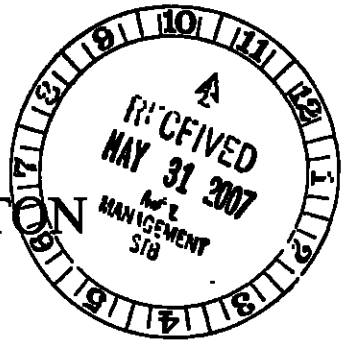




Rob McKenna

ATTORNEY GENERAL OF WASHINGTON

Transportation & Public Construction Division
PO Box 40113 • Olympia WA 98504-0113 • (360) 753-6126



May 21, 2007

ENTERED
Office of Proceedings

MAY 31 2007

ORIGINAL

VIA FACSIMILE (202) 245-0464

The Honorable Vernon A. Williams, Secretary
Surface Transportation Board
395 E Street SW
Washington, DC 20423-0001

Part of
Public Record

RE: Finance Docket No. 35024, State of Washington, Department of Transportation – Acquisition Exemption – Palouse River and Coulee City Railroad, Inc. *219422*

Finance Docket No. 35028, Washington & Idaho railway, Inc. – Operation Exemption – Washington State Department of Transportation *219423*

Related Filings:

Finance Docket No. 35029, Eastern Washington Gateway Railroad Company – Lease and Operation Exemption – Line of Washington State Department of Transportation *219424*

Finance Docket No. 35030, US Rail Partners, Ltd. – Continuance in Control Exemption – Eastern Washington Gateway Railroad Company *219425*

Dear Secretary Williams:

At the request of your office, please accept this letter clarifying WSDOT's petition to partially revoke the class exemptions in the above-referenced transactions and to expedite the effective date.

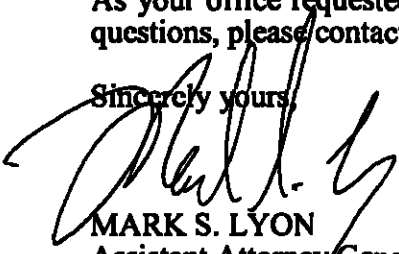
- (1) With regard to the CW Branch Line, WSDOT requests an expedited effective date of June 4, 2007, in Finance Docket No. 35024, and joins in the related petitions filed by the Eastern Washington Gateway Railroad Company (EWGR) (Finance Docket No. 35029) and its parent company, US Rail Partners, Ltd. (USRP) (Finance Docket No. 35030). As set forth in the EWGR/USRP filings, June 4, 2007, represents the earliest date which EWGR anticipates it can begin operations.
- (2) With regard to the P&L Branch Line, WSDOT requests an expedited effective date of June 1, 2007, in Finance Docket No. 35024 and Finance Docket No. 35028. This will allow the Washington and Idaho Railroad (WIR), which is presently operating on the P&L Branch as a contract operator for the Palouse River and Coulee City Railroad, Inc., to continue operations without interruptions after June 1, 2007.

ATTORNEY GENERAL OF WASHINGTON

Vernon A. Williams, Secretary
May 21, 2007
Page 2

As your office requested, I am serving this letter on your office by facsimile. If you have any questions, please contact me at (360) 586-0641.

Sincerely yours,



MARK S. LYON
Assistant Attorney General

MSL:trg

cc: Mike Rowswell, WSDOT
William Sipple, Attorney for EWGR/USRP
Charles H. Montange, Attorney for WIR
Craig Richey, Attorney for PCC/WATCO
Parties on Declaration of Service

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35024

**STATE OF WASHINGTON, DEPARTMENT OF TRANSPORTATION
– ACQUISITION EXEMPTION –
PALOUSE RIVER AND COULEE CITY RAILROAD, INC.**

DECLARATION OF SERVICE

I, TIFFANY R. GILBERTSON, hereby certify that on the 21st day of May, 2007, I caused to be served via facsimile and United States Postal Service, the original and ten copies of the May 21, 2007, letter clarifying the purpose of recent WSDOT filings, and this Declaration of Service to the Surface Transportation Board as follows:

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW, Suite 715
Washington, DC 20423-0001

On the 21st day of May, 2007, I further caused to be served one copy of the above-referenced letter and this Declaration of Service to be placed in the United States Postal Service, postage prepaid, to:

Craig R. Richey, Esq.
Palouse River & Coulee City Railroad, Inc.
315 West 3rd Street
Pittsburg, KS 66762

Charles H. Montange, Esq.
426 NW 162nd Street
Seattle, WA 98177

William Sipple
Fletcher & Sipple LLC
29 North Wacker Drive, Suite 920
Chicago, IL 60606-2875

Almira Farmers Warehouse Company
P.O. Box 196
Almira, WA 99103

Bennet Lumber Products Inc.
P.O. Box 49
Princeton, ID 83857

Co-Ag Producers Inc.
P.O. Box 295
Rosalia, WA 99170

Central Washington Grain Growers, Inc.
P.O. Box 649
Waterville, WA 98858

Davenport Union Warehouse Company
P.O. Box 149
Davenport, WA 99122

Isaak Brothers
P.O. Box 953
Coulee City, WA 99115

Lincoln County Economic Development Council
P.O. Box 1305
Davenport, WA 99122

Odessa Union Warehouse Company
P.O. Box 247
Odessa, WA 99159

Reardan Grain Growers, Inc.
P.O. Box 185
Reardan, WA 99029

Palouse Grain Growers, Inc.
P.O. Box 118
Palouse, WA 99161

Ritzville Warehouse Co.
201 E First Avenue
Ritzville, WA 99169

The McGregor Company
P.O. Box 740
Colfax, WA 99111

Whitman County Growers, Inc.
P.O. Box 151
Colfax, WA 99111

Spokane Seed Co.
P.O. Box 11007
Spokane, WA 99211-1007

Robert Boersma
P.O. Box 545
Othello, WA 99344

Mr. Christopher M. Randall
Director - Shortline Development
BNSF Railway Company
2650 Lou Menk Drive
Fort Worth, TX 76131-2830

I declare under the penalty of perjury under the laws of the State of Washington,
that the above is true and correct.

DATED this 21st day of May, 2007, at Tumwater, Washington.



TIFFANY R. GILBERTSON, Legal Assistant