Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fo.k COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	RATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRB %	TONS	CENTS	NPRB %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
		1989	0%	0	0	55%	207	123.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	45%	167	110	374
		1990	0%	0	0	58%	230	126.7	0%	0	0	0%	0	0	0%	0	119.6	0%	0	0	0%	0	0	0%	0	0	RLB	40%	170	117	400
		1991	0%	0	0	34%	112	126.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	66%	215	118	327
		1992	0%	0	0	46%	164	127.6	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	54%	192	231.3	355
		1993	0%	0	0	57%	193	127.7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	43%	145	284.2	338
		1994	0%	0	0	47%	196	131.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	53%	223	179.4	419
		1995	0%	0	0	66%	264	131.7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB	34%	138	275.4	402
Kansas City Power & Light Co	Hawthorn	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,311	92.7	0%	0	0		0%	0	0	1,311
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,300	94.3	0%	0	0		0%	0	0	1,300
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,463	93.4	0%	0	0		0%	0	0	1,463
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,259	94.4	0%	0	0		0%	0	0	1,259
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,140	83.0	0%	0	0		0%	0	0	1,140
		1994	0%	0	0	3%	35	129.2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	97%	1,331	92.3	0%	0	0		0%	0	0	1,366
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,279	86.6	0%	0	0		0%	0	0	1,279
Kansas Power & Light (Kp&L Wr)	Lawrence Energy Center	1989	0%	0	0	100%	1,031	129.3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,031
		1990	0%	0	0	88%	1,179	130.8	0%	0	0	0%	0	0	12%	159	118.2	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,338
		1991	0%	0	0	100%	1,098	130.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,098
		1992	0%	0	0	79%	882	125.9	18%	206	111.4	0%	0	0	3%	34	118.0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,122
		1993	0%	0	0	99%	804	125.8	1%	7	116.3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	811
		1994	0%	0	0	4%	30	115.2	96%	755	115.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	785
		1995	0%	0	0	0%	0	0	100%	1,051	118.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,051
	Tecumseh Energy Center	1989	0%	0	0	100%	528	129.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	528
		1990	0%	0	0	98%	392	131.1	0%	0	0	0%	0	0	2%	9	121.7	0%	0	0	0%	0	0	0%	0	0		0%	0	0	400
		1991	0%	0	0	100%	360	130.1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	360
		1992	0%	0	0	78%	321	125.6	22%	88	111.9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	409
		1993	0%	0	0	75%	280	125.8	25%	93	117.7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	373
		1994	0%	0	0	3%	12	118.4	97%	393	115.5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	405
		1995	0%	0	0	0%	0	0	100%	373	118.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	373
Manitowoc Public Utilities	Manitowoc	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP	100%	114	178.0	114
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP	100%	129	185.6	129
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	142	168.3	142
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	138	174.4	138
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	4%	5	134.2	0%	0	0	CAPP	96%	120	172.5	124
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	2%	3	121.8	0%	0	0	CAPP/ILB	98%	123	171.1	125
		1995	0%	0	0	0%	0	0	0%	0	0	2%	2	148.7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	98%	106	166.1	108
Midwest Power Systems Inc	Neal (Ia)	1989	0%	0	0	11%	434	159.6	0%	0	0	0%	0	0	0%	0	0	0%	0	0	89%	3,588	86.9	0%	0	0		0%	0	0	4,021
		1990	0%	0	0	13%	647	124.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	87%	4,276	76.8	0%	0	0		0%	0	0	4,923
		1991	0%	0	0	16%	887	120.9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	84%	4,527	77.5	0%	0	0		0%	0	0	5,414
		1992	0%	0	0	13%	665	124.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	87%	4,455	77.9	0%	0	0		0%	0	0	5,119
		1993	0%	0	0	12%	646	107.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	88%	4,709	77.1	0%	0	0		0%	0	0	5,354
		1994	0%	0	0	10%	524	112.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	90%	4,815	76.2	0%	0	0		0%	0	0	5,339
		1995	0%	0	0	10%	618	113.3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	90%	5,316	76.9	0%	0	0		0%	0	0	5,934
Minnesota Power & Light	Laskin Energy Center	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	99%	107	179.4	CAPP	1%	1	198.4	108
		1990	0%	0	0	23%	10	154.9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	69%	31	179.6	CAPP	8%	4	207.9	44
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	94%	51	180.7	NAPP	6%	3	201.7	54
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	65	92.1		0%	0	0	65
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	86%	138	108.1	CAPP/NAPP	14%	22	116.5	161
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	86%	138	111.1	CAPP/NAPP	14%	23	105.3	161
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	96%	182	111.1	CAPP/NAPP	4%	8	160.4	190
Mississippi Power Company	Jack Watson	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB/CAPP	100%	1,617	143.9	1,617
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB/CAPP	100%	1,923	149.5	1,923

Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	Hanna %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	Uinta %	TONS	CENTS	Eaton %	TONS	CENTS	Four Corners %	TONS	CENTS	Spring %	TONS	CENTS	Ripon %	TONS	CENTS	Other Source Regions REGION	%	TONS	CENTS	Total Tons
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]	[illegible]	0	0%	0	0	0%	0	0	0%	0	0	RB	100%	1,7	[illegible]2	1,519
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]	[illegible]	0	0%	0	0	0%	0	0	0%	0	0	RB/CAPP	100%	1	[illegible]4	1,487
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0	0	0	0%	0	0	0%	0	0	0%	0	0	RB/CAPP	100%	1	[illegible]3	1,396
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB/CAPP	100%	1,15[illegible]	[illegible]33.2	1,155
		1995	0%	0	0	0%	0	0	0%	0	0	1%	11	145 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	99%	1,236	123 0	1,248
	Victor J Daniel	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP	100%	1,105	194 0	1,105
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP	100%	1,222	166 1	1,222
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	7%	105	145 2	CAPP	93%	1,307	171 3	1,412
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	7%	71	153 0	9%	82	136 0	CAPP	84%	811	170 0	964
		1993	0%	0	0	0%	0	0	6%	66	159 6	6%	70	161 0	2%	22	151 0	0%	0	0	0%	0	0	15%	178	159 1	CAPP/IMP	72%	843	173 5	1,179
		1994	0%	0	0	0%	0	0	31%	715	159 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	56%	1,288	138 0	CAPP	12%	279	181 7	2,283
		1995	0%	0	0	0%	0	0	43%	951	161 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	57%	1,269	140 0	CAPP	0%	0	0	2,221
Muscatine Power & Water	Muscatine	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	100%	536	192 4	536
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	100%	530	192 0	530
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	2%	11	105 1	0%	0	0	RB	98%	530	217 2	541
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	4%	22	100 0	0%	0	0	RB	96%	536	223 8	559
		1993	0%	0	0	2%	10	141 3	0%	0	0	1%	10	160 8	0%	0	0	0%	0	0	91%	610	82 7	0%	0	0	RB	6%	39	97 6	669
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	79%	618	74 8	0%	0	0	RB	21%	160	107 6	778
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	77%	610	76 5	0%	0	0	RB	23%	186	108 6	796
Nebraska Public Power District	Gentleman	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,534	91 6	0%	0	0		0%	0	0	3,534
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,238	82 6	0%	0	0		0%	0	0	3,238
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,377	84 2	0%	0	0		0%	0	0	3,377
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,256	83 9	0%	0	0		0%	0	0	3,256
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,677	81 3	0%	0	0		0%	0	0	3,677
		1994	0%	0	0	0%	0	0	0%	0	0	1%	56	112 4	0%	0	0	0%	0	0	99%	3,866	81 6	0%	0	0		0%	0	0	3,922
		1995	0%	0	0	0%	0	0	0%	0	0	0%	11	109 9	0%	0	0	0%	0	0	100%	4,753	77 1	0%	0	0		0%	0	0	4,764
	Sheldon	1989	0%	0	0	4%	28	163 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	96%	614	78 4	0%	0	0		0%	0	0	642
		1990	0%	0	0	1%	9	112 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	99%	584	78 8	0%	0	0		0%	0	0	593
		1991	0%	0	0	1%	9	114 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	99%	746	78 2	0%	0	0		0%	0	0	755
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	558	78 1	0%	0	0		0%	0	0	558
		1993	0%	0	0	5%	33	117 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	95%	679	78 2	0%	0	0		0%	0	0	712
		1994	0%	0	0	6%	47	114 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	94%	679	83 1	0%	0	0		0%	0	0	725
		1995	0%	0	0	3%	22	112 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	97%	803	84 4	0%	0	0		0%	0	0	826
Nevada Power Co	Gardner	1989	0%	0	0	0%	0	0	0%	0	0	100%	1,503	193 6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,503
		1990	0%	0	0	0%	0	0	0%	0	0	100%	1,886	177 6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,886
		1991	0%	0	0	0%	0	0	0%	0	0	100%	1,676	181 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,676
		1992	0%	0	0	0%	0	0	0%	0	0	100%	1,372	185 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,372
		1993	0%	0	0	0%	0	0	0%	0	0	100%	1,371	177 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,371
		1994	0%	0	0	0%	0	0	0%	0	0	100%	1,590	160 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,590
		1995	0%	0	0	0%	0	0	0%	0	0	100%	1,626	133 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,626
Northern Indiana Public Service Co	Bailly	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	100%	1,202	130 1	1,202
		1990	0%	0	0	1%	10	182 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	99%	1,130	134 0	1,140
		1991	0%	0	0	6%	29	182 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	94%	495	136 2	524
		1992	0%	0	0	5%	68	186 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	95%	1,347	131 7	1,415
		1993	0%	0	0	1%	10	188 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	6%	80	106 8	0%	0	0	RB	93%	1,215	134 5	1,305
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	2%	24	95 2	0%	0	0	RB	98%	1,291	133 2	1,315
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	100%	1,336	137 6	1,336
	Michigan City	1989	0%	0	0	27%	234	174 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB	73%	638	161 8	873
		1990	0%	0	0	27%	304	179 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RB/CAPP	73%	823	136 8	1,126
		1991	0%	0	0	19%	252	179 0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	5%	61	108 4	0%	0	0	RB	76%	1,005	123 2	1,318
		1992	0%	0	0	23%	235	183 0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	4%	41	100 2	0%	0	0	RB/CAPP	73%	747	122 8	1,022
		1993	0%	0	0	38%	475	185 4	0%	0	0	3%	41	175 4	0%	0	0	0%	0	0	29%	356	100 2	0%	0	0	RB/CAPP	29%	364	122 6	1,234
		1994	0%	0	0	56%	782	188 3	0%	0	0	5%	64	162 3	0%	0	0	0%	0	0	39%	546	95 4	0%	0	0		0%	0	0	1,392
		1995	0%	0	0	47%	674	186 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	53%	771	102 6	0%	0	0		0%	0	0	1,445
	Mitchell	1989	0%	0	0	1%	11	180 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	76%	1,023	123 0	0%	0	0	CAPP	23%	317	164 4	1,350
		1990	0%	0	0	10%	92	186 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	57%	547	123 8	0%	0	0	CAPP	34%	326	169 5	965

Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	BATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRB %	TONS	CENTS	NPRB %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]	[illegible]	0	0%	0	0	75%	770	117 3	0%	0	0	CAPP	25%		.8	1,027
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]	[illegible]	0	0%	0	0	70%	752	100 5	0%	0	0	CAPP	30%		3	1,079
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	82%	795	103 8	0%	0	0	CAPP	18%		.5	973
		1994	0%	0	0	0%	0	0	2%	23	148 9	22%	222	152 0	0%	0	0	0%	0	0	57%	576	106 2	0%	0	0	CAPP	19%	187	164 3	1,007
		1995	0%	0	0	28%	264	192 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	67%	620	115 4	0%	0	0	CAPP	5%	44	166 0	928
	Schahfer	1989	0%	0	0	34%	1,003	176 4	9%	257	301 3	0%	0	0	0%	0	0	0%	0	0	1%	44	128 6	6%	164	135 6	ILB/CAPP	50%	1,489	157 6	2,957
		1990	0%	0	0	20%	646	178 9	13%	427	300 4	5%	173	247 0	0%	0	0	0%	0	0	5%	162	127 5	7%	237	137 3	ILB/CAPP	49%	1,559	154 4	3,205
		1991	0%	0	0	34%	1,189	184 5	14%	470	168 5	6%	219	171 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	46%	1,569	152 7	3,446
		1992	0%	0	0	30%	1,055	187 0	2%	76	152 3	20%	698	154 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	48%	1,714	136 2	3,543
		1993	0%	0	0	29%	841	188 8	2%	56	148 3	35%	1,024	154 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	34%	987	133 5	2,907
		1994	0%	0	0	20%	668	188 0	1%	22	148 0	8%	275	161 9	0%	0	0	0%	0	0	23%	762	111 6	0%	0	0	ILB	48%	1,567	137 9	3,294
		1995	0%	0	0	6%	251	193 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	50%	2,097	117 6	0%	0	0	ILB	45%	1,884	123 0	4,233
Pacificorp	Bridger	1989	100%	7,581	105 9	0%	18	101 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	7,599
		1990	100%	7,736	105 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	22	85 8	0%	0	0		0%	0	0	7,758
		1991	97%	7,484	106 4	3%	244	75 0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	7,728
		1992	98%	8,546	102 8	2%	162	77 0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	8,708
		1993	100%	8,186	103 0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	8,186
		1994	100%	9,002	102 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	9,002
		1995	99%	8,280	105 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	1%	70	76 6	0%	0	0		0%	0	0	8,350
	Centralia	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	11%	627	124 6	1%	55	130 8	WASH ST	88%	4,924	160 1	5,606
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	7%	348	127 4	0%	0	0	WASH ST	93%	4,696	160 0	5,044
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	WASH ST	100%	4,890	154 8	4,890
		1992	0%	0	0	0%	0	0	0%	0	0	2%	118	128 2	0%	0	0	0%	0	0	0%	0	0	12%	710	123 2	WASH ST	86%	4,984	139 6	5,812
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	14%	721	124 6	WASH ST	86%	4,562	137 6	5,283
		1994	0%	0	0	0%	0	0	0%	0	0	7%	409	127 4	0%	0	0	0%	0	0	0%	0	0	18%	1,092	123 2	WASH ST	76%	4,634	141 0	4,135
		1995	0%	0	0	0%	0	0	0%	0	0	1%	77	125 5	0%	0	0	0%	0	0	0%	0	0	11%	579	125 4	WASH ST	88%	4,626	146 5	5,282
Pennsylvania Power & Light Co	Brunner Island	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	3,656	169 5	3,656
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	3,930	183 0	3,930
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	3,443	189 9	3,443
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	3,471	186 9	3,471
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP/CAPP	100%	2,798	148 6	2,798
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	2,772	147 9	2,772
		1995	0%	0	0	0%	0	0	0%	0	0	0%	9	184 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	2,510	150 2	2,519
Portland General Electric Co	Boardman	1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	866	107 6	0%	0	0		0%	0	0	866
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,719	108 2	0%	0	0		0%	0	0	1,719
		1992	0%	0	0	0%	0	0	0%	0	0	5%	99	106 9	0%	0	0	0%	0	0	0%	0	0	95%	1,833	110 5		0%	0	0	1,932
		1993	0%	0	0	0%	0	0	0%	0	0	7%	111	109 1	0%	0	0	0%	0	0	72%	1,199	112 2	21%	355	113 0		0%	0	0	1,665
		1994	26%	575	110 8	0%	0	0	0%	0	0	4%	100	109 5	0%	0	0	0%	0	0	70%	1,548	105 6	0%	0	0		0%	0	0	2,223
		1995	17%	201	112 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	83%	999	104 3	0%	0	0		0%	0	0	1,200
Psc Of Colorado	Arapahoe	1989	0%	0	0	0%	0	0	50%	287	118 5	45%	258	115 5	6%	32	130 2	0%	0	0	0%	0	0	0%	0	0		0%	0	0	577
		1990	0%	0	0	0%	0	0	100%	569	115 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	569
		1991	0%	0	0	0%	0	0	96%	452	112 4	0%	0	0	4%	20	112 9	0%	0	0	0%	0	0	0%	0	0		0%	0	0	472
		1992	0%	0	0	0%	0	0	98%	452	114 2	0%	0	0	2%	11	101 0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	462
		1993	0%	0	0	0%	0	0	87%	511	107 8	13%	74	117 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	585
		1994	0%	0	0	0%	0	0	83%	606	108 5	16%	116	116 3	0%	0	0	0%	0	0	0%	0	0	1%	10	76 2		0%	0	0	732
		1995	0%	0	0	0%	0	0	93%	537	119 9	3%	19	105 5	0%	0	0	0%	0	0	4%	21	91 4	0%	0	0		0%	0	0	578
	Valmont	1989	0%	0	0	28%	165	101 7	38%	227	110 5	34%	206	108 6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	597
		1990	0%	0	0	0%	0	0	100%	426	107 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	426
		1991	0%	0	0	0%	0	0	100%	437	107 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	437
		1992	0%	0	0	0%	0	0	98%	559	108 1	0%	0	0	2%	11	101 1	0%	0	0	0%	0	0	0%	0	0		0%	0	0	570
		1993	0%	0	0	0%	0	0	73%	336	109 3	27%	126	113 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	462
		1994	0%	0	0	0%	0	0	57%	303	104 0	43%	230	112 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	534
		1995	0%	0	0	0%	0	0	97%	506	116 5	3%	14	93 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	520
San Antonio Public Service	Deely	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,148	136 1	0%	0	0		0%	0	0	3,148
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	2,655	126 5	0%	0	0		0%	0	0	2,655
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,931	126 6	0%	0	0		0%	0	0	3,931
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,348	128 6	0%	0	0		0%	0	0	3,348
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	3,061	118 3	0%	0	0		0%	0	0	3,061
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	2,726	113 1	0%	0	0		0%	0	0	2,726

Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	RATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRR %	TONS	CENTS	NPRR %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
		1991	0%	0	0	1%	27	131.8	0%	0	0	1%	22	129.5		0	0	0%	0	0	98%	3,710	110.7	0%	0	0	G LIGNITE	1%		0.4	3,783
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0	0	0%	0	0	100%	194	117.3	0%	0	0		0%		0	194
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0	0	0	0%	0	0	100%	2,225	118.2	0%	0	0		0%		0	2,225
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,980	112.7	0%	0	0		0%		0	1,980
		1995	0%	0	0	1%	20	135.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	98%	1,527	111.1	0%	0	0	G LIGNITE	1%	15	119.8	1,562
Sierra Pacific Power Co	North Valmy	1989	39%	555	200.1	0%	0	0	0%	0	0	61%	872	182.6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,427
		1990	40%	575	202.7	0%	0	0	0%	0	0	60%	845	187.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,420
		1991	35%	469	201.0	0%	0	0	0%	0	0	65%	877	193.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,346
		1992	52%	800	200.2	0%	0	0	0%	0	0	48%	745	197.1	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,545
		1993	52%	754	202.6	0%	0	0	0%	0	0	48%	696	193.6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,450
		1994	62%	1,012	204.8	0%	0	0	0%	0	0	38%	610	189.2	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	1,622
		1995	35%	341	207.4	0%	0	0	0%	0	0	65%	638	192.6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	979
Sikeston Board Of Mun Utils	Sikeston	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	557	154.9	557
		1990	0%	0	0	3%	20	142.0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	97%	630	149.7	650
		1991	0%	0	0	1%	10	139.4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	99%	715	140.0	725
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	587	150.7	587
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	354	174.9	354
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	324	173.7	324
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	330	143.5	330
Springfield City Utilities	James River	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/INTER	100%	440	124.9	440
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	419	131.5	419
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	169	135.3	169
		1992	0%	0	0	0%	0	0	0%	0	0	15%	41	142.5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	85%	230	132.9	271
		1993	0%	0	0	0%	0	0	0%	0	0	37%	103	145.3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	63%	173	135.0	275
		1994	0%	0	0	0%	0	0	0%	0	0	32%	153	151.1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	68%	319	136.5	472
		1995	0%	0	0	0%	0	0	0%	0	0	95%	333	150.9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	5%	18	138.6	351
	Southwest	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/INTER	100%	310	128.5	310
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/INTER	100%	442	135.6	442
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	499	136.1	499
		1992	0%	0	0	0%	0	0	0%	0	0	2%	11	139.5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	98%	466	132.0	477
		1993	0%	0	0	0%	0	0	2%	10	144.2	52%	220	147.8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	45%	190	134.5	420
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	90%	389	136.2	432
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	548	106.2	0%	0	0		0%	0	0	548
St Joseph Light & Power Co	Lake Road	1989	0%	0	0	3%	5	141.2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	INTERIOR	97%	175	136.4	180
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	INTER/ILB	100%	172	133.0	172
		1991	0%	0	0	4%	7	148.6	0%	0	0	0%	0	0	4%	8	167.2	0%	0	0	0%	0	0	0%	0	0	INTERIOR	93%	181	137.9	195
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	INTERIOR	100%	135	139.2	135
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	INTERIOR	100%	142	139.4	142
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	INTER/ILB	100%	221	132.9	221
		1995	0%	0	0	8%	12	136.7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	7%	10	112.7	0%	0	0	INTER/ILB	84%	119	132.5	141
Tampa Electric Co	Big Bend Trans Fac @ Davant Lo	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	6,219	169.7	6,219
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	6,091	177.5	6,091
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	5,800	187.2	5,800
		1992	0%	0	0	0%	0	0	0%	0	0	1%	32	163.8	3%	181	146.5	0%	0	0	0%	12	142.3	0%	0	0	ILB/CAPP	96%	5,309	185.7	5,533
		1993	0%	0	0	0%	0	0	0%	0	0	3%	187	156.1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	97%	5,459	181.3	5,646
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	7%	422	158.7	0%	0	0	2%	118	131.6	0%	0	0	ILB/CAPP	91%	5,387	175.2	5,927
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	15%	811	184.3	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	85%	4,554	158.2	5,364
Tennessee Valley Authority	Allen (Tn)	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	1,310	117.2	1,310
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	1,541	118.3	1,541
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	1,294	123.1	1,294
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	100%	1,500	123.4	1,500
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	100%	1,827	125.7	1,827
		1994	0%	0	0	0%	0	0	0%	0	0	1%	27	129.1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	99%	1,992	122.7	2,019
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	100%	873	116.8	873

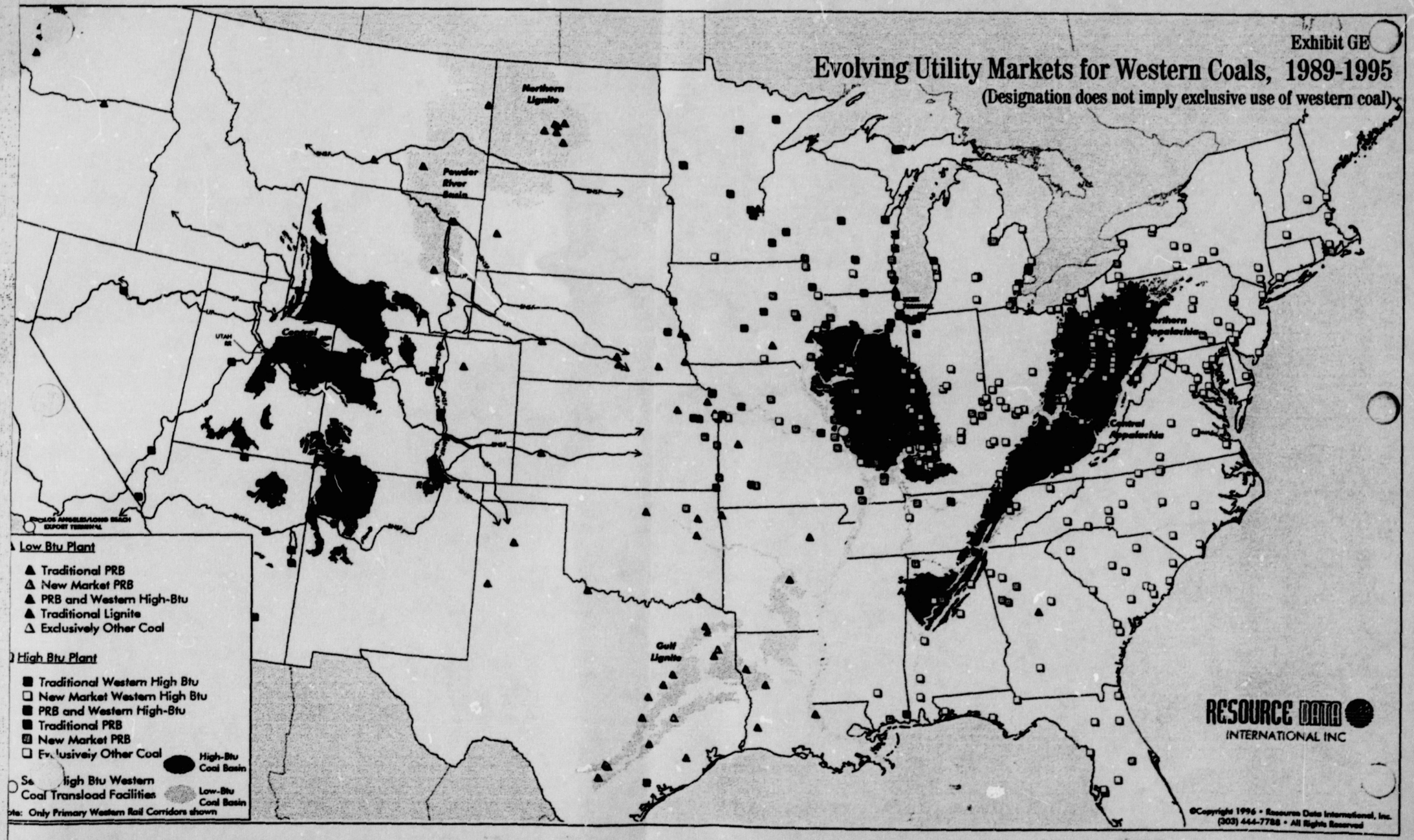
Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	RATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRB %	TONS	CENTS	NPRB %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
	[illegible] T	1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]	[illegible]	0	0%	0	0	22%	72	95 3	0%	0	0	ILB/CAPP	78%			325
		1994	0%	0	0	0%	0	0	0%	0	0	21%	99	124 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	79%		8	475
		1995	0%	0	0	0%	0	0	0%	0	0	65%	327	114 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	35%	177	95 3	504
	Cahokia Terminal	1994	0%	0	0	0%	0	0	0%	0	0	100%	106	123 6	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	106
		1995	0%	0	0	0%	0	0	0%	0	0	90%	1,109	115 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	10%	126	92.7	1,235
	Colbert	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP/ILB	100%	3,063	184 1	3,063
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP/SAP	100%	2,063	122.3	2,063
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB/SAPP	100%	3,011	131.9	3,011
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB/SAPP	100%	2,742	129.6	2,742
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB/SAPP	100%	2,769	129.6	2,769
		1994	0%	0	0	0%	0	0	0%	0	0	1%	27	130 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB/SAPP	99%	2,915	127.2	2,941
		1995	0%	0	0	0%	0	0	0%	0	0	0%	10	126 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB/SAPP	100%	2,734	118.9	2,744
	Cumberland	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	5,291	128.8	5,291
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	6,345	130.0	6,345
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	5,645	125.9	5,645
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	6,929	129.8	6,929
		1993	0%	0	0	0%	0	0	2%	154	123 7	0%	11	133 1	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/NAPP	97%	6,437	127.2	6,602
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/NAPP	100%	5,729	127.2	5,729
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	100%	8,618	102.7	8,618
	Gallatin [illegible]	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	1,964	136.6	1,964
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	2,605	121.3	2,605
	[illegible]	1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	2,404	122.9	2,404
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	3%	71	132 1	0%	0	0	ILB	97%	2,143	124.8	2,214
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	2,783	126.9	2,783
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	100%	2,412	125.9	2,412
		1995	0%	0	0	0%	0	0	0%	0	0	1%	23	141 6	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP	99%	2,301	122 5	2,324
	Paradise	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	7,114	97.1	7,114
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	3%	202	122 5	0%	0	0	ILB	97%	6,979	103.8	7,181
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	9%	506	123 4	0%	0	0	ILB	91%	5,263	106.5	5,769
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	6,456	106.5	6,456
		1993	1%	77	128 3	2%	171	128 2	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP/CAPP	96%	6,803	107.4	7,051
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/NAPP	100%	6,883	107.1	6,883
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	100%	7,094	92.7	7,094
	Shawnee	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	2,149	118.8	2,149
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	2,808	129.7	2,808
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	2,271	130.6	2,271
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	100%	2,502	129.4	2,502
		1993	0%	0	0	0%	0	0	0%	0	0	8%	298	131 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	92%	3,428	126.5	3,726
		1994	0%	0	0	0%	0	0	3%	80	122 5	40%	1,255	123 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	57%	1,778	131.0	3,112
		1995	0%	0	0	0%	0	0	19%	734	119 6	28%	1,059	122 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	CAPP/ILB	53%	2,028	121.2	3,820
	Widows Creek	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	100%	2,804	114.7	2,804
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	100%	3,424	129.4	3,424
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	100%	2,649	124.8	2,649
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	100%	3,642	116.1	3,642
		1993	0%	0	0	0%	0	0	1%	51	116 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	99%	3,965	124.9	4,015
		1994	0%	0	0	0%	0	0	1%	39	135 5	4%	169	127 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	95%	3,811	126.0	4,019
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB/CAPP/SAPP	100%	4,194	120.8	4,194
Tri-State G & T Assn Inc	Nucla	1989	0%	0	0	0%	0	0	0%	0	0	73%	125	126 2	0%	0	0	27%	46	108 3	0%	0	0	0%	0	0		0%	0	0	171
		1990	0%	0	0	0%	0	0	0%	0	0	100%	209	125 5	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	209
		1991	0%	0	0	0%	0	0	0%	0	0	100%	229	120 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0		0%	0	0	229
		1992	0%	0	0	0%	0	0	0%	0	0	3%	8	124 4	0%	0	0	97%	232	92 8	0%	0	0	0%	0	0		0%	0	0	240
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	292	89 9	0%	0	0	0%	0	0		0%	0	0	292
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	384	78 1	0%	0	0	0%	0	0		0%	0	0	384
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	375	73 9	0%	0	0	0%	0	0		0%	0	0	375
Union Electric Co	Labadie	1989	2%	128	161 7	0%	0	0	0%	0	0	2%	110	185 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	96%	5,074	138.8	5,312
		1990	0%	0	0	0%	0	0	0%	0	0	6%	292	159 7	0%	0	0	0%	0	0	5%	237	97 9	0%	0	0	ILB	90%	4,589	140 6	5,118
		1991	0%	0	0	0%	0	0	0%	0	0	7%	377	159 8	0%	0	0	0%	0	0	23%	1,304	87 6	0%	0	0	ILB	70%	3,895	144 6	5,576
		1992	0%	0	0	0%	0	0	0%	0	0	9%	487	161 0	0%	0	0	0%	0	0	46%	2,501	88 3	0%	0	0	ILB	45%	2,480	128 6	5,468
		1993	0%	0	0	0%	0	0	0%	0	0	10%	410	162 6	0%	0	0	0%	0	0	63%	2,706	88 9	0%	0	0	ILB	28%	1,184	147 2	4,300
		1994	0%	0	0	0%	0	0	0%	0	0	12%	713	157 4	0%	0	0	0%	0	0	57%	3,483	91 6	0%	0	0	ILB	31%	1,870	134 0	6,066

Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	BATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRB %	TONS	CENTS	NPRB %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
		1995	0%	0	0	0%	0	0	0%	0	0	6%	395	160 7	[illegible]	[illegible]	0	0%	0	0	66%	4,619	91 8	0%	0	0	ILB	28%	1,[illegible]	[illegible]6	6,947
Utilicorp United Inc	Sib[illegible]	1989	0%	0	0	3%	18	147 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	ILB	97%	[illegible]	[illegible]6	694
		1990	0%	0	0	2%	17	148 8	0%	0	0	0%	0	0	2%	18	134 7	0%	0	0	0%	0	0	0%	0	0	ILB	96%	82[illegible]	[illegible]63 3	857
		1991	0%	0	0	2%	19	147 3	0%	0	0	0%	0	0	0%	0	0	0%	0	0	2%	18	102 8	0%	0	0	ILB	96%	920	148 9	957
		1992	0%	0	0	0%	0	0	0%	0	0	4%	36	139 1	0%	0	0	0%	0	0	2%	19	96 0	0%	0	0	ILB	94%	929	134 1	984
		1993	0%	0	0	51%	527	121 5	0%	0	0	19%	198	116 3	1%	9	121 4	0%	0	0	19%	195	72 7	0%	0	0	ILB	10%	101	139 4	1,031
		1994	0%	0	0	32%	439	114 6	0%	0	0	21%	298	113 4	0%	0	0	0%	0	0	37%	516	70 9	0%	0	0	ILB	10%	138	123 4	1,391
		1995	0%	0	0	57%	729	115 3	0%	0	0	4%	56	118 6	0%	0	0	0%	0	0	38%	490	71 3	0%	0	0		0%	0	0	1,275
Wisconsin Electric Power Co	Oak Creek North	1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	24%	37	139 9	0%	0	0	8%	12	94 7	0%	0	0	ILB/NAPP	68%	105	128 5	154
	Oak Creek South	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP/ILB	100%	1,663	149 6	1,663
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	1%	22	172 7	0%	0	0	0%	0	0	0%	0	0	NAPP/ILB	99%	1,738	151 9	1,759
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	1%	12	172 7	0%	0	0	0%	0	0	0%	0	0	NAPP/ILB	99%	1,735	150 9	1,747
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	33%	578	150 7	0%	0	0	0%	0	0	0%	0	0	NAPP/ILB	67%	1,180	152 3	1,758
		1993	0%	0	0	0%	0	0	0%	0	0	3%	56	151 5	83%	1,563	152 3	0%	0	0	0%	0	0	0%	0	0	CAPP	15%	275	143 8	1,894
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	93%	1,845	153 9	0%	0	0	4%	70	89 7	0%	0	0	CAPP	3%	66	149 5	1,981
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	80%	1,541	158 1	0%	0	0	3%	62	93 7	0%	0	0	ILB/NAPP/CAPP	17%	334	133 1	1,937
	Pleasant Prairie	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	4,925	95 0	0%	0	0		0%	0	0	4,925
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	4,560	95 6	0%	0	0		0%	0	0	4,560
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	4,910	97 1	0%	0	0		0%	0	0	4,910
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	4,438	90 3	0%	0	0		0%	0	0	4,438
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	11	152 7	0%	0	0	100%	4,315	69 1	0%	0	0		0%	0	0	4,326
		1994	4%	191	115 4	6%	279	109 9	0%	0	0	0%	0	0	0%	0	0	0%	0	0	91%	4,506	73 7	0%	0	0		0%	0	0	4,977
		1995	0%	12	115 8	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	4,912	76 9	0%	0	0		0%	0	0	4,924
	Port Washington	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	171	160 3	171
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	139	165 1	139
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	125	159 7	125
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	138	154 0	138
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	84	157 9	84
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	3%	10	177 5	0%	0	0	0%	0	0	0%	0	0	NAPP	97%	335	140 0	344
		1995	0%	0	0	0%	0	0	0%	0	0	9%	34	138 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	91%	354	143 3	388
	Presque Isle	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	64%	1,108	175 7	CAPP	36%	618	146 8	1,726
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	61%	863	177 4	CAPP	39%	550	158 4	1,412
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	74%	887	181 8	CAPP	26%	307	160 9	1,194
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	2%	25	125 3	60%	859	182 5	CAPP	38%	539	146 4	1,423
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	3%	35	126 1	61%	834	178 7	CAPP	37%	502	140 9	1,372
		1994	0%	0	0	0%	0	0	0%	0	0	14%	220	141 3	0%	0	0	0%	0	0	1%	24	121 3	54%	884	183 2	CAPP	30%	494	145 3	1,623
		1995	0%	0	0	0%	0	0	0%	0	0	31%	562	139 5	0%	0	0	0%	0	0	2%	43	125 0	56%	1,006	171 5	CAPP	11%	190	144 1	1,800
	Valley	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP/CAPP/ILB	100%	480	166 5	480
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	397	168 1	397
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	500	170 1	500
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	520	166 8	520
		1993	0%	0	0	0%	0	0	0%	0	0	2%	10	156 9	1%	3	165 4	0%	0	0	0%	0	0	0%	0	0	NAPP	97%	396	170 6	408
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	100%	492	153 5	492
		1995	0%	0	0	0%	0	0	0%	0	0	13%	72	153 4	0%	0	0	0%	0	0	0%	0	0	0%	0	0	NAPP	87%	464	156 6	536
Wisconsin Power & Light Co	Edgewater (Wi)	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	51%	953	179 0	0%	0	0	ILB	49%	907	177 3	1,860
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	62%	1,350	117 8	0%	0	0	ILB/CAPP	38%	837	183 1	2,187
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	65%	1,606	119 5	0%	0	0	ILB/CAPP	35%	859	186 5	2,465
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	62%	1,323	120 8	0%	0	0	ILB/CAPP	38%	813	187 7	2,136
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	82%	2,108	112 3	0%	0	0	ILB/CAPP	18%	476	187 9	2,584
		1994	0%	0	0	4%	113	147 0	0%	0	0	1%	21	164 1	0%	0	0	0%	0	0	77%	1,986	112 1	0%	0	0	ILB	18%	464	184 0	2,584
		1995	0%	0	0	4%	111	144 8	0%	0	0	3%	72	154 4	0%	0	0	0%	0	0	89%	2,342	117 8	0%	0	0	ILB	4%	108	157 9	2,632
	Nelson Dewey	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	50%	254	128 7	ILB/CAPP	50%	257	139 9	511
		1990	0%	0	0	2%	10	147 0	0%	0	0	0%	0	0	4%	22	175 5	0%	0	0	2%	11	122 2	75%	388	122 0	ILB/CAPP	17%	87	147 2	519
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	11%	55	120 9	58%	307	123 9	ILB/CAPP	31%	165	145 5	527
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	12%	55	108 9	54%	243	115 3	ILB/CAPP	33%	149	147 5	447
		1993	0%	0	0	4%	20	139 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	6%	33	101 1	83%	475	108 6	CAPP	7%	41	155 3	570
		1994	0%	0	0	5%	34	131 7	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	85%	544	115 7	CAPP	10%	62	161 9	639

Exhibit GE

Evolving Utility Markets for Western Coals, 1989-1995

(Designation does not imply exclusive use of western coal)



Utility	Plant	Year	Green River-Hams Fork WYOMING %	TONS	CENTS	HANNA %	TONS	CENTS	Green River-Hams Fork COLORADO %	TONS	CENTS	UINTA %	TONS	CENTS	RATON %	TONS	CENTS	FOUR CORNERS %	TONS	CENTS	SPRR %	TONS	CENTS	NPRR %	TONS	CENTS	OTHER SOURCE REGIONS REGION	%	TONS	CENTS	TOTAL TONS
		1988	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]		0	0%	0	0	10%	59	113 9	85%	499	118 3	RLB	5%		10	580
		1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	[illegible]		0	0%	0	0	0%	0	0	24%	54	158 4	RLB/CAPP	76%		2	222
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	13%	33	147 6	RLB/CAPP	87%		5	230
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	20%	44	153 0	RLB/CAPP	80%	17	0.2	221
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	6%	11	130 6	RLB	94%	180	198.0	191
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	22%	78	125 8	RLB/CAPP	68%	162	203.9	240
		1994	0%	0	0	8%	23	153 4	0%	0	0	3%	10	155 2	0%	0	0	0%	0	0	0%	0	0	34%	101	128 0	RLB	55%	165	200.3	299
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	82%	221	131 9	RLB	18%	50	163.5	270
Wisconsin Public Service Corp	Pulliam	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	RLB/CAPP	100%	660	194.9	660
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	1%	8	140 7	0%	0	0	RLB/CAPP	99%	651	192.4	659
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	5%	39	167 5	0%	0	0	9%	67	111 4	0%	0	0	RLB/CAPP	86%	670	203.5	776
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	29%	173	112 1	0%	0	0	RLB/CAPP	71%	421	196.7	594
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	78%	709	108 6	0%	0	0	CAPP/RLB	22%	199	173.9	908
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	74%	682	108 5	0%	0	0	CAPP/RLB	26%	239	178.5	921
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,104	115 1	0%	0	0		0%	0	0	1,104
	Weston	1989	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	81%	1,211	188 8	0%	0	0	RLB/NAPP	19%	284	194.2	1,495
		1990	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	79%	1,177	136 6	0%	0	0	RLB/NAPP/CAPP	21%	307	205.7	1,484
		1991	0%	0	0	0%	0	0	0%	0	0	0%	0	0	1%	20	184 8	0%	0	0	80%	1,284	137 5	0%	0	0	RLB/NAPP/CAPP	18%	293	204.1	1,597
		1992	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	93%	1,490	133 4	0%	0	0	RLB/CAPP	7%	116	205.8	1,606
		1993	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,643	128 4	0%	0	0		0%	0	0	1,643
		1994	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,749	119 6	0%	0	0		0%	0	0	1,749
		1995	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	100%	1,674	117 3	0%	0	0		0%	0	0	1,674

Differentials Between Western High Btu and Powder River Basin Coals

Figure 18

	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM
YEAR	EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	(¢/MMBTU)
1989	-	-	-	-	7,365	108					69	174	104
1989	1	-	17,376	-	7,048	261	212		133		94	168	74
1989	1,192	-	31,053	-	6,810	1,505	186		124		206	274	68
1989	-	-	-	-	11,628	10,170					56	101	46
1989	-	48,282	-	-	34,157	1,756		105			159	186	28
1989	-	-	-	-	5,393	10,359					91	114	23
1989	-	-	2,569	-	11,311	437			134		109	127	18
1989	-	-	1,337	-	11,545	1,775			153		109	126	18
1989	1,661	-	16,910	-	2,942	3,545			136		242	208	(34)
											MINIMUM VALUE		(34)
											MAXIMUM VALUE		104
											AVERAGE		38
											STANDARD DEVIATION		40

	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM
YEAR	EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	(¢/MMBTU)
1990	1,478	-	34,816	-	11,248	1,652	185		126		205	258	54
1990	47	-	16,353	-	7,595	348	196		138		97	147	50
1990	-	-	-	-	12,679	10,254					56	99	44
1990	-	49,051	-	-	32,716	1,829		119			159	201	42
1990	-	-	-	-	8,031	9					73	112	39
1990	2,151	-	3,029	-	12,578	54	166		161		132	163	31
1990	13	1	120	-	15,912	10	178	174	155		125	155	30
1990	-	-	2,332	-	12,502	792			149		99	128	30
1990	-	-	1,467	-	12,416	1,980			162		107	125	18
1990	-	-	-	-	5,358	9,985					105	107	2
1990	1,848	-	18,250	-	2,828	3,530	166		128		243	201	(42)
											MINIMUM VALUE		(42)
											MAXIMUM VALUE		54
											AVERAGE		27
											STANDARD DEVIATION		27

	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM
YEAR	EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	(¢/MMBTU)
1991	50	-	15,562	-	9,152	421	214		142		94	159	64
1991	-	-	-	-	8,897	12					71	128	57
1991	2,234	-	3,336	-	13,407	71	164		156		136	173	38
1991	-	-	-	-	12,611	9,938					54	87	33
1991	-	48,515	-	-	34,034	1,734		118			159	191	31
1991	-	-	2,284	-	13,162	887			154		96	124	28
1991	-	-	1,594	-	11,162	1,645			158		107	128	21
1991	2,009	-	17,642	-	3,992	3,170	158		129		234	242	9
1991	-	-	-	-	5,320	10,190					109	114	5
1991	1,437	-	31,735	-	10,962	2,159	169		127		210	175	(35)
											MINIMUM VALUE		(35)
											MAXIMUM VALUE		64
											AVERAGE		25
											STANDARD DEVIATION		28

YEA.	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM (¢/MMBTU)
	AST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	
1992	-	-	-	-	7,728	31					72	155	83
1992	37	-	14,778	-	9,112	575	211		133		92	148	56
1992	-	-	-	-	13,088	11,093					52	91	39
1992	-	48,622	-	80	34,256	1,781		126		175	163	190	28
1992	-	-	1,980	-	12,392	665			138		96	123	27
1992	2,075	-	2,483	-	12,443	588	160		156		131	146	15
1992	-	-	905	-	10,898	1,832			164		107	121	14
1992	13,298	-	9,443	1,419	12	212	188		177	145	142	155	13
1992	-	-	-	-	4,936	10,661					102	108	7
1992	-	-	-	-	1,833	99					110	107	(4)
1992	1,640	-	15,682	-	4,249	3,878	161		125		211	194	(17)
1992	-	-	-	5,002	716	118	169		127		210	175	(35)
1992	2,706	-	32,121	-	10,879	2,132	165		140		189	140	(49)
											MINIMUM VALUE		(49)
											MAXIMUM VALUE		83
											AVERAGE		14
											STANDARD DEVIATION		36

E YEAR	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM (¢/MMBTU)
	EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	
1993	-	-	3	-	8,663	33			18		73	188	115
1993	48	-	869	-	14,122	728	184		148		95	142	47
1993	35	-	6,542	-	11,163	1,478	212		156		90	136	46
1993	-	-	-	-	12,900	10,581					51	97	45
1993	14,325	-	20,036	-	72	546	129		11(		95	130	34
1993	1,193	-	1,003	-	14,027	1,736	166		167		122	154	32
19	-	-	510	-	14,450	1,538			207		96	124	28
19	2,874	-	167	-	14,844	11	167		159		126	148	22
199	19,085	-	3,498	-	700	44	18		163		145	165	20
1993	-	48,515	-	122	37,002	1,778		118		149	160	174	14
1993	-	-	-	-	5,467	10,604					103	103	1
1993	-	-	-	-	1,554	111	132		125		195	189	(6)
1993	1,828	-	1,080	68	178	159	140		121		175	166	(9)
1993	1,702	-	28,011	11	11,618	2,446	163		121	105	189	165	(24)
1993	1,647	-	14,395	-	10,653	1,399	164		125		209	163	(46)
											MINIMUM VALUE		(46)
											MAXIMUM VALUE		115
											AVERAGE		21
											STANDARD DEVIATION		37

E	YEAR	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM (¢/MMBTU)
		EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	
	1994	-	-	-	-	13,838	11,786					53	99	46
	1994	46	-	8,559	-	16,834	1,639	217		127		87	131	44
	1994	-	46,439	-	153	38,027	1,665		106		149	149	188	39
	1994	-	-	-	-	8,791	103					76	113	37
	1994	3	-	1,651	-	14,844	530	158		134		93	122	29
	1994	12,270	-	8,959	3,149	118	423	185		171	173	132	159	27
	1994	-	-	742	-	15,349	1,562			154		96	122	27
	1994	1,304	-	1,411	-	14,401	2,526	163		172		124	146	22
	1994	1,233	-	1,063	-	1,288	715	172		136		138	159	21
	1994	23,124	-	3,372	-	238	235	143		122		114	131	17
	1994	-	-	-	-	5,136	11,105					85	99	14
	1994	21,318	-	2,562	39	4,831	11	176		157	193	151	166	14
	1994	15,144	-	196	57	15,750	241	158		149	150	130	142	12
	1994	-	-	-	-	1,548	675					106	110	4
	1994	-	-	-	4,643	1,118	409				164	124	127	3
	1994	3,992	-	32,363	-	15,101	2,057	163		133	169	159	157	(2)
	1994	1,523	-	15,640	-	14,134	1,612		136		167	159	156	(3)
	1994	-	3,467	-	169	9,734	37					110	107	(4)
												MINIMUM VALUE		(4)
												MAXIMUM VALUE		46
												AVERAGE		19
												STANDARD DEVIATION		16

E	YEAR	TONS (000) BY SOURCE REGION						DELIVERED COAL PRICE (¢/MMBTU) BY REGIO						WESTERN HIGH BT COAL PREMIUM (¢/MMBTU)
		EAST	LIGNITE	MIDWES	OTHER	PRB	WEST	EAST	IGNITE	MIDWEST	OTHER	PRB	WEST	
	19	36	-	4,429	-	24,824	1,525	207		126		88	142	55
	19	1,094	-	1,278	-	16,942	1,881	152		136		101	147	45
	1995	-	-	-	-	13,142	10,843					62	99	38
	1995	-	-	442	-	15,539	1,831			193		92	125	33
	1995	-	-	868	-	16,217	990			117		93	120	28
	1995	-	-	-	-	10,009	54					88	116	28
	1995	12,771	-	226	-	17,594	623	150		142		128	144	16
	1995	803	-	1,237	-	1,269	963	208		124		140	154	14
	1995	21,951	-	3,243	-	2,924	10	135		112		114	127	13
	1995	-	-	-	-	5,519	10,984					89	102	13
	1995	-	-	-	-	999	201					104	113	9
	1995	-	46,709	-	-	37,861	1,794		103			154	161	7
	1995	-	-	-	4,650	583	77				158	126	125	(0)
	1995	1,046	-	12,919	-	16,518	3,263					113	109	(3)
	1995	3,596	-	27,522	-	17,605	1,190				172	157	128	(28)
												MINIMUM VALUE		(28)
												MAXIMUM VALUE		55
												AVERAGE		18
												STANDARD DEVIATION		21

VERIFICATION

County of Boulder, Colorado

Gerald E. Vaninetti, being duly sworn, deposes and says that he has read the foregoing statement, knows the contents thereof, and that the same are true as stated.

Gerald E. Vaninetti

Subscribed and sworn before me this 27 day of March, 1996

Notary Public

My Commission expires 11/25/96

EXHIBITS

GEV - 1:	Curriculum Vitae for Gerald E. Vaninetti
GEV - 2:	Western Bituminous Coal Industry: Analysis of Coal & Transportation Markets
GEV - 3:	Curriculum Vitae for J. Chris Leshock
GEV - 4:	The UP/SP Merger Could Derail Western Bituminous Coal
GEV - 5:	Markets for Southern Powder River Basin Coal
GEV - 6:	Calculating What the Market Will Bear During Phase I
GEV - 7:	Evolving Utility Markets for Western Coals, 1989 - 1995
GEV - 8:	Discovery Materials from UP and SP Coal Business Plans

Gerald E. Vaninetti, Principal

Mr. Vaninetti, as Principal with RDI, specializes in the strategic, contractual, and analytical aspects of coal and transportation markets for the domestic coal industry. He heads up RDI's Coal Transportation Consulting Practice. His clients include transportation companies, utilities, coal companies, independent power producers, and financial institutions.

Mr. Vaninetti has more than 24 years of experience in the coal industry. His career has spanned the technical and business aspects of the industry while in the employ of a utility (10 years), an international mining consulting firm (4 years), a national transportation company (8 years), and RDI since 1993. He has extensive on-site experience in all major US coal fields, at more than 100 utility power plants, and at numerous coal transloading terminals. His experience includes studies and projects pertaining to most of the major rail and barge lines for the primary U.S. coal fields. He specializes in coal and transportation markets and associated pricing, contracting, fuel supply evaluation, "due diligence," and strategic analysis issues.

Mr. Vaninetti's experience includes the formulation, negotiation, and administration of coal supply and transportation contracts. He has developed and implemented coal procurement strategies, conducted fuel supply evaluations, evaluated coal and transportation contracts, assessed fuel management programs, participated in fuel audits, and executed "due diligence" evaluations for coal producers, utilities, financial institutions, and coal transporters. Mr. Vaninetti has provided testimony as an expert witness in various litigation and arbitration proceedings.

He has published several articles, made numerous presentations, and has actively served as a member of numerous industry and trade organizations including EPRI (Coal Quality Committee), National Coal Association (Transportation Committee), Western Coal Council, Mississippi Valley Coal Trade and Transport Council, and Lexington Coal Exchange. He has served in executive positions with the latter three organizations. He is a contributing editor to the JOURNAL OF COAL QUALITY and is the lead author for RDI's monthly "Market Watch" column published in COAL MAGAZINE. He is the primary author of *RDI's Coal Transportation Market Study* and *RDI's Illinois Basin Coal Study.*

WESTERN BITUMINOUS COAL INDUSTRY:

ANALYSIS OF COAL & TRANSPORTATION MARKETS

NOVEMBER 14, 1995

RESOURCE DATA INTERNATIONAL, INC.
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BOULDER, CO 80302
(303) 444-7788
FAX (303) 444-1286

Introduction and Executive Summary

Resource Data International, Inc. (RDI) was commissioned to undertake an analysis of coal markets potentially impacted by the proposed merger of the Union Pacific with the Southern Pacific railroads. The analysis was directed at recent markets for high-Btu Western coal (Western Bituminous), as contrasted with low-Btu Western coal from the Powder River Basin (PRB). RDI's studies are based on data concerning coal purchases by utilities reported to the Federal Energy Regulatory Commission, supplemented with information from the trade press and interviews with participants throughout the Western coal industry, including coal producers, transportation carriers, and utilities.

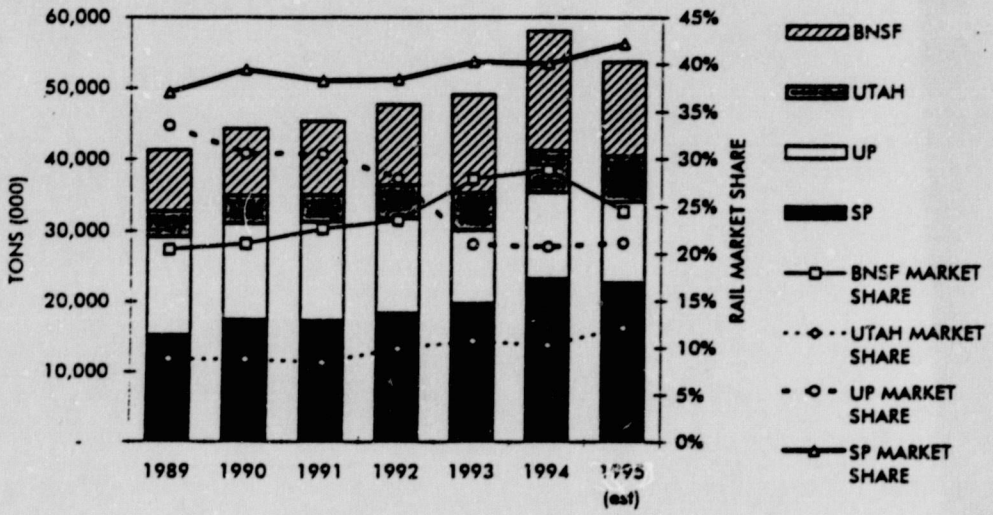
Western bituminous coal is mined from three major regions, with each served primarily by a different major railroad: Southern Wyoming-Union Pacific Railroad (UP), Central Rockies-Southern Pacific Railroad (SP), and Raton/Four Corners-Burlington Northern Santa Fe Railroad (BNSF). The Western Bituminous coal industry is a $3 billion per year business, annually contributing more than 100 million tons of low-sulfur coal to utility, industrial, and export markets. About half of this coal is consumed locally, in many cases at mine-mouth power plants, with the remaining half transported by rail to regional and remote markets. The utility portion of latter market has grown by 14 million tons since 1989, as competition between large-scale mines and between Class I railroads, coupled with increased demand for low-sulfur coal, has spawned the expansion of the Western Bituminous coal industry. Notwithstanding the importance of coal prices between competing mines and differences in coal quality, the major factor which determines the marketability of Western Bituminous coal to new markets is transportation, as transportation costs usually comprise more than 50% of the delivered price of the coal.

Western Bituminous open-market rail shipments are dominated by the SP's 42% market share, followed by the BNSF (25%), UP (21%), and Utah Railway (12%)(Chart 1[1]). Although the combined market shares of the UP and SP would exceed 63%, the effective control of market shares resulting from the merger of these two railroads would be much larger, due to the Utah Railway's limited trackage and interconnection options and production limitations for BNSF-served

[1] All data supporting the graphics are included in the Appendix

mines. The proposed merger would effectively position the combined railroad to control the majority of Western Bituminous coal shipments to traditional markets and nearly all shipments to new and emerging markets.

CHART 1
WESTERN BITUMINOUS COAL
OPEN-MARKET RAIL MARKET SHARES

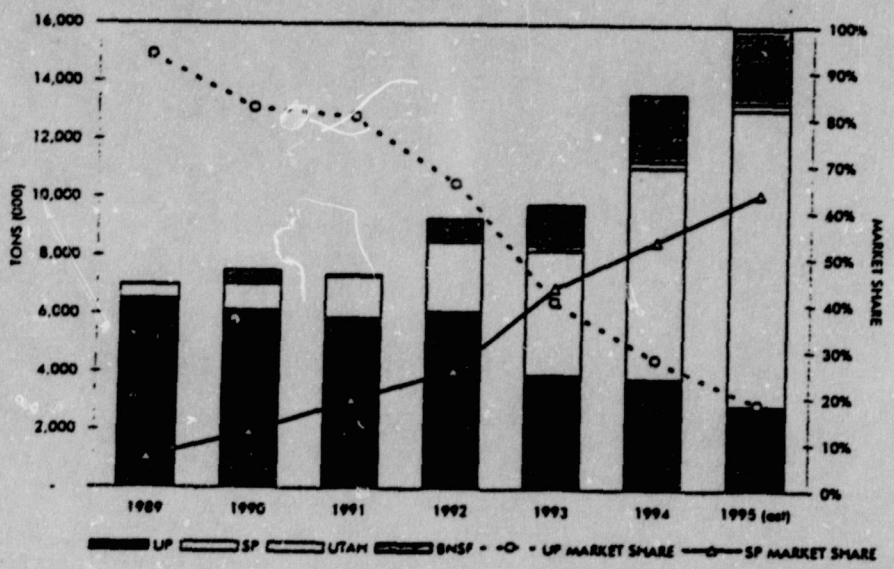


The SP has been aggressive in competing with the UP to secure the majority of new markets for Western Bituminous coal, with most of these markets located in the Midwest (Illinois, Wisconsin, Kentucky, Missouri, Mississippi, Indiana, Florida, Michigan, and Tennessee). The SP's market share of new and changing utility markets for Western Bituminous coal has increased from 7% to 64% since 1989, at the expense of the UP's market share which has declined from 93% to 18% (Chart 2). Most industry observers are concerned that the elimination of competition afforded by the proposed merger would signal the end to the SP's aggressive pricing strategies which have largely been responsible for the recent expansion of the Western Bituminous industry centered in Colorado and Utah.

In addition, changes in operations resulting from the proposed merger may significantly alter the economics of east-bound coal shipments. Anticipated diversions of all non-coal traffic from the Central Rockies corridor to the UP mainline through southern Wyoming are expected to force the remaining traffic (coal and nominal quantities of other minerals) to shoulder the full cost of track maintenance and operations. This would require an increase in rail rates for both existing and new markets, with the burdens focused primarily on east-bound shipments. Should this occur, traditional shippers of Colorado coal such as PSCO, the City of Colorado Springs, Central Power & Light, and Celanese Chemical would suffer increased delivered coal prices and may ultimately be forced to switch

to PRB coal. The impacts would also be felt by the mining companies which have recently installed longwall mines and/or acquired properties in Utah and Colorado (Addington, Andalex, ARCO, Coastal, Cyprus Amax, Kennecott, and Pacific Basin).

CHART 2
WESTERN BITUMINOUS COAL
CHANGING UTILITY MARKETS, BY TRANSPORT MODE



The UP's record of declining market share and anticipated operational changes for the combined railroad indicates that the potential exists for major disruptions in the Western Bituminous coal business. These disruptions are expected to extend to traditional and emerging markets for this coal as well as the numerous mines which have been developed to serve these markets. The impacts are expected to be focused on the Colorado and Utah coal mining industry and on utility customers for this coal.

Overview of the Coal Industry

The US coal business is a vital and growing industry which was revitalized by the energy crises of the 1970's. US coal production now exceeds one billion tons per year, with the vast majority consumed by utilities at 415 power plants which generate 56% of the nation's electricity. Significant quantities of US coal are also used in industrial applications and are exported throughout the world.

The domestic coal industry is a $30 billion per year business, comprised of two major components: mining and transportation.[2] Markets for coal are determined by the interplay of these two components, as coal is purchased on the basis of delivered coal prices, tempered by coal quality considerations. However, in the case of remotely-sited mines in the West, transportation prices heavily influence markets for coal, as transportation costs can comprise up to 80% of delivered coal prices. This relationship underscores the importance of transportation competition for the Western coal industry.

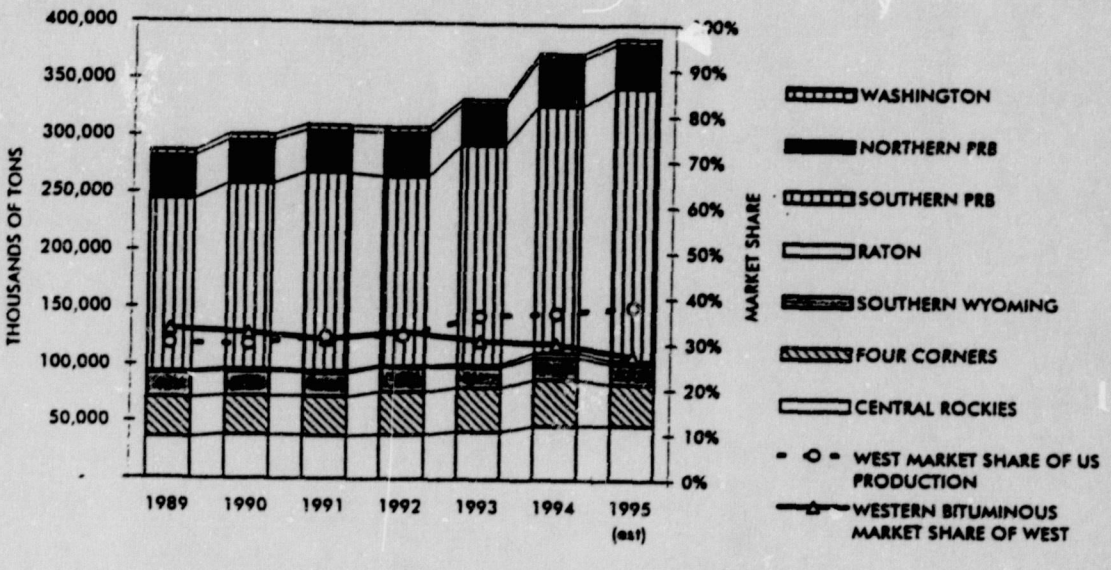
The major issues driving the US coal industry are industry consolidation, utility deregulation, and compliance with the Clean Air Act Amendments (CAAA). Industry consolidation is well advanced in the coal mining and rail industries, and is in its initial stages in the utility industry. Open transmission access resulting from utility deregulation is expected to radically alter coal economics, markets, and distribution patterns. Finally, CAAA compliance is causing many utilities to shift to Western low-sulfur coals. The combined effects of these factors has positioned rail carriers, particularly those serving the West, to play an increasingly important role in coal purchasing decisions. In fact, in recent years, rail carriers have come to play a "make-or-break" role in influencing the penetration of Western coal into new markets.

WESTERN COAL

Western coal is produced from mines scattered throughout the Rocky Mountain states. The combination of efficient and competitive coal mines and transportation, coupled with an increasing demand for low-sulfur coal, has spawned the expansion of the Western coal industry. Since 1989, production of Western coal has increased by about 100 million tons and its market share has increased from 30% to 38% of total US coal production (Figure 1). The Western coal industry is dominated by

[2] i.e., the annual delivered cost of the coal, including coal and transportation costs, is $30 billion

FIGURE 1
WESTERN COAL PRODUCTION AND MARKET SHARES



major international and national mining companies and has grown to become a $9 billion per year business.

The Western coal industry involves two major types of low sulfur coal, differentiated on the basis of heating content, as follows: Sub-Bituminous and Bituminous. The former ranges from 8,000 to 9,500 Btu/lb. while the latter generally exceeds 10,000 Btu/lb. The vast majority of Western Sub-Bituminous coal is mined from large-scale, surface mines in the PRB coal fields of Wyoming and Montana (Figure 2). Western Bituminous coal is produced from large-scale underground and surface mines at scattered sites throughout the Rocky Mountains, with the underground mines some of the largest of their type in the US Western Bituminous coal comprises about 30% of all Western coal mined and is more than a $3 billion per year business.

WESTERN BITUMINOUS COAL

Western Bituminous coal is mined from four major coal-producing regions within the Rocky Mountains (Figure 2). Rail access to these coal fields is largely confined to the BNSF in the Raton and Four Corners regions, the UP in the Southern Wyoming region, and the SP in the Central Rockies region, although the UP and Utah Railway maintain market shares on the western edge of the Central Rockies region. The Utah Railway's market shares traditionally have been linked to the UP, although in the past few years, shipments via the SP have been developed.

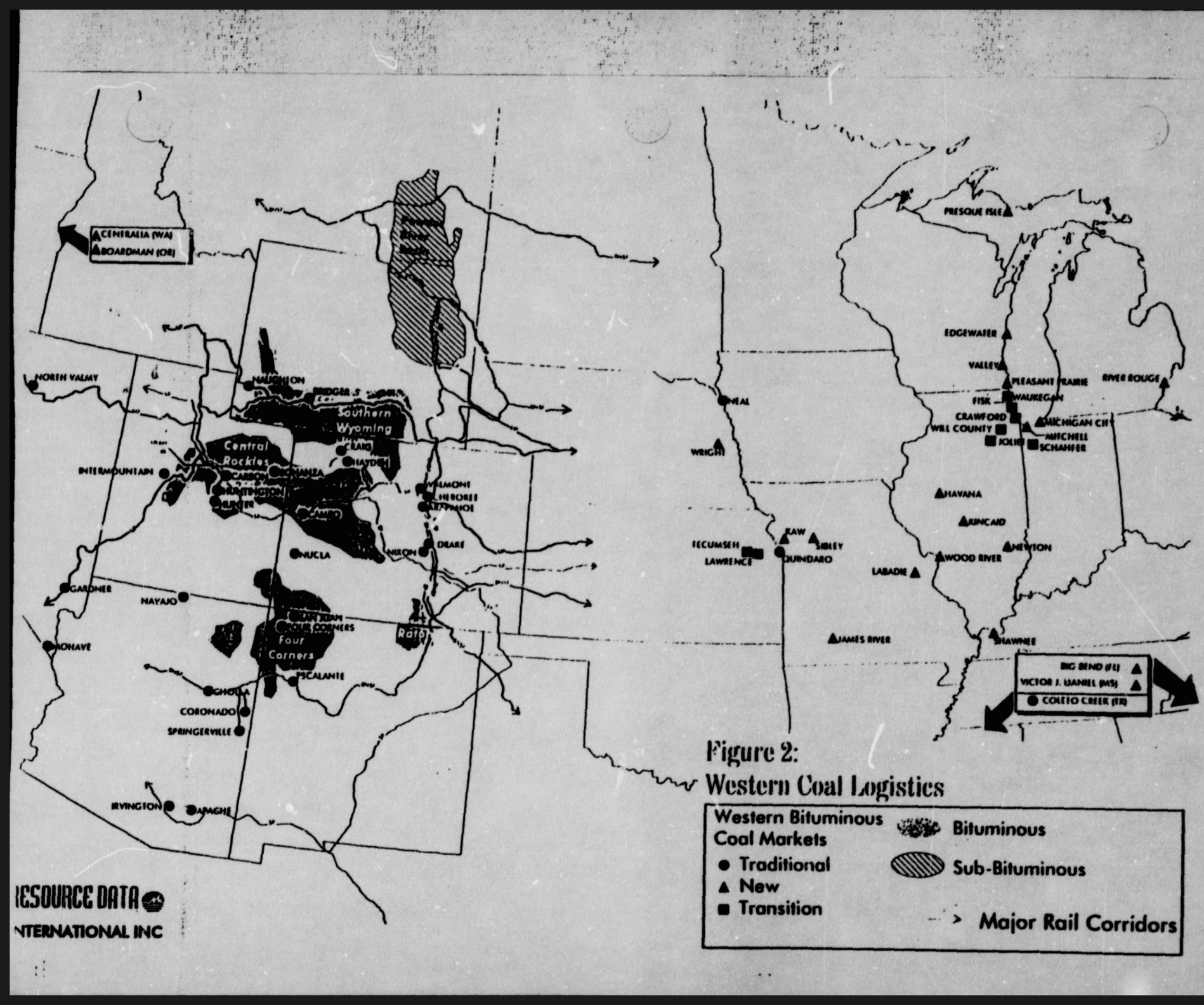


Figure 2:
Western Coal Logistics

Western Bituminous Coal Markets
- ● Traditional
- ▲ New
- ■ Transition

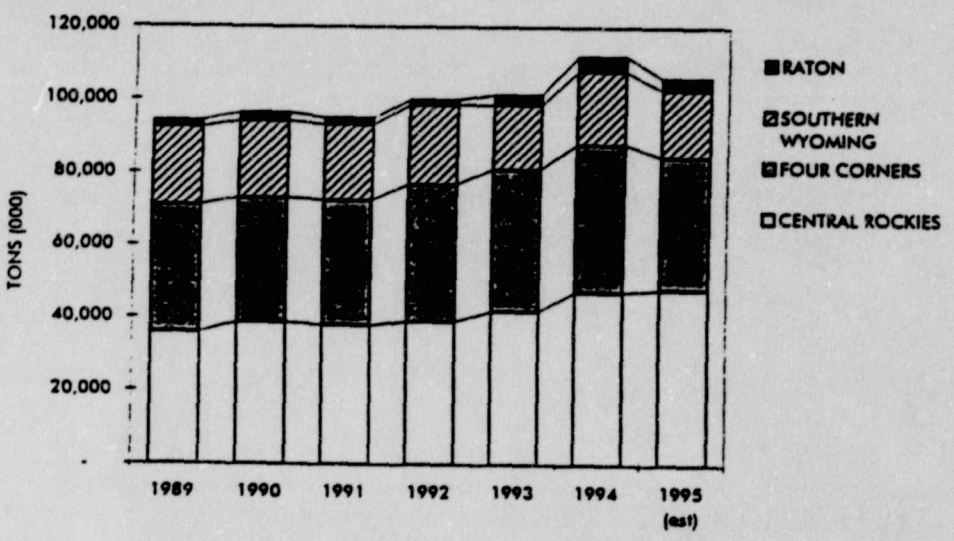
Bituminous

Sub-Bituminous

Major Rail Corridors

More than 100 million tons of coal is annually mined from the four major Western Bituminous coal fields, with more than 40% currently supplied by the Central Rockies region (Figure 3). The mines which produce this coal can be classified either as "captive" or "open-market." The captive mines are typically mine-mouth operations where production is dedicated exclusively to an adjoining power plant and are not served by rail which would provide access to more distant markets. Open-market mines are rail-served, facilitating access to broad utility, industrial, and export markets.

FIGURE 3
WESTERN BITUMINOUS COAL
PRODUCTION, BY SOURCE REGION



The major open-market mines of the Western Bituminous coal industry are limited to 22 operations, with 14 of these located within the Central Rockies region (Figure 4). The majority of the mines in the Southern Wyoming and Four Corners regions are surface mines, while most mines in the Central Rockies and Raton regions are underground mines. In recent years, nearly all of these underground mines have converted to longwall mining technology at capital costs typically exceeding $25 million per installation.

The quality of coal produced by the open-market mines of the Western Bituminous coal industry varies between mine and region (Figure 5). The heating value, ash, and sulfur content of the coal produced by each mine largely determines the value of that coal in the marketplace, with those coals exhibiting high heating values and low ash and sulfur contents commanding the highest value. In general, the Raton coal is the most highly valued, followed sequentially by coal from the Central Rockies, Southern Wyoming, and Four Corners regions.

FIGURE 4
WESTERN BITUMINOUS COAL
PRODUCTION AND SALES, OPEN-MARKET MINES, 1994

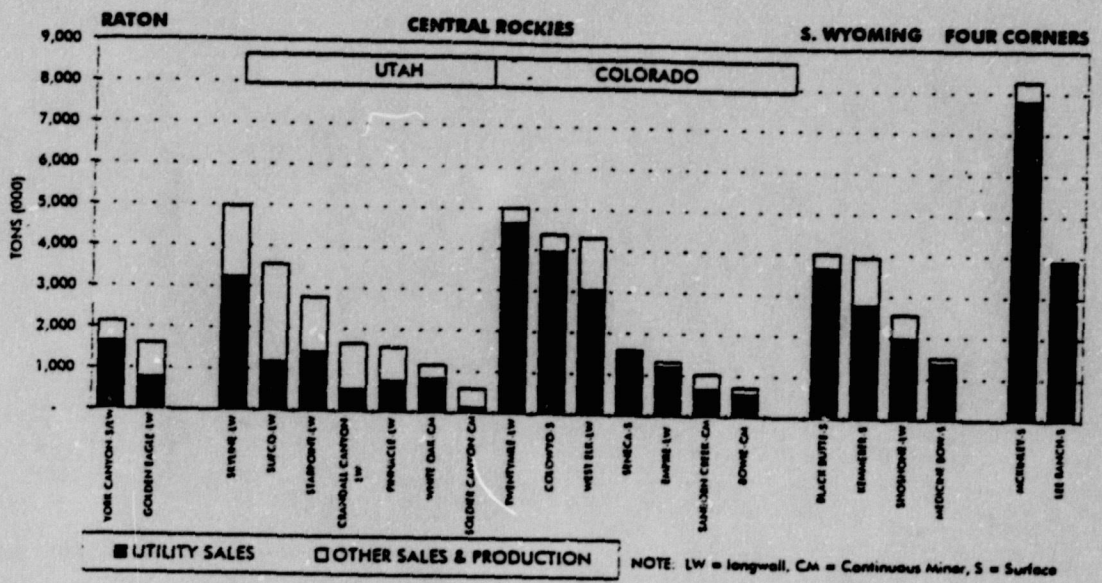
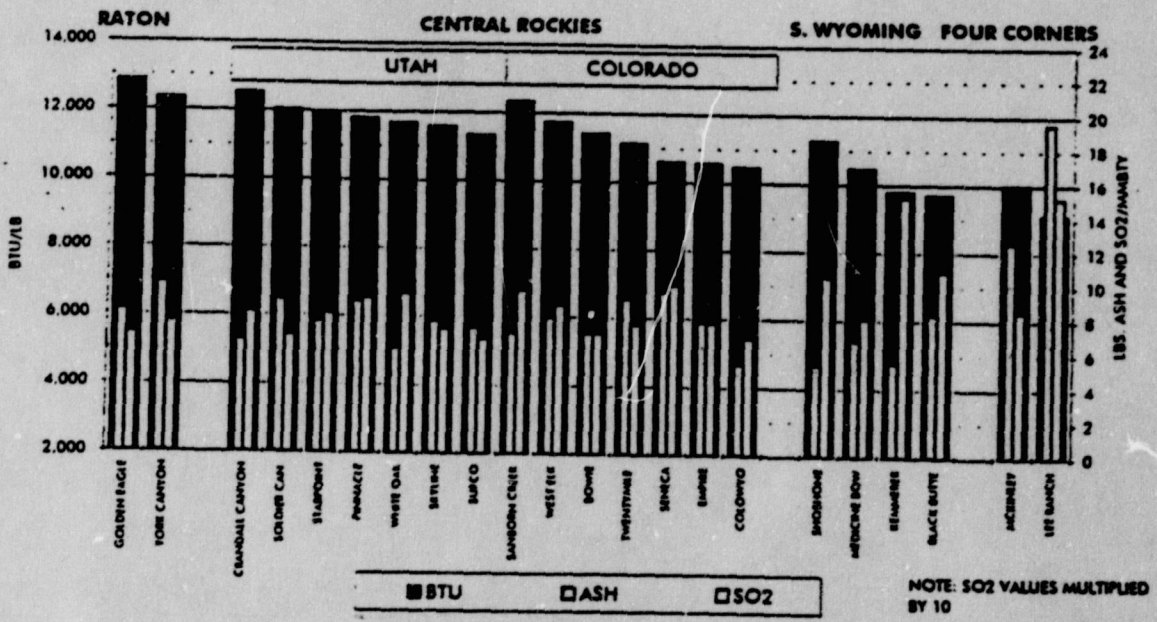


FIGURE 5
WESTERN BITUMINOUS COAL
COAL QUALITY, OPEN-MARKET MINES, 1994



The availability of economically-mineable coal is widespread in the Central Rockies and Southern Wyoming regions, but is limited in the Raton and Four Corners region. Therefore, only the Central Rockies and Southern Wyoming regions are expected to participate in market growth for Western Bituminous coal.

The majority of Western Bituminous coal is purchased by utilities, although about 14% is exported or shipped to industrial accounts (Figures 4 and 6). The transportation carrier for originations of Western Bituminous coal varies between captive and open-market situations, with about half classified as captive (i.e., on-site, truck, slurry, and private rail transportation) and the remainder shipped by commercial rail carriers (Figure 7).

FIGURE 6
WESTERN BITIMINOUS COAL
PRODUCTION BY MARKET

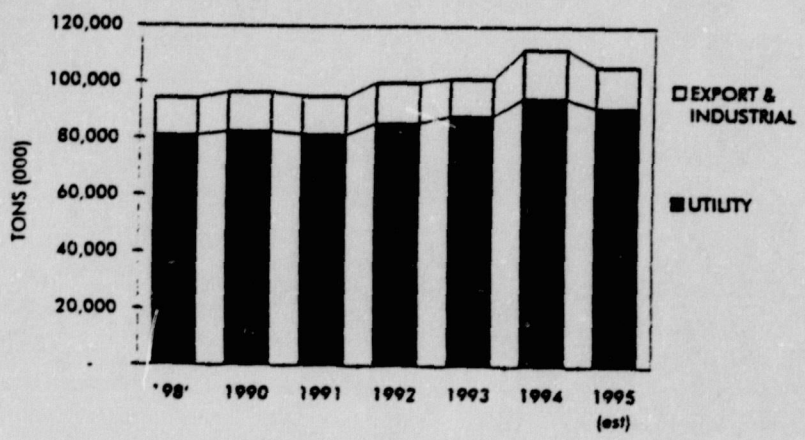
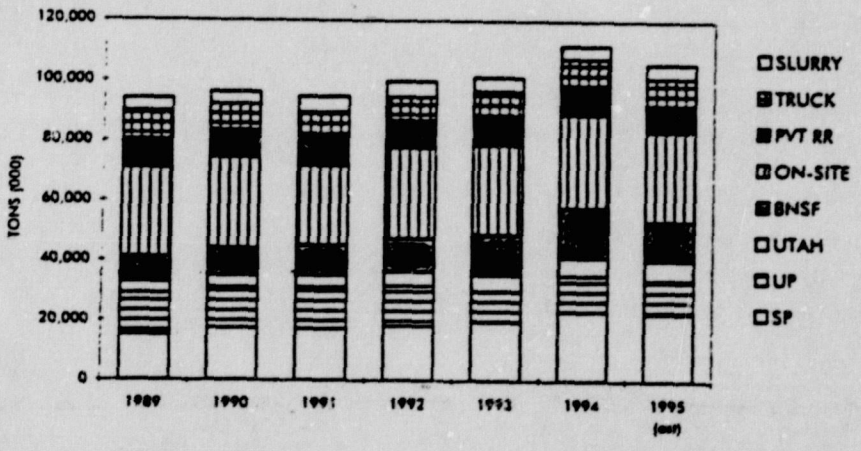
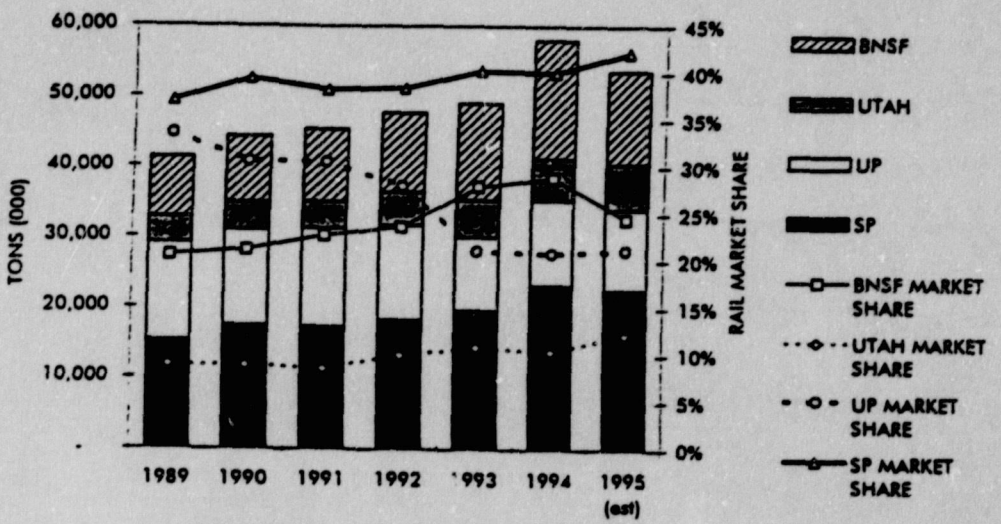


FIGURE 7
WESTERN BITUMINOUS COAL
PRODUCTION, BY TRANSPORT MODE



The "non-captive" rail portion of Western Bituminous coal originations has grown from 41 to 54 million tons since 1989 (reference the lower portion of Figure 8). During this time frame, the SP's market share has increased from 38% to 42%, while the UP's has declined from 34% to 21%. The market shares for the remaining open-market rail carriers have remained relatively consistent. Although the combined market shares for the UP and SP would exceed 63%, the effective control is considerably greater, due to the limitations in the Utah Railway's interconnection options and in the production capacity of BNSF-served mines.

FIGURE 8
WESTERN BITUMINOUS COAL
OPEN-MARKET RAIL SHIPMENTS, BY TRANSPORT MODE



UTILITY PURCHASES OF WESTERN BITUMINOUS COAL

Utilities comprise 86% of the markets for Western Bituminous coal, with most of the market consisting of traditional customers. The majority of utility purchases of Western Bituminous coal traditionally have been confined to plants within the Rocky Mountain states (Figure 9). However, in recent years, new markets have been developed with plants located at more distant locations from the Western Bituminous coal fields (Figure 10). States represented include Wisconsin, Kentucky, Missouri, Iowa, Mississippi, Florida, Michigan, Tennessee, Oregon, and Washington.

FIGURE 9
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY STATE

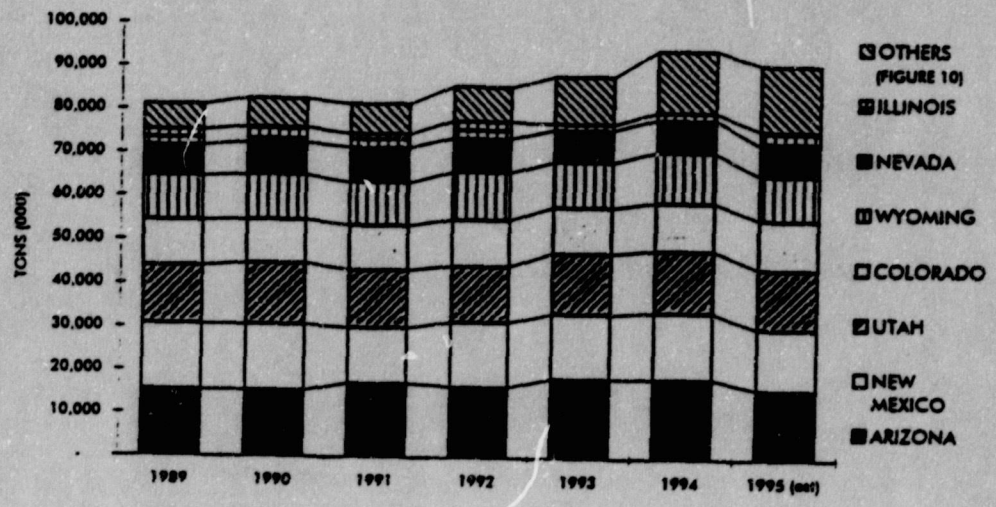
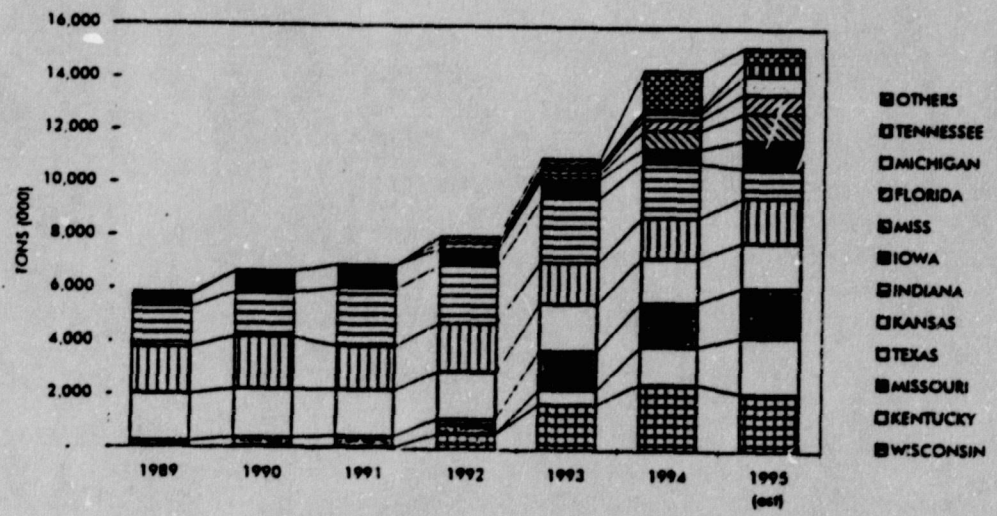
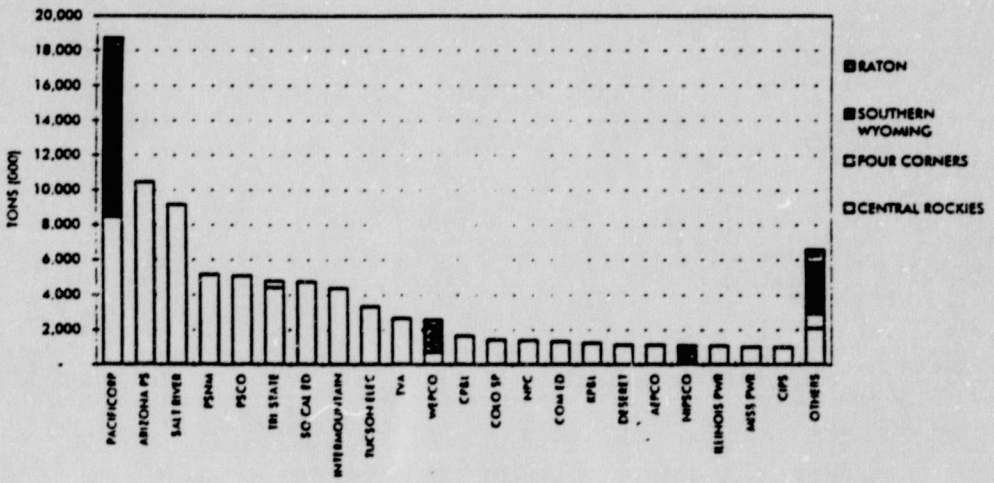


FIGURE 10
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY "OTHER" STATES



The dominant utility purchaser of Western Bituminous coal is Pacificorp, which operates its own mines in the Central Rockies and Southern Wyoming regions (Figure 11). Most Western Bituminous coal purchases are from the Central Rockies region with Pacificorp, PSCO, Tri-State, Intermountain, and TVA each projected to purchase more than 2.5 million tons in 1995. Raton coal is purchased primarily by Wisconsin Electric (WEPCO) and Tampa Electric (TECO). Most Southern Wyoming coal is purchased by Pacificorp, Northern Indiana Public Service (NIPSCO), Midwest Power, Kansas City (KCBPU), Sierra Pacific, Utilicorp, Portland General Electric (PGE), and Wisconsin Power (WP&L). Four Corners coal is purchased by Arizona Public Service, Salt River Project, Plains Electric, Tucson Electric, Tri-State, Southern California Edison, and Public Service of New Mexico.

FIGURE 11
WESTERN BITUMINOUS COAL
1995 PURCHASES, BY UTILITY AND SOURCE REGION



Nine major coal mining companies annually produce from 85% to 90% of Western Bituminous coal sold to utilities, led by Peabody, the largest coal mining company in the US (Figure 12). Coal produced by BHP, Pacificorp, and Western Fuels is supplied to mine-mouth power plants and is not available to open markets. The latter two are utility-affiliated companies.

Differences between captive and open-market mining operations dictates coal transportation modes for Western Bituminous coal (Figure 13). Captive situations involve on-site, truck, private rail, and slurry transportation while the open-market shipments are dominated by rail transportation. The quantity of Western Bituminous coal transported to utilities by *non-captive rail* has increased from 31 to 42 million tons since 1989. The SP's market share of these open-market rail.

shipments has increased from 39% to 51%, while the UP's market share has declined from 29% to 14%. During this time frame, SP's markets have grown by about 9 million tons, while the UP's market has declined by about 3 million tons.

FIGURE 12
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY MINING COMPANY

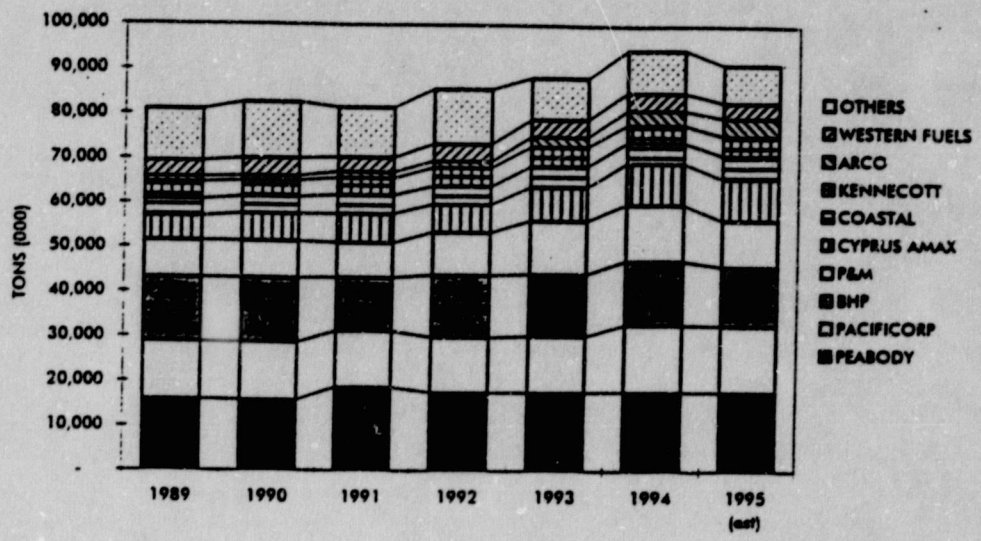
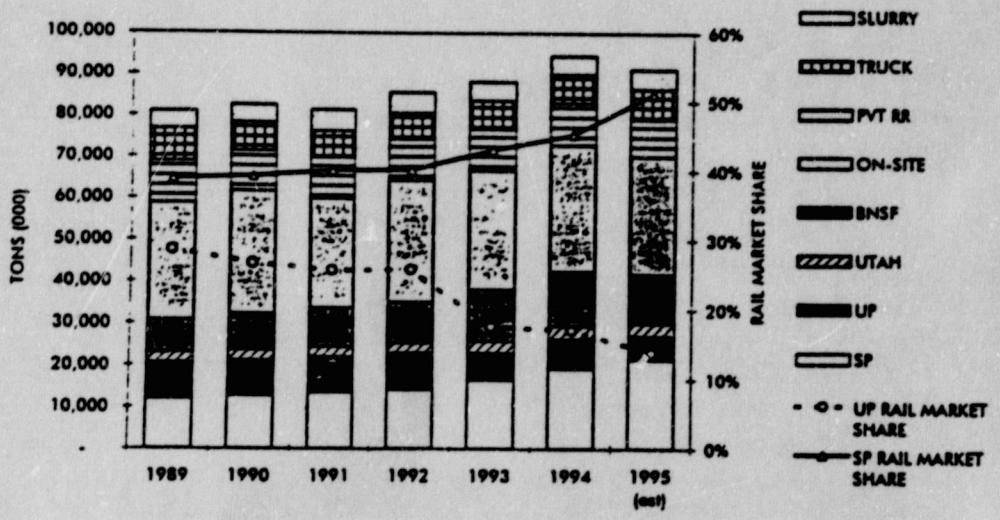


FIGURE 13
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY TRANSPORT MODE



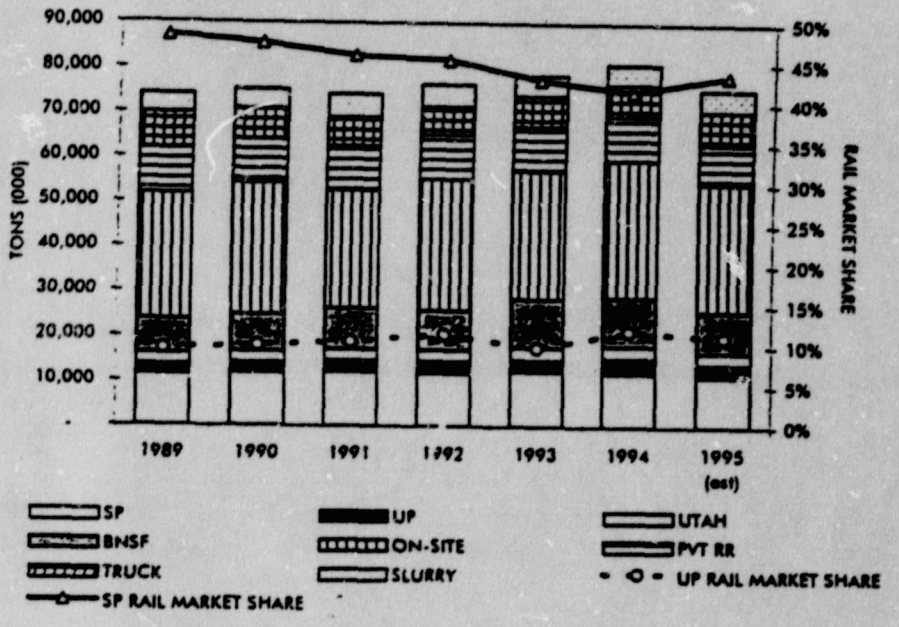
CHANGING UTILITY MARKETS FOR WESTERN BITUMINOUS COAL

Although general trends and relationships can be defined from the analysis of regional utility coal purchasing practices, the specifics of individual coal purchasing decisions can illuminate important aspects of markets for Western Bituminous coal. Therefore, RDI has quantified transactions involving Western Bituminous coal by each of the 100 utility power plants that purchased such coal since 1989 to identify individual aspects of the marketplace (Appendix). These purchases can be placed into four categories:

- Traditional: Traditional demand (32 plants)
- Transition: Changing or declining demand (9 plants)
- New: New demand (25 plants)
- Test: "Test burns" (34 plants)

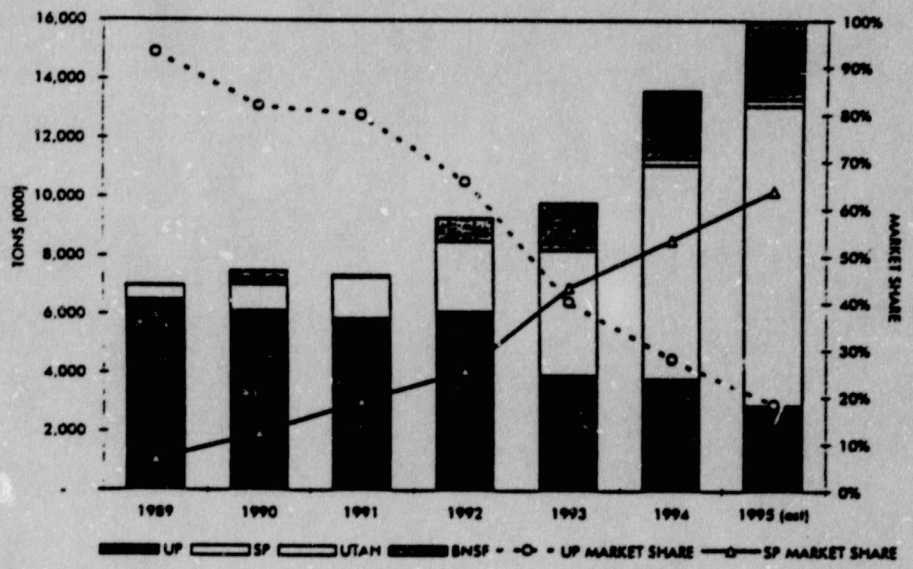
The "Traditional" market category of utility purchases of Western Bituminous coal has not been subject to significant change since 1989, with annual purchases generally ranging from 75 to 80 million tons for the 32 plants involved. Reductions expected for 1995 are temporary, and are due to a strong spring runoff resulting in the availability of large quantities of cheap hydro-electric power. Transportation market shares did not change appreciably throughout the time period with SP maintaining a 45% market share and UP a 10% market share (Figure 14).

FIGURE 14
WESTERN BITUMINOUS COAL
TRADITIONAL UTILITY MARKETS, BY TRANSPORT MODE



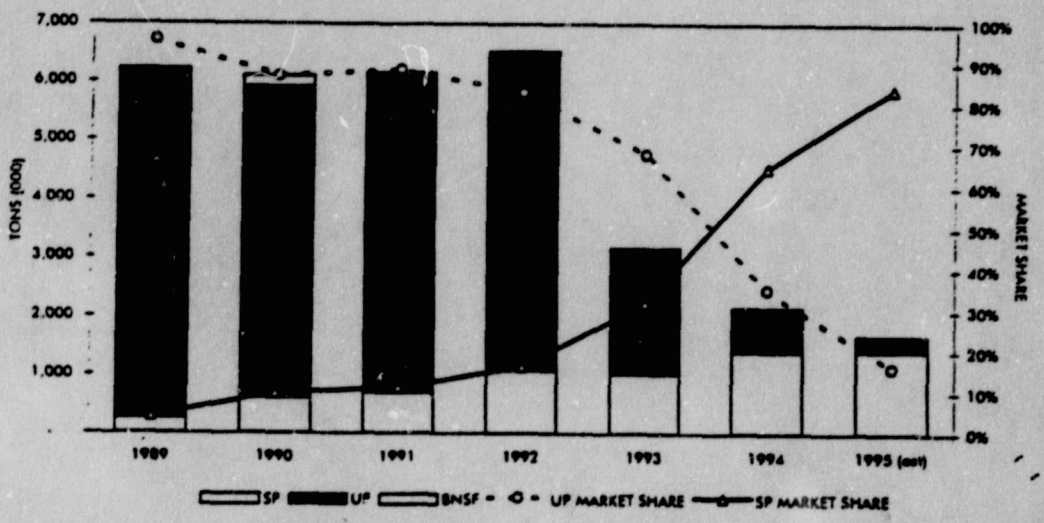
The remaining utility purchases include new markets (25 plants), markets in transition (9 plants), and test burns (34 plants). The demand for Western Bituminous coal in these markets increased from 7 to 16 million tons since 1989 (Figure 15). Within this category, the SP realized strong growth in terms of both tonnage shipped and market share. However, the UP not only lost market share, but realized a decline in tonnage shipped. During the subject time frame, UP's market share declined from 93% to 18%, while SP's increased from 7% to 64%. Much of this decline occurred since 1992 and is a result of Commonwealth Edison and NIPSCO switching to PRB coal, and Kansas Power (KP&L) switching from Southern Wyoming coal to Central Rockies coal.

FIGURE 15
WESTERN BITUMINOUS COAL
CHANGING UTILITY MARKETS, BY TRANSPORT MODE



The "Transition" component of the marketplace for Western Bituminous coal illustrates the effect of the UP's market share losses and corresponding gains by the SP for 9 plants operated by Commonwealth Edison, KP&L, and NIPSCO (Figure 16). The Commonwealth Edison and NIPSCO market share declines suffered by the UP in the Southern Wyoming region were transferred to PRB sources, to both UP- and BNSF-served mines. However, in the case of KP&L, the UP's Southern Wyoming market share losses translated into market share gains for SP-served mines in the Central Rockies region. KP&L's shift from UP-served mines to SP-served mines is the combined result of more competitive rail rates, and to a lesser extent, low-priced coal from longwall mines, and superior coal quality.

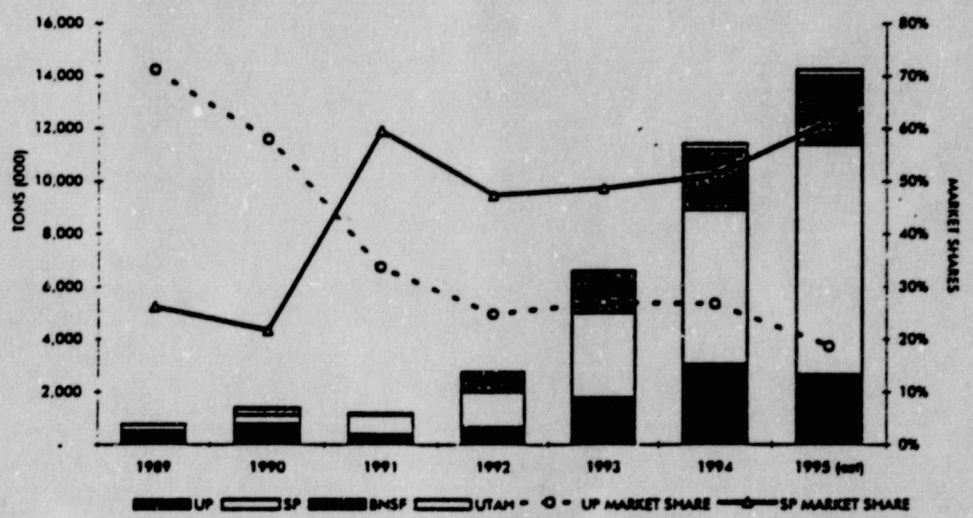
FIGURE 16
WESTERN BITUMINOUS COAL
TRANSITIONAL UTILITY MARKETS, BY TRANSPORT MODE



The final analysis of transportation relationships for Western Bituminous coal is focused on new markets -- both the established new markets (25 plants) and the 34 plants which have conducted test burns of Western Bituminous coal (Figure 17). This analysis shows that new markets for Western Bituminous coal have increased from less than 1 million tons per year in 1989 to more than 14 million tons in 1995. During this time frame, the SP's market share has increase from 26% to 61% at the expense of the UP's market share, which has declined from 71% to 19%. SP has increased its markets for Central Rockies coal by about 8.5 million tons since 1989, while the UP's market has grown by only about 2.0 million tons, primarily at plants captive to the UP.

The relationships illustrated in the transportation market share diagrams (Figures 15, 16, and 17) indicate that the combination of UP rail service and UP-served mines has been unable to retain existing markets or compete successfully for new markets. Although differences in coal quality and mine prices between the competing regions are likely to have played a role, we are pursuaded that the SP's aggressive pricing strategies have been more successful in securing new markets for Western Bituminous coal than have been those of the UP.

FIGURE 17
WESTERN BITUMINOUS COAL
NEW AND TEST UTILITY MARKETS, BY TRANSPORT MODE



RAIL MARKETING ISSUES

Competition for coal markets between the UP and SP was, until 1984, restricted nearly exclusively to Western Bituminous coal. However, after the C&NW gained access to the PRB in 1984, the UP's market opportunities for Western coal were extended to include PRB coal. Since that time, the UP's focus clearly has been on serving the explosive growth of the PRB coal industry in competition with the BNSF, rather than on developing new markets for Western Bituminous coal, although a few new markets for UP-served mines have been developed.

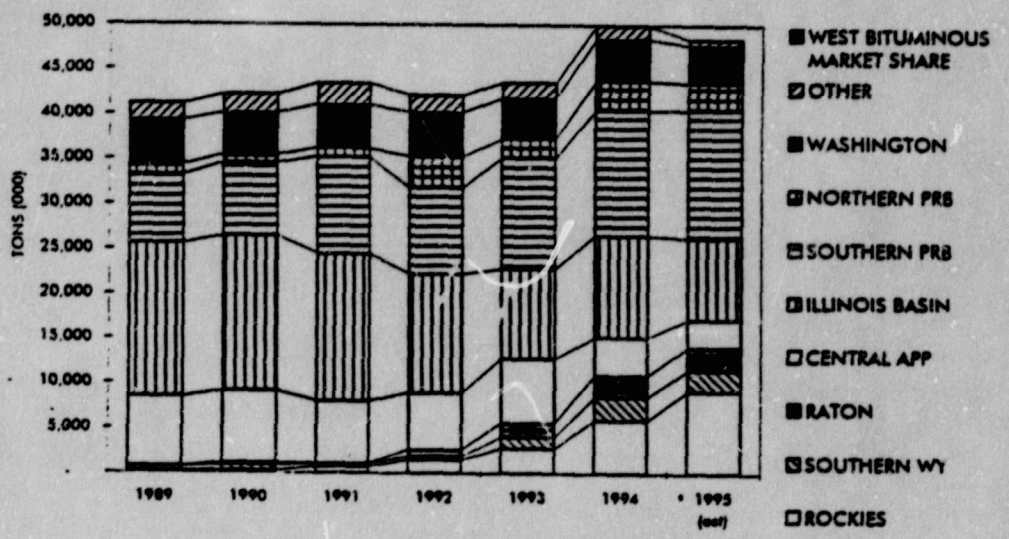
During this same time frame, the SP's market opportunities have remained focused on Western Bituminous coal, as it does not have access to PRB coal. However, the SP has not remained content with existing markets, but rather, has implemented an aggressive market strategy to develop new markets for Western Bituminous coal. This strategy includes reductions in rail rates, in part, facilitated by the incorporation of "reload" or back-haul" pricing.

The SP's "reload" program is based on the integration of shipments of west-bound iron ore and metallurgical coal to Geneva Steel in Utah, with east-bound shipments of Central Rockies coal to Midwestern markets (see ***Coal Magazine*** and ***Trains*** articles in Appendix). The program was instituted in 1994 after the SP was successful in displacing the UP, which formerly routed the traffic through southern Wyoming. The SP's success in displacing the incumbent, despite having to route the traffic 600 miles further through the Central Rockies, is indicative of the SP's aggressive and innovative market strategies. It may also be indicative of the UP's market strategies and preference for focusing on its PRB markets.

NEW MARKETS FOR WESTERN BITUMINOUS COAL

The combination of competitive coal prices, competition between rail carriers, and low-sulfur coal has enabled Western coal to displace high-sulfur coal from Midwestern markets. Although most of these displacements have involved PRB coal, Western Bituminous coal has been favored in select applications where a higher Btu coal is required. Western Bituminous coal has generally displaced Central Appalachia (CAPP) and Illinois Basin (ILB) bituminous coal, with the majority of the market share gains realized by coal from the Central Rockies region (Figures 2 and 18). Western Bituminous coal's market share has increased from 2% to 29% from 1989 through 1995, while the ILB and CAPP market share has declined from 60% to 25%, during the same period.

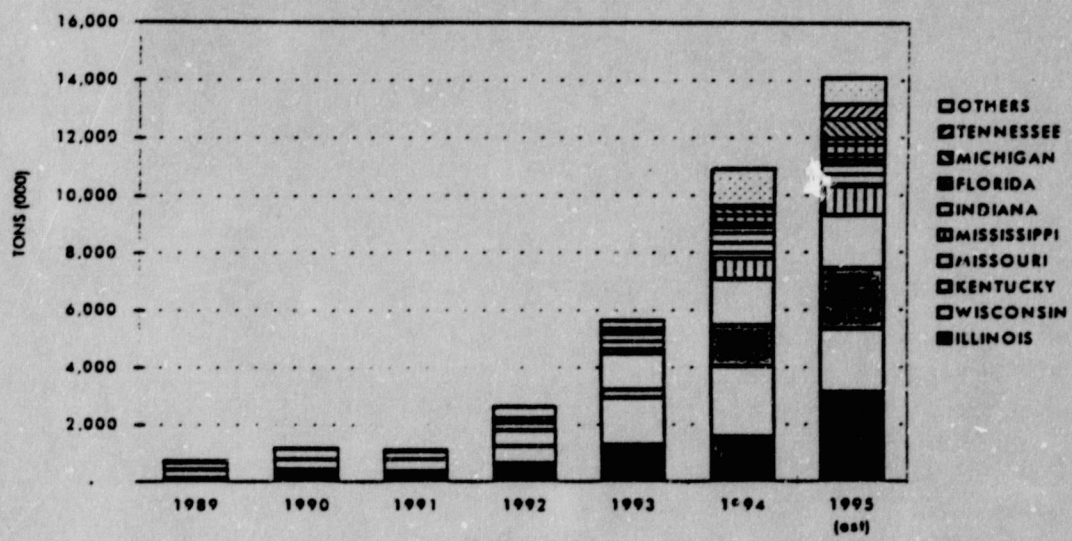
FIGURE 18
SOURCES OF COAL IN NEW MARKETS FOR WESTERN BITUMINOUS COAL



	1989	1990	1991	1992	1993	1994	1995 (est)
WEST BITUMINOUS MARKET SHARE	2%	3%	2%	6%	13%	22%	29%
CAPP & ILB MARKET SHARE	60%	60%	54%	47%	40%	31%	25%

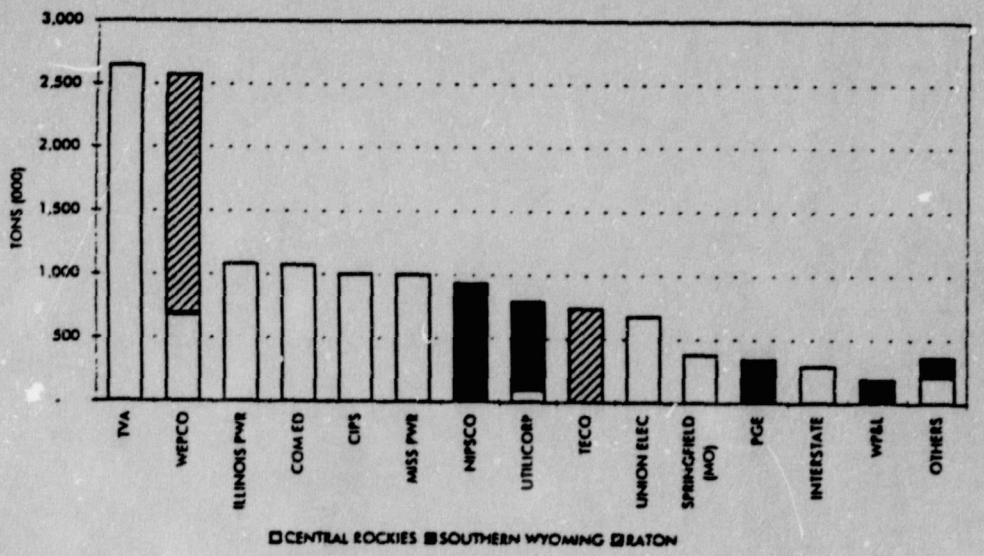
New markets for Western Bituminous coal are primarily located in the Midwest, although a few new markets have been developed in the Pacific Northwest (Figures 2 and 19). Significant new markets are located in the states of Illinois, Wisconsin, Kentucky, and Missouri. Noteworthy additional states to which Western Bituminous coal has been marketed include Tennessee and Florida.

FIGURE 19
NEW WESTERN BITUMINOUS MARKETS, BY STATE



New markets for Western Bituminous coal are dominated by TVA and WEPCO, which have both taken advantage of the SP's reload pricing program (Figure 20). Coal from the Central Rockies region has secured the majority of the new markets, although WEPCO and TECO have contracted for Raton coal and NIPSCO, Utilicorp, Portland General Electric, and Wisconsin Power have contracted for Southern Wyoming coal. However, WEPCO's purchases of Raton coal will be reduced from 2.0 to 0.8 million tons per year due to production limitations from Raton coal mines. No decision has yet been made as to the source of the replacement coal.

FIGURE 20
NEW WESTERN BITUMINOUS COAL MARKETS, BY UTILITY AND SOURCE REGION



The mines supplying the new markets for Western Bituminous coal contrast sharply with the mines that supply the traditional markets for this coal (compare Figures 12 and 21). Most of these markets are dominated by coal from mines in the Central Rockies region, although a mine in the Raton region has recently established new markets (Figure 22). The four mining companies with the largest market shares all operate longwall mines, with Cyprus Amax maintaining the largest market share position via production from its four longwall mines (three in the Central Rockies and one in Southern Wyoming).

FIGURE 21
NEW WESTERN BITUMINOUS MARKETS, BY MINING COMPANY

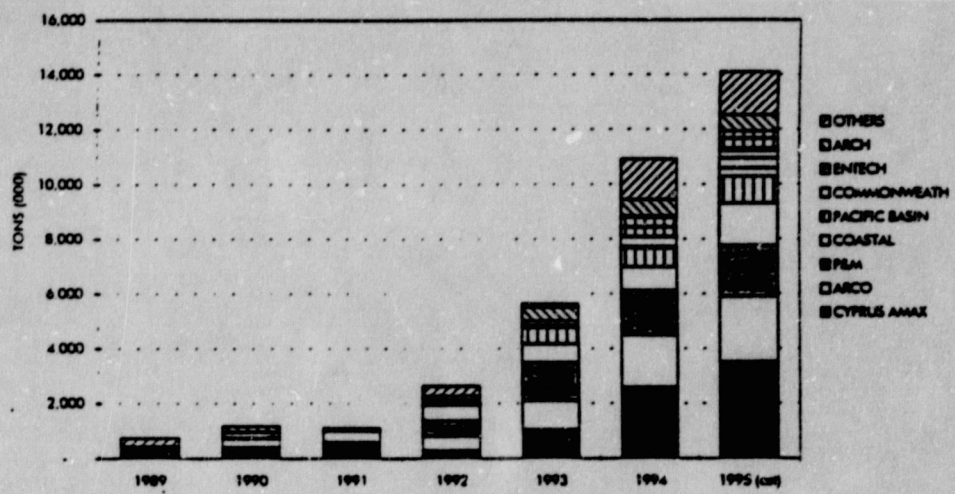
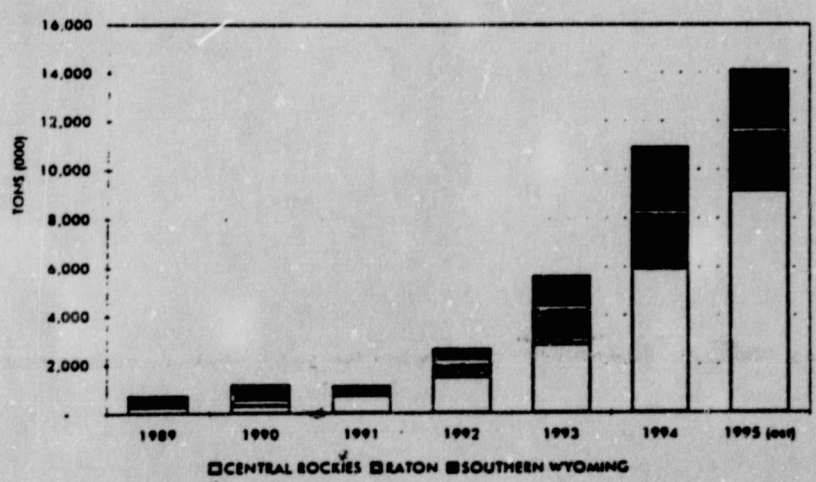


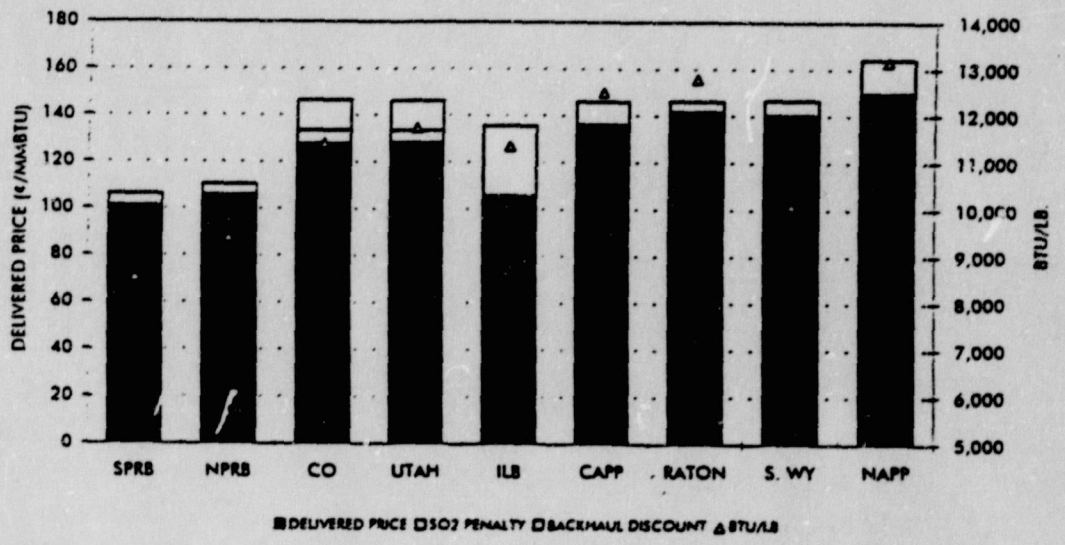
FIGURE 22
NEW WESTERN BITUMINOUS MARKETS, BY SOURCE REGION



COAL ECONOMICS

Prior to the implementation of the CAAA in 1995, coal purchasing decisions were made on the basis of delivered price economics, supplemented by considerations for power plant operations. However, such decisions now must include an adjustment for the value of the sulfur differential between competing coals. These relationships are illustrated in a "generic" example for a hypothetical power plant in central Illinois which addresses the importance of the SP's aggressive pricing practices in positioning Central Rockies coal to increase its market share (Fig 23).

FIGURE 23
COAL ECONOMICS EXAMPLE, "GENERIC" CENTRAL ILLINOIS PLANT



Delivered coal prices, adjusted for the value of the differential in sulfur content between competing coals, clearly favor PRB coal in those instances where plant age, design, and/or capacity factors do not dictate the use of Bituminous coal. In many of these instances, the differential is sufficient to justify the expense of retrofiting the plant to accommodate PRB coal and avoid the "derating" (or loss in generating efficiency) experienced in using Sub-Bituminous coal in a boiler designed to burn Bituminous coal. However, in many other instances, such expenditures cannot be justified, and Bituminous coal must be used.

For those plants requiring Bituminous coal, the options range between high-sulfur ILB coal "bundled" with Emission Allowances and low-sulfur coal from CAPP, Northern Appalachia (NAPP), and the West. Prior to the SP's reload pricing, the

delivered prices for coals, with the exception of NAPP coal, were comparable and as a consequence, many customers opted for low-sulfur coal from any of these regions (CAPP coal for all Wisconsin utilities, CILCO and Illinois Power; Western Bituminous coal for NIPSCO). However, the discount in SP's transportation rates has caused Central Rockies coal to gain a decided advantage on other low-sulfur Bituminous coals in Midwestern markets. As a consequence, Central Rockies coal has displaced other low-sulfur coal as well as ILB coal throughout several Midwestern markets (Figure 18) and is expected to continue to do so at many additional plants, provided that the SP's aggressive pricing practices are maintained.

SUMMARY AND ANALYSIS

Markets for low-sulfur Western Bituminous coal were relatively stagnant until the combined effects of competition between coal suppliers and between the three major rail carriers serving Western Bituminous coal regions recently stimulated the demand for these coals in Midwestern markets formerly dominated by high-sulfur coals. Competition between 22 open-market Western Bituminous coal mines has leveled the playing field between coal suppliers, and as a consequence, the primary factor in securing new markets for Western Bituminous coal is competition between rail carriers. This is because transportation costs generally comprise at least 50% of delivered coal prices to new markets.

Western Bituminous coal from UP-served mines in Southern Wyoming and SP-served mines in the Central Rockies has traditionally vied for most new markets, as the availability of economically mineable coal has limited opportunities for BNSF-served mines in the Raton and Four Corners regions. In recent years, the SP's aggressive marketing strategy has not only increased markets for Western Bituminous coal, but has displaced coal from markets formerly supplied by UP-served mines. It is apparent that UP has not aggressively pursued these markets, opting instead to focus on its PRB business, and as a consequence its market share has dwindled from 93% to 18% of changing utility markets for Western Bituminous coal while the SP's market share has increased from 7% to 64%.

SP's focus on developing new markets for Central Rockies coal, including its innovative reload pricing program, has been instrumental in establishing Western Bituminous coal in new markets throughout the Midwest. We conclude that additional strong growth is likely, provided that the SP's aggressive pricing is maintained. This demand will include not only markets that recently have been

developed or are in the process of being developed, but an additional number of plants that have not yet burned Western Bituminous coal, and in the long term, some plants that currently burn PRB coal.

The proposed UP/SP merger has the potential for significantly altering the SP's rail marketing strategies, particularly if the UP does not maintain the SP's reload pricing program and instead, opts to perpetuate its recent market pricing for Western Bituminous coal. In addition, the anticipated diversion of non-coal traffic from the Central Rockies haul corridor to the UP mainline through southern Wyoming would eliminate traffic which helped to support track maintenance and rail operating costs for all traffic through the Central Rockies. The combination of these two events is a threat to the expansion of the Western Bituminous coal industry into new Midwestern markets and would have the potential for impacting traditional markets which involve longer rail movements. These include PSCO and Colorado Springs in Colorado and Celanese Chemical and Central Power & Light in Texas. Given the supply limitations of BNSF-served mines in the Raton region, the proposed merger would effectively position the UP to consolidate its position as the only rail carrier serving the Western Bituminous coal industry. Such a position would provide the UP with an unusually strong opportunity to control coal sourcing decisions, potentially to the detriment of the Western Bituminous coal industry and to the advantage the PRB.

Appendix

TABLE I

WEST TUMINOUS COAL

UTILITY ETS, BY PLANT AND SOURCE REGION

UTILITY PURCHASES OF WESTERN BITUMINOUS COAL

UTILITY	PLANT	CATEGORY	CENTRAL ROCKIES SOURCE							SAN JUAN BASIN SOURCE							SOUTHERN WYOMING SOURCE							RATON/CANON CITY SOURCE						
			1980	1990	1991	1992	1993	1994	1995 (est)	1980	1990	1991	1992	1993	1994	1995 (est)	1980	1990	1991	1992	1993	1994	1995 (est)	1980	1990	1991	1992	1993	1994	1995 (est)
AEPCO	APACHE	TRAD	-	-	-	-	-	60	-	47	41	30	66	1,225	1,282	1,137	-	11	-	-	-	-	-	705	1,033	849	119	-	-	17
APS	CHOLLA	TRAD	-	-	-	-	-	-	-	2,507	2,045	2,463	2,730	2,742	2,555	2,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS	FOUR CORNERS	TRAD	-	-	-	-	-	-	-	8,265	8,722	7,678	8,935	8,501	8,409	8,126	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CAJUN	BIG CAJUN 2	TEST	-	-	-	-	-	37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CEDAR FALLS	STREETER	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-
CIPS	NEWTON	NEW	60	11	256	287	805	603	1,003	-	-	-	-	-	-	-	-	127	-	-	-	-	-	20	222	-	-	-	69	-
CIPS	MERIDOSIA	TEST	-	-	-	53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLO SP	DRAKE	TRAD	729	608	607	605	705	760	711	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COLO SP	NIXON	TRAD	659	760	804	611	653	503	730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21	-	-	-	-	-
COLUMBIA	COLUMBIA MO	TEST	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COM ED	CRAWFORD	TRANSITION	-	-	-	-	-	-	46	-	-	-	-	-	-	-	264	241	773	395	14	-	-	-	-	-	-	-	-	-	-
COM ED	FISK	TRANSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	253	398	401	196	26	-	-	-	-	-	-	-	-	-	-
COM ED	JOLIET	TRANSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,319	1,120	550	1,236	-	-	-	-	-	-	-	-	-	-	-
COM ED	JOLIET 9	TRANSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	330	729	206	261	-	-	-	-	-	-	-	-	-	-	-
COM ED	WAUKEGAN	TRANSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	462	817	793	555	-	-	-	-	-	-	-	-	-	-	-
COM ED	WILL COUNTY	TRANSITION	-	-	-	-	-	9	204	-	-	-	-	-	-	-	617	393	607	648	53	-	-	-	-	-	-	-	-	-	-
COM ED	KINCAID	NEW	-	-	-	-	-	196	1,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CP&L	COLLETO CREEK	TRAD	1,756	1,839	1,736	1,781	1,756	1,685	1,653	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	-
DAIRYLAND	ALMA	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	-	-	-	-	-	-	-	-	-	-
DAIRYLAND	GENOA	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	11	-	-	-
DAIRYLAND	J P MADGETT	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52	-	-	-	-	-	-	-	-	-	-
DESERET	BONANZA	TRAD	1,343	1,508	1,120	1,517	1,501	1,514	1,146	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DETROIT EDISON	RIVER ROUGE	NEW	-	-	-	-	11	71	75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FREMONT	WRIGHT	NEW	80	-	-	0	0	-	-	-	-	-	-	-	-	-	-	-	3	31	-	-	35	-	-	-	-	-	-	-	-
GEORGIA PWR	SCHERER	TEST	-	-	-	-	64	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IES	PRAIRIE CREEK	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	-	-	-	-	-	-	-	-	-	-
IES	SUTHERLAND	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145	-	-	-	-	-	-	-	-	-	-	-	-	-
ILLINOIS PWR	HAVANA	NEW	-	-	-	157	175	435	903	-	-	-	-	-	-	-	11	43	-	-	-	-	-	-	-	-	-	12	30	-	-
ILLINOIS PWR	WOOD RIVER	NEW	-	-	82	133	356	393	378	-	-	-	-	-	-	-	30	39	-	-	32	7	-	-	-	-	-	-	30	-	-
ILLINOIS PWR	HENNEPIN	TEST	-	-	-	-	27	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IN-MI (MEPP)	ROCKPORT	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-
INTERSTATE	KAPP	NEW	-	-	-	-	-	7	393	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IOWA-ILLINOIS	RIVERSIDE	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-	-	-	-	-
IPP	IPP	TRAD	4,660	4,822	4,705	4,879	5,069	4,688	4,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KC P&L	HAWTHORN	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25	-	-	-	-	-	-	-	-	-
KCBPU	GRINDABO	TRAD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	207	230	113	164	193	194	204	-	10	-	-	-	-	-	-
KCBPU	RAW	NEW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	-	95	136	161	176	153	-	-	-	-	-	-	-	-
KP&L	LAWRENCE	TRANSITION	-	-	-	306	7	755	1,001	-	-	-	-	-	-	-	1,031	1,179	1,098	882	806	30	-	-	159	-	36	-	-	-	-
KP&L	TECUMSEH	TRANSITION	-	-	-	88	95	393	254	-	-	-	-	-	-	-	328	393	260	321	300	12	-	-	9	-	-	-	-	-	-
MIDWEST	NEAL	TRAD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	434	647	887	665	646	824	703	-	-	-	-	-	-	-	-
MO-KS PWR	LASKIN	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-
MSS PWR	VICTOR J DANIEL	NEW	-	-	-	-	136	715	999	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	-	-
MSS PWR	JACK WATSON	TEST	-	-	-	-	-	-	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MUSCATINE	MUSCATINE	TEST	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-
NIPSCO	SCHAHFER	TRANSITION	257	608	609	773	1,008	397	-	-	-	-	-	-	-	-	1,005	646	1,109	1,055	841	668	170	-	-	-	-	-	-	-	-
NIPSCO	MICHIGAN CITY	NEW	-	-	-	-	41	64	-	-	-	-	-	-	-	-	336	304	352	328	475	392	682	-	-	-	-	-	-	-	-
NIPSCO	MITCHELL	NEW	-	-	-	-	-	345	-	-	-	-	-	-	-	-	11	92	-	-	-	-	253	-	-	-	-	-	-	-	-
NIPSCO	BAILLY	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16	29	68	16	-	-	-	-	-	-	-	-	-	-
NPC	GARDNER	TRAD	1,503	1,086	1,676	1,373	1,371	1,598	1,601	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NPPD	GENTLEMAN	TEST	-	-	-	-	-	56	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NPPD	SHELDON	TEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	9	9	-	20	47	-	-	-	-	-	-	-	-	-
PACIFICORP	BRIDGER	TRAD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,599	7,726	7,720	8,708	8,186	9,000	7,803	-	-	-	-	-	-	-	-
PACIFICORP	CARBON	TRAD	557	585	510	593	649	624	569	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PACIFICORP	HUNTER	TRAD	4,076	4,513	4,099	3,676	4,112	3,980	4,435	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PACIFICORP	HUNTINGTON	TRAD	2,769	2,918	2,713	2,776	2,679	2,447	2,303	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PACIFICORP	NAUGHTON	TRAD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,571	2,518	2,516	2,305	2,393	2,704	2,398	-	-	-	-	-	-	-	-
PACIFICORP	CENTRALIA	NEW	-	-	-	118	-	409	133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PGE	BOARDMAN	NEW	-	-	-	99	111	100	-	-	-	-	-	-	-	-	-	-	-	-	-	575	345	-	-	-	-	-	-	-	-
PLAINS ELEC	ESCALANTE	TRAD	-	-	-	-	-	-	-	921	836	874	884	875	927	814	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PSCO	ARAPAHOE	TRAD	545	569	452	452	505	723	659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	20	11	-	-	-	-
PSCO	CAMEO	TRAD	166	193	220	246	264	206	237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PSCO	CHEROKEE	TRAD	1,697	1,815	1,956	1,935	1,908	1,847	1,851	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PSCO	HAYDEN	TRAD	1,598	1,478	1,454	1,561	1,332	1,537	1,737	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PSCO	VALMONT	TRAD	433	436	437	559	462	534	590	-	-	-	-	-	-	-	165	-	-	-	-	-	-	-	-	-	11	-	-	-	-

TABLE 1-CONTINUED

WEST[illegible]TUMINOUS COAL

UTILIT[illegible]ETS, BY PLANT AND SOURCE REGION

UTILITY PURCHASES OF WESTERN BITUMINOUS COAL

UTILITY	PLANT	CATEGORY	CENTRAL ROCKIES SOURCE 1989	1990	1991	1992	1993	1994	1995(est)	SAN JUAN BASIN SOURCE 1989	1990	1991	1992	1993	1994	1995(est)
PSNM	SAN JUAN	TRAD	.	.	.	.	.	.	.	5073	5083	4336	5105	5512	5980	5150
SAN ANTONIO	DEELY	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SAN ANTONIO	J.K. SPRUCE	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SCE	MOHAVE	TRAD	.	.	.	.	.	.	.	4139	4171	5063	4077	4555	4415	4761
SIERRA PACIFIC	NORTH VALMY	TRAD	873	845	877	765	696	610	549	.	.	.	.	.	.	.
SIKESTON	SIKESTON	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SPRINGFIELD (MO)	JAMES RIVER	NEW	.	.	.	41	102	153	207	.	.	.	.	.	.	.
SPRINGFIELD (MO)	SOUTHWEST	TEST	.	.	.	11	330	.	.	.	.	.	.	.	.	.
SRP	CORONADO	TRAD	.	.	.	.	.	.	.	[illegible]	2030	2007	2246	2609	2606	2,300
SRP	NAVAJO	TRAD	.	.	.	.	.	.	.	7760	7376	7860	7441	7,566	7,500	6,705
ST JOSEPH	LAKE ROAD	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TECO	BIG BEND	NEW	.	.	.	32	107	.	.	.	.	.	.	.	.	.
TEPCO	IRVINGTON	TRAD	.	.	.	.	.	.	.	271	167	73	199	240	374	233
TEPCO	SPRINGERVILLE	TRAD	.	.	.	.	.	.	.	[illegible]	[illegible]	2640	2494	2996	2997	2735
TRI-STATE	CRAIG	TRAD	4165	3927	4002	4493	4473	4464	4,619	.	.	.	.	.	.	.
TRI-STATE	NUCLA	TRAD	125	209	229	0	.	.	.	.	.	.	.	.	.	.
TVA	SHAWNEE	NEW	.	.	.	.	190	1,335	1,566	40	.	.	232	291	284	271
TVA	[illegible]	NEW	.	.	.	.	.	305	1,000	.	.	.	.	.	.	.
TVA	ALLEN	TEST	.	.	.	.	.	37	.	.	.	.	.	.	.	.
TVA	COLBERT	TEST	.	.	.	.	.	37	10	.	.	.	.	.	.	.
TVA	CUMBERLAND	TEST	.	.	.	.	165	.	.	.	.	.	.	.	.	.
TVA	PARADISE	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	WIDOWS CREEK	TEST	.	.	.	.	51	300	.	.	.	.	.	.	.	.
UNION ELEC	LABADIE	NEW	510	393	377	407	410	773	677	.	.	.	.	.	.	.
UTILICORP	SIBLEY	NEW	.	.	.	26	100	290	95	.	.	.	.	.	.	.
WEPCO	OAK CREEK NORTH	NEW	.	.	.	.	.	.	.	.	.	.	.	.	.	.
WEPCO	OAK CREEK SOUTH	NEW	.	.	.	.	56	.	.	.	.	.	.	.	.	.
WEPCO	PLEASANT PRAIRIE	NEW	.	.	.	.	.	.	.	.	.	.	.	.	.	.
WEPCO	PRESQUE ISLE	NEW	.	.	.	.	.	220	505	.	.	.	.	.	.	.
WEPCO	VALLEY	NEW	.	.	.	.	10	.	83	.	.	.	.	.	.	.
WEPCO	PORT WASHINGTON	TEST	.	.	.	.	.	.	21	.	.	.	.	.	.	.
WPSL	EDGEWATER	NEW	.	.	.	.	.	21	.	.	.	.	.	.	.	.
WPSL	NELSON DEWEY	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
WPSL	ROCK RIVER	TEST	.	.	.	.	.	10	.	.	.	.	.	.	.	.
WPS	PULLIAM	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
WPS	WESTON	TEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TOTALS			30,137	29,441	29,004	29,767	27,645	26,801	29,004	33,995	33,764	34,027	36,334	38,117	38,501	35,317

UTILITY	PLANT	SOUTHERN WYOMING SOURCE 1989	1990	1991	1992	1993	1994	1995(est)	RATON/CANON CITY SOURCE 1989	1990	1991	1992	1993	1994	1995(est)
PSNM	SAN JUAN	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SAN ANTONIO	DEELY	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SAN ANTONIO	J.K. SPRUCE	.	.	.	.	.	.	47	.	.	.	.	.	.	.
SCE	MOHAVE	.	.	.	.	.	.	22	.	.	.	.	.	.	.
SIERRA PACIFIC	NORTH VALMY	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SIKESTON	SIKESTON	555	575	469	800	754	1,012	378	.	.	.	.	.	.	.
SPRINGFIELD (MO)	JAMES RIVER	.	30	10	.	.	.	.	.	.	.	.	.	.	.
SPRINGFIELD (MO)	SOUTHWEST	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SRP	CORONADO	.	.	.	.	.	.	.	.	.	.	.	.	.	.
SRP	NAVAJO	.	.	.	.	.	.	.	.	.	.	.	.	.	.
ST JOSEPH	LAKE ROAD	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TECO	BIG BEND	9	.	7	.	.	.	.	.	.	0	.	.	.	.
TEPCO	IRVINGTON	.	.	.	.	.	.	.	.	.	.	101	.	423	737
TEPCO	SPRINGERVILLE	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TRI-STATE	CRAIG	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TRI-STATE	NUCLA	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	SHAWNEE	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	[illegible]	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	ALLEN	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	COLBERT	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	CUMBERLAND	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	PARADISE	.	.	.	.	.	.	.	.	.	.	.	.	.	.
TVA	WIDOWS CREEK	.	.	.	.	240	.	.	.	.	.	.	.	.	.
UNION ELEC	LABADIE	.	.	.	.	.	.	.	.	.	.	.	.	.	.
UTILICORP	SIBLEY	128	.	.	.	.	.	.	.	.	.	.	.	.	.
WEPCO	OAK CREEK NORTH	10	17	19	.	227	430	607	.	10	.	.	9	.	.
WEPCO	OAK CREEK SOUTH	.	.	.	.	.	.	.	.	.	.	.	.	124	1,052
WEPCO	PLEASANT PRAIRIE	.	.	.	.	.	.	.	.	22	12	570	1,563	1,722	880
WEPCO	PRESQUE ISLE	.	.	.	.	.	470	21	.	.	.	.	11	.	.
WEPCO	VALLEY	.	.	.	.	.	.	.	.	.	.	.	.	.	.
WEPCO	PORT WASHINGTON	.	.	.	.	.	.	.	.	.	.	.	3	.	.
WPSL	EDGEWATER	.	.	.	.	.	.	.	.	.	.	.	.	10	.
WPSL	NELSON DEWEY	.	.	.	.	.	113	190	.	.	.	.	.	.	.
WPSL	ROCK RIVER	.	10	.	.	29	26	.	.	22	.	.	.	.	.
WPS	PULLIAM	.	.	.	.	.	23	.	.	.	.	.	.	.	.
WPS	WESTON	.	.	.	.	.	.	.	.	.	20	.	.	.	.
											20				
TOTALS		17,995	17,849	17,291	10,620	15,010	16,929	14,261	837	1,500	1,047	963	1,656	2,429	2,620

TABLE 2
WESTERN BITUMINOUS COAL
UTILITY MARKETS, CLASSIFICATION BY PLANT

		UTILITY PURCHASES OF WESTERN BITUMINOUS COAL							
UTILITY	PLANT	1989	1990	1991	1992	1993	1994	1995 (est)	CATEGORY
AEPCO	APACHE	833	1,074	969	205	1,221	1,322	1,144	TRADITIONAL
APS	CHOLLA	3,582	3,045	3,463	3,730	3,742	3,555	2,335	TRADITIONAL
APS	FOUR CORNERS	8,345	8,722	7,678	8,935	8,501	8,409	8,136	TRADITIONAL
COLO SP	DRAKE	729	608	607	605	705	748	711	TRADITIONAL
COLO SP	NIXON	659	760	804	611	653	583	730	TRADITIONAL
CP&L	COLETO CREEK	1,756	1,829	1,734	1,781	1,778	1,665	1,653	TRADITIONAL
DESERET	BONANZA	1,343	1,508	1,130	1,517	1,501	1,514	1,146	TRADITIONAL
IPP	IPP	4,660	4,822	4,785	4,279	5,049	4,688	4,386	TRADITIONAL
KCBPU	QUINDARO	207	241	112	164	193	196	324	TRADITIONAL
MIDWEST	NEAL	434	647	887	665	646	524	783	TRADITIONAL
NPC	GARDNER	1,503	1,886	1,676	1,372	1,371	1,590	1,402	TRADITIONAL
PACIFICORP	BRIDGER	7,599	7,736	7,728	8,708	8,186	9,002	7,893	TRADITIONAL
PACIFICORP	CARBON	557	585	510	593	649	624	569	TRADITIONAL
PACIFICORP	HUNTER	4,076	4,267	4,099	3,676	4,112	3,980	4,435	TRADITIONAL
PACIFICORP	HUNTINGTON	2,749	2,832	2,713	2,776	2,679	3,447	3,303	TRADITIONAL
PACIFICORP	NAUGHTON	2,571	2,518	2,210	2,385	2,393	2,784	2,390	TRADITIONAL
PLAINS ELEC	ESCALANTE	921	836	874	889	875	927	814	TRADITIONAL
PSCO	ARAPAHOE	577	569	472	462	585	722	659	TRADITIONAL
PSCO	CAMEO	166	193	228	246	244	286	237	TRADITIONAL
PSCO	CHEROKEE	1,697	1,815	1,956	1,935	1,908	1,847	1,851	TRADITIONAL
PSCO	HAYDEN	1,598	1,478	1,454	1,501	1,332	1,537	1,737	TRADITIONAL
PSCO	VALMONT	598	426	437	570	462	534	590	TRADITIONAL
PSNM	SAN JUAN	5,972	5,683	4,336	5,105	5,512	5,980	5,150	TRADITIONAL
SCE	MOHAVE	4,137	4,171	5,063	4,977	4,555	4,415	4,761	TRADITIONAL
SIERRA PACIFIC	NORTH VALMY	1,427	1,420	1,246	1,545	1,450	1,622	919	TRADITIONAL
SRP	CORONADO	1,429	2,038	2,607	2,246	2,609	2,604	2,389	TRADITIONAL
SRP	NAVAJO	7,769	7,276	7,819	7,441	7,566	7,580	6,786	TRADITIONAL
TEPCO	IRVINGTON	271	167	73	199	248	374	233	TRADITIONAL
TEPCO	SPRINGERVILLE	1,475	1,785	2,640	2,494	2,996	2,992	3,115	TRADITIONAL
TRI-STATE	CRAIG	4,165	3,927	4,002	4,493	4,422	4,464	4,419	TRADITIONAL
TRI-STATE	NUCLA	171	209	229	240	292	384	371	TRADITIONAL
CIPS	NEWTON	79	360	254	377	825	672	1,003	NEW
COM ED	KINCAID	-	-	-	-	-	196	1,075	NEW
DETROIT EDISON	RIVER ROUGE	-	-		-	11	21	75	NEW
FREMONT	WRIGHT	80	-	3	31	0	-	35	NEW
ILLINOIS PWR	HAVANA	11	43	-	157	187	461	903	NEW
ILLINOIS PWR	WOOD RIVER	50	20	82	122	287	257	178	NEW
INTERSTATE	KAPP	-	-	-	-	-	7	292	NEW
KCBPU	KAW	10	-	75	138	161	176	122	NEW
MISS PWR	VICTOR J. DANIEL	-	-	-	-	159	715	999	NEW
NIPSCO	MICHIGAN CITY	234	304	252	235	515	846	682	NEW
NIPSCO	MITCHELL	11	92	-	-	-	245	252	NEW
PACIFICORP	CENTRALIA	-	-	-	118	-	409	132	NEW
PGE	BOARDMAN	-	-	-	99	111	675	345	NEW
SPRINGFIELD (MO)	JAMES RIVER	-	-	-	41	103	153	382	NEW
TECO	BIG BEND	-	-	-	212	187	423	737	NEW
TVA	SHAWNEE	-	-	-	-	298	1,335	1,566	NEW
TVA	TVA EN ROUTE	-	-	-	-	-	205	1,080	NEW
UNION ELEC	LABADIE	238	292	377	487	410	713	677	NEW
UTILICORP	SIBLEY	18	36	19	36	735	737	793	NEW
WEPCO	OAK CREEK NORTH	-	-	-	-	-	124	1,052	NEW
WEPCO	OAK CREEK SOUTH	-	22	12	578	1,619	1,722	820	NEW
WEPCO	PLEASANT PRAIRIE	-	-	-	-	11	470	21	NEW
WEPCO	PRESQUE ISLE	-	-	-	-	-	220	595	NEW
WEPCO	VALLEY	-	-	-	-	13	-	83	NEW
WP&L	EDGEWATER	-	-	-	-	-	134	190	NEW
COM ED	CRAWFORD	344	241	272	295	14	-	46	TRANSITION
COM ED	FISK	233	398	401	196	26	-	-	TRANSITION
COM ED	JOLIET	1,319	1,138	558	1,234	-	-	-	TRANSITION
COM ED	JOLIET 9	230	120	204	241	-	-	-	TRANSITION
COM ED	WAUKEGAN	662	817	792	555	-	-	-	TRANSITION
COM ED	WILL COUNTY	617	393	607	648	33	9	204	TRANSITION
KP&L	LAWRENCE	1,031	1,338	1,098	1,122	811	785	1,030	TRANSITION
KP&L	TECUMSEH	528	400	360	409	373	405	254	TRANSITION

-CONTINUED-

TABLE 2-CONTINUED
WESTERN BITUMINOUS COAL
UTILITY MARKETS, CLASSIFICATION BY PLANT

UTILITY	PLANT	UTILITY PURCHASES OF WESTERN BITUMINOUS COAL 1989	1990	1991	1992	1993	1994	1995 (est)	CATEGORY
NIPSCO	SCHAHFER	1,260	1,246	1,877	1,828	1,920	965	179	TRANSITION
CAJUN	BIG CAJUN 2	-	-	-	-	-	37	-	TEST
CEDAR FALLS	STREETER	3	-	-	-	-	-	-	TEST
CIPS	MEREDOSIA	-	-	-	53	-	-	-	TEST
COLUMBIA	COLUMBIA-MO	-	-	-	-	-	1	-	TEST
DAIRYLAND	ALMA	-	-	-	-	11	-	-	TEST
DAIRYLAND	GENOA	-	-	-	10	17	-	-	TEST
DAIRYLAND	J.P. MADGETT	-	-	-	-	52	-	-	TEST
GEORGIA PWR	SCHERER	-	-	-	-	44	11	-	TEST
IES	PRAIRIE CREEK	-	-	-	-	12	-	-	TEST
IES	SUTHERLAND	-	145	-	-	-	-	-	TEST
ILLINOIS PWR	HENNEPIN	-	-	-	-	27	17	-	TEST
IN-MI (AEP)	ROCKPORT	-	-	-	-	-	0	-	TEST
IOWA-ILLINOIS	RIVERSIDE	-	-	-	-	50	-	-	TEST
KC P&L	HAWTHORN	-	-	-	-	-	35	-	TEST
MINN PWR	LASKIN	-	10	-	-	-	-	-	TEST
MISS PWR	JACK WATSON	-	-	-	-	-	-	20	TEST
MUSCATINE	MUSCATINE	-	-	-	-	20	-	-	TEST
NIPSCO	BAILLY	-	10	29	68	10	-	-	TEST
NPPD	GENTLEMAN	-	-	-	-	-	56	19	TEST
NPPD	SHELDON	28	9	9	-	33	47	-	TEST
SAN ANTONIO	DEELY	-	-	-	-	-	-	47	TEST
SAN ANTONIO	J.K. SPRUCE	-	-	-	-	-	-	33	TEST
SIKESTON	SIKESTON	-	20	10	-	-	-	-	TEST
SPRINGFIELD (MO)	SOUTHWEST	-	-	-	11	230	-	-	TEST
ST JOSEPH	LAKE ROAD	5	-	15	-	-	-	-	TEST
TVA	ALLEN	-	-	-	-	-	27	-	TEST
TVA	COLBERT	-	-	-	-	-	27	18	TEST
TVA	CUMBERLAND	-	-	-	-	165	-	-	TEST
TVA	PARADISE	-	-	-	-	248	-	-	TEST
TVA	WIDOWS CREEK	-	-	-	-	51	208	-	TEST
WEPCO	PORT WASHINGTON	-	-	-	-	-	10	21	TEST
WP&L	NELSON DEWEY	-	32	-	-	20	34	-	TEST
WP&L	ROCK RIVER	-	-	-	-	-	33	-	TEST
WPS	PULLIAM	-	-	39	-	-	-	-	TEST
WPS	WESTON	-	-	20	-	-	-	-	TEST

	PLANTS	1989	1990	1991	1992	1993	1994	1995 (est)
TRADITIONAL	32	73,975	75,074	74,090	76,342	78,435	80,898	75,370
TRANSITION	9	6,224	6,092	6,169	6,528	3,177	2,164	1,683
NEW	25	730	1,168	1,075	2,631	5,630	10,915	14,085
TEST	34	36	226	122	142	984	544	159
GRAND TOTALS	100	80,965	82,559	81,455	85,644	88,226	94,521	91,297

FIGURE 3
WESTERN BITUMINOUS COAL
PRODUCTION, BY SOURCE REGION

	1989	1990	1991	1992	1993	1994	1995 (est)
CENTRAL ROCKIES	35,872	38,686	37,954	39,018	41,887	47,288	48,107
FOUR CORNERS	35,186	34,278	34,453	37,847	39,189	40,743	36,431
SOUTHERN WYOMING	21,394	21,185	20,706	21,736	17,654	19,844	18,173
RATON	1,754	2,169	1,867	1,404	2,761	4,056	3,304

FIGURE 6
WESTERN BITUMINOUS COAL
PRODUCTION, BY MARKET

	1989	1990	1991	1992	1993	1994	1995 (est)
UTILITY	80,965	82,559	81,455	85,644	88,226	94,521	91,297
EXPORT & INDUSTRIAL	13,241	13,758	13,525	14,361	13,264	17,410	14,719
TOTALS	**94,206**	**96,317**	**94,980**	**100,005**	**101,490**	**111,931**	**106,016**

FIGURE 7
WESTERN BITUMINOUS COAL
PRODUCTION AND SALES, BY ORIGINATING TRANSPORT MODE

	1989	1990	1991	1992	1993	1994	1995 (est)
ON-SITE	29,357	30,013	26,186	30,034	29,642	30,997	29,715
SP	15,293	17,454	17,344	18,313	19,728	23,241	22,624
BNSF	8,479	9,362	10,286	11,260	13,676	16,737	13,154
UP	13,853	13,555	13,840	13,355	10,312	12,050	11,365
PVT RR	9,837	9,487	10,247	9,517	9,968	9,997	9,127
TRUCK	9,556	8,464	7,977	7,737	8,294	8,683	8,920
UTAH	3,670	3,921	3,863	4,762	5,288	5,989	6,516
SLURRY	4,161	4,059	5,237	5,028	4,582	4,236	4,596
SP RAIL MARKET SHARE	37%	39%	38%	38%	40%	40%	42%
UP RAIL MARKET SHARE	34%	31%	31%	28%	21%	21%	21%
BNSF MARKET SHARE	21%	21%	23%	24%	28%	29%	25%
UTAH MARKET SHARE	9%	9%	9%	10%	11%	10%	12%
NON-CAPTIVE RAIL TONS	41,295	44,293	45,332	47,689	49,004	58,018	53,659
CAPTIVE	52,911	52,024	49,647	52,316	52,487	53,913	52,358

FIGURE 8
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY STATE

	1989	1990	1991	1992	1993	1994	1995 (est)
ARIZONA	15,359	15,385	17,020	16,315	18,382	18,427	16,002
NEW MEXICO	15,238	15,241	12,888	14,929	14,888	15,316	14,100
UTAH	13,385	14,014	13,237	12,841	13,990	14,253	13,839
COLORADO	10,359	9,985	10,190	10,661	10,603	11,105	11,306
WYOMING	10,170	10,254	9,938	11,093	10,579	11,786	10,282
NEVADA	7,067	7,477	8,084	7,894	7,376	7,627	7,081
ILLINOIS	3,545	3,530	3,170	3,878	1,399	1,612	2,409
OTHERS	5,841	6,673	6,928	8,033	11,009	14,395	15,277

FIGURE 9
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY "OTHER" STATE

	1989	1990	1991	1992	1993	1994	1995 (est)
WISCONSIN	-	54	71	588	1,736	2,526	2,187
KENTUCKY	-	-	-	-	546	1,434	2,128
MISSOURI	261	348	421	575	1,478	1,639	1,851
TEXAS	1,756	1,829	1,734	1,781	1,778	1,665	1,733
KANSAS	1,775	1,980	1,645	1,832	1,538	1,562	1,699
INDIANA	1,505	1,652	2,159	2,132	2,446	2,057	1,112
IOWA	437	792	887	665	728	530	1,075
MISS	-	-	-	-	159	715	1,018
FLORIDA	-	-	-	212	187	423	737
MICHIGAN	-	-	-	-	11	241	670
TENNESSEE	-	-	-	-	165	134	518
OTHERS	108	19	12	248	239	1,470	548
OR	-	-	-	99	111	675	345
WA	-	-	-	118	-	409	132
NE	108	9	12	31	33	103	54
AL	-	-	-	-	51	235	18
GA	-	-	-	-	44	11	-
LA	-	-	-	-	-	37	-
MN	-	10	-	-	-	-	-

FIGURE 10
WESTERN BITUMINOUS COAL
1995 PURCHASES, BY UTILITY AND SOURCE REGION

UTILITY	CEN. ROCKIES	FOUR CORNERS	S. WYOMING	RATON	TOTAL
PACIFICORP	8,439	-	10,282	-	18,722
ARIZONA PS	-	10,471	-	-	10,471
SALT RIVER	-	9,175	-	-	9,175
PSNM	-	5,150	-	-	5,150
PSCO	5,074	-	-	-	5,074
TRI-STATE	4,419	371	-	-	4,790
SO CAL ED	-	4,761	-	-	4,761
INTERMOUNTAIN	4,386	-	-	-	4,386
TUCSON ELEC	-	3,348	-	-	3,348
TVA	2,664	-	-	-	2,664
WEPCO	699	-	21	1,872	2,591
CP&L	1,653	-	-	-	1,653
COLO SP	1,442	-	-	-	1,442
NEVADA PWR	1,402	-	-	-	1,402
COM ED	1,325	-	-	-	1,325
KP&L	1,254	-	-	-	1,254
DESERET	1,146	-	-	-	1,146
AEPCO	-	1,127	-	17	1,144
NIPSCO	-	-	1,112	-	1,112
ILLINOIS PWR	1,081	-	-	-	1,081
MISS PWR	1,018	-	-	-	1,018
CIPS	1,003	-	-	-	1,003
SIERRA PACIFIC	549	-	370	-	919
PLAINS ELEC	-	814	-	-	814
UTILICORP	95	-	697	-	793
MIDWEST	-	-	783	-	783
TECO	-	-	-	737	737
UNION ELEC	677	-	-	-	677
KCBPU	-	-	446	-	446
SPRINGFIELD (MO)	382	-	-	-	382
PGE	-	-	345	-	345
INTERSTATE	292	-	-	-	292
WP&L	-	-	190	-	190
SAN ANTONIO	-	-	81	-	81
DETROIT EDISON	75	-	-	-	75
FREMONT	-	-	35	-	35
NPPD	19	-	-	-	19
TOTALS	**39,094**	**35,217**	**14,361**	**2,626**	**91,297**

FIGURE 11
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY MINING COMPANY

COMPANY	1989	1990	1991	1992	1993	1994	1995 (est)
PEABODY	16,031	15,858	18,760	17,547	17,648	17,821	17,742
PACIFICORP	12,862	12,937	12,551	12,355	12,608	15,040	15,010
BHP	14,317	14,405	12,014	14,040	14,013	14,389	13,286
P&M	8,260	8,236	7,774	9,587	12,015	12,689	10,380
CYPRUS AMAX	5,453	6,245	6,566	6,271	7,571	9,292	9,447
COASTAL	3,816	3,732	4,149	4,124	4,732	4,582	5,246
KENNECOTT	3,867	3,596	3,923	4,240	4,336	3,972	4,348
ARCO	1,208	1,108	1,320	1,387	2,170	3,240	3,871
WESTERN FUELS	3,587	3,950	3,237	3,815	3,843	3,938	3,490
OTHERS	11,564	12,492	11,162	12,278	9,291	9,558	8,474

FIGURE 12
WESTERN BITUMINOUS COAL
UTILITY PURCHASES, BY TRANSPORT MODE

TRANSPORTATION	1989	1990	1991	1992	1993	1994	1995 (est)
ON-SITE	28,135	29,520	26,327	29,366	28,618	30,589	28,493
SP	11,950	12,666	13,514	14,142	16,496	19,289	21,467
BNSF	7,641	8,581	9,250	9,687	12,436	13,084	11,825
PVT RR	10,034	9,620	9,873	9,848	9,942	10,021	8,747
TRUCK	7,916	6,968	6,474	6,288	6,839	6,961	7,363
UP	8,792	8,611	8,658	9,065	6,733	7,264	5,830
SLURRY	4,137	4,171	5,063	4,977	4,555	4,415	4,761
UTAH	2,360	2,422	2,297	2,272	2,608	2,898	2,812
GRAND TOTAL	80,965	82,559	81,455	85,644	88,226	94,521	91,297
TOTAL RAIL	30,743	32,279	33,719	35,166	38,273	42,535	41,934
SP RAIL MARKET SHARE	39%	39%	40%	40%	43%	45%	51%
UP RAIL MARKET SHARE	29%	27%	26%	26%	18%	17%	14%

FIGURE 13
WESTERN BITUMINOUS COAL
TRADITIONAL UTILITY MARKETS, BY TRANSPORT MODE

	1989	1990	1991	1992	1993	1994	1995 (est)
BNSF	7,622	8,119	9,171	8,884	10,838	10,807	9,216
ON-SITE	28,135	29,520	26,327	29,366	28,618	30,589	28,493
PVT RR	10,034	9,620	9,873	9,848	9,942	10,021	8,747
SLURRY	4,137	4,171	5,063	4,977	4,555	4,415	4,761
SP	11,493	11,763	12,112	11,758	12,255	12,031	11,317
TRUCK	7,916	6,968	6,474	6,288	6,839	6,961	7,363
UP	2,279	2,479	2,773	2,949	2,780	3,434	2,896
UTAH	2,360	2,422	2,297	2,272	2,608	2,669	2,579
TOTALS	73,975	75,063	74,090	76,342	78,435	80,926	75,370
RAIL TOTALS	23,754	24,783	26,353	25,864	28,482	28,940	26,007
UP RAIL MARKET SHARE	10%	10%	11%	11%	10%	12%	11%
SP RAIL MARKET SHARE	48%	47%	46%	45%	43%	42%	44%

FIGURE 14
WESTERN BITUMINOUS COAL
CHANGING UTILITY MARKETS, BY TRANSPORT MODE

	1989	1990	1991	1992	1993	1994	1995 (est)
SP	458	903	1,402	2,384	4,241	7,259	10,151
UP	6,513	6,131	5,885	6,116	3,953	3,830	2,934
UTAH	-	-	-	-	-	230	233
BNSF	20	462	79	803	1,598	2,277	2,608
TOTALS	6,990	7,496	7,365	9,302	9,791	13,596	15,927
UP MARKET SHARE	93%	82%	80%	66%	40%	28%	18%
SP MARKET SHARE	7%	12%	19%	26%	43%	53%	64%

FIGURE 15
WESTERN BITUMINOUS COAL
TRANSITIONAL UTILITY MARKETS, BY TRANSPORT MODE

	1989	1990	1991	1992	1993	1994	1995 (est)
BNSF	-	178	-	34	-	-	-
SP	257	600	689	1,067	1,017	1,402	1,412
UP	5,967	5,324	5,480	5,427	2,161	762	272
TOTALS	6,224	6,102	6,169	6,528	3,177	2,164	1,683
UP MARKET SHARE	96%	87%	89%	83%	68%	35%	16%
SP MARKET SHARE	4%	10%	11%	16%	32%	65%	84%

FIGURE 16
WESTERN BITUMINOUS COAL
NEW AND TEST UTILITY MARKETS, BY TRANSPORT MODE

	1989	1990	1991	1992	1993	1994	1995 (est)
BNSF	20	284	79	769	1,598	2,277	2,608
SP	201	303	713	1,316	3,224	5,856	8,739
UP	545	807	405	689	1,792	3,068	2,663
UTAH	-	-	-	-	-	230	233
TOTALS	766	1,394	1,196	2,774	6,614	11,432	14,244
UP MARKET SHARE	71%	58%	34%	25%	27%	27%	19%
SP MARKET SHARE	26%	22%	60%	47%	49%	51%	61%

FIGURE 17
NEW WESTERN BITUMINOUS MARKETS, ALL COAL SOURCES

TONS	1989	1990	1991	1992	1993	1994	1995 (est)
SOUTHERN PRB	7,594	8,116	10,739	9,539	12,339	13,928	14,282
ROCKIES	249	303	713	1,470	2,814	5,932	9,135
ILLINOIS BASIN	17,141	17,344	16,517	13,362	10,060	11,390	9,067
WASHINGTON	4,924	4,696	4,890	4,984	4,562	4,634	4,154
CENTRAL APP	7,742	7,945	6,912	6,287	7,159	4,276	3,111
NORTHERN PRB	1,163	863	993	3,484	2,116	3,267	2,982
RATON	20	262	12	758	1,621	2,421	2,608
SOUTHERN WY	461	603	349	403	1,195	2,562	2,342
OTHER	1,902	2,052	2,333	1,861	1,687	1,521	699
IMPORTS	-	-	24	-	465	204	367
NORTHERN APP	1,819	2,052	2,295	1,848	1,215	1,317	331
INTERIOR	84	-	14	-	3	-	-
SOUTHERN APP	-	-	-	13	5	-	-
TOTALS	41,196	42,193	43,458	42,148	43,553	49,931	48,380

FIGURE 19
NEW WESTERN BITUMINOUS MARKETS, BY UTILITY AND SOURCE REGION, 1995

	CENTRAL ROCKIES	WYOMING	RATON	TOTALS
TVA	2,646	-	-	2,646
WEPCO	678	21	1,872	2,570
ILLINOIS PWR	1,081	-	-	1,081
COM ED	1,075	-	-	1,075
CIPS	1,003	-	-	1,003
MISS PWR	999	-	-	999
[illegible]SCO	-	933	-	933
UTILICORP	95	697	-	793
TECO	-	-	737	737
UNION ELEC	677	-	-	677
SPRINGFIELD (MO)	382	-	-	382
PGE	-	345	-	345
INTERSTATE	292	-	-	292
WP&L	-	190	-	190
OTHERS	207	157	-	364
PACIFICORP	132	-	-	132
KCBPU	-	122	-	122
DETROIT EDISON	75	-	-	75
FREMONT	-	35	-	35
TOTALS	9,135	2,342	2,608	14,085

FIGURE 20
NEW WESTERN BITUMINOUS MARKETS, BY MINING COMPANY

	1989	1990	1991	1992	1993	1994	1995 (est)
CYPRUS AMAX	285	424	610	305	1,071	2,606	3,528
ARCO	20	292	377	487	1,018	1,863	2,352
P&M	20	262	51	578	1,395	1,643	1,872
COASTAL	48	-	-	557	679	865	1,547
PACIFIC BASIN	-	-	-	32	581	666	979
COMMONWEATH	-	-	-	-	44	423	908
ENTECH	-	-	-	181	226	779	737
ARCH	88	190	75	138	481	601	568
OTHERS	270	-	-	355	134	1,471	1,593

FIGURE 21
NEW WESTERN BITUMINOUS MARKETS, BY SOURCE REGION

REGION	1989	1990	1991	1992	1993	1994	1995 (est)
CENTRAL ROCKIES	249	303	713	1,470	2,814	5,932	9,135
RATON	20	262	51	758	1,621	2,421	2,608
SOUTHERN WYOMING	461	603	349	403	1,195	2,562	2,342
TOTALS	730	1,168	1,114	2,631	5,630	10,915	14,085

FIGURE 22
COAL ECONOMICS EXAMPLE, "GENERIC" CENTRAL ILLINOIS PLANT

			FOB Mine		Transportation			Delivered Price (¢/mmBtu)			Reload Adjustment	
	BTU/lb	SO2	¢/mmBtu	$/Ton	Miles	Price	$/Ton	¢/mmBtu	SO2 Penalt	Adjusted	Discount	Adjusted
SPRB	8,535	0 79	23 4	$ 4 00	1,100	$ 13 28	$ 17.28	101.2	4.9	106.2		106.2
NPRB	9,391	0.72	30.6	$ 5 75	1,200	$ 14 13	$ 19.88	105.8	4.5	110.3		110.3
ILB	11,328	4 72	79 4	$ 18 00	200	$ 6 00	$ 24.00	105.9	29.5	135.4		135.4
CAPP-Barge	12,490	1 56	92 1	$ 23 00	700	$ 11 00	$ 34.00	136.1	9.8	145.9		145.9
Rockies-UT	11,722	0 80	61 3	$ 14 38	1,400	$ 18.70	$ 33.09	141.1	5.0	146.2	12.8	133.4
Raton	12,789	0 71	88 9	$ 22 74	1,000	$ 13.53	$ 36.26	141.8	4.4	146.2		146.2
Rockies-CO	11,394	0 91	61 3	$ 13 98	1,300	$ 18 10	$ 32.08	140.8	5.7	146.4	13.2	133.3
S Wyoming	10,088	1 00	69 6	$ 14 03	1,100	$ 14 30	$ 28.34	140.5	6.2	146.7		146.7
NAPP-Rail	13,165	2 32	85 2	$ 22 42	1,100	$ 17 00	$ 39.42	149.7	14.5	164.2		164.2

ac. .aul breakthrough for western bituminous coal

Ronald L. McMahan
Gerald E. Vaninetti

lost industry observers, including ource Data International, have cast the contraction o the Illinois in coal industry as a result of marpenetration and displacement by der River Basin coal and, to a lessxtent, central Appalachian coal. npetitive pricing and substantially er sulfur content have made these s attractive alternatives to Illinois in coal in its traditional midwestmarkets. However, recent events in ransportation market have caused tern bituminous coal to flow into Midwest sooner than anticipated.

uring the past few years, most of focus on fuel switching in the west has centered around PRB , which steadily has expanded its ket share due to a variety of fac- low cash costs: rail competition eer Burlington Northern and Unic cific Chicago & North tern lines out of the PRB: emely low sulfur content: and spread success in burning and blending the lower-heat-content coal. PRB coal now dominates markets in much of the West, the Great Plains and the southwestern Gulf region. In recent years, the PRB has made furth ecursions in the Midwest, as well as in other markets where Illinois Basin coal previously enjoyed a significant share, such as the Southern Companies and Tennessee Valley Authority.

This pre-Phase I run-up in demand for PRB coal has triggered new production records in each of the past two years—228 million tons in 1993 and an expected 250 million tons in 1994. Along with this unprecedented run-up in demand has come an accompanying increase in as supply has tightened, partic y for the higher-Btu PRB coal that carries a transportation advantage into midwestern markets.

Of much greater importance are the projected derates resulting from the difference in the heating value of PRB coal (8,500 to 8,800 Btu/lb) relative to the bituminous coal most midwestern plants were designed to burn (11,500 to 12,000 Btu/lb). While operational adjustments and, in some cases, slight boiler and coal handling modifications can reduce derates to acceptable levels for some utilities, many other utilities still prefer to switch to low-sulfur bituminous coal in which the heat content and other characteristics are most similar to the coal for which the boilers were designed.

Last year, the combined effects of midwestern floods, UMWA strikes, unseasonable load demand, stockpile replenishment, congested rail service from the PRB and the Southern Pacific's "backhaul" marketing strategy caused low-sulfur/compliance bituminous coal from the Uinta Basin of Colorado and Utah to expand its foothold in midwestern markets.

Of all these factors, by far the most significant has been transportation—i.e., SP's competitive backhaul rail rates that primarily are linked to westbound hauls of coal and iron ore to Geneva Steel in Provo, Utah. For several years, following the closing of metallurgical mines in the West, Geneva Steel has been buying 500,000 tons of coking coal from Pennsylvania and West Virginia. SP made it possible

COALDAT® Market Indicators

Coal Supply & Demand (thousands of tons)	Monthly Trends Mar/94	Apr/94	May/94	May/93	yr ago % chg	January through May 1992	1993	1994	yr ago % chg
Production	83,504	88,623	83,504	74,034	12.8	419,630	395,521	432,403	9.3
Utility Demand									
Purchases	72,579	67,222	70,778	62,346	13.5	313,215	313,464	337,124	7.5
Contract	55,628	52,265	55,655	51,379	8.3	263,254	257,236	263,452	2.4
Spot	16,951	14,958	15,123	10,967	37.9	49,960	56,228	73,671	31.0
Consumption	66,098	60,040	63,084	60,032	5.1	310,671	320,429	331,039	3.3
Inventories (month ending)	105,149	113,324	119,643	150,678	-20.6	164,179	150,678	119,642	-20.6
Exports									
Metallurgical	4,356	3,871	3,540	4,321	-18.1	25,413	20,126	18,739	-6.9
Steam	1,537	1,104	1,706	1,737	-1.8	17,408	10,082	6,359	-36.9
elivered Coal Prices									
Utility (c/mmBtu)									
Contract	136.4	139.1	139.4	141.4	-1.4	143.0	140.8	137.6	-2.2
Spot	121.2	120.7	118.9	117.6	1.1	116.4	115.4	119.6	3.6
Exports ($/ton FAS)									
Met	44.4	43.7	43.5	44.8	-2.9	45.9	45.1	44.0	-2.4
Steam	34.2	35.1	35.3	35.3	0.0	36.0	36.8	34.7	-5.7
lectric Power									
Gen n (billions/kWh)	231.0	215	228	222	2.7	1,117	1,139	1,160	1.8
C	134.0	120	126	121	4.1	630	646	664	2.8
Nucl	49.0	43	49	50	-2.0	244	250	246	-1.6
oal Transportation									
BLS rail index (1985 =100)	107.3	107.3	107.3	106.4	0.8				

Source: Resource Data International, Inc.
Boulder, Colorado • (303) 444-7788

for a few utilities to take advantage of a backhaul by offering favorable rail rates to move Colorado and Utah coal to plants in the Midwest. Last year, when Geneva made plans to take 3.5 million tons of iron ore from Minnesota, a new set of backhaul opportunities emerged. Rather than simply quoting favorable backhaul rates, SP put the full 3.5 million annual tons of rail contracts up for bid—allowing the market to determine rates.

The response was overwhelming. TVA rediscovered western bituminous coal and quickly committed to 3.75 million tons per year for 10 years. Illinois Power committed for at least 1.6 million tons, Wisconsin Electric for 600,000 tons and Detroit Edison for 250,000 to 500,000 tons. All of this adds up to "backhaul" business in excess of 6 million tons per year against a west-bound haul of iron ore and coking coal of 4 million tons. What is most interesting about the imbalance in this equation is that SP is using the backhaul as a pricing mechanism to move more of its western coal into midwestern markets—i.e., spreading fixed costs over a much higher volume and making it possible to quote better rates on east-bound coal traffic.

Other major midwestern buyers who have committed to western bituminous coal contracts in the past year include Interstate Power, NIPSCO, Union Electric and Mississippi Power. The rush to western bituminous coal also has been joined by coal resellers, as evidenced by Koch Carbon's agreement to distribute Utah coal through its KCBX transfer facility to its Great Lakes customers.

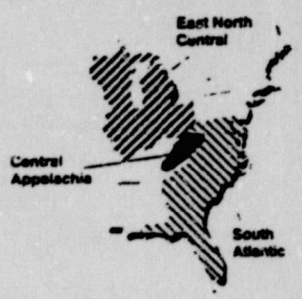
By RDI's count, the midwestern utility demand for western bituminous coal from Colorado and Utah currently exceeds 8 million tons annually. If SP's rail rates continue to remain competitive into the region, RDI expects that demand will continue to grow, chipping away at the early switching market originally "penciled in" for central Appalachia and the PRB. The displacement of PRB coal primarily will be for blending to minimize derates at plants operating at high-capacity factors.

If recent events in the market are an indicator of future coal purchasing patterns, growth in demand for western bituminous coal is expected to boom in conjunction with the expansion of PRB coal markets. Although coal from Colorado and Utah is expected to lead the charge, some residual effects likely will be experienced in the bituminous coalfields of New Mexico and Wyoming. In addition to the utilities that can take advantage of the western bituminous coal, the big winners in this market shift are expected to include producers and transporters of western bituminous coal, rail-to-barge terminals on the Mississippi River and Illinois Basin producers that can pursue blending marketing strategies. ■

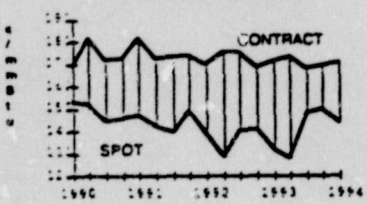
UTILITY MARKET PRICE INDICATORS

deliveries of
CENTRAL APPALACHIA
COMPLIANCE COAL

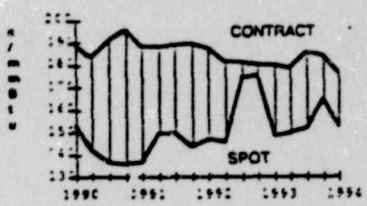
12,500 BTU/LB
LESS THAN 1.2 LBSO2/MMBTU



INTO THE EAST NORTH CENTRAL



INTO THE SOUTH ATLANTIC



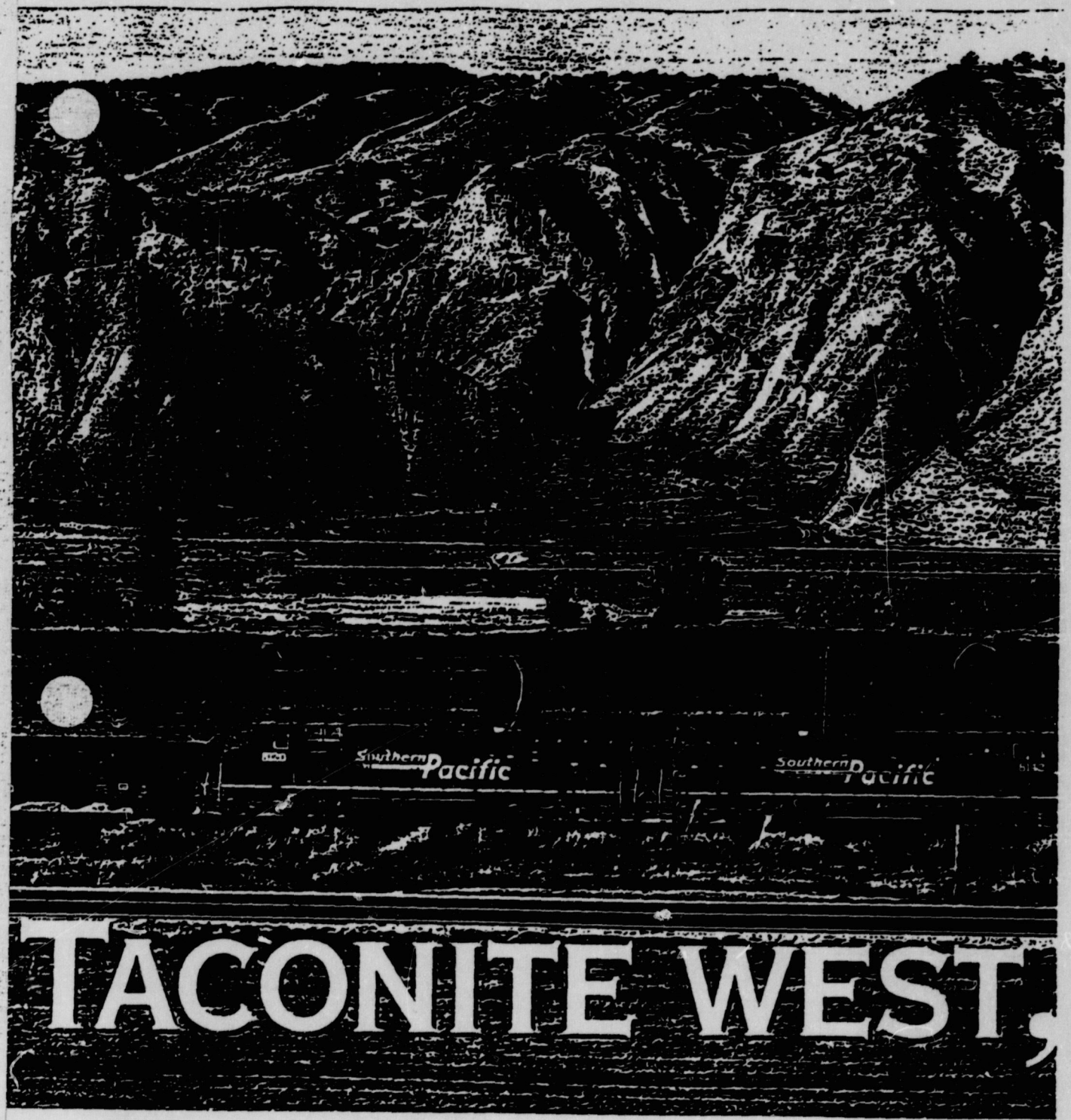
SPOT PURCHASES BY SELECTED UTILITIES
CENTRAL APPALACHIA COMPLIANCE COAL

(12 months ending in May, 1994)

Operating Utility	(000s of tons) past year	(000s of tons) current year	(000s of tons) % chg yr ago	(¢/mmBtu) past year	(¢/mmBtu) current year	(¢/mmBtu) % chg yr ago
Into East North Central						
Central Illinois Light Co.	340	421	23.8	162	172	5.9
Cincinnati Gas & Electric	227	251	10.6	117	127	8.0
Cleveland Electric Illum Co.	155	150	-3.2	151	158	4.5
Consumers Power Co.	164	621	278.7	144	172	19.2
Dayton Power & Light Co.	474	965	103.6	110	124	12.3
Illinois Power Co.	29	149	413.8	131	175	33.5
Northern Indiana Pub Serv Co.	296	193	-34.8	159	172	8.2
Ohio Power Co.	39	8	-79.5	155	154	-0.1
PSI Energy	524	134	-74.4	138	143	3.2
Into South Atlantic						
Appalachian Power Co.	312	604	93.6	100	109	0.0
Baltimore Gas & Electric	384	804	109.4	146	168	15.3
Carolina Power & Light Co.	924	115	-87.6	138	166	20.5
Duke Power Co.	528	1,133	114.6	138	145	5.3
Florida Power Corp.	61	27	-55.7	157	172	9.7
Georgia Power Co.	1,849	2,541	37.4	160	167	4.0
Potomac Electric Power Co.	88	121	37.5	171	174	1.5
Virginia Electric & Power	90	81	-10.0	142	156	10.2

Source: Resource Data International, Inc.

Author information
McMahon is president and Veninetti is senior consultant with Resource Data International Inc. of Boulder, Colo.



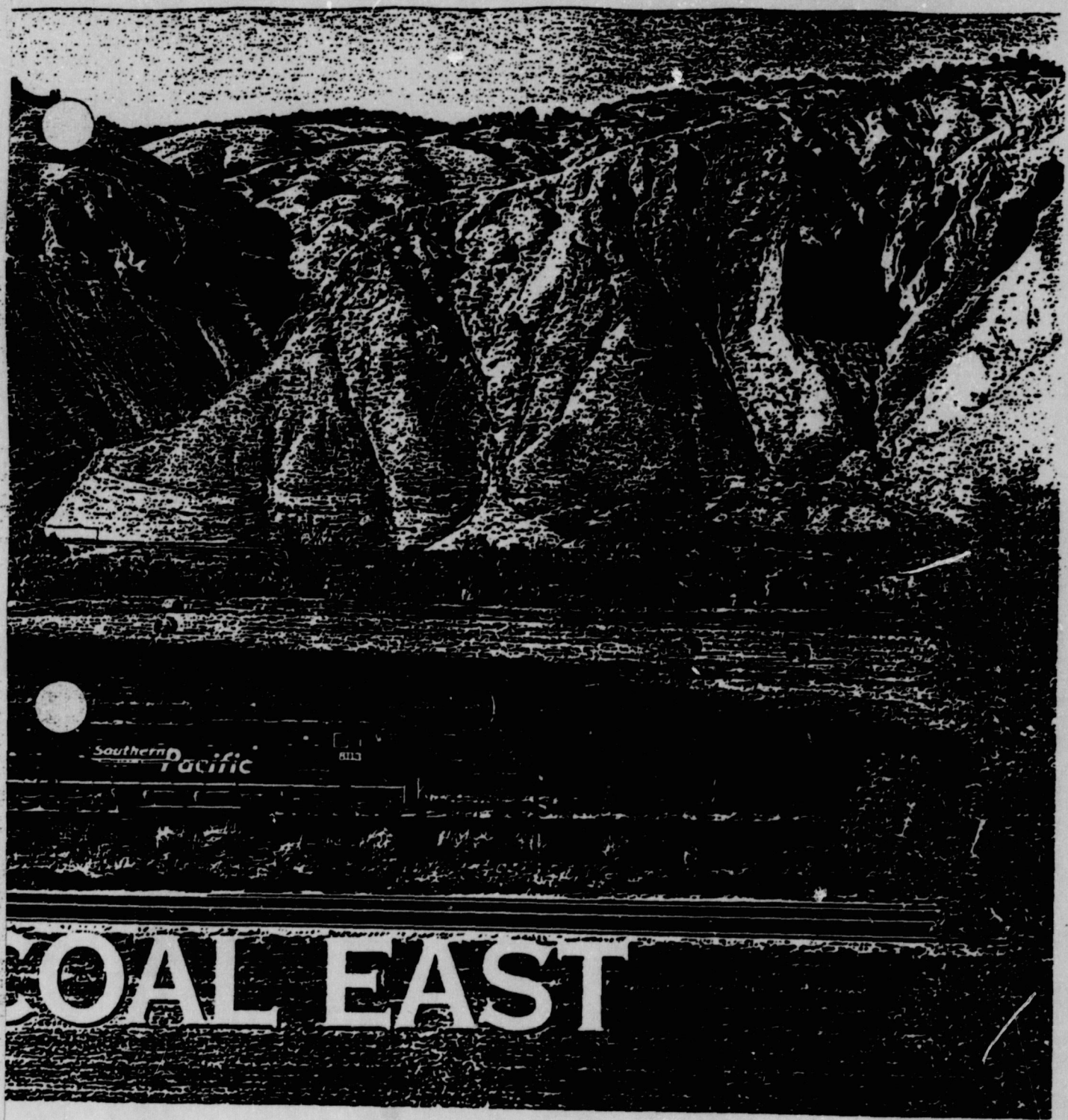
TACONITE WEST

How Wisconsin Central and Southern Pacific snared the big Geneva Steel ore haul

BY MARK W. HEMPHILL
PHOTOS BY THE AUTHOR

AT 11:30 P.M. ON SEPTEMBER 26, 1994, the city of Pueblo, Colo., closes for the night. The streetlights cast pools of light on the empty streets beneath the red brick and sandstone facades of the city's turn-of-the-century business blocks. You could stand on the overpass spanning Pueblo Union Depot Yard and roll bowling balls down Union Avenue without fear of striking a car.

Wait . . . there, south of the overpass, is a steel building whose overhead doors stand open on this pleasantly warm night, whose bright lights spill into the yard and beckon you in. This is Southern Pacific's Pueblo "roundhouse." Inside the crew room you find Don Gibbs, road foreman of engines, a big, no-nonsense man whose



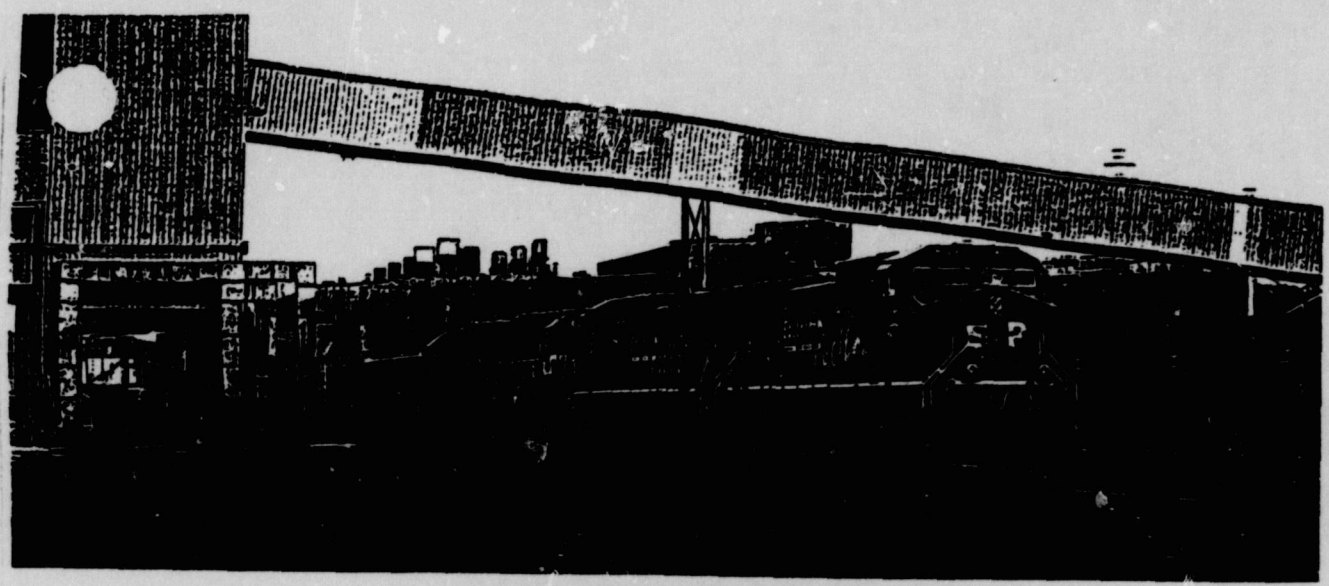
New GE Dash-9 diesels hustle coal east up the 1.3 percent grade between Eagle and Sage, Colo., on SP's Denver & Rio Grande Western.

...ry gray hair, wire-frame glasses, and measured speech make him ...fessorial.

"This is engineer Jim Harvey and conductor Bob Brazil ... he says ...oducing you. Had he told you they were Montana cowboys, you ...uld have believed it, judging by their weathered faces, wire hats, ...akes, and steady gaze.

"C... go." The formalities over, Gibbs turns abruptly and ...ades ... door, his grip and thermos in his left hand, a parka ...laptop computer slung over his right shoulder.

Around the corner, past a dozen idling diesels, is Denver & Rio ...ande Western SD40T-2 5411. This is the taxi to your train, which ...s 2 miles away at Pueblo Yard's west end. Headlight on dim, 5411 ...moves slowly through a dark canyon of hoppers and boxcars. It emerges into the west throat, where three of SP's 100 new C44-9W's reflect the faraway glow of the yard light towers. Coupled behind them are 105 black four-bay hopper cars. The three men quickly juggle the locomotives, splicing in the 5411 as third unit among the new General Electrics. A carman pulls alongside in his truck and picks up Bob and the end-of-train device, then disappears down a narrow road between the tracks. Fifty-three cars deep, he stops. Bob lifts the pin to split the train, Jim pulls forward a few feet, and Bob attaches



the rear-end device. The air brakes are tested and released, and at 1:28 a.m. your train is ready to go west.

The CTC signals at the west end show yellow over red. At 1:30, Jim opens the throttle on C44 8138 and the train slowly pulls forward through the narrow girders over Dry Creek. As soon as the rear end clears the [illegible] Jim pulls the throttle back to N[illegible]8, and the four units spool up. The 8138's ammeter swings over to 900 amps as the four units trade horsepower for speed on the 1 percent ascending grade. A few minutes later Jim calls the absolute signal at the end of two main tracks at Goodnight: "Green."

"Green," confirms Don.

Ahead, the track climbs toward the Rocky Mountains, faintly visible in the starlit distance. This crew will take your train 181.9 miles west to Minturn, a small mountain helper terminal on the far side of Tennessee Pass. At 10,221 feet elevation, the pass is the highest point on North America's contiguous rail network. From Pueblo to Tennessee Pass, your train will climb 5549 feet—more than one mile up!

The lights of Pueblo dwindle, and the 53 hoppers behind you are almost invisible in the darkness. From the locomotives, they look like the usual westbound empties heading into the Rocky Mountains for more coal, since nothing is visible above their sides. Yet the steady drone of prime movers in Notch 8 and the slow train speed speak a different story: these cars are loaded with 5300 tons of taconite pellets bound for Geneva Steel at Geneva, Utah.

Wisconsin Central hopper cars? Loaded with taconite? On Southern Pacific?

On the team: Posing with a train at Minntac are (from left) Ed Burkhardt, WC president; Ralph Rupp, Geneva Steel manager-traffic; and Jim Swearingen, Minntac general manager.

UTAH AND STEEL: For 71 years, starting in 1924, Union Pacific hauled iron ore to blast furnaces near Provo, Utah. On April 30 of that year, Columbia Steel "blew in" its blast furnace at Ironton, the first successful one west of the Rocky Mountains. All the raw materials were brought together by railroads: iron ore from the Iron Springs Mining District near Cedar City, Utah, 236 miles south on UP; coking coal, from the thick Sunnyside seams in Carbon and Emery Counties, 115 miles east on D&RGW; and limestone and dolomite, from the Keigley Quarry, 21 miles west on the D&RGW. Ironton supplied about 165,000 tons a year of pig iron to Columbia's open-hearth furnaces and rolling mills at Pittsburg and Torrance, Calif. Columbia Steel became a subsidiary of U.S. Steel in 1930.

In 1940, as America's participation in World War II approached, the U.S. government began awarding contracts to West Coast shipyards to build the thousands of cargo ships, tankers, and small warships necessary to support an island-hopping, trans-Pacific war. These ships were built from steel plate and structural steel rolled at Eastern mills, which traveled by ship via the Panama Canal because water rates for steel were about half as much as all-rail rates from the nearest large mills at Chicago and Gary, Ind.

During World War I, shipping losses to German submarines had reached alarming proportions. Would there be any ships available to carry steel to the West Coast in the next war? Was the Panama Canal route safe enough from enemy attack? The government's Defense Plant Corp. began to plan a new Western steel mill to supply the West Coast shipyards.

Central Utah, rail hub of the West, was the perfect place for this large new mill, just as it had been for Columbia Steel in 1924. Local communities could house the thousands of people who would build and operate the mill, and a cadre of experienced blast-furnace workers at Ironton could train the new employees in making iron. Railroads would supply the mill's raw materials and carry its steel plate to the shipyards: UP southwest to Los Angeles and northwest to Portland and Seattle, Western Pacific and Southern Pacific west to San Francisco Bay.

Thus in May 1941 the Defense Plant Corp. bought a 1600-acre site named Geneva, 6 miles north of Provo, and contracted with

Columbia Steel to build what would be the nation's 11th largest steel mill. Its ultimate cost was over $200 million, one of the largest industrial expenditures the government made during the war. Geneva rolled its first steel in April 1944.

LONG NIGHT'S JOURNEY: "My first day's pay on the Rio Grande was in 1957 at Durango, Colorado," says Don Gibbs, "firing a yard switcher for a 75-year-old hoghead with 54 years' seniority. That midnight I got called on my rest to fire a road freight on the narrow-gauge to Chama, New Mexico."

Don is riding the lefthand forward seat of C44-9W 8138, Jim Harvey is running. Your train is symboled 1MNGVC-24, for 1st Minntac to Geneva Ore, beginning its SP journey at Chicago on September 24. Two days before, U.S. Steel's Minntac (short for Minnesota Taconite) pellet plant at Mountain Iron, Minn., loaded this train's 105 cars with 10,500 tons of fluxed iron ore pellets. Minntac, the largest maker of taconite pellets in the world, expected to excavate 73.6 million tons of rock in 1994 from its 10-mile-long, 1-mile-wide open-pit mine in order to make 14.4 million tons of pellets, containing either 63.8 or 65.5 percent iron. Of the rock excavated, 48.5 million tons is taconite ore containing 15 to 30 percent magnetic iron particles; the rest is waste.

A few days ago Minntac loaded this ore into trains of 8 to 10 air-dump gondolas, and an EMD switch engine hauled it to the pellet plant. Crushers at the plant reduced the ore to the consistency of fine powder. Magnets separated the iron particles from the waste rock. The ore, now enriched to 65 percent iron, was mixed with bentonite (a clay binder), water, powdered limestone, and dolomite flux, rolled into ½-inch pellets, and baked at 2400 degrees. The pellets were poured, still hot, into these 100-ton hopper cars for the 226-mile trip to Geneva.

After loading at Minntac, your train traveled south on the Duluth, Missabe & Iron Range 76 miles to Steelton Yard in southern Duluth. There Wisconsin Central took over, forwarding your train 464 miles through Wisconsin and Illinois to the Belt Railway of Chicago's Clearing Yard in the Windy City. En route: a servicing stop at WC's Shops Yard in North Fond du Lac, Wis. Once off WC rails at Franklin Park, Ill., the train used the Indiana Harbor Belt to Clearing, where Southern Pacific took over. SP's route, via Joliet, Ill., St. Louis, and Kansas City, includes trackage rights over Illinois Central, Terminal Railroad Association, Kansas City Terminal, and Union Pacific. At Pueblo, your train was split into two sections. The second, 2MNGVC-24, will follow behind four SP "SD's"—SP jargon for anything from an SD40 to an SD45T-2. The sections will reioin at Minturn and go on to the rotary ore dumper at Geneva as one train.

The time is 2:45 a.m.: After a meet at Cañon City with freight RVNSQ (Roseville, Calif.-Norfolk Southern Quality Train), you enter the Royal Gorge, a slit sliced into the mountain like a saw cut in a fallen log. To your left, the ballast dribbles off a rocky ledge into the black rushing water of the Arkansas River. Through 8138's sloping windshields you can see the vertical walls jutting a thousand feet into the sky. The four units are working hard as the grade stiffens to as much as 1.41 percent. Tight curves trace the base of the canyon wall, 16 of them 12 degrees or tighter. Every so often the 8138 makes a faint, singing, high-pitched squeal.

"That's the wheels slipping a little," says Jim. "That's about as much as you'll ever hear from them. They're supposed to do that; that's when you know the wheel-slip system is doing its job."

At Hanging Bridge the river fills the gorge from wall to wall, with the track suspended over the river by trusses that span the canyon.

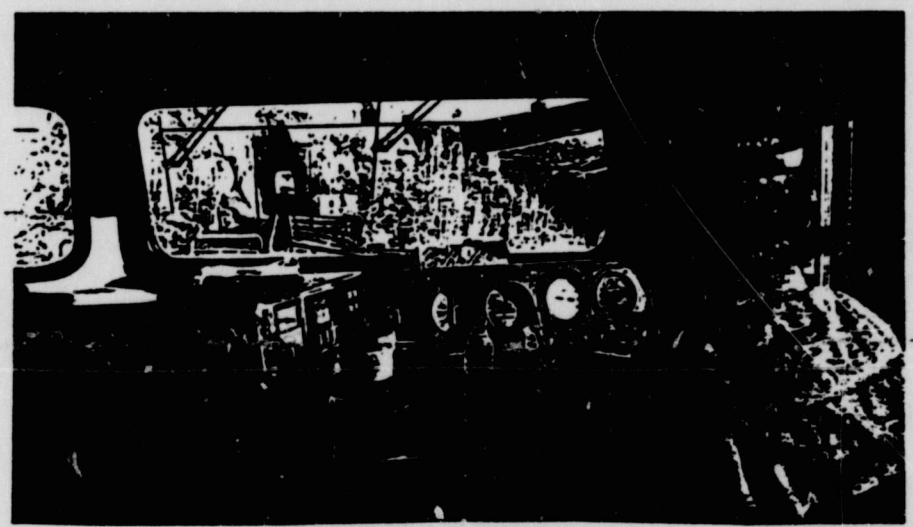
At 3:28, the train exits the gorge at Parkdale, where U.S. 50 rejoins the railroad. Jim starts on his fourth cup of coffee. It's beginning to look like a very long night.

TRADITION FOR UP, THEN A BOLD MOVE: In the 1950's, Union Pacific's Iron Mountain Branch originated as much as 4.5 million tons of "natural" iron ore yearly, to Ironton and Geneva, as well as to Colorado Fuel & Iron at Pueblo and Kaiser Steel at Fontana, Calif. In August 1962, U.S. Steel's new taconite pellet plant at Atlantic City, Wyo., began producing 1.5 million tons of pellets a year for Geneva, reducing the mill's consumption of southern Utah iron ore (Ironton shut down in 1962.) UP also had this ore haul, since Atlantic City's railroad (notable in railenthusiast circles for its ex-Bessemer & Lake Erie F7 diesels) was captive to UP's main line.

By 1982, the American steel industry was in a terrible depression. The world's capacity to produce steel far outstripped its capacity to consume it. American mills were forced to reduce capacity in order to reduce costs and stay alive.

U.S. Steel's Minntac pellet plant was then producing at about 25 percent capacity, so USS shifted Geneva's pellet supply to Minntac and closed the remote, costly Atlantic City plant on October 1, 1983. Atlantic City's 76.7-mile railroad shipped its last pellets later that month. Beginning in November 1983, Geneva began receiving its pellets from Minntac, in 105-car unit trains traveling 1657 miles via Missabe Road, Chicago & North Western, and UP. (C&NW's route between Minneapolis-St. Paul and Omaha was variously via Sioux City, Iowa, on the old Omaha Road or via Mason City and Nevada, Iowa, using the ex-Rock Island "Spine Line.") The 100-ton hopper cars, drawn from a UP-C&NW pool, dumped their pellets at Geneva, were cleaned at Ogden, then loaded with coal at a southern Wyoming mine (principally the Black Butte Mine east of Rock Springs) which supplied one to two unit trains daily to Commonwealth Edison in Chicago. After emptying at Chicago, the unassigned hoppers went back into the pool.

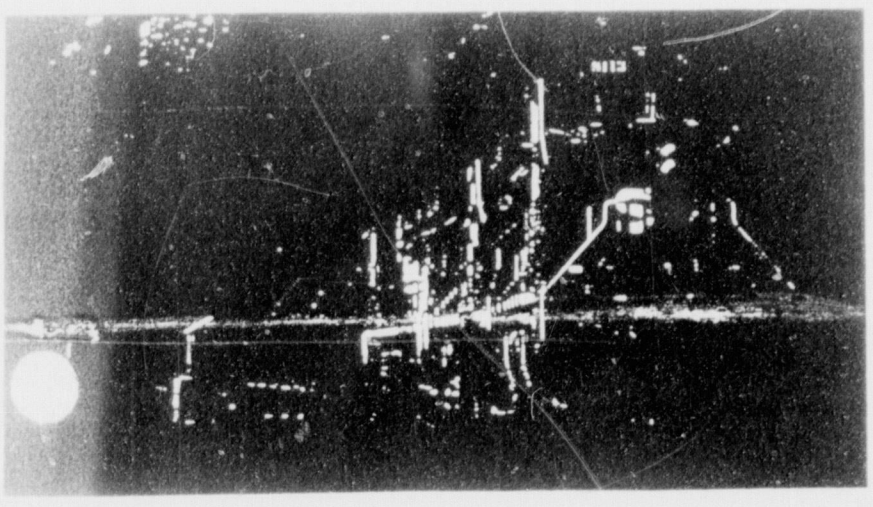
On February 9, 1994, Geneva Steel, owner of the Utah mill since August 1987 (see page 41), announced it had signed an agreement with Missabe Road, Wisconsin Central, and Southern Pacific to haul



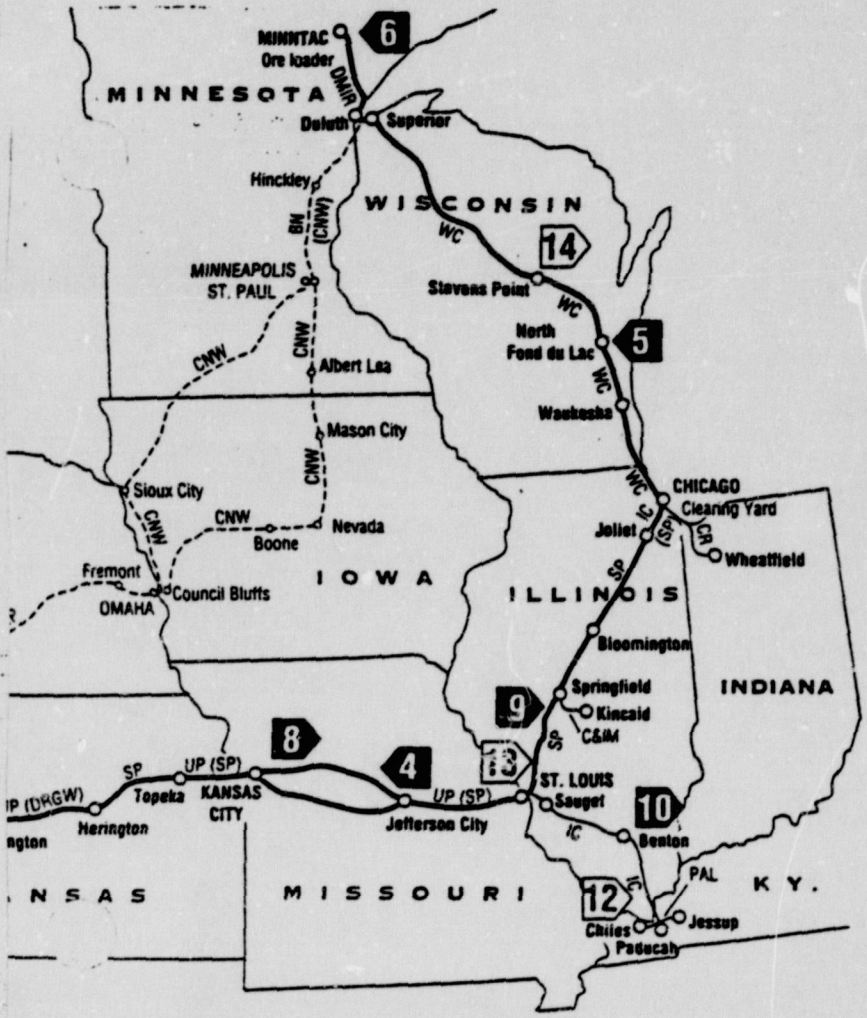
At 7:40 a.m., engineer Jim Harvey has 1MNGVC-24 doing 15 mph approaching Pando Tunnel.

GENEVA ORE TRAINS

AT 1700 CST, NOVEMBER 10, 1994



At Minturn, crews change on ITCCHC-27, carrying coal from Terror Creek, Colo., to Chicago.



EASTBOUND COAL OR EMPTIES

COAL

7 Pueblo, Colorado. DRGW (rights on UP). 0730 CST as 1TCCHC-06.
SP 8131,8112, 8348, 105 loads, 13,370 tons.
Loaded at Somerset Mine, for KCBX, Chicago, for Wisconsin Electric via barge.

8 Kansas City, Missouri. SP (rights on UP). 1610 CST, as 1VCSHC-07.
SP 8138, 8124, 8163, 92 loads, 11,981 tons, en route to TVA Shawnee Steam Plant, Chiles, Kentucky.
Loaded at Commonwealth Coal White Oak Mine, Velcam, Utah 11/07.

9 Out of East St. Louis, Illinois. SP, 1130 CST, as 1VCXIC-06.
SP 8144, 8148, WC 6512, 104 loads, 13,602 tons, 5709 feet.
Loaded at Commonwealth Coal White Oak Mine, Velcam, Utah, 11/06 for Commonwealth Edison Kincaid Plant, Kincaid, Illinois, via C&IM Springfield, Illinois.

10 Benton, Illinois. IC, 1425 CST, as 1CVSHC-06.
SP 8147, 8181, 8146, 8081, 105 loads, 13,680 tons. En route to TVA Shawnee Steam Plant.
Loaded at Cyprus Orchard Valley Mine, Converse, Colo. 11/06.

EMPTY

11 Provo, Utah. DRGW, 1600 MST for cleaning. Released from Geneva at 0540 MST. Last moved as 1MNGVC-04, 105 loads, 13,945 tons, 5539 feet. Will reposition to Acco, Utah, to load as 1CPCHC, at Co-Op Mining Co., Bear Canyon No. 1 Mine, for delivery to KCBX, Chicago.

12 Chiles, Kentucky, IC, 1610 CST. Eastbound empties, with SP 8137, WC 6586, SP 8134, 8187. Last coal hauled (105 loads, 13,661 tons, 5504 feet) was from West Elk Resources Mt. Gunnison Mine No. 1, Arco, Colo., to TVA Shawnee Steam Plant as 1ARSHC-05.

13 Out of East St. Louis, Illinois. Eastbound empties, SP, 1520 CST as 4GVMNC-07 with
SP 8126, 8169, 6778, 10[illegible] cars, 3212 tons, 5802 feet.
Last coal hauled was from Mt. Gunnison No. 1 to TVA Shawnee as 1ARSHC-04.

14 Stevens Point, Wisconsin. Eastbound empties about 10 miles east of town. WC, 1600 CST as SPEM-09, with
SP 8145, 8247, 8574, 119 cars, 3695 tons. Last coal hauled was from Arco to Chiles, Kentucky, delivered to IC at East St. Louis 11/06, returned 11/08, moved as SP's 1GVMNC-31 to Chicago, 103 empties, 3206 tons, 5360 feet.

ores. Based on his experience with all-rail ore moves, Carey convinced them that WC and SP could win the contract.

"I told them UP had lost their ability to compete," says Carey. "They had too many empty miles. SP has plenty of excellent coal online which could be sold in the Midwest. When you program in lowered transportation costs, that coal is highly competitive. And the way you lower transportation costs is to reduce empty miles, by loading the coal into hoppers that brought ore west."

"At first, I thought we had perhaps a five percent chance of winning this contract from UP-C&NW," says Bostick. "We knew the only way we could do it was with a coal reload. We began with detailed research into Geneva's needs, and how UP had met them. Geneva needed delivery consistency. The ore trains had to arrive on a regular schedule. We realized that by assigning locomotives and hoppers to Geneva, we could provide that."

The secret to winning the contract was not to think of a headhaul of taconite which happens to backhaul coal, but as two separate movements which use the same cars. SP's Rio Grande taps rich coal resources in Colorado and Utah. Most of it is "super compliance" coal (less than 0.5 percent sulfur), which meets the recently stiffened requirements of the Clean Air Act. It is high Btu, low moisture, and low ash—coal attractive to Midwestern power plants which must convert from high-sulfur local coal or install expensive pollution control equipment. Nevertheless, Powder River Basin coal has not the Midwestern market, because it is inexpensive to mine, selling for as little as $3.50 per ton at the mine versus $15 per ton and up for Colorado and Utah coal.

On the other hand, the coal trains that flow east from the Powder River Basin return empty. By filling its westbound cars with taconite, SP could reduce its rate and make its coal competitive. Now all SP had to do was find customers for about 3 million tons of coal a year.

In early 1994, SP requested proposals from coal customers in the Midwest, principally power plants, asking them to bid on rate, volume, and term. "We sent out all these bids, and nothing happened," says Bill Berry, SP's managing director of coal. "Then, 10 days before they were due, they started to flood in. When we counted them up, there were 115 proposals. We had received bids for 15 million tons a year!"

These were narrowed to approximately 8 million tons a year, of which about 3 million tons were bid at attractive rates for mines and

SOUTHERN PACIFIC: RICH CARLSON

Working with WC and Geneva was SP's team (from left): Bill Berry, Darrell Luther, Kathy Bostick, Shannon Courage, and Bob Parks.

WC: MORE ORE THAN PAPER?

JOHN CAREY is on a personal quest: to make his employer, Wisconsin Central, a bigger ore carrier than a paper carrier. "You'll find I don't lack for audacity," he says. From its startup in 1987, WC attributed 60 percent of its annual carloadings to the paper industry, but even then, Carey predicted that iron ore would someday be WC's No. 1 commodity. "Not too many people took me seriously then," he says. WC now says the paper industry represents "more than half" its carloadings.

The new WC entered the all-rail ore business in 1987 to supply pellets to steel mills during winter, when the Great Lakes freeze up, putting a stop to ore-boat traffic. In 1989 the Missabe Road, WC, and Conrail handled 17 ore trains from Minntac to the Edgar Thomson Works of U.S. Steel (USX) in Pittsburgh, via WC from Superior, Wis., to Chicago. This worked so well that the following winter, USX asked for 65 more trains.

In winter 1990, Inland Steel used Missabe Road, WC, and Chicago & North Western to haul 2200 carloads of pellets from Minntac across northern Wisconsin to C&NW's dock at Escanaba, Mich., and lake boats to Inland's mill in Indiana Harbor, Ind. WC had reopen parts of its Cam- (Wis.)-Hermansville ...h.) route for the trains. The line remained open in its entirety, and gold and copper ore mined near Ladysmith, Wis., now moves across it to Canada. Further, in early 1994 Inland agreed to a similar three-year contract for 8000 annual carloads from the Minorca (Minn.) pellet plant to Escanaba.

INSET, WC: TOM BALDNER; ABOVE, TRAINS: J. D. INGLES

Thanks to John Carey (top) and colleagues, meets on WC with ore trains (above, at Rugby Junction) are common.

At about the same time, Armco Steel contracted for eight 105-car taconite trains from the Fairlane (Minn.) pellet plant for its mill at Middletown, Ohio, via Missabe, WC, and CSX. In March 1994, Wierton Steel signed up for all-rail ore from Palmer, Mich., to Weirton, W.Va., via C&NW, WC, and Conrail.

USX's Fairfield Works in Birmingham, Ala., began using all-rail ore moves year-round in 1992. This contract, which lasts until 1997, calls for an every-other-day train via Missabe, WC, CSX, and Birmingham Southern. USX's Gary (Ind.) Works has also received a few all-rail trains via WC, and in fall 1994, it began ...ting natural-ore trains from the Auburn Mine on Min-...'s Mesabi Range. These trains employ six sets of 100 to 122 compact DM&IR ore jennies. Algoma Central Railway, the Canadian regional road which WC is acquiring, hauls sintered iron ore down from Wawa, Ontario, to Algoma Steel at Sault Ste. Marie, Ont. And AC's unrelated steel company namesake may begin receiving Minnesota and Michigan pellets via WC as well.

"My whole orientation is to make the steel companies and the ore companies more profitable, by lowering their cost to ship iron ore," says Carey.

The Geneva contract was a huge opportunity for WC. "We were willing to do whatever it took to win this contract," he says. "Supply power, cars, you name it. SP was extremely easy to work with."

"It was a lot of work to put together," says SP's Kathy Bostick, "But it's fun when everyone, especially the customer, comes out a winner."

In 1994, WC handled more than 32,000 carloads of iron ore, vs. 3000 carloads in 1991, and for 1995, Carey forecasts 84,000! Geneva Steel alone represents one of every 10 carloads of everything handled on WC. So it appears that in 1995 WC may well haul more ore than paper.

There is no secret to gaining the all-rail ore business, says Carey, only teamwork among railroads. "If we share and share alike, we'll establish business no one can take away. If someone gets greedy, you might have the business in the short term, but eventually someone will take it away."

"WC is a very progressive, innovative company," says Dave Skillings, editor of *Skillings' Mining Review*. "That is what has got them this business."

It is possible that more and more ore business will move all-rail, to avoid transit losses inherent in boat transportation. Each time a pellet is handled, small particles of ore, called "fines," are rubbed off. They either disappear en route or are blown out of the blast furnace by the high-velocity air blast, resulting in extra costs to the steel mill to recover the fines and reprocess them.

"You can lose 10 to 15 percent of your pellets to fines by transloading," says Carey. "It's caused by multiple handling. First you dump the pellets into an ore car. Then you dump them into a car dumper. Then they fall onto a conveyor. Then they fall into an ore pocket, and fall down into the hold of an ore boat. The vessel uses a whole series of conveyors to unload the pellets. And so on. The customer is paying for 100 percent of the pellet and getting maybe 90 percent."

Great Lakes ore boats are not likely to go away soon, however. "Vessels are relatively cheap transportation for iron ore," says Skillings, "so cheap that there are vessel moves that make the Geneva move look very small, such as from Saldanha Bay, South Africa, to Kobe, Japan, about 10,000 miles. There will be gradual growth for all-rail ore moves, but there will always be pellets moving on the lakes. To expand all-rail ore moves, railroads must look for coal backhauls. That will get them the business."

—*Mark Hemphill*

power plants on-circuit (or close to it) for the taconite trains.

"Now we had a package," says Bostick. "But could we sell it to G[illegible]teel? They had a long history with UP."

THE ART OF MOUNTAIN RAILROADING: At 6:54 a.m., your tac train stops at Tennessee Pass, where the temperature is a frosty 28 degrees. On the other side of the Arkansas valley, 14,421-foot Mount Massive flushes with the pink glow of dawn. Conductor Brazil pulls on his gloves and begins walking back along the train, turning the retaining valves on the hoppers to the "High Pressure" position as he goes. After he reaches the end, he crosses the track, and returns on the other side, turning up the retainers he could not reach earlier. At 7:23, he climbs back on the second unit and radios to Jim that you're ready to leave. Jim throttles up for the last few feet to the summit, at the east portal of the 2550-foot tunnel. On the other side: the 21-mile, 2396-foot descent to Minturn, much of it on a 3 percent grade, the longest steep mainline grade in the U.S. and Canada.

Now, despite the long night, you are awake with interest. Going up a 3 percent grade is simply a matter of horsepower and remembering to take the throttle out of the eighth notch at the top. Going down is an altogether different proposition.

Your train enters the Tennessee Pass tunnel just before 7 a.m. As soon as the train balances the apex, Jim switches to dynamic braking and makes two successive 10-lb. reductions ("sets") in the train air, allowing the brake pipe to recharge between each reduction. A minute later the train emerges onto the 3 percent in deep shadows. SP's rules require any train descending Tennessee Pass whose cars average 100 tons or more to use retainers, and to obey a 15-mph speed limit. You glance at the speedometer: it shows 15.

"We use what is called short-cycle braking," says Don. "The idea is to [illegible]he dynamic braking do as much work as possible, and control the speed by making successive sets and releases of the train air, each time waiting for the brake pipe to recover to 90 pounds before you make another set. That way you can use your air to maintain a 15-mph speed limit on the steep stretches, and release your air to get over the flat spots."

Dynamic braking doesn't do all the work on mountain grades?

"Not hardly," says Don. "By themselves the dynamic brakes provide perhaps half of your braking effort. To avoid excessive buffing forces, SP limits the total amount of dynamic braking on the head end to 24 axles. Since we count these new GE's as eight axles each, because of their high-capacity dynamic braking, we've isolated the dynamics on the 5411. Right now, it's along for the ride."

"These new units have excellent dynamic brakes," adds Jim. "But don't let that fool you—you can't make full use of them at this speed because of wheel slip. Right now I'm pulling 700 amps out of 900 possible on the dynamic brakes. At 700 amps, they hold. They probably won't at 900."

He increases the dynamic braking slightly and the units begin to slip, the ammeter wavering wildly as the GE's scramble for footing.

"You see," confirms Jim, "I tried more and they started to slip."

After about 15 seconds the units stabilize at 800 amps of dynamic braking.

"An SD40," says Don, "is limited to 700 amps of dynamics. These units are rated at 900 amps, and the new A.C. units we're getting next spring will give you 1200. Some people think that the high-capacity dynamic brakes on these new units will do anything, but at slow speeds on adverse rail conditions, wheelslip defeats the high-capacity dynamics."

"Particularly on rail greasers," adds Jim. "The wise thing is to recognize that you cannot rely on dynamics. If they stop working, you'd better have your air under control."

What do the retainers do?

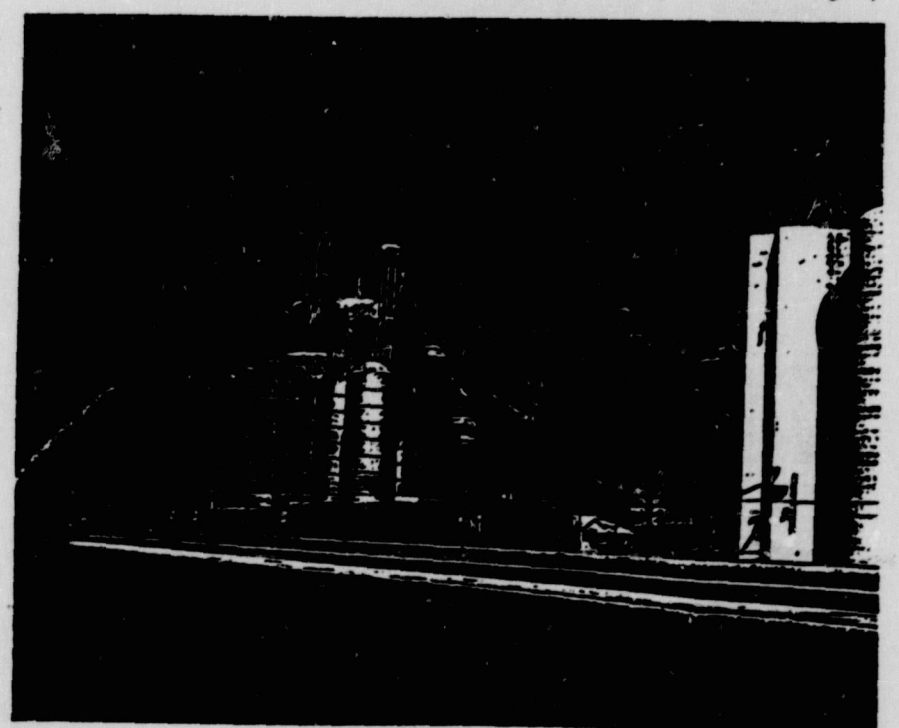
Don flips over a track bulletin and draws a picture for you.

"The retainers hold back the air pressure in the brake cylinders, then very slowly release it to the atmosphere. Right now the brake cylinders have about 40 to 50 pounds in them. When you have the retainers in the high-pressure position, which is what we always use, they retain the last 20 pounds of air pressure, so that you always have some amount of train brakes working, no matter what."

Why not run the taconite train in one piece from Pueblo to Minturn?

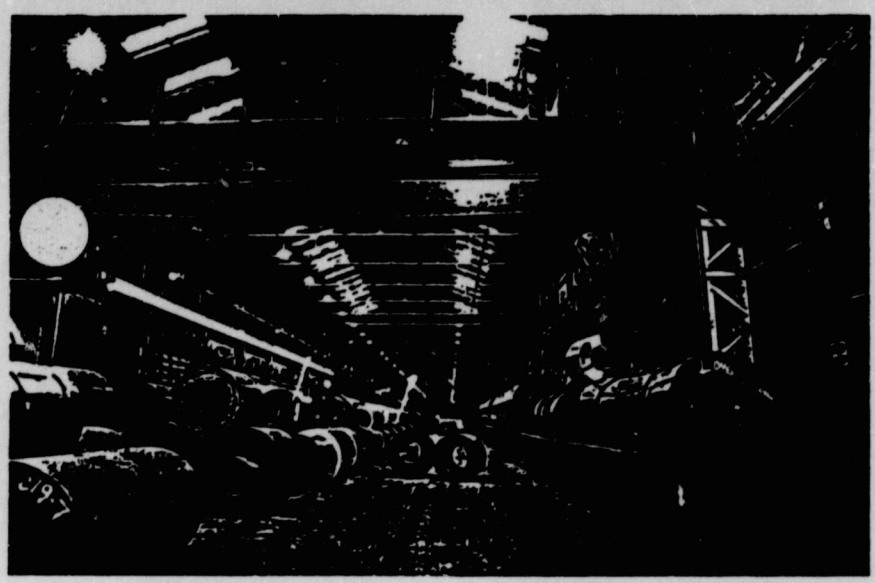
Don smiles. "That was an early proposal for these trains, to cut in a four-unit swing helper at Pueblo and run it in one piece all the way west. The problem is that with a long train, short-cycling will not work. Think of the brake line as a signal line. When Jim makes a reduction in the air, it sends a signal to the brake valves on every car in the train to send air into the brake cylinders, applying the brakes. When he releases the air, it sends another signal to every car to release the air in the brake cylinders to atmosphere, and the locomotive's air reservoirs and air compressors begin recharging the train air line to its original 90-pound pressure.

"But the signal takes some time to propagate to the rear end of a 105-car train. If you're short-cycling, the cars at the rear of the train are reacting to your reduction just about the time you're thinking about making a release. So the cars in the front of the train do all the work. In addition, the helper locomotives don't recharge the brake line. If you need to make another set before your train line has fully recovered to 90 pounds, you will have less and less air to work with each time, and pretty soon you have nothing left but the emergency.



JOHN D. SCIUTTO

At Ocoya, IL, amid the cornfields along old Route 66, WC SD45's roll Geneva ore south on SP.



At any given time, two of Geneva's three blast furnaces (top) are running, the molten iron pouring into hot-metal cars for the short move to the Q-BOP furnace for conversion into steel. In a coil shipping building (above), a crane adds the last 30,000-lb. roll to an SP car.

And you don't ever want to get that far down in the brake pipe, not on this mountain." The runaway on November 22, 1994 [see "Observations"] is ample evidence of what can happen.

NOTHING IS CAPTIVE: "Yes, we were concerned," said Ralph Rupp, Geneva Steel's manager of traffic, about the change in carriers. "Could SP come to the party with the equipment and the service?" Rupp went to work for Geneva in December 1993 after leaving UP, where he once was responsible for m[illegible]nd minerals marketing. Ironically, his first job at Geneva was to [illegible]ecide whether SP-WC or UP-C&NW would have Geneva's 3-million-ton-plus ore business for the next five years.

"We asked each railroad to 'give us your best shot'," says Rupp. "SP came back with the best rate. UP simply couldn't match it. 'Our costs are higher than SP's rate,' they told us. Since they no longer had a backhaul, that was true."

"We had better opportunities for the cars and locomotives," says one UP source. "We could have taken the empties into the Powder River Basin for reloading, but it was too complicated, too difficult to coordinate, and had too many empty miles in the circuit."

"It's the rate that did it," says David Skillings, editor of *Skillings' Mining Review*, which has reported on iron-ore mining and transportation since 1912. "You can do anything if you have the rate."

"UP told us we're taking a big risk by going with SP," says Rupp, "but we felt the economics made it a very worthwhile risk.

"Mr. Moyers [Edward L. Moyers, SP's CEO] became personally involved, and that impressed us, as well as his reputation with the Illinois Central. He gave us his personal commitment that our iron ore would arrive on time."

SP's service commitment included 70 locomotives and 14 105-car trainsets dedicated to Geneva. In addition, SP assigned a full-time coordinator to the Geneva trains, whose job is to update Geneva daily by phone and fax on the status of its daily ore, triweekly coal, and occasional unit coke trains.

"The cooperation has to work two ways, however," comments Rupp. "The shipper has to realize what the railroad can and can't do. By the same token, railroads have to realize that nothing is captive anymore."

WC and SP had won the contract. On September 1, 1994, Geneva would expect SP to begin delivering 24 trainloads of iron ore a month—and on specified days between noon and 3 p.m.

DAY BEGINS; TRIP ENDS: At the west switch of Pando siding the westward absolute signal shows yellow over red, showing that your train is going in the hole for its fifth meet since Pueblo. Here the grade flattens out to about 1.3 percent as the railroad leaves the mountainside and crosses Eagle Park. Jim brings his units out of dynamic braking and into power, dragging the train into the siding against the retainers on this relatively level spot.

"These Wisconsin Central cars have very good brakes," he remarks. "You could almost bring them down this hill with a minimum set, about 8 to 10 pounds of air."

An RVNSQ train emerges from Eagle River Canyon and charges past, four SD's on the head end and four more in its swing helper. As soon as the signals clear, Jim releases the air and lets your train roll out the west end. It is 8:30. Between Pando and Red Cliff, the line is both steep and twisty, with 20 sharp curves in the four miles. Because of the many flange greasers, Jim cannot use much dynamic braking.

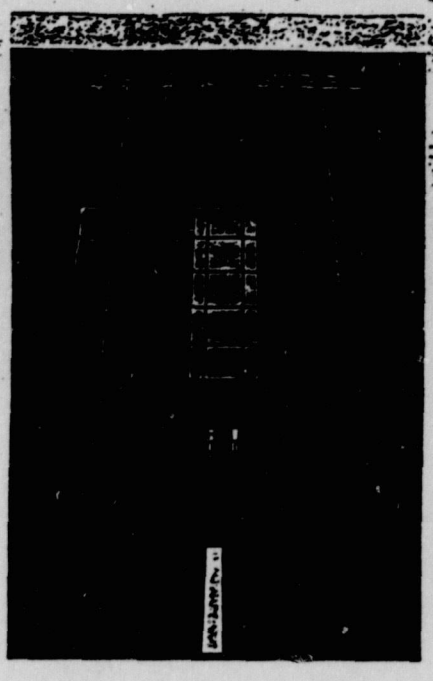
An hour later your train rolls into Minturn. Jim pulls the train down to the west end of the yard, where Bob gets off and begins knocking down the retainers. Jim cleans up 8138's cab and sets the hand brakes on the four locomotives. Don plugs his laptop computer into 8138's computer to download a trip report. Bob finishes

UTAH SUCCESS STORY

IS IT A COINCIDENCE that Wisconsin Central and Geneva Steel are almost exactly the same age? Both represent success stories in their respective industries.

After World War II, the federal government had no further need for Geneva, so it sold the mill to U.S. Steel for $47.5 million on June 19, 1946. USS spent over $75 million by the late 1950's to convert the mill to a peacetime product line, and to expand its capacity. Under U.S. Steel ownership, about 80 percent of Geneva's output, mostly hot-rolled coil, went to the company's large finishing mill at Pittsburg, Calif., where it was cold-rolled to make automobile and appliance steel and tinplate.

Given U.S. Steel's capacity cutbacks in the 1980's, and the severe competitive pressure from foreign steel on the West Coast, Geneva and Pittsburg had no future. U.S. Steel had not invested in the mills since the 1950's and estimated that Geneva alone would require a $1 billion modernization program. In January 1986, USS entered into a joint venture with Pohang Iron & Steel of South Korea, under which Pohang would invest $300 million to modernize the Pittsburg mill and supply its hot-rolled steel needs. This would leave Geneva without a customer. When its employees went on strike that summer, the end seemed to be near.



New owners saw an opportunity at Geneva.

Instead, two Utah attorneys, Joseph Cannon and Robert Grow, saw an opportunity. Geneva had been U.S. Steel's second-most-profitable mill and had the second-lowest production costs in the entire industry. They also thought that U.S. Steel's $1 billion modernization estimate was about $650 million too high. After a Herculean effort, they lined up financing to purchase Geneva, doing so on August 31, 1987, for $44.1 million. With an agreement from the union to reduce wages, the mill began shipping steel again the next month. Geneva has turned a profit every year since it reopened except 1992 and 1993. Its employees receive profit-sharing and production bonuses, which at times have been substantial.

Since 1987 Geneva has invested, or is scheduled to invest, about $350 million to modernize. Two Q-BOP basic oxygen furnaces, purchased at a steep discount from a mill shut down by Republic Steel, replaced the 10 inefficient and polluting open-hearth furnaces. A $154 million continuous caster replaced inefficient ingot casting. Extensive pollution controls brought the mill into full compliance with environmental regulations.

Today, Geneva Steel is the only integrated steel mill—*i.e.*, fully equipped to make finished steel from iron ore, coal, and limestone—west of the Mississippi. About 90 percent of Geneva's output is hot-rolled coil and plate, the rest is welded seam steel pipe. About 58 percent of its steel is sold east of the Rocky Mountains, 37 percent in the 11 Western states, and 5 percent exported to Canada and Mexico. Geneva expected to produce almost 2 million tons of finished steel in 1994, and more in 1995.

Interestingly, Geneva rebid its outbound steel business in late 1993. When the bids were opened, Union Pacific won only those carloads going to the Pacific Northwest and to a few Great Plains states. Southern Pacific won the rest, about 70 percent of Geneva's production. SP has also won the bid to haul unit trains of imported coke from Richmond, Calif., to Geneva, and handles all Geneva's coal needs. Geneva is now one of SP's largest customers, if not *the* largest.—*Mark Hemphill*

th the retainers and ties down car hand brakes to hold the train
the 1.2 percent descending grade. A carman arrives with a van to
ke everyone back to SP's Minturn hotel. After washing up, it's
eakfast time.

THE PLAN: Since there was not sufficient time for SP to round up the required 14 trainsets, WC agreed to provide 574 cars, consisting mostly of former Clinchfield and BN el hoppers (not relettered except for WC initials) until January 95, when WC would need them for resumption of all-rail ore oves to Birmingham, Ala., with Missabe Road and CSX. By that ne SP would have enough new aluminum cars on the property to dicate 500 100-ton quad steel hoppers to Geneva. Built for &RC se are rugged Bethlehem cars, what old Rio Grande nploy all "the Great Steel Fleet."

Aluminum hoppers will not be used for taconite because the pel-ts' abrasion and electrolytic reaction of the iron and aluminum ould rapidly damage the cars.

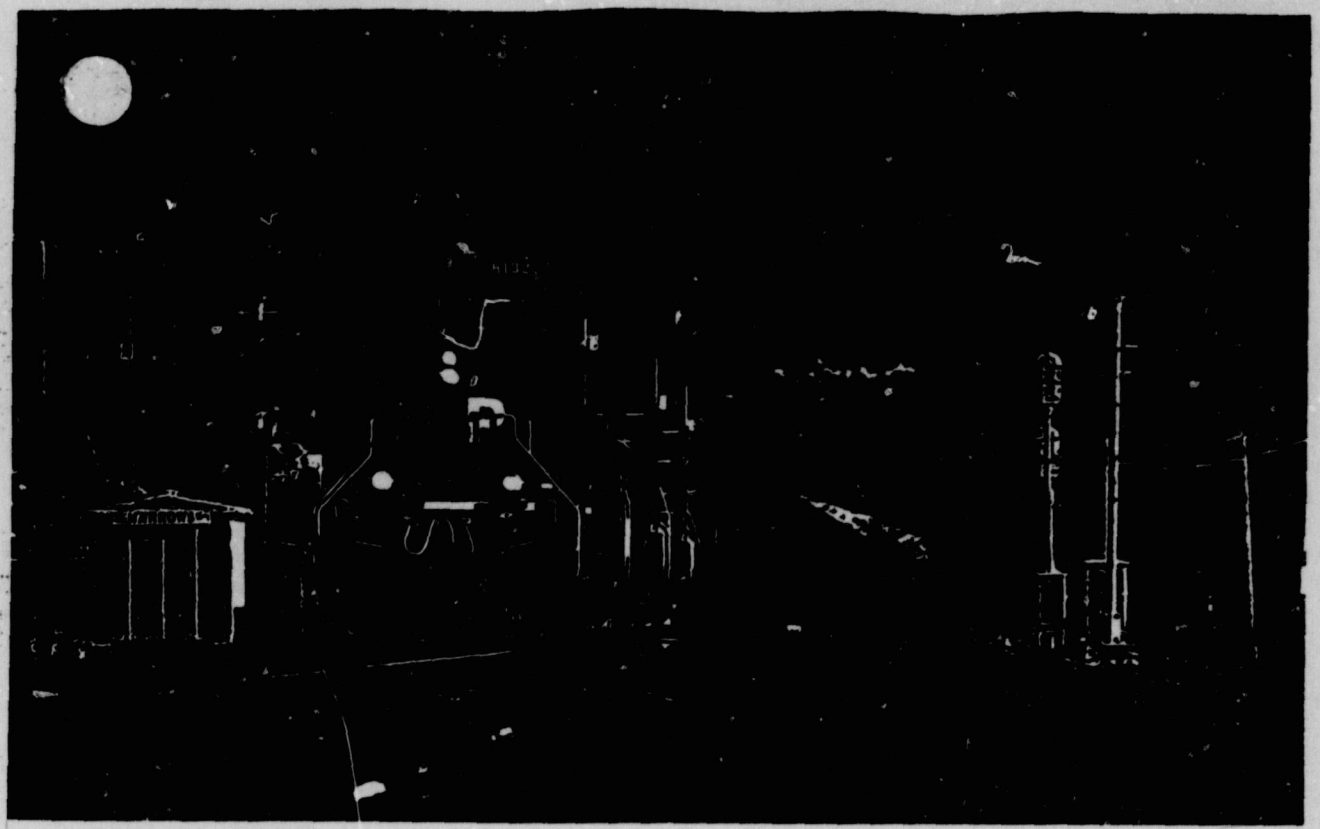
WC provides its share of the power with 12 SD45's equipped ith Q-Tron, a computerized wheelslip control system. WC gave the units to SP as free-runners. SP delivers whole trainsets, with power, to WC at Clearing, drawing on its 100 C44-9W's plus SD's as needed, which may incidentally include the WC 45's. When SP's GE AC44CW's arrive in 1995, they are to supersede the Dash 9's.

In theory, three Dash 9's will handle each taconite train from Pueblo to Minntac and back, though in the winter months WC may add a fourth unit or a pusher on loaded ore trains to overcome the almost 1 percent ruling grades on Hawthorne Hill out of Superior and Byron Hill out of Fond du Lac, respectively. An SD accompanies the three 8100's as a fourth unit from Pueblo to Geneva and back. In addition, the train is split at Pueblo, using four SD's on the second section, and reunites at Minturn or Glenwood Springs. Ideally, these four SD's are one of Minturn's helper sets, which help a coal train east to Kobe, then run light to Pueblo, fuel, and return to Minturn with the second section.

At Helper, Utah, a six-unit helper set, all SD's, cuts in ahead of one half of its tonnage rating for the 2.4 percent ruling grade to Soldier Summit. This set remains cut in down the west slope to Castilla, for extra dynamic braking on the long 2 percent descent.

The locomotives are fueled at WC's Shops Yard in North Fond

From the head end, Royal Gorge's suspension bridge and D&RGW hanging bridge.



Ore loads with new GE's up front and and a swing helper approach Narrows as they descend Soldier Summit on Utah-SP double track.

This [illegible]er can only accept bottom-dumps. That mine loads only [illegible]n wes[illegible]vs. And so on.

Into this tangled fabric Bob must weave the 14 trainsets in Geneva ore service, while remembering that they cannot wait for a mine for too long, nor can they go too far off-circuit, either to a mine or to a customer. At the same time, every trainset that returns to Minnesota empty represents a huge loss of revenue for SP.

"Then the phone rings," he smiles, "and everything changes."

"We couldn't do this," says Darell Luther, SP's managing director of hoppers, "without huge levels of cooperation from everyone—mines, customers, marketing, and our operating people. Those are the people who make this work. We just coordinate supply and demand with equipment movement."

"We got our first taste of reloading several years ago," recalls Perko, "when Geneva began buying unit trains of coking coal from mines in West Virginia and Pennsylvania. We'd reload our steam coal in these Conrail and Norfolk Southern cars and send them back. We liked this very much. It also gave us a feel for the problems inherent in a reload operation."

As of summer 1994, SP had 4096 coal cars in its fleet, principally 3000 of the Rio Grande "great steel fleet" and three 115-car sets of aluminum hoppers.

Scheduled for delivery in late 1994 were 500 additional steel cars and 600 new aluminums, plus another 920 aluminums in early 1995 (all rotary quads). This will boost the coal fleet to about 5800 cars, with some older leased steel cars returned to their lessor.

The new aluminum cars are the icing of the Geneva contract. Recall[illegible] SP's request for coal bids came back with 15 million tons when [illegible]s looking for only 3, and about 8 million tons were bid at rates attractive to SP. These 1520 new cars will handle the 5 million extra tons of coal yearly, helping to double SP's annual coal tonnage from 20 million tons in 1992 to 40 million by 1995.

Currently, there are 15 active coal loading points on SP in Utah and Colorado, some used by more than one mine. Those on the "Moffat Line," the Craig branch in northwestern Colorado, are not attractive for the tac trains because they are too far off-circuit. Most of the tac trains' coal comes from loadouts on D&RGW's North Fork branch, east of Delta, Colo. (south and east of Grand Junction), the CV Spur near Price, Utah, and the Pleasant Valley Branch near Soldier Summit, Utah.

Similarly, not all customers are attractive for the tac trains. Ideally, they will unload coal in southeastern Chicago, at the Koch Carbon (KCBX) Rail-to-Water Transfer facility on the Belt Railway of Chicago. Other destinations include Commonwealth Edison's Kincaid Plant, on Chicago & Illinois Midland 20 miles outside Springfield, Ill.; and Northern Indiana Public Service (NIPSCO) Schahfer Station at Wheatfield, Ind., 60 miles southeast of Chicago via Conrail. Others are not so close to SP—two Tennessee Valley Authority plants 175 miles from St. Louis in the Paducah (Ky.) area via Illinois Central, at Chiles (west on IC) and Jessup (east on Paducah & Louisville). Incidentally, whether the train is destined for P&L or IC, C&IM or BRC, the SP diesels run through.

Despite these somewhat "off-circuit" destinations, the coal trains must make their cycle time, and no matter what, Geneva's pellets must arrive on time.

"So far," said Geneva's Rupp on September 10, 1994, with a very serious expression, "SP has hit our 3-hour window only once." Then he grins. "The rest of the time they've been early!"

A month later, he was still pleased. "It's working well at this point." ☐

MARK W. HEMPHILL, a Colorado native and onetime Alaskan, now lives in Champaign, Ill., where he is an MD-PhD student in the Medical Scholars Program at the University of Illinois, researching the history of railroad surgeons and hospitals. This is his sixth TRAINS *byline.*

J. Chris Leshock, Senior Associate

Mr. Leshock is responsible for coal transportation studies and the related analytical aspects of coal transportation contracting involving rail, barge, truck, and transloading operations. His responsibilities include the interpretation and analysis of market pricing and logistical information for shipments of coal to domestic, import, and export markets. In addition, he is responsible for studies concerning railcar lease/ownership, contract evaluations and strategies, and railcar fleet management. Mr. Leshock's studies include the evaluation of routes, participants, transportation modes, and prices for the delivery of coal to current and potential markets. He is also responsible for supporting RDI consultants in the projection of delivered fuel prices, litigation/arbitration support, and studies pertaining to ICC/DOT proceedings.

Mr. Leshock has four years of experience with Commonwealth Edison in the Fuel Supply Department. He played an integral role in the analysis, renegotiation, and formulation of coal, transportation, and transloading contracts annually involving more than 12 million tons of coal. These contracts included fifteen transportation agreements with three Class I rail carriers and five connecting carriers, seven coal supply agreements, two transloading contracts, and two barge contracts. The coal sources involved in these contracting activities included mines in the Powder River, Uinta, Green River/Hams Fork, and Illinois Basins.

While in the employ of Commonwealth Edison, Mr. Leshock participated in the analysis and justification for the lease and/or purchase of more than 3,000 aluminum railcars including both gondola and rapid-discharge cars. His was responsible for the management of the operation and maintenance of these railcars which included the design and development of a computerized unit-train and railcar tracking system to optimize the utilization of the fleet.

Mr. Leshock's responsibilities for the management of Commonwealth Edison's railcar fleet included extensive on-site field experience in resolving operating and maintenance problems, scheduling, and supplier/transportation/handling interface. He served on projects involving fuel supply bid solicitations, test burns, and combustion/bus-bar evaluations for nine power plants with cyclone and/or pulverized coal boilers. His responsibilities also included the study and resolution of materials handling problems at coal unloading, transfer, and stockpile facilities including dust suppression. Mr. Leshock served as Commonwealth Edison's representative to the Western Coal Transportation Association and at various industry conferences.

Mr. Leshock holds a B.S. degree in Accounting from Marquette University and is a Certified Public Accountant. He is scheduled to complete his Masters of Business Administration in Finance from DePaul University in early 1996.

...e UP/SP merger could derail Western bituminous

By Jerry Vaninetti and J. Chris Leshock

By press time, the application for the proposed merger of the Union Pacific and Southern Pacific railroads will have been filed with what remains of the Interstate Commerce Commission. This application follows on the heels of the successful mergers of the Burlington Northern with the Atchison Topeka Sante Fe and the UP with the Chicago & Northwestern. Despite shippers' concerns about reductions in coal transportation options, these mergers were approved, facilitated in part by accommodations made to select shippers and rail carriers who had enough clout to exact meaningful concessions. If the hue and cry being raised by the Western coal industry is any indication of future events, however, the proposed UP SP merger may not proceed as smoothly as its predecessors.

A central concern among Western shippers and producers is that the proposed UP SP merger will deal a serious blow to the Western bituminous coal industry, particularly in newly developed and developing Midwestern markets. This concern arises from an analysis of rail market shares as well as rail operating assumptions.

The $3 billion-per-year Western bituminous coal industry annually produces more than 100 million tons of compliance coal to utility, industrial, and export markets. Although some of this coal is not quite "bituminous" rank, it generally ranges between 10,000 and 12,000 Btu per lb and averages 0.8 lb SO_2 per million Btu. Despite the notoriety of the Powder River Basin, 30% of the coal mined in the West is produced by Western bituminous mines. Western bituminous coal comes from mines in three major corridors served primarily by three Class I rail carriers:

- Southern Wyoming, exclusively UP-served (18 million tpy);
- Central Rockies, primarily SP-served (48 million tpy), and
- Raton/Four Corners, primarily BNSF-served (40 million tpy).

About one-half of Western bituminous coal production is consumed locally, in many cases at mine-mouth power plants, with the remaining 50% transported by rail to regional and remote markets. It is this latter market that has seen significant growth in recent years, as competition among large-scale mines and Class I carriers, coupled with increased demand for compliance coal, has spawned the expansion of the Western bituminous coal industry. Data compiled in RDI's forthcoming *National Coal Transportation Study* indicates that new utility markets for about 14 million tons of Western bituminous coal have been developed since 1989, although a few traditional markets have been lost.

The newly developed utility markets are located primarily in the Midwest (TVA, WEPCO, Illinois Power, CIPS, and Interstate Power), although a few new markets also have been secured in the Pacific Northwest (PGE and Pacificorp). Most new markets for Western bituminous coal result from the combination of the

Author information

Vaninetti is senior consultant and Leshock is senior consulting associate with Resource Data International, Inc.

COALDAT® MARKET INDICATORS

(THOUSANDS OF TONS)	MONTHLY TRENDS May-95	Jun-95	Jul-95	Jul-94	% CHG	YEAR TO DATE 1993	1994	1995	% CHG
TONS OF COAL PRODUCED	84,334	85,199	79,759	77,537	2.9	547,964	588,230	595,521	[illegible]
UTILITY ACTIVITY									
PURCHASES	68,069	63,094	65,977	67,307	(2)	436,455	474,467	466,501	(2)
CONTRACT	55,472	51,637	54,235	51,718	5	355,595	370,175	380,346	3
SPOT	12,598	11,457	11,742	15,589	(25)	80,859	104,292	86,154	(17)
CONSUMPTION	62,656	69,340	79,688	76,489	4	466,748	480,658	469,650	(2)
INVENTORIES (MONTH ENDING)	147,794	143,596	130,311	109,419	19	126,815	109,419	130,311	19
DELIVERED PRICE ($/MMBTU)	133 85	134 01	130 87	135 41	(3)	139 02	136 95	133 32	(3)
CONTRACT	138 43	138 55	134 36	140 11	(4)	144 45	141 54	137 47	(3)
SPOT	114 58	114 55	115 67	121 20	(5)	117 13	121 92	116 08	(5)
EXPORT ACTIVITY (THOUSAND OF TONS)									
MET	4,708	3 998	4,569	3,422	34	30,463	26,770	29,585	11
STEAM	3,326	3,936	1,721	2,459	(30)	14 735	11,846	18,882	59
DELIVERED PRICE ($/SHORT TON)									
MET	$44 05	$43 93	$45 41	$41 14	10	$44 51	$43 35	$43 83	1
STEAM	$33 38	$34 78	$34 60	$32 79	6	$36 51	$33 93	$34 27	1
ELECTRIC POWER (BILLIONS KWH)									
GENERATION	236	256	293	278	5	1,671	1,703	1,717	1
COAL	126	138	158	152	4	942	963	939	(2)
NUCLEAR	54	56	62	59	5	340	358	389	9
GAS	24	28	38	34	12	139	153	169	10
COAL TRANSPORTATION									
BLS RAIL INDEX (1985=100)	108 1	107.6	107.0	107.6	-0.6				

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SP's aggressive pricing strategies and lower cost coal from new longwall installations in Central Rockies mines. Effectively all of the market share losses have occurred at UP-served mines in southern Wyoming (Commonwealth Edison, NIPSCO, and KP&L). Market opportunities for BN-served mines in the Raton/Four Corners region are restricted by limitations of economically mineable reserves.

The roles of the UP and SP railroads can be discerned from the market share data for these changing utility markets. These data suggest that SP has realized the lion's share of the market share gains, primarily at the expense of UP. Since 1989, SP's market share has increased from 7% to 64%, while UP's market share has declined from 93% to 18%. It is apparent that SP's aggressive and competitive pricing policies also have yielded results, even before the implementation of its much publicized "reload" or "backhaul" pricing program in 1994. Differentials in mining costs and coal qualities also have played an important but lesser role.

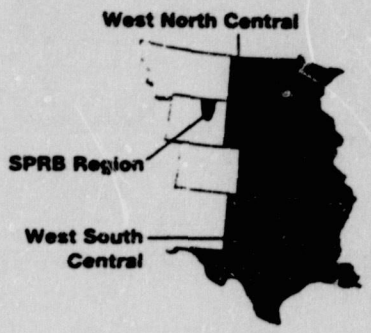
The market share data suggest that the continued expansion of the Western bituminous coal industry largely will be dependent upon the continuation of SP's aggressive pricing practices. Such expansion may not continue if the combined railroad maintains UP's past pricing strategies, as evidenced by southern Wyoming's market decline.

The operational aspects of the combined railroad, however, may make market share assessments moot, as these aspects may be the largest threat to eastbound shipments of Central Rockies coal. The anticipated diversion of all non-coal traffic from the Central Rockies haul corridor to the UP mainline through southern Wyoming is expected to force the remaining traffic (coal and nominal quantities of other minerals) to shoulder the full cost of track maintenance and operating costs. This would require an increase in rail rates for both existing and new markets, with the burdens focused primarily on eastbound shipments.

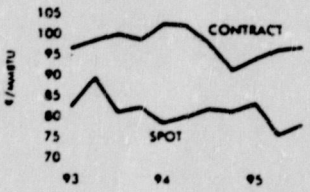
Should this occur, traditional shippers of Colorado coal such as PSCO, Colorado Springs, Central Power & Light, and Celanese Chemical would suffer increased delivered coal prices and ultimately may be forced to switch to PRB coal. Impacts also would be felt by the companies that recently have installed longwall mines and acquired properties in the region (Addington, Andalex, Arco, Coastal, Cyprus Amax, Kennecott, and Pacific Basin).

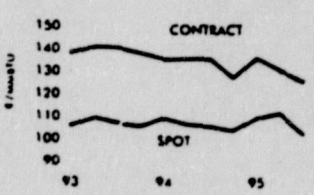
Historical market share trends and the anticipated diversion of non-coal traffic away from the Central Rockies coalfields are seen as major threats to Western bituminous coal. As a consequence, many Western coal shippers, producers, and advocacy groups are struggling to identify the merits of the proposed merger. With the exception of the BNSF, which already has cut a comprehensive trackage rights deal with UP to gain their support of the merger, there does not appear to be any clear support for the merger from the industry most likely to be affected. ■

Utility Market Price Indicators



DELIVERIES OF
SPRB/
COMPLIANCE COAL
8,000-8,800 BTU/Lb
<= 1.2 LbSO_2/MMBTU





Spot Purchases by Selected Utilities

South Powder River Basin/Compliance Coal

(12 months ending in July)

Operating Utility	Tons			¢/MMBTU		
	93-94	94-95	% Chg	93-94	94-95	% Chg
Into West North Central						
Kansas City Power & Light Co	6,246	7,311	17	78.30	79.08	1
Northern States Power Co (MN)	2,455	2,498	2	96.55	99.92	3
IES Utilities, Inc	1,699	2,405	42	90.26	87.89	(3)
Midwest Power Systems, Inc	3,895	1,820	(53)	74.09	66.73	(10)
Omaha Public Power District	1,704	1,751	3	66.89	68.50	2
Union Electric Co	649	860	33	90.59	89.27	(1)
Nebraska Public Power District	228	508	123	75.88	65.74	(13)
Grand Island Utilities	343	360	5	68.91	69.88	1
Into East North Central						
Wisconsin Power & Light Co	3,261	4,105	26	101.20	98.26	(3)
Indiana Michigan Power Co	2,957	1,448	(51)	103.11	102.85	(0)
Wisconsin Public Service Corp	1,705	1,064	(38)	107.43	107.87	0
Consumers Power Co	599	861	44	122.86	123.19	0
Commonwealth Edison Co	1,002	818	(18)	124.79	129.71	4
Dairyland Power Cooperative	311	416	34	113.74	120.15	6
Detroit Edison Co	316	366	16	102.69	109.92	7
Northern Indiana Public Service	1,270	245	(81)	100.49	96.04	(4)

Market Price Indicators will update monthly and feature specific coal types from four supply regions: Central Appalachian/non-compliance, Central Appalachian/non-compliance, Illinois Basin/non-compliance, Powder River Basin/compliance

Markets for southern Powder River Basin coal

G.E. Vaninetti and C. Worrall

During its modern era, the southern Powder River Basin (PRB) in Wyoming has grown from meager origins in the early 1970s to become one of the most important coal-producing regions in the United States. In 1993, production and sales of southern Powder River Basin coal exceeded 190 Mt (209 million st), or about 20% of the U.S. coal industry.

Despite the remote location of the PRB relative to its potential markets, most coal industry observers anticipate continued strong growth to meet utility compliance plans for Phases I and II of the Clean Air Act Amendments (CAAA). This article is an overview of supply and demand issues concerning the marketing of southern PRB coal. It reviews the events leading up to the recent run on spot coal and offers a forecast of demand and prices.

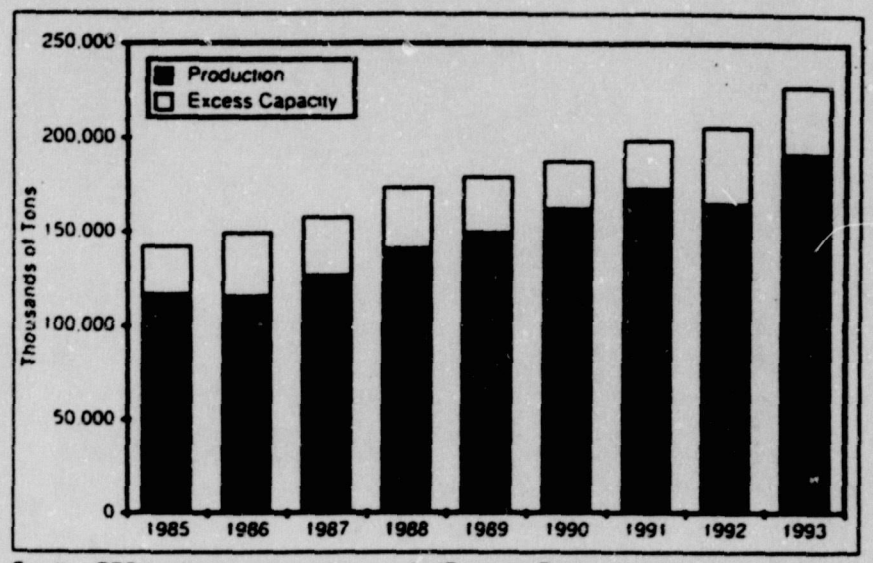


Fig. 1 — PRB production and excess capacity (Resource Data International, Inc.).

Coal charactistics

Southern PRB coal is classified as subbituminous due to its low heating value and high moisture content. It ranges from 25% to 31% moisture and from 18.3 to more than 20.4 MJ/kg (7900 to 8800 Btu/lb). The higher heating values are found in the southern part of the coal field. The coal is characterized by unusually low sulfur and ash contents, low ash fusion temperatures and high reactivities. The average weighted qualities of southern PRB coal purchased by utilities in 1993 are:

- Heating value — 19.8 MJ/kg (8538 Btu/lb),
- Sulfur content — 0.8 lbs SO_2/million Btu and
- Ash content — 5.12%.

The distinguishing characteristic of PRB coal is its low sulfur content. It is typically expressed as lbs SO_2/million Btu. Most southern PRB coal is less than 1.2 lbs SO_2/million Btu, which is the effective definition of "compliance" coal for Phase II of the CAAA. Much of the southern PRB coal, particularly in the northern part of the coal field, is referred to as "super-compliance" coal due to SO_2 contents of between 0.4 and 1.0 lbs SO_2/million Btu. The sulfur content of PRB coal is likely to be the dominant factor in its future demand growth.

Southern Powder River Basin coal has some unusual handling characteristics that, if not properly addressed, can cause handling and storage problems. These include high friabilities that can result in the creation of fines during rehandling and a propensity for spontaneous combustion before compaction.

Coal supply

The production of coal from the southern PRB has steadily increased since the early 1970s, although there was a slight downturn in 1992. In 1993, production was less than 192 Mt (211 million st) (Fig. 1). Resource Data International (RDI) estimates that excess production capacity was at least 19 Mt (21 million st) in 1993, calculated by annualizing the largest production quarter in the preceding three years.

The rate and magnitude of growth in PRB production that has occurred in the past 20 years is unprecedented in the US coal industry. Many coal industry observers predict that southern PRB coal production will exceed 215 Mt (237 million st) in 1994. These predictions assume that additional production capacity will be added (Zeigler's North Rochelle Mine) and that mines scaled back or idled in recent years are brought back into production (Arco's Coal Creek Mine, Drummond's Ft. Union Mine and Kerr-McGee's Clovis Point Mine).

An unusual feature of the southern PRB coal industry is the large size and small number of mines (18) in the region. It is led by Arco's Black Thunder Mine, the largest coal mine in the United States. It produced 34.3 Mt (37.8 million st) in 1993 (Table 1). In fact, in 1993, 12 of the 20 largest coal mines in the United States were southern PRB mines, including the six largest mines in the country.

All southern PRB mines are operated by nonunion labor forces except for Pacificorp's Glenrock Mine and Black Hill's Wyodak Mine. All are surface mines that typically use draglines for overburden removal and truck-shovel spreads and/or in-pit conveyors for coal.

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uction. The mines are developed in l seam that approaches 30 m (100 ft) thick in some locations, with as little as 9 m (30 ft) of overburden.

All PRB mines use central processing facilities for coal crushing and unit train loading. Most mines use two-hour, multiple-silo, train loadout systems. All southern PRB mines are served by two rail carriers (Burlington Northern and WRPI, a CNW affiliate), with the exception of the northernmost mines, which are exclusively served by the Burlington Northern (BN). Pacificorp's captive Glenrock Mine is served by a private railroad, while Zeigler's North Rochelle Mine is served by trucks.

The largest production shares for the 11 companies that operated southern PRB mines in 1993 were held by Arco, Peabody and Cyprus Amax. These three companies each produced more than 32 Mt (35.3 million st) of southern PRB coal. That figure comprised 52% of all southern PRB coal production in 1993 (Fig. 2). Seven companies each operated two southern PRB mines: Arco, Cyprus Amax, Drummond, Exxon, Kennecott, Peabody and Zeigler.

Considerable surface-minable reserves remain in the Powder River Basin from active mines, undeveloped properties and unleased federal land. However, the more easily-developed reserves are currently in production. And future reserves will be characterized by higher overburden-to-coal ratios, less advantageous mining conditions and, in a few instances, inferior coal qualities.

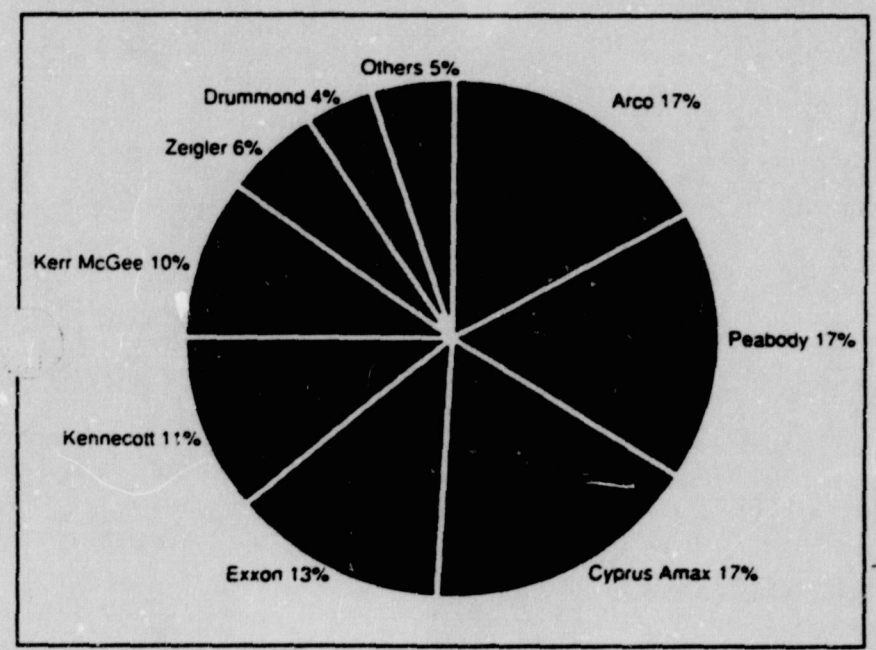


Fig. 2 — PRB production market share, 1993 (Resource Data International, Inc.).

Table 1 — Powder River Basin mines (1993)

Company	Mine	Tons (000)	Btu/lb	SO2/million Btu	Railroad
Arco Coal	Black Thunder	34,320	8,767	0.75	BN/WRPI
Peabody	Rochelle	21,184	8,762	0.48	BN/WRPI
Kerr-McGee	Jacobs Ranch	18,402	8,639	1.05	BN/WRPI
Cyprus Amax	Eagle Butte	16,838	8,251	0.84	BN/WRPI
Cyprus Amax	Belle Ayr	15,586	8,516	0.68	BN/WRPI
Exxon Coal	Caballo	15,419	8,470	0.89	BN/WRPI
Kennecott	Cordero	13,323	8,377	0.80	BN/WRPI
Peabody	North Antelope	11,466	8,824	0.48	BN/WRPI
Zeigler Coal	Buckskin	11,180	8,330	1.14	BN
Exxon Coal	Rawhide	9,864	8,294	0.89	BN
Drummond	Caballo Rojo	8,022	8,439	0.84	BN/WRPI
Kennecott	Antelope	7,287	8,834	0.70	BN/WRPI
Western Fuels/Phillips	Dry Fork	3,280	8,178	0.93	BN
Black Hills Corp	Wyodak	3,027	7,967	1.39	BN
Pacificorp	Dave Johnson	2,321	7,752	1.21	Private
Arco Coal	Coal Creek	110	8,213	0.76	BN/WRPI
Drummond	Ft. Union	58	8,226	0.78	BN
Zeigler Coal	North Rochelle	22	8,806	0.45	None
Totals/averages		**191,711**	**8,538**	**0.80**	

Coal demand

The demand for PRB coal is almost exclusively with domestic utilities, although limited industrial and export markets are present. In 1993, 186 Mt (205 million st) of southern PRB coal were sold to utilities. The rest was sold to industrial customers. Most utility purchases of PRB coal are by long-term contracts, although spot purchases have increased in recent years, approaching 20% of all utility sales in 1993 (Fig. 3).

The average mine price for all sales of southern PRB coal, as reported by the Energy Information Administration (EIA), has gradually declined in recent years. RDI's estimates of southern PRB mine prices for the past three years confirm this trend. 1993 contract prices averaged about $8.30/t ($9.14/st) and spot prices about $4.50/t ($4.96/st). These prices, however, varied for differences in coal quality, with the highest quality coal commonly sold at a $1/t ($1.10/st) premium over lesser quality coal (8800 Btu and 0.5 lbs SO_2/million Btu vs. 8500 Btu and 0.9 lbs SO_2/million Btu).

Delivered prices for southern PRB coal have also gradually declined in recent years, despite an increase in the range of its distribution. In 1993, delivered prices for utility spot sales of southern PRB coal approached $17/t ($18.73/st) or $1/million Btu. However, the delivered price for southern PRB coal was below $15.50/t ($17.08/st) or $0.90/million Btu in many midwestern and southwestern markets.

Transportation charges comprise a large portion of total delivered coal prices and largely dictate the marketing reach of southern PRB coal. This relationship suggests that the PRB coal industry is more a coal transportation business than a coal production business. Transportation rates vary from two-thirds of delivered contract prices to three-quarters of delivered spot prices. The differential in prices between contract and spot purchases in 1993 was about $4/t ($4.40/st) at the mine and about $6/t ($6.60/st) at the point of delivery. This indicates that pricing differentials are also present in

spot and contract transportation rates.

Five utilities were the largest buyers of southern PRB coal in 1993. Each purchased more than 8 Mt (8.8 million st). Houston Lighting & Power bought most, about 9.6 Mt (10.6 million st) (Fig. 4). Twelve utilities purchased more than half of all southern PRB coal sold to utilities in 1993, with the five largest purchasers each maintaining a 5% market share. In total, 57 utilities purchased southern PRB coal in 1993. These included a few utilities with plants at particularly distant locations (Georgia Power, Gulf States Utilities, Mississippi Power, New England Power, PSI Energy and the Tennessee Valley Authority).

The distribution of PRB coal between demand regions changed from 1987 to 1993 (Fig. 5). The west-southcentral region includes Texas, Oklahoma, Arkansas and Louisiana. The west-northcentral region covers Kansas, Missouri, Nebraska, Iowa, North Dakota, South Dakota and Minnesota. The east-northcentral region includes Wisconsin, Michigan, Illinois, Ohio and Indiana. The mountain region covers Montana, Idaho, Wyoming, Colorado, Utah, Arizona, Utah and New Mexico.

The dominant demand region for southern PRB coal in 1987 and 1993 was the west-southcentral followed by the west-northcentral. However, the east-northcentral region, which traditionally has been supplied with Illinois Basin coal, supplanted the mountain region as the third largest demand region for southern PRB coal.

The largest increase in demand for southern PRB coal between 1987 and 1993 was experienced in the east-northcentral region (13 vs. 35 Mt or 14.3 vs. 24.2 million st, a 22-Mt or 24.2-million st increase). That was followed by the west-northcentral region (38 vs. 56 Mt or 42 vs. 62 million st, an 18-Mt or 20-million st increase) and the west-southcentral region (58 vs. 74 Mt or 64 vs. 81.5 million st, a 16-Mt or 17.6 million st increase). Spot purchases comprised a disproportionate amount of the increased demand in the west-northcentral region, compared with the other demand regions.

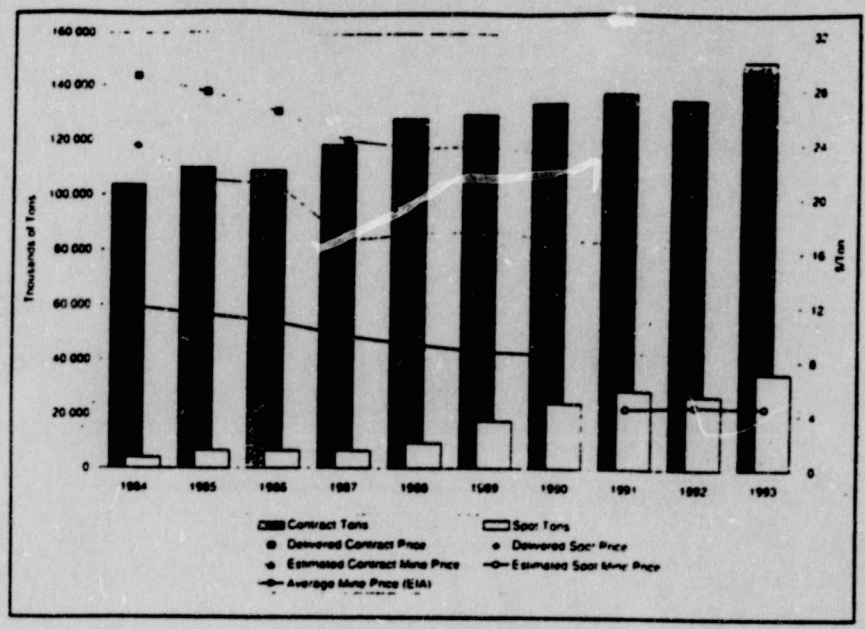


Fig. 3 — PRB utility coal sales (Resource Data International, Inc.)

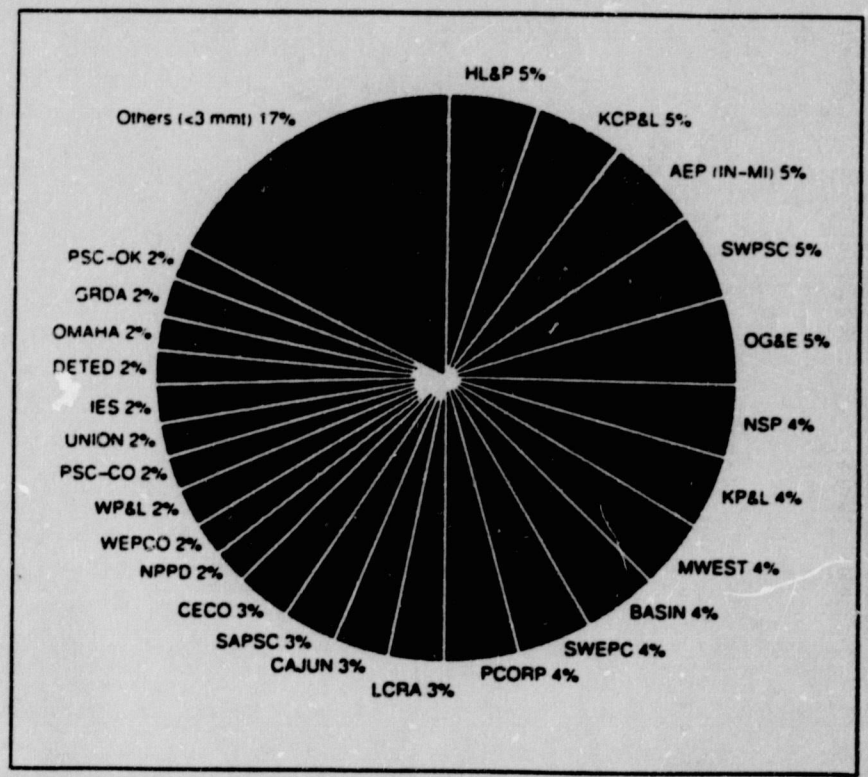


Fig. 4 — Utility market shares for PRB coal, 1993 (Resource Data International, Inc.).

Recent events

Several events have influenced the markets for Southern PRB coal. These include the strike by the United Mine Workers of America (UMWA), the midwestern flood, changes in stockpile inventories, test burns in advance of fuel switching and unusually strong seasonal demand for electricity. The combination of these factors caused an unanticipated increase in demand for PRB coal throughout most of 1993, which has extended into mid-1994 (Fig. 6). Sales of southern PRB spot coal for the last three quarters of 1993 were 50% ahead of 1992 sales. They probably would have been even higher if sufficient transportation capacity had been in place to accommodate the demand.

The run on PRB spot coal has caused a tightening of supply that, in combination with limitations in loading and transportation capacity, has resulted in the firming of prices in 1994. Spot price increases for southern PRB coal have been reported in the 75-cent to $1/t (82-cent to $1.10/st) range. Many utilities have found it difficult to obtain their full

sp[illegible]equirements from single supplie[illegible]act, many mines were "sold out" by [illegible] end of the first quarter of 1994. This was particularly true at the mines in the southern portions of the southern PRB region.

The shortages of spot coal have caused several utilities to alter their fuel procurement strategies by reducing their reliance on spot purchases. These developments have initiated a new round of contract discussions at higher coal prices, which are sufficient to justify the expense of capacity additions and/or mine reopenings.

Forecast and implications

Most coal industry observers project that surges in demand growth for PRB coal would coincide with the implementation of Phases I and II of the CAAA in 1995 and 2000, respectively. However, these projections must be tempered by the recent changes in the marketplace and the prevalence of Phase I CAAA compliance strategies involving switches from high-sulfur coal to PRB compliance coal. These factors suggest that the demand for southern PRB coal will rapidly increase throughout 1994 and into 1995 and that demand will continue to grow at a more moderate pace thereafter. RDI now anticipates that the demand for southern PRB coal will approach 230 Mt (254 million st) by 1995 and 265 Mt (292 million st) by 2000. Many of the new markets for PRB coal will be with midwestern and southeastern utilities traditionally supplied by Illinois Basin coal mines, although central Appalachia coal is also likely to be displaced by PRB coal at isolated locations.

Increases in spot and contract prices are expected for southern PRB coal as capacity is added to accommodate increased demand, particularly for the higher Btu super-compliance coal in the southern part of the coal field. Prices are expected to vary based on sulfur content, especially after Phase II of the CAAA, although heating value will continue to be important.

Recent price adjustments are expected to be sustained well into 1995 or until production capacity comes more into balance with demand. Once this occurs, RDI expects that spot prices for high-quality southern PRB coal will gradually increase from $5.60/t ($6.17/st) in 1995 to $6.05/t ($6.67/st) by 2000 (1992 constant dollars). The lesser quality southern PRB coal is expected to command prices from $1/t to $1.50/t ($1.10/st to $1.65/st) less than the high quality coal, depending on sulfur content and heating value.

Recent imbalances in the marketplace have caused spot sales of southern PRB coal to command prices at a premium relative to new contract prices. This is a reversal of former pricing relationships. These imbalances may signal the end to significant pricing differentials between PRB spot and contract coal. Many coal industry observers anticipate a new era of PRB coal pricing influenced by variations in supply of high quality coal, which will locally be manifest in spot price premiums.

RDI anticipates that the largest premiums for high-quality southern PRB coal will be available from PRB-fired plants that have experienced strong load growth since the mid-1980s and that require super-compliance PRB coal to maintain compliance into Phase II of the CAAA.

The degree to which PRB coal is marketed to new customers depends primarily on transportation pricing. As noted, transportation costs comprise two-thirds to three-quarters of its delivered price. However, most coal industry observers, anticipate that rail pricing will continue to decline in response to competition, productivity improvements and larger carloads. These factors, coupled with improvements being made to the transportation infrastructure, are expected to be sufficient to competitively accommodate the future demand requirements for southern PRB coal.

Southern PRB coal is expected to continue to meet the competitive and CAAA compliance requirements of an expanding marketplace by virtue of plentiful supplies, strong demand and an efficient mining and transportation infrastructure. These factors portend a period of strong growth for the PRB coal industry extending past 2000. ♦

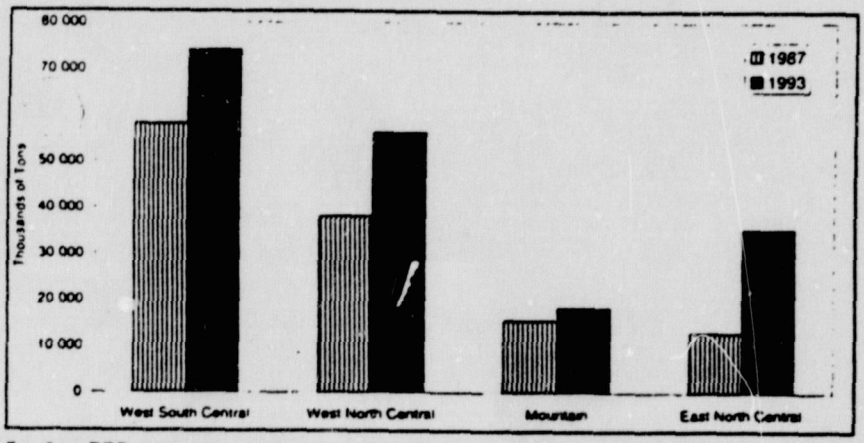


Fig. 5 — PRB utility sales by demand region (Resource Data International, Inc.)

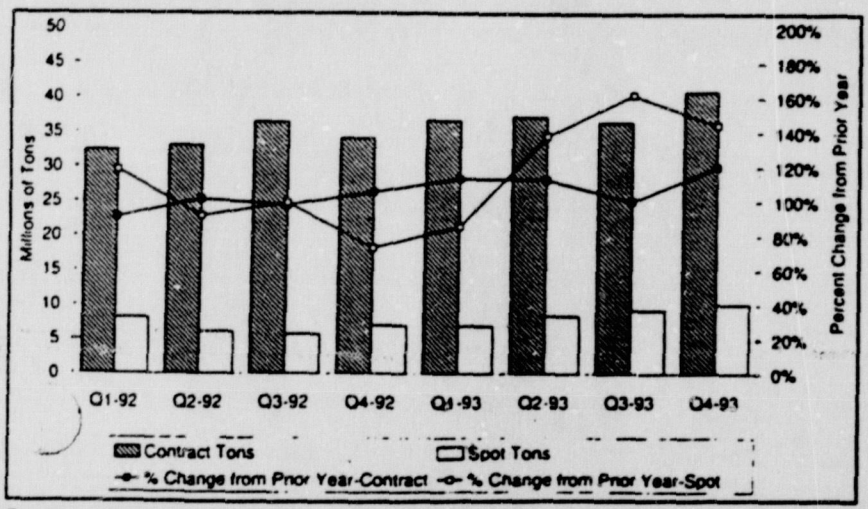


Fig. 6 — Utility purchases of PRB coal (Resource Data International, Inc.).

of 4 and 6. The differential of 2 is multiplied by an assumed emission allowance value of $150 per ton and divided by 2,000 to yield $0.15/mm Btu. Converting to dollars per ton, the 4 lb-SO_2 coal should command $3.45 per ton more than the 6 lb-SO_2 coal at the delivery point.

An example of the second case involves a PRB coal of 0.8 lb-SO_2 compared to an ILB coal of 4.8 lb-SO_2. The value of the 4 lb-SO_2 differential at an assumed emission allowance value of $150 per ton is $0.30/mm Btu. Converting to dollars per ton, the PRB coal (8,500 Btu per lb) would command a delivered price premium of $5.10 per ton relative to the ILB coal. Conversely, the ILB coal (11,500 Btu per lb) would suffer a delivered price penalty of $6.84 per ton relative to the PRB coal.

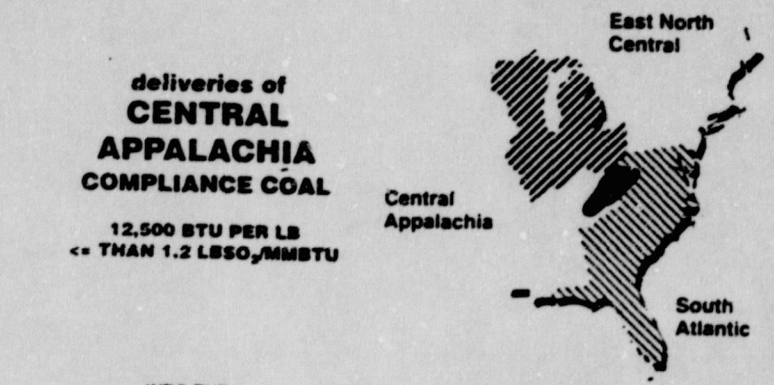
The calculated value of SO_2 differentials between competing coals varies for differences in SO_2 and emission allowance values. The magnitude of this value for large SO_2 differentials illustrates the significant economic incentive for switching from a high-sulfur coal to a low-sulfur or compliance coal. In some cases, these incentives are sufficient to offset the added cost of transporting coal from remote source regions to markets traditionally served by local coal.

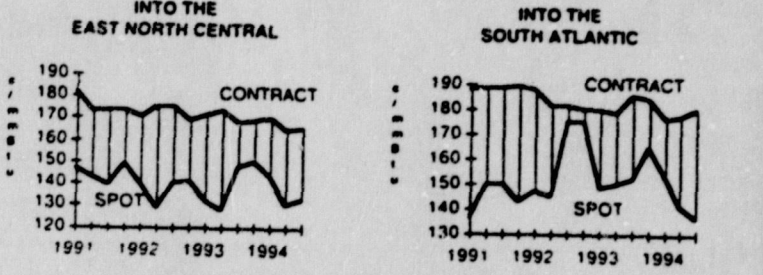
Evidence of the validity of these calculations is emerging in the major battlefields of CAAA compliance, which include traditional ILB Midwestern markets and states with particularly restrictive air quality limits. RDI's *Illinois Basin Coal Study* revealed that prices for ILB coal of different SO_2 content already have adjusted to reflect emission allowance values of $150 per ton. Additional evidence includes the delivered price premiums for shipments of low-sulfur Pittsburgh Seam coal into remotely sited, barge-served plants, and low-sulfur and compliance bituminous coal from Central Appalachia and the West into Midwestern markets.

However, PRB sales into traditional ILB territory at delivered prices directly competitive with local high-sulfur coal suggests that in this case, the value of the SO_2 differential is offset by competition between PRB mines and rail carriers. Although this may suggest that money is being left on the table, more properly, it indicates that local high-sulfur coals already have lost the battle for markets, and the only valid competitors for these markets are low-sulfur and compliance coals. This pricing level also reflects the need to offset retrofit costs and/or derates for using subbituminous coal in plants designed to burn bituminous coal.

As the coal industry segues into an era dominated by CAAA compliance and utility deregulation, coal and transportation sales people will need to keep abreast of emission allowance values so they can determine the relative value of coals of varying sulfur content. We are hopeful the calculation methods outlined in this article will help them to find a balance between determining "what the market will bear" and not "leaving money on the table."

UTILITY MARKET PRICE INDICATORS





SPOT PURCHASES BY SELECTED UTILITIES
CENTRAL APPALACHIA COMPLIANCE COAL

(12 months ending in September 1994)

Operating Utility	(000s of tons) past year	(000s of tons) current year	(000s of tons) % chg yr ago	(¢/mmBtu) past year	(¢/mmBtu) current year	(¢/mmBtu) % chg yr ago
Into East North Central						
Dayton Power & Light Co	612	796	30 1	114	126	10 5
Detroit Edison Co	287	563	96 2	146	153	4 8
Central Illinois Light Co	406	421	3 7	165	167	1 2
Cincinnati Gas & Electric	243	339	39 5	121	125	3 3
Consumers Power Co	497	334	-32 8	162	173	6 8
Indiana-Michigan Power Co	0	250	NA	0	122	NA
Ohio Edison Co	20	193	865 0	112	125	11 6
Toledo Edison Co	25	176	604 0	157	144	-8 3
Northern Indiana Pub Serv Co	252	151	-40 1	182	171	5 6
Into South Atlantic						
Georgia Power Co	2,543	2 182	-14 2	160	168	5.0
Appalachian Power Co	362	900	148 6	108	112	3 7
Duke Power Co	623	871	39 8	142	145	2 1
Baltimore Gas & Electric	530	715	34 9	155	165	6 5
Potomac Electric Power Co	104	150	44 2	170	176	3 5
Delmarva Power & Light Co	29	140	382 8	164	180	9 8
Florida Power Corp	36	117	225 0	157	170	8 3
Carolina Power & Light Co	632	67	-89 4	139	166	19 4

Source: Resource Data International, Inc.

Author information
Jerry Venineti is senior consultant and Todd Myers is consultant with Resource Data International Inc., of Boulder, Colo.

Calculating What the Market Will Bear during Phase I

By Jerry Vuninetti and Todd Myers

Fuel supply evaluations traditionally have focused on delivered coal prices, although assessments of busbar power costs and ancillary costs (FGD and ash disposal) also have been used. Coal and transportation sales people have assessed markets and competition by determining the delivered price of coal on a $/mmBtu basis and then subtracting projected coal or transportation costs to determine "what the market will bear." With the implementation of Phase I of the Clean Air Act Amendments, however, this approach must be modified to take into account the value of the differential in sulfur content between competing coals.

Phase I of the CAAA has created an evolving premium penalty structure for delivered coal prices based on differences in the pounds of SO_2 per million Btu (lb-SO_2) of competing coals and the value of emission allowances. The full measure of SO_2-based differences in coal values, however, will affect mainly unscrubbed plants subject to CAAA compliance. In these instances, the higher sulfur coals will be penalized for their SO_2 content, and the lower sulfur coals will command premiums for their SO_2 content.

The exceptions in Phase I generally will include scrubbed plants, plants well under their emission caps and plants not subject to stringent air quality compliance. Notwithstanding these exceptions, any CAAA-related tightening in the low-sulfur market is likely to cause pricing to reflect the value of SO_2 differentials.

The value of the SO_2 differential at the point of delivery can be calculated by using this simplified formula:

SO_2 Differential x Emission Allowance Value/2,000 = Value of SO_2 Differential ($/mmBtu)

The resulting $/mmBtu value must then be converted to dollars per ton to determine the premium for the lower sulfur coal or the penalty for the higher sulfur coal, correcting for the applicable heating content for each coal.

Emission allowance values and the corresponding value of SO_2 differentials will vary between utilities due to the availability of different compliance options. Emission allowances reported at prices approaching $150 per ton, however, would suggest that the value of current SO_2 differentials approaches $.075/mmBtu for each one pound differential in SO_2 content between competing coals. This equates to about $1.30 per ton for Powder River Basin coal, to $1.70 per ton for Illinois Basin (ILB) and Western bituminous coal, and more than $2 per ton for high-Btu Appalachia coal and petcoke.

The formula can be applied to both competing coals from the same source region as well as to coals from different source regions. In the first case, we can compare two generic ILB coals with similar heating content (11,500 Btu per lb) and SO_2 contents

COALDAT® Market Indicators

Coal Supply & Demand (thousands of tons)	Monthly Trends Jul/94	Aug/94	Sep/94	Sep/93	yr ago % chg	January through September 1992	1993	1994	yr ago % chg
Production	76,700	93,316	87,687	80,056	9.5	747,746	704,298	768,273	9.1
Utility Demand									
Purchases	67,240	74,564	69,597	65,077	6.9	576,992	567,179	618,484	9.0
Contract	51,795	57,726	53,853	50,534	6.6	484,287	457,957	481,918	5.2
Spot	15,444	16,837	15,743	14,543	8.3	92,705	109,222	136,566	25.0
Consumption	76,489	75,679	66,445	66,493	-0.1	585,068	611,173	622,782	1.9
Inventories (month ending)	109,419	101,823	112,203	112,833	-0.6	151,895	112,833	112,203	-0.6
Exports									
Metallurgical	3,422	4,102	4,400	3,743	17.6	45,174	37,728	35,272	-6.5
Steam	2,459	2,583	2,754	2,376	15.9	33,051	19,638	17,182	-12.5
Delivered Coal Prices									
Utility (¢/mmBtu)									
Contract	135.7	136.3	137.4	138.7	-0.9	142.5	140.1	137.3	-2.0
Spot	119.0	117.8	116.6	123.1	-5.3	116.4	117.3	118.8	1.3
Exports ($/ton FAS)									
Met	41.1	42.2	42.2	43.9	-3.9	45.6	44.4	43.1	-2.9
Steam	32.8	35.4	34.5	35.4	-2.5	35.8	36.1	34.2	-5.3
Electric Power									
Generation (billions/kWh)	278.0	274	238	237	0.4	2,110	2,186	2,213	1.2
[illegible]	152.0	151	132	134	-1.5	1,184	1,232	1,247	1.2
[illegible]lear	59.0	60	56	50	12.0	461	466	473	1.5
Coal Transportation									
BLS rail index (1985 =100)	107.6	107.6	107.6	106.7	0.8				

Source: Resource Data International, Inc. Boulder, Colorado • (303) 444-7788

WSC Ex. 4

UNITED STATE OF AMERICA
DEPARTMENT OF TRANSPORTATION
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORP., et al.-
CONTROL AND MERGER-
SOUTHERN PACIFIC RAIL CORP., et al.-

Verified Statement of Frederic E. Schrodt

Now comes Farmland Industries, Inc., a party of record in the above- captioned matter now before the Surface Transportation Board (STB).

My name is Frederic E. Schrodt and I am the Vice-President of Transportation for Farmland Industries, being responsible for all of its rail, truck and barge transportation. I have been in this position for 8 years and have 36 years of transportation experience, including pipeline, rail, truck, ocean and inland marine responsibility. Farmland has annual sales of $7.5 billion in the fertilizer, petroleum, animal feed, grain, pork and beef industries. Farmland is located at 3315 N. Oak Trfwy, Kansas City, Missouri, 64116.

Farmland Industries operates a refinery, feed mills, grain elevators, fertilizer plants and pork and beef packing plants. Our markets are throughout the 50 states and in 72 foreign countries.

We are a federated cooperative owned by approximately 1,400 member coops who in turn are owned by approximately 500,000 farmers, producers, and ranchers in the midwest, predominantly Kansas, Iowa, Minnesota, Missouri, Colorado, Oklahoma, Texas, Arkansas, Montana, Nebraska, North and South Dakota and Wyoming. In general, we sell our customers and member coops farm inputs (fertilizer, petroleum and feed) and purchase much of their output of grain and livestock.

Some facts about Farmland's rail transportation--Farmland spends approximately $145,000,000 annually on rail transportation freight. Farmland owns or leases

4000 rail cars to service our business needs. We also operate 225 trucks. Attached as Exhibit A is a statement detailing our actual freight expenditures for

5. Our annual freight payment to Union Pacific (UP) is about $33,443,000 and to Southern Pacific (SP) $1,886,000. SP originates some volumes at our origins. However, it is predominantly a destination carrier sharing in divisions with both Burlington Northern/Santa Fe (BNSF) and UP. As a matter of interest, if this merger is completed, over 80% of our rail freight will be paid to UPSP and BNSF.

The proposed merger of the Union Pacific and the Southern Pacific railroads would have serious negative impacts on agricultural business in general and on Farmland Industries and it's cooperative/producer/rancher owners.

Farmland is a member of the Western Shippers Coalition (WSC), National Industrial Transportation League (NITL), The Fertilizer Institute (TFI) and Mountain Plains Communities and Shippers Coalition (MPC) and we support their efforts to have the Board grant the responsive application of Montana Rail Link (MRL) or impose conditions on the proposed merger to minimize the competitive impact on our business and that of our member owners.

If the merger is approved without substantial conditions to replace competition, the following will occur:

1. Over 90% of the rail traffic to and from Mexico will be carried by the UPSP for connection with the Ferrocarriles Nacionales De Mexico, according to L.E. Peabody & Associates. This will negatively impact the viability of the NAFTA agreement.

2. A viable third carrier will not be available to compete with two remaining mega carriers in the central and southern corridor.

3. The loss of competition will not be significantly improved with the so-called "competitive agreement" between Burlington Northern Santa Fe (BNSF) and UP. This is because the host carrier will start out with an 18-19% cost advantage in the first year and will widen this advantage each year. This is a result of the RCAF-U (70%) and increases of 4+% each year over the average RCAF (A) experienced by all class 1 carriers, according to L.E. Peabody & Associates.

4. The ability of the two mega carriers to increase rates will decrease the country's ability to participate in the global agriculture market and increase the cost of food production in this country. This increase will be at the expense of the American consumer and the American farmer, because the farmer collects only what the consumer will pay. If the consumer pays more because of higher railroad rates, the

consumer loses. If the consumer will not pay more, but rail rates rise, the farmer gets less.

5. The position of the Southern Pacific with its strategic location of trackage has allowed it to be a significant competitor to the UP and in fact offer some discipline to the rich Union Pacific franchise.

6. The total freight dollars lost for 2 to 1 competition is approximately $1.9 billion, according to a Study by L.E. Peabody & Associates.

IMPACT ON THE FARMLAND COOPERATIVE SYSTEM

Our consultant, Snavely, King and Associates (SKA) completed a comprehensive review of our rail shipments which indicate the following:

- Loss of competitive alternatives were found in many of the markets Farmland identified. On these corridors Farmland can expect diminished competition as a result of the UP-SP merger. This often translates into higher rates.

  - SKA found a reduction from two competing rail sources to one rail source on 20 of the origin to destination pairs identified by Farmland.

  - SKA found a reduction from three competing rail sources to two rail sources on 7 of the origin to destination pairs identified by Farmland.

The data on specific rail corridors are identified in Attachment B. SKA estimated that we would experience 10% increases to our 2 to 1 locations and 5% in our 3/2 locations (7.5% average). The rail freight costs for Farmland and its owners will increase $9 million/year as a result. The merger of the UP will leave two dominant carriers with virtually no competition in the western United States (See market share of UP/SP and BNSF on attached Exhibit FES-C) . We believe this would allow both carriers virtual monopoly power over their markets. We believe this combination of carriers with no viable competition will establish a higher price floor for all traffic as this would be the impact of the "competitive agreement" between BNSF/UP.

Farmland believes that the competitive balance in the West must be restored as a condition of this proposed merger by divestiture and trackage rights of the parallel lines between Kansas City, Missouri and Stockton, California.

The performance of the UP following its merger with the Chicago NorthWestern (CNW) deteriorated to disaster levels with significant loss to Farmland Industries and its members (See survey results--Exhibit FES-D). As a result, we believe that, if the Board approves the proposed UP/SP merger, it must also require the merged carrier to offer service and performance standards to its customers with financial penalties for non-performance. The market power of the two remaining Western carriers -- BNSF and UPSP -- could force shippers to accept poor service and an inability to execute business as usual. This has been demonstrated in the UP/CNW merger time after time.

Finally, Farmland opposes a merging carrier pair (UP/SP) picking not only its own competitor (BNSF), but naming it's first choice of competition, Illinois Central (ICG), in the central corridor. Again, we reiterate, the selection of BNSF does nothing more than establish a rate floor for the host carrier with no real competition occurring.

Due to the market power of the Union Pacific in its franchise area, many shippers have been intimidated from opposing or seeking competitive conditions in fear of reprisal by the UP. Farmland formally asks the Board to resolutely protect those shippers who will not be intimidated by establishing, as a condition of this merger, a forum where an injured shipper may simply and economically make its case and seek damages from the carrier. Even with a conditional approval of a merger where a proposed merger has been rejected or withdrawn, reprisals in the form of service, car supply or rates have been commonplace in past mergers. As an example, the loss of $100 million by our members in the short period the UP has owned the CNW, due to terrible service by UP has not, to our knowledge, been considered by the UP as something for which it bears responsibility.

We PRAY the Surface Transportation Board will condition the merger so that shippers have a voice in selecting the third competitor in each corridor from a long list of viable candidates such as Montana Rail Link/Kansas City Southern in the central corridor and Kansas City Southern/Conrail/Norfolk Southern in the southern corridor. In order to assure effective competition,

the new competitor must be awarded (for a fair price) the assets in place and unlimited access to the existing traffic base. Otherwise, the new carrier will not be able to compete.

Frederic E. Schrodt

Subscribed to and sworn before me

this 28th day of March, 1996.

Cynthia L. Wilson
Notary Public

[redacted]

FREIGHT SUMMARY
(in 1,000's)

Rail/truck/barge/air paid by Farmland Corporate		$162,453
Truck Operations		23,527
Farmland Transportation, Inc.		52,321
Carando		3,900
Foods (Rail)		1,500
Rail Car Cost (Net)		12,411
	Subtotal	256,112
Pipelines		
Petroleum Crude		6,778
Petroleum Refined Products		22,750
Fertilizer Ammonia		10,147
	Subtotal	39,675
Tradigrain (Ocean Freight)		27,900
Total Farmland Industries, Inc and 100% subsidiaries		323,687
Joint Ventures and Partial Subsidiaries		
National Beef and Hyplains (Rail)		3,500
SF Industries (Rock Springs)		1,260
Farmland/Hydro		4,800
	Subtotal	9,560
Grand Total		$333,247
Grain		$ 96,318
Beef		22,761
Petroleum		46,826
Feed		5,146
Fertilizer		127,983
Foods		34,213
Grand Total		$333,247

Farmland Industries: Analysis of Merger Effects on Origin - Destination Pairs

Origin City	Origin State	Origin BEA	Destination City	Destination State	Destination BEA	Competitive Effect 2RR's to 1 RR 3RR's to 2 RR's
na	LA	New Orleans, LA	Lincoln	NE	Lincoln, NE	
nes	IA	Des Moines, IA	Welcome	MN	Minneapolis, MN	
lington	CA	Los Angeles, CA	Omaha	NE	Omaha, NE	
chison	KS	Kansas City, MO	Kansas City	KS	Kansas City, MO	
ileyville	KS	Topeka, KS	Galveston	TX	Houston, TX	
attle	KS	Topeka, KS	Galveston	TX	Houston, TX	
lmond	IA	Fort Dodge, IA	Fort Worth	TX	Dallas, TX	
verly	IA	Cedar Rapids, IA	Council Bluffs	IA	Omaha, NE	
one	IA	Des Moines, IA	Bradford	IA	Waterloo, IA	
adford	IA	Waterloo, IA	Galveston	TX	Houston, TX	2 to 1
ainard	NE	Lincoln, NE	Delhi	CA	Stockton, CA	
ownsville	TX	Brownsville, TX	Grand Island	NE	Grand Island, NE	
ckeye	IA	Waterloo, IA	Galveston	TX	Houston, TX	2 to 1
ldwell	ID	Boise City, ID	Grand Island	NE	Grand Island, NE	
apman	NE	Grand Island, NE	Preston	ID	Salt Lake City, UT	2 to 1
apman	NE	Grand Island, NE	Simplot	ID	Boise City, ID	
icago	IL	Chicago, IL	Grand Island	NE	Grand Island, NE	
icag	IL	Chicago, IL	Omaha	NE	Omaha, NE	
nton	IA	Davenport, IA	Omaha	NE	Omaha, NE	
ffeyville	KS	Springfield, MO	Omaha	NE	Omaha, NE	
lton	CA	Los Angeles, CA	Grand Island	NE	Grand Island, NE	
uncil Bluffs	IA	Omaha, NE	Council Bluffs	IA	Omaha, NE	
uncil Bluffs	IA	Omaha, NE	Omaha	NE	Omaha, NE	
ete	NE	Grand Island, NE	Ontario	CA	Los Angeles, CA	
nison (FRM/SER=CNW)	IA	Sioux City, IA	Galveston	TX	Houston, TX	
s Moines	IA	Des Moines, IA	Nashville	AR	Texarkana, TX	
s Moines	IA	Des Moines, IA	Omaha	NE	Omaha, NE	
id Plant	OK	Oklahoma City, OK	Coffeyville	KS	Springfield, MO	
id Plant	OK	Oklahoma City, OK	Gothenburg	NE	Grand Island, NE	
id Plant	OK	Oklahoma City, OK	Hillsboro	TX	Waco, TX	
id Plant	OK	Oklahoma City, OK	Laredo	TX	San Antonio, TX	2 to 1
id Plant	OK	Oklahoma City, OK	Omaha	NE	Omaha, NE	
id Plant	OK	Oklahoma City, OK	Port Allen	LA	Baton Rouge, LA	
id Plant	OK	Oklahoma City, OK	San Antonio	TX	San Antonio, TX	2 to 1
id Plant	OK	Oklahoma City, OK	Stockton (other)	CA	Stockton, CA	
da	UT	Salt Lake City, UT	Gothenburg	NE	Grand Island, NE	
irfax	KS	Kansas City, MO	Fairfax	KS	Kansas City, MO	
rnhamville	IA	Fort Dodge, IA	Galveston	TX	Houston, TX	
rt Smith	AR	Fort Smith, AR	Plymouth	NE	Lincoln, NE	
rt Worth	TX	Dallas, TX	Bradford	IA	Waterloo, IA	
rt Worth	TX	Dallas, TX	Buckeye	IA	Waterloo, IA	
rt Worth	TX	Dallas, TX	Kansas City	KS	Kansas City, MO	
rt Worth	TX	Dallas, TX	Marathon	IA	Fort Dodge, IA	
rt Worth	TX	Dallas, TX	Saint Joseph	MO	Kansas City, MO	
rmont	NE	Omaha, NE	Galveston	TX	Houston, TX	
lveston	TX	Houston, TX	Bradford	IA	Waterloo, IA	2 to 1
lver	TX	Houston, TX	Buckeye	IA	Waterloo, IA	2 to 1
live	TX	Houston, TX	Farnhamville	IA	Fort Dodge, IA	
lveston	TX	Houston, TX	Goldfield	IA	Fort Dodge, IA	

Farmland Industries: Analysis of Merger Effects on Origin - Destination Pairs

Origin City	Origin State	Origin BEA	Destination City	Destination State	Destination BEA	Competitive Effect
						2RR's to 1 RR
						3RR's to 2 RR's
lveston	TX	Houston, TX	Grand Island	NE	Grand Island, NE	
lveston	TX	Houston, TX	Lincoln	NE	Lincoln, NE	
lvesto..	TX	Houston, TX	Livermore	IA	Fort Dodge, IA	
lveston	TX	Houston, TX	Mingo	KS	Salina, KS	
lveston	TX	Houston, TX	Omaha	NE	Omaha, NE	
lveston	TX	Houston, TX	Plymouth	NE	Lincoln, NE	
lveston	TX	Houston, TX	Roelyn	IA	Fort Dodge, IA	
lveston	TX	Houston, TX	Shelby	NE	Lincoln, NE	
lveston	TX	Houston, TX	Welcome	MN	Minneapolis, MN	3 to 2
rden City	IA	Waterloo, IA	Galveston	TX	Houston, TX	2 to 1
ldfield	IA	Fort Dodge, IA	Galveston	TX	Houston, TX	
thenburg	NE	Grand Island, NE	Burrell	CA	Fresno-Bakersfield, CA	
thenburg	NE	Grand Island, NE	Fairfax	KS	Kansas City, MO	
thenburg	NE	Grand Island, NE	Jeffers	NE		
thenburg	NE	Grand Island, NE	Kansas City	KS	Kansas City, MO	
thenburg	NE	Grand Island, NE	Kansas City	MO	Kansas City, MO	
thenburg	NE	Grand Island, NE	Livingston	CA	Stockton, CA	
thenburg	NE	Grand Island, NE	McMillan	ID	Pocatello, ID	
ther	NE	Grand Island, NE	Ontario	CA	Los Angeles, CA	
ther	NE	Grand Island, NE	Turlock	CA	Stockton, CA	
and Island	NE	Grand Island, NE	Caldwell	ID	Boise City, ID	
and Island	NE	Grand Island, NE	Lovelock	NV	Reno, NV	
and Island	NE	Grand Island, NE	Simplot	ID	Boise City, ID	
and Island	NE	Grand Island, NE	Turlock	CA	Stockton, CA	
and Junction	IA	Fort Dodge, IA	Omaha	NE	Omaha, NE	
eley	CO	Denver, CO	Shelby	NE	Lincoln, NE	
mlin	KS	Kansas City, MO	Galveston	TX	Houston, TX	3 to 2
stings	NE	Grand Island, NE	Ama	LA	New Orleans, LA	
stings	NE	Grand Island, NE	Kalama	WA	Portland, OR	
yland	NE	Grand Island, NE	Hayland	NE	Grand Island, NE	
yland	NE	Grand Island, NE	Kalama	WA	Portland, OR	
yland	NE	Grand Island, NE	Tulare	CA	Fresno, CA	
watha	KS	Kansas City, MO	Galveston	TX	Houston, TX	3 to 2
a Falls	IA	Waterloo, IA	Hope	AR	Texarkana, TX	
ca	WI	Duluth, MN	Itasca	WI	Duluth, MN	
ers	NE		Shelby	NE	Lincoln, NE	
ction City	KS	Topeka, KS	Kansas City	MO	Kansas City, MO	3 to 2
ction City	KS	Topeka, KS	Lincoln	NE	Lincoln, NE	
ama	WA	Portland, OR	Lincoln	NE	Lincoln, NE	
ama	WA	Portland, OR	Shelby	NE	Lincoln, NE	
awha	IA	Waterloo, IA	Fort Worth	TX	Dallas, TX	
sas City	KS	Kansas City, MO	Atchison	KS	Kansas City, MO	
sas City	KS	Kansas City, MO	Gothenburg	NE	Grand Island, NE	
sas City	KS	Kansas City, MO	Hot Springs	AR	Little Rock, AR	
sas City	KS	Kansas City, MO	Lincoln	NE	Lincoln, NE	
sas City	KS	Kansas City, MO	Omaha	NE	Omaha, NE	
sas City	KS	Kansas City, MO	Sharon Springs	KS	Salina, KS	
sas	KS	Kansas City, MO	Shelby	NE	Lincoln, NE	
rne	CA	Stockton-Modesto, CA	Omaha	NE	Omaha, NE	

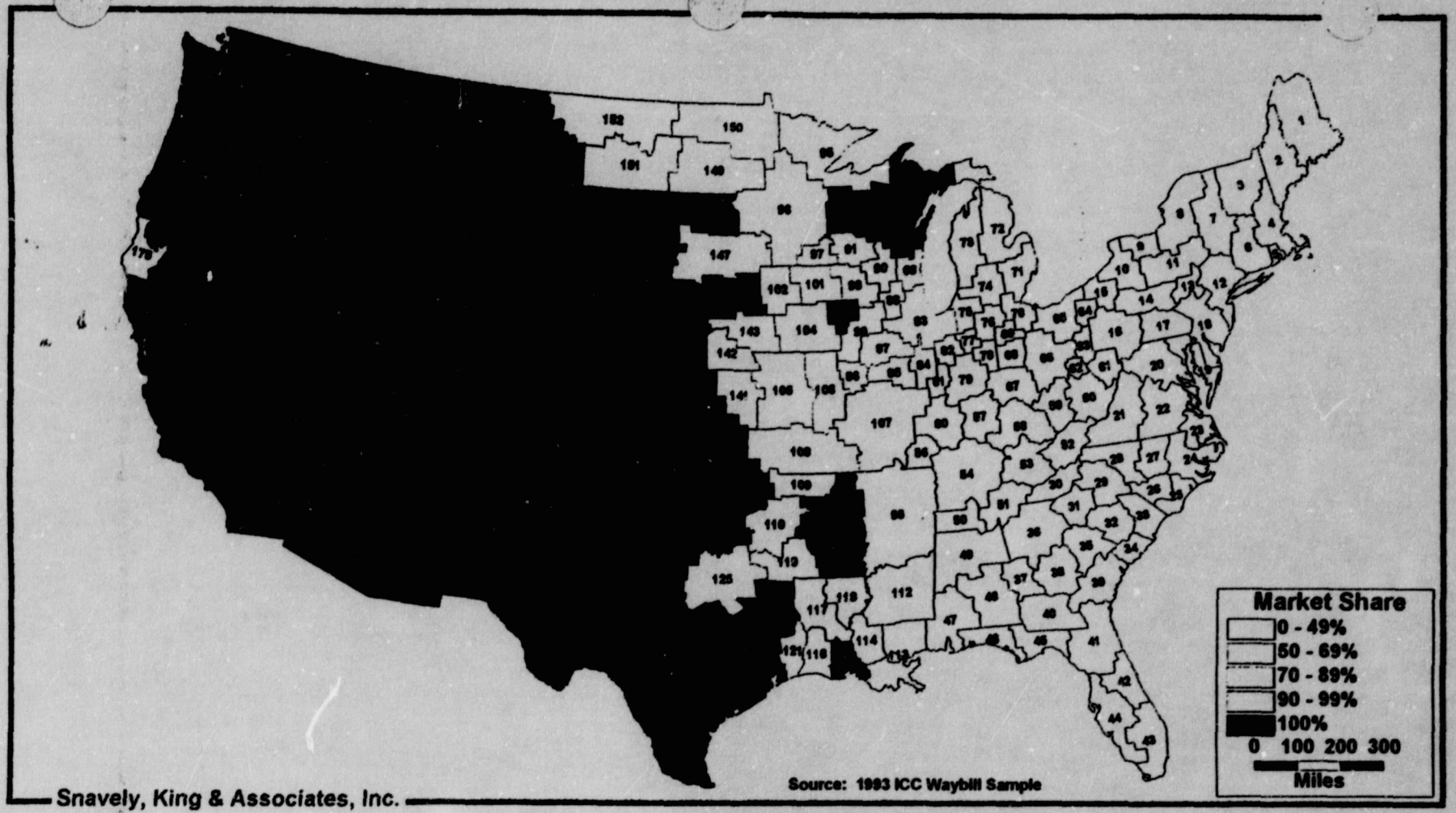
Farmland Industries: Analysis of Merger Effects on Origin - Destination Pairs

Origin City	Origin State	Origin BEA	Destination City	Destination State	Destination BEA	Competitive Effect
						2RR's to 1 F.R
						3RR's to 2 RR's
edo	TX	San Antonio, TX	Enid Plant	OK	Oklahoma City, OK	2 to 1
edo	TX	San Antonio, TX	Kansas City	KS	Kansas City, MO	2 to 1
edo	TX	San Antonio, TX	Omaha	NE	Omaha, NE	2 to 1
coln	NE	Lincoln, NE	Ama	LA	New Orleans, LA	
coln	NE	Lincoln, NE	Brownsville	TX	Brownsville, TX	2 to 1
rmore	IA	Fort Dodge, IA	Galveston	TX	Houston, TX	
elock	NV	Reno, NV	Omaha	NE	Omaha, NE	
athon	IA	Fort Dodge, IA	Galveston	TX	Houston, TX	
shalltown	IA	Des Moines, IA	Omaha	NE	Omaha, NE	
Millan	ID	Pocatello, ID	Omaha	NE	Omaha, NE	
id	NE	Omaha, NE	Burley	ID	Pocatello, ID	
id	NE	Omaha, NE	Erda	UT	Salt Lake City, UT	
id	NE	Omaha, NE	Mountain Home	ID	Boise City, ID	
go	KS	Salina, KS	Enid Plant	OK	Oklahoma City, OK	
go	KS	Salina, KS	Galveston	TX	Houston, TX	
go	KS	Salina, KS	Salt Lake City	UT	Salt Lake City, UT	
ument	KS	Salina, KS	Enid Plant	OK	Oklahoma City, OK	
ument	KS	Salina, KS	Ogden	UT	Salt Lake City, UT	
inta e	ID	Boise City, ID	North Platte	NE	Grand Island, NE	
tle G.	LA	Baton Rouge, LA	Omaha	NE	Omaha, NE	
desha	KS	Springfield, MO	Lincoln	NE	Lincoln, NE	
rman	CA	Stockton, CA	Council Bluffs	IA	Omaha, NE	
th Platte	NE	Grand Island, NE	Simplot	ID	Boise City, ID	
th Platte	NE	Grand Island, NE	Tulare	CA	Fresno, CA	
len	UT	Salt Lake City, UT	Gothenburg	NE	Grand Island, NE	
len	UT	Salt Lake City, UT	Kansas City	KS	Kansas City, MO	3 to 2
len	UT	Salt Lake City, UT	Omaha	NE	Omaha, NE	2 to 1
len	UT	Salt Lake City, UT	Relico	UT	Salt Lake City, UT	2 to 1
aha	NE	Omaha, NE	Chicago	IL	Chicago, IL	
aha	NE	Omaha, NE	Culpeper	VA	Washington, DC	
aha	NE	Omaha, NE	Des Moines	IA	Des Moines, IA	
aha	NE	Omaha, NE	Fairfax	KS	Kansas City, MO	
ario	CA	Los Angeles, CA	Omaha	NE	Omaha, NE	
ario	CA	Los Angeles, CA	Plymouth	NE	Lincoln, NE	
nouth	NE	Lincoln, NE	Ama	LA	New Orleans, LA	
nouth	NE	Lincoln, NE	Galveston	TX	Houston, TX	
nouth	NE	Lincoln, NE	Gothenburg	NE	Grand Island, NE	
nouth	NE	Lincoln, NE	Grand Island	NE	Grand Island, NE	
nouth	NE	Lincoln, NE	Myrtle Grove	LA	Baton Rouge, LA	
nouth	NE	Lincoln, NE	Turlock	CA	Stockton, CA	
nouth	NE	Lincoln, NE	Welcome	MN	Minneapolis, MN	
ston	ID	Salt Lake City, UT	Lincoln	NE	Lincoln, NE	
co	UT	Salt Lake City, UT	Corcoran	CA	Fresno, CA	2 to 1
co	UT	Salt Lake City, UT	Hatch	CA	Stockton, CA	2 to 1
co	UT	Salt Lake City, UT	Los Angeles	CA	Los Angeles, CA	2 to 1
co	UT	Salt Lake City, UT	Ogden	UT	Salt Lake City, UT	2 to 1
co	UT	Salt Lake City, UT	Ontario	CA	Los Angeles, CA	2 to 1
co	UT	Salt Lake City, UT	Salt Lake City	UT	Salt Lake City, UT	2 to 1
ng C.	NE	Lincoln, NE	Mountain Home	ID	Boise City, ID	

Farmland Industries:
Analysis of Merger Effects on
Origin - Destination Pairs

Origin City	Origin State	Origin BEA	Destination City	Destination State	Destination BEA	Competitive Effect
						2RR's to 1 RR
						3RR's to 2 RR's
g City	NE	Lincoln, NE	Omaha	NE	Omaha, NE	
nson	KS	Kansas City, MO	Galveston	TX	Houston, TX	3 to 2
ville	CA	San Diego, CA	Phillipsburg	KS	Salina, KS	
tha	KS	Topeka, KS	Galveston	TX	Houston, TX	
Louis	MO	Saint Louis, MO	Sharon Springs	KS	Salina, KS	
Pa'	MN	Minneapolis, MN	Welcome	MN	Minneapolis, MN	
ca	KS	Topeka, KS	Galveston	TX	Houston, TX	
on Springs	KS	Salina, KS	Enid Plant	OK	Oklahoma City, OK	
on Springs	KS	Salina, KS	Galveston	TX	Houston, TX	
on Springs	KS	Salina, KS	Mingo	KS	Salina, KS	
by	NE	Lincoln, NE	Kalama	WA	Portland, OR	
by	NE	Lincoln, NE	Ontario	CA	Los Angeles, CA	
by	NE	Lincoln, NE	Turlock	CA	Stockton, CA	
lot	ID	Boise City, ID	Grand Island	NE	Grand Island. NE	
lot	ID	Boise City, ID	Mead	NE	Omaha, NE	
lot	ID	Boise City, ID	Omaha	NE	Omaha, NE	
kton	CA	Stockton, CA	Lincoln	NE	Lincoln, NE	
nsburg	NE	Lincoln, NE	Grand Island	NE	Grand Island. NE	
nsburg	NE	Lincoln, NE	Turlock	CA	Stockton, CA	
ck	CA	Stockton, CA	Shelby	NE	Lincoln, NE	
come	MN	Minneapolis, MN	Galveston	TX	Houston, TX	3 to 2
kan	KS	Salina, KS	Weskan	KS	Salina, KS	

Combined Market Share of UP-SP and BN-SF Railroads



Map of Business Economic Areas

Exhibit FES-C

Market Share Basis:
Carloads Originated by Class I Railroads

December 12, 1995

RESPONDENT'S NAME_____
PHONE NUMBER_____

HIGHLY CONFIDENTIAL QUESTIONS ABOUT YOUR EXPERIENCE WITH RAIL SERVICE PROVIDED BY UNION PACIFIC AND SOUTHERN PACIFIC RAILROADS

COMMODITY

1. Type of commodity(ies) shipped (via Union Pacific RR (UP) CNW or Southern Pacific (SP) including movements that connect with other carriers):
   - Corn ____
   - Wheat ____
   - Soybeans ____
   - Fertilizer ____
   - Other ____

2. Check which type of market you ship to: Export _____ Domestic_____

3. o 5 destination points of shipment by city and state: 1._____
   _____ 3._____
   4._____ 5._____

GOVERNING DOCUMENTS

4. Do you ship under a tariff ___, transportation contract ___, or don't know ___?

5. Please provide the identifying tariff and/or contract numbers(s). (If applicable)

Contract	Tariff
_____	_____
_____	_____
_____	_____

6. Does the applicable tariff have provisions covering service standards (car supply, transit time standard, etc.)? Yes____ No____

7. Without divulging the terms of your contract(s), have the UP and SP met the service standards provided for in such contract(s)? Yes ____ No____

8. Please include your <u>total</u> rail freight expenditures $_____, as well as your UP/SP rail expenditures $_____.

23. Please indicate with an "X" whether or not you encounter the following problems when shipments are not pulled and/or delivered in a timely manner. Also, please indicate your estimate of losses.

PROBLEM	NO	YES	LOSS ESTIMATE ($)
Lost customer business			
Required shipment by other means			
Cut back on rail service			
Credit issues-total borrowing			
Storage cost			
Interest lost			
Higher rates			
Buy in of grain to satisfy contract			
Loss in value to alternative markets			
Required investment in car supply			
Other: (Please be specific) _____			_____
_____			_____
_____			_____
_____			_____

24. How responsive has the UP or SP been to your needs and concerns?

Car Supply	_____ Satisfactory	_____ Unsatisfactory
Billing	_____ Satisfactory	_____ Unsatisfactory
Rates	_____ Satisfactory	_____ Unsatisfactory
Service	_____ Satisfactory	_____ Unsatisfactory

Farmland

Farmland Industries, Inc.
[illegible] North Oak Trafficway
[illegible]ffice Box 7305, Dept. 44
[illegible]as City, Missouri 64116-0005
Telephone: 816 459-5100
Facsimile: 816 459-6917

Frederic E. Schrodt
Vice President
Transportation and Logistics

March 14, 1996

Dear Coop Manager:

Thank you for participating in our recent rail service survey.

It was mailed to over 400 cooperatives. Responses were received from 100 associations with rail service, 23 with no rail service and a total facility count of 123. The results are attached. As expected, the results indicated the following general trend.

Page 4
- Top Destinations -
  - Galveston/Houston
  - Kansas City, MO and KS
  - Southern California
  - Clinton and Cedar Rapids, IA
  - Wichita, KS and E. St. Louis, IL

[illegible]age 5
- Type of shipment document
  - Mostly tariff shippers - but some service standards
- Average Rail Freight/cooperative
  - $2.4 million/location
- UP/SP Rail Freight
  - $1.5 million/location

Page 6
- Poor service experienced in past 12 months
- Merger will increase rates and degrade service further

Page 7
- Number of cars placed equal to ordered is (was) not good

Page 8
- Financial Penalties
  - Average of over $3 million in loss estimated per cooperative
- Primary problems
  - Lost business
  - Total borrowing
  - Interest costs
  - Alternate shipments (buy-in)

Looking in-depth at the underlying data, Iowa, Minnesota and Nebraska had 95% of total financial penalties experienced (IA--63%, MN--19%, NE--13%). If you have any questions, please call Fred Schrodt, 816-459-6539.

Fred

Report Contents	Page

Respondent List

St	City	Cooperative Name	No Rail	# Facil	Contact Name	Contact Phone	Database Location Obs	Database Location Survey
CO	EADS	EADS CONSUMERS SUPPLY CO		1	KEP PECK	715/438-2201	65	61
	EATON	AGLAND INC		1			78	73
	FRUITA	FRUITA CONSUMER		1	BRENT CONSTABLE	970/858-3667	5	2
IA	AFTON	FARMERS COOP CO	X	1	ELI VAUGHN	515/347-8428	98	93
	ALTON	FARMERS COOP CO	X	1	CAL HEEMSTRA	712/756-4121	86	81
	BELLE PLAINS	FARMERS 4 COUNTY COOP ASSN		1	MARVIN DE RUCKE	319/444-2154	72	69
	BODE	BODE COOP		1	RON DACBEY	515/379-1754	82	77
	CLARENCE	CLARENCE COOP	X	1	BOB MURCELL	319/452-3805	42	39
	CLARION	CLARION FARMERS ELEV COOP		1	AL STRUTHERS	515/532-2881	54	51
	DOWS	FARMERS COOP CO		1	JIM MEEK	515/852-4137	85	80
	ELLSWORTH	ELLSWORTH-WILLIAMS COOP		1	KURT ROSS	515/836-4411	34	31
	HANLONTOWN	FARMERS COOP ELEV		1	DEAN LEHS	515/896-2610	89	84
	IOWA FALLS	FARMERS COOP ELEV		1	CARROLL SPANGLER JR	515/648-2504	31	28
	MARION	LINN COOP OIL CO	X	1	JIM FISHER	319/377-4881	105	100
	RALSTON	WEST CENTRAL COOP		1	THOMAS FELDMANN	712/667-3200	32	29
	ROLAND	HEART OF IOWA COOP		1	RON GATES	515/388-4341	80	75
	SUPERIOR	SUPERIOR COOP ELEVATOR		2	GARY STRUBE	712/858-4491	122	7
	THORNTON	FARMERS COOP CO		1	CHUCK SCHAFER		69	65
	WEST BEND	WEST BEND ELEVATOR CO		1	RICK KEITH	515/887-7211	40	37
	WOOLSTOCK	FARMERS COOP CO		1	JOHN L PETERSON	515/839-5531	47	44
	YALE	FLASH CARD COOP	X	1	CONNIE LOLLMANN	515/439-2246	92	87
IL	ARTHUR	MOULTRIE GRAIN ASSN		1	MARVIN REEVES	217/543-2157	87	82
	JACOB	JOCOB FAREMRS UNION COOP ASSN	X	1			23	20
	LINCOLN	EAST LINCOLN FARMERS GRAIN		1	HUGH WHALEN	217/735-1178	20	17
	SHIPMAN	SHIPMAN ELEV CO	X	1	BRETBAKE	618/836-5568	102	97
	WATSEKA	WATSEKA FARMERS GRAIN		1	CAMERON CHARLES	815/432-4169	104	99
KS	BEATTIE	BEATTIE FARMERS UNION COOP		1	LARRY L PREVSS	913/353-2237	63	103
	BELOIT	FARMWAY COOP		1	DONS SWICHER	913/738-2241	29	26
	BISON	MID STATE COOP		2	MICHAEL KLENDA	913/356-2355	74	69
	COLBY	MINGO COOP GRAIN CO		1		000/462-2033	12	9
	CONWAY SPRINGS	FARMERS COOP GRAIN ASSN		1			37	34
	DODGE CITY	DODGE CITY COOP EXCHANGE		1	ALLEN WILLIAMS	316/225-4193	55	52
	ELLIS	GOLDEN BELT COOP ASSN		1	J ERBERT	913/726-3115	39	36
	FOWLER	FOWLER EQUITY EXCHANGE		1	BRENT MARSHALL	316/646-5262	99	94
	GREAT BEND	GREAT BEND COOP ASSN		1	FRED SCHMITT	316/793-3531	64	60
	GREELEY	ANDERSON COUNTY COOP		1	DAVID YENNI	913/867-2140	59	56
	GREENSBURG	FARMERS GRAIN & SUPPLY CO		1	MONTIE HUNTER	316/723-3351	51	48
	HERKIMER	HERKIMER COOP BUSINESS ASSN		1	DON MULLER	913/744-3226	52	49
	HILLSBORO	COOP GRAIN & SUPPLY CO	X	1	LYMAN ADAMS JR	316/947-3111	118	106
	HOPE	NORTH CENTRAL KANSAS COOP		1	DAREL ANDERSON	913/366-7213	57	54
	LAWRENCE	FARMERS COOP ASSN		1		913/841-4040	38	35
	LENORA	LENORA MERCANTILE ASSN		1	BRUCE L WILLIAMS	913/567-4296	120	108
	MANHATTAN	NRG LUBRICANTS		1		913/776-9467	44	41
	MEADE	COOPERATIVE ELV & SUPPLY		1	RANDY ACKERMAN	316/873-2161	101	96
	MULLINVILLE	EQUITY GRAIN & GENERAL		1	RONALD FREEMAN	316/548-2222	84	79
	OAKLEY	COOPERATIVE AGRICULTURAL SERV		1	RICHARD HORN	913/672-3300	95	90
	PLAINS	PLAINS EQUITY EXCHANGE COOP		1	MARK HOFLIGER	316/563-7269	100	95
	QUINTER	MIDWEST COOP		1	RONALD D KOEHN		94	89
	RANSOM	RANSOM FARMERS COOP UNION		1	WALLY SCHWEITZER	913/731-2275	24	21
	SABETHA	FARMERS COOP ELEV		1	DARIN MASTI	913/284-2185	58	55
	SCOTT CITY	SCOTT COOP ASSN		1	JUNIOR STRECKER	316/872-5823	41	38

Respondent List

St	City	Cooperative Name	No Rail	# of Facil	Contact Name	Contact Phone	Database Location Obs	Database Location Survey
KS	SENECA	NEMAHA COUNTY COOP ASSN		1	REGIE SCHMITZ	913/336-6153	50	47
	SHARON SPRINGS	WALLACE CTY COOP EQUITY EXCH		1	RALPH STOLZ	913/852-4241	119	107
	STERLING	FARMERS COOP UNION		1	JEFF LIPP	316/278-2141	56	53
	TAMPA	ARGI PRODUCERS		7	STAN UTTING	913/965-2221	115	102
MN	BEGELOW	UNITED COOP		1	MARVIN MASCHING	507/683-2731	9	6
	JACKSON	FARMERS COOP ASSN OF JACKSON		1		507/847-4160	53	50
	LA SALLE	LA SALLE FARMERS GRAIN		1		507/642-3300	33	30
	LAKE CRYSTAL	CRYSTAL COOP		1	PAUL KRZMARZICK	507/726-6477	25	22
	NORTHFIELD	CANNON VALLEY COOP	X	1	JIM ERICKSON G M	507/645-9556	88	83
	ST JAMES	WATONWAN FARM SERV CO		1	TOM MANLEY	507/375-3355	14	11
	WINDOM	PRAIRIE LAND COOP		1	DAN UTLECH	507/831-2529	27	24
	WORTHINGTON	NOBLES COUNTY COOP OIL	X	1	GARY KONHMIER	507/376-3104	67	63
MO	ALMA	ALMA FARMERS COOP ASSN		1	BILL BROYLES	816/674-2291	45	42
	IONIA	PRODUCERS EXCHANGE		1	DEAN SCHOAR	816/547-3621	73	68
	LINCOLN	PRODUCERS EXCHANGE	X	1		816/547-3621	62	59
	RICHMOND	RAY CARROLL COUNTY GRAIN		1		816/776-2291	43	40
	SEDALIA	AG COOP SERVICES		1	RONNIE HETTMAN	816/826-5327	70	66
	TRENTON	PEOPLES COOP OIL CO	X	1	PENE WYANT	816/359-3313	46	43
NE	AINSWORTH	FARMERS RANCHERS COOP ASSN	X	1	KEITH ERICKSON	402/387-2811	16	13
	BIG SPRINGS	FARMERS COOP ELEV ASSN		1	LARRY MCCRODEN	000/889-3323	7	4
	BLUE SPRINGS	FARMERS UNION COOP		1	ROGER JACKSON	402/645-3356	90	85
	BRAINARD	FRONTIER COOPERATIVE CO.		4	SCOTT STABBE	402/367-3019	4	1
	CEDAR BLUFFS	FARMERS UNION COOP ASSN		1	RANDALL SCHMATZ	402/628-3065	93	88
	CEDAR RAPIDS	CEDAR VALLEY COOP		2	ROY KISU	308/358-0250	121	58
	CHAPPELL	FARMERS ELEV CO		1	-		8	5
	COLUMBUS	HUSKER COOP		1	PAUL FOREY	402/563-3636	49	46
	FAIRFIELD	FAIRFIELD NON STOCK COOP FERT		1	LEE SHERMAN	402/726-2361	71	67
	GORDON	AG PRO COOP	X	1			26	23
	GOTHENBURG	FARMLAND SERVICE COOP		1	STEVE COSTELLO	308/357-7141	75	70
	GREENWOOD	GREENWOOD FARMERS COOP		1	GAYLN	402/789-2335	91	86
	HAMPTON	UNITED COOP		1			79	74
	HOOPER	ELKHORN VALLEY COOP		1	DON MEIER	402/654-3323	66	62
	JUNIATA	HEARTLAND COOP		1	LYLE WEITZEL	402/463-5148	30	27
	KIMBALL	HIGH PLAINS COOP		1	GENE ERPELLING	308/235-4655	77	72
	NEHAWKA	NEHAWKA FARMERS COOP		1	DALE PIPER	402/227-2715	60	57
	ORD	FARMERS COOP ELEV		1	DAVE ORTHMAN	308/728-3254	116	104
	PLATTE CENTER	FARM & HOME COOP		1			103	98
	SHELBY	FAREMRS COOP BUSINESS ASSN		1			22	19
	ST EDWARD	FARMERS UNION COOP GAS & OIL	X	1			97	92
		TRI VALLEY COOP		3	LARRY TAYLOR	402/678-2251	108	101
	WAVERLY	FARMERS COOP CO	X	1			48	45
OK	AMES	FARMERS ELEV CO	X	1	HOWARD DELOPLANE	405/753-4212	21	18
	FREDERICK	FARMERS COOP GRAIN & COTTON		1		405/335-2107	83	78
	MEDFORD	CLYDE COOP ASSN		1	ARLIE GOFORTH	405/395-3341	76	71
TW	ROBSTOWN	PETRONILA GRAIN COOP ASSN		1	LYNN CAMPBELL	512/387-4539	35	32
TX	BELTON	BELTON FARMERS COOP GIN	X	1	E R KING JR	817/939-3697	81	76
	CLARKSVILLE	RED RIVER COOP GIN & WHSE CO	X	1			15	12
	EDDY	EDDY COOP GIN CO	X	1			17	14
	EL CAMPO	FARMERS COOP OF EL CAMPO	X	1	JIMMY ROPPOLO	409/543-6284	11	8
		RICE FARMERS COOP		1	BOB LITTLE	409/543-6753	28	25
	HUNGERFORD	HUNGERFORD COOP GIN	X	1	BENNIE MAREK	409/532-4330	68	64

Respondent List

St	City	Cooperative Name	No Rail	Facil	Contact Name	Contact Phone	Database Location Obs	Database Location Survey
TX	HUTTO	HUTTO COOP GIN CO		1			117	105
	PERRYTON	PERRYTON EQUITY EXCHANGE		1			36	33
	SEYMOUR	FARMERS COOP ASSN	X	1		806/435-4016	19	16
	THORNDALE	THORNDALE COOP GIN & GRAIN		1	JERRY L BIAR	512/898-2593	96	91
	THREE RIVERS	THREE RIVERS FARMERS COOP		1	MASON WREDIN	512/786-3242	18	15
	WACO	DOUBLE CIRCLE COOP		1	JAMES W NAYLOR	817/799-2405	13	10
WI	COTTAGE GROVE	COTTAGE GROVE		1	LAN MOYER		6	3

Respondents with Rail Service: 100
Number with no Rail Service : 23

Total Number of Facilities : 123
Total # of Returned Surveys: 109

Commodity

	Number	Percent
Type of commodity shipped		
Corn	57	60.6
Wheat	51	54.3
Soybeans	42	44.7
Fertilizer	44	46.8
Other	36	38.3
Total Number of Responses:	94	
Market shipped to		
Export	55	63.2
Domestic	84	96.6
Total Number of Responses:	87	
Top 25 Destinations		
HOUSTON/GALVESTON TX	33	35.9
KANSAS CITY MO	26	28.3
SOUTHERN CA	22	23.9
CLINTON IA	13	14.1
CEDAR RAPIDS IA	11	12.0
KANSAS CITY KS	11	12.0
TOPEKA KS	10	10.9
WICHITA KS	10	10.9
EAST ST LOUIS IL	9	9.8
AZ	8	8.7
MEXICO MX	7	7.6
HUTCHINSON KS	6	6.5
PEORIA IL	6	6.5
PNW EXPORT	6	6.5
FORT WORTH TX	5	5.4
GULF/DOMESTIC LA	5	5.4
SALINA KS	5	5.4
SAVAGE MN	5	5.4
STOCKTON CA	5	5.4
TURLOCK CA	5	5.4
BROWNSVILLE TX	4	4.3
CORPUS CHRISTI TX	4	4.3
DOMESTIC UT	4	4.3
MYRTLE GROVE LA	4	4.3
OGDEN/SALT LAKE UT	4	4.3
Total Number of Responses:	92	

Governing Documents

	Number	Percent
Type of Shipment document		
Tariff	50	62.5
Transportation document	17	21.2
Don't Know	25	31.3
Total Number of Responses:	80	
Provisions for Service Standards?		
Yes	6	12.8
No	41	87.2
Total Number of Responses:	47	
Have service standards been met?		
Yes	14	29.8
No	14	50.0
Total Number of Responses:	28	

Expenditures	Total$	Average$	#ofResp
Total Rail Freight	86,298,528	2,397,181	36
UP/SP Rail	51,241,256	1,507,096	34

Facility Type

	Number	Percent
Train loading capabilities?		
Yes	47	51.1
No	45	48.9
Total Number of Responses:	92	
Car Capacity		
Total	3,102	
Average	59.7	
Total Number of Responses:	52	
Switching required for unloading?		
Yes	11	18.0
No	50	82.0
Total Number of Responses:	61	
Who switches?		
Plant	2	13.3
UP	7	46.7
Other RR	6	40.0
Total Number of Responses:	15	
Consistent UP service in last 12 mths?		
100% of time	1	5.9
50-99% of time	6	35.3
Less than 50%	10	58.8
Total Number of Responses:	17	
Will merger improve service?		
Yes	11	14.7
No	64	85.3
Total Number of Responses:	75	
Merger influence on rates		
Increase	60	88.2
Decrease	8	11.8
Total Number of Responses:	68	

Car Supply

	Number	Percent
Primary railcar source		
Private	18	21.7
UP	65	78.3
SP	11	13.3
Other RR	9	10.8
Total Number of Responses:	83	
Primary equipment supplier		
UP	53	67.1
SP	13	16.5
former CNW	13	16.5
Total Number of Responses:	79	
Normal Elapsed days between car order and supply		
Maximum	200	
Minimum	2	
Average	52	
Total Number of Responses:	38	

	---Always--		-Sometimes-		---Seldom--		---Never--		Tot #
	#Res	Pct	#Res	Pct	#Res	Pct	#Res	Pct	Resp
Equipment in good condition	8	9.0	65	73.0	13	14.6	3	3.4	89
# of cars ordered is placed	14	15.9	40	45.5	33	37.5	1	1.1	88
Equip type ordered is deliv	42	47.7	45	51.1	1	1.1			88

Service

	Number	Percent
Change in normal time between release and pull		
Increased	39	48.8
Decreased	41	51.3
Total Number of Responses:	80	
Consistent and timely transit time		
Yes	5	5.8
No	43	50.0
Don't Know	36	41.9
Total Number of Responses:	86	
Suffered financial penalties related to service		
Yes	63	75.0
No	21	25.0
Total Number of Responses:	84	

	---NO--		--YES--		#of	-----Loss Estimate------		
Problems encountered	#	%	#	%	Resp	Total$	Avg$	#
Lost customer business	45	59	31	41	76	28,416,000	789,333	36
Required other shipment	74	87	11	13	85	3,316,025	75,364	44
Cut back on rail service	59	84	11	16	70	1,997,875	133,192	15
Credit issues-tot borrow	61	85	11	15	72	52,075,500	1,578,045	33
Storage cost	41	61	26	39	67	1,483,000	70,619	21
Interest lost	70	95	4	5	74	8,903,000	287,194	31
Higher rates	33	56	26	44	59	1,414,580	88,411	16
Buy in to satisfy contrt	18	31	40	69	58	241,000	26,778	9
Loss in value to alt mkt	48	72	19	28	67	1,455,000	72,750	20
Required car investment	18	32	39	68	57	344,000	57,333	6
Other						248,000	41,333	6

	Number	Percent
Responsive to needs and Concerns		
Car Supply		
Satisfactory	14	16.3
Unsatisfactory	72	83.7
Total Number of Responses:	86	
Billing		
Satisfactory	59	74.7
Unsatisfactory	20	25.3
Total Number of Responses:	79	
Rates		
Satisfactory	32	40.0
Unsatisfactory	48	60.0
Total Number of Responses:	80	
Service		
Satisfactory	17	
Unsatisfactory	68	
Total Number of Responses:	85	

Other Problems Specified or Other Comments

NE F ELD	FAIRFIELD NON STOCK COOP FERT	BLANK SURVEY, NO C TS
NE G OOD	GREENWOOD FARMERS COOP	? NO 16 MANY ORDER ER GET FILLED (TIME LAPSE)
NE HAMPTON	UNITED COOP	? NO. 10 CAR CAPACI.. OF FACILITY 75 - 75 - 25
NE HOOPER	ELKHORN VALLEY COOP	REC SMALL AMT DRY FERT DEL'D BY RAIL. BIGGEST PROBLEM/LACK HOPPER CARS AT TERMINALS WE SHIP TO. CAN'T TAKE GRAIN. WE LOSE INTEREST AT NOT PD
NE JUNIATA	HEARTLAND COOP	CREDIT LIMITS AFFECT ABILITY TO BUY OTHER SUPPLY ITEMS AT CRITICAL TIMES
NE ORD	FARMERS COOP ELEV	DEFINITE SEVERE FINANCIAL PENALTIES RELATED TO RAIL SERVICE
NE SHELBY	FAREMRS COOP BUSINESS ASSN	LOST CUSTOMER MARGINS 200000, REQUIRES SHIP MARGINS 30000, CUT BACK 1000000 BU, CREDIT ISSUES INTEREST DOUBLED
NE ST EDWARD	TRI VALLEY COOP	LEASED CAR COST DUE TO SLOW MOVEMENT TO DESTINATION - POOR TURN AROUND TIME $36.000
NE WAVERLY	FARMERS COOP CO	BN ONLY
OK FREDERICK	FARMERS COOP GRAIN & COTTON	FLOODS WASHED TRACKS OUT SEVERAL LOCATIONS. HOLLISTER AVAILABLE. USE FREDERICK,OK UP AND BN SERVICE. USE BEST RATE
TX THORNDALE	THORNDALE COOP GIN & GRAIN	WE SHIP MOSTLY FOB
TX WACO	DOUBLE CIRCLE COOP	REC'D FERT CARS20 TIMES MORE THAN SHIP. HAVENT SHIPPED 3 YRS -TOO MUCH HASSEL - NON GUARANTEE OF GETTING CARS

Farmland

Farmland Industries, Inc.
3 North Oak Trafficway
Office Box 7305, Dept. 44
Kansas City, Missouri 64116-7005
Telephone: 816 459-5100
Facsimile: 816 459-6917

Frederic E. Schrodt
Vice President
Transportation and Logistics

March 14, 1996

Dear Coop Manager:

Thank you for participating in our recent rail service survey.

It was mailed to over 400 cooperatives. Responses were received from 100 associations with rail service, 23 with no rail service and a total facility count of 123. The results are attached. As expected, the results indicated the following general trend.

Page 4
- Top Destinations -
  Galveston/Houston
  Kansas City, MO and KS
  Southern California
  Clinton and Cedar Rapids, IA
  Wichita, KS and E. St. Louis, IL

Page 5
- Type of shipment document
  Mostly tariff shippers - but some service standards
- Average Rail Freight/cooperative
  $2.4 million/location
- UP/SP Rail Freight
  $1.5 million/location

Page 6
- Poor service experienced in past 12 months
- Merger will increase rates and degrade service further

Page 7
- Number of cars placed equal to ordered is (was) not good

Page 8
- Financial Penalties
  Average of over $3 million in loss estimated per cooperative
- Primary problems
  Lost business
  Total borrowing
  Interest costs
  Alternate shipments (buy-in)

Looking in-depth at the underlying data, Iowa, Minnesota and Nebraska had 95% of total financial penalties experienced (IA--63%, MN--19%, NE--13%). If you have any questions, please call Fred Schrodt, 816-459-6539.

Fred

Report Contents	Page

180880

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760
(Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY

RAILCO, INC.'S COMMENTS IN OVERSIGHT PROCEEDING ON EFFECTS OF MERGER ON COMPETITION

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Attorneys for Railco, Inc.

CONTENTS

RAILCO, INC.'S
COMMENTS IN OVERSIGHT PROCEEDING
ON EFFECTS OF MERGER ON COMPETITION

INTRODUCTION

Pursuant to the Surface Transportation Board's May 1, 1997 Decision No. 1 and Railco's Notice of Intent to Participate in Oversight Proceedings, Railco, Inc. respectfully submits its comments on the effects of the merger on competition and implementation of the conditions imposed to address competitive harms.

Railco's concern is with the merger condition imposed by the Board, incorporating the UP/SP - Utah Railway Settlement Agreement. That Agreement gives Utah Railway the right to serve the Savage loadout on the CV Spur near Price, Utah. UP does not allow Utah Railway access to Railco's coal loading facility, immediately adjacent to Savage on the CV Spur. This arrangement is anticompetitive in the following ways:

- It affirmatively denies Railco a competitive right it possessed and exercised before the merger – the right to compete with Savage for the loading of all coal transported from the CV Spur.
- It grants one Utah coal producer, which owns the Savage loadout facility, an anticompetitive preference and advantage over other Utah coal mines.
- It affirmatively deprives both producers and buyers of Utah coal shipped from the CV Spur of the competitive right they would otherwise have of being able to solicit bids for the loading of coal hauled via Utah Railway.
- It diminishes a competitive right possessed and exercised by those same producers and buyers of Utah coal before the merger, resulting from their ability to seek competitive bids from Railco and Savage for the loading of all coal shipped from the CV Spur.
- It tends to make the Utah coal industry in general less competitive with its Colorado and Wyoming competitors for the eastern coal market.

- It deprives Utah Railway and BNSF of the ability to compete with UP on a level playing field for coal shipped from the CV Spur.
- Other merger conditions make it possible for BNSF to obtain transloading access to Railco, through new construction bypassing the CV Spur. However, there is no rational reason to require the expenditure of millions of dollars (which would itself put Railco out of business) to cure the anticompetitive effects of the current situation, which could be cured at no cost through a Board decision restoring to Railco the right it had before the merger to compete with Savage for coal shipped from the CV Spur.

OVERVIEW OF THE U.S. AND UTAH COAL INDUSTRY

U.S. coal production in 1996 was up more than two percent over 1995 and exceeded one billion tons for the third consecutive year, primarily due to higher demand for steam coal by electric utilities. At the same time, the average price of coal delivered to electric utilities reached a record low.[1] This continues a long term trend of increasing production coupled with decreasing prices. The Utah coal industry is not immune to this trend. In part because of the long distances and resulting higher transportation costs to their customers, to remain competitive Utah coal mines have been forced to radically improve their productivity. Although average U.S. coal mine productivity including surface mines is a record 5.4 tons per miner hour, Utah's underground coal mines produce nearly *seven* tons per miner hour, despite the fact that surface mine productivity in general is more than double that of underground coal mines.[2] Not all Utah coal mines succeeded in making the transition. In recent years many of Utah's smaller coal mines have been either idled or closed altogether, including but not limited to Consol Coal Co., Mountain Coal Co., Sunnyside Coal Co., U.S. Fuel Co. and Western States Mining Co. The Utah coal industry is now dominated by large companies such as Pacificorp's captive mines, and noncaptive mines operated by Andalex, Coastal, and Cyprus Amax. Other surviving mines include C.W. Mining Co., Genwal (co-owned by IPA and Andalex), and White Oak.

- It deprives Utah Railway and BNSF of the ability to compete with UP on a level playing field for coal shipped from the CV Spur.
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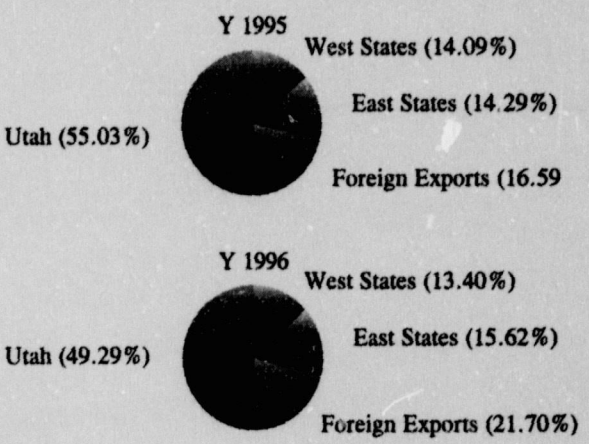
Nearly 90% of Utah's coal production is used to generate electricity, with most coal shipped to four customers – Pacificorp and Intermountain-IPP in Utah, and Nevada Power Company and Sierra Pacific in Nevada. Since 1989 Pacificorp has obtained most of its coal through its own captive mines, which produce roughly half of Utah's total coal output.

The quality of coal produced by Utah mines is among the highest in the United States, particularly in terms of its low sulfur and ash content and high heating value. This makes the burning qualities of Utah coal attractive to eastern utility markets required to meet EPA low-sulfur emissions standards. Utah has also recently made small but significant inroads in the overseas export market. In 1996 about half of Utah steam coal went to markets outside of Utah; about 1/6 went by rail to eastern utilities, and 1/5 was transported by rail to the west coast for overseas shipment.

Destinations of Utah Utility Coal [3] (thousand tons)		
State	year 1995	year 1996
California	1,151	1,033
Illinois	1,648	1,846
Kentucky	12	44
Michigan	17	0
Missouri	388	0
Nevada	2,010	2,343
Pennsylvania	9	0
Tennessee	1,134	1,860
Utah	12,642	12,420
Washington	77	0
Wisconsin	74	186
Foreign Exports	3,811	5,468
California and foreign export figures are from Utah Office of Energy & Resource Planning		



So far the merger conditions have not led to increased competition in the Utah coal market. Since the merger, while interstate sales of Utah coal have remained fairly static, UP continues to hold an exclusive monopoly over rail shipments of both interstate and foreign sales of Utah coal.

THE CV SPUR

Railco, Inc. and Savage Industries, Inc. are the sole competitors for the coal loading business of a small, fixed customer base located within a limited geographic area. About 90% of all Utah coal comes from a small area in Carbon, Emery and Sevier Counties on central Utah's Wasatch Plateau.[4] Railco and Savage are centrally located within this area.[5] Railco's and Savage's loadout facilities are some 15 to 60 miles from their potential customers, who must truck their coal to the loadouts.

Two facilities are served by the CV Spur – the transloading facilities owned by Railco and Savage, located on adjoining parcels of land.[6] Access to both loadouts is from Ridge Road about 4 miles south of Price, Utah and about 2 miles east of State Highway 10. The loadout entrances are next to each other; trucks can turn left and are immediately at the Railco loadout, or continue to the right and are immediately at the Savage loadout. The CV Spur extends a little over one unit train length from the UP main line to Railco, and on from there to Savage. It is impossible for +trains to reach Savage without passing Railco. The CV Spur terminates abruptly about 400 feet beyond the Savage loadout.[7]

THE ANTICOMPETITIVE EFFECT OF THE UP/SP MERGER[8]

One of the Board's primary responsibilities in approving the UP/SP merger is to impose, oversee and enforce conditions intended to minimize potential anticompetitive effects of the merger. One condition the Board imposed, that requires review in this proceeding, was this provision in the UP/SP - Utah Railway Settlement Agreement:

> 1. **Trackage Rights**
>
> a) UP/SP shall grant UTAH trackage rights over SP's lines between Utah Railway Junction, Utah and Grand Junction, Colorado (the joint track).
>
> b) The trackage rights granted under this Agreement shall be bridge rights for the movement of overhead traffic only except for the local access specified below.

c) UTAH shall have the right in common with UP/SP to serve the Savage Industries, Inc. Savage Coal Terminal coal loading facility located on the so-called CV Spur near Price, Utah.

UP apparently incorporated this provision in the Utah Railway Agreement to resolve an objection of Coastal States Energy Co. to the merger. UP/SP and Coastal[9] either failed to anticipate, or foresaw and engineered, the anticompetitive effect of the provision on Railco, on Coastal's competition, on Utah Railway and BNSF, and on the Utah coal industry in general. Coastal operates both the SUFCO mine, previously serviced by UP, and the Skyline and Soldier Canyon mines, previously serviced by SP. Coastal would be a "2 to 1" customer as a result of the merger, and demanded continued rail access through two railroads. UP/SP negotiated the provision granting Utah Railway access to the Savage loadout to satisfy Coastal. No party other than UP/SP and Coastal had any significant part in negotiating the provision. When negotiating the Utah Railway Agreement, John West of Utah Railway pointed out that Railco was also on the CV Spur and specifically requested that access to Railco be granted as well, but UP refused. To obtain UP/SP's consent to other terms of the Settlement Agreement that it desperately needed, Utah Railway had to agree it would not seek further conditions to the merger. Since the merger Coastal has neither shipped nor sought to ship any coal via Utah Railway or BNSF.

Should a coal producer or buyer now choose Utah Railway to transport its coal from the CV Spur, UP would have no legitimate interest in preventing Railco from competing with Savage to load that coal. In fact, UP would benefit to a small extent from the reduced wear and tear on the CV Spur beyond Railco. UP's real, unstated interest in barring Utah Railway from Railco is clear – UP retains an unfair anticompetitive advantage over Utah Railway, detracting from the very purpose for which the Board imposed the condition in the first place.

The purpose of giving Utah Railway access to the Savage loadout was to allow competition between Utah Railway and UP for shipping rights to coal transloaded from the CV Spur. That right is diminished where UP can use either the Railco or Savage loadouts, but Utah Railway is restricted to the Savage loadout, and cannot compete with UP for shipping of coal transloaded at the Railco

loadout located 1/4 mile away and first on the same spur. This gives UP a captive, exclusive monopoly over the transportation of all coal loaded by Railco, and gives Savage a captive, exclusive monopoly over the loading of any coal Utah Railway or BNSF succeed in contracting to transport. In the same vein, before the merger, Railco could freely compete with Savage for the loading rights to all coal transported from the CV Spur. After the merger Railco can compete with Savage for loading rights to coal transported by UP, but not for loading rights to coal transported by Utah Railway or BNSF, coal Railco could have competed with Savage for loading before the merger.

This anticompetitive effect is real, not merely potential or theoretical. Since the merger Utah Railway transported 12 unit trains of coal loaded at the Savage loadout. All 12 trains were interchanged to UP at Provo, Utah. Those 12 unit trains contained coal for which Railco could have competed with Savage to load before the merger, but that through the merger Railco lost the right to compete for. The producers and buyers of that coal also lost the right they had before the merger to have Railco and Savage compete to load that coal. Utah Railway has contracted to switch with BNSF at both ends of Utah Railway's trackage rights. As of this writing, Utah Railway has not shipped coal to Grand Junction, Colorado or points east. BNSF also has not succeeded in shipping any Utah coal, either directly or through Utah Railway. As a result, the merger conditions have not yet resulted in affecting UP/SP's present exclusive monopoly over all Utah coal transported to interstate or foreign markets (page 3, *supra)*, and have extended to Savage a monopoly it did not previously have over a portion of the Utah coal loading market..

During the merger approval process the Board was presented with the Verified Statement of Dr. Colin Blaydon, in which he represented Savage Industries is the only public (i.e., non-captive) truck transfer unit train facility in the area. Dr. Blaydon was simply wrong. Savage is a "captive" facility. ARCO Coal Co. owns Coastal. ARCO also owns the Savage loadout facility, and leases it to the loadout operator. This gives ARCO/Coastal a degree of control over its own competition from other coal mines in the area. It is actually Railco, not Savage, which is the only non-captive truck transfer unit train facility in the entire area, since unlike ARCO/Savage no coal

company has an ownership or management interest in Railco. To supposedly grant Utah Railway trackage rights to haul coal from the CV Spur, while at the same time denying Utah Railway access to the only fully independent public transloading facility in the area, at least partially defeats the competitive purpose of allowing Utah Railway access to the CV Spur in the first place, and surely was not an intended consequence of the merger condition.

Utah Railway and BNSF could theoretically gain access to Railco if Raileo disassembled its entire facility, moved it a quarter mile and reassembled it, with a mile or so of new track connecting Railco to the UP main line. Railco would then, even though operating with the identical equipment in the same immediate area, qualify as a new transloading facility to which BNSF and Utah Railway would have access under other presently existing merger conditions. Railco could possibly achieve the same result simply by building its own spur to the main line. But the expense of either alternative would cripple Railco financially. There is no rational justification for maintaining anticompetitive conditions leading to such an absurd result, when the objectionable effects of the existing merger condition could as well be eliminated simply by allowing Railco and Savage to compete on a level playing field as they did before the merger.

CONCLUSION

Many factors enter into the decision which of competing railroads will haul a shipment of coal. Transportation cost is certainly a major factor, and the cost of loading coal affects the transportation cost. Denying Utah Railway access to Railco plays a small but significant part in obstructing competition, not only for Railco, but for Utah Railway, BNSF, and producers and buyers of Utah coal in general. With UP able to get the best possible loading rate through competition between Railco and Savage as SP did before the merger, with Railco now denied a right it held before the merger to compete for all coal shipped from the CV Spur, and with Utah Railway and BNSF denied access to previously existing competition for the best loading rate, UP has unfairly expropriated to itself an exclusive anticompetitive advantage in the Utah coal market.

Competition throughout the Utah coal industry, and between coal producers of Utah and other states, would be fostered and encouraged, for the ultimate benefit of all, by restoring conditions as they existed before the merger, allowing Railco and Savage once again to compete for all loading of at the CV Spur.

Based on the above, Railco respectfully requests the Board to modify the existing condition to allow Utah Railway and BNSF access to Railco's loading facility.

DATED this 31 day of July, 1997.

Mark A. Hansen
Attorney for Railco, Inc.

2341p.006

ENDNOTES

1. Addendum B – Energy Information Administration, Quarterly Coal Report, Oct. - Dec. 1996, at page 1.

2. Addendum C – Energy Information Administration, EIA New Releases, Vol. 1/1997 at page 13 (April 3, 1997); Addendum D – Utah Dept. of Natural Resources, 1995 Annual Review and Forecast of Utah Coal Production and Distribution, at page 1 (Nov. 1996)

3. Addendum B – Energy Information Administration, Quarterly Coal Report, Oct. - Dec. 1996, Table 29 at page 47.

4. Addendum D – Utah Dept. of Natural Resources, 1995 Annual Review and Forecast of Utah Coal Production and Distribution, tables 2 & 3 (Nov. 1996).

5. Addendum A – Verified Statement of Fred Kingston, Ex. 1.

6. Cascade Mountain Resources, a wood products company, has a small plant at the end of the CV Spur and makes occasional uses a rail car.

7. Addendum A – Verified Statement of Fred Kingston, Ex. 2, 3, 4.

8. Additional evidentiary support for this section is believed to be contained in Utah Railway's comments in this oversight proceeding, including the Verified Statement of John West III, executive vice president of Utah Railway.

9. ARCO Coal Co., one of the nation's largest coal companies, owns both Coastal and the Savage loadout facility, as well as coal mines in other states served by UP. ARCO Coal Co. is a subsidiary or Atlantic Richfield Co., a major customer of UP in other industries.

CERTIFICATE OF SERVICE

I certify on July 31, 1997 an original plus 20 copies of the above RAILCO, INC.'S COMMENTS IN OVERSIGHT PROCEEDING ON EFFECTS OF MERGER ON COMPETITION, with all addenda, together with a 3.5-inch diskette containing files of the same document formatted for WordPerfect 7.0, WordPerfect 6.0, and ASCII, was served by certified mail, postage prepaid, to :

Office of the Secretary
Case Control Unit
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

and a copy was served by first class mail to each of the following:

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Honorable Orrin G. Hatch
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Mark Harvey

ADDENDUM A

VERIFIED STATEMENT

OF

FRED KINGSTON

VERIFIED STATEMENT
OF
FRED KINGSTON

State of Utah)
: ss
County of Carbon)

My name is Fred Kingston. I am the on-site manager of Railco, Inc. This statement is intended to clarify the relative positions of Railco and Savage in the Utah coal market and address anticompetitive aspects of the merger.

A map, accurately showing the relative locations of the Railco and Savage coal loadouts and selected coal mines in the area, is attached hereto as Exhibit 1. A map, accurately showing the relative locations of the Railco and Savage coal loadouts to the CV Spur and the UP/SP main line, is attached hereto as Exhibit 2. A construction drawing, accurately showing the layouts of the Railco and Savage loadouts on the CV Spur, is attached hereto as Exhibit 3. Photographs accurately depicting the Railco and Savage loadouts are attached hereto as Exhibit 4.

I have carefully reviewed the document entitled "RAILCO, INC.'S COMMENTS IN OVERSIGHT PROCEEDING ON EFFECTS OF MERGER ON COMPETITION," to which this statement is attached. I hereby verify the factual statements made in that document are true and correct to the best of my knowledge, information and belief, and on that basis incorporate those factual statements by reference as if fully set forth here.

DATED this 30 day of July, 1997.

Fred Kingston
Fred Kingston

Subscribed and sworn to before me this 30 day of July, 1997.

Residing at:
My Commission Expires:

NOTARY PUBLIC
CARL E. KINGSTON
3212 South State St.
Salt Lake City, Utah 84115
My Commission Expires
July 1, 2000
STATE OF UTAH

Notary Public

2341p.010

RAILCO COMMENTS IN OVERSIGHT PROCEEDING

RELATIVE LOCATIONS OF RAILCO AND SAVAGE LOADOUTS AND SELECTED COAL MINES

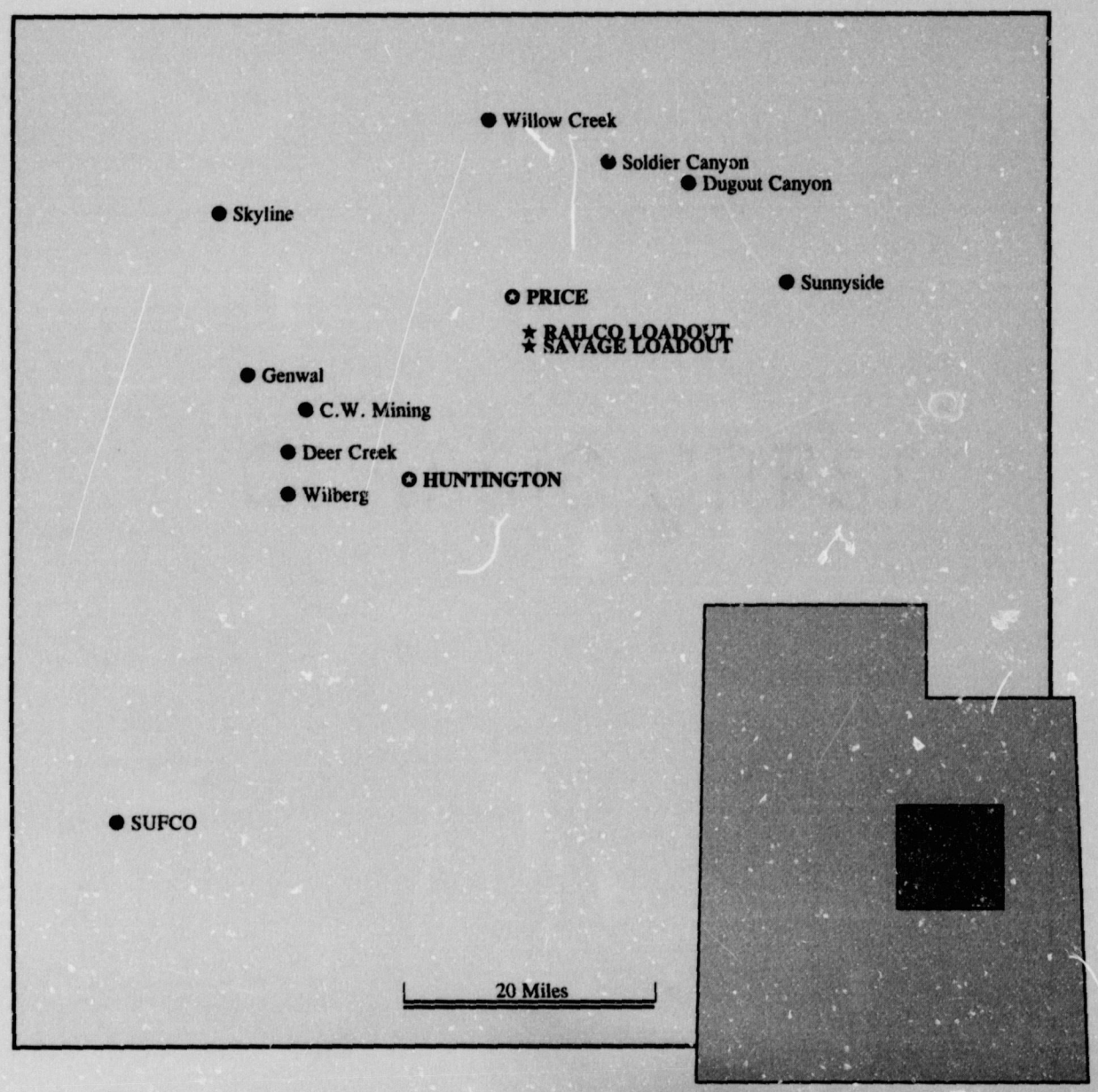


EXHIBIT 1

RAILCO COMMENTS IN OVERSIGHT PROCEEDING

RELATIVE LOCATIONS OF
RAILCO AND SAVAGE LOADOUTS
TO THE CV SPUR AND THE UP/SP MAIN LINE

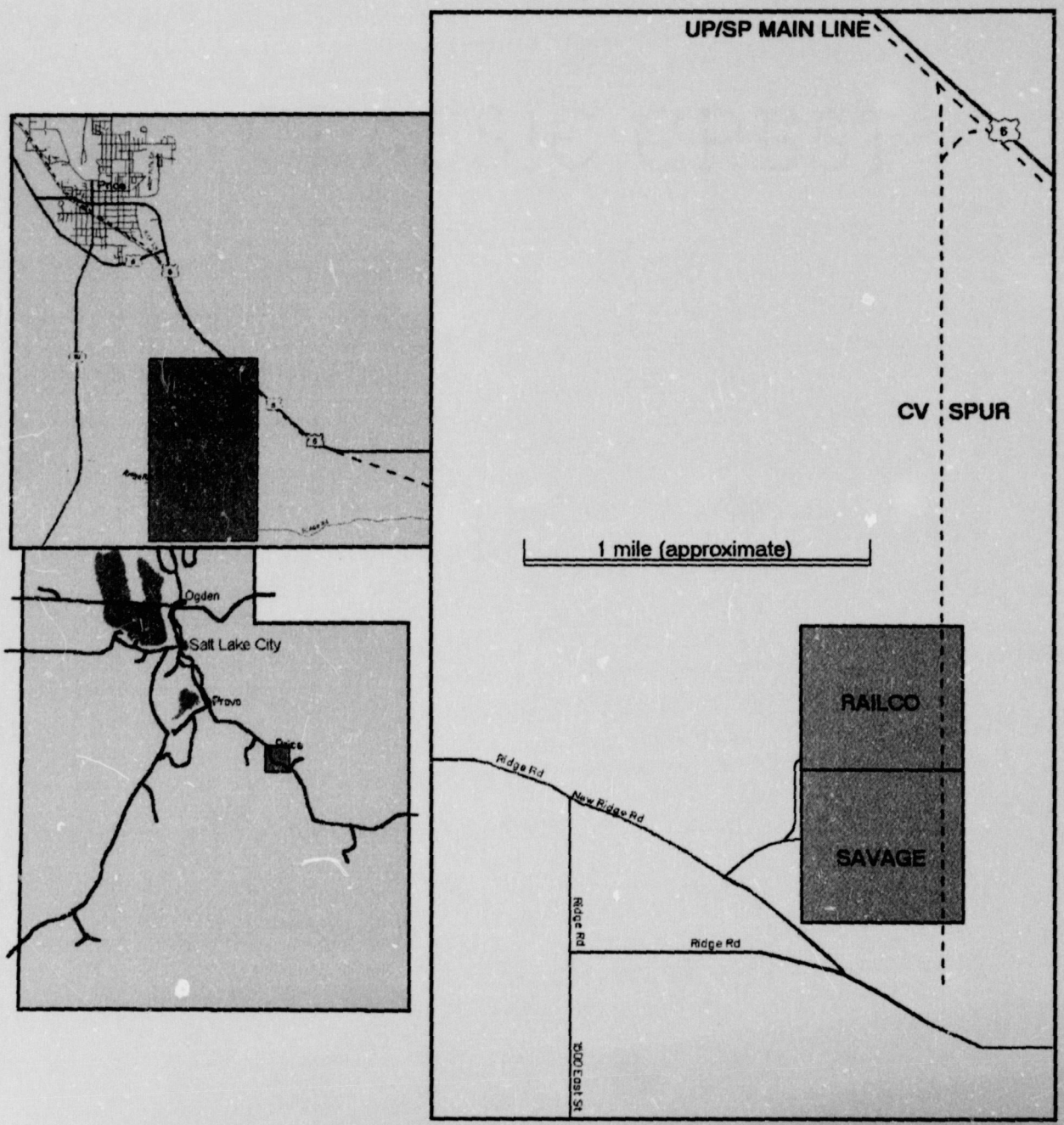


EXHIBIT 2

NORTH

Part 2- TO BE OWNED, BUILT AND MAINTAINED BY INDUSTRY
10,113 T.F. including Three № 10 T.O.'s

Part 1 - TO BE OWNED, BUILT AND MAINTAINED BY RAILROAD Co
880 T.F. including One № 10 T.O.
and a 20' wide private road crossing
(refundable)

10°
9°54'26"
№ 10
MP 1+1779'
TO MAIN TRACK
Relocated County Road
CASTLE VALLEY BRANCH
TO END OF TRACK
T15S R10E

DETAIL OF PART ONE

NOTE: Industry to furnish grading for trackage,
Install 1-30"x60' CMP and extend existing CMP's
at no expense to Railroad Co.

TO LOOP
INSTALL ONE 30"x60' CMP
EXTEND TWO 24" CMP's 24'
EXTEND ONE 48" CMP 20'
№ 10 T.O.
880'
RR ROW
CASTLE VALLEY BRANCH
RR ROW
30'
COUNTY ROAD
20'
PRIVATE ROADWAY

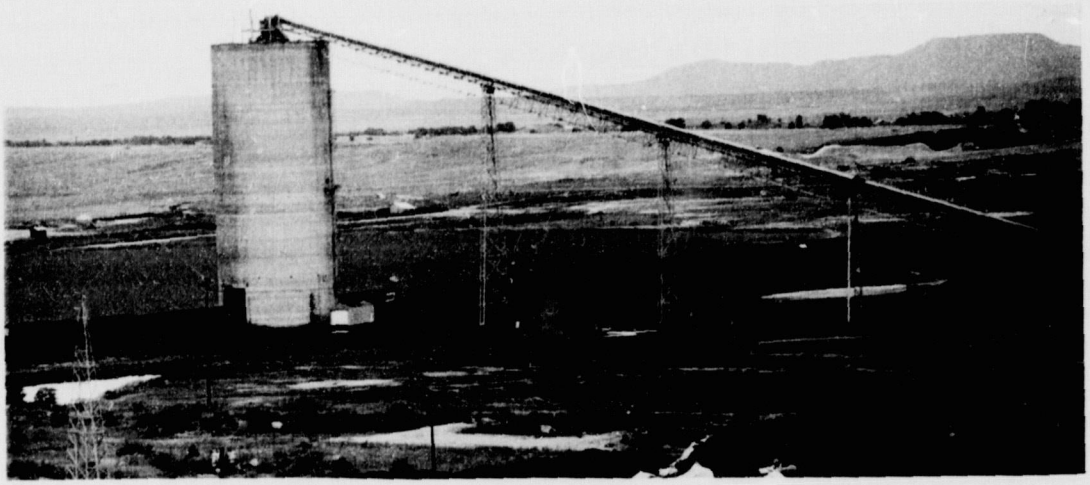
D&RGW RR Co
ACCO
Castle Valley Branch
Carbon County
UTAH
AGREEMENT WITH:
RAILCO
scale: 1"=400' 7-17-86
Dwg. № A-444

EXHIBIT 3

RAILCO COMMENTS IN OVERSIGHT PROCEEDINGS
PHOTOGRAPHS SHOWING PROXIMITY OF RAILCO AND SAVAGE LOADOUTS

View looking northeast from road directly leading into Railco loadout (on left) and Savage (on right).

View from UP main line looking south directly down CV Spur. Savage loadout is at left; Railco is at right.



View of Savage loadout from Railco stacking tower. Blue tower at left and coal and power line at bottom of photo are on Railco property.

EXHIBIT 4

ADDENDUM B

Energy Information Administration

QUARTERLY COAL REPORT

Oct. - Dec. 1996

DOE/EIA-0121(96/4Q)
Distribution Category
UC-950

Quarterly Coal Report
October-December
1996

Energy Information Administration
Office of Coal, Nuclear, Electric
and Alternate Fuels
U.S. Department of Energy
Washington, DC 20585

Summary

U.S. coal production in the fourth quarter of 1996 was 267 million short tons, bringing the total for 1996 to a record level of 1,057 million short tons (Table 1). This was 24 million short tons higher than in 1995 and the third consecutive year that production exceeded 1 billion short tons. The increase in coal output was primarily due to the higher demand for coal by electric utilities.

Eight of the top ten coal producing States surpassed their 1995 production levels. Of the top four coal producing States--Wyoming, West Virginia, Kentucky, and Pennsylvania--only Kentucky reported a drop, 2.4 percent, in the amount of coal produced in 1996 versus 1995 (Table 4). Regionally, coal output reflected nationwide growth increasing 2.3 percent in Appalachia, 2.2 percent in the Interior, and 2.3 percent in the West. Wyoming and Pennsylvania accounted for most of the 24 million-short-ton gain, with coal output up 14 million short tons and 7 million short tons, respectively.

U.S. coal consumption in the fourth quarter of 1996 was 251 million short tons, bringing total coal consumption for the year to 983 million short tons, a record level and 42 million short tons higher than consumption in 1995 (Table 37). Electric utilities in 1996 consumed 875 million short tons, 46 million short tons more than in 1995. This increase was partially offset by a 2-million-short-ton decline in coal consumption at both coke plants and other industrial plants (Tables 40, 41).

U.S. coal exports in the fourth quarter of 1996 were 23 million short tons, about the same as in the fourth quarter of 1995 (Table 8). This brought the total for 1996 to 90 million short tons, slightly higher than the 89 million short tons exported a year earlier. Metallurgical coal exports totaled 53 million short tons, 2 percent higher than in 1995(Table 12). Greater demand from overseas metallurgical coal markets particularly in Canada, Italy, and the Republic of South Africa, were partially offset by lower demand from Japan. Steam coal exports totaled 38 million short tons, 3 percent more than in 1995 (Table 10). Higher demand for U.S. steam coal in Canada, Mexico, and Japan, accounted for most of the increase in U.S. coal exports, which was parially offset by less demand from European markets. Coal exports averaged $40.76 per short ton in 1996 and were valued at $3.7 billion (Table 9).

U.S. coal imports in the fourth quarter of 1996 were 1.8 million short tons, 14 percent lower than in the fourth quarter of 1995. This brought total coal imports for 1996 to 7.1 million short tons compared with 7.2 million short tons imported in 1995 (Table 16). Lower shipments from Venezeula and Colombia (down 21 and 8 percent, respectively) offset higher shipments from Indonesia and Canada (up 51 and 8 percent, respectively). U.S. coal imports in 1996 were valued at $238 million, based on an average price of $33.45 (Table 17).

U.S. coal receipts in the fourth quarter of 1996 totaled 248 million short tons, bringing total receipts for 1996 to 970 million short tons, the highest recorded level. (Table 20). The most significant contributing factor to record receipts was the amount of coal delivered to the electric utility sector. In 1996, utility plants received a record 862 million short tons of coal, 4 percent above the 827 million short tons received a year ago. The average annual price of coal delivered to electric utilities reached a record low of $26.45 per short ton. The average annual price of other industrial coal receipts was $32.28 per short ton, the lowest annual average price since 1993 (Table 21).

U.S. coal stocks at the end of December 1996 were 154 million short tons compared with 161 million short tons held at the end of September 1996. U.S. consumer stocks totaled 123 million short tons at the end of December 1996 compared with the 128 million short tons held at the end of the previous quarter (Table 45). Coal stocks at eletric utility plants fell to their lowest quarterly level in two years at 115 million short tons (Table 46). Stock levels at coke plants declined slightly to 2.7 million short tons (Table 47). While other industrial coal stock levels increased increased slightly to 5.7 million short tons (Table 47,48).

Source: *Electric Power Monthly*, March 1997, DOE/EIA- 0226(97/03); *Monthly Energy Review*, DOE/EIA-0036(97/ 03).

Table 4. Coal Production by State
(Thousand Short Tons)

Coal-Producing Region and State	October - December 1996	July - September 1996	October - December 1995	Year to Date		
				1996	1995	Percent Change
Alabama	5,915	6,052	6,171	24,345	24,640	-1.2
Alaska	464	240	530	1,466	1,698	-13.7
Arizona	2,755	2,814	2,791	10,659	11,947	-10.8
Arkansas	5	5	6	21	29	-28.0
Colorado	6,297	7,397	6,729	24,173	25,710	-6.0
Illinois	10,486	10,680	11,530	46,019	48,180	-4.5
Indiana	8,562	7,994	6,195	29,817	26,007	14.6
Kansas	54	56	60	232	285	-18.4
Kentucky Total	37,045	38,048	38,610	150,063	153,739	-2.4
Eastern	28,815	28,711	29,889	114,908	118,541	-3.1
Western	8,230	9,337	8,721	35,155	35,198	-.1
Louisiana	752	911	869	3,248	3,719	-12.7
Maryland	879	1,040	925	3,941	3,667	7.5
Missouri	188	198	109	699	548	27.7
Montana	10,620	9,808	10,496	37,925	39,451	-3.9
New Mexico	6,089	6,978	6,258	24,866	26,813	-7.3
North Dakota	7,970	7,542	7,500	30,170	30,112	.2
Ohio	7,555	6,684	7,278	28,524	26,118	9.2
Oklahoma	372	431	510	1,704	1,876	-9.2
Pennsylvania Total	17,812	16,317	15,373	68,341	61,576	11.0
Anthracite	1,440	1,126	1,180	4,573	4,682	-2.3
Bituminous	16,372	15,190	14,194	63,769	56,893	12.1
Tennessee	922	875	797	3,580	3,221	11.1
Texas	13,423	14,152	14,572	55,296	52,684	5.0
Utah	6,949	6,642	6,444	27,853	25,167	10.7
Virginia	9,170	8,546	8,283	35,718	34,099	4.7
Washington	1,089	1,310	1,320	4,570	4,868	-6.1
West Virginia Total	42,325	41,401	39,732	165,717	162,997	1.7
Northern	11,841	10,895	11,295	44,909	46,114	-2.6
Southern	30,484	30,506	28,437	120,808	116,883	3.4
Wyoming	69,098	74,193	65,554	277,791	263,822	5.3
Appalachian Total	**113,395**	**109,626**	**108,448**	**445,074**	**434,861**	**2.3**
Interior Total	**42,073**	**43,764**	**42,573**	**172,192**	**168,526**	**2.2**
Western Total	**111,330**	**116,924**	**107,623**	**439,473**	**429,587**	**2.3**
East of the Miss. River	**140,672**	**137,637**	**134,895**	**556,866**	**544,246**	**2.2**
West of the Miss. River	**126,125**	**132,676**	**123,749**	**500,673**	**488,728**	**2.4**
U.S. Total	**266,798**	**270,314**	**258,644**	**1,056,739**	**1,032,974**	**2.3**

Notes: Total may not equal sum of components because of independent rounding.

Sources: Energy Information Administration (EIA), Form EIA-6, Schedule Q, "Quarterly Coal Report;" and Form EIA-7A, "Coal Production Report;" Mine Safety and Health Administration, U.S. Department of Labor, Form 7000-2, "Quarterly Mine Employment and Coal Production Report;" and State mining agency coal production reports.

Table 29. Origin of Coal Received at Electric Utility Plants by Destination, January-December 1996, 1995 (Continued)

State of Origin and Imports / State of Destination	Receipts (thousand short tons)		Contract Receipts (percent)		Sulfur Content (lbs. sulfur per MM Btu)		Price (cents per MM Btu)	
	1996	1995	1996	1995	1996	1995	1996	1995
Tennessee	**2,911**	**1,911**	**93.8**	**93.1**	**0.99**	**0.86**	**123**	**133**
Alabama	673	675	100.0	97.0	.70	.69	133	132
Florida	–	120	–	100.0	–	.89	–	229
Georgia	–	29	–	–	–	.99	–	158
Kentucky	–	9	–	–	–	1.99	–	116
South Carolina	147	–	12.4	–	1.23	–	148	–
Tennessee	2,092	1,078	97.6	93.1	1.06	.94	119	122
Texas	**51,266**	**49,956**	**100.0**	**100.0**	**1.56**	**1.72**	**100**	**102**
Texas	51,266	49,956	100.0	100.0	1.56	1.72	100	102
Utah	**18,698**	**18,012**	**83.6**	**87.4**	**.40**	**.40**	**112**	**114**
Illinois	1,846	1,648	29.8	21.0	.39	.37	137	139
Kentucky	44	12	100.0	99.2	.38	.52	130	144
Michigan	–	17	–	–	–	.47	–	142
Missouri	–	388	–	100.0	–	.36	–	146
Nevada	2,343	2,010	84.3	100.0	.39	.35	144	152
Pennsylvania	–	9	–	–	–	.41	–	185
Tennessee	1,860	1,134	68.9	85.0	.40	.42	122	118
Utah	12,420	12,642	94.9	95.1	.41	.41	100	103
Washington	–	77	–	–	–	.29	–	125
Wisconsin	186	74	–	–	.39	.45	161	154
Virginia	**14,479**	**14,454**	**79.5**	**89.6**	**.82**	**.78**	**148**	**157**
Alabama	1	–	100.0	–	.51	–	131	–
Delaware	–	23	–	–	–	1.09	–	143
Florida	856	703	100.0	100.0	.58	.55	213	213
Georgia	2,069	1,987	47.8	72.5	.69	.76	158	164
Indiana	950	1,014	100.0	100.0	.53	.53	155	152
Maryland	–	394	–	100.0	–	.52	–	180
Massachusetts	2	–	–	–	.56	–	212	–
Michigan	7	76	100.0	–	.72	.64	220	150
New Hampshire	16	19	100.0	–	.52	.49	200	203
New Jersey	636	689	96.0	100.0	.55	.55	182	175
North Carolina	1,343	3,282	62.3	89.2	.86	.83	128	162
Ohio	–	89	–	–	–	.67	–	147
South Carolina	1,243	1,096	92.7	97.0	1.20	1.00	154	154
Tennessee	1,331	658	99.1	100.0	1.34	1.31	124	125
Virginia	6,024	4,423	79.3	91.6	.77	.79	138	142
Washington	**4,472**	**4,626**	**100.0**	**100.0**	**.91**	**.92**	**157**	**147**
Washington	4,472	4,626	100.0	100.0	.91	.92	157	147
West Virginia	**101,485**	**90,728**	**75.4**	**80.0**	**1.18**	**1.19**	**142**	**144**
Alabama	2,541	2,731	74.9	69.6	1.12	.91	130	133
Connecticut	–	5	–	100.0	–	.52	–	190
Delaware	1,077	1,071	94.8	96.5	.59	.59	167	169
Florida	1,768	1,518	57.3	76.3	1.25	.94	162	175
Georgia	4,090	3,772	56.3	61.2	.57	.55	192	197
Illinois	–	19	–	–	–	.50	–	170
Indiana	1,049	570	51.8	88.6	1.30	.59	137	168
Kentucky	5,629	4,298	66.2	72.8	1.16	.90	113	116
Maryland	7,894	6,168	61.1	71.5	.82	.76	146	146
Massachusetts	2,243	1,767	86.4	71.1	.56	.56	174	173
Michigan	5,025	5,066	70.4	82.6	.87	.74	153	155
Minnesota	*	3	–	–	1.23	1.88	125	163
New Hampshire	379	297	68.2	75.1	1.57	1.45	150	147
New Jersey	1,593	1,035	95.2	93.0	1.32	1.35	172	173
New York	3,539	3,438	94.1	90.8	1.67	1.68	136	133
North Carolina	8,590	6,224	81.5	91.1	.63	.59	158	168
Ohio	18,980	16,215	67.3	77.7	.91	.83	136	141
Pennsylvania	8,216	8,479	93.7	98.4	2.32	2.41	150	145
South Carolina	–	45	–	17.9	–	.66	–	152
Tennessee	11	153	–	–	3.26	1.69	101	113
Virginia	2,195	1,547	84.5	54.0	.71	.67	147	151
West Virginia	26,665	26,251	79.8	79.8	1.49	1.56	127	129
Wisconsin	–	57	–	–	–	.51	–	153
Wyoming	**268,918**	**253,922**	**86.4**	**78.5**	**.40**	**.40**	**117**	**118**
Alabama	3,646	2,924	99.0	–	.32	.37	113	114
Arkansas	14,736	14,082	95.9	96.2	.38	.37	150	161
Colorado	6,072	5,519	92.5	99.6	.35	.37	85	86
Florida	591	–	–	–	.24	–	142	–
Georgia	6,866	6,762	–	–	.47	.44	151	152
Illinois	17,701	14,081	94.0	92.5	.35	.33	192	183

See footnotes at end of table.

ADDENDUM C

Energy Information Administration

EIA NEWS RELEASE

Vol. 1/1997 (April 3, 1997)

Dist.Cat. UC-950
DOE/EIA-0204(97/1)

EIA New Releases

Energy Information Administration Volume 1/1997

Compliance Costs Low as Utilities Meet Clean Air Act Requirements

Electric utilities brought 261 generating units named in Title IV of the Clean Air Act Amendments of 1990 and their substitution and compensating units into compliance with the Phase I sulfur dioxide emission requirements. The 1995 emissions from these units (5.3 million tons) accounted for 45 percent of total utility emissions, compared with 62 percent in 1990.

In a recently released study, *The Effects of Title IV of the Clean Air Act Amendments of 1990 on Electric Utilities: An Update*, the Energy Information Administration (EIA) concludes that the annualized $836 million cost for achieving compliance with the Phase I requirements in 1995 represents only about 0.6 percent of the $151 billion operating expenses of investor-owned utilities in 1995. In addition, a detailed look at six utilities found that their compliance strategies did not cause an increase in their electricity prices in 1995 as compared to 1990 prices in real terms.

The EIA report discusses other effects of compliance with Phase I of the Acid Rain Program in 1995, developments since Phase I in controlling nitrogen oxide emissions and air toxics, and strategies for compliance with Phase II, which begins in 2000. The major findings are:

- Most utilities used fuel switching and blending of higher and lower sulfur coal to reduce sulfur dioxide emissions. The reasons for this were competitive prices of low-sulfur coal and lower-than-expected costs for the boiler modifications needed to burn coal.
- Switching from high-sulfur to low-sulfur coal by utilities has impacted coal distribution patterns. Between 1990 and 1995, sales of low-to-medium sulfur coal increased 78 million tons from the Powder

(continued on page 2)

Profits High for Major Energy Companies in 1995

The income and profitability of two dozen major U.S. energy companies rose for the third year in a row in 1995, with net income soaring 29 percent over 1994 to $25 billion, according to data collected by the Energy Information Administration (EIA) and published in the latest edition of *Performance Profiles of Major Energy Producers*.

To obtain a copy of the report, call the U.S. Government Printing Office (202/512-1800) or EIA's National Energy Information Center (202/586-8800). An Executive Summary and also the full report are available at EIA's Internet site at http://www.eia.doe.gov, under "What's New at EIA." See pages 9 and 15 for price and ordering information.

Released for Printing: April 3, 1997

Compliance Costs Low as Utilities Meet Clean Air Act Requirements

(continued from page 1)

Central Appalachian Region, and 10 million tons from the Rockies. In contrast, sales of high-sulfur coal decreased 29 million tons from the North Appalachian Region and 40 million tons from the Illinois Basin.

- Some utilities used allowances authorized under the Act to continue burning higher sulfur coal and defer the cost of boiler modifications or scrubber retrofits. Because the recent decline in coal prices is reflected in the price of allowances, this option is economically attractive.

- Because of expected competition in the electric power industry, utilities are reluctant to invest in capital modifications. A number of utilities that planned to install scrubbers for Phase II have either deferred installation or canceled them altogether in favor of fuel switching or purchasing allowances. Utilities have also elected to overcomply with Phase I requirements, building a reserve of excess allowances that can be used to comply with the more stringent Phase II emissions requirements and delay further expenditures until beyond 2000.

Copies of the report are available from the U.S. Government Printing Office (202/512-1800) or through EIA's National Energy Information Center (202/586-8800). The report will also be made available on EIA's Internet Web site (http://www.eia.doe.gov) in the spring. ✡✡✡✡✡

Please note that most of EIA's paper-published reports are also available as HTML or PDF files at http://www.eia.doe.gov.

Move to Competition Raises Critical Issues for Electric Power Industry

Historic changes are taking place in the U.S. electric power industry—an industry in transition from the Nation's last major regulated monopoly to a competitive power market. Steady progress toward competitive *wholesale* electricity markets was accelerated by the Federal Energy Regulatory Commission when it issued Order 888 mandating open access to the transmission grid. *Retail* competition will make its debut in California, New York, and most of the New England States in 1998.

According to *The Changing Structure of the Electric Power Industry: An Update*, a new study released by the Energy Information Administration (EIA), a number of critical issues will shape the future of the electric power industry.

In the past, utilities have been assured a fair rate of return on investment by regulators. During the transition to competition, they have been downsizing, consolidating, and merging in order to reduce costs. They have decreased their real operation and maintenance costs from about 4.5 cents per kilowatthour in 1986 to 3.5 cents per kilowatthour in 1995. Also, there were 13 investor-owned electric utilities that merged or had mergers pending with other utilities in the industry in 1995 as compared to 1 in 1994 and 4 in 1993.

A significant portion of utility costs will become "stranded," if customers choose other electricity suppliers. Such stranded costs could include, for example, capital costs for generation capacity left without an adequate customer base when a utility loses customers to other suppliers. Studies undertaken by several energy-related organizations estimate projected stranded costs from a low of $10 billion to a high of $500 billion. A study conducted by the Oak Ridge National Laboratory for EIA shows that 34 strategies to mitigate these costs have been proposed and that ratepayers have the primary or secondary responsibility for absorbing the stranded costs in 19 of the strategies.

The report is available from the U.S. Government Printing Office (202/512-1800) or EIA's National Energy Information Center (202/586-8800). It also will soon be available on EIA's Internet Web site.

The Energy Information Administration (EIA) makes its electronic data files and computer models available on diskettes for microcomputer platforms. These diskettes may be purchased from the Department of Energy's Office of Scientific and Technical Information (OSTI). To order, call OSTI at (423)576-8401 and reference the diskette(s) by title.

EIA no longer makes new versions of its machine-readable data files and modeling programs available through the National Technical Information Service (NTIS); however, NTIS is still offering EIA files and models created prior to 1996. These may be obtained by contacting NTIS at (703)487-4650.

For more information concerning EIA's machine-readable products, contact the National Energy Information Center (NEIC) at (202)586-8800 or by Internet e-mail (infoctr@eia.doe.gov).

Listed below are the most recent data files made available from OSTI. ✡✡✡✡

Office of Scientific and Technical Information (OSTI)

Frequency	Title	Data
Monthly	Monthly Energy Review	01/97-02/97
Monthly	Monthly Power Plant Report	01/96-12/96
Monthly	Monthly Electric Utility Sales and Revenue Report	01/96-12/96

✡✡✡✡✡✡

DID YOU KNOW?

✡✡✡✡✡ **1,000,000,000,000,000 British thermal units (1 quadrillion Btu) is approximately the amount of energy in 8 billion gallons of motor gasoline—enough to supply U.S. drivers for 24 days.**

✡✡✡✡✡ **One match tip generates about 1 British thermal unit (Btu) of energy.**

✡✡✡✡✡ **The United States is both the top energy producer and consumer worldwide. Petroleum is the principal U.S. energy import; coal is the principal export.**

✡✡✡✡✡ **Surface mine productivity is more than double that of underground coal mines. Growth in surface mining helped raise overall productivity of U.S. coal mines to a record 5.4 short tons per miner hour in 1995.**

✡✡✡✡✡ **The United States imports 25 times the amount of petroleum imported following World War II. Between 1949 and 1995, net imports of crude oil and refined petroleum products increased from 320,000 barrels per day to 7.9 million barrels per day.**

✡✡✡✡✡ **More than one-quarter of U.S. dry natural gas production comes from gas fields underlying the Gulf of Mexico.**

✡✡✡✡✡ **The first practical coal-fired electric generating station, developed by Thomas Edison, went into operation in New York City in 1882 to supply electricity for household lights.**

ADDENDUM D

Utah Dept. of Natural Resources

1995 ANNUAL REVIEW AND FORECAST OF UTAH COAL PRODUCTION AND DISTRIBUTION

November 1996

1995 Annual Review and Forecast of

UTAH COAL

Production and Distribution

November 1996

STATE OF UTAH
NATURAL RESOURCES
Office of Energy and Resource Planning

Executive Summary

While Utah and the U.S. each set a new coal production record in 1994, Utah continued its production increase in 1995 by producing 2.5 percent above 1994. U.S. production, however, decreased by a fraction (less than 0.4 percent) compared to the record year of 1994. Utah's 1995 production of 25.051 million tons was an impressive gain over the 1994 figure of 24.422 million tons – a 0.629 million ton increase. Some coal producing states east of the Mississippi, such as Alabama and Oklahoma, had considerable increases while, as a whole, these states had a decrease of 4.2 percent as compared to 1994. States west of the Mississippi also registered decreases with the exception of Utah and Wyoming. It was the strength of the increase in production from these two states (more from Wyoming than Utah) that led to the total increase of western production to top 4.3 percent as compared to 1994.

Utah distributed 25.4 million tons of coal, exceeding 1994's record year by two million tons. This occurred despite the closure of the Sunnyside Mine. The major contributors to this surge in distribution were the electric utilities outside of Utah with an increase of 1.7 million tons, as well as exports outside of the country with an increase of more than one million tons.

During 1996, both production and distribution should break through the 27 million ton mark and set new all-time records.

Utah's coal mines remain the most productive underground mines in the United States. Productivity of Utah mines, just under two tons per miner-hour (tpmh) in 1980 and 1981, has been on the rise ever since, reaching new highs almost every year. In 1995, Utah's mines achieved a new record of 6.94 tpmh, 11.6 percent higher than the record year of 1994. In 1996, the industry expects another record to be established, though by a fraction.

This high productivity is largely credited to excellent management skills, a capable engineering and geological staff, a high degree of mechanization and a highly skilled workforce. These factors have led to more competitive coal prices for Utah's coal mines that, in turn, have enhanced and guaranteed the success of the coal industry in the state.

Electric utilities consumed the bulk of Utah's coal production. The Hunter, Huntington and Carbon Plants of Utah Power and Intermountain Power Agency's (IPA) Intermountain Power Plant (IPP) purchased 11.665 million tons and consumed 12.173 million tons in 1995. Together these four plants purchased 46.6 percent of all coal produced in Utah, making the electric utility sector Utah's best coal customer. Deseret Generation and Transmission's Bonanza Plant consumed 0.8 million tons of Colorado coal and 0.106 million tons of Utah coal. Also in 1995, electric utilities and cogeneration plants outside of Utah consumed 6.57 million tons of Utah produced coal. Altogether, electric utilities in the United States consumed 73.2 percent of the coal produced in Utah. Including those volumes exported to the Pacific Rim, electric utilities consumed 88.4 percent of all the coal produced in Utah.

During 1995, Utah purchased and consumed various amounts of coking coal from outside of Utah. These imports amounted to 1.062 million tons; additional imports were required since Utah ceased production of metallurgical coal in 1994.

In 1995, the industrial coal consumption was Utah's third largest consuming sector. Kennecott consumed 56 percent of 0.64 million tons of Utah's industrial coal. Various cement and lime plants in Utah consumed the balance. The out-of-state industrial consumption of Utah coal amounted to 2.4 million tons in 1995 and was used primarily by chemical and cement plants in California and cement plants in Nevada; about 0.2 million tons went to the midwest.

Far behind the industrial sector, residential and com-

mercial customers consumed almost 0.25 million tons.

Finally, the Pacific Rim countries of Japan, Korea and Taiwan consumed some 3.81 million tons of Utah coal, primarily for electric power generation. This market is expanding and should account for more than five million tons in 1996.

Table 2 **Utah Coal Production by Coal Field**

Thousand Short Tons

	Wasatch Plateau	Book Cliffs	Emery	Sego	Coalville	Others	Total
1870-1981	166,404	234,547	5,723	2,654	4,262	2,332	415,922
1982	12,342	3,718	852	0	0	0	16,912
1983	10,173	1,568	88	0	0	0	11,829
1984	10,266	1,993	0	0	0	0	12,259
1985	9,386	2,805	640	0	0	0	12,831
1986	10,906	2,860	503	0	0	0	14,269
1987	13,871	2,348	269	0	33	0	16,521
1988	15,218	2,363	548	0	35	0	18,164
1989	17,146	2,785	586	0	0	0	20,517
1990	18,591	3,085	336	0	0	0	22,012
1991	18,934	2,941	0	0	0	0	21,875
1992	18,631	2,384	0	0	0	0	21,015
1993	19,399	2,324	0	0	0	0	21,723
1994	22,079	2,343	0	0	0	0	24,442
1995	22,631	2,420	0	0	0	0	25,051
1996	24,187	3,151	0	0	0	0	27,338
Cumulative Production	385,977	270,484	9,545	2,654	4,330	2,332	675,322

1996 values are forecast and are not included in the total

Table 3

Utah Coal Production by County

Thousand Short Tons

	Carbon	Emery	Sevier	Summit	Iron	Kane	Others	Total
1870-1959	211,028	49,166	4,046	4,012	521	45	2,846	271,664
1960	3,698	1,137	49	20	50	0	1	4,955
1961	3,916	1,124	47	20	52	0	0	5,159
1962	3,105	1,077	49	20	46	0	0	4,297
1963	3,493	752	47	18	48	1	0	4,359
1964	3,752	848	47	17	54	2	0	4,720
1965	3,779	1,101	61	13	36	2	0	4,992
1966	3,380	1,170	65	15	4	2	0	4,636
1967	2,971	1,113	72	13	3	2	0	4,174
1968	3,062	1,167	70	13	3	2	0	4,317
1969	3,367	1,200	72	12	4	2	0	4,657
1970	3,349	1,292	79	13	0	0	0	4,733
1971	3,347	1,097	158	12	0	12	0	4,626
1972	2,956	1,656	184	6	0	0	0	4,802
1973	2,866	2,445	339	0	0	0	0	5,650
1974	2,754	2,901	391	0	0	0	0	6,046
1975	2,984	3,126	827	0	0	0	0	6,937
1976	3,868	3,057	1,043	0	0	0	0	7,968
1977	4,390	3,107	1,337	0	0	0	4	8,838
1978	4,005	3,640	1,558	0	0	0	50	9,253
1979	5,292	5,147	1,657	0	0	0	0	12,096
1980	5,096	6,319	1,821	0	0	0	0	13,236
1981	6,123	5,609	2,076	0	0	0	0	13,808
1982	8,335	6,329	2,248	0	0	0	0	16,912
1983	4,194	5,404	2,231	0	0	0	0	11,829
1984	5,293	4,825	2,141	0	0	0	0	12,259
1985	6,518	4,516	1,797	0	0	0	0	12,831
1986	6,505	5,404	2,360	0	0	0	0	14,269
1987	7,495	6,765	2,228	33	0	0	0	16,521
1988	7,703	7,801	2,625	35	0	0	0	18,164
1989	8,927	8,531	3,059	0	0	0	0	20,517
1990	8,810	10,315	2,887	0	0	0	0	22,012
1991	5,816	12,980	3,079	0	0	0	0	21,875
1992	3,386	15,049	2,580	0	0	0	0	21,015
1993	2,642	15,528	3,553	0	0	0	0	21,723
1994	4,523	16,330	3,569	0	0	0	0	24,422
1995	3,801	17,344	3,906	0	0	0	0	25,051
1996	5,325	17,923	4,090	0	0	0	0	27,338
Total	376,529	236,372	54,358	4,272	821	70	2,901	675,323

1996 values are forecast and are not included in the total

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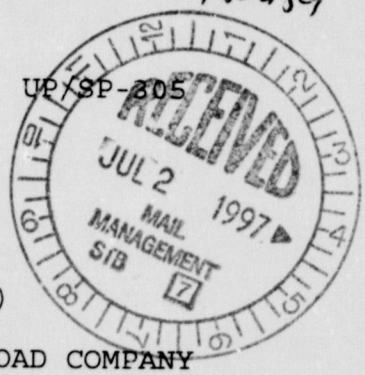
UP/SP-305



BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY -- OVERSIGHT

D

APPLICANTS' RESPONSES TO CONSOLIDATED INFORMATION AND DISCOVERY REQUESTS

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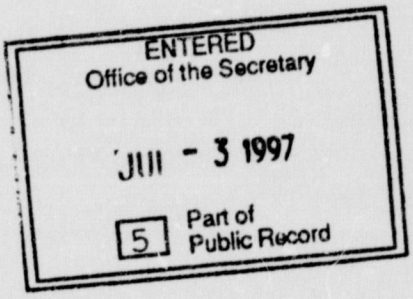

July 2, 1997

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY -- OVERSIGHT

APPLICANTS' RESPONSES TO CONSOLIDATED INFORMATION AND DISCOVERY REQUESTS

UPC, UPRR, SPR, SPT, SSW, SPCSL and DRGW, collectively, "Applicants,"[1/] hereby respond to the "Consolidated Information and Discover Requests to Union Pacific," served June 17, 1997.

These responses are being provided voluntarily. Applicants do not agree that parties are entitled to general discovery in this and future merger oversight proceedings, which are not intended as a forum to relitigate the merger, and which Chairman Morgan has indicated are not to be "unduly burdensome." Decision No. 1, served May 7, 1997, p. 9.

GENERAL RESPONSES

The following general responses are made with respect to all of the requests.

1. Applicants have conducted a reasonable search for documents responsive to the requests. Except as

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1/ Applicant MPRR merged into Applicant UPRR on January 1, 1997. Applicants DRGW and SPCSL merged into Applicant UPRR on June 30, 1997.

objections are noted herein,[2/] all responsive documents have been or shortly will be made available for inspection and copying in Applicants' document depository, which is located at the offices of Covington & Burling in Washington, D.C. Applicants will be pleased to assist the parties that have submitted the Requests to locate particular responsive documents to the extent that the index to the depository does not suffice for this purpose. Copies of documents will be supplied upon payment of duplicating costs (including, in the case of computer tapes, costs for programming, tapes and processing time).

2. Production of documents or information does not necessarily imply that they are relevant to this proceeding, and is not to be construed as waiving any objection stated herein.

3. Certain of the documents to be produced contain sensitive shipper-specific and other confidential information. By express agreement of counsel for the requesting parties, Applicants are producing these documents subject to the protective order that was entered in the merger proceeding.

4. In line with practice throughout the merger proceeding and in other cases of this nature, Applicants have not secured verifications for the answers to interrogatories

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[2/] Thus, any response that states that responsive documents are being produced is subject to the General Objections, so that, for example, any documents subject to attorney-client privilege (General Objection No. 1) or the work product doctrine (General Objection No. 2) are not being produced.

herein. Applicants are prepared to discuss the matter with the parties submitting the Requests if this is of concern with respect to any particular answer.

GENERAL OBJECTIONS

The following general objections are made with respect to all of the requests. Any additional specific objections are stated at the beginning of the response to each request.

1. Applicants object to production of, and are not producing, documents or information subject to the attorney-client privilege.

2. Applicants object to production of, and are not producing, documents or information subject to the work product doctrine.

3. Applicants object to production of, and are not producing, documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

4. Applicants object to production of public documents that are readily available, including but not limited to documents on public file at the Board or the SEC or clippings from newspapers or other public media.

5. Applicants object to the production of, and are not producing, draft submissions to the Board and documents related thereto.

6. Applicants object to providing information or documents that are as readily obtainable by the parties submitting the Requests from their own files.

7. Applicants object to the extent that the interrogatories and requests seek highly confidential or sensitive commercial information (including, inter alia, contracts containing confidentiality clauses prohibiting disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

8. Applicants object to the inclusion of Philip F. Anschutz and The Anschutz Corporation in the definition of "SP" as overbroad.

9. Applicants object to the definitions of "UP" and "SP" and to Definition No. 20 as unduly vague and not susceptible of meaningful application.

10. Applicants object to the definition of "relating to" as unduly vague.

11. Applicants object to Instructions Nos. 1, 3, 5, 6 and 7 to the extent that they seek to impose requirements that exceed those specified in the Board's rules.

12. Applicarts object to Instruction No. 3 as unintelligible.

13. Applicants object to Instructions Nos. 1, 3, 4 and 5 as unduly burdensome.

14. Applicants object to the interrogatories and requests to the extent that they call for the preparation of special studies not already in existence.

SPECIFIC RESPONSES AND ADDITIONAL OBJECTIONS

Request No. 1

"Identify, by shipper, origin and destination, number of cars and car type, and five-digit STCC code any traffic over the lines covered by the BNSF Settlement Agreement as to which UPSP and BNSF have bid against each other since the Merger, including the dates and results of the bidding, and identify and produce all documents that reflect the bidding or the traffic referred to in this response. You may limit your response to traffic where the revenues at issue were in excess of $250,000 annually to either UPSP or BNSF."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Extensive information with regard to many such instances is contained in Confidential Appendices B and C to Applicants' July 1 report, and elsewhere in the report and the accompanying verified statements. Applicants do not maintain a central repository of such information. To identify every such instance and compile all the requested information would require an extremely burdensome special study, if it could be done at all.

Request No. 2

"Identify each '2-to-1' shipper (as identified or treated by the Board) for whose business BNSF has competed with UPSP, and identify and produce all documents reflecting or relating to that competition between BNSF and UPSP. For each such shipper, identify the carrier who currently serves such shipper and the origin and destination of that service."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Extensive responsive information with regard to many such shippers is contained in Confidential Appendices B and C to Applicants' July 1 report, and elsewhere in the report and the accompanying verified statements. Applicants do not maintain a central repository of such information. To identify every such shipper (and Applicants will not necessarily know of all such shippers) and compile all the requested information would require an extremely burdensome special study.

Request No. 3

"Identify and describe the shippers and volume of the following traffic, in terms of number of cars, car type, and revenue generated, moved by UP in the following geographical corridors or origin/destination pairs and specify for each movement the line segment(s) used by UP:

a. Midwest grain and grain products to/from Mexico;

b. Midwest grain and grain products to/from the Port of Corpus Christi;

c. Midwest grain and grain products to/from Southern California;

d. Midwest grain and grain products to/from Port of Brownsville;

e. Plastics and Chemicals to/from the following origins and destinations or gateways:

(1) Houston to/from St. Louis

(2) Houston to/from Memphis

(3) Houston to/from New Orleans

(4) Houston to/from Corpus Christi, Brownsville

f. Coal or Coal Products from the following origins:

(1) Powder River Basin

(2) Colorado/Utah coal fields

In addition to your narrative response, produce your 100% traffic tapes from 1994 forward to the second quarter of 1997. We request that UP furnish these traffic tapes in computer-readable form, with all keys and decoders needed for their interpretation, and we would anticipate the traffic information on the traffic tapes would include origin, destination (including the identity of shippers at origin and destination), commodity, waybill numbers, number of cars or intermodal units, gross origin-to-destination revenue, divisions of revenue between railroads participating in the move, contribution, and revenue/variable cost ratios for all movements."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Applicants are producing traffic tapes for the October 1995-March 1996 and October 1996-March 1997 periods. The requested data elements are contained on the tapes, except that the tapes (a) do not contain contribution data or

revenue/variable cost ratios, which could not be compiled without an extremely burdensome special study; (b) contain net, not gross, revenue; and (c) combine movements with identical characteristics, rather than reporting individual waybill numbers. Applicants object to the request for data for other time periods on grounds of relevance, burden and commercial sensitivity.

Request No. 4

"Identify each '2-to-1' shipper (as identified or treated by the Board) whose contract has been reopened or renegotiated with UP since the Merger. For each such shipper, identify the line or lines over which the shipper's traffic moves under the contract, the commodity involved, the percentage increase or decrease in the shipper's rates under the reopened or renegotiated contract as compared to the shipper's earlier contract, and the effect of the renegotiations upon extension of the contract term."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Extensive responsive information is contained in Confidential Appendices B and C to Applicants' July 1 report, and elsewhere in the report and the accompanying verified statements. In all or virtually all instances in which such contracts were reopened or renegotiated, the shipper benefitted through lower rates, better service, better equipment supply and/or increased investments by UP/SP.

Compiling every detail of every such instance would be extremely burdensome and would not contribute materially to this oversight proceeding.

Request No. 5

"Identify each '2-to-1' shipper (as identified or treated by the Board) who inquired with UP about how UP would respond if the shipper were to seek to reopen or renegotiate its contract. Include in your response the commodity involved and UP's response to the inquiry, including whether UP advised that it would cancel the contract in its entirety."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive documents are being placed in Applicants' document depository.

Request No. 6

"Identify and produce all documents reflecting or relating to each '2-to-1' shipper (as identified or treated by the Board) who was served under a contract with UP prior to the Merger that is now not served by UP. For each such shipper, identify (a) the line or lines over which the shipper was served by UP; (b) the commodity involved; (c) the volume of traffic served under the contract, in terms of number of cars and gross ton-miles; and (d) the reason why UP no longer serves the shipper under the prior contract."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably

calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

All "2-to-1" shippers are still served by UP. If the question relates to "2-to-1" shippers that have diverted traffic to BNSF, extensive responsive information is contained in Confidential Appendices B and C to Applicants' July 1 report, and elsewhere in the report and the accompanying verified statements. To identify every such shipper (and Applicants will not necessarily know of all of them) and compile all the requested information would require an extremely burdensome special study.

Request No. 7

"Identify and describe all communications between UP and securities or financial analysts or consultants, accountants, investment bankers, or financial advisors relating (a) to the existence or extent of competition between BNSF and UPSP since the Merger, (b) to the projected or current effect of the Merger or BNSF Settlement Agreement on UP's market share of traffic in corridors in which BNSF acquired trackage or other rights under the Merger or BNSF Settlement Agreement, (c) to the effectiveness or lack thereof of BNSF providing service to shippers via the trackage rights gained as part of the BNSF Settlement Agreement, as amended, or (d) to market shares, competition, competitors, markets, traffic growth, revenue increases, revenue share increases, rate increases, projected revenues, or expansion into product or geographic markets resulting from the Merger and BNSF Settlement Agreement. Produce all documents that refer to, relate to or evidence the communications referred to in your response."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably

calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive documents are being placed in Applicants' document depository.

Request No. 8

"Identify and produce each 'major post-merger auto contract' to which you refer on page 6 of your Quarterly Report. For each such contract, including the Ford Motor Company 'mixing center' contract and the Chrysler contract, identify the carrier that serves the auto company under the contract, the carrier that served the company immediately prior to such contract, and the percentage decrease in the rates the company is charged under the contract as compared to the rates charged immediately prior to the contract."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

The reference was to contracts involving Ford, Chrysler and General Motors. Extensive information with regard to these contracts and the competition for them is contained in Confidential Appendix K to Applicants' July 1 report, elsewhere in the report, and in the accompanying verified statements of Ford and Chrysler. The contracts themselves are extremely confidential. If the requesting parties wish to obtain copies of them, they should seek them from the shippers.

Request No. 9

"Since the Merger, identify each railroad with whom UP's or SP's reciprocal switch fees have been reduced, and for each such railroad identify the percentage decrease in such reciprocal switch fees from those applicable prior to the Merger."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Data about the switch fee eliminations and reductions that resulted from the merger are contained in Applicants' July 1 report. Additional responsive information is being placed in Applicants' document depository.

Request No. 10

"For each corridor in which BNSF has haulage rights pursuant to the Merger or BNSF Settlement Agreement, identify the volume of BNSF haulage traffic, in terms of number of cars, gross ton-miles, and revenue generated for each month from August, 1996 to the date of your response. For each corridor identified, identify the volume of UP traffic in terms of number of cars, gross ton miles, and revenue generated by UP during the same period."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

BNSF haulage volume information is contained in Applicants' July 1 report. Additional responsive data are being placed in Applicants' document depository. Haulage operations commenced in September 1996. Applicants do not have gross ton-miles or BNSF revenue data for BNSF haulage traffic. UP traffic can be derived from the traffic tapes that are being placed in Applicants' document depository. However, because BNSF received rights only to preserve competition for particular traffic, it is not meaningful to compare all UP traffic moving in a corridor with the BNSF haulage traffic moving in that corridor.

Request No. 11

"For each corridor or line on which BNSF acquired trackage, interchange or other rights under the Merger or BNSF Settlement Agreement, identify the volume of BNSF trackage rights traffic, in terms of number of cars, revenue generated, and gross ton-miles, for each month from August, 1996 to the date of your response. For each corridor or line identified, identify the volume of UP traffic in terms of number of cars, revenue and gross ton-miles generated by UP during the same period."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

BNSF trackage rights volume information is contained in Applicants' July 1 report. Additional responsive data are being placed in Applicants' document depository. BNSF trackage rights operations commenced in October 1996. Applicants do not have BNSF revenue data for BNSF trackage rights traffic. UP traffic can be derived from the traffic tapes that are being produced. However, because BNSF received rights only to preserve competition for particular traffic, it is not meaningful to compare all UP traffic moving in a corridor or on a line with the BNSF trackage rights traffic moving in that corridor or on that line.

Request No. 12

"Describe in detail BNSF's March 25, 1997 proposal to UP pursuant to the 'omnibus clause' of the BNSF Settlement Agreement (referred to at page 8 of your Quarterly Report) and identify all documents reflecting or relating to this March 25, 1997 BNSF proposal."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive documents are being placed in Applicants' document depository.

Request No. 13

"Describe in detail BNSF's proposal to enter into a permanent haulage agreement for service to '2-to-1' facilities on the SP Oakland-San Jose line (referred to at page 8 of your

Quarterly Report) and identify all documents reflecting or relating to this proposal."

Response

The proposal, which was oral, was to convert interim haulage operations, under which UP/SP handles cars to and from BNSF's local train at Warm Springs, to a permanent basis. These operations in fact continue in effect, and a formal contract is pending. No responsive documents have been located.

Request No. 14

"Describe the current status of construction on the following connections, including the date construction began or is scheduled to begin and the scheduled date of completion: (a) Avondale, Louisiana; (b) Westwego, Louisiana; and (c) Stockton, California."

Response

Applicants signed contracts for their portion of the work at Avondale and Westwego on February 1, and that work began on March 3. Completion of these projects requires certain work to be done by BNSF, which Applicants understand has been authorized and will commence shortly. Applicants and BNSF reviewed the Stockton project on June 26, and Applicants presented plans to BNSF for the necessary track work. BNSF is to report back promptly on how it wishes to proceed.

Request No. 15

"Identify the date on which UP expects that the I-5 proportional rate arrangement between BNSF and UP will be implemented."

Response

July 15, 1997.

Request No. 16

"Identify the volume of traffic, in terms of number of cars, operated by the Utah Railway Company as BNSF's agent for each month from September 1, 1996 to the date of your response. Identify each BNSF customer which has been served by Utah Railway Service, as BNSF's agent. Identify the volume of all other traffic, in terms of number of cars and tons hauled, operated by the Utah Railway Company for each month from January 1995 to the date of your response. Identify each shipper and buyer which has been provided service by Utah Railway."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive information is contained in Applicants' July 1 report. Additional responsive data are being placed in Applicants' document depository. Utah Railway's agency operations began in April 1997. Applicants do not have data regarding what shippers these cars move to or from, or data for other Utah Railway traffic.

Request No. 17

"Identify each corridor in which Tex Mex has trackage rights pursuant to the Merger or BNSF Settlement Agreement. For each such corridor, identify the volume of Tex Mex trackage rights traffic, in terms of number of cars and Tex Mex revenue generated, for each month from August, 1996 to the date of your response. For each corridor identified, identify separately the volume of UP traffic and BNSF traffic, each in terms of number of cars, commodity, and gross ton-miles, during the period."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Corpus Christi/Robstown-Houston-Beaumont is the only such corridor. Tex Mex trackage rights volume information is contained in Applicants' July 1 report. Additional responsive data are being placed in Applicants' document depository. Tex Mex trackage rights operations commenced in October 1996. Applicants do not have Tex Mex revenue data; presumably Tex Mex, which is one of the parties posing these requests, does. UP data can be derived from the traffic tapes that are being placed in Applicants' document depository, though it is not meaningful to compare UP traffic in a corridor with Tex Mex trackage rights traffic without regard to the competitive circumstances of particular movements. As to BNSF traffic, see responses to Requests Nos. 10 and 11 above.

Request No. 18

"For each month from March, 1997 to the date of your response, identify the volume of BNSF trackage rights traffic, in terms of number of cars and BNSF revenue generated, for all traffic via Elgin, including the Temple-Elgin local. For each such month, identify the number of times that BNSF has interchanged traffic with Longhorn using its trackage rights via Elgin."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive data as to BNSF trackage rights volumes via Elgin are being placed in Applicants' document depository. Applicants do not have BNSF revenue data. Applicants could only determine the number of times that BNSF has interchanged traffic with Longhorn using its trackage rights via Elgin through an unduly burdensome special study, if at all. Presumably CMTA, which is one of the parties posing these requests, has such information, or can obtain it from Longhorn.

Request No. 19

"Identify all post-Merger requests for common carrier rate quotations, including the shipper making the request, the date of the request, the commodity to which the request related, and the origin and destination of the requested service, received, but not responded to, by UP (a) for service which originates at an off-line point and terminates at a destination served by UP, and (b) for service which originates at a point served by UP and terminates off-line. You may limit your response to those requests made by grain, soybean, and products thereof."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably

calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Applicants have not conducted the sort of exhaustive investigation that would be required to definitively establish whether any such request was ever received and not responded to within an appropriate period of time. Applicants see no basis for conducting such an investigation in the context of this proceeding. However, Applicants have consulted with their grain marketing personnel, are they are unaware of any allegation that Applicants have failed to provide such common carrier rates upon request.

Request No. 20

"Identify the number of UP daily train movements in each direction during each month of 1995, 1996, and the first six months of 1997 between (a) Orestod (Bond) and Dotsero, CO; (b) Dotsero and Denver, CO via the Moffat Tunnel; and (c) Orestod (Bond) and Pueblo, CO via Tennessee Pass. Provide the information in total and separately for passenger, coal, TOFC/COFC, and general merchandise trains."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

This request is premature. Because all the necessary labor implementing agreements have only just become effective, Applicants only began to shift traffic from the

Tennessee Pass line to the Moffat Tunnel line on July 1. The total number of trains on the Moffat Tunnel line has not yet increased, because trains were shifted from that line to UP's Wyoming line.

Request No. 21

"Provide the average elapsed transit time between terminals for all UP (a) coal, (b) TOFC/COFC, and (3) general merchandise trains operating between the following points via the Moffat Tunnel during 1995, 1996, and the first six months of 1997: Grand Junction and Denver, CO; Craig and Denver, CO; Orestod and Denver, CO; and Dotsero and Denver, CO."

Response

See Response to Request No. 20.

Request No. 22

"Provide the date(s) on which UP stopped operating any through train(s) that formerly operated between Orestod, CO and Pueblo/Denver via the Tennessee Pass line and describe how such train(s) have been operated since such date."

Response

See Response to Request No. 20.

Request No. 23

"Identify any coal movements from an origin in Utah (including both mines and truck transload points) for which UP competed with Utah Railway during the period from September, 1996 inclusive to the date of your response. With respect to each such movement, identify the origin, destination, consignor, consignee, loading facility, loading cost quoted and paid per ton, and number of tons moved. Identify and produce all documents that refer to, relate to or evidence the communications regarding to the traffic movement described above."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably

calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Utah Railway, in conjunction with BNSF, is a potential competitor to UP/SP for all UP/SP Utah coal movements. Specific recent movements are identified in Applicants' July 1 report. Applicants believe that Utah Railway and BNSF are presently competing against UP/SP for Utah coal movements to Sierra Pacific Power, Wisconsin Electric Power and TVA.

Request No. 24

"Identify each case in which UP learned about plans by BNSF to establish a transload facility along a trackage rights line, including the shipper and line involved. For each such case, indicate (a) whether UP advised that it would ask the STB to rule on the legitimacy of the transload, and (b) what other action UP took in response, including renegotiating the contract of the shipper involved. Identify and produce all documents that refer to, relate to, or evidence the actions taken by UP identified in your response."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive information is contained in Confidential Appendix G to Applicants' July 1 report. To date, Applicants have not advised anyone that they would ask the STB to rule on the legitimacy of any new BNSF transload.

Request No. 25

"State the name, address and job title or position of all individuals (a) with whom you consulted, or (b) who participated in preparation of your responses to these consolidated information and discovery requests, or (c) who have knowledge concerning the facts contained in your responses to these requests."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Messrs. King and Peterson, who verified Applicants' July 1 report, and individuals working under their supervision, compiled the information in the report and most of the additional information that is being produced in response to these Requests.

Request No. 26

"Identify the UP revenues generated from Midwest grain shipments into the Port of Brownsville for each quarter from 1992 to the date of your response. Identify or produce all documents that refer to, relate to, or evidence such shipments as described above."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Data regarding UP shipments of Midwest grain to Brownsville are contained on the traffic tapes that are being placed in Applicants' document depository. These data do not differentiate between shipments to Brownsville for subsequent export by rail to Mexico and shipments to Brownsville for waterborne export via the Port of Brownsville. Presumably BRGI, BNDD and Southwest Grain, which are among the parties posing these requests, have data regarding movements to the Port of Brownsville specifically.

Request No. 27

"Identify and produce all documents that refer to, relate to, or evidence the level of interchange service into and out of the Port of Brownsville pre-merger and post-merger."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Applicants are uncertain what is meant by "level of interchange service." Presumably BRGI, BNDD and Southwest Grain, which are among the parties posing these requests, have data regarding interchange at the Port of Brownsville. UP's interchange operations at the Port of Brownsville were

recently affected by high traffic levels at Brownsville and a surge of empty cars moving through Brownsville, but are now back to normal. BRGI will soon assume responsibility for picking up and delivering traffic to and from the Port of Brownsville as a result of the transfer of the Port Lead to BRGI, which Applicants anticipate will occur in the next few weeks.

Request No. 28

"Identify, by shipper, buyer, number of cars, tons hauled and loading cost per ton, all coal shipments hauled by UP which were loaded at the Savage Industries, Inc. and those loaded at the Railco, Inc. loading facility near Price, Utah from January 1, 1995 to the date of your response."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

Responsive information is being placed in Applicants' document depository.

Request No. 29

"Identify, by shipper, buyer, number of cars, tons hauled and loading cost per ton, all coal shipments hauled by Utah Railway which were loaded at the Savage Industries, Inc. and those loaded at the Railco, Inc. loading facility near Price, Utah from January 1, 1995 to the date of your response."

Response

Applicants object to this request on the grounds that it is unduly vague, unduly burdensome, overbroad and seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

The verified statement of Utah Railway attached to Applicants' July 1 report indicates that Utah Railway has moved 12 trains from Savage, all moving westbound in interchange service with UP/SP. To Applicants' knowledge, no traffic has been handled by Utah Railway that was loaded at Railco.

Respectfully submitted,

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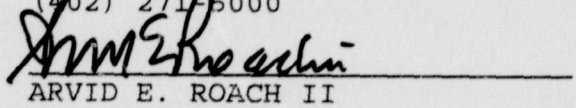

ARVID E. ROACH II
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Attorneys for Union Pacific Corporation, Union Pacific Railroad Company, Southern Pacific Transportation Company and St. Louis Southwestern Railway Company

July 2, 1997

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 2nd day of July, 1997, I caused a copy of the foregoing document, "Applicants' Responses to Consolidated Information and Discovery Requests," to be served by hand on Nicholas J. DiMichael, Esq., Donelan, Cleary, Wood & Maser, 1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005, as requested by the parties that propounded the requests.

Michael L. Rosenthal

STB FD 32760 (Sub 21) 7-9-97 D 180540

180540

UNION PACIFIC RAILROAD COMPANY

Law Department

1416 DODGE STREET
ROOM 830
OMAHA, NEBRASKA 68179-0001
FAX (402) 271-5610

July 3, 1997

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW, Suite 700
Washington, DC 20423

Sub 21

Re: Finance Docket 32760, UP - Control and Merger - SP

Dear Mr. Williams:

Pursuant to Decision No. 44, UP/SP submits station passing reports for the month of June, 1997 for the cities of Reno, Nevada and Wichita, Kansas. The reports indicate that UP/SP is in compliance with Condition 22.a and Condition 23.a of Exhibit G to Decision No. 44.

	Reno	Wichita
Cap	14.7	6.4
Average Through Freight Trains	11.3	3.27

The attached original and 20 copies of the verified reports include the details for both included and excluded trains for each day during June.

Very truly yours,

Louise A. Rinn
General Attorney
(402) 271-4227

LAR:msw
Attachments

G:\LAWADM\LAR\MERGER\JUN97STA.RPT

C: (With attachments)

PERSONAL (2 copies)
Elaine Kaiser
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

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(UPS Next Day Air)
J. Michael Hemmer, Esq.
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1201 Pennsylvania Avenue, NW
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(With Wichita Report)
Bill Stockwell
Metropolitan Planning Department
City Hall
455 North Main Street
Wichita, KS 67202

TRANSPORTATION RESEARCH

AEI SCANNER TRAIN HISTORY SUMMARY FOR SCANNER #359-SOUTH WICHITA

FOR PERIOD 06/01/97-06/30/97

DATE	THRU TRAINS
06/01/97	2
06/02/97	4
06/03/97	5
06/04/97	3
06/05/97	5
06/06/97	3
06/07/97	3
06/08/97	2
06/09/97	3
06/10/97	6
06/11/97	3
06/12/97	3
06/13/97	3
06/14/97	3
06/15/97	3
06/16/97	1
06/17/97	5
06/18/97	3
06/19/97	5
06/20/97	2
06/21/97	4
06/22/97	2
06/23/97	3
06/24/97	4
06/25/97	3
06/26/97	5
06/27/97	3
06/28/97	3
06/29/97	2
06/30/97	2
*TOTAL 97	98

** AVG_THRU_TRN 3.27

TOTAL 98

VERIFICATION

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

Clyde Anderson, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Clyde Anderson

Clyde Anderson

SUBSCRIBED AND SWORN to before me this 1st day of July, 1997.

GENERAL NOTARY-State of Nebraska
J.L. REGIER
My Comm. Exp. June 18, 1999

J.L. Regier

Notary Public

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H

AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA

FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/01/97	1037	4479	YWH55	02	Y	YARD/WORK	S
06/01/97	1123	4480	YWH55	02	Y	YARD/WORK	N
06/01/97	1152	4481	MFWWT	31	T	THROUGH	N
06/01/97	1509	4482	YWH55	02	Y	YARD/WORK	S
06/01/97	1657	4483	YWH55	02	Y	YARD/WORK	N
06/01/97	1815	4484	MWTFW	01	T	THROUGH	S
06/01/97	2131	4485	YWH55	02	Y	YARD/WORK	S
06/01/97	2240	4486	YWH55	02	Y	YARD/WORK	N
06/02/97	0303	4487	MFWWT	01	T	THROUGH	N
06/02/97	0634	4488	LVB55	02	L	ARK CTY LOC	S
06/02/97	0907	4489	GLOLGV	01	G	THROUGH	S
06/02/97	1044	4490	YWH55	02	Y	YARD/WORK	S
06/02/97	1115	4491	LVB55	02	L	ARK CTY LOC	N
06/02/97	1159	4492	YWH55	02	Y	YARD/WORK	N
06/02/97	1744	4493	MWTFW	02	T	THROUGH	S
06/02/97	2229	4494	YWH62	02	Y	YARD/WORK	S
06/02/97	2301	4495	YWH62	02	Y	YARD/WORK	N
06/02/97	2313	4496	LVO54	02	L	THROUGH	N
06/03/97	0150	4497	MFWWT	02	T	THROUGH	N
06/03/97	0658	4498	LVB55	03	L	ARK CTY LOC	S
06/03/97	0909	4499	YWH55	03	Y	YARD/WORK	S
06/03/97	1033	4500	YWH55	03	Y	YARD/WORK	N
06/03/97	1051	4501	LVO55	03	L	THROUGH	S
06/03/97	1158	4502	LVB55	03	L	ARK CTY LOC	N
06/03/97	1406	4503	OCKWT	03	O	THROUGH	N
06/03/97	1808	4504	MWTFW	03	T	THROUGH	S
06/03/97	1930	4505	OWICK	03	O	THROUGH	S
06/03/97	2331	4506	YWH62	03	Y	YARD/WORK	S
06/04/97	0005	4507	YWH62	03	Y	YARD/WORK	N
06/04/97	0642	4508	LVB55	04	L	ARK CTY LOC	S
06/04/97	0933	4509	YWH55	04	Y	YARD/WORK	S
06/04/97	1006	4510	LVB55	04	L	ARK CTY LOC	N
06/04/97	1023	4511	MFWWT	03	T	THROUGH	N
06/04/97	1112	4512	YWH55	04	Y	YARD/WORK	N
06/04/97	1417	4513	YWH55	04	Y	YARD/WORK	S
06/04/97	1631	4514	YWH55	04	Y	YARD/WORK	N
06/04/97	1802	4515	MWTFW	04	T	THROUGH	S
06/04/97	2230	4516	LVO54	04	L	THROUGH	N
06/04/97	2320	4517	YWH62	04	Y	YARD/WORK	S
06/04/97	2349	4518	YWH62	04	Y	YARD/WORK	N
06/05/97	0406	4519	MFWWT	04	T	THROUGH	N
06/05/97	0637	4520	LVB55	05	L	ARK CTY LOC	S
06/05/97	0933	4521	YWH55	05	Y	YARD/WORK	S
06/05/97	1051	4522	LVO55	05	L	THROUGH	S
06/05/97	1100	4523	YWH55	05	Y	YARD/WORK	N

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H
AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA
FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/05/97	1328	4524	LVB55	05	L	ARK CTY LOC	N
06/05/97	1438	4525	OCKWT	05	O	THROUGH	N
06/05/97	1623	4526	LVO55	05	L	THROUGH	S
06/05/97	2040	4527	OWICK	05	O	THROUGH	S
06/05/97	2304	4528	YWH62	05	Y	YARD/WORK	S
06/05/97	2315	4529	YWH62	05	Y	YARD/WORK	N
06/06/97	0641	4530	LVB55	06	L	ARK CTY LOC	S
06/06/97	0928	4531	YWH55	06	Y	YARD/WORK	S
06/06/97	1009	4532	MFWWT	05	T	THROUGH	N
06/06/97	1048	4533	YWH55	06	Y	YARD/WORK	N
06/06/97	1224	4534	LVB55	06	L	ARK CTY LOC	N
06/06/97	1734	4535	MWTFW	06	T	THROUGH	S
06/06/97	2318	4536	YWH62	06	Y	YARD/WORK	S
06/06/97	2339	4537	LVO54	06	L	THROUGH	N
06/07/97	0018	4538	YWH62	06	Y	YARD/WORK	N
06/07/97	0528	4539	MFWWT	06	T	THROUGH	N
06/07/97	0633	4540	LVB55	07	L	ARK CTY LOC	S
06/07/97	1036	4541	LVO55	07	L	THROUGH	S
06/07/97	1059	4542	YWH55	07	Y	YARD/WORK	S
06/07/97	1138	4543	YWH55	07	Y	YARD/WORK	N
06/07/97	1140	4544	LVB55	07	L	ARK CTY LOC	N
06/07/97	1333	4545	YWH55	07	Y	YARD/WORK	S
06/07/97	1519	4546	YWH55	07	Y	YARD/WORK	N
06/07/97	1602	4547	MWTFW	07	T	THROUGH	S
06/07/97	2114	4548	YWH62	07	Y	YARD/WORK	S
06/07/97	2208	4549	YWH62	07	Y	YARD/WORK	N
06/08/97	1028	4550	YWH55	08	Y	YARD/WORK	S
06/08/97	1155	4551	YWH55	08	Y	YARD/WORK	N
06/08/97	1337	4552	MFWWT	07	T	THROUGH	N
06/08/97	1458	4553	YWH55	08	Y	YARD/WORK	S
06/08/97	1654	4554	YWH55	08	Y	YARD/WORK	N
06/08/97	1751	4555	MWTFW	08	T	THROUGH	S
06/08/97	2158	4556	YWH62	08	Y	YARD/WORK	S
06/08/97	2227	4557	YWH62	08	Y	YARD/WORK	N
06/09/97	0629	4558	LVB55	09	L	ARK CTY LOC	S
06/09/97	0959	4559	YWH55	09	Y	YARD/WORK	S
06/09/97	1020	4560	MFWWT	08	T	THROUGH	N
06/09/97	1126	4561	YWH55	09	Y	YARD/WORK	N
06/09/97	1135	4562	LVB55	09	L	ARK CTY LOC	N
06/09/97	1724	4563	MWTFW	09	T	THROUGH	S
06/09/97	2159	4564	LVO54	09	L	THROUGH	N
06/09/97	2310	4565	YWH62	09	Y	YARD/WORK	S
06/10/97	0000	4566	YWH62	09	Y	YARD/WORK	N
06/10/97	0026	4567	MFWWT	09	T	THROUGH	N
06/10/97	0641	4568	LVB55	10	L	ARK CTY LOC	S

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

TRANSPORTATION RESEARCH
AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA
FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/10/97	0943	4569	YWH55	10	Y	YARD/WORK	S
06/10/97	1026	4570	LVO55	10	L	THROUGH	S
06/10/97	1111	4571	YWH55	10	Y	YARD/WORK	N
06/10/97	1206	4572	LVB55	10	L	ARK CTY LOC	N
06/10/97	1529	4573	OCKWT	10	O	THROUGH	N
06/10/97	1720	4574	GSWWWT	08	G	THROUGH	N
06/10/97	1822	4575	MWTFW	10	T	THROUGH	S
06/10/97	2016	4576	OWTCK	10	O	THROUGH	S
06/10/97	2313	4577	YWH62	10	Y	YARD/WORK	S
06/10/97	2332	4578	YWH62	10	Y	YARD/WORK	N
06/11/97	0613	4579	MFWWT	10	T	THROUGH	N
06/11/97	0638	4580	LVB55	11	L	ARK CTY LOC	S
06/11/97	0954	4581	YWH55	11	Y	YARD/WORK	S
06/11/97	1107	4582	LVB55	11	L	ARK CTY LOC	N
06/11/97	1116	4583	YWH55	11	Y	YARD/WORK	N
06/11/97	1755	4584	MWTFW	11	T	THROUGH	S
06/11/97	2155	4585	LVO54	11	L	THROUGH	N
06/11/97	2306	4586	YWH62	11	Y	YARD/WORK	S
06/11/97	2350	4587	YWH62	11	Y	YARD/WORK	N
06/12/97	0601	4588	MFWWT	11	T	THROUGH	N
06/12/97	0642	4589	LVB55	12	L	ARK CTY LOC	S
06/12/97	1027	4590	YWH55	12	Y	YARD/WORK	S
06/12/97	1113	4591	LVO55	12	L	THROUGH	S
06/12/97	1209	4592	YWH55	12	Y	YARD/WORK	N
06/12/97	1232	4593	LVB55	12	L	ARK CTY LOC	N
06/12/97	1510	4594	YWH55	12	Y	YARD/WORK	S
06/12/97	1716	4595	MWTFW	12	T	THROUGH	S
06/12/97	1734	4596	YWH55	12	Y	YARD/WORK	S
06/12/97	1855	4597	YWH55	12	Y	YARD/WORK	N
06/12/97	2258	4598	WNLWWB	10	W	YARD/WORK	N
06/13/97	0644	4599	LVB55	13	L	ARK CTY LOC	S
06/13/97	1103	4600	YWH55	13	Y	YARD/WORK	S
06/13/97	1119	4601	MFWWT	12	T	THROUGH	N
06/13/97	1209	4602	YWH55	13	Y	YARD/WORK	N
06/13/97	1230	4603	LVB55	13	L	ARK CTY LOC	N
06/13/97	1347	4604	YWH55	13	Y	YARD/WORK	S
06/13/97	1604	4605	YWH55	13	Y	YARD/WORK	N
06/13/97	1822	4606	MWTFW	13	T	THROUGH	S
06/13/97	2035	4607	WWTSTB	13	W	YARD/WORK	S
06/13/97	2149	4608	LVO54	13	L	THROUGH	N
06/14/97	0641	4609	LVB55	14	L	ARK CTY LOC	S
06/14/97	0950	4610	LVB55	14	L	ARK CTY LOC	N
06/14/97	1009	4611	YWH55	14	Y	YARD/WORK	S
06/14/97	1031	4612	MFWWT	13	T	THROUGH	N
06/14/97	1044	4613	YWH55	14	Y	YARD/WORK	N

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H
AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA
FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/14/97	1057	4614	LVO55	14	L	THROUGH	S
06/14/97	1956	4615	MWTFW	14	T	THROUGH	S
06/14/97	2254	4616	YWH62	14	Y	YARD/WORK	S
06/14/97	2328	4617	YWH62	14	Y	YARD/WORK	N
06/15/97	0731	4618	MFWWT	14	T	THROUGH	N
06/15/97	0907	4619	YWH55	15	Y	YARD/WORK	S
06/15/97	1004	4620	YWH55	15	Y	YARD/WORK	N
06/15/97	1614	4621	MWTFW	15	T	THROUGH	S
06/15/97	2125	4622	YWH62	15	Y	YARD/WORK	S
06/15/97	2218	4623	YWH62	15	Y	YARD/WORK	N
06/15/97	2340	4624	MFWWT	15	T	THROUGH	N
06/16/97	0435	4625	WWTCKB	15	W	YARD/WORK	S
06/16/97	0627	4626	LVB55	16	L	ARK CTY LOC	S
06/16/97	0954	4627	YWH55	16	Y	YARD/WORK	S
06/16/97	1049	4628	LVB55	16	L	ARK CTY LOC	N
06/16/97	1143	4629	YWH55	16	Y	YARD/WORK	N
06/16/97	2123	4630	YWH60	16	Y	YARD/WORK	S
06/16/97	2157	4631	LVO54	16	L	THROUGH	N
06/16/97	2202	4632	YWH60	16	Y	YARD/WORK	N
06/17/97	0639	4633	LVB55	17	L	ARK CTY LOC	S
06/17/97	0744	4634	MFWWT	16	T	THROUGH	N
06/17/97	0925	4635	YWH55	17	Y	YARD/WORK	S
06/17/97	1045	4636	LVO55	17	L	THROUGH	S
06/17/97	1117	4637	YWH55	17	Y	YARD/WORK	N
06/17/97	1148	4638	LVB55	17	L	ARK CTY LOC	N
06/17/97	1446	4639	OCKWT	17	O	THROUGH	N
06/17/97	1716	4640	MWTFW	17	T	THROUGH	S
06/17/97	2112	4641	OWTCK	17	O	THROUGH	S
06/17/97	2250	4642	YWH62	17	Y	YARD/WORK	S
06/17/97	2336	4643	YWH62	17	Y	YARD/WORK	N
06/18/97	0631	4644	LVB55	18	L	ARK CTY LOC	S
06/18/97	0810	4645	MFWWT	17	T	THROUGH	N
06/18/97	0948	4646	YWH55	18	Y	YARD/WORK	S
06/18/97	1039	4647	YWH55	18	Y	YARD/WORK	N
06/18/97	1042	4648	LVB55	18	L	ARK CTY LOC	N
06/18/97	1404	4649	YWH55	18	Y	YARD/WORK	S
06/18/97	1543	4650	YWH55	18	Y	YARD/WORK	N
06/18/97	1829	4651	MWTFW	18	T	THROUGH	S
06/18/97	2244	4652	LVO54	18	L	THROUGH	N
06/18/97	2326	4653	YWH62	18	Y	YARD/WORK	S
06/19/97	0013	4654	YWH62	18	Y	YARD/WORK	N
06/19/97	0638	4655	LVB55	19	L	ARK CTY LOC	S
06/19/97	0725	4656	MFWWT	18	T	THROUGH	N
06/19/97	1002	4657	YWH55	19	Y	YARD/WORK	S
06/19/97	1102	4658	LVB55	19	L	ARK CTY LOC	N

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H

AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA

FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/19/97	1147	4659	YWH55	19	Y	YARD/WORK	N
06/19/97	1153	4660	LVO55	19	L	THROUGH	S
06/19/97	1341	4661	OCKWT	18	O	THROUGH	N
06/19/97	1356	4662	YWH55	19	Y	YARD/WORK	S
06/19/97	1621	4663	YWH55	19	Y	YARD/WORK	N
06/19/97	1716	4664	WWTBUG	19	W	YARD/WORK	S
06/19/97	1738	4665	MWTFW	19	T	THROUGH	S
06/19/97	2024	4666	OWTCK	19	O	THROUGH	S
06/19/97	2232	4667	YWH62	19	Y	YARD/WORK	S
06/19/97	2300	4668	YWH62	19	Y	YARD/WORK	N
06/20/97	0944	4669	YWH55	20	Y	YARD/WORK	S
06/20/97	1118	4670	YWH55	20	Y	YARD/WORK	N
06/20/97	1224	4671	LVB55	20	L	ARK CTY LOC	N
06/20/97	1700	4672	MWTFW	20	T	THROUGH	S
06/20/97	2159	4673	YWH62	20	Y	YARD/WORK	S
06/20/97	2248	4674	YWH62	20	Y	YARD/WORK	N
06/20/97	2320	4675	LVO54	20	L	THROUGH	N
06/21/97	0210	4676	MFWWT	19	T	THROUGH	N
06/21/97	0638	4677	LVB55	21	L	ARK CTY LOC	S
06/21/97	1003	4678	YWH55	21	Y	YARD/WORK	S
06/21/97	1049	4679	LVO55	21	L	THROUGH	S
06/21/97	1127	4680	YWH55	21	Y	YARD/WORK	N
06/21/97	1132	4681	LVB55	21	L	ARK CTY LOC	N
06/21/97	1412	4682	YWH55	21	Y	YARD/WORK	S
06/21/97	1553	4683	YWH55	21	Y	YARD/WORK	N
06/21/97	1655	4684	MWTFW	21	T	THROUGH	S
06/21/97	1718	4685	MFWWT	20	T	THROUGH	N
06/21/97	2210	4686	YWH62	21	Y	YARD/WORK	S
06/21/97	2303	4687	YWH62	21	Y	YARD/WORK	N
06/22/97	0616	4688	MFWWT	21	T	THROUGH	N
06/22/97	1001	4689	YWH55	22	Y	YARD/WORK	S
06/22/97	1100	4690	YWH55	22	Y	YARD/WORK	N
06/22/97	1541	4691	MWTFW	22	T	THROUGH	S
06/22/97	2130	4692	YWH52	23	Y	YARD/WORK	S
06/22/97	2211	4693	YWH52	23	Y	YARD/WORK	N
06/23/97	0634	4694	LVB55	23	L	ARK CTY LOC	S
06/23/97	0947	4695	YWH55	23	Y	YARD/WORK	S
06/23/97	1022	4696	YWH55	23	Y	YARD/WORK	S
06/23/97	1034	4697	YWH55	23	Y	YARD/WORK	N
06/23/97	1049	4698	LVB55	23	L	ARK CTY LOC	N
06/23/97	1116	4699	YWH55	23	Y	YARD/WORK	N
06/23/97	1550	4700	MFWWT	22	T	THROUGH	N
06/23/97	2014	4701	MWTFW	23	T	THROUGH	S
06/23/97	2255	4702	LVO54	23	L	THROUGH	N
06/24/97	0637	4703	LVB55	24	L	ARK CTY LOC	S

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H

AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA

FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/24/97	1031	4704	LVB55	24	L	ARK CTY LOC	N
06/24/97	1110	4705	LVO55	24	L	THROUGH	S
06/24/97	1531	4706	OCKWT	24	O	THROUGH	N
06/24/97	1609	4707	MWTFW	24	T	THROUGH	S
06/24/97	2114	4708	OWICK	24	O	THROUGH	S
06/24/97	2204	4709	YWH62	24	Y	YARD/WORK	S
06/24/97	2229	4710	YWH62	24	Y	YARD/WORK	N
06/25/97	0643	4711	LVB55	25	L	ARK CTY LOC	S
06/25/97	0919	4712	YWH55	25	Y	YARD/WORK	S
06/25/97	1036	4713	YWH55	25	Y	YARD/WORK	N
06/25/97	1201	4714	LVB55	25	L	ARK CTY LOC	N
06/25/97	1315	4715	YWH55	25	Y	YARD/WORK	S
06/25/97	1522	4716	YWH55	25	Y	YARD/WORK	N
06/25/97	2004	4717	MWTFW	25	T	THROUGH	S
06/25/97	2219	4718	MFWWT	23	T	THROUGH	N
06/25/97	2248	4719	LVO54	25	L	THROUGH	N
06/26/97	0643	4720	LVB55	26	L	ARK CTY LOC	S
06/26/97	0939	4721	YWH55	26	Y	YARD/WORK	S
06/26/97	1013	4722	YWH55	26	Y	YARD/WORK	N
06/26/97	1021	4723	LVO55	26	L	THROUGH	S
06/26/97	1155	4724	LVB55	26	L	ARK CTY LOC	N
06/26/97	1535	4725	OCKWT	26	O	THROUGH	N
06/26/97	1852	4726	MFWWT	25	T	THROUGH	N
06/26/97	2052	4727	MWTFW	26	T	THROUGH	S
06/26/97	2110	4728	OWICK	26	O	THROUGH	S
06/26/97	2308	4729	YWH62	26	Y	YARD/WORK	S
06/27/97	0019	4730	YWH62	26	Y	YARD/WORK	N
06/27/97	0727	4731	LVB55	27	L	ARK CTY LOC	S
06/27/97	1027	4732	YWH55	27	Y	YARD/WORK	S
06/27/97	1157	4733	YWH55	27	Y	YARD/WORK	N
06/27/97	1211	4734	LVB55	27	L	ARK CTY LOC	N
06/27/97	1346	4735	MFWWT	26	T	THROUGH	N
06/27/97	1734	4736	MWTFW	27	T	THROUGH	S
06/27/97	2257	4737	YWH62	27	Y	YARD/WORK	S
06/27/97	2326	4738	LVO54	27	L	THROUGH	N
06/27/97	2348	4739	YWH62	27	Y	YARD/WORK	N
06/28/97	0636	4740	LVB55	28	L	ARK CTY LOC	S
06/28/97	0747	4741	MFWWT	27	T	THROUGH	N
06/28/97	0947	4742	YWH55	28	Y	YARD/WORK	S
06/28/97	1041	4743	YWH55	28	Y	YARD/WORK	N
06/28/97	1055	4744	LVO55	28	L	THROUGH	S
06/28/97	1112	4745	LVB55	28	L	ARK CTY LOC	N
06/28/97	1758	4746	MWTFW	28	T	THROUGH	S
06/28/97	2159	4747	YWH62	28	Y	YARD/WORK	S
06/28/97	2232	4748	YWH62	28	Y	YARD/WORK	N

PROGRAM: FPAN127.FOCUS.EXEC(AEIHIST-WHTA-4) 07/01/97 09.52.28

T R A N S P O R T A T I O N R E S E A R C H
AEI SCANNER TRAIN HISTORY DETAIL REPORT FOR SCANNER #359-SOUTH WICHITA
FOR PERIOD 06/01/97-06/30/97

DATE	TIME	SEQ NUM	TRAIN		TRN CAT	TRAIN TYPE	DIR
06/29/97	1028	4749	YWH55	29	Y	YARD/WORK	S
06/29/97	1126	4750	YWH55	29	Y	YARD/WORK	N
06/29/97	1456	4751	MFWWT	28	T	THROUGH	N
06/29/97	1512	4752	YWH55	29	Y	YARD/WORK	S
06/29/97	1623	4753	YWH55	29	Y	YARD/WORK	N
06/29/97	1950	4754	MWTFW	29	T	THROUGH	S
06/29/97	2110	4755	YWH62	29	Y	YARD/WORK	S
06/29/97	2200	4756	YWH62	29	Y	YARD/WORK	N
06/30/97	0637	4757	LVB55	30	L	ARK CTY LOC	S
06/30/97	1003	4758	YWH55	30	Y	YARD/WORK	S
06/30/97	1048	4759	LVB55	30	L	ARK CTY LOC	N
06/30/97	1128	4760	YWH55	30	Y	YARD/WORK	N
06/30/97	1433	4761	YWH55	30	Y	YARD/WORK	S
06/30/97	1626	4762	YWH55	30	Y	YARD/WORK	N
06/30/97	1752	4763	MWTFW	30	T	THROUGH	S
06/30/97	2157	4764	GSOLGV	29	G	THROUGH	S
06/30/97	2307	4765	YWH62	30	Y	YARD/WORK	S

RECAP OF PASSING REPORTS FOR MONTH OF JUNE 1997
RENO, NEVADA

DATE	FREIGHT
1-Jun	10
2-Jun	13
3-Jun	14
4-Jun	9
5-Jun	9
6-Jun	14
7-Jun	11
8-Jun	13
9-Jun	6
10-Jun	12
11-Jun	14
12-Jun	10
13-Jun	10
14-Jun	14
15-Jun	11
16-Jun	9
17-Jun	11
18-Jun	13
19-Jun	10
20-Jun	14
21-Jun	5
22-Jun	14
23-Jun	10
24-Jun	8
25-Jun	13
26-Jun	12
27-Jun	14
28-Jun	12
29-Jun	14
30-Jun	8

FREIGHT TRAIN MONTH TO DATE AVERAGE 11.3

STATION PASSING REPORT FOR June 1, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	440 AM	1MRVRO-31	E	F
2	1225 PM	1ZOACH-01	E	F
3	410 PM	1MRVAS-31	E	F
4	250 AM	3MRORV-30	W	F
5	805 AM	1ZG10A-30	W	F
6	1205 PM	1AROOA-31	W	F
7	240 PM	2MRORV-30	W	F
8	515 PM	1ARORV-31	W	F
9	655 PM	1UPBKG-01	W	F
10	1135 PM	1MRORV-31	W	F
11	542 PM	PASSENGER	E	P
12	1112 AM	PASSENGER	W	P
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/2/97
Date

STATION PASSING REPORT FOR June 2, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1245 AM	1CTASK-30	E	F
2	230 AM	1AOAKS-31	E	F
3	320 AM	1MRVKS-31	E	F
4	855 AM	1MRVAS-01	E	F
5	1230 PM	1AOAKS-01	E	F
6	435 PM	1MRVRO-K01	E	F
7	620 PM	1MRVKS-01	E	F
8	850 PM	1MRVAS-K02	E	F
9	1050 PM	1CRIGV-01	E	F
10	425 AM	1ZG10A-31	W	F
11	205 PM	2UPBKG-01	W	F
12	420 PM	1AROOA-01	W	F
13	710 PM	1MRORVB-01	W	F
14	629 PM	PASSENGER	E	P
15	1235 PM	PASSENGER	W	P
16	200 AM	YARD ENGINE	W	SW
17	220 AM	YARD ENGINE	E	SW
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/3/97
Date

STATION PASSING REPORT FOR June 3, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1020 AM	1MRVRO-02	E	F
2	1030 AM	1BKOGG-02	E	F
3	1235 PM	1ZOACH-03	E	F
4	515 PM	1MRVKS-02	E	F
5	540 PM	1TJBPG-02	E	F
6	945 PM	1AORKS-02	E	F
7	1105 PM	1MRBKS-03	E	F
8	435 AM	1ZG10A-01	W	F
9	150 PM	1MRORV-K01	W	F
10	315 PM	3MRORVB-01	W	F
11	415 PM	1CSKTZ-30	W	F
12	525 PM	1AROOA-02	W	F
13	830 PM	1UPBKG-02	W	F
14	1005 PM	1UPTZG-02	W	F
15	603 PM	PASSENGER	E	P
16	1040 AM	PASSENGER	W	P
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/4/97
Date

STATION PASSING REPORT FOR June 4, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	100 AM	1ZOACH-04	E	F
2	130 AM	1MRVRO-03	E	F
3	750 PM	1AOAKS-03	E	F
4	1000 PM	1MRVKS-04	E	F
5	445 AM	1ZG10A1-02	W	F
6	500 AM	1AROOA-03	W	F
7	615 AM	2MRORV-02	W	F
8	150 PM	2MRORVB-K02	W	F
9	1005 PM	3MRORV-02	W	F
10	730 PM	PASSENGER	E	P
11	1130 AM	PASSENGER	W	P
12	145 PM	YARD ENGINE	W	SW
13	430 PM	YARD ENGINE	E	SW
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/5/97
Date

STATION PASSING REPORT FOR June 5, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	655 AM	1CTASK-02	E	F
2	1155 AM	1MRVRO-04	E	F
3	1200 PM	1ZOACH-05	E	F
4	815 PM	1AOAKS-04	E	F
5	105 AM	1CSKTA-02	W	F
6	610 AM	1ZG10A2-03	W	F
7	625 AM	1AROOA-04	W	F
8	935 AM	1MRORV-03	W	F
9	545 PM	1UPPYG-04	W	F
10	635 PM	PASSENGER	E	P
11	244 PM	PASSENGER	W	P
12	355 AM - 518 AM	HELPER ENGINE	N/A	LE
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/6/97
Date

STATION PASSING REPORT FOR June 6, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	155 AM	1MRVKS-05	E	F
2	615 AM	1MRVRO-05	E	F
3	1105 AM	1TZUPG-05	E	F
4	120 PM	1ZOACH-06	E	F
5	320 PM	1AOAKS-05	E	F
6	1200 PM	1MRVKS-06	E	F
7	135 AM	2MRORVB-04	W	F
8	230 AM	1AROOA-05	W	F
9	335 AM	1CCOPT-05	W	F
10	600 AM	1ZG10A3-04	W	F
11	140 PM	2AROOA-05	W	F
12	350 PM	2MRORV-05	W	F
13	650 PM	1MRORVB-03	W	F
14	940 PM	1MRORV-05	W	F
15	627 PM	PASSENGER	E	P
16	1128 AM	PASSENGER	W	P
17	1045 AM	YARD ENGINE	W	SW
18	1220 PM	YARD ENGINE	E	SW
19	949 PM - 1117 PM	HELPER ENGINE	N/A	LE
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
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Assistant General Manager
Transportation Service Center

6/9/97
Date

STATION PASSING REPORT FOR June 7, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	235 AM	1MRVAS-06	E	F
2	1100 AM	1ZOACH-07	E	F
3	250 PM	1AOAKS-06	E	F
4	450 PM	1MRVAS-07	E	F
5	1050 PM	1MRVRO-06	E	F
6	1130 PM	1PYUPG-06	E	F
7	315 AM	1AROOA-06	W	F
8	610 AM	1ZG10A-05	W	F
9	630 AM	1ARORV-05	W	F
10	1155 AM	3MRORV-05	W	F
11	825 PM	1MRORV-06	W	F
12	558 PM	PASSENGER	E	P
13	1105 AM	PASSENGER	W	P
14	830 AM	YARD ENGINE	W	SW
15	940 AM	YARD ENGINE	E	SW
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
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Assistant General Manager
Transportation Service Center

6/9/97
Date

STATION PASSING REPORT FOR June 8, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	125 AM	1MRVKS-07	E	F
2	1050 AM	1ZOACH-08	E	F
3	225 PM	1MRVRO-07	E	F
4	420 PM	1AOAKS-07	E	F
5	910 PM	1CRIGV-07	E	F
6	950 PM	1MRVAS-08	E	F
7	120 AM	1AROOA-07	W	F
8	210 AM	1CSKTA-06	W	F
9	315 AM	2CSKTA-06	W	F
10	610 AM	2MRORV-06	W	F
11	1040 AM	1ZG10A-06	W	F
12	1240 PM	1ARORV-07	W	F
13	915 PM	2AROOA-07	W	F
14	614 PM	PASSENGER	E	P
15	1101 AM	PASSENGER	W	P
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6/9/97
Date

STATION PASSING REPORT FOR June 9, 1997
Train and Engine Movements through central Reno. Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	420 PM	1AOAKS-08	E	F
2	950 PM	1MRVKS-08	E	F
3	855 AM	1ZG10A-07	W	F
4	1010 AM	1MRORVB-07	W	F
5	510 PM	1MRORVB-08	W	F
6	820 PM	1AROOA-08	W	F
7	655 PM	PASSENGER	E	P
8	450 PM	PASSENGER	W	P
9				
10				
11				
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22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
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Assistant General Manager
Transportation Service Center

6-10-97
Date

STATION PASSING REPORT FOR June 10, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1250 AM	1CRIGV-K10	E	F
2	630 AM	1MRVRO-08	E	F
3	955 AM	1AOAKS-09	E	F
4	1025 AM	1MRVAS-09	E	F
5	1050 AM	1MRVRO-09	E	F
6	1115 AM	1ZOACH2-10	E	F
7	700 PM	1MRVKS-10	E	F
8	1240 AM	3MRORV-06	W	F
9	755 AM	1ZG10A-08	W	F
10	1135 AM	1AROOA-09	W	F
11	250 PM	1ARORV-08	W	F
12	1145 PM	2MRORV-K08	W	F
13	6 .7 PM	PASSENGER	E	P
14	1 .0 PM	PASSENGER	W	P
15	200 PM	YARD ENGINE	W	SW
16	330 PM	YARD ENGINE	E	SW
17	949 PM - 1121 PM	HELPER ENGINE	N/A	LE
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
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Assistant General Manager
Transportation Service Center

6-11-97
Date

STATION PASSING REPORT FOR June 11, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	530 AM	1MRVRO-09	E	F
2	920 AM	1CRIGV-10	E	F
3	1055 AM	1ZOACH-11	E	F
4	250 PM	1PYUPG-10	E	F
5	500 PM	1AOAKS-10	E	F
6	1110 PM	1MRVKS-11	E	F
7	455 AM	1ZG10A-09	W	F
8	510 AM	1AROOA-10	W	F
9	550 AM	2MRORV-09	W	F
10	730 AM	2MRORVB-09	W	F
11	110 PM	1ARORV-10	W	F
12	330 PM	3MRORV-09	W	F
13	615 PM	2MRORV-10	W	F
14	1125 PM	1MRORVB-10	W	F
15	605 PM	PASSENGER	E	P
16	1155 AM	PASSENGER	W	P
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-12-97
Date

STATION PASSING REPORT FOR June 12, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1200 AM	1MRVRO-11	E	F
2	1145 AM	1ZOACH-12	E	F
3	140 PM	1AOAKS-11	E	F
4	605 PM	1MRVKS-K12	E	F
5	910 PM	1CRIGV-11	E	F
6	1050 PM	2MRVRO-12	E	F
7	400 AM	1AROCA-11	W	F
8	720 AM	2MRORV-11	W	F
9	1005 AM	1ZG10A2-10	W	F
10	1020 PM	1MRORV-11	W	F
11	640 PM	PASSENGER	E	P
12	157 PM	PASSENGER	W	P
13	229 AM - 254 AM	HELPER ENGINE	N/A	LE
14				
15				
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20				
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22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
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Assistant General Manager
Transportation Service Center

6-13-97
Date

STATION PASSING REPORT FOR June 13, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1100 AM	1ZOACH-13	E	F
2	250 PM	1CTASK-11	E	F
3	420 PM	1AOAKS-12	E	F
4	1010 PM	1MRVRO-12	E	F
5	125 AM	1ARORV-12	W	F
6	325 AM	3MRORV-11	W	F
7	630 AM	1ZG10A3-11	W	F
8	1030 AM	4MRORV-11	W	F
9	250 PM	1AROOA-12	W	F
10	855 PM	1MRORV-12	W	F
11	715 PM	PASSENGER	E	P
12	150 PM	PASSENGER	W	P
13	100 PM	YARD ENGINE	W	SW
14	230 PM	YARD ENGINE	E	SW
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-16-97
Date

STATION PASSING REPORT FOR June 14, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	330 AM	1CTASK-12	E	F
2	410 AM	1MRVAS-13	E	F
3	445 AM	1MRVKS-13	E	F
4	1050 AM	1ZOACH-14	E	F
5	145 PM	1AOAKS-13	E	F
6	750 PM	1MRVRO-13	E	F
7	805 PM	1MRVAS-14	E	F
8	535 AM	1ZG10A-12	W	F
9	545 AM	1AROOA-13	W	F
10	950 AM	1UPBKG-13	W	F
11	245 PM	1MRORVB-K12	W	F
12	340 PM	1CSKWC-12	W	F
13	715 PM	2UPBKG-13	W	F
14	1110 PM	1MRORV-13	W	F
15	702 PM	PASSENGER	E	P
16	133 PM	PASSENGER	W	P
17				
18				
19				
20				
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22				
23				
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-16-97
Date

STATION PASSING REPORT FOR June 15, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	805 AM	1MRVKS-14	E	F
2	1035 AM	1ZOACH-15	E	F
3	1150 AM	1AOAKS-14	E	F
4	935 PM	1MRVRO-K14	E	F
5	1005 PM	1MRVAS-15	E	F
6	1150 PM	1MRVKS-15	E	F
7	725 AM	1ZG10A-13	W	F
8	800 AM	1AROOA-14	W	F
9	1050 AM	1MRORVB-14	W	F
10	245 PM	2MRORV-K14	W	F
11	310 PM	1ARORV-14	W	F
12	621 PM	PASSENGER	E	P
13	121 PM	PASSENGER	W	P
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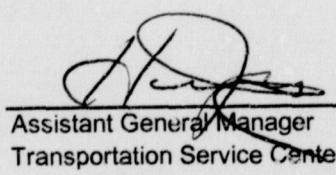
*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.



Assistant General Manager
Transportation Service Center

6-16-97
Date

STATION PASSING REPORT FOR June 16, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1250 AM	1CTASK-13	E	F
2	1015 AM	1BKOGG-11	E	F
3	1235 PM	1AOAKS-15	E	F
4	535 PM	1MRVRO-K15	E	F
5	315 AM	1AROOA-15	W	F
6	340 AM	1SXRVB1-16	W	F
7	635 AM	1ZG10A-14	W	F
8	915 AM	1MRORV-14	W	F
9	1235 PM	2AROOA-15	W	F
10	720 PM	PASSENGER	E	P
11	1058 AM	PASSENGER	W	P
12				
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-17-97
Date

STATION PASSING REPORT FOR June 17, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1210 AM	1MRVAS-16	E	F
2	205 AM	1MRVKS-16	E	F
3	1000 AM	1MRVRO-16	E	F
4	1010 AM	1ZOACH-17	E	F
5	420 PM	1TZUPG-16	E	F
6	320 AM	1AROOA-16	W	F
7	640 AM	1ZG10A-15	W	F
8	910 AM	2MRORV-K15	W	F
9	110 PM	1ARORV-16	W	F
10	510 PM	1UPPYG-16	W	F
11	735 PM	1AROOA-17	W	F
12	700 PM	PASSENGER	E	P
13	1037 AM	PASSENGER	W	P
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-18-97
Date

STATION PASSING REPORT FOR June 18, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1235 AM	1AOAKS-16	E	F
2	100 AM	1MRVKS-17	E	F
3	1100 AM	1MRVRO-17	E	F
4	1250 PM	1ZOACH-18	E	F
5	740 PM	1AOAKS-17	E	F
6	835 PM	1TJUPG-16	E	F
7	920 PM	1MSTGJ-18	E	F
8	630 AM	1ZG10A-16	W	F
9	800 AM	1CCOPT-15	W	F
10	1005 AM	1AHNOA-15	W	F
11	1200 PM	1MROOA-16	W	F
12	230 PM	1UPPYG-17	W	F
13	520 PM	3MRORV-K15	W	F
14	715 PM	PASSENGER	E	P
15	1107 AM	PASSENGER	W	P
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-19-97
Date

STATION PASSING REPORT FOR June 19, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	435 PM	1ZOACH-19	E	F
2	525 PM	1ZOAKS-19	E	F
3	610 PM	1CRIGV-17	E	F
4	1005 PM	1BKOGG-18	E	F
5	1050 PM	2BKOGG-18	E	F
6	1250 AM	1CBGRS-17	W	F
7	440 AM	1ZG1OA2-17	W	F
8	520 AM	1AHNOA-16	W	F
9	935 AM	1MRVST-17	W	F
10	720 PM	1MROOA-18	W	F
11	945 PM	PASSENGER	E	P
12	1053 AM	PASSENGER	W	P
13	915 PM	YARD ENGINE	W	SW
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-20-97
Date

STATION PASSING REPORT FOR June 20, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	125 AM	1CTASK-18	E	F
2	230 AM	1MRVRO-18	E	F
3	705 AM	1MRVRO-19	E	F
4	1140 AM	1ZOACH-20	E	F
5	610 PM	1AOAKS-19	E	F
6	745 PM	1MSTGJ-19	E	F
7	920 PM	2MOARO-19	E	F
8	1145 PM	1MOARO-19	E	F
9	540 AM	1ZG1OA3-18	W	F
10	740 AM	1MOGSTB-18	W	F
11	900 AM	1UPBKG-18	W	F
12	1250 PM	2AHONA-17	W	F
13	330 PM	2MRORV-17	W	F
14	725 PM	1MROST-18	W	F
15	706 PM	PASSENGER	E	P
16	1056 AM	PASSENGER	W	P
17	1245 PM	YARD ENGINE	W	SW
18	215 PM	YARD ENGINE	E	SW
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-23-97
Date

STATION PASSING REPORT FOR June 21, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	930 AM	2MOARO-19	E	F
2	1000 AM	1AOAKS-20	E	F
3	1040 AM	1ZOACH-21	E	F
4	325 PM	1MSTGJ-20	E	F
5	700 AM	1ZG1OA-19	W	F
6	505 PM	1CSKWC-19	W	F
7	618 PM	PASSENGER	E	P
8	552 PM	PASSENGER	W	P
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-23-97
Date

STATION PASSING REPORT FOR June 22, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1201 AM	1MSTGJ-21	E	F
2	520 AM	1PYPUG-20	E	F
3	635 AM	1MRVRO-20	E	F
4	1025 AM	1ZOACH-22	E	F
5	120 PM	1AOAKS-21	E	F
6	405 PM	1MOARO-21	E	F
7	930 PM	1MRVROB-21	E	F
8	1250 AM	1MRORV-19	W	F
9	145 AM	2AHNOA-19	W	F
10	700 AM	1ZG1OA-20	W	F
11	710 AM	2MROST-22	W	F
12	230 PM	1AHNOA-19	W	F
13	515 PM	1MRORV-20	W	F
14	615 PM	2AROOA-22	W	F
15	546 PM	PASSENGER	E	P
16	1258 PM	PASSENGER	W	P
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-23-97
Date

STATION PASSING REPORT FOR June 23, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	350 AM	2MSTGJ-21	E	F
2	1105 AM	1MRVRO-22	E	F
3	355 PM	1AOAKS-22	E	F
4	1115 PM	1MSTGJ-22	E	F
5	1250 AM	1MROST-20	W	F
6	145 AM	1ZG1OA-21	W	F
7	605 AM	1AHNOA-20	W	F
8	100 PM	2AHNOA-20	W	F
9	255 PM	1CSKST-16	W	F
10	1030 PM	1MRORV-20	W	F
11	724 PM	PASSENGER	E	P
12	1122 AM	PASSENGER	W	P
13	1215 PM	YARD ENGINE	W	SW
14	200 PM	YARD ENGINE	E	SW
15				
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-24-97
Date

STATION PASSING REPORT FOR June 24, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1115 AM	1ZOACH2-24	E	F
2	305 PM	1MRVRO-23	E	F
3	325 PM	1AOAKS-23	E	F
4	230 AM	1MROOA-23	W	F
5	735 AM	1ZG1OA-22	W	F
6	245 PM	1MROST-21	W	F
7	340 PM	1AHNOA-21	W	F
8	505 PM	1UPTZG-23	W	F
9	630 PM	PASSENGER	E	P
10	1234 PM	PASSENGER	W	P
11				
12				
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20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-25-97
Date

STATION PASSING REPORT FOR June 25, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	115 AM	1CRIGV-23	E	F
2	525 AM	1MSTGJ-23	E	F
3	1020 AM	1BKOGG-23	E	F
4	1225 PM	1ZOACH-25	E	F
5	305 PM	1AOAKS-24	E	F
6	1225 AM	1CCOPT-22	W	F
7	240 AM	1UPBKG-24	W	F
8	540 AM	1MROST-22	W	F
9	755 AM	1ZG1OA1-23	W	F
10	940 AM	1MROOA-24	W	F
11	420 PM	1AHNOA-22	W	F
12	545 PM	1MROST-23	W	F
13	1030 PM	1CSKTA-23	W	F
14	618 PM	PASSENGER	E	P
15	411 PM	PASSENGER	W	P
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-26-97
Date

STATION PASSING REPORT FOR June 26, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1050 AM	1MOARO-24	E	F
2	1110 AM	1ZOACH-26	E	F
3	315 PM	1AOAKS-25	E	F
4	520 PM	1CTASK-24	E	F
5	840 PM	1BKOGG-24	E	F
6	1000 PM	1MRVRO-24	E	F
7	310 AM	1MROOA-23	W	F
8	645 AM	1ZG1OA2-24	W	F
9	655 AM	1MRORV-23	W	F
10	325 PM	1MOGSTB-24	W	F
11	835 PM	1UPTJG-25	W	F
12	1135 PM	1AHNOA-23	W	F
13	655 PM	PASSENGER	E	P
14	1250 PM	PASSENGER	W	P
15	115 PM	YARD ENGINE	W	SW
16	530 PM	YARD ENGINE	E	SW
17	120 PM	WWDEEG-25	W	W
18	520 PM	WWDTKG-25	W	W
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-27-97
Date

STATION PASSING REPORT FOR June 27, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1205 AM	1MSTGJ-24	E	F
2	1215 AM	1MOARO-25	E	F
3	950 AM	1MRVRO-25	E	F
4	250 PM	1ZOACH-27	E	F
5	720 PM	1AOAKS-26	E	F
6	930 PM	1MRVRO-26	E	F
7	1025 PM	1CTASK-25	E	F
8	1055 PM	1TZUPG-26	E	F
9	1235 AM	1MRORV-24	W	F
10	505 AM	2AHNOA-24	W	F
11	645 AM	1ZG1OA3-25	W	F
12	230 PM	1AHNOA-24	W	F
13	400 PM	2MROST-26	W	F
14	815 PM	1CSKWC-25	W	F
15	646 PM	PASSENGER	E	P
16	1212 PM	PASSENGER	W	P
17	305 AM - 436 AM	HELPER ENGINE	N/A	LE
18	1048 AM - 1110 AM	HELPER ENGINE	N/A	LE
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-30-97
Date

STATION PASSING REPORT FOR June 28, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	1005 AM	1AOAKS-27	E	F
2	1120 AM	1MRVRO-27	E	F
3	1205 PM	1ZOACH-28	E	F
4	515 PM	1PYUPG-26	E	F
5	1020 PM	1MSTGJ-25	E	F
6	1130 PM	1CRSBG-26	E	F
7	250 AM	1MROOA-27	W	F
8	610 AM	1ZAG1OA-26	W	F
9	1240 PM	1MROST-24	W	F
10	150 PM	1UPBKG-27	W	F
11	345 PM	1AHNOA-25	W	F
12	945 PM	1MROST-25	W	F
13	613 PM	PASSENGER	E	P
14	1216 PM	PASSENGER	W	P
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*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-30-97
Date

STATION PASSING REPORT FOR June 29, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	255 AM	1MOARO-27	E	F
2	1205 PM	1ZOACH-29	E	F
3	715 PM	1MRVRO-28	E	F
4	755 PM	1MSTGJ-27	E	F
5	1005 PM	1AOAKS-28	E	F
6	1100 PM	1TJUPG-28	E	F
7	1245 AM	1MRORV-25	W	F
8	510 AM	1MROST-26	W	F
9	1005 AM	1WCARV-28	W	F
10	1120 AM	1ZG1OA-27	W	F
11	535 PM	1MROST-27	W	F
12	715 PM	1MROOA-28	W	F
13	940 PM	1AHNOA-26	W	F
14	1050 PM	1UPBKG-29	W	F
15	602 PM	PASSENGER	E	P
16	1053 AM	PASSENGER	W	P
17				
18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-30-97
Date

STATION PASSING REPORT FOR June 30, 1997
Train and Engine Movements through central Reno, Nevada
Twenty-four hour period

	Reno Time (Est)	Train / Engine ID	Direction	Type*
1	235 AM	1CTASK-28	E	F
2	410 PM	1MOARO-29	E	F
3	910 PM	1AOAKS-29	E	F
4	1110 PM	1MSTGJ-29	E	F
5	540 AM	1ZG1OA-28	W	F
6	650 AM	1MROST-28	W	F
7	1110 AM	1MRORV-26	W	F
8	110 PM	1AHNOA-27	W	F
9	650 PM	PASSENGER	E	P
10	1042 AM	PASSENGER	W	P
11	230 PM	YARD ENGINE	W	SW
12	330 PM	YARD ENGINE	E	SW
13	430 PM	YARD ENGINE	W	SW
14	545 PM	YARD ENGINE	E	SW
15	401 AM - 456 AM	HELPER ENGINE	N/A	LE
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18				
19				
20				
21				
22				
23				
24				
25				

*Type: F (Freight) P (Passenger) W (Work) D (Detour) LE (Light Engine)
SW (Local and Industry Switch Movements)
EM (Snow, Wreck, Fire and other emergency movements)

AUTHENTICATION:
I certify under penalty of perjury that the foregoing record is true and correct and compiled from records maintained by SPT Company in the usual and ordinary course of business.

Assistant General Manager
Transportation Service Center

6-30-97
Date

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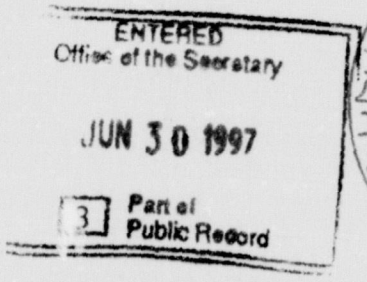
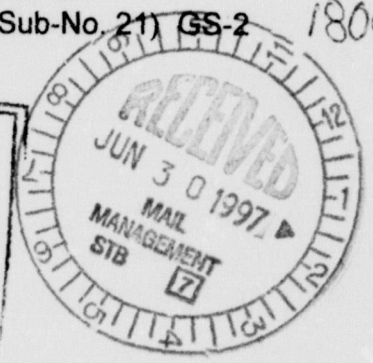
180410
180411

FD 32760 GS-10
FD 32760 (Sub-No. 21) GS-2





June 30, 1997

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: Finance Docket No. 32760 and Finance Docket No. 32760 (Sub-No. 21), Union Pacific Corp., et al. - -
Control & Merger - - Southern Pacific Rail Corp., et al.

Dear Secretary Williams:

Geneva Steel originally had serious concerns about the proposed UP/SP merger. Our mill had been s[illegible]y both the UP and the SP, and we had benefited from the head-to-head competition between the two carriers. Geneva had enjoyed various innovative, low-cost service arrangements, such as back-haul arrangements of coal for our inbound shipment of both iron ore pellets and coal. We believed that these arrangements were developed because UP and SP were competing head-to-head for Geneva's business. We feared that our transportation cost would increase once we lost the competition between UP and SP.

Our concerns about the merger were somewhat allayed when UP, in March 1996, agreed to provide BNSF with a new route on the Central Corridor and access to our facility. At that time, we entered into a long term contract with the UP, which was to take effect as our existing contracts with the UP and SP expired. We signed this contract in order to protect our interests by obtaining a surrogate for the competition we felt we were losing.

We had a provision in the long term contract which allowed us to cancel it within the first year. This provision along with the ruling by the Surface Transportation Board on opening 50% of the volume of UP contracts with "2-to-1" customers, prompted us to encourage the BNSF to make an offer for our traffic. In response to the BNSF bid, UP offered us a new contract for all of our inbound and outbound commodities. Several rounds of bidding followed. Both UP and BNSF offered us lower rates and better commitments regarding equipment and service than we had obtained under the long term contract we negotiated with the UP prior to the merger.

Both UP/SP and BNSF could compete on an origin-destination basis for many of the movements covered by the contract, and each also had advantages in terms of being able to serve certain origins or destinations on a single-line basis that the other competitor could not. In this regard, UP/SP and BNSF each could offer a wider array of single-line service

than UP and SP alone prior to the merger. Though BNSF's rate bids were lower overall, UP/SP had some key advantages in terms of single-line access to certain origins and destinations, which were important in our final decision. Consequently we awarded the contract to the UP. Nevertheless, under the contract, BNSF has access to shipments of steel to local BNSF points not served by the UP, a significant amount of taconite shipped from BNSF served origins, and any traffic for which UP does not meet its service and equipment commitments under the contract. Under these exclusions, more than 13,000 carloads of our business are potentially available to BNSF.

The new contract with UP has rates that are significantly lower than the rates under the contract we negotiated with UP prior to the merger. In addition, UP will be adding over 300 gondolas to our equipment pool and will be providing us with certain logistical support for our transportation needs. Both UP and BNSF have been willing and able to offer us lower rates and greater service commitments than we had before the merger and have been willing to commit to significant new equipment investments to handle our business.

Our experience with the bidding for this new contract has shown us that the competition between the UP and the BNSF is stronger than we had anticipated. We plan to offer to the BNSF as much competitive traffic as is available under the provisions of our contract with the UP. We are committed to helping to keep the BNSF a viable competitor in the Central Corridor.

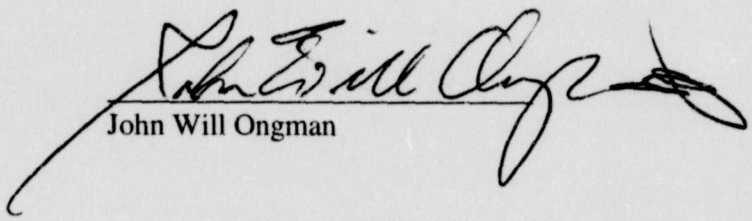
The UP/SP merger has provided both UP and BNSF with a broader network and more direct routes. We expect to see further benefits from shorter routes, more single-line service, and other improvements as the merger is implemented. We will continue of course, to monitor closely our rail transportation service and reserve the right, as a party of record in the oversight proceeding in Finance Docket No. 32760 (Sub-No. 21), to help ensure that the merger does not adversely effect our critical need for the highest quality transportation at the lowest possible price.

Sincerely,

Ralph D. Rupp
Manager Traffic
Geneva Steel

CERTIFICATE OF SERVICE

I certify that on this 30th day of June, 1997, a copy of the foregoing letter concerning Finance Dockets 32760 and 32760 (Sub-No. 21), GS-10 and GS-2 respectively, were served on the Parties of Record via first-class mail.



John Will Ongman

W. W. WHITEHURST & ASSOCIATES, INC.
ECONOMIC CONSULTANTS
12421 HAPPY HOLLOW ROAD
COCKEYSVILLE, MARYLAND 21030

PHONE (410) 252-2422

June 23, 1997

D

Office of the Secretary
Case Control Branch
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
Surface Transportation Board
Mercury Building
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Sirs:

Please add my name and address to the service list as a party of record ("POR") for receipt of all submissions of the parties and decisions in STB Finance Docket No. 32760 (Sub-No. 21) Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company - Control and Merger - Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and The Denver and Rio Grande Western Railroad Company.

PARTY OF RECORD
William W. Whitehurst, Jr.
W. W. Whitehurst & Associates, Inc.
Economic Consultants
12421 Happy Hollow Road
Cockeysville, MD 21030-1711

This original plus 25 copies are attached with this request. Please see Certificate of Service (attached) with the names of the parties we have notified.

Very truly yours,

William W. Whitehurst Jr. by RR

William W. Whitehurst, Jr.

WWW:rtp

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of June, 1997, I have caused to be served by first-class mail, postage prepaid on all Parties of Record on the attached service list copies of the foregoing Request to Be Party of Record:

Richard T. Pencek, Sr.

Richard T. Pencek, Sr.

STB Finance Docket No. 32760 (Sub-No. 21)
Parties of Record Notified from Service List dated 06/18/97

Richard A. Allen, Esq.
Zuckert, Scout, & Rasenberger, L.L.P.
888 Seventeenth Street, N.W., Suite 600
Washington, DC 20006-3939

James L. Belcher
P.O. Box 431
200 South Wilcox Drive
Kingsport, TN 37662

Martin W. Bercovici
Keller & Heckman
1001 G Street, N.W., Suite 500 West
Washington, DC 20001

Michael D. Billiel
Antitrust Div, Dept of Justice
325 Seventh Street, N.W., Suite 500
Washingtonm, DC 20530

Thomas B. Campbell, Jr.
P.O. Box 3272
Houston, TX 77253

Paul D. Coleman
Hoppel, Mayer & Coleman
1000 Connecticut Avenue, N.W., Suite 400
Washington, DC 20036-5302

Steve M. Coulter
Exxon Company USA
P.O. Box 4692
Houston, TX 77210-4692

Paul M. Donovan
Laroe, Winn, et al
3506 Idaho Avenue, N.W.
Washington, DC 20016

Kevin J. Dowd
Slover & Loftus
1224 17th Street, N.W.
Washington, DC 20036

Robert K. Dreiling
Kansas City Southern Rwy Co.
114 West 11th Street
Kansas City, MO 64105

Georgette M. Dugas
Supreme Rice Mill, Inc.
P.O. Box 490
Crowley, LA 70527

Craig Elkins
Brownsville Nav Dist Lessee Assoc
P.O. Box 5808
Brownsville, TX 78523

Daniel R. Elliott III
United Transp. Union
14600 Detroit Avenue
Cleveland, OH 44107

Richard J. Elston
Cyprus Amax Coals Sales Corp
9100 East Mineral Circle
Englewood, CO 80112

Michael P. Ferro
Millennium Petrochemicals, Inc.
11500 Northlake Drive
Cincinnati, OH 45249

Rebecca Fisher
Asst Atty General
P.O. Box 12548
Austin, TX 78711-2548

Robert K. Glynn
Hoisington Chamber of Commerce
123 North Main Street
Hoisington, KS 67544-2594

Andrew P. Goldstein
McCarthy, Sweeney, et al
1750 Pennsylvania Avenue, N.W.
Washington, DC 20006

Edward D. Greenberg
Galland, Kharasch, Morse & Garfinkle
1054 Thirty-First Street, N.W.
Washington, DC 20007-4492

F. Mark Hansen
F. Mark Hansen, P.C.
624 North 300 West Suite 200
Salt Lake City, UT 84103

James S. Hanson
2020 Dow Center
Midland, MI 48674

Claudia L. Howells
Oregon, Dept. of Trans.
Mill Creek Office Building
555 13th Street, N.E.
Salem, OR 97310

Barry Johnson, Senior Engineer
Southwestern Public Service Company
P.O. Box 1261
Amarillo, TX 79170

Erika Z. Jones
Mayer, Brown & Platrt
2000 Pennsylvania Ave, N.W., Suite 6500
Washington, DC 20006

Terrence D. Jones
Keller & Heckman
1001 G Street, N.W., Suite 500 West
Washington, DC 20001

Carl E. Kingston
Railco, Inc.
3213 South State Street
Salt Lake City, UT 84115

Paul H. Lamboley
Oppenheimer, Wolff & Donnelly
1020 19th Street, N.W., Suite 400
Washington, DC 20036

John P. Larue, Executive Director
The Port of Corpus Christi
P.O. Box 1541
222 Power Street
Corpus Christi, TX 78403

John H. Leseur
Slover & Loftus
1224 17th Street, N.W.
Washington, DC 20036-3081

C. Michael Loftus
Slover & Loftus
1224 17th Street, N.W.
Washington, DC 20036-3081

Wrennie Love
1601 W. LBJ Freeway
Dallas, TX 75234

Patricia A. Lynch
City Attorney - Reno City Hall
490 South City Street
Reno, NV 89501

Gordon P. MacDougall
1025 Connecticut Avenue, N.W., Suite 410
Washington, DC 20036

Michael F. McBride
Leboeuf, Lamb, Greene & Macrae, L.L.P.
1875 Connecticut Avenue, N.W., Suite 1200
Washington, DC 20009

Charles E. McHugh
Manager Transp. Procurement
The International Paper Company
6400 Poplar Avenue
Memphis, TN 38197

C. A. Mennell, President
Lackland Western RR Co.
31 Oak Terrace
Webster Groves, MO 63119

Christopher A. Mills
Slover & Loftus
1225 17th Street, N.W.
Washington, DC 20036

William A. Mullins
Troutman Sanders, LLP
1300 I Street, N.W., Suite 500 East
Washington, DC 20005-3314

John Will Ongman
Pepper, Hamilton, Scheetz
1300 19th Street, N.W.
Washington, DC 20036-1685

Monica J. Palko
Bracewell & Patterson
2000 K Street, N.W., Suite 500
Washington, DC 20006

Joseph R. Pomponio
Federal Railroad Administration
400 7th Street, S.W., RCC-20
Washington, DC 20590

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Rohm and Haas Co.
Independence Mall West
Philadelphia, PA 19106-2399

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Trans. Comm. Intl. Union
3 Research Place
Rockville, MD 20850

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California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Louise A. Rinn
Union Pacific RR Co.
1416 Dodge Street, Room 830
Omaha, NE 68179

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Washington, DC 20044-7566

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Chemical Manuf. Assoc.
1300 Wilson Boulevard
Arlington, VA 22209

David W. Sherrod
PNWER First Interstate Center
999 3rd Avenue, Suite 1060
Seattle, WA 98104

Kenneth E. Siegel
American Trucking Assoc.
2200 Mill Road
Alexandria, VA 22314-4677

Richard G. Slattery
AMTRAK
60 Massachusetts Avenue, N.E.
Washington, DC 20002

Paul Samuel Smith
U.S. Dept. of Transp.
400 7th Street, S.W., Room 4102 C-30
Washington, DC 20590

Mike Spahis
FINA Oil & Chemical Co.
P.O. Box 2159
Dallas, TX 75221

Charles A. Spitulnik
Hopkins & Sutter
888 16th Street, N.W.
Washington, DC 20006

Eileen S. Stommes, Director, T&M Division
Agricultural Marketing Service, USDA
P.O. Box 96456
Washington, DC 20090-6456

Scott N. Stone
Patton Boggs, LLP
2550 M Street, N.W., 7th floor
Washington, DC 20037-1346

Junior Strecker, Chairman
Mountain-Plains Communities &
Shippers Coalition
123 North Main Street
Hoisington, KS 67544

Eric W. Tibbetts
P.O. Box 3766
1301 McKinney Street
Houston, TX 77253

Robert P. Vom Eigen
Hopkins & Sutter
888 16th Street, N.W., Suite 700
Washington, DC 20006

Terry J. Voss, Vice President
AG Processing, Inc.
P.O. Box 2047
Omaha, NE 68103-2047

Charles W. White, Jr.
Galland, Kharasch & Garfinkle, P.C.
1054 Thirty-First Street, N.W.
Washington, DC 20007-4492

Thomas W. Wilcox
Donelan, Cleary, Wood & Maser, P.C.
1100 New York Avenue, N.W., Suite 750
Washington, DC 20005-3934

Robert A. Wimbish, Esq.
Rea, Cross & Auchincloss
1920 N Street, N.W., Suite 420
Washington, DC 20036

Frederic L. Wood
Donelan, Cleary, Wood & Maser, P.C.
1100 New York Avenue, N.W., Suite 750
Washington, DC 20005-3934

180058

ORIGINAL

89

LAW OFFICES
McCARTHY, SWEENEY & HARKAWAY, P. C.
1750 PENNSYLVANIA AVE., N. W.
WASHINGTON, D. C. 20006
TELEPHONE (202) 393-5710
TELECOPIER (202) 393-5721

DOUGLAS M. CANTER
JOHN M. CUTLER, JR.
WILLIAM I. HARKAWAY
STEVEN J. KALISH
KATHLEEN L. MAZURE
HARVEY L. REITER
DANIEL J. SWEENEY

ANDREW P. GOLDSTEIN
Counsel

June 5, 1997

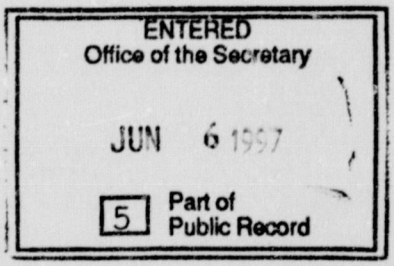
Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423

Re: Finance Docket No. 32760 (Sub No. 21)
Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company – Control and Merger – Southern Pacific Rail Corporation, Southern Pacific Transportation, St. Louis Southwestern Railway Company, SPCL Corp. and The Denver And Rio Grande Western Railroad Company (Oversight).

Dear Secretary Williams:

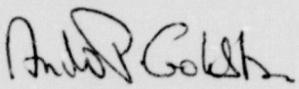
This letter is intended as a notice of the intent of Ag Processing, Inc. to participate in the captioned proceeding as a party of record (POR) Inasmuch as no service list has yet been served, Ag Processing hopes that it is not too late for its inclusion in the service list. Please include the following persons as representatives of Ag Processing:

Andrew P. Goldstein
McCarthy, Sweeney & Harkaway, P.C.
1750 Pennsylvania Avenue, N.W.
Washington, DC 20006
(202) 393-5710



Terry J. Voss
Vice President
Ag Processing, Inc.
PO Box 2047
Omaha, Nebraska 68103

Sincerely,



Andrew P. Goldstein
Atrorney for
Ag Processing, Inc.

APG/gb

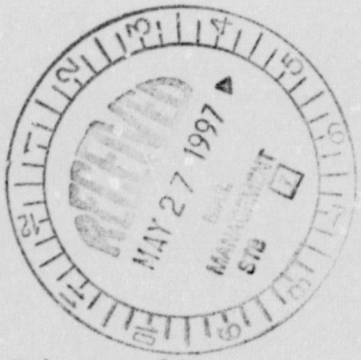
cc: All parties

SLOVER & LOFTUS
ATTORNEYS AT LAW
1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
DONALD G. AVERY
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III

202 347-7170

May 27, 1997



Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Case Control Unit
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: Finance Docket No. 32760 (Sub-No. 21)
Union Pacific Corporation, et al. --
Control and Merger -- Southern Pacific
Rail Corporation, et al.

17816

Dear Mr. Secretary:

Enclosed for filing in the above-referenced proceeding are an original and 25 copies of the Notice of Intent to Participate of the Western Coal Traffic League. Also enclosed is a diskette containing the text of this filing in WordPerfect 5.1 format.

An additional copy of the pleading is also enclosed. Kindly indicate receipt by date-stamping this extra copy and returning it with our messenger.

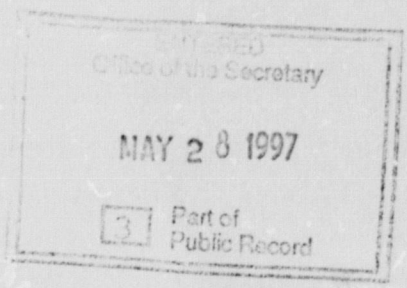
Sincerely,

C. Michael Loftus

C. Michael Loftus
An Attorney for the Western Coal
Traffic League

Enclosures

cc: Parties of Record



WCTL-26

BEFORE THE
SURFACE TRANSPORTATION BOARD

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY -- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY	Finance Docket No. 32760 (Sub-No. 21)

**NOTICE OF INTENT TO PARTICIPATE
OF THE WESTERN COAL TRAFFIC LEAGUE**

The Western Coal Traffic League ("WCTL") hereby notifies the Board that it intends to participate in the above-referenced oversight proceeding as a party of record.

Respectfully submitted,

THE WESTERN COAL
TRAFFIC LEAGUE
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

By: C. Michael Loftus
John H. LeSeur
Christopher A. Mills
Jean M. Cunningham
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Attorneys for the Western Coal
Traffic League

OF COUNSEL:

Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: May 27, 1997

CERTIFICATE OF SERVICE

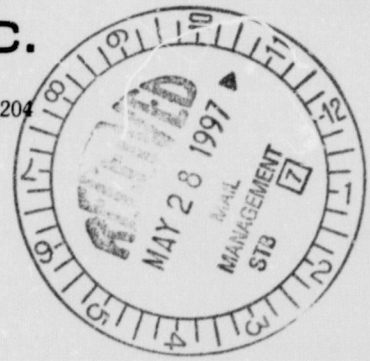
I hereby certify that on this 27th day of May, 1997, I served copies of the foregoing Notice of Intent to Participate of the Western Coal Traffic League by first-class mail, postage prepaid on all parties of record in Finance Docket No. 32760.

Jean M Cunningham

Jean M. Cunningham

Supreme Rice Mill, Inc.

Box 490 • Crowley, Louisiana 70527 • USA • Phone (318) 783-5222 • Fax (318) 783-3204



May 27, 1997

179938

D

TO: Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

VIA FAX 202-565-9004 and UPS Next Day Airbill #N1760140831

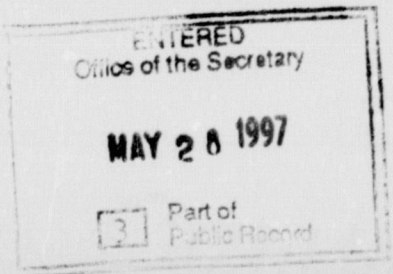
RE: STB Finance Docket No. 32760 (Sub-No.21)

We are Supreme Rice Mill, Inc. located in Crowley, Louisiana. We have been in business for over 50 years. We depend on rail service as a means of shipping rice to our domestic customers and also to the Texas/Mexico border for export into Mexico. Since the merger of the Union Pacific Railroad and Southern Pacific Railroad, we have experienced a drastic deterioration of service.

We are submitting this letter as our "notice of intent to participate in the oversight proceeding". Below, we are listing problem areas which we have experienced since this merger:

1. Tracks that service Supreme Rice Mill and all other industries in Crowley are in very poor condition. Due to the condition of the tracks, they are often put out of service. Many derailments, broken rails or problems resulting from tracks not meeting minimum safety standards are commonplace. When these problems occur, we make attempts to contact someone with the railroad and there is confusion among them as to who actually owns the track(s) in question.

2. Due to the merger of the UP and SP Railroads and the subsequent sale of mainline tracks from Iowa Junction, Louisiana to Avondale, Louisiana, track traffic has increased a minimum of 225%. Due to this increase, our three-day-per-week switch has been greatly affected. We no longer can depend on our switch to be made on time. On many occasions, the train runs out of time and our switch is either incomplete or does not take place at all. We have seen as much as a two to three day delay in receiving cars which we need for loading. This causes serious problems for Supreme Rice Mill in that we cannot supply our customers.



3. We have also run into situations where freight rates are not consistent with other mainline customers, therefore, we cannot be competitive. When this occurs, we cannot find anyone who can answer our questions and find it very difficult to get anyone to even return our calls. There is a $.21 per cwt. rate difference between our rate and another rice company's rate for shipping rough rice to Laredo for shipment into Mexico. The other facility is located about thirty miles from us. We have not yet been able to resolve this issue with the railroad.

These are the main areas in which we have had problems recently. We have contacted your office prior to this filing and have also notified our Senator, our Congressman, the Public Service Commissioner, our State Representative and our State Senator.

If this lack of service continues, the future of our business is in jeopardy.

Sincerely,

SUPREME RICE MILL, INC.

Georgette M. Dugas

Stephen M. Hoffpauir

GMD/s

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D. C.

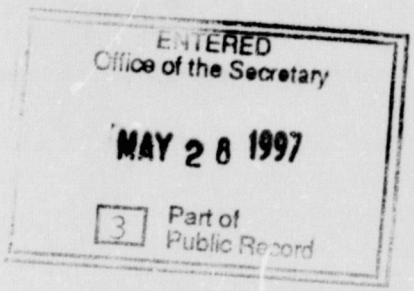
UNION PACIFIC CORP., UNION PACIFIC RAILROAD CO. AND MISSOURI PACIFIC RAILROAD CO.-- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORP., SOUTHERN PACIFIC TRANSPORTATION CO., ST. LOUIS SOUTHWESTERN RAILWAY CO., SPCSL CORP. AND THE DENVER AND RIO GRANDE WESTERN RAILROAD CO.	))))))))	FINANCE DOCKET NO. 32760 (Sub-No. 21)

179540

NOTICE OF INTENT TO PARTICIPATE

The Oregon Department of Transportation hereby gives notice that it intends to participate in this proceeding as a Party of Record. Pursuant to 49 C.F.R. § 1180.4(a)(2), the Department selects the abbreviation "ODOT" for identifying its pleadings.

Respectfully submitted,



Claudia L. Howells
Rail Section Manager
Oregon Department of Transportation
555 13th Street N.E.
Salem, Oregon 97310
(503) 986-4125

CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing NOTICE OF INTENT TO PARTICIPATE to be served by first class mail, postage prepaid on all parties of record in Finance Docket No. 32760, this 19th day of May, 1997.

Claudia L. Howells

HOPKINS & SUTTER

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

888 SIXTEENTH STREET, N.W., WASHINGTON, D.C. 20006 (202) 835-8000
FACSIMILE (202) 835-8136

CHICAGO OFFICE THREE FIRST NATIONAL PLAZA 60602
DALLAS OFFICE 3700 BANK ONE CENTER 1717 MAIN STREET 75201

ROBERT P. VOM EIGEN
(202) 835-8269

179937

May 27, 1997

Vernon A. Williams, Secretary
Office of the Secretary
Case Control Branch
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: *Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and the Denver and Rio Grande Western Railroad Company [OVERSIGHT]*;
Finance Docket No. 32760 (Sub-No. 21)

Dear Secretary Williams:

Enclosed are an original and twenty-five (25) copies of Canadian National Railway Company's Notice of Intent to Participate for filing in the above-referenced proceeding. An additional copy is enclosed for file stamp and return with our messenger. Please note that a copy of this pleading is also enclosed on a 3.5-inch diskette in WordPerfect 5.1 format.

Sincerely,

Robert P. vom Eigen

Robert P. vom Eigen

Encl.
cc: Parties of Record

Q51546-1

SURFACE TRANSPORTATION BOARD
Washington, D.C.

Finance Docket No. 32760 (Sub-No. 21)

Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and the Denver and Rio Grande Western Railroad Company [OVERSIGHT]

CANADIAN NATIONAL RAILWAY COMPANY'S
NOTICE OF INTENT TO PARTICIPATE

Please enter the appearance of the undersigned counsel on behalf of Canadian National Railway Company ("CN"), which intends to participate and become a party of record in this proceeding. Service of all documents filed in this proceeding should be made upon the undersigned.

Dated: May 27, 1997

Respectfully submitted,

Robert P. vom Eigen
Jamie Palter Rennert
HOPKINS & SUTTER
888 Sixteenth Street, NW
Washington, D.C. 20006
(202) 835-8000

Counsel for Canadian National Railway Company

Q51547-1

CERTIFICATE OF SERVICE

I hereby certify that on May 27, 1997, a copy of the foregoing Canadian National Railway Company's Notice Of Intent To Participate was served by first-class, U.S. mail, postage prepaid upon all Parties of Record to date in Finance Docket No. 32760 (Sub-No. 21).

Jamie Palter Rennert

Q51546-1

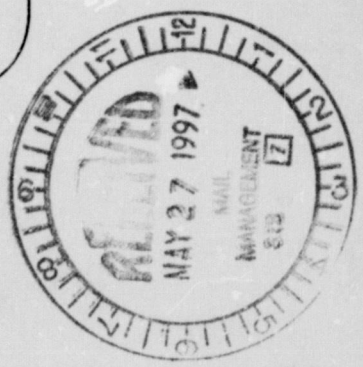
UNITED STATES OF AMERICA

BEFORE THE

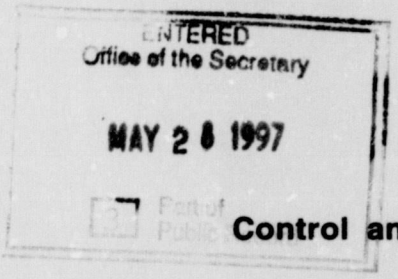
SURFACE TRANSPORTATION BOARD

DEPARTMENT OF TRANSPORTATION

D



199925



F.D. No. 32760 (Sub - No. 21)

Union Pacific Corporation, et al. --
Control and Merger -- Southern Pacific Corporation, et al.

Notice of Intention to Participate as Party of Record—City of Reno

The City of Reno ("Reno"), pursuant to Oversight Notice served May 7, 1997, submits this Notice of Intention to Participate in oversight proceedings as a party of record ("POR"), and requests that it be appropriately placed on the Service List as such.

Reno previously participated as a party of record in F.D. 32760.

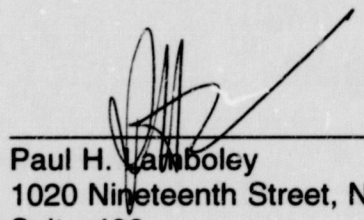
Reno requests placement on the POR Service List through its counsel as follows:

City of Reno:

Paul H. Lamboley
1020 Nineteenth Street, N.W.
Suite 400
Washington, D.C. 20036-6105
Telephone: (202) 496-4920

Dated: May 22, 1997

Patricia A. Lynch, City Attorney
Michael K. Halley, Deputy City Attorney
Reno City Hall
490 South City Street
Reno, Nevada
Telephone: (702) 334-2050



Paul H. Lamboley
1020 Nineteenth Street, N.W.
Suite 400
Washington, D.C. 20036-6105
Telephone: (202) 496-4920

Patricia A. Lynch, City Attorney
Michael K. Halley, Deputy City Attorney
Reno City Hall
490 South City Street
Reno, Nevada 89501
Telephone: (702) 334-2050

Counsel for The City of Reno

TROUTMAN SANDERS LLP

ATTORNEYS AT LAW

A LIMITED LIABILITY PARTNERSHIP

179924

1300 I STREET, N.W.
SUITE 500 EAST
WASHINGTON, D.C. 20005-3314
TELEPHONE: 202-274-2950
FACSIMILE: 202-274-2994

WILLIAM A. MULLINS

DIRECT: 202-274-2953

May 27, 1997

HAND DELIVERY

Mr. Vernon A. Williams
Case Control Unit
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
Surface Transportation Board
Suite 700
1925 K Street, N.W.
Washington, D.C. 20006

Re: Finance Docket No. 32760 (Sub-No. 21), *Union Pacific Corporation, et al. -- Control & Merger -- Southern Pacific Rail Corporation, et al. Oversight Proceeding*

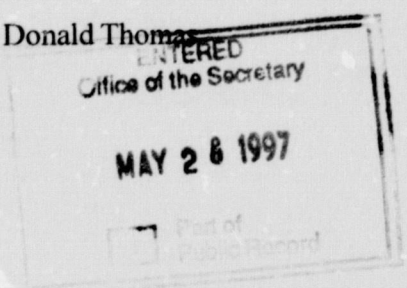
Dear Secretary Williams:

Enclosed for filing in the above captioned proceeding are the original and twenty-six copies of The Notice of Intent to Participate Of Occidental Chemical Corporation. Please date and time stamp one of the copies for return to our offices. Included with this filing is a 3.5 inch Word Perfect, Version 5.1 diskette with the text of the pleading.

Sincerely yours,

William A. Mullins

cc: Donald Thomas



ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

177924

FINANCE DOCKET NO. 32760 (Sub-No. 21)

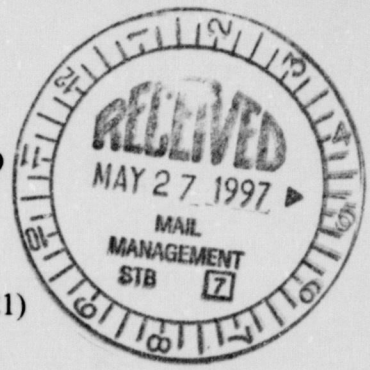
UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
--CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY
COMPANY, SPCSI CORP. AND THE DENVER
AND RIO GRANDE WESTERN RAILROAD COMPANY

OVERSIGHT PROCEEDING

NOTICE OF INTENT TO PARTICIPATE

Donald Thomas
Occidental Chemical Corporation
Order Fulfillment - Re-Engineering Group
5005 Lyndon B. Johnson Freeway
3rd Floor
Dallas, Texas 75380-9050

May 27, 1997



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
--CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY
COMPANY, SPCSL CORP. AND THE DENVER
AND RIO GRANDE WESTERN RAILROAD COMPANY

OVERSIGHT PROCEEDING

NOTICE OF INTENT TO PARTICIPATE

Pursuant to Decision No. 1, served May 7, 1997 in this oversight proceeding, The Occidental Chemical Corporation hereby submits its Notice of Intent to Participate as a party of record (POR). Occidental requests that its representative, as listed below, be included in the service list maintained by the Board in this oversight proceeding so that the listed representative receives copies of all orders, notices, and pleadings in this oversight proceeding.

Donald Thomas
Occidental Chemical Corporation
Order Fulfillment - Re-Engineering Group
5005 Lyndon B. Johnson Freeway
3rd Floor
Dallas, Texas 75380-9050

May 27, 1997

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing "OCCIDENTAL CHEMICAL CORPORATION'S NOTICE OF INTENT TO PARTICIPATE" was served this 27th day of May, 1997, by hand-delivery, overnight delivery, or first-class mail in a properly addressed envelope with adequate postage thereon addresses to all known parties of record.

William A. Mullins

FARM -4

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY
SPCSL CORP. AND THE DENVER AND
RIO GRANDE WESTERN RAILROAD COMPANY

NOTICE OF INTENT TO PARTICIPATE

Farmland Industries, Inc. hereby notifies the Board of its intent to participate in the above-referenced oversight proceeding. Accompanying this Notice are twenty-five copies, as well as a formatted diskette in WordPerfect 5.1.

Respectfully submitted,

Michael F. McBride

Michael F. McBride
Linda K. Breggin
Brenda Durham
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, N.W., Suite 1200
Washington, DC 20009-5728

May 27, 1997

Attorneys for Farmland Industries, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have served this 27th day of May, 1997, a copy of the foregoing Notice of Intent to Participate by first-class mail, postage prepaid, upon each of the parties of record on the Restricted Service List.

Brenda Durham

BRENDA DURHAM

179921

D

BND-1

BEFORE THE
SURFACE TRANSPORTATION BOARD

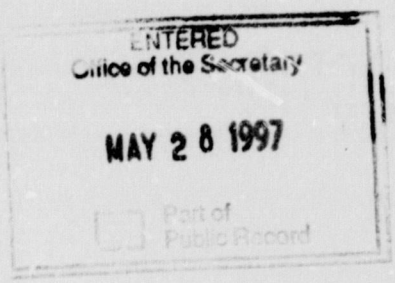
Finance Docket No. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY,
SPCSL CORP., AND THE DENVER AND
RIO GRANDE WESTERN RAILROAD COMPANY

NOTICE OF INTENT TO PARTICIPATE

BROWNSVILLE NAVIGATION DISTRICT

The Brownsville Navigation District (self-designated acronym, pursuant to 49 CFR 1180.4(a)(2) -- ""BND") hereby gives notice that it intends to participate in the above-captioned oversight proceeding as a Party of Record.



Respectfully submitted,

Robert A. Wimbish

Robert A. Wimbish
REA, CROSS & AUCHINCLOSS
Suite 420
1920 "N" Street, N.W.
Washington, D.C. 20036
(202) 785-3700

Counsel for the Brownsville
Navigation District

DATED: May 27, 1997

SLOVER & LOFTUS
ATTORNEYS AT LAW
1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
DONALD G. AVERY
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III

202 347-7170

May 27, 1997

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Case Control Unit
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
1925 K Street, N.W.
Washington, D.C. 20423-0001

17997

Re: Finance Docket No. 32760 (Sub-No. 21)
Union Pacific Corporation, et al. --
Control and Merger -- Southern Pacific
Rail Corporation, et al.

Dear Mr. Secretary:

Enclosed for filing in the above-referenced proceeding are an original and 25 copies of the Notice of Intent to Participate of the Lower Colorado River Authority and the City of Austin, Texas. Also enclosed is a diskette containing the text of this filing in WordPerfect 5.1 format.

An additional copy of the pleading is also enclosed. Kindly indicate receipt by date-stamping this extra copy and returning it with our messenger.

Sincerely,

C. Michael Loftus

C. Michael Loftus
An Attorney for the Lower Colorado River Authority and the City of Austin, Texas

Enclosures

cc: Parties of Record

LCRA-7

BEFORE THE
SURFACE TRANSPORTATION BOARD

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY -- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY	Finance Docket No. 32760 (Sub-No. 21)

NOTICE OF INTENT
TO PARTICIPATE OF THE LOWER COLORADO
RIVER AUTHORITY AND THE CITY OF AUSTIN, TEXAS

The Lower Colorado River Authority ("LCRA") and the City of Austin, Texas ("Austin") hereby notify the Board that they intend to participate in the above-referenced oversight proceeding as a party of record.

Respectfully submitted,

THE LOWER COLORADO RIVER AUTHORITY and THE CITY OF AUSTIN, TEXAS
3701 Lake Austin Blvd.
Austin, TX 78767

By: C. Michael Loftus
Donald G. Avery
Jean M. Cunningham
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Attorneys for the Lower Colorado River Authority and the City of Austin, Texas

OF COUNSEL:

Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: May 27, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of May, 1997, I served copies of the foregoing Notice of Intent to Participate of the Lower Colorado River Authority and the City of Austin, Texas by first-class mail, postage prepaid on all parties of record in Finance Docket No. 32760.

Jean M Cunningham

Jean M. Cunningham

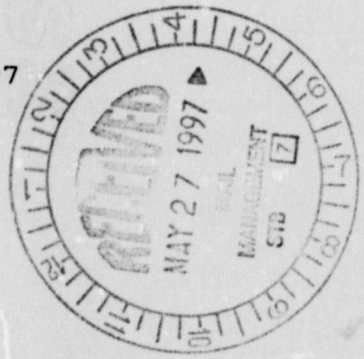
D

SLOVER & LOFTUS
ATTORNEYS AT LAW
1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
DONALD G. AVERY
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III

202 347-7170

May 27, 1997



Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Case Control Unit
1925 K Street, N.W.
Washington, D.C. 20423-0001

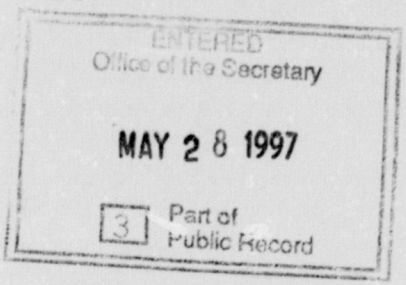
Re: Finance Docket No. 32760 (Sub-No. 21)
Union Pacific Corporation, et al. --
Control and Merger -- Southern Pacific
Rail Corporation, et al.

179915

Dear Mr. Secretary:

Enclosed for filing in the above-referenced proceeding are an original and 25 copies of the Notice of Intent to Participate of Texas Utilities Electric Company. Also enclosed is a diskette in WordPerfect 5.1 format containing the text of this pleading.

An extra copy of this pleading is also enclosed. Kindly confirm receipt by date-stamping and returning the extra copy to the bearer of this letter.



Sincerely,

John LeSeur

John H. LeSeur
An Attorney for Texas Utilities
Electric Company

Enclosures

cc: Parties of Record

TUE-24

BEFORE THE
SURFACE TRANSPORTATION BOARD

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY -- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY	Finance Docket No. 32760 (Sub-No. 21)

NOTICE OF INTENT TO PARTICIPATE OF TEXAS UTILITIES ELECTRIC COMPANY

Texas Utilities Electric Company ("TU Electric") hereby notifies the Board that it intends to participate in the above-referenced oversight proceeding.

Respectfully submitted,

TEXAS UTILITIES ELECTRIC COMPANY

By: John W. McReynolds
Worsham, Forsythe & Wooldridge
1601 Bryan Street
30th Floor
Dallas, Texas 75201
(214) 979-3000

John H. LeSeur
Andrew B. Kolesar III
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
(202) 347-7170

Attorneys for Texas Utilities Electric Company

OF COUNSEL:

WORSHAM, FORSYTHE & WOOLDRIDGE
1601 Bryan Street
30th Floor
Dallas, Texas 75201

SLOVER & LOFTUS
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: May 27, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of May, 1997, I served copies of the foregoing Notice of Intent to Participate of Texas Utilities Electric Company by first-class mail, postage prepaid on all parties of record in Finance Docket No. 32760.

Andrew B. Kolesar III

Andrew B. Kolesar III

D

SLOVER & LOFTUS

ATTORNEYS AT LAW

1224 SEVENTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
DONALD G. AVERY
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III

May 23, 1997

202 347-7170

17993,

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Case Control Unit
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: Finance Docket No. 32760 (Sub-No. 21)
Union Pacific Corporation, et al. --
Control and Merger -- Southern Pacific
Rail Corporation, et al.

Dear Mr. Secretary:

Enclosed for filing in the above-referenced proceeding are an original and 25 copies of the Notice of Intent to Participate of the City Public Service Board of San Antonio. Also enclosed is a diskette in WordPerfect 5.1 format containing the text of this pleading.

An extra copy of this pleading is also enclosed. Kindly confirm receipt by date-stamping and returning the extra copy to the bearer of this letter.

Sincerely,

John H. LeSeur
An Attorney for the City Public
Service Board of San Antonio

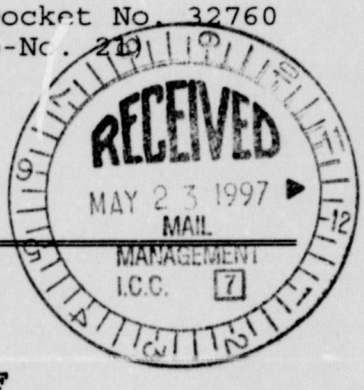
Enclosures

cc: Parties of Record

CPSB-13

BEFORE THE
SURFACE TRANSPORTATION BOARD

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY -- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY	Finance Docket No. 32760 (Sub-No. 21)



NOTICE OF INTENT TO PARTICIPATE OF
THE CITY PUBLIC SERVICE BOARD OF SAN ANTONIO

The City Public Service Board of San Antonio ("CPSB") hereby notifies the Board that it intends to participate in the above-referenced oversight proceeding.

Respectfully submitted,

CITY PUBLIC SERVICE BOARD
OF SAN ANTONIO
P.O. Box 1771
San Antonio, Texas 78296

By: William L. Slover
John H. LeSeur
Andrew B. Kolesar III
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Attorneys for City Public
Service Board of San Antonio

OF COUNSEL:

Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Dated: May 23, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 23th day of May, 1997, I served copies of the foregoing Notice of Intent to Participate of City Public Service Board of San Antonio by first-class mail, postage prepaid on all parties of record in Finance Docket No. 32760.

Andrew B. Kolesar III

Andrew B. Kolesar III

LAW OFFICES
KELLER AND HECKMAN LLP
1001 G STREET, N.W.
SUITE 500 WEST
WASHINGTON, D.C. 20001
TELEPHONE (202) 434-4100
FACSIMILE (202) 434-4646

BOULEVARD LOUIS SCHMIDT 87
B-1040 BRUSSELS
TELEPHONE 32(2) 732 52 80
FACSIMILE 32(2) 732 53 92

WWW.KHLAW.COM

WRITER'S DIRECT ACCESS

MONT-1

May 23, 1997

179930

(202) 434-4144
Bercovici@khlaw.com

Office of the Secretary
Case Control Unit
ATTN: STB Finance Docket No. 32760 (Sub-No. 21)
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Re: STB Finance Docket No. 32760 (Sub-No. 21), UP/SP Merger Oversight

Dear Secretary:

Please register the following as a Party of Record in the above-captioned proceeding:

Martin W. Bercovici, Esquire
Keller and Heckman, LLP
1001 G Street, NW
Suite 500 West
Washington, DC 20001
Attorney for:
Montell USA, Inc.

Respectfully submitted,

Martin W. Bercovici

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing letter on behalf of Montell USA, Inc. (MONT-1) was sent by first-class mail, postage prepaid, on this 23rd day of May, 1997, to all parties on the restricted service list in STB Finance Docket No. 32760.

Martin W. Bercovici

MPI-1

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760 (Sub-No. 21)

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY
— Control and Merger —
SOUTHERN PACIFIC CORPORATION, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY

NOTICE OF INTENT TO PARTICIPATE

Millennium Petrochemicals Inc. (formerly known as Quantum Chemical Corporation) ("Millennium"), by and through its attorneys, hereby notifies the Surface Transportation Board of its intent to participate in the oversight proceeding.

MPI requests that it be placed on the service list for this docket.

Respectfully submitted,

Michael P. Ferro
Millennium Petrochemicals Inc.
11500 Northlake Drive
Cincinnati, Ohio 45249
(513) 530-6808
(513) 530-6562 FAX
Attorney for Millennium Petrochemicals Inc.

Martin W. Bercovici
Keller & Heckman
1001 G Street, N.W.
Suite 500 West
Washington, DC 20001
(202) 434-4100
Of Counsel for Millennium Petrochemicals Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Intent to Participate on behalf of Millennium Petrochemicals, Inc. (formerly known as Quantum Chemical Corporation) (MPI-1) was sent by first-class mail, postage prepaid, on this 23rd day of May, 1997, to all parties on the restricted service list in STB Finance Docket No. 32760.

Martin W. Bercovici