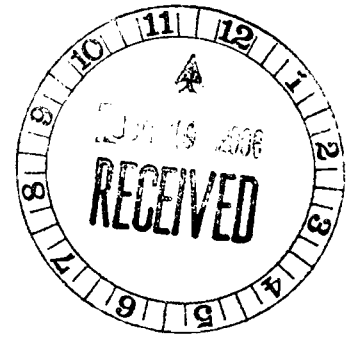


216812

LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com



THOMAS F. MCFARLAND

June 16, 2006

By UPS overnight mail
(Monday delivery)

FEE RECEIVED

JUN 19 2006

**SURFACE
TRANSPORTATION BOARD**

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

Re: Finance Docket No. 34894, *Rail Transload, Inc. -- Operation Exemption -- Rail
Line of Tower Investments, LLC at Watertown, Jefferson County, WI*

Dear Mr. Williams:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49
C.F.R. § 1150.31, for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$1,500 for the filing fee.

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Rail Transload, Inc.

TMF:kl:enc:d:wp8.0\1173\lrstb1

ENTERED
Office of Proceedings

JUN 20 2006

Part of
Public Record

FILED

JUN 19 2006

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

RAIL TRANSLOAD, INC.-- OPERATION)
EXEMPTION -- RAIL LINE OF TOWER) FINANCE DOCKET
INVESTMENTS, LLC AT WATERTOWN,) NO. 34894
JEFFERSON COUNTY, WI)
)

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31**

RAIL TRANSLOAD, INC.
546 West Street
P.O. Box 474
Watertown, WI 53094-0474

Applicant

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street
Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: June 19, 2006

BEFORE THE
SURFACE TRANSPORTATION BOARD

RAIL TRANSLOAD, INC.-- OPERATION)
EXEMPTION -- RAIL LINE OF TOWER) FINANCE DOCKET
INVESTMENTS, LLC AT WATERTOWN,) NO. 34894
JEFFERSON COUNTY, WI)

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31**

Pursuant to 49 C.F.R. § 1150.31, *et seq.* and 49 U.S.C. § 10502(a), RAIL TRANSLOAD, INC. (RTI), a noncarrier, hereby provides verified notice of exemption from 49 U.S.C. § 10901 for its acquisition from TOWER INVESTMENTS, LLC (TIL) and operation of approximately 1,100 feet (0.208 miles) of railroad right-of-way and track that extends from a point of connection with the Waterloo Spur of Canadian Pacific Railway System (CPRS) to terminus approximately 200 feet northeast of the plant site of SPECIALITY INGREDIENTS, LLC (SIL), at Watertown, Jefferson County, Wisconsin (the Rail Line).^{1/} The rail line is depicted on a CPRS print that is attached to this Notice as Appendix 1-A. Also attached to this Notice as Appendix 1-B is a copy of a railroad map of Wisconsin, on which Watertown is shaded in yellow.

Heretofore, the Rail Line has been private track owned by TIL and used by CPRS to provide rail service to SIL. SIL receives carload shipments of granulated sugar, which SIL converts into liquid sugar and ships by truck to customers in the general area. It is proposed that SIL receive tank car shipments of ethanol, which SIL will transload directly into trucks for

^{1/} RTI and SIL are commonly controlled by TIL.

distribution to customers in the local area. It is not contemplated that ethanol will be stored at SIL's plant site.

Under the principle of the *Effingham* and *Bulkmatic* cases,^{2/} the Rail Line constitutes a line of railroad for which an exemption from the Board is required because it is RTI's initial rail acquisition and operation. notwithstanding that it might otherwise be considered to be spur, industrial and/or switching track exempt from the Board's acquisition and operation authority by virtue of 49 U.S.C. § 10906.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.33

(a) The full name and address of the applicant;

The full name and address of the applicant is Rail Transload, Inc., 546 West Street, P.O. Box 474, Watertown, WI 53094-0474.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

RTI's representative is Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

An agreement between RTI and TIL has been reached for RTI's acquisition from TIL and operation of the Rail Line.

(d) The operator of the property;

RTI will be the operator of the property.

^{2/} *Effingham RR Co. - Pet. for Declaratory Order*, 2 S.T.B. 606 (1997), *aff'd sub nom.*, *United Transp. Union v. STB*, 183 F.3d 606 (7th Cir. 1999), and *Bulkmatic R. Corp. -- Acq. & Oper. Exempt. -- Bulkmatic Transport Co.*, 2002 STB LEXIS 691 (Finance Docket No. 34145, served Nov. 19, 2002), recons. denied, 2003 STB LEXIS 256 (served May 15, 2003).

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property,

The transferor of the Rail Line is Tower Investments, LLC, 546 West Street, P.O. Box 474, Watertown, WI 53094-0474. TIL is not a rail carrier.

(2) The proposed time schedule for consummation of the transaction,

The acquisition and operation are proposed to be consummated no earlier than seven days after the filing of this notice of exemption.

(3) The mile-posts of the subject property, including any branch lines, and

The Rail Line is not described by milepost numbers. The Rail Line extends approximately 1,100 feet from point of connection with the Waterloo Spur of Canadian Pacific Railway System to terminus approximately 200 feet northeast of the plant site of Specialty Ingredients, LLC, at Watertown, Jefferson County, Wisconsin (see Appendix 1-A).

(4) The total route miles being acquired;

A total of approximately 1,100 feet of trackage is to be acquired and operated.

(f) A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and States;

The required maps are attached to this Notice as Appendix 1-A and 1-B.

(g) A certificate that applicant's projected revenues do not exceed those that would qualify it as a Class III carrier.

The required certificate is attached to this Notice as Appendix 2.

CAPTION SUMMARY

A caption summary required by 49 C.F.R. § 1150.34 is attached to this Notice as Appendix 3.

ENVIRONMENTAL AND HISTORIC REPORT

The proposed operation does not require environmental and historic reporting. *See* 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(1).

LABOR PROTECTION

Pursuant to 49 U.S.C. § 10901(c), labor protection requirements do not apply to this transaction.

VERIFICATION

The verification of Thomas F. McFarland in behalf of RTI is attached to this Notice as Appendix 4.

CONCLUSION AND REQUESTED RELIEF

WHEREFORE, within 30 days of the filing of this Notice, the Director of the Board's Office of Proceedings should publish notice in the *Federal Register* of the filing of this notice of exemption. *See* 49 C.F.R. § 1150.32(b).

Respectfully submitted,

RAIL TRANSLOAD, INC.
546 West Street
P.O. Box 474
Watertown, WI 53094-0474

Applicant

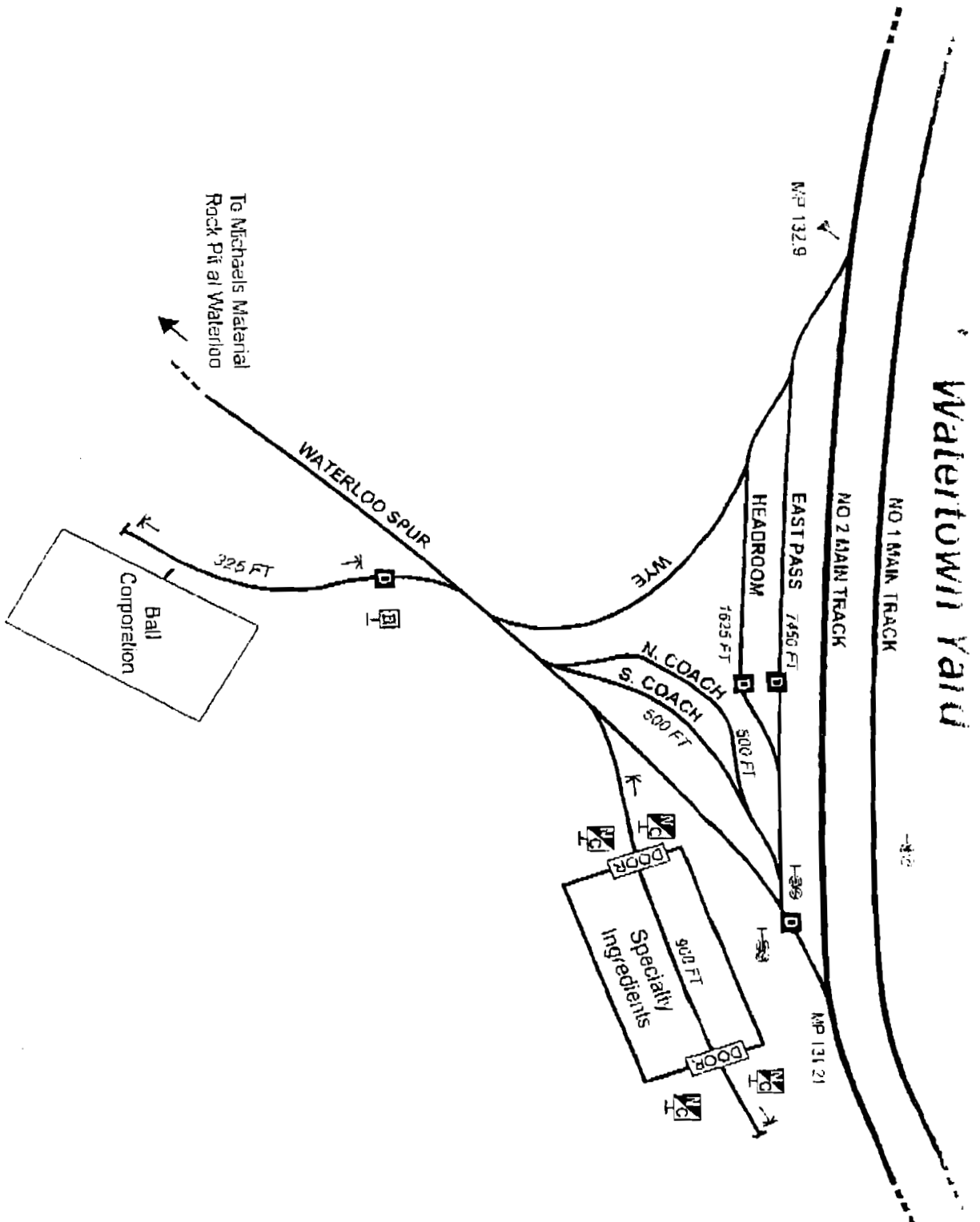
Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street
Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: June 19, 2006

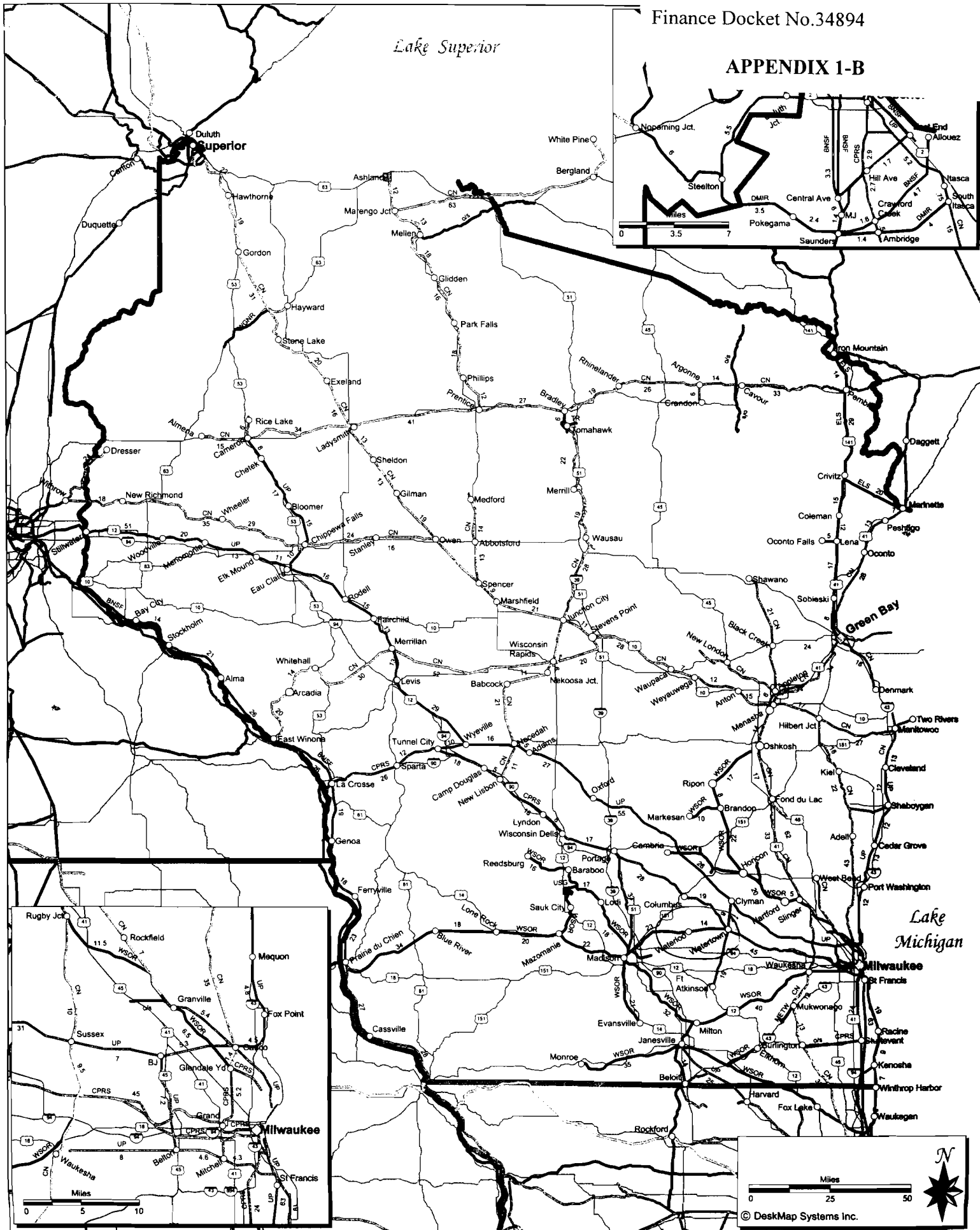
APPENDIX 1-A



Watertown Yard Customer Name		KEY	 CANADIAN PACIFIC RAILWAY
Watertown, Wisconsin City State			
Watertown Sub Div or No.			
 Absolute Signal	 Detail Sign	 Mile Post	 No Clearance
 Detail	 Track End Track	 Track Continues	

Finance Docket No.34894

APPENDIX 1-B



APPENDIX 2

CERTIFICATION UNDER 49 C.F.R. § 1150.33(g)

The undersigned, Thomas F. McFarland, hereby certifies under 49 C.F.R. § 1150.33(g), that the projected revenues from the operation proposed in this matter do not exceed those that would qualify it as a Class III rail carrier.

Thomas F. McFarland

Thomas F. McFarland
*Authorized Representative of
Rail Transload, Inc.*



SUBSCRIBED and SWORN to
before me this 16th day of
June, 2006.

Kathleen Lenhan

Notary Public

APPENDIX 3

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. 34894,

***RAIL TRANSLOAD, INC.
-- OPERATION EXEMPTION --
RAIL LINE OF TOWER INVESTMENTS, LLC,
WATERTOWN, JEFFERSON COUNTY, WI***

Rail Transload, Inc. (RTI), a noncarrier, has filed a Notice of Exemption to acquire from Tower Investments, LLC and operate approximately 1,100 feet (0.208 miles) of railroad right-of-way and track that extends from a point of connection with the Waterloo Spur of Canadian Pacific Railway System (CPRS) to terminus approximately 200 feet northeast of the plant site of Speciality Ingredients, LLC (SIL), at Watertown, Jefferson County, Wisconsin. Comments must be filed with the Board and be served on RTI's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

The Notice is filed under 49 C.F.R. § 1150.31. If the 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 transaction.

By the Board

(SEAL)

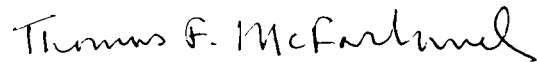
Vernon A. Williams, Secretary

APPENDIX 4

VERIFICATION

STATE OF ILLINOIS)
)
COUNTY OF COOK)

Thomas F. McFarland, being duly sworn, states that he is attorney for Rail Transload, Inc. (RTI); that he is familiar with the factual allegations made in the foregoing Notice of Exemption in behalf of RTI; and that such allegations are true as stated.



Thomas F. McFarland

SUBSCRIBED and SWORN to
before me this 16th day of
June, 2006.



Notary Public