



Mack H. Shumate, Jr.
Senior General Attorney, Law Department

March 27, 2008

VIA E-FILING

Mr. Vernon Williams, Secretary
Surface Transportation Board
1925 "K" Street, N.W., Room 504
Washington, DC 20423-0001

Re: Proposed Abandonment of the Flanigan Industrial Lead from M.P. 338.33 near Flanigan, Nevada to M.P. 360.10 near Wendel, California, a total distance of 21.77 miles in Washoe County, Nevada and Lassen County, California; and of the Susanville Industrial Lead from M.P. 358.68 to M.P. 359.25 near Wendel, California, a Total Distance of 0.57 Miles in Lassen County, California; STB Docket Number Ab-33(Sub-No.230X)

- (1). NOTICE OF PROVISION OF INFORMATION REQUESTED BY RTI RAILROAD SERVICES, INC. AND NEVADA CENTRAL RAILROAD ("Potential Offerors") AND**
- (2). REQUEST TO REMOVE THE TOLLING OF THE TIME PERIOD FOR FILING SUBMISSIONS OF OFFERS OF FINANCIAL ASSISTANCE UNDER THE SUBJECT PETITION FOR EXEMPTION**

Dear Mr. Williams:

Attached is Union Pacific Railroad Company's ("Union Pacific") Notice of Provision of Information Requested by RTI Railroad Services, Inc. and Nevada Central Railroad ("Potential Offerors") and Request to Remove the Tolling of the Time Period for Filing Submissions of Offers of Financial Assistance under the Subject Petition for Exemption.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Mack H. Shumate, Jr.", with a stylized flourish at the end.

Attachments

cc: Charles Jacob
RTI Railroad Services, Inc.

Robert Alan Kemp
Nevada Central Railroad

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB-33 (Sub-No. 230X)

UNION PACIFIC RAILROAD COMPANY
-- ABANDONMENT EXEMPTION --
IN LASSEN COUNTY, CALIFORNIA AND WASHOE COUNTY, NEVADA
(FLANIGAN INDUSTRIAL LEAD)
(SUSANVILLE INDUSTRIAL LEAD)

**NOTICE OF PROVISION OF INFORMATION REQUESTED BY POTENTIAL OFFERORS
OF FINANCIAL ASSISTANCE AND REQUEST TO REMOVE THE
TOLLING OF THE TIME PERIOD FOR FILING SUBMISSIONS
OF OFFERS OF FINANCIAL ASSISTANCE**

UNION PACIFIC RAILROAD COMPANY
Mack H. Shumate, Jr., Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
(312) 777-2055
(312) 777-2065 FAX

Dated: March 27, 2008
Filed: March 27, 2008

By decision having a Late Release Service Date of January 26, 2007, the Board authorized the subject Petition for Exemption subject to specified conditions. This order acknowledged that formal expressions of intent to file an Offer of Financial Assistance were made by the Tulare Valley Railroad Company of Salt Lake City, Utah ("TVRR") on November 2, 2006 and by Nevada Central Railroad ("NCR") on November 8, 2006. In addition, RTI Railroad Services, Inc. ("RTI") also filed a Notice of Intent to file an Offer of Financial Assistance on January 29, 2007. TVRR, NCR and RTI are collectively referred to herein as ("Potential Offerors").

By decision of the Board bearing a Service Date of February 2, 2007, the Board granted a requested tolling of the time period for submitting Offers of Financial Assistance ("OFA") until ten (10) days after the Potential Offerors had received specified financial data and information prescribed in 49 CFR 1152.27(a) regarding the Union Pacific's estimate of the net liquidation value ("NLV") of the Line. Raymond E. Allamong, Jr., Manager Rail Line Planning, for the Union Pacific provided the requested NLV information to RTI on January 17, 2007 and to NCR on April 16, 2007. See certification attached hereto as Exhibit "A" and hereby made a part hereof. TVRR withdrew its interest in acquiring the Line and was not provided the NLV information.

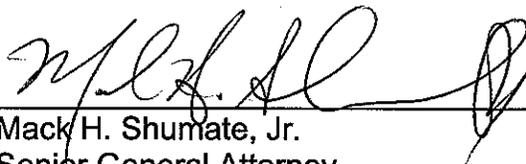
The request for the tolling of the time period for filing an OFA based upon Union Pacific's alleged failure to provide the Potential Offerors with the information necessary to develop an OFA is authorized at 49 CFR 1152.27(c)(1)(i)(C). It has been almost one year since the NLV information was provided to the remaining Potential Offerors. In addition, during this period of time Union Pacific has received no request by any Potential Offeror for access to Union Pacific's documents as outlined at by 49 C.F.R. 1152.27(d). In addition, Union Pacific, after reviewing the proposals of the Potential Offerors, entered into protracted negotiations with RTI in a serious effort to reach an

agreement to sell the Line to RTI. As originally stated in Union Pacific's Petition for Exemption, the plan of Union Pacific has been to reclassify the subject Line after abandonment and sell it as an industrial lead to a railroad tie disposal contractor located at the southern end of the Line. The referenced tie disposal contractor is RTI. Regrettably, RTI and Union Pacific have been unable to reach an agreement for the sale of the proposed Line in that RTI has not been able to reach an acceptable agreement with Honeylake Power Company the operator of a steam generating plant at Wendell, California that could potentially burn salvaged wood items such as processed used railroad ties for the generation of electricity. As proposed by RTI, the wood items and ties would be moved by RTI using the Line for a portion of the freight move toward Honeylake Power Company. Honeylake Power Company is not on the Line.

WHEREFORE, the Union Pacific Railroad Company respectfully requests acknowledgement of provision of the information requested by the Potential Offerors and seeks removal of the tolling of the time period for filing of submissions of Offers of Financial Assistance under the subject Petition for Exemption. Based on conversations with the Potential Offerors to date, Union Pacific does not expect any Offers of Financial Assistance to be filed. If no Offers of Financial Assistance are filed, Union Pacific expects to consummate the subject abandonment upon completion of the outstanding conditions imposed by the Board.

Dated this 27th day of March, 2008.

Respectfully submitted,
UNION PACIFIC RAILROAD COMPANY

A handwritten signature in black ink, appearing to read "Mack H. Shumate, Jr.", written over a horizontal line.

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
(312) 777-2055
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Ray E. Allamong/UPC
03/26/2008 04:32 PM

To Mack H. Shumate/UPC
cc
bcc
Subject Dates Net Liquidation Value Information Was Supplied to
Flanigan - Wendel OFA Candidates, AB-33 (Sub-No. 230X)

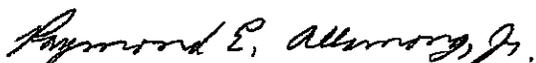
This is to certify that I provided net liquidation value information for the above referenced petition for exemption as stated below:

1. Value information was supplied in a letter dated January 17, 2007 to:

Mr. Charles Jacob
RTI Railroad Services Inc.
923 North 290 East
American Fork, UT 84003

2. Value information was supplied in a letter dated April 16, 2007 to:

Mr. Robert Alan Kemp, Chairman & CEO
Aviation Technologies, Ltd.
Acting Representative and Legal Resident Agent for,
Nevada Central Railroad
4959 Talbot Lane, Unit No. 69
Reno, NV 89509


Raymond E. Allamong, Jr.
Raymond E. Allamong, Jr.

CERTIFICATE OF SERVICE

OF THE

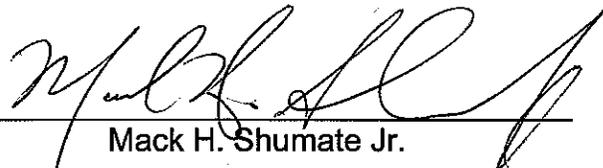
NOTICE OF PROVISION OF INFORMATION REQUESTED BY POTENTIAL OFFERORS
OF FINANCIAL ASSISTANCE AND REQUEST TO REMOVE THE TOLLING OF THE TIME
PERIOD FOR FILING SUBMISSIONS OF OFFERS OF FINANCIAL ASSISTANCE

The undersigned hereby certifies that a copy of the foregoing Notice in Docket No. AB-33 (Sub-No. 230X) for the Flanigan Industrial Lead in Washoe County, Nevada and Lassen County, California; and of the Susanville Industrial Lead in Lassen County, California was served by first class mail on the 27th day of March, 2008 on the following:

Mr. Charles Jacob
RTI Railroad Services, Inc.
923 North 290 East
American Fork, UT 840003

Mr. Robert Alan Kemp, Chairman & CEO
Aviation Technologies, Ltd.
Acting Representative and Legal Resident Agent for:
Nevada Central railroad
4959 Talbot Lane, Unit No. 69
Reno, NE 89509

Dated this 27th day of March, 2008


Mack H. Shumate Jr.