

Surface Transportation Board Issues "Housekeeping" Stay in Case Concerning "Iowa, Chicago & Eastern's" Proposed Acquisition of "I&M Rail Link" Lines

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has issued a procedural, "housekeeping" stay in the case concerning the Iowa, Chicago & Eastern Railroad Corporation's (IC&E) request for an exemption from Board regulation to acquire and operate the railroad lines and assets of I&M Rail Link, LLC (IMRL), a Class II (medium-sized) railroad. IC&E's June 7, 2002 notice of exemption was filed according to the Board's exemption procedures governing noncarrier acquisitions under Section 10901 of Title 49, United States Code (49 U.S.C. 10901) involving the creation of Class I (large) or Class II railroads. Today's decision has the effect of postponing the effectiveness of the exemption for the proposed transaction to allow the Board's orderly consideration of arguments raised in connection with any unresolved issues.

The Board's decision today stated that petitions to stay and/or revoke the exemption were filed by the Brotherhood of Locomotive Engineers, Brotherhood of Maintenance of Way Employees, Brotherhood of Railroad Signalmen, International Association of Machinists, the International Brotherhood of Electrical Workers, and Transportation Communications International Union (collectively, Cooperating Labor Organizations), Iowa Traction Railroad Company, Ag Processing Inc., and the Iowa Department of Transportation.

On June 24, 2002, IC&E replied to the petitions for stay and, by separate correspondence, advised the Board that, to allow parties time to resolve certain issues regarding access to the Chicago terminal, IC&E will not consummate its acquisition of IMRL lines before 5:00 p.m. Central Daylight Time on July 26, 2002.

The stay requests and IC&E's reply were filed in response to the Board's June 12, 2002 decision establishing deadlines for filings that parties wanted the Board to consider before June 28, 2002. In the absence of a stay, IC&E's exemption to acquire and operate IMRL's rail lines would have become effective on June 28, 2002. Today's decision stays the exemption's effective date until **July 26, 2002**, thus preserving the status quo and the Board's opportunity to further stay the effectiveness of the exemption, if appropriate, when the merits of the stay requests are considered.

The Board issued its decision today in the case entitled *Iowa, Chicago & Eastern Railroad Corporation-- Acquisition and Operation Exemption--Lines of I&M Rail Link, LLC*, STB Finance Docket No. 34177. A printed copy of the decision is available for a fee by contacting **D~ 2 D~ Legal Copy Service, Suite 405, 1925 K Street, N.W., Washington, DC 20006, telephone (202) 293-7776**, or via da2dalegal@earthlink.net. The decision also is available for viewing and downloading via the Board's website at <http://www.stb.dot.gov>.

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