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WASHINGTON, D.C. 20006-4103
202-296-8600

SUSAN G. LICHTENFELD

February 2, 1998

RECORDATION NO. 20883-A FILED

VIA OVERNIGHT COURIER

FEB 3 '98 10-38 AM

Mr. Vernon A. Williams
Secretary
Office of the Secretary
The Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 2311

RECEIVED
SURFACE TRANSPORTATION
BOARD
FEB 3 10 38 AM '98

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three original executed copies and two photostatic copies of a Termination of Security Agreement, dated as of January 6, 1998 (the "Termination Agreement"), between Johnstown America Corporation and City Public Service of San Antonio, which Termination Agreement is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Termination Agreement relates to that certain Memorandum of Railcar Security Agreement, dated as of August 27, 1997 (the "Security Agreement"), between Johnstown America Corporation, as the Secured Party, and City Public Service of San Antonio, as the Grantor, which Security Agreement was duly recorded and filed, pursuant to 49 U.S.C. Section 11301, with The Surface Transportation Board on September 23, 1997 and assigned recordation number 20883.

The names and addresses of the parties to the enclosed Termination Agreement are:

Secured Party: Johnstown America Corporation
17 Johns Street
Johnstown, Pennsylvania 15901

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Grantor: City Public Service
145 Navarro St.
P.O. Box 1771
San Antonio, Texas 78296-1771

A description of the railroad equipment covered by the enclosed document is set forth in the Termination Agreement.

Also enclosed is a check in the amount of \$24.00 payable to the order of The Surface Transportation Board covering the required recordation fee.

Kindly return two stamped original copies, two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 3100, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Termination of Security Agreement, dated as of January 6, 1998, between Johnstown America Corporation and City Public Service of San Antonio, which related to and terminates the Memorandum of Security Agreement dated as of August 27, 1997.

Primary Document to Which it Relates

Memorandum of Railcar Security Agreement, dated as of August 27, 1997, between Johnstown America Corporation, as Secured Party, and City Public Service of San Antonio, as Grantor, duly recorded and filed, pursuant to 49 U.S.C. §11301, with the Surface Transportation Board on September 23, 1997 and assigned Recordation Number 20883.

Very truly yours,


Susan G. Lichtenfeld

SGL/vgc
Enclosure
cc: Robert W. Kleinman

FEB 3 '98 10-38 AM

TERMINATION OF SECURITY AGREEMENT

THIS TERMINATION OF SECURITY AGREEMENT is made this 6th day of January, 1998, by and between Johnstown America Corporation ("JAC"), and City Public Service of San Antonio ("City").

WHEREAS, JAC and City are parties to a Memorandum of Railcar Security Agreement, dated as of August 27, 1997 (the "Security Agreement"); and

WHEREAS, the Security Agreement created a lien and security interest in favor of JAC in and to the railcars described on Schedule 1 attached hereto (the "Equipment"); and

WHEREAS, the Security Agreement was duly filed for recordation with the Surface Transportation Board (the "STB") pursuant to 49 U.S.C. Section 11301, on September 23, 1997, at 9:23 a.m. and given Recordation Number 20883; and

WHEREAS, JAC and City desire to terminate and cancel the Security Agreement and to record such termination and cancellation with the STB;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, JAC and City, intending to be legally bound, agree as follows:

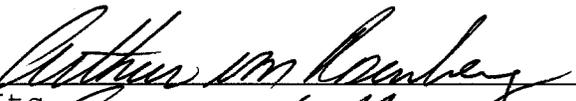
1. JAC and City hereby terminate and cancel the Security Agreement, effective as of January 2, 1998, and JAC and City hereby agree that no rights, duties or liabilities under the Security Agreement shall survive such termination and cancellation of the Security Agreement.
2. The parties agree to record this Termination of Security Agreement with the STB so as to release any lien against the Equipment created by or arising out of the Security Agreement.
3. This Termination of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together constituting only one and the same agreement.

IN WITNESS WHEREOF, JAC and City have caused this Termination of Security Agreement to be executed as of the day and year first above written.

JOHNSTOWN AMERICA CORPORATION

By 
Its *DIRECTOR, MARKETING AND SALES ADMINISTRATION*

CITY PUBLIC SERVICE OF SAN ANTONIO

By 
Its *General Manager*

STATE OF PENNSYLVANIA)
) : SS
COUNTY OF CAMBRIA)

On this, the 6TH day of January, 1998, before me, a Notary Public in and for said County and State, personally appeared Michael P. Siska Jr of JOHNSTOWN AMERICA CORPORATION who acknowledged himself to be a duly authorized officer of JOHNSTOWN AMERICA CORPORATION, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

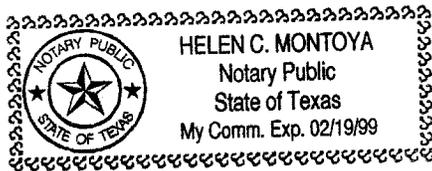
Carol A Phillips

Name:
Notary Public
My Commission Expires:
Residing in

NOTARIAL SEAL
CAROLYN A. PHILLIPS, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 7, 2001

STATE OF TEXAS)
) : SS
COUNTY OF BEXAR)

On this, the 15TH day of January, 1998, before me, a Notary Public in and for said County and State, personally appeared Arthur von Rosenberg, General Manager of CITY PUBLIC SERVICE OF SAN ANTONIO, who acknowledged himself to be a duly authorized officer, of CITY PUBLIC SERVICE OF SAN ANTONIO and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.



Helen C. Montoya

Name:
Notary Public
My Commission Expires:
Residing in

SCHEDULE 1
TO TERMINATION OF SECURITY AGREEMENT

165 Aluminum BethGon Coalporter Railcars bearing the following road marks and numbers:

SATX 11001 - SATX 11165 (inclusive)