SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-878

CITY OF PEORIA AND THE VILLAGE OF PEORIA HEIGHTS, IL—ADVERSE DISCONTINUANCE—PIONEER INDUSTRIAL RAILWAY COMPANY

Decided: December 7, 2007

In a decision served in this proceeding on November 19, 2007 (November 19 Decision), the Board denied an application for adverse discontinuance of service by Pioneer Industrial Railway Company (PIRY) over an 8.29-mile rail line, known as the Kellar Branch, located in and owned by the City of Peoria and the Village of Peoria Heights, in Peoria County, IL. As a consequence of that decision, both PIRY and the Central Illinois Railway Company (CIRY) retain Board authorization to serve shippers on the Kellar Branch. The Board directed CIRY and PIRY to negotiate joint operating protocols for the modest traffic levels on the Branch.

Subsequent conversations between representatives of the parties and staff of the Board's Office of Compliance and Consumer Assistance indicate that the parties so far have not agreed to appropriate protocols, and that CIRY may be preventing PIRY from accessing the Branch. To ensure compliance with the November 19 Decision, we direct that the parties meet, in the presence of Board staff, to negotiate joint operating protocols for the Kellar Branch. Board staff will contact representatives of CIRY and PIRY to arrange for such a meeting, which shall take place no later than Friday, December 14, 2007, unless the parties have worked out a mutually acceptable arrangement before that time and so advise the Board.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The parties are directed to negotiate with one another, in the presence of Board staff, regarding joint operating protocols for the Kellar Branch no later than Friday, December 14, 2007, unless they have worked out a mutually acceptable arrangement before that time and so advise the Board.

¹ On December 3, 2007, CIRY filed a petition to modify the <u>November 19 Decision</u> and hold this proceeding in abeyance. We will address CIRY's arguments in a subsequent decision.

2. This decision is effective on its service date.

By the Board, Chairman Nottingham, Vice Chairman Buttrey, and Commissioner Mulvey.

Vernon A. Williams Secretary