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August 26, 2011

ENTERED
Office of Proceedings

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Part of
Public Record

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: *Petition of Arkansas Electric Cooperative Corporation for a Declaratory Order,*
STB Finance Docket 35305

Dear Ms. Brown:

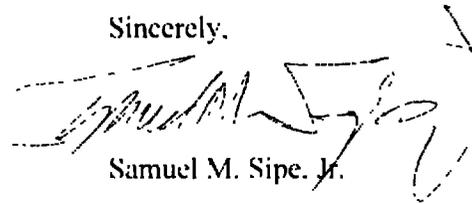
On August 23, 2011, BNSF Railway Company filed its Reply to Western Coal Traffic League's Petition to Reopen and for Injunctive Relief Pending Board-Supervised Mediation. Subsequent to the preparation of BNSF's filing, additional trade associations have filed letters with the Board supporting Western Coal Traffic League's proposal for Board-supervised mediation. *See* Letter on behalf of American Public Power Association, Edison Electric Institute and National Rural Electric Cooperative Association, dated August 23, 2011; National Coal Transportation Association's Reply in Support of Petition to Reopen and for Injunctive Relief Pending Board-Supervised Mediation, filed August 24, 2011.

The purpose of this letter is to reiterate BNSF's position as stated in its Reply that BNSF does not believe that mediation of issues regarding BNSF's coal dust rule with shipper associations or groups of shippers would be appropriate or productive. A significant majority of BNSF's coal customers ship their coal under confidential rail transportation contracts with BNSF. The proper way to address and resolve any issues relating to the coal dust rule that may exist between BNSF and these contract shippers is through private discussions involving the terms of their confidential agreements. Furthermore, multi-party discussions of the coal dust rule involving commercial aspects of common carrier arrangements would be inappropriate. As stated by BNSF's Group Vice President of Coal Marketing, Stevan Bobb, in his verified statement attached to BNSF's Reply, BNSF stands ready to meet with any BNSF common carrier shipper to discuss BNSF's coal dust rule. If and when a specific dispute arises with a BNSF common carrier shipper regarding the coal dust rule, BNSF would be willing to consider addressing that

dispute through Board supervised mediation. However, BNSF does not intend to participate in mediation of coal dust issues with trade associations or groups of multiple shippers.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Samuel M. Sipe, Jr.", with a stylized flourish at the end.

Samuel M. Sipe, Jr.

Enclosures

cc: Parties of Record