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SERVICE DATE – LATE RELEASE DECEMBER 19, 2006

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 34974

KEOKUK JUNCTION RAILWAY COMPANY d/b/a PEORIA AND WESTERN RAILWAY  
– LEASE AND OPERATION EXEMPTION –  
BNSF RAILWAY COMPANY

PROTECTIVE ORDER

Decided: December 19, 2006

By petition filed December 7, 2006, under 49 U.S.C. 10502 and the Board's exemption procedures at 49 CFR 1121, et seq., Keokuk Junction Railway Company, d/b/a Peoria & Western Railway (KJR), requests an exemption from the requirements of 49 U.S.C. 10902 to lease and to operate a line of railroad owned by BNSF Railway Company (BNSF). The line extends between Vermont (milepost 94.3) and Farmington (milepost 52.2), in Fulton County, IL, and consists of approximately 42.1 miles of main line trackage.

KJR previously attempted to obtain Board authority for this transaction by filing a notice on August 4, 2006, invoking the Board's class exemption at 49 CFR 1150.41, in Keokuk Junction Railway Company d/b/a Peoria & Western Railway – Lease And Operation Exemption – BNSF Railway Company Between Vermont and Farmington, IL, STB Finance Docket No. 34918. KJR's attempt to invoke the class exemption was opposed by Ameren Energy Fuels and Services Company (Ameren), which operates an electricity generating plant with spurs that connect with the line at issue and another line already operated by KJR. By decision served on August 10, 2006, the Board issued a decision staying the exemption in STB Finance Docket No. 34918 until further order. By decision entered on August 25, 2006, in STB Finance Docket No. 34918, the Board entered an order protecting the confidentiality of the proposed lease between KJR and BNSF to facilitate Ameren's acquisition of a copy of the lease.

By motion filed on December 7, 2006, KJR asks the Board to enter a protective order concerning documents attached to a confidential version of its petition for exemption filed under 49 CFR 1121, et seq. The draft protective order submitted by KJR is broader in purpose and scope than the protective order entered by the Board at the request of Ameren in STB Finance Docket No. 34918. According to KJR, the purpose of the protective order is to preserve the confidentiality of (a) the proposed lease agreement between KJR and BNSF, (b) a highly confidential version of the Verified Statement of witness Brennan, and (c) a letter from KJR to

Ameren dated November 17, 2006. KJR has submitted redacted versions of those documents for the public record.

On December 13, 2006, Ameren filed a reply objecting to the inclusion of numbered paragraphs 2-4 of the protective order proposed by KJR, which read as follows:

2. Personnel of Keokuk Junction Railway Co. (“KJRY”), BNSF Railway Company (“BNSF”) and their respective affiliates, including outside consultants and attorneys for any of them (representatives), may exchange Confidential Information for the purpose of participating in the Proceedings, but not for any other business, commercial, or other competitive purpose.

3. To the extent that any meetings, conferences, exchanges of data, or other cooperative efforts between representatives of KJRY and BNSF are held and carried out for purposes of these Proceedings, such meetings, conferences, exchanges of data and other cooperative efforts are deemed essential for the conduct and disposition of such Proceedings and will not be deemed a violation of 49 U.S.C. 11323 or 11904, or any other relevant provision of the ICC Termination Act of 1995.

4. If the transaction which is subject to the accompanying Petition for Exemption is disapproved by the Board, then all Confidential Documents (other than file copies of pleadings and other documents filed with the Board and retained by outside counsel for a party to these proceedings) that are exchanged between KJRY and BNSF and their affiliates but which are not otherwise available to them as a result of their existing affiliation and pursuant to their reporting responsibilities for securities, tax and other purposes, must be destroyed or returned to the party originating the Confidential Information contained or reflected in such Confidential Documents. With respect to parties other than KJRY and BNSF and their affiliates, if the transaction that is subject to the Petition for Exemption is disapproved by the Board, or if the transaction is approved but not consummated for whatever reason, then all Confidential Documents, other than file copies of pleadings and other documents filed with the Board and retained by outside counsel for a party to these proceedings, must be destroyed or returned to the party originating the Confidential Information contained or reflected in such Confidential Documents.

Ameren objects to these provisions as unnecessary and potentially harmful. Ameren notes that these provisions normally are included in protective orders involving mergers where both entities are parties to the proceeding. Here, KJR and BNSF have already negotiated the terms of the lease and BNSF is not a party to this proceeding. Ameren apparently is concerned about competing carriers for its service exchanging sensitive information under the guise of this protective order.

On December 14, KJR filed a reply opposing Ameren's request for relief regarding numbered paragraphs 2-4 of KJR's draft protective order. KJR argues that Ameren has failed to explain why the challenged paragraphs are inappropriate or how they otherwise would cause Ameren harm.

#### DISCUSSION AND CONCLUSIONS

KJR's motion for a protective order conforms with the Board's rules at 49 CFR 1104.14 and will be granted, subject to the modifications described below. The filings in question contain commercially sensitive information that merits confidential treatment. Accordingly, the subject filings shall be subject to the Protective Order and Undertakings in the Appendix to this decision.

KJR's draft order will be modified to delete paragraphs 2-4. Given Ameren's concerns, the more prudent course of action at this time is to exclude the challenged provisions. Should a specific need arise for KJR and BNSF to exchange commercially sensitive information, KJR may seek relief from the Board at that time.

It is ordered:

1. KJR's motion for a protective order is granted to the extent indicated above, and the Protective Order and Undertakings in the Appendix to this decision are adopted.
2. The unredacted lease agreement, Verified Statement of witness Brennan, and the November 17, 2006 letter submitted in STB Finance Docket No. 34974 will be kept under seal and not placed in the public docket or otherwise disclosed to the public, unless the attached Undertaking is executed and the terms of the Protective Order are followed, or unless otherwise ordered by the Board.
3. This decision is effective on its date of service.

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams  
Secretary

Appendix

PROTECTIVE ORDER

1. For purposes of this Protective Order:

(a) “Confidential Documents” means documents and other tangible materials containing or reflecting Confidential Information.

(b) “Confidential Information” means traffic data (including but not limited to waybills, abstracts, study movement sheets, and any documents or computer tapes containing data derived from waybills, abstracts, study movement sheets, or other data bases, and cost work papers); the identification of shippers and receivers in conjunction with shipper-specific or other traffic data; the confidential terms of contracts with shippers or carriers; confidential financial and cost data; divisions of rates, trackage rights compensation levels and other compensation between carriers; and other confidential or proprietary business or personal information.

(c) “Designated Material” means any documents designated or stamped as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL” in accordance with paragraph 2 or 3 of this Protective Order and any Confidential Information contained in such materials.

(d) “Proceedings” means those before the Surface Transportation Board (Board) concerning the transaction in STB Finance Docket No. 34974, and any related proceedings before the Board, and any judicial review proceedings arising from STB Finance Docket No. 34974 or from any related proceedings before the Board.

2. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, discovery response it produces, transcript of a deposition or hearing in which it participates, or pleading or other paper to be submitted, filed, or served in these Proceedings contains Confidential Information or consists of Confidential Documents, then that party may designate and stamp such Confidential Information and Confidential Documents as “CONFIDENTIAL.” Any information or documents designated or stamped as “CONFIDENTIAL” shall be handled as provided for hereinafter.

3. If any party to these Proceedings determines that any part of a document it submits, discovery request it propounds, or a discovery response it produces, or a transcript of a deposition or hearing in which it participates, or pleading or other paper to be submitted, filed, or served in these Proceedings contains shipper-specific rate or cost data; division of rates, trackage rights compensation levels, other compensation between carriers; or other competitively sensitive or proprietary information, then that party may designate and stamp such Confidential Information as “HIGHLY CONFIDENTIAL.” Any information or documents so designated or stamped shall be handled as provided hereinafter.

4. Information and documents designated or stamped as “CONFIDENTIAL” may not be disclosed in any way, directly or indirectly, or to any person or entity except to an employee,

counsel, consultant, or agent of a party to these Proceedings, or an employee of such counsel, consultant, or agent, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit A to this Protective Order.

5. Information and documents designated or stamped as “HIGHLY CONFIDENTIAL” may not be disclosed in any way, directly or indirectly, to any employee of a party to these Proceedings, or to any other person or entity except to an outside counsel or outside consultant to a party to these Proceedings, or to an employee of such outside counsel or outside consultant, who, before receiving access to such information or documents, has been given and has read a copy of this Protective Order and has agreed to be bound by its terms by signing a confidentiality undertaking substantially in the form set forth at Exhibit B to this Protective Order.

6. All parties must file simultaneously a public version of any Highly Confidential or Confidential submission filed with the Board whether the submission is designated a Highly Confidential Version or Confidential Version. When filing a Highly Confidential Version, the filing party does not need to file a Confidential Version with the Board, but must make available (simultaneously with the party’s submission to the Board of its Highly Confidential Version) a Confidential Version reviewable by any other party’s in-house counsel. The Confidential Version may be served on other parties in electronic format only. In lieu of preparing a Confidential Version, the filing party may (simultaneously with the party’s submission to the Board of its Highly Confidential Version) make available to outside counsel for any other party a list of all “highly confidential” information that must be redacted from its Highly Confidential Version prior to review by in-house personnel, and outside counsel for any other party must then redact that material from the Highly Confidential Version before permitting any clients to review the submission.

7. Any party to these Proceedings may challenge the designation by any other party of information or documents as “CONFIDENTIAL” or as “HIGHLY CONFIDENTIAL” by filing a motion with the Board or with an administrative law judge or other officer to whom authority has been lawfully delegated by the Board to adjudicate such challenges.

8. Designated Material may not be used for any purposes, including without limitation any business, commercial or competitive purposes, other than the preparation and presentation of evidence and argument in STB Finance Docket No. 34974, any related proceedings before the Board, and/or any judicial review proceedings in connection with STB Finance Docket No. 34974 and/or with any related proceedings.

9. Any party who receives Designated Material in discovery shall destroy such materials and any notes or documents reflecting such materials (other than file copies of pleadings or other documents filed with the Board and retained by outside counsel for a party to these Proceedings) at the earlier of: (1) such time as the party receiving the materials withdraws from these Proceedings, or (2) the completion of these Proceedings, including any petitions for reconsideration, appeals or remands.

10. No party may include Designated Material in any pleading, brief, discovery request, or response, or other document submitted to the Board, unless the pleading or other document is submitted under seal, in a package clearly marked on the outside as “Confidential Materials Subject to Protective Order.” See 49 CFR 1104.14. All pleadings and other documents so submitted shall be kept confidential by the Board and shall not be placed in the public docket in these Proceedings except by order of the Board or of an administrative law judge or other officer in the exercise of authority lawfully delegated by the Board.

11. No party may include Designated Material in any pleading, brief, discovery request or response, or other document submitted to any forum other than this Board in these Proceedings unless: (1) the pleading or other document is submitted under seal in accordance with a protective order that requires the pleading or other document to be kept confidential by that tribunal and not be placed in the public docket in the proceeding, or (2) the pleading or other document is submitted in a sealed package clearly marked, “Confidential Materials Subject to Request for Protective Order,” and is accompanied by a motion to that tribunal requesting issuance of a protective order that would require the pleading or other document be kept confidential and not be placed in the public docket in the proceeding, and requesting that if the motion for protective order is not issued by that tribunal, the pleading or other document be returned to the filing party.

12. No party may present or otherwise use any Designated Material at a Board hearing in these Proceedings, unless that party has previously submitted, under seal, all proposed exhibits and other documents containing or reflecting such Designated Material to the Board, to an administrative law judge or to another officer to whom relevant authority has been lawfully delegated by the Board, and has accompanied such submission with a written request that the Board, administrative law judge or other officer: (a) restrict attendance at the hearing during any discussion of such Designated Material, and (b) restrict access to any portion of the record or briefs reflecting discussion of such Designated Material in accordance with this Protective Order.

13. If any party intends to use any Designated Material in the course of any deposition in these Proceedings, that party shall so advise counsel for the party producing the Designated Material, counsel for the deponent, and all other counsel attending the deposition. Attendance at any portion of the deposition at which any Designated Material is used or discussed shall be restricted to persons who may review that material under the terms of this Protective Order. All portions of deposition transcripts or exhibits that consist of, refer to, or otherwise disclose Designated Material shall be filed under seal and be otherwise handled as provided in paragraph 10 of this Protective Order.

14. To the extent that materials reflecting Confidential Information are produced by a party in these Proceedings, and are held and/or used by the receiving person in compliance with paragraphs 1, 2, or 3 above, such production, disclosure, holding, and use of the materials and of the data that the materials contain are deemed essential for the disposition of this and any related proceedings and will not be deemed a violation of 49 U.S.C. 11904 or of any other relevant provision of the ICC Termination Act of 1995.

15. All parties must comply with all of the provisions of this Protective Order unless the Board or an administrative law judge or other officer exercising authority lawfully delegated by the Board determines that good cause has been shown warranting suspension of any of the provisions herein.

16. Nothing in this Protective Order restricts the right of any party to disclose voluntarily any Confidential Information originated by that party, or to disclose voluntarily any Confidential Documents originated by that party, if such Confidential Information or Confidential Documents do not contain or reflect any Confidential Information originated by any other party.

Exhibit A

UNDERTAKING—CONFIDENTIAL MATERIAL

I, \_\_\_\_\_, have read the Protective Order served on December 19, 2006, governing the production and use of Confidential Information and Confidential Documents in STB Finance Docket No. 34974, understand the same, and agree to be bound by its terms. I agree not to use or to permit the use of any Confidential Information or Confidential Documents obtained pursuant to that Protective Order, or to use or to permit the use of any methodologies or techniques disclosed or information learned as a result of receiving such data or information, for any purpose other than the preparation and presentation of evidence and argument in STB Finance Docket No. 34974, any related proceedings before the Surface Transportation Board (Board), and/or any judicial review proceedings in connection with STB Finance Docket No. 34974 and/or with any related proceedings. I further agree not to disclose any Confidential Information, Confidential Documents, methodologies, techniques, or data obtained pursuant to the Protective Order except to persons who are also bound by the terms of the Order and who have executed Undertakings in the form hereof, and that at the conclusion of this proceeding (including any proceeding on administrative review, judicial review, or remand), I will promptly destroy any documents containing or reflecting materials designated or stamped as “CONFIDENTIAL,” other than file copies, kept by outside counsel, of pleadings and other documents filed with the Board.

I understand and agree that money damages would not be a sufficient remedy for breach of this Undertaking and that KJR, BNSF, or other parties producing Confidential Information or Confidential Documents shall be entitled to specific performance and injunctive and/or other equitable relief as a remedy for any such breach, and I further agree to waive any requirement for the securing or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this Undertaking but shall be in addition to all remedies available at law or equity.

Signed: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Dated: \_\_\_\_\_

Exhibit B

UNDERTAKING—HIGHLY CONFIDENTIAL MATERIAL

I, \_\_\_\_\_, am outside [counsel] [consultant] for \_\_\_\_\_, for whom I am acting in this proceeding. I have read the Protective Order served on December 19, 2006, governing the production and use of Confidential Information and Confidential Documents in STB Finance Docket No. 34974, understand the same, and agree to be bound by its terms. I agree not to use or to permit the use of any Confidential Information or Confidential Documents obtained pursuant to that Protective Order, or to use or to permit the use of any methodologies or techniques disclosed or information learned as a result of receiving such data or information, for any purpose other than the preparation and presentation of evidence and argument in STB Finance Docket No. 34974, any related proceedings before the Surface Transportation Board (Board), or any judicial review proceedings in connection with STB Finance Docket No. 34974 and/or with any related proceedings. I further agree not to disclose any Confidential Information, Confidential Documents, methodologies, techniques, or data obtained pursuant to the Protective Order except to persons who are also bound by the terms of the Order and who have executed Highly Confidential Undertakings in the form hereof.

I also understand and agree, as a condition precedent to my receiving, reviewing, or using copies of any information or documents designated or stamped as “HIGHLY CONFIDENTIAL,” that I will take all necessary steps to ensure that said information or documents be kept on a confidential basis by any outside counsel or outside consultants working with me; that under no circumstances will I permit access to said materials or information by employees of my client or its subsidiaries, affiliates, or owners; and that at the conclusion of this proceeding (including any proceeding on administrative review, judicial review, or remand), I will promptly destroy any documents containing or reflecting information or documents designated or stamped as “HIGHLY CONFIDENTIAL,” other than file copies kept by outside counsel of pleadings and other documents filed with the Board.

I understand and agree that money damages would not be a sufficient remedy for breach of this Undertaking and that KJR, BNSF, or other parties producing Confidential Information or Confidential Documents shall be entitled to specific performance and injunctive and/or other equitable relief as a remedy for any such breach, and I further agree to waive any requirement for the securing or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this Undertaking but shall be in addition to all remedies available at law or equity.

Signed: \_\_\_\_\_  
OUTSIDE [COUNSEL] [CONSULTANT]

Dated: \_\_\_\_\_