

33358

SERVICE DATE - FEBRUARY 10, 2003

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34309]

The Kansas City Southern Railway Company—Trackage Rights Exemption—Illinois Central Railroad Company

Illinois Central Railroad Company (IC), pursuant to a written trackage rights agreement¹ between the Canadian National Railway Company (CN) and The Kansas City Southern Railway Company (KCS), will grant overhead trackage rights to KCS between the connection to KCS at approximately milepost 160.0 at Jackson, MS, and approximately milepost 67.5 at Palmer, MS (near Hattiesburg, MS), a distance of approximately 92.5 miles (the line).²

¹ The trackage rights agreement was concurrently filed under seal, along with a motion for protective order. A protective order was served in this proceeding on February 4, 2003.

² According to KCS, on May 1, 1998, KCS and CN agreed that, contingent upon CN obtaining approval to acquire control of IC, IC would grant overhead trackage rights to KCS over the line. CN was granted such approval in Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated—Control—Illinois Central Corporation, Illinois Central Railroad Company, Chicago, Central and Pacific Railroad Company, and Cedar River Railroad Company, STB Finance Docket No. 33556, Decision No. 37 (STB served May 25, 1999). KCS states that, because it was able to operate via haulage rights over the line, it did not exercise its right, granted in the May 1, 1998 agreement, to convert the haulage rights to trackage rights and, therefore, did not previously seek a trackage rights exemption from the Board. Now, due to a change in KCS's operations and

(continued...)

The transaction was scheduled to be consummated on or about February 1, 2003.

The purpose of the trackage rights is to allow KCS to use the line to handle traffic currently handled by IC for KCS pursuant to a haulage agreement, thereby improving its operating efficiency in the Jackson to Gulfport, MS market.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed 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).

This notice is filed under 49 CFR 1180.2(d)(7). If it 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.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34309, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on William A. Mullins, Troutman Sanders LLP, 401 Ninth Street, N.W., Suite 1000, Washington, DC 20004-2134.

²(...continued)
marketing plans, KCS desires to implement trackage rights over the line.

Board decisions and notices are available on our website at

“WWW.STB.DOT.GOV.”

Decided: February 5, 2003.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary