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February 23, 2004

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VIA HAND DELIVERY

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

**Re: Lamoille Valley Railroad Company – Abandonment and
Discontinuance of Trackage Rights Exemption – In Caledonia,
Washington, Orleans, Lamoille and Franklin Counties, VT,
STB Docket No. AB-444 (Sub-No. 1X)**

Dear Secretary Williams:

In this proceeding, Lamoille Valley Railroad Company ("LVRC"), in cooperation with the State of Vermont, by and through its Department of Transportation ("VTrans"), filed a Verified Notice of Exemption ("Notice") pursuant to 49 C.F.R. § 1152.50 in connection with, among other things, the abandonment of approximately 96.78 route miles of rail line in Caledonia, Washington, Orleans, Lamoille and Franklin Counties, Vermont (the "Subject Line"). On January 26, 2004, VTrans filed a request for the issuance of a notice of interim trail use ("NITU") for the Subject Line under the National Trails System Act, 16 U.S.C. § 1247(d), and 49 C.F.R. § 1152.29. By letter filed on February 12, 2004, LVRC indicated its willingness to enter into an interim trail use

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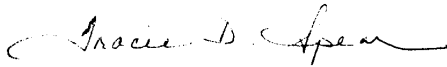
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arrangement with VTrans. By decision served February 13, 2004, the Surface Transportation Board ("Board") authorized LVRC and VTrans to negotiate an interim trail use agreement.

The purpose of this letter is to notify the Board that LVRC and VTrans have entered into an arrangement to convert the Subject Line into a rail-trail pursuant to 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29.

Please contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tracie D. Spear".

Tracie D. Spear
Attorney for Lamoille Valley Railroad Company