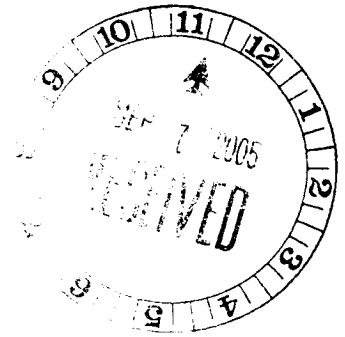


ORIGINAL

LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. MCFARLAND

September 6, 2005



214654

By UPS overnight mail

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

Re: Finance Docket No. 34753, *Central Illinois Railroad Company -- Operation Exemption -- Rail Line of the City of Peoria, Illinois*

Dear Mr. Williams:

Enclosed please find an original and 10 copies of Verified Notice Of Exemption Under 49 C.F.R. § 1150.41, for filing with the Board in the above referenced matter.

Also enclosed is Central Illinois Railroad Company's check #2728 in the amount of \$1,500 for the filing fee.

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Applicant

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FILED

ENTERED
Office of Proceedings

SEP 7 2005

SEP 7 2005

Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD



CENTRAL ILLINOIS RAILROAD)
COMPANY -- OPERATION) FINANCE DOCKET
EXEMPTION -- RAIL LINE OF THE) NO. 34753
CITY OF PEORIA, ILLINOIS)

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

CENTRAL ILLINOIS RAILROAD COMPANY
P.O. Box 259
Granville, IL 61326

Applicant

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: September 6, 2005

BEFORE THE
SURFACE TRANSPORTATION BOARD



CENTRAL ILLINOIS RAILROAD	)	
COMPANY -- OPERATION	)	FINANCE DOCKET
EXEMPTION -- RAIL LINE OF THE	)	NO. 34753
CITY OF PEORIA, ILLINOIS	)	

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

Pursuant to 49 U.S.C. § 10502(a) and 49 C.F.R. § 1150.41, *et. seq.*, CENTRAL ILLINOIS RAILROAD COMPANY (CIRY), a Class III rail carrier, hereby files this notice of exemption for its operation of a rail line owned by the City of Peoria, Illinois (the City), described as follows: extending easterly approximately 1.9 miles from a point of connection with the Peoria Subdivision of the Union Pacific Railroad Company (UP) at approximately UP Milepost 71.5 to a point a short distance west of University Avenue in the City of Peoria, Peoria County, Illinois ("The Subject Rail Line").^{1/}

INFORMATION REQUIRED BY 49 C.F.R. § 1150.43

In accordance with Board regulations at 49 C.F.R. § 1150.43, CIRY submits the following information in support of this notice of exemption.

^{1/} The Subject Rail Line is proposed to be connected to a 8.29-mile rail line known as the Kellar Branch that is also owned by the City of Peoria. An exemption for construction of the approximate 1,800-foot connecting track was issued in Finance Docket No. 34395, *City of Peoria, IL, d.b.a., Peoria, Peoria Heights & Western Railroad - Construction of Connecting Track Extension - in Peoria County, IL*, decision served September 27, 2004. CIRY has received an exemption for its operation of the Kellar Branch. Finance Docket No. 34518, *Central Illinois R. Co. - Oper. Exempt. - Rail Line of the City of Peoria, et al. in Peoria and Peoria Heights, Peoria County, IL*, notice of exemption served July 28, 2004.

(a) The full name and address of the Class III rail carrier applicant;

The full name and address of applicant is Central Illinois Railroad Company, P.O. Box 269, Granville, IL 61326.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative to receive correspondence is Thomas F. McFarland, Thomas F. McFarland, P.C. 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

An agreement has been reached for CIRY's operation of the Subject Rail Line.

(d) The operator of the property;

CIRY will be the operator.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property to the applicant;

The owner of the Subject Rail Line who has agreed to CIRY's operation is the City of Peoria, Illinois, City Hall Building, 419 Fulton Street, Peoria, IL 61602-1270.

(2) The proposed time schedule for consummation of the transaction;

Operation of the line by CIRY will not commence earlier than seven days after the filing of this notice of exemption.

(3) The mileposts of the subject property, including any branch lines;

The Subject Rail Line is not identified by Milepost. The Line extends 1.9 miles from connection with UP to a point a short distance west of University Avenue in Peoria, Peoria County, Illinois.

(4) *The total route miles being acquired;*

There are a total of approximately 1.9 miles of rail line that would be operated (but not acquired).

(f) *A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states;*

A map of the Subject Rail Line is attached as Appendix 1.

(g) *A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under § 1150.45.*

CIRY so certifies. See verification attached as Appendix 2.

VERIFICATION

See Appendix 3.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

The proposed operation does not require environmental or historic reporting or assessment. See 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(1).

LABOR PROTECTION

Pursuant to 49 U.S.C. § 10902(d), labor protection requirements do not apply to this transaction.

CAPTION SUMMARY

The caption summary required by 49 C.F.R. § 1150.44 is attached hereto as Appendix 4.

CONCLUSION AND REQUESTED RELIEF

WHEREFORE, within 30 days of the filing of this notice, the Director of the Office of Proceedings should publish a notice in the Federal Register of the filing of this notice. See 49 C.F.R. § 1150.42(b).

Respectfully submitted,

CENTRAL ILLINOIS RAILROAD COMPANY
P.O. Box 269
Granville, IL 61326

Applicant

Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: September 6, 2005

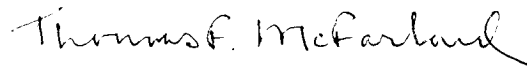
Figure 1 - Option 1

The map displays the Peoria area with the following details:

- Legend:**
 - Dashed line: Rehabilitation
 - Solid line with cross-ticks: Other Lines
- Geographic Labels:** Peoria, Peoria Heights, East Peoria, West Peoria, Creve Coeur, Bellevue, Harvard Hills.
- Highways:** I-74, I-150, I-116, I-24, I-474, I-29, I-40, I-6, I-91, I-8, I-10, I-12, I-14, I-16, I-18, I-20, I-22, I-24, I-26, I-28, I-30, I-32, I-34, I-36, I-38, I-40, I-42, I-44, I-46, I-48, I-50, I-52, I-54, I-56, I-58, I-60, I-62, I-64, I-66, I-68, I-70, I-72, I-74, I-76, I-78, I-80, I-82, I-84, I-86, I-88, I-90, I-92, I-94, I-96, I-98, I-100.
- Local Streets:** Keller, Branch, Peoria, Peoria Heights, East Peoria, West Peoria, Creve Coeur, Bellevue, Harvard Hills.
- Landmarks:** Pioneer Industrial Park, Peoria Heights, East Peoria, West Peoria, Creve Coeur, Bellevue, Harvard Hills.
- Other Features:** A north arrow in the top right corner, a scale bar at the bottom, and various other labels for smaller streets and areas.

CERTIFICATION

THOMAS F. McFARLAND, certifies that the projected revenues as a result of the proposed operation will not result in the creation of a Class II or Class I rail carrier.

A handwritten signature in cursive script that reads "Thomas F. McFarland". The signature is written in black ink and is positioned above a horizontal line.

Thomas F. McFarland

APPENDIX 3

VERIFICATION

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

THOMAS F. McFARLAND, being duly sworn on oath, deposes and states that he has read the foregoing notice, that he knows the contents thereof, and that the facts therein stated are true and correct.



Thomas F. McFarland

Thomas F. McFarland

SUBSCRIBED AND SWORN
to before me this 6th day
of September, 2005.

Kathleen Lenihan

Notary Public

My Commission Expires: 1/29/06

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB Finance Docket No. 34753

*Central Illinois Railroad Company --
Operation Exemption -- Rail Line of
the City of Peoria, Peoria County, IL*

Central Illinois Railroad Company (CIRY), a Class III rail carrier, has filed a notice of exemption to operate the following rail line owned by the City of Peoria, Illinois: extending easterly approximately 1.9 miles from a point of connection with the Peoria Subdivision of the Union Pacific Railroad Company (UP) at approximately UP Milepost 71.5 to a point a short distance west of University Avenue in the City of Peoria, Peoria County, Illinois.

The above rail line to be operated totals approximately 1.9 miles.

Comments must be filed with the Board and served on CIRY's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

The notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

By the Board
Vernon A. Williams, Secretary