



FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36147]

Chesapeake and Indiana Railroad Company—Amended Operation Exemption—Town of North Judson, Ind.

Chesapeake and Indiana Railroad Company (CKIN), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to continue to operate an approximately 27.92-mile line of railroad owned by the Town of North Judson, Ind. (Town). The rail line extends between milepost CF 0.23, at Lacrosse, and milepost CF 15.23, at Wellsboro, and between milepost CI 218.0, at English Lake, and milepost CI 230.92, at Malden, in LaPorte, Porter, and Starke Counties, Ind. (the Line).

According to CKIN, the Board originally authorized CKIN's operation of the Line in 2004. See Chesapeake & Ind. R.R.—Operation Exemption—Town of N. Judson, Ind., FD 34529 (STB served Aug. 20, 2004).¹ On September 11, 2017, CKIN and the Town entered into a new 10-year agreement for CKIN to continue to operate over the Line.² CKIN states that the amended operating agreement will take effect on the effective date of this notice of exemption.

¹ CKIN states that it was selected by the Town to operate the Line pursuant to an Operating Agreement executed on July 31, 2004, and expiring on December 31, 2015. Subsequently, the parties extended the operating agreement, first until May 15, 2016, and later until August 15, 2016. During these extensions, CKIN initiated litigation in state court and brought a petition before the Board that was later denied. See CSX Transp., Inc.—Aban. Exemption—in LaPorte, Porter, & Starke Ctys., Ind., AB 55 (Sub-No. 643X) et al. (STB served May 31, 2017). Ultimately, the parties reached a mutually satisfactory settlement. See CSX Transp., Inc.—Aban. Exemption—in LaPorte, Porter, & Starke Ctys., Ind., AB 55 (Sub-No. 643X) et al. (STB served Oct. 2, 2017).

² CKIN states that the parties' operating agreement is automatically renewable at
(continued . . .)

CKIN certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class I or Class II rail carrier and will not exceed \$5 million. CKIN also states that there are no provisions or agreements limiting interchange with other carriers.

The transaction may be consummated on or after November 4, 2017, the effective date of the exemption (30 days after the verified notice of exemption was filed).

If the verified 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 effectiveness of the exemption. Petitions for stay must be filed no later than October 27, 2017 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36147, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington DC 20423-0001. In addition, a copy of each pleading must be served on applicant's representative, John D. Heffner, Strasburger & Price, LLP, 1025 Connecticut Avenue, N.W., Suite 717, Washington, DC 20036.

According to CKIN, this action is categorically excluded from environmental review under 49 CFR 1105.6(c).

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Decided: October 17, 2017.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

(. . . continued)
CKIN's option for two additional five-year terms, for a total occupancy of 20 years.

Marline Simeon,

Clearance Clerk.

[FR Doc. 2017-22817 Filed: 10/19/2017 8:45 am; Publication Date: 10/20/2017]