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September 29, 2010

Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423

BY ELECTRONIC FILING

**Re: STB Finance Docket No. 35418  
Jackson & Lansing Railroad Company—Trackage Rights  
Exemption—Norfolk Southern Railway Company**

Dear Madam Chief:

Please accept Jackson & Lansing Railroad Company's ("JAIL") letter supplementing and correcting the above filing in lieu of a more formal pleading to reflect the following:

JAIL's Verified Notice of Exemption filed September 20, 2010 incorrectly states that CSX Transportation, Inc. ("CSXT") had consented to the assignment of trackage rights over 1.06 miles of the Lansing Secondary owned by Norfolk Southern Railway Company ("NSR") and leased to CSXT between Milepost LZ 36.8 in Lansing, MI and Milepost LZ 37.86 in North Lansing, MI by NSR to JAIL.

CSXT's executed letter of consent to the assignment was obtained by NSR on September 28, 2010, and is attached hereto as Exhibit 2-C.

The error resulted from a misunderstanding on the part of applicant's counsel as to the status of CSXT's consent.

JAIL requests that the Board accept this supplement to its Exemption Notice *nunc pro tunc*.

Additionally, pursuant to the requirements of 49 CFR 1180.2(d)(7), JAIL is electronically filing the fully executed version of Exhibit 2-B, the Assignment of the aforementioned Trackage Rights from NSR to JAIL.

We thank the Board for its time and consideration.

Respectfully submitted,  
John D. Hefner, PLLC

  
By: James H. M. Savage  
Of counsel

Enc.

**ASSIGNMENT OF TRACKAGE RIGHTS  
AND OTHER JOINT FACILITY AGREEMENTS**

This **ASSIGNMENT OF TRACKAGE RIGHTS AND OTHER JOINT FACILITY AGREEMENTS** (this "Assignment") is made and entered into this 16th day of September, 2010, by and between **JACKSON & LANSING RAILROAD COMPANY**, a Michigan corporation ("JAIL"), and **NORFOLK SOUTHERN RAILWAY COMPANY**, a Virginia corporation ("NSR"), as successor in interest to Consolidated Rail Corporation ("Conrail").

**WHEREAS**, there exists that certain trackage rights agreement, dated October 13, 1924, by and between the Pere Marquette Railway Company, predecessor of CSX Transportation, Inc. ("CSXT") and the Michigan Central Railroad Company, predecessor of Conrail and NSR, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1924 Agreement"); and

**WHEREAS**, there exists that certain interlocking agreement, dated July 20, 1987, by and between The Chesapeake & Ohio Railway Company ("C&O"), predecessor of CSXT and Conrail, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1987 Agreement"); and

**WHEREAS**, there exists that certain interchange and operating rights agreement, dated April 26, 1993, by and between Conrail and CSXT, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1993 Agreement"); and

**WHEREAS**, there exists those certain lease and trackage rights agreements (the "1995 Trackage Rights Agreement"), dated April 21, 1995, by and between Conrail and CSXT, as such have been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1995 Agreements"); and

**WHEREAS**, there exists that certain maintenance and operation agreement, dated September 12, 1996, by and between Conrail and CSXT, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1996 Agreement"); and

**WHEREAS**, there exists that certain connecting track agreement, dated December 5, 1969, by and between the Penn Central Company, predecessor of NSR, and Grand Trunk Western Railroad Company ("GTW"), as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1969 Agreement"); and

**WHEREAS**, there exists that certain interchange agreement, dated January 7, 1980, by and between Conrail, and GTW, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1980 Agreement"); and

**WHEREAS**, there exists that certain interlocking agreement, dated November 3, 1988, by and between Conrail and GTW, as it has been from time to time amended and assigned, and the underlying right of movements in and about Lansing, MI (the "1988 Agreement"); and

**WHEREAS**, NSR is the owner of the line of railroad and related trackage and real property commonly referred to as the "Lansing Secondary", the "Lansing Industrial Track," and the "Lansing Manufacturers Railroad" (collectively, the "Line") and, contemporaneously herewith, NSR and JAIL have entered into a Lease Agreement whereby NSR is leasing the Line to JAIL (the "Line Lease Agreement");

**WHEREAS**, contemporaneously herewith, NSR and JAIL are entering into a separate Interchange Agreement (providing for the interchange of traffic between the parties) and a separate Thoroughbred Through Freight Agreement (providing for JAIL to serve as a handling line for NSR);

**WHEREAS**, NSR desires to assign to JAIL, and JAIL desires to assume from NSR, the 1924 Agreement, the 1987 Agreement, the 1993 Agreement, the 1995 Agreements, the 1996 Agreement, the 1969 Agreement, the 1980 Agreement and the 1988 Agreement (collectively "Lansing Joint Facilities Agreements"), in accordance with the terms and conditions hereof.

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, and intending to be legally bound hereby, JAIL and NSR hereby agree as follows:

1. Effective as of the later of (i) the Commencement Date of the Line Lease Agreement (as defined therein), (ii) the date on which any and all required consents from third parties (including CSXT) have been obtained, (iii) the effective date of any decision or notice of exemption served by the Surface Transportation Board ("STB") authorizing the consummation hereof and (iv) the expiration of any time periods required by the issuance of labor notices by the parties should such labor notices be required, NSR hereby assigns to JAIL all of NSR's rights and obligations under the Lansing Joint Facility Agreements, and JAIL accepts each such assignment and hereby assumes all of such rights and obligations. JAIL is expressly prohibited from further assigning such rights and obligations by any means and may not amend any provision of the Lansing Joint facilities Agreements assigned hereby without first obtaining the express written consent of NSR.

2. (a) Should any aspect of this Assignment require the prior approval or authorization of the STB or any other regulatory agency for its implementation, modification or termination, in whole or in part, JAIL, at its own cost and expense, shall promptly initiate and diligently pursue an appropriate application, petition or notice ("Application") to obtain that regulatory approval or authorization, or exemption therefrom. JAIL shall provide NSR, for its review and comment, a copy of the Application prior to its filing. NSR will assist and support efforts by JAIL to secure any necessary regulatory approvals. JAIL will reimburse NSR for the cost (including attorney's fees) of obtaining any approval for which JAIL does not timely apply or pursue but for which NSR then applies. JAIL hereby appoints NSR its attorney in fact to apply for any regulatory authority required pursuant to this Assignment. NSR may, but need not, exercise said authority at JAIL's risk, cost and expense, should JAIL fail to promptly do so.

(b) JAIL will not suspend or discontinue its operations over any part of the trackage covered by the 1995 Trackage Rights Agreement (the "1995 Trackage") without first applying for and obtaining from the STB, and any other regulatory agency with jurisdiction, any

necessary certificate or exemption from regulation for such discontinuance of operations over such trackage. JAIL will not seek such regulatory authority, or if no regulatory authority is needed, take any action to suspend or discontinue JAIL's operations without the prior approval of NSR.

(c) Upon the request of NSR, JAIL will fully cooperate with NSR in any regulatory action it takes with the STB that is related in any way to the 1995 Trackage. JAIL will further cooperate with NSR in resolving any issues related to the 1995 Trackage with individual shippers that may be located or may hereafter locate along the 1995 Trackage. JAIL will reimburse NSR for the cost (including attorney fees) of obtaining any required approvals for which JAIL does not timely apply or pursue but for which NSR then applies.

(d) JAIL grants to NSR an irrevocable power of attorney for purposes of consenting to and making any STB filing with respect to any termination of this Assignment in accordance with its terms. This grant of the JAIL's power of attorney shall survive termination or expiration of this Assignment. Notwithstanding the foregoing, at least 60 days prior to the expiration or termination of this Assignment, JAIL shall submit all necessary applications and petitions to the Surface Transportation Board to effectuate a termination of this Assignment.

(e) This Section shall remain effective after the termination or expiration of this Assignment.

3. This Assignment shall continue in effect until and automatically shall terminate upon the termination or expiration of the Line Lease Agreement. Upon any such termination, the respective rights and obligations assigned and assumed hereunder automatically shall revert to NSR.

4. This Assignment is intended for the sole benefit of the parties hereto. The failure of either party to demand strict performance of any or all of the terms of this Assignment, or to exercise any or all rights conferred by this Assignment, shall not be construed as a waiver or relinquishment of that party's right to assert or rely upon any such right in the future. This Assignment represents the entire understanding of the parties, and to that extent supersedes any prior understandings, written or oral and may only be amended in a writing signed by both parties. This Assignment will be construed in accordance with the laws of Delaware without regard to its otherwise applicable conflict of law principles. This Assignment may be executed in any number of counterparts, each of which may be deemed an original for any purpose and all of which together shall be considered one and the same agreement.

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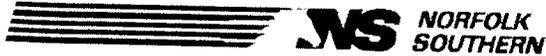
IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed as of the date first above written.

**JACKSON & LANSING RAILROAD COMPANY**

By:   
Name: **MARK W. DOBRONSKI**  
Title: **PRESIDENT**

**NORFOLK SOUTHERN RAILWAY COMPANY**

By:   
Name: John H. Friedmann  
Title: Vice President



Norfolk Southern Corporation  
Transportation Department  
1200 Peachtree Street, NE  
Atlanta, Georgia 30309  
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**Mark M. Owens**  
Senior Director Joint Facilities  
(404) 529-1041  
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September 14, 2010

Ms. Virginia Beck  
Director of Passenger and Joint Facility Contracts  
CSX Transportation, Inc.  
500 Water Street 5-315  
Jacksonville, Florida 32202

Dear Ms. Beck:

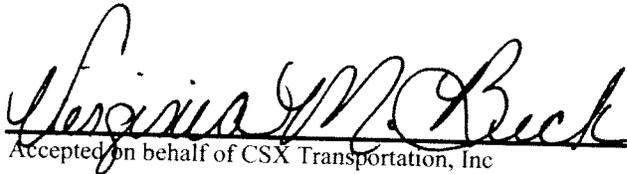
Please refer to our Joint Facility Agreements at Lansing, Michigan located on Norfolk Southern's Lansing Secondary and Lansing Industrial Tracks . Norfolk Southern is currently expecting these lines to be leased to the Jackson and Lansing Railroad on or about October 15, 2010.

I am requesting CSX Transportation's approval for assignment of the Agreements as listed on Attachment A.

If you are agreeable to the above, please indicate your concurrence on the space provided below and return one fully executed counterpart to me for my records.

Respectfully,

Mark M. Owens

  
Accepted on behalf of CSX Transportation, Inc

Attachment A  
Lansing, MI Agreements

Date	Agreement	NS JF	CSXT JF
October 13, 1924	Maintenance and Operation NSR trackage rights over CSXT between CP North Lansing and Turner Streets	7166	NS 673
July 20, 1987	CP MA and CP North Lansing remote controlled interlockings		CO 064032
April 26, 1993	CSXT operating rights over NSR and Interchange at CSXT Ensel Yard		NS 768
April 21, 1995	CSXT lease of NSR Lansing Branch between Michigan Avenue (CP MA) and Grand River Avenue (CP Grand) with retained NSR trackage rights	7168	NS 690
April 21, 1995	NSR trackage rights over CSXT between Michigan Avenue (CP MA) and Grand River Avenue (CP Grand)		
September 12, 1996	CSXT access to Lansing Manufacturer's Branch and Hart Truss Lumber Company spur track		NS 767