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February 10, 2005

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

ENTERED
Office of Proceedings

FEB 10 2005

Part of
Public Record

RE: Finance Docket No. 34335, *Keokuk Junction Railway Company.—Feeder Line Application—Line of Toledo, Peoria and Western Railway Corporation between La Harpe and Hollis, IL*

Dear Secretary Williams:

Instead of responding to the letter filed on February 9, 2005 by the Keokuk Junction Railway Corporation ("KJRY") concerning trackage rights, the Toledo, Peoria and Western Railway Corporation ("TP&W") proposes an alternate solution.

On February 9, 2005, KJRY filed a Notice of Exemption in Finance Docket No. 34664 seeking overhead trackage rights over about five miles of railroad line immediately east of milepost 118.5 on the Union Pacific Railroad Company ("UP"). As part of that filing, KJRY submitted a trackage rights agreement between UP and KJRY (the "UP-KJRY Trackage Rights"). With some minor modifications, TP&W suggests that the Board substitute the UP-KJRY Trackage Rights for the one in controversy in the instant proceeding.

The UP-KJRY Trackage Rights has the advantage of being an agreement involving arms-length negotiation and having been agreed to by KJRY very recently.

The modifications required are as follows:

1. The names of the parties. KJRY would replace UP and TP&W would replace KJRY.

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2. The description of the property would be the rail line between near Mapleton at milepost 123.0 and at Hollis at milepost 118.5. In section 2, TP&W would be able to retain service over two tracks that are integral to the support of the operations on and to and from the Mapleton Spur by substituting for section 2(d) the following: It is understood and agreed that TP&W shall have the right to: (d) use of the pocket track from milepost 118.62 to milepost 119.21 for the purpose of directly interchanging with the Union Pacific Railroad Company, and use the support track from milepost 119.18 to milepost 120.19 in any manner necessary to support the operations on the Mapleton Spur.

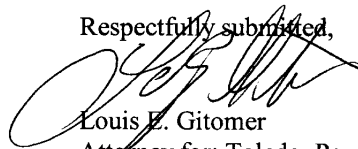
3. Substitute section 4 of the trackage rights agreement submitted in the instant proceeding concerning compensation for section 4 of the UP-KJRY Trackage Rights concerning compensation.

4. Revision of the first "WHEREAS" paragraph to mutually agreeable language.

TP&W believes that adopting the UP-KJRY Trackage Rights with the necessary changes noted above will smooth the transition process and allow the trackage rights to go into effect. It will also allow TP&W to continue providing service to the Mapleton Spur. TP&W has been advised by KJRY that it will not allow TP&W movement to Kolbe to take place until a signed trackage rights agreement is in place. KJRY has stated that it will haul the cars to Kolbe for TP&W. However, some TP&W's customers on the Mapleton Spur have been advised that TP&W will not be permitted by KJRY to serve them as of tomorrow. TP&W strenuously objects to KJRY's attempt to usurp the power of the Board to unilaterally exclude TP&W from directly serving the shippers on the Mapleton Spur, as the Board has ordered.

Enclosed are the original and ten copies of this letter. Please time and date stamp the extra copy of this letter and return it with our messenger. Thank you for your assistance. If you have any questions, please contact me.

Respectfully submitted,



Louis E. Gitomer
Attorney for: Toledo, Peoria and Western
Railway Corporation

cc: Parties of record