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BY E-FILING

Mr. Vernon Williams
Secretary
Surface Transportation Board
395 E Street, S.W.
Suite 101
Washington, D.C. 20423-0001

Subject: F.D. No. 35002 – Savage Bingham & Garfield Railroad Company
-Acquisition and Operation Exemption – Union Pacific Railroad
Company

Dear Secretary Williams:

Enclosed for filing in the above-identified application is the Opposition by
Savage, Bingham & Garfield Railroad Company to Petition for Stay.

Sincerely yours,

/s/ Robert P. vom Eigen

Robert P. vom Eigen

RVE:dmo

Encls:

cc: Parties of Record (w/encls)
Allan Weinstein, STB, (w/encls.)
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BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 35002

**Savage, Bingham & Garfield Railroad Company – Acquisition And
Operation Exemption – Union Pacific Railroad Company**

**OPPOSITION BY SAVAGE, BINGHAM & GARFIELD RAILROAD COMPANY
TO PETITION FOR STAY**

The petition filed on behalf of seven shippers¹ (hereafter referred to as “Shipper Coalition”) on the lines to be operated by Savage, Bingham & Garfield Railroad Company (hereafter “SBGR”) should be denied because a stay is unnecessary to achieve what the Shipper Coalition seeks in this proceeding. The Utah Transit Authority (hereafter “UTA”) has informed SBGR that it will file a Notice of Exemption with a motion to dismiss before any change in service will occur. SBGR’s Notice of Exemption filed in this docket specified that the assumption by SBGR of common carrier obligations in connection with this property would not occur until the later of May 1, 2007 or the effective date of this exemption. SBGR cannot and will not commence operations over the lines subject to the pending notice of exemption unless and until the effective date of the UTA transaction with the Union Pacific Railroad.

Therefore, this petition is moot, and no detailed response to the Petition is necessary.

However, the Petition leaves the impression that shippers may be adversely affected by the introduction of light rail service on the Bingham Industrial Lead. SBGR believes this will

¹ One of the “shippers”, Mastercraft Cabinets told a representative of SBGR that it had no current intention to ship via rail at its facility at West Jordan, and as the table at page 3 of the Petition shows, there has been no traffic shipped from that industry.

not be the case. The upper range of traffic volume cited in the Petition results in an average of 12 car loads per day originated or terminated on the lines, which should pose no difficulty during the five hour freight window five days a week allocated the SBGR's operations.² The freight operating window will not go into effect until light rail service commences over the Bingham Industrial Lead, which SBGR understands will not occur until 2010.³

When the shippers' concerns were made known to SBGR, all active shippers were invited to a meeting on March 9 with representatives of from SBGR, UTA and the Union Pacific Railroad. All active shippers attended the meeting. At the meeting, the planned service was discussed, and questions were answered. No shipper at that meeting stated that the service design contemplated would be unsatisfactory or detrimental to its operations. SBGR stands ready to respond to any legitimate shipper question about the service contemplated.

In conclusion, there is no need to stay the effective date of the SBGR operating authority because SBGR service will not commence until after the Board has had a full opportunity to review the arrangements governing joint use of the Bingham Industrial Lead. There is no

² SBGR cannot confirm these numbers because it does not have a precise count of the traffic transported by the other carrier with access to the Bingham Industrial Lead, Salt Lake City Southern Railway on behalf of BNSF Railway. Based upon traffic information provided to SBGR by UP, the average annual traffic for all shippers on the subject lines is 1630 per year or slightly more than six carloads per day. SBGR suspects that the estimates provided by the Shipper Coalition are overstated.

³ Construction along the Bingham Industrial Lead to accommodate light rail service commencing in 2008 will require that freight operations be conducted at night, but there will be no freight window until commencement of the light rail service in 2010.

irreparable harm to the Shipper Coalition, and its Petition for Stay should be denied.

Respectfully submitted,

/s/ Robert P. vom Eigen

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*Counsel for Savage Bingham &
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Dated filed: March 26, 2007

CERTIFICATE OF SERVICE

I hereby certify that on March 26, 2007, I served the foregoing document, Opposition by Savage, Bingham & Garfield Railroad Company to Petition for Stay, by e-mail on the following:

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/s/ Robert P. vom Eigen

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