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Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423

Re: Midwest Generation, LLC -- Exemption from 49 U.S.C. § 10901 for
Construction in Will County, Illinois, Finance Docket No. 34060; and
Midwest Generation, LLC -- Petition for Line Crossing Authority
Under 49 U.S.C. § 10901(d), Finance Docket No. 34060 (Sub-No.1)

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Dear Mr. Williams:

In accordance with Ordering Paragraph No. 5 of the Decision served October 4, 2002 in the above-referenced proceedings, this is to advise the Board that Midwest Generation, LLC and Illinois Central Railroad Company ("IC") are negotiating the "compensation and terms of operation" with respect to the line of railroad approved by the Board to cross an unused line of IC, but have not resolved the matter. Midwest Generation is concerned by the obligations IC is seeking to impose on Midwest Generation under the terms of the Board's Order, and will not hesitate to return to the Board to seek a ruling on those matters if IC is unwilling to resolve the matter on a reasonable basis. However, this is to further advise the Board that Midwest Generation will make further efforts to resolve the matter with IC, if that is possible, before returning to the Board. If the Board needs further information regarding the nature of the negotiations, Midwest Generation will provide such information if so requested. Midwest Generation will provide another status report to the Board in 45 days.

Very truly yours,

Michael F. McBride

Michael F. McBride
John M. Collins

Attorneys for Midwest Generation, LLC

cc : All Parties of Record