

D & I RAILROAD CO.



211 994 ORIGINAL
300 S. PHILLIPS AVE. • SUITE 200
P.O. BOX 5829
SIOUX FALLS, SD 57117-5829
PHONE 605-334-5000
FAX 605-334-3656

September 10, 2004

ENTERED
Office of Proceedings

SEP 15 2004

Part of
Public Record



Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 700
Washington, DC 20423-0001

29910
Re: **Finance Docket No. 29110 (Sub-No. 1)**
D&I Railroad Company -- Termination of
Modified Certificate and Notice of Interim Trail Use

Dear Secretary Williams:

Pursuant to 49 C.F.R. § 1150.24, D&I Railroad Company ("D&I") hereby provides notice of its intention, effective November 22, 2004, to terminate service provided under a modified certificate of public convenience and necessity on a rail line (the "Sioux Falls segment") owned by the State of South Dakota and extending between milepost 70.1 (near East 11th Street) and milepost 71.48 (East Junction) in Sioux Falls, South Dakota.

D&I was authorized to provide service on the State-owned rail line between Sioux Falls and Sioux City, Iowa (including the Sioux Falls segment) pursuant to a Modified Rail Certificate issued in D&I Railroad Company -- Operation -- Between Sioux Falls, SD and Sioux City, IA, Finance Docket No. 29910 (ICC served May 4, 1982). See also D&I Railroad Company -- Operation -- Between Hawarden, IA and Beresford, SD, Finance Docket No. 30940 (ICC served November 24, 1986) at 1, n.1. D&I has provided no local rail service on the Sioux Falls segment during the past six months. D&I overhead movements on the Sioux Falls segment have been rerouted with the concurrence of the State onto a rail line of The Burlington Northern and Santa Fe Railway Company ("BNSF") through Sioux Falls. BNSF's prior modified certificate operations on the Sioux Falls segment were previously discontinued pursuant to a notice of termination under 49 C.F.R. § 1150.24 filed by BNSF in Finance Docket No. 29672, Burlington Northern Railroad Company -- Operations -- In States of Iowa and South Dakota.

D&I joins in the concurrently-filed request of the South Dakota Department of Transportation ("SDDOT") for issuance of a Notice of Interim Trail Use ("NITU") under 49 C.F.R. § 1152.29 for the Sioux Falls segment, and is willing to negotiate a trails use/rail banking agreement with SDDOT. The Board and its predecessor have previously held that an NITU may be issued in a proceeding where notice is filed under 49 C.F.R. § 1150.24 to terminate operations under a modified certificate. See, e.g., Sammamish Transportation Company -- Notice of Interim Trail Use and Termination of Modified Certificate, Finance Docket No. 33398

Mr. Vernon A. Williams
September 10, 2004
Page 2

(Sub-No. 1) (STB served February 26, 1998); Wisconsin and Calumet Railroad Company, Inc. -- Notice of Interim Trail Use and Termination of Modified Certificate, Finance Docket No. 30724 (Sub-No. 1) (ICC served August 8, 1989). As in those proceedings, D&I and SDDOT are submitting their filings here in a sub-docket of the original modified certificate docket.

I certify that, in accordance with 49 C.F.R. § 1150.24(a), a copy of this notice of intent to terminate service has been served by first class mail, postage prepaid, upon the State of South Dakota, at the address provided below.

Please feel free to contact me should any questions arise regarding this matter.
Thank you for your assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack Parliament", with a stylized flourish extending from the end.

Jack Parliament
President

cc: Mr. Bruce Lindholm
South Dakota Department of Transportation
700 East Broadway Avenue
Pierre, SD 57501-2586
[Via first class mail]

[illegible]

Sioux Falls, SD
N.P.O. / 145.7
TRACK SCHEMATIC
(NOT TO SCALE)