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NOV 16 2009
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35323

PIONEER RAILCORP
--CONTINUATION IN CONTROL EXEMPTION--
GEORGIA SOUTHERN RAILWAY CO.

ENTERED
Office of Proceedings
NOV 17 2009
Part of
Public Record

VERIFIED NOTICE OF EXEMPTION
UNDER 49 CFR §1180.2(d)(2)

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SURFACE
TRANSPORTATION BOARD

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Dated: November 16, 2009.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35323

PIONEER RAILCORP
--CONTINUATION IN CONTROL EXEMPTION--
GEORGIA SOUTHERN RAILWAY CO.

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UNDER 49 CFR §1180.2(d)(2)

Comes now Pioneer Railcorp ("Pioneer"), and its shortline railroad subsidiaries, West Michigan Railroad Co., originally West Jersey Railroad Co. ("WMI"); Fort Smith Railroad Co. ("FSR"); Shawnee Terminal Railroad Co., Inc. ("STR"); Mississippi Central Railroad Co., originally Natchez Trace Railroad ("MSCI"); Alabama & Florida Railway Co., Inc. ("A&F"); Decatur Junction Railway Co. ("DJR"); Vandalia Railroad Company ("VRRRC"); Keokuk Junction Railway Co. ("KJRY"); Keokuk Union Depot Company ("KUD"); Michigan Southern Railroad Company, originally Wabash & Grand River Railway Co. ("MSO"); Elkhart & Western Railroad Co. ("EWR"); Kendallville Terminal Railroad Co. ("KTR"); Pioneer Industrial Railway Co. ("PIRY"), The Garden City Western Railway, Inc. ("GCW"), Indiana Southwestern Railway Co. ("ISW"); and Gettysburg & Northern Railroad Co. ("GET"); and hereby state as follows:

1. Pursuant to the provisions of Section 1180 of the Board's Railroad Consolidation Rules, 49 C.F.R. §1180, Pioneer, WMI, FSR, STR, MSCI, A&F, DJR, VRRRC, KJRY, KUD, MSO, EWR, KTR, PIRY, GCW, ISW and GET hereby give notice of a transaction which

qualifies for exemption under Section 1180.2 of those rules.

2. Pioneer currently owns 100% of the common stock of the sixteen existing class III shortline rail carriers,* identified above. On February 27, 2001, the Board served a decision in FD No. 34010, Pioneer Railcorp – Continuance in Control Exemption – Gettysburg & Northern Railroad Co., exempting Pioneer's continuance in control of these carriers.

3. GEORGIA SOUTHERN RAILWAY CO., an Iowa corporation ("GASR"), has a agreement to lease and/or operate approximately 94.3 miles of trackage in Crawford, Peach, Houston, Candler, Bulloch, Screven, Toombs, Treuten, Emanuel and Jenkins Counties, Georgia, and has filed contemporaneously with this Notice, a Notice of Exemption to Lease and/or Operate that trackage in FD 35322. The trackage includes a Lines running from Fort Valley to Perry, Georgia (the "Perry Line"); from Roberta to Fort Valley, Georgia (the "Roberta Line"); from Dover to Metter, Georgia (the "Metter Line"); and from Midville to Vidalia, Georgia (the "Midville Line"). The Perry Line, the Roberta Line and the Metter Line are currently operated by Georgia Midland Railroad, Inc. (See FD 34466, Served March 12, 2004), and the Midville Line is currently operated by Heart of Georgia Railroad, Inc. (See FD 34467, Served March 12, 2004).

4. Under Section 1180.2(d)(2) of the Board's consolidation rules certain transactions are automatically exempt from the prior approval requirements for common control under 49 U.S.C. §11343 - 11344. Specifically, Section 1180.2(d)(2) exempts the continuance-in-control of a nonconnecting carrier where (i) the railroads will not connect with each other or any railroad in their corporate family, (ii) the continuance in control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family, and (iii) the transaction does not involve a class I carrier.

6. The properties owned and operated by Pioneer's rail carrier subsidiaries do not physically connect and there are no plans to acquire additional rail lines for the purpose of making a connection. Each of these subsidiaries is a class III carrier. The lines of WMI, FSR, STR, MSC1, A&F, DJ, VRRRC, KJRY, KUD, MSO, EWR, KTR, PIRY, GCW, ISW and GET are located in Michigan; Arkansas; Illinois; Alabama; Mississippi; Tennessee; Iowa; Kansas; Indiana; and Pennsylvania. No other Pioneer carrier subsidiary operates any track in Georgia. The closest Pioneer subsidiary-served station to GASR is the A&F at Geneva, Alabama, approximately 208 miles to the southwest of Fort Valley, Georgia.

7. In order to claim the Section 1180.2(d)(2) exemption, Section 1180.4(g) requires the filing of a verified notice of exemption furnishing the information requested in Sections 1180.6(1)(I)-(iii); 1180.6(5)-(6) and 1180.6(a)(7)(ii) of those rules and indicating the level of protection required.

9. Information about the carriers:

49 C.F.R. §1180.6(a)(1)(I)

Name: Pioneer Railcorp (holding company)

Address: 1318 S. Johanson Road, Peoria, IL 61607

Telephone: (309) 697-1400

Name: West Michigan Railroad Co.

Address: 115 Industrial Drive, Paw Paw, MI 47079

Telephone: (616) 657-2558

Name: Fort Smith Railroad Co.

Address: 22 North B Street, Fort Smith, AR 72901

Telephone: (501) 782-2511

Name: Shawnee Terminal Railroad Co., Inc.

Address: 17 th. St. West, Cairo, Illinois 62914

Telephone (618) 734-2190 .

Name: Mississippi Central Railroad Co.

Address: 542 Van Dorn Ave., Holly Springs, MS.38635

Telephone: (601) 252-1263

Name: Alabama & Florida Railway Co., Inc..

Address: 228 Prestwood Street, Andalusia, AL 36420

Telephone: (334) 222-1220

Name: Decatur Junction Railway Co.

Address: 308 S. Chestnut St., Assumption, IL 62510

Telephone: (217) 226-4375

Name: Vandalia Railroad Company

Address: 609 West Main, Vandalia, IL 62471

Telephone: (618) 283-2452

Name: Keokuk Junction Railway Co.

Address: 117 Water St., Keokuk, IA 52632

Telephone: (319) 524-7313

Name: Keokuk Union Depot Company

Address: 1318 S. Johanson Road, Peoria, Illinois 61607

Telephone: (309) 697-1400

Name: Michigan Southern Railroad Company

Address: 69065 S. Kalamazoo St., White Pigeon, MI 49099

Telephone: (616) 483-9968

Name: Elkhart & Western Railroad Co.

Address: 152 Easy Shopping Place, Elkhart, Indiana 46516

Telephone: (574) 295-5019

Name: Kendallville Terminal Railroad Co.

Address: 151 West Ohio Street, Kendallville, Indiana 46755H

Telephone: (260) 343-9015

Name: Pioneer Industrial Railway Co.

Address: 1318 S. Johanson Road, Peoria, IL 61607

Telephone: (309) 697-1400

Name: The Garden City Western Railway, Inc.

Address: 708 N. VFW Road, Garden City, KS 67846

Telephone: (316) 271-9514

Name: Indiana Southwestern Railway Co.

Address: 1603 Allen Lane, Evansville, Indiana 47710

Telephone: (812) 422-3819

Name: Gettysburg & Northern Railroad Co.

Address: 106 N. Washington St., Gettysburg, Pennsylvania 17325

Telephone: (717) 334-1597

Legal counsel to whom questions should be addressed:

**Daniel A. LaKemper,
General Counsel
Pioneer Railcorp
1318 S. Johanson Road
Peoria, Illinois 61607
Tel.: (309) 697-1400
(for Petitioner)**

Schedule for consummation: 49 C.F.R. §1180.6(a)(1)(ii)

December 16, 2009

Purpose to be accomplished by the transaction:

49 C.F.R. §1180.6(a)(1)(iii)

Preservation of rail service on small rail lines, due to the new operator's lower cost structure. GASR expects to be able to operate the lines, and preserve service that would otherwise be lost due to the exit of the current operators.

State where proposed operations will be conducted:

49 C.F.R. 1180.6(a)(5)

Georgia

Map showing relationship between GASR and other Pioneer shortline subsidiaries: 49 C.F.R. §1180.6(a)(6)

Attached hereto as Exhibit B.

Copy of Agreement: 49 C.F.R. §1180.6(a)(7)(ii)

A copy of the Purchase Agreement will be furnished to the extent required.

10. This continuance in control proceeding is exempt from environmental review under 49 CFR §1105.6(c)(2)(I) because the proposed action will not cause any operating changes that exceed the threshold established in 49 C.F.R. §1105.7(e)(4) or (5). In addition, this proceeding is exempt from historic review under 49 C.F.R. §1105.8(b)(I) because there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old

or older. Accordingly, no historic report is required.

November 16, 2009.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel A. LaKemper". The signature is written in a cursive style with a large initial "D".

Daniel A. LaKemper, Esq.
General Counsel,
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1318 S. Johanson Road
Peoria, Illinois 61607
Tel.: (309) 697-1400

Attorney for Petitioner

* WMI owns and operates a rail line between Hartford and Paw Paw, Michigan. See FD No. 32787, West Michigan Railroad Co. -- Acquisition and Operation Exemption -- Line of Southwestern Michigan Railroad Company, Inc., d/b/a Kalamazoo, Lake Shore & Chicago Railway Co. (served October 18, 1995).

FSR leases and operates a rail line between Fort Smith and Fort Chaffee, Arkansas from Missouri Pacific Railroad Company. That transaction was exempted by the Commission in FD No. 31893, Fort Smith Railroad Co. - Lease and Operation Exemption - Missouri Pacific Railroad Company (served July 10, 1991). A segment from Fort Chaffee and Paris, Arkansas, originally included in this lease, was abandoned by Decision of the Commission in Docket No. AB-387 (Sub-No. 1X), served July 20, 1995.

STR owns and operates a line of railroad approximately 2.5 miles in length, located in/near Cairo, Alexander County, Illinois. See FD 33127, Served October 11, 1996. STR also owns and operates a line of railroad between Flomaton and Beatrice, Alabama, which was purchased from CSX Transportation, Inc. The line was initially transferred from CSX to Wabash & Grand River Railway Co. ("Wabash") and then from Wabash to ALAB, a newly established non-carrier. These transactions were authorized in exemptions granted in FD Nos. 31868 and 31943, Wabash & Grand River Railway Co. - Purchase and Operation - CSX Transportation, Inc. Line of Railroad Between Flomaton and Corduroy, Alabama (served September 13, 1991), and Alabama Railroad Co. -- Acquisition and Operation Exemption -- Wabash & Grand River Railway (served October 9, 1991), respectively. The segment between Beatrice and Corduroy was abandoned by Decision of the Board (Docket No. AB-463X), served February 9, 1996. Alabama Railroad Co. and Shawnee Terminal Railroad Co. were merged March 3 2009, pursuant to FD 35214, Served January 30, 2009. The Alabama segment does business as "Alabama Railroad" and uses "ALAB" as its reporting marks. A&F has not yet merged into STR, due to corporate governance issues.

MSCI owns and operates a line of railroad between Grand Junction Tennessee and Oxford, Mississippi, which it acquired from Illinois Central Gulf Railroad. See FD No. 29858, served February 26, 1982.

A&F operates a line of railroad between Andalusia and Geneva, Alabama. The track fixtures were purchased from A&F, Inc. and the real estate is owned and leased by CSX Transportation, Inc. See FD No. 32191, Served November 30, 1992. The portion of the original purchase between Georgiana and Andalusia was sold to Three Notch Railroad Co. in 2001 (See FD 33981, Served June 29, 2001).

DJR operates a rail line between Green's Switch (Decatur), and Cisco, Illinois, which it leases from Cisco Cooperative Grain Company, and a rail line between Elwin and Assumption, Illinois, which it leases from Central Illinois Shippers, Inc.. These lines are connected through trackage rights over the Illinois Central Railroad. See FD Nos. 32365,

Served October 18, 1993.

VRRC operates a line of railroad in Vandalia, Fayette County, Illinois, which it leases from the City of Vandalia. See FD No. 30315 (Sub-No. 2), Vandalia Railroad Company -- Lease and Operation in Fayette County, Illinois, Served December 21, 1983.

KJRY operates a line of railroad between Sommer, Peoria County, Illinois and Keokuk, Lee County, Iowa, as well as trackage in and near Keokuk, and a branch from Hamilton to Warsaw, in Hancock County, Illinois, and a branch from LaHarpe, Illinois to Lomax, Illinois, a total of approximately 38 miles, which it acquired from the Trustee of the Chicago, Rock Island and Pacific Railway Company (in 1981) and from the Atchison, Topeka & Santa Fe Railway Company (in 1986), and from the Toledo, Peoria & Western Railroad Company in transactions in 2002 (See FD 34143, Served January 11, 2002) and 2005 (See FD 34335, Served February 7, 2005).

KUD, originally formed in 1890, is a non-operating common carrier that owns the Keokuk Union Depot building and KUD yard in Keokuk, Iowa.

MSO operates approximately 13 miles of railroad running from White Pigeon to Sturgis, Michigan; See FD 33306, Served December 24, 1996.

EWR operates approximately 9.8 miles of railroad running from Elkhart to Mishawaka, Indiana. See FD 33941, Served October 10, 2000.

KTR operates approximately 1.1 miles of railroad in/near Kendallville, Indiana. See FD 33941, Served October 10, 2000.

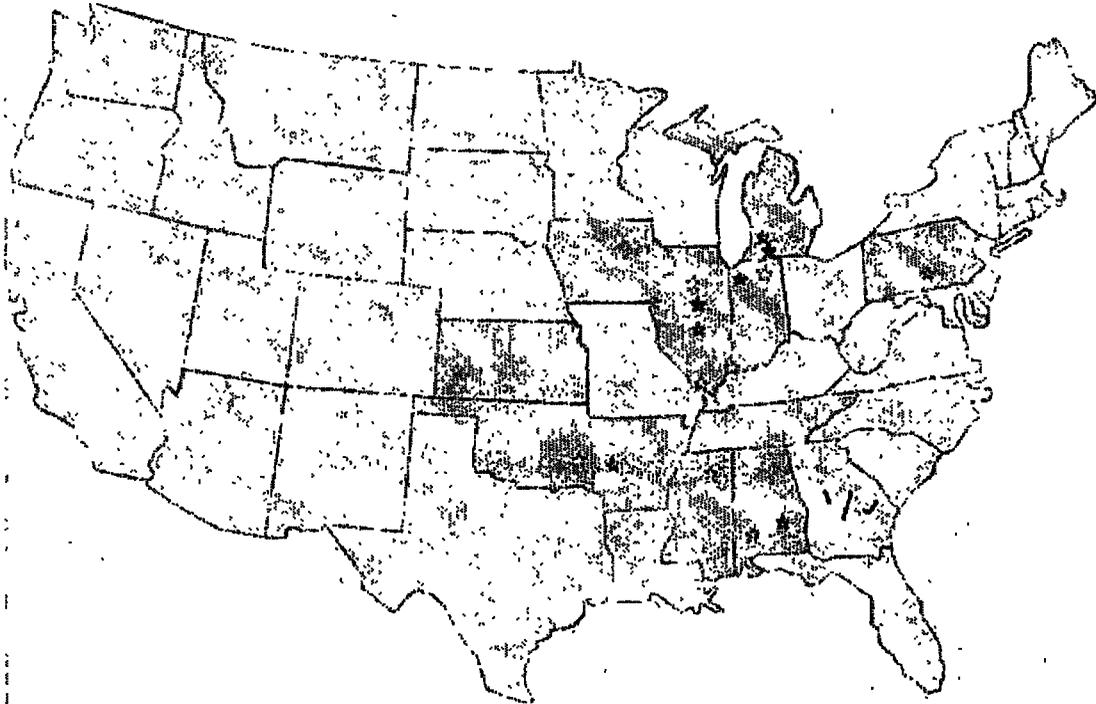
PIRY operates a line of railroad approximately 8.29 miles in length, located in Peoria County, Illinois, which it leases from the Peoria, Peoria Heights & Western Railway. See FD 33549, Served February 20, 1998.

GCW owns and operates the trackage between Garden City and Shallow Water, Kansas, and between Garden City and Wolf, Kansas, a total of approximately 45.09 miles. (See FD 33743, Served May 14, 1999).

ISW owns and operates the trackage between Evansville and Poseyville, Indiana, and between Poseyville and Cynthiana, Indiana a total of approximately 21.9 miles (See FD 33859, Served March 28, 2000)

GET owns and operates the trackage between Gettysburg and Mt. Holly Springs, Pennsylvania, a distance of approximately 23.36 miles. (See FD 34011, Served February 27, 2001).

EXHIBIT A (MAP)



GAGR LINES

KEY	Subsidiary	MARK	KEY	Subsidiary	MARK
■	Alabama Railroad Co.	ALAB	■	Kentuck Junction Railway Co.	KJRV
■	Alabama & Florida Railway Co.	AF	■	Michigan Southern Railroad Co.	MSO
■	Decatur Junction Railway Co.	DT	■	Mississippi Central Railroad Co.	MSC
■	Edhart & Western Railway Co.	EWR	■	Pioneer Railroad Equipment Co., Ltd.	PREL
■	Fort Smith Railroad Co.	FBR	■	Pioneer Railroad Services, Inc.	PRS
■	The Garden City Western Railway Company	GCW	■	Pioneer Resources, Inc.	PRI
■	Gettysburg & Northern Railroad Company	GET	■	Shawnee Terminal Railway Company	STR
■	Indiana Southwestern Railway Co.	ISW	■	Vandalia Railroad Company	VRAC
■	Kendallville Terminal Railway Co.	KTR	■	West Michigan Railroad	WMR

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