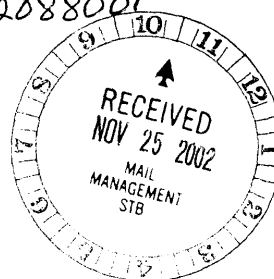




Michael J. Barron, Jr.
Counsel
Legal Department

Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7954
Fax: (312) 755-7669
Internet: Michael.Barron@cn.ca

206710
DID # 0102088001
419



November 22, 2002

Via Overnight Delivery

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

FEE RECEIVED

NOV 25 2002

**SURFACE
TRANSPORTATION BOARD**

Re: Docket No. AB-279 (Sub-No. 4X), Canadian National Railway Company —
Abandonment Exemption — in Niagara County, New York

Dear Mr. Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the Verified Notice of Exemption of Canadian National Railway Company pursuant to 49 C.F.R. § 1152.50, dated December 2, 2002. A check in the amount of \$2,700.00, representing the appropriate fee for this filing, also is enclosed.

One extra copy of this transmittal letter is enclosed as well. Please date stamp this copy to show receipt and return it to me in the enclosed envelope.

The Environmental and Historic Reports for this proceeding have been filed in a related proceeding, *Canada Southern Railway Company — Abandonment of Trackage Located in Niagara County, New York*, AB-584 (Sub-No. 1X).

Feel free to contact me if you have any questions. Thank you for your assistance in this matter.

Very truly yours,


Michael J. Barron, Jr.
Counsel

Enclosures

ENTERED
Office of Proceedings

NOV 25 2002

Part of
Public Record

FILED

NOV 25 2002

**SURFACE
TRANSPORTATION BOARD**

206710

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. AB-279 (SUB-NO. 4X)

CANADIAN NATIONAL RAILWAY COMPANY
—DISCONTINUANCE OF TRACKAGE RIGHTS—
NIAGARA COUNTY, NEW YORK

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1152.50

ENTERED
Office of Proceedings

NOV 25 2002

Part of
Public Record

FEE RECEIVED

NOV 25 2002

**SURFACE
TRANSPORTATION BOARD**

Michael J. Barron, Jr.
Counsel
Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, IL 60611-5317
(312) 755-7954

ATTORNEY FOR
CANADIAN NATIONAL RAILWAY COMPANY

Dated: November 22, 2002

FILED

NOV 25 2002

**SURFACE
TRANSPORTATION BOARD**

SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-279 (SUB-NO. 4X)

CANADIAN NATIONAL RAILWAY COMPANY
—DISCONTINUANCE OF TRackage RIGHTS—
NIAGARA COUNTY, NEW YORK

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1152.50

The Canadian National Railway Company ("CN") files this Notice of Exemption pursuant to 49 C.F.R. Part 1152, Subpart F. This Notice of Exemption is for CN's proposed discontinuance of trackage rights over a 0.15 mile portion of Canada Southern Railway Company's line at the international bridge at Niagara Falls, New York, in Niagara County, New York. The line traverses through United States Postal Zip Code 14305.

The trackage rights sought to be discontinued are overhead rights over trackage owned by Canada Southern Railway Company ("Canada Southern"). No local shippers will be affected, and Canada Southern is seeking authority to abandon the line in a related Board proceeding, *Canada Southern Railway Company – Abandonment of Trackage located in Niagara County, New York*,

docketed as No. AB-584 (Sub-No. 1X). A map showing the trackage rights to be discontinued is attached as Exhibit No. 1.

In accordance with the requirements of 49 C.F.R. § 1152.50, CN submits the following:

1. WRITTEN NOTIFICATION OF FILING FOR DISCONTINUANCE EXEMPTION - 49 C.F.R. § 1152.50(d)(1).

Said notification was served on the appropriate parties on November 12, 2002, at least ten (10) days prior to the filing date of this exemption. See Exhibit No. 2.

2. PROPOSED CONSUMMATION DATE - 49 C.F.R. § 1152.50(d)(2).

CN intends to consummate the proposed abandonment of its trackage rights on or after January 14, 2003.

3. CARRIER CERTIFICATION REGARDING LOCAL AND OVERHEAD TRAFFIC AND STATUS OF NO COMPLAINTS - 49 C.F.R. §§ 1152.50(b) and (d)(2).

The required Certification is annexed hereto as Exhibit No. 3.

4. INFORMATION REQUIRED BY 49 C.F.R. §§ 1152.22(a)(1)-(4), (7) and (8) and (e)(4) (INCORPORATED BY REFERENCE IN 49 C.F.R. § 1152.50(d)(2)):

(a) § 1152.22(a)(1) EXACT NAME OF APPLICANT.

Canadian National Railway Company.

(b) § 1152.22(a)(2) WHETHER THE APPLICANT IS A COMMON CARRIER BY RAILROAD SUBJECT TO THE INTERSTATE COMMERCE ACT.

CN is a common carrier by railroad subject to the Interstate Commerce Act and the Interstate Commerce Commission Termination Act of 1995 (Title 49 U.S.C.).

- (c) § 1152.22(a)(3) RELIEF SOUGHT (ABANDONMENT OF LINE OR DISCONTINUANCE OF SERVICE).

CN Line seeks authority to discontinue trackage rights granted in a 1990 Trackage Rights Agreement over a 0.15 mile portion of trackage owned by Canada Southern Railway Company from a point on the international railway bridge at Niagara Falls, New York (Milepost 0.15) to the point where the trackage joins the CSX trackage (Milepost 0.0).

- (d) § 1152.22(a)(4) DETAILED MAP

See Exhibit No. 1.

- (e) § 1152.22(a)(7) NAME, TITLE AND ADDRESS OF REPRESENTATIVE OF APPLICANT TO WHOM CORRESPONDENCE SHOULD BE SENT.

Michael J. Barron, Jr.
Counsel for Canadian National Railway Company
Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, IL 60611-5317
Tel: (312) 755-7954
Fax: (312) 755-7669

- (f) § 1152.22(a)(8) LIST OF ALL UNITED STATES POSTAL ZIP CODES THAT THE LINE PROPOSED FOR ABANDONMENT TRAVERSES:

United States Postal Zip code 14305.

- (g) § 1152.22(e)(4) STATEMENT OF WHETHER THE PROPERTIES PROPOSED TO BE ABANDONED ARE SUITABLE FOR USE FOR OTHER PUBLIC PURPOSES, INCLUDING ROADS OR HIGHWAYS, OTHER FORMS OF MASS TRANSPORTATION, CONSERVATION, ENERGY PRODUCTION OR TRANSMISSION, OR RECREATION. IF THE APPLICANT IS AWARE OF ANY RESTRICTION ON TITLE TO THE PROPERTY, INCLUDING ANY REVERSIONARY INTEREST, WHICH WOULD AFFECT THE

TRANSFER OF TITLE OR THE USE OF THE PROPERTY FOR
OTHER THAN RAIL PURPOSES, THIS SHALL BE DISCLOSED.

Canada Southern Railway Company is seeking authority from the Board to abandon the subject trackage in *Canada Southern Railway Company – Abandonment of Trackage located in Niagara County, New York*, docketed as No. AB-584 (Sub-No. 1X).

Determinations as to the suitability of the line for public use are more appropriately addressed in that proceeding.

5. LABOR PROTECTION – 49 C.F.R. § 1152.50(d)(2).

CN understands that in granting an exemption for the proposed abandonment, the Board does not relieve a carrier of its statutory obligation to protect the interests of employees. Accordingly, while CN anticipates that no adverse effect to its employees will occur as the result of this abandonment, it understands that the Board will likely impose the conditions set forth in *Oregon Short Line Railroad Company - Abandonment – Goshen*, 360 I.C.C. 91 (1979), for the benefit of any carrier employee who may be adversely affected by the proposed abandonment.

6. CERTIFICATE OF COMPLIANCE WITH THE NOTICE REQUIREMENTS
OF 49 C.F.R. § 1105.11 - TRANSMITTAL LETTER FOR
ENVIRONMENTAL AND HISTORICAL REPORTS – 49 C.F.R. §
1152.50(d)(2).

Because this Notice concerns the discontinuance of trackage rights, it is excepted from the requirements of 49 C.F.R. § 1105.11 by 49 C.F.R.

§ 1105.6(b)(3). Compliance with the notice requirements is being carried out in *Canada Southern Railway Company – Abandonment of Trackage located in Niagara County, New York*, docketed as No. AB-584 (Sub-No. 1X), and an Environmental and Historical Report has been prepared and served in that proceeding.

7. CERTIFICATE OF SERVICE OF ENVIRONMENTAL REPORT AND HISTORIC REPORT – 49 C.F.R. § 1105.7(c).

Because this Notice concerns the discontinuance of trackage rights, it is excepted from the requirements of 49 C.F.R. § 1105.11 by 49 C.F.R. § 1105.6(b)(3) and § 1105.8(b).

8. PUBLICATION OF NEWSPAPER NOTICE – 49 C.F.R. § 1105.12.

A Notice in accordance with § 1105.12 has been published in a newspaper of general circulation in Niagara County, New York. A copy of said notice is attached hereto with the requisite Certification. See Exhibit No. 4.

Dated: November 22, 2002

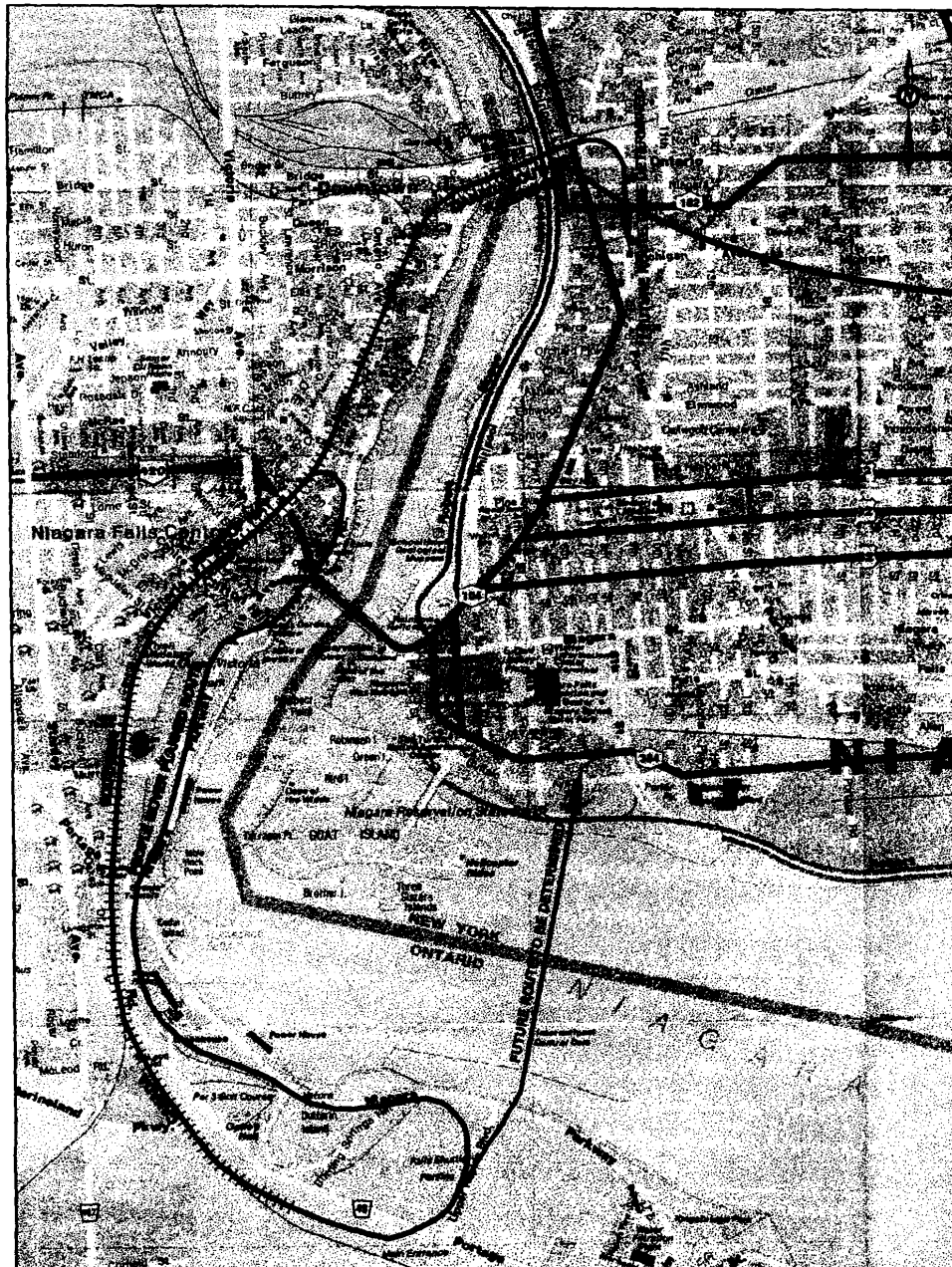

Michael J. Barron, Jr.
Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, IL 60611-5317
(312) 755-7954

ATTORNEY FOR CANADIAN
NATIONAL RAILWAY COMPANY

EXHIBIT NO. 1

Detailed Map for Notice of Exemption

(49 C.F.R. §§ 1152.50(d)(2) and 1152.22 (a)(4))



DESCRIPTION:
 NIAGARA FALLS, ONTARIO & NEW YORK STATE
 SHOWING CANADA SOUTHERN RAILWAY AND
 PROPOSED PEOPLE MOVER SYSTEM

THIS IS NOT A PLAN OF SURVEY
 CNO RAILWAY PLAN SEE PLAN 000000000000

— PLANNED ROUTE
 - - - FUTURE ROUTE
 +++ C.S.R.

NIAGARA FALLS, ONTARIO & NEW YORK STATE

SUBDIVISION: CAGS (35-4)
 SPUR / ANTENNE: NA
 MILEAGE / MILLAIRE: NA
 DATE: 1988/04/20

Canadian National Railway Properties Inc. Propriétés ferroviaires du Canada National Inc.



SCALE / ÉCHELLE: NOT TO SCALE

C:\CAN\PEOPLE.MOVS\PEOPLE.MOVS.DWG

Canadian National Railway Company Trackage
 Rights to be discontinued on U.S. side of Canada
 Southern RR tracks from milepost 0.15 to
 milepost 0.0.

EXHIBIT NO. 2

Certification of Proper Service of Written

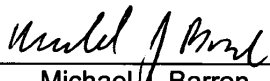
Notice of Intent to Abandon or Discontinue Service under the Exemption Process

(49 C.F.R. § 1152.50(d)(1))

CERTIFICATE OF COMPLIANCE WITH SERVICE REQUIREMENT FOR
NOTIFICATION OF INTENT TO FILE NOTICE OF EXEMPTION

The undersigned, an attorney, hereby certifies that he served the Notice of Intent to File Notice of Exemption for the proposed discontinuance of service in Docket No. AB-279 (Sub-No. 4X) via first class U.S. Mail, on November 12, 2002 as required by 49 C.F.R. Section 1152.50(d)(1), to the required parties. (See attached copies).

Dated: November 22, 2002



Michael U. Barron, Jr.



Michael J. Barron, Jr.
Counsel
Legal Department

Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7954
Fax: (312) 755-7669
Internet: Michael.Barron@cn.ca

November 12, 2002

United States Department of Defense
MTMCTEA
Attn: Railroads for National Defense
720 Thimble Shoals Blvd. Suite 130
Newport News, VA 23606-2574

Re: Docket No. AB-279 (Sub-No. 4X), Canadian National Railway
Company Notice of Exemption in Niagara County, New York

Dear Sir/Madam:

This is to inform you that pursuant to 49 C.F.R. § 1152.50 (Exempt Abandonments and Discontinuance of Service and Trackage Rights), Canadian National Railway Company shall on or after November 22, 2002, file a Notice of Exemption with the Surface Transportation Board for approval to discontinue trackage rights in Niagara County, New York from milepost 0.0 to milepost 0.15 in Niagara Falls, New York, approximately .15 miles of railroad. Such line runs through U.S. Postal Zip Code 14305.

The exemption procedures set forth in § 1152.50 are being used in this case because no local traffic has moved over these rights for at least two years and any potential overhead traffic on these rights can be rerouted over other lines. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Sincerely,

Michael J. Barron, Jr.
Counsel



Michael J. Barron, Jr.
Counsel
Legal Department

Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7954
Fax: (312) 755-7669
Internet: Michael.Barron@cn.ca

November 12, 2002

Thomas Ross, Superintendent
Center for Recreation and Conservation
National Park Service
1849 C Street
Washington, DC 20240

Re: Docket No. AB-279 (Sub-No. 4X), Canadian National Railway
Company Notice of Exemption in Niagara County, New York

Dear Mr. Ross:

This is to inform you that pursuant to 49 C.F.R. § 1152.50 (Exempt Abandonments and Discontinuance of Service and Trackage Rights), Canadian National Railway Company shall on or after November 22, 2002, file a Notice of Exemption with the Surface Transportation Board for approval to discontinue trackage rights in Niagara County, New York from milepost 0.0 to milepost 0.15 in Niagara Falls, New York, approximately .15 miles of railroad. Such line runs through U.S. Postal Zip Code 14305.

The exemption procedures set forth in § 1152.50 are being used in this case because no local traffic has moved over these rights for at least two years and any potential overhead traffic on these rights can be rerouted over other lines. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Sincerely,

Michael J. Barron, Jr.
Counsel



Michael J. Barron, Jr.
Counsel
Legal Department

Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7954
Fax: (312) 755-7669
Internet: Michael.Barron@cn.ca

November 12, 2002

Commissioner Joseph H. Boardman
New York State Department of Transportation
1220 Washington Avenue
Albany, NY 12232

Re: Docket No. AB-279 (Sub-No. 4X), Canadian National Railway
Company Notice of Exemption in Niagara County, New York

Dear Commissioner Boardman:

This is to inform you that pursuant to 49 C.F.R. § 1152.50 (Exempt Abandonments and Discontinuance of Service and Trackage Rights), Canadian National Railway Company shall on or after November 22, 2002, file a Notice of Exemption with the Surface Transportation Board for approval to discontinue trackage rights in Niagara County, New York from milepost 0.0 to milepost 0.15 in Niagara Falls, New York, approximately .15 miles of railroad. Such line runs through U.S. Postal Zip Code 14305.

The exemption procedures set forth in § 1152.50 are being used in this case because no local traffic has moved over these rights for at least two years and any potential overhead traffic on these rights can be rerouted over other lines. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Sincerely,


Michael J. Barron, Jr.
Counsel



Michael J. Barron, Jr.
Counsel
Legal Department

Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7954
Fax: (312) 755-7669
Internet: Michael.Barron@cn.ca

November 12, 2002

Mr. Dale Bosworth
Chief, Forest Service
U.S. Department of Agriculture
201 14th Street, SW
Washington, DC 20250

Re: Docket No. AB-279 (Sub-No. 4X), Canadian National Railway
Company Notice of Exemption in Niagara County, New York

Dear Mr. Bosworth:

This is to inform you that pursuant to 49 C.F.R. § 1152.50 (Exempt Abandonments and Discontinuance of Service and Trackage Rights), Canadian National Railway Company shall on or after November 22, 2002, file a Notice of Exemption with the Surface Transportation Board for approval to discontinue trackage rights in Niagara County, New York from milepost 0.0 to milepost 0.15 in Niagara Falls, New York, approximately .15 miles of railroad. Such line runs through U.S. Postal Zip Code 14305.

The exemption procedures set forth in § 1152.50 are being used in this case because no local traffic has moved over these rights for at least two years and any potential overhead traffic on these rights can be rerouted over other lines. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Sincerely,


Michael J. Barron, Jr.
Counsel

EXHIBIT NO. 3

**Carrier Certification That Rail Line
Meets Criteria of 49 C.F.R. § 1152.50(b)**

CERTIFICATION THAT RAIL LINE MEETS
CRITERIA OF 49 C.F.R. SECTION 1152.50(b)

I, Michael J. Barron, Jr., an attorney for Canadian National Railway Company, hereby certify that with respect to the trackage which is the subject of this Notice of Exemption in Docket AB-279 (Sub-No. 4X), no local traffic has been handled to or from any customer for at least two (2) years prior to the date hereof and any potential overhead traffic routed over this line can be rerouted over other lines. Further, I certify that no formal complaint has been filed by a user of rail service on the line (or a State or local government entity acting on behalf of such user) regarding cessation of service over the line segment and that no such complaint is either pending with the Board or any U.S. District Court or has been decided in favor of a complainant within the two-year period immediately preceding the filing of this Notice.

I also certify under penalty of perjury under the laws of the United States of America that I have been authorized by Canadian National Railway Company to certify and file with the Surface Transportation Board the foregoing Notice of Exemption; that I know the contents thereof and the facts asserted therein; that I declare that that the foregoing is true and correct.

Dated: November 22, 2002



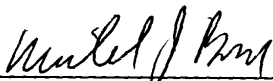
Michael J. Barron, Jr.

EXHIBIT NO. 4
Certificate of Publication of
Newspaper Notice

CERTIFICATE OF PUBLICATION

The undersigned, an attorney, hereby certifies that Notice of the Proposed Abandonment in Docket No. AB-279 (Sub-No. 4X) (copy of Notice appended) was advertised prior to the filing of this Notice on November 19, 2002, in the *Niagara Falls Reporter*, a newspaper of general circulation in Niagara County, New York through which the Line which is the subject of this Notice runs, as required by 49 C.F.R. § 1105.12.

Dated: November 22, 2002


Michael J. Barron, Jr.

CANADIAN NATIONAL RAILWAY COMPANY gives notice that on or after November 22, 2002, it intends to file with the Surface Transportation Board, Washington, DC 20423, a Notice of Exemption under 49 C.F.R. 1152 Subpart F—Exempt Abandonments, permitting the discontinuance of trackage rights over a 0.15 mile line of railroad between milepost 0.0 and milepost 0.15, which trackage rights run on the Canada Southern Railway Company tracks from the Canada Southern Railway Company's trans-border bridge to a connection with the CSX tracks and which rights traverse through United States Postal Service Zip Code 14305, in the City of Niagara Falls, Niagara County, New York. The proceeding will be docketed as No. AB-279 (Sub No. 4X).

The Board's Section of Environmental Analysis (SEA) generally prepares an Environmental Assessment (EA), and is doing so under a related transaction, Canada Southern Railway Company – Abandonment of Trackage located in Niagara County, New York, docketed as No. AB-584 (Sub-No. 1X). Interested persons may make inquiries regarding environmental matters by writing to the SEA, Surface Transportation Board, 1925 K Street NW, Washington, DC, 20423-0001, or by calling SEA at 202-565-1545.

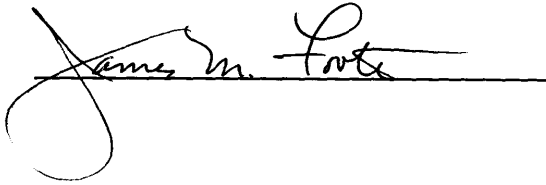
Appropriate offers of financial assistance to continue rail service can be filed with the Board in the related transaction, Canada Southern Railway Company – Abandonment of Trackage located in Niagara County, New York, docketed as No. AB-584 (Sub-No. 1X). Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board in the related transaction. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 1925 K Street NW, Washington, DC 20423-0001 [See 49 CFR 1104.1(a) and 1104.3(a)], and one copy must be served on applicants' representative [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at 202-565-1592. Copies of any comments or requests for conditions should be served on the applicant's representative: Michael J. Barron, Jr., (312) 755-7954, at Canadian National Railway Company, 455 North Cityfront Plaza Drive, 20th floor, Chicago, IL 60611-5317.

VERIFICATION

State of Illinois)
) SS:
County of Cook)

 James M. Foote
_____, being duly sworn, deposes and says
that he is Executive Vice President of Canadian National Railway
Company, that he has read the foregoing Notice of Exemption and knows the facts
asserted therein, and that the same are true as stated.

Subscribed and sworn to
before me this 22nd day of
NOVEMBER, 2002.




Notary Public

My Commission Expires:

