

ELKHART & WESTERN RAILROAD CO.

1318 SOUTH JOHANSON ROAD • PEORIA, ILLINOIS 61607 • (309) 697-1400

December 28, 2017

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ENTERED

Office of Proceedings
December 28, 2017

Part of
Public Record



Cynthia T. Brown
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Re: Elkhart & Western Railroad Co. – Acquisition And Operation Exemption – Line
Of CSX Transportation, Inc. Between Monon And Monticello, In White County,
Indiana
FD 36163

Dear Ms. Brown:

Enclosed please find a Verified Notice of Exemption (“Notice”) filed under 49 C.F.R. §1150.41, et. seq. on behalf of Elkhart & Western Railroad Co. (“EWR”) whereby EWR seeks to acquire and operate a line of railroad between Monon and Monticello in White County, Indiana. The line is currently owned and operated by CSX Transportation, Inc. Pursuant to 49 C.F.R. 1002.2(f)(14)(ii), the applicable filing fee is \$2,000. If there are any questions about this matter, please contact me at (309) 697-1400 or by e-mail at lakemper@pioneer-railcorp.com.

Respectfully submitted,

Daniel A. LaKemper, Esq.
Attorney for Elkhart & Western
Railroad Co.

Enclosures

FILED
December 28, 2017
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
December 28, 2017
SURFACE
TRANSPORTATION BOARD

BEFORE THE SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36163

ELKHART & WESTERN RAILROAD CO.
- ACQUISITION AND OPERATION EXEMPTION –
LINE OF CSX TRANSPORTATION, INC.
BETWEEN MONON AND MONTICELLO,
IN WHITE COUNTY, INDIANA

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR 1150.41

NOTICE OF OPERATION OF RAIL LINES
INFORMATION REQUIRED BY 49 CFR 1150.43

Daniel A. LaKemper, Esq.
General Counsel
Elkhart & Western Railroad Co.,
1318 S. Johanson Road
Peoria, Illinois 61607
Tel.: (309) 697-1400
lakemper@pioneer-railcorp.com

Dated: December 28, 2017.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36163

ELKHART & WESTERN RAILROAD CO.
--ACQUISITION AND OPERATION EXEMPTION--
LINE OF CSX TRANSPORTATION, INC.
BETWEEN MONON AND MONTICELLO, IN
WHITE COUNTY, INDIANA

VERIFIED NOTICE OF EXEMPTION

Pursuant to 49 C.F.R. §1150.41, et. seq., Elkhart & Western Railroad Co. ("EWR"), a Class III rail carrier, hereby files this Verified Notice of Exemption to acquire and operate a line of railroad owned by CSX Transportation, Inc. ("CSXT") between Monon, Indiana (Milepost 0QA-88.42) and Monticello, Indiana (Milepost 0QA-98.00), as shown on Exhibit A, attached hereto, in White County, Indiana (the "Line"). Based on projected revenues for the Line, EWR expects to remain a Class III rail carrier after consummation of the transaction proposed herein.

CSXT previously sought to abandon the Line, which was denied in *CSX Transportation, Inc. - Abandonment Exemption-White County, IN*, Docket No. AB-55 (Sub-No. 712X) (served September 19, 2014). CSXT embargoed the Line on March 10, 2017 due to the condition of the Line. EWR intends to repair the Line upon acquisition and to provide service to any shippers on the Line, including Monticello Farm Service, Inc.

In accordance with the requirements of 49 C.F.R. §1150.43, EWR submits the following information:

Name and Address of Applicant: 49 C.F.R. §1150.43(a)

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

Elkhart & Western Railroad Co.
1318 S. Johanson Road
Peoria, Illinois 61607

Applicant's Representative: 49 C.F.R. §1150.43(b)

The name, address and telephone number of the representative of the applicant who should receive correspondence is as follows:

Daniel A. LaKemper, General Counsel
Elkhart & Western Railroad Co.
1318 S. Johanson Road
Peoria, Illinois 61607

Statement Concerning Agreement: 49 C.F.R. §11500.43(c)

EWR has reached agreement in principle with CSX Transportation, Inc. ("CSXT"), the current owner/operator of the Line, providing for EWR to acquire CSXT's interest in the Line, and for EWR to operate the Line between Monon, Indiana (Milepost 0QA-88.425) and Monticello, Indiana (Milepost 0QA-98.00), a distance of 9.58 miles

Operation of the Property: 49 C.F.R. §1149.43(d)

EWR will operate, maintain and provide all rail common carrier services on the Line.

Brief Summary of the Transaction: 49 C.F.R. §1150.43(e):

Pursuant to the Agreement with CSXT, EWR proposes to acquire, operate, maintain, and perform all common carrier service on the Line. EWR will interchange with CSX at Monon, Indiana. There are no restrictions on interchange.

The Line is currently owned and operated by CSXT.

EWR is controlled by Pioneer Railcorp, See Finance Docket No. FD-35323, Served

December 2, 2009, Pioneer Railcorp – Continuance in Control Exemption – Georgia Southern Railway Co. EWR currently operates three lines of railroad: (1) between Elkhart, IN and Mishiwaka, IN. See Finance Docket No. 33941, Served October 10, 2000, Pioneer Railcorp and Michigan Southern Railroad Company – Corporate Family Transaction Exemption; (2) between Argos, IN and Walkerton, IN. See Finance Docket No. 35347, Served October 14, 2016, Elkhart & Western Railroad Co. – Amended Lease and Operation Exemption – Norfolk Southern Railway Company; and (3) between Argos, IN and Rochester, IN. See Finance Docket No. 35453, Served February 9, 2011, Elkhart & Western Railroad Co. – Trackage Rights Exemption – Fulton County, LLC, d/b/a Fulton County Railroad. None of these lines physically connect with the Line, nor are there any plans to connect them (Rochester, IN is approximately 47 miles from Monon). EWR will operate the Line as a separate line.

- (1) The name and address of the railroad transferring the subject property to the Class III rail carrier applicant:

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

- (2) The proposed time schedule for consummation of the transaction:

Under the Agreement, consummation of this transaction will occur on or about January 30, 2018, and operations under this exemption will begin thereafter.

- (3) The mileposts of the subject property:

The Line extends from the connection with CSXT at/near Monon, IN ((Milepost 0QA-88.42), to a point in Monticello, IN (Milepost 0QA-98.00), in White County, Indiana.

(4) The total route miles being acquired:

The length of the mainline trackage is approximately 9.58 miles.

Map: 49 C.F.R. §1150.43(f):

A map showing the Line and the surrounding trackage is attached as Exhibit A of this Notice.

Certificate of Compliance: 49 C.F.R. §1150.43(g):

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

Transactions Imposing Interchange Commitment: 49 C.F.R. §1105.43(h):

The proposed acquisition and operation of the Line does not involve a provision or agreement that would limit future interchange with a third-party connecting carrier.

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

Under 49 C.F.R. §1105(c)(2), EWR's proposed acquisition and operation of the Line is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, *i.e.*, changes that exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5).

Under 49 C.F.R. §1105.8(b)(1), EWR's acquisition and operation of the Line is also exempt from historic preservation reporting requirements. The proposed lease is for the purpose of continued rail operations. Further Surface Transportation Board approval is required to discontinue or abandon service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. §1150.44:

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

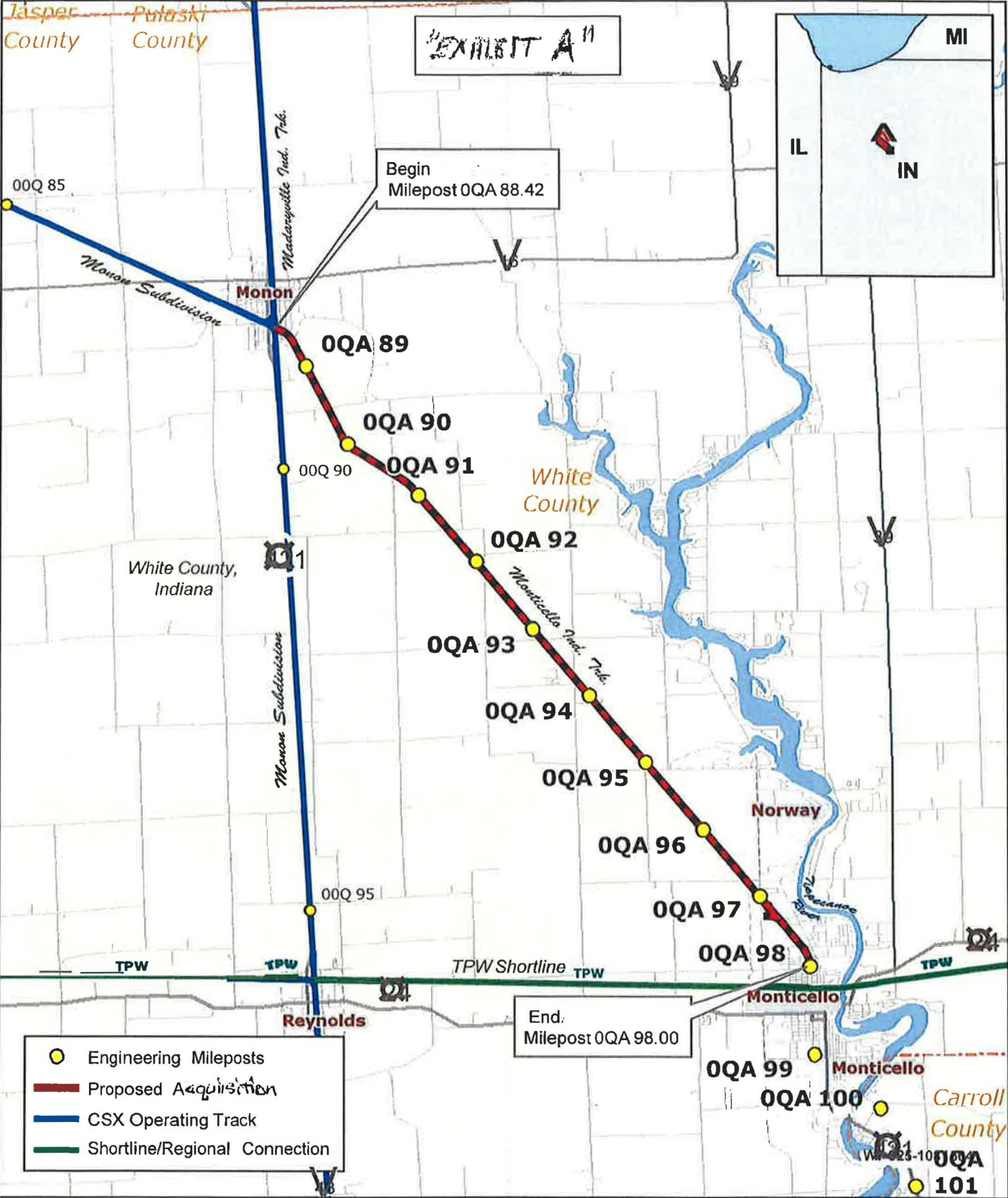
Pursuant to 49 USC §10902(d), no labor protection is required by the action described in this Notice. The only shipper known to have shipped within the last two years is being served a copy of this Notice.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Daniel A. LaKemper".

Daniel A. LaKemper, Esq.
Elkhart & Western Railroad Co.,
1318 S. Johanson Road
Peoria, Illinois 61607
Tel.: (309) 697-1400

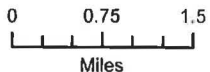
EXHIBIT A



- Engineering Mileposts
- Proposed Acquisition
- CSX Operating Track
- Shortline/Regional Connection

End.
Milepost 0QA 98.00

Map White County, IN
Monticello Industrial Track
 Milepost 0QA 88.42 to 0QA 98.00 at Monticello
 Total Distance of approx. 9.58 Miles



Y

STATE OF ILLINOIS)
) ss
COUNTY OF TAZEWELL)

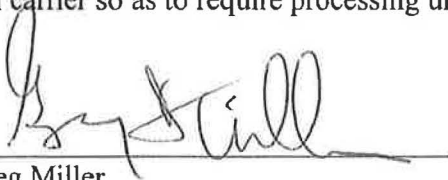
VERIFICATION AND
CERTIFICATE OF COMPLIANCE

Greg Miller, being first duly sworn, deposes and states that:

I am the Treasurer of applicant Elkhart & Western Railroad Co.

I have read the foregoing Notice of Exemption, Surface Transportation Board Finance Docket No. _____; that I am familiar with the facts stated therein; and that the contents thereof are true and correct to the best of my knowledge and belief

I hereby certify that the applicant's projected revenues from the Line proposed to be acquired combined with the revenues of the acquiring carrier (Elkhart & Western Railroad Co.) will not exceed \$5 million, nor will the transaction result in the creation of a Class II or Class I rail carrier so as to require processing under §1150.45.



Greg Miller

Subscribed and sworn to
Before me this 27th day of December, 2017



Notary Public



SURFACE TRANSPORTATION BOARD

Notice of Exemption

Finance Docket No. 36163

ELKHART & WESTERN RAILROAD CO.
-ACQUISITION AND OPERATION EXEMPTION-
LINE OF CSX TRANSPORTATION, INC.
BETWEEN MONON, INDIANA and MONTICELLO, INDIANA
IN WHITE COUNTY, INDIANA

Elkhart & Western Railroad Co. has filed a notice of exemption to acquire and operate CSX Transportation, Inc.'s Line between Monon, Indiana (MP 0QA-88.42) and Monticello, Indiana (MP 0QA-98.00). Comments must be filed with the Board and served upon Petitioner's representative, Daniel A. LaKemper, 1318 S. Johanson Road, Peoria, Illinois 61607.

The notice is filed under 49 CFR 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.

Dated:

By the Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Verified Notice of Exemption was served on the following via email on December 28, 2017:

Monticello Farm Service, Inc.
c/o Thomas F. McFarland, PC.
208 S. LaSalle St., Suite 1666
Chicago, Illinois 60604



Daniel A. LaKemper