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SERVICE DATE - FEBRUARY 25, 2000

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33819]

Chicago SouthShore & South Bend Railroad--Operation Exemption--Illinois Indiana
Development Company, LLC

Chicago SouthShore & South Bend Railroad (CSS), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to operate approximately 25.888 miles of rail line to be owned by Illinois Indiana Development Company, LLC (IIDC) as follows: (1) a portion of the Michigan City Branch line from milepost 136.0 in Dillon, IN, to the end of the line, at milepost 158.518 in Michigan City, IN; and (2) approximately 3.37 miles of the South Bend Branch line from milepost 200.369 in Dillon, IN, to the end of the track in Kingsbury, IN. CSS states that it is a substitute operator for Norfolk Southern Railway Company (NS), the previous operator of the line, and that it will operate the line pursuant to an operating agreement entered into with IIDC on or about January 24, 2000.

The transaction was scheduled to be consummated on or after February 3, 2000.

This transaction is related to a concurrently filed verified notice of exemption in STB Finance Docket No. 33845, Illinois Indiana Development Company, LLC--Acquisition and Operation Exemption--Norfolk Southern Railway Company, wherein IIDC seeks to acquire through a purchase and sale agreement, NS's interest in certain rail property including the above noted 25.888 mile line of railroad, and a concurrently filed petition for exemption in STB Finance Docket No. 33846, Peter A. Gilbertson, et al., and SouthShore Corporation--

Control Exemption--Illinois Indiana Development Company, LLC, wherein Peter A.

Gilbertson, et al., and SouthShore Corporation seek an exemption to continue in control of IIDC once it becomes a Class III rail carrier. The petition is currently pending.

Pursuant to 49 CFR 1150.42(e), and, as stated in STB Finance Docket No. 33846, CSS certified to the Board on November 22, 1999, that its projected revenues will exceed \$5 million, and that it served a copy of the notice on the national offices of the labor unions with a copy of its notice of intent to undertake the transaction and posted such notice at the workplace of the employees on the affected lines. CSS further indicated in its certification that IIDC will grant trackage rights over a small portion of the above-described rail line to NS, to enable it to connect with NS's retained portion of the South Bend Branch running east of the rail line. IIDC should seek the Board's approval for the trackage rights in a separate filing.

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33819, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Rose-Michele Weinryb, Esq., Weiner, Brodsky, Sidman & Kider, P.C., 1350 New York Avenue, N.W., Suite 800, Washington, DC 20005-4797.

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Decided: February 17, 2000.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary