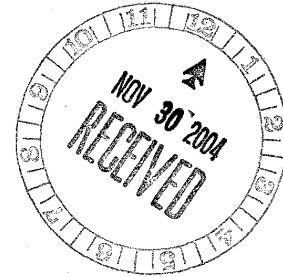
DEC 1 2004

Part of
Public Record

212649

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34611



ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
CSX TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.

FEE RECEIVED
NOV 30 2004
SURFACE
TRANSPORTATION BOARD

FILED

NOV 30 2004

SURFACE
TRANSPORTATION BOARD
ENTERED
Office of Proceedings

DEC 1 2004

Part of
Public Record

KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorney for:
ALABAMA & TENNESSEE RIVER
RAILWAY, LLC

Dated: November 30, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34611

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
CSX TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



Alabama & Tennessee River Railway, LLC ("ATN"), a non-carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart D--Exempt Transactions, to permit ATN to lease from CSX Transportation, Inc. ("CSXT") and operate approximately 122 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. § 1150.33:

- (a) Full name and address of applicant:

Alabama & Tennessee River Railway, LLC
50 South Steele Street
Suite 250
Denver, CO 80209

(b) Applicant's Representative:

Karl Morell
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

(c) Statement of Agreement:

ATN will shortly enter into agreements with CSXT for the lease of the rail lines.

(d) The operator of the property:

ATN will be the operator of the leased lines.

(e) Summary of proposed transaction:

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

CSX Transportation, Inc.
500 Water Street
Jacksonville, Florida 32202

(2) The involved transaction is expected to be consummated on or shortly after December 31, 2004.

(3) The 122 miles of rail lines that ATN will lease are located: (1) between Milepost SG 737.1, of the Belt Connecting Track, at Birmingham, Alabama, and Milepost 0AG 85.2, at Guntersville, Alabama; and (2) the Ivalee Branch located between Milepost 0LE 443.0, near Moragne, Alabama, and Milepost 0LE 447.9, at Moragne, Alabama.

(4) The length of the rail lines being leased is approximately 122 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, ATN has complied with the notice requirements of 49 C.F.R. § 1150.32(e), and certified its compliance to the Board on November 1, 2004. 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 CSXT 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,

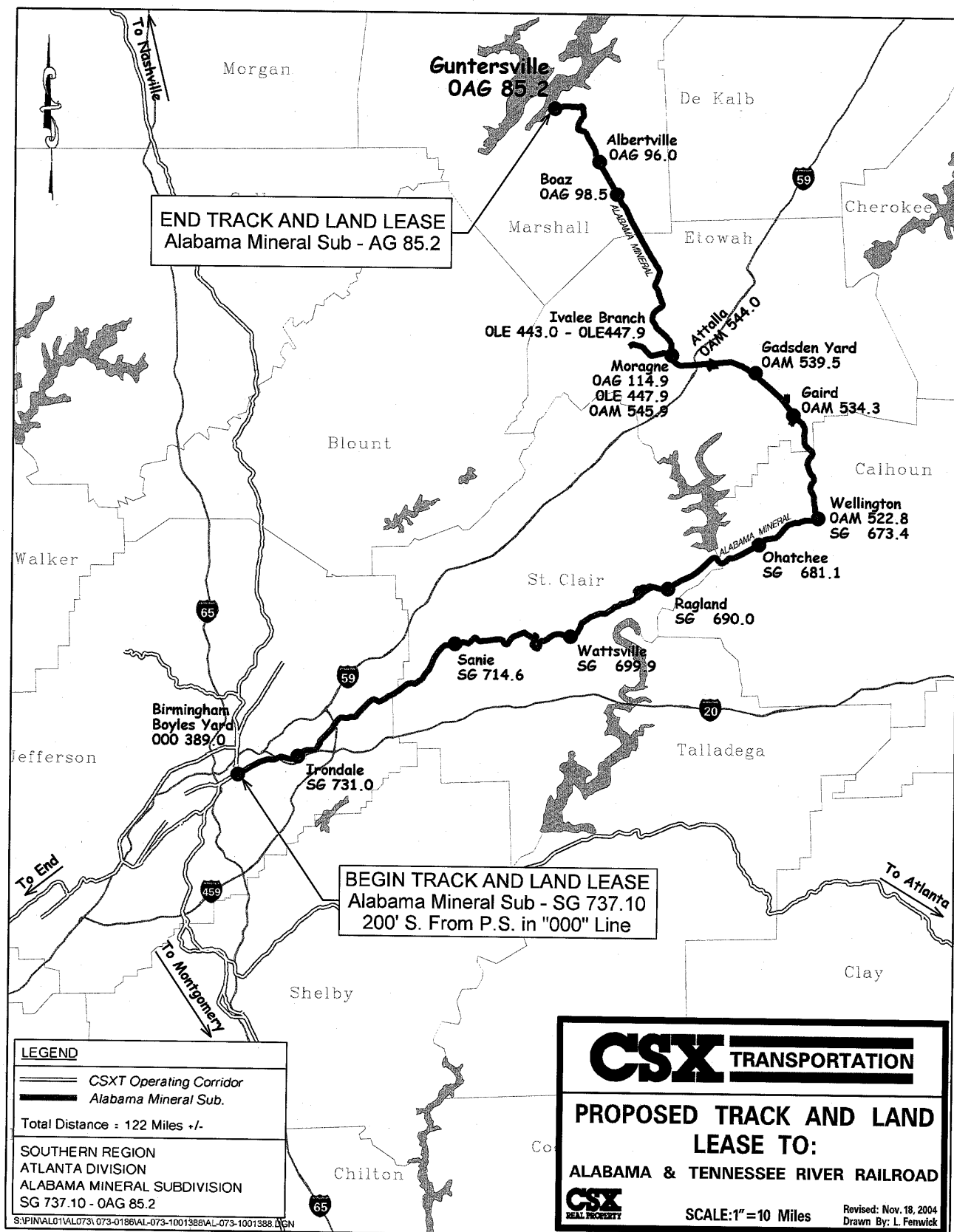
A handwritten signature in black ink, appearing to read "Karl Morell", written over a horizontal line.

KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

Attorney for:
ALABAMA & TENNESSEE RIVER RAILWAY,
LLC.

Dated: November 30, 2004

EXHIBIT A



BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D. C. 20005

www.balljanik.com

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

KARL MORELL



November 1, 2004

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 715
Washington, DC 20423-0001

Re: Finance Docket No. 34611, Alabama & Tennessee River Railway, LLC –
Lease Exemption – CSX Transportation, Inc.

Dear Secretary Williams:

Alabama & Tennessee River Railway, LLC ("ATN"), hereby certifies that on November 1, 2004, ATRR had posted the attached Notice at the workplace of the employees on the rail lines that are the subject of this transaction and on November 1, 2004, ATN served a copy of the Notice on the national offices of all labor unions with employees on the affected line.

Please time and date stamp the extra copy of this letter and return it with our messenger.

If you have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Karl Morell".

Karl Morell

Enclosure

EXHIBIT B

NOTICE

Alabama & Tennessee River Railway, LLC ("ATN") will be leasing from CSX Transportation, Inc. ("CSXT") the rail lines located: (1) between Milepost SG 737.1, of the Belt Connecting Track, at Birmingham, Alabama, and Milepost OAG 85.2, at Guntersville, Alabama, and (2) the Ivalee Branch between Milepost OLE 443.0, near Moragne, Alabama, and Milepost OLE 447.9, at Moragne, Alabama.

As a result of the lease of the CSXT lines, ATN expects to have the following employment opportunities:

There will be a total of approximately **41 positions**.

Transportation Specialists:

Approximately **27 positions** in the following locations: Gadsden, Alabama. These positions require the following minimum skills and/or qualifications:

- Conductor and Brakeman (17 positions)

Must have minimum of one year experience as a conductor/brakeman or equivalent training from an accredited railway training course. Must possess a valid driver's license with a clean record. Must be able to pass color vision screening, have qualifications on the railroad Operating Rules, and have passed a written test on the same in the past 18 months. Must be able to demonstrate, by written test, an understanding of railroad safety, operating rules, air brake and hazardous materials handling rules. Additionally they must review schedules, switching orders, and shipping records to obtain information regarding their cargo. Individual must also be able to effectively use a radio as per regulations and ensure all applicable track warrant and bulletin information is in place as per Operating Rules and regulations.

- Engineer (10 positions).

Must possess the skills/qualifications for Conductor/Brakeman plus the following: Must have at least one year of experience as a locomotive engineer. Must possess a valid engineer's certificate issued by a program in compliance with 49 CFR Part 240. Must be able to meet all hearing and vision requirements of 49 CFR Part 240. Must have an understanding of air brake and mechanical systems of a train and locomotives, and pass a written test to verify competency. Before and after each run, engineers check the mechanical condition of their locomotive and make minor adjustments on the spot. Engineers receive starting instructions from conductors and move controls such as throttles and airbrakes to drive the locomotive. They monitor gauges and meters that measure speed, amperage, battery charge, and air pressure, both in the brake lines and in the main reservoir.

Engineers confer with conductors and traffic control center personnel via two-way radio or mobile telephone to issue or receive information concerning stops, delays, and train locations. They interpret and comply with orders, signals, speed limits, and railroad rules and regulations. They must have a thorough knowledge of the signaling systems, yards, and terminals on routes over which they operate. Engineers must be constantly aware of the condition and makeup of their train, because trains react differently to acceleration, braking, and curves, depending on the grade and condition of the rail, the number of cars, the ratio of empty to loaded cars, and the amount of slack in the train.

Maintenance of Way:

Approximately **10 positions** in the following locations: Gadsden, Alabama. These positions require the following minimum skills and/or qualifications:

- Individual must demonstrate a solid work ethic, with an ability to learn.
- Individual must possess knowledge of basic track structure.
- Individual must possess knowledge of basic track tools, and their usage.

Maintenance of Equipment:

Approximately **4 positions** in the following locations: Gadsden, Alabama. These positions require the following minimum skills and/or qualifications:

- Mechanical skills.
- Ability to read blue prints.
- Ability to use a cutting torch in all positions, without damage to adjoining parts.
- Able to weld and complete 3G qualification test.

The most qualified candidates will be selected from the available pool of applicants without regard to race, creed, color, religion, national origin, sex, age, marital status, disability or veteran status. The selection criteria will be job-related skills and attributes as outlined. Successful candidates must have a stable work record and exhibit safe work practices. The ability to work in a team environment with a focus on customer service is critical. Applicants must be able to read and comprehend regulations and instructions in English, as well as possess good oral communication skills. Successful applicants will be required to pass a pre-employment drug and alcohol screen and complete a medical questionnaire. Every employee is an at-will employee. All employees are expected to know and abide by the standard code of employee conduct.

Alabama & Tennessee River Railway, LLC
50 South Steele Street
Suite 250
Denver, Colorado 80209
(303) 398-4500

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34611

ALABAMA & TENNESSEE RIVER RAILWAY, LLC
--LEASE AND OPERATION EXEMPTION--
CSX TRANSPORTATION, INC.

Alabama & Tennessee River Railway, LLC ("ATN"), a non-carrier, has filed a notice of exemption to lease from CSX Transportation, Inc., and operate approximately 122 miles of rail lines. The rail lines being leased are located: (1) between Milepost SG 737.1, of the Belt Connecting Track, at Birmingham, Alabama, and Milepost 0AG 85.2, at Guntersville, Alabama; and (2) the Ivalee Branch located between Milepost 0LE 443.0, near Moragne, Alabama, and Milepost 0LE 447.9, at Moragne, Alabama.

This transaction is related to STB Docket No. 34615, Patrick D. Broe and OmniTRAX, Inc. – Continuance In Control Exemption – Alabama & Tennessee River Railway, LLC, wherein Mr. Broe and OmniTRAX, Inc., have concurrently filed a verified notice to continue in control of ATN upon ATN becoming a Class III rail carrier.

Comments must be filed with the Board and served on Karl Morell, Of Counsel, BALL JANIK LLP, Suite 225, 1455 F Street, N.W., Washington, DC 20005, (202) 638-3307.

This notice is filed under 49 C.F.R. 1150.31. 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

)

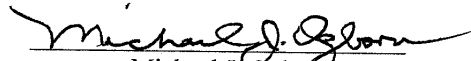
CITY AND COUNTY OF DENVER

)

ss.

)

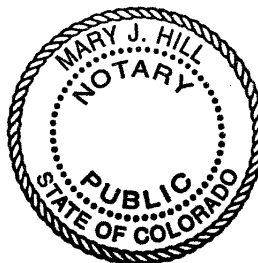
I, Michael J. Ogborn, being duly sworn depose and state that I am Manager of Alabama & Tennessee River Railway, LLC, that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of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


Michael J. Ogborn

SUBSCRIBED AND SWORN TO before me this 22 day of November, 2004, in the City and County of Denver, State of Colorado.

My Commission Expires: 11/01/08


Notary Public



My Commission Expires 11/01/2008