

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36060]

Mississippi Southern Railroad, L.L.C.—Lease and Operation Exemption—The Kansas City Southern Railway Company

Mississippi Southern Railroad, L.L.C. (MSR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to continue to lease from The Kansas City Southern Railway Company (KCS), and to operate, approximately 26.5 miles of rail line between milepost 133.0 near Bay Springs, Miss., and milepost 159.5 near Newton, Miss.

MSR and KCS originally entered into a lease agreement in 2005.<sup>1</sup> According to MSR, they have recently entered into an amended and restated lease agreement (Amended Agreement) which, among other things, extends the term of the lease to August 1, 2026. MSR will continue to be the operator of the 26.5-mile line.

MSR certifies that the projected annual revenues as a result of this transaction will not result in MSR's becoming a Class I or Class II rail carrier and that its projected annual revenue will not exceed \$5 million. MSR states that the Amended Agreement regarding the subject line does not contain any provision that prohibits MSR from interchanging traffic with a third party or limit MSR's ability to interchange with a third party.

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<sup>1</sup> See Miss. S. R.R.—Lease & Operation Exemption—Kan. City S. Ry., FD 34684 (STB served April 21, 2005).

The proposed transaction may be consummated on or after September 24, 2016, the effective date of the exemption (30 days after the verified notice of exemption was filed). If the verified 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 effectiveness of the exemption. Petitions to stay must be filed by September 16, 2016 (at least seven days prior to the date the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36060 must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on applicant's representative, Karl Morell, Karl Morell & Associates, 655 Fifteenth Street, N.W., Suite 225, Washington, DC 20005.

According to MSR, this action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: September 2, 2016.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

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Clearance Clerk

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