

January 18, 2006

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001



**CARVER
LUMBER**

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215602



RE: Docket No. AB-1066X (Kellar Branch Discontinuance of Service Exemption – Peoria, IL.)

Dear Mr. Williams:

I am in receipt of a copy of Mr. Thomas McFarland's letter to you of January 11, 2006. Carver Lumber Company appreciates the City's restatement of their promise not to remove any trackage from the Kellar Line "...until the City certifies to completion of the track connection" (from the West). We also appreciate CIRY's willingness to delay any consummation of its discontinuance authority until the City is successful in having their contractor complete the new Western connection with the Union Pacific Railroad's secondary line.

Mr. McFarland's same letter makes reference to his objection to PRY's January 9, 2006 "Petition for Stay" regarding the original STB decision of December 23, 2005. While there are reasons why it is not prudent for us to inject ourselves into any dispute between parties regarding PRY's claim of authority to operate over the Kellar Line, we do have a vested interest in making sure that delivery to our business over that line is made available to our company *until such time as the proposed alternate service from the West has been tested and found to meet our business needs*. While it is noteworthy that Mr. McFarland's letter does offer assurances regarding the positive intentions of both the City and CIRY, it also seems to imply that so long as the connection to the West is made and "...alternative rail service is available", the City has fulfilled its obligation to our company. If that indeed is Mr. McFarland's understanding of the situation, we respectfully disagree. In our letter to you of January 3, 2006 we stated our concerns about logistical challenges associated with proposed service from the West. We do not see that by simply connecting two tracks and making it possible for train operation across a new line assures that meaningful and/or affordable service will automatically follow, at least not without additional agreements I understand the City desires from the U.P.

Therefore, we reiterate to you and all interested parties that our position on this matter remains essentially unchanged from several years ago when the notion of turning a portion of the Kellar Line into a hiking/biking trail began to be discussed in earnest. We strongly support a new connection to the West but have always felt it should be *tested* over a reasonable amount of time to insure that service in the manner we have come to depend on in the past is not somehow compromised. If it is found that such service and/or cost has been substantially compromised, we would expect our rights to access the full Kellar Line to have somehow been preserved for the benefit of our company and any other shippers who may one day locate on the line.

We are not knowledgeable regarding all of the intricacies associated with PRY's "Petition for Stay", nor are we familiar with what options the STB might have at its disposal as an alternative that might help us attain our stated goals. Absent any such alternative options from the STB, or absent a strong written agreement with the City regarding a commitment to allow any new service from the West to be thoroughly tested prior to proceeding with a discontinuance, it would seem logical for a "Petition for Stay" to be given consideration if the Board feels it provides the best and strongest form of insurance that the full Kellar Line will remain available to us (open and operational, once repaired) while the new connection is given a fair test. We leave this matter in your capable hands and thank you for your time.

Sincerely,


Rob Happach
President / CEO

CC: Randall Ray; Thomas McFarland; Melinda Sammons (all via fax)