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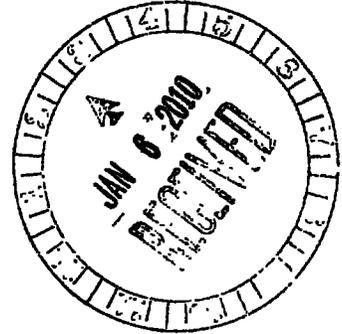
EXPEDITED CONSIDERATION REQUESTED

January 6, 2010

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
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Re: Docket No. 42115, U.S. Magnesium, L.L.C. v. Union Pacific
Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-referenced matter please find the original and ten copies of Union Pacific's Reply to USM's Motion to Extend Procedural Schedule.

I have also enclosed an additional copy of Union Pacific's Reply to be date-stamped and returned to our messenger.

Thank you for your attention to this matter.

Sincerely,

Handwritten signature of Michael L. Rosenthal.

Michael L. Rosenthal

cc: Thomas Wilcox

EXPEDITED CONSIDERATION REQUESTED

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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

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JAN - 6 2010

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U.S. MAGNESIUM, L.L.C.,

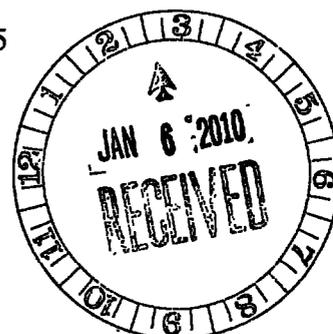
Complainant,

v.

UNION PACIFIC RAILROAD COMPANY

Defendant.

Docket No. 42115



**UNION PACIFIC'S REPLY TO USM'S MOTION
TO EXTEND PROCEDURAL SCHEDULE**

Defendant Union Pacific Railroad Company ("UP") hereby replies to the request by Complainant U.S. Magnesium, L.L.C. ("USM") to extend the entire procedural schedule by two weeks to allow USM additional time to prepare its Opening Evidence. UP does not oppose USM's request, as long as the Board also extends the deadline for the parties to file their Final Briefs by an additional two weeks to avoid creating a scheduling conflict in another proceeding involving UP. Granting UP's request would move the due date for the Final Briefs to June 18, 2010. USM does not object to UP's request. *See* USM Motion at 1 n.1.

UP has been working in good faith to juggle schedules in several pending matters to accommodate requests for extensions of time by other parties in those matters. UP is currently the defendant in two Simplified-SAC cases filed by USM,¹ a co-defendant in a Full-SAC case

¹ STB Docket Nos. 42115 and 42116.

filed by Arizona Electric Power Cooperative, Inc. (“AEPCO”),² a co-defendant in a Section 10705 case filed by Entergy Arkansas, Inc., and Entergy Services, Inc. (“Entergy”),³ and a party of record in Arkansas Electric Cooperative’s challenge to the reasonableness of coal dust rules.⁴

In the AEPCO case, UP has consented on three occasions to AEPCO’s requests to extend the Board’s initial procedural schedule. On each occasion, UP worked with AEPCO and its co-defendant to develop a new schedule that addressed AEPCO’s concerns while ensuring that the new deadlines would not interfere with UP’s ability to comply with the existing deadlines in its other proceedings before the Board.

In the Entergy case, UP initially negotiated a procedural schedule with Entergy and its co-defendant that was designed to accommodate the interests of all parties. However, in mid-December, Entergy requested an extension of the procedural schedule, and UP worked with Entergy and its co-defendant to develop a new schedule that addressed Entergy’s concerns while providing UP sufficient time to prepare the evidence and briefs required by the schedules in its other proceedings before the Board.

USM’s proposed two-week extension in this case would create a June 4 deadline for Final Briefs, which would directly conflict with the June 4 deadline for UP’s Reply Evidence in the Entergy case, and which would make it impossible for UP and its counsel to devote adequate attention to either case in the critical final weeks before the due dates.

UP recognizes that this is the first case under the Simplified-SAC methodology. Accordingly, UP is willing to accept an extension to the current procedural schedule, as long as

² STB Docket No. 42113.

³ STB Docket No. 42104.

⁴ STB Finance Docket No. 35305.

any new schedule allows UP a reasonable opportunity to prepare its Final Brief in this case and its Reply Evidence in the Entergy case and does not conflict with any of its other filing dates in proceedings before the Board.

UP submits that, in light of its obligations in other pending proceedings before the Board, if the Board grants USM's request to extend the procedural schedule, good cause exists to grant UP's request to extend the deadline for Final Briefs to June 18.

Respectfully submitted,



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Attorneys for Union Pacific Railroad Company

January 6, 2010

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that on this 6th day of January, 2010, I caused a copy of Union Pacific's Reply to USM's Motion to Extend Procedural Schedule to be served by hand and by e-mail on:

Thomas W. Wilcox
David K. Monroe
Jason M. Setty
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Michael L. Rosenthal