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May 4, 2006

Secretary
Surface Transportation Board
Washington, DC 20423

Re: FD 34037

Dear Sir or Madam:

I am enclosing an original Petition to Revoke Exemption,
plus ten copies, and the requisite \$200 filing fee.

Also enclosed is a copy of this letter, which I ask that you
time-stamp and return in the envelope provided for that purpose.

Thank you.

FEE RECEIVED
MAY 08 2006
SURFACE
TRANSPORTATION BOARD

Sincerely yours,

DeKoter, Thole, & Dawson, P.L.C.



Daniel E. DeKoter

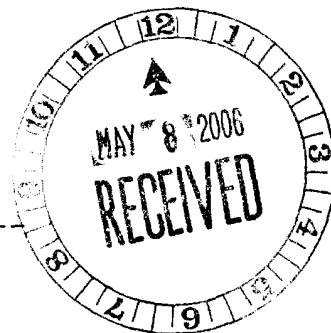
DDK:mh
Enclosures
cc: Kirk Grau (w/enc.)
Rob Jacobs (w/enc.)
Dan LaKemper (w/enc.)
John Larkin (w/enc.)

FILED
MAY 08 2006
SURFACE
TRANSPORTATION BOARD

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Office of Proceedings
MAY 08 2006
Part of
Public Record



BEFORE THE
SURFACE TRANSPORTATION BOARD



FINANCE DOCKET NO. 34037

GENERAL RAILWAY CORPORATION D/B/A
IOWA NORTHWESTERN RAILROAD COMPANY—
OPERATION EXEMPTION—LINE OF DICKINSON
OSCEOLA RAILROAD ASSOCIATION

FILED

MAY 08 2006

PETITION TO REVOKE EXEMPTION

**SURFACE
TRANSPORTATION BOARD**

FEE RECEIVED

MAY 08 2006

**SURFACE
TRANSPORTATION BOARD**

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Table of Contents

	Page
1. Background.....	2
2. Argument.....	3
3. Certificate of Service.....	7
4. Affidavit.....	8

1. Background.

This Petition involves a rail line of approximately 37.21 total miles, extending between milepost 79.34 at a point west of Superior, Iowa, and the end of the line at milepost 116.55 at a point west of Allendorf, Iowa, in Dickinson and Osceola Counties.

This Petition is filed on behalf of Dickinson Osceola Railroad Association ("DORA") pursuant to 49 U.S.C. §10502(d). The Petition seeks complete revocation of the exemption from board approval of operating authority of General Railway Corporation ("GRC"), which was the subject of a Board notice served May 11, 2001, in Finance Docket 34037, *General Railway Corporation d/b/a Iowa Northwestern Railroad Company-Operation Exemption-Line of Dickinson Osceola Railroad Association*.

The Board granted GRC the authority to discontinue operations over a portion of the rail line in question in its decision of April 10, 2006, Docket No. AB-1067-1-X, *Iowa*

Northwestern Railroad-Abandonment Exemption-In Osceola and Dickinson Counties, IA. That decision involved 17.05 miles of the line described by GRC as running from milepost 235.25 near Lake Park, Iowa to the end of the line at milepost 252.3 near Allendorf, Iowa. In that decision, the Board recognized that GRC never acquired authority to purchase the line, and that DORA remains the owner of the line. However, the Board granted a discontinuance of GRC's operating authority over the 17.05 miles of line in question.

The purpose of the present petition is to request the Board's revocation of the previously granted exemption which gives GRC operating authority over the still-intact portion of the line from Lake Park to Superior.

2. Argument.

a. Facts.

Petitioner DORA acquired the rail line in 2001 from the Union Pacific. DORA subsequently entered into an agreement with GRC to operate and ultimately purchase the line. As noted in the Board's decision of April 10, 2006, no commercial shipping has moved over the line since December 22, 2003, when a UP embargo began. The only commercial shipper then utilizing the line was Cooperative Elevator Association ("CEA"), whose

facilities are located along the 17.05 miles where operating authority is already discontinued.

In the summer of 2004, GRC and a company called Omaha Tie Yard removed track and track materials on the 17.05 miles running from Allendorf to Lake Park. GRC did not seek prior Board approval for this action. GRC sold the track and materials to Omaha Tie Yard. The materials removed included the ballast. Photographs are attached to the sworn declarations filed with this Petition.

In July 2004, CEA filed a complaint in the United States District Court for the Northern District of Iowa, Western Division, alleging that GRC had removed the track and track materials and discontinued use on the line without Board approval. CEA sought: (1) an order of the court directing GRC to apply for abandonment authority from the Board and follow all other federal laws relating to discontinuance and abandonment of the line; and (2) an injunction preventing GRC from removing any additional rail, or rail components or materials from the line until authorized to do so by the Board. In a decision entered on August 16, 2005, and modified on November 19, 2005, the district court adopted a magistrate's prior recommendation to grant the relief requested by CEA.

On October 3, 2005, CEA requested that GRC deliver rail cars to its elevator at Ocheyedan. This request was ignored, for the obvious reason that no track existed.

On December 27, 2005, GRC filed a petition seeking an exemption under 49 U.S.C. §10502 from the prior approval requirements of 49 U.S.C. §10903 to abandon the 17.05 miles between Lake Park and Allendorf. This petition ultimately resulted in the Board's decision of April 10, 2006.

From 2001 through the summer of 2005, GRC operated an excursion train for tourists on the portion of the line running from Spirit Lake, Iowa to Lake Park, Iowa. GRC recently discontinued that service, as shown by the sworn declarations submitted with this petition. GRC is no longer offering any rail service of any kind on the line, to the knowledge of CEA or DORA.

b. Legal Principles.

GRC has repeatedly and flagrantly violated its legal obligations as an operator of the line. 49 U.S.C. §10903 provides as follows:

"§ 10903. Filing and procedure for application to abandon or discontinue

(a) (1) A rail carrier providing transportation subject to the jurisdiction of the Board under this part [49 USCS § § 10101 et seq.] who intends to--

A) abandon any part of its railroad lines; or

B) discontinue the operation of all rail transportation over any part of its railroad lines,

must file an application relating thereto with the Board. An abandonment or discontinuance may be carried out only as authorized under this chapter [49 USCS § § 10901 et seq.]."

GRC has discontinued its operations on the line without prior Board permission.

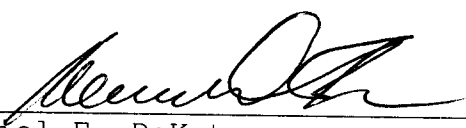
Furthermore, 49 U.S.C. §11101 provides as follows:

§ 11101. Common carrier transportation, service, and rates

(a) A rail carrier providing transportation or service subject to the jurisdiction of the Board under this part [49 USCS § § 10101 et seq.] shall provide the transportation or service on reasonable request.

GRC has violated this section by failing to respond to CEA's reasonable request on October 3, 2005, for delivery of 25 rail cars.

Because of these repeated and flagrant violations of the law, DORA respectfully requests that the Board revoke the exemption of GRC and thereby nullify its present operating authority in its entirety.



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CERTIFICATE OF SERVICE

I certify that I have this 4th day of May,
2006, served copies of the foregoing document and all
attachments to it on all parties of record in this proceeding,
by mailing copies to them by United States Mail, postage
prepaid.



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BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34037

GENERAL RAILWAY CORPORATION D/B/A
IOWA NORTHWESTERN RAILROAD COMPANY—
OPERATION EXEMPTION—LINE OF DICKINSON
OSCEOLA RAILROAD ASSOCIATION

AFFIDAVIT OF ROB JACOBS

STATE OF IOWA

OSCEOLA COUNTY, ss:

I, Rob Jacobs, being first duly sworn, do on oath depose and state:

1. I am the manager of Cooperative Elevator Association (CEA). I am of legal age and sound mind, and in all respects competent to testify in court.

2. I know the facts recited in this affidavit of my own personal knowledge. I have been a board member of the Dickinson Osceola Railroad Association (DORA) since its inception. I have also been directly involved in the events described in this affidavit.

3. DORA acquired the rail line running from Allendorf to Superior in 2001 from the Union Pacific. DORA subsequently entered into an agreement with General Railway Corporation (GRC) to operate and ultimately purchase the line. No commercial shipping has moved over the line since December 22, 2003, when a UP embargo began. The only commercial shipper then utilizing the line was Cooperative Elevator Association ("CEA"), whose facilities are located along the 17.05 miles where operating authority is already discontinued under a Surface Transportation Board decision served April 10, 2006.

4. In the summer of 2004, GRC and a company called Omaha Tie Yard removed track and track materials on the 17.05 miles running from Allendorf to Lake Park. GRC did not seek prior Board approval for this action. CEA was not given notice or an opportunity to appear before the Board before GRC began to dismantle the track. GRC sold the track and materials to Omaha Tie Yard. The materials removed included the ballast. Photographs are attached to this affidavit showing the damage to the railroad line.

5. In July 2004, CEA filed a complaint in the United States District Court for the Northern District of Iowa, Western Division, alleging that GRC had removed the track and track materials and discontinued use on the line without Board

approval. CEA sought: (1) an order of the court directing GRC to apply for abandonment authority from the Board and follow all other federal laws relating to discontinuance and abandonment of the line; and (2) an injunction preventing GRC from removing any additional rail, or rail components or materials from the line until authorized to do so by the Board. In a decision entered on August 16, 2005, and modified on November 19, 2005, the district court adopted a magistrate's prior recommendation to grant the relief requested by CEA.

6. On October 3, 2005, CEA requested by letter that GRC deliver rail cars to its elevator at Ocheyedon. A copy of the letter is attached. This request was ignored. GRC did not respond to it.

7. From 2001 through the summer of 2005, GRC operated an excursion train for tourists on the portion of the line running from Spirit Lake, Iowa to Lake Park, Iowa. GRC recently discontinued that service, and made a public announcement of discontinuance that was carried in local newspapers. GRC is no longer offering any rail service of any kind on the line, to my knowledge.


Rob Jacobs

Subscribed and sworn to before me this 2nd day of
May, 2006.



Sherri Koerselman
Notary Public

(Two Exhibits Letter dated 10/03/05 and 5 photographs)



Cooperative **E**levator **A**ssociation
ommitted to xcellence in griculture

823 Main Street • P.O. Box 69 • Ocheyedan, Iowa 51354
Phone 712-758-3621 • FAX 712-758-3625 • tcaexpress.net

Hartley
333 South Central Ave.
Iowa 51346
712-728-2945

Sibley
1107 2nd Ave. • P.O. Box 69
Iowa 51249
712-754-2526

Harris
305 N. Main
Iowa 51345
712-349-2169

October 3, 2005

Mr. John Larkin
Iowa Northwestern Railroad Company
4814 Douglas Street
Omaha, NE 68132

Dear Mr. Larkin,

This is a formal request for delivery of 25 rail cars into Ocheyedan for immediate shipment of corn. Please respond to our request at you earliest possible time.

Sincerely,

Rob Jacobs
General Manager
Cooperative Elevator Association









