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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35589]

Dakota, Minnesota & Eastern Railroad Corporation—Trackage Rights Exemption—
Chicago, Central & Pacific Railroad Company

Pursuant to a written trackage rights agreement, Chicago, Central & Pacific Railroad Company (CCP) has agreed to grant limited overhead trackage rights to Dakota, Minnesota & Eastern Railroad Corporation (DM&E)¹ over approximately 1.1 miles of rail line between milepost 85.6± (Rockford Junction) and CCP's connection with DM&E at or near milepost 86.7± in Rockford (CCP/DM&E Connection), in Winnebago County, Ill.²

DM&E presently operates between Davis Junction, Ill., and Rockford pursuant to a trackage rights agreement with Illinois Railway, Inc. (IR). A segment of the trackage is currently out of service in Rockford as a result of track realignment. CCP has agreed to grant DM&E trackage rights for the movement of freight between the CCP/DM&E Connection and the connecting track between CCP and IR at Rockford Junction.

¹ DM&E is an indirect subsidiary of Canadian Pacific Railway Company and CCP is an indirect subsidiary of Canadian National Railway Company.

² A redacted trackage rights agreement between DM&E and CCP was filed with the notice of exemption. The unredacted version was filed under seal along with a motion for protective order, which will be addressed in a separate decision.

The transaction is scheduled to be consummated on February 19, 2012, the effective date of the exemption (30 days after the exemption was filed).

The purpose of the transaction is to provide an alternative to DM&E's operating rights over IR trackage in Rockford that is currently out of service.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc., 354 I.C.C. 605 (1978), as modified in Mendocino Coast Railway—Lease & Operate—California Western Railroad, 360 I.C.C. 653 (1980).

This notice is filed under 49 C.F.R. § 1180.2(d)(7). If the notice 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. Petitions for stay must be filed by February 10, 2012 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35589, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on W. Karl Hansen, 150 South Fifth St., Suite 2300, Minneapolis, MN 55402.

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Decided: January 27, 2012.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.