

213 WEST MINER STREET  
PO Box 796  
WEST CHESTER, PA 19381  
TELEPHONE 610.692.9116  
FACSIMILE 610.692.9177  
WWW.GGELAW.COM

206922

**GC&E** GOLLATZ  
GRIFFIN  
& EWING  
ATTORNEYS - AT - LAW

ERIC M. HOCKY  
DIRECT DIAL 610.350.4129  
emhocky@ggelaw.com

ENTERED  
Office of Proceedings

DEC 23 2002

Part of  
Public Record

December 19, 2002  
BY FEDEX



Hon. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Mercury Building, #711  
1925 K Street, N.W.  
Washington, DC 20423-0001

RE: STB Finance Docket No. 34255  
Portland & Western Railroad, Inc.  
-- Lease and Operation Exemption --  
The Burlington Northern and Sante Fe Railway Company

Dear Secretary Williams:

In response to the decision of Chairman Nober served December 12, 2002, Portland & Western Railroad, Inc. ("PNWR") is filing this letter as clarification to its exemption notice filed on December 6, 2002:

- (a) PNWR acknowledges that the exemption will not be effective until December 27, 2002.
- (b) PNWR withdraws the request that the proposed trackage rights agreement with CORP be approved as incidental to this transaction. No agreement has been signed between PNWR and CORP, and the trackage rights do not need to be effective together with the lease exemption. If and when the parties sign a trackage rights agreement, it will be the subject of a separate filing.
- (c) PNWR and BNSF believe that the trackage rights BNSF is retaining are an integral part of the transaction and should be considered "incidental" to the lease transaction. However, so as not to delay the effectiveness of the lease exemption, BNSF will file a separate exemption notice with respect to the trackage rights. (BNSF may also file a motion to dismiss on the grounds that a separate notice was not required.)

PNWR is filing the original and ten (10) copies of this letter so that it may be filed of record in this proceeding.

GOLLATZ, GRIFFIN & EWING, P.C.

WEST CHESTER

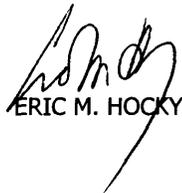
PHILADELPHIA

WILMINGTON

Hon. Vernon A. Williams  
December 19, 2002  
Page 2 of 3

Please time stamp the extra copy of this letter provided with the original and return it to me in the stamped self-addressed envelope provided for your convenience.

Respectfully,



ERIC M. HOCKY

cc by FedEx:

Sarah J. Bailiff, Esq.  
Gordon P. MacDougall, Esq.  
Thomas F. McFarland, Esq.

cc by mail:

All persons on the attached service list

GOLLATZ, GRIFFIN & EWING, P.C.

WEST CHESTER

PHILADELPHIA

WILMINGTON

## SERVICE LIST

Office of the Governor  
State of Oregon  
State Capitol Building  
900 Court Street NE  
Salem, OR 97301-4047

Oregon Department of Transportation  
Rail Division  
555 13th Street, N.E., Suite 3  
Salem, Oregon 97301-4179  
Attention: Claudia Howells, Manager

Mr. Edward Dubroski  
International President  
Brotherhood of Locomotive Engineers  
Standard Building, 1370 Ontario Street  
Cleveland, OH 44113

Mr. Mac A. Fleming, President  
Brotherhood of Maintenance of Way  
Employees  
26555 Evergreen Road, Suite 200  
Southfield, MI 48076-4225

Mr. Byron A. Bryd, Jr.  
International President  
United Transportation Union  
14600 Detroit Avenue  
Cleveland, OH 44107

Mr. W.D. Pickett, President  
Brotherhood of Railroad Signalmen  
601 West Golf Road, Box U  
Mt. Prospect, IL 60056

Gordon P. MacDougall, Esq.  
1025 Connecticut Ave. NW  
Washington, D.C. 20036

Seneca Sawmills  
P. O. Box 851  
Eugene, OR 97440  
Attn.: Richard Re

Georgia Pacific Corp.  
Corporate Headquarters:  
Georgia-Pacific Corporation  
133 Peachtree Street  
Atlanta, Georgia 30303

A&M Reload Inc.  
P. O. Box 11255  
Eugene, OR 97402  
Attn.: Brad Asbury & Ron Mckern

Boise Cascade Corp.  
1111 W. Jefferson Street  
Boise, ID 83728-0001

Boise Cascade Corp. - Paper Sales &  
Marketing  
907 West Seventh Street  
Vancouver, WA 98660

Weyerhaeuser Co.  
P. O. Box 907  
Albany, OR 97321

Cascade Warehouse Co  
1330 Salem Industrial Dr. NE  
Salem, OR 97303

Eagle Veneers  
P.O. Box 288  
Harrisburg, OR 97446

Eagle Veneer Inc.  
P.O. Box 908  
Grants Pass, Oregon 97528

Morse Brothers  
P.O. Box 205  
Harrisburg, OR 97446

Morse Brothers  
Corporate Administration  
1300 E. Grant Street  
Labanon, OR 97355

Albany Rocks Products (Morse Bros)  
35973 Kennel Rd. S.E.  
Albany, OR 97321

Salem Reed Plant (Morse Bros)  
9710 Wheatland Rd.  
Salem, OR 97303

States Industries Inc.  
P.O. Box 7037  
Eugene, OR 97401-0038

Kropf Feed & Seed  
815 s. 2nd Street  
Harrisburg, OR 97446

Grain Millers Inc.  
315 Madison  
Eugene, OR 97402

Emerald Forest Products Inc  
PO BOX 2746  
Eugene, OR 97402

Pope & Talbot Inc.  
1500 S. W. 1st Avenue  
Portland, OR 97201

Panolam Industries Inc.  
3030 Calapooia Street S.W.  
Albany, OR 97321-3840

Specialty Laminates  
1740 West 5th Street  
Eugene, OR 97402-4303

Truitt Brothers Inc.  
P. O. Box 309  
Salem, OR 07308-0309

Agri Trading Corp  
P. O. Box 609  
Hutchinson, MN 55355

D R Johnson Lumber Co.  
P.O. Box 66  
Riddle, Oregon 97469

Forest City Trading Group  
10250 S.W. Greenburg Road  
Portland, OR 97223

ISG Resources Inc.  
136 East South Temple, Suite 1300  
Salt Lake City, UT 84111

ISG Resources Inc.  
Western Region Office  
950 Andover Park East, Suite 24  
Tukwila, WA 98188

ISG Resources Inc.  
Northern Region Office  
4034 North Euclid Avenue  
Bay City, MI 48706

ISG Resources Inc.  
Southern Region Office  
3045 West 28<sup>th</sup> Street  
Pine Bluff, AR 71603

Building Products Division  
16745 West Hardy Road  
Houston, TX 77060

Hampton Lumber Sales  
9600 S. W. Barnes Road  
Portland, OR 97225