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September 20, 2012

## **BY HAND**

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

**ENTERED**  
Office of Proceedings

SEP 20 2012

Part of  
**Public Record**

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:

Enclosed for filing in the above-referenced docket are an original and ten copies of Union Pacific's Reply to the Amended Joint Petition of BNSF Railway and G3 Enterprises for Enforcement of Decision No. 44.

Please indicate receipt and filing by date-stamping the enclosed extra copy and returning it to our messenger.

Thank you for your assistance.

Sincerely,



Michael L. Rosenthal  
Counsel for Union Pacific Railroad  
Company

Enclosures

BEFORE THE  
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
AND MISSOURI PACIFIC RAILROAD COMPANY  
- CONTROL AND MERGER -  
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC  
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY  
COMPANY, SPCSL CORP. AND THE DENVER AND  
RIO GRANDE WESTERN RAILROAD COMPANY

**UNION PACIFIC'S REPLY TO THE AMENDED JOINT PETITION OF  
BNSF RAILWAY AND G3 ENTERPRISES FOR ENFORCEMENT OF DECISION NO. 44**

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September 20, 2012

*Contains Color Images*

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BEFORE THE  
SURFACE TRANSPORTATION BOARD

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UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
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– CONTROL AND MERGER –  
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COMPANY, SPCSL CORP. AND THE DENVER AND  
RIO GRANDE WESTERN RAILROAD COMPANY

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**UNION PACIFIC’S REPLY TO THE AMENDED JOINT PETITION OF  
BNSF RAILWAY AND G3 ENTERPRISES FOR ENFORCEMENT OF DECISION NO. 44**

Petitioners BNSF Railway Company (“BNSF”) and G3 Enterprises (“G3”) are wrong when they assert that Union Pacific Railroad Company (“UP”) violated representations it made to a short line, the Modesto and Empire Traction Company (“MET”), during the UP/SP merger. UP stated that it would not change the status of the customers specifically named in its switching tariff as open to reciprocal switching at Modesto, California, and that it would not reduce UP’s Modesto, California, switching district. UP has kept both commitments.

Contrary to petitioners’ claims, UP did not close G3 to reciprocal switching. G3 was never open to reciprocal switching. In 1995, UP told MET it had “no intention of closing UP’s present open customers as specifically named in Item 1663” of UP’s then-current switching tariff as open to reciprocal switching in Modesto. But G3 was not specifically named as an open customer in Item 1663 in 1995. G3 did not even acquire its Rogers facility until 2001. Further, when G3 acquired its Rogers facility in 2001, UP’s reciprocal switching circular stated: “UP will provide reciprocal switching only to or from UP customers specifically listed in this circular.” G3 was not

listed as an open customer in 2001, UP never subsequently listed G3 as an open customer, and UP never provided reciprocal switching to G3. Petitioners have no right or legal basis to demand that UP open G3's facility to reciprocal switching.

Also contrary to petitioners' claims, UP has not reduced its Modesto switching district. Petitioners mistakenly suggest that UP's treatment of G3 as closed to reciprocal switching means that UP reduced the Modesto switching district, in contravention of UP's 1995 statement to MET that UP "had no intention of diminishing the current switching district of Modesto." G3's facility is within the Modesto switching district. UP's treatment of G3 as closed to reciprocal switching does not affect the size of the Modesto switching district, which extends as far as it did in 1995.

Petitioners are also wrong to suggest that G3's closed status has anything to do with the UP/SP merger. G3 did not acquire its facility until after the merger, G3 was a closed customer when it acquired the facility, and G3 is a closed customer today. Moreover, in the UP/SP merger, the Board ensured that shippers could establish new facilities at sites with access to competitive service by imposing conditions that allow BNSF to serve new facilities located subsequent to the merger at (a) "2-to-1" points, or (b) on SP-owned or UP-owned track over which BNSF received trackage rights in the BNSF settlement agreement. *See Union Pacific/Southern Pacific Merger*, 1 S.T.B. 233, 420 (1996). G3 did not locate its facility at a site that was opened to competition by the merger conditions. Instead, G3 purchased a site that is *not* located at a "2-to-1" point and *not* located on a trackage rights line. To the extent petitioners are asking the Board to impose a new condition expanding competition at new facilities located after the merger at *non*-"2-to-1" points and on *non*-trackage rights lines, they fail to present evidence to justify reopening a transaction that UP and SP consummated long ago. A decision imposing a new condition on the merger at this point in time would improperly deprive UP of its fundamental "right to walk away from a

transaction if it deems the conditions too burdensome.” *Canadian National, et al. – Control – Illinois Central, et al.*, 6 S.T.B. 492, 496 (2002).

Accordingly, the Board should deny petitioners’ request for relief.

## **I. Facts**

Petitioners’ request for relief depends on their mistaken interpretation of the specific, express assurances that UP provided MET several years before G3 acquired its current facility at Rogers. On November 21, 1995, MET’s president wrote UP’s president expressing concern that, following the merger of UP and SP, UP would close industries that had been open to reciprocal switching by MET at Modesto (which was understood to include Procter & Gamble at Rogers).<sup>1</sup> Jim Shattuck, UP’s Executive Vice President, Marketing and Sales, responded by assuring MET that UP did not intend to close customers that were “specifically named” in Item 1663 of UP’s then-current switching tariff as open to reciprocal switching at Modesto:

With regard to the industries currently served by UP and SP at Modesto, all the industries which are open to reciprocal switching are located on the UP, as provided in Item 1663 of Switching Tariff 8005-D, copy attached for your convenience. Again, following a UP/SP merger, *we have no intention of closing UP’s present open customers as specifically named in Item 1663.*<sup>2</sup>

Mr. Shattuck’s focus on customers “specifically named” in Item 1663 of UP’s tariff was consistent with Item 230 of UP’s switching tariff, which stated: “Reciprocal switching will only be performed to or from corporations, firms or individuals listed herein.”<sup>3</sup> Item 1663 listed seven

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<sup>1</sup> MET’s letter is attached as Reply Exhibit A.

<sup>2</sup> UP’s letter and attachments are attached as Reply Exhibit B.

<sup>3</sup> The relevant portions of UP’s then-current switching tariff are attached as Reply Exhibit C.

UP-served customers: General Foods, Graystone Block, E.J. Lang, Procter & Gamble, Snowden Chemical, Stanislaus Distribution, and Varni Brothers. (Reply Ex. B, p. 4.)<sup>4</sup>

G3 was not “specifically named” in Item 1663 as open to reciprocal switching at Modesto. G3 did not own its Rogers facility when UP told MET that it had “no intention of closing UP’s present open customers as specifically named in Item 1663.” G3’s predecessor, San Joaquin Valley Express, did not purchase Procter & Gamble’s property in Rogers until June 2001. (Amended Petition, Lubeck VS at 2.)

UP’s reciprocal switching circular did not identify G3 as a customer that was open to reciprocal switching when G3 purchased Procter & Gamble’s property in June 2001 or at any time thereafter. In June 2001, UP’s then-current circular listed four customers as open to reciprocal switching at Modesto: General Foods, J.S. West Milling, Procter & Gamble, and Snowden Chemical. (Reply Ex. E, p. 3.)<sup>5</sup> UP’s circular continued to make clear that only those specifically listed customers were open to reciprocal switching, stating: “UP will provide reciprocal switching only to or from UP customers specifically listed in this circular.” (Reply Ex. E, p. 2.)

Petitioners assert that Procter & Gamble told G3 when G3 purchased the Rogers facility “that the property was dual served” and that “G3 was given a copy of the then-current UP tariff confirming this service.” (Amended Petition, Lubeck VS at 2, citing Ex. D.) But the 2003 UP

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<sup>4</sup> A map of the relevant rail lines in the Modesto area showing current customers served directly by UP is attached as Reply Exhibit D.

<sup>5</sup> Reply Exhibit E contains the relevant portions of the June 1, 2001, version of UP’s reciprocal switching circular.

J.S. West Milling was a former SP-served customer in the Modesto area that had been open to reciprocal switching prior to the UP/SP merger. After Mr. Shattuck sent his letter to MET, UP discovered that he erred in stating that the only open industries were on UP, so UP added J.S. West Milling to its list of open shippers. (Reply Verified Statement of Chris Sanford (“Sanford Reply VS”) at 4 n.3.)

“tariff” referenced in the Amended Petition, which is actually a few pages from UP’s reciprocal switching circular,<sup>6</sup> specifically lists *Procter & Gamble* as an open customer at Modesto; it does not list G3 or G3’s predecessor, San Joaquin Valley Express. (*See* Amended Petition, Ex. D.) Moreover, a section of the circular that petitioners did not provide with their Amended Petition says that *only* the specifically listed customers are open to reciprocal switching. The section states that “UP will provide reciprocal switching only to or from UP customers specifically listed in this circular.”<sup>7</sup>

Despite petitioners’ claims that G3 relied on Procter & Gamble’s statement that its Rogers property was open to reciprocal switching, UP’s records show that no traffic has moved to or from G3’s Rogers facility using reciprocal switching. (Sanford Reply VS at 5.) UP’s records also show that no traffic has moved to or from the facility under G3’s name. (*Id.*) UP’s records do show that some traffic has moved to and from the facility under the names of different parties, perhaps tenants of G3, but all that traffic has moved in UP line-haul service. (*Id.*)<sup>8</sup>

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<sup>6</sup> In 2001, UP cancelled its separate switching tariff and began publishing the list of shippers that were open to reciprocal switching in a document called the UP Reciprocal Switching Circular.

<sup>7</sup> Petitioners’ reference to UP’s reciprocal switching circular issued June 3, 2003, as the “then-current UP tariff” is inconsistent with petitioners’ assertion that G3 acquired Procter & Gamble’s property in June 2001. However, the critical language is the same in both the version issued June 1, 2001, and the version issued June 3, 2003. (*Compare* Reply Ex. E, p. 2 *with* Reply Ex. F, p. 2.) Reply Exhibit F contains the relevant portions of UP’s reciprocal switching circular issued June 3, 2003.

<sup>8</sup> In their initial Petition, petitioners asserted that G3 marketed its Rogers facility to its customers as being dual served, and they attached an exhibit purporting to support their claim. (Initial Petition, Lubeck VS at 2 & Ex. E.) In their Amended Petition, petitioners withdrew their marketing claim and the related exhibit, presumably because they belatedly recognized that the exhibit referred to a different G3 facility in the Modesto area – one that is served directly by MET. Petitioners do not provide any evidence in their Amended Petition that G3 ever marketed its Rogers facility as being dual-served.

Petitioners' request for relief also references UP's assurance to MET that UP had "no intention of diminishing the current switching district of Modesto, California." (Reply Ex. B.) G3's facility at Rogers is within the Modesto switching district. (Sanford Reply VS at 7 & Reply Ex. G.)<sup>9</sup> But UP's treatment of G3 as closed to reciprocal switching has no bearing on the size of UP's Modesto switching district. (Sanford Reply VS at 2, 6-7.) UP's switching districts do not define, and they are not defined by, which customers are open to reciprocal switching. (*Id.*) Rather, they designate the geographic limits within which customers can move traffic at UP's tariff rates for intra-terminal or inter-terminal switching (as opposed to requiring a line-haul rate). (*Id.* at 7.) G3 can pay inter-terminal switching charges to move traffic to or from Modesto-area customers served by MET.

UP defines switching districts in terms of stations: all customers at a designated station or group of stations are in the same switching district, regardless of their reciprocal switching status. (*Id.* at 2, 7.) Thus, opening a customer to reciprocal switching would not expand a switching district, and closing a customer to reciprocal switching would not contract a switching district. (*Id.*) All shippers within the same switching district can use UP's intra-terminal or inter-terminal rates, regardless of whether they are open or closed to reciprocal switching. (*Id.* at 2-3.) By contrast, UP provides reciprocal switching only to those customers specifically listed in its reciprocal switching circular. (*Id.* at 2-3, 5-6.)

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<sup>9</sup> Reply Exhibit G is a screen shot from the Official Railroad Station List showing that Rogers is within the Modesto switching district.

## **II. Argument**

### **A. UP never represented that G3 would be open to reciprocal switching.**

UP never told MET, G3, or anyone else that it would treat G3 as an open customer.

Petitioners say that UP must “adhere to the express representations it made to MET.” (Amended Petition at 6.) But UP never represented to MET that G3 would be open to reciprocal switching. In 1995, UP told MET it had “no intention of closing UP’s present open customers as specifically named in Item 1663.” (Reply Ex. B.) When UP made that statement, G3 was not a “present open customer[]” that was “specifically named in Item 1663.” G3 did not acquire its Rogers facility until 2001. Thus, even assuming UP’s statement that it had “no intention” of closing the specifically named customers meant UP would “never” close those customers and became enforceable as a condition of the UP/SP merger, UP has not violated its representation to MET by treating G3 as closed.

Moreover, G3 did not succeed to Procter & Gamble’s status as an open customer by purchasing Procter & Gamble’s property. A customer’s status as open to reciprocal switching is not a right the customer can sell or assign along with its real estate. UP’s tariffs and reciprocal switching circulars have consistently made clear that a customer’s status as open or closed to reciprocal switching is determined by UP on a customer-specific basis. (Reply Exs. C, E & F.)

UP applies a customer-specific approach to reciprocal switching because decisions to open a particular customer to reciprocal switching at a particular location depend on customer-specific commercial considerations. Moreover, UP can calibrate the customer’s open or closed status to reflect customer-specific circumstances. For example, UP might open a customer to reciprocal switching only for certain commodities or when UP could not participate in a reasonably efficient route. (Sanford Reply VS at 6.)

UP's customer-specific approach to reciprocal switching is consistent with industry practice. BNSF's Switching Book states that BNSF's "[r]eciprocal switching charges ... apply only to industries listed herein" and contains lists of the customers open to reciprocal switching at specific locations.<sup>10</sup> NS's switching tariff states that "NS will provide reciprocal switching only to or from NS customers specifically listed in Section 5 of this tariff," and Section 5 contains lists of the customers open to reciprocal switching at specific locations.<sup>11</sup> CSXT's switching tariff states that "[r]eciprocal switching will only be performed on movements specifically shipped from or consigned to the industries listed in Section 1, or as otherwise provided in this Section," and Section 1 contains lists of the customers open to reciprocal switching at specific locations.<sup>12</sup>

UP's customer-specific approach to reciprocal switching is also consistent with Board precedent. Under Board precedent, railroads are not required to open all customers in a particular area to reciprocal switching. *See, e.g., Joseph A. Goddard Realty Co. v. New York, Chicago & St. Louis R.R.*, 229 I.C.C. 497, 503 (1938). Moreover, railroads may open customers to reciprocal switching only for certain types of traffic. *See, e.g., Restricted Switching at Butte, Montana*, 355 I.C.C. 73, 77-78 (1977) (upholding tariff providing for reciprocal switching limited to import/export traffic and domestic, noncompetitive traffic).

Finally, petitioners are wrong when they assert that UP "unfairly undercut[] the justifiable reliance which G3 has placed on the availability of two-carrier competitive service." (Amended Petition at 7.) G3 had no reasonable basis for believing that it would have access to two-carrier service. Petitioners say G3 thought it was open to reciprocal switching because UP's reciprocal

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<sup>10</sup> Relevant portions of BNSF's Switching Book are attached hereto as Reply Exhibit H.

<sup>11</sup> Relevant portions of NS's switching tariff are attached hereto as Reply Exhibit I.

<sup>12</sup> Relevant portions of CSXT's switching tariff are attached hereto as Reply Exhibit J.

switching circular listed Procter & Gamble as open to reciprocal switching. (*Id.*, Lubeck VS at 2.) However, UP's then-current reciprocal switching circular stated that "*UP will provide reciprocal switching only to or from UP customers specifically listed in this circular.*" (Reply Ex. F, p. 2.) Petitioners do not point to any UP action that led G3 to disregard the plain language in UP's circular. Petitioners assert that "[h]aving access to dual service (UP and BNSF) was a very important consideration when San Joaquin Valley Express (now G3) purchased and expanded the P&G property." (Amended Petition, Lubeck VS at 2.) However, G3 was a sophisticated entity engaged in the purchase of commercial property. Such purchases customarily involve undertaking due diligence. Due diligence in this case was a straightforward matter of reading UP's circular or simply asking UP, and either step would have made clear that Procter & Gamble's reciprocal status attached to Procter & Gamble exclusively. Petitioners' reliance claims are further belied by the fact that no reciprocal switching has occurred in the eleven years that G3 has occupied the Rogers facility.

In sum, G3 has no right to be treated as an open customer at Rogers. Petitioners are asking the Board to grant G3 a status it never had.

**B. G3 is within the Modesto switching district, but UP's definition of the Modesto switching district has no bearing on G3's status as open or closed to reciprocal switching.**

Petitioners are wrong when they assert that UP must treat G3 as open to reciprocal switching because UP told MET that it had "no intention of diminishing the current switching district of Modesto, California." (Amended Petition at 2, quoting Ex. B.) G3's closed status has no effect on the size of UP's Modesto switching district.

In 1995, MET would have been concerned about a change to UP's and SP's Modesto switching districts because such a change might reduce the number of customers that could pay an intra-terminal or inter-terminal switching charge to move traffic between UP- or SP-served

facilities in the Modesto switching district and MET-served facilities in the Modesto switching district. (Sanford Reply VS at 7.) For example, UP's definition of the Modesto switching district might affect the rate G3 would pay UP to move a car between G3's UP-served Rogers facility and G3's MET-served Modesto facility. (*Id.* at 7-8.) But UP's treatment of G3 as closed to reciprocal switching has no bearing on UP's definition of the Modesto switching district. (*Id.*)

**C. G3's closed status has nothing to do with the UP/SP merger.**

G3's closed status has nothing to do with the UP/SP merger. Petitioners are wrong when they assert that "UP has arbitrarily eliminated all competition for a facility that had access to multiple carriers prior to merger." (Amended Petition at 7.) If Procter & Gamble were still in its Rogers facility, it would still be open to reciprocal switching, as UP promised MET. However, UP's promises did not obligate UP to treat G3 as an open customer because G3 acquired Procter & Gamble's Rogers property. UP's promises addressed specific customers named as open before the UP/SP merger. UP's treatment of G3 as a closed customer does not reflect a merger-related reduction in the level of competition available to G3. G3 did not acquire its Rogers facility until after the merger, G3 was a closed customer when it acquired the facility, and G3 remains a closed customer today.

Moreover, Petitioners engage in irrelevant speculation about what the Board would have done had UP closed Procter & Gamble to reciprocal switching either shortly before or shortly after the merger. (Amended Petition at 7-8.) Such speculation is irrelevant because Procter & Gamble remained open to reciprocal switching until it left Rogers. When G3 acquired Procter & Gamble's property in 2001, it knew or should have known it would be a closed customer. Moreover, in the UP/SP merger, the Board ensured that shippers would continue to have opportunities to establish new facilities at sites open to competitive service by imposing conditions that allow BNSF to serve new facilities located subsequent to the merger at "2-to-1" points or on SP-owned or UP-

owned track over which BNSF received trackage rights in the BNSF settlement agreement. *See Union Pacific/Southern Pacific Merger*, 1 S.T.B. at 420. G3 chose not to take advantage of those conditions. Instead, G3 chose to locate a new facility at a *non*-“2-to-1” point on a *non*-trackage rights line.

Finally, to the extent petitioners are asking the Board to impose a new condition that would expand competition to serve new facilities located after the UP/SP merger at non-“2-to-1” points or on non-trackage rights lines, they fail to present evidence to justify reopening a transaction that UP and SP consummated long ago. “The unfairness that would result from imposing a condition of which the consolidating carriers had no advance knowledge at the time of consummation is obvious.” *Gilford Transportation – Control – B&M, et al.*, 5 I.C.C.2d 202, 206 (1988). In the usual course, “[i]f the carriers do not accept the conditions imposed by the [agency], they need not consummate the transaction.” *Id.* A decision that imposed a new condition on the UP/SP merger this long after the parties consummated that transaction would improperly deprive UP of the basic, fundamental “right to walk away from a transaction if it deems the conditions too burdensome.” *Canadian National*, 6 S.T.B. at 496.

**III. Conclusion**

UP's representations to MET during the UP/SP merger do not require UP to treat G3 as an open customer at Rogers. G3 has never been an open customer at Rogers, and G3 should have known that fact from reviewing UP's reciprocal switching circular or directly asking UP. G3's closed status has nothing to do with the UP/SP merger. Accordingly, the Board should deny petitioners' request for relief.

Respectfully submitted,

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*Attorneys for Union Pacific  
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September 20, 2012

## CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of September 2012, I caused a copy of the foregoing document to be served by first-class mail, postage prepaid, or by a more expeditious manner of delivery on

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Newport Beach, CA 92660

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and on all parties as listed on the Board's website for the service list in Finance Docket No. 32760,



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Michael L. Rosenthal



## REPLY VERIFIED STATEMENT

OF

**CHRIS SANFORD**

My name is Chris Sanford. I am Director, Interline Marketing for Union Pacific Railroad Company (“UP”). I began my railroad career with Chicago & North Western Railroad, where I worked for 12 years, until that railroad merged with UP. I have been employed by UP 17 years. For the past 15 years, I have worked in Interline Marketing. As Director, Interline Marketing, my responsibilities include managing various aspects of UP’s relationship with other Class I carriers and overseeing the accuracy of UP’s reciprocal switching circular.

I am submitting this statement to address assertions by petitioners BNSF Railroad Company (“BNSF”) and G3 Enterprises (“G3”) that UP violated representations made to a short line, the Modesto and Empire Traction Company (“MET”) during the UP/SP merger by (i) treating G3’s facility in Rogers, California, as closed to reciprocal switching, and (ii) diminishing the switching district of Modesto, California.

In Part I of this statement, I help frame the discussion that follows by defining the terms “reciprocal switching” and “switching district.” In Part II, I explain that UP never told MET that G3 would be open to reciprocal switching and that G3 has always been closed to reciprocal switching. In Part III, I explain that UP has not reduced the Modesto switching district.

### **I. Definition of “reciprocal switching” and “switching districts.”**

This statement will be easier to understand if I begin by explaining two terms: “reciprocal switching” and “switching district.”

“Reciprocal switching” is an arrangement between carriers where the carrier physically serving the industry performs switching service for delivering or picking up cars on behalf of the

other carrier on shipments having an immediately preceding or following line-haul movement via the other carrier. When a customer is “open” to reciprocal switching, it means the carrier physically serving the customer will switch that customer’s traffic to or from the carrier performing the line-haul movement. UP publishes a list of the customers for which it will perform reciprocal switching at particular locations. Before 2001, the list was published in UP Tariff 8005-series. Since 2001, the list has been published in a circular titled “UP Reciprocal Switching Circular.” In the tariff and the circular, UP has consistently stated that it will provide reciprocal switching only to or from UP customers that are specifically listed in those publications. UP’s practice of providing reciprocal switching only to or from specifically listed customers is consistent with the practice followed by BNSF, as well as the practices followed by CSX Transportation, Norfolk Southern Railway, and many other carriers.

“Switching districts,” or “switching limits,” determine whether a movement originates and terminates in the same district, and thus whether a customer can move traffic at a carrier’s tariff rates for “intra-terminal” or “inter-terminal” switching, rather than a line-haul rate. (Intra-terminal switching involves movements that originate and terminate on the same railroad; inter-terminal switching involves movements that originate on one railroad and terminate on another.) Before 2001, UP defined the limits of its switching districts based on physical landmarks – *i.e.*, mileposts or customer facilities. Since 2001, UP has defined switching districts in terms of stations – *i.e.*, all customers at a station or designated group of stations are within the same switching district.

On UP, a customer’s status as open or closed to reciprocal switching does not affect the definition of switching districts and vice versa – this was the case both before and after UP changed its approach to defining switching districts. All customers within the same switching

district can move traffic using intra-terminal or intra-terminal rates, but UP has consistently made clear that it provides reciprocal switching only to customers specifically listed in its reciprocal switching circular.

With this background, it should be easier to understand why BNSF's and G3's claims have no merit.

**II. UP never told MET that G3 would be open to reciprocal switching.**

BNSF and G3 are wrong when they assert that UP told MET during the UP/SP merger that G3 would be open to reciprocal switching. Item 1663 of UP's then-current switching tariff, Tariff UP 8005-D, showed that Procter & Gamble and several other UP-served industries in the Modesto area were open to reciprocal switching. In response to concerns expressed by MET's president that UP might change the reciprocal switching status of those customers from open to closed after the merger, UP told MET that it did not intend to close any customers "specifically named" in Item 1663 as open to reciprocal switching at Modesto:

With regard to industries currently served by UP and SP at Modesto, all the industries which are open to reciprocal switching are located on the UP, as provided in Item 1663 of Switching Tariff 8005-D, copy attached for your convenience. Again, following a UP/SP merger, we have no intention of closing UP's present open customers *as specifically named in Item 1663*.

(See Reply Exhibits A & B.)

G3 was not specifically named in Item 1663 as open to reciprocal switching at Modesto. Item 1663 listed seven open customers: General Foods, Graystone Block, E.J. Lang, Procter & Gamble, Snowden Chemical, Stanislaus Distribution, and Varni Brothers. (See Reply Exhibit B, p. 4.) Item 230 of UP Tariff 8005-D made clear that reciprocal switching would be performed only for those customers specifically named in the tariff. Item 230 stated: "Reciprocal switching

will only be performed to or from corporations, firms or individuals listed herein.” (See Reply Exhibit C, p. 2.)

G3 did not own a facility on UP in the Modesto-area at the time of the UP/SP merger. In fact, according to G3’s President, San Joaquin Valley Express, a predecessor to G3, acquired Procter & Gamble’s facility in June, 2001. (See Amended Petition, Lubeck VS at 1.)<sup>1</sup>

UP did not identify G3 as a customer that was open to reciprocal switching when G3 purchased Procter & Gamble’s facility in June 2001 or at any time thereafter. A map showing rail lines in the Modesto area, including UP’s current open and closed customers, is provided in Reply Exhibit D.<sup>2</sup>

By the time G3 acquired its Rogers facility in June 2001, UP had transitioned from listing open customers in Tariff 8005-series to listing open customers in the UP Reciprocal Switching Circular. The version of the reciprocal switching circular that was in effect in June 2001 listed four customers as open to reciprocal switching at Modesto: General Foods, J.S. West Milling, Procter & Gamble, and Snowden Chemical. (See Reply Exhibit E, p. 3.) The changes reflected the departures of four customers from the Modesto area and UP’s addition of J.S. West Milling to its list of open customers. J.S. West Milling was an SP-served customer in the Modesto area that was open to reciprocal switching before the UP/SP merger.<sup>3</sup> When G3 acquired its facility

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<sup>1</sup> G3 also owns a facility on MET in Modesto. UP does not know exactly when G3 acquired that facility, but that facility is not a subject of this dispute.

<sup>2</sup> The map shows that UP has several customers in the Modesto area other than G3 that are closed to reciprocal switching because they were not specifically named in Item 1663, and UP has not otherwise opened them to reciprocal switching.

<sup>3</sup> UP’s assurance to MET that UP would not close any UP-served customers that were open to reciprocal switching was based on UP’s belief that the only open customers in the Modesto area were UP-served. When UP subsequently realized that J.S. West Milling had been an SP-served open customer in the Modesto area, UP added J.S. West Milling to its list of open customers, consistent with the spirit of the assurances it had offered to MET.

at Rogers, UP's reciprocal switching circular contained language that was almost identical to Item 230 in explaining that only listed customers were open to reciprocal switching. It said: "UP will provide reciprocal switching only to or from UP customers specifically listed in this circular." (See Reply Exhibit E, p. 2.)

Since 2001, the only change to the list of open customers at Modesto in UP's reciprocal switching circular has been the removal of Procter & Gamble. That change occurred in the version issued June 1, 2011, which was shortly after I learned from UP's marketing department that Procter & Gamble was no longer a customer at Rogers. UP's circular continues to make clear that only listed customers are open to reciprocal switching. It still provides: "UP will provide reciprocal switching only to or from UP customers specifically listed in this circular." (See UP Reciprocal Switching Circular, issued Sept. 1, 2012, p. 5, *available at* [www.uprr.com/customers/shortline/attachments/current\\_uprsc.pdf](http://www.uprr.com/customers/shortline/attachments/current_uprsc.pdf).)

UP has not treated G3 as an open customer at Rogers. I reviewed UP's records regarding traffic that UP moved to and from G3's facility since 2001. I found no traffic in that period that moved to or from that location using reciprocal switching. In fact, I did not find any traffic that moved to or from the facility under G3's name. I did find some traffic that moved to and from the facility under the names of different parties – perhaps tenants of G3 – but all of that traffic moved in UP line-haul service.

BNSF and G3 appear to be operating on the flawed premise that G3 inherited the open status of Procter & Gamble just because G3 purchased Procter & Gamble's property in Rogers. As UP's rules show, UP takes a customer-specific approach to reciprocal switching, just like other major railroads. UP's decisions to open a particular customer to reciprocal switching at a particular location involve customer-specific commercial considerations. A customer-specific

approach allows UP to calibrate a customer's reciprocal switching status to reflect customer-specific circumstances. For example, some UP customers are open to reciprocal switching only for certain commodities, or only for traffic moving to or from certain areas. Specific examples appear throughout UP's current circular. (*See* UP Reciprocal Switching Circular, issued Sept. 1, 2012, pp. 8, 9, 12, 14, 15, 18, 19, 20.)

BNSF and G3 are also off base when they assert that UP changed G3's reciprocal status from open to closed when UP removed Procter & Gamble's name from the list of open industries in UP's reciprocal switching circular. UP did not change G3's status by removing Procter & Gamble's name, because G3 did not stand in Procter & Gamble's shoes. Procter & Gamble's name was removed from the circular after I learned that the company was no longer doing business at Rogers. UP tries to reflect such changes on a more timely basis than occurred here, but our resources are focused more on ensuring that any new, open customers are added to the circular and that the circular reflects any customer name changes – issues that could affect movements to customers that are open to reciprocal switching. G3 was unaffected by the delay in removing Procter & Gamble's name. UP's rules have clearly and consistently provided that UP will perform reciprocal switching only to or from customers specifically listed in those documents. G3 was never listed, so it was never open to reciprocal switching.

### **III. UP has not diminished the switching district of Modesto.**

BNSF and G3 are wrong when they assert that, by treating G3 as closed to reciprocal switching, UP is acting contrary to its statement to MET that it had “no intention of diminishing the current switching district of Modesto, California.” (Amended Petition at 2, quoting Ex. B.) UP's treatment of G3 as closed to reciprocal switching has no bearing on the size of the Modesto switching district.

As I explained in Parts I and II, UP's switching districts do not define, and they are not defined by, which customers are open to reciprocal switching. Customers are open to reciprocal switching only if they are specifically listed in UP's reciprocal switching circular. Switching districts designate the geographic limits within which a customer can move traffic at UP's tariff rates for intra-terminal switching or inter-terminal switching.<sup>4</sup>

In other words, MET would have been concerned about post-merger changes to UP's and SP's Modesto switching districts not because it would have affected the open or closed status of any customers, but because such changes might reduce the number of customers that could pay an inter-terminal switching charge to move traffic between UP- or SP-served facilities in the Modesto switching district and MET-served facilities in the Modesto switching district. For example, UP's definition of the Modesto switching district might affect the rate G3 would pay UP to move a car between G3's UP-served Rogers facility and G3's MET-served Modesto facility. But G3's status as an open or closed customer at Rogers has no bearing on whether G3's Rogers facility is within UP's Modesto switching district. G3 is within the Modesto switching district.

As explained in Part I, UP defines switching districts in terms of stations: all customers at a station or a designated group of stations are within the same switching district. The stations and grouping of stations can be found in the OPSL 6000-series, the Official Railway Station List (formerly known as the Open and Prepaid Station List), which is maintained by Railinc. (Thus, petitioners' references to UP's past definition of the Modesto switching district by reference to the property that G3 acquired is irrelevant.) In the case of Rogers, Rogers is shown as a station

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<sup>4</sup> The map attached as Reply Exhibit D shows that UP has several customers other than G3 that are within the Modesto switching district but that are closed to reciprocal switching.

within the switching district of Modesto, as shown in Reply Exhibit G.<sup>5</sup> Thus, G3, which is at Rogers, is within the switching district of Modesto, and G3 can use UP's intra-terminal or inter-terminal switching rates on movements that originate and terminate in the Modesto switching district. G3's status as opened or closed has nothing to do with the size of the switching district of Modesto.<sup>6</sup>

In short, BNSF's and G3's arguments are entirely off base. G3 is within UP's Modesto switching district, but it is closed to reciprocal switching, and UP's treatment of G3 as closed does not affect the Modesto switching district.

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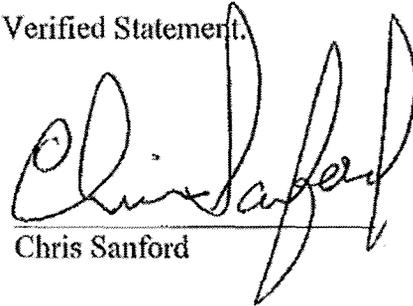
<sup>5</sup> In the course of preparing this reply, UP discovered that Rogers and East Modesto, two stations that were within the geographic limits of the Modesto switching limits under the definition UP had used prior to 2001 were not shown to be within the Modesto switching limits in the Official Railroad Station List. UP had no intent to reduce its switching limits when it transitioned to a station-based approach – which was a major undertaking – and it has corrected the erroneous information, as it has when similar errors have surfaced in the past.

<sup>6</sup> Unlike UP, BNSF defines switching districts based on the location of customers that are open to reciprocal switching, so whether a customer is open or closed can affect the size of a switching district. (*See* Reply Exhibit H, Item 130.) Thus, under BNSF's approach, removal of an industry from BNSF's list of open industries would reduce BNSF's switching limits if that industry was on the outer limits of the switching district. This is not, and has never been, the case for UP. Even under UP's prior approach, UP's switching districts were defined by physical locations, not the location of customers that were open to reciprocal switching. Moreover, even on BNSF, a customer could be within a switching district but closed to reciprocal switching. In other words, petitioners' argument attempting to connect the size of UP's Modesto switching district with G3's status as open or closed to reciprocal switching is a red herring.

**VERIFICATION**

I, Chris Sanford, declare under penalty of perjury that I have read Union Pacific Railroad Company's Opening Statement and that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Reply Verified Statement.

Executed on September 19, 2012.



Chris Sanford

A

**MODESTO and EMPIRE TRACTION CO.**  
**MODESTO'S SHORTLINE RAILROAD**



P.O. BOX 3106 • 530 ELEVENTH STREET • MODESTO, CALIF. 95353 • PHONE (209) 524-4631 • FAX (209) 529-0336

November 21, 1995

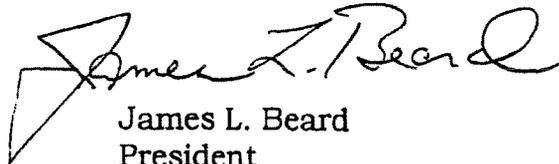
Richard K. Davidson, President  
Union Pacific Corporation  
Martin Tower  
8th and Eaton  
Bethlehem, PA 18018

Dear Mr. Davidson:

The proposed merger of the Union Pacific Railroad (UP) and Southern Pacific Transportation Company (SP) raises a matter of some concern to Modesto & Empire Traction Company (M&ET). M&ET connects with both the UP and SP at Modesto, California. M&ET and certain shippers have benefited from the competition between the two railroads in that the industries on the UP and SP's lines within the railroads' Modesto switching districts are open to M&ET for traffic which can be interchanged with our Burlington Northern Santa Fe (BNSF) connection.

M&ET is fearful that with the loss of competition between the UP and SP following their merger, the incentive to maintain open switching at Modesto will disappear to the detriment of M&ET and local shippers. If you believe M&ET has no warrant for its apprehension, I should welcome having your assurance that the switching districts open to M&ET will not be changed following the proposed merger.

Yours truly,

  
James L. Beard  
President

JLB/elv

c: Robert D. Krebs  
President & C.E.O.  
Burlington Northern Santa Fe

**B**

JIM SHATTUCK  
EXECUTIVE VICE PRESIDENT  
MARKETING AND SALES

UNION PACIFIC RAILROAD COMPANY



ROOM 1130  
1416 DODGE STREET  
OMAHA, NEBRASKA 68179  
402-271-3700  
FAX: 402-271-3142

December 13, 1995

Mr. James L. Beard  
President  
Modesto and Empire Traction Company  
P O Box 3106  
530 Eleventh Street  
Modesto, CA 95353

Dear Mr. Beard:

Your letter of November 21 addressed to Dick Davidson has been referred to me. You expressed concern that the present reciprocal switching arrangements with the MET at Modesto, California may disappear following the UP/SP merger.

We can assure you that if the merger is approved, Union Pacific has no intention of diminishing the current switching district of Modesto, California. For your ready reference, attached are copies of Item 1233 of Switching Tariff UP 8005-D and Item 10815 of Switching Tariff SP 9500-C, which define the switching district of Modesto.

With regard to the industries currently served by UP and SP at Modesto, all the industries which are open to reciprocal switching are located on the UP, as provided in Item 1663 of Switching Tariff 8005-D, copy attached for your convenience. Again, following a UP/SP merger, we have no intention of closing UP's present open customers as specifically named in Item 1663.

Thank you for your letter. I hope we have addressed your concerns.

Sincerely,

CC: Dick Davidson - Bethlehem, PA

SOUTHERN PACIFIC TRANSPORTATION COMPANY		ICC SP 9500-C
RULES --- APPLICATION		ITEM
<u>MERCED, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From "B" Street on the Fresno Line to west bank of Bear Creek on the Lathrop Line and to a point 3,357 feet north of Milepost 162 on the old Oakdale line.		10810
<u>MODESTO, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From a point 1,283 feet south of Milepost 110 on the north to Hatch Road Crossing, 3,030 feet north of Milepost 116 on the south.		10815
<u>MOJAVE, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
On the main line from a point 686 feet north of Milepost 379 on the north to a point 2,270 feet south of Milepost 382 on the south; also to a point 2,534 feet west of Milepost 381 on the Owenyo Branch, including 4,100 feet southeasterly of switch point on spur taking off at a point 2,534 feet west of Milepost 381.		10820
<u>MONTAGUE, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From a point 528 feet north of Milepost 375 located approximately at switch point at south end of passing track to a point 528 feet north of Milepost 376 located approximately at switch point of north end of passing track.		10825
<u>MOSS LANDING, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From a point 500 feet north of the northern switch point of siding taking off the main line at Milepost 106.96 to a point 200 feet south of Dolan Road, Milepost 37.5 (Bernardo Avenue) on the east.		10830
<u>MOUNTAIN VIEW, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From Milepost 33.8 (1,054 feet west of San Antonio Avenue) on the west to Milepost 37.5 (Bernardo Avenue) on the east.		10835
<u>MOUNT SHASTA, CALIFORNIA</u>	<u>(SWITCHING LIMITS)</u>	
From Milepost 335 on the south to a point 2,006 feet south of Milepost 338 on the north, including industry tracks and private sidings served jointly by SP and McCloud River Railroad Co. at Mount Shasta, CA west of a point 300 feet east of switch point of Curtis Lumber Co. spur.		10840
For explanation of (other) reference marks, see Item 50000.		
ISSUE DATE :	June 30, 1995	EFFECTIVE DATE: August 1, 1995

SECTION 1 - SWITCHING DISTRICTS, CONNECTING ROADS OR INDUSTRIES ON UP		
ITEM	STATION	APPLICATION
1220-A	DESCRIPTION OF LOS ANGELES, CA SWITCHING DISTRICT	<p>MAIN LINE EAST: Mile Post 8 plus 3000 feet (approximately at Gerhart Avenue).</p> <p>MAIN LINE SOUTH: Mile Post 8 plus 1355 feet (approximately to but not including Southern Avenue.)</p> <p>GLENDALE BRANCH: Mile Post 3 Glendale Junction, north to Mile post 4.311 plus approximately 1843.2 feet.</p> <p>PASADENA BRANCH: Mile Post 3.10 (approximately to but not including Avenue 38.)</p> <p>(File DQ-2274)</p> <p>ALL INCLUSIVE</p>
1226	DESCRIPTION OF LIVERMORE, CA SWITCHING DISTRICT	From Mile Post 48.7 on the west to and including Mile Post 52.07 (located at Greenville Road) on the east, including Treveno, CA.
1226.05	DESCRIPTION OF LYOTH, CA-SWITCHING DISTRICT	From Mile Post 73.77 on the west to Mile Post 74.02 on the east, including interchange track with industry located north of the main line, connecting with a spur which leads from a siding opposite Mile Post 73.85 on the main line.
1227	DESCRIPTION OF MANTECA, CA SWITCHING DISTRICT	From Mile Post ④ 4.14 (Alameda Street) on the north, to and including Mile Post ⑤ 6.6 (including tracks of Spreckels Sugar Co.) on the south. ⑥ Branch Line Mile Posts. (DQ-2174)
1228-A	DESCRIPTION OF MARYSVILLE, CA SWITCHING DISTRICT	From east end of Feather River Bridge to E Street. Between Mile Post 178.12 on the south bank of the Yuba River and the western, northern and eastern city limits.
1233	DESCRIPTION OF MODESTO, CA SWITCHING DISTRICT	From Mile Post 29.7 (Coldwell Avenue) on the north, to and including Mile Post 34.74 (Hackatt Road) on the south, including tracks of the Charmin Paper Products Company. (DQ-2174)
1247	DESCRIPTION OF NORTH RENO, NV SWITCHING DISTRICT	From Mile Post 22 on the north to Mile Post 30.5 on the south, including trackage serving PARR Industrial Park.
1249	DESCRIPTION OF OAKLAND, CA SWITCHING DISTRICT	<p>From Union Pacific Mole to and including Mile Post 16.71 (approximately 1850 feet east of the center line of 143rd Avenue), including the ferry slip connection with ABL at Alameda, CA.</p> <p>NOTE: When UP receives a line haul to or from Oakland, CA, the following districts may be considered as separate stations in the application of transit privileges published in tariffs lawfully on file with the ICC or CalPUC:</p> <p>(a) The district extending from the city boundary line of Oakland and San Leandro, CA, to and including Mile Post 16.71 (Zone 4 as described in Item 545).</p> <p>(b) Other districts within the switching limits of Oakland, CA, (Zones 1, 2 and 3 as described in Item 545).</p>

See last page of this supplement for explanation of other reference marks.

PLEMENT 118 TO TARIFF UP 8005-D

SECTION 1 - SWITCHING DISTRICTS, CONNECTING ROADS OR INDUSTRIES ON UP			
ITEM	STATION	INDUSTRY	GROUP
1658-K	LIST OF INDUSTRIES AT LOS ANGELES, CA	Ace Beverage ADM Cold Storage AllStar Coating Aluminum Co. of America Angelus Furniture Antaky Quilting Archer Daniels Midland Baker Commodities Bandini Fertilizer Bell Foundry Bios John Cal Fiber Cal tex Corn Processors Caco Centennial Mills Clorut City Stores Clorox Coastal Brokerage Coast Converters Coast Packing Continental Commodities Crown Cork and Seal Dart Warehouse Davis Colors Davis Chemical Davis F.D. (E) Dependable Distribution Centers Dorset Jackson Ellis Paint Garden Prints Gelb Lumber Golden West Lumber Plywood Grace Davidson Chemical Grace Zonolite Division GTE Directory Press Hanson Mfg. R.E. Henry W W Hickory Springs California Hokin Katz Metals Service Hyboo U.S.A. *** Industrial Wire Jefferson Smurfit Kazan, E Key Container Kolcraft Products Ladish Pacific Louisiana Pacific Macleod Metals Manville Monsanto Nalco Chemical NI Industries Owens Corning Fiberglass PFF Pacific Tube Packaging Corp America Paper Mart Peck & Hills Furniture Pillsbury Plastics Chemical Western Poly Pak America RCA Distributing Saffola Quality Foods Scott Sales Sealright Sears Roebuck SL Warehouse Stationers Distributing Stay Day Paint Materials Teonics Totten Tubes Tri M Freight Systems Tube Sales US Envelope US Gypsum Van Waters Rogers Westelectric Castings Windler Flexible Products (E) Expires with July 31, 1983 unless sooner cancelled, changed or extended. (DQ-3052)	
1680-A	LIST OF INDUSTRIES AT MILTON-FREEWATER, OR	Cancel, account no interchange. (DQ-2296)	
1683	LIST OF INDUSTRIES AT MODESTO, CA	General Foods ..... Graystone Block ..... E. J. Lang ..... Proctor & Gamble ..... Snowden Chemical ..... Stanislaus Distribution ..... Varni Brothers ..... (DQ-2174)	

See last page of this supplement for explanation of other reference marks.

C

NOT SUBJECT TO RCCR TARIFFS. SEE ITEM 117.

SUPPLEMENT  
TO  
ICC UP 8005-D

# UNION PACIFIC RAILROAD COMPANY



SUPPLEMENT 118  
TO

## FREIGHT TARIFF UP 8005-D

(Cancels Supplements 66, 101, 109, 113, 114, 115, 116 and 117)

Supplement 118 and the following Special Supplement contain all changes.  
Supplement 82 - Not used.

### LOCAL AND JOINT SWITCHING CHARGES AND ABSORPTIONS

AT STATIONS IN

CALIFORNIA  
COLORADO  
IDAHO  
IOWA  
KANSAS

MISSOURI  
MONTANA  
NEBRASKA  
NEVADA  
OREGON

UTAH  
WYOMING  
WASHINGTON

ON THE  
UNION PACIFIC RAILROAD

SEE ITEM 120 FOR INTRASTATE APPLICATION

## SWITCHING AND TERMINAL TARIFF

ISSUED SEPTEMBER 22, 1992

EFFECTIVE OCTOBER 13, 1992

K. H. SCHROEDER  
Manager-Pricing Services  
Omaha, Nebraska

Issued by  
G. OSLER  
Publishing Officer  
1416 Dodge St.,  
Omaha, Nebraska 68179

ITEM	SUBJECT	RULES AND REGULATIONS
209-A	APPLICATION OF INCREASES	Item CANCELLED. Tariff, as amended, applies. ▲
[69] 211	CHARGES FOR ARTICULATED CARS	Unless otherwise provided, movements of articulated cars (two or more units permanently or temporarily joined together), the switching charges published in this tariff will apply separately to each unit of the articulated equipment. (DQ-2881)
212-A	APPLICATION OF INCREASES	Item CANCELLED. Tariff, as amended, applies. ▲
▲ 215-C	EMPTY CARS ORDERED BUT NOT LOADED	On empty cars that are ordered for loading and the service of switching or placing has been performed and the car is not loaded but returned to the railroad empty; a switching charge of \$136.00 per car will be assessed for this service and collected from the person, firm or corporation ordering such cars.
[20] 225-A	EMPTY CARS RETURNED	Item Cancelled. Tariff, as amended, applies. (File DQ-2274)
[56] 230-A	GENERAL APPLICATION OF CHARGES (DQ-2784)	Reciprocal switching will only be performed to or from corporations, firms or individuals listed herein, subject to restrictive provisions published in connection therewith. Inter-terminal and Intra-terminal switching will not be performed as the beginning or ending of a line-haul transportation service.
▲ 340-C	PARTIAL UNLOADING ON HOLD OR TEAM TRACKS AT SALT LAKE CITY, UT	(a) Where cars are set to hold on team tracks for inspection, or are held at railroad convenience, awaiting switching to designated industry tracks, or to industries on connecting lines within the Salt Lake City, UT switching limits, partial unloading on tracks on which held will be permitted, subject to a charge of \$191.00 per car, provided the same handling is accorded the car partially unloaded as would be accorded the car if it were not partially unloaded. (b) Where partial unloading, in accordance with the above rule, is permitted, the cost and responsibility of so preparing the remainder of the load left in the car, as to prevent damage to lading, in connection with additional switching involved, will be that of owner.
▲ 345-C	FURNISHING SPECIAL EQUIPMENT (RSTC) CHARGE FOR	When refrigerator cars which bear AAR Mechanical Designation "RSTC" of the Official Railway Equipment Register ICC RER 641 1-series are used in non-line haul switching service, a charge of \$29.00 per car will be made for each twenty-four hours or fraction thereof that such cars are used. Charges to commence at time ice Tempco unit is placed in operation after receipt of instructions from shipper or consignee. This charge will be in addition to transportation charges, demurrage charges, all other terminal charges or other charges on file with the Interstate Commerce Commission or State Commissions to be paid by shipper or consignee.
▲ 360-C	USE OF CARRIER'S EQUIPMENT AT BRADLEY AND KELLOGG-WARDNER, ID	Use of Carrier's Equipment in Intra-Plant Switching. At Kellogg-Wardner, ID, and Bradley, ID, a charge of \$36.00 per car will be assessed for the use of carriers' equipment where the industry has available an elects to use its own power to accomplish an intra-plant switch movement from one track to another within the same plant or industry.
▲ 400-C	CHARGE FOR FURNISHING PAPER COVERING FOR FLOORS AND SIDES OF CARS	(Exception to Section 1 of Rule 30 to UFC) A charge of \$53.00 per car will be assessed when this company supplies the material for covering the floors or sides of cars with paper, when such cars are furnished for loading freight on which this company performs line haul service. (See Exceptions 1 and 2 below). A charge of \$87.00 per car will be assessed when this company supplies both the material and labor for covering the floors or sides of cars with paper, when such cars are furnished for loading freight on which this company performs a line haul service. (See Exceptions 1 and 2 below). This company will not supply material or labor for covering the floors or sides of cars with paper when such cars are loaded with freight on which only a switching service is performed. EXCEPTION 1. Import freight moving from Pacific Coast Ports under rates named in Tariff ICC TCFB 3030-series, supplements thereto or successive issues thereof, will be governed by the provisions of that tariff. EXCEPTION 2. When cars are furnished for loading Beet or Cane Sugar, carloads on which this company performs a line-haul: (a) No charge will be assessed when this company supplies the material or labor (or both) for covering the floors or sides of cars, or for protection of lading against damage, with paper or fibreboard. (b) The cost not to exceed \$1.87 per car will be paid to the shipper, when shipper furnishes and installs fibreboard strips placed across doorway of car, secured with metal bands.

See last page of this supplement for explanation of other reference marks.

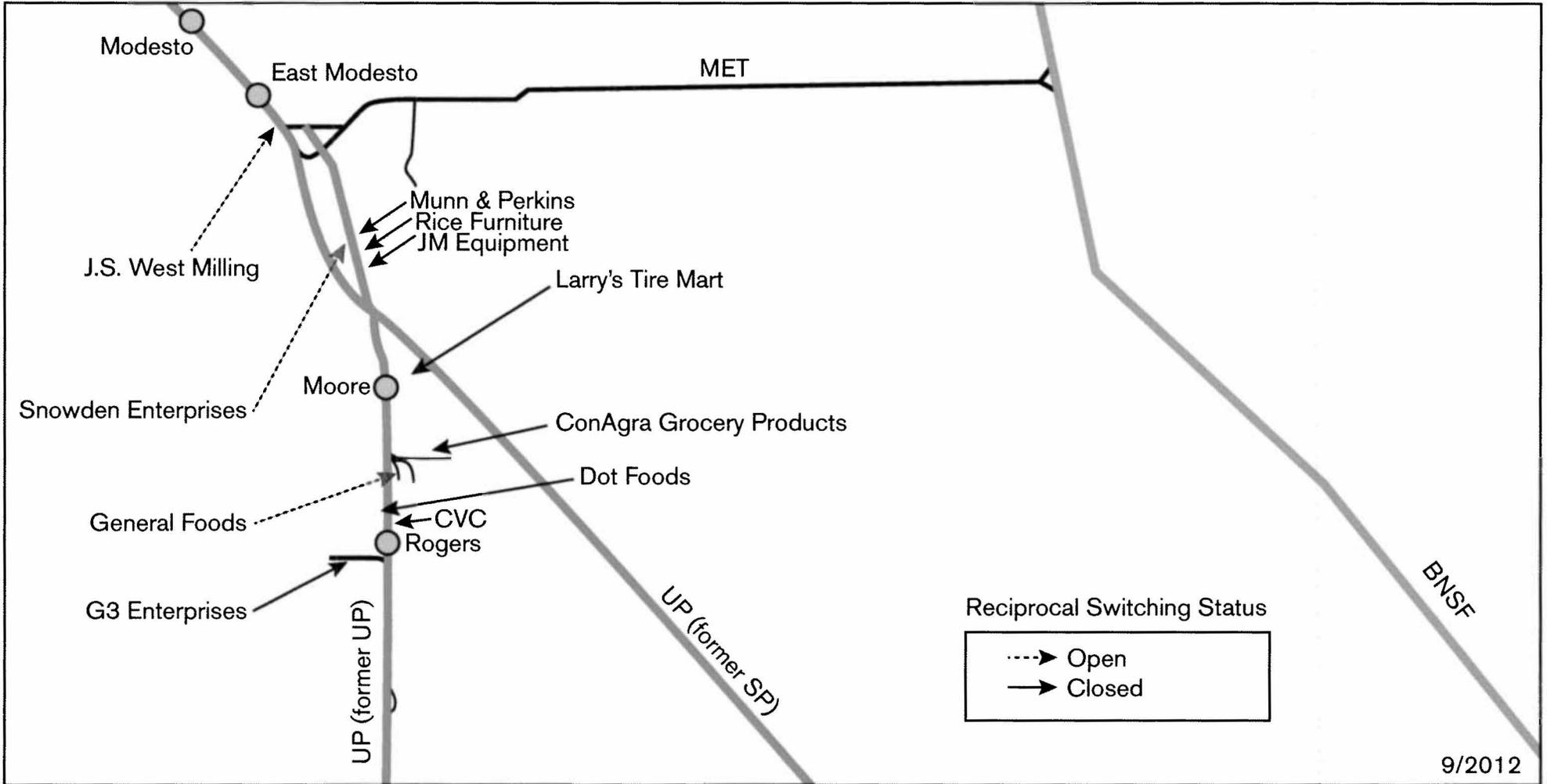
SUPPLEMENT 118 TO TARIFF UP 8005-D

SECTION 1 - SWITCHING DISTRICTS, CONNECTING ROADS OR INDUSTRIES ON UP				
ITEM	STATION	INDUSTRY	GROUP	
113 1658-K	LIST OF INDUSTRIES AT LOS ANGELES, CA	Ace Beverage ADM Cold Storage AllStar Coating Aluminum Co. of America Angelus Furniture Antaky Quilting Archer Daniels Midland Baker Commodities Bandini Fertilizer Bell Foundry Bice John Cal Fiber Cal tex Corn Processors Ceco Centennial Mills Circuit City Stores Ciorox Coastal Brokerage Coast Converters Coast Packing Continental Commodities Crown Cork and Seal Dart Warehouse Davis Colors Davis Chemical Davis F.D. (E) Dependable Distribution Centers Dorset Jackson Ellis Paint Garden Prints Gelb Lumber Golden West Lumber Plywood Grace Davidson Chemical Grace Zonolite Division GTE Directory Press Hanson Mfg. R.E. Henry W W Hickory Springs California Hokin Katz Metals Service  (E) Expires with July 31, 1993 unless sooner cancelled, changed or extended. (DQ-3052)	Hybco U.S.A. *** Industrial Wire Jefferson Smurfit Kazan, E Key Container Kolcraft Products Ladish Pacific Louisiana Pacific Macleod Metals Manville Monsanto Nalco Chemical NI Industires Owens Corning Fiberglass PFF Pacific Tube Packaging Corp America Paper Mart Peck & Hills Furniture Pillsbury Plastics Chemical Western Poly Pak America RCA Distributing Saffola Quality Foods Scott Sales Seairight Sears Roebuck SL Warehouse Stationers Distributing Stay Day Paint Materials Tecnica Totten Tubes Tri M Freight Systems Tube Sales US Envelope US Gypsum Van Waters Rogers Westlectric Castings Winkler Flexible-Products	
24 1660-A	LIST OF INDUSTRIES AT MILTON-FREEWATER, OR	Cancel, account no interchange. (DQ-2296)		
11 1663	LIST OF INDUSTRIES AT MODESTO, CA	General Foods ..... Graystone Block ..... E. J. Lang ..... Proctor & Gamble ..... Snowden Chemical ..... Stanislaus Distribution ..... Varni Brothers ..... (DQ-2174)		

See last page of this supplement for explanation of other reference marks.

D

# Modesto-area Rail Lines



9/2012

E



# UP Reciprocal Switching Circular

Effective January 1, 2001 all reciprocal switching items and charges published in UP Tariff 8005-E were cancelled in their entirety and replaced by this new circular. This included the specific reciprocal switching charges against all other railroads. The current list of UP open industries has been transferred to this new circular unchanged.

Remaining active provisions of UP Tariff 8005-E were transferred to UP Accessorial Tariff 6004 or cancelled, account obsolete.

On June 1, 2001, CHTT reciprocal switch charges and roster of open industries were transferred to this circular from CHTT Tariff 8001-J. Remaining active provisions of CHTT Tariff 8001-J were transferred to UP Accessorial Tariff 6004 or cancelled, account obsolete.

# UP Reciprocal Switching Circular

## GENERAL RULES AND REGULATIONS

### STATIONS LISTS AND CONDITIONS

This circular is governed by OPSL 6000-series as follows:

When a station is abandoned as of a date specified in the above named tariff, the switch charges for such station, as published in this circular, are inapplicable on and after that date.

### REVISION NUMBERS

Reposting the page and showing a revised page number will amend this circular. Revision numbers will be used in consecutive numerical order beginning with the "First Revised Page". A revised page cancels any revised or original page, which bears the same page number.

### DEFINITION OF TERMS USED IN CONNECTION WITH CHARGES NAMED HEREIN

#### INDUSTRIAL TRACKS

A track serving a particular industry, whether located upon the property of UP or upon property owned or leased by the industry.

#### INTERCHANGE TRACKS

Interchange tracks are tracks on which cars are interchanged between UP and connecting lines.

#### INTERMEDIATE SWITCHING

A switching movement between interchange tracks of one carrier to interchange tracks of another carrier.

#### INTRA-TERMINAL SWITCHING

A switching movement of traffic originating at and destined to points located on the tracks of this company within the switching limits of one station or industrial switching district.

#### LINE-HAUL

Movement between stations that are not located within the switching limits of the same station.

#### RECIPROCAL SWITCHING

An arrangement between carriers where the carrier physically serving the industry performs switching service for loading or unloading on behalf of the other carrier on shipments having an immediately preceding or following line-haul movement via the other carrier. UP will provide reciprocal switching only to or from UP customers specifically listed in this circular. Line-haul shipments to or from UP customers not listed must move in UP line-haul service.

#### TEAM TRACK

A track or tracks assigned by UP for use of the general public. All team tracks are closed to reciprocal switching.

Smith, Carlton, Industries  
Southern Boiler & Tank Works Co  
Southern Chemical Co  
Southern Cotton Oil Co  
Southern Cotton Oil Mill Co  
Southern Foam Sales Co  
Southern Parts Corp  
Southern Products Co  
Southern Terminal & Storage Co  
Southern Transfer Co  
Southern Trucking Co  
South Memphis Stock Yards, Inc  
Southwest Wine Co  
Speas Co  
Stanley Home Products Co  
Stewart's Inc  
Stratton-Warren Hardware Co  
Stuck, H. B., Co  
Swift & Co Feed Mill  
Tall, K., Warehouse  
Tennessee Quick Freeze & Storage Co  
Tenn-Penn Oil Co  
Tennessee Valley Authority  
Tennessee Veneer Co., Inc  
Texas Automatic Sprinkler Co  
Texas Company  
Textile Products Co  
Tri-State Iron Works Co  
Triton Transport Services  
Trojan Luggage Co  
Trumbo Welding Co  
Trumbull Asphalt Co of Delaware  
Turner, L. G. Plaster Co  
Turner Wood Products Co  
Union Barge Line Co  
Union Texas Natural Gas Co  
United Cement  
United Paint Co  
U.S. Steel Co  
Virginia-Carolina Chemical Co  
Volney Felts Mills, Inc  
Western Tar Products Co., Inc  
Weyerhaeuser  
Wilson Lumber Co  
Wilson Steel Products Co  
Work, C. F. & Sons, Inc

**MILWAUKEE, WI**

A-1 Recycling, 2101 W. Morgan Ave  
Alpine Plywood  
American Can Company, 6000 N. Teutonia Ave  
Bliffert Inc., 10733 W. Bluemound Road  
Continental Grain Co. (KK Elevator),  
732 N. Jackson  
Crown Cork & Seal Co. Inc.  
4801 W. Woolworth Ave

DCS Color and Supply Co. Inc.  
1050 E. Bay Street  
Delta Resins & Refractories  
6263 N. Tuetonia Ave  
Elements LTP, 546 S. Water St  
Federal Marine Terminal  
Municipal Docks No. 50, Piers 2, 3 and 4  
Frantz & Company, 12314 W. Silver Spring  
Grossman Brothers, 4777 W. Lincoln  
H&R Scrap Metals, 9000 W. Fon du Lac Avenue  
Hansen Storage Co.-No. 112,  
2880 N. 112th Street  
Kellogg's Miller Compressing,  
900 S. Water St (Plant No. 8)  
Kohl's Foods, 11100 W. Burleigh Street  
Ladish Co., 5481 S. Packard Avenue  
Larkin Lumber  
Milwaukee Sewerage Commission,  
Jones Island Sewerage Plant  
National Warehouse Corp., 531 S. Water St  
Obyrne Distribution Centers  
Peltz, 1514 East Thomas St  
Penney, J. C. Co., 11800 W. Burleigh St  
Roundy's Inc., 11300 W. Burleigh St  
Tex Par Energy, Inc., 3443 W. Mill Rd  
Weyerhaeuser Co., 2960 N. 112th St  
Wisconsin Cold Storage Co.,  
344 E. Florida Street  
Wisconsin Color Press, Inc.,  
5400 W. Good Hope Rd  
Wisconsin Paperboard Corp.,  
1514 E. Thomas Street

**MODESTO, CA**

General Foods  
J.S. West Milling (S)  
Proctor & Gamble  
Snowden Chemical

**MONROE, LA**

Allen Millwork Mfg Co  
Ballard's Inc  
Brookings, R. E., Co  
Faulk-Collier Bonded Warehouses, Inc (No 1)  
Gulf South Warehouse  
Howard Brothers Discount Stores, Inc  
Kitchen Brothers Manufacturing  
L.A. Industries  
MPM Oils  
Malone and Hyde  
Monroe Brick & Builders Supply Co  
Monroe Warehouse Co  
Murphy GC  
News-Star-World Publishing Corp  
Sears, Roebuck & Co

F



# UP Reciprocal Switching Circular

**New Version Issued: June 3, 2003  
Effective: June 3, 2003**

**Please see changes on pages 11 (Dallas, TX); 14 (Enid, OK); 22 (Los Angeles);  
29 (Port Edwards, WI) and 31 (Seattle, WA)**

Effective January 1, 2001 all reciprocal switching items and charges published in UP Tariff 8005-E were cancelled in their entirety and replaced by this new circular. Remaining active provisions of UP Tariff 8005-E were transferred to UP Accessorial Tariff 6004 or cancelled, account obsolete.

On June 1, 2001, CHTT reciprocal switch charges and roster of open industries were transferred to this circular from CHTT Tariff 8001-J. Remaining active provisions of CHTT Tariff 8001-J were transferred to UP Accessorial Tariff 6004 or cancelled, account obsolete.

# UP Reciprocal Switching Circular

## GENERAL RULES AND REGULATIONS

### STATIONS LISTS AND CONDITIONS

This circular is governed by OPSL 6000-series as follows:

When a station is abandoned as of a date specified in the above named tariff, the switch charges for such station, as published in this circular, are inapplicable on and after that date.

### DEFINITION OF TERMS USED IN CONNECTION WITH CHARGES NAMED HEREIN

#### INDUSTRIAL TRACKS

A track serving a particular industry, whether located upon the property of UP or upon property owned or leased by the industry.

#### INTERCHANGE TRACKS

Interchange tracks are tracks on which cars are interchanged between UP and connecting lines.

#### INTERMEDIATE SWITCHING

A switching movement between interchange tracks of one carrier to interchange tracks of another carrier.

#### INTRA-TERMINAL SWITCHING

A switching movement of traffic originating at and destined to points located on the tracks of this company within the switching limits of one station or industrial switching district.

#### LINE-HAUL

Movement between stations that are not located within the switching limits of the same station.

#### RECIPROCAL SWITCHING

An arrangement between carriers where the carrier physically serving the industry performs switching service for loading or unloading on behalf of the other carrier on shipments having an immediately preceding or following line-haul movement via the other carrier. UP will provide reciprocal switching only to or from UP customers specifically listed in this circular. Line-haul shipments to or from UP customers not listed must move in UP line-haul service.

#### TEAM TRACK

A track or tracks assigned by UP for use of the general public. All team tracks are closed to reciprocal switching.

### CHANGES IN OR ADDITION OF FIRMS OR INDUSTRIES AT STATIONS ON THE UNION PACIFIC

UP will only switch line haul traffic to or from industries named herein. New industries which locate on UP will not be subject to reciprocal switching unless and until listed herein.

**MEMPHIS, TN (Continued)**

Robinson-Arnold Co  
 Ronco Foods  
 Rose Warehouse No. 3  
 Ross, F. H., Co  
 Ruleman, C. A., Marble & Tile Co  
 Rullin Wilson Co  
 St Louis Terminal & Distributing Co  
 Scott Appliances Co  
 Sears, Roebuck & Co (Annex)  
 Sharp \* Dohme Co  
 Sharvania Oil & Grease Corp  
 Shelby Precasting Co  
 Shelby Skipwith Co  
 Shell Oil Co  
 Sinclair Refining Co  
 Slumber Products Corp  
 Smith, Carlton, Industries  
 Southern Boiler & Tank Works Co  
 Southern Chemical Co  
 Southern Cotton Oil Co  
 Southern Cotton Oil Mill Co  
 Southern Foam Sales Co  
 Southern Parts Corp  
 Southern Products Co  
 Southern Terminal & Storage Co  
 Southern Transfer Co  
 Southern Trucking Co  
 South Memphis Stock Yards, Inc  
 Southwest Wine Co  
 Speas Co  
 Stanley Home Products Co  
 Stewart's Inc  
 Stratton-Warren Hardware Co  
 Stuck, H. B., Co  
 Swift & Co Feed Mill  
 Tall, K., Warehouse  
 Tennessee Quick Freeze & Storage Co  
 Tenn-Penn Oil Co  
 Tennessee Valley Authority  
 Tennessee Veneer Co., Inc  
 Texas Automatic Sprinkler Co  
 Texas Company  
 Textile Products Co  
 Tri-State Iron Works Co  
 Triton Transport Services  
 Trojan Luggage Co  
 Trumbo Welding Co  
 Trumbull Asphalt Co of Delaware  
 Turner, L. G. Plaster Co  
 Turner Wood Products Co  
 Union Barge Line Co  
 Union Texas Natural Gas Co  
 United Cement  
 United Paint Co  
 U.S. Steel Co  
 Virginia-Carolina Chemical Co

Volney Felts Mills, Inc  
 Western Tar Products Co., Inc  
 Weyerhaeuser  
 Wilson Lumber Co  
 Wilson Steel Products Co  
 Work, C. F. & Sons, Inc

**MILWAUKEE, WI**

A-1 Recycling, 2101 W. Morgan Ave  
 Alpine Plywood  
 American Can Company, 6000 N. Teutonia Ave  
 Bliffert Inc., 10733 W. Bluemound Road  
 Continental Grain Co. (KK Elevator),  
 732 N. Jackson  
 Crown Cork & Seal Co. Inc.  
 4801 W. Woolworth Ave  
 DCS Color and Supply Co. Inc., 1050 E. Bay St.  
 Delta Resins & Refractories  
 6263 N. Teutonia Ave  
 Elements LTP, 546 S. Water St  
 Federal Marine Terminal  
 Municipal Docks No. 50, Piers 2, 3 and 4  
 Frantz & Company, 12314 W. Silver Spring  
 Grossman Brothers, 4777 W. Lincoln  
 H&R Scrap Metals, 9000 W. Fon du Lac  
 Avenue  
 Hansen Storage Co.-No. 112,  
 2880 N. 112th Street  
 Kellogg's Miller Compressing,  
 900 S. Water St (Plant No. 8)  
 Kohl's Foods, 11100 W. Burleigh Street  
 Ladish Co., 5481 S. Packard Avenue  
 Larkin Lumber  
 Milwaukee Sewerage Commission,  
 Jones Island Sewerage Plant  
 National Warehouse Corp., 531 S. Water St  
 Obyrne Distribution Centers  
 Peltz, 1514 East Thomas St  
 Penney, J. C. Co., 11800 W. Burleigh St  
 Roundy's Inc., 11300 W. Burleigh St  
 Tex Par Energy, Inc., 3443 W. Mill Rd  
 Weyerhaeuser Co., 2960 N. 112th St  
 Wisconsin Cold Storage 344 E. Florida Street  
 Wisconsin Color Press, Inc.,  
 5400 W. Good Hope Rd  
 Wisconsin Paperboard Corp. 1514 E. Thomas

**MODESTO, CA**

General Foods  
 J.S. West Milling (S)  
 Proctor & Gamble  
 Snowden Enterprises

G

CALIFORNIA

SUPPLEMENT 17 TO OFFICIAL RAILROAD STATION LIST OPSL 6000-AG

**CHANGES**

**UNITED STATES**

STATION	COUNTY	RULE 260	RR	OPSL	FSAC	SPLC	TYPE	NATIONAL RATE BASIS	SWITCH LIMIT CITY	RATE ZIP
<b>CALIFORNIA</b>										
EAST MODESTO.....	STANISLAUS	EMDST	UP	18698	19698	875851	OR	MODESTO, CA	MODESTO, CA	95350
ROGERS.....	STANISLAUS		UP	18694	70041	875847	OR	.....	MODESTO, CA	95380
<b>PENNSYLVANIA</b>										
WESTLAND.....	WASHINGTON		WE	12005	12005	219638	OR	WESTLAND, PA	.....	15340

**CANADA**

STATION		RULE 260	RR	OPSL	FSAC	SPLC	TYPE	NATIONAL RATE BASIS	SWITCH LIMIT CITY	RATE ZIP
<b>QUEBEC</b>										
MONTREAL.....			CN	33170	33170	030000	R	.....	.....	H1N3P1
MONTREAL MONTER INT.....		MOTRM	CN	33309	33309	030805	OR	.....	MONTREAL, PQ	H4C1E4
MONTREAL RACINE TER.....			CN	33382	33382	030318	OR	.....	MONTREAL, PQ	H3K2W4
ST-MATHIEU.....			CPRS	554	2215	028757	OR	.....	.....	J0L2H0

H

**BNSF RAILWAY COMPANY  
BNSF SWITCHING BOOK 8005-C  
(Cancels BNSF Switching Book 8005-B)**



**PROVIDING  
SWITCHING AND OTHER TERMINAL CHARGES  
ALSO  
RULES GOVERNING ABSORPTION SWITCH  
AT  
STATIONS ON THE BNSF RAILWAY COMPANY**

**BETWEEN STATIONS IN THE CONTINENTAL UNITED STATES**

**ALSO**

**BETWEEN STATIONS IN THE CONTINENTAL UNITED STATES  
AND STATIONS IN CANADA**

**SWITCHING BOOK**

**ISSUED: November 4, 2005**

**Effective: November 26, 2005**

Issued by Paul M. Anderson, PO Box 961069, Ft. Worth, TX 76161-0069

**Item 55 – Absorbed and Non-Absorbed Rates Identical**

Reciprocal switching charges provided in this tariff apply whether or not absorbed in whole or in part by connecting line(s).

**Item 60 – Intrastate Application of This Book**

This tariff is also applicable on intrastate traffic in the following states, except where expressly provided to the contrary in connection with particular items or rates:

ALABAMA	IDAHO	LOUISIANA	NEBRASKA	OREGON	UTAH
ARIZONA	ILLINOIS	MINNESOTA	NEVADA	SOUTH DAKOTA	WASHINGTON
ARKANSAS	IOWA	MISSISSIPPI	NEW MEXICO	TENNESSEE	WISCONSIN
CALIFORNIA	KANSAS	MISSOURI	NORTH DAKOTA	TEXAS	WYOMING
FLORIDA	KENTUCKY	MONTANA	OKLAHOMA	UTAH	

**Item 65 – Application of Reciprocal Switching Charges**

Reciprocal switching charges in this tariff apply only to industries listed herein.

**Item 70 – Charges for Switching Privately Owned Railway Passenger Cars**

The BNSF will switch privately owned railway passenger cars, at a charge of \$700.00 per car.

This charge will apply on intermediate, inter-terminal, intra-terminal and intra-plant switch movements. When delivered to a connecting carrier for road-haul movement this charge will be in addition to the road-haul charges.

**Item 75 – Application and Definitions**

Switching charges named herein (unless otherwise specified) will apply for the handling of loaded cars one direction and empty cars in the reverse direction. If cars are moved empty in both directions, then charges for a one-way movement will apply. If cars are moved empty in one direction and are not returned, they will be charged as if they are loaded and switching of other cars loaded will not be considered as offsetting one-way movement of empty cars. If cars are loaded in both directions, the applicable charge will be assessed for each loaded movement.

DEFINITIONS

- (a) Intra-Plant Switching - A switching movement of cars, loaded or empty, from one track to another track or between two points on the same track, within the same plant or industry without leaving the tracks of the same plant or industry.
- (b) Intra-Terminal Switching - A switching movement (other than intra-plant switching) from one track to another track of the same carrier, within the switching limits of one station or industrial switching district.
- (c) Inter-Terminal Switching - A switching movement from a track of one carrier to a track of another carrier when both tracks and movement are within the switching limits of the same station or industrial switching district.
- (d) Reciprocal Switching - A switching movement from a plant or industry located on the BNSF to the point of interchange with connecting carriers or vice versa, on line-haul traffic.
- (e) Intermediate Switching - A switching movement of cars from the interchange tracks of one connecting carrier to the interchange tracks of another connecting carrier within the switching limits of the same station on which the switch carrier neither originates nor terminates the shipment nor receives a line-haul.

***Item 130 – Definitions of Switching Limits***

Except as otherwise provided herein, the switching limits of the BNSF will be confined to the most distant industry listed from the point of interchange with connections shown within the station.

Switching charges within the station will not apply on traffic originating or destined beyond the industries listed. The yard limit board does not have any meaning whatever with respect to defining the switching limits.

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***Item 135 – Package Requirements***

Charges for intra-terminal and inter-terminal switching named in this tariff apply only when shipments are packed in accordance with the requirements published in Tariff UFC 6000-Series. Shipments not packed in accordance with the requirements published in Uniform Freight Classification will not be accepted.

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***Item 140A – Switching of Cars for Weighing on Non-BNSF Scales – Issued December 9, 2005 – Effective January 1, 2006***

When BNSF is requested to switch either a loaded or empty car to a non-BNSF scale for weighing, switching charges will be assessed for this service as follows:

- (1) When intra-plant switching is performed by BNSF to weigh a car, a charge will be assessed in accordance with Item 3100 and will be assessed in each direction.
- (2) When intra-terminal switching is performed by BNSF to weigh a car, a charge will be assessed in accordance with Item 3050 per car and will be assessed in each direction.
- (3) When inter-terminal switching is performed by BNSF to weigh a car, a charge will be assessed in accordance with Item 3000 and will be assessed in each direction, to and from the interchange with the connecting railroad. The party requesting the weighing will be responsible for the weighing or reweighing charges assessed by the connecting railroad, as well as connecting line switching charges.

Note: Charge will apply only in one direction if the car is released to the BNSF as an empty or for line-haul revenue service immediately after being weighed.

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***Item 145A – Switching of Excessively Loaded Cars – Issued December 9, 2005 – Effective January 1, 2006***

When BNSF is requested and agrees to switch an overloaded car from its own reduction track to an alternative location, all applicable switching charges, including applicable intra-terminal or inter-terminal switching charges in accordance with items 3000 and 3050, will be assessed.

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***Item 150 – Freight-In-Bond***

Cars containing freight-in-bond to be switched locally will not be accepted from connecting line until after permit to receive goods has been issued to consignee by the United States Collector of Customs.

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I

ORIGINAL TITLE PAGE

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**NORFOLK SOUTHERN RAILWAY COMPANY**

VISION: BE THE SAFEST, MOST CUSTOMER-FOCUSED AND SUCCESSFUL TRANSPORTATION COMPANY IN  
THE WORLD

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**FREIGHT TARIFF NS 8001 - A**

(For Cancellation, See Page 3)

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**LOCAL AND JOINT FREIGHT TARIFF**

**PUBLISHING**

**RULES AND CHARGES ON SWITCHING**

**AND ABSORPTION OF SWITCH CHARGES**

**AT STATIONS ON**

**NORFOLK SOUTHERN RAILWAY COMPANY**

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**SWITCHING AND ABSORPTION TARIFF**

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ISSUED FEBRUARY 1, 2000

EFFECTIVE MARCH 1, 2000

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ISSUED BY  
D. D. Fisher, Director Marketing Services  
NORFOLK SOUTHERN RAILWAY COMPANY  
110 Franklin Road, S. E.  
Roanoke, VA 24042-0047

NS 8001 - A

ORIGINAL PAGE 14

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**SECTION 1**  
**RULES AND OTHER GOVERNING PROVISIONS**  
**GENERAL RULES AND REGULATIONS**

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ITEM 1090 (concluded)

**DEFINITION OF TERMS USED IN CONNECTION WITH  
CHARGES NAMED HEREIN**

RECIPROCAL SWITCHING

An arrangement between carriers serving the same station or switching district where the carrier physically serving the industry performs switching service for loading or unloading on behalf of the other carrier on shipments having an immediately preceding or following line-haul movement via the other carrier. NS will provide reciprocal switching only to or from NS customers specifically listed in Section 5 of this tariff. Line -haul shipments to or from NS customers not listed in Section 5 must move in NS line-haul service.

TEAM TRACK

A track or tracks assigned by NS for use of the general public. All team tracks are closed to reciprocal switching.

ITEM 1100

**RULE FOR COMPUTING RATES ON CHARGES PER TON  
WHEN RATE OR CHARGE IS PUBLISHED PER 100 POUNDS**

The rates or charges per 100 pounds will be converted to rates or charges per ton of 2000 pounds and applied per ton of 2000 pounds where provision is made that rates or charges apply per net ton of 2000 pounds and the rates or charges so arrived at will apply per ton of 2240 pounds where provision is made that rates or charges apply per gross ton of 2240 pounds.

ITEM 1110

**NON-APPLICATION OF RATES ON SCRAP AUTOMOBILE BODIES**

Charges provided in this tariff will not apply on Scrap Automobile Bodies, crushed flat, loose or in bundles, loaded on flat cars.

ITEM 1120

**SWITCHING CHARGE ON RAILROAD COMPANY MATERIAL**

Railroad company material moving via owner line on non-revenue billing between industrial siding served by NS and interchange tracks with connecting line will be subject to the intra-terminal switching charge published in Section 7 of this tariff.

ISSUED FEBRUARY 1, 2000

EFFECTIVE MARCH 1, 2000

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ISSUED BY  
D. D. Fisher, Director Marketing Services  
NORFOLK SOUTHERN RAILWAY COMPANY, 110 Franklin Road, S. E, Roanoke, VA 24042-0047

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ORIGINAL PAGE III-C-1

**SECTION III-C**

Cancels Section III-B

**RECIPROCAL SWITCHING RULES AND CHARGES IN  
CONNECTION WITH INDUSTRIES LISTED IN SECTION 1**

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ISSUED JANUARY 10, 2008

EFFECTIVE FEBRUARY 1, 2008

CSX TRANSPORTATION  
Marketing Service  
6737 Southpoint Drive South  
Jacksonville, FL 32202



CSXT 8100

ORIGINAL PAGE III-C-2

**SECTION III-C  
RECIPROCAL SWITCHING  
RULES AND CHARGES**

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**APPLICATION OF RECIPROCAL SWITCHING CHARGES – ITEM 3110**

- A. Reciprocal switching will only be performed on movements specifically shipped from or consigned to the industries listed in Section 1, or as otherwise provided in this Section.
- B. Charges for CSXT Reciprocal Switching charges are the responsibility of the line-haul carrier handling the loaded car from or to the station at which the reciprocal switch occurs.

**NON-APPLICATION OF RECIPROCAL SWITCHING CHARGES – ITEM 3115**

Provisions on this Section do not apply on:

- A. Traffic handled on bi-level or tri-level cars (Provisions will apply from TDSI auto ramp, Portsmouth, VA).
- B. Railway Equipment, empty, moving on own wheels:
  - 1. Freight Train Cars. (STCC 37-422)
  - 2. Locomotives or Tenders. (STCC 37-411)
  - 3. Maintenance or Repair Cars. (STCC 37-424)
  - 4. Passenger Train Cars. (STCC 37-421)
  - 5. Street Cars or self-propelled railroad cars. (STCC 37-423)
  - 6. (For Cars apply the "General" Intra-terminal switching charges and for Locomotives the charge for Locomotives, Moving on Own Wheels, provided in the Industrial Switching Section.)
- C. Traffic to or from Public (Team) Tracks.
- D. Outbound shipments of Railroad Company Materials, moving via foreign line railroad in non-revenue linehaul service.
- E. Revenue shipments of rejected Automobile Parts, moving with non-revenue empty shipping containers or devices (racks, crates, bins, etc.) returning reverse route used on the loaded movement.

**CHANGING NAMES OF INDUSTRIES – ITEM 3120**

Where change is made in ownership or name of industry listed herein served by CSXT, switching charges specified herein will apply until the new name is published, provided there is no change in location or general character of business engaged in.

**DEFINITION OF THE TERM "JOINT TERMINAL" – ITEM 3150**

The term "joint terminal" means terminals at stations on CSXT that are operated jointly by CSXT and another railroad. CSXT will make no charge for reciprocal switching service on cars transported or to be transported by the other railroad in line-haul revenue service.

**DEFINITION OF RECIPROCAL SWITCHING – ITEM 3160**

1. The term "reciprocal switching" means the movement in switching service for loading or unloading, preceding or following a road haul movement over another railroad, from or to "a private or assigned siding on the switching railroad", to or from the point of interchange with the connecting railroad at the switching station, and the movement of the empty car in the reverse direction.
2. When the interchange between CSXT and a connecting railroad is affected by an intermediate railroad, charges assessed by the intermediate railroad will be in addition to the charges assessed by CSXT.

ISSUED JANUARY 10, 2008

EFFECTIVE FEBRUARY 1, 2008

CSX TRANSPORTATION  
Marketing Services  
6737 Southpoint Drive South  
Jacksonville, FL 32216