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June 30, 2017

VIA ELECTRONIC FILING

Ms. Cynthia Brown
Chief, Section of Administration
Surface Transportation Board, Office of Proceedings
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: **Docket No. AB 43 (Sub-No. 189X)**
Illinois Central Railroad Company –
Abandonment Exemption – In Champaign County, Ill.

Dear Ms. Brown:

Illinois Central Railroad Company (“IC”) and Topflight Grain Cooperative, Inc. (“TGC”) jointly submit this letter filing in connection with the above-referenced proceeding. As you may know, this proceeding is currently being held in abeyance at the mutual consent of the parties to facilitate negotiations triggered by the Board’s decision to allow TGC to pursue acquisition of the subject railroad line through the agency’s offer of financial assistance (“OFA”) rules. IC and TGC recently have reached an accord regarding the subject railroad line. Specifically, under the terms of the letter agreement attached hereto, IC has agreed to seek permission to modify its notice of exemption in this proceeding to authorize only discontinuance authority, not abandonment authority. See The Alabama Great Southern Railroad Company – Discontinuance Exemption – In Saint Bernard Parish, La., Docket No. AB 290 (Sub-No. 323X) (STB served Dec. 17, 2013).

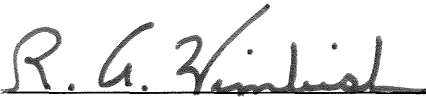
In keeping with the agreement, IC hereby requests permission to modify its notice of exemption published on April 10, 2015, so as to authorize IC’s discontinuance of common carrier service over the subject line only – not abandonment. For its part TGC supports IC’s request for withdrawal of the abandonment exemption, and acknowledges that if the requested modification is granted, TGC will no longer be able to pursue acquisition of the line through the OFA procedures in this docket.

FLETCHER & SIPPEL LLC

Ms. Cynthia Brown
June 30, 2017
Page 2

The above-described arrangement constitutes the parties' private resolution of issues associated with the future of this rail line. IC and TGC thank the Board for its role in accommodating this outcome. Finally, the parties acknowledge and agree that, in acting on IC's modification request, the Board will and should lift its abeyance order to facilitate administrative action as requested herein.

Respectfully submitted,



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Enclosure

cc: All parties of record

Scott Docherty
General Manager
Topflight Grain Cooperative
420 W. Marion St.
Monticello, IL 61856

- RE: Letter of Understanding in connection with
STB Docket No. AB-43 (Sub-No. 189X)

Dear Scott:

I am offering this Letter of Understanding to memorialize our recent communications concerning the disposition of the line of railroad owned by Illinois Central Railroad Company ("IC") between Seymour and Bondville (the "Line"). As you well know, the Line has been the subject of an abandonment proceeding before the Surface Transportation Board ("STB"), but action on that abandonment has long been postponed due to Topflight's interest in the line and STB-mandated negotiations concerning the future of the Line and Topflight's interest in potentially acquiring it.

More recently, you have expressed an interest in having IC withdraw its abandonment exemption pending before the STB, which we have previously offered to do. As we have discussed more generally, IC proposes the following:

- IC will request STB permission to modify its notice of exemption to abandon the Line in the aforementioned AB-43 (Sub-No. 189X) proceeding. Specifically, IC will seek to relinquish its conditional authority to abandon the Line. IC will, however, ask to retain its existing STB authority to discontinue service over the Line.
- IC acknowledges that, should it seek in the future to abandon the Line, it would have to initiate a new proceeding before the STB.
- Should IC ever choose in the future to pursue abandonment of the Line, it will notify Topflight of its plans in advance.
- Should the STB grant IC permission to relinquish its conditional abandonment authority as described above, IC will keep the Line in place. IC will be under no obligation to maintain the Line's track or infrastructure, and it will not be obligated to provide train service absent revocation of the discontinuance authority IC currently holds.

- IC will remain willing, while the Line is subject to STB discontinuance authority, to discuss terms and conditions under which IC and Topflight might reach a mutually-acceptable accord in the future for – (1) a lease of the Line to Topflight or a third party; (2) the sale of the Line to Topflight or a third party; or (3) restoration of the Line to a safe operating condition and the resumption of IC service.

If this is acceptable, kindly evidence your endorsement the foregoing plan of action by signing this letter on behalf of Topflight at the space provided below. Return the letter to me with your signature affixed. IC will then proceed at the STB as outlined above. IC will include a copy of this co-signed Letter of Understanding with its filing with the STB.

We are pleased to have reached this understanding with you, and look forward to developments that might in the future warrant re-activation of the Line. If you have any questions, please contact me at your earliest convenience.

Sincerely



Brian Buchanan
Illinois Central Railroad Company

Acknowledged and agreed to this 28 day of June, 2017.



Scott Docherty
General Manager
Topflight Grain Cooperative