

211395

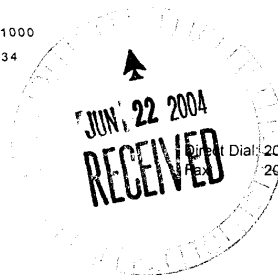
TROUTMAN SANDERS LLP

ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP

401 9TH STREET, N.W. - SUITE 1000
WASHINGTON, D.C. 20004-2134
www.troutmansanders.com
TELEPHONE: 202-274-2950

Sandra L. Brown
Sandra.Brown@troutmansanders.com

June 22, 2004



The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings

JUN 22 2004

Part of
Public Record

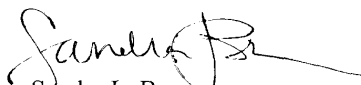
**Re: Ameren Energy Generating Company - Construction and
Operation Exemption - In Coffeen and Walshville, IL
S.T.B. Finance Docket No. 34435**

Dear Secretary Williams:

Please accept for filing an original and 11 copies of Ameren Energy Generating Company's and Coffeen and Western Railroad Company's Reply to the Response of Norfolk Southern. Please acknowledge receipt and filing of the enclosed material by date-stamping the eleventh copy of this letter and returning it to the individual making this filing for return to me.

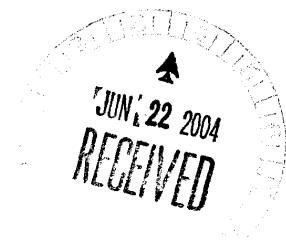
If there are any questions concerning this letter, please contact me at 202-274-2959.

Yours very truly,


Sandra L. Brown

211395

BEFORE THE
SURFACE TRANSPORTATION BOARD



FINANCE DOCKET NO. 34435

AMEREN ENERGY GENERATING COMPANY
- CONSTRUCTION AND OPERATION EXEMPTION -
IN COFFEEN AND WALSHVILLE, IL

AMEREN ENERGY GENERATING COMPANY'S AND
COFFEEN AND WESTERN RAILROAD COMPANY'S
REPLY TO RESPONSE OF NORFOLK SOUTHERN

ENTERED
Office of Proceedings

JUN 22 2004

Part of
Public Record

James A. Sobule
AMEREN SERVICES
P.O. Box 66149 (MC-1310)
St. Louis, Missouri 63166-6149
(314) 554-2276 (Telephone)
(314) 554-4014 (Facsimile)

Sandra L. Brown
Rebecca Roback
TROUTMAN SANDERS LLP
401 Ninth Street, N.W., Suite 1000
Washington, D.C. 20004
(202) 274-2959 (Telephone)
(202) 653-5603 (Facsimile)

Attorneys for Ameren Energy Generating
Co. and Coffeen and Western
Railroad Company.

June 22, 2004

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 34435

**AMEREN ENERGY GENERATING COMPANY
- CONSTRUCTION AND OPERATION EXEMPTION -
IN COFFEEN AND WALSHVILLE, IL**

**AMEREN ENERGY GENERATING COMPANY'S AND
COFFEEN AND WESTERN RAILROAD COMPANY'S
REPLY TO RESPONSE OF NORFOLK SOUTHERN**

Ameren Energy Generation Company ("AEGC") and Coffeen and Western Railroad Company ("CWRC") submits this reply¹ to a response filed by Norfolk Southern Railway Company ("NS") on June 14, 2004 ("NS Response").² For purposes of being concise, CWRC will not recite all the procedural history associated with this proceeding and the two other dockets that NS's comments discuss; however, such history is contained in CWRC's filing made on June 2, 2004 in this docket.

AEGC and CWRC would like to briefly respond to NS's concern regarding CWRC's lease agreement with AEGC which falls under a separate proceeding from the case *sub judice*. AEGC and CWRC reiterate that the lease agreement in question is similar to other lease agreements in the industry. For instance, the lease provides that CWRC shall have the exclusive right to conduct common carrier operations on the line. The agreement does permit CWRC to

¹ AEGC and CWRC respectfully assert that this supplemental response to some of NS's factual questions should not be treated as a reply to a reply (which NS labeled a response). In the event that the Board chooses to refer to this pleading as a reply to a reply, there is precedent for accepting this filing to provide a more complete record.

² NS's Response is dated June 9, 2004 and AEGC/CWRC's counsel received it on June 10, 2004. The Board's records show it file-stamped received on June 14, 2004, presumably because of the unplanned federal holiday granted on June 11, 2004 for the passing of former President Ronald Reagan.

enter into an agreement with other common carriers to provide rail service with CWRC's acknowledgement that CWRC will retain a residual common carrier obligation. Furthermore, the agreement provides that CWRC and/or its operator shall be responsible for obtaining any additional regulatory approval that may be necessary. The agreement is not only similar to other industry agreements, it is a fact that AEGC and CWRC could not establish common carrier operations and hold the line out to other shippers without the Board's permissive approval.

Second, AEGC and CWRC want to briefly respond to NS's apparent concern that the leased track is "entirely within the confines of [AEGC's] facility." *See* NS Response at 9. This is not true. The leased track is not within the "confines" of the plant and not within the plant gates. The leased track is next to the NS track and near where the proposed build-out would connect. This demonstrates again that the line is no different than any other railroad track in the industry. Moreover, AEGC and CWRC do not agree with NS's parenthetical suggestion that the separate proceedings in F.D. Nos. 34497 and 34498 should be made "related to and contingent upon" the construction proceeding, especially in light of the further clarification provided that the track is not "in-plant" trackage. *See* NS Response at 8-9.

Finally, AEGC and CWRC disagree with NS's assertion that a Motion to Strike NS's comments was not justified. *See* NS Response at 3. However, even if the Board found that such a motion was not warranted - AEGC and CWRC acknowledged that the Board is often reluctant to strike material - AEGC and CWRC continue to assert that the substance of NS's comments should not be of concern in this separate proceeding.

AEGC and CWRC are committed to working with NS on coal transportation alternatives to the Coffeen Plant. AEGC and CWRC remain interested in either acquiring the NS's island track

between Coffeen and Sorento or amicably working out any issues associated with the requisite crossing of NS's line that is related to this proceeding.

Respectfully submitted,

James A. Sobule
AMEREN SERVICES
P.O. Box 66149 (MC-1310)
St. Louis, Missouri 63166-6149
(314) 554-2276 (Telephone)
(314) 554-4014 (Facsimile)

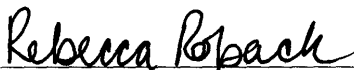

Sandra L. Brown
Rebecca Roback
TROUTMAN SANDERS LLP
401 Ninth Street, N.W., Suite 1000
Washington, D.C. 20004
(202) 274-2959 (Telephone)
(202) 654-5603 (Facsimile)

Attorneys for Ameren Energy Generating Co.
and Coffeen and Western Railroad Company

CERTIFICATE OF SERVICE

This is to certify that on this 22nd day of June, 2004, I served the following party of record, by overnight delivery, a true and accurate copy of the AEGC/CWRC's Reply to the comments of Norfolk Southern:

John V. Edwards
General Attorney
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510


Rebecca Roback