

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920

Chicago, Illinois 60606-2832

MICHAEL J. BARRON, JR.
(312) 252-1511
mbarron@fletcher-sippel.com

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**SURFACE
TRANSPORTATION BOARD**

Phone: (312) 252-1500

Fax: (312) 252-2400

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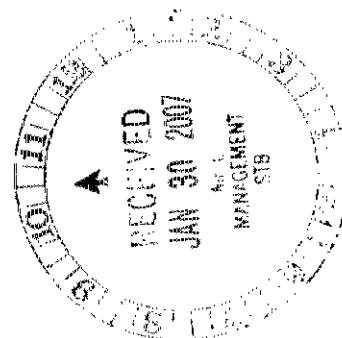
VIA FEDERAL EXPRESS

Mr. Vernon A. Williams,
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 700
Washington, DC 20006

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JAN 30 2007

**SURFACE
TRANSPORTATION BOARD**



Re: **Finance Docket No. 34988**
Williams Rail Service, LLC—Acquisition, Lease and Operation
Exemption—Lines Owned by Duchess Investments V, LLC and
G&G/Cherokee Wood Products, Inc.

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Verified Notice of Exemption of Williams Rail Service, LLC pursuant to 49 C.F.R. § 1150.31**, dated January 29, 2007. A check in the amount of \$1,500, representing the appropriate filing fee for this filing, and a computer diskette containing the text of the Notice of the *Federal Register* caption summary in MS Word 2000 format are attached.

One extra copy of the Notice and this letter also are enclosed. I would request that you date-stamp those items to show receipt of this filing and return them to me in the provided envelope.

If you have any questions regarding this filing, please feel free to contact me. Thank you for your assistance on this matter.

Very truly yours,

Michael J. Barron, Jr.

Attorney for Williams Rail Service, LLC

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JAN 30 2007

**SURFACE
TRANSPORTATION BOARD**

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34988

WILLIAMS RAIL SERVICE, LLC —
ACQUISITION, LEASE AND OPERATION EXEMPTION —
LINES OWNED BY DUCHESS INVESTMENTS V, LLC AND
G&G/CHEROKEE WOOD PRODUCTS, INC.

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VERIFIED NOTICE OF EXEMPTION
OF

WILLIAMS RAIL SERVICE, LLC
PURSUANT TO 49 C.F.R. § 1150.31

FEE RECEIVED

JAN 30 2007

SURFACE
TRANSPORTATION BOARD

FILED
JAN 30 2007
SURFACE
TRANSPORTATION BOARD

Michael J. Barron, Jr.
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

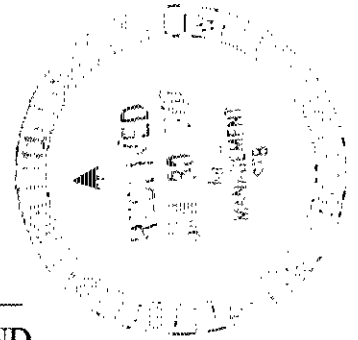
ATTORNEY FOR
WILLIAMS RAIL SERVICE, LLC

Dated: January 29, 2007

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34988

WILLIAMS RAIL SERVICE, LLC —
ACQUISITION, LEASE AND OPERATION EXEMPTION —
LINES OWNED BY DUCHESS INVESTMENTS V, LLC AND
G&G/CHEROKEE WOOD PRODUCTS, INC.



**VERIFIED NOTICE OF EXEMPTION
OF
WILLIAMS RAIL SERVICE, LLC
PURSUANT TO 49 C.F.R. § 1150.31**

Pursuant to 49 C.F.R. § 1150.31, et seq., Williams Rail Service, LLC (“WRS”), a non-carrier, hereby files this Verified Notice of Exemption to acquire rights to and operate in common carrier service two separate track segments, totaling approximately 1,900 feet of track, as shown in Exhibit A, attached herein, in Cherokee County, South Carolina and Union County, North Carolina (hereinafter both segments will be referred to collectively as the “Tracks”). Based on projected revenues for WRS, it expects to become and remain a Class III rail carrier after consummation of the transaction proposed herein.

In accordance with the requirements of 49 C.F.R. § 1150.33, WRS submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.33(a)

The full name and address of the rail carrier applicant herein is as follows:

Williams Rail Service, LLC
307 Quarry Road
P.O. Box 429
Blacksburg, SC 29702

Applicant's Representative: 49 C.F.R. § 1150.33(b)

WRS' representative to whom correspondence regarding this transaction should be sent is as follows:

Michael J. Barron, Jr.
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.33(c)

Pursuant to an agreement to be executed prior to consummation with an entity called Duchess Investments V, LLC, whose address is 10629 East Desert Willow Drive, Scottsdale, Arizona 85255, the Landlord, WRS will lease that portion of the Tracks and land on which they sit in Union County, North Carolina. WRS has acquired possession from and has reached agreement with G&G/Cherokee Wood Products, Inc., 2800 Woodtech Drive, Newton, North Carolina 28658, for the purchase of that portion of the Tracks and land on which they sit in Cherokee County, South Carolina.

Operation of the Property: 49 C.F.R. § 1150.33(d)

WRS will operate, maintain and provide all rail common carrier service on the Tracks pursuant to the transaction proposed herein. WRS may enter into agreements with contract agents to perform some services, but such contract agents will operate on the Tracks solely for the benefit of WRS and only in the name of WRS, and will operate on the Tracks solely to support WRS' common carrier obligation. The contract agents will have no independent operating authority or common carrier status.

Summary of the Transaction: 49 C.F.R. § 1150.33 (e)

WRS is acquiring, through purchase and lease, rights to operate on tracks in Cherokee County, South Carolina and Union County, North Carolina so that it may become a common carrier as well as perform other railroad-related services on the Tracks and associated land.

In particular, in Union County, North Carolina, WRS is going to lease for common carrier service approximately 600 feet of track and the underlying land shown on Exhibit A in Monroe, North Carolina. Previously, the segment in North Carolina had been a spur for a company called HoltraChem. This segment of the Tracks connects to CSX Transportation, Inc. WRS anticipates that the major products it will ship off this segment are agricultural products.

In Cherokee County, South Carolina, WRS is going to purchase for common carrier service approximately 1,300 feet of track and the underlying land shown on Exhibit A in Blacksburg, South Carolina. Previously, the segment in South Carolina had been a spur for a log home builder. This segment of the Tracks connects to Norfolk Southern Railway Company. WRS anticipates that the major products it will ship off this segment are agricultural products. The total length of the Tracks is approximately 1,900 feet.

The proposed transaction leading to the creation of a common carrier is consistent with STB precedent. See, STB Finance Docket No. 33468, Effingham Railroad Company - Operation Exemption - Line Owned by Agracel Corporation, decided September 17, 1998.

WRS intends to commence operations on the Tracks no sooner than March 1, 2007.

Map: 49 C.F.R. § 1150.33(f)

A map showing the Tracks and the surrounding area is attached as Exhibit A to this Notice.

Certificate of Compliance: 49 C.F.R. § 1150.33(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached hereto as Exhibit B to this Notice.

Advance Notice: 49 C.F.R. § 1150.32(e)

The projected annual operating revenue of WRS upon consummation of this transaction does not exceed \$5 million and, accordingly, the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See Exhibit B hereto.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

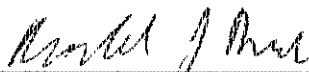
Consistent with STB precedent, WRS' proposed transaction herein is exempt from environmental reporting requirements. The proposed transaction will not result in changes in carrier operations that exceed the threshold established in 49 C.F.R. § 1105.7(e)(5) for this type of transaction. See, STB Finance Docket No. 33508, Missouri Central Railroad Company - Acquisition and Operation Exemption - Lines of Union Pacific Railroad Company, decided April 28, 1998.

Under 49 C.F.R. § 1105.8(b)(1), WRS' operation of the Tracks also is exempt from historic preservation reporting requirements. The proposed operation will restore rail operations on the Tracks. Further, Surface Transportation Board approval is required to discontinue or abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older. See, STB Finance Docket No. 33508, supra.

Caption Summary: 49 C.F.R. § 1150.44

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

Respectfully submitted,

By: 
Michael J. Barron, Jr.
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

ATTORNEY FOR WILLIAMS RAIL SERVICE, LLC

Dated: January 29, 2007.



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MAPQUEST

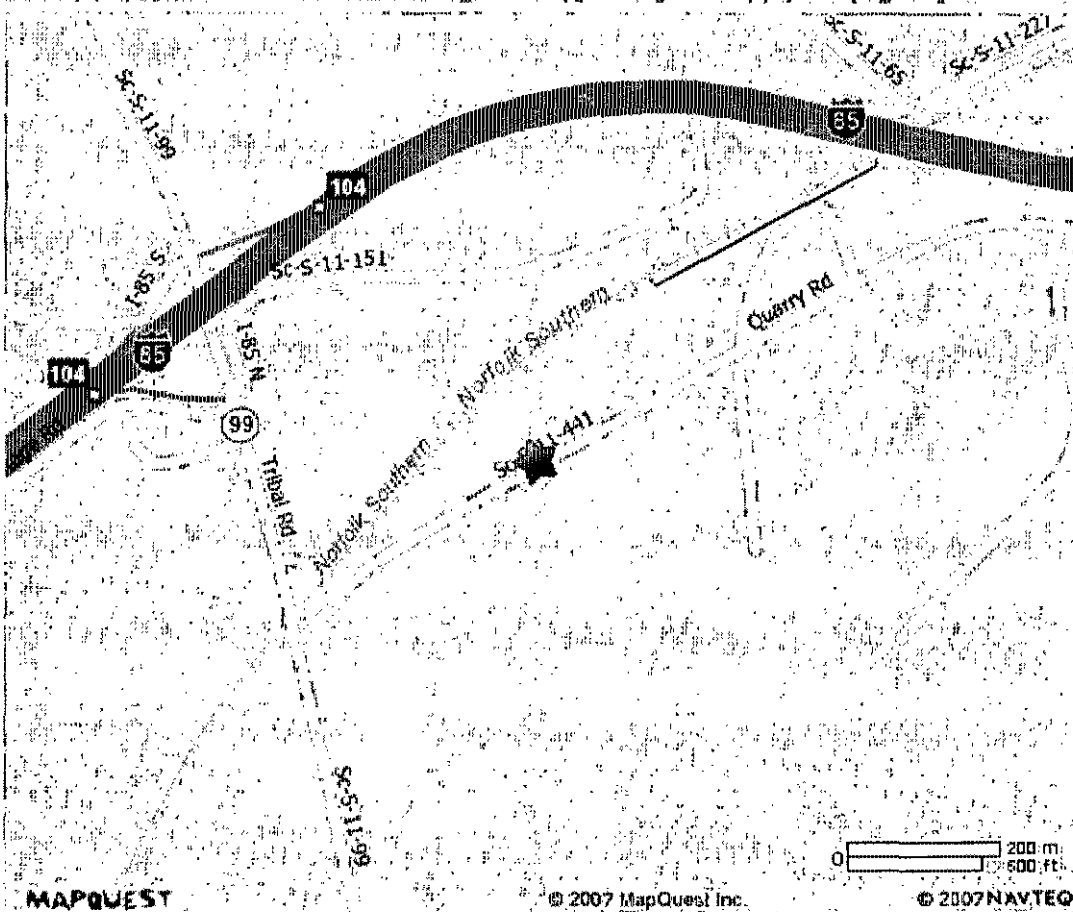
★ 309 Quarry Rd

Blacksburg, SC 29702-6309, US

Trucks in Blacksburg



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EXHIBIT A

1 of 3



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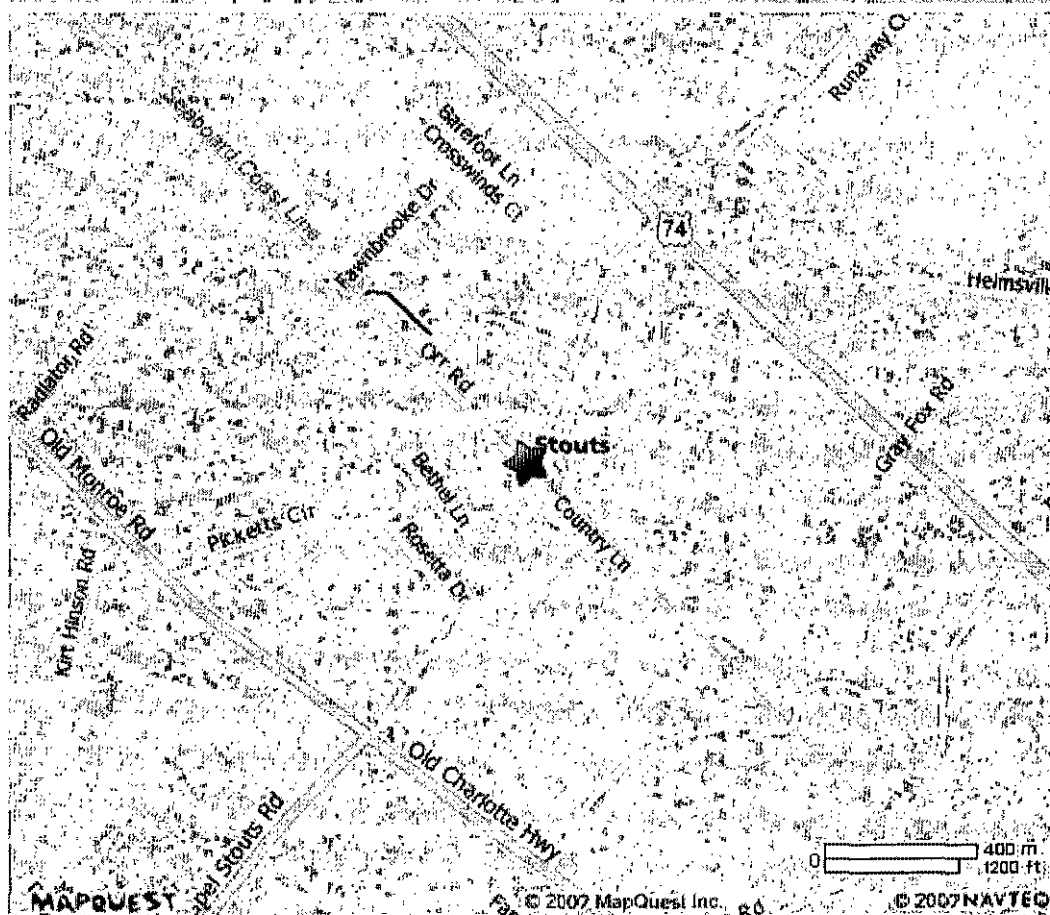
MAPQUEST

★ [3342-3345] Wesley Chapel
Stouts Rd
Monroe, NC 28110, US

Trails in Monroe



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EXHIBIT A

2 of 3

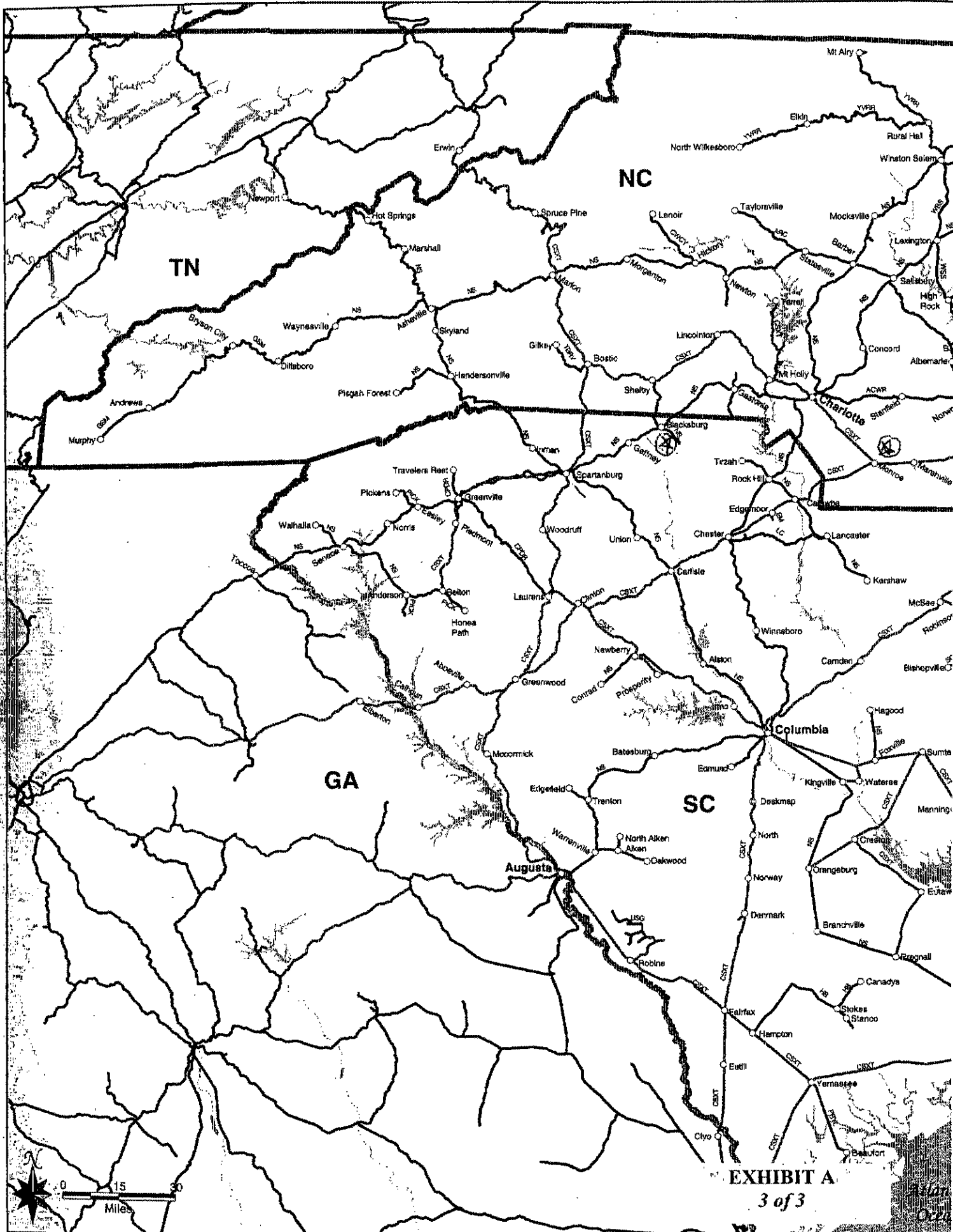


EXHIBIT A
3 of 3

EXHIBIT B

CERTIFICATION

State of SC)

County of Spartanburg)

SS:

DEAN A. HOLCOMB, JR. being duly sworn, hereby certifies that the projected annual rail revenue of Williams Rail Service, LLC does not exceed \$5 million and will not result in the creation of a Class II or Class I carrier under the provisions of 49 C.F.R. § 1201(1-1).

Dean A. Holcomb Jr.
MANAGING DIRECTOR FOR
WILLIAM RAIL SERVICE, LLC
DEAN A. HOLCOMB, JR.

SUBSCRIBED AND SWORN TO
before me this 26 day
of January, 2007

Randy Davis
Notary Public

My Commission expires: My Commission Expires January 15, 2014

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34988

WILLIAMS RAIL SERVICE, LLC —
ACQUISITION, LEASE AND OPERATION EXEMPTION —
LINES OWNED BY DUCHESS INVESTMENTS V, LLC AND
G&G/CHEROKEE WOOD PRODUCTS, INC.

WILLIAMS RAIL SERVICE, LLC ("WRS"), a non-carrier, has filed a Verified Notice of Exemption to acquire rights to and operate as a common carrier two segments of tracks totaling 1,900 feet of track, in Cherokee County, South Carolina, and Union County, North Carolina, in order to provide common carrier service on the lines described below:

- 1) Approximately 600 feet of track near the intersection of Orr Road and Wesley Chapel Stouts Road in Monroe, Union County, North Carolina, which tracks used to serve an entity called HoltraChem, connect to CSX Transportation, Inc. and are being leased from Duchess Investments V, LLC;
- 2) Approximately 1,300 feet of track near the intersection of Tribal Road and I-85 in Blacksburg, Cherokee County, South Carolina, which tracks used to serve a log home builder, connect to Norfolk Southern Railway Company, and are being purchased from G&G/Cherokee Wood Products, Inc.

WRS expects to consummate the transaction and begin operations no sooner than March 1, 2007.

Comments must be filed with the board and served on:

Michael J. Barron, Jr.
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920

Chicago, Illinois 60606-2832
(312) 252-1500

This Notice is filed under 49 C.F.R. § 1150.31. If this 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.

Dated: _____, 2007.

By the Board

Vernon A. Williams
Secretary

VERIFICATION

State of SC)

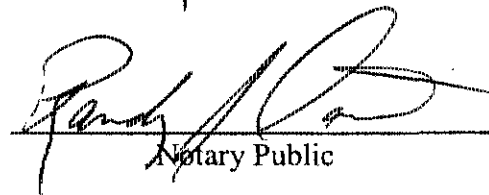
County of Spartanburg)

ss:

DEAN A. HOLCOMB, JR. being duly sworn, deposes and says that he is
MANAGING DIRECTOR of Williams Rail Service, LLC, that he has read the foregoing Notice of Exemption
and knows the facts asserted therein, and that the same are true as stated.

Dean A. Holcomb, JR.
DEAN A. HOLCOMB, JR.
MANAGING DIRECTOR FOR
WILLIAMS RAIL SERVICE, LLC.

SUBSCRIBED AND SWORN TO
before me this 26 day
of January, 2007


Notary Public

My Commission expires: My Commission Expires January 15, 2014