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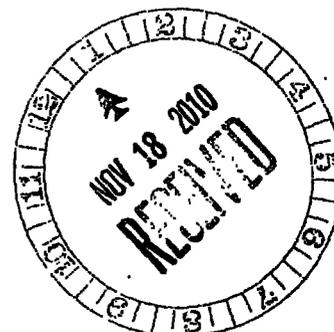
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November 18, 2010

BY HAND DELIVERY

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001



Re: Finance Docket No. 35305, Arkansas Electric Cooperative Corp. -
Petition for Declaratory Order

Dear Ms. Brown:

In response to the request of the STB's staff earlier this week, we are providing two copies of the hearing materials utilized by the Western Coal Traffic League ("WCTL") and the Concerned Captive Coal Shippers ("CCCS") during the July 29, 2010 hearing in the above-referenced proceeding. WCTL's materials included a PowerPoint presentation. CCCS's materials included a PowerPoint presentation identifying the members of the group, a set of photos showing Joint Line track conditions as of May 2010, and a video showing the movement of a train on the Joint Line. We have enclosed both hard-copy and electronic versions of the hearing materials.

Respectfully submitted,

A handwritten signature in black ink that reads 'Andrew B. Kolesar III'.

Andrew B. Kolesar III

Enclosures

STB Finance Docket No. 35305

Handout for Oral Hearing

Excerpts from WCTL-CCCS Rebuttal Exhibit 2

Joint Line Photos – May 25 & 26, 2010

C. Michael Loftus
Slover & Loftus LLP
Counsel for Concerned Captive
Coal Shippers
July 29, 2010



MP 28.44 - May 25, 2010



MP 29.99 - May 26, 2010



MP 39 - May 26, 2010



MP 45 - May 26, 2010

MP 59.3 - May 26, 2010





MP 65.4 - May 26, 2010



MP 88.6 - May 26, 2010

F.D. 35305

Concerned Captive Coal Shippers

July 29, 2010

Concerned Captive Coal Shippers

- American Electric Power Service Corporation
- Consumers Energy Company
- Dairyland Power Cooperative
- Dynegy, Inc.
- Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., and Entergy Services, Inc.
- Intermountain Power Project
- Progress Energy, Inc.
- Seminole Electric Cooperative, Inc.
- South Carolina Public Service Authority (Santee Cooper)
- South Mississippi Electric Power Association

Finance Docket No. 35305

Western Coal Traffic League

July 29, 2010

BNSF IDV Standards

- Item 100 – “Effective October 1, 2010, Shipper shall take all steps necessary to ensure that Trains handling Cars loaded with Coal from **any mine origin that move over the Joint Line shall not emit more than an Integrated Dust Value (IDV.2) of 300 units** in order to enhance retention of Coal in Cars.”
- Item 101 – “Effective October 1, 2010, Shipper shall take all steps necessary to ensure that Trains handling Cars loaded with Coal from **any mine origin that move over the Black Hills Subdivision shall not emit more than an Integrated Dust Value (IDV.2) of 245 units** in order to enhance retention of Coal in Cars.”

Sound Science Requires that Third Parties be Able to Replicate Study Procedures/Results

- BNSF's IDV calculations are made using a computer program
- Coal Shippers requested program; BNSF refused to provide it
- Without program, Coal Shippers cannot replicate the BNSF IDV calculation procedures/results – they are a “Black Box” (Viz O.V.S. at 16)
- Unreasonable for the Board to approve Black Box Procedures
- Board has consistently rejected Black Box-based study results in other cases

Sound Science Requires Use of Study Data Suitable for its Intended Purpose

- Principal input data for Black Box IDV calculation is E-Sampler data
- E-Samplers located at MP 90.7, 558
- Asserted purpose of E-Sampler data is to measure accurately coal dust deposited in the ballast by each passing train
- E-Sampler data is not suitable for this purpose
- E-Samplers are located 60(+) feet from track ballast (not measuring coal dust deposited in ballast)
- E-Sampler measures all particulates in the air (not just coal dust)
- E-Sampler output used by BNSF is not being developed correctly

Sound Science Requires Use of Study Data Suitable for its Intended Purpose

- E-Sampler can measure particulate concentrations using two methods: laser (light scatter) and filter
- Universally recognized that light scatter can incorrectly measure particulate concentrations due to limitations in the technology
- Filters serve as “check” or “reference standard” for light scatter result accuracy
- BNSF not using filters; claims use is unnecessary
- BNSF submits no studies supporting lack of necessity
- Coal Shippers submit extensive evidence demonstrating that BNSF’s failure to test light scatter field results against filter results renders light scatter data unusable for intended purpose

BNSF's Variability Analysis is Not Based on Sound Science

- BNSF performed “side-by-side” E-Sampler/IDV tests measuring the same particulate emissions
- BNSF found tests could produce wildly different IDV answers
- *E.g.*, E-Sampler-1 IDV = 50; E-Sampler-2 IDV = 560
- To address “variability” of results, BNSF ran a regression of approximately 400 side-by-side pairs; concluded that if IDV is 300 or higher, 95% chance IDV is “really” above IDV of 134
- Variability Analysis Flawed
 - IDV Black Box
 - Unsuitable Data
 - Most data pairs otherwise unusable (*e.g.*, lab pairs, 0/0 pairs)
 - Other reasons detailed in Coal Shippers’ submissions