

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No 35175

- 224778

ROSEBURG FOREST PRODUCTS CO, TIMBER PRODUCTS
COMPANY, LC, SUBURBAN PROPANE, LP, COWLEY D&L, INC
SOUSA AG SERVICE, AND YRLKA WESTERN RAILROAD
COMPANY-ALTERNATIVE RAIL SERVICE-CENTRAL
ORIGON&PACIFIC RAILROAD, INC

Ex Parte No 346 (sub-No 250)

224779

RAIL GENERAL EXEMPTION AUTHORITY-PETITION FOR
PARTIAL REVOCATION OF COMMODITY EXEMPTION-
TIMBER OR WOOD PRODUCTS

SUPPLEMENTAL EVIDENCE SUBMITTED BY
WEST TEXAS & LUBBOCK RAILWAY, INC

Respectfully Submitted.

John D Heffner
John D Heffner PLLC
1750 K Street N W
Suite 200,
Washington, D C 20006
(202) 296-3334

Dated March 31, 2009

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No 35175

ROSEBURG FOREST PRODUCTS CO , TIMBER PRODUCTS
COMPANY, LC, SUBURBAN PROPANE, L.P, COWLEY D&L, INC,
SOUSA AG SERVICE, AND YREKA WESTERN RAILROAD
COMPANY-ALTERNATIVE RAIL SERVICE-CENTRAL OREGON
& PACIFIC RAILROAD, INC

Ex Parte No 346 (sub-No 25C)

RAIL GENERAL EXEMPTION AUTHORITY-PETITION FOR
PARTIAL REVOCATION OF COMMODITY EXEMPTION-
LUMBER OR WOOD PRODUCTS

SUPPLEMENTAL EVIDENCE SUBMITTED BY
WEST TEXAS & LUBBOCK RAILWAY, INC

INTRODUCTION

This proceeding involves a petition filed on August 25, 2008, by
Roseburg Forest Products Co , Timber Products Company, LC, Suburban
Propane, L.P, Cowley D&L, Inc , Sousa AG Service, and Yreka Western
Railroad Company (" the Petitioners") for an order under 49 CFR 1146

authorizing the provision of Alternative Rail Service ("ARS") for Petitioners over a line of Central Oregon & Pacific Railroad, Inc ("CORP") Petitioners had selected West Texas and Lubbock Railway Company ("WTL") in conjunction with Yreka Western Railroad Company ("YWR") to provide that rail service. By decision served March 4, 2009, the Board asked the parties to these proceedings to file supplementary evidence on certain issues. By order served March 13, 2009, the deadline for providing that information has been extended until March 31, 2009.

Specifically regarding WTL, the Board directed Petitioners to provide assurances that its plans to operate the subject line would not result in degrading service to the customers on its sister railroad, the San Luis & Rio Grande Railroad Company ("SLRG")

RESPONSE

On that issue WTL submits the verified statement of its Vice President Stephen Gregory documenting the fact that the ARS it would provide over the subject line would not in any way affect the service that either SLRG provides on its line in Colorado or that WTL provides on its railroad in Texas. Specifically, with respect to motive power, Mr. Gregory states that the engines that WTL would deploy for use on the subject line

would not come from SLRG's fleet. WTL's corporate owner Iowa Pacific Holdings/Permian Basin Railways (collectively "IPH"), owns three high-horsepower SD40-2 road locomotives sufficient to provide service over the Siskiyou Summit that are not assigned to any of its other railroads. This equipment fleet will not only be able to handle the traffic moving on the subject line but will include an extra unit as a margin of protection in case one of the regularly assigned units becomes unavailable for service. Should the Board grant this ARS request, Mr. Gregory notes that these units will be promptly dispatched to the area. Similarly, he notes that WTL's sister railroad, the Mount Hood Railroad in Oregon, has a surplus switching locomotive that can be moved expeditiously to Black Butte, CA, for service at Weed, CA.

Regarding the ability of IPH personnel to cope with the extreme operating conditions of the subject line, Mr. Gregory adds that SLRG has grades approaching 4%, and attains the highest mainline elevation in North America at La Veta Pass. Moreover, this line has a much more severe curvature than does the Siskiyou line and also suffers from extreme winter weather. While IPH has supervisory and train crew personnel that would be assigned to the Siskiyou service that have experience on SLRG, those employees do not currently work on that railroad. Accordingly, no

supervisory and train crew personnel or other resources will be diverted to the subject line from SI.RG or any of IPI's other railroads

CONCLUSION

Accordingly, WIL believes that it has satisfied the standards for 49 CFR 1146 for relief and requests that the Petition for Alternative Rail Service be granted without delay

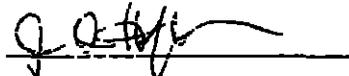
Respectfully Submitted,


John D. Heffner
John D. Heffner, P.L.L.C.
1750 K Street, N.W.
Suite 200,
Washington, D.C. 20006
(202) 296-3334

Dated March 31 2009

CERTIFICATE OF SERVICE

I, John D. Heffner, certify that I have this 31st day of March, 2009, served a copy of the Supplemental Evidence of West Texas & Lubbock Railway Inc., upon counsel for all parties to this proceeding, by first class United States mail and by email


John D. Heffner

**VERIFIED STATEMENT
OF
STEPHEN GREGORY**

My name is Stephen Gregory and I am Vice President of Iowa Pacific Holdings, LLC, Permian Basin Railways, Inc., West Texas & Lubbock Railway, Inc. (WTL) and San Luis & Rio Grande Railroad (SLRG).

The Board, in its decision served March 4, 2009, asked that "Petitioners should also provide assurances that WTL's plans to operate the Line will not result in degrading service to SLRG's customers." The purpose of this statement is to assure the Board that service to SLRG customers will not be affected by WTL's operation of the Line should the Board grant Petitioners' Alternative Rail Service (ARS) request.

WTL had originally submitted the Verified Statement of its President Edwin E. Ellis in support of Petitioners' ARS Request, touting its experience and ability to provide service over this mountainous and challenging piece of railroad. In response, CORP stressed that the grade over the Siskiyou Pass is one of the most severe, if not the most severe, in the United States and that this route faces severe winter weather, as well. It criticized WTL's ability to provide ARS because of WTL's suggestion that it might use train and engine employees who formerly worked on the CORP to the extent appropriate. It also belittled WTL's substantial experience as an ARS provider on a line in Texas because of differences in mileage and topography between the two operations.

• First, with respect to locomotive resources, I want to assure the Board that no engines for use in this service will come from SLRG. We own three high-horsepower SD40-2 road locomotives sufficient to provide service over the Siskiyou Summit that are not assigned to any of our other railroads. This equipment fleet will not only be able to handle the traffic moving on the Line but will include an extra unit as a margin of protection in case one of the regularly assigned units becomes unavailable for service. Should the Board grant this ARS request, these units will be promptly dispatched to the area. Regarding the need for switching at Weed, CA, we have a surplus switching locomotive at our Mount Hood Railroad (MH) subsidiary in Oregon that is not needed for MH's operations. Should the Board grant this ARS request, that unit will be moved expeditiously to Black Butte, CA, for service at Weed, CA.

Second, regarding the ability of our personnel to cope with the extreme operating conditions of the Line, I should note that our SLRG subsidiary has grades approaching 4%, and attains the highest mainline elevation in North America at La Veta Pass. Moreover, this line has a much more severe curvature than does the Siskiyou line. This route also suffers from extreme winter weather. While the supervisory and train crew personnel that would be assigned to the Siskiyou service have experience on SLRG, they do not currently work on that railroad. Accordingly, no SLRG supervisory and train crew personnel or other resources will be diverted to the Line from SLRG or any of our other railroads. It is not unusual for short line holding companies to maintain key individuals, not required in daily operations, in functions that enable them to report quickly to new

acquisition startups, temporary traffic surges, etc. RailAmerica's predecessor RailTex referred to this as a "GO Team". In our case we have such individuals, both supervisory and train crew, fully qualified on mountain territory, who can be assigned to this operation quickly without affecting service on any of our railroads.

Pursuant to 28 U.S.C. 1746, I declare and verify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 24, 2009

A handwritten signature in black ink, appearing to read "Steven Gregory". The signature is written in a cursive style with a large initial "S".

[signature]