

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. 42115

US MAGNESIUM, L.L.C.

v.

UNION PACIFIC RAILROAD COMPANY

Decided: March 19, 2010

This decision stays the procedural schedule in this proceeding.

By a complaint filed on June 25, 2009, US Magnesium, L.L.C. (USM) challenges the reasonableness of rates charged by Union Pacific Railroad Company (UP) for the movement of chlorine by tank car from Rowley, UT, to Los Angeles, CA, Mojave, CA, Ontario, CA, Santa Fe Springs, CA, Saugus, CA, Torrance, CA, and Henderson, NV. USM seeks relief pursuant to the simplified procedures set forth in Simplified Standards for Rail Rate Cases, STB Ex Parte No. 646 (Sub-No. 1) (STB served Sept. 5, 2007), aff'd sub nom. CSX Transp., Inc. v. STB, 568 F.3d 236 (D.C. Cir. 2009), and vacated in part on reh'g, CSX Transp., Inc. v. STB, 584 F.3d 1076 (D.C. Cir. 2009). USM has elected to utilize the simplified stand-alone cost (Simplified-SAC) method, under which the total available rate relief is limited to \$5 million over a 5-year period.

The parties requested a procedural schedule pursuant to 49 CFR 1111.9(a)(1), and the Board adopted the proposed procedural schedule in a decision served October 22, 2009. By decision served January 15, 2010, the Board granted an unopposed motion from USM to extend the procedural schedule, as well as a request from UP to further extend the deadline for final briefs. In a decision served February 10, 2010, the Board granted a joint motion by USM and UP to modify the procedural schedule.

On March 11, 2010, USM and UP filed a joint motion to stay the procedural schedule. The motion states that the parties are in settlement discussions and that a stay is warranted to allow them to attempt to finalize a settlement.

Good cause exists to stay the procedural schedule in this proceeding in order to allow the parties to proceed with negotiations. Therefore, the joint motion will be granted and the proceeding will be held in abeyance pending further order of the Board. The parties will be required to file a status report with the Board by May 18, 2010, and then every 30 days thereafter.

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The parties' joint motion to stay the procedural schedule is granted.
2. This proceeding is held in abeyance pending further order of the Board.
3. The parties shall file a status report with the Board May 18, 2010, and then every 30 days thereafter.
4. This decision is effective on its service date.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.