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ENTERED
Office of Proceedings

JUN 17 2013

Part of
Public Record

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June 14, 2013

234408

VIA FEDERAL EXPRESS

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20024

FILED

JUN 17 2013

**SURFACE
TRANSPORTATION BOARD**

Re: **Finance Docket No. 35268 (Sub-No. 1)
Illinois Central Railroad Company – Amendment of Trackage
Rights Exemption – Grand Trunk Western Railroad Company**

Dear Ms. Brown.

Enclosed for filing in the above-captioned proceeding are an original and ten copies of a **Verified Notice of Exemption Pursuant to 49 C.F.R. § 1180.2(d)(7)**, dated June 14, 2013. A check in the amount of \$1,200.00, representing the appropriate fee for this filing, is attached.

One extra copy of this transmittal letter and of the Notice also are enclosed. I would request that you date-stamp those copies 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.

Respectfully submitted,

Thomas J. Litwiler
Attorney for Illinois Central Railroad Company



TJL:tl

Enclosures

RECEIVED

JUN 17 2013

TRANSPORTATION BOARD

ORIGINAL

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35268 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY
-- AMENDMENT OF TRACKAGE RIGHTS EXEMPTION --
GRAND TRUNK WESTERN RAILROAD COMPANY**

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Office of Proceedings
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**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1180.2(d)(7)**

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**SURFACE
TRANSPORTATION BOARD**

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TRANSPORTATION BOARD

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**ATTORNEYS FOR ILLINOIS CENTRAL
RAILROAD COMPANY**

Dated: June 14, 2013



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35268 (SUB-NO. 1)

ILLINOIS CENTRAL RAILROAD COMPANY
-- AMENDMENT OF TRackage RIGHTS EXEMPTION --
GRAND TRUNK WESTERN RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1180.2(d)(7)**

Illinois Central Railroad Company ("IC"), a common carrier by rail, hereby files this verified notice of exemption under 49 C.F.R. § 1180.2(d)(7) for the amendment of IC's existing non-exclusive trackage rights originally granted by Grand Trunk Western Railroad Company ("GTW") over a rail line between Railport Yard in Chicago, Illinois and Griffith, Indiana. As amended, IC's trackage rights will extend an additional seven miles over GTW's rail line between Griffith and Spring Lake, Indiana.

In accordance with the requirements of 49 C.F.R. § 1180.4(g), IC submits the following information:

Description of the Proposed Transaction: 49 C.F.R. § 1180.6(a)(1)(i)

IC and GTW are indirect subsidiaries of Canadian National Railway Company ("CNR"). See Canadian National Ry. Co. -- Control -- Illinois Central Corp., 4 S.T.B. 122 (1999).¹ In 2009, IC obtained non-exclusive trackage rights over GTW's Elsdon Subdivision between milepost 6.9 at Railport Yard in Chicago, Illinois and GTW's connection with the Elgin,

¹ CNR's U.S. rail subsidiaries, including IC and GTW, are held by Grand Trunk Corporation ("GTC"), a wholly-owned direct subsidiary of CNR, and report to the Board on a consolidated basis under the GTC name

Joliet & Eastern Railway Company ("EJ&E") at or near milepost 36.1 in Griffith, Indiana, a distance of approximately 29.2 miles.² Illinois Central Railroad Company -- Trackage Rights Exemption -- Grand Trunk Western Railroad Company, Finance Docket No. 35268 (STB served August 17, 2009 and September 1, 2009). IC trains from the west reach one leg of the GTW-EJ&E connection at Griffith via a trailing point switch, and IC believes that its existing trackage rights include the headroom necessary to operate via that switch. Because questions have been raised regarding the nature and extent of IC's rights to perform rail movements east of that switch, GTW has agreed to grant IC additional trackage rights for approximately seven miles beyond Griffith, to the nearest location where a typical train can be held without blocking local grade crossings.

Specifically, pursuant to a written Amendment Trackage Rights Agreement between the parties dated as of May 24, 2013, GTW will grant IC non-exclusive trackage rights over GTW's South Bend Subdivision between GTW's connection with WCL (formerly EJ&E) at

² At the time of the initial trackage rights transaction, EJ&E was (like IC and GTW) an indirect subsidiary of CNR. See Canadian National Railway Company -- Control -- EJ&E West Company, Finance Docket No. 35087 (STB served December 24, 2008). On January 1, 2013, EJ&E was merged into Wisconsin Central Ltd. ("WCL"), another CNR affiliate. Wisconsin Central Ltd -- Intra-Corporate Family Merger Exemption -- Elgin, Joliet & Eastern Railway Company, Finance Docket No. 35630 (STB served June 8, 2012 and September 5, 2012)

On June 8, 2013, CSX Transportation, Inc. ("CSXT") acquired an exclusive operating easement over a portion of GTW's Elsdon Subdivision, and granted IC new local and overhead trackage rights over that segment of line. See CSX Transportation, Inc. -- Acquisition of Operating Easement -- Grand Trunk Western Railroad Company, Finance Docket No. 35522 (STB served February 8, 2013) at 9 & n.25 (embracing Finance Docket No. 35522 (Sub-No. 2), Chicago, Central & Pacific Railroad Company, Elgin, Joliet and Eastern Railway Company, Illinois Central Railroad Company and Wisconsin Central Ltd -- Trackage Rights Exemption -- CSX Transportation, Inc.). The CSXT transaction is unrelated to the trackage rights amendment proposed in this notice

or near milepost 36.1 in Griffith, Indiana and milepost 43.3 in Spring Lake, Indiana, a distance of approximately 7.2 miles.

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

Illinois Central Railroad Company
17641 South Ashland Avenue
Homewood, Illinois 60430
(708) 332-4381

Any questions concerning this Notice should be sent to IC's representative at the following address:

Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1508

Proposed Time Schedule for Consummation: 49 C.F.R. § 1180.6(a)(1)(ii)

IC intends to consummate the proposed trackage rights amendment transaction on July 17, 2013.

Purpose Sought to Be Accomplished: 49 C.F.R. § 1180.6(a)(1)(iii)

The proposed amendment to IC's existing trackage rights is intended to confirm IC's ability to operate efficiently to, from and through the GTW-EJ&E connection at Griffith, Indiana.

States in Which Applicant's Property is Located: 49 C.F.R. § 1180.6(a)(5)

IC owns or operates over rail property in the states of Alabama, Illinois, Indiana, Kentucky, Louisiana, Mississippi and Tennessee

Map - Exhibit 1: 49 C.F.R. § 1180.6(a)(6)

A map of the rail line over which IC proposes to acquire extended trackage rights is attached hereto as Exhibit 1.

Agreement - Exhibit 2: 49 C.F.R. § 1180.6(a)(7)(ii)

A copy of the Amendment Trackage Rights Agreement entered into by IC and GTW and dated as of May 24, 2013 is attached hereto as Exhibit 2. A copy of the underlying July 13, 2009 trackage rights agreement between IC and GTW was initially filed with the Board, in public and confidential versions, in Finance Docket No 35268, Illinois Central Railroad Company -- Trackage Rights Exemption -- Grand Trunk Western Railroad Company.

Labor Protective Conditions: 49 C.F.R. § 1180.4(g)(1)(i)

As a condition to this exemption, IC agrees to imposition of the employee protective conditions established in Norfolk and Western Ry. Co. -- Trackage Rights -- BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry Inc -- Lease and Operate, 360 I.C.C. 653 (1980).

Caption Summary: 49 C.F.R. § 1180.4(g)(2)(i)

A caption summary of this transaction suitable for publication in the *Federal Register* is attached hereto as Exhibit 3.

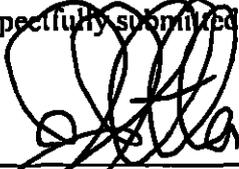
Environmental and Historic Preservation Matters: 49 C.F.R. § 1180.4(g)(3)

Under 49 C.F.R. § 1105.6(c)(4), the proposed trackage rights amendment is exempt from environmental reporting requirements.

Under 49 C.F.R. § 1105.8(b)(3), the proposed acquisition of extended trackage rights by IC also is exempt from historic preservation reporting requirements. The proposed

trackage rights amendment will not substantially change the level of maintenance of any railroad property.

Respectfully submitted,

By: 

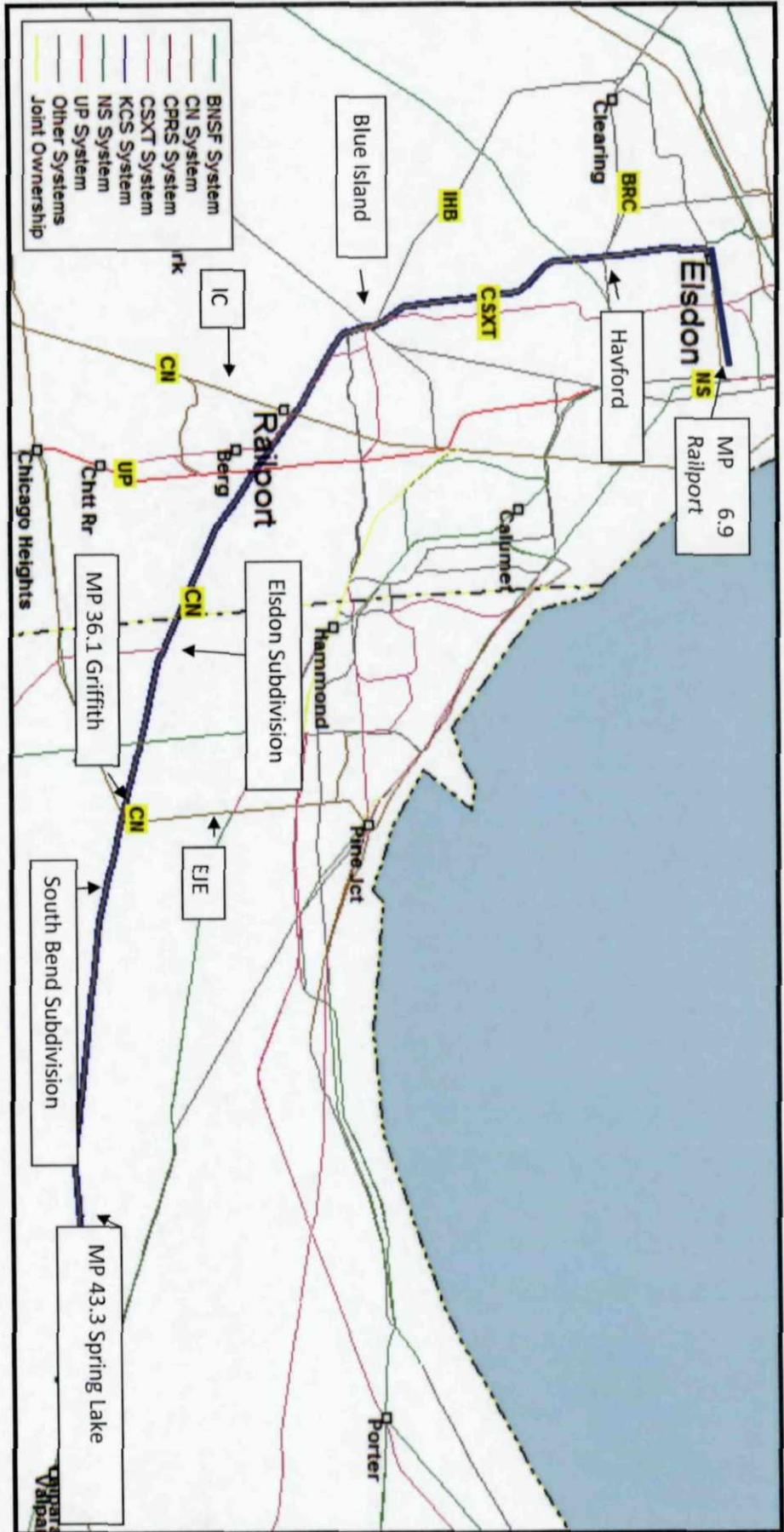
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Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEYS FOR ILLINOIS CENTRAL
RAILROAD COMPANY**

Dated: June 14, 2013

EXHIBIT 1



Finance Docket No. 35268 (Sub-No. 1)
 IC Trackage Rights Over GTW

AMENDMENT TRACKAGE RIGHTS AGREEMENT

THIS AMENDMENT, entered into as of this 24th day of May 2013 by and between **GRAND TRUNK WESTERN RAILROAD COMPANY**, hereinafter referred as "GTW" and **ILLINOIS CENTRAL RAILROAD COMPANY**, hereinafter referred to as ("IC").

WHEREAS, GTW and IC entered into an agreement dated July 13, 2009 ("Agreement") which, among other things, provided for IC to operate its trains, cars, locomotives and equipment over the tracks of the GTW between GTW's Railport Yard at or near MP 6.9 in Chicago, IL and GTW's connection to the Elgin, Joliet and Eastern Railway Company ("EJ&E") at or near MP 36.1 at Griffith, IN on GTW's Elsdon Subdivision; and

WHEREAS, Effective January 1, 2013 the Canadian National Railway Company merged its wholly owned subsidiary company ("EJ&E") with its sister company Wisconsin Central, Ltd. ("WC"); and

WHEREAS, GTW owns and operates a segment of railroad located between MP 36.1 and MP 43.3 on GTW's South Bend Subdivision; and

WHEREAS, IC has requested trackage rights over GTW's segment of railroad between MP 36.1 and MP 43.3 on GTW's South Bend Subdivision; and

WHEREAS, GTW agrees to grant IC trackage rights for the movement of traffic over GTW's segment of railroad between MP 36.1 and MP 43.3 on GTW's South Bend Subdivision subject to the terms and conditions set forth herein.

NOW, THEREFORE, The parties hereto, intending to be legally bound, agree as follows:

Section 1.0 of the Agreement shall be replaced in its entirety with the following:

1.1 Subject to the terms and conditions herein provided, Owner hereby grants to User the right to operate, in freight service only, its trains, locomotives, cars, and equipment with its own crews (hereinafter referred to as the "Trackage Rights") over the following segment of Owner's railroad as shown on the plan attached hereto, made a part hereof and marked Exhibit "A" (hereinafter referred to as the "Subject Trackage"):

- That portion of GTW between GTW's Railport Yard at or near MP 6.9 and MP 36.1 on GTW's Elsdon Subdivision, a distance of approximately 29.2 miles.
- That portion of GTW between GTW's connection to WC at or near MP 36.1 and MP 43.3 (Spring Lake) on GTW's South Bend Subdivision, a distance of approximately 7.2 miles.
- The total distance of the subject trackage is approximately 36.4 miles.
- Such segments defined above shall include (1) all sidings, industry tracks, yard tracks and yard leads now existent or hereafter constructed along the aforesaid tracks to be used hereunder, and (2) right of way for the aforesaid tracks, signals, interlocking devices and plants, telegraph and telephone lines, and other appurtenances necessary to the use hereunder of the aforesaid tracks by the parties hereto.

- Such rights shall include the right to enter and exit the Subject Trackage at:
 - GTW's connection The Belt Railway Company of Chicago at or near Milepost 11.8 (Hayford) at Chicago, IL on GTW's Elsdon Subdivision.
 - GTW's connection with the Indiana Harbor Belt Railroad Company at or near Milepost 19.3 (Blue Island Jct.) at Blue Island, IL on GTW's Elsdon Subdivision.
 - GTW's connection with the Illinois Central Railroad Company at or near Milepost 23.2 (CN Jct) at Harvey, IL on GTW's Elsdon Subdivision.
 - GTW's connection the Union Pacific Railroad Company at or near GTW's Milepost 25.2 (Thornton Junction) at Thornton, IL on GTW's Elsdon Subdivision.
 - GTW's connection to the WC at or near Milepost 36.1 (Griffith) at Griffith, IN on GTW's South Bend Subdivision.
 - And any other existing or new location(s) that the parties may mutually agree upon.

Exhibit "A" is replaced in its entirety with a new Exhibit "A" attached hereto and made a part hereof.

Except as specifically herein modified, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Amendment to the Agreement, in duplicate as of the day and year first above written.

**ILLINOIS CENTRAL RAILROAD
RAILROAD COMPANY**

**GRAND TRUNK WESTERN
RAILROAD COMPANY**

By *Paul E. Ladue*

By *John E. Merrill*

Dated 5/23/13

Dated 5/24/2013

Paul E. Ladue
Region Director Contracts & Administration

John E. Merrill
Manager Contracts



NOTICE OF EXEMPTION

FINANCE DOCKET NO 35268 (SUB-NO. 1)

ILLINOIS CENTRAL RAILROAD COMPANY
-- AMENDMENT OF TRackage RIGHTS EXEMPTION --
GRAND TRUNK WESTERN RAILROAD COMPANY

Grand Trunk Western Railroad Company ("GTW") has agreed to grant extended, non-exclusive trackage rights to Illinois Central Railroad Company over GTW's South Bend Subdivision between the connection with Wisconsin Central Ltd. (formerly Elgin, Joliet & Eastern Railway Company) at or near milepost 36.1 in Griffith, Indiana and milepost 43.3 in Spring Lake, Indiana, a distance of approximately 7.2 miles. The proposed rights are an amendment to existing trackage rights approved in Illinois Central Railroad Company -- Trackage Rights Exemption -- Grand Trunk Western Railroad Company, Finance Docket No. 35268 (STB served August 17, 2009 and September 1, 2009). The proposed trackage rights will be effective on July 17, 2013.

This Notice is filed under 49 C.F.R. § 1180.2(d)(7). 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: June xx, 2013

By the Board

Rachel D. Campbell
Director, Office of Proceedings

