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September 16, 2011

ENTERED
Office of Proceedings

SEP 30 2011

Part of
Public Record

BY HAND

Ms. Rachel Campbell
Director, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Re: STB Ex Parte No. 706, Reporting Requirements for Positive Train
Control Expenses and Investments

Dear Ms. Campbell:

I am writing on behalf of Union Pacific Railroad Company to inquire about the status of the above-reference docket. In a decision served February 10, 2011, the Board granted Union Pacific's petition requesting that the Board institute a rulemaking proceeding to consider requiring Class I carriers to separately identify expenditures relating to installing and operating Positive Train Control and PTC-related operating statistics in their annual R-1 reports. The Board stated that it would address the arguments and issues raised by parties in filings supporting or opposing the petition, as well as establish further proceedings for public comment, in a subsequent decision.

In the months since the Board granted Union Pacific's petition, Union Pacific has continued to spend substantial amounts of money in furtherance of its efforts to comply with the congressional mandate to install PTC by the end of 2015. Union Pacific expects to spend approximately \$250 million in 2011 alone. Union Pacific understands that other rail carriers are also making very significant investments in PTC. If the rulemaking does not move forward, the Board risks losing the ability to account accurately for these PTC-related costs in pursuing its oversight responsibilities and regulatory initiatives. Union Pacific would appreciate any information your office can provide regarding the status of this proceeding.

Sincerely,



Michael L. Rosenthal
Counsel for Union Pacific Railroad
Company