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SERVICE DATE – APRIL 23, 2026

OCC

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36890]

Tazewell & Peoria Railroad, Inc.—Lease and Operation Exemption—Peoria and Pekin
Union Railway Company

Tazewell & Peoria Railroad, Inc. (TZPR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to enter into a lease agreement (the Lease Agreement) with Peoria and Pekin Union Railway Company (PPU) to replace a prior lease agreement between TZPR and PPU. Under the Lease Agreement, TZPR will continue to lease and operate the entirety of PPU's rail lines (the Lines), totaling approximately 19.3 miles of mainline and connecting track, consisting of the following segments: (1) from approximately milepost 4.5 (at or near Bridge Junction) to approximately milepost 12.2 (at or near IC Junction); (2) the Peoria Uptown Subdivision, extending from approximately milepost 0.0 (at or near Bridge Junction) to approximately milepost 5.4 (at or near Iowa Interstate Junction); (3) the Southern Subdivision, extending from approximately milepost 0.0 (at or near UP Junction) to approximately milepost 4.5 (at or near Bridge Junction); and (4) the Nickel Plate Sub, extending from approximately milepost 0.0 (at or near Wesley Junction) to approximately milepost 1.7 (at or near P&PU Junction).

According to the verified notice, TZPR currently operates the Lines via a lease agreement entered into with PPU in 2004.¹ See Tazewell & Peoria R.R.—Lease & Operation Exemption—Peoria & Pekin Union Ry., FD 34544 (STB served Sept. 28, 2004). TZPR will continue operating the Lines through the Lease Agreement, which has a term of 20 years and allows for two five-year extensions.

TZPR certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and that its annual revenues currently exceed \$5 million. Pursuant to 49 CFR 1150.42(e), if a carrier's projected annual revenues will exceed \$5 million, it must, at least 60 days before the exemption becomes effective, post a notice of its intent to undertake the proposed transaction at the workplace of the employees on the affected lines, serve a copy of the notice on the national offices of the labor unions with employees on the affected lines, and certify to the Board that it has done so. However, TZPR has filed a request for waiver of the 60-day advance labor notice requirements to allow the exemption to take effect 30 days after the filing of TZPR's verified notice of exemption. TZPR's waiver request will be addressed in a separate decision. The Board will establish the effective date of the exemption in its separate decision on the waiver request.

TZPR certifies that the Lease Agreement does not include an interchange commitment.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the

¹ TZPR notes that the Lines' mileposts have been renumbered since 2004.

effectiveness of the exemption. Petitions for stay must be filed no later than April 30, 2026.

All pleadings, referring to Docket No. FD 36890, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on TZPR's representative, Justin J. Marks, Clark Hill PLC, 1001 Pennsylvania Ave., N.W., Suite 1300 South, Washington, DC 20004.

According to TZPR, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: April 20, 2026.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.