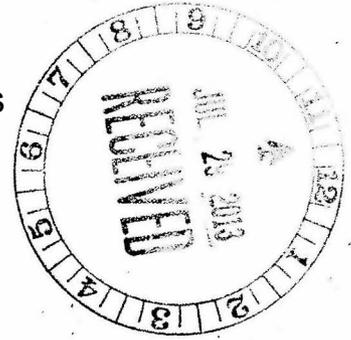


Robert Riley
1799 Greer Road
Coldwater, MS 38618

234592

ENTERED
Office of Proceedings
July 29, 2013
Part of
Public Record



July 25, 2013

Cynithia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW, Room #100
Washington, DC 20423-0001

RE: Docket No. 35247, Grenada Railway, LLC – Acquisition and Operation Exemption – Illinois Central Railroad Company and Waterloo Railroad Company

Dear Ms. Brown:

Enclosed for filing in the subject proceeding is the reply to the Grenada Railway's reply dated July 19, 2013. I certify that a copy of this letter this day has been served on each party of record by facsimile transmission. Please let me know if I can be of any further assistance.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to be 'R. Riley'.

Robert J. Riley

SURFACE TRANSPORTATION BOARD

Docket No. FD 35247

Grenada Railway, LLC-Acquisition and Operation Exemption - Illinois Central Railroad Company

Reply of Robert J. Riley

**Robert J. Riley
1799 Greer RD.
Coldwater, MS 38618
Tel.: (662) 209-1549**

Dated July 25, 2012

Bridge Repair;

In reply to the GRYR's response to the boards' questions, I noted several points of interest. Primarily, in the statement that the Mississippi Transportation Commission ("MTC") and I did not offer an estimate for the repair of the bridge located at MP 656.4 near West Mississippi. There was a good reason that a repair estimate was not tendered at the time of the original filing. Simply put, neither the MTC or I, felt the bridge was in such a deteriorated condition as to warrant ending any and all operations on the south end of their railroad. We were then and still are now of the opinion that this bridge is in fact SAFE and fit for service.

However in light of the fact that an estimate for a repair is warranted I will offer one. I propose the total replacement of spans 5 and 6 while retaining the concrete piles and cap. This can be done with two days labor with a 6 man crew. The railroad would need to supply a backhoe as well. To facilitate this you would need the following materials;

20 pc. 7"X16"X18' Stringers at \$275.00 ea.	= \$5500.00
48 pc. 4"X8"X14' Deck Planks at \$48.00 ea.	= \$2304.00
4 pc. 8"X10"X16' Ballast Retainer at \$80 ea.	= \$320.00
23 tons of Ballast at	\$750.00
120 pc 7 inch steel spikes	\$80.00
28 24" Alltread and related nuts/washers	\$200.00
Labor 6 men at 16 hours each at \$20.00 Hr.	\$1920.00
Backhoe rental for a week	\$750.00
Misc Expenses	\$1000.00
Project total	\$12,824.00

As you see a repair is the economical way to go, \$12,824.00 is relatively cheap. It certainly did not warrant an embargo to be placed on the railroad. When applied to the revenue it is hardly a drop in the bucket. Mere pocket change and this number should be even less if this invisible material store that was so prominently talked about to “upgrade these lines” was tapped. (see Exhibit E)

GRYR Explanation of Corrected Books 2010;

GRYR handled 289 cars originating or terminating on the branch from the following customers: Hankins Lumber, Thomas Wood Preserving, Georgia Pacific, Dunham, Burrows Paper, and Tri County Co-Op. All of these cars were northbound and were handled at the rate of \$850 per car. These car counts came from the GYRY’s 2011 abandonment application and were not changed (see Exhibit F).

289 cars x \$850 = \$245,650 Total Revenue from Cars Originating or Terminating on Branch

GRYR handled 1030 cars of bridge traffic from customers Bowater and Graeber Brothers. All of these cars were southbound and were handled at the rate of \$850 per car. These car counts came from faxes included from Bowater and Graeber Brothers in Joe Marascalco’s Opposition Statement to the GRYR abandonment in 2011.

1030 cars x \$850 = \$875,500 Total Bridge Traffic Revenue

The figures expressed in All Other Revenue and Income came from GRYR’s 2011 abandonment application and were not changed (see Exhibit F).

GRYR shows their Operating Costs for 2010 to be \$810,077. Of this number, some costs such as Transportation at \$95,100 seem extremely suspect. \$95,100.00, for the transportation of what? They already listed \$23,850.00 for deadheading, TAXI and hotel.

Freight car cost of \$198,800 is from what? Charging demurage covers all cost associated with car hire and other misc expenses for holding rail equipment. Repairs are billed to the car owner which would be

done at a profit and not a net loss. No derailments with loss of equipment happened. No GRYR rolling stock was used to service any of the customers. Therefore nothing in the operation supports or warrants this charge. This, like the number above, is EXTREMELY suspect as the operations were with 3rd party equipment. This too should likely be discounted from the total operations expense unless GRYR wants to show verifiable proof this debit existed.

This leaves \$293,900 of debits for 2010 that cannot otherwise be explained nor accounted for. The only real way to see the real accounting is to look at the GRYR's Income Tax Returns for 2010.

GRYR Explanation of Corrected Books 2011;

GRYR handled 92 cars originating or terminating on the branch that were northbound cars from the following customers: Hankins Lumber, Thomas Wood Preserving, Winona Hardwood, Burrows Paper, Tri County Co-Op and 31 cars from the Kosciusko & Southwestern Railway. These cars were handled at the rate of \$850 per car. The information on the 92 cars came from the GRYR's 2011 abandonment application (see Exhibit F). The information on the 31 cars came from Don Brown's reply to the 2012 Petition to Revoke.

123 cars x \$850 = \$104,550 rate

92 cars x 126.9 miles (miles averaged between all customers) x \$0.47 fuel surcharge (based on an average of \$3.84 per gallon) = \$5,487.16

31 cars x 2.9 miles x \$0.47 fuel surcharge = \$42.25

\$104,550 + \$5,478.16 + \$42.25 = \$110,079.50

Total Revenue from Cars Originating or Terminating on Branch - \$110,079.50

GRYR handled 598 cars of bridge traffic from customers Bowater and Graeber Brothers. All of these cars were southbound. 85 of these 598 cars received in January were handled at the rate of \$850 per car, the other 513 cars received in the months of February-July were handled at the rate of \$1250 per

car due to the February 2011 Rate Increase (see Exhibit D).

85 cars x \$850 = \$72,250

513 cars x \$1250 = \$641,250

15 Graeber Brothers cars x 149.4 x \$0.47 fuel surcharge = \$1,053.27

583 Bowater cars x 89.7 x \$0.47 fuel surcharge = \$24,578.70

\$72,250 + \$641,250 + \$1,053.27 + \$24,578.70 = \$739,131.97

Total Bridge Traffic Revenue - \$739,131.97

The figures expressed in All Other Revenue and Income and came from GRYR's 2011 abandonment application and were not changed (see Exhibit F).

Same as the previous year, \$42,800 for transportation and \$102,300 for railcars has no supporting evidence to substantiate the debits and likewise should be discounted.

Invalid Embargo and Illegal Abandonment:

In light of the relatively minor repairs that in my opinion, as well as the MTC, are really not needed to operate train traffic, that leads to another point brought up by the GRYR, and that is a quote from a previous case brought before the board:

"The reasonableness of an embargo is determined by a balancing test, taking into consideration such factors as the length of the service cessation, the carrier's intent, the cost of repairs, the line's traffic volume and revenues, and the carrier's financial condition. The cost of repairs, relative to the volume of traffic on the line and the financial condition of the carrier, often is particularly important. Typically, an embargo is found to be invalid, or to constitute an unlawful abandonment, where the embargo is a long one and the cost of repairs is not substantial [citations omitted]."

GRYR maintains that the bridge needs to be replaced. I can pay an engineering firm to give me an estimate on total replacement and I can also ask for a repair cost. GRYR did not ask for a repair cost because the numbers didn't work for their case. This repair cost, which is relatively minor, roughly \$12,824 and was not a high enough expenditure to show a loss for 2010 and 2011. GRYR claims that

they lost a total of (\$195,601) during that time frame.

Plugging in the revenue from the admitted numbers that came from letters from Bowater and direct admission by the GRYR, the real figures and discounts in the accounting reflect a net gain of \$1,219,310.47 for that same time frame. I would assume their accounting department probably should invest in a new 10 key machine or at least find a user that is competent to operate the one they already have. Likely, the Book Cooking was deliberate as to strengthen their position and was not an error. One million dollars in total revenue would certainly pay for a repair to a bridge that wasn't even \$12,824, It is glaringly obvious they are not running trains because they don't want to, not because this bridge is such a disaster that it is literally falling apart.

This, like I have said previously, is just the scam method of operations that A&K affiliated companies have used up to this point to be allowed to access their inventory stock pile that is currently assembled into a railroad track. In order to get their return on investment, the track has to come off the ground.

This embargo is bogus and is just a tool to drive way business that the GRYR did not want when they bought this track. The embargo was the last way they could get rid of business when their \$400.00 a car price increase did not have the desired effect on traffic volume. There has been ZERO efforts made to attract new business. Every effort has been made to drive it away.

Rate Hike;

When the GRYR first started out on this railroad their Tariff for all points was \$850.00 dollars per car for freight. See rate tariff GRYR 8008 dated July 1 2009, (see Exhibit C). Where the 2 year time limit to operate the railroad was approaching on February 1st 2011 a supplement, GRYR 8008 Supplement 2 was

issued for the above tariff noting a \$400.00 increase to send cars to Canton Mississippi? (See Exhibit D). Why was a rate increase issued for cars traveling a shorter distance via Canton than the longer distance via Memphis? This does not make logical sense. This was an effort to drive business away. When this did not work, we got the news they wanted to abandon the railroad, and all of a sudden the bogus embargo on a perfectly serviceable bridge was issued.

Collusion / Antitrust:

As this case has made a full circle it becomes clear that the parties involved had no real desire to run a new railroad. On July 17th 2010, VP Michael Van Wagenen was quoted by the Natchez Democrat, Exhibit 2, as saying;

"...A&K Railroad Materials, the nation's leading supplier of new and used railroad materials to short line railroads, 'has no ownership, is not a parent company.... (and) has no financial interest' in Natchez Railway..."

This was simply a total lie. How is it that the very officers of A&K railroad materials just so happen to conveniently be the officers of the Grenada and Natchez Railways? The following individuals are officers of both the GRYR and A&K Railroad Materials:

Kern Schumacher-Owner of GRYR and Chairman of A&K

Rhonda Nicoloff-President of GRYR and President of A&K

Michael Van Wagenen-Vice President of GRYR and Executive Vice President of A&K

George Ross-Prepared the inflated NLV portion for GRYR real estate in the 2011 abandonment application and VP of Real Estate for A&K

Aaron Parsons-Assistant Vice President of GRYR and also employed at A&K

How does A&K Railroad Materials not have a financial interest in these properties as Michael Van Wagenen stated when they are owned and operated by the exact same people? Obviously from all past cases involving this bunch, the same thing keeps happening over and over. Railroads meet an untimely demise and communities are devastated and jobs lost.

These people buy a railroad, crash it, and then A&K cashes in on the railroads guided misfortune. I would say this happens a shade too much to be more than a mere coincidence. It is obvious that these people steer a railroad to destruction using whatever means and then bellyache, saying “oh we are losing money” and then apply to abandon the track, which unfortunately always seems to be the game plan to start with. Their record is loaded with 20 plus years of these shenanigans with the same method of operations; buy the railroad, degrade the service, raise the rates on the section they want to HARVEST, and let it wither and die then here comes a crew with claw bars. These shill companies, conjured up by A&K, can be likened to a swarm of locusts that move from place to place destroying and devouring anything and everything they touch for the sake of making a buck.

This type of scenario isn't any different than price fixing or getting a lion's share of the market to impose a monopoly and fix it to where you do as you please. Microsoft tried this very tactic to fix their position for the big play, we all saw on CNN how that worked out. The A&K and V&S Railway are trying the same thing here with the Grenada Railway as the SF&L did on the TP&W fiasco. There comes a time that enough is enough, and that time is now.

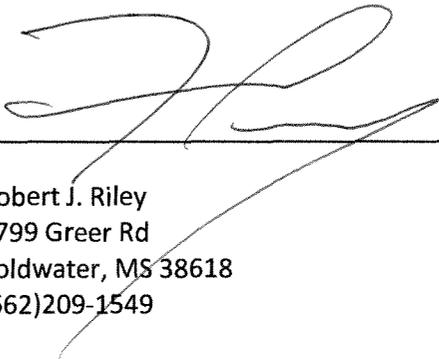
Conclusion;

The Board should grant my petition based on the forgoing record and end the A&K charade parade. It is obvious that A&K and the Grenada Railway had NO interest in running this property, but rather were shopping for inventory. I feel it is only right to not allow them to HARVEST the railroad for salvage but instead revert the railroad back to the original owner. If this rail line reverts back to CN, the entire line will be available to be sold to a more responsible short line operator if CN chooses to do so, and the customers that want to utilize this property for their transportation needs may be allowed to do so without fear of the track going away.

I challenge the STB to make things right in this case. We have proven with 100% certainty, not just beyond a reasonable doubt, that these people bought this railroad to HARVEST the material to add to their retail inventory. The SF&L case was decided only roughly a tenth of the evidence supplied in this case. The record is loaded with all the ammunition needed to make a proper decision. The STB is charged with an enormous responsibility to protect this nations' infrastructure from predatory practices of would be vultures. This is one of those times where everyone in the great state of Mississippi needs the STB to step up to the plate and right a wrong.

In light of the forgoing record and on behalf of every citizen of this state I respectfully ask that this petition be granted and that the exemption that made this transaction possible be revoked.

Respectfully Submitted,



Robert J. Riley
1799 Greer Rd
Coldwater, MS 38618
(662)209-1549

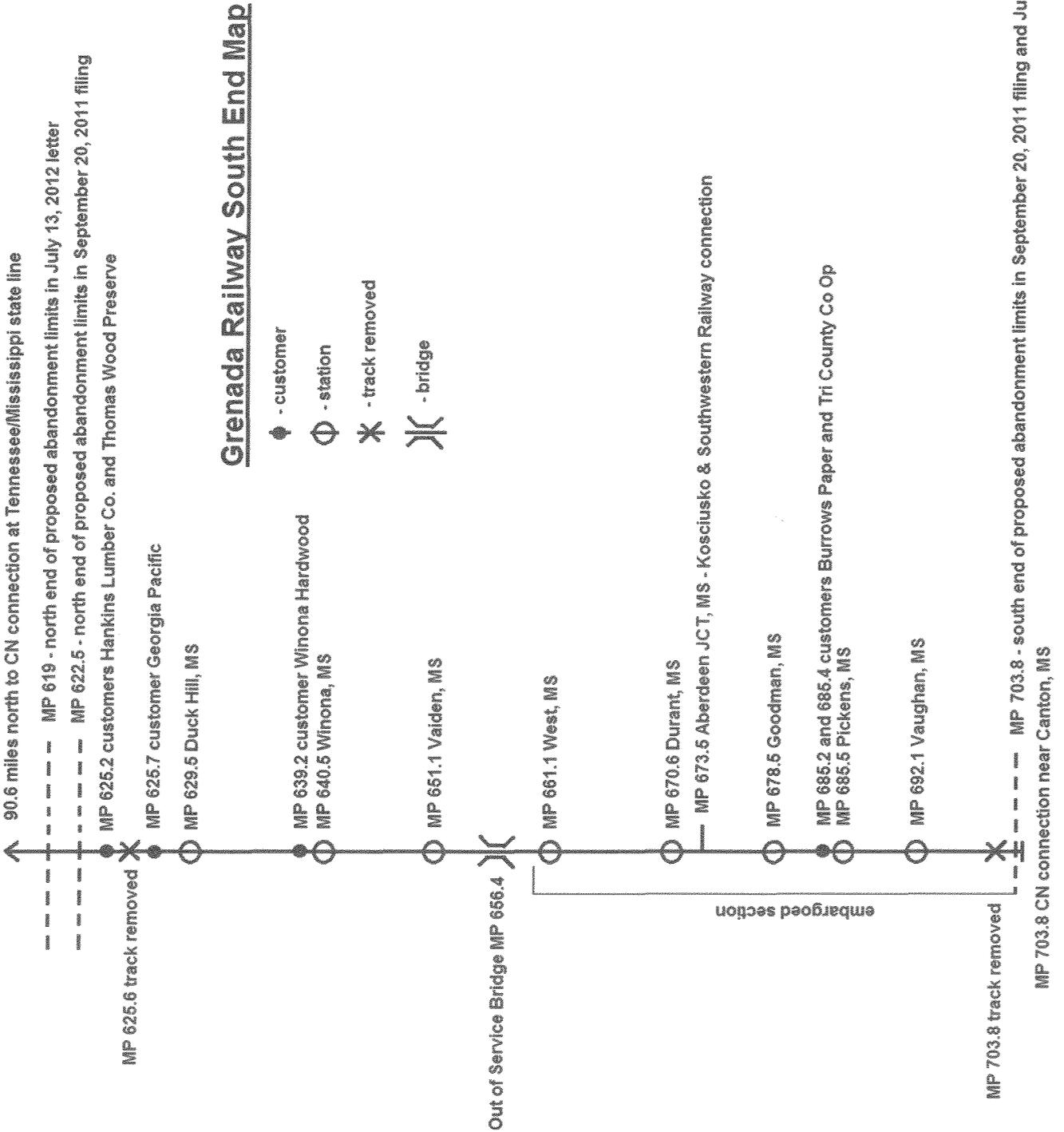
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B, Grenada Railway Timeline of Events
C, GRYR Tariff 8008, July 1 st 2009
D, GRYR Tariff 8008 Sup 2, February 1 st 2011
E, Bridge Engineering Diagram
F, GRYR 2010/2011 Spreadsheets
G, GRYR Corrected Books



Grenada Railway Timeline of Events

May 13, 2009 Grenada Railway (GRYR) purchases rail line from CN

June 5, 2009 GRYR makes statement in a Batesville, MS newspaper stating "Our intention is to operate these railroads... Class I railroads like CN are interested in heavy (traffic). We have the ability to turn over some rocks... we have a ready store ready to upgrade these lines"

June 29, 2009 GRYR makes statement to STB in a reply that states that "Grenada Railway is committed to working with the shippers and communities on the line and develop them into viable businesses"

July 17, 2010 GRYR makes statement in a Natchez, MS newspaper stating "our intent in purchasing these lines from CN is not to abandon these lines and salvage the rail and other materials, but rather we plan to do the opposite... we intend to turn each line into a profitable and healthy railroad for many years to come"

October 15, 2010 GRYR obtains permission from the FRA to deactivate the ABS signaling system between Grenada and Canton

February 1, 2011 GRYR increases rates only for cars traveling over the south end of their line via Canton from \$850 to \$1250 per car

March 2011 Winona Hardwood becomes a customer at Winona

June 2011 Winona Hardwood stops using rail service because of high demurrage/car hire and poor service

June 17, 2011 GRYR sends letters to all customers on the south end of the rail line indicating that GRYR was planning on abandoning the line between Grenada and Canton

July 28, 2011 GRYR files for an embargo between West and Canton

August 10, 2011 GRYR delivers a car to customer Burrows Paper at Pickens

August 11, 2011 GRYR picks up car from customer Burrows Paper at Pickens, which was the last time a train operated in the embargoed section of track

September 20, 2011 GRYR files to abandon between Grenada and Canton

September 28, 2011 Rep. Sidney Bondurant produces a document from this date showing GRYR's slow orders which indicates no bridges are out of service at mile post 656.4

November 10, 2011 GRYR files to dismiss their abandonment application

July 13, 2012 GRYR writes a letter to the North Mississippi Regional Rail Authority indicating that GRYR was planning on filing to abandon between Grenada and Canton again

FT GRYR 8008 (NEW)

GRENADA RAILWAY LLC**FREIGHT TARIFF GRYR 8008 (NEW)**

CONTAINING
LOCAL RATES,
RULES, REGULATIONS AND CHARGES
GOVERNING
SWITCHING, DEMURRAGE AND WEIGHING
ALSO
MISCELLANEOUS RULES AND CHARGES
APPLYING FROM, TO, BETWEEN
AND AT
STATIONS ON THE
GRENADA RAILWAY LLC

LOCAL TARIFF

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular rates and provisions contained herein.

ISSUED: June 25, 2009**EFFECTIVE: July 1, 2009****ISSUED BY**

Michael Van Wagenen
Executive Vice President
Grenada Railway, LLC
1505 Redwood Road
Salt Lake City, UT 84104

FT GRYR 8008

SECTION 4 RULE 11 RATES (Rates in dollars and cents per car, except as noted)				SECTION 5 CAR DEMURRAGE RULES AND CHARGES	
ITEM 600 COMMODITY: Freight, all kinds				ITEM 700 GLOSSARY OF TERMS For the purpose of applying rules in this tariff, the following are defined and shall govern.	
BETWEEN	AND	RATE (See Note)	ROUTE		
Aberdeen Jct. MS	GRYR Stations	\$850.00	1		
Canton, MS	GRYR Stations	\$850.00	1		
Memphis, TN	GRYR Stations	\$850.00	1		
Water Valley Jct. MS	GRYR Stations	\$850.00	1		
Winona, MS	GRYR Stations	\$850.00	1		
Note - Applicable on traffic when "From beyond or "For beyond", subject to AAR Accounting Rule 11. Explanation of Route: 1 - GRYR direct.				ITEM 705 PUBLIC DELIVERY TRACK Any accessible track open to the general public for loading or unloading.	
				ITEM 710 OTHER THAN PUBLIC DELIVERY TRACK Any railroad track or portion of a track assigned for individual use or for joint use, including privately owned or leased tracks.	
				ITEM 715 PRIVATE TRACK A private track is: <ol style="list-style-type: none"> 1. A track outside of GRYR's right-of-way, yard and terminals, and of which GRYR does not own either rails, ties, roadbed or right-of-way. The track may be used jointly by two or more parties when written notice has been furnished to GRYR by the owner of the track prior to joint use; or 2. A track or portion thereof owned or operated by GRYR that is leased for the purpose of the storage of rail cars of Lessee through a written agreement. The joint use of a lease track by each of two or more parties must have written consent from GRYR prior to such joint use. 	
				ITEM 720 RAILROAD-CONTROLLED CARS A railroad-controlled car is a car provided to GRYR directly by car company or others, for indiscriminate use by GRYR in servicing any of its customers.	
				ITEM 740 ACTUAL PLACEMENT Actual placement is made when a car is placed in an accessible position for loading or unloading or at a point previously designated by the consignor or consignee.	
For explanation of terms and explanation of abbreviations and reference marks, see Item 99999, this tariff.					

**SUPPLEMENT
TO
FT GRYR 8008**

GRENADA RAILWAY LLC

SUPPLEMENT 2 TO FREIGHT TARIFF GRYR 8008

(Supplement 2 cancels Supplement 1)
(Supplement 2 contains all changes)

**CONTAINING
LOCAL RATES,
RULES, REGULATIONS AND CHARGES
GOVERNING
SWITCHING, DEMURRAGE AND WEIGHING
ALSO
MISCELLANEOUS RULES AND CHARGES
APPLYING FROM, TO, BETWEEN
AND AT
STATIONS ON THE
GRENADA RAILWAY LLC**

LOCAL TARIFF

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular rates and provisions contained herein.

ISSUED: January 4, 2011

EFFECTIVE: February 1, 2011

ISSUED BY

Michael Van Wagenen
Executive Vice President
Grenada Railway, LLC
1505 Redwood Road
Salt Lake City, UT 84104

SUPPLEMENT 2 TO FT GRYR 8008

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For explanation of terms, abbreviations and reference marks not explained herein, see Item 99999, this tariff.

SUPPLEMENT 2 TO FT GRYR 8008

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS - LIMITED			
ITEM 105			
FUEL SURCHARGE			
<p>APPLICATION: Applicable on (1) regulated and exempt traffic moving on local and proportional rates contained in this tariff, and (2) regulated and exempt traffic moving on line-haul rates under pricing documents (tariffs, contracts, quotes, etc.) making reference to this item.</p> <p>In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds 200.0 cents, the GRYR reserves the right to apply a mileage-based fuel surcharge (MBFSC) to the rates and charges as described above.</p> <p>If this right is exercised, the mileage based fuel surcharge will be applied to each qualifying movement on or after the first (1st) day of the second (2nd) calendar month following the calendar month of a given HDF Average Price determination.</p> <p>The "HDF Average Price" for a month will be the average price for that month of U.S. No. 2 Diesel Retail Sales by All Sellers, as determined and published by the U. S. Department of Energy, Energy Information Administration ("DOE-EIA"). That average price will, in calculating the HDF Average Price, be rounded to the nearest 1/10 of a cent. The fuel surcharge will be 1 cent per mile per railcar for every 4¢ per gallon, or portion thereof, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment exceeds 199.9 cents.</p> <p>If DOE-EIA ceases publication of the above information, GRYR will employ a suitable substitute source of price or measure. The mileage to be applied in calculating the fuel surcharge will be based on rail miles.</p> <p>The following table reflects a sampling of the fuel surcharge within the included HDF Average Price ranges.</p>			
HDF Average Price Cents Per Gallon	Cents Per Mile	HDF Average Price Cents Per Gallon	Cents Per Mile
0 - 199.9	0	236.0 - 239.9	10
200.0 - 203.9	1	240.0 - 243.9	11
204.0 - 207.9	2	244.0 - 247.9	12
208.0 - 211.9	3	248.0 - 251.9	13
212.0 - 215.9	4	252.0 - 255.9	14
216.0 - 219.9	5	256.0 - 259.9	15
220.0 - 223.9	6	260.0 - 263.9	16
224.0 - 227.9	7	264.0 - 267.9	17
228.0 - 231.9	8	268.0 - 271.9	18
232.0 - 235.9	9	272.0 - 275.9	19
(Continued in next column)			

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS - LIMITED			
ITEM 105 (Cont'd)			
FUEL SURCHARGE			
<p>The following table reflects a sampling of the fuel surcharge within the included HDF Average Price ranges (Cont'd)</p>			
HDF Average Price Cents Per Gallon	Cents Per Mile	HDF Average Price Cents Per Gallon	Cents Per Mile
276.0 - 279.9	20	392.0 - 395.9	49
280.0 - 283.9	21	396.0 - 399.9	50
284.0 - 287.9	22	400.0 - 403.9	51
288.0 - 291.9	23	404.0 - 407.9	52
292.0 - 295.9	24	408.0 - 411.9	53
296.0 - 299.9	25	412.0 - 415.9	54
300.0 - 303.9	26	416.0 - 419.9	55
304.0 - 307.9	27	420.0 - 423.9	56
308.0 - 311.9	28	424.0 - 427.9	57
312.0 - 315.9	29	428.0 - 431.9	58
316.0 - 319.9	30	432.0 - 435.9	59
320.0 - 323.9	31	436.0 - 439.9	60
324.0 - 327.9	32	440.0 - 443.9	61
328.0 - 331.9	33	444.0 - 447.9	62
332.0 - 335.9	34	448.0 - 451.9	63
336.0 - 339.9	35	452.0 - 455.9	64
340.0 - 343.9	36	456.0 - 459.9	65
344.0 - 347.9	37	460.0 - 463.9	66
348.0 - 351.9	38	464.0 - 467.9	67
352.0 - 355.9	39	468.0 - 471.9	68
356.0 - 359.9	40	472.0 - 475.9	69
360.0 - 363.9	41	476.0 - 479.9	70
364.0 - 367.9	42	480.0 - 483.9	71
368.0 - 371.9	43	484.0 - 487.9	72
372.0 - 375.9	44	488.0 - 491.9	73
376.0 - 379.9	45	492.0 - 495.9	74
380.0 - 383.9	46	496.0 - 499.9	75
384.0 - 387.9	47	Above 499.9	See Below
388.0 - 391.9	48		
<p>The fuel surcharge will be 75¢ per mile plus 1¢ per mile for every 4¢ per gallon, or portion thereof, by which the HDF Average Price exceeds 499.9 cents.</p>			

For explanation of terms, abbreviations and reference marks not explained herein, see Item 99999, this tariff.

SUPPLEMENT 2 TO FT GRYR 8008

SECTION 1 SWITCHING AND MISCELLANEOUS RULES AND CHARGES	SECTION 4 RULE 11 RATES (Rates in dollars and cents per car, except as noted)																								
<p>ITEM 340-A</p> <p>(Provisions formerly shown herein and not brought forward are hereby canceled.)</p>	<p>ITEM 600-A</p> <p>COMMODITY: Freight, all kinds</p>																								
<p>ITEM 350</p> <p style="text-align:center;">INTERCHANGES</p> <p>GRYR has the following interchanges:</p> <p>Memphis, TN: BNSF, CSXT, CN, NS, UP Canton, MS: CN Aberdeen Junction, MS: KSRV</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;">BETWEEN</th> <th style="width:25%;">AND</th> <th style="width:25%;">RATE (See Note)</th> <th style="width:25%;">ROUTE</th> </tr> </thead> <tbody> <tr> <td>Aberdeen Jct, MS</td> <td>GRYR Stations</td> <td>\$850.00</td> <td>1</td> </tr> <tr> <td>Canton, MS</td> <td>GRYR Stations</td> <td>\$1250.00 [I]</td> <td>1</td> </tr> <tr> <td>Memphis, TN</td> <td>GRYR Stations</td> <td>\$850.00</td> <td>1</td> </tr> <tr> <td>Water Valley Jct, MS</td> <td>GRYR Stations</td> <td>\$850.00</td> <td>1</td> </tr> <tr> <td>Winona, MS</td> <td>GRYR Stations</td> <td>\$850.00</td> <td>1</td> </tr> </tbody> </table>	BETWEEN	AND	RATE (See Note)	ROUTE	Aberdeen Jct, MS	GRYR Stations	\$850.00	1	Canton, MS	GRYR Stations	\$1250.00 [I]	1	Memphis, TN	GRYR Stations	\$850.00	1	Water Valley Jct, MS	GRYR Stations	\$850.00	1	Winona, MS	GRYR Stations	\$850.00	1
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<p>ITEM 360-A</p> <p style="text-align:center;">NON-ABSORPTION OF INTERMEDIATE SWITCH CHARGE AT MEMPHIS, TN</p> <p>The GRYR will not absorb intermediate switching charges of the CN at Memphis, TN. Payment of such charges will be the responsibility of the customer and to be collected by the GRYR.</p> <p>Note: GRYR is able to interchange with BNSF, CSXT, NS, and UP through intermediate switch via CN.</p> <p>(Underscored portion denotes addition.)</p>	<p>Note - Applicable on traffic when "From beyond or "For beyond" , subject to AAR Accounting Rule 11.</p> <p>Explanation of Route: 1 - GRYR direct.</p>																								
<p>For explanation of terms, abbreviations and reference marks not explained herein, see Item 99999, this tariff.</p>																									

Grenada (south end)	Base Year operations (2010)	Forecast Year Operations	Projected Subsidy Year
Revenues attributable for:			
1 Freight originated and/or terminated on branch	\$ 245,650	\$ 260,389	\$ 260,389
2 Bridge Traffic	\$ 434,200	\$ 460,252	\$ 460,252
3 All other revenue and income	\$ 29,300	\$ 31,058	\$ 31,058
4 Total Revenues attributable (lines 1 through 3)	\$ 709,150	\$ 751,699	\$ 751,699
Avoidable costs for:			
5 On-branch costs (lines 5a through 5k)	\$ 810,077	\$ 1,127,969	\$ 1,127,969
a Maintenance of way and structure	\$ 137,220	\$ 419,893	\$ 419,893
b Maintenance of equipment	\$ 111,450	\$ 118,137	\$ 118,137
c Transportation	\$ 95,100	\$ 100,806	\$ 100,806
d General administrative	\$ 103,500	\$ 109,710	\$ 109,710
e Deadheading, taxi, and hotel	\$ 23,850	\$ 25,281	\$ 25,281
f Overhead movements	\$ -	\$ -	\$ -
g Freight car costs (other than return on freight cars)	\$ 198,800	\$ 210,728	\$ 210,728
h Return on value-locomotives	\$ 37,100	\$ 39,326	\$ 39,326
i Return on value-freight cars	\$ -	\$ -	\$ -
j Revenue taxes	\$ -	\$ -	\$ -
k Property taxes	\$ 103,057	\$ 104,088	\$ 104,088
6 Off-branch costs	\$ -	\$ -	\$ -
a Off-branch costs (other than return on freight cars)	\$ -	\$ -	\$ -
b Return on value-freight cars	\$ -	\$ -	\$ -
7 Total avoidable costs (line 5 plus line 6)	\$ 810,077	\$ 1,127,969	\$ 1,127,969
Subsidization cost for:			
8 Rehabilitation ¹		\$ 12,858,600	\$ 12,906,700
9 Administration costs (subsidy year only) ²			\$ 150,000
10 Casualty reserve account ²		\$ 10,000	\$ 10,000
11 Total subsidization costs (lines 8 through 10)		\$ 12,868,600	\$ 13,066,700
Return on value:			
12 Valuation of property (lines 12a through 12c)		\$ 21,079,671	\$ 21,079,671
a Working capital		\$ 30,831	\$ 30,831
b Income tax consequences		\$ -	\$ -
c Net liquidation value		\$ 21,048,840	\$ 21,048,840
13 Nominal rate of return		10.43%	10.43%
14 Nominal return on value (line 12 times line 13) ³		\$ 2,198,610	\$ 2,198,610
15 Holding gain (loss)			\$ -
16 Total return on value (line 14 minus line 15) ³		\$ 2,198,610	\$ 2,198,610
17 avoidable loss from operations (line 4 minus line 7)	\$ (100,927)	\$ (376,270)	\$ (376,270)
18 Estimated forecast year loss from operations (line 4 minus line 7)	\$ (100,927)	\$ (2,574,879)	\$ (2,574,879)
19 Estimated subsidy (line 4 minus line 7, 11 and 16)	\$ (100,927)	\$ (15,443,479)	\$ (15,641,579)

¹This projection shall be computed in accordance with § 1152.32(m)

²Omit in applications pursuant to § 1152.22 and § 1152.23

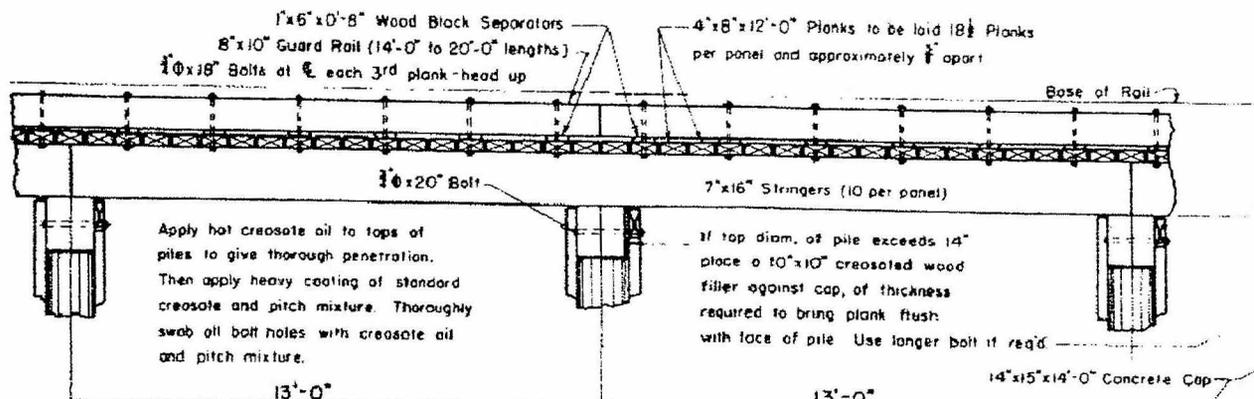
³If the amount in line 12c is a negative for the "Forecast Year operations" insert "0" in this line

Grenada (south end)	Base 6 month operations (2011)
Revenues attributable for:	
1 Freight originated and/or terminated on branch	\$ 78,200
2 Bridge Traffic	\$ 236,400
3 All other revenue and income	\$ 7,200
4 Total Revenues attributable (lines 1 through 3)	\$ 321,800
Avoidable costs for	
5 On-branch costs (lines 5a through 5k)	\$ 416,474
a Maintenance of way and structure	\$ 99,630
b Maintenance of equipment	\$ 37,950
c Transportation	\$ 42,800
d General administrative	\$ 51,800
e Deadheading, taxi, and hotel	\$ 11,400
f Overhead movements	\$ -
g Freight car costs (other than return on freight cars)	\$ 102,300
h Return on value-locomotives	\$ 18,550
i Return on value-freight cars	\$ -
j Revenue taxes	\$ -
k Property taxes	\$ 52,044 (est)
6 Off-branch costs	\$ -
a Off-branch costs (other than return on freight cars)	\$ -
b Return on value-freight cars	\$ -
7 Total avoidable costs (line 5 plus line 6)	\$ 416,474
Subsidization cost for	
8 Rehabilitation ¹	
9 Administration costs (subsidy year only) ²	
10 Casualty reserve account ²	
11 Total subsidization costs (lines 8 through 10)	
Return on value:	
12 Valuation of property (lines 12a through 12c)	
a Working capital	
b Income tax consequences	
c Net liquidation value	
13 Nominal rate of return	
14 Nominal return on value (line 12 times line 13) ³ - (Divided by 2)	
15 Holding gain (loss)	
16 Total return on value (line 14 minus 15) ³	
17 avoidable loss from operations (line 4 minus line 7)	\$ (94,674)
18 Estimated forecast year loss from operations (line 4 minus line 7 and 16)	\$ (94,674)
19 Estimated subsidy (line 4 minus line 7, 11 and 16)	\$ (94,674)

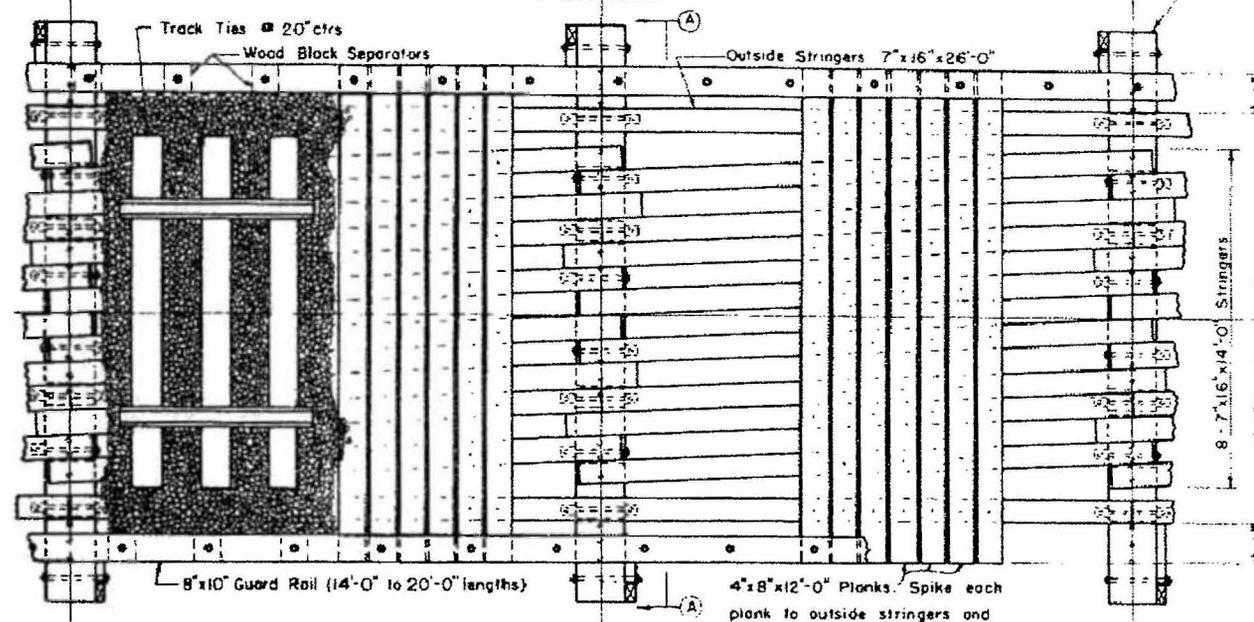
¹This projection shall be computed in accordance with § 1152 32(m)

²Omit in applications pursuant to § 1152 22 and § 1152 23

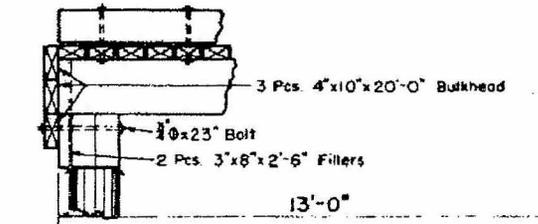
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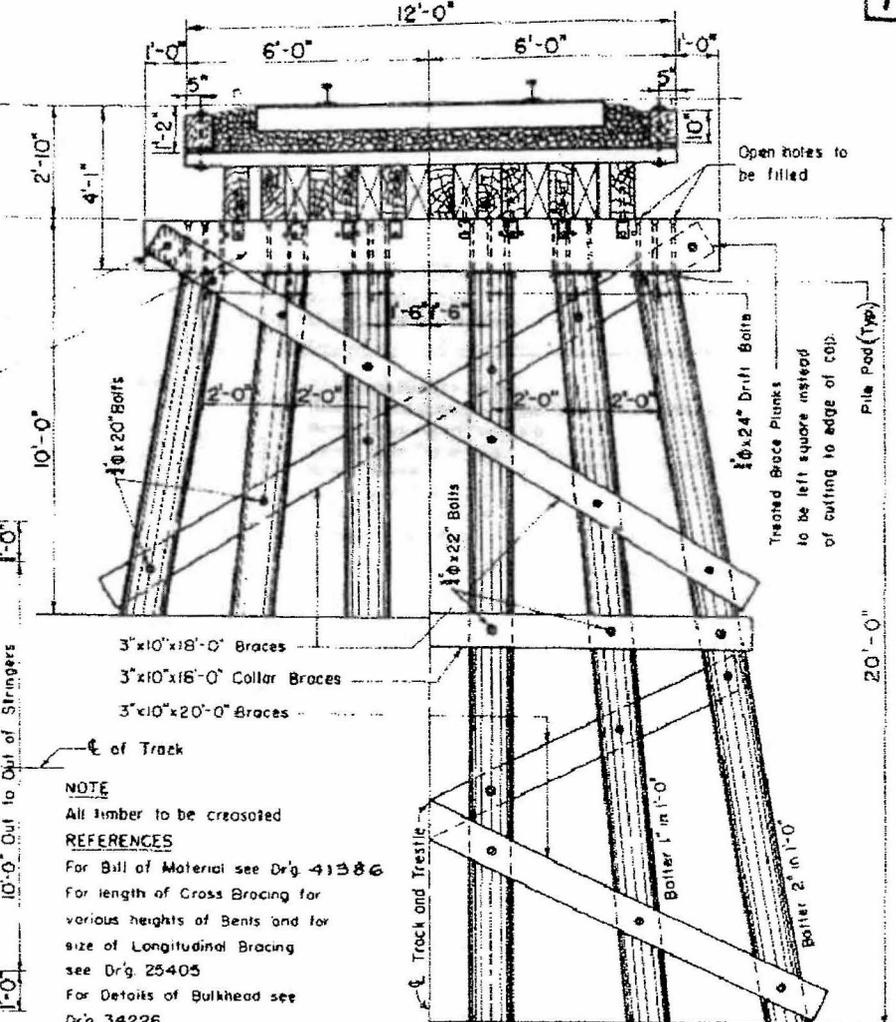
ELEVATION



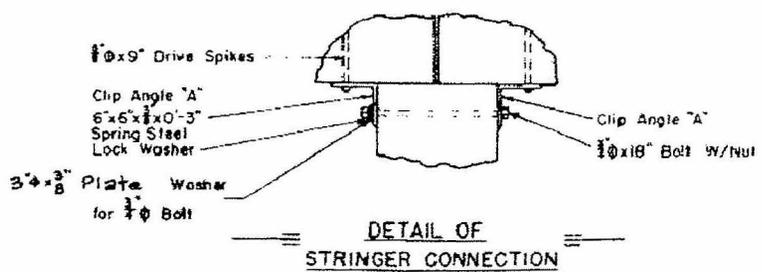
PLAN



ELEVATION 13'-0" END PANEL



SECTION A-A



ILLINOIS CENTRAL GULF RAILROAD STRUCTURES DEPARTMENT		
STANDARD 6 PILE BALLAST DECK TRESTLE WITH CONCRETE CAP		
DRAWN BY JDM	SCALE NONE	DATE APRIL 24, 1969
DESIGNED BY	DRAWING NO. 41384	FILE NO.

GRYR 2010 Corrected Books

Revenue from traffic originating or terminating on branch	\$245,650
Revenue from bridge traffic	\$875,500
All other revenue and income	\$29,300
Total Revenue	\$1,150,450
<u>Total Costs</u>	<u>\$810,077</u>
Adjustments	(\$293,900)
<u>Adjusted Cost</u>	<u>\$516,177</u>
Gain from operations	\$634,273

GRYR 2011 (January to August only) Corrected Books

Revenue from traffic originating or terminating on branch	\$110,079.50
Revenue from bridge traffic	\$739,131.97
All other revenue and income	\$7,200
Total Revenue	\$856,411.47
<u>Total Costs</u>	<u>\$416,474</u>
Adjustments	(\$145,100)
<u>Adjusted cost</u>	<u>\$271,374</u>
Gain from operations	\$585,037.47