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SERVICE DATE – LATE RELEASE MARCH 19, 2010

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. 42116

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 October 9, 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 Salt Lake City, UT, Sparks, NV, Elk Grove, CA, Stockton, CA, and Pittsburg, CA. 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 method, under which the total available rate relief is limited to \$5 million over a 5-year period.

On December 16, 2009, the Board served a decision adopting a procedural schedule and granting a motion for protective order.

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 by 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.