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THOMAS F. McFARLAND

July 13, 2004

By electronic mail

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Docket No. AB-878, *City of Peoria, Illinois and Village of Peoria Heights, Illinois -- Adverse Discontinuance -- Pioneer Industrial Railway Co.*

Dear Mr. Williams:

This is to respectfully request expedited Board disposition of a Petition for Partial Waiver of Abandonment Regulations filed in behalf of the City of Peoria, Illinois and the Village of Peoria Heights, Illinois (the Municipalities) in the above proceeding on June 29, 2004.

Expedited disposition is warranted for two reasons:

(1) the partial waiver is required in order to enable the Municipalities to file an application for adverse discontinuance of the operating authority of Pioneer Industrial Railway Co. (Pioneer) over a rail line owned by the Municipalities. The contractual right of Pioneer to operate over the line expired by its terms on July 10, 2004. The application for adverse discontinuance should be filed on an accelerated basis in order to enable discontinuance of operating authority for which there no longer is a contractual basis;

(2) the partial waiver is governed by the Board's decision in indistinguishable circumstances in *City of Rochelle, Illinois -- Adverse Discontinuance -- Rochelle Railroad Company*, 1998 STB LEXIS 280 (Docket No. AB-549, decision served June 5, 1998). The Municipalities seek a partial waiver to the same extent as granted in that decision.

Very truly yours,

/s/

Thomas F. McFarland
Attorney for the Municipalities

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cc: Daniel LaKemper, Esq.
Randall Ray, Esq.
Mr. Don L. Gibson