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Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

Re: Ex Parte No. 724 United States Rail Service

Dear Ms. Brown,

Union Pacific submits these comments in response to the written statement by Western Coal Traffic League (“WCTL”) from the hearing on September 4, 2014. In our comments, we first discuss service to the Weston plant and what we are doing to improve deliveries. We then address WCTL’s request for Union Pacific to reporting various operating data.

The Wisconsin Public Service (“WPS”) plant at Weston, Wisconsin is currently served through an interline route of Union Pacific and Canadian National (“CN”) via Wisconsin Rapids. Union Pacific does not directly serve the plant. Cycle times have been longer than our goal, but serious weather-related service interruptions explain the four months this year with our longest cycle times to and from the interchange. The Board is already familiar with the Polar Vortex and the myriad of operating challenges presented to railroads in Illinois, Minnesota and Wisconsin last winter. Our February and March cycle times to Wisconsin Rapids reflect those challenges.

Union Pacific was successfully restoring our velocity in April and May, and deliveries increased significantly. In June and July, however, a series of severe rainstorms battered our route to Wisconsin Rapids and caused widespread flooding and washouts over our Central Corridor in Iowa and Illinois, as well as an alternative route through Minnesota causing us to lose ground. Our cycle time increased and deliveries decreased. Our August cycle times have improved significantly again compared to the first half of 2014.

The cycle time on Union Pacific is not the complete story, however. The off-line cycle time—that is the time the Weston trains spend on CN and at the power plant—also has been much longer than plan. In fact, in four of the first eight months of 2014, the extra cycle-time hours off-line have been greater than the extra cycle-time on Union Pacific.

Despite the challenges that weather has thrown at rail operations this year, we recognize that WPS must meet the needs of its customers and that the Weston plant requires more coal. To this end, we have supplied Union Pacific trainsets to deliver more coal to WPS but there is a physical limit as to how many trainsets can be effectively added for this corridor without degrading velocity for all trains. To find ways of improving coal deliveries to Weston, we conduct weekly calls with WPS and CN to discuss status of deliveries, identify potential problems and develop responses. The Union Pacific operating department also has instituted a daily call with both UP and CN operating managers in the field and in centralized-functions to improve WPS train movement through the interchange. In addition, Union Pacific's Regional Vice President for the Northern Region met with operating officials of CN to discuss further coordination and refinement of the transportation plan to reduce cycle time and improve reliability so that coal deliveries at Weston increase.

The interline nature of the Weston movement illustrates why WCTL's request for reporting by Union Pacific is impracticable and would not address the concerns that WPS has raised regarding the Weston plant. In addition, the reporting request overlooks the detailed operating information already available to Union Pacific customers every day about the status of their trains and the historical performance of loadings and deliveries.

WCTL requested that the Board order Union Pacific to provide:

- 1) interchange-dwell times and yard-dwell times in Illinois and Wisconsin for Union Pacific and CN;
- 2) Union Pacific coal train cycle times from the PRB and Colorado to Chicago;
- 3) CN's average coal train speeds to and from Chicago;
- 4) any restrictions on the availability of crews for coal service on Union Pacific and CN; and
- 5) cycle-time data for coal trains moving from the PRB to Chicago, Kansas City, Missouri, or Fort Worth, Texas.

The Board should not order Union Pacific to provide the information requested by WCTL. As we explain below, (i) Union Pacific lacks the CN information requested, (ii) Union Pacific already provides nearly all of the remaining information to its customers for their trains, and (iii) the average

information for all trains or crews would be of limited use to our customers, but of interest to our competitors.

Requesting Union Pacific to provide information about CN dwell time, crew availability and train speeds to various destinations in or beyond Chicago is unreasonable because we do not have such information. For example, we know when we make a coal train available for interchange to CN or another carrier. We know when CN or another carrier notifies us that a train is available for interchange or, if applicable, when our crew reaches the train, but we have no visibility as to what happens when the coal train is under the control of our connecting carriers. WCTL offers no reason why Union Pacific should be required to provide information beyond its own operations.

As for Union Pacific cycle times and dwell times for coal trains, our coal customers already have access to this information for their own trains. Average data for all trains would be of interest to our competitors, but of little use to our customers. Each service route has its own unique cycle time, so comparisons between Weston cycle time via Wisconsin Rapids and other gateways would be invalid as explained below. Union Pacific's Unit Train Customer Interface (UTCI) provides current information on active trains and historical information for individual trains or all of a customer's trains by mine or destination. In addition, our employees work with individual customers to develop customized reports or updates to address particular concerns.

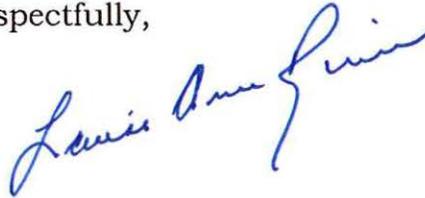
In contrast, average cycle times for all coal trains by gateway cities such as Chicago, Kansas City and Fort Worth is commercially sensitive information of interest to our competitors and we do not release it publicly. Such data would be less informative to a customer than knowing the cycle times for its own trains (which UTCI provides already). The average of all coal trains to or through a city aggregates cycle times for trains delivered in or near that city, trains moving through that city to Union Pacific destinations beyond, and trains interchanged in that city. Because the operations in that city will differ depending on where the train is going, the average cycle time is less useful than the movement-specific cycle time the customer already has directly from Union Pacific.

We do not have separate information about crew availability for coal trains because crews associated with a crew district are available for any through train. Moreover, since crews are associated with a particular crew district and SPRB and Colorado coal trains run over a large part of our system, this would require providing a great deal of information that is not directly relevant to coal for a large part of our network.

In summary, the reporting request for Union Pacific information is unnecessary, overbroad and would provide information less useful to our customers than data already available to them. If the Board wants to explore the possibility of additional reporting requirements for coal trains, we believe

that it should obtain further information about the operating data already available to coal shippers and weigh the incremental value of additional reporting against the revelation of commercially sensitive information to non-shippers.

Respectfully,



Louise Anne Rinn
Associate General Counsel

cc: Dave Wanner – Wisconsin Public Service
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