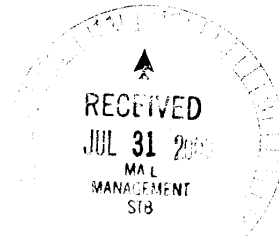


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July 18, 2003

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Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Re: Docket No. AB-279 (Sub-No. 5X) — Canadian National Railway Company —
Discontinuance of Trackage Rights Exemption — In Erie County, NY

Dear Mr. Williams:

By notice served in the above-captioned proceeding on June 9, 2003, Canadian National Railway Company ("CN") has an exemption for the discontinuance of trackage rights over a 5.3-mile portion of trackage owned by New York Central Lines, LLC (NYC) and operated by CSX Transportation, Inc., in Buffalo, Erie County, NY. The line is described as the following segments: (a) NYC's Chicago Line between CP-2 and CP-5 (milepost 5.4+/-), near the south end of NYC's Seneca Yard; (b) NYC's Compromise Branch between CP-437 and CP-2; and (c) NYC's Bailey Avenue Branch between CP-T and CP-437. CN's exemption became effective on July 9, 2003.

Pursuant to 49 C.F.R. §§ 1152.29(e)(2) and 1152.50(e), CN hereby provides notice that it exercised the authority granted herein and consummated discontinuance of trackage rights on the subject line of railroad on July 10, 2003. Please note that the trackage rights being discontinued were granted in STB Finance Docket Number 33769, served June 29, 1999. The discontinuance rights were used to interchange traffic with Norfolk Southern Railway Company on their Chicago Line. This discontinuance has no effect on the rights granted in STB Finance Docket Number 33798, served September 17, 1999 (as amended in Finance Docket Number 34322, served April 16, 2003), by which CN uses the same trackage described in the preceding paragraph to interchange in Seneca Yard with the South Buffalo Railway Company and the Buffalo & Pittsburgh Railroad, Inc.

Ten copies of this letter are enclosed for filing at the Board. An extra copy also is enclosed, and I would request that you date-stamp that copy to show receipt of this filing and return it to me in the provided envelope. Thank you for your assistance in this matter.

Sincerely,



Michael J. Barron, Jr.
Counsel for Canadian National
Railway Company

Encls.

cc: Mr. Alan E. Taylor, New York State Dept. of Transportation
Mr. John Sebesta, CN
Ms. Gloria Combe, CN