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October 9, 2012

BY HAND-DELIVERY

The Honorable Cynthia T. Brown  
Chief, Section of Administration  
Surface Transportation Board  
395 E Street, SW, Room #100  
Washington, DC 20423-0001

Re: Finance Docket No. 32760, *Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp. And the Denver and Rio Grande Western Railroad Company*

Dear Ms. Brown:

We are writing on behalf our clients, BNSF Railway Company and G3 Enterprises, to request that the Surface Transportation Board expeditiously decide their Joint Petition for Enforcement of Decision No. 44 filed on August 31, 2012 (as amended on September 13, 2012). In their Joint Petition, BNSF and G3 asked the Board to enforce certain representations made by UP during the UP/SP merger proceeding and to restore the pre-merger competitive service to the G3 facility located at Rogers, California that was lost as a result of UP's acquisition of SP and UP's closure of the facility to reciprocal switch in 2011. UP replied to the Joint Petition on September 20, 2012, by asserting that UP has adhered to its representations and that the closed status of the Rogers facility has nothing to do with the UP/SP merger.

As set forth below, there are two large customers who are considering shipping traffic to/from the Rogers facility but will do so only if the facility can be served by both UP and BNSF (via MET switching). These customers are on the verge of giving G3 this business and are anxious to learn as soon as they can whether the Board will order UP to restore the competitive service that existed pre-merger but has now been eliminated, with the facility being exclusively served by UP.

- E. & J. Gallo Winery, a customer of G3, currently stores product at the G3 Rogers facility. G3's contract with Gallo stipulates boxcars as the mode of transportation and requires that its products be routed via boxcars to all of its regional distribution centers (RDCs). Gallo further stipulates that, if it is to use the Rogers facility, it must be dual served (as is the case with its other Modesto facility). If switching service is not restored, G3 will be forced to find another warehouse in Modesto at significant additional cost. Gallo and G3 believe there will be a significant advantage to them when BNSF is able to

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offer competitive boxcar pricing to the origin, and it is important for them to have this resolved soon.

- G3 has another customer who is manufacturing product at City Brewing in Lacrosse, WI (a facility served only by BNSF). G3 must move the customer's product to all RDCs via boxcar, one of which is the G3 Rogers facility in Modesto. The traffic cannot get to the G3 Rogers facility cost effectively unless the facility is dual served. Other options are also cost-prohibitive (transloading into trucks in Modesto, for example). It is very important to have the issue resolved as quickly as possible because the customer began production in Lacrosse this week.

Based on these customers' needs for a prompt resolution, BNSF and G3 request that the Board determine expeditiously whether the representations made by UP have been breached and whether to require UP to restore competitive service to the G3 Rogers facility, whose service options have now been reduced by UP from three to one.

Please contact us if you have any questions. Thank you.

Sincerely yours,



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cc: Mark H. Sidman, Esq.  
Parties of Record