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BEFORE THE
SURFACE TRANSPORTATION BOARD

ORIGINAL



STB Finance Docket No. 34679

RECEIVED
APR - 8 2005
TRANSPORTATION BOARD

EAST PENN RAILWAYS, INC.
-ACQUISITION AND OPERATION EXEMPTION-
READING COMPANY

FILED

APR - 8 2005

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 AND 49 CFR 1150.41

TRANSPORTATION BOARD

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

ORIGINAL

Respectfully submitted,

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for East Penn
Railways, Inc.

Dated: April 8, 2005

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BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34679

EAST PENN RAILWAYS, INC.
-ACQUISITION AND OPERATION EXEMPTION-
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NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

INFORMATION REQUIRED BY 49 CFR 1150.43

<u>Name and address of applicant</u>	49 CFR 1150.43(a)
East Penn Railways, Inc.	
1973 Wellington Drive	
Suite One	
Langhorne, PA 19047	

<u>Applicant's representative</u>	49 CFR 1150.43(b)
John D. Heffner	
John D. Heffner, PLLC	
1920 N Street, N.W.	
Suite 800	
Washington, D.C. 20036	
(202) 263-4180	

Statement that an agreement has been reached **49 CFR 1150.43(c)**

A written agreement has been reached whereby East Penn Railways, Inc. (East Penn) has agreed to purchase from The Wilmington & Northern Railroad Company and its corporate parent Reading Company (collectively, the Reading)¹ a line of railroad

¹ The address of Reading Company is Reading International Inc., 550 South Hope Street, Suite 1825, Los Angeles, CA 90071.

owned by Reading and currently operated by ISG Railways, Inc. (ISG) known as the Wilmington & Northern Railroad right of way or Line 939.

Operator of the property

49 CFR 1150.43(d)

In all cases anticipated by this Notice, and as described in the transaction summary described below, East Penn will hold itself out to provide common carrier rail freight service over the subject rail line.

Brief summary of the transaction

49 CFR 1150.43(e)

East Penn, an existing class III rail carrier, proposes to purchase and operate, and Reading proposes to sell, the subject rail line extending from the Pennsylvania/Delaware state line at milepost 12.66+- approximately to a point near Elsmere Junction, Delaware, at milepost 1.89, a distance of 10.77 miles. East Penn proposes to consummate the transaction on or after April 20, 2005. ISG currently leases and operates over the subject line. East Penn's service will replace that presently offered by ISG.²

² Per agreement with ISG, East Penn is also acquiring all of ISG's rights to operate over Line 939. ISG and its corporate predecessors had previously leased and operated the subject line per agreement with Reading. See, ISG Railways, Inc.-Acquisition of Control Exemption, STB FD No. 34344 (decision served May 22, 2003) and Brandywine Valley Railroad Company LLC-Acquisition and Operation Exemption-Brandywine Valley Railroad Company, STB FD No. 34154 (decision served Jan. 10, 2002) and cases cited therein.

This transaction qualifies for a class exemption under 49 CFR 1150.41 et seq. because it involves the purchase and operation of an active rail line by an existing class III shortline rail carrier.³

Map indicating the area to be served **49 CFR 1150.43(f)**

A map depicting the line to be acquired and operated is attached as Exhibit A.

Certificate of carrier classification **49 CFR 1150.43(g)**

East Penn hereby certifies that, with this acquisition and any related transactions, its projected annual revenues will not exceed \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached hereto as Exhibit B to this notice.

Labor protection

Under 49 U.S.C. 10902 the imposition of labor protective conditions is not authorized for a class III acquisition, and thus none should be imposed on this transaction.

³ Concurrently with this filing, East Penn is filing notices in two separate proceedings to acquire segments of track connecting to the subject line. See East Penn Railways, Inc.-Acquisition Exemption-Southeastern Pennsylvania Transportation Authority, STB Finance Docket No. 34677; East Penn Railways, Inc.-Acquisition And Operation Exemption-ISG Railways, Inc., STB Finance Docket No. 34678.

Caption summary

49 CFR 1150.44

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

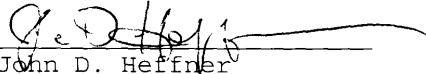
Environmental and Historic Preservation Data

49 CFR 1105

Pursuant to 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105(c)(2)(i) because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). Under this section, a sale lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Respectfully submitted,


John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for East Penn
Railways, Inc.

Dated: April 8, 2005

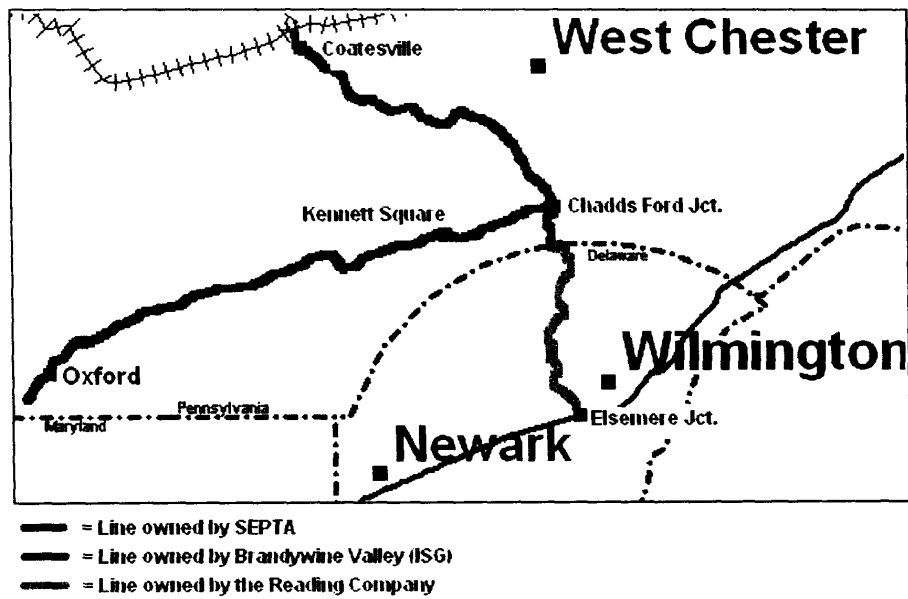


EXHIBIT B

CERTIFICATION

I, John Nolan, an officer of East Penn Railways, Inc. ("EPRY") hereby certify under penalty of perjury that the projected annual revenues of EPRY, in the aggregate, will not exceed \$5,000,000, and that EPRY will be a Class III rail carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I certify that I am qualified and authorized to make this certification on behalf of EPRY.

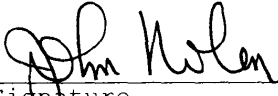

Signature

EXHIBIT C

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34679

EAST PENN RAILWAYS, INC.
-ACQUISITION AND OPERATION EXEMPTION-
READING COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 AND 49 CFR 1150.41

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

East Penn Railways, Inc. (East Penn), an existing class III short line railroad, has filed a Verified Notice of Exemption under 49 CFR 1150.41 to acquire from The Wilmington & Northern Railroad Company and its corporate parent Reading Company (collectively, Reading) and operate a line of railroad owned by Reading known as Line No. 939 extending from the Pennsylvania/Delaware state line at milepost 12.66+- approximately to a point near Elsmere Junction, Delaware, at milepost 1.89, a distance of 10.77 miles.

East Penn proposes to consummate the transaction on or after April 20, 2005.

Concurrently with this filing, East Penn is filing notices in two separate proceedings to acquire segments of track connecting to the subject line. See East Penn Railways, Inc.-

Acquisition Exemption-Southeastern Pennsylvania Transportation Authority, STB Finance Docket No. 34677; East Penn Railways, Inc.-Acquisition and Operation Exemption-ISG Railways, Inc., STB Finance Docket No. 34678.

This notice is filed under 49 CFR 1150.41. 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.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34679 must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition, a copy of each pleading must be served on:

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

(seal)

Vernon A. Williams
Secretary

VERIFICATION

STATE OF MD
CITY OF Bethesda SS

JOHN C NOLAN, being duly sworn according to law,
hereby deposes and states that (s)he is authorized to make the
Verification, has read the foregoing document, and knows the
facts asserted therein are true and accurate as stated, to the
best of (her)his knowledge, information and belief.

John C Nolan
John C. Nolan

Subscribed and sworn to before me, a Notary Public, in and for
the City of Bethesda in the State of MD, this 23
day of March 2005

[Signature]
Notary Public

My Commission expires:

