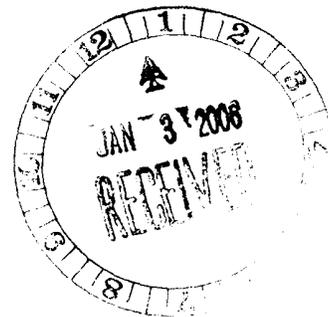


**BEFORE THE
SURFACE TRANSPORTATION BOARD**



Finance Docket #34698

215476

**PETITION OF BAY COLONY RAILROAD
CORPORATION FOR DECLARATORY ORDER**

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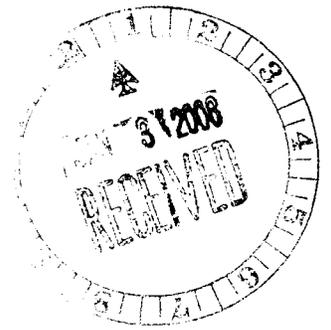
Dated: December 30, 2005

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Office of Proceedings

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Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket #34698

JOINT STATUS REPORT AND REQUEST TO CONTINUE TO
HOLD PROCEEDING IN ABEYANCE

In a decision served on July 11, 2005, the Board granted the request of the Massachusetts Bay Transportation Authority (“MBTA”) and the Bay Colony Railroad Corporation (“Bay Colony”) to hold the above-captioned proceeding in abeyance in order to afford the parties an opportunity to discuss settlement of the issues. Thereafter in an order served on November 3, 2005 the Board directed the parties to report on the status of their negotiations by January 3, 2006. For the reasons outlined below, the MBTA and Bay Colony request the Board to continue to hold this matter in abeyance in order to enable the parties to complete their negotiations.

Since the parties’ Joint Status Report dated October 31, 2005, the assignment of easement rights with respect to freight operations on the Millis Industrial Track which CSX Transportation had delivered to Bay Colony has been put on record at the Registry of Deeds and the MBTA is filing herewith a stipulation of dismissal with prejudice its Notice of Termination of Operating Authority of the Bay Colony Railroad Corporation (Finance Docket 29963).

The parties have not yet finalized a Trackage Rights Agreement that would supplement and amplify the terms and conditions of the easement, referred to above, governing the Bay Colony’s operation over the Millis Industrial Track. The negotiations had been delayed by the retirement of Dan Breen, the official at the MBTA responsible for the trackage rights agreement. Mr. Breen’s successor has familiarized himself with the relevant issues and the parties expect to be able to complete these negotiations in the near future.

For the foregoing reasons, the parties request that the Board continue to hold this matter in abeyance. Following the signing of the Trackage Rights Agreement, the parties contemplate that they will seek to dismiss Bay Colony's Petition for Declaratory Order and will file appropriate notices of exemption concerning the status of, and Bay Colony's operation on, the Millis Industrial Track.

MASSACHUSETTS BAY
TRANSPORTATION AUTHORITY

BAY COLONY RAILROAD CORP.

By its attorney,

By its attorney,



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December 30, 2005