

RAIL REGULATORY LAW
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Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423-0001

**Re: Waterloo Railroad, LLC – Change of Operator
Exemption with Interchange Commitment –
Union Pacific Railroad Company, FD 36798**

Dear Ms. Brown:

Iowa Northern Railway Company (“IANR”) is the current lessee and operator of the line that is the subject of the above-referenced Change of Operator Exemption. If the notice of exemption is approved, IANR will be replaced by Waterloo Railroad, LLC (“WTRL”) and IANR’s operating authority under the lease would be discontinued upon consummation of the transaction. See *Cleveland Com. R.R.—Change in Operators Exemption—Wheeling & Lake Erie Ry.*, Docket No. FD 34521 (STB served Aug. 6, 2004).

Union Pacific Railroad Company (“UP”) did not serve IANR with the notice of lease termination until Friday, July 19. IANR believes it is important for UP, WTRL, and IANR to coordinate on a smooth transition to WTRL for the benefit of shippers. Among other things, termination of the lease will reactivate IANR trackage rights on the subject line and the existing trackage rights agreements need to be reconciled and then operationally aligned with WTRL’s new operations. While there have been some discussions about the transition, more coordination is necessary for a smooth transition. For this reason, IANR informed WTRL that it could not consent to the change in operator filing.

IANR will work cooperatively and expeditiously with WTRL and UP. Because IANR has not consented to the change of operator exemption, IANR requests that the exemption not become effective until a reasonable time is allowed for the coordination discussions to be

completed. See *SJRE-Railroad Series—Exemption Under 49 C.F.R. 1150.31—Rail Line in Harris County, Tex.*, Docket No. FD 36279 (STB served Apr. 5, 2019) (noting that to qualify for a change of operator exemption, filing party must show that incumbent railroad consents to being replaced).

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin M. Sheys', with a stylized, cursive script.

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