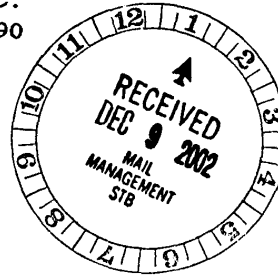


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THOMAS F. MCFARLAND

December 9, 2002



By fax to 202-565-9002.
w/confirmation by UPS overnight
mail (with 10 copies)

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

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206785

Re: Finance Docket No. 34291, *Comrail International Railroad, Inc. -- Operation Exemption -- Chicago Heights Railcar, Inc.*

Dear Mr. Williams:

This constitutes the reply of Comrail International Railroad, Inc. (Comrail) in opposition to the Petition for Stay of Exemption filed by Joseph C. Szabo on behalf of United Transportation Union - Illinois Legislative Board (UTU-IL) on December 9, 2002.

The Petition should be denied for lack of irreparable injury. It is conceded that "UP does not perform switching for CHR or for Meridian" (Petition, Appdx. 1, at 2). Consequently, there cannot be any injury to UP employees as a result of Comrail's switching for CHR or Meridian.

The Petition should also be denied for failure to show a likelihood of prevailing on the merits. The notice of exemption is proper under the authority of the *Effingham, Bulkmaric* and *Chicago Rail Link* line of decisions. However, the merits would be better determined in conjunction with UTU-IL's upcoming Petition to Revoke. The Petition for Stay should be denied on the ground of no irreparable injury.

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Comrail
International Railroad, Inc.

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THOMAS F. MCFARLAND

Vernon A. Williams, Secretary

December 9, 2002

Page 2

cc: Gordon MacDougall, Esq. - *by fax to 202-331-8343*
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* * *
TO: VERNON WILLIAMS - STB SECRETARY 202 565 9002
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GORDON MACDOUGALL - ATTORNEY FOR 202 331 8343
* * * UTU-IL

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* * *

REMARKS:

REPLY IN OPPOSITION TO PETITION FOR STAY
Tom McFarland
12-9-02

CC STEVE LUSTER 773 493 9829
MIKE ALBERT 773 924 8489
MICHAEL O'MALLEY 847 577 7549

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