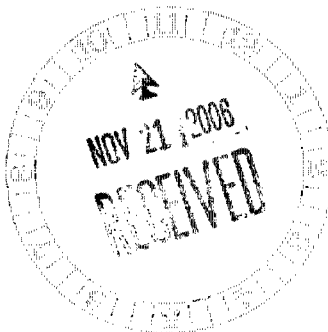


218115

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G&E GOLLATZ
GRIFFIN
& EWING
ATTORNEYS - AT - LAW

ERIC M. HOCKY
DIRECT DIAL 215.320.3720
emhocky@ggelaw.com



November 20, 2006
VIA: UPS Overnight

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Mercury Building, #711
1925 K Street, N.W.
Washington, DC 20423-0001

Re: STB Finance Docket No. 34954
Commonwealth Railway, Inc. -
Acquisition and Operation Exemption -
Norfolk Southern Railway Company
Notice of Exemption

Dear Secretary Williams:

Enclosed for filing please find the original and 10 copies of the above-referenced Notice of Exemption of Commonwealth Railway, Inc. A check in the amount of \$1,500 representing the filing fee is also enclosed.

Please time stamp the Notice of Exemption to indicate receipt, and return it to me in the stamped self-addressed envelope provided for your convenience.

Respectfully,

NOT RECEIVED

NOV 21 2006

ERIC M. HOCKY

Enclosures

U.S. DEPT. OF
TRANSPORTATION BOARD

ENTERED
Office of Proceedings

NOV 21 2006

Part of
Public Record

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FILE RECEIVED

NOV 21 2006

U.S. DEPT. OF
TRANSPORTATION BOARD

GOLLATZ, GRIFFIN & EWING, P.C.

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34954

COMMONWEALTH RAILWAY, INC.
- ACQUISITION AND OPERATION EXEMPTION -
NORFOLK SOUTHERN RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION

UNDER 49 U.S.C. §10902

FEE RECEIVED

NOV 21 2006

SURFACE
TRANSPORTATION BOARD

ERIC M. HOCKY
GOLLATZ, GRIFFIN & EWING, P.C.
Four Penn Center, Suite 200
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

Attorneys for
Commonwealth Railway, Inc.

Dated: November 20, 2006



FILED

NOV 21 2006

SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings

NOV 21 2006

Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34954

COMMONWEALTH RAILWAY, INC.
– ACQUISITION AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY

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

This Verified Notice is filed pursuant to 49 C.F.R. §1150.41 by a Class III carrier, Commonwealth Railway, Inc. ("CWRV") to exempt from regulation under 49 U.S.C. §10902 its acquisition from Norfolk Southern Railway Company ("NS"), and the operation of, the line of railroad (the "Rail Line") between Milepost F-4.0 to Milepost F-16.5 near Portsmouth, Virginia, as shown on the map attached as Exhibit A. CWRV currently leases the Rail Line from NS (as the successor to Norfolk and Western Railway Company). *See Commonwealth Railway, Inc. – Lease, Operation and Acquisition Exemption – Rail Lines in Portsmouth, Chesapeake and Suffolk, VA*, ICC Finance Docket No. 31528 (served November 8, 1989).¹ The total mileage of the Rail Line to be acquired and operated is approximately 12.5 miles. CWRV has agreed to grant NS and CSX Transportation, Inc. trackage rights over a portion of the Rail Line between Milepost F-16.5 and approximately Milepost F-9.9 to allow each connecting carrier equal access to CWRV and the Rail Line. Each trackage rights arrangement will be the subject of a separate filing with the Board.

¹ CWRV also acquired the 3.92 mile line of railroad between milepost F-0.8 and milepost F-4.0 in the 1989 transaction.

Notice

In accordance with 49 C.F.R. §1150.43, CWRV hereby states as follows:

- (a) The full name and address of Applicant are: Commonwealth Railway, Inc., 4337 Pablo Oaks Court, Suite 200, Jacksonville, FL 32224.
- (b) The name, address and telephone number of the representative of CWRV who should receive correspondence are: Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808; (215) 563-9400.
- (c) The agreement under which CWRV leases the Rail Line from NS also granted CWRV the option to purchase the Rail Line. CWRV exercised the option, and the parties have entered into an agreement to implement the purchase.
- (d) The current owner of the Rail Line is NS. The current operator is CWRV.
- (e) Brief Summary of the Proposed Transaction:

CWRV is currently leasing the Rail Line from NS, and has exercised an option to acquire the Rail Line. CWRV is an experienced Class III carrier that has been operating the Rail Line since 1989. By acquiring the Rail Line, CWRV will be able to justify the cost of improvements it wishes to make to the Rail Line and its adjacent lines to support anticipated traffic growth from a new terminal at the port that is served by the Rail Line and the adjacent lines of CWRV. CWRV has agreed to grant NS and CSX Transportation, Inc. trackage rights over a portion of the Rail Line between Milepost F-16.5 and approximately Milepost F-9.9 to allow each connecting carrier equal access to CWRV and the Rail Line.

 - (1) NS, Three Commercial Place, Norfolk, VA 23520, will be

transferring ownership of the Rail line to CWRV.

(2) CWRV is already operating the Rail Line under lease. The parties will consummate the transaction more than seven days after the filing of this notice.

(3) The mileposts of the Rail Line are between Milepost F-4.0 to Milepost F-16.5 near Portsmouth, Virginia.

(4) The total mileage to be acquired and operated is approximately 12.5 miles.

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

(g) CWRV certifies that its projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier.

(h) CWRV's annual revenues after consummation of the transaction will not exceed \$5,000,000. Accordingly, no notice is required under 49 C.F.R. §1150.42(e).

Environmental and Historic Reports

Pursuant to 49 C.F.R. §1105.6(c)(2), no environmental documentation should be required because this proceeding involves authority for an acquisition for continued operations by CWRV, and the thresholds established in 49 C.F.R. §1105.7(c)(4) or (5) will not be exceeded.

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition of a leased line for continued rail operations, and further Board approval is required to discontinue or abandon any service. CWRV has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Labor Protection

CWRV 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.

Caption Summary

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

\$1150.44.

Respectfully submitted,



ERIC M. HOCKY
GOLLATZ, GRIFFIN & EWING, P.C.
Four Penn Center
Suite 200
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

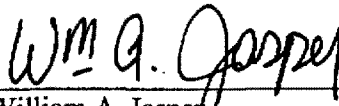
Attorneys for
Commonwealth Railway, Inc.

Dated: November 20, 2006

VERIFICATION

I, William A. Jasper, Vice President – Operations Services of Commonwealth Railway, Inc. verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on November 20, 2006.



William A. Jasper

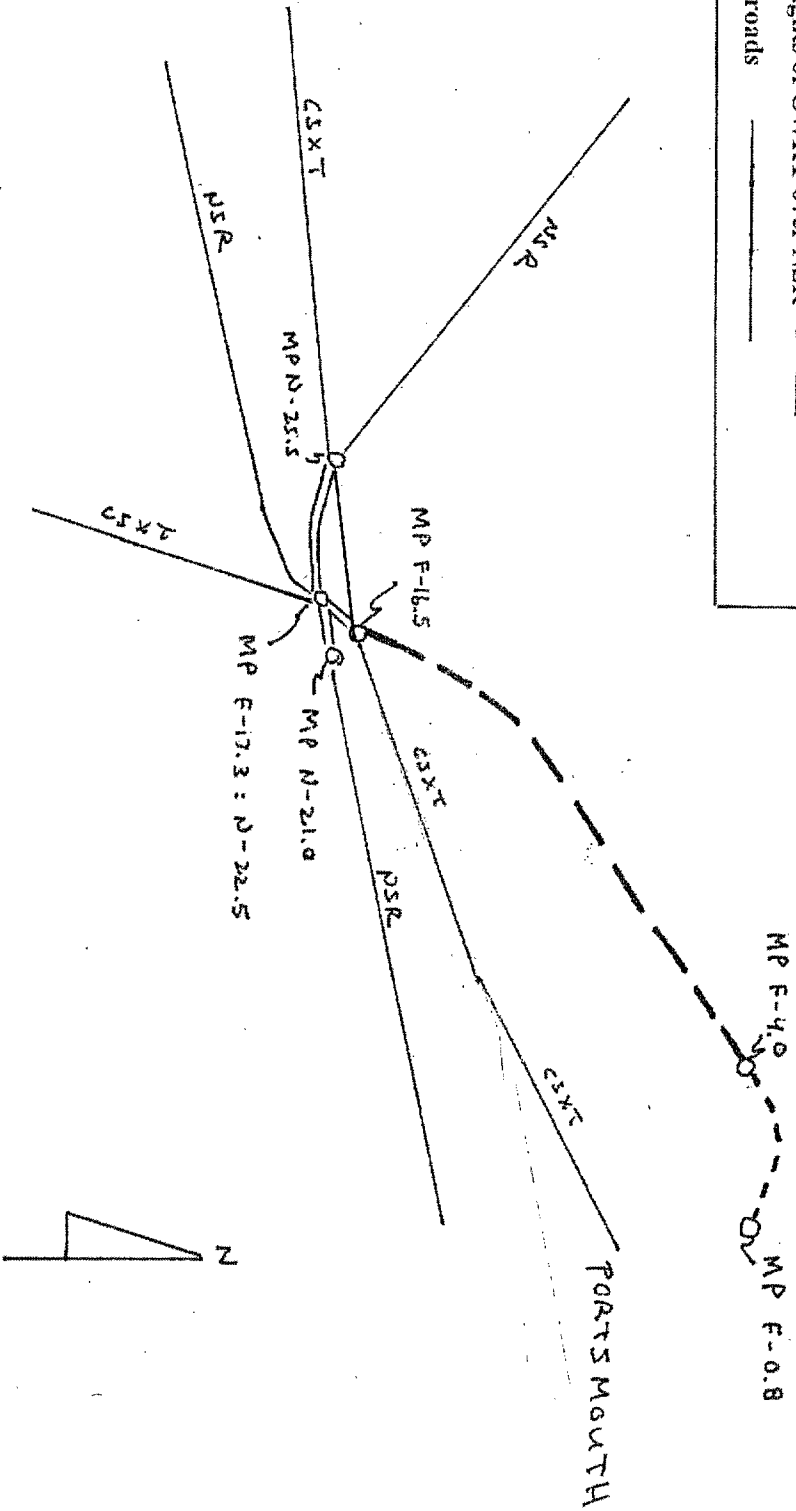
MAP

EXHIBIT A

Exhibit A - Map

(not to scale)

- Rail Line being sold to CWRY by NSR - - - - -
- Prior sale to CWRY by NSR - - - - -
- Other operating rights of CWRY over NSR = = = = =
- Lines of other railroads - - - - -



CAPTION SUMMARY

EXHIBIT B

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB FINANCE DOCKET NO. 34954

COMMONWEALTH RAILWAY, INC.
– ACQUISITION AND OPERATION EXEMPTION –
NORFOLK SOUTHERN RAILWAY COMPANY

Commonwealth Railway, Inc. (“CWRV”), a Class III carrier, has filed a Notice of Exemption to acquire and operate approximately 12.5 miles of rail line owned by Norfolk Southern Railway Company (“NS”) between Milepost F-4.0 to Milepost F-16.5 near Portsmouth, Virginia. CWRV currently operates the line pursuant to a lease with NS.

Comments must be filed with the Board and served on CWRV’s representative, Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808; (215) 563-9400.

The Notice is filed under 49 C.F.R. §1150.41. 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.