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January 19, 2006

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VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings

JAN 19 2006

Part of
Public Record

Re: STB Finance Docket No. 34795
*Roquette America, Inc. - Petition for Exemption from 49 U.S.C. §10901 to
Construct a New Line of Rail in Keokuk, IA*

Dear Secretary Williams:

On January 17, Keokuk Junction Railway Co. ("KJRY") filed a first supplement to its December 19 reply in the above-captioned proceeding. In that supplement, KJRY asserted, based upon a verified statement from Mr. Paul Lofton, Sr., KJRY's General Manager, that the petitioners ("Roquette") had begun construction on a portion of what KJRY believed to be a part of the project for which Roquette was seeking an exemption from the Surface Transportation Board ("STB" or "Board") to construct. Counsel for Roquette has advised and the undersigned has confirmed that the ongoing construction is in fact not the westward extension of the Tracks 3 and 4 (variously referred to on maps in this proceeding as "Roquette America Track 3" and "Roquette America Track 4" or "A&B 3" and "A&B 4") as KJRY had believed, but rather involves construction from those tracks in an eastward direction. KJRY wishes to correct the record.

While the construction is at or east of the east end of Tracks 3 and 4 and is thus not specifically part of the project shown on the petitioners' December 23 supplement to their petition, KJRY's overall point remains valid. The type of tracks within and about the Roquette facility have always been considered 49 U.S.C. §10906 track for which no Board authorization under Section 10901 has been required for their construction, removal or abandonment. Notwithstanding this historic character of Roquette's tracks, the fact that Roquette obviously considers the eastward expansion to be within Section 10906, and the fact that Roquette plans to actually remove and abandon, under Section 10906, other tracks that are actually within the scope of the petition for exemption, Roquette wants the Board to nonetheless consider the few hundred feet of new track that Roquette proposes to construct at the west end of Tracks 3 and 4

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as being within Section 10901. The Board should reject this untenable position. Roquette's recent action regarding the construction of the east end of those same tracks simply confirms KJRY's assertion that the tracks at issue in the petition for exemption are Section 10906 tracks not subject to Section 10901.

The construction now being done under Section 10906 also appears to be part of one of the alternatives being evaluated by the Section of Environmental Analysis ("SEA") as part of its environmental analysis. Roquette's July 6 letter to SEA stated that one alternative being studied,

would run from RAI track located inside the eastern side of the plant, across the KJR track located just outside the plant, and connect to the BNSF main line located just outside the KJR track [while] . . . [A] third possible route would involve the construction of a short line of rail from the eastern end of RAI's plant, to connect directly to the BNSF Moorar line, which extends northward at the eastern end of the plant.

Thus, although the construction at issue is not the specific construction shown on the December 23 map, it is or at least appears likely to be part of one of the alternatives being assessed by SEA as part of the Board's environmental analysis of this project. Inasmuch as these alternatives are being considered by SEA and are part of what SEA solicited environmental comments about, it appears that the environmental concerns raised by commenters and reiterated in KJRY's January 17 filing remain relevant.

Finally, the fact that Roquette claims to have alternative eastern routes that it can construct without STB authority in order to achieve direct rail access to BNSF - the sole purpose of Roquette's exemption petition - belies Roquette's assertion that the proposed project contained in its petition for exemption is consistent with the Rail Transportation Policy at 49 U.S.C. § 10101 ("RTP") and thus that the RTP supports granting the petition. As Roquette's recent construction activities show, the alleged benefits of the proposed Section 10901 project appear to be achievable without Section 10901 authority. As a result, the public convenience and necessity simply does not require the grant of Roquette's petition for exemption.

Again, however, KJRY wishes to correct the record. The construction currently occurring on Tracks 3 and 4 is not that shown on the December 23 project map filed by Roquette. Instead, it is part of an "alternative route" to provide access to BNSF that involves Section 10906 construction. KJRY apologizes for its misinterpretation.

Sincerely,



William A. Mullins

cc: Daniel A. LaKemper, Esq.
All Parties of Record