

PIONEER RAILROAD SERVICES, INC.

1318 S. JOHANSON ROAD
PEORIA, ILLINOIS 61607
(309) 697-1400

December 8, 2014

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Via E-Filing

Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

RE: Pioneer Railcorp, Pioneer Railroad Services, Inc., Decatur Junction Railway Co.,
Exemption for Transactions within a Corporate Family, STB Docket No. 35887

Dear Ms. Brown:

On December 1, 2014, Pioneer Railcorp ("PIONEER"), Pioneer Railroad Services, Inc. ("PRS"), a non-carrier, and Decatur Junction Railway Co.¹, ("DJR") filed a notice, pursuant to 49 C.F.R. §1180.2(d)(3), for an exemption from the prior approval and authorization requirements of the Surface Transportation Board ("Board") of a transaction within a corporate family. The transaction, subject to the Notice of Exemption, involves PRS' acquisition of DJR's rail line between Elwin, Illinois, and Decatur, Illinois (the "Line"), PIONEER's continuance in control of PRS when it becomes a carrier (upon acquiring the Line), and the simultaneous leaseback of operating rights by PRS to DJR, which will allow DJR to continue to operate the Line (pursuant to a lease with PRS).

The purpose of this letter is to advise the Board that consistent with 49 C.F.R. §1180.2(d)(3), the above transaction is within a corporate family and will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family. In fact, DJR (the incumbent operator) will continue to operate the Line pursuant to a lease PRS; thus, operational changes, if any, would be de minimis.

¹ DJR is owned by Pioneer Railroad Services, Inc.'s parent company Pioneer Railcorp. See Pioneer Railcorp – Continuance in Control Exemption – Decatur Junction Railway Co., STB Docket No. F.D. 32367 (STB served October 18, 1993).

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The transaction will not result in service level changes or changes in the competitive balance with carriers outside the corporate family.

Please let me know if you have any questions concerning this filing.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Daniel A. LaKemper". The signature is fluid and cursive, with the first name "Daniel" and last name "LaKemper" clearly distinguishable.

Daniel A. LaKemper,
General Counsel

cc: Rachel Campbell, Office of Proceedings