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DEC 22 2004

**SURFACE
TRANSPORTATION BOARD** December 22, 2004

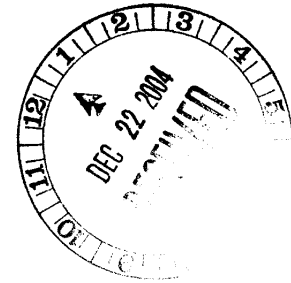
BY HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

FEE RECEIVED

DEC 22 2004

**SURFACE
TRANSPORTATION BOARD**



Re: STB Finance Docket No. 34640, Central Washington Railroad Company –
Lease and Operation Exemption – The Burlington Northern and Santa Fe
Railway Company

STB Finance Docket No. 34641, Nicholas B. Temple and Eric Temple --
Control Exemption – Central Washington Railroad Company

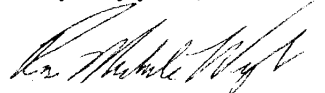
Dear Secretary Williams:

Enclosed for filing in the above-referenced proceedings are an original and 10 copies of (i) the verified notice of exemption of Central Washington Railroad Company, pursuant to 49 C.F.R. § 1150.31; and (ii) the verified notice of exemption of Nicholas B. Temple and Eric Temple, pursuant to 49 C.F.R. § 1180.2(d)(2) (the "Control Filing"). Also enclosed are 20 additional copies of the maps attached as Exhibit A to the Control Filing, pursuant to 49 C.F.R. § 1180.6(a)(6).

In addition, enclosed are two checks in the amounts of \$1,500 and \$1,100, to cover the respective cost of each filing.

Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Very truly yours,


Rose-Michele Weinryb

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Office of Proceedings

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Part of
Public Record

212833

**CENTRAL WASHINGTON RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION--
THE BURLINGTON NORTHERN AND
SANTA FE RAILWAY COMPANY**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

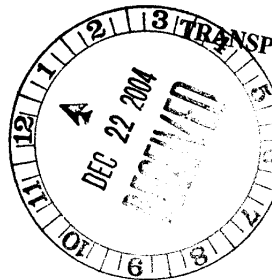
STB FINANCE DOCKET NO. 34640

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Applicant's name and current mailing address:

Central Washington Railroad Company
111 South 33rd Street
Suite 200
Yakima, WA 98901
(509)453-9166



Applicant's representative to receive correspondence:

Rose-Michele Weinryb, Esq.
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW, Fifth Floor
Washington, D.C. 20036-1609
(202) 628-2000

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Information concerning the agreement:

**SURFACE
TRANSPORTATION BOARD**

Central Washington Railroad Company ("CWA"), a non-carrier, and The Burlington Northern and Santa Fe Railway Company ("BNSF"), entered into a lease agreement on November 29, 2004 (the "Lease Agreement"), whereby CWA will lease from BNSF certain rail lines.

Operator of the property:

CWA will be the operator of the subject property.

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Office of Proceedings

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Public Record

Brief summary of the proposed transaction:

BNSF is headquartered at 2650 Lou Menk Drive, Fort Worth, TX 76131-2830. CWA and BNSF expect to consummate the transaction described in the Lease Agreement on or after December 29, 2004. Pursuant to the Lease Agreement, CWA will lease from BNSF the following rail lines, totaling approximately 41.57 route miles: (i) from approximate milepost 33.5 at or near Gibbon, WA to approximate milepost 63.5 at or

near Granger; (ii) from approximate milepost 0.0 at or near Yakima, WA to approximate milepost 2.97 at or near Fruitvale, WA; (iii) from approximate milepost 0.0 at or near Yakima, WA to approximate milepost 8.6 at or near Moxee City, as well as certain related yard, industry, side and spur tracks (including without limitation the Boise Spur).

This Lease Agreement also includes certain incidental trackage rights. By assignment from BNSF, CWA will acquire incidental trackage rights over the following lines of the Union Pacific Railroad ("UP"):¹ (A) at Biggam, WA, from approximate UP milepost 48.2 to approximate UP milepost 49.52; at Grandview, WA, from approximate UP milepost 57.3 at Elm Street to approximate UP milepost 58.75; at Midvale, WA, from approximate UP milepost 62.75 to approximate UP milepost 63.75; at Granger, WA from approximate UP milepost 73.4 to Zillah, WA at approximate UP milepost 78.5; and (v) at Sunnyside, WA from approximate UP milepost 0.0 to approximate UP milepost 3.21,² which trackage rights provide CWA with limited access to UP customers from the CWA leased line from Granger to Gibbon, WA (which UP traffic will be interchanged with BNSF at Gibbon); and (B) at Union Gap, WA from approximate UP milepost 94.5 to the end of the line at Yakima, WA, at approximate UP milepost 98.07 (as well as the yard tracks in UP's Yakima Yard) (the "Union Gap Trackage"), which trackage rights provide CWA with limited access to UP customers (which UP traffic will be interchanged with BNSF at BNSF's Yakima Yard).

In addition, CWA will be acquiring from BNSF incidental overhead trackage rights over the following BNSF line: at Yakima, WA, from approximate milepost 89.0 to approximate milepost 92.0 (as well as adjacent running and yard tracks), which trackage rights connect the separate elements of the CWA leased lines at Yakima, WA, provide interchange access with BNSF at BNSF's Yakima Yard and facilitate CWA reaching the Union Gap Trackage.

A map of the leased lines and incidental trackage rights is attached hereto as Exhibit A.

Related proceedings:

In connection with this proceeding, Nicholas B. Temple and Eric Temple have filed in STB Finance Docket No. 34641 a notice of exemption, pursuant to 49 C.F.R. § 1182.2(d)(2), for authority to control CWA once CWA becomes a rail carrier.

Environmental Issues

Environmental documentation normally need not be prepared for a lease that does not involve the diversion "from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) An average of 50 rail carloads per mile per year for any part of the affected line..." (49 C.F.R. § 1105.7(e)(4)), on the one hand, or that does not involve "(A) An

¹ The assignment of the incidental trackage rights over the UP lines is subject to the consent of UP, which consent is anticipated to occur on or before December 30, 2004.

² The UP mileposts are historic UP mileposts that existed when the UP Yakima Branch was intact and do not reflect any fragment mileposting that subsequently may have been adopted by UP.

increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) An increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment..." (49 C.F.R. § 1105.7(e)(5)), on the other hand. *See* 49 C.F.R. § 1105.6(c)(2).

CWA's lease of the subject rail lines from BNSF will not result in changes in carrier operations that exceed the above-listed thresholds. Therefore, no environmental documentation is required for this Verified Notice of Exemption.

Transactions involving a lease of a rail line for the purpose of continued rail operations are exempt from the historic report requirements of 49 C.F.R. § 1105.8(a) if termination of such operations requires further approval by the Surface Transportation Board (the "Board") and "there are no plans to dispose of or alter properties subject to [the Board's] jurisdiction that are 50 years old or older." *See* 49 C.F.R. § 1105.8(b)(1).

Common carrier service on the leased lines will be continued. CWA does not plan on disposing or altering 50-year old properties or older, over which the Board has jurisdiction. Therefore, a historic report is not required for this filing. *See* 49 C.F.R. § 1105.8(a), (b).

Certificate of projected revenue:

In accordance with 49 C.F.R. § 1150.33(g), a certificate concerning CWA's projected revenue is attached as Exhibit B. In addition, the projected annual revenue of CWA as a result of this transaction does not exceed 5 million dollars; accordingly, the requirements of 49 C.F.R. § 1150.32(e) are not applicable.

Respectfully submitted,



Rose-Michele Weinryb
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW, Fifth Floor
Washington, D.C. 20036

Attorneys for:

Central Washington Railroad Company

Dated: December 22, 2004

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**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

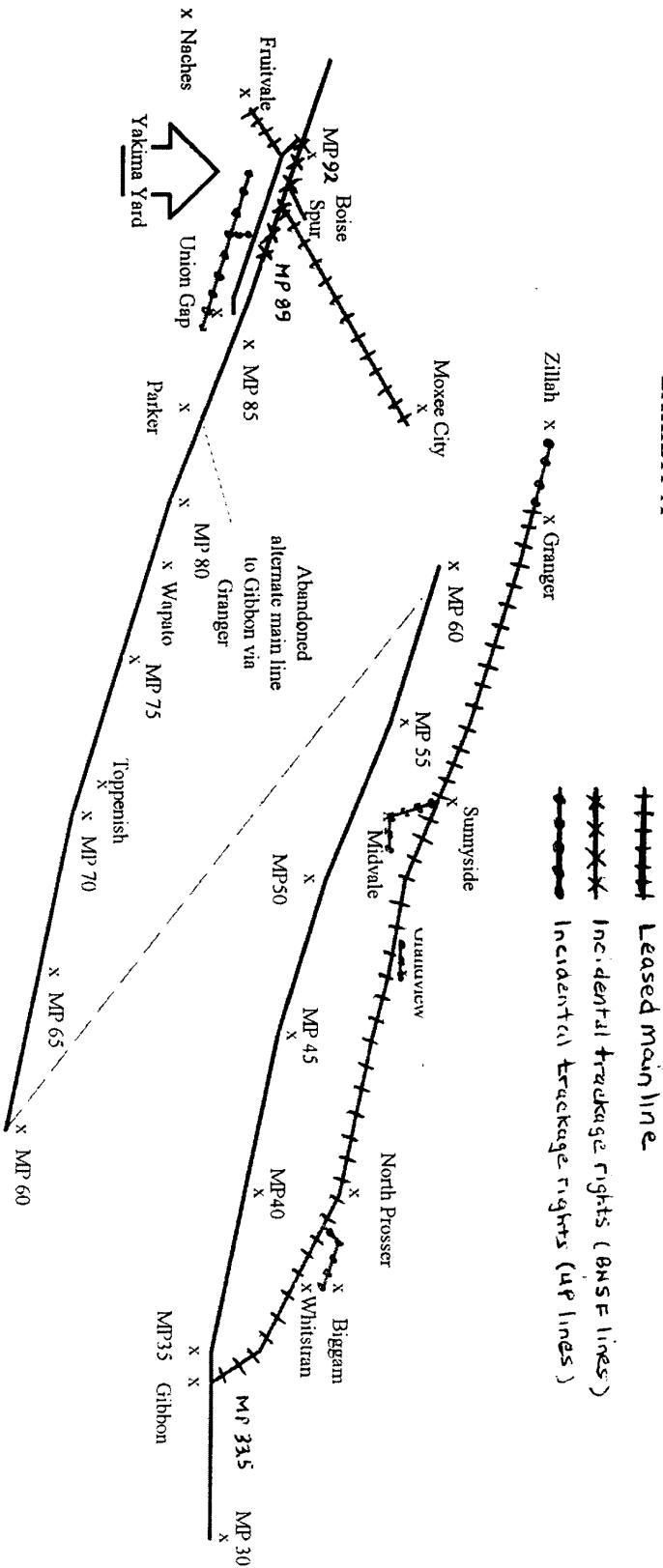
STB Finance Docket No. 34640

**CENTRAL WASHINGTON RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION--
THE BURLINGTON NORTHERN AND SANTA
FE RAILWAY COMPANY**

EXHIBIT A

MAP OF RAIL LINES

YAKIMA - FRUITVALE-MOXEE CITY GIBBON-GRANGER WA. LEASE EXHIBIT A



**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31**

STB Finance Docket No. 34640

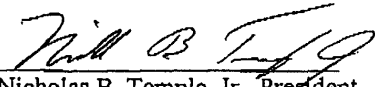
**CENTRAL WASHINGTON RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION—
THE BURLINGTON NORTHERN AND SANTA
FE RAILWAY COMPANY**

EXHIBIT B

CERTIFICATE OF REVENUE

CERTIFICATE OF REVENUE

In accordance with 49 C.F.R. § 1150.33(g), I do hereby certify that the revenue projected for CWA as a result of this transaction does not exceed that which would qualify it as a class III carrier.


Nicholas B. Temple, Jr., President
Central Washington Railroad Company

Dated: December 21, 2004

SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 34640

**CENTRAL WASHINGTON RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION--
THE BURLINGTON NORTHERN AND
SANTA FE RAILWAY COMPANY**

Central Washington Railroad Company ("CWA"), a noncarrier, has filed a notice of exemption under 49 C.F.R. § 1150.31 to lease and operate the following rail lines of The Burlington Northern and Santa Fe Railway Company, totaling approximately 41.57 route miles: (i) from approximate milepost 33.5 at or near Gibbon, WA to approximate milepost 63.5 at or near Granger; (ii) from approximate milepost 0.0 at or near Yakima, WA to approximate milepost 2.97 at or near Fruitvale, WA; (iii) from approximate milepost 0.0 at or near Yakima, WA to approximate milepost 8.6 at or near Moxee City, as well as certain related yard, industry, side and spur tracks (including without limitation the Boise Spur).

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¹ The assignment of the incidental trackage rights over the UP lines is subject to the consent of UP, which consent is anticipated to occur on or before December 30, 2004.

approximate UP milepost 98.07 (as well as the yard tracks in UP's Yakima Yard) (the "Union Gap Trackage"), which trackage rights provide CWA with limited access to UP customers (which UP traffic will be interchanged with BNSF at BNSF's Yakima Yard).

^{7.10.14} In addition, CWA will be acquiring from BNSF incidental overhead trackage rights over the following BNSF line: at Yakima, WA, from approximate milepost 89.0 to approximate milepost 92.0 (as well as adjacent running and yard tracks), which trackage rights connect the separate elements of the CWA leased lines at Yakima, WA, provide interchange access with BNSF at BNSF's Yakima Yard and facilitate CWA reaching the Union Gap Trackage.

Comments must be filed with the Surface Transportation Board, Office of the Secretary, 1925 K Street, N.W., Washington, D.C. 20423-0001 and served on Rose-Michele Weinryb, Esq., Weiner Brodsky Sidman Kider PC, 1300 19th Street, NW, Fifth Floor, Washington, D.C. 20036-1609.

This proceeding is related to: (i) STB Finance Docket No. 34641, Nicholas B. Temple and Eric Temple – *Continuance in Control Exemption – Central Washington Railroad Company*.

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*. 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.

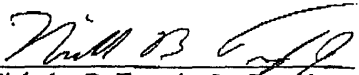
Decided:

By the Board,

² The UP mileposts are historic UP mileposts that existed when the UP Yakima Branch was intact and do not reflect any fragment mileposting that subsequently may have been adopted by UP.

VERIFICATION

I, Nicholas B. Temple, Jr., certify under penalty of perjury that the foregoing notice of exemption is true and correct to the best of my knowledge, information and belief. Further, I certify that I am qualified and authorized to cause this Verified Notice of Exemption to be filed.


Nicholas B. Temple, Jr., President
Central Washington Railroad Company

Dated: December 21, 2004