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October 11, 2012

BY HAND

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

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

Dear Ms. Brown:

I am writing on behalf of Union Pacific Railroad in response to the letter filed on October 9, 2012, by BNSF Railway and G3 Enterprises. BNSF and G3 disguise their letter as a request for an expedited decision, but it is really an impermissible reply to a reply. *See* 49 C.F.R. § 1104.13(c). If the Board considers that letter, we ask that it also consider this response.

In their improper attempt to have the last word, BNSF and G3 ignore the uncontroverted fact that G3 did not own a facility in Rogers before the UP/SP merger, and thus G3 could not, as it claims, have lost competitive service to its Rogers facility because of the merger. BNSF and G3 likewise ignore the uncontroverted evidence that G3 knew or should have known that its Rogers facility would not be open to reciprocal switching when it acquired the facility five years after the merger. If the Board opens G3's facility to reciprocal switching, it will be imposing a new condition on the UP/SP merger, not enforcing an existing condition.

BNSF and G3 also impermissibly introduce new allegations about customers that might use G3's Rogers facility if the Board opens it to reciprocal switching. These allegations have no bearing on the merits of BNSF's and G3's legal claim, and, moreover, G3 and BNSF have no basis for asserting that there would be significant cost advantages if

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the Modesto and Empire Traction Company could serve G3's Rogers facility and switch rail traffic to and from BNSF. BNSF and G3 provide no reason to think that UP-BNSF service would be inadequate to meet customers' service needs, and neither G3 nor BNSF ever approached UP for the purpose of establishing a joint route or a rate for UP's portion of the alleged movements.

UP has no objection to an expeditious decision in this case.

Sincerely,



Michael L. Rosenthal
*Counsel for Union Pacific
Railroad Company*

cc: Adrian L. Steel, Jr.
Jolene A. Yee
Mark H. Sidman
Parties of Record