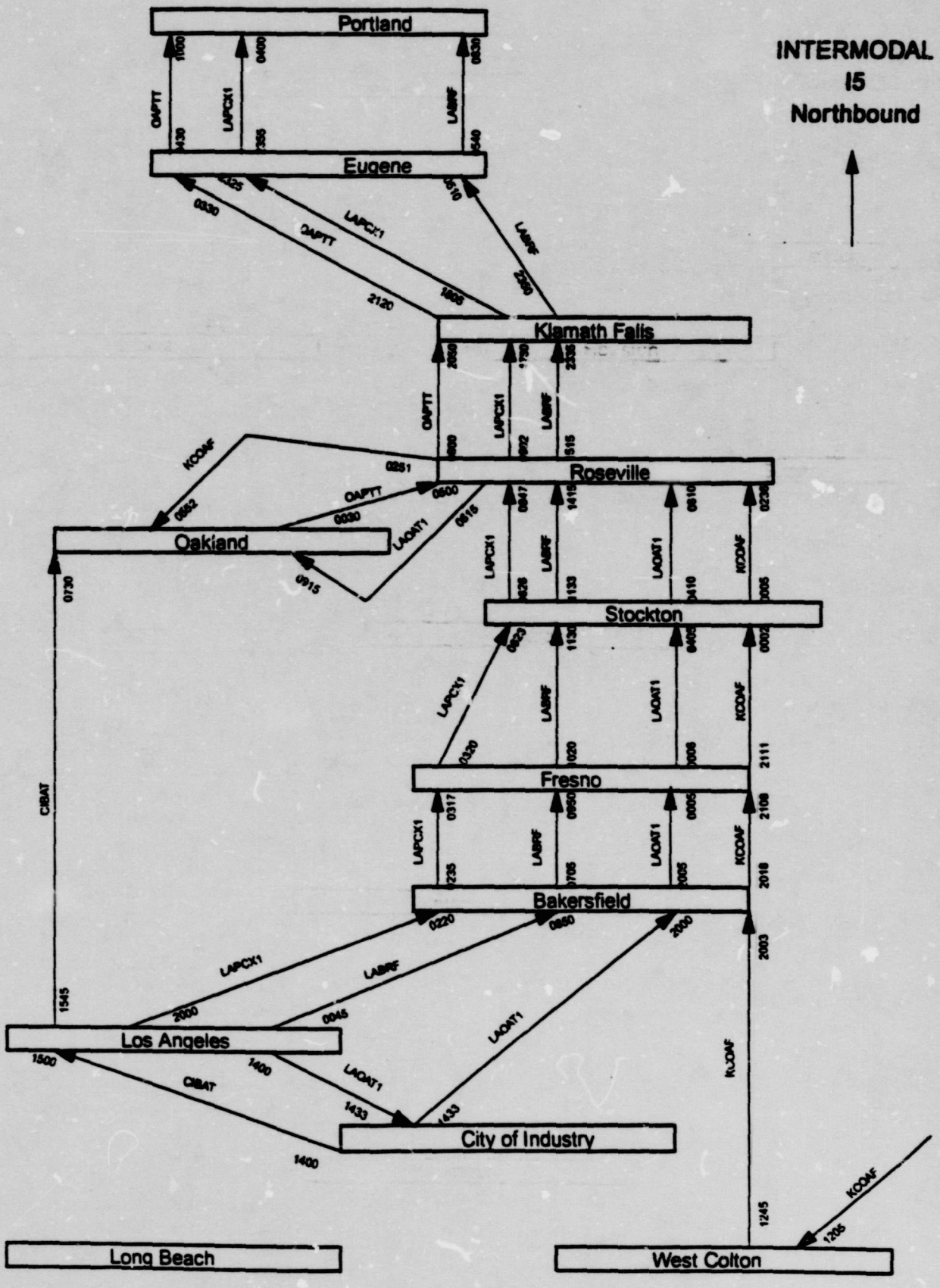
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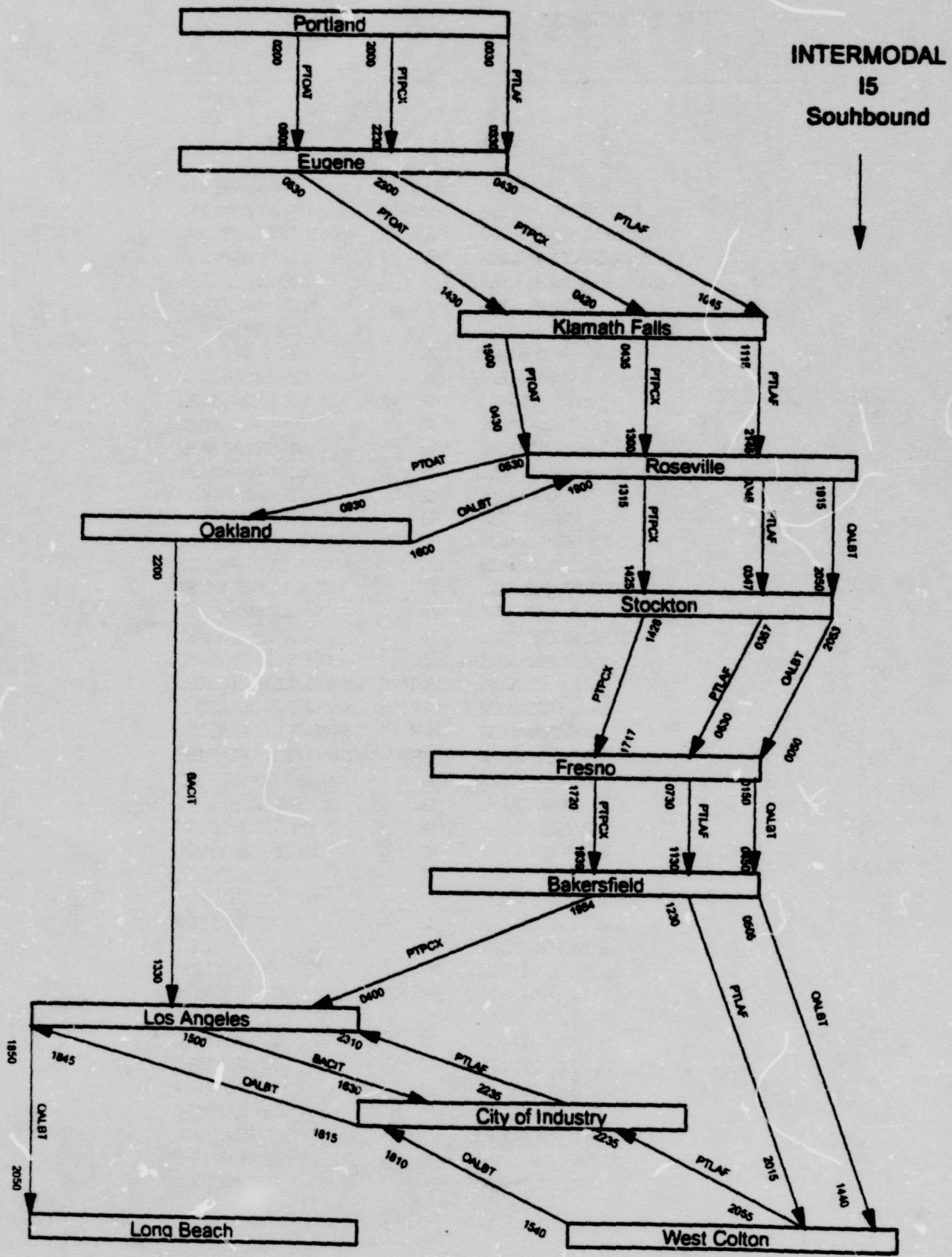
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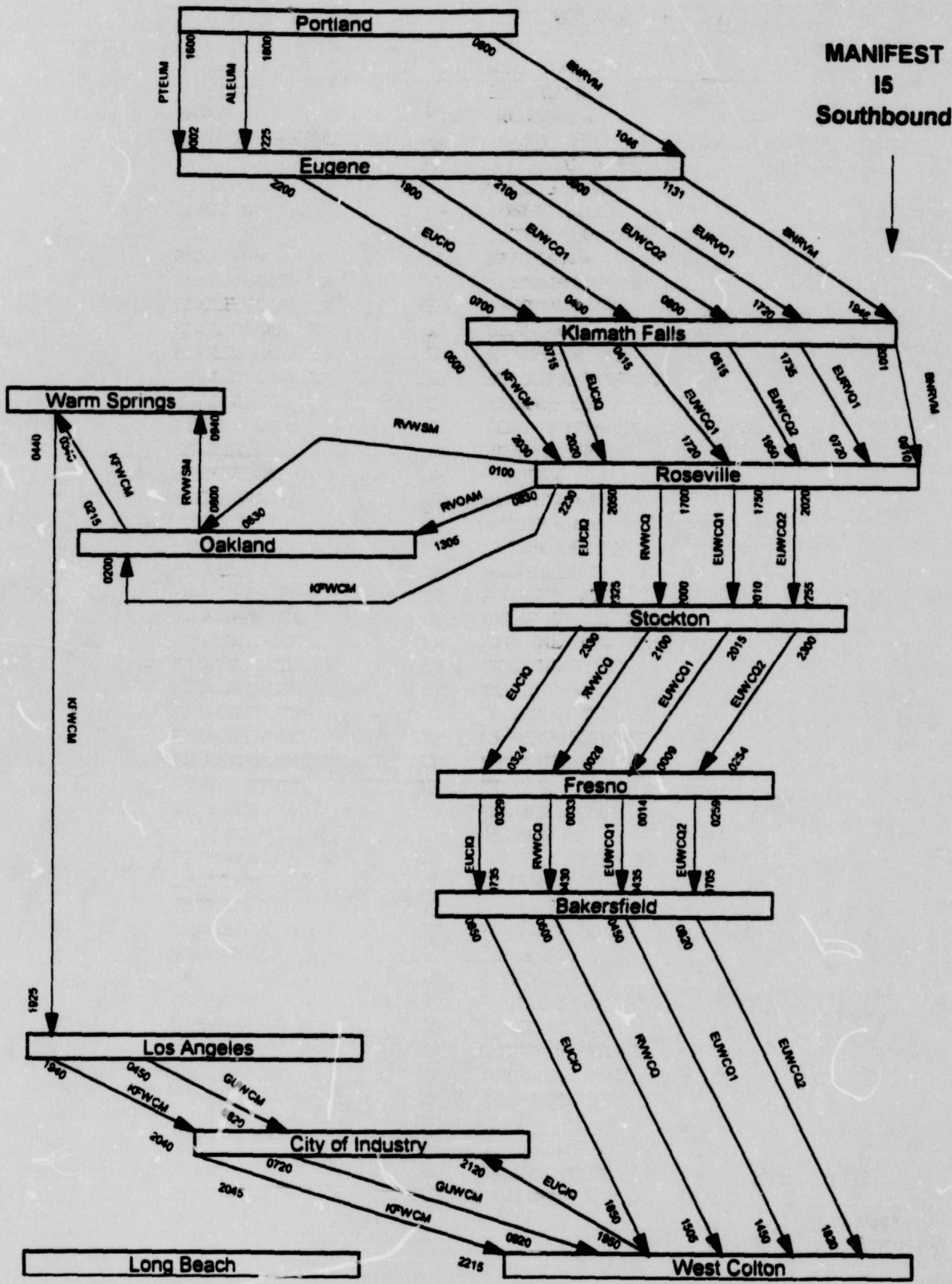
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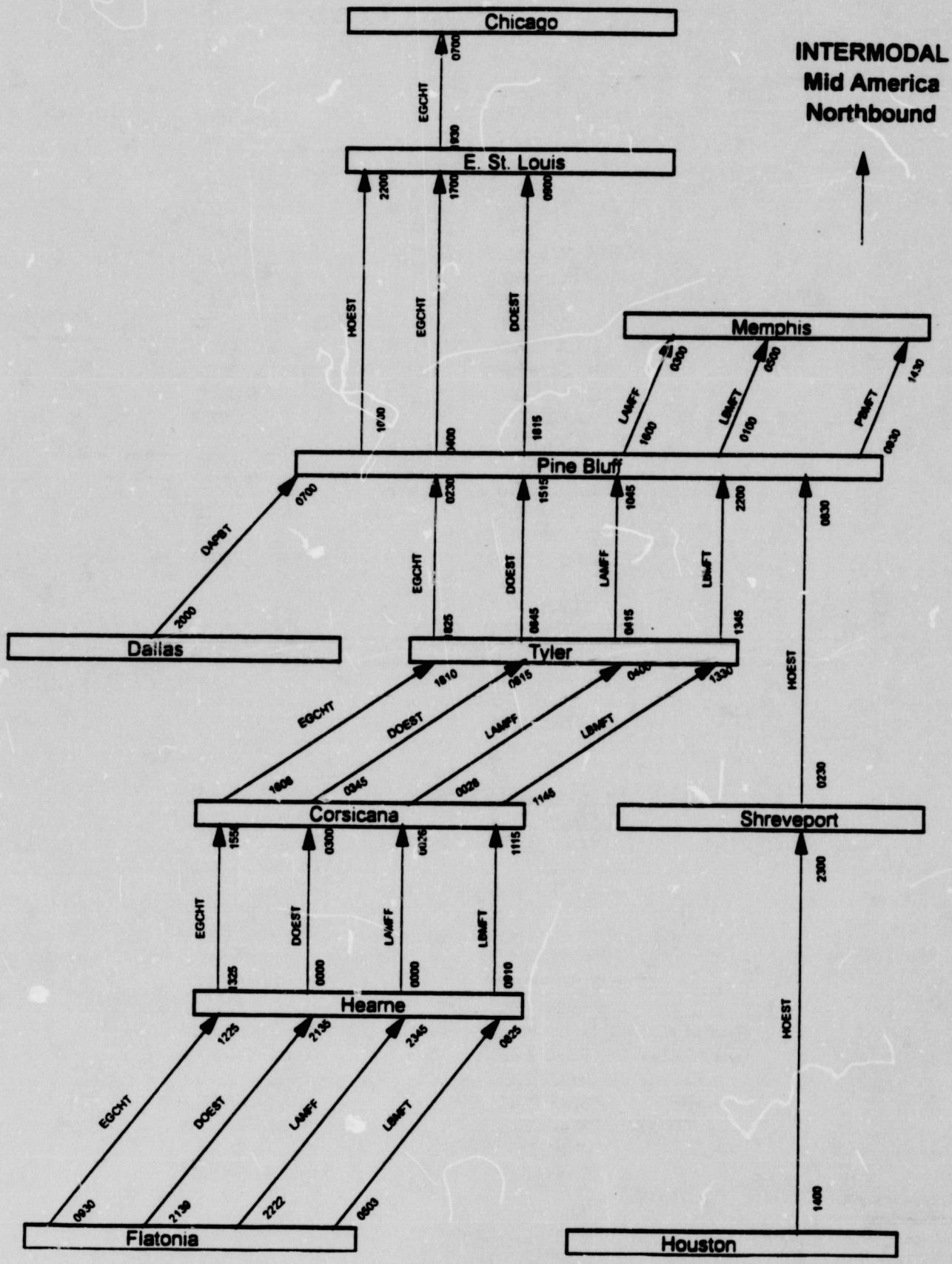
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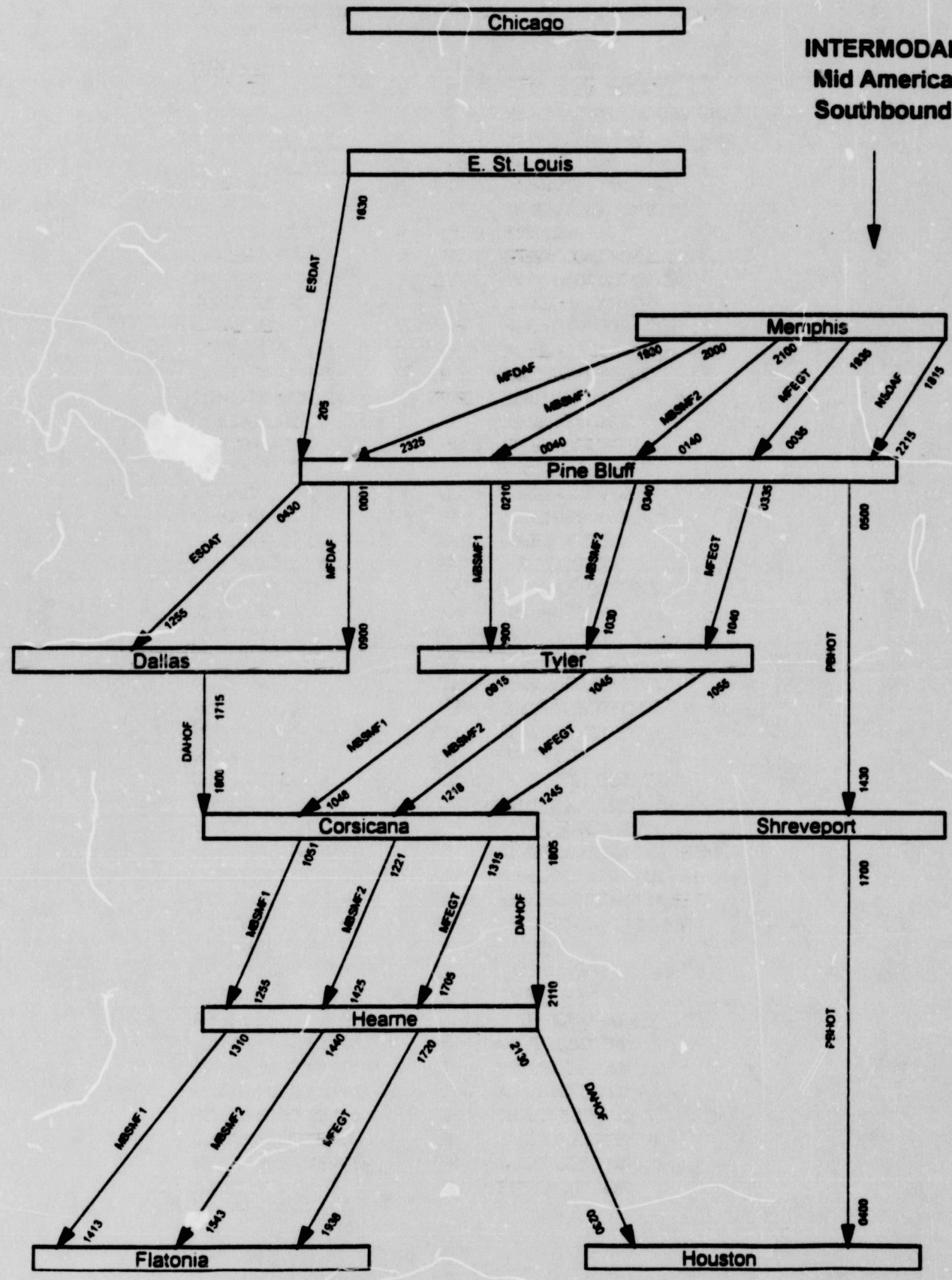
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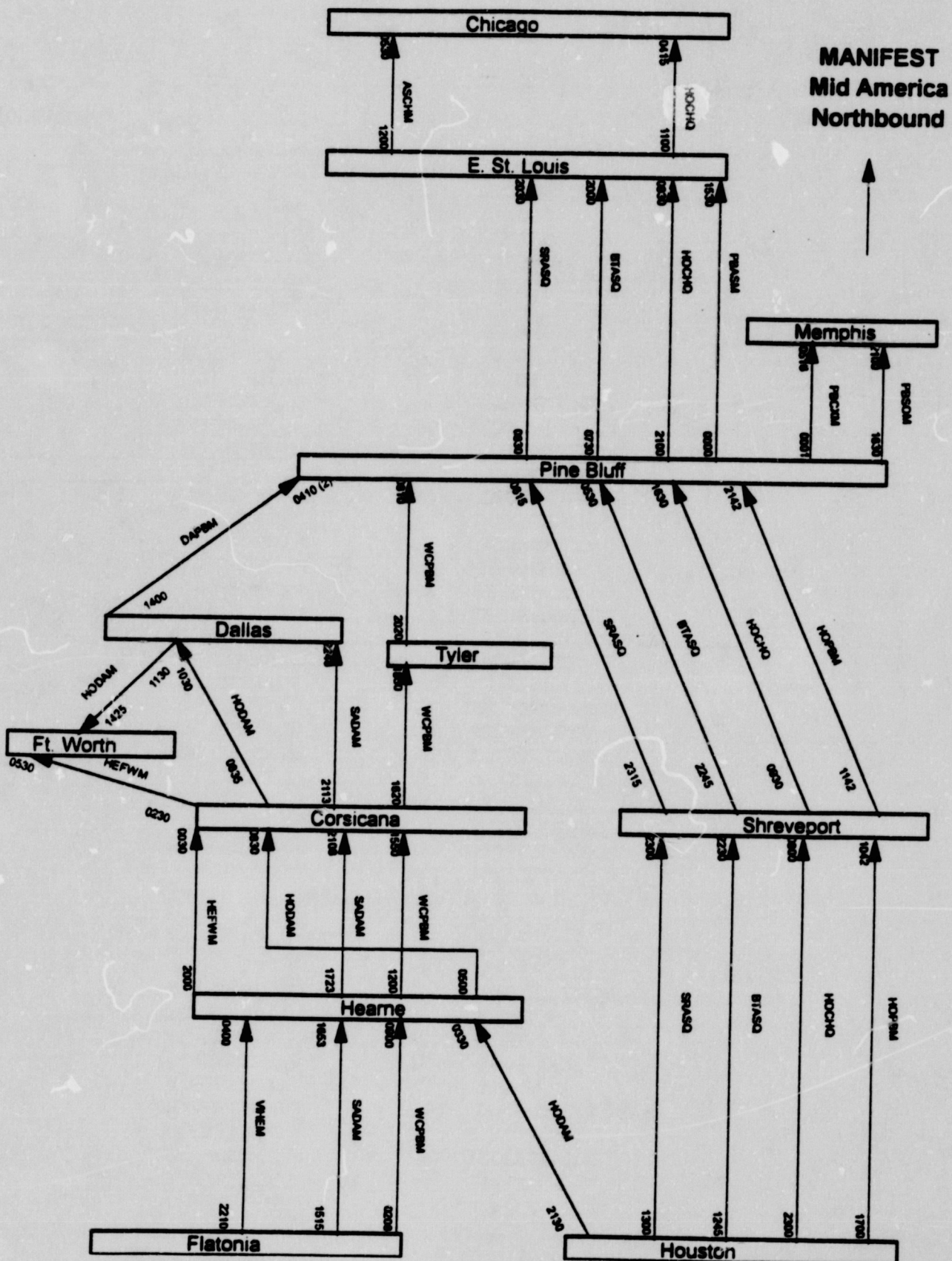
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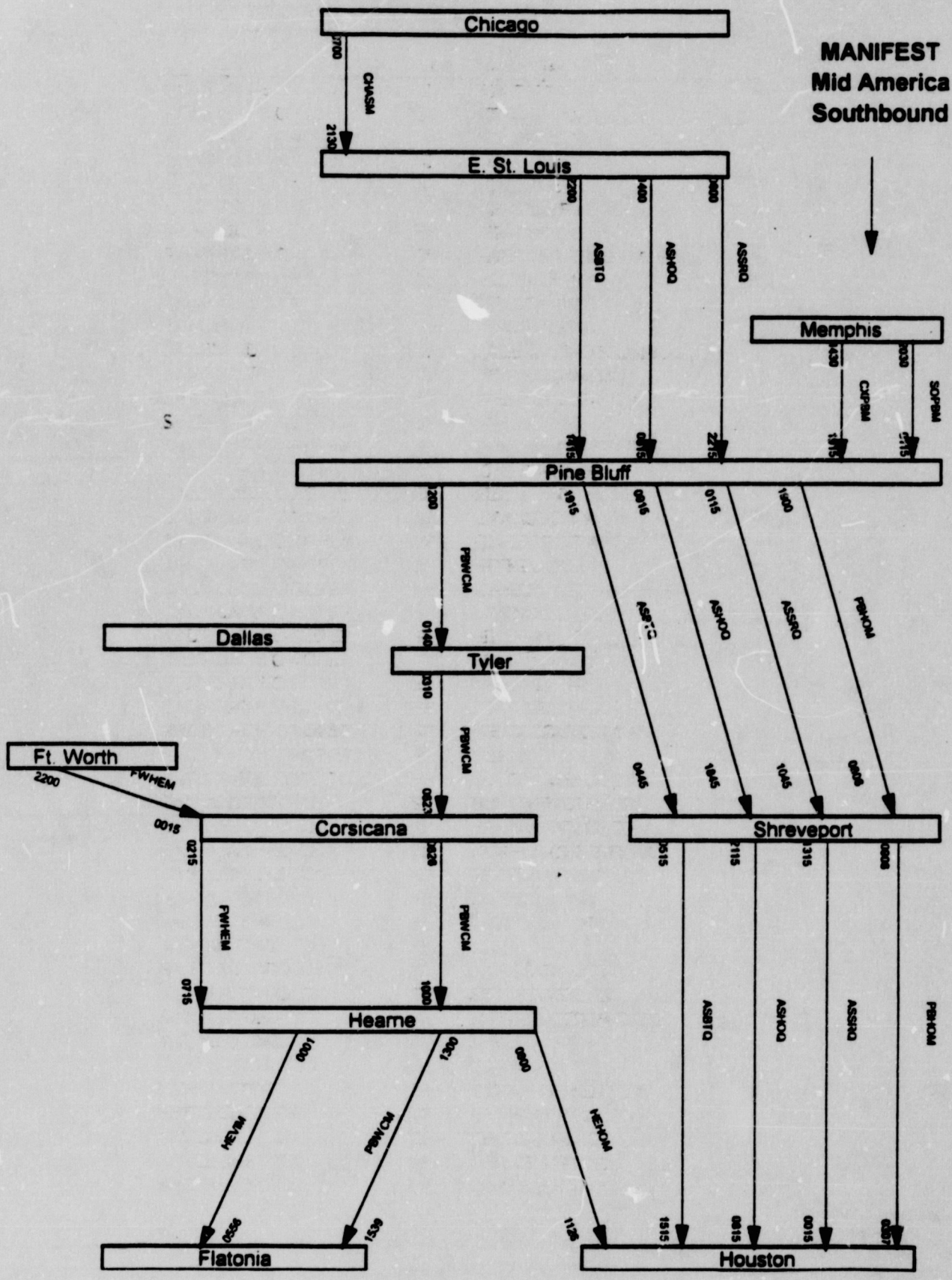
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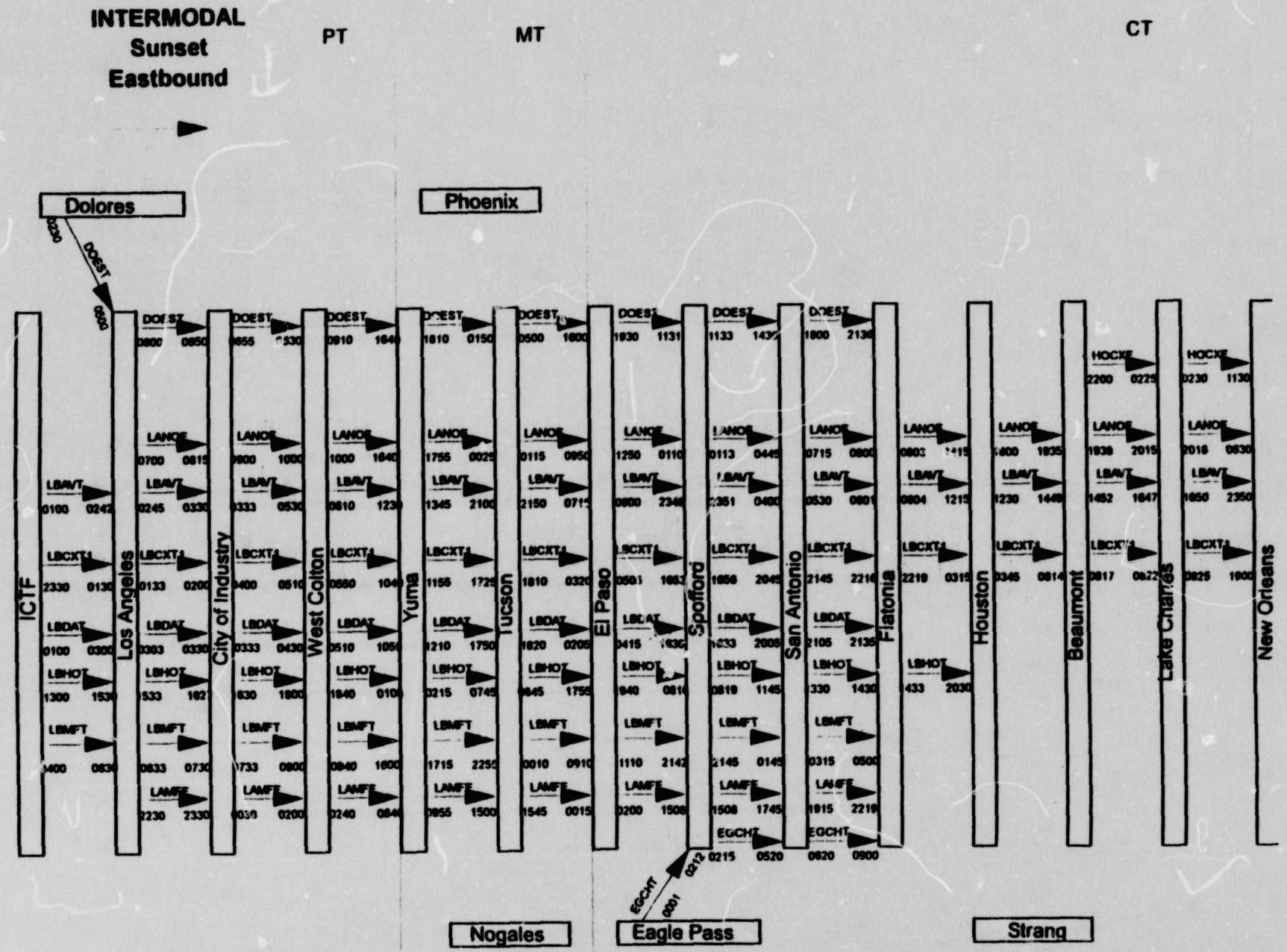
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San Antonio
Flatonia
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Beaumont
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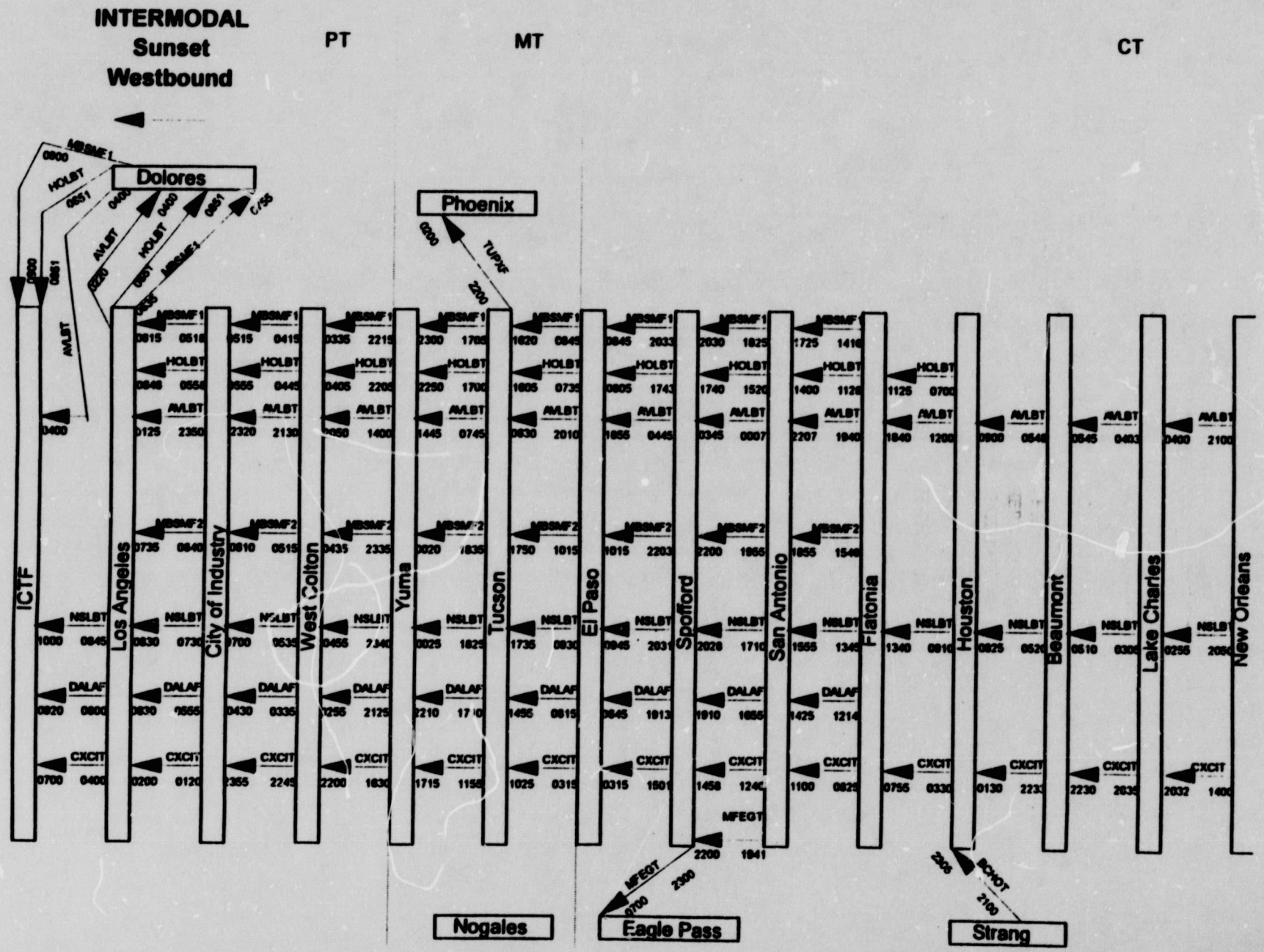
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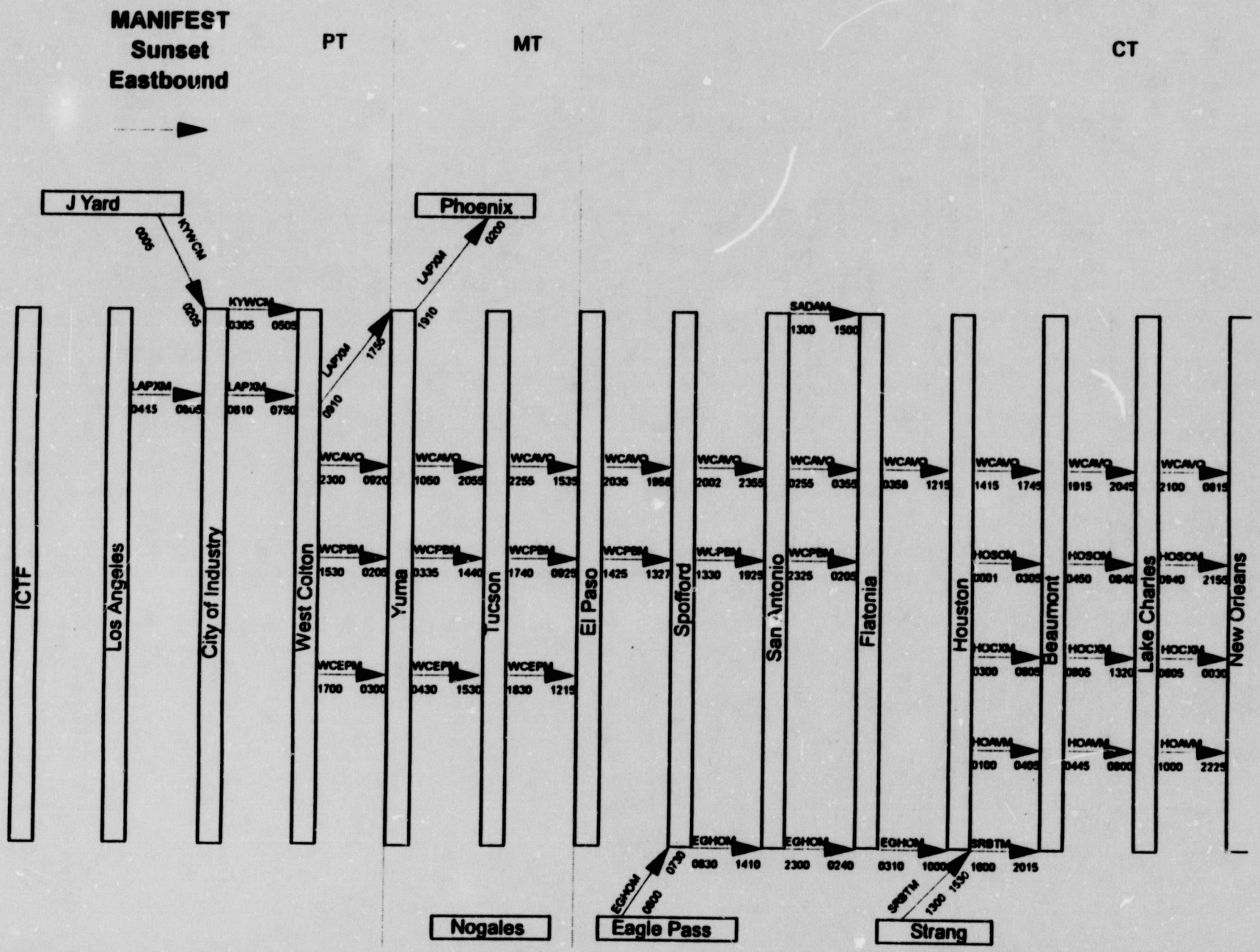
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Nogales
Eagle Pass
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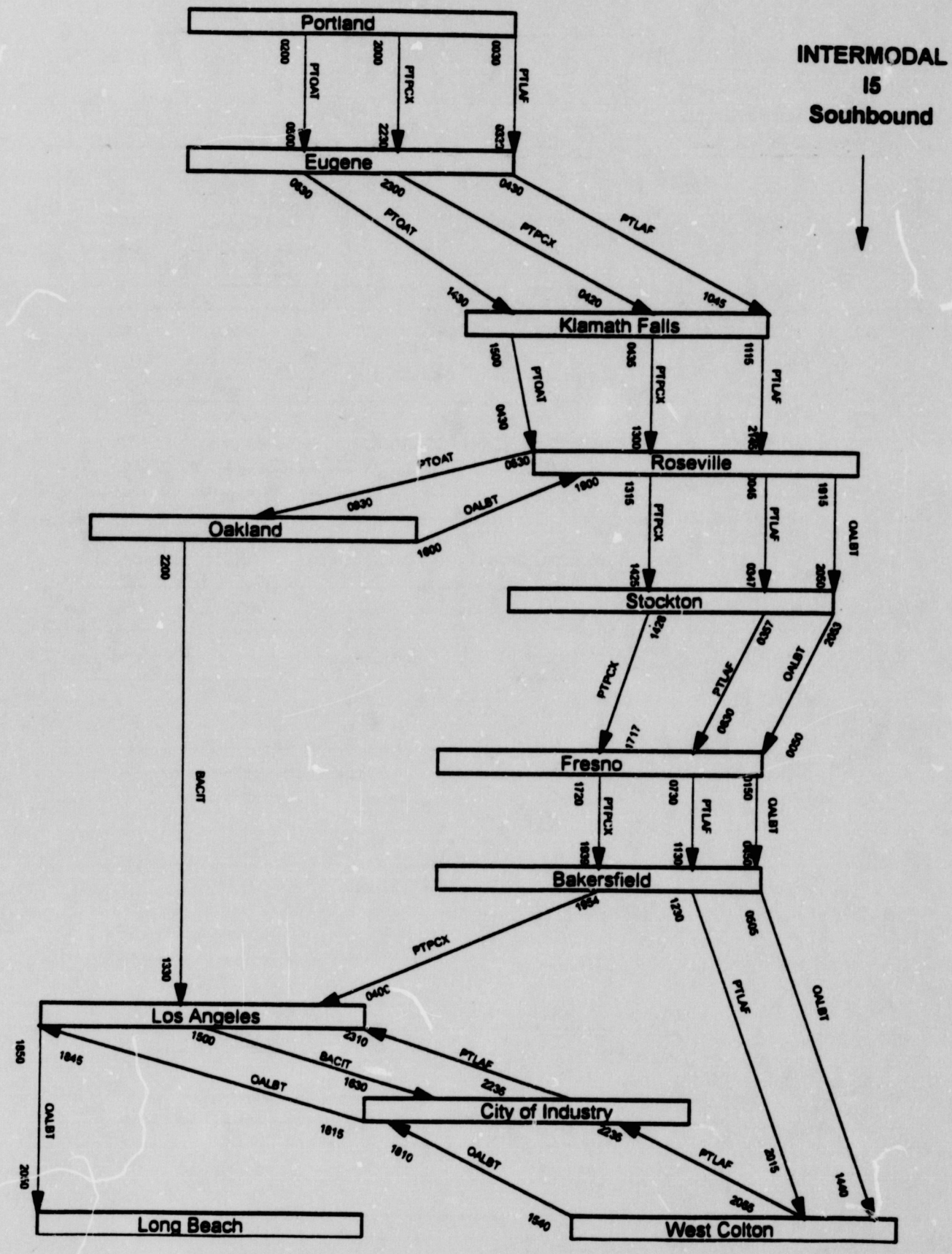
HOCXM
HOAVM
SRBTM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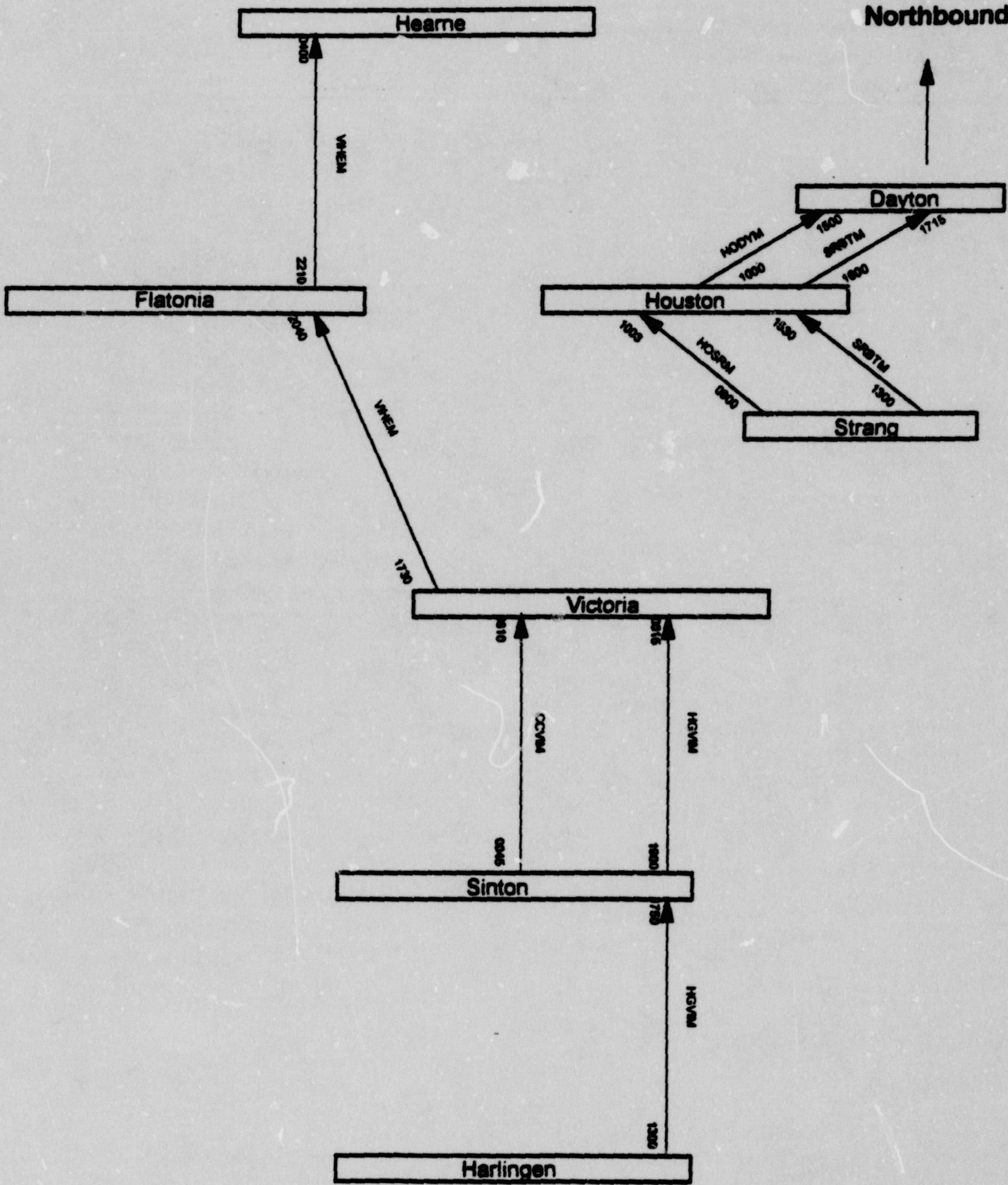

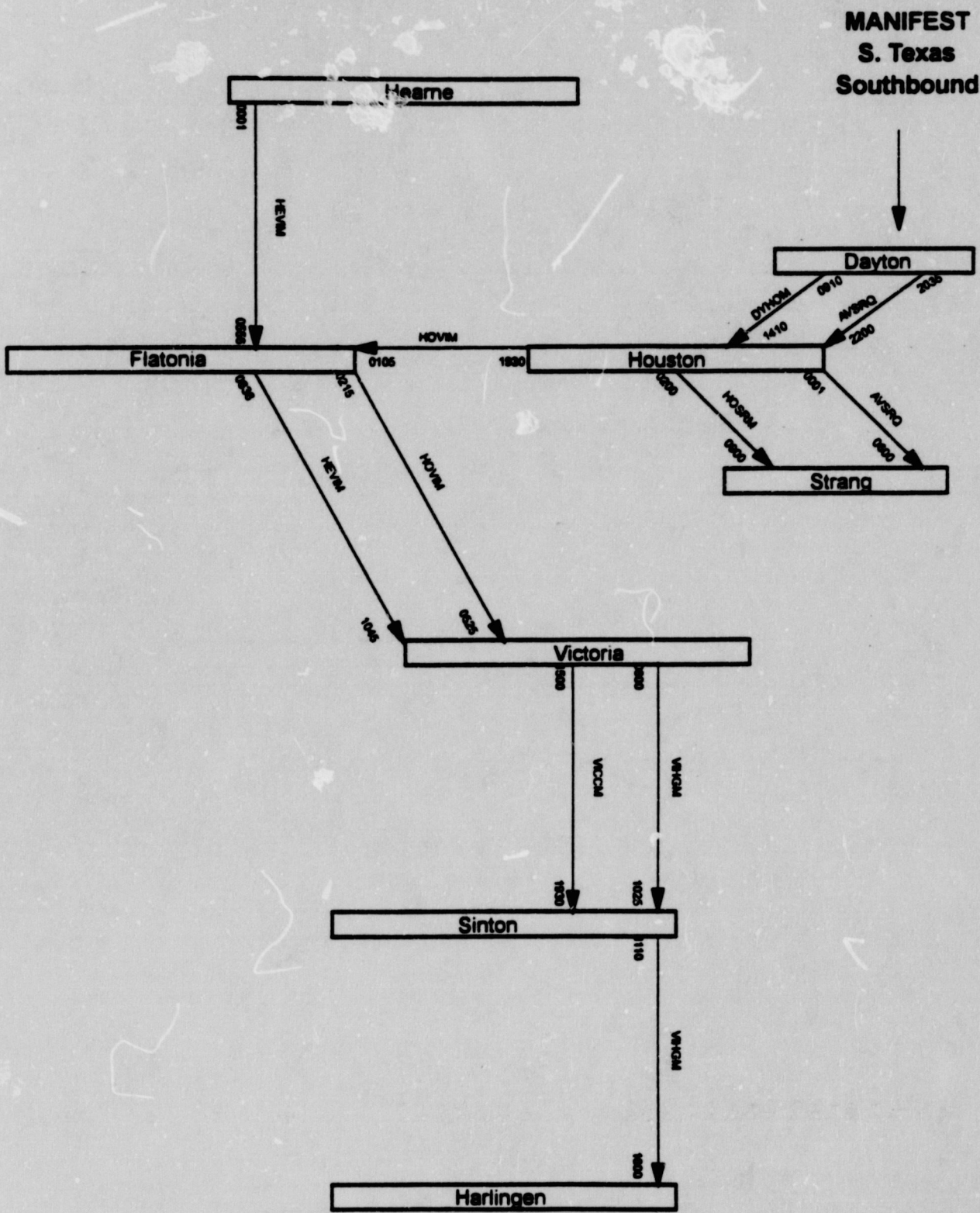
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Victoria
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VHGIM
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1925
Sinton
1119
VHGIM
1930
Harlingen

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
ALBINA OR	UP	ALBANY OR
ALBINA OR	UP	EUGENE OR
ALBINA OR	UP	ROSEVILLE CA
ANGLETON TX	UP	ENGLEWOOD
ARDEN NV	UP	WEST COLTON CA
ARLINGTON CA	UP	WEST COLTON CA
ARLINGTON TX	UP	SALEM-CR-COLUMBUS
ARLINGTON TX	UP	SALEM-CR-CONWAY
ARLINGTON TX	UP	SALEM-CR-SELKIRK
BAYTOWN TX	UP	ENGLEWOOD
BAYTOWN TX	UP	LIVONIA LA
BAYTOWN TX	UP	N LIT ROCK AR
BEAUMONT TX	SP	DEQUINCY LA
BEAUMONT TX	SP	LIVONIA LA
BEAUMONT TX	SP	N LIT ROCK AR
BEAUMONT TX	SP	ORANGE TX
BEAUMONT TX	SP	SAN ANTONIO TX
BEAUMONT TX	SP	SAN MARCOS TX
BEAUMONT TX	SP	SETTEGAST TX
BLOOMINGTON TX	UP	COR CHRISTI TX
BLOOMINGTON TX	UP	KINGSVILLE TX
BROWNSVILLE TX	UP	COR CHRISTI TX
BROWNSVILLE TX	UP	N LIT ROCK AR
CHEYENNE WY	UP	SLCITY ROPER UT
CHICAGO-CLEARING	BRC	GALESBURG IL
CHICAGO-CLEARING	BRC	HINKLE OR
CHICAGO-CLEARING	BRC	KAN CITY MO
CHICAGO-CLEARING	BRC	SPRINGFLD IL
CHICAGO-CLEARING	BRC	WEST COLTON CA
CITY INDUSTRY CA	SP	ANAHEIM CA
CITY INDUSTRY CA	SP	LONG BEACH CA
CITY INDUSTRY CA	SP	PARAMOUNT CA
COR CHRISTI TX	UP	ANGLETON TX
COR CHRISTI TX	UP	BROWNSVILLE TX
COR CHRISTI TX	UP	N LIT ROCK AR
DALLAS TX	SP	ARLINGTON TX
DALLAS TX	SP	N LIT ROCK AR
DALLAS TX	SP	SETTEGAST TX
DAYTON TX	SP	LIVONIA LA
DAYTON TX	SP	N LIT ROCK AR
DAYTON TX	SP	SETTEGAST TX
DENVER CO	SP	HELPER UT
DENVER CO	SP	PROVO UT
DES MOINES IA	UP	EIGHTENST KS
DES MOINES IA	UP	PARSONS KS
E ST LOUIS IL	ALS	HERINGTON KS
E ST LOUIS IL	ALS	HINKLE OR

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
E ST LOUIS IL	ALS	SPRINGFLD IL
EIGHTENTH ST KS	UP/SP	PROVISO IL
EIGHTENTH ST KS	UP/SP	ROLLA CO
EIGHTENTH ST KS	UP/SP	SO SAN ANTONIO TX
EL PASO TX	SP	HERINGTON KS
ELKO NV	UP	ROSEVILLE CA
ELKO NV	UP	SLCITY ROPER UT
ELKO NV	UP	SPARKS NV
ENGLEWOOD TX	SP	ALEXANDRIA LA
ENGLEWOOD TX	SP	BAYTOWN TX
ENGLEWOOD TX	SP	ORANGE TX
ENGLEWOOD TX	SP	SETTEGAST TX
ENGLEWOOD TX	SP	SO SAN ANTONIO TX
EUGENE OR	SP	ALBINA OR
EUGENE OR	SP	CORP. SOUTH CA
EUGENE OR	SP	HINKLE OR
EUGENE OR	SP	SEATTLE WA
FREEPORT TX	UP	ENGLEWOOD
FREEPORT TX	UP	LIVONIA LA
FREEPORT TX	UP	SETTEGAST TX
FT WORTH TX	UP	AMARILLO TX
FT WORTH TX	UP	ANGLETON TX
FT WORTH TX	UP	BROWNSVILLE TX
FT WORTH TX	UP	CITY INDUSTRY CA
FT WORTH TX	UP	COR CHRISTI TX
FT WORTH TX	UP	EL RENO OK
FT WORTH TX	UP	FREEPORT TX
FT WORTH TX	UP	GREEN RIVER WY
FT WORTH TX	UP	HERINGTON KS
FT WORTH TX	UP	HINKLE OR
FT WORTH TX	UP	POCATELLO ID
FT WORTH TX	UP	TUCSON AZ
FT WORTH TX	UP	WEST COLTON CA
GALVESTON TX	UP	ENGLEWOOD
GEMCO CA	SP	CITY INDUSTRY CA
GEMCO CA	SP	FTWORTH TX
GEMCO CA	SP	LOS ANGELE CA
GEMCO CA	SP	ROSEVILLE CA
GREEN RIVER WY	UP	CHICAGO-BRC
GREEN RIVER WY	UP	FTWORTH TX
GREEN RIVER WY	UP	SLCITY ROPER UT
GURDON AR	UP	TEXARKANA AR
HARLINGEN TX	UP	N LIT ROCK AR
HARLINGEN TX	UP	ODEM TX
HEARNE TX	SP	N LIT ROCK AR
HEARNE TX	SP	PALESTINE TX
HEARNE TX	SP	TAYLOR TX

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
HERINGTON KS	SP	AMARILLO TX
HERINGTON KS	SP	CITY INDUSTRY CA
HERINGTON KS	SP	DALHART TX
HERINGTON KS	SP	DES MOINES IA
HERINGTON KS	SP	EL PASO TX
HERINGTON KS	SP	KAN CITY MO
HERINGTON KS	SP	LIBERAL KS
HERINGTON KS	SP	LONG BEACH CA
HERINGTON KS	SP	MIRA LOMA CA
HERINGTON KS	SP	OKLA CITY OK
HERINGTON KS	SP	PHOENIX AZ
HERINGTON KS	SP	PRATT KS
HERINGTON KS	SP	PROVISO IL
HERINGTON KS	SP	SALINA KS
HERINGTON KS	SP	TUCSON AZ
HERINGTON KS	SP	WEST COLTON CA
HERINGTON KS	SP	WICHITA KS
HINKLE OR	UP	BARNES OR
HINKLE OR	UP	CHICAGO-BRC
HINKLE OR	UP	DENVER CO
HINKLE OR	UP	E ST LOUIS-ALS
HINKLE OR	UP	EUGENE OR
HINKLE OR	UP	FTWORTH TX
HINKLE OR	UP	GREEN RIVER WY
HINKLE OR	UP	ROSEVILLE CA
KANSAS CITY MO	UP	CHICAGO-BRC
KANSAS CITY MO	UP	HERINGTON KS
KANSAS CITY MO	UP	PINEBLUFF AR
KINGSVILLE TX	UP	BROWNSVILLE TX
KLAMATH FALLS OR	SP	BEND OR
KLAMATH FALLS OR	SP	THE DALLES OR
LA GRANDE OR	UP	SLCITY ROPER UT
LAKE CHARLES LA	SP	LIVONIA LA
LAKE CHARLES LA	SP	N LIT ROCK AR
LAREDO TX	UP	KAN CITY MO
LAREDO TX	UP	SPRING TX
LIBERAL KS	SP	EL PASO TX
LIBERAL KS	SP	HERINGTON KS
LIVONIA LA	UP	BLOOMINGTON TX
LIVONIA LA	UP	CITY INDUSTRY CA
LIVONIA LA	UP	CSXT-ATLANTA (VIA NOLA)
LIVONIA LA	UP	CSXT-GREENWD (VIA NOLA)
LIVONIA LA	UP	CSXT-HAMLET (VIA NOLA)
LIVONIA LA	UP	CSXT-NASHVL (VIA NOLA)
LIVONIA LA	UP	CSXT-SHORTS (VIA NOLA)
LIVONIA LA	UP	DAYTON TX
LIVONIA LA	UP	EAGLE PASS TX

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
LIVONIA LA	UP	LAKE CHARLES LA
LIVONIA LA	UP	NS-CHATTANOOGA (VIA NOLA)
LIVONIA LA	UP	NS-KNOXVILLE (VIA NOLA)
LIVONIA LA	UP	ORANGE TX
LIVONIA LA	UP	SAN ANTONIO TX
LIVONIA LA	UP	SO SAN ANTONIO TX
LIVONIA LA	UP	STRANG TX
LIVONIA LA	UP	WEST COLTON CA
LONG BEACH CA	UP/SP	CITY INDUSTRY CA
LONG BEACH CA	UP/SP	KANSAS CITY-NS
LONG BEACH CA	UP/SP	NPLATTE NE
LONG BEACH CA	UP/SP	ROLLA CO
LONG BEACH CA	UP/SP	SLCITY ROPER UT
LONG BEACH CA	UP/SP	SPRING TX
LORDSBURG NM	SP	HERINGTON KS
LOS ANGELE CA	UP	WEST COLTON CA
LYNNDYL UT	UP	SLCITY ROPER UT
LYNNDYL UT	UP	WEST COLTON CA
MAGMA AZ	SP	HERINGTON KS
MARSHALLTOWN IA	UP	AMES JCT IA
MARSHALLTOWN IA	UP	E ST LOUIS-ALS
MARTINEZ CA	SP	KANSAS CITY-NS
MARTINEZ CA	SP	NPLATTE NE
MARTINEZ CA	SP	ROLLA CO
MILPITAS CA	UP	FTWORTH TX
MILPITAS CA	UP	SAN ANTONIO TX
MILPITAS CA	UP	SLCITY ROPER UT
MILPITAS CA	UP	SPRING TX
MIRA LOMA CA	UP	NOGALES
MIRA LOMA CA	UP	WEST COLTON CA
MONTCLAIR CA	UP	WEST COLTON CA
N LITTLE ROCK AR	UP	MT VERNON IL
N LITTLE ROCK AR	UP	NS-BELLEVUE (VIA ESTL)
N LITTLE ROCK AR	UP	NS-CHICAGO (VIA ESTL)
N LITTLE ROCK AR	UP	NS-DECATUR (VIA ESTL)
N LITTLE ROCK AR	UP	NS-DETROIT (VIA ESTL)
N LITTLE ROCK AR	UP	SALEM IL
N LITTLE ROCK AR	UP	SALEM-CR-COLUMBUS
NOGALES	SP	CHICAGO-GTW
NOGALES	SP	E ST LOUIS-ALS
NORTH PLATTE NE	UP	MINIDOKA ID
NORTH PLATTE NE	UP	PINEBLUFF AR
NORTH PLATTE NE	UP	ROSEVILLE CA
NORTH PLATTE NE	UP	SIOUX CITY IA
NORTH PLATTE NE	UP	SLCITY ROPER UT
NORTH PLATTE NE	UP	WEST COLTON CA
ODEM TX	UP	FTWORTH TX

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
ODEM TX	UP	N LIT ROCK AR
OKLA CITY OK	UP	HERINGTON KS
OKLA CITY OK	UP	KAN CITY MO
OKLA CITY OK	UP	WICHITA KS
ORANGE TX	SP	ENGLEWOOD
ORANGE TX	SP	LIVONIA LA
ORANGE TX	SP	N LIT ROCK AR
ORANGE TX	SP	SETTEGAST TX
OROVILLE CA	UP	ROSEVILLE CA
PARSONS KS	UP	PINEBLUFF AR
PHOENIX AZ	SP	HERINGTON KS
PHOENIX AZ	SP	N LIT ROCK AR
PINE BLUFF AR	SP	ANGLETON TX
PINE BLUFF AR	SP	ARLINGTON TX
PINE BLUFF AR	SP	CITY INDUSTRY CA
PINE BLUFF AR	SP	FT WORTH TX
PINE BLUFF AR	SP	LAKE CHARLES LA
PINE BLUFF AR	SP	LIVONIA LA
PINE BLUFF AR	SP	LONGVIEW TX
PINE BLUFF AR	SP	MONROE LA
PINE BLUFF AR	SP	ORANGE TX
PINE BLUFF AR	SP	REISOR LA
PINE BLUFF AR	SP	SETTEGAST TX
PINE BLUFF AR	SP	SO SAN ANTONIO TX
PINE BLUFF AR	SP	SPRING TX
POCATELLO ID	UP	FTWORTH TX
POCATELLO ID	UP	GREEN RIVER WY
POCATELLO ID	UP	PROVO UT
POCATELLO ID	UP	SLCITY ROPER UT
POCATELLO ID	UP	WEST COLTON CA
PROVISO IL	UP	C BLUFFS IA
PROVISO IL	UP	EIGHTENST KS
PROVISO IL	UP	HERINGTON KS
PROVISO IL	UP	MARTINEZ
PROVISO IL	UP	MIRA LOMA CA
PROVISO IL	UP	PHOENIX AZ
PROVISO IL	UP	SLCITY ROPER UT
PROVO UT	SP	DENVER CO
PROVO UT	SP	WEST COLTON CA
RENO/SPARKS NV	SP	ELKO NV
RENO/SPARKS NV	SP	NPLATTE NE
ROSEVILLE CA	SP	ALBINA OR
ROSEVILLE CA	SP	ANAHEIM CA
ROSEVILLE CA	SP	CITY INDUSTRY CA
ROSEVILLE CA	SP	ELKO NV
ROSEVILLE CA	SP	ENGLEWOOD
ROSEVILLE CA	SP	GEMCO CA

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
ROSEVILLE CA	SP	GREEN RIVER WY
ROSEVILLE CA	SP	HINKLE OR
ROSEVILLE CA	SP	KEDDIE CA
ROSEVILLE CA	SP	LONG BEACH CA
ROSEVILLE CA	SP	NPLATTE NE
ROSEVILLE CA	SP	OROVILLE CA
ROSEVILLE CA	SP	PHOENIX AZ
ROSEVILLE CA	SP	SAN LUIS OBISPO CA
ROSEVILLE CA	SP	SEATTLE WA
ROSEVILLE CA	SP	TUCSON AZ
SALEM IL	UP	PINEBLUFF AR
SALEM IL	UP	SALEM-CR-COLUMBUS
SALINA KS	UP	HERINGTON KS
SALINAS CA	SP	WEST COLTON CA
SALT LAKE C-ROPER	SP	ARDEN NV
SALT LAKE C-ROPER	SP	BRIGHAM CITY UT
SALT LAKE C-ROPER	SP	CHEYENNE WY
SALT LAKE C-ROPER	SP	ELKO NV
SALT LAKE C-ROPER	SP	EVANSTON WY
SALT LAKE C-ROPER	SP	GREEN RIVER WY
SALT LAKE C-ROPER	SP	HINKLE OR
SALT LAKE C-ROPER	SP	KANSAS CITY-NS
SALT LAKE C-ROPER	SP	LYNNDYL UT
SALT LAKE C-ROPER	SP	MILFORD UT
SALT LAKE C-ROPER	SP	MOAPA NV
SALT LAKE C-ROPER	SP	NPLATTE NE
SALT LAKE C-ROPER	SP	POCATELLO ID
SALT LAKE C-ROPER	SP	WEST COLTON CA
SALT LAKE C-ROPER	SP	YERMO CA
SALT LAKE CITY UT	UP	SLCITY ROPER UT
SAN ANTONIO TX	SP	BLOOMINGTON TX
SAN ANTONIO TX	SP	BROWNSVILLE TX
SAN ANTONIO TX	SP	CORPUS CHRISTI TX
SAN ANTONIO TX	SP	FT WORTH TX
SAN ANTONIO TX	SP	LIVONIA LA
SAN ANTONIO TX	SP	N LITTLE ROCK AR
SAN ANTONIO TX	SP	ODEM TX
SAN ANTONIO TX	SP	SAN MARCOS TX
SAN ANTONIO TX	SP	SETTEGAST TX
SAN ANTONIO TX	SP	SO SAN ANTONIO TX
SAN ANTONIO TX	SP	SPRING TX
SAN ANTONIO TX	SP	TAYLOR TX
SAN ANTONIO TX	SP	TEXAS CEMENT TX
SETTEGAST TX	UP	BROWNSVILLE TX
SETTEGAST TX	UP	CHICAGO-BRC
SETTEGAST TX	UP	COR CHRISTI TX
SETTEGAST TX	UP	CORSICANA TX

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
SETTEGAST TX	UP	DALLAS TX
SETTEGAST TX	UP	ENGLEWOOD
SETTEGAST TX	UP	HEARNE TX
SETTEGAST TX	UP	NPLATTE NE
SETTEGAST TX	UP	SALEM-CR-AVON
SETTEGAST TX	UP	SALEM-CR-CONWAY
SETTEGAST TX	UP	STRANG TX
SHREVEPORT LA	UP	N LIT ROCK AR
SHREVEPORT LA	UP	RODEMACHER LA
SHREVEPORT LA	UP	SETTEGAST TX
SO SAN ANTONIO TX	UP	SAN ANTONIO TX
SPRING TX	UP	CHICAGO-BRC
SPRINGFLD IL	SP	CHICAGO-BRC
STOCKTON CA	UP	BAKERSFIELD CA
STOCKTON CA	UP	FRESNO CA
STOCKTON CA	UP	ROSEVILLE CA
STOCKTON CA	UP	WEST COLTON CA
STPAUL MN	UP	BUTLER WI
STRANG TX	SP	LIVONIA LA
STRANG TX	SP	N LIT ROCK AR
STRANG TX	SP	SALEM-CR-AVON
STRANG TX	SP	SALEM-CR-CONWAY
STRANG TX	SP	SETTEGAST TX
TAYLOR TX	UP	EIGHTENST KS
TEXARKANA AR	UP	HOPE AR
TEXARKANA AR	UP	MT PLEASANT TX
TEXARKANA AR	UP	SALEM-CR-COLUMBUS
TEXARKANA AR	UP	SALEM-CR-SELKIRK
TUCSON AZ	SP	CITY INDUSTRY CA
TUCSON AZ	SP	HERINGTON KS
TUCSON AZ	SP	MIRA LOMA CA
TUCSON AZ	SP	N LIT ROCK AR
TUCSON AZ	SP	SPRING TX
TUCSON AZ	SP	YUMA AZ
VILLA GROVE IL	UP	PINEBLUFF AR
W CHICAGO IL	UP	CHICAGO-BRC
WARM SPRINGS CA	SP	ALBINA OR
WEST COLTON CA	SP	ARDEN NV
WEST COLTON CA	SP	ARLINGTON CA
WEST COLTON CA	SP	DENVER CO
WEST COLTON CA	SP	FTWORTH TX
WEST COLTON CA	SP	HERINGTON KS
WEST COLTON CA	SP	LIVONIA LA
WEST COLTON CA	SP	MILPITAS CA
WEST COLTON CA	SP	MIRA LOMA CA
WEST COLTON CA	SP	MONTCLAIR CA
WEST COLTON CA	SP	N LIT ROCK AR

NEW MANIFEST BLOCKS AT MAJOR TERMINALS

Terminal	Yard	Block Name
WEST COLTON CA	SP	NPLATTE NE
WEST COLTON CA	SP	OAKLAND CA
WEST COLTON CA	SP	POCATELLO ID
WEST COLTON CA	SP	PROVO UT
WEST COLTON CA	SP	SETTEGAST TX
WEST COLTON CA	SP	SLCITY ROPER UT
WEST COLTON CA	SP	YERMO CA
WICHITA KS	UP	HERINGTON K
YARD CENTER IL	UP	PINEBLUFF AR
YARD CENTER IL	UP	SETTEGAST TX
YUMA AZ	SP	LONG BEACH CA
YUMA AZ	SP	TUCSON AZ

Changes In Cars Switched Per Day At Terminals

Road	Terminal	State	Change In Avg. Cars Switched Per Day (Loaded & Empty)
UP	Adams	WI	-13
UP	Alexandria	LA	-100
UP	Altoona	WI	-3
SP	Amarillo	TX	77
UP	Amelia	TX	-196
UP	Angleton	TX	-145
UP/SP	Avondale	LA	-477
SP	Bakersfield	CA	25
UP/SP	Baytown	TX	3
UP/SP	Beaumont	TX	-41
UP	Beverly (Cedar Rapids)	IA	-35
UP	Bloomington	TX	93
SP	Bloomington	IL	-19
UP/SP	Brownsville	TX	25
UP	Butler	WI	0
UP	Cheyenne	WY	-74
UP	Chicago-Canal St	IL	199
UP	Chicago-Global I & II	IL	266
UP	Chicago-Proviso Yd	IL	-357
UP	Chicago-Yard Center	IL	-11
UP/SP	City of Industry	CA	-153
UP	Clinton	IA	1
UP	Coffeyville	KS	-6
UP/SP	Corpus Christi	TX	-134
UP	Council Bluffs	IA	-158
SP	Dalhart	TX	-40
UP/SP	Dallas	TX	-128
UP/SP	Denver	CO	67
UP	Des Moines	IA	128
UP/SP	East St Louis-Valley Jct	IL	-578
UP/SP	El Paso	TX	150
UP	El Reno	OK	18
UP	Elko	NV	-26
SP	Eugene	OR	-201
SP	Fresno	CA	18

Changes In Cars Switched Per Day At Terminals

Road	Terminal	State	Change In Avg. Cars Switched Per Day (Loaded & Empty)
UP/SP	Ft Worth	TX	303
SP	Grand Jct	CO	17
UP	Green River	WY	21
UP/SP	Harlingen	TX	-37
SP	Hearne	TX	-126
SP	Herington	KS	400
UP	Hinkle	OR	249
UP/SP	Houston	TX	269
UP	Itaska	WI	-7
UP	Kansas City - Neff Yd	MO	-321
UP/SP	Kansas City-18 St/Armordale	KS	-330
SP	Klamath Falls	OR	-4
SP	Lafayette	LA	-48
SP	Lake Charles	LA	102
UP	Laredo	TX	-23
UP	Lathrop	CA	98
UP	Livonia	LA	304
UP	Longview	TX	-10
UP/SP	Los Ang-Inland Empire	CA	740
UP/SP	Los Angeles	CA	-125
UP	Mankato	MN	-8
UP	Marshalltown	IA	-75
UP	Mason City	IA	-58
UP	Memphis	TN	87
UP	Mesquite	TX	72
UP	Milpitas	CA	-17
UP	Muskogee	OK	-5
UP	North Little Rock	AR	91
UP	North Platte	NE	-262
UP/SP	Oakland	CA	144
UP	Ogden	UT	-351
UP	Oklahoma City	OK	17
SP	Orange	TX	-56
UP	Parsons	KS	-18
SP	Phoenix	AZ	82

Changes In Cars Switched Per Day At Terminals

Road	Terminal	State	Change In Avg. Cars Switched Per Day (Loaded & Empty)
SP	Pine Bluff	AR	233
UP	Pocatello	ID	9
UP	Portland-Albina	OR	79
UP	Portland-Barnes	OR	-38
UP/SP	Provo	UT	9
SP	Pueblo	CO	-89
UP	Reisor	LA	57
SP	Roseville	CA	565
UP/SP	Sacramento	CA	-22
UP	Salina	KS	11
SP	Salt Lake - Roper Yard	UT	-441
UP	Salt Lake City - UP Yard	UT	-359
UP/SP	San Antonio	TX	-154
UP	Seattle	WA	142
UP/SP	Shreveport	LA	-109
UP	Sioux City	IA	19
SP	Sparks	NV	15
UP	St Paul	MN	22
UP/SP	Stockton	CA	-66
SP	Strang	TX	-10
UP	Taylor	TX	-19
UP/SP	Texarkana	TX	99
UP/SP	Topeka	KS	24
SP	Tucson	AZ	-64
UP	Van Buren	AR	2
SP	Warm Springs	CA	-14
SP	West Colton	CA	164
UP	Yermo	AZ	-231

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
Chicago-Proviso IL	West Chicago IL	UP	15	47	45	92	47	59	106	14
West Chicago IL	Geneva IL	UP	6	34	44	79	34	58	93	14
Geneva IL	Nelson IL	UP	69	0	44	44	0	58	58	14
Nelson IL	Clinton IA	UP	34	0	44	44	0	48	48	4
Clinton IA	Beverly IA	UP	81	0	43	43	0	48	48	5
Beverly IA	Marshalltown IA	UP	65	0	44	44	0	49	49	5
Marshalltown IA	Kansas City Jct. IA	UP	30	0	46	46	0	49	49	4
Kansas City Jct. IA	Ames Jct. IA	UP	7	0	44	44	0	50	50	7
Ames Jct. IA	Boone IA	UP	13	0	41	41	0	48	48	8
Boone IA	Grand Jct. IA	UP	20	0	39	39	0	46	46	8
Grand Jct. IA	Missouri Valley IA	UP	104	0	37	37	0	45	45	8
Missouri Valley IA	Council Bluffs IA	UP	20	0	20	20	0	18	18	-2
Missouri Valley IA	California Jct. IA	UP	6	0	29	29	0	37	37	9
California Jct. IA	Fremont NE	UP	31	0	23	23	0	31	31	9
West Chicago IL	Rockford IL	UP	63	0	2	2	0	1	1	-1
Nelson IL	Buda IL	UP	34	0	6	6	0	16	16	10
Buda IL	Peoria Jct. IL	UP	46	0	6	6	0	6	6	0
Peoria Jct. IL	Barr IL	UP	51	0	4	4	0	6	6	2
Barr IL	Monterey Jct. IL	UP	54	0	4	4	0	0	0	-4
Barr IL	Springfield IL	UP	13	0	0	0	0	3	3	3
Monterey Jct. IL	Decamp IL	UP	15	0	7	7	0	2	2	-5
Decamp IL	Granite City IL	UP	27	0	7	7	0	0	0	-7
Granite City IL	E. St. Louis IL	UP	3	0	2	2	0	0	0	-2
Superior WI	Minneapolis MN	UP	143	0	6	6	0	4	4	-2
South St. Paul MN	Albert Lea MN	UP	96	0	7	7	0	7	7	0
Albert Lea MN	Mason City IA	UP	37	0	8	8	0	8	8	0
Mason City IA	Chicago Jct. IA	UP	96	0	9	9	0	7	7	-1
Chicago Jct. IA	Des Moines IA	UP	32	0	10	10	0	8	8	-2
Des Moines IA	Kansas City MO	UP	220	0	9	9	0	9	9	1
St Paul MN	Mankato MN	UP	84	0	6	6	0	5	5	0
Mankato MN	Sioux City IA	UP	180	0	7	7	0	7	7	0
Sioux City IA	California Jct. IA	UP	70	0	8	8	0	8	8	0
Chicago-Proviso IL	Norma IL	UP	11	0	37	37	0	37	37	0
Norma IL	Seeger IL	UP	1	0	5	5	0	4	4	-1
Seeger IL	Harvard IL	UP	42	51	7	58	51	6	57	-1
Harvard IL	Janesville WI	UP	26	0	7	7	0	6	6	-1
Janesville WI	Madison WI	UP	43	0	2	2	0	1	1	-1
Norma IL	Valley IL	UP	10	0	13	13	0	14	14	1
Valley IL	Tower KO IL	UP	8	0	14	14	0	14	14	1
Tower KO IL	K D Jct. WI	UP	22	0	14	14	0	14	14	0

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
K D Jct. WI	St. Francis WI	UP	28	0	11	11	0	11	11	0
St. Francis WI	Milwaukee/Butler WI	UP	15	0	12	12	0	11	11	-1
Tower KO IL	Lake Bluff IL	UP	2	0	2	2	0	3	3	1
Lake Bluff IL	Waukegan IL	UP	6	50	4	54	50	4	54	1
Waukegan IL	Kenosha WI	UP	16	20	4	24	20	2	22	-1
Kenosha WI	Oak Creek WI	UP	21	0	4	4	0	3	3	-1
Oak Creek WI	St. Francis WI	UP	7	0	4	4	0	3	3	-1
Milwaukee/Butler WI	Granville WI	UP	12	0	2	2	0	2	2	0
Milwaukee/Butler WI	Sheboygan WI	UP	53	0	2	2	0	2	2	0
Milwaukee/Butler WI	Clyman Jct. WI	UP	39	0	5	5	0	5	5	0
Clyman Jct. WI	Necedah WI	UP	87	0	5	5	0	5	5	0
Necadah WI	Wisconsin Rapids WI	UP	38	0	7	7	0	7	7	0
Necedah WI	Wyeville WI	UP	16	0	7	7	0	7	7	0
Wyeville WI	Winona MN	UP	78	0	2	2	0	2	2	0
Wyeville WI	Altoona Jct. WI	UP	81	0	5	5	0	5	5	0
Wisconsin Rapids WI	Hayward Jct. WI	UP	158	0	2	2	0	3	3	0
Hayward Jct. WI	South Itasca WI	UP	50	0	2	2	0	3	3	0
Altoona Jct. WI	Menomonie Jct. WI	UP	26	0	10	10	0	10	10	0
Menomonie Jct. WI	Lakeland Jct. WI	UP	43	0	10	10	0	10	10	0
Lakeland Jct. MN	East St. Paul MN	UP	17	0	8	8	0	8	8	0
North Green Bay WI	Oconto WI	UP	28	0	2	2	0	2	2	0
Oconto WI	Powers MI	UP	62	0	2	2	0	2	2	0
Powers MI	Escanaba WI	UP	22	0	2	2	0	2	2	0
Escanaba WI	Partridge Jct. MI	UP	60	0	6	6	0	6	6	0
Partridge Jct. MI	Eagle Mills Jct. WI	UP	1	0	2	2	0	2	2	0
Crawford NE	Dakota Jct. NE	UP	5	0	1	1	0	1	1	0
Dakota Jct. NE	Chadron NE	UP	23	0	1	1	0	1	1	0
Dakota Jct. NE	Rapid City SD	UP	97	0	1	1	0	1	1	0
Rapid City SD	Colony WY	UP	78	0	5	5	0	5	5	0
South Morrill NE	Bill WY	UP	145	0	41	41	0	41	41	0
Council Bluffs IA	Valley NE	UP	27	0	38	38	0	36	36	-2
Valley NE	Fremont NE	UP	11	0	38	38	0	36	36	-2
Fremont NE	Gibbon NE	UP	136	0	61	61	0	68	68	7
Gibbon NE	North Platte NE	UP	111	0	105	105	0	107	107	3
North Platte NE	South Morrill NE	UP	174	0	40	40	0	39	39	-1
North Platte NE	Cheyenne WY	UP	259	0	64	64	0	66	66	2
Cheyenne WY	Rawlins WY	UP	172	1	59	60	1	66	67	7
Rawlins WY	Green River WY	UP	134	1	58	58	1	64	65	7
Green River WY	Granger WY	UP	30	1	58	59	1	65	66	7
Granger WY	McCammon ID	UP	192	0	24	24	0	21	21	-3

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
McCammon ID	Pocatello ID	UP	23	1	30	31	1	33	34	3
Pocatello ID	Silver Bow MT	UP	255	0	3	3	0	3	3	0
Pocatello ID	Nampa ID	UP	244	1	25	26	1	22	23	-3
Nampa ID	La Grande OR	UP	181	1	28	29	1	28	28	-1
La Grande OR	Hinkle OR	UP	106	1	28	29	1	28	29	0
Hinkle OR	Spokane WA	UP	184	0	4	4	0	4	4	0
Spokane WA	Eastport ID	UP	139	0	2	2	0	3	3	1
Hinkle OR	Oregon Trk Jct. OR	UP	99	1	25	26	1	28	28	3
Oregon Trk Jct. OR	Bend OR	UP	152	0	0	0	0	1	1	1
Bend OR	Chemult OR	UP	69	0	0	0	0	1	1	1
Oregon Trk Jct. OR	Portland OR	UP	85	1	25	26	1	28	29	3
Portland OR	Seattle WA	UP	186	8	17	25	8	20	28	4
Granger WY	Ogden UT	UP	145	1	34	35	1	38	39	4
Ogden UT	McCammon ID	UP	111	1	7	8	1	7	8	0
Ogden UT	Salt Lake City UT (via UP)	UP	36	0	41	41	0	28	28	-26
		SP		0	12	12				
Salt Lake City UT	Alazon NV	UP	214	1	19	20	1	7	8	-12
Alazon NV	Winnemucca NV (joint UP-SP)	UP	182	0	18	18	1	28	29	-2
		SP		1	13	14				
Winnemucca NV	Flanigan CA	UP	152	0	16	16	0	6	6	-10
Flanigan CA	Keddie CA	UP	103	0	16	16	0	6	6	-10
Keddie CA	Bieber CA	UP	112	0	1	1	0	0	0	-1
Keddie CA	Marysville CA	UP	106	0	18	18	0	4	4	-14
Marysville CA	Sacramento CA	UP	37	0	18	18	0	5	5	-12
Sacramento CA	Stockton CA	UP	47	0	18	18	0	5	5	-12
Stockton CA	Niles Jct. CA	UP	87	0	12	12	0	14	14	2
Niles Jct. CA	Oakland CA (parallel routes)	UP	25	0	12	12	8	20	28	3
		SP		8	5	13				
Salt Lake City UT	Lynndyl UT	UP	117	1	18	19	1	13	14	-5
Salt Lake City UT	Provo UT (via SP)	UP	44	0	3	3	2	11	13	-12
		SP		2	19	21				
Provo UT	Lynndyl UT	UP	87	0	9	9	0	12	12	3
Lynndyl UT	Milford UT	UP	89	1	26	27	1	24	25	-2
Milford UT	Las Vegas NV	UP	244	1	23	23	1	20	21	-3
Las Vegas NV	Yermo CA	UP	160	1	21	22	1	17	18	-4
Yermo CA	Mojave CA	UP	69	0	0	0	0	1	1	1
Yermo CA	Colton CA	UP	99	1	21	22	1	17	18	-4
Colton CA	Riverside CA	UP	10	1	21	22	1	24	24	3
Riverside CA	City of Industry CA	UP	40	9	21	29	9	20	28	-1

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
City of Industry CA	Los Angeles CA (via UP)	UP	14	9	21	29	9	29	38	2
		SP		0	7	7				
St. Louis MO	Jefferson City MO (via UP)	UP	128	4	21	25	4	29	33	0
		SP		0	7	7				
Jefferson City MO	Kansas City (Via Sedalia) MO	UP	154	4	10	14	4	15	19	1
		SP		0	4	4				
Jefferson City MO	Kansas City (Via Marshall) MO	UP	164	0	10	10	0	12	12	-2
		SP		0	3	3				
Kansas City MO	Topeka KS (via UP)	UP	68	0	50	50	0	64	64	-9
		SP		0	23	23				
Topeka KS	Salina KS	UP	115	0	5	5	0	6	6	1
Salina KS	Oakley KS	UP	191	0	2	2	0	8	8	6
Oakley KS	Denver CO	UP	262	0	2	2	0	9	9	7
Denver CO	Cheyenne WY	UP	105	1	10	10	1	14	15	5
Topeka KS	Marysville KS	UP	81	0	46	46	0	41	41	-5
Marysville KS	Valley NE	UP	134	0	1	1	0	3	3	2
Marysville KS	Gibbon NE	UP	140	0	44	44	0	39	39	-5
Herington KS	Lost Springs KS	UP	7	0	0	0	0	10	10	10
Salina KS	Lost Springs KS	UP	55	0	2	2	0	2	2	0
Lost Springs KS	Wichita KS	UP	64	0	2	2	0	12	12	10
Wichita KS	Chickasha OK	UP	192	0	4	4	0	12	12	7
Chickasha OK	Fort Worth TX	UP	178	0	8	8	0	14	14	7
Omaha (Summit) NE	Kansas City MO	UP	203	0	12	12	0	11	11	-1
Kansas City MO	Paola KS	UP	48	0	33	33	0	33	33	0
Paola KS	Parsons KS	UP	92	0	16	16	0	13	13	-3
Parsons KS	Wagoner OK	UP	102	0	16	16	0	14	14	-1
Paola KS	Coffeyville KS	UP	141	0	18	18	0	8	8	-10
Coffeyville KS	Wagoner OK	UP	81	0	17	17	0	10	10	-7
Wagoner OK	Muskogee OK	UP	14	0	18	18	0	11	11	-7
Muskogee OK	McAlester OK	UP	64	0	14	14	0	7	7	-6
McAlester OK	Denison TX	UP	96	0	14	14	0	8	8	-7
Denison TX	Fort Worth TX	UP	97	0	15	15	0	9	9	-6
Fort Worth TX	Waco Jct. TX	UP	85	0	20	20	0	15	15	-5
Waco Jct. TX	Taylor TX	UP	77	1	12	13	1	6	6	-7
Taylor TX	Smithville TX	UP	50	0	8	8	0	4	4	-4
Waco Jct. TX	Valley Jct. TX	UP	66	0	7	7	0	9	9	1
Valley Jct. TX	Navasota TX (via SP)	UP	50	0	12	12	0	14	14	-6
		SP		0	8	8				
Navasota TX	Spring TX	UP	49	0	12	12	0	10	10	-1
Spring TX	Houston TX	UP	23	0	29	29	0	27	27	-2

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
Houston TX	Galveston TX	UP	49	0	2	2	0	2	2	0
Chicago IL	Villa Grove IL	UP	127	0	16	16	0	19	19	3
Villa Grove IL	Findlay Jct. IL	UP	40	0	22	22	0	24	24	2
Findlay Jct. IL	Salem IL	UP	65	0	15	15	0	18	18	3
Salem IL	Benton IL	UP	47	0	18	18	0	25	25	7
Benton IL	Metropolis IL	UP	64	0	1	1	0	1	1	0
Benton IL	Gorham IL	UP	41	0	17	17	0	24	24	6
Findlay Jct. IL	E. St. Louis IL	UP	95	0	8	8	0	6	6	-1
E. St. Louis IL	Gorham IL (via UP)	UP	85	0	22	22	0	23	23	-10
		SP		0	12	12				
Gorham IL	Dexter Jct. MO (joint UP-SP)	UP	85	0	33	33	0	39	39	-5
		SP		0	12	12				
Dexter Jct. MO	Paragould AR (via SP)	UP	69	0	5	5	0	22	22	6
		SP		0	11	11				
Paragould AR	Wynne AR	UP	60	0	5	5	0	3	3	-2
Memphis TN	Wynne AR	UP	48	0	14	14	0	15	15	0
Wynne AR	Fair Oaks AR	UP	14	0	10	10	0	12	12	2
Fair Oaks AR	Bald Knob AR	UP	31	0	10	10	0	10	10	0
Dexter Jct. MO	Poplar Bluff MO	UP	28	0	28	28	0	17	17	-11
St. Louis MO	Poplar Bluff (via Desoto) MO	UP	162	1	2	3	1	3	3	0
Poplar Bluff AR	Newport AR	UP	31	1	30	31	1	22	23	-8
Newport AR	Bald Knob AR	UP	27	1	34	35	1	25	26	-9
Bald Knob AR	N. Little Rock AR	UP	54	1	44	44	1	35	36	-9
N. Little Rock AR	Texarkana AR	UP	156	1	34	35	1	23	24	-11
Texarkana AR	Marshall TX	UP	67	1	32	33	1	23	24	-9
Marshall TX	Longview TX	UP	23	1	34	35	1	28	29	-6
Longview TX	Palestine TX	UP	81	0	17	17	0	11	11	-5
Palestine TX	Spring TX	UP	271	0	17	17	0	13	13	-4
Palestine TX	Valley Jct. TX	UP	94	0	8	8	0	9	9	1
Valley Jct. TX	Taylor TX	UP	51	0	14	14	0	15	15	1
Taylor TX	San Marcos TX	UP	67	1	22	23	1	20	21	-2
San Marcos TX	San Antonio TX	UP	52	1	28	29	1	25	26	-3
San Antonio TX	Laredo TX	UP	155	0	10	10	0	12	12	2
Avondale LA	Livonia LA	UP	104	0	18	18	0	18	18	0
Livonia LA	Kinder LA	UP	76	0	7	7	0	8	8	2
Kinder LA	DeQuincy LA	UP	37	0	10	10	0	6	6	-3
DeQuincy LA	Beaumont TX	UP	217	0	13	13	0	4	4	-9
Beaumont TX	Houston TX	UP	79	0	13	13	0	10	10	-3
Houston TX	AngletonTX	UP	51	0	12	12	0	8	8	-3
Angleton TX	Bloomington TX	UP	101	0	7	7	0	7	7	0

UP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	Trns/Day
Bloomington TX	Odem TX (via UP)	UP	67	0	5	5	0	5	5	-4
		SP		0	4	4				
Odem TX	Kingsville TX (via UP)	UP	36	0	5	5	0	5	5	-1
		SP		0	2	2				
Kingsville TX	Brownsville TX (via UP)	UP	117	0	3	3	0	4	4	0
		SP		0	2	2				
Houston TX	West Point TX	UP	102	0	9	9	0	7	7	-2
West Point TX	Smithville TX	UP	9	0	9	9	0	10	10	1
Smithville TX	San Marcos TX	UP	54	0	6	6	0	4	4	-2
San Antonio TX	Odem TX	UP	134	0	2	2	0	3	3	1
Odem TX	Corpus Christi TX (via UP)	UP	17	0	2	2	0	4	4	-1
		SP		0	2	2				
Kinder LA	Alexandria LA	UP	63	0	3	3	0	3	3	0
Alexandria LA	McGehee AR	UP	190	0	9	9	0	9	9	1
McGehee AR	Pine Bluff AR	UP	59	0	13	13	0	12	12	-1
Pine Bluff AR	N. Little Rock AR	UP	45	0	13	13	0	17	17	4
N. Little Rock AR	Van Buren AR	UP	157	0	13	13	0	13	13	0
Van Buren AR	Wagoner OK	UP	85	0	14	14	0	14	14	0
Livonia LA	Alexandria LA	UP	80	0	11	11	0	11	11	0
Alexandria LA	Shreveport LA	UP	128	0	6	6	0	6	6	0
Shreveport LA	Marshall TX	UP	36	0	8	8	0	5	5	-3
Longview TX	Big Sandy TX	UP	18	1	18	19	1	15	16	-3
Big Sandy TX	Dallas TX (via UP)	UP	98	1	24	24	1	35	36	7
		SP		0	4	4				
Dallas TX	Fort Worth TX	UP	32	0	24	24	0	34	34	10
Fort Worth TX	Big Spring TX	UP	268	0	2	2	0	11	11	9
Big Spring TX	Toyah TX	UP	152	0	2	2	0	12	12	10
Toyah TX	Sierra Blanca TX	UP	110	0	2	2	0	12	12	10
Sierra Blanca TX	El Paso TX (via SP)	UP	88	0	2	2	1	26	27	6
		SP		0.9	18.5	19.4				

Note: Foreign trains not included except as shown for joint route segments with SP.

SP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	of Trains/Day
Chicago IL (Cicero)	Buda IL (via BNSF)	SP	112	0	4	4	0	1	1	-3
Buda IL	Galesburg IL (via BNSF)	SP	43	0	4	4	0	10	10	6
Galesburg IL	W. Quincy IL (via BNSF)	SP	97	0	4	4	0	3	3	-1
W. Quincy IL	Kansas City MO (via BNSF)	SP	209	0	4	4	0	3	3	-1
Chicago IL	Joliet IL (via BNSF)	SP	27	0	4	4	0	3	3	-1
Joliet IL	Galesburg IL (via BNSF)	SP	141	0	4	4	0	3	3	-1
Galesburg IL	Ft. Madison IA (via BNSF)	SP	57	0	4	4	0	11	11	7
Ft. Madison IA	Kansas City MO (via BNSF)	SP	217	0	4	4	0	11	11	7
Chicago IL	Joliet IL (via IC)	SP	29	9	5	13	9	6	15	2
Joliet IL	Bloomington IL	SP	90	6	5	11	6	2	8	-2
Bloomington IL	Springfield IL	SP	56	6	6	12	6	3	9	-2
Springfield IL	E. St. Louis IL	SP	99	6	6	12	6	6	12	1
E. St. Louis IL	Union MO	SP	61	0	1	1	0	0	0	-1
E. St. Louis IL	Jeff City MO (via UP)	SP	128	0	7	7	4	29	33	0
		UP		4	21	25				
Jeff City MO	Kansas City MO (via UP - River Sub.)	SP	164	0	3	3	0	12	12	-2
		UP		0	10	10				
Jeff City MO	Kansas City MO (via UP - Sedalia Sub.)	SP	154	0	4	4	4	15	19	1
		UP		4	10	14				
E. St. Louis IL	Gorham IL (via UP)	SP	85	0	12	12	0	23	23	-10
		UP		0	22	22				
Gorham IL	Dexter Jct. MO (UP-SP joint)	SP	85	0	12	12	0	39	39	-5
		UP		0	33	33				
Dexter Jct. MO	Paragould AR (via SP)	SP	69	0	11	11	0	22	22	6
		UP		0	5	5				
Paragould AR	Fair Oaks AR	SP	69	0	11	11	0	20	20	8
Fair Oaks AR	Brinkley AR	SP	26	0	11	11	0	22	22	10
Memphis TN	Brinkley AR	SP	69	0	11	11	0	6	6	-5
Brinkley AR	Pine Bluff AR	SP	71	0	23	23	0	28	28	5
Pine Bluff AR	Camden AR	SP	72	0	21	21	0	24	24	4
Camden AR	Lewisville AR	SP	53	0	21	21	0	24	24	3
Lewisville AR	Shreveport LA	SP	62	0	9	9	0	9	9	0
Shreveport LA	Lufkin TX	SP	116	0	8	8	0	8	8	-1
Lufkin TX	Houston TX	SP	122	0	9	9	0	8	8	-2
Lewisville AR	Texarkana TX	SP	29	0	12	12	0	15	15	4
Texarkana TX	Big Sandy TX	SP	108	0	12	12	0	18	18	7
Big Sandy TX	Dallas TX (via UP)	SP	98	0	4	4	0	35	35	7
		UP		0	24	24				
Big Sandy TX	Tyler TX	SP	26	0	8	8	0	2	2	-5
Tyler TX	Corsicana TX	SP	75	0	8	8	0	2	2	-5

SP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	of Trains/Day
Dallas TX	Garrett TX	SP	35	0	5	5	0	2	2	-4
Ft. Worth TX	Garrett TX	SP	52	0	7	7	0	8	8	1
Garrett TX	Corsicana TX	SP	24	0	12	12	0	10	10	-3
Corsicana TX	Hearne TX	SP	90	0	20	20	0	13	13	-7
Hearne TX	Navasota TX (via SP)	SP	50	0	8	8	0	14	14	-6
		UP		0	12	12				
Navasota TX	Houston TX (via Eureka)	SP	73	0	8	8	0	3	3	-5
Hearne TX	West Poiint TX	SP	77	0	13	13	0	10	10	-4
West Point TX	Flatonia TX	SP	20	0	13	13	0	7	7	-7
Flatonia TX	Victoria TX	SP	74	0	4	4	0	2	2	-2
Victoria TX	Coleto Creek TX	SP	17	0	1	1	0	1	1	0
Victoria TX	Placedo/Bloomington TX	SP	13	0	4	4	0	2	2	-1
Placedo/Bloomington TX	Odem TX (via UP)	SP	67	0	4	4	0	5	5	-4
		UP		0	5	5				
Odem TX	Corpus Christi TX (via UP)	SP	17	0	2	2	0	4	4	-1
		UP		0	2	2				
Odem TX	Kingsville TX (via UP)	SP	36	0	2	2	0	6	6	0
		UP		0	5	5				
Kingsville TX	Brownsville TX (via UP)	SP	117	0	2	2	0	4	4	0
		UP		0	3	3				
Avondale LA	Lafayette LA	SP	125	1	11	12	1	7	8	-5
Lafayette LA	Iowa Jct. LA	SP	58	1	10	11	1	6	7	-5
Iowa Jct. LA	Beaumont TX	SP	75	1	15	16	1	22	23	7
Beaumont TX	Dayton TX	SP	48	1	14	15	1	11	12	-3
Dayton TX	Houston TX	SP	31	1	15	16	1	12	13	-3
Houston TX	Strang TX	SP	21	0	10	10	0	8	8	-1
Strang TX	Galveston TX	SP	35	0	2	2	0	0	0	-2
Houston TX	Flatonia TX	SP	125	1	15	16	1	18	18	2
Flatonia TX	San Antonio TX	SP	87	1	24	25	1	22	23	-2
San Antonio TX	Beckmann TX	SP	17	0	4	4	0	4	4	0
San Antonio TX	Spofford TX	SP	131	1	19	19	1	14	15	-4
Spofford TX	Eagle Pass TX	SP	33	0	4	4	0	4	4	0
Spofford TX	Sierra Blanca TX	SP	378	1	19	19	1	14	15	-4
Sierra Blanca TX	El Paso TX (via SP)	SP	88	1	19	19	1	26	27	6
		UP		0	2	2				
Kansas City MO	Topeka KS (via UP)	SP	68	0	23	23	0	64	64	-9
		UP		0	50	50				
Topeka KS	Herington KS	SP	82	0	23	23	0	20	20	-3
Herington KS	Hutchinson KS	SP	74	0	12	12	0	15	15	3
Kansas City MO	Ellinor KS (via BNSF)	SP	123	0	2	2	0	8	8	6

SP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of of Trains/Day
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	
Ellinor KS	Newton KS (via BNSF)	SP	60	0	0	0	0	8	8	8
Newton KS	Hutchinson KS (via BNSF)	SP	33	0	2	2	0	8	8	6
Ellinor KS	Winfield KS (via BNSF)	SP	102	0	2	2	0	0	0	-2
Newton KS	Winfield KS (via BNSF)	SP	66	0	2	2	0	0	0	-2
Winfield KS	Purcell OK (via BNSF)	SP	168	0	2	2	0	0	0	-2
Purcell OK	Fort Worth TX (via BNSF)	SP	169	0	2	2	0	0	0	-2
Hutchinson KS	Stratford TX	SP	274	0	11	11	0	20	20	9
Stratford TX	Dalhart TX	SP	31	0	13	13	0	22	22	9
Dalhart TX	El Paso TX	SP	425	0	12	12	0	20	20	8
Pueblo CO	La Junta CO (via BNSF)	SP	65	0	2	2	0	5	5	3
La Junta CO	Stratford TX (via BNSF)	SP	171	0	2	2	0	5	5	3
Stratford CO	Amarillo TX (via BNSF)	SP	88	0	0	0	0	2	2	2
Dalhart TX	Amarillo TX (via BNSF)	SP	82	0	2	2	0	5	5	3
Amarillo TX	Fort Worth TX (via BNSF)	SP	308	0	2	2	0	4	4	2
Herington KS	Lindsborg KS (via UP)	SP	44	0	13	13	0	0	0	-14
		UP		0	1	1	0	0	0	
Lindsborg KS	Geneseo KS (via UP)	SP	29	0	13	13	0	1	1	-13
		UP		0	1	1	0	0	0	
Geneseo KS	Pueblo CO (via UP)	SP	372	0	13	13	0	0	0	-14
		UP		0	1	1	0	0	0	
Pueblo CO	Alamosa TX	SP	128	0	2	2	0	2	2	0
Pueblo CO	Dotsero CO	SP	222	0	12	12	0	1	1	-11
Denver CO	Pueblo CO (SP-BNSF joint line)	SP	122	0	5	5	0	5	5	0
Denver CO	Bond CO	SP	127	2	9	11	2	12	14	3
Bond CO	Phippsburg CO	SP	39	0	5	5	0	6	6	1
Bond CO	Dotsero CO	SP	38	2	4	6	2	6	8	2
Dotsero CO	Grand Jct. CO	SP	106	2	18	20	2	9	11	-9
Grand Jct. CO	Helper UT	SP	176	2	18	20	2	8	10	-10
Helper UT	Provo UT	SP	75	2	22	24	2	10	12	-11
Provo UT	Salt Lake City UT (via SP)	SP	44	2	19	21	2	11	13	-12
		UP		0	3	3				
Salt Lake City UT	Ogden UT (via UP)	SP	36	0	12	12	0	28	28	-26
		UP		0	41	41				
Ogden UT	Alazon NV	SP	178	0	13	13	0	20	20	8
Alazon NV	Winnemucca NV (UP-SP joint)	SP	182	1	13	14	1	28	29	-2
		UP		0	18	18				
Winnemucca NV	Flanigan NV (via UP)	SP	152	0	0	0	0	6	6	-10
		UP		0	16	16				
Flanigan NV	Klamath Falls OR	SP	219	0	0	0	0	0	0	0
Winnemucca NV	Sparks NV	SP	175	1	13	14	1	21	22	8

SP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	of Trains/Day
Sparks NV	Roseville CA	SP	139	1	13	14	1	20	21	7
Roseville CA	Sacramento CA	SP	18	9	20	29	9	23	32	3
El Paso TX	Lordsburg NM	SP	148	1	28	29	1	44	45	15
Lordsburg NM	Cochise AZ	SP	85	1	29	30	1	44	45	15
Cochise AZ	Tucson AZ	SP	78	1	29	30	1	44	45	15
Tucson AZ	Nogales AZ	SP	63	0	1	1	0	1	1	0
Tucson AZ	Picacho AZ	SP	50	1	25	26	1	40	41	16
Picacho AZ	Phoenix AZ	SP	71	0	3	3	0	2	2	-1
Picacho AZ	Yuma AZ	SP	203	1	25	26	1	38	39	13
Yuma AZ	West Colton CA	SP	195	1	27	28	1	38	39	11
West Colton CA	City of Industry CA	SP	34	1	38	39	1	41	42	3
City of Industry CA	Bartolo CA (via UP)	SP	8	0	7	7	9	29	38	2
		UP		9	21	29				
Bartolo CA	Los Nietos CA	SP	4	0	7	7	0	2	2	-5
Los Nietos CA	Slauson Jct. CA	SP	9	0	7	7	0	2	2	-5
City of Industry CA	Los Angeles CA (via SP)	SP	19	1	32	33	1	34	35	3
Los Angeles CA	Slauson Jct. CA	SP	6	0	19	19	0	26	26	6
Slauson Jct. CA	Long Beach CA	SP	14	0	22	22	0	26	26	4
Los Angeles CA	Burbank Jct. CA	SP	8	35	6	41	35	3	38	-3
Burbank Jct. CA	Palmdale CA	SP	57	13	4	17	13	2	15	-2
Burbank Jct. CA	Oxnard CA	SP	55	19	6	25	19	5	24	-2
Oxnard CA	Santa Barbara CA	SP	37	10	6	16	10	5	15	-2
Santa Barbara CA	San Luis Obispo CA	SP	119	4	6	10	4	5	9	-2
San Luis Obispo CA	San Jose CA	SP	203	2	5	7	2	5	7	0
San Jose CA	Niles Jct. CA	SP	18	8	5	13	8	3	11	-2
Niles Jct. CA	Oakland CA (parallel routes)	SP	25	8	5	13	8	20	28	3
		UP		0	12	12				
West Colton CA	Palmdale CA (via Hiland)	SP	80	0	9	9	0	13	13	4
Palmdale CA	Mojave CA	SP	34	0	13	13	0	15	15	2
Mojave CA	Bakersfield CA	SP	67	0	14	14	0	15	15	2
Bakersfield CA	Fresno CA	SP	108	0	13	13	0	14	14	2
Fresno CA	Stockton/Lathrop CA	SP	106	0	13	13	0	15	15	2
Stockton/Lathrop CA	Martinez CA (via Mococo)	SP	48	0	0	0	0	4	4	4
Stockton/Lathrop CA	Sacramento CA	SP	46	0	13	13	0	15	15	2
Sacramento CA	Martinez CA	SP	57	9	8	17	9	7	16	-1
Martinez CA	Oakland CA	SP	32	17	8	25	17	11	28	3
Roseville CA	Marysville CA	SP	34	2	15	17	2	18	20	4
Marysville CA	Dunsmuir CA	SP	174	2	15	17	2	20	22	5
Dunsmuir CA	Klamath Falls OR	SP	106	2	15	17	2	20	22	5
Klamath Falls OR	Chemult OR	SP	74	2	15	17	2	22	24	6

SP Train Densities

Segment				Adj. 1994 Base Trns/Day			Post-Merger Trns/Day			Change in # of
From Station	To Station	Road	Miles	Psgr.	Frgt.	Total	Psgr.	Frgt.	Total	of Trains/Day
Chemult OR	Eugene OR	SP	124	2	15	17	2	21	23	5
Eugene OR	Portland OR	SP	124	6	10	16	6	15	21	5

Note: Foreign trains not included except as shown for joint route segments with UP.

Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Chicago-Proviso IL	West Chicago IL	UP	15	98	120	22%
West Chicago IL	Geneva IL	UP	6	97	119	23%
Geneva IL	Nelson IL	UP	69	95	118	23%
Nelson IL	Clinton IA	UP	34	96	103	8%
Clinton IA	Beverly IA	UP	81	97	105	8%
Beverly IA	Marshalltown IA	UP	65	99	106	7%
Marshalltown IA	Kansas City Jct. IA	UP	30	106	116	9%
Kansas City Jct. IA	Ames Jct. IA	UP	7	101	117	15%
Ames Jct. IA	Boone IA	UP	13	95	113	18%
Boone IA	Grand Jct. IA	UP	20	89	106	19%
Grand Jct. IA	Missouri Valley IA	UP	104	89	106	19%
Missouri Valley IA	Council Bluffs IA	UP	20	55	52	-4%
Missouri Valley IA	California Jct. IA	UP	6	61	78	28%
California Jct. IA	Fremont NE	UP	31	48	64	34%
West Chicago IL	Rockford IL	UP	63	2	2	-2%
Nelson IL	Buda IL	UP	34	14	28	97%
Buda IL	Peoria Jct. IL	UP	46	14	12	-18%
Peoria Jct. IL	Barr IL	UP	51	8	12	51%
Barr IL	Monterey Jct. IL	UP	54	8	0	-100%
Barr IL	Springfield IL	UP	13	0	7	New Oper.
Monterey Jct. IL	Decamp IL	UP	15	10	4	-57%
Decamp IL	Granite City IL	UP	27	10	0	-100%
Granite City IL	E. St. Louis IL	UP	3	4	0	-100%
Superior WI	Minneapolis MN	UP	143	14	12	-14%
South St. Paul MN	Albert Lea MN	UP	96	18	20	12%
Albert Lea MN	Mason City IA	UP	37	19	21	11%
Mason City IA	Chicago Jct. IA	UP	86	23	24	4%
Chicago Jct. IA	Des Moines IA	UP	32	23	22	-4%
Des Moines IA	Kansas City MO	UP	220	18	15	-16%
St Paul MN	Mankato MN	UP	84	7	5	-31%
Mankato MN	Sioux City IA	UP	180	6	4	-39%
Sioux City IA	California Jct. IA	UP	70	17	15	-11%
Chicago-Proviso IL	Norma IL	UP	11	48	48	1%
Norma IL	Seeger IL	UP	1	9	9	-1%
Seeger IL	Harvard IL	UP	42	10	10	-1%
Harvard IL	Janesville WI	UP	26	10	10	-1%
Janesville WI	Madison WI	UP	43	3	3	-1%

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Norma IL	Valley IL	UP	10	39	40	1%
Valley IL	Tower KO IL	UP	8	39	40	1%
Tower KO IL	K D Jct. WI	UP	22	32	32	0%
K D Jct. WI	St. Francis WI	UP	28	24	24	0%
St. Francis WI	Milwaukee/Butler WI	UP	15	25	25	3%
Tower KO IL	Lake Bluff IL	UP	2	7	8	7%
Lake Bluff IL	Waukegan IL	UP	6	4	5	12%
Waukegan IL	Kenosha WI	UP	16	3	3	18%
Kenosha WI	Oak Creek WI	UP	21	3	4	24%
Oak Creek WI	St. Francis WI	UP	7	0	1	153%
Milwaukee/Butler WI	Granville WI	UP	12	1	1	0%
Milwaukee/Butler WI	Sheboygan WI	UP	53	5	5	0%
Milwaukee/Butler WI	Clyman Jct. WI	UP	39	16	16	3%
Clyman Jct. WI	Necedah WI	UP	87	16	16	3%
Necadah WI	Wisconsin Rapids WI	UP	38	7	6	-9%
Necedah WI	Wyeville WI	UP	16	15	16	4%
Wyeville WI	Winona MN	UP	78	3	3	4%
Wyeville WI	Altoona Jct. WI	UP	81	12	12	0%
Wisconsin Rapids WI	Hayward Jct. WI	UP	158	5	6	11%
Hayward Jct. WI	South Itasca WI	UP	50	5	5	13%
Altoona Jct. WI	Menomonie Jct. WI	UP	26	14	14	-1%
Menomonie Jct. WI	Lakeland Jct. WI	UP	43	14	13	-1%
Lakeland Jct. MN	East St. Paul MN	UP	17	16	16	-1%
North Green Bay WI	Oconto WI	UP	28	2	2	0%
Oconto WI	Powers MI	UP	62	2	2	0%
Powers MI	Escanaba WI	UP	22	1	1	0%
Escanaba WI	Partridge Jct. MI	UP	60	12	12	0%
Partridge Jct. MI	Eagle Mills Jct. WI	UP	1	5	5	0%
Crawford NE	Dakota Jct. NE	UP	5	1	1	0%
Dakota Jct. NE	Chadron NE	UP	23	1	1	0%
Dakota Jct. NE	Rapid City SD	UP	97	1	1	0%
Rapid City SD	Colony WY	UP	78	2	2	0%
South Morrill NE	Bill WY	UP	145	145	146	1%
Council Bluffs IA	Valley NE	UP	27	67	61	-9%
Valley NE	Fremont NE	UP	11	70	66	-6%
Fremont NE	Gibbon NE	UP	136	111	123	11%
Gibbon NE	North Platte NE	UP	111	257	265	3%

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
North Platte NE	South Morrill NE	UP	174	142	144	1%
North Platte NE	Cheyenne WY	UP	259	122	128	5%
Cheyenne WY	Rawlins WY	UP	172	116	129	11%
Rawlins WY	Green River WY	UP	134	114	127	11%
Green River WY	Granger WY	UP	30	120	133	11%
Granger WY	McCammon ID	UP	192	52	44	-16%
McCammon ID	Pocatello ID	UP	23	81	84	4%
Pocatello ID	Silver Bow MT	UP	255	7	7	0%
Pocatello ID	Nampa ID	UP	244	56	58	4%
Nampa ID	La Grande OR	UP	181	61	62	3%
La Grande OR	Hinkle OR	UP	106	53	55	4%
Hinkle OR	Spokane WA	UP	184	7	8	9%
Spokane WA	Eastport ID	UP	139	5	6	15%
Hinkle OR	Oregon Trk Jct. OR	UP	99	45	48	8%
Oregon Trk Jct. OR	Bend OR	UP	152	0	0	21%
Bend OR	Chemult OR	UP	69	0	0	New Oper.
Oregon Trk Jct. OR	Portland OR	UP	85	45	49	7%
Portland OR	Seattle WA	UP	186	22	25	14%
Granger WY	Ogden UT	UP	145	63	72	13%
Ogden UT	McCammon ID	UP	111	13	11	-16%
Ogden UT	Salt Lake City UT (via UP)	UP	36	74	54	-48%
		SP		30		
Salt Lake City UT	Alazon NV	UP	214	32	13	-60%
Alazon NV	Winnemucca NV (joint UP-SP)	UP	182	31	59	9%
		SP		23		
Winnemucca NV	Flanigan CA	UP	152	25	10	-62%
Flanigan CA	Keddie CA	UP	103	25	11	-58%
Keddie CA	Bieber CA	UP	112	1	0	-100%
Keddie CA	Marysville CA	UP	106	27	8	-70%
Marysville CA	Sacramento CA	UP	37	27	9	-66%
Sacramento CA	Stockton CA	UP	47	24	7	-71%
Stockton CA	Niles Jct. CA	UP	87	14	14	-1%
Niles Jct. CA	Oakland CA (parallel routes)	UP	25	14	20	-1%
		SP		6		
Salt Lake City UT	Lynndyl UT	UP	117	31	22	-29%
Salt Lake City UT	Provo UT (via SP)	UP	44	10	29	-42%
		SP		40		

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Provo UT	Lynndyl UT	UP	87	19	26	39%
Lynndyl UT	Milford UT	UP	89	42	43	1%
Milford UT	Las Vegas NV	UP	244	41	41	1%
Las Vegas NV	Yermo CA	UP	160	36	37	4%
Yermo CA	Mojave CA	UP	69	0	3	New Oper.
Yermo CA	Colton CA	UP	99	35	35	3%
Colton CA	Riverside CA	UP	10	35	46	32%
Riverside CA	City of Industry CA	UP	40	27	37	37%
City of Industry CA	Los Angeles CA (via UP)	UP	14	25	33	-7%
		SP		11		
St. Louis MO	Jefferson City MO (via UP)	UP	128	45	57	3%
		SP		14		
Jefferson City MO	Kansas City (Via Sedalia) MO	UP	154	16	25	19%
		SP		5		
Jefferson City MO	Kansas City (Via Marshall) MO	UP	164	32	35	-15%
		SP		10		
Kansas City MO	Topeka KS (via UP)	UP	68	132	104	-42%
		SP		47		
Topeka KS	Salina KS	UP	115	9	16	76%
Salina KS	Oakley KS	UP	191	4	19	388%
Oakley KS	Denver CO	UP	262	3	18	444%
Denver CO	Cheyenne WY	UP	105	21	38	79%
Topeka KS	Marysville KS	UP	81	145	142	-2%
Marysville KS	Valley NE	UP	134	1	3	134%
Marysville KS	Gibbon NE	UP	140	135	130	-4%
Herington KS	Lost Springs KS	UP	7	0	27	17005%
Salina KS	Lost Springs KS	UP	55	6	2	-74%
Lost Springs KS	Wichita KS	UP	64	6	29	362%
Wichita KS	Chickasha OK	UP	192	16	36	129%
Chickasha OK	Fort Worth TX	UP	178	18	38	113%
Omaha (Summit) NE	Kansas City MO	UP	203	11	7	-34%
Kansas City MO	Paola KS	UP	48	101	94	-7%
Paola KS	Parsons KS	UP	92	69	49	-29%
Parsons KS	Wagoner OK	UP	102	68	48	-29%
Paola KS	Coffeyville KS	UP	141	33	24	-28%
Coffeyville KS	Wagoner OK	UP	81	33	23	-31%
Wagoner OK	Muskogee OK	UP	14	38	11	-71%

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Muskogee OK	McAlester OK	UP	64	43	16	-62%
McAlester OK	Denison TX	UP	96	43	17	-61%
Denison TX	Fort Worth TX	UP	97	44	18	-60%
Fort Worth TX	Waco Jct. TX	UP	85	56	49	-12%
Waco Jct. TX	Taylor TX	UP	77	35	17	-52%
Taylor TX	Smithville TX	UP	50	19	9	-54%
Waco Jct. TX	Valley Jct. TX	UP	66	20	33	62%
Valley Jct. TX	Navasota TX (via SP)	UP	50	24	34	-10%
		SP		13		
Navasota TX	Spring TX	UP	49	24	23	-6%
Spring TX	Houston TX	UP	23	53	52	-1%
Houston TX	Galveston TX	UP	49	6	5	-5%
Chicago IL	Villa Grove IL	UP	127	28	34	24%
Villa Grove IL	Findlay Jct. IL	UP	40	29	36	24%
Findlay Jct. IL	Salem IL	UP	65	15	22	49%
Salem IL	Benton IL	UP	47	32	53	64%
Benton IL	Metropolis IL	UP	64	2	2	0%
Benton IL	Gorham IL	UP	41	36	57	58%
Findlay Jct. IL	E. St. Louis IL	UP	95	14	14	-2%
E. St. Louis IL	Gorham IL (via UP)	UP	85	42	51	-18%
		SP		21		
Gorham IL	Dexter Jct. MO (joint UP-SP)	UP	85	62	84	1%
		SP		21		
Dexter Jct. MO	Paragould AR (via SP)	UP	69	8	40	43%
		SP		21		
Paragould AR	Wynne AR	UP	60	7	5	-22%
Memphis TN	Wynne AR	UP	48	31	37	20%
Wynne AR	Fair Oaks AR	UP	14	23	30	35%
Fair Oaks AR	Bald Knob AR	UP	31	23	24	8%
Dexter Jct. MO	Poplar Bluff MO	UP	28	47	37	-22%
St. Louis MO	Poplar Bluff (via Desoto) MO	UP	162	4	4	11%
Poplar Bluff AR	Newport AR	UP	31	56	49	-13%
Newport AR	Bald Knob AR	UP	27	66	59	-11%
Bald Knob AR	N. Little Rock AR	UP	54	88	82	-7%
N. Little Rock AR	Texarkana AR	UP	156	64	59	-8%
Texarkana AR	Marshall TX	UP	67	57	47	-17%
Marshall TX	Longview TX	UP	23	57	54	-5%

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Longview TX	Palestine TX	UP	81	28	28	0%
Palestine TX	Spring TX	UP	271	20	19	-3%
Palestine TX	Valley Jct. TX	UP	94	10	13	21%
Valley Jct. TX	Taylor TX	UP	51	18	14	-23%
Taylor TX	San Marcos TX	UP	67	32	22	-32%
San Marcos TX	San Antonio TX	UP	52	45	35	-22%
San Antonio TX	Laredo TX	UP	155	22	21	-5%
Avondale LA	Livonia LA	UP	104	34	37	11%
Livonia LA	Kinder LA	UP	76	15	23	59%
Kinder LA	DeQuincy LA	UP	37	21	19	-5%
DeQuincy LA	Beaumont TX	UP	217	20	4	-78%
Beaumont TX	Houston TX	UP	79	22	19	-16%
Houston TX	AngletonTX	UP	51	30	27	-10%
Angleton TX	Bloomington TX	UP	101	17	16	-2%
Bloomington TX	Odem TX (via UP)	UP	67	9	11	-2%
		SP		3		
Odem TX	Kingsville TX (via UP)	UP	36	7	7	-1%
		SP		1		
Kingsville TX	Brownsville TX (via UP)	UP	117	7	7	-3%
		SP		1		
Houston TX	West Point TX	UP	102	12	11	-7%
West Point TX	Smithville TX	UP	9	21	32	48%
Smithville TX	San Marcos TX	UP	54	12	11	-12%
San Antonio TX	Odem TX	UP	134	3	6	63%
Odem TX	Corpus Christi TX (via UP)	UP	17	4	7	27%
		SP		2		
Kinder LA	Alexandria LA	UP	63	8	11	34%
Alexandria LA	McGehee AR	UP	190	23	28	19%
McGehee AR	Pine Bluff AR	UP	59	25	29	17%
Pine Bluff AR	N. Little Rock AR	UP	45	37	46	24%
N. Little Rock AR	Van Buren AR	UP	157	40	40	1%
Van Buren AR	Wagoner OK	UP	85	41	41	1%
Livonia LA	Alexandria LA	UP	80	20	22	10%
Alexandria LA	Shreveport LA	UP	128	11	12	10%
Shreveport LA	Marshall TX	UP	36	14	15	10%
Longview TX	Big Sandy TX	UP	18	28	25	-11%

UP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	In Tons/Yr.
Big Sandy TX	Dallas TX (via UP)	UP	98	27	42	50%
		SP		1		
Dallas TX	Fort Worth TX	UP	32	25	37	45%
Fort Worth TX	Big Spring TX	UP	268	7	25	261%
Big Spring TX	Toyah TX	UP	152	5	24	346%
Toyah TX	Sierra Blanca TX	UP	110	4	24	431%
Sierra Blanca TX	El Paso TX (via SP)	UP	88	2	45	21%
		SP		35		

Notes: 1. Tonnage for foreign trains not included except as shown for joint route segments with SP.
2. Includes freight train locomotive ton-miles.
3. Passenger trains not included.

SP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	in Tons/Yr.
Chicago IL (Cicero)	Buda IL (via BNSF)	SP	112	6	2	-69%
Buda IL	Galesburg IL (via BNSF)	SP	43	6	12	107%
Galesburg IL	W. Quincy IL (via BNSF)	SP	97	6	3	-52%
W. Quincy IL	Kansas City MO (via BNSF)	SP	209	6	3	-52%
Chicago IL	Joliet IL (via BNSF)	SP	27	11	3	-73%
Joliet IL	Galesburg IL (via BNSF)	SP	141	11	3	-73%
Galesburg IL	Ft. Madison IA (via BNSF)	SP	57	11	16	42%
Ft. Madison IA	Kansas City MO (via BNSF)	SP	217	11	16	42%
Chicago IL	Joliet IL (via IC)	SP	29	8	9	10%
Joliet IL	Bloomington IL	SP	90	8	5	-36%
Bloomington IL	Springfield IL	SP	56	10	7	-35%
Springfield IL	E. St. Louis IL	SP	99	11	16	43%
E. St. Louis IL	Union MO	SP	61	1	0	-100%
E. St. Louis IL	Jeff City MO (via UP)	SP	128	14	57	-3%
		UP		45		
Jeff City MO	Kansas City MO	SP	164	10	35	-15%
	(via UP - River Sub.)	UP		32		
Jeff City MO	Kansas City MO	SP	154	5	25	19%
	(via UP - Sedalia Sub.)	UP		16		
E. St. Louis IL	Gorham IL (via UP)	SP	85	21	51	-18%
		UP		42		
Gorham IL	Dexter Jct. MO (UP-SP joint)	SP	85	21	84	1%
		UP		62		
Dexter Jct. MO	Paragould AR (via SP)	SP	69	21	40	43%
		UP		8		
Paragould AR	Fair Oaks AR	SP	69	21	35	69%
Fair Oaks AR	Brinkley AR	SP	26	21	41	98%
Memphis TN	Brinkley AR	SP	69	10	4	-59%
Brinkley AR	Pine Bluff AR	SP	71	25	40	57%
Pine Bluff AR	Camden AR	SP	72	29	38	29%
Camden AR	Lewisville AR	SP	53	30	39	31%
Lewisville AR	Shreveport LA	SP	62	17	15	-14%
Shreveport LA	Lufkin TX	SP	116	16	9	-46%
Lufkin TX	Houston TX	SP	122	17	9	-44%
Lewisville AR	Texarkana TX	SP	29	32	44	39%
Texarkana TX	Big Sandy TX	SP	108	12	27	119%

SP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	in Tons/Yr.
Big Sandy TX	Dallas TX (via UP)	SP	98	1	42	50%
		UP		27		
Big Sandy TX	Tyler TX	SP	26	11	7	-40%
Tyler TX	Corsicana TX	SP	75	11	7	-40%
Dallas TX	Garrett TX	SP	35	6	1	-85%
Ft. Worth TX	Garrett TX	SP	52	12	14	12%
Garrett TX	Corsicana TX	SP	24	13	9	-28%
Corsicana TX	Hearne TX	SP	90	27	21	-23%
Hearne TX	Navasota TX (via SP)	SP	50	13	34	-10%
		UP		24		
Navasota TX	Houston TX (via Eureka)	SP	73	13	9	-32%
Hearne TX	West Poiint TX	SP	77	22	33	51%
West Point TX	Flatonia TX	SP	20	22	22	1%
Flatonia TX	Victoria TX	SP	74	8	5	-41%
Victoria TX	Coleto Creek TX	SP	17	8	8	0%
Victoria TX	Placedo/Bloomington TX	SP	13	5	2	-66%
Placedo/Bloomington TX	Odem TX (via UP)	SP	67	3	11	-2%
		UP		9		
Odem TX	Corpus Christi TX (via UP)	SP	17	2	7	27%
		UP		4		
Odem TX	Kingsville TX (via UP)	SP	36	1	7	-3%
		UP		7		
Kingsville TX	Brownsville TX (via UP)	SP	117	1	7	-3%
		UP		7		
Avondale LA	Lafayette LA	SP	125	24	10	-57%
Lafayette LA	Iowa Jct. LA	SP	58	23	9	-60%
Iowa Jct. LA	Beaumont TX	SP	75	30	43	44%
Beaumont TX	Dayton TX	SP	48	30	29	-4%
Dayton TX	Houston TX	SP	31	30	24	-20%
Houston TX	Strang TX	SP	21	10	9	-4%
Strang TX	Galveston TX	SP	35	10	8	-18%
Houston TX	Flatonia TX	SP	125	32	30	-7%
Flatonia TX	San Antonio TX	SP	87	41	41	1%
San Antonio TX	Beckmann TX	SP	17	6	7	12%
San Antonio TX	Spofford TX	SP	131	34	22	-35%
Spofford TX	Eagle Pass TX	SP	33	36	35	-1%
Spofford TX	Sierra Blanca TX	SP	378	35	24	-32%

SP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	in Tons/Yr.
Sierra Blanca TX	El Paso TX (via SP)	SP	88	35	45	21%
		UP		2		
Kansas City MO	Topeka KS (via UP)	SP	68	47	104	-42%
		UP		132		
Topeka KS	Herington KS	SP	82	47	40	-14%
Herington KS	Hutchinson KS	SP	74	24	24	-1%
Kansas City MO	Ellinor KS (via BNSF)	SP	123	1	9	930%
Ellinor KS	Newton KS (via BNSF)	SP	60	0	9	N.A.
Newton KS	Hutchinson KS (via BNSF)	SP	33	0	8	1964%
Ellinor KS	Winfield KS (via BNSF)	SP	102	1	0	-100%
Newton KS	Winfield KS (via BNSF)	SP	66	0	0	-100%
Winfield KS	Purcell OK (via BNSF)	SP	168	1	0	-100%
Purcell OK	Fort Worth TX (via BNSF)	SP	169	1	0	-100%
Hutchinson KS	Stratford TX	SP	274	23	28	24%
Stratford TX	Dalhart TX	SP	31	28	38	34%
Dalhart TX	El Paso TX	SP	425	28	33	21%
Pueblo CO	La Junta CO (via BNSF)	SP	65	4	13	251%
La Junta CO	Stratford TX (via BNSF)	SP	171	4	13	271%
Stratford CO	Amarillo TX (via BNSF)	SP	88	0	6	N.A.
Dalhart TX	Amarillo TX (via BNSF)	SP	82	3	7	103%
Amarillo TX	Fort Worth TX (via BNSF)	SP	308	3	11	219%
Herington KS	Lindsborg KS (via UP)	SP	44	27	0	-100%
		UP				
Lindsborg KS	Geneseo KS (via UP)	SP	29	27	0	-98%
		UP				
Geneseo KS	Pueblo CO (via UP)	SP	372	30	0	-100%
		UP				
Pueblo CO	Alamosa TX	SP	128	17	17	0%
Pueblo CO	Dotsero CO	SP	222	28	1	-95%
Denver CO	Pueblo CO (SP-BNSF joint line)	SP	122	13	23	75%
Denver CO	Bond CO	SP	127	22	33	50%
Bond CO	Phippsburg CO	SP	39	11	11	0%
Bond CO	Dotsero CO	SP	38	10	20	115%
Dotsero CO	Grand Jct. CO	SP	106	38	22	-42%
Grand Jct. CO	Helper UT	SP	176	29	13	-55%
Helper UT	Provo UT	SP	75	40	24	-40%

SP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	in Tons/Yr.
Provo UT	Salt Lake City UT (via SP)	SP	44	40	29	-42%
		UP		10		
Salt Lake City UT	Ogden UT (via UP)	SP	36	30	54	-48%
		UP		74		
Ogden UT	Alazon NV	SP	178	24	38	63%
Alazon NV	Winnemucca NV (UP-SP joint)	SP	182	23	59	9%
		UP		31		
Winnemucca NV	Flanigan NV (via UP)	SP	152	0	10	-62%
		UP		25		
Flanigan NV	Klamath Falls OR	SP	219	0	0	No Change
Winnemucca NV	Sparks NV	SP	175	22	35	58%
Sparks NV	Roseville CA	SP	139	20	33	63%
Roseville CA	Sacramento CA	SP	18	41	58	41%
El Paso TX	Lordsburg NM	SP	148	65	84	29%
Lordsburg NM	Cochise AZ	SP	85	60	74	24%
Cochise AZ	Tucson AZ	SP	78	60	76	27%
Tucson AZ	Nogales AZ	SP	63	3	4	25%
Tucson AZ	Picacho AZ	SP	50	59	82	39%
Picacho AZ	Phoenix AZ	SP	71	5	7	31%
Picacho AZ	Yuma AZ	SP	203	60	73	23%
Yuma AZ	West Colton CA	SP	195	59	73	24%
West Colton CA	City of Industry CA	SP	34	68	47	-32%
City of Industry CA	Bartolo CA (via UP)	SP	8	11	33	-7%
		UP		25		
Bartolo CA	Los Nietos CA	SP	4	11	4	-62%
Los Nietos CA	Slauson Jct. CA	SP	9	9	3	-63%
City of Industry CA	Los Angeles CA (via SP)	SP	19	49	47	-4%
Los Angeles CA	Slauson Jct. CA	SP	6	29	28	-5%
Slauson Jct. CA	Long Beach CA	SP	14	34	28	-19%
Los Angeles CA	Burbank Jct. CA	SP	8	15	11	-27%
Burbank Jct. CA	Palmdale CA	SP	57	9	8	-15%
Burbank Jct. CA	Oxnard CA	SP	55	9	8	-13%
Oxnard CA	Santa Barbara CA	SP	37	9	8	-13%
Santa Barbara CA	San Luis Obi CA	SP	119	8	7	-15%
San Luis Obi CA	San Jose CA	SP	203	8	7	-19%
San Jose CA	Niles Jct. CA	SP	18	9	7	-19%

SP Traffic Densities
Estimated Changes in Millions of Gross Tons

Segment				Adj. 1994 Base	Post Merger	% Change
From Station	To Station	Road	Miles	Tons	Tons	in Tons/Yr.
Niles Jct. CA	Oakland CA (parallel routes)	SP	25	6	20	-1%
		UP		14		
West Colton CA	Palmdale CA (via Hiland)	SP	80	19	28	49%
Palmdale CA	Mojave CA	SP	34	26	34	30%
Mojave CA	Bakersfield CA	SP	67	26	31	22%
Bakersfield CA	Fresno CA	SP	108	26	32	23%
Fresno CA	Stockton/Lathrop CA	SP	10[illegible]	27	34	27%
Stockton/Lathrop CA	Martinez CA (via Mococo)	SP	[illegible]8	0	4	New Operation
Stockton/Lathrop CA	Sacramento CA	SP	46	38	52	38%
Sacramento CA	Martinez CA	SP	57	15	16	12%
Martinez CA	Oakland CA	SP	32	13	17	30%
Roseville CA	Marysville CA	SP	34	29	31	7%
Marysville CA	Dunsmuir CA	SP	174	30	33	10%
Dunsmuir CA	Klamath Falls OR	SP	106	32	35	10%
Klamath Falls OR	Chemult OR	SP	74	30	33	12%
Chemult OR	Eugene OR	SP	124	30	33	11%
Eugene OR	Portland OR	SP	124	21	32	47%

Notes:
1. Tonnage for foreign trains not included except as shown for joint route segments with UP.
2. Includes freight train locomotive ton-miles.
3. Passenger trains not included.

VERIFIED STATEMENT

OF

MICHAEL A. HARTMAN

My name is Michael A. Hartman. I am Director-Employee Relations and Planning at UP, a position I have held since December 1990. My rail experience commenced in January 1967, when I was hired in a clerical capacity by Santa Fe. I was promoted to a managerial position in Santa Fe's Labor Relations Department in July 1969, where I worked until 1973. During that time, I earned a B.A. Degree in Economics at Washburn University. I subsequently occupied director-level labor relations positions on the Illinois Terminal Railroad from 1973 to 1977, the Western Pacific Railroad from 1977 to 1983, and the Missouri Pacific Railroad from 1984 to 1987. The acquisition of WP and MPRR by UP resulted in my appointment as Director-Labor Relations of UP on January 1, 1988, a position I held until I was appointed to my present position. During my 26 years as a labor relations practitioner, I have been actively involved in numerous transactions in which labor protective conditions have been imposed by the Commission, including the UP/MP/WP merger in 1982 and UP's acquisitions of the MKT in 1988 and CNW in 1995.

I offer this statement to explain the Labor Impact Exhibit and discuss changes in labor agreements that are essential to achieve the benefits and efficiencies projected in the Operating Plan.

Labor Impact Analysis

The Labor Impact Exhibit compiles the results of numerous studies of staffing requirements for a merged UP/SP system in every aspect of its business. The Exhibit shows the effects of a UP/SP merger on all categories of employment, from clerical employees to track workers to senior executive officers. Except for special treatment of certain Denver, Omaha and St. Louis employees, which I discuss below, the Exhibit is organized by job classification, such as "Boilermakers" and "Trainmen." For each classification, the Exhibit reflects the location at which positions will be created, eliminated or transferred; when these changes will occur; the number of positions affected; and whether positions will be moved to another location, abolished or added. If a position is to be relocated, the Exhibit identifies its new location. A minor exception is certain locations where trainmen and enginemen are projected to be relocated to a different terminal but the location of that new terminal is undecided. In those instances, the Exhibit indicates that the new location is "to be negotiated."

The Summary of Benefits Exhibit and the pro forma financial statements incorporate the economic effects of the job changes shown in the Labor Impact Exhibit. We assumed that eligible employees affected by the merger will receive the employee protective conditions established in New York Dock Ry. -- Control -- Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979), or the standard labor protection applicable to related trackage rights and abandonment proposals. Our economic projections reflect protective payments in many cases, but also reflect realistic assumptions about other options for UP/SP and the potentially affected employees. In reality, many of the employees in adversely affected positions will retain their employment, because they will be needed at locations projected to have employment increases or

to replace employees who leave the company as a result of normal attrition. In addition, UP/SP may offer some affected employees a severance package; based on past experience, we expect many employees to accept this option and leave the company. Our economic projections also reflect the fact that some employees refuse relocation offers, voluntarily forfeiting their labor protection rights. Finally, our experience in prior consolidations shows that adverse labor impacts usually are more modest than predicted.

I also prepared an Appendix to the Labor Impact Exhibit to reflect the special situation with regard to clerical, non-agreement and dispatching positions now located at UP and SP administrative centers in Omaha, Denver and St. Louis. After merger, UP/SP headquarters will be in Omaha, at least initially, and SP's San Francisco headquarters will be closed. There is not enough room in UP's existing Omaha facilities, however, for all administrative personnel to work in one place. As a result, UP/SP may relocate a substantial number of Omaha, St. Louis or Denver positions to a new facility in one of those cities, or elsewhere. Because of uncertainty about this decision, the Applicants are unable to state how many of these Omaha, St. Louis and Denver positions will be relocated or where they might move. To estimate the economic effects of these potential relocations, we assumed that affected employees would be moved to Omaha or St. Louis, but that assumption does not reflect any management decision.

Revised Labor Arrangements

The Operating Plan describes the numerous changes in operations required to integrate the UP/SP route network, to provide improved services to shippers, and to achieve greater efficiency in rail operations. As explained in Appendix A to the Operating Plan, these changes in operations cannot be implemented under existing labor arrangements. For example, in

many corridors, UP and SP train crews will be required to operate interchangeably or directionally over both UP and SP lines, which is impossible under existing labor agreements. Similarly, the efficiency benefits of the merger cannot be achieved if UP/SP is required to maintain existing arrangements under which different maintenance crews must maintain parallel, or even adjacent, tracks in the same geographic area.

Appendix A to the Operating Plan describes new train crew districts, maintenance of way labor assignments, and signal personnel assignments that underlie the Operating Plan. The arrangements described in Appendix A represent our best projections, based on the information available to us today, but experience teaches that different arrangements and modifications of existing labor agreements may be necessary as circumstances change and shipping patterns evolve. Such revised assignments will provide greater long-term employment opportunities for our employees, while giving UP/SP the flexibility to meet its customers' needs and much more sensible and efficient ways to allocate its personnel.

Conclusion

The job changes summarized in the Labor Impact Exhibit reflect the details of the Operating Plan as we now project them, including the necessary changes in seniority districts, crew change points, labor agreement consolidations, etc. set forth in the Operating Plan and Appendix A. UP/SP may identify additional opportunities after the merger is approved. These changes are essential to achieving the efficiencies of the merger, as well as to allowing UP/SP to provide the service benefits described in the Operating Plan. They are also essential if UP/SP is to meet the needs of shippers for efficient transportation at attractive and competitive prices. In the

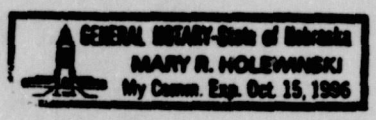
long run, these new arrangements will therefore lead toward expanded rail traffic, new job opportunities, and greater job security for our employees.

As of the date of the Application, no employee protection agreements have been reached with certified labor representatives.

VERIFICATION

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

Michael A. Hartman, being duly sworn, deposes and says that he is Director--Employee Relations Planning for Union Pacific Railroad Company and Missouri Pacific Railroad Company, and has read the foregoing statement, knows the contents thereof, and that the same is true and correct.



Michael A. Hartman

Subscribed and sworn to before me by Michael A. Hartman this 16TH day of November, 1995.

Mary R. Holewinski
Notary Public

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LABOR IMPACT EXHIBIT

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Blacksmiths	Pocatello, ID	Year 2	0	0	4	Denver, CO
	Total Blacksmiths		0	0	4	
Boilermakers	Eugene, OR	Year 3	0	0	1	Albina, OR
	Houston, TX	Year 3	7	0	7	N Little Rock, AR
	Los Angeles, CA	Year 2	0	0	1	Denver, CO
	Sacramento, CA	Year 3	0	0	1	Denver, CO
	Total Boilermakers		7	0	10	
Carmen	Avondale, LA	Year 1	20	0	0	
	Baldwin, AR	Year 1	2	0	0	
	Beaumont, TX	Year 1	1	0	0	
	Carlin, NV	Year 1	2	0	0	
	Denver, CO	Year 1	9	0	16	Pocatello, ID
		Year 2	4	0	1	N Little Rock, AR
	Eugene, OR	Year 1	10	0	0	
	Harlingen, TX	Year 1	1	0	0	
	Houston, TX	Year 1	45	0	0	
		Year 3	3	0	0	
	Kansas City, KS	Year 1	2	0	0	
	Kansas City, MO	Year 1	5	0	10	Herington, KS
	Lafayette, LA	Year 1	2	0	0	
	Los Angeles, CA	Year 1	11	0	0	
	Oakland, CA	Year 1	9	0	0	
	Pine Bluff, AR	Year 1	29	0	59	Desoto, MO
	Pocatello, ID	Year 2	2	0	2	Denver, CO
	Pueblo, CO	Year 1	10	0	0	
	Sacramento, CA	Year 3	0	0	1	Denver, CO
	San Jose, CA	Year 1	2	0	0	
	Sparks, NV	Year 1	2	0	0	
	Stockton, CA	Year 1	29	0	20	Roseville, CA
	Stuttgart, AR	Year 1	1	0	0	
	Texarkana, TX	Year 1	1	0	0	
	Total Carmen		202	0	109	
Clerks	Albany, OR	Year 2	1	0	0	
	Atlanta, GA	Year 1	1	0	0	
	Avondale, LA	Year 2	12	0	0	
	Bakersfield, CA	Year 2	1	0	0	
	Beaumont, TX	Year 2	3	0	0	
	Bloomington, IL	Year 2	2	0	0	
	Boone, IA	Year 1	1	0	0	
	Brooklyn, OR	Year 2	2	0	0	
	Calexico, CA	Year 2	1	0	0	
	Carlin, NV	Year 1	4	0	0	
		Year 2	1	0	0	
	Clearing, IL	Year 2	4	0	0	
	Colton, CA	Year 2	24	0	0	
	Council Bluffs, IA	Year 1	0	1	0	
	Dalhart, TX	Year 2	1	0	0	
	Dallas, TX	Year 1	2	0	0	
		Year 2	4	0	0	
	Dayton, TX	Year 2	3	0	0	
	Denver, CO	See Appendix				

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Clerks (Cont.)	Duncanmuir, CA	Year 2	1	0	0	
	Eagle Pass, TX	Year 2	3	0	1	Laredo, TX
	East St. Louis, IL	Year 2	10	0	0	
	Edinburg, TX	Year 2	1	0	0	
	El Centro, CA	Year 2	3	0	0	
	El Paso, TX	Year 1	0	1	0	
		Year 2	15	0	8	Laredo, TX
	Eugene, OR	Year 1	3	0	0	
		Year 2	18	0	0	
		Year 3	2	0	0	
	Flatonia, TX	Year 2	1	0	0	
	Fresno, CA	Year 2	1	0	0	
	Ft. Worth, TX	Year 2	0	0	1	Denver, CO
	Grand Jct., CO	Year 2	8	0	0	
		Year 3	4	0	0	
	Gregory, TX	Year 2	1	0	0	
	Harlingen, TX	Year 2	1	0	0	
	Hearne, TX	Year 2	1	0	0	
	Herington, KS	Year 2	5	0	0	
	Houston, TX	Year 1	9	0	4	El Paso, TX
		Year 2	45	0	2	Laredo, TX
		Year 2	23	0	20	St. Louis, MO
		Year 3	3	0	0	
	Kansas City, KS	Year 2	13	0	0	
		Year 3	4	0	0	
	Kansas City, MO	Year 1	1	0	0	
	Klamath Falls, OR	Year 2	1	0	0	
	Lafayette, LA	Year 2	2	0	0	
	Lake Charles, LA	Year 2	4	0	0	
	Livonia, LA	Year 1	0	1	0	
	Longview, TX	Year 1	0	1	0	
	Lordsburg, NM	Year 2	3	0	0	
	Los Angeles, CA	Year 1	1	0	0	
		Year 2	15	0	0	
	Martinez, CA	Year 2	2	0	0	
	Memphis, TN	Year 2	6	0	0	
	Monterey Park, CA	Year 1	39	0	66	Omaha, NE
		Year 2	30	0	38	St. Louis, MO
	Nogales, AZ	Year 2	2	0	0	
	Oakland, CA	Year 1	2	0	0	
		Year 2	13	0	0	
	Ogden, UT	Year 2	4	0	0	
		Year 3	1	0	0	
	Omaha, NE	See Appendix				
	Phoenix, AZ	Year 2	1	0	0	
	Pine Bluff, AR	Year 1	12	0	0	
		Year 2	19	0	0	
	Pocatello, ID	Year 1	15	0	2	Portland, OR
		Year 2	1	0	1	Denver, CO
		Year 3	0	0	1	Hinkle, OR
		Year 3	0	0	1	Roseville, CA
		Year 3	0	0	9	Tucson, AZ
	Portland, OR	Year 1	4	0	0	
		Year 2	1	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Clerks (Cont.)	Pueblo, CO	Year 1	1	0	0	
		Year 2	8	0	0	
		Year 3	1	0	0	
	Redding, CA	Year 2	1	0	0	
	Reno, NV	Year 1	2	0	0	
	Roseville, CA	Year 2	8	0	0	
	Sacramento, CA	Year 1	14	0	3	Denver, CO
		Year 1	0	0	2	West Colton, CA
		Year 2	1	0	0	
	Salt Lake City, UT	Year 1	2	0	0	
		Year 2	17	0	0	
		Year 3	0	0	4	Hinkle, OR
	San Antonio, TX	Year 1	3	1	0	
		Year 2	20	0	0	
	San Francisco, CA	Year 1	33	0	14	Omaha, NE
		Year 2	143	0	105	Omaha, NE
		Year 2	0	0	242	St. Louis, MO
	Shreveport, LA	Year 2	3	0	0	
	Sparks, NV	Year 1	3	0	0	
		Year 2	1	0	0	
	Spring, TX	Year 2	15	0	0	
	Springfield, IL	Year 2	3	0	0	
	St. Louis, MO	See Appendix				
	Stockton, CA	Year 2	4	0	0	
	Texarkana, TX	Year 2	5	0	0	
	Tucson, AZ	Year 2	10	0	0	
	Tucumcari, NM	Year 2	1	0	0	
	Tyler, TX	Year 2	2	0	0	
	Victoria, TX	Year 2	3	0	0	
	Warm Springs, CA	Year 2	4	0	0	
	Wood River, IL	Year 2	3	0	0	
	Yuma, AZ	Year 3	0	0	3	Glamis, CA
	Total Clerks (See Appendix)		732	5	827	
Dispatchers	Denver, CO	See Appendix				
Electricians	Colton, CA	Year 1	2	0	0	
	Denver, CO	Year 1	1	0	1	Pocatello, ID
		Year 2	0	0	4	N Little Rock, AR
	Eugene, OR	Year 3	0	0	1	Albina, OR
	Houston, TX	Year 3	0	0	11	El Paso, TX
	Kansas City, MO	Year 1	0	0	8	El Paso, TX
	Los Angeles, CA	Year 2	0	0	14	Denver, CO
	Oakland, CA	Year 1	1	0	0	
	Pine Bluff, AR	Year 1	5	0	0	
	Sacramento, CA	Year 1	2	0	0	
		Year 3	0	0	34	Denver, CO
	San Antonio, TX	Year 1	0	0	4	El Paso, TX
	Stockton, CA	Year 3	0	0	10	Roseville, CA
	Total Electricians		11	0	87	
Enginemen	Alpine, TX	Year 1	5	0	0	
	Amelia, TX	Year 2	6	0	0	
	Avondale, LA	Year 2	16	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Enginemen (Cont.)	Bakersfield, CA	Year 2	0	16	0	
	Big Spring, TX	Year 2	0	0	15	To Be Negotiated
	Bloomington, IL	Year 2	1	0	0	
	Boone, IA	Year 2	0	20	0	
	Brownsville, TX	Year 2	1	0	0	
	Cheyenne, WY	Year 2	0	28	0	
	Chicago, IL	Year 2	0	19	0	
	Chickasha, OK	Year 2	0	0	13	To Be Negotiated
	Clinton, IA	Year 2	0	3	0	
	Coffeyville, KS	Year 2	8	0	0	
	Corpus Christi, TX	Year 2	3	0	0	
	Council Bluffs, IA	Year 2	0	4	0	
	Council Grove, KS	Year 2	19	0	0	
	Dalhart, TX	Year 2	0	17	0	
	Dallas, TX	Year 2	2	13	0	
	Del Rio, TX	Year 2	0	15	0	
	Denver, CO	Year 2	9	30	0	
	Des Moines, IA	Year 2	1	0	0	
	Duncan/Enid, OK	Year 2	0	16	0	
	Dunsmuir, CA	Year 2	16	13	0	
	E. St. Louis, IL	Year 2	1	0	0	
	Eagle Grove, IA	Year 2	1	0	0	
	El Paso, TX	Year 2	4	39	0	
	Elko, NV	Year 1	3	0	0	
		Year 2	11	0	0	
	Eugene, OR	Year 2	0	0	15	To Be Negotiated
		Year 3	9	0	0	
	Fremont, NE	Year 2	0	3	0	
	Ft. Madison, IA	Year 2	0	37	0	
	Ft. Worth, TX	Year 2	4	17	0	
	Galesburg, IL	Year 2	0	1	0	
	Galveston, TX	Year 2	4	0	0	
	Grand Jct., CO	Year 2	24	0	5	To Be Negotiated
		Year 3	8	0	0	
	Harlingen, TX	Year 2	2	0	0	
	Hearne, TX	Year 3	2	0	0	
	Herington, KS	Year 2	17	0	0	
	Hinkle, OR	Year 2	0	4	0	
	Hoisington, KS	Year 2	29	0	0	
	Houston, TX	Year 2	54	4	0	
	Irmo, IL	Year 2	18	0	18	To Be Negotiated
	Jefferson City, MO	Year 2	4	0	0	
	Kansas City, KS	Year 3	27	0	2	Herington, KS
	Kansas City, MO	Year 2	12	0	0	
	Kingsville, TX	Year 2	0	1	0	
	Klamath Falls, OR	Year 2	0	0	5	To Be Negotiated
	La Grande, OR	Year 2	1	0	0	
	Lafayette, LA	Year 2	2	2	0	
	Lake Charles, LA	Year 2	4	0	0	
	Las Vegas, NV	Year 2	10	0	0	
	Livonia, LA	Year 2	0	3	0	
	Los Angeles, CA	Year 2	0	24	0	
		Year 3	71	0	0	
	Marshalltown, IA	Year 2	1	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Enginemen (Cont.)	Marysville, KS	Year 2	3	0	0	
	Memphis, TN	Year 2	9	0	0	
	Mineola, TX	Year 2	1	0	5	To Be Negotiated
	Monroe, LA	Year 2	0	1	0	
	N Little Rock, AR	Year 2	34	0	0	
	Nampa, ID	Year 2	1	0	0	
	North Platte, NE	Year 2	0	4	0	
	Oakland, CA	Year 2	1	3	0	
	Oakley, KS	Year 2	0	16	0	
	Ogden, UT	Year 2	0	14	0	
		Year 3	12	0	0	
	Oroville, CA	Year 2	1	0	0	
	Palestine, TX	Year 2	12	0	59	To Be Negotiated
	Pekin, IL	Year 2	0	6	0	
	Phoenix, AZ	Year 2	1	0	0	
	Pine Bluff, AR	Year 2	1	15	0	
	Pocatello, ID	Year 2	5	0	0	
	Poplar Bluff, MO	Year 2	0	0	25	To Be Negotiated
	Portland, OR	Year 1	1	0	0	
		Year 2	0	47	0	
	Portola, CA	Year 2	28	0	0	
	Pratt, KS	Year 2	0	34	0	
	Proviso, IL	Year 2	2	0	0	
	Provo, UT	Year 2	1	0	0	
	Pueblo, CO	Year 2	39	0	0	
		Year 3	8	0	0	
	Quincy, IL	Year 2	17	0	0	
	Reno, NV	Year 1	3	0	0	
	Roseville, CA	Year 2	0	38	0	
		Year 3	0	2	0	
	S. Morrill, NE	Year 2	1	0	0	
	Sacramento, CA	Year 2	3	0	0	
	Salem, IL	Year 2	0	24	0	
	Saline, KS	Year 2	0	5	0	
	Salt Lake City, UT	Year 2	62	5	5	To Be Negotiated
	San Antonio, TX	Year 2	21	0	0	
	Seattle, WA	Year 2	0	3	0	
	Shreveport, LA	Year 2	3	10	0	
	Smithville, TX	Year 2	0	0	29	To Be Negotiated
	Sparks, NV	Year 2	0	10	0	
	St. Louis, MO	Year 2	14	0	0	
	St. Paul, MN	Year 2	5	0	0	
	Stockton, CA	Year 2	26	0	20	To Be Negotiated
		Year 3	8	0	0	
	Sweetwater/Toyah, TX	Year 2	0	30	0	
	Taylor, TX	Year 2	0	0	5	To Be Negotiated
	Texarkana, TX	Year 2	2	0	0	
	Topeka, KS	Year 2	1	0	0	
	Troup, TX	Year 2	1	0	0	
	Tucson, AZ	Year 2	0	71	0	
	Tucumcari, NM	Year 2	0	0	26	To Be Negotiated
	Tyler, TX	Year 2	7	0	0	
	Van Buren, AR	Year 2	6	0	0	
	Victoria, TX	Year 2	9	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Enginemen (Cont.)	Waco, TX	Year 2	1	0	0	
	Warm Springs, CA	Year 1	2	0	0	
	Winfield, KS	Year 2	2	0	0	
	Yermo, CA	Year 2	10	0	0	
	Yuma, AZ	Year 3	0	0	4	Tucson, AZ
	Total Enginemen		772	663	251	
Laborers	Denver, CO	Year 1	3	0	3	Pocatello, ID
		Year 2	0	0	10	N Little Rock, AR
	Eugene, OR	Year 1	7	0	0	
		Year 3	4	0	2	Albina, OR
	Houston, TX	Year 3	5	0	0	
	Kansas City, MO	Year 1	1	0	7	El Paso, TX
	Los Angeles, CA	Year 2	4	0	0	
	Oakland, CA	Year 1	1	0	0	
	Pueblo, CO	Year 2	3	0	0	
	Sacramento, CA	Year 3	0	0	3	Denver, CO
	San Antonio, TX	Year 1	4	0	0	
	Stockton, CA	Year 1	0	0	5	Roseville, CA
		Year 3	0	0	8	Roseville, CA
	Total Laborers		32	0	38	
Machinists	Colton, CA	Year 1	1	0	0	
	Denver, CO	Year 1	5	0	10	Pocatello, ID
		Year 2	0	0	39	N Little Rock, AR
	Eugene, OR	Year 3	0	0	3	Albina, OR
	Ft. Worth, TX	Year 2	15	0	0	
	Grand Jct., CO	Year 2	0	0	6	Denver, CO
	Houston, TX	Year 3	0	0	18	El Paso, TX
	Kansas City, MO	Year 1	0	0	15	El Paso, TX
	Los Angeles, CA	Year 2	0	0	22	Denver, CO
	Oakland, CA	Year 1	2	0	0	
	Pine Bluff, AR	Year 1	1	0	1	Desoto, MO
	Pocatello, ID	Year 2	2	0	21	Denver, CO
	Pueblo, CO	Year 2	0	0	4	Denver, CO
	Sacramento, CA	Year 3	0	0	22	Denver, CO
	San Antonio, TX	Year 1	1	0	0	
	Stockton, CA	Year 3	0	0	21	Roseville, CA
	Total Machinists		27	0	182	
Maintenance of Way	Beaumont, TX	Year 1	2	0	0	
	Colton, CA	Year 1	2	0	0	
	Denison, TX	Year 1	0	2	0	
	Denver, CO	Year 1	4	0	0	
	El Paso, TX	Year 1	0	2	0	
	Ft. Worth, TX	Year 1	0	1	0	
	Grand Jct., CO	Year 1	0	1	0	
	Gypsum, KS	Year 3	0	0	5	Mobile Gang
	Haswell, KS	Year 3	4	0	0	
	Hoisington, KS	Year 1	0	0	6	Salina, KS
		Year 3	3	0	0	
	Horace , KS	Year 3	0	0	5	Mobile Gang
	Houston, TX	Year 1	14	0	0	
	Kansas City, KS	Year 1	7	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Maintenance of Way (Cont.)	Klamath Falls, OR	Year 1	0	1	0	
	Laramie, WY	Year 1	0	17	0	
	Las Vegas, NV	Year 1	0	1	0	
	Lindsborg, KS	Year 3	3	0	3	Mobile Gang
	Los Angeles, CA	Year 1	0	1	0	
	McCrankan, KS	Year 3	4	0	0	
	Mobile Gang	Year 1	244	45	0	
		Year 2	62	0	0	
	N Little Rock, AR	Year 1	0	10	0	
	Ogden, UT	Year 1	2	0	0	
	Paragould, AR	Year 1	2	0	0	
	Phoenix, AZ	Year 1	0	1	0	
	Pine Bluff, AR	Year 1	10	0	0	
	Pittsburg, CA	Year 1	0	5	0	
	Pocatello, ID	Year 2	0	0	2	Denver, CO
	Pueblo, CO	Year 1	0	1	0	
	Roseville, CA	Year 1	0	2	0	
	Salt Lake City, UT	Year 1	2	0	0	
	Scott City, KS	Year 3	5	0	0	
	St. Louis, MO	Year 1	9	0	0	
	Texarkana, TX	Year 1	4	0	0	
	Wells, NV	Year 1	6	0	0	
	Whitelaw, KS	Year 3	0	0	3	Mobile Gang
	Wichita, KS	Year 1	0	1	0	
	Total Maintenance of Way		369	91	24	
Non Agreement	Addis, LA	Year 1	0	0	1	Colfax, CA
	Amarillo, TX	Year 1	1	0	0	
	Anaheim, CA	Year 1	1	0	0	
	Atlanta, GA	Year 1	7	0	0	
	Avondale, LA	Year 1	0	0	1	Kansas City, MO
		Year 2	1	0	0	
	Bakersfield, CA	Year 1	0	0	1	Omaha, NE
	Beaumont, TX	Year 2	1	0	0	
	Benecia, CA	Year 1	0	0	1	Houston, TX
	Cheyenne, WY	Year 1	0	0	1	Denver, CO
		Year 2	0	0	3	Denver, CO
	Chicago, IL	Year 1	5	0	1	Decatur, IL
		Year 1	0	0	1	Jacksonville, FL
		Year 1	6	0	1	Toledo, IL
		Year 2	6	0	0	
	Cincinnati, OH	Year 1	4	0	0	
	Colfax, CA	Year 1	1	0	1	San Antonio, TX
	Colorado Springs, CO	Year 1	1	0	0	
	Colton, CA	Year 1	5	0	2	Omaha, NE
		Year 2	1	0	3	Oakland, CA
		Year 2	0	0	1	Omaha, NE
	Dallas, TX	Year 1	7	0	1	Austin, TX
		Year 1	0	0	10	Omaha, NE
		Year 2	3	0	0	
	Denver, CO	See Appendix				
	Detroit, MI	Year 1	6	0	0	
	Delores, CA	Year 2	1	0	0	
	Dunsmuir, CA	Year 1	3	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Non Agreement (Cont.)	Eads, CO	Year 1	1	0	0	
	East St. Louis, IL	Year 1	1	0	0	
		Year 2	1	0	0	
	El Paso, TX	Year 1	2	0	1	Houston, TX
		Year 2	3	0	0	
	Elko, NV	Year 2	1	0	0	
	Eugene, OR	Year 1	2	0	0	
		Year 2	1	0	0	
	Fresno, CA	Year 1	2	0	0	
	Ft. Worth, TX	Year 2	1	0	1	Colorado Springs, CO
	Grand Jct., CO	Year 1	1	0	0	
		Year 2	1	0	2	Salt Lake City, UT
	Grand Prairie, TX	Year 1	1	0	0	
	Guadalajara, MX	Year 1	1	0	1	Mexico City, MX
	Gurdon, AR	Year 2	1	0	0	
	Helper, UT	Year 1	0	0	1	Salt Lake City, UT
	Herington, KS	Year 1	1	0	0	
		Year 2	1	0	0	
	Hinkle, OR	Year 1	0	0	1	Spokane, WA
	Houston, TX	Year 1	33	0	1	Denver, CO
		Year 1	0	0	1	El Paso, TX
		Year 1	0	0	1	Herington, KS
		Year 1	0	0	1	Kansas City, MO
		Year 1	3	0	1	Laredo, TX
		Year 1	0	0	4	Omaha, NE
		Year 1	3	0	4	San Antonio, TX
		Year 2	7	0	3	Longview, TX
		Year 2	0	0	6	Omaha, NE
		Year 2	3	0	1	St. Louis, MO
		Year 3	0	0	2	El Paso, TX
	Kansas City, KS	Year 1	5	0	1	Omaha, NE
		Year 1	0	0	1	Palestine, TX
		Year 1	0	0	1	Shreveport, LA
		Year 1	0	0	3	West Colton, CA
		Year 2	5	0	0	
	Kansas City, MO	Year 1	2	0	1	Council Bluffs, IA
	Klamath Falls, OR	Year 1	1	0	0	
	Lafayette, LA	Year 1	0	0	1	Livonia, LA
		Year 2	1	0	0	
	Lake Charles, LA	Year 1	1	0	0	
		Year 2	1	0	0	
	Laredo, TX	Year 1	2	0	0	
	Lenexa, KS	Year 2	0	0	6	Salt Lake City, UT
		Year 3	0	0	3	Salt Lake City, UT
	Long Beach, CA	Year 1	1	0	1	Chicago, IL
		Year 1	0	0	3	Lathrop, CA
		Year 1	0	0	1	Los Angeles, CA
		Year 1	0	0	1	N Little Rock, AR
		Year 1	0	0	1	Oakland, CA
		Year 1	0	0	1	Texarkana, TX
	Los Angeles, CA	Year 1	21	0	5	Monterey Park, CA
		Year 1	0	0	16	Omaha, NE
		Year 2	4	0	0	
	Lufkin, TX	Year 2	1	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Non Agreement (Cont.)	Marysville, KS	Year 1	0	0	1	El Paso, TX
	Memphis, TN	Year 1	0	0	1	Brownsville, TX
		Year 1	0	0	1	Tucson, AZ
	Memphis, TN (Cont.)	Year 2	2	0	0	
	Mesquite, TX	Year 1	0	0	1	Houston, TX
	Mexico City, MX	Year 1	6	0	0	
	Minturn, CO	Year 1	1	0	0	
	Montclair, CA	Year 2	1	0	0	
	Monterey Park, CA	Year 1	2	0	7	Omaha, NE
		Year 2	3	0	1	St. Louis, MO
	Monterey, CA	Year 1	0	0	1	Los Angeles, CA
		Year 1	0	0	1	Omaha, NE
	Monterrey, MX	Year 1	3	0	0	
	N Little Rock, AR	Year 1	1	0	0	
	New Orleans, LA	Year 1	0	0	1	Laramie, WY
	New York, NY	Year 1	2	0	0	
	Oakland, CA	Year 1	5	0	1	Houston, TX
		Year 1	0	0	2	Omaha, NE
		Year 1	0	0	1	Roseville, CA
	Omaha, NE	See Appendix				
	Philadelphia, PA	Year 1	10	0	0	
	Phoenix, AZ	Year 1	2	0	0	
		Year 2	1	0	0	
	Pine Bluff, AR	Year 1	6	0	1	Desoto, MO
		Year 1	0	0	1	El Paso, TX
		Year 1	0	0	1	Laramie, WY
		Year 1	0	0	1	Livonia, LA
		Year 1	0	0	3	N Little Rock, AR
		Year 1	0	0	1	Omaha, NE
		Year 2	5	0	0	
	Pittsburgh, PA	Year 1	2	0	0	
	Pocatello, ID	Year 1	2	0	1	Roseville, CA
		Year 2	0	0	1	Omaha, NE
		Year 3	0	0	1	Tucson, AZ
	Portland, OR	Year 1	29	0	2	Calgary, AL
		Year 1	0	0	1	Nampa, ID
		Year 1	0	0	1	Omaha, NE
		Year 1	0	0	1	Seattle, WA
		Year 1	0	0	1	Spokane, WA
		Year 1	0	0	1	Texarkana, TX
		Year 2	2	0	0	
	Pueblo, CO	Year 1	2	0	1	Cheyenne, WY
		Year 1	0	0	1	Omaha, NE
		Year 2	3	0	0	
	Reno, NV	Year 1	0	0	1	Sacramento, CA
	Roseville, CA	Year 1	8	0	5	Omaha, NE
		Year 1	0	0	1	Pocatello, ID
		Year 1	0	0	1	Sacramento, CA
		Year 1	0	0	1	Salt Lake City, UT
		Year 1	0	0	1	Tucson, AZ
		Year 2	1	0	1	Omaha, NE
	Sacramento, CA	Year 1	8	0	1	Denver, CO
		Year 1	0	0	1	Sedalia, MO
		Year 2	1	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Non Agreement (Cont.)	Salida, CO	Year 1	1	0	0	
	Salt Lake City, UT	Year 1	3	0	1	Laramie, WY
		Year 1	0	0	1	Omaha, NE
	Salt Lake City, UT (Cont.)	Year 2	1	0	0	
	San Antonio, TX	Year 1	9	0	1	Ft. Worth, TX
		Year 1	0	0	1	Omaha, NE
		Year 2	5	0	1	Omaha, NE
	San Francisco, CA	Year 1	108	0	3	Chicago, IL
		Year 1	0	0	1	Denver, CO
		Year 1	0	0	1	Ft. Worth, TX
		Year 1	0	0	1	Houston, TX
		Year 1	0	0	1	Laredo, TX
		Year 1	0	0	1	Los Angeles, CA
		Year 1	0	0	79	Omaha, NE
		Year 1	0	0	1	Roseville, CA
		Year 1	0	0	12	Sacramento, CA
		Year 1	0	0	1	San Antonio, TX
		Year 1	0	0	2	San Francisco, CA
		Year 1	0	0	23	St. Louis, MO
		Year 1	0	0	1	Tucson, AZ
		Year 2	65	0	133	Omaha, NE
		Year 2	0	0	42	St. Louis, MO
		Year 3	2	0	15	Omaha, NE
	Schriever, LA	Year 1	1	0	0	
	Scott City, KS	Year 1	2	0	0	
		Year 2	1	0	0	
	Spring, TX	Year 1	4	0	0	
		Year 2	0	0	3	Livonia, LA
	St. Louis, MO	See Appendix				
	Stockton, CA	Year 1	2	0	3	Roseville, CA
		Year 2	1	0	0	
	Strang, TX	Year 2	2	0	0	
	Texarkana, TX	Year 1	1	0	0	
	Tokyo, JP	Year 1	1	0	0	
	Toronto, CN	Year 1	0	0	2	Vancouver, BC
	Tracy, CA	Year 1	0	0	1	Denison, TX
	Tucson, AZ	Year 1	2	0	1	El Paso, TX
		Year 1	0	0	1	Ft. Worth, TX
		Year 1	0	0	1	Omaha, NE
		Year 2	2	0	0	
	Victoria, TX	Year 2	1	0	0	
	Walnut Creek, CA	Year 1	19	0	0	
	Washington, DC	Year 1	0	0	1	Omaha, NE
	Winnemucca, NV	Year 1	1	0	0	
	Yerno, CA	Year 2	3	0	0	
	Yuma, AZ	Year 2	2	0	0	
	Total Non Agreement (See Appendix)		823	0	494	
Railway Supervisors	Avondale, LA	Year 1	1	0	0	
	Denver, CO	Year 1	3	0	2	Pocatello, ID
		Year 2	0	0	5	N Little Rock, AR
	El Paso, TX	Year 1	0	1	0	
	Eugene, OR	Year 1	2	0	0	

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Railway Supervisors (Cont.)	Eugene, OR (Cont.)	Year 3	3	0	0	
	Ft. Worth, TX	Year 1	0	2	0	
	Grand Jct., CO	Year 1	0	2	0	
	Houston, TX	Year 1	5	2	0	
		Year 3	6	0	5	El Paso, TX
	Kansas City, MO	Year 1	2	0	0	
	Klamath Falls, OR	Year 1	0	2	0	
	Las Vegas, NV	Year 1	0	2	0	
	Los Angeles, CA	Year 1	0	4	0	
		Year 2	2	0	0	
	Lufkin, TX	Year 1	1	0	0	
	Oakland, CA	Year 1	1	0	0	
	Omaha, NE	Year 1	0	4	0	
	Pine Bluff, AR	Year 1	6	0	0	
	Pueblo, CO	Year 1	2	2	0	
	Roseville, CA	Year 1	0	1	0	
	Sacramento, CA	Year 3	0	0	6	Denver, CO
	Salt Lake City, UT	Year 1	5	0	0	
	San Antonio, TX	Year 1	2	0	0	
	Stockton, CA	Year 1	2	0	5	Roseville, CA
		Year 3	0	0	5	Roseville, CA
	Wichita, KS	Year 1	0	2	0	
	Total Railway Supervisors		43	24	28	
Sheet Metal Workers	Denver, CO	Year 1	1	0	0	
		Year 2	0	0	7	N Little Rock, AR
	Eugene, OR	Year 3	2	0	0	
	Houston, TX	Year 1	1	0	0	
		Year 3	17	0	0	
	Kansas City, MO	Year 1	6	0	0	
	Los Angeles, CA	Year 2	3	0	0	
	Pine Bluff, AR	Year 1	1	0	0	
	Total Sheet Metal Workers		31	0	7	
Signalmen	Colton, CA	Year 1	1	0	1	Council Bluffs, IA
	Dallas, TX	Year 1	1	0	0	
	Eads, CO	Year 3	1	0	0	
	East St. Louis, IL	Year 1	1	0	0	
	Eugene, OR	Year 1	1	0	0	
	Herington, KS	Year 3	1	0	0	
	Hoisington, KS	Year 3	1	0	4	Kansas City, MO
	Houston, TX	Year 1	2	0	1	Council Bluffs, IA
		Year 1	5	0	6	Sedalia, MO
	Kansas City, MO	Year 1	1	0	0	
	Los Angeles, CA	Year 1	1	0	0	
	Mobile Gang	Year 2	16	0	0	
	Oakland, CA	Year 1	0	0	1	Council Bluffs, IA
		Year 2	1	0	0	
	Ordway, KS	Year 3	1	0	0	
	Pine Bluff, AR	Year 1	1	0	1	Council Bluffs, IA
	Roseville, CA	Year 1	1	0	1	Council Bluffs, IA
		Year 1	4	0	6	Sedalia, MO
	San Antonio, TX	Year 1	1	0	0	
	San Francisco, CA	Year 1	1	0	1	Council Bluffs, IA

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Signalmen (Cont.)	San Francisco, CA (Cont.)	Year 1	0	0	21	Omaha, NE
	Scott City, KS	Year 3	1	0	0	
	Tucson, AZ	Year 1	1	0	0	
	Utica, KS	Year 3	1	0	0	
	Total Signalmen		47	0	43	
Trainmen	Alpine, TX	Year 2	5	0	0	
	Amelia, TX	Year 2	12	0	0	
	Avondale, LA	Year 2	29	0	0	
	Bakersfield, CA	Year 2	0	9	0	
	Big Spring, TX	Year 2	0	0	29	To Be Negotiated
	Bloomington, IL	Year 2	1	0	0	
	Boone, IA	Year 2	0	22	0	
	Brownsville, TX	Year 2	2	0	0	
	Cheyenne, WY	Year 2	0	28	0	
	Chicago, IL	Year 2	0	21	0	
	Chickasha, OK	Year 2	0	0	12	To Be Negotiated
	Clinton, IA	Year 2	0	3	0	
	Coffeyville, KS	Year 2	9	0	0	
	Corpus Christi, TX	Year 2	4	0	0	
	Council Bluffs, IA	Year 2	0	5	0	
	Council Grove, KS	Year 2	21	0	0	
	Dalhart, TX	Year 2	0	18	0	
	Dallas, TX	Year 2	7	14	0	
	Del Rio, TX	Year 2	0	16	0	
	Denver, CO	Year 2	17	16	0	
	Des Moines, IA	Year 2	1	0	0	
	Duncan/Enid, OK	Year 2	0	17	0	
	Dunsmuir, CA	Year 2	17	14	0	
	E. St. Louis, IL	Year 2	1	0	0	
	Eagle Grove, IA	Year 2	1	0	0	
	El Paso, TX	Year 2	11	42	0	
	Elko, NV	Year 1	5	0	0	
		Year 2	12	0	0	
	Eugene, OR	Year 1	12	0	0	
		Year 3	17	0	0	
	Fremont, NE	Year 2	0	4	0	
	Ft. Madison, IA	Year 2	0	40	0	
	Ft. Worth, TX	Year 2	15	19	0	
	Galesburg, IL	Year 2	0	1	0	
	Galveston, TX	Year 2	8	0	0	
	Grand Jct., CO	Year 2	26	0	5	To Be Negotiated
		Year 3	17	0	0	
	Harlingen, TX	Year 2	5	0	0	
	Hearne, TX	Year 3	4	0	0	
	Herington, KS	Year 2	18	0	0	
	Hinkle, OR	Year 2	0	4	0	
	Hoisington, KS	Year 2	32	0	0	
	Houston, TX	Year 2	74	8	0	
	Illmo, IL	Year 2	20	0	0	
		Year 2	0	0	15	To Be Negotiated
	Janesville, WI	Year 2	1	0	0	
	Jefferson City, MO	Year 2	4	0	0	
	Kansas City, KS	Year 3	32	0	3	Herington, KS

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Trainmen (Cont.)	Kansas City, MO	Year 2	13	0	0	
	Kingsville, TX	Year 2	0	1	0	
	Klamath Falls, OR	Year 2	0	0	20	To Be Negotiated
	La Grande, OR	Year 2	1	0	0	
	Lafayette, LA	Year 2	3	2	0	
	Lake Charles, LA	Year 2	8	0	0	
	Las Vegas, NV	Year 2	11	0	0	
	Livonia, LA	Year 2	0	6	0	
	Los Angeles, CA	Year 2	0	13	0	
		Year 3	108	0	0	
	Marshalltown, IA	Year 2	1	0	0	
	Maryeville, KS	Year 2	3	0	0	
	Memphis, TN	Year 2	15	0	0	
	Mineola, TX	Year 2	1	0	5	To Be Negotiated
	Monroe, LA	Year 2	0	1	0	
	N Little Rock, AR	Year 2	37	0	0	
	Nampa, ID	Year 2	1	0	0	
	North Platte, NE	Year 2	0	4	0	
	Oakland, CA	Year 2	1	4	0	
	Oakley, KS	Year 2	0	18	0	
	Ogden, UT	Year 2	0	15	0	
		Year 3	23	0	0	
	Oroville, CA	Year 2	2	0	0	
	Palestine, TX	Year 2	13	0	63	To Be Negotiated
	Pekin, IL	Year 2	0	7	0	
	Phoenix, AZ	Year 2	1	0	0	
	Pine Bluff, AR	Year 2	3	17	0	
	Pocatello, ID	Year 2	5	0	0	
	Poplar Bluff, MO	Year 2	0	0	33	To Be Negotiated
	Portland, OR	Year 1	3	0	0	
		Year 2	0	52	0	
	Portola, CA	Year 2	28	0	0	
	Pratt, KS	Year 2	0	38	0	
	Proviso, IL	Year 2	6	0	0	
	Provo, UT	Year 2	2	0	0	
	Pueblo, CO	Year 2	43	0	0	
		Year 3	16	0	0	
	Quincy, IL	Year 2	19	0	0	
	Reno, NV	Year 1	5	0	0	
	Roseville, CA	Year 2	0	20	0	
		Year 3	12	4	0	
	S. Morrill, NE	Year 2	1	0	0	
	Sacramento, CA	Year 2	9	0	0	
	Salem, IL	Year 2	0	26	0	
	Salina, KS	Year 2	0	6	0	
	Salt Lake City, UT	Year 2	80	10	5	To Be Negotiated
	San Antonio, TX	Year 2	25	0	0	
	Seattle, WA	Year 2	0	3	0	
	Shreveport, LA	Year 2	5	11	0	
	Smithville, TX	Year 2	0	0	31	To Be Negotiated
	Sparks, NV	Year 2	0	11	0	
	St. Louis, MO	Year 2	27	0	0	
	St. Paul, MN	Year 2	5	0	0	
	Stockton, CA	Year 2	31	0	39	To Be Negotiated

Effects on Applicant Carriers' Employees

Classification	Current Location	Year	Jobs Abolished	Jobs Created	Jobs Transferred	Transfer Location
Trainmen (Cont.)	Stockton, CA (Cont.)	Year 3	10	0	0	
	Sweetwater/Toyah, TX	Year 2	0	33	0	
	Taylor, TX	Year 2	0	0	4	To Be Negotiated
	Texarkana, TX	Year 2	6	0	0	
	Topeka, KS	Year 2	2	0	0	
	Troup, TX	Year 2	2	0	0	
	Tucson, AZ	Year 2	0	79	0	
	Tucumcari, NM	Year 2	0	0	16	To Be Negotiated
	Tyler, TX	Year 2	8	1	0	
	Van Buren, AR	Year 2	7	0	0	
	Victoria, TX	Year 2	12	0	0	
	Waco, TX	Year 2	2	0	0	
	Warm Springs, CA	Year 1	2	0	0	
	Winfield, KS	Year 2	3	0	0	
	Yermo, CA	Year 2	20	0	0	
	Yuma, AZ	Year 3	0	0	48	Tucson, AZ
	Total Trainmen		1,081	683	328	
Yardmasters	Avondale, LA	Year 2	8	0	0	
	Beaumont, TX	Year 2	3	0	0	
	Eugene, OR	Year 1	6	0	0	
		Year 3	5	0	0	
	Grand Jct., CO	Year 3	6	0	0	
	Houston, TX	Year 2	13	0	0	
	Kansas City, KS	Year 3	5	0	0	
	Lafayette, LA	Year 2	2	0	0	
	Los Angeles, CA	Year 1	2	0	0	
	Oakland, CA	Year 1	3	0	0	
		Year 2	2	0	0	
	Portland, OR	Year 2	6	0	0	
	Proviso, IL	Year 2	3	0	0	
	Sacramento, CA	Year 2	1	0	0	
	San Antonio, TX	Year 2	5	0	0	
	Shreveport, LA	Year 2	5	0	0	
	St. Louis, MO	Year 2	5	0	0	
	Stockton, CA	Year 3	5	0	0	
	Total Yardmasters		86	0	0	

APPENDIX

The following jobs abolished and jobs created are projected for clerks, non-agreement employees (except dispatchers), and dispatchers in Denver, Omaha and St. Louis:

Clerks

Present Count	
Denver	403
Omaha	796
St. Louis	975
	2,174
Jobs Abolished	
Year 1	90
Year 2	206
Year 3	63
	359
Jobs Created	
Year 1	5
Year 2	3
Year 3	0
	8

Non Agreement
(Except Dispatchers)

Present Count	
Denver	425
Omaha	2,268
St. Louis	320
	3,013
Jobs Abolished	
Year 1	231
Year 2	193
Year 3	0
	424
Jobs Created	
Year 1	46
Year 2	2
Year 3	0
	48

Dispatchers

Present Count	
Denver	321
Omaha	210
St. Louis	0
	531
Jobs Abolished	
Year 1	56
Year 2	88
Year 3	0
	144
Jobs Created	
Year 1	0
Year 2	0
Year 3	0
	0

With regard to potential transfers of these employees, Applicants have concluded that they will not be able to determine the location of certain key facilities until after approval of the Application. This is based on a belief that once the merger has been approved, Applicants will be able to negotiate with various states to obtain economic incentives in exchange for locating or creating jobs within a particular state's jurisdiction. Until the negotiations have been completed, the economics surrounding the location of the key facilities cannot be adequately analyzed.

The employees listed above are the principal employees whose location will be significantly influenced by the results of such negotiations. With respect to these employee categories, Applicants are able to estimate the number of jobs that will be required to execute the post-merger plan of operations, but are unable to determine where they will be located. The positions listed above, net of jobs abolished and created, are subject to being transferred to some other location.

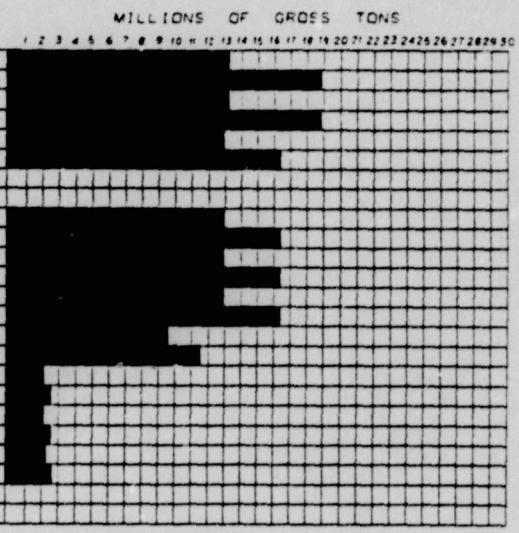
In order to estimate the costs and benefits associated with the merger, Applicants have assumed that the employees mentioned above will be consolidated in Omaha and St. Louis. This is a simplifying assumption and was not intended to imply that the positions will ultimately be located in either Omaha or St. Louis. This assumption was based on the economics that currently exist, without regard to what might change as a result of negotiations. Applicants believe that the economics could change dramatically as a result of previously mentioned negotiations. However, any economic incentives arising from these negotiations would result in a reduction of costs and/or an increase in benefits.

EXHIBIT 14

DENSITY CHARTS

OREGON DIVISION MAIN LINES

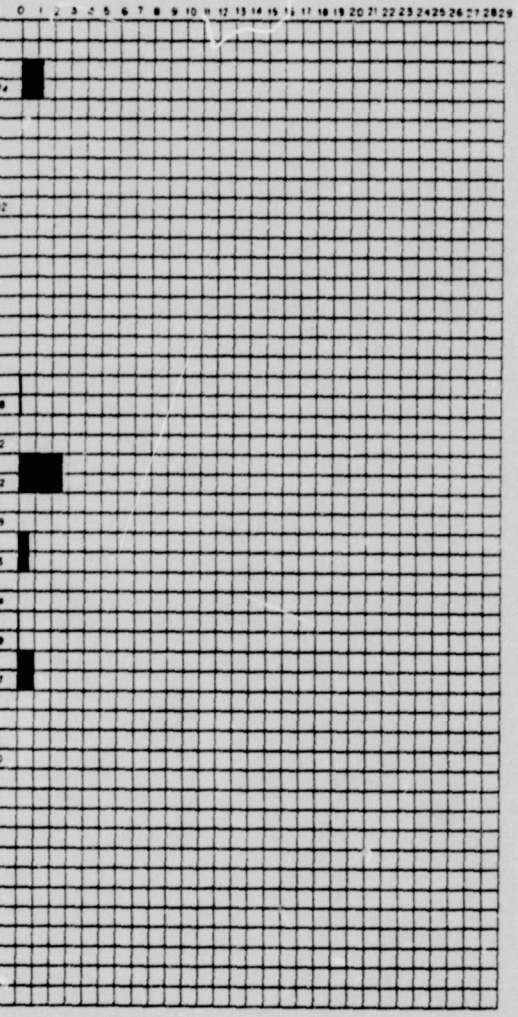
MILLIONS OF GROSS TONS



Dunsmuir to Black Butte	EAST	13.442.112
	WEST	19.037.514
Black Butte to Klamath Falls	EAST	13.442.112
	WEST	19.037.514
Klamath Falls to Chemult (SPT	EAST	13.160.697
	WEST	16.610.667
Klamath Falls to Chemult (BN)	EAST	
	WEST	
Chemult to Crescent Lake	EAST	13.160.697
	WEST	16.610.667
Crescent Lake to Springfield Jct.	EAST	13.153.714
	WEST	16.605.429
Springfield Jct. to Eugene Yd.	EAST	13.153.714
	WEST	16.605.429
Eugene Yd. to Portland	EAST	9.788.120
	WEST	11.767.231
Flanigan to Wendel	EAST	2.304.364
	WEST	2.744.207
Wendel to Alturas	EAST	2.304.364
	WEST	2.744.207
Alturas to Klamath Falls	EAST	2.448.255
	WEST	2.822.857

OREGON DIVISION BRANCH LINES

MILLIONS OF GROSS TONS



Bailey	EAST	
	WEST	
Coos Bay	EAST	
	WEST	1.311.574
Dallas	EAST	
	WEST	
Hills Spur	EAST	
	WEST	
Geer	EAST	
	WEST	2.152
Jefferson Street	EAST	
	WEST	
Lakeview	EAST	
	WEST	
Marcola	EAST	
	WEST	
Mill City	EAST	
	WEST	
Molalla	EAST	
	WEST	77.628
Newberg	EAST	
	WEST	10.032
Siskiyou	EAST	
	WEST	2.619.562
Wilkins	EAST	
	WEST	1.499
Tillamook (OE)	EAST	
	WEST	659.323
Toledo	EAST	
	WEST	7.824
West Side	EAST	
	WEST	33.319
White City	EAST	
	WEST	961.717
Willamina	EAST	
	WEST	
West Stayton	EAST	
	WEST	8.050
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

(OE)-OE Ry Tonnage over SPT track.

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WESTERN DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Oakland to Martinez	EAST	6.724.067
	WEST	7.171.900
Martinez to Cannon	EAST	7.020.263
	WEST	8.216.842
Cannon to Davis (SPT)	EAST	7.020.263
	WEST	8.216.842
Cannon to Davis (SN)	EAST	
	WEST	
Davis to Sacramento (SPT)	EAST	7.020.263
	WEST	8.216.842
Davis to Sacramento (SN)	EAST	
	WEST	
Martinez to Tracy	EAST	107.167
	WEST	169.979
Oakland to Elmhurst	EAST	2.869.800
	WEST	3.614.493
Elmhurst to Niles	EAST	1.093.394
	WEST	1.682.547
Niles to Tracy (1)	EAST	252.271
	WEST	235.644
Elmhurst to Santa Clara	EAST	2.576.506
	WEST	2.598.093
Niles to San Jose	EAST	1.351.389
	WEST	2.411.951
Redwood Jct. to Niles Towers	EAST	252.271
	WEST	235.644
San Francisco to Redwood Jct.	EAST	
	WEST	
Redwood Jct. to San Jose	EAST	
	WEST	
San Jose to Watsonville Jct.	EAST	
	WEST	
Watsonville Jct. to San Luis Obispo	EAST	3.169.546
	WEST	5.284.961

(1) - SPT Tonnage over WP track.
(SN)-SN Ry Tonnage over SPT track.

WESTERN DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Davenport	EAST	
	WEST	368.405
Hollister	EAST	
	WEST	121.845
Monterey	EAST	
	WEST	26.646
Napa	EAST	
	WEST	2.075
San Pablo	EAST	
	WEST	
Avon	EAST	
	WEST	
Santa Cruz	EAST	
	WEST	374.953
Schellville	EAST	
	WEST	1.470
Vallejo	EAST	
	WEST	
Vasona	EAST	
	WEST	786.947
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

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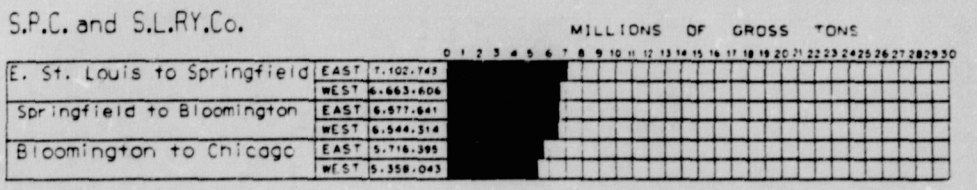
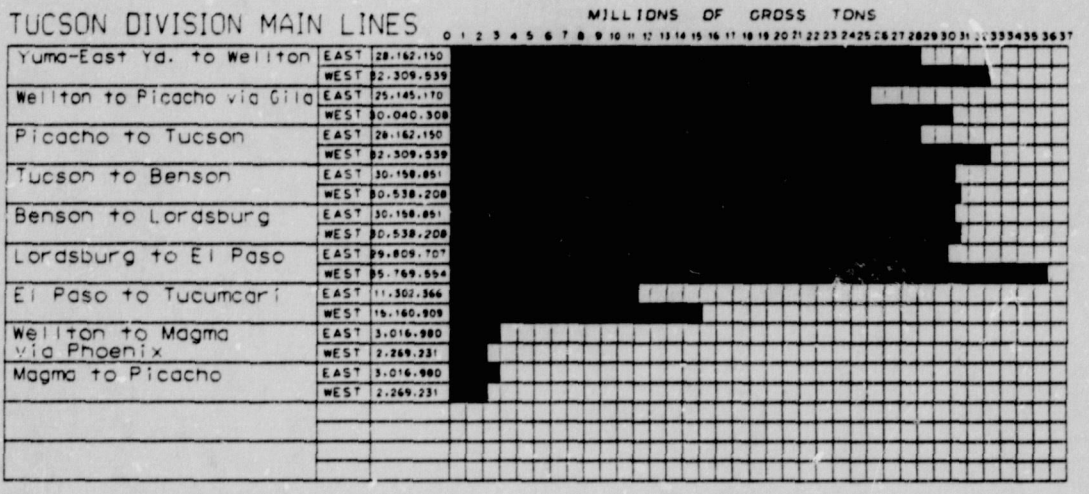
S.P.C. and S.L.RY.Co.



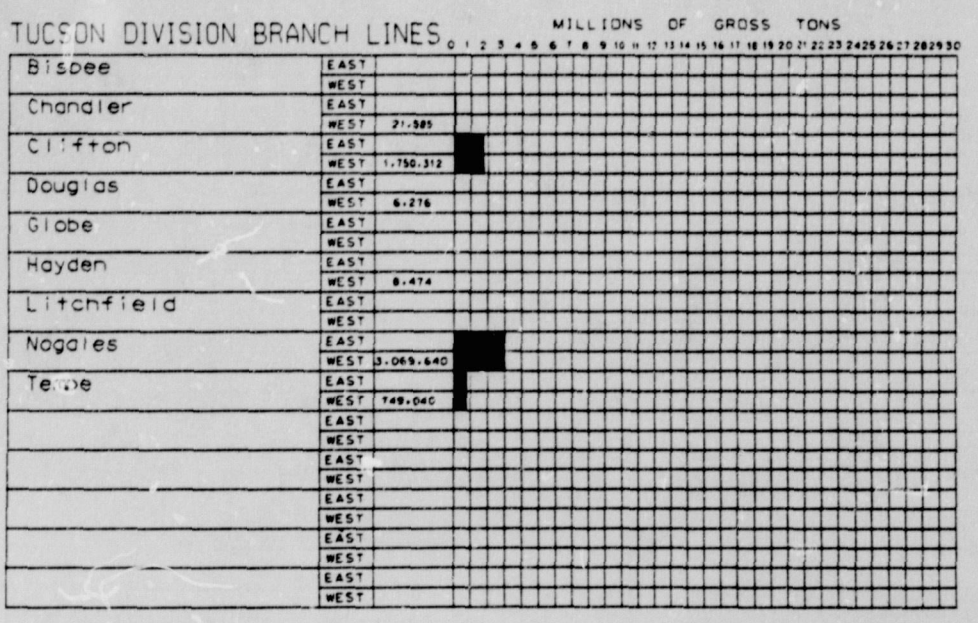
E. St. Louis to Springfield	EAST	7.102.743
	WEST	6.663.606
Springfield to Bloomington	EAST	6.877.641
	WEST	6.544.314
Bloomington to Chicago	EAST	5.716.395
	WEST	5.358.043

TUCSON DIVISION MAIN LINES



Yuma-East Yd. to Wellton	EAST	28.162.150
	WEST	32.309.539
Wellton to Picacho via Gila	EAST	25.145.170
	WEST	30.040.308
Picacho to Tucson	EAST	28.162.150
	WEST	32.309.539
Tucson to Benson	EAST	30.158.851
	WEST	30.538.208
Benson to Lordsburg	EAST	30.158.851
	WEST	30.538.208
Lordsburg to El Paso	EAST	29.809.707
	WEST	35.769.554
El Paso to Tucumcari	EAST	11.302.366
	WEST	15.160.909
Wellton to Magma via Phoenix	EAST	3.016.980
	WEST	2.269.231
Magma to Picacho	EAST	3.016.980
	WEST	2.269.231

TUCSON DIVISION BRANCH LINES



Bisbee	EAST	
	WEST	
Chandler	EAST	
	WEST	21.585
Clifton	EAST	
	WEST	1.750.312
Douglas	EAST	
	WEST	6.276
Globe	EAST	
	WEST	
Hayden	EAST	
	WEST	8.474
Litchfield	EAST	
	WEST	
Nogales	EAST	
	WEST	3.069.640
Tempe	EAST	
	WEST	749.040
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

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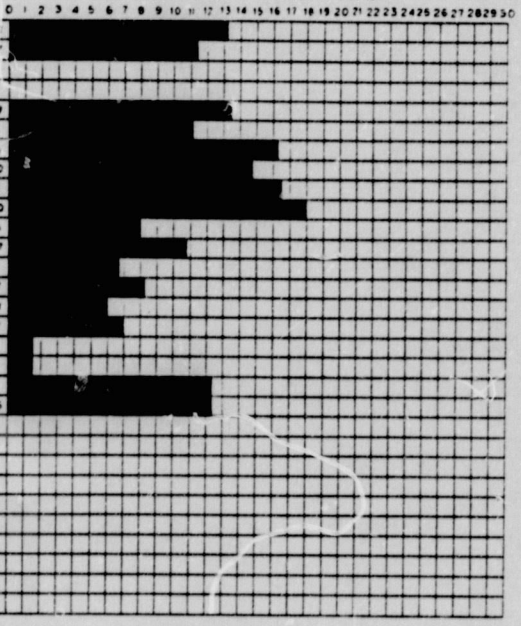
PINE BLUFF DIVISION (SSW) MAIN LINES



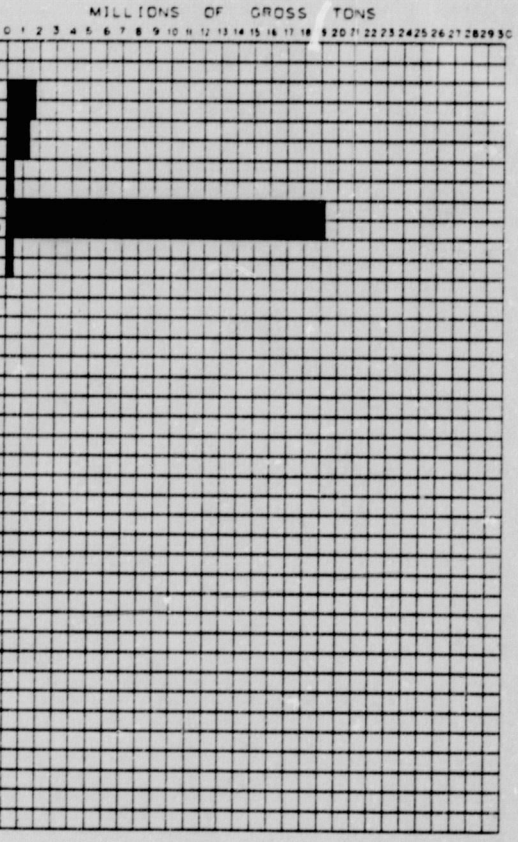
E.St.Louis to Illmo (SSW) ▷	EAST	13.252.84
	WEST	11.443.65
Illmo to Dexter ◇	EAST	
	WEST	
Illmo to Jonesboro	EAST	13.481.809
	WEST	11.153.160
Jonesboro to Pine Bluff	EAST	16.302.315
	WEST	14.784.720
Pine Bluff to Texarkana	EAST	16.511.393
	WEST	17.963.760
Texarkana to Mt. Pleasant	EAST	7.975.476
	WEST	10.784.607
Mt. Pleasant to Tyler	EAST	6.713.791
	WEST	8.266.597
Tyler of Corsicana	EAST	5.954.720
	WEST	7.004.587
Miller (Dallas) to Plano ■	EAST	
	WEST	1.523.137
Memphis to Brinkley	EAST	
	WEST	12.388.896
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

▷ - SSW Tonnage over MP track.

◇ - CE & I Tonnage over SSW track.

■ - SSW Tonnage over SPT track.

PINE BLUFF DIVISION (SSW) BRANCH LINES



Baldwin	EAST	
	WEST	4.972
Ft. Worth (Mt. Pleasant to Commence)	EAST	
	WEST	1.787.202
Ft. Worth (Commerce to Ft. Worth)	EAST	
	WEST	1.384.331
Little Rock	EAST	
	WEST	438.159
Shreveport	EAST	
	WEST	19.276.800
Wyatt	EAST	
	WEST	439.088
	EAST	
	WEST	
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	WEST	

11-16-95
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SACRAMENTO DIVISION MAIN LINES

MILLIONS OF GROSS TONS

Sacramento to Elvas	EAST	8.275.176
	WEST	13.820.352
Elvas(to Antelope	EAST	15.900.160
	WEST	26.554.813
Antelope to Roseville	EAST	15.900.160
	WEST	26.554.813
Roseville to Sparks	EAST	8.936.818
	WEST	11.988.000
Sparks to Weso	EAST	10.171.173
	WEST	13.087.166
Weso to Carlin (SPT)	EAST	11.390.903
	WEST	12.464.052
Weso to Carlin (UP)	EAST	
	WEST	
Carlin to Alazon (SPT)	EAST	11.390.903
	WEST	12.464.052
Carlin to Alazon (UP)	EAST	
	WEST	
Alazon to Ogden	EAST	11.390.903
	WEST	12.464.052
Roseville to Live Oak	EAST	11.418.617
	WEST	18.152.748
Live Oak to Durham (SPT)	EAST	11.418.617
	WEST	18.152.748
Live Oak to Durham (SN)	EAST	
	WEST	
Durham to Tehama	EAST	11.418.617
	WEST	18.152.748
Tehama to Gerber	EAST	11.455.298
	WEST	18.343.730
Gerber to Dunsmuir	EAST	11.742.782
	WEST	18.809.713
Davis to Tehama	EAST	36.681
	WEST	190.982
Flanigan to Weso (SPT)	EAST	2.777.533
	WEST	2.273.138
Flanigan to Weso (UP)	EAST	
	WEST	

(UP)-UP Tonnage over SPT track.
(SN)-SN Ry Tonnage over SPT track.

SACRAMENTO DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

Colusa	EAST	
	WEST	
Hamilton (Colusa)	EAST	
	WEST	
Fallon	EAST	
	WEST	34.590
Knights Landing	EAST	
	WEST	
Matheson	EAST	
	WEST	
Mina	EAST	
	WEST	162.374
U.P. Main Line ◺	EAST	
	WEST	
U.P. Main Line (1)	EAST	
	WEST	
Placerville	EAST	
	WEST	34.691
Yuba City	EAST	
	WEST	
Ione	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

◺ - SSW Tonnage over MP track.
(1) - SPT Tonnage over WP track.

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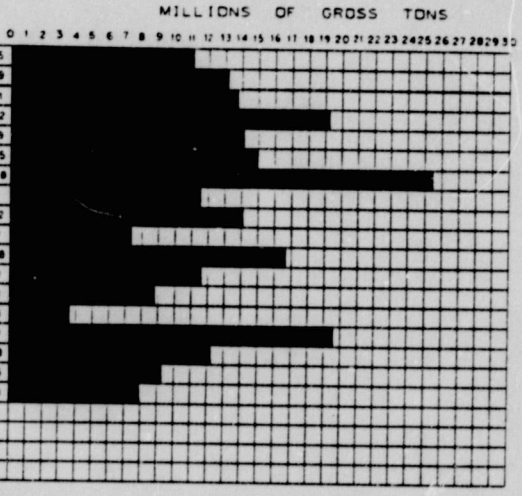
D. and R. G. W. RR MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Ogden to Salt Lake City	EAST	11.082.595
	WEST	13.206.919
Salt Lake City to Mounds	EAST	13.783.451
	WEST	19.248.542
Mounds to Grand Jct.	EAST	14.164.429
	WEST	14.950.545
Grand Jct. to Dotsero	EAST	25.500.028
	WEST	11.547.161
Dotsero to Denver	EAST	14.098.372
	WEST	7.383.128
Dotsero to Pueblo	EAST	16.690.668
	WEST	11.638.170
Denver to Pueblo	EAST	8.813.238
	WEST	3.627.295
Pueblo to Herington	EAST	19.604.881
	WEST	12.253.968
Pueblo to Alamosa	EAST	9.283.895
	WEST	7.423.850
	EAST	
	WEST	

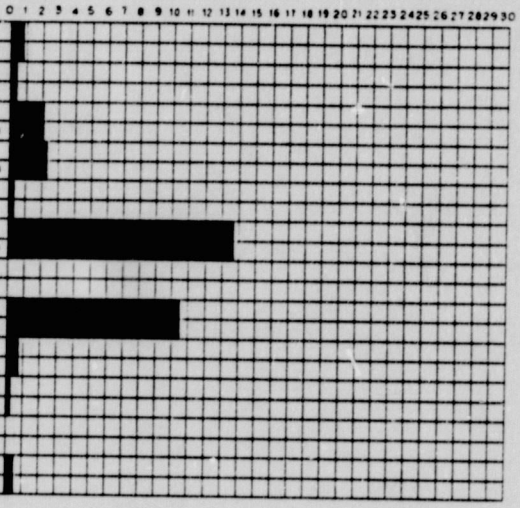


D. and R. G. W. RR BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Garfield	EAST	
	WEST	801.038
Tintic	EAST	
	WEST	395.136
Pleasant Valley	EAST	
	WEST	2.106.999
Sunnyside	EAST	
	WEST	2.326.704
Cane Creek	EAST	
	WEST	329.625
Montrose	EAST	
	WEST	13.702.109
Aspen	EAST	
	WEST	3.836
Craig	EAST	
	WEST	10.505.719
Antonito	EAST	
	WEST	720.951
Creede	EAST	
	WEST	259.787
Leadville	EAST	
	WEST	
Jansen	EAST	
	WEST	506.938

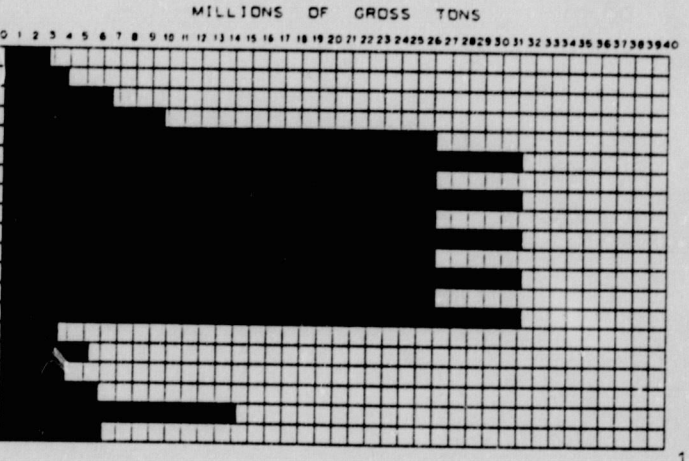


LOS ANGELES DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40

Saugus to Burbank Jct.	EAST	2.729.536
	WEST	3.854.821
Burbank Jct. to Los Angeles	EAST	6.584.09[illegible]
	WEST	9.773.266
Los Angeles to City of Industry	EAST	26.132.795
	WEST	31.246.765
City of Industry to Kaiser	EAST	26.132.795
	WEST	31.246.765
Kaiser to S. Fontana	EAST	26.132.795
	WEST	31.246.765
S.Fontana to Colton (Jct.Cut-Off)	EAST	26.132.795
	WEST	31.246.765
Colton to Myoma	EAST	26.132.795
	WEST	31.246.765
San Luis Obispo to Santa Barbara	EAST	3.429.176
	WEST	5.317.311
Santa Barbara to Burbank Jct.	EAST	3.854.556
	WEST	5.918.444
Bench to Colton	EAST	14.288.685
	WEST	16.149.470



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SAN ANTONIO DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

El Paso to Sierra Blanca (SPT)	EAST	18.105.147
	WEST	19.781.571
El Paso to Sierra Blanca (TP)	EAST	
	WEST	
Sierra Blanca to Valentine	EAST	18.105.147
	WEST	19.781.571
Valentine to Sanderson	EAST	17.468.743
	WEST	19.295.029
Sanderson to Del Rio	EAST	17.248.477
	WEST	19.121.719
Del Rio to San Antonio	EAST	18.178.766
	WEST	20.444.55[illegible]
San Antonio to Flatonia	EAST	22.389.[illegible]00
	WEST	22.440.817
Flatonia to Glidden	EAST	16.274.696
	WEST	17.458.846
Flatonia to Hearne Jct.	EAST	12.134.062
	WEST	14.585.515
Hearne Jct. to Corsicana	EAST	14.364.009
	WEST	10.810.965
Corsicana to Garrett	EAST	7.071.402
	WEST	2.651.905
Garrett to Belt Jct. (Dallas)	EAST	971.698
	WEST	860.500
Belt Jct. to Plano (Dallas)	EAST	971.698
	WEST	860.500
Plano to Sherman	EAST	971.698
	WEST	860.500
Sherman to Denison	EAST	971.698
	WEST	860.500

SAN ANTONIO DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Athens	EAST	
	WEST	191.405
Cameron (2)	EAST	
	WEST	
Eagle Pass	EAST	
	WEST	6.319.724
Fort Worth	EAST	
	WEST	8.074.289
Gonzales	EAST	
	WEST	25.924
Kerrville	EAST	
	WEST	6.059.411
Shiner-Yoakum	EAST	
	WEST	10.511.051
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
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	EAST	
	WEST	
	EAST	
	WEST	

(TP)-T & P Tonnage over SPT track.

(2) - SPT Tonnage over AT & SF track.

11-16-95

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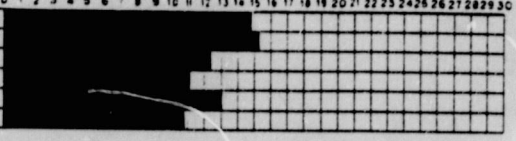
LAFAYETTE DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Englewood to Echo	EAST	14,809,802
	WEST	15,315,712
Echo to Lafayette	EAST	12,394,452
	WEST	11,122,260
Lafayette to Avondale	EAST	13,050,956
	WEST	10,793,156

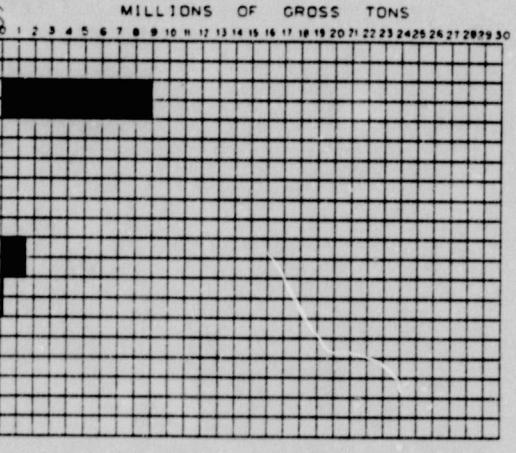


LAFAYETTE DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Alexandria	EAST	
	WEST	
Baytown	EAST	
	WEST	9,002,501
Houma	EAST	
	WEST	11,401
Lockport	EAST	
	WEST	
Rockland	EAST	
	WEST	2,240
Sabine	EAST	
	WEST	1,514,103
St. Martinville	EAST	
	WEST	166,201
Lake Arthur	EAST	
	WEST	10,410
	EAST	
	WEST	
	EAST	
	WEST	

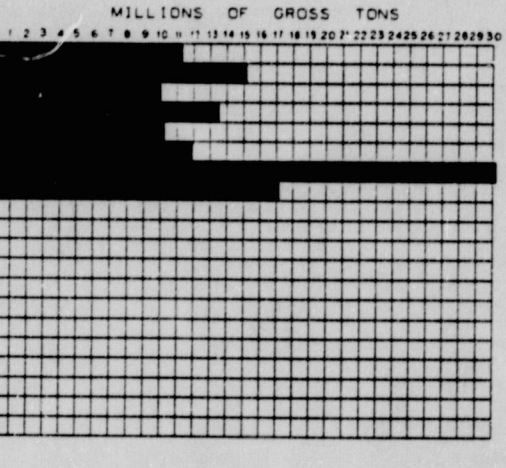


KANSAS CITY DIVISION (SSW) MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Tucumcari to Dalhart	EAST	11,341,559
	WEST	15,197,935
Dalhart to Texoma	EAST	10,050,039
	WEST	13,522,549
Texoma to Herington	EAST	10,250,608
	WEST	11,908,690
Herington to Kansas City	EAST	30,241,048
	WEST	17,174,728
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

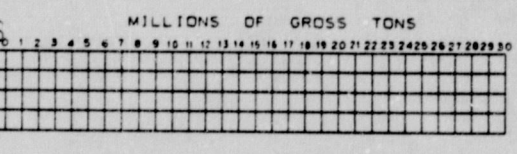


KANSAS CITY DIVISION (SSW) BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Dodge City	EAST	
	WEST	
	EAST	
	WEST	



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SAN JOAQUIN DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Tracy to Lathrop	EAST	6.805.720
	WEST	11.577.320
Lathrop to Fresno via Merced	EAST	17.230.908
	WEST	10.246.917
Fresno to Famoso via Goshen Jct.	EAST	15.921.973
	WEST	10.309.955
Famoso to Bakersfield (SPT)	EAST	15.921.973
	WEST	10.309.955
Famoso to Oil Jct. (SF)	EAST	
	WEST	
Bakersfield to Mojave (SPT)	EAST	18.826.685
	WEST	10.858.550
Kern Jct. to Mojave (SF)	EAST	
	WEST	
Mojave to Palmdale	EAST	18.826.685
	WEST	10.858.550
Palmdale to Saugus	EAST	4.538.000
	WEST	4.709.080
Tracy to Fresno via Los Banos	EAST	1.754
	WEST	16.246
Lathrop to Elvas	EAST	13.704.838
	WEST	24.974.837
Palmdale to Hiland	EAST	14.288.685
	WEST	6.149.470
Hiland to Bench	EAST	14.288.685
	WEST	6.149.470
Myoma to Indio Yard	EAST	26.132.795
	WEST	31.246.765
Indio Yard to Ferrum	EAST	28.244.512
	WEST	31.525.967
Ferrum to Niland	EAST	28.244.512
	WEST	31.525.967
Niland to Yuma-East Yard	EAST	28.244.512
	WEST	31.525.967

SAN JOAQUIN DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Arvin	EAST	
	WEST	
Biola	EAST	
	WEST	
Buttonwillow	EAST	
	WEST	55.220
Clovis	EAST	
	WEST	
Coalinga	EAST	
	WEST	17.256
Exeter	EAST	
	WEST	646
Lone Pine	EAST	
	WEST	3.011.750
Plaster City	EAST	
	WEST	
Oak Creek	EAST	
	WEST	111.722
Sandia	EAST	
	WEST	
Oil City	EAST	
	WEST	
Richgrove	EAST	
	WEST	990
Riverdale	EAST	
	WEST	113.417
Stratford	EAST	
	WEST	
Visalia	EAST	
	WEST	
Calexico	EAST	
	WEST	
Ione	EAST	
	WEST	295.359
Oakdale	EAST	
	WEST	482.466
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

(SF)-AT & SF Tonnage over SPT track.

11-16-95

esrv117./usr3/dr/spton.dgn

LOS ANGELES DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40

Azusa		EAST	
		WEST	25.608
Baldwin Park		EAST	
		WEST	14,840
Burbank		EAST	
		WEST	12.868
Chino		EAST	
		WEST	
Declezville		EAST	
		WEST	
East Long Beach		EAST	
		WEST	
El Segundo		EAST	
		WEST	89.583
Lompoc		EAST	
		WEST	176.170
Long Beach		EAST	
		WEST	20.438.871
Los Alamitos		EAST	
		WEST	
Puente		EAST	
		WEST	4.412.799
Riverside		EAST	
		WEST	
San Bernardino		EAST	
		WEST	
State Street	(3)	EAST	
		WEST	
San Pedro (ICTF)		EAST	
		WEST	22.001.967
San Pedro		EAST	
		WEST	
Santa Ana		EAST	
		WEST	2.526.614
Santa Monica		EAST	
		WEST	
Santa Paula		EAST	
		WEST	54.665
Stanton		EAST	
		WEST	
Torrance		EAST	
		WEST	77,803
Tustin		EAST	
		WEST	
Ventura		EAST	
		WEST	
West Santa Ana		EAST	
		WEST	20.613
Whittier		EAST	
		WEST	
Wilmington		EAST	
		WEST	4.889.133
La Habra		EAST	
		WEST	1.404.784
La Habra	(3)	EAST	
		WEST	
La Habra	(0)	EAST	
		WEST	
Anaheim	(3)	EAST	
		WEST	
Anaheim	(3)	EAST	
		WEST	
Puente	(3)	EAST	
		WEST	4.412.799
Calexico		EAST	
		WEST	1.807.549
		EAST	
		WEST	
		EAST	
		WEST	
		EAST	
		WEST	
		EAST	
		WEST	
		EAST	
		WEST	
		EAST	
		WEST	
		EAST	
		WEST	

(0)-UP Tonnage over UP track.

(3)-SPT Tonnage over UP track

11-16-95

esrv117./usr3/dr/spton.dgn

HOUSTON DIVISION MAIN LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Glidden to Rosenberg	EAST	16.274.696
	WEST	17.458.946
Rosenberg to West Jct.	EAST	16.274.696
	WEST	17.458.946
West Jct. to Eureka	EAST	16.274.696
	WEST	17.458.946
Eureka to Twr.26 (Houston)	EAST	21.684.349
	WEST	20.860.138
Eureka to Hearne	EAST	5.409.653
	WEST	3.401.492

HOUSTON DIVISION BRANCH LINES

MILLIONS OF GROSS TONS

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Brownsville	EAST	
	WEST	1.576.144
Bellaire	EAST	
	WEST	1.381.419
Cuero	EAST	
	WEST	5.327.991
Galveston	EAST	
	WEST	5.724.942
McAllen	EAST	
	WEST	316.659
Palacios	EAST	
	WEST	
Port Lavaca	EAST	
	WEST	2.601.191
Rockport	EAST	
	WEST	1.467.212
Shreveport (Englewood-Lufkin)	EAST	
	WEST	15.797.455
Shreveport (Lufkin-Shreveport)	EAST	
	WEST	18.488.307
Victoria	EAST	
	WEST	30.600
Corpus Christi	EAST	
	WEST	1.928.390
Yoakum	EAST	
	WEST	10.509.896
Harrisburg	EAST	
	WEST	
Harrisburg (SF)	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	
	EAST	
	WEST	

N.W.P. RR. CO.

MILLIONS OF GROSS TONS

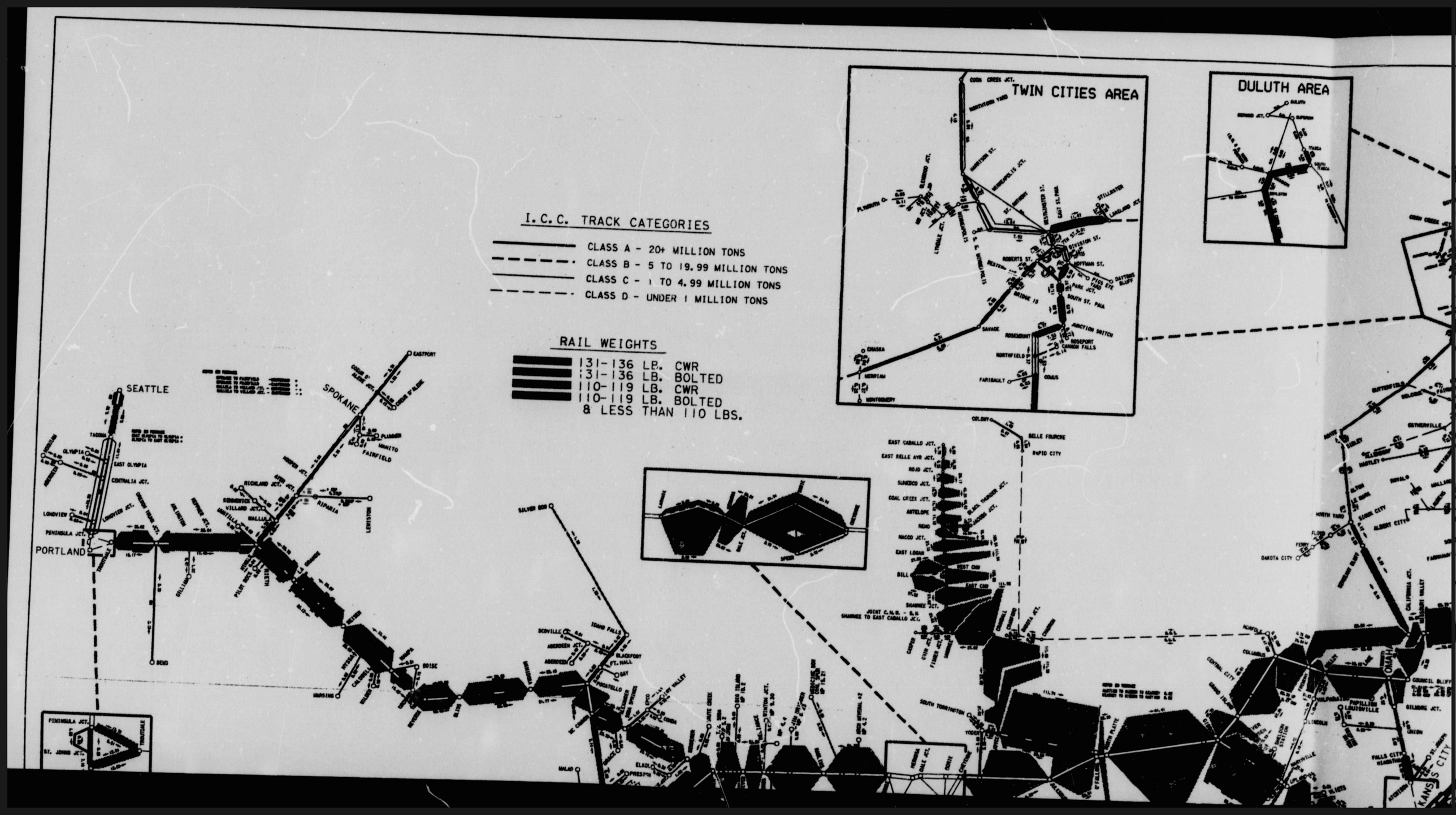
0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

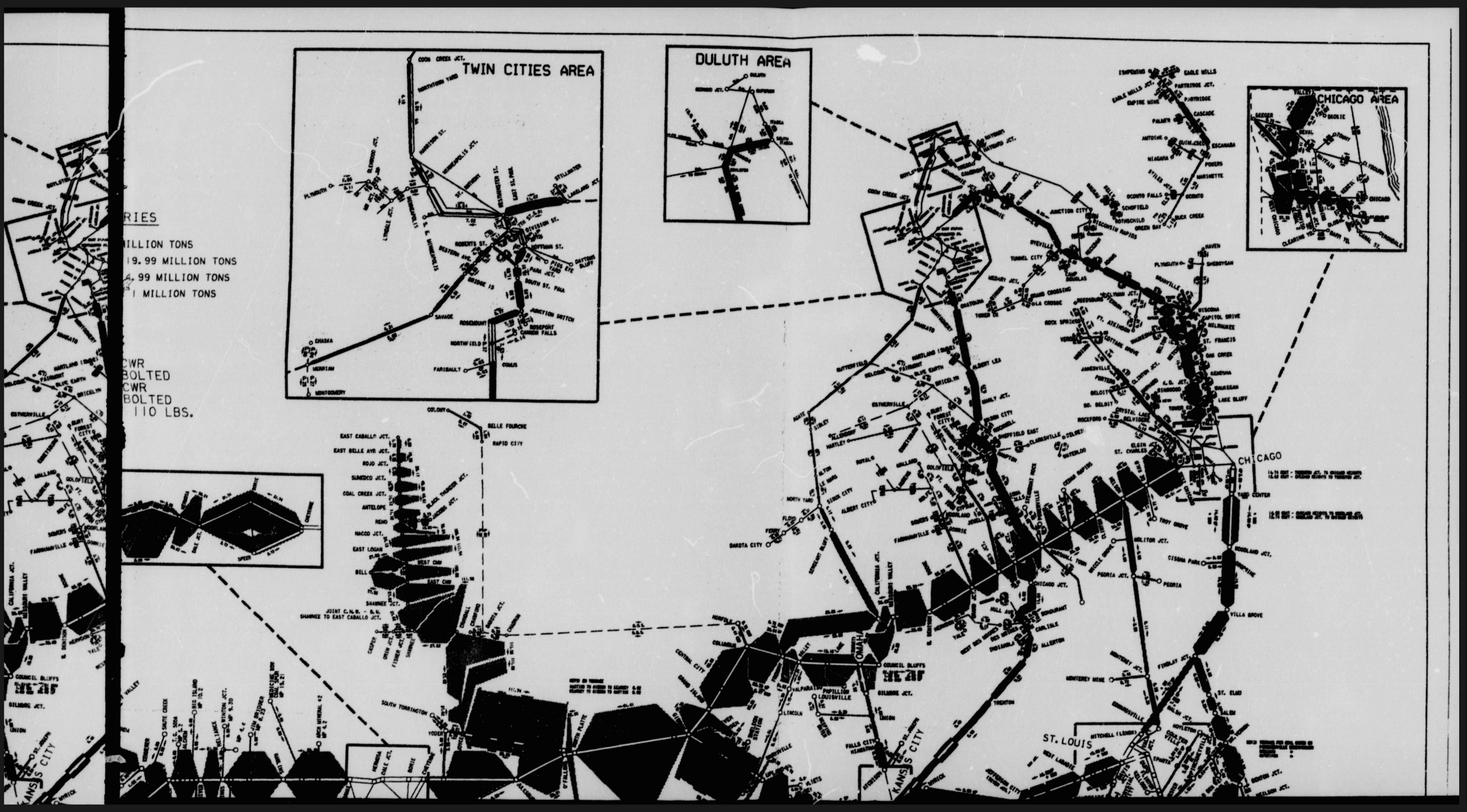
Schellville to Ignacio	EAST	
	WEST	
Ignacio to Willits	EAST	
	WEST	

(SF)-AT & SF Tonnage over SPT track.

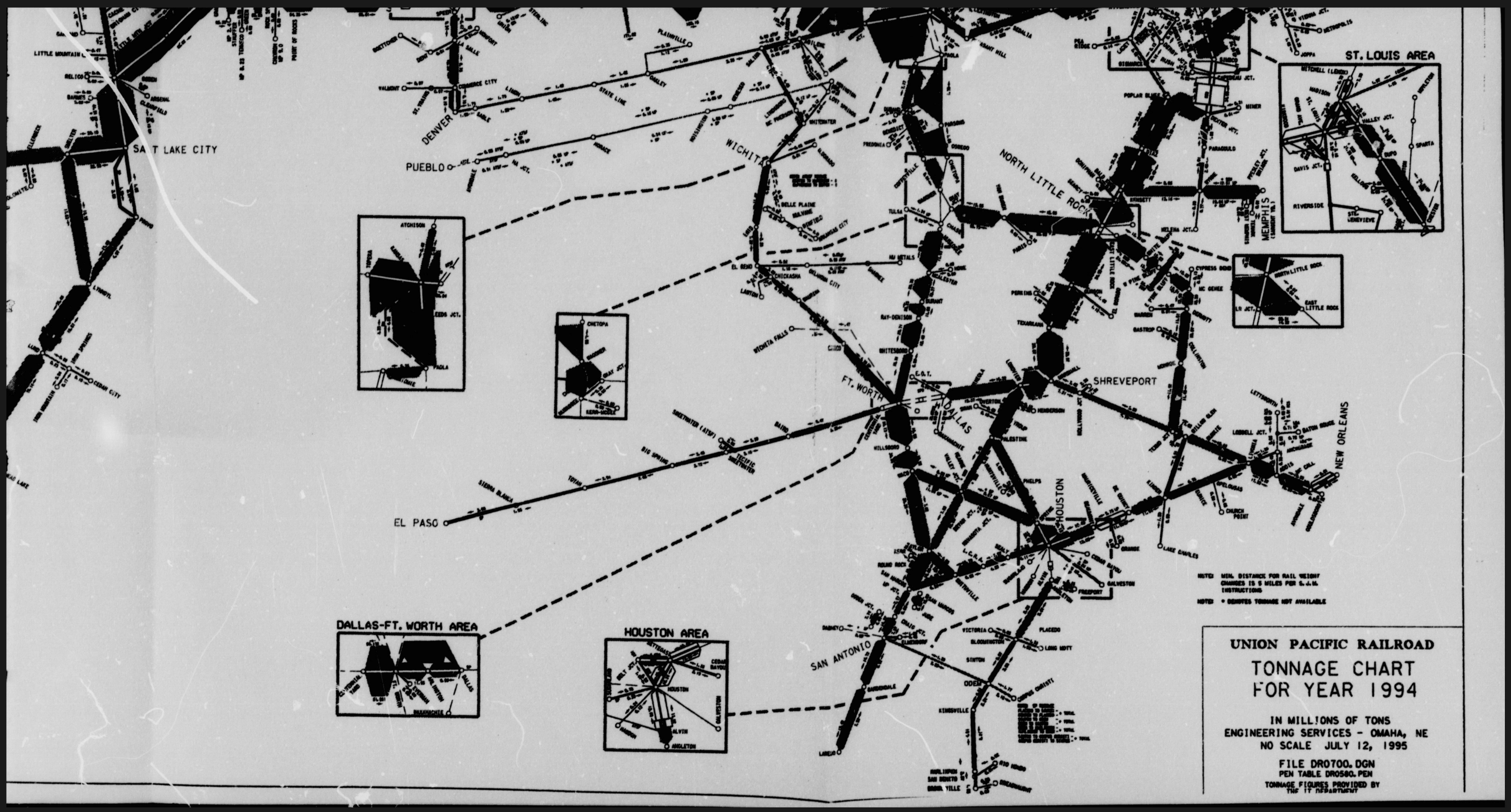
11-16-95

esrv117./usr3/dr/spton.dgn


I. C. C. TRACK CATEGORIES
CLASS A - 20+ MILLION TONS
CLASS B - 5 TO 19.99 MILLION TONS
CLASS C - 1 TO 4.99 MILLION TONS
CLASS D - UNDER 1 MILLION TONS
RAIL WEIGHTS
131-136 LB. CWR
131-136 LB. BOLTED
110-119 LB. CWR
110-119 LB. BOLTED
& LESS THAN 110 LBS.
TWIN CITIES AREA
DULUTH AREA
SEATTLE
PORTLAND
SPOKANE
BOISE
OMAHA
KANSAS CITY


TWIN CITIES AREA
DULUTH AREA
CHICAGO AREA
RIES
MILLION TONS
19.99 MILLION TONS
4.99 MILLION TONS
1 MILLION TONS
CWR
BOLTED
CWR
BOLTED
110 LBS.
CHICAGO
ST. LOUIS
COUNCIL BLUFFS
KANSAS CITY


PORTLAND
SALT LAKE CITY
OGDEN
SACRAMENTO
OAKLAND
STOCKTON
LAS VEGAS
LOS ANGELES
RIVERSIDE
DENVER
PUEBLO
WICHITA
CHICKASHA
FT. WORTH
DALLAS
EL PASO
SAN ANTONIO
DALLAS-FT. WORTH AREA
HOUSTON AREA
HOUSTON
GALVESTON
TULSA
ATCHISON
TOPEKA
PAOLA
CHETOPA
WICHITA FALLS
BIG SPRING
SWEETWATER
SIERRA BLANCA
BRAKETTE
PROVO
LYNNDYL
OROVILLE
MARYSVILLE
SUTTER
CLEVELAND
CLYDE
TRACY
TURLOCK
LONG BEACH
SAN PEDRO
LAREDO
BROWNSVILLE
VICTORIA
KERN-MCCALL


SALT LAKE CITY
DENVER
PUEBLO
WICHITA
NORTH LITTLE ROCK
MEMPHIS
ST. LOUIS AREA
ATCHISON
CHETOPA
FT. WORTH
DALLAS
SHREVEPORT
NEW ORLEANS
HOUSTON
SAN ANTONIO
EL PASO
DALLAS-FT. WORTH AREA
HOUSTON AREA
NOTE: MIN. DISTANCE FOR RAIL WEIGHT CHANGES IS 5 MILES PER S.P.I.N. INSTRUCTIONS
NOTE: * DENOTES TONNAGE NOT AVAILABLE
UNION PACIFIC RAILROAD
TONNAGE CHART
FOR YEAR 1994
IN MILLIONS OF TONS
ENGINEERING SERVICES - OMAHA, NE
NO SCALE JULY 12, 1995
FILE DR0700.DGN
PEN TABLE DR0580.PEN
TONNAGE FIGURES PROVIDED BY
THE IT DEPARTMENT

Carrier #37

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United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

Argued February 4, 1997 Decided March 21, 1997

No. 9[illegible]21

UNITED TRANSPORTATION UNION AND
BROTHERHOOD OF LOCOMOTIVE ENGINEERS,
PETITIONERS

v.

SURFACE TRANSPORTATION BOARD AND
UNITED STATES OF AMERICA,
RESPONDENTS

RAILWAY LABOR EXECUTIVES' ASSOCIATION, ET AL.,
INTERVENORS

On Petition for Review of an Order of the
Surface Transportation Board

William G. Mahoney argued the cause for petitioners, with whom *John O'B. Clarke, Jr.* and *Richard S. Edelman* were on the briefs.

Bills of costs must be filed within 14 days after entry of judgment. The court looks with disfavor upon motions to file bills of costs out of time.

Louis Mackall, V, Attorney, Surface Transportation Board, argued the cause for respondents, with whom *Henri F. Rush*, General Counsel, was on the brief. *John J. Powers, III* and *Robert J. Wiggers*, Attorneys, U.S. Department of Justice, entered appearances.

Ronald M. Johnson argued the cause and filed the brief for intervenor CSX Transportation, Inc.

Jeffrey S. Berlin, Mark E. Martin, Robert W. Blanchette and *Kenneth P. Kolson* were on the brief for *amicus curiae* Association of American Railroads.

Before: EDWARDS, *Chief Judge*, HENDERSON and ROGERS, *Circuit Judges*.

Opinion for the Court filed by *Chief Judge* EDWARDS.

EDWARDS, *Chief Judge*: This case arises out of an effort by CSX Transportation, Inc. ("CSXT") to implement an approved merger of operations of portions of four former railroads into a new, consolidated rail district. In so doing, CSXT sought to abrogate terms of existing collective bargaining agreements ("CBAs") in order to merge separate seniority rosters from the former railways into single seniority lists for engineers and trainmen for the entire district and to place the employees of the consolidated district under one CBA. CSXT served notice on the United Transportation Union ("UTU") and the Brotherhood of Locomotive Engineers ("BLE") (jointly, "unions") of its intent to consolidate the various seniority districts. After negotiations between CSXT and the unions failed to produce an agreement implementing the proposed changes, the dispute was referred to arbitration. The arbitrator ruled in favor of CSXT, holding that the proposed changes are necessary to effectuate a transaction approved by the Interstate Commerce Commission ("ICC"); however, in light of this court's decision in *Railway Labor Executives' Ass'n v. United States*, 987 F.2d 806, 814 (D.C. Cir. 1993) (*Executives*), the arbitrator reserved for the Commission the question whether CSXT's proposed changes undermine "rights, privileges, and benefits" protected by 49 U.S.C. § 11347 and the so-called "*New York Dock* rules."

See New York Dock Ry.—Control—Brooklyn E. Dist. Terminal, 360 I.C.C. 60, *aff'd sub nom. New York Dock Ry. v. United States*, 609 F.2d 83 (2d Cir. 1979) (*New York Dock*).

Section 11347 incorporates the protections of the Rail Passenger Service Act, 45 U.S.C. § 565, which provides that, in transactions (such as railway consolidations) approved by the Commission,

> protective arrangements shall include ... such provisions as may be necessary for ... the preservation of rights, privileges, and benefits ... under existing collective bargaining agreements....

However, the Supreme Court and this court have made it clear that the ICC may abrogate certain terms of a CBA as necessary to effectuate an ICC-approved transaction. *See Norfolk & W. Ry. Co. v. American Train Dispatchers' Ass'n*, 499 U.S. 117, 127–28 (1991) (*Dispatchers*); *American Train Dispatchers Ass'n v. ICC*, 26 F.3d 1157, 1163–64 (D.C. Cir. 1994) (*ATDA*); *Executives*, 987 F.2d at 814. The questions at issue here are (1) whether established seniority provisions are within the category of interests that are subject to abrogation, and, if so, (2) whether the changes proposed by CSXT are *necessary* to effectuate the consolidation of railway operations that had been approved by the ICC. The Commission answered affirmatively to each of these questions, and we can find no error in the agency's judgment.

The principal dispute in this case is over the meaning of "rights, privileges, and benefits," for the parties agree that any employment arrangement meeting this definition is fully protected, save for modifications achieved through collective bargaining. The Commission held that "the term 'rights, privileges, and benefits' means the 'so-called incidents of employment, or fringe benefits' ... and does not include scope or seniority provisions." *CSX Corp.—Control—Chessie Sys., Inc. and Seaboard Coast Line Indus., Inc.*, Finance Docket No. 28905 (Sub-No. 27) (Nov. 22, 1995) (*Commission decision*), *reprinted in* Joint Appendix ("J.A.") 233. In light of the applicable statutory provisions and the judicial deci-

sions construing them, we can find no basis to overturn the Commission's holding on this point.

Furthermore, the Commission did not err in upholding the arbitrator's finding that CSXT's proposed changes are *necessary* to effectuate an ICC-approved consolidation. The ICC found that "merging the separate seniority rosters into one will produce real efficiency benefits," *see id.* at 13, *reprinted in* J.A. 236, thus making clear the nexus between the proposed changes and the effectuation of an approved transaction found to be in the public interest.

On the record at hand, the petition for review must be denied.

I. Background

CSXT, a major rail carrier, is the product of various railroad mergers, all approved by the ICC.[1] CSXT had its genesis in the ICC's 1980 decision authorizing CSX Corporation to control two railroad holding companies. *See CSX Corp.—Control—Chessie Sys., Inc. and Seaboard Coast Line Indus., Inc.*, 363 I.C.C. 521 (1980) (*CSX Control*). Over time, the operations of the railroad subsidiaries of Chessie System, Inc. ("Chessie") and Seaboard Coast Line Industries, Inc. ("SCLI") were merged together and, ultimately, became CSXT. CSXT has combined various operations, facilities, and workforces throughout portions of the former railroads that today constitute CSXT.

[1] The ICC is the predecessor to the Surface Transportation Board ("STB"). Effective January 1, 1996, the Interstate Commerce Act ("ICA") was amended by the ICC Termination Act, thereby transferring all of the ICC's remaining functions to the STB. *See* Pub. L. No. 104-88, 109 Stat. 803 (1995). A savings clause in the Termination Act, § 204, provides that matters arising before January 1, 1996 will continue to be governed by the ICA as it existed pre-amendment. We, therefore, will refer to the pre-amendment ICA. We note that §§ 11341(a) and 11347 of the ICA were continued by the ICC Termination Act, but were renumbered, respectively, as §§ 11321(a) and 11326.

This case arises out of an attempt by CSXT to consolidate train operations, workforces, and facilities on portions of four former railroads—the Baltimore and Ohio Railroad ("B&O"), Western Maryland Railway ("WM"), Chesapeake and Ohio Railway ("C&O"), and Richmond, Fredericksburg and Potomac Railway ("RF&P"). In 1993, CSXT decided to combine train operations, workforces, and facilities on the eastern portion of the former B&O with contiguous portions of the former RF&P, WM, and C&O to create the Eastern B&O Consolidated District. CSXT proposed to place all of the train crew employees working in the new, consolidated district on merged seniority rosters, with one list for engineers and a separate list for trainmen.

At the time when the disputed proposals were advanced, CSXT had CBAs with the UTU and BLE covering each of the former railroads constituting the new district. The seniority rules in the CBA for each railroad generally required that work in that geographic region be performed by employees with seniority rights under that agreement. Under CSXT's proposed implementation plan for its consolidation of operations in the Eastern B&O District, CSXT could use any engineer or trainman to staff a train throughout the consolidated district, regardless of whether the territory was within the boundaries of the employee's railroad prior to consolidation.

On January 10, 1994, pursuant to Commission-mandated procedures under section 4 of the *New York Dock* rules, *see New York Dock*, 360 I.C.C. at 77, CSXT served notice on the unions of its intent to consolidate various seniority districts of its affiliate carriers. The unions refused to negotiate an implementing agreement concerning these changes. Because the unions and CSXT could not reach an agreement, the matter was referred to arbitration as required by section 4 of the *New York Dock* rules, *see New York Dock*, 360 I.C.C. at 78.

A neutral arbitrator found (1) that the coordination proposed by CSXT was linked to an ICC-approved transaction; (2) that *New York Dock* arbitration was not barred by the

terms of prior implementing agreements that made reference to Railway Labor Act ("RLA") bargaining; (3) that CSXT had shown that modification of existing CBAs was necessary; and (4) that the proposed changes to the existing CBAs could be made, provided, as required by section 2 of *New York Dock* rules implementing 49 U.S.C. § 11347, they did not undermine protected "rights, privileges, and benefits." *See UTU v. CSX Transp., Inc.*, (Apr. 21, 1995) (O'Brien, Arb.), *reprinted in* Supplemental Appendix ("S.A.") 413. The arbitrator, in light of this court's decision in *Executives*, 987 F.2d at 814 (leaving for the Commission to determine in the first instance the scope of protected "rights, privileges, and benefits"), reserved for the Commission the question whether CSXT's proposed changes to the CBAs undermine protected "rights, privileges, and benefits." *See UTU v. CSX Transp., Inc.*, (Apr. 21, 1995) (O'Brien, Arb.), *reprinted in* S.A. 413.

The unions petitioned the Commission to review and reverse the arbitrator's decision, *see* Petition of UTU and BLE, *CSX Corp.—Control—Chessie System, Inc. and Seaboard Coast Line Indus., Inc.*, Finance Docket No. 28905 (Sub–No. 27) (June 9, 1995), *reprinted in* J.A. 33, while CSXT requested the Commission to uphold the arbitrator's findings and, further, to find that CSXT's proposed changes to the CBAs did not undermine protected "rights, privileges, and benefits," *see* Petition of CSXT, *CSXT—Bhd. of Locomotive Eng'rs and United Transp. Union*, Finance Docket No. 28905 (Sub–No. 27) (June 9, 1995), *reprinted in* J.A. 7.

The Commission ruled in favor of CSXT. *See Commission decision, reprinted in* J.A. 224–41. First, the ICC sustained the arbitrator's finding that CSXT's proposed coordination of train operations in the new, consolidated B&O Eastern District was linked to ICC-approved merger and control transactions. *See id.* at 8, *reprinted in* J.A. 231. Second, the Commission upheld the arbitrator's finding that prior implementing agreements of CSXT do not require that CSXT accomplish the coordination at issue here through Railway Labor Act ("RLA") bargaining procedures, as CSXT's proposed changes involve a different (*i.e.*, greater) territory than that to which the prior agreements applied. *See id.* at 10–12, *reprinted in* J.A. 233–35. The Commission also found that applying *New York Dock* rules in the instant case comports with the parties' prior implementing agreements. On several occasions, CSXT has consolidated operations within the territory of the former railroads and, without objection from the unions, applied *New York Dock* rules. *See id.* Third, the Commission found that CSXT's proposed changes to seniority rights as established by CBAs were necessary to effectuate the ICC-approved transaction. The ICC also found that CSXT's proposed changes are not a device to transfer wealth from the employees to the railroad, and that the merging of the separate seniority districts will produce real efficiency benefits. *See id.* at 13, *reprinted in* J.A. 236. Finally, the ICC determined that CSXT's proposed changes do not involve "rights, privileges, and benefits" that are protected by 49 U.S.C. § 11347 and section 2 of the *New York Dock* rules. The Commission noted that "rights, privileges, and benefits" include only "the incidents of employment, ancillary emoluments or fringe benefits." *See id.* at 14, *reprinted in* J.A. 237. The Commission concluded that the CBA provisions at issue in this case do not fall within the protected "rights, privileges, or benefits," as they involve scope and seniority changes of the type that consistently have been modified in the past in connection with consolidations. *See id.* at 15, *reprinted in* J.A. 238.

On January 4, 1996, the STB denied the unions' petition for an administrative stay. The unions then filed a petition for review in this court.

II. Analysis

The Supreme Court has made clear that, to effectuate an ICC-approved transaction, 49 U.S.C. § 11341(a) (1994) allows for the abrogation of terms in a CBA. *See Dispatchers*, 499 U.S. at 127–28.[2] In this court's *Executives* decision, however,

[2] Section 11341(a) provides, in relevant part, that a carrier in an approved consolidation "is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let [it] carry out the transaction." 49 U.S.C. § 11341(a) (1994).

Mr. Harrison also testified that he was assuming that the Commission would essentially prescribe WJPA conditions (Hearing Before the Senate Committee on Interstate Commerce, 76th Cong., 1st Sess. 34 (1939, emphasis supplied):

> Now, we realize that to the extent there are unifications made * * * railroad labor will be adversely affected. So we say that the Interstate Commerce Commission shall have the authority * * * to provide for reasonable provisions for the protection of labor. The Commission now has that authority, but it is disputed by the railroads * * *.
>
> [W]e (the Committee of Six) do not undertake to lay down the specific, detailed protection that should be accorded labor by the Commission, but *we were much of the opinion that in prescribing the protection the Commission would undoubtedly follow what was to be generally the practice; and that is represented in an agreement that now exists between substantially all of the railroads and all of the employees' labor unions*. It provides a schedule of benefits and protections.
>
> So to that extent I think the interest of labor will be protected, the public interest will be protected, and the opportunity to eliminate some bad situations in the railroad transportation machine will be available.

Rep. Wolverton, the member of the House committee who handled the legislation in debate on the floor, stated that the Committee intended in its original language[14] to give:

> legislative assurance of at least a continuance of the [WJPA]. This agreement has been recognized and accepted as a condition precedent for its approval in the Rock Island case, *United States* v. *Lowden* (at 225), and this action of the Commission has been affirmed by the Supreme Court * * *. We thought that the language we used not only established this agreement for all succeeding cases of consolidation or merger but that the language used would not preclude the Commission from improving upon the terms of that agreement if necessary to provide equitable and fair treatment of employees affected by any consolidation or merger in the future. 86 Cong. Rec. 10,189 (1940).[15]

Commissioner Eastman similarly stated that affected employees should "be protected by some such plan as is embodied in the so-called Washington Agreement of 1936 * * *." *Southern*, 157-58.

A proposal that was not adopted in 1940 is also significant in evaluating the balance struck by Congress in facilitating consolidations *and*

---

[14] The final language was the same as the original language with a modification as to the length of time the provisions were to be effective. 86 Cong. Rec. 10,189 (1940).

[15] Moreover, as the Commission noted in *Southern*, *supra*, at 158, "Congressman Halleck, also a conferee, pointed out that the new statutory provision would follow the principles of the so-called Washington Agreement."

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House committee who handled
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affected employees should "be
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protecting employees. Rep. Vincent Harrington proposed an amendment that would have prevented the Commission from approving any consolidation that would result in employee layoff or displacement or would impair the terms of any CBA. The Harrington Amendment would have read (84 Cong. Rec. 9,882 (1939)):

> *Provided, however,* That no such transaction shall be approved by the Commission if such transaction will result in unemployment or displacement of employees of the carrier or carriers, or in the impairment of existing employment rights of said employees.

The Supreme Court has described the effect of this proposal in *RLEA*, at 142:

> The Harrington Amendment thus introduced a new problem. Until it appeared, there had been substantial agreement on the need for consolidations, together with a recognition that employees could and should be fairly and equitably protected. This amendment, however, threatened to prevent all consolidations to which it related.

This potential for barring all consolidations was avoided by substituting for the Harrington Amendment the language contained in the second sentence of Section 5(2)(f), that the "transaction will not result in employees of said carrier * * * being in a worse position with regard to their employment." *See Maintenance Employes v. U.S.*, 366 U.S. 169, 174 (1961). The Court found, in Congress' rejection of the Harrington Amendment, a "clear[] * * * understanding that compensation, not 'job freeze,' was contemplated" as the appropriate avenue for employee protection under the 1940 Act. 366 U.S. at 176. The reinstitution of the "job freeze" provision of the 1933 Act was thus rejected on the basis of the experience of its deterrent, if not prohibitive, effect on mergers.

Thus the 1940 Act opened up new opportunities for rail carriers to consolidate their facilities on their own terms with Congress urging the Commission to promote, rather than dictate, the process. The potential adverse effect on labor was clearly recognized and labor was protected in the manner they requested. The vehicle for protection was, in effect, Congressional endorsement of the WJPA requiring that the protection afforded by that agreement be mandated for all railroads, signatory or not.

Referee Bernstein commented on the effect of the 1940 Act in his 1966 decision in Docket No. 141. He noted that WJPA had instituted a procedure for overcoming "rules arrangements" or CBAs and permitting consolidations to proceed. In his view, nothing had changed with the 1940 Act. Labor was still free to insist on CBAs, but barriers created by those CBAs could be overcome when necessary to permit consolidations. He observed (at 228)(emphasis added):

In the period preceding enactment there wa recalcitrance by railroad labor organizations which arguably required any limitation upc r rules agreements and the job ownership they often were taken to imply; no one c ded that the Washington Agreement was inadequate to its tasks. Nothing in the leg e history of Sections 5(2)(f) or 5(11) was presented which even remotely shows an int by Congress, or anyone else, to abrogate the rules arrangements, including their merr ng-effect and the Washington Agreement's machinery for overcoming them.

G. Consolidations and Labor Between 1940 and 1980.

We are treating the long period between 1940 and 1980 as a unit because during that period the Comm on, rail management and rail labor appear to have generally reached a c nsus on the respective rights and obligations created when the Comm ssion approved a consolidation or merger. Perhaps more accurately, the parties carried out the consensus reached through the WJPA of 1936 and the Transportation Act of 1940. As we will describe, the Commission fo owed the apparent will of Congress and exercised its newly authorized p wer to impose labor protective conditions by requiring the WJPA pr visions, with minor variations, in consolidations. When these variations became too great, the ICC was called back into line--twi by the Supr e Court.

In the great maj ty of these t nsactions, the disruptive effect o labor appears to have been successfu handled through WJPA-typ negotiation and arbitration. The "merger-barring" provisions of CBAs were negotiated away or "overcome" by the "Washington Agreement's machinery," to use Referee Bernstein's phrasing. Thus the Railway Labor Act was apparently being properly accommodated during this period, as described by Bernstein and the Commission in *Southern*. RLA rights were asserted in some unusual cases and we will describe the ensuing litigation. Nevertheless, labor and management were able to reach a working arrangement for fairly and efficiently acc plishing ICC-approved mergers and consolidations. As we will discuss, th framework unde went changes in the 1980's.

Following the enactment of a s v obligation to impose labor protective conditions in the 1940 Act, th mission developed standard labor conditions modeled after the WJP om the beginning, we have patterned the conditions we prescribed e Washington agreement." *New Orleans Union Passenger Terminal* 82 I.C.C. 271, 280 (1952). *See, generally, New York Dock Ry.*, 60 t 88. Some provisions of WJPA were not included in one of the f of conditions, fashioned in *Oklahoma Ry. Co. Trustees Abandonm* 7 I.C.C. 177 (1944). The Commission explained later that the on ion was harmless because the

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railroads had already complied with the missing provisions of the WJPA before presenting the case to the agency. *Southern*, at 160.[16]

The *New Orleans* case was our response to *RLEA v. United States*, 339 U.S. 142 (1950), where the Supreme Court found we had erred by interpreting Section 5(2)(f) too narrowly when we failed to follow a WJPA provision. On remand, we included the full protections of WJPA. Similarly, *Southern* grew out of the Supreme Court's inability to determine whether we intended to include Sections 4 (notice), 5 (negotiation and arbitration) and 9 (lump-sum separation allowance) of the WJPA in our conditions. *Railway Labor Assn v. U.S.*, 379 U.S. 199 (1964). On remand, we declared that we did intend to include these WJPA provisions in our merger conditions. *Southern*, at 164-66.

During this period, there were a great number of mergers and consolidations of railroads resulting in massive adjustments of the rail labor force. These adjustments were handled under the negotiation and arbitration provisions of the WJPA, as incorporated in the conditions attached by the Commission in orders approving the transactions. The vast majority of these adjustments were made without resort to RLA procedures, despite the fact that there were clearly modifications of collective bargaining agreements being made. Most of the changes were presumably made through WJPA (or *New Orleans*) negotiations, with only the more difficult issues being decided by an arbitrator. Nonetheless, the parties did not resort to RLA Section 6 notices, leading to RLA bargaining procedures, but relied on the procedures contained in the Commission's conditions or as separately agreed to by management and labor. These agreements would generally incorporate the WJPA negotiation and arbitration provisions.

We have endeavored to explain how the RLA notice and negotiation provisions were accommodated to the particular exigencies of ICC-approved railroad consolidations through quotations from *Southern* and Referee Bernstein. As RLEA has asserted in this proceeding, echoing Bernstein, "Sections 4 and 5 of WJPA are the key that unlocks Section 6 of the Railway Labor Act." But how far does the Section 6 door open? RLEA asserts that it opens far enough to permit an imposed settlement by arbitration of issues involving " 'selection of forces' and 'assignment of employees' without necessity of Section 6 notices under RLA." RLEA Outline of Oral Argument, 3. This is a reference to the same items in

[16] The Commission often imposed the *Oklahoma* conditions in cases involving only trackage rights or leases. See *RLEA v. United States*, 675 F.2d at 1251 n. 7. This led to the post-4R Act variation between protective conditions for mergers and consolidations (deriving from the *New Orleans* conditions) and leases and trackage rights (deriving from the *Oklahoma* conditions), as explained in *RLEA*, *supra*, at 1254-56.

Section 5 of WJPA, which also appear in our current conditions. Section 4, *New York Dock*, at 85.

Negotiators and arbitrators may well have followed the rubric of "selection of forces and assignment of employees" when administering the provisions governing the effect of consolidations. The scope of those terms, however, is not well defined. It must extend beyond the mere mechanism for selection or assignment of employees, and include the modification of certain important contractual rights. *Southern* and Bernstein make it clear that work was transferred from one railroad to another despite contrary contractual provisions in CBAs. It was also obvious that contractual seniority rights were modified in order to consolidate rosters of the two separate, combining railroads. *See Southern*, at 165, 185.[17] These rosters may have been "dove-tailed" or another method agreed upon or decreed by an arbitrator. We can assume that the reassignment of employees would have regularly taken place despite CBA prohibitions. These actions are the sort that would be necessary to permit almost any consolidation of the functions of two merging railroads. The WJPA procedures make it possible.[18]

We are not able to determine with any certainty from the record in this proceeding the limits on the subject matter (beyond those in the last paragraph) that negotiation and arbitrators agreed to or imposed upon themselves.[19] We assume they did what was necessary to permit the carrying out of the merger, including the effectuation of those projects that were direct results of the merger. We also assume that the procedure did not involve "interest arbitration," or the setting of rates of pay, rules or

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[17] We note that when the Commission was formulating its *New York Dock* employee conditions in 1979, RLEA successfully argued that the definition of "transaction" should be expanded so as to encompass such delayed post-merger events as the "consolidation of employee rosters." *New York Dock*, at 70. Thus employees affected by such delayed events would be entitled to benefits and the required changes in CBA seniority provisions would be within the authority of a Section 4 arbitrator.

[18] As Referee Bernstein stated in Docket No. 141, at 228, "As the savings to be achieved by reducing employment by the combination and rationalization of work of two or more carriers is a major purpose of railroad mergers and acquisitions, a means to overcome the barrier imposed by the rules arrangements was necessary. The Washington Agreement serves that purpose . . . ."

[19] It should be remembered that the first time the Commission reviewed an arbitration award was in 1987. We note the statement of Referee Harris in the *Dispatchers* arbitration: "Prior to 1981, the question of whether a carrier could, through a consolidation of forces, effect changes in rates of pay, rules, or working conditions had never been raised in a Section 4 proceeding." This could be interpreted as indicating that arbitrators did not make such changes before 1981, but an equally plausible reading is that such changes were made and not challenged.

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working conditions that are normally determined through RLA bargaining. Nevertheless, as we have described, contracts covering these subjects were evidently changed without resort to RLA procedures. The degree of such change was apparently left to the parties in the bargaining process and the experience of the arbitrators.

While it covers a later period, some guidance may be gleaned from CSX Exhibit 1, Addendum A to the CSX Comments, covering some 95 transactions in which implementing agreements were reached, either through negotiation or arbitration. The exhibit indicates that changes involving contracts, including the transfer of an employee from one carrier's CBA to another carrier's CBA, have been regularly made without resort to the RLA process. Changes in rules and working conditions, however, were quite minor. Changes in pay did occur, but rarely. We believe this may be a fair representation of the scope of the negotiation and arbitration for purposes of establishing an implementing agreement under WJPA and our conditions that occurred in the 1940-80 period.[20]

Thus, it appears that the overwhelming majority of employee adjustments arising from ICC-approved consolidations in the 1940-80 period were handled without resorting to RLA procedures, but under the mechanism established in WJPA or incorporated in our conditions. As we have indicated, there was some litigation over the respective roles of the RLA and the ICA, and we will briefly describe several of the more significant cases.

In *Brotherhood of Loc. Eng. v. Chicago & North Western Ry. Co.*, 314 F.2d 424 (8th Cir. 1963), *cert. denied*, 375 U.S. 819 (1963), the union and the railroad agreed to apply the WJPA conditions in connection with a proposed merger. The Commission approved the agreement. The merged companies wished to consolidate rail yards, an action that would affect contractual seniority rights. The union argued that RLA applied.

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[20] RLEA asserts (Outline, 7-8) that the offer of lifetime "attrition" contracts in several mergers (from 1959-69) in exchange for a right to move work and employees anywhere in the combined system demonstrates that there was no right to move employees under WJPA. "If * * * the railroads thought the ICC-imposed conditions gave them the right to accomplish these transfers, why would they have provided the employees lifetime protection?" Outline, 8. There are several answers. First, the attrition conditions were often not very costly to the railroads. *See Pennsylvania R. Co.–Merger–New York Central R. Co.*, 327 I.C.C. 475, 544 (1966)(attrition conditions cost $5 million *less* than *New Orleans* conditions); and CSX Reply 13-15. Second, the employees lost any right to challenge the move before an arbitrator. Third, the move need not be directly caused by the consolidation (movement within one railroad simply to cut costs was permitted). Fourth, the railroads sometimes gained benefits that would warrant offering increased job protection, such as the settlement of litigation, as in the case of the Orange Book.

The court rejected that claim, stating (434 F.2d 431): "Congress intended the ICC to have jurisdiction to prescribe the method for determining the solution of labor problems arising directly out of mergers."

In *Nemitz v. Norfolk and Western Railway Company*, 436 F.2d 841 (6th Cir. 1971), *aff'd on other grounds* 404 U.S. 37 (1971), a pre-merger agreement covering employee protection had been approved by the Commission. Certain employees argued that this agreement was violated by a later agreement between the union and the railroad. The railroad argued that "the rights asserted flow from a collective bargaining agreement and hence are to be determined by arbitration under the provisions of the Railway Labor Act." 436 F.2d at 844. The Court of Appeals disagreed with the railroads' argument (436 F.2d at 844): "The authority vested in the I.C.C. to effectuate proposed mergers would be rendered ineffective if authority to adjust work alignments through fair compensation did not exist • • • . [A]pplication of the Railway Labor Act • • • would threaten to prevent many consolidations, and, therefore, should not be applied."[21]

In these two cases, the court relied principally on the first sentence of § 11341(a) of the Interstate Commerce Act, "The authority of the Interstate Commerce Commission under this subchapter is exclusive." As we have indicated, we are not basing our decision on § 11341(a). Nevertheless, these decisions and the statutory declaration that the Commission's authority in the merger area is exclusive confirm and support two cardinal points we have outlined above: (1) Congress intended that the Commission facilitate consolidation of the nation's railroads; and (2) Congress placed in this agency's hands the tools necessary for such task. These cases confirm our view that Congress would not have proposed an elaborate plan for promoting further consolidations (while providing the

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[21] An arguably contrary case is *Texas & N.O. R. Co. v. Brotherhood of Railroad Trainmen*, 307 F.2d 151 (5th Cir. 1962). That case involved the construction of a new rail bridge over the Mississippi River, involving numerous operational changes by several railroads. The railroads commenced negotiations over changes in working conditions by serving RLA Section 6 notices. After negotiations were rendered, the railroads filed an application with the ICC covering some of the operational changes and included changes in working conditions in the application. The Commission approved the application. The court found that this approval did not warrant enjoining a strike to enforce RLA procedures, ruling that the Commission's "exclusive" authority over mergers did not override the anti-injunction provisions of the Norris-LaGuardia Act under these circumstances. *See also Order of Telegraphers v. Chicago & N. W. R. Co.*, 362 U.S. 330, 342 (1960), balancing "the congressional policy, expressed in the Interstate Commerce Act, to foster an efficient national railroad system" with the RLA and the Norris-LaGuardia Act, and observing that "Congress has acted on the assumption that collective bargaining by employees will also foster an efficient national railroad service."

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necessary protection for those most affected, the employees) and then prevented fruition of the plan by requiring the exhaustion of RLA procedures before consummation of the desired transactions. As we will explain in the next section, we believe that Congress intended that there be a balance struck between the rights of employees, particularly those rights set forth in the RLA, and the national need for rail consolidations. In our view, these needs can be accommodated, without causing one policy to override or eviscerate the other.

THE PROBLEM TODAY - OUR RESOLUTION

A. *Introduction.*

We have described a relatively harmonious working relationship between management and labor when implementing ICC-approved consolidations for almost forty years. Since 1979, however, labor management and the Commission have been immersed in litigation involving the role of the RLA, the ICA, and the Commission's conditions. The current proceeding is but one example. The reasons for this deterioration are far from clear but this record indicates that there have been two major changes that have contributed to the current state of affairs.

The first factor is the 1979 inclusion of Section 2 ("rates of pay, rules, working conditions and * * * collective bargaining agreements * * * shall be preserved") in our *New York Dock* merger and consolidation employee protective conditions. While mandated by § 11347, labor has apparently ascribed a meaning to Section 2 that there can be *no* modification of any terms of a CBA in connection with an approved merger without resort to RLA procedures. Not only would adherence to such a requirement effectively bar almost all consolidations (see discussion above in *Southern* and Bernstein of the need for modification and the impracticability of RLA procedures). RLEA argues (Outline 3, 14) that compliance with Sections 4 and 5 of WJPA (included in Section 4 of *New York Dock*) permits changes in CBAs concerning selection of forces and assignment of employees without serving RLA Section 6 notices. (Note that Section 6 only applies to changes in "agreements"). Apparently labor's most limiting position on Section 2 was adopted by several arbitrators in 1981-83 (RLEA Outline 9).[22] For its part, management was of a view as expansive

[22] In the three IT-N&W consolidation cases cited by RLEA, the arbitrators refused to transfer employees from one agreement to another, relying principally on Section 2. Nevertheless, in each of the three cases, the arbitrators went on to alter the seniority (continued...)

as labor's was restrictive, i.e., notwithstanding Section 2, procedures under Sections 4 and 5 authorize modification of any and all provisions of a CBAS to effect an approved transaction. The disparate positions of labor and management regarding Section 2 and its relation to Section 4 and 5 have fostered considerable litigation over the appropriate scope of implementing agreements under §11347.

The second factor is our decision in *DRGW* in 1983, followed by *Maine Central* in 1985, and the interpretation by arbitrators of these decisions. Typical is the view of the Committee in the *CSX* proceeding here: "According to the ICC [in *DRGW*], § 11341(a) insulates a transaction from all legal obstacles preventing or impeding effectuation." In the other proceeding, Arbitrator Harris found it "clear" (from *Maine Central*) that "the ICC believes • • • that the inconsistencies between Sections 2 and 4 of New York Dock conditions are to be resolved in favor of Section 4 • • • ." Under these interpretations the preservation of contracts under Section 2 is given essentially no effect and any terms of a CBA can be overridden if it "impede[s] effectuation" of the merger.

B. *Section 2 - Preserving CBAs.*

In this section we will discuss what we did not intend when we adopted the language of Section 2 of *New York Dock* at the behest of Congress (preserving "rates of pay, rules, working conditions and all collective bargaining and other rights") and then describe the substantial substantive content that we believe the section does carry.

We will first consider RLEA's contention which suggests that, even assuming WJPA permitted modification of agreements limited to selection of forces and assignment of employees, that power was lost in the legislation of 1976 leading to the adoption of Section 2. RLEA Outline, 14.[23] However, the language of Section 2 has a history (in the Urban

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procedures to permit integration of the IT workers into the N&W work force. This was done despite the objection of a union competing for jobs that this violated section 2 by changing a contract (the seniority provision). *See* the decision (at 13). Referee Sickles reasoned that the phrase in Section 4 of *New York Dock* concerning "assignment of employees" "gives an arbitrator the authority to design a selection system which may lead to deviations from the systems used prior to the ICC order." *Idem.*

[23] If we understand RLEA's pleadings in this proceeding, modifications of CBAs for the purpose of "selection of employees" and "assignment of forces" are permitted even after the 4R Act amendment. RLEA states (Outline, 15):

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Mass Transportation and Amtrak Acts) and has never been held to have such meaning. Moreover, the absence of any relevant comment during the Congressional, agency and judicial consideration of the 1976 amendment belies any suggestion that Congress intended to effect such a dramatic reversal of the course of labor relations in the railroad industry.

In the 4R Act of 1976, Congress amended what is now § 11347 of the Interstate Commerce Act to require the Commission to impose labor protective conditions "no less protective" than (1) those "heretofore imposed" by the Commission; and (2) those "established pursuant to" 45 U.S.C. § 565 or the Amtrak Act. Among the conditions established by the Secretary of Labor under the Amtrak Act were what became Section 2 ("preserving rates of pay, rules, working conditions and all collective bargaining and other rights") of the *New York Dock* conditions. The history of the 4R Act amendment and the resulting labor conditions is extensively set forth in *Oregon Short Line – Abandonment*, 354 I.C.C. 76 (1977); *New York Dock Ry. – Control – Brooklyn Eastern Dist.*, 354 I.C.C. 399 (1978), 360 I.C.C. 60 (1979); and *New York Dock Ry. v. U.S.*, 609 F.2d 83, 88 (2d Cir. 1979). We set out the specific history of the language of Section 2 (originating in the Urban Mass Transit Act) in our brief to the court of appeals in the *Carmen* case. The court did not reach this issue. *Carmen*, at 574. Norfolk & Western has attached a copy of our brief to its comments, adopting our pleading on this issue. We will attach our argument (at 30–40 of N&W Exhibit 1) Appendix C to this decision and refer readers to that for a full discussion of the meaning and effect of Section 2.[24] As we demonstrate there (*see* summary at 5-6 of App. C), the language of Section 2 cannot mean that modification to CBAs can be achieved only by resort to RLA procedures, because the language has never meant that. The great change in labor relations claimed by RLEA could

[23](...continued)
Sections 2 and 3 of *New York Dock* are responsive to express statutory mandates." WJPA was adopted by the 1976 amendment as it was interpreted and applied at that time and at that time it was not considered a vehicle for affecting CBA and RLA rights except for the very limited purpose of "selection of forces" and "assignment of employees."

a. No conflict here between WJPA and Sections 2 and 3.

[24] We do this partly in the interest of relieving the reader, but also because we may no longer have the conflict with RLEA that we had on this issue at the time of the litigation. RLEA appears to have shifted its ground (*see supra* n. 22) and we have modified our position as well.

not have been intended by Congress [illegible] us, or have been anticipated by the parties, in light of the silence of a[illegible]volved.[25]

We will briefly discuss one as[illegible] of the 4R Act amendment that was not covered in our brief--why [illegible] Congress refer to the Amtrak conditions at all if it did not intend to [illegible]ect the change in labor relations asserted by RLEA? The specific ben[illegible]s of the Amtrak conditions that went beyond those in the "terms impos[illegible] [by the Commission] under this section [11347] prior to February 5, 1976" have been discussed several times by the agency and the courts.

The principal items of superior protection noted were the six-year protective period, as opposed to the [illegible]tandard four-year period under Commission conditions, and a change i[illegible] the arbitration burden of proof provisions to benefit employees making claims. *Congress of Railway Unions v. Hodgson*, 326 F. Supp. 68, 76 (D.C.C. 1971); *New York Dock*, 354 I.C.C. at 411.[26] The *New York Dock* court lis[illegible]ed several other minor benefits from the Amtrak conditions such as paid [illegible]etraining rights and coverage of terminal companies (609 F.2d at 89) as did the ICC in *Oregon Short Line*, 354 I.C.C. at 85. These comparisons of the benefits of the Amtrak and the Commission's conditions demonstrate two things: the requirement of Congress in the 4R Act that the Commission impose the Amtrak conditions as well as its own prior employee conditions was not without substance; and, perhaps more significantly, no one even suggested that the language of the Amtrak conditions that became Section 2 of the *New York Dock* conditions would provide labor with tremendous leverage by requiring RLA bargaining over any modification of CBAs in connection with a merger. The court and agency decisions cited above each reflect a comprehensive and fully-debated comparison of the conditions. It is highly unlikely that such a revolutionary change in labor relations as is claimed by RLEA would have escaped attention.

Having discussed what the langua[illegible] of Section 2 does *not* mean, we will discuss that provision in a positive [illegible]nse, and outline what it *does* mean. We believe it has a real significanc[illegible]ne that we have perhaps not adequately recognized in our recent decisio[illegible] The preservation of contract rights and collective bargaining rights certain[illegible] means, at the minimum, that

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[25] The 4R Act amendment was a "last minute addition" to the 4R Act. "Consequently, there is no legislative history that deals specifically with this particular section." *New York Dock*, at 93. The railroads obviously had no idea that such a momentous change claimed by RLEA was taking place when Section 2 was included in the *New York Dock* conditions. The Commission reported that "Article I, Section 2, appears acceptable to all parties." *New York Dock* at 73.

[26] RLEA had attempted unsuccessfully in 1962 to have this burden of proof provision incorporated in the Commission's conditions. *Southern*, at 566–67.

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employees should have the opportunity to bargain collectively over their basic and continuing conditions of employment, as contemplated by the RLA. In the context of mergers, this means that only those changes in CBAs necessary to permit an approved transaction will be appropriate. We will expect arbitrators to hold both parties to the contracts that they have voluntarily signed. As we have discussed, arbitrators have had the power since 1936 to modify CBAs to the extent necessary to permit approved transactions to proceed and have used it in a manner that did not become contentious until the 1980's.[27]

This view of Section 2 is consistent with the respect for labor contracts this agency demonstrated in the 1940-80 period. *See Southern*, at 165-70. We repeatedly supported the validity of private contracts in that decision.[28] Referring approvingly to an earlier decision in that proceeding we said, "The report then, can fairly be read to manifest our belief that in addition to the applicable collective bargaining agreements, the provisions of the Washington Agreement should continue to be observed by the carriers in fulfilling the protective conditions we were levying." *Southern*, at 168. We believe this expresses the synthesis reached in the 1940-80 period--CBAs will be respected, observed (or "preserved") and limited modification will be permitted only when necessary to complete an approved merger or consolidation. Thus Section 2 expresses nothing new, although it confirms significant rights that already existed. It may be considered simply a verbalization or codification of prior rights, generally recognized since 1936. Viewed in that light, it is not surprising that no one commented when this language became part of the Commission's merger conditions in 1979.

C. *The DRGW and Maine Central Decisions.*

The second factor that may have upset the balance between employees and management in mergers is our pronouncement in the 1983 *DRGW* case, followed by a similar expression in the 1985 *Maine Central* case.

DRGW involved a union assertion of RLA rights in connection with a trackage rights agreement imposed by us as a condition of our approval of a merger. We found that the transaction entered into to comply with that merger condition did not involve a change in working

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[27] We discuss below our desire to limit the effect of our discussion of this subject in *DRGW* and *Maine Central*.

[28] *E.g.*, "We demonstrated as early as 1934 a concern for the preservation of seniority rights and the fulfillment of contractual obligations on the part of the carrier." *Southern*, at 158.

conditions inconsistent with any requirement of RLA and, accordingly, RLA procedures were not applicable (Decision, 5). We nonetheless went on to discuss our "jurisdiction under § 11341 . . . to exempt a transaction from the requirements of the RLA" (*idem.*). We concluded that, "To the extent that existing working conditions and collective bargaining agreements conflict with a transaction which we have approved, those conditions and agreements must give way to the implementation of the transaction."

The Arbitration Committee in the CSX proceeding based its decision on our *DRGW* pronouncement:

> As a quasi-judicial extension of the ICC, this Committee must strictly follow the ICC's interpretation of its own authority. In the *DRGW* case, the ICC decided that 49 U.S.C. § 11341(a), the source of the exemption, granted the Commission expansive and self-executing authority to immunize an approved transaction from the Railway Labor Act and existing collective bargaining agreements to the extent the statute and terms of the agreements bar implementation of the transaction. According to the ICC, § 11341(a) insulates a transaction from all legal obstacles preventing or impeding effectuation.

To the extent that these quotations claim authority under § 11341(a) for this Commission to abrogate CBAs, they are in conflict with the ruling of the court of appeals in *Carmen*, a ruling that binds us on this remand. That court held that § 11341(a) does not authorize us to relieve a party to a § 11343 transaction of collective bargaining agreements that impede implementation of the transaction.

In this proceeding, we rely not on § 11341(a) for authority to modify CBAs, but on § 11347 and our conditions imposed thereunder, an area the *Carmen* court did not reach.[29] Nevertheless, even if these statements had been based on the authority of § 11347, we would not use such sweeping language today. The quotations fail to recognize the balance between the bargaining rights of employees and the business needs of the railroads that we have described and that we believe prevailed in the industry prior to 1980.[30]

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[29] In addition to the discussion of § 11341(a), we state here our view that whatever the extent of the exemptive authority conferred by that provision with respect to CBAs in the context of mergers and consolidations, it does not go beyond the limits of our authority under § 11347 and the labor protective conditions.

[30] While we are not ruling on this specific issue, we commend the approach of the *CSX* Arbitration Committee in the following quotation (Award, 33):

> [T]he [§ 11341(a)] exemption is only triggered when necessary. The ICC has never indicated that an approved transaction can be utilized as a pretext for extinguishing or

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Our 1985 *Maine Central* decision involved the appropriate standard of employee protective conditions when one railroad leases lines from another railroad. RLA rights were not an issue, but in light of other contemporaneous controversies, we commented on RLA procedures and CBAs (Decision, at 6-7):

> It is [the Commission's] order, not RLA • • •, that is to govern employee-management relations in connection with the approved transaction.
>
> Such a result is essential if transactions approved by us are not to be subjected to the risk of nonconsummation as a result of the inability of the parties to agree on new collective bargaining agreements affecting changes in working conditions necessary to implement those transactions • • •. [Applying RLA procedures] is unacceptable and inconsistent with section 11341 of our act • • •.

Referee Harris quoted this statement in the *Dispatchers* award and based his decision on his perceived view of our position. As he stated (Award, 14):

> Whatever may have been the view prior to the ICC decision in the Maine Central case, it is clear that the ICC believes that its order supersedes the Railway Labor Act protection. While it did not state specifically that the inconsistencies between Sections 2 and 4 of [the] New York Dock conditions are to be resolved in favor of Section 4, that conclusion is inescapable.

We do not today endorse the broader implications of the arbitrator's ruling in the *Dispatchers* award, nor do we assert that any authority conferred by § 11341 may be exercised without regard to § 11347 and the labor protective conditions. To the contrary, we believe our authority with respect to the modification of CBAs is defined by that Section and those conditions. And as we have explained, § 11347 permits arbitrators appointed under the *New York Dock* conditions as a result of Section 4 of the conditions to modify provisions of CBAs "preserved" by Section 2 of the conditions when necessary to permit mergers, but only after an appropriate analysis balancing the respective rights of labor and management. In short, we do not believe that Congress intended that

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[28](...continued)
amending existng collective bargaining agreements. To the extent that terms of collective bargaining agreements and collective bargaining rights do not thwart or substantially impede the approved transaction, those agreements and rights are preserved. Therefore, there is some harmony between § 11341(a) of the Interstate Commerce Act and Section 6 of the Railway Labor Act. • • • If feasible, the transaction should reasonably accommodate existing collective bargaining agreements and collective bargaining rights.

contracts protected by Section 2 shou[ld] always be overridden to facilitate a merger, as various arbitrators a[ppear] to have ruled following our decisions in *DRGW* and *Maine Centra[l]*.

D. *Finding A Balance.*

We believe the two factors described above altered the balance between labor's legitimate right to bargain collectively under RLA procedures over changes in pay, rules and working conditions and management's need to implement operating changes to achieve the benefits of consolidations. We hope to restore that balance here. We reject both labor's view that CBAs cannot be modified in any respect without resort to RLA procedures and management's view (albeit based upon an interpretation of our own pronouncements) that CBAs are overridden if inconvenient to implementation of a merger. Contract rights do not disappear, but must be respected or "preserved." Contract rights can be modified under WJPA and our conditions without resort to the RLA. The difficult question is the extent of such modification in light of the Section 2 requirement of general preservation.

Put another way, collective bargaining agreements may be changed, but to what degree? We believe that the answer to this question lies in the history of negotiation and arbitration in the period between 1940-1980. From this record, it appears that management, unions and arbitrators had evolved a workable scheme balancing labor's rights, obligations and needs under RLA and under WJPA, with the comparable rights, obligations and needs of the railroads. We hope that, by eliminating the barrier to negotiations posed by a too rigid view of Section 2 as well as an unwarranted sweeping reach of an arbitrator's power under section 4, the parties can more easily reach agreement on necessary changes. We assume that any changes in CBAs will be limited to those necessary to permit the approved consolidation and will not unde[r]mine labor's rights to rely primarily on the RLA for those subjects traditionally covered by that statute. We believe that arbitrators have successfully followed this narrow and difficult path in the past and we hesitate to go beyond general statements in defining their role. We continue to believe that they are the experts in this area and we wish to permit them to perform in as unimpeded a fashion as we properly can.[1]

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[1] A third factor which may have exacerbated the problems of the 1980's is our new role as reviewer of arbitral decisions. We may be said to have volunteered for the duty in the 1987 *Lace Curtain* decision (*Chicago & Northwest Trn. Co. - Abandonment*, 366 I.C.C.2d 729 (1987), *aff'd sub nom. International Brotherhood of Electrical Workers v. ICC*, (continued...)

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The *Carmen* court suggested that we reconsider on remand our rationale that § 11347 of the ICA and Section 4 of the *New York Dock* conditions authorize the modification of CBAs in light of the Supreme Court's intervening decision in *Pittsburgh & Lake Erie R. Co. v. RLEA*, 109 S.Ct. 2584 (1989). RLEA supports this view (Outline, 15), pointing to the Court's statement that "nothing in the ICA * * * empowers the ICC to intrude into the relationship between the selling carrier and its railroad unions." The railroads respond that the *P&LE* case, involving the sale of a line of railroad to a non-carrier and not a merger or consolidation, is not relevant to this case.

We exempted the line sale in *P&LE* from the prior approval requirement of § 10901. *P&LE*, at 2586. Section 11347 was not involved and no labor protective conditions were imposed. We believe that *P&LE* is factually distinguishable and that our § 11347 analysis is not inconsistent with that case.

Moreover, we believe that the position we express today is very much in accord with the essential teaching of *P&LE*--that the courts (and presumably this agency) have an "obligation to avoid conflicts between two statutory regimes, namely, the RLA and ICA, that in some respects overlap." *P&LE*, at 2596. The Court spoke of the RLA and the ICA as "complementary regimes," *P&LE*, at 2597 n.18, and adopted a construction of the RLA "that would, at least to a degree, harmonize the two statutes." *P&LE*, at 2597. In this decision, we are proposing just such an accommodation of the two statutes, giving effect to as much of each statute as is possible and carrying out the will of Congress to the greatest practicable degree. We interpret that Congressional intention as promoting consolidation of the nation's railroads under the ICA and offering employees the opportunity to bargain collectively over their terms and conditions of employment under the RLA. We believe these goals are

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[31](...continued)
862 F.2d 330 (D.C. Cir. 1988)) or had it thrust upon us when the Court of Appeals for the District of Columbia Circuit ruled that neither district nor circuit courts had jurisdiction to review such awards. *United Transportation Union v. Norfolk & Western Ry.*, 822 F.2d 1114 (D.C. Cir. 1987). In keeping with our decision here to give arbitrators the prime responsibility for achieving a balance between collective bargaining rights and consolidation efficiencies, we intend to limit our review of arbitral decisions under our labor conditions to recurring or otherwise significant issues of general importance regarding the interpretation of our labor conditions. We will not overturn an award fairly arrived at unless the award is shown to be irrational or it fails to draw its essence from our labor conditions or it exceeds the authority reposed in arbitrators by those conditions. *See Loveless v. Eastern Airlines, Inc.*, 681 F.2d 1272, 1276 (11th Cir. 1982).

compatible and, with proper and concerted administration, that they can be essentially accomplished.

We are of the view that the two statutes were successfully administered in a compatible manner in most mergers and consolidations of the 1940-80 period. We have discussed in this decision the synthesis of the two statutes in our 1967 decision in *Southern*, particularly well described at *Southern*, 165-66, and we are adopting those techniques here. Therefore, it is fitting that we close our discussion of the consonance of this decision with *P&LE* with a quotation from *Southern* that aptly expresses our current view (*Southern*, at 170):

> The essential problem to be resolved is an accommodation of laws, a role not foreign to us in section [11343] transactions. *Seaboard Air Line R. Co. v. U.S.*, 382 U.S. 154 (1965). When balancing the national policy as to transportation with that of labor relations, we "act in a most delicate area * * * [and] policies of the Interstate Commerce Act and the labor act necessarily must be accommodated, one to the other." *Burlington Truck Lines v. U.S.*, 371 U.S. 156 (1962)."

OUR AUTHORITY UNDER SECTION 11341(a) TO EXEMPT APPROVED TRANSACTIONS FROM THE RAILWAY LABOR ACT.

As noted earlier in this decision, the court of appeals remanded to the Commission the question of whether § 11341(a) may operate to override the provisions of the RLA. In our decision served September 20, 1989, reopening this proceeding, we said that we would address and explain our views on this issue. We do so here.

Despite some labor suggestions to the contrary, we do not believe the Commission is prevented by the *Carmen* decision from finding that § 11341(a) may displace Railway Labor Act procedures (that decision found no exemption for "contracts" because that term, unlike "law" does not appear in § 11341(a)). We submit that Congress has given us the power in § 11341(a) to exempt mergers and consolidations from the RLA at least to the extent of our authority under § 11347. Thus we consider our § 11341(a) authority in the context of mergers and consolidations a "mirror image" of our § 11347 power. To the limited extent (as described in this decision or established by arbitrators) that we are able to act under § 11347, we are also able to foreclose resort to RLA procedures.

We base our assertion of this authority principally on several grounds: (1) the language of the statute, which exempts transactions approved by us under Subchapter III of Chapter 113 of the Interstate Commerce Act "from the antitrust laws and from all other law;" (2) the legislative history of the 1978 codification of the Interstate Commerce Act which shows that the exemption found in § 11341(a) "from the antitrust laws and from all other law, including State and municipal law" clearly embraces

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We must concede that our assertion of this power is fairly recent, as both RLEA (Outline, 4-9) and the *Carmen* court assert. The court stated (880 F.2d at 572) that we had "switched our position" on whether Congress had given us the power in § 11341(a) to override the RLA, citing the 1967 *Southern* case. In that case, we rejected the railroads' claim that the predecessor to § 11341(a) "automatically relieved them from the operation of all restraints, limitations , and prohibitions insofar as may be necessary to enable them to carry into effect the transactions approved by us * * * ." *Southern, supra*, at 168. *See also Chicago, St. Paul Lease*, 295 I.C.C. 696 (1958), cited by RLEA, (Outline 4-5), and the *Carmen* court, *supra* at 571-72.

The fact that the Commission has disavowed this power in the past does not mean that the agency does not have such authority. *National Petroleum Refiners Ass'n v. F.T.C.*, 482 F.2d 672, 693-94 (D.C. Cir. 1973), *cert. denied*, 415 U.S. 951 (1974). The agency must, of course, explain the reasons for its change of position. The *Carmen* court stated that we must justify a change of position, "giving * * * independent consideration to the matter." *Carmen*, at 572. The Supreme Court said in the *American Trucking Association* case (387 U.S. 397, 416) that:

> the Commission, faced with new developments or in light of reconsideration of the relevant facts and its mandate, may alter its past interpretation and overturn past administrative rulings and practice.

As discussed earlier, we rejected the claim that § 11341(a) provided exemption from the RLA in *Southern* essentially on the ground that assertion of such a power was unnecessary because the WJPA afforded a

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[32] *See BLE v. C&NW.* 314 F.2d 424, 431-32, (8th Cir.), *cert. denied*, 375 U.S. 819 (1963); *Missouri Pacific Railroad Company v. UTU*, 782 F.2d 107 (8th Cir. 1986), *cert. denied*, 107 S.Ct. 3209 (1987); *Burlington Northern, Inc. v. ARSA*, 503 F.2d 58, 62 (7th Cir. 1974); *Nemitz v. Norfolk & Western Ry.*, 436 F.2d 841 (6th Cir.), *aff'd on other ground*, 404 U.S. 37 (1971). *Compare, BLE v. ICC*, 761 F.2d 714, 722-24 (D.C. Cir. 1985), *vacated on other grounds*, 482 U.S. 270 (1987) (indicating that ICC would have had the power to displace provisions of the RLA if it had made appropriate findings of necessity).

means of overcoming the obstacles to c[illegible]idations otherwise imposed by RLA. That remains the case as regar[illegible]nsactions which fit within the definition of a coordination as that te[illegible]as defined in WJPA or of a consolidation as that term has been use[illegible]rious transactions upon which we have imposed WJPA-based labor [illegible]otection. Even as to those transactions, we now believe that giving the statutory language contained in § 11341(a) its natural meaning, *i.e.*, that "all other law" means all other law, including the RLA, reinforces what we have said above by demonstrating the essential symmetry of the statute we administer. Thus we now interpret § 11341(a) to exempt from resort to RLA [illegible]cedures all matters for which resort to RLA procedures was previously [illegible]eemed to be unnecessary by virtue of WJPA or our WJPA-based labor [illegible]onditions.

In cases which do not come within the WJPA or our WJPA-based labor conditions, the specifics of which cannot now be fore seen, it may be necessary for us to assert the full measure of our authority under § 11341(a) to avoid frustrating the will of Congress.[33] We do not decide that question now but rather reserve the issue for a subsequent decision. However, even here we note that the exemption is operative only to the extent necessary to permit the authorized transaction to be carried out.[34]

CONCLUSION

For the reasons set forth in this decision, we are reconsidering our prior decisions and reversing and vacating the arbitration awards in these two reopened proceedings. The proceedings are remanded to the parties to continue the implementing process in accordance with Section 4 of the *New York Dock* conditions through further negotiations or arbitration, if

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[33] In *Maine Central*, we justified overriding the RL[illegible]ause transactions approved by us would otherwise be "subjected to the risk of non[illegible]nsummation." Our conditions provide for binding arbitration. "Under RLA, however, [illegible]anges in working conditions are generally classified as major disputes with the results that there is no requirement of binding arbitration." *Id.* at 7. This is a persuasive rationale that several courts of appeals have repeated. On the other hand, some courts have found this type of dispute to be a minor dispute under the RLA, and, accordingly, subject to binding arbitration and permitting consummation of the transaction. *See CSX Transp., Inc. v. United Transp. Union*, 879 F.2d 990, 1001-02 (2d Cir. 1989). In our view, the law is still so unsettled that assertion of the exemptive power is justified.

[34] As indicated in this decision, we rely on § 11341 as furnishing authority to replace RLA procedures, but in accordance with the opinion of the Court of Appeals, we do not rely on § 11341 as a basis for effecting modifications of CBAs. However, in [Nos. 89-1027 and 89-1028], we are advancing the argument that the Court of Appeals was in error on this point and that § 11341 does furnish a further basis for modification of CBAs to the extent permissible under § 11347 and the labor protective conditions.

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necessary, to reach new implementing agreements in accordance with the standards set forth in this decision.

This action will not significantly affect either the quality of the human environment or energy conservation.

COMMISSIONER LAMBOLEY, concurring in part and dissenting in part:

These cases concern the proper relation and interaction of two important federal statutes, the Interstate Commerce Act (ICA) and the Railway Labor Act (RLA).[35] Although from differing perspectives, these statutory schemes foster common public interest purposes: the promotion, establishment, and maintenance of safe, efficient and stable rail transportation systems.

To accomplish these national goals, the ICA focuses on the modal operations and transportation transactions of the carriers; the RLA focuses on the labor relations between the carrier and its employees. The jurisdictional subject matter and parties regulated are separate and distinct. However, their objectives being coincident, the statutes are considered harmonious and complementary for purposes of implementation.[36]

To the extent this decision achieves that harmony, I join in that effort. However to the extent it does not, I dissent.

I.

The matters before us specifically involve the legal interpretation of the scope of Commission authority under §§ 11347 and 11341(a) of the ICA in relation to section 6 of the RLA, as well as examination of the necessarily related public policy issues.[37] On remand, the Commission has accepted as the "law of the case" the D.C. Circuit Court of Appeals' ruling that § 11341(a) does not permit the Commission to abrogate the terms of existing "collective bargaining agreements" (CBA's).[38] Ordinarily, this should remove § 11341(a) from consideration here. Nonetheless, this decision includes an expansive interpretation of pre-emptive authority under § 11341(a) ostensibly to mirror and purportedly furnish additional support for the construction of § 11347. By doing so, the decision perpetuates the persistent view of recent years that Commission approval of transportation

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[35] 49 U.S.C. § 10101 *et seq.* (ICA); 45 U.S.C. § 151 *et seq* (RLA).

[36] *Pittsburgh & Lake Erie R. Co. v. RLEA*, 109 S. Ct. 2584 (1989) (*P&LE*).

[37] 49 U.S.C. § 11347, 49 U.S.C. § 11341(a) (ICA); 45 U.S.C. § 156 (RLA).

[38] *Bro. of Railway Carmen v. I.C.C.* (*Carmen*) and *American Train Dispatcher Association v. I.C.C.* (*Dispatchers*) 880 F.2d 562 (D.C. Cir. 1989) (collectively referred to as *Carmen*).

transactions under the ICA carries with it broad authority to supersede provisions of the RLA and to override the CBAs derived therefrom.[39]

In my opinion, this approach undercuts the major benefit derived from our efforts here: the re-establishment of our historically-based and time-tested positions on labor protection issues in rail consolidations under § 11347, and the more limited, neutral role of the Commission in relation to the broader labor-management issues embodied in the RLA. By continuing to construct and refine a two-track analytical framework--questioning not only whether the procedural aspects of conditions imposed under the authority of § 11347 preempt those of the RLA such that an "implementing agreement" (IA) achieved under the compulsory, binding arbitration procedures flowing from those conditions, may effectively modify or set-aside the substantive provisions of existing CBAs, but also whether § 11341(a), conjunctively or separately, provides authority to pre-empt the RLA and override existing CBAs--we give continued credibility to the notion that it is this latter provision which forms the fundamental legal premise for the procedural preemption rationale here posited by the majority. Threatening to vitiate historic and long established collective bargaining rights in this manner will, in my judgment, produce unsatisfactory consequences adverse to primary transportation concerns of the Commission. Rather than encourage rapprochement, contentiousness may further grow between labor and management giving reason to anticipate further litigation and frustrating what by consensus may otherwise be needed, legitimate and responsible rail system restructuring.

As noted, while apparently accepting the holding of the D.C. Circuit which denies Commission authority under the ICA to alter provisions of existing CBA's in order to implement approved transactions, the majority now defines the present problem in terms of preempting RLA procedures. This characterization sidesteps the Court's ruling, but thereby creates the anomalous reasoning that while CBAs themselves may *not* be abrogated, the RLA procedures from which the CBAs have been ultimately derived may be preempted. For me, this is simply the idea of doing indirectly that which cannot be done directly. By taking this indirect approach, the instant decision thus presents the question as being one of process: whether the notice, negotiation and/or arbitration requirements imposed as procedural aspects of conditions under § 11347 of the ICA in

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[39] The majority may have desired to now include their views on § 11341(a) in light of the reviewed recently granted by the Supreme Court to petitions of CSX-NS which the Commission on two prior opportunities expressly declined to join, opting instead to accept remand from the D.C. Circuit. See Case Nos. 89-1027 and 89-1028 certiorari granted March 26, 1990, 8494 U.S. 1055 (1990) (58 LW 3614). . The grant obviously provides no basis upon which to predict the Court's predilection or ultimate disposition.

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order to achieve an "implementing agreement" (IA) with labor to carry out a Commission approved transaction *displace* the section 6 notice and negotiation procedures of the RLA out of which CBAs are established. Implicit in this procedural preemption approach is the view that if the ICA procedural conditions do supersede those of the RLA, those ICA procedures may be used to achieve an "implementing agreement" (IA) the terms and effect of which may abrogate or modify substantive provisions of existing CBAs.[40]

While the Commission may wish to approach the issues in this manner, certain characteristics and distinctions were minimized or neglected by the majority's analysis. In my view, it is necessary to distinguish as discrete subjects the existing CBAs from the RLA procedures which give rise to them, much as one distinguishes the resultant end-products from their procedural sources. By doing so the process issues may be analyzed yet with separate recognition that the existing agreements derived from the process can and must be preserved.[41] Likewise, essential to any critical analysis is the recognition of the distinctions between the end-products, *i.e.*, an "implementing agreement" (IA) versus a "collective bargaining agreement" (CBA), as well as the differences between each of the statutory procedures which give rise to each of those agreements. Examining the issues with these distinctions in mind help clarify, in my judgment, the more limited and proper role of the Commission in labor protection conditions in comparison with the broader context of RLA matters.

By *not* taking these distinctions into account, the majority reaches, in part, an inappropriate result. On closer scrutiny, it becomes evident that the majority pursues an overriding vision that *both* the RLA procedures and existing CBAs, previously derived therefrom, must give way in face of Commission approval of, and imposition of conditions on, a proposed transportation transaction. Distinctions between the substantive agreements and the processes are sufficiently blurred, giving the false impression that since the ICA procedures may supersede those of the RLA to achieve an agreement in order to implement a transaction, of necessity then, existing provisions of a CBA may be effectively changed or modified not only by the ICA "implementing agreement" product as well, but also through § 11341(a)

[40] Recent evidence of the Commission's pursuit of pre-emptive authority despite the *Carmen* cases, is the majority decision in Finance Docket No. 28905 (Sub-No. 23), *CSX Corp.-Control-Chessie System, Inc., and Seaboard Coast Line Indus. (Review of Arbitral Award)* (non print), served October 3, 1989.

[41] As discussed later, preservation of CBAs (§2 of *NY Dock* conditions) is not without substantial precedent.

whenever the Commission finds it necessary to do so.[42] In my judgment, this is legally insupportable and wrong as a matter of policy.

In setting out my views, I divide my analysis initially addressing § 11347 and then § 11341(a).

A. *49 U.S.C. § 11347*

The central issue surrounding § 11347 involves the scope of the Commission's authority and its delegation exercised by arbitrators pursuant to the conditions imposed.[43] To the extent the majority interprets the procedures of § 11347 as being authority limited in basic scope to "selection of forces" and "assignment of employees" for the purposes of achieving an "implementing agreement" between management and labor to effect an approved transportation transaction, I agree that adherence to RLA procedures is not required.

The record, precedent and legislative history establish without doubt that the Washington Job Protection Agreement of 1936 (WJPA), itself an RLA collectively negotiated agreement, is *the blueprint* for achieving an implementing agreement relating to "selection and assignment of forces" under the conditions imposed in "coordination" defined cases.[44] As such, the WJPA forms the basis for labor protective conditions (LPCs) required and imposed under provisions of § 11347. The LPCs have both

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[42] Under the requirements of § 11347, conditions customarily imposed on "coordination" transactions are those set out in *New York Dock Ry - Control - Brooklyn Eastern Dist.* 360 I.C.C. 60 (1979), *aff'd, New York Dock Ry v. U.S.* 609 F.2d 83 (2d Cir. 1979) (*NY Dock*). § 2 and § 4 of the *NY Dock* conditions recognize the distinction between existing labor agreements established under RLA procedures and the purpose and process involved in reaching an "implementing agreement" to carry out a transaction approved under the ICA.

[43] Section 11347 was added by the 1976 amendments to the ICA by the Railroad Revitalization and Regulatory Reform Act (4R Act) (90 Stat. 65) (1976) codifying the protections previously imposed and prevailing under ICA § 5(2)(f) before February 5, 1976 *and* the terms established under § 405 of the Rail Passenger Service Act (AMTRAK) 45 U.S.C. § 565 (84 Stat. 1337) (1990)

[44] *See Chicago R.I. & G. Ry Trustees Lease* 230 I.C.C. 181 (1938), 233 I.C.C. 2. (1939) (*Gulf*); *Oklahoma Ry Co. Trustees Abandonment* 257 I.C.C. 177 (1944) (*Oklahoma*); *New Orleans Union Passenger Terminal Case* 282 I.C.C. 271 (1952) (*New Orleans*); *Southern Ry Co.-Control-Central of Georgia Ry Co.* 317 I.C.C. 557 (1962), 317 I.C.C. 729 (1963), 320 I.C.C. 377 (1964), 331 I.C.C. 151 (1967) (*Southern*); *Oregon Shortline-Abandonment* 354 I.C.C. 76 (1977) (*Oregon*); *New York Dock Ry-Control-Brooklyn Eastern Dist.* 354 I.C.C. 399 (1978); 360 I.C.C. 60 (1979) (*NY Dock*). Also: *U.S. v. Camden*, 308 U.S. 225 (1939); *RLEA v. U.S.* 339 U.S. 142 (1950); *RLEA v. U.S.* 379 U.S. 199 (1964); *New York Dock Ry v. U.S.* 609 F.2d 83 (2d Cir. 1979).

procedural and *substantive* requirements. *Procedurally*, the LPC's set out a mechanism for notice, negotiation, and if necessary, binding dispute resolution to achieve an "implementing agreement" to effect the approved transaction. *Substantively*, the LPC's mandate a minimum level of compensatory benefits to be accorded employees whose employment will be adversely affected by the displacement of employees or rearrangement of forces as a result of the plan of coordination.[45]

In my view, a more expansive reading of § 11347 is misplaced because it improperly elevates the stature of a limited-purpose IA to the level of a long-term, broad CBA, and by doing so, negates to an inappropriate degree the language of § 2 of the *NY Dock* conditions. An "implementing agreement" (IA) is distinct from a "collective bargaining agreement" (CBA). Required under § 11347 conditions, an IA has for its purpose the development of the mechanism by which respective work forces of "coordinating" carriers are to be combined. Generally achieved between all affected carriers and employees under the auspices of ICA procedure, which if necessary includes compulsory, binding arbitration, the IA basically outlines the manner and methods by which selection and assignment of employees will be accomplished and how employees will move from an old operation to a new coordinated operation at a particular moment in time, the date of closing or consummation of the transaction. In short, the application of an IA is limited in time and scope, addressing transition at closing and the mechanism of selection and assignment of forces between all affected parties.[46]

By contrast, a CBA anticipating a long-term relation, is of longer duration. It encompasses a broad range of substantive terms and conditions of employment recognized as appropriate subject matter for collective bargaining between an employer and *its* employees. A CBA is achieved through the notice and negotiation process under the RLA, which procedures specifically *do not* include compulsory, binding dispute

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[45] Conditions imposed under § 11347 represent a minimum level of protective benefits. However parties may negotiate higher levels of benefits. The Commission responsibility is to assure that such agreements meet minimal standards required by statute. *Norfolk & W. R.R. v. Nemitz*, 404 U.S. 37 (1971). To the extent that the authority of *Norfolk & W. Ry. Co. and New York, C & St. L. R. Co. - Merger*, 347 I.C.C. 506 (1974) cited by carriers suggests otherwise, it is simply wrong. Moreover, its authority was effectively overruled in 1976 by the passage of the 4R Act, and is inconsistent with § 11347.

[46] The fact that some time may elapse before the adverse impact may be made manifest, provision may be made for a extended period beyond the effective date of the order authorizing the transaction. *See New Orleans Union Passenger Terminal Case*, 282 I.C.C. 271 (1952); *St. Louis S. W. Ry Co. of Texas Lease*, 290 I.C.C. 205 (1953).

resolution (more commonly known as "interest arbitration") to achieve agreement. In coordination, the CBAs of the merged or consolidated employers can, and do continue."[47]

From the foregoing, it can be fairly said that the fundamental distinctions between an "implementing agreement" and a "collective bargaining agreement" lie in both *procedural* and *substantive* differences. The significant distinctions between an IA and CBA have been recognized in the Commission in recent decisions in *Brandywine*[48] and *Southern - Ill. Central*.[49]

Finally, of critical importance in construing Commission/arbitral authority under § 11347 is recognition of the basic difference in the scope of regulation under the ICA contrasted with that of the RLA. Under the former, the duties and obligations at issue are those of the carrier(s) only. Under the latter, the duties and obligations at issue are those of *both* the carrier-employer and the carrier's employees. Long recognized by the Commission,[50] the distinctive comparison of the statutory purposes of the ICA and RLA was re-emphasized by the Supreme Court in its recent *P&LE* decision.[51]

Recognition of the various distinctions permits analysis differentiating between the substantive purposes of § 2 and the procedural aspects of § 4 of the *NY Dock* conditions and reconciling their application in coordination transactions, particularly as it relates to the use of Commission/arbitral authority under § 11347 to achieve an IA. Because of the differing regulatory perspective of the two statutory schemes, § 2 of the *NY Dock* conditions imposed under the ICA expressly recognizes that terms and conditions of employment set out in CBAs established under the RLA "shall be preserved unless changed by future collective bargaining

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[47] Compare "asset only" sale transactions such as *Southern Ry Co. & Norfolk So. Corp - Pur. IL. C. R.R.*, 5 I.C.C.2d 842 (1989).

[48] *Brandywine Valley R. Co.– Pur.– CSX Transp., Inc.*, 5 I.C.C.2d 764, 771-773 (1989).

[49] *Southern Ry Co. & Norfolk So. Corp - Pur. IL. C. R.R.*, 5 I.C.C.2d at 848-849, *aff'd sub. nom. U.T.U. v. I.C.C.*, No. 89-1216 (decided June 15, 1990).

[50] *See, e.g., Chicago, R. I. & G Ry Co. Trustees Lease (Gulf)*, 233 I.C.C. at 26; *Chicago St. P M & O Ry Co. Lease* 295 I.C.C. 696, 701 (1959) and *Southern Ry - Control - Cent. of GA (Southern)*, 331 I.C.C. at 169-170.

[51] *Pittsburgh & Lake Erie RR v. RLEA*, 109 S. Ct. at 2598. Recently, declining review on the basis of ripeness due to the absence of any factual finding of claimed necessity for exemption under § 11341(a), the D.C. Circuit observed that in the abstract the Commission's statement regarding the Act [RLA] and collective bargaining agreements is without legal consequence" and that without more the I.C.C.'s "blanket pronouncement that the transaction is exempt has no present or future legal force or effect". *RLEA v. I.C.C.*, 883 F.2d 1079 (D.C. Cir. 1989) (*MKT/UP*).

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agreements or applicable statutes"[52] 360 I.C.C. at 84. When adopting § 2, the Commission noted that it "appears acceptable to all parties" and rejected a labor proposed addition relating to subcontracting agreements, stating that "the section, as now written, preserves all existing agreements and, therefore, the suggested language is redundant and unnecessary" *Id.* at 73. Confinement to "selection and assignment of forces" for transition purposes does not require that IAs effectively modify terms and conditions of employment set out in existing CBAs. IAs may be established, and at the same time CBAs may be preserved.

Apparently the majority here is not as satisfied with the "plain meaning" of § 2 as was the Commission in 1979, and desires to assert § 11347 authority beyond "assignment and selection of forces into apparent modification of broader RLA/CBA rights. Although not finding "ambiguity" in its terms, the majority attempts to define and construe § 2 primarily in the negative; that is, by stating what § 2 does *not* mean. In reality, it appears more an expression of what the current majority believes it should not now mean. Casting for support to undercut the "plain meaning" of § 2 language, the majority considers legislative history.[53]

Unfortunately, that history fails to support either the negative or the affirmative of the premises offered by the majority. As history spanning over 50 years has shown, the idea of CBA preservation embodied in § 2 has not caused confusion in prior implementations. Conflict has arisen only by virtue of the Commission's more recent adoption of pre-emption views and the notion that ICA authority can be used expansively to effectively abrogate or modify provisions of existing CBAs.[54]

In my opinion, the logical, legal premise for broad pre-emptive authority beyond assignment and selection of forces cannot be found in § 11347, rather it must ultimately flow from provisions of § 11341(a). That is why discussion of § 11341(a) has been made a very real part of the majority's decision, not to "mirror-image" § 11347 authority, but of necessity to arguably provide the requisite statutory underpinning for the scope of

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[52] Preservation of agreements has generally been supported by strong precedent. *See, e.g., St Paul Bridge & T. Ry Co. Control*, 199 I.C.C. 588 (1934), *Southern Ry Co. - Control - Cent. of GA*, at 165-166, 168-171.

[53] Primarily the majority to the facts that §11347 of the 4R Act references §405 of AMTRAK which in turn reflects language derived from the Urban Mass Transit Act of 1964 (UMTA) (78 Stat. 302) (1964).

[54] The exemptions applied here, as noted by the *Carmen* Court, are in case situations occurring substantially *after* the carriers' consummation of the originally approved transactions, which undercut claim of impairment or necessity. *Carmen*, at 571-572. The Commission has noted similar deficiency in *post*-consummation carriers' claims. *See Chicago S. P. M. & O. Ry Co. Lease (Omaha)*, 295 I.C.C. at 701.

pre-emptive authority claimed under § 11347 for subjects *beyond* the rubric of "selection" and "assignment". The immunity provision of § 11341(a) is essential to the effort to support more expansive authority. Indeed, the tip-off to the overall approach is found in the majority's early assertion that "any merger or consolidation of significance will require modification of existing CBAs to carry out the transaction."[35]

B. *49 U.S.C.§ 11341(a)*

Believing that inclusion of § 11341(a) is essential to the majority's thesis concerning authority to override existing CBA's, albeit under § 11347 procedures, it is appropriate to state my position as it relates to § 11341(a). Simply put, I do not believe the immunity provision of § 11341(a) applies to the Railway Labor Act, or to the CBAs derived therefrom. For me, the history and precedent of the development of railroad systems and rail labor relations in America lead to that conclusion. The organic nature of rail labor law was not the type of "law" contemplated by Congress when adopting § 5(8) in the Transportation Act of 1920, succeeded by § 5(11) in the 1940 Act, and now § 11341(a).

Certainly, the "plain language" of the immunity provision selected when § 5(8) was initially adopted in the 1920 Act relating to " all other restraints or prohibitions by law, State or Federal" could be literally construed as including the RLA. Just as the majority argues notwithstanding Congressional enactment of § 11347 that the "plain meaning" of § 2 of the *NY Dock* conditions which requires that CBAs "shall be preserved" could *not* mean what it says, so might my views fall prey to initial criticism on that score. Notwithstanding the "plain language" of § 11341(a), I do not ascribe to Congressional enactment an intent to give the Commission authority to pre-empt application of rail labor laws in the

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[35] The record on that point is not as obvious as the majority claims. Not only does the majority note that for some 50 years the essential selection and assignment of forces terminology of the WJPA has worked as a matter of industry practice and arbitral precedent, the CSX Exhibit 95 referenced by the majority (covering the period 1981-1988) does likewise. The Exhibit surveys results in ninety-five cases, of which only nine resulted in arbitrated awards, and of those nine, all included "transfer of work," three a "transfer of employees," and five a "selection or assignment of forces" issues involving seniority. On review, one "transfer" case reported has been reversed by the D.C. Circuit in *Carmen*. Finally, what is not evident is the extent to which the parties *voluntarily* agreed to include RLA subjects in bargaining for an implementing agreement. It is recognized that in such §4 procedures the parties may, by mutual consent, include subjects traditionally reserved for CBA negotiation. Voluntary agreement to negotiate and/or arbitrate such bargaining subjects is not an issue. However, *compulsory* obligation to do so is the basic issue here.

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process of approving a transportation transaction under the ICA, be it deemed "self-executing" and/or limited to that "as may be necessary to carry out the transaction". Absent apparent ambiguity I, like the majority, look to the history of legislation and a chronology of the events at the time. In contrast to efforts which ignore or limit the impact of legislation designed to preserve labor agreements (such as UMTA and AMTRAK) which language forms the basis for § 11347 and *NY Dock* § 2, I believe both *contemporaneous* and *related* legislation are reflective of strong and abiding Congressional and public interest concerns for labor relations in the rail industry, with particular emphasis on achieving stability through legislation that promotes union recognition and collective bargaining to resolve labor disputes.

In summary fashion, I will attempt to sketch the legal as well as "public interest" background of my position. In general, the development of labor and employment laws in this country is firmly rooted in experiences gleaned from railroad employment. Principles derived from those experiences are woven into the fabric of labor law and Federal regulations. In my view, many events which formed the factual basis and pattern for such laws occurred during a period of the rail industry's major contributions to the expansion and development of the Nation pre-dating the enactment of the 1920 Transportation Act.

The evolution of labor law in the U.S. was slow but persistent in recognition of the need for a framework within which employers and employees could meet for consideration and resolution of disputes arising out of workplace issues. Notwithstanding the criminal combination/conspiracy laws, trade and craft unions were formed. Rail labor unions began to surface in the mid-1800's. With the growth of the unions came economic and political tensions. Major and violent strikes took place, for example, the 1877 nationwide rail strike (later termed the Great Strike) and the 1886 Haymarket Strike in Chicago. Those events predictably prompted both judicial and legislative responses, with varied results. Neither judicial decisions nor statutes proved particularly favorable to labor union activities. Notably, a voluntary arbitration bill, vetoed in 1886, was passed in 1888, though little used thereafter.[56] In 1890, the Sherman Act was passed providing a federal predicate for injunctive relief against violent picketing, boycotts and strikes.[57]

The 1894 Pullman Strike provided the opportunity to test the federal judiciary's power to grant injunctive relief in aid of interstate commerce and transportation under the Interstate Commerce Act of 1887

[56] 25 Stat. 501 (1888).
[57] 26 Stat. 209 (1890) 15 U.S.C. §§ 1-7.

(ICA),[58] which the Supreme Court upheld *In Re Debs*.[59] Following the Pullman Strike, a legislative course correction occurred in Congress. The recommendations of the Strike Commission appointed by President Cleveland gave life to the basic notion that employers should recognize and bargain with employee organizations.[60] The Commission's report became the basis of the 1898 Erdman Act.[61] The mediation sections of that Act proved somewhat successful, although § 10 of the Act prohibiting anti-union discrimination ("yellowdog" contracts) was held unconstitutional by the Supreme Court.[62] In 1913, the Newlands Act[63] was passed amending the Erdman Act, to further improve labor relations through creation of permanent mediation and arbitration Boards. Mediation services could be offered by the Board; however, arbitration was a voluntary, non-binding process.

Historically, if not causally evident as Congressional action following the Supreme Court decisions in *Adair* and *Danbury Hatters*, the Clayton Act was passed in 1914 which contained two provisions affecting labor unions.[64] The impact of § 6 and § 20 of the Act were interpreted by the Supreme Court in *Duplex Printing Press Co. v. Deering*[65], a case involving a secondary boycott for organizational purposes. In upholding injunctive relief, the Court decision did little to clarify any positive effect in the Clayton Act for labor organizations.[66]

In the face of apparent opposition from employers and the Courts it became the role of Congress to effect policies further promoting

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[58] 24 Stat. 379 (1887) 49 U.S.C. §§ 1-22.

[59] *In Re Debs* 158 U.S. 564 (1895). Expressly declining to address Sherman Act authority in *In Re Debs*, the Court upheld application of injunctive power under the Sherman Act to labor dispute activity in the *Danbury Hatters'* case. *Loewe v. Lawlor*, 208 U.S. 274 (1908); *Lawlor v. Loewe*, 235 U.S. 522 (1915).

[60] *United States Strike Commission, Report on the Chicago Strike of June-July 1894* XLVII (1894). For other strike reports, see *Anthracite Coal Strike Commission* Rep. S. Doc. No. 6, 58th Cong. Spec. Sess. 63 (1902), and *United States Commission on Industrial Relations Report* (1915).

[61] 30 Stat. 424 (1898).

[62] *Adair v. U.S.* 208 U.S. 161 (1908), decided one week before *Danbury Hatters supra*. State laws prohibiting anti-union discrimination were invalidated by application of the Due Process Clause of the 14th Amendment. *See Coppage v. Kansas*, 236 U.S. 1 (1915).

[63] 38 Stat. 103 (1913)

[64] Clayton Antitrust Act, 38 Stat. 730 (1914) 15 U.S.C. §§ 1-27, § 6 (5 U.S. C. §17) (1964), § 20 (29 U.S. § 52) (1964).

[65] 254 U.S. 443 (1921). *See also American Steel Foundries v. Tri-City Central Council*, 257 U.S. 184 (1921).

[66] In 1917, the Supreme Court upheld an injunction enforcing "yellowdog" contracts. *See Hitchingson Coal & Coke Co. v. Mitchell*, 245 U.S. 229 (1917).

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organization and collective bargaining.[67] The advent of World War I occasioned President Wilson's 1917 seizure of the railroads under Congressional authorization.[68] The Wilson Administration employed government intervention to prevent labor disputes from impeding the war effort. In 1918, Wilson established the War Labor Conference Board which recommended creation of a National War Labor Board whose policies protected the rights of employees to organize and bargain collectively.[69]

Although resisted during the War and repudiated by some thereafter, collective bargaining policies were protected by Congress in the enactment of the Transportation Act of 1920.[70] In terminating Federal control of railroads and transportation system Congress squarely sought to take labor regulation by injunctive relief out of the Courts. Title III of the 1920 Act, expanding on the Newlands Act, authorized new voluntary Boards of Adjustment (Railroad Board of Labor Adjustment) and created a new permanent Railroad Labor Board (Labor Board). At the same time, the Act increased the government's role in protecting rail industry wages and working conditions. Provisions of Title III clearly imposed a *duty* on all carriers and employees alike to exert every reasonable effort, and to adopt every available means, to avoid interruption of rail operations as a result of labor dispute. Diligent and prompt dispute resolution were the clear goals of Title III. However, since dispute resolution decisions were non-binding, public opinion was the only force for suasion for acceptance of the Labor Boards' decisions. The formulation of labor provisions in Title III of 1920 Act became the framework for the Railway Labor Act of 1926.[71] The 1922 Railway Shopmen's strike provided the impetus to legislatively fix collective bargaining recognition and rights in the Rail industry accomplished by passage of the Railway Labor Act.

The 1929 Depression and economic climate of the early 1930's focused more attention on the workplace. In 1932, Congress virtually

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[67] Likewise, specific employment conditions such as hours of service for rail workers were passed in 1907 (34 Stat. 1415) and 1916 (39 Stat. 721) (Adamson Act); upheld *Wilson v. New* 243 U.S. 332 (1917). In 1908, the Federal Employers Liability Act (FELA) (35 Stat. 65) (45 U.S.C. § 51 *et seq.*) was passed. Later, a Railroad Retirement Act of 1934 (49 Stat. 967), (50 Stat. 307) (1937) would pre-date social security and in 1938 the Railroad Unemployment Insurance Act (52 Stat. 1094, 45 U.S.C. § 351 *et. seq.*) was adopted.

[68] National Defense Act (39 Stat. 166) (1916), and Army Appropriations Act (39 Stat. 619) (1916).

[69] National War Labor Board, Principles and Rules of Procedures 4 (1919).

[70] 41 Stat. 456 (1920).

[71] 44 Stat. 577 (1926) 45 U.S.C. §161-163 (1964); upheld in *Texas & N. O. R. R. Co. v Bhd of Ry Clerks*, 281 U.S. 548 (1930).

eliminated the prominent role of the Federal courts in labor disputes by restricting judicial intervention through enactment of the Norris La Guardia Act.[72] Contemporaneously, other laws were conformed to promote collective bargaining. In measured response to railroad financial conditions in 1933, the Bankruptcy Act was amended[73] and the Emergency Rail Transportation Act was adopted.[74] Both pieces of legislation not only sought to strengthen collective bargaining but preserve CBAs as well. In 1934, the RLA was amended to establish a National Railroad Adjustment Board (NRAB), and a new National Mediation Board (NMB), replacing those created in 1926 specifically designed to act in resolution of grievance or rights disputes.[75] Finally, collective bargaining rights similar to those enjoyed by rail employees were provided to non-rail employees by the 1933 National Industrial Recovery Act[76] and the 1935 National Labor Relations Act.[77]

Thus, like the *Carmen* Court and the majority here, I attach importance to legislative history in assessing the reach and application of the immunity provision of § 11341(a). Certain prominent events from the mid-1800's through the 1920's I find have singular significance in the evolution and development of labor law in general, and in the rail industry in particular. The gradual strengthening of union recognition, collective bargaining and dispute resolution had much of their genesis in this era. The course of public and judicial policies were fundamentally shaped and altered by events intimately tied to the need and desire to stabilize employer-employee relations in the rail industry that so gravely affected interstate commerce during this period. Events leading up to the 1920 enactment of the Transportation Act dictated the coincident inclusion of *both* Title III (labor provisions, later the RLA) and Title IV (transportation provisions). My review of history and analysis of precedent leads to the conclusion that rail labor laws promoting and protecting collective bargaining rights embodied in the RLA, occupy a unique status and may

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[72] 47 Stat. 70 (1932) 29 U.S.C. §§ 101-115 (1907).

[73] 47 Stat. 1467 (1933), particularly § 77 (o), (p) and

[74] 48 Stat. 211 (1933), particularly §§ 7, 10, 11, 12,

[75] 48 Stat. 1185 (1934) (45 U.S.C. § 153-154), upheld in *Virginia Ry Co. v. System Fed No. 40 Apr*, 300 U.S. 515 (1937).

[76] 48 Stat. 195 (1933), held unconstitutional delegation *Schecter Poultry Corp. v. U.S.* 295 U.S. 495 (1935).

[77] 49 Stat. 449 (1935), 29 U.S. C. § 151 *et seq.* upheld in *NLRB v. Jones & Laughlin Steel Corp*, 301 U.S. 1 (1937). *See also Virginia & Maryland Coach Co.* 301 U.S. 142 (1937); *Assoc. Press v. NLRB* 301 U.S. 105 (1937) *Cf. Gompers v. Bucks Stove & Range Co* 221 U.S. 418 (1911). *United Mine Workers v. Coronado Coal Co.*, 259 U.S. 334 (1922) and *Coronado Coal Co. v. United Mine Workers*, 268, U.S. 295 (1925).

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Maryland Coach Co. 301 U.S. 142
Gompers v. Bucks Stove & Range Co
Coal Co., 259 U.S. 334 (1922) and
95 (1925).

not be readily pre-empted by operation of other laws - particularly by the immunity provisions of the ICA that was enacted in § 5(8) of Title IV of the 1920 Act *contemporaneously* with the labor policies of Title III in that same Act which became the acknowledged framework for the RLA in 1926.

In reaching this conclusion, from the cumulative history reviewed, certain aspects deserve highlighting. First, although employed in *In Re Debs* supra, and in some lower Court decisions to enjoin labor activity,[76] the ICA was never substantively used by Congress or the courts as a vehicle to stabilize employer-employee relations in the rail industry through development of collective bargaining. Apart from the Emergency Rail Transportation Act of 1933,[77] and the designation of a prominent Commission member, Joseph B. Eastman, as federal coordinator under that Act, the Commission itself was never called upon to play a role in rail labor relations. The historical record is inconsistent with a serious claim by the Commission that its "plenary and exclusive" jurisdiction is sufficient authority to pre-empt the RLA and existing CBAs in order to promote a transportation transaction.[78]

Second, railroad bankruptcies prompted the Bankruptcy Act amendments in 1933 which fostered collective bargaining and preservation of CBAs. The 1978 amendments to the Bankruptcy Code clearly reaffirmed protection of existing CBAs by denying either the Bankruptcy Court or Trustees authority to change such agreements to which the bankrupt carrier is party other than by RLA procedures.[79] If in the eyes of Congress, the financial extremis of a bankrupt rail carrier is not a sufficient premise to abrogate a CBA, it is a substantial reach of faith to believe Congress granted such authority to the Commission in furtherance of permissive approval of a proposed coordination transaction.

Third, and most significant, by the *contemporaneous passage* of Title III and Title IV in the 1920 Act, it is difficult to believe that Congress contemplated preemption of Title III through § 5(8) of Title IV (now § 11341(a)). As a matter of statutory construction, the simultaneous enactment of Title III and IV does not suggest preemption. By definition, § 5(8) of the ICA could not exempt Title III of the same Act--the specific language is relief from "all *other* restraints or prohibitions by law". It is

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[75] *See, e.g., Toledo, A. A. & N. M. Ry Co. v. Pennsylvania Co.*, 54 F 730 (No Ohio 1893); *Knudson v. Benn* 123 F. 636 (D. Minn. 1903).

[77] 48 Stat. 211 (1933).

[78] The Washington Job Protection Agreement of 1936 (WJPA) forged in the process of collective bargaining under the RLA is ample evidence that ICA provisions were largely not relevant to such bargaining and let alone pre-emptive. The "comprehensive scheme" concept was expressly rejected in the *P&LE* case. 109 S. Ct. at 2598 (1989).

[79] 92 Stat. 2642 (1978), 11 U.S.C. § 1167.

hardly probable that Congress authorized [illegible]ccomplished *future* exemption simply by later carving out the broad labo[illegible]nagement provisions of Title III from the 1920 Act and making them [illegible] basic framework in the 1926 enactment of the Railway Labor Act.

As observed in 1939 by the Supre[illegible] Court in *Lowden*[82]:

"The extensive history of legislation regulatory relations of railroad employees and employers evidences the awareness of Congress that just and reasonable treatment is not only an essential aid to the maintenance of a service uninterrupted by labor disputes, but that it provides efficiency which suffers through loss of em[illegible]ee morale when demands of justice are ignored. 308 U.S. at 235-36."

The Court went on to point ou[illegible] that Title III of the 1920 Transportation Act, enacted at the same time as §5 provisions (Title IV), *contemporaneously* established a Labor Board to decide railroad labor disputes, and that successive Congressional measures thereafter "all aimed at the prevention of interruptions of railroad service, culminated in the passage of the Railway Labor Act." *Id.* at 236. Thus, as a matter of policy as well, it seems unlikely that Congress intended exemption from the operation of these dispute-resolution mechanisms.

Despite the apparent "plain language" of the first and subsequent immunity provisions, the conclusion that they do not apply to preempt the RLA, or override existing CBAs is by no means novel. The Commission has expressly held that § 5(8) and its successors § 5(11), now § 11341(a)) do not provide authority to supersede the RLA or its agreements. *See Chicago, St P. M. & O. Ry Co. Lease*, 295 I.C.C. at 701-702 (1958), *Southern Ry Co. - Control - Central Georgia Ry. Co.*, 331 I.C.C. at 168-171 (1964).

Finally, both the Commission and the courts have recognized limits on our § 11341(a) exemptive power over contractual agreements generally. In the course of approving a 1976 merger in *Missouri Pac. R. Co. - Merger - T & P and C & El*, a majority of the Commission acted to set aside an agreement with the City of Palestine, TX under the authority of § 5(11).[83] That action was subsequently reversed in *City of Palestine v. U.S.*[84] More recently, the Commission acknowledged that there are clearly limits on our ability to modify *private* agreements under § 11341. Finance Docket No. 31505, *Rio Grande Ind. Inc - Purchase Related Trackage Rights - Soo Line R.* (not printed), served October 17, 1989 (citing *City of Palestine*).

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[82] *U.S. v. Lowden*, 308 U.S. at 235-36.

[83] 348 I.C.C. 414, 430 (1976) Commissioner O'Neal dissented both as to legal authority under 5(11) and factual claim of impediment. *Id.* at 431-32.

[84] 559 F.2d 408 (5th Cir. 1977), *cert. denied*, 435 U.S. 950 (1978).

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S. 950 (1978).

The underlying appellate disposition in the *Carmen* cases by the D.C. Circuit Court makes clear that § 11341(a) cannot be used as authority to set aside existing CBAs derived from the RLA. Indeed such is the acknowledged "law of this case". The circumstances in which the provisions of § 11341(a) have been historically used to supersede other laws related to anti-trust or other state laws which have acted as impediments to carrying out the transaction authorized. *Carmen*, 880 F.2d at 568-570.[85] A line of authorities have been recognized as relating to statutes which act as *restraints* or *prohibitions*, although not necessarily confined to anti-trust related issues. *See Texas v. U.S.*, 292 U.S. at 534.[86] However, none, to my knowledge, have ever claimed to overcome the RLA.

In arbitration, as evidenced by Decision No. 141 of Arbitration Bernstein, widely quoted in these proceedings, the scope of §11341(a) predecessors has been construed as not applicable to the RLA and existing CBAs. An appropriately broad quote from Decision No. 141 captures Arbitrator Bernstein's views of the 1940 Act:

> Nothing in the legislative history of Sections 5(2)(f) or 5(11) was presented which even remotely shows an intention by Congress, or anyone else, to abrogate the rules arrangements, including their merger-barring effect and the Washington Agreement's machinery for overcoming them. Indeed, as noted below, the legislation specifically recognizes the desirability and validity of such private arrangements.
>
> Quite clearly Section 5(11) operates to relieve carriers involved in a merger approved by the ICC of any requirement for State agency approval, the antitrust laws and other Federal, State or municipal law. Although the claim is made that this section reaches so far as to overcome provisions of the Railway Labor Act as applied to the Washington Agreement, the context and pattern of the section suggest otherwise. All of the references are to corporate, antitrust and State and local regulatory laws - there is no hint that labor-management relations are involved. Nothing in the legislative history was brought forward to suggest that a wholesale change in the procedures of the Railway Labor Act for modifying rules agreements - assuredly a fundamental and important change - was intended. Any such endeavor would have meant a major legislative battle on the point; but no such thing occurred. It staggers the imagination that so radical a change was in fact meant and made with out anyone noticing at the time.

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[85] *See also NY Central Sec. Co. v. U.S.* 287 U.S. 12 (1932) *Texas v. U.S.*, 292 U.S. 522 (1933), *Seaboard v. Daniel*, 333 U.S. 118 (1947), *Schwabacher v. U.S.*, 334 U.S. 182 (1947).

[86] *But cf. Union Pacific -Control-Missouri Pacific; Western Pacific*, 366 I.C.C. 462, 556-557 (1982). (noting that if the exemption provisions applies only to "prohibiting or restraining laws" and such was not the case, it is unnecessary to consider the issues.)

Addressing § 5(2)(f) (§ 11347), Arbitrator Bernstein noted:

> The interplay of the Washington Agreement and the Railway Labor Act must be understood. The Agreement was designed to facilitate mergers, consolidations, and the like but on stated conditions (notice, implementing agreement, benefits to those adversely affected). The Railway Labor Act prevents either carriers or unions from making unilateral changes in those agreed provisions; the Agreement also has limits upon the termination of its applicability. Hence when a merger etc. is undertaken before the required steps to end the Agreement are taken this Agreement binds the union to permit the job combinations required by the merger and requires the carriers involved to follow its procedures and accord its benefits. The recognition given the Washington Agreement in the last sentence of Section 5(2)(f) indicates that Congress regarded such a private contractual arrangement as harmonious with the ICC power to impose employe protective conditions. That provision should be read with Section 5(11). The recognition and encouragement thereby accorded the Agreement argues that it is not overridden by Section 5(2)(f) nor is the protection accorded to the Agreement by Section 6 of the Railway Labor Act vitiated.

As broad conclusions regarding pre-emption, Arbitrator Bernstein observes:

> Congress did override the Railway Labor Act when the dispute over firemen and crew consist did not respond to innumerable emergency boards and a presidential commission and threatened a national tie-up of rail transportation. Only then did the President propose and Congress reluctantly provide that a public agency (other than the Commission as originally proposed by the President) impose terms of employment. It approaches the absurd to entertain the notion that essentially the same thing happened *sub silentio* in the 1940 enactment of Sections 5(2)(f) and 5(11) where no such crisis had existed, no bargaining stalemate had occurred, and no stoppage impended.

Recently, however, a concurring opinion to the Supreme Court's decision in *I.C.C. v. Locomotive Engineers*[87] considered the "plain language" of § 11341(a) and concluded it may apply to RLA. Notwithstanding its instructional value, I nonetheless respectfully disagree with portions of the Court's analysis regarding application of § 11341(a), and recognize the contrast with my conclusions here that § 11341(a) does not authorize preemption of the RLA, nor abrogation of existing CBAs.[88]

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[87] 482 U.S. 270, 287 (1987) (Stevens, J. concurring).

[88] Considered "automatic" or "self executing" the immunity proviso is nonetheless limited to factual circumstances which evidence necessity, and ultimately a finding on that issue. Thus, even if applicable to the RLA, as viewed by four justices, the *Carmen* cases present no adjudication establishing necessity to carry out the approved transaction, especially required since consummation of the approved merger transaction occurred many years ago and was

(continued...)

Indeed, the litigation failures in that case before the Court appeared to warrant the disposition proposed by the concurring justices. *Id.* at 302-303. Thus, our respective analytical frameworks may be attributed to the posture of the respective cases.

II

I am pleased that the Commission is presently making a mid-course correction and disavowing to some extent expansive statements which in the past have unduly encouraged presentation of a wide array of labor relations issues to the Commission for disposition through the binding dispute resolution mechanism available under the authority of conditions imposed pursuant to § 11347. I am likewise pleased that the Commission has accepted at least for present purposes the *Carmen* ruling that § 11341(a) does not confer authority to set aside or alter existing CBAs.

However, given the nature of instant decision I am less sanguine about the prospect that the Commission really does accept, as it should, a truly non-intrusive, limited role in labor relations issues. Although the "public interest" referred to in ICA policy reaches employee welfare for the purpose of authorizing protection,[88] the persistent historic admonition has been that, because labor relations is not a subject matter within its recognized jurisdiction or competence, the Commission should not undertake to adjust employer-employee labor disputes by means of remedies which attempt to relieve an employer of its RLA obligations, and intrude on collective bargaining relationship between a union and employer, or otherwise trench on another agency's jurisdiction. *P&LE*, 109 S. Ct. at 2598 (1989); *Burlington Truck Lines v. U.S.* 371 U.S. 156 (1962).[90]

In the instant case, the decision purports to address procedural issues appropriate to achieve an "implementing agreement". Section 11347 is claimed as the principal authority for pre-emption of RLA § 6 procedures in favor of procedures set out in required conditions, *i.e.*, § 4 of *NY Dock* conditions. Were this decision limited to concluding that the ICA

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[88](...continued)
achieved independent of any labor dispute impediment for which relief is now claimed carriers mere assertion is insufficient. 462 U.S. at 300, n. 13.

[89] *See St. Paul Bridge & Trans. Ry Co. Control* at 585 (1984); *Chicago, K. I. & G. Ry Co.* at 186-187 (1988), *affm'd, U.S. v. Lowden*, 308 U.S. 225 (1939); *see also I.C.C. v. Railway Labor Assn*, 315 U.S. 373 (1942); *RLEA v. U.S.*, 339 U.S. 142 (1950).

[90] For Commission recognition of lack of subject matter jurisdiction and expertise see, e.g. *Leavens v. Burlington Northern*, 348 I.C.C. 962 (1977), *Southern Ry. Co. - Control - Central of Georgia Ry. Co.*, at 170; *Bro of Loc. Engrs. v. C&NW Transp Co.*, 366 I.C.C. 857, 860 (1983); *Chicago & North Western Tpn. Co. - Abandonment*, 3 I.C.C.2d 729 (1987) (*Lace Curtains*), *affm'd sub nom IBEW v. I.C.C.* 862 F.2d 330 (D.C. 1988).

procedures designed to achieve an "implementing agreement" through notice, negotiation and/or arbitration on the subjects embraced by the terms "selection of forces" and/or "assignment of employees", there would be no serious issue. However, such is not this case.

In my opinion, the true dispute centers on the larger questions whether ICA procedures preempt RLA procedures *and* authorize abrogation or provisions of existing CBAs in establishing an "implementing agreement". This is *not* a case which harmonizes "complementary regimes".[91] Rather, in claiming preemption authority under § 11347 its logic creates conflict both *internally* between § 2 and § 4 of the *NY Dock* conditions, and *externally* between the ICA and the RLA statutes, all of which flow from common origins and public purposes. It is doubtful that the parties negotiating the WJPA or the members of Congress enacting the statutory schemes intended or contemplated the pre-emption dilemma and conflicts which the Commission decisions have generated. In a period of almost 100 years, Congress has not seen fit to give Commission authority over collective bargaining or labor disputes relating to rail transportation. History reveals that Congress has consistently avoided doing so in any express terms. As a consequence, even less persuasive is the Commission's own claim that Congress did so either implicitly or inadvertently.

Legally, § 11347 does not provide the scope of authority urged in this decision to support its procedural or substantive determinations. The "plain meaning" of § 2 cannot be discredited by negative *post hoc* rationalization contending that it cannot mean what it literally says. For the positive, § 11347 does not offer support for the claim that its procedures may use to set aside CBAs as necessary. The basic authority to do that must be found in § 11341(a). And that is what is truly at issue. The decisions in these *Carmen* cases, coupled with those in the *Springfield Terminal* cases,[92] represent seminal rulings on the scope of arbitral authority exercised under the egis of Commission authority in conditions imposed under § 11347, and the immunity provision of § 11341(a). *Carmen* and *Springfield Terminal* furnish significant examinations of the boundaries of the intersection of the transportation and labor relations schemes.

As a practical matter, the fact that carrier employees find their feet planted in two regulatory camps is of little consequence here, and certainly is not a sufficient predicate to contend that one must give way to the other. The Commission has expressly recognized that multiple sources for

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[91] *See P&LE v. RLEA*, 109 S. Ct. at 2597, n.18.

[92] *See Delaware and Hudson Ry. Co. - Lease and Trackage Rts Exemption - Springfield Terminal Ry. Co. - Review of Arbitral Award* 4 I.C.C.2d 322 (1988), (not printed), served January 10, 1989, (not printed), served December 20, 1989, and (not printed), served January 4, 1990.

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employee rights can, and do exist. *See Southern Ry. Co. - Control - Central of Georgia Ry. Co.*, 331 I.C.C. at 169-170.

The practical problem for the carrier-employers is that for "interest" disputes in their labor relations no compulsory, binding dispute resolution mechanism is available under the RLA.[9] Thus, having bargained existing agreements under the RLA with its employees, the carrier-employers here seek dispute resolution which avoids both the bargain and the process under the RLA, by using ICA procedures in pre-emptive fashion, arguably to achieve an "implementing agreement" to carryout the approved transaction. In *theory* these may be provocative issues, but in reality here *post*- consummation, there is nothing from which to conclude that anything in the RLA or existing CBAs derived therefrom did in fact restrict or prohibit consummation of the transaction previously approved.

In the final analysis, this case remains and continues to be a preemptive challenge to the policies of the RLA in favor of ICA by the carrier-employers and the Commission, a challenge I find not supported in law or fact. Rather than promote and harmonize kindred public policies for transportation and labor relations, this decision may, in part, continue to produce conflict and frustrate related purposes.

It is ordered:

1. In Finance Docket No. 28905 (Sub-No. 22), following reopening of our prior decision, the arbitration committee's decision and award in *Brotherhood Railway Carmen–A Division of BRAC v. CSX Transportation, Inc. and the Chesapeake and Ohio Railway Company* (LaRocca, March 23, 1987) is reversed and vacated.

2. In Finance Docket No. 29430 (Sub-No. 20), following reopening of our prior decision, the arbitration committee's decision and award in *Norfolk and Western Railway Company, Southern Railway Company and American Train Dispatchers Association* (Harris, May 19, 1987) is reversed and vacated.

By the Commission, Chairman Philbin, Vice Chairman Phillips, Commissioners Simmons, Lamboley, and Emmett. Commissioner Lamboley concurred in part and dissented in part with a separate expression.

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[9] The carrier-employers *do not* contend that provisions of the CBAs arguably authorize the transaction enabling them to invoke the arbitration procedures available under a *minor* dispute. See *Consolidation Rail Corp. v. RLEA*, 109 S. Ct. 2477 (1989) (*Conrail*) (decided 2 days before *P&LE* case).

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[499 US 117]

NORFOLK AND WESTERN RAILWAY COMPANY, et al., Petitioners

v

AMERICAN TRAIN DISPATCHERS' ASSOCIATION et al. (No. 89-1027)

CSX TRANSPORTATION, INC., Petitioner

v

BROTHERHOOD OF RAILWAY CARMEN et al. (No. 89-1028)

499 US 117, 113 L Ed 2d 95, 111 S Ct 1156

[Nos. 89-1027 and 89-1028]

Argued December 3, 1990. Decided March 19, 1991.

Decision: 49 USCS § 11341(a) held to exempt rail carriers from obligations under collective bargaining agreements as necessary to effect consolidations approved by Interstate Commerce Commission.

SUMMARY

These two, consolidated cases presented the question whether 49 USCS § 11341(a)—which provides that, where the Interstate Commerce Commission (ICC) has approved a rail carrier consolidation, a carrier in the consolidation "is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let [the carrier] carry out the transaction"—exempts a carrier in an approved consolidation from legal obligations arising under a collective bargaining agreement. In one case, following approval by the ICC of the consolidation of two rail carriers, the newly consolidated carriers had proposed for reasons of efficiency to transfer certain employees of one carrier to another city. The labor union representing the affected employees contended that (1) the carriers' proposal involved a change in the collective bargaining agreement between the carrier and its employees that was subject to mandatory bargaining under the Railway Labor Act (RLA) (45 USCS §§ 151 et seq.); and (2) the carriers were required to preserve the affected employees' rights under the collective bargaining agreement and their right to union representation under the RLA. After negotiations failed to resolve these issues, arbitration was sought pursuant

Briefs of Counsel, p 747, infra.

to conditions imposed by the ICC generally upon rail carrier mergers to protect the interests of carrier employees. The arbitration committee ruled in the carriers' favor, stating that the proposed transfer of employees was an incident of the ICC-approved merger and that the provisions of the collective bargaining agreement and the RLA could be abrogated as necessary to implement the merger. On appeal, the ICC affirmed the ruling of the arbitration committee, stating that because the employee transfer was incident to the approved merger, it was by virtue of § 11341(a) not subject to conflicting laws. In the second case, a carrier formed by an ICC-approved consolidation proposed to close a repair shop and transfer the shop's employees to a similar shop at a different location. The union representing the employees contended that this proposal contravened its collective bargaining agreement. An arbitration committee ruled that (1) the collective bargaining agreement could be superseded to the extent that it impeded an operational change authorized or required by the ICC's approval of the consolidation; and (2) the repair work at the shop the carrier proposed to close could be transferred, because such a transfer was necessary to the original consolidation; but (3) employees protected against transfer by the collective bargaining agreement could not be transferred. On appeal, the ICC affirmed the ruling regarding the transfer of work, and reversed the ruling regarding the transfer of employees, stating that preventing the transfer of employees would effectively prevent implementation of the consolidation (4 ICC2d 641). On appeal of both cases, the United States Court of Appeals for the District of Columbia Circuit, considering the cases together, reversed and remanded the cases to the ICC, holding that § 11341(a) does not authorize the ICC to relieve a party of obligations under a collective bargaining agreement, which obligations impede implementation of an approved consolidation (279 App DC 239, 880 F2d 562).

On certiorari, the United States Supreme Court reversed and remanded for further proceedings. In an opinion by KENNEDY, J., joined by REHNQUIST, Ch. J., and WHITE, BLACKMUN, O'CONNOR, SCALIA, and SOUTER, JJ., it was held that § 11341(a) exempts a carrier in an ICC-approved consolidation from any legal obligations imposed by a collective bargaining agreement to the extent necessary to carry out the consolidation, because (1) the language of § 11341(a), exempting carriers from "the antitrust laws and all other law, including State and municipal law," is clear, broad, and unqualified, and includes the Railway Labor Act, which gives legal and binding effect to collective bargaining agreements between rail carriers and their employees; (2) this interpretation of § 11341(a) makes sense of the consolidation provisions of the Interstate Commerce Act, which were designed to promote economy and efficiency in interstate transportation by the removal of the burdens of excessive expenditure; and (3) this interpretation of § 11341(a) will not lead to bizarre results, inasmuch as the immunity provision does not exempt carriers from all law, but rather from all law as necessary to carry out an approved transaction.

STEVENS, J., joined by MARSHALL, J., dissented, expressing the view that the exemption in § 11341(a) does not include obligations imposed by private contracts.

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HEADNOTES

Classified to U.S. Supreme Court Digest, Lawyers' Edition

Courts § 775; Interstate Commerce Commission § 39; Labor § 41; Statutes §§ 82, 83, 100, 109, 173, 248.5 — consolidation of rail carriers — exemption from other laws — collective bargaining agreements

1a-1f. 49 USCS § 11341(a), a part of the Interstate Commerce Act, exempts a rail carrier in a consolidation approved by the Interstate Commerce Commission from any legal obligations imposed by a collective bargaining agreement to the extent necessary to carry out the consolidation, because (1) the language of § 11341(a), exempting carriers from "the antitrust laws and all other law, including State and municipal law," is clear, broad, and unqualified, and includes the Railway Labor

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13 Am Jur 2d, Carriers § 36; 48A Am Jur 2d Labor and Labor Relations § 1698; Railroads §§ 331-333

49 USCS § 11341(a)

RIA Employment Coordinator ¶ LR-34,087

L Ed Digest, Interstate Commerce Commission § 39; Labor § 41

L Ed Index, Carriers; Collective Bargaining; Interstate Commerce Act or Commission, Railroads

Index to Annotations, Carriers; Collective Bargaining; Interstate Commerce Commission; Railroads

Auto-Cite®: Cases and annotations referred to herein can be further researched through the Auto-Cite® computer-assisted research service. Use Auto-Cite to check citations for form, parallel references, prior and later history, and annotation references.

ANNOTATION REFERENCES

Supreme Court's application of the rules of ejusdem generis and noscitur a sociis. 46 L Ed 2d 879.

When is subsequent business operation bound by existing collective bargaining agreement between labor union and predecessor employer. 88 ALR Fed 89.

Meaning of "willful" under provision of Railway Labor Act (45 USCS § 152(tenth)) making willful failure or refusal to comply with Act a criminal offense. 49 ALR Fed 611.

Breach of collective bargaining agreement as unfair labor practice under National Labor Relations Act, as amended (29 USCS § 158). 6 ALR Fed 589.

Act, which gives legal and binding effect to collective bargaining agreements between rail carriers and their employees; (2) the principle of ejusdem generis—which states that when a general term follows a specific one, the general term should be understood as a reference to subjects akin to the one with specific enumeration, but which does not control when the whole context dictates a different conclusion—does not require a different result, inasmuch as (a) because repeals of the antitrust laws by implication from a regulatory statute are strongly disfavored, Congress may have determined that it should make a clear and separate statement to include antitrust laws within the general exemption of § 11341(a), (b) the otherwise general term "all other law" includes, but is not limited to, "State and municipal law," showing that "all other law" refers to more than laws related to antitrust, and (c) the fact that "all other law" entails more than "the antitrust laws," but is not limited to "State and municipal law," reinforces the conclusion, inherent in the word "all," that the phrase "all other law" includes federal law other than the antitrust laws; (3) this conclusion is supported by prior case law in which the United States Supreme Court, construing a statute which was the immediate precursor of § 11341(a) and which was substantially identical to it, held that the contract rights under state law of minority shareholders—who contended that the terms of an ICC-approved merger diminished the value of their shares as guaranteed by the corporate charter—did not survive the merger agreement found by the ICC to be in the public interest; (4) this interpretation of § 11341(a) makes sense of the consolidation provisions of the Interstate Commerce Act, which were designed to promote economy and efficiency in interstate transportation by removing the burdens of excessive expenditure while also requiring the ICC to accommodate to the greatest extent possible the interests of affected carrier employees before approving a consolidation; and (5) this interpretation of § 11341(a) will not lead to bizarre results, inasmuch as the immunity provision of the statute does not exempt carriers from all law, but rather from all law as necessary to carry out an approved consolidation. (Stevens and Marshall, JJ., dissented from this holding.)

Appeal § 1662 — mootness — interpretation of statute — alternative basis for decision on remand

2a, 2b. On certiorari from a judgment of a United States Court of Appeals which (1) held that 49 USCS § 11341(a)—which provides that, where the Interstate Commerce Commission (ICC) has approved a rail carrier consolidation, a carrier in the consolidation "is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let [the carrier] carry out the transaction"—does not exempt a rail carrier in an approved consolidation from obligations imposed by a collective bargaining agreement; (2) reversed rulings by the ICC in two cases stating that under § 11341(a), carriers in approved consolidations who proposed to implement the consolidations by taking measures which allegedly violated collective bargaining agreements, were not obligated to honor the collective bargaining agreements or to engage in procedures mandated by the Railway Labor Act (RLA) (45

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USCS §§ 151 et seq.) for the resolution of labor disputes; and (3) remanded the cases for consideration by the ICC (a) whether § 13341(a) could operate to override provisions of the RLA, and (b) whether, under "labor-protective" conditions promulgated by the ICC pursuant to 49 USCS § 11347 and applying to rail carrier consolidations, an arbitration committee hearing a labor dispute arising from an approved railroad merger may override provisions of a collective bargaining agreement, the United States Supreme Court—where the ICC, on remand from the United States Court of Appeals, has (1) adhered to the Court of Appeals' ruling that § 11341(a) does not authorize it to override provisions of a collective bargaining agreement; (2) ruled that § 11341(a) authorizes it to foreclose resort to RLA remedies for modification and enforcement of collective bargaining agreements, at least to the extent of its authority under § 11347 to impose labor-protective conditions on rail carrier consolidations; (3) remanded its decision to the parties for further negotiation or arbitration; and (4) predicated the analysis in its remand order on the correctness of the Court of Appeals' interpretation of § 11341(a)—will not dismiss the case as moot, because (1) the Supreme Court's definitive interpretation of § 11341(a) may affect the ICC's remand order; (2) the ICC's compliance with the Court of Appeals' mandate does not affect the correctness of the Court of Appeals' decision; and (3) the alternative basis offered by the ICC for its remand order does not end the controversy between the parties, inasmuch as the parties retain an interest in the validity of the ICC's original order because the Court of Appeals may again disagree with the ICC's interpretation of § 11341(a) on review of the ICC's order on remand.

Administrative Law § 276 — judicial review — construction of statute

3. When reviewing a federal administrative agency's interpretation of a federal statute, the United States Supreme Court begins with the language of the statute and asks whether Congress has spoken on the subject before it; if the intent of Congress is clear, that is the end of the matter, for the court, as well as the agency, must give effect to the unambiguously expressed intent of Congress.

Contracts § 87 — legal force

4. A contract has no legal force apart from the law that acknowledges its binding character.

SYLLABUS BY REPORTER OF DECISIONS

Once the Interstate Commerce Commission (ICC) has approved a rail carrier consolidation under the conditions set forth in Chapter 113 of the Interstate Commerce Act (Act), 49 USC § 11301 et seq. [49 USCS §§ 11301 et seq.], a carrier in such a consolidation "is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let [it] carry out the transaction . . . ," § 11341(a). In these cases, the ICC issued orders exempting parties to approved railway mergers from the provisions of collective-bargaining agreements. The Court of Appeals reversed and remanded, holding that § 11341(a) does not authorize the ICC to relieve a party of collectively bargained obligations that impede implementation of an approved transaction. Rea-

soning, inter alia, that the legislative history demonstrates a congressional intent that § 11341(a) apply to specific types of positive laws and not to common-law rules of liability, such as those governing contracts, the court declined to decide whether the section could operate to override provisions of the Railway Labor Act (RLA) governing the formation, construction, and enforcement of the collective-bargaining agreements at issue.

Held: The § 11341(a) exemption "from all other law" includes a carrier's legal obligations under a collective-bargaining agreement when necessary to carry out an ICC-approved transaction. The exemption's language, as correctly interpreted by the ICC, is clear, broad, and unqualified, bespeaking an unambiguous congressional intent to include any obstacle imposed by law. That language neither admits of a distinction between positive enactments and common-law liability rules nor supports the exclusion of contractual obligations. Thus, the exemption effects an override of such obligations by superseding the law—here, the RLA—which makes the contract binding. Cf. Schwabacher v United States, 334 US 182, 194-195, 200-201, 92 L Ed 1305, 68 S Ct 958. This determination makes sense of the Act's consolidation provisions, which were designed to promote economy and efficiency in interstate transportation by removing the burdens of excessive expenditure. Whereas § 11343(a)(1) requires the ICC to approve consolidations in the public interest, and § 11347 conditions such approval on satisfaction of certain labor-protective conditions, the § 11341(a) exemption guarantees that once employee interests are accounted for and the consolidation is approved, the RLA—whose major disputes resolution process is virtually interminable—will not prevent the efficiencies of consolidation from being achieved. Moreover, this reading will not, as the lower court feared, lead to bizarre results, since § 11341(a) does not exempt carriers from all law, but rather from all law *necessary* to carry out an *approved* transaction. Although it might be true that § 11341(a)'s scope is limited by § 11347, and that the breadth of the exemption is defined by the scope of the approved transaction, the conditions of approval and the standard for necessity are not at issue because the lower court did not pass on them and the parties do not challenge them here.

279 US App DC 239, 880 F2d 562, reversed and remanded.

Kennedy, J., delivered the opinion of the Court, in which Rehnquist, C. J., and White, Blackmun, O'Connor, Scalia, and Souter, JJ., joined. Stevens, J., filed a dissenting opinion, in which Marshall, J., joined.

APPEARANCES OF COUNSEL

Jeffrey S. Berlin argued the cause for petitioners.

Jeffrey S. Minear argued the cause for federal respondents supporting petitioners.

William G. Mahoney argued the cause for private respondents.

Briefs of Counsel, p 747, infra.

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Justice **Kennedy** delivered the opinion of the Court.

[1a] The Interstate Commerce Commission has the authority to approve rail carrier consolidations under certain conditions. 49 USC § 11301 et seq. [49 USCS §§ 11301 et seq.]. A carrier in an approved consolidation "is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let [it] carry out the transaction . . . ." § 11341(a). These cases require us to decide whether the carrier's exemption under § 11341(a) "from all other law" extends to its legal obligations under a collective-bargaining agreement. We hold that it does.

I

A

"Prior to 1920, competition was the desideratum of our railroad economy." St. Joe Paper Co. v Atlantic Coast Line R. Co. 347 US 298, 315, 98 L Ed 710, 74 S Ct 574 (1954). Following a period of Government ownership during World War I, however, "many of the railroads were in very weak condition and their continued survival was in jeopardy." Id., at 315, 98 L Ed 710, 74 S Ct 574. At that time, the Nation made a commitment to railroad carrier consolidation as a means of promoting the health and efficiency of the railroad industry. Beginning with the Transportation Act of 1920, ch 91, 41 Stat 456, "consolidation of the railroads of the country, in the interest of economy and efficiency, became an established national policy . . . so intimately related to the maintenance of an adequate and efficient rail transportation system that the 'public interest' in the one cannot be dissociated from that in the other." United States v Lowden, 308 US 225, 232, 84 L Ed 208, 60 S Ct 248 (1939). See generally St. Joe Paper Co. v Atlantic Coast Line R. Co., supra, at 315-321, 98 L Ed 710, 74 S Ct 574.

Chapter 113 of the Interstate Commerce Act, recodified in 1978 at 49 USC § 11301 et seq. [49 USCS §§ 11301 et seq.], contains the current statement of this national policy. The Act grants the Interstate Commerce Commission exclusive authority to examine, condition, and approve proposed mergers and consolidations of

[499 US 120]

transportation carriers within its jurisdiction. § 11343(a)(1). The Act requires the Commission to "approve and authorize" the transactions when they are "consistent with the public interest." § 11344(c). Among the factors the Commission must consider in making its public interest determination are "the interests of carrier employees affected by the proposed transaction." § 11344(b)(1) (D).[1] In authorizing a merger or consolidation, the Com-

1. Section § 11344(b)(1) provides:

"In a proceeding under this section which involves the merger or control of at least two class I railroads, as defined by the Commission, the Commission shall consider at least the following:

"(A) the effect of the proposed transaction on the adequacy of transportation to the public.

"(B) the effect on the public interest of including, or failing to include, other rail carriers in the area involved in the proposed transaction.

"(C) the total fixed charges that result from the proposed transaction.

"(D) the interest of carrier employees affected by the proposed transaction.

"(E) whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region."

mission "may impose conditions governing the transaction." § 11344(c). Once the Commission approves a transaction, a carrier is "exempt from the anti-trust laws and from all other law, including State and municipal law, as necessary to let [it] carry out the transaction." § 11341(a).

When a proposed merger involves rail carriers, the Act requires the Commission to impose labor-protective conditions on the transaction to safeguard the interests of adversely affected railroad employees. § 11347. In New York Dock Railway—Control—Brooklyn Eastern Dist. Terminal, 360 ICC 60, 84-90, aff'd sub nom. New York Dock Railway v United States, 609 F2d 83 (CA2 1979), the Commission announced a comprehensive set of conditions and procedures designed to meet its obligations under § 11347. Section 2 of the New York Dock conditions provides that the "rates of pay, rules, working conditions and all collective

[499 US 121]

bargaining and other rights, privileges and benefits . . . under applicable laws and/or existing collective bargaining agreements . . . shall be preserved unless changed by future collective bargaining agreements." 360 ICC, at 84. Section 4 sets forth negotiation and arbitration procedures for resolution of labor disputes arising from an approved railroad merger. Id., at 85. Under § 4, a merged or consolidated railroad which plans an operational change that may cause dismissal or displacement of any employee must provide the employee and his union 90 days' written notice. Ibid. If the carrier and union cannot agree on terms and conditions within 30 days, each party may submit the dispute for an expedited "final, binding and conclusive" determination by a neutral arbitrator. Ibid. Finally, the New York Dock conditions provide affected employees with up to six years of income protection, as well as reimbursements for moving costs and losses from the sale of a home. See id., at 86-89 (§§ 5-9, 12).

B

The two cases before us today involve separate ICC orders exempting parties to approved railway mergers from the provisions of collective-bargaining agreements.

1. In No. 89-1027, the Commission approved an application by NWS Enterprises, Inc., to acquire control of two previously separate rail carriers, petitioners Norfolk and Western Railway Company (N&W) and Southern Railway Company (Southern). See Norfolk Southern Corp.—Control—Norfolk & W.R. Co. and Southern R. Co. 366 ICC 173 (1982). In its order approving control, the Commission imposed the standard New York Dock labor-protective conditions and noted the possibility that "further displacement [of employees] may arise as additional coordinations occur." 366 ICC, at 230-231.

In September 1986, this possibility became a reality. The carriers notified the American Train Dispatchers' Association, the bargaining representative for certain N&W employees,

[499 US 122]

that they proposed to consolidate all "power distribution"—the assignment of locomotives to particular trains and facilities—for the N&W-Southern operation. To effect the efficiency move, the carriers informed the union that they would transfer work performed at the N&W power distribution center in Roanoke, Virginia, to the Southern

center in Atlanta, Georgia. The carriers proposed an implementing agreement in which affected N&W employees would be made management supervisors in Atlanta, and would receive increases in wages and benefits in addition to the relocation expenses and wage protections guaranteed by the New York Dock conditions. The union contended that this proposal involved a change in the existing collective-bargaining agreement that was subject to mandatory bargaining under the Railway Labor Act (RLA), 44 Stat 577, as amended, 45 USC § 151 et seq. [45 USCS §§ 151 et seq.]. The union also maintained that the carriers were required to preserve the affected employees' collective-bargaining rights, as well as their right to union representation under the RLA.

Pursuant to § 4 of the New York Dock procedures, the parties negotiated concerning the terms of the implementing agreement, but they failed to resolve their differences. As a result, the carriers invoked the New York Dock arbitration procedures. After a hearing, the arbitration committee ruled in the carriers' favor. The committee noted that the transfer of work to Atlanta was an incident of the control transaction approved by the ICC, and that it formed part of the "additional coordinations" the ICC predicted would be necessary to achieve "greater efficiencies." The committee also held it had the authority to abrogate the provisions of the collective-bargaining agreement and of the RLA as necessary to implement the merger. Finally, it held that because the application of the N&W bargaining agreement would impede the transfer, the transferred employees did not retain their collective-bargaining rights.

[499 US 123]

The union appealed to the Commission, which affirmed by a divided vote. It explained that "[i]t has long been the Commission's view that private collective bargaining agreements and [Railway Labor Act] provisions must give way to the Commission-mandated procedures of section 4 [of the New York Dock conditions] when parties are unable to agree on changes in working conditions required to implement a transaction authorized by the Commission." App to Pet for Cert in No. 89-1027, p 33a. Accordingly, the Commission upheld the arbitration committee's determination that the "compulsory, binding arbitration required by Article I, section 4 of New York Dock, took precedence over RLA procedures whether asserted independently or based on existing collective bargaining agreements." Id., at 35a. The Commission also held that because the work transfer was incident to the approved merger, it was "immunized from conflicting laws by section 11341(a)." Ibid. Noting that "[i]mposition of the collective bargaining agreement would jeopardize the transaction because the work rules it mandates are inconsistent with the carriers' underlying purpose of integrating the power distribution function," the Commission upheld the decision to override the collective-bargaining agreement and RLA provisions. Id., at 37a.

2. In No. 89-1028, the Commission approved an application by CSX Corporation to acquire control of the Chessie System, Inc., and Seaborad Coastline Industries, Inc. CSX Corp. —Control—Chessie System, Inc., and Seaboard Coastline Industries, Inc.

363 ICC 521 (1980). Chessie was the parent of the Chesapeake and Ohio Railway Company and the Baltimore and Ohio Railway Company; Seaboard was the parent of the Seaboard Coast Line Railroad Company. In approving the control acquisition, the Commission imposed the New York Dock conditions and recognized that "additional coordinations may occur that could lead to further employee displacements." 363 ICC, at 589.

[499 US 124]

In August 1986, the consolidated carrier notified respondent Brotherhood of Railway Carmen that it planned to close Seaboard's heavy freight car repair shop at Waycross, Georgia, and transfer the Waycross employees to Chessie's similar shop in Raceland, Kentucky. The carrier informed the Brotherhood that the proposed transfer would result in a net decrease of jobs at the two shops. Pursuant to New York Dock, the carrier and the union negotiated concerning the terms of an agreement to implement the transfer. The sticking point in the negotiations involved a 1966 collective-bargaining agreement between the union and Seaboard known as the "Orange Book." The Orange Book provided that the carrier would employ each covered employee and maintain each employee's work conditions and benefits for the remainder of the employee's working life. The Brotherhood contended that the Orange Book prevented CSX from moving work or covered employees from Waycross to Raceland.

When negotiations broke down, both the union and the carrier invoked the arbitration procedures under § 4 of New York Dock. The arbitration committee ruled for the carrier. It agreed with the union that the Orange Book prohibited the proposed transfer of work and employees. It determined, however, that it could override any Orange Book or RLA provision that impeded an operational change authorized or required by the ICC's decision approving the original merger. The committee then held that the carrier could transfer the heavy repair work, which it found necessary to the original control acquisition, but could not transfer employees protected by the Orange Book, which it found would only slightly impair the original control acquisition. Both parties appealed the award to the Commission.

A divided Commission affirmed in part and reversed in part. The Commission agreed the committee possessed authority to override collective-bargaining rights and RLA rights that prevent implementation of a proposed transaction.

[499 US 125]

It reasoned, however, that "[i]mposition of an Orange Book employee exception would effectively prevent implementation of the proposed transaction." CSX Corp.—Control—Chessie System, Inc. and Seaboard Coast Line Industries, Inc. 4 ICC 2d 641, 650 (1988). The Commission thus affirmed the arbitration committee's order permitting the transfer of work but reversed the holding that the carriers could not transfer Orange Book employees.

3. The unions appealed both cases to the United States Court of Appeals for the District of Columbia Circuit. The Court of Appeals considered the cases together and reversed and remanded to the Commission. Brotherhood of Railway Carmen v ICC, 279 US App DC 239, 880 F2d 562 (1989). The court held that § 11341(a) does not authorize the Commission to relieve a party of collective-bar-

gaining agreement obligations that impede implementation of an approved transaction. The court stated various grounds for its conclusion. First, because the court did not read the phrase "all other law" in § 11341(a) to include "all legal obstacles," it found "no support in the language of the statute" to apply the statute to obligations imposed by collective-bargaining agreements. Id., at 244, 880 F2d, at 567. Second, the court analyzed the Transportation Act of 1920, ch 91, § 407, 41 Stat 482, which contained a predecessor to § 11341(a), and found that Congress "did not intend, when it enacted the immunity provision, to override contracts." 279 US App DC, at 247, 880 F2d, at 570. The court noted that Congress had "focused nearly exclusively . . . on specific types of laws it intended to eliminate—all of which were positive enactments, not common law rules of liability, as on a contract." Ibid. The court further noted that Congress had often revisited the immunity provision without making it clear that it included contracts or collective-bargaining agreements. Ibid. Finally, the court did not defer to the ICC's interpretation of the Act, presumably because it determined that the Commission's interpretation was belied by the contrary "'unambiguously

[499 US 126]

expressed intent of Congress,'" id., at 244, 880 F2d, at 567 (quoting Chevron U.S.A. Inc. v Natural Resources Defense Council, Inc. 467 US 837, 843, 81 L Ed 2d 694, 104 S Ct 2778 (1984)).

In ruling that § 11341(a) did not apply to collective-bargaining agreements, the court "decline[d] to address the question" whether the section could operate to override provisions of the RLA Brotherhood of Railway Carmen, supra, at 247-250, 880 F2d, at 570-573. It also declined to consider whether the labor protective conditions required by § 11347 are exclusive, or whether § 4 of the New York Dock conditions gives an arbitration committee the right to override provisions of a collective-bargaining agreement. 279 US App DC, at 250, 880 F2d, at 573. The court remanded the case to the Commission for a determination on these issues.

After the Court of Appeals denied the carriers' petitions for rehearing, the carriers in the consolidated cases filed petitions for certiorari, which we granted on March 26, 1990. 494 US 1055, 108 L Ed 2d 762, 110 S Ct 1522 (1990).[2] We now reverse.

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2. On September 9, 1989, the Commission also filed a petition for rehearing, and requested the court to refrain from ruling on the petition until the Commission could issue a comprehensive decision on remand addressing issues that the Court of Appeals left open for resolution. On September 29, 1989, the Court of Appeals issued an order stating that the Commission's petition for rehearing would be "deferred pending release of the ICC's decision on remand." App to Pet for Cert in No. 89-1027, p 54a.

On January 4, 1990, the Commission reopened proceedings in the case remanded to it. On May 21, 1990, two months after we granted the carriers' petitions for certiorari, the Commission issued its remand decision. CSX Corp.—Control—Chessie System, Inc. and Seaboard Coast Line Industries, Inc. 6 ICC 2d 715 (1990). In its decision, the Commission adhered to the Court of Appeals' ruling that § 11341(a) did not authorize it to override provisions of a collective-bargaining agreement. The Commission held, however, that § 11341(a) authorized it to foreclose resort to RLA remedies for modification and enforcement of collective-bargaining agreements "at least to the extent of [its] authority" to impose labor-protective conditions under § 11347. Id., at 754. The Commission explained that the § 11347 limit on its § 11341(a) authority "reflects the consistency of the overall statutory scheme for dealing with CBA modifications required to imple-

[499 US 127]

II

[1b] Title 49 USC § 11341(a) [49 USCS § 11341(a)] provides:

". . . A carrier, corporation, or person participating in that approved or exempted transaction is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let that person carry out the transaction, hold, maintain, and operate property, and exercise control or franchises acquired through the transaction. . . ."

We address the narrow question whether the exemption in § 11341(a) from "all other law" includes a carrier's legal obligations under a collective-bargaining agreement.

[1c, 2a] By its terms, the exemption applies only when *necessary* to carry out an *approved* transaction. These predicates, however, are not at issue here, for the Court of Appeals did not pass on them and the parties do not challenge them. For purposes of this decision, we assume, without deciding, that the Commission properly considered the public interest factors of § 11344(b)(1) in approving the original transaction, that its decision to override the carriers' obligations is consistent with the labor protective requirements of § 11347, and that the override was necessary to the implementation of the transaction within the meaning of § 11341(a). Under these

[499 US 128]

assumptions, we hold that the exemption from "all other law" in § 11341(a) includes the obligations imposed by the terms of a collective-bargaining agreement.[3]

[1d, 3] As always, we begin with the language of the statute and ask whether Congress has spoken on the subject before us. "If the intent of Congress is clear, that is the end of the matter; for the court, as well as the agency, must give effect to the unambiguously expressed intent of Congress." Chevron, 467 US, at 842-

ment Commission-approved mergers and consolidations." Id., at 722. The Commission remanded its decision to the parties for further negotiation or arbitration.

On December 4, 1990, the union respondents petitioned the Court of Appeals for review of the Commission's remand decision. The petition raises three issues: (1) whether § 11341(a) authorizes the ICC to foreclose employee resort to the RLA; (2) whether § 11347 authorizes the ICC to compel employees to arbitrate changes in collective-bargaining agreements; and (3) whether abrogation of employee contract rights effected a taking in violation of the Due Process and Just Compensation Clauses of the Fifth Amendment.

3. [2b] On May 23, 1990, and again on September 19, 1990, the union respondents filed motions to dismiss the case as moot. They argued that in light of the alternative ground for decision offered by the ICC on remand from the Court of Appeals, see n 2, supra, the meaning and scope of § 11341(a) was no longer material to the dispute. The union respondents reassert their mootness argument in their brief on the merits. Brief for Respondent Unions 18.

We disagree. The Commission predicated the *analysis* in its remand order on the correctness of the Court of Appeals' interpretation of § 11341(a). Thus, our definitive interpretation of § 11341(a) may affect the Commission's remand order. Agency compliance with the Court of Appeals' mandate does not moot the issue of the correctness of the court's decision. See, e.g., Cornelius v NAACP Legal Defense & Educational Fund, Inc., 473 US 788, 791, n 1, 87 L Ed 2d 567, 105 S Ct 3439 (1985); Schweiker v Gray Panthers, 453 US 34, 42, n 12, 69 L Ed 2d 460, 101 S Ct 2633 (1981); Maher v Roe, 432 US 464, 468-469, n 4, 53 L Ed 2d 484, 97 S Ct 2376 (1977). In addition, the alternative basis offered by the Commission on remand does not end the controversy between the parties. The parties retain an interest in the validity of the ICC's original order because the Court of Appeals may again disagree with the Commission's interpretation of the Act in its review of the remand order.

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843, 81 L Ed 2d 694, 104 S Ct 2778. The contested language in § 11341(a), exempting carriers from "the antitrust laws and all other law, including State and municipal law," is clear, broad, and unqualified. It does not admit of the distinction the Court of Appeals drew, based on its analysis of legislative history, between positive enactments and common-law rules of liability. Nor does it support the Court of Appeals' conclusion that Congress did not intend the immunity clause to apply to contractual obligations.

[499 US 129]

[1e] By itself, the phrase "all other law" indicates no limitation. The circumstance that the phrase "all other law" is in addition to coverage for "the antitrust laws" does not detract from this breadth. There is a canon of statutory construction which, on first impression, might seem to dictate a different result. Under the principle of ejusdem generis, when a general term follows a specific one, the general term should be understood as a reference to subjects akin to the one with specific enumeration. See Arcadia v Ohio Power Co. 498 US 73, 84-85, 112 L Ed 2d 374, 111 S Ct 415 (1990). The canon does not control, however, when the whole context dictates a different conclusion. Here, there are several reasons the immunity provision cannot be interpreted to apply only to antitrust laws and similar statutes. First, because "[r]epeals of the antitrust laws by implication from a regulatory statute are strongly disfavored," United States v Philadelphia Nat. Bank, 374 US 321, 350, 10 L Ed 2d 915, 83 S Ct 1715 (1963), Congress may have determined that it should make a clear and separate statement to include antitrust laws within the general exemption of § 11341(a). Second, the otherwise general term "all other law" "includ[es]" (but is not limited to) "State and municipal law." This shows that "all other law" refers to more than laws related to antitrust. Also, the fact that "all other law" entails more than "the antitrust laws," but is not limited to "State and municipal law," reinforces the conclusion, inherent in the word "all," that the phrase "all other law" includes federal law other than the antitrust laws. In short, the immunity provision in § 11341 means what it says: A carrier is exempt from *all law* as necessary to carry out an ICC-approved transaction.

[1f, 4] The exemption is broad enough to include laws that govern the obligations imposed by contract. "The obligation of a contract is 'the law which binds the parties to perform their agreement.'" Home Building & Loan Assn. v Blaisdell, 290 US 398, 429, 78 L Ed 413, 54 S Ct 231 (1934) (quoting Sturges v Crowninshield, 4 Wheat 122, 197, 4 L Ed 529 (1819)). A contract depends on a regime

[499 US 130]

of common and statutory law for its effectiveness and enforcement.

> "Laws which subsist at the time and place of the making of a contract, and where it is to be performed, enter into and form a part of it, as fully as if they had been expressly referred to or incorporated in its terms. This principle embraces alike those laws which affect its construction and those which affect its enforcement or discharge." Farmers and Merchants Bank of Monroe v Federal Reserve Bank of Richmond, 262 US 649, 660, 67 L Ed 1157, 43 S Ct 651, 30 ALR 635 (1923).

we pointed out that "§ 11347 [involving 'employee protective arrangements in transactions involving rail carriers'] on its face provides more, not less, generous labor protection than does § 11341(a)." 987 F.2d at 814. Thus, the court found that, with respect to transactions covered by section 11347, "the Commission may not modify a CBA willy-nilly." *Id.* Nonetheless, the *Executives* decision is clear in recognizing that the Commission may modify CBAs as necessary to effectuate covered transactions:

> The statute clearly mandates that "rights, privileges, and benefits" afforded employees under existing CBAs be preserved. Unless, however, every word of every CBA were thought to establish a right, privilege, or benefit for labor—an obviously absurd proposition—§ 565 (and hence § 11347) does seem to contemplate that the ICC may modify a CBA.

Id. at 814 (footnotes omitted). Subsequently, in *ATDA*, the court construed *Executives* as holding that "certain contractual provisions," *i.e.*, those treading upon any rights, privileges, or benefits in a CBA, "are immutable." 26 F.3d at 1163.

In this case, we face two main issues—(1) whether CSXT's proposed seniority changes involve terms of a CBA that are shielded absolutely from the ICC's abrogation authority and, if not, (2) whether the proposed changes are "necessary" to effectuate an ICC-approved transaction.[3]

[3] In their briefs, the unions also contend that, under previous implementing agreements, CSXT was required to make any modifications to CBAs for the former railroads comprising the new consolidated district through RLA procedures. On the record at hand, we find nothing in this claim that gives us pause or that would deter us from deferring to the Commission's judgment.

We also note that, in a related case involving the same contract language at issue here (but a different consolidated district), a panel of this court is currently considering, and will address, whether the language requires application of RLA procedures. See *UTU v. STB*, No. 96-1201.

A. "Rights, Privileges, and Benefits"

The unions argue that the Commission erred in finding that CSXT's proposed merger of the seniority rosters in the consolidated district would not undermine protected rights. We disagree.

When a proposed consolidation involves rail carriers, 49 U.S.C. § 11347 requires the Commission to impose labor-protective conditions on the transaction to ensure a "fair arrangement" that will safeguard the interests of adversely affected employees. See *Executives*, 987 F.2d at 813. In interpreting the safeguards required by § 11347, the Commission held in *New York Dock* that "[t]he rates of pay, rules, working conditions and all collective bargaining and other rights, privileges, and *benefits* ... under applicable laws and/or existing collective bargaining agreements ... shall be preserved unless changed by future collective bargaining agreements." 360 I.C.C. at 84 (emphasis added). In other words, CBA terms that establish "rights, privileges, and benefits" may not be abrogated outside of collective bargaining.[4] Up until now, this broad conceptual framework has been clear, but the scope of the rights at issue has defied comprehension. Obviously confused, the court in *Executives* remanded that case to the Commission to allow the agency to explain the meaning of the phrase "rights, privileges, and benefits." See 987 F.2d at 814.

In this case, the Commission offers a definition: "rights, privileges, and benefits" refers to "the incidents of employment, ancillary emoluments or fringe benefits—as opposed to the more central aspects of the work itself—pay, rules and working conditions." See Commission decision at 14, reprinted in J.A. 237. And "the incidents of employment, ancillary emoluments or fringe benefits" refers to employees' vested and accrued benefits, such as life insurance, hospital-

[4] No one has suggested that seniority provisions fall within the compass of "rates of pay, rules, working conditions" under *New York Dock*, so the scope of this term is not an issue in this case. It is only the meaning of "other rights, privileges, and benefits" that is at issue.

ization and medical care, sick leave, and similar benefits. See *id.* at 15, *reprinted in* J.A. 238. According to the Commission, seniority provisions are not within the compass of "rights, privileges, and benefits" protected absolutely from the Commission's abrogation authority. See *id.* On this point, the Commission notes that seniority provisions "have consistently been modified in the past in connection within [sic] consolidations. This may be due to the fact that almost all consolidations require scope and seniority changes in order to effectuate the purpose of the transaction. Railway Labor Act bargaining over these aspects of a consolidation would frustrate the transactions." *Id.*

The Commission's interpretation is reasonable. See *American Train Dispatchers Ass'n v. ICC*, 54 F.3d 842, 847–48 (D.C. Cir. 1995) (holding that the ICC's interpretation of *New York Dock* rules is entitled to substantial deference by a reviewing court). Under the Commission's interpretation, "rights, privileges and benefits" are protected absolutely, while other employee interests that are not inviolate are protected by a test of "necessity," pursuant to which there must be a showing of a nexus between the changes sought and the effectuation of an ICC-approved transaction. Under this scheme, the public interest in effectuating approved consolidations is ensured without any undue sacrifice of employee interests. In our view, this is exactly what was intended by Congress.

In this case, the only contested changes to the CBAs are seniority provisions covering the previously separate regions of rail service. When pressed at oral argument, the unions' counsel was forced to acknowledge that employees will lose no so-called "fringe benefits" by virtue of CSXT's proposed changes to the CBAs. Thus, the Commission committed no error in holding that CSXT's proposed changes do not undermine protected "rights, privileges, and benefits."

B. Necessity

We next turn to the question whether CSXT's proposed changes to the seniority rosters were necessary to effectuate

an ICC-approved transaction. The unions contend that the Commission erred in finding a nexus. We disagree.

1. Nexus Between Changes Sought and ICC-Approved Transaction

It is undisputed that the Commission has, through a series of decisions, approved CSXT's proposed consolidation of the Chessie and Seaboard subsidiaries as being in the public interest. See *CSX Control*, 363 I.C.C. at 521. Petitioners, however, contend that the Commission erred by finding that there is a nexus between CSXT's proposed changes to the seniority rosters and the ICC-approved transaction. They argue simply that the passage of time between the ICC approval in *CSX Control* and the proposal for changes to the seniority rosters has rendered the two events unrelated. This argument is meritless.

The record clearly supports the Commission's affirmance of the arbitrator's factual finding that the proposed changes are linked to an approved transaction. As the Commission noted, CSXT has consolidated its operations gradually, often waiting until corporate entities were merged. The Chessie and Seaboard Coast subsidiaries were not fully merged until 1992. On this record, we are satisfied that the passage of time does not diminish a causal connection. See *CSX Corp.—Control—Chessie Sys., Inc. and Seaboard Coast Line Indus.*, 8 I.C.C. 2d 715, 724 n.14 (1992), *aff'd sub nom. ATDA*, 26 F.3d at 1157.

2. Transportation Benefit

In *Executives*, we held that, in addition to finding a nexus between the proposed changes and an ICC-approved transaction, "to satisfy the 'necessity' predicate for overriding a CBA, the ICC must find that the underlying transaction yields a transportation benefit to the public, 'not merely [a] transfer [of] wealth from employees to their employer.' 987 F.2d at 815. In other words, the benefit cannot arise from the CBA modification itself; considered independently of the CBA, the transaction must yield enhanced efficiency, greater

safety, or some other gain." *ATDA*, 26 F.3d at 1164 (quoting *Executives*).

CSXT argued, and the ICC accepted, that a consolidation of seniority rosters was necessary to effectuate the merger of the rail lines. This is both obvious on its face and was demonstrated by CSXT. First, there is little point in consolidating railroads on paper if a consolidation of operations cannot be achieved. It is obvious that separate and distinct parts, operating separately and distinctly, will not generate the value of consolidation. Second, CSXT demonstrated that changing crews at previous territorial boundaries of the former railroads, as would be required with separate seniority rosters, would increase costs and slow down transit times. Improvements in efficiency generated by a consolidated seniority roster will reduce CSXT's cost of service, resulting in reduced rates to shippers and ultimately to consumers. The unions offered no evidence to the arbitrator or Commission to challenge CSXT's contentions of improved efficiency. Indeed, at oral argument, the unions' counsel conceded that these efficiencies are not open to dispute. In short, the record supports the Commission's finding that CSXT's proposed changes to the CBAs are necessary to effectuate the ICC-approved transaction.

III. Conclusion

For the foregoing reasons, the petition for review is denied.

Carrier's Exhibit #38

Form 1 NATIONAL RAILROAD ADJUSTMENT BOARD
FIRST DIVISION

Award No. 24158
Docket No. 43826
92-1-91-1-U-1666

The First Division consisted of the regular members and in addition Referee John C. Fletcher when award was rendered.

PARTIES TO DISPUTE: (Union Pacific Railroad Company
(
(United Transportation Union

STATEMENT OF CLAIM:

"Are Union Pacific (Central Region) employees working within the Kansas City Terminal required to join the Missouri Pacific Hospital Association or do they have the right to maintain their membership in the Union Pacific Railroad Employees Health Systems."

FINDINGS:

The First Division of the Adjustment Board upon the whole record and all the evidence, finds that:

The carrier or carriers and the employe or employes involved in this dispute are respectively carrier and employes within the meaning of the Railway Labor Act as approved June 21, 1934.

This Division of the Adjustment Board has jurisdiction over the dispute involved herein.

Parties to said dispute waived right of appearance at hearing thereon.

As a result of a decision in a New York Dock arbitration, Missouri Pacific and Union Pacific yardmen within the Kansas City terminal were merged into a single operation under the operating control of the Missouri Pacific, with working conditions governed by the terms of the UTU-MP Schedule. Union Pacific yardmen, however, retained their prior road rights on the UP 9th District and their prior yard rights on the Kansas Division. The UTU Missouri Pacific Committee seeks to have these former UP yardmen, now working under the MP Agreement, placed within the MP Hospital Association. The UTU Union Pacific Committee is opposed to forcing a transfer from the UP Hospital Association to the MP Association. Carrier, Petitioner herein, is indifferent to which Hospital Association the employees belong to. It only seeks a determination from the Board to avoid the dilemma of being the recipient of claims from one committee or the other.

This Board is aware of only one other instance where a similar issue has been adjudicated by arbitration in this industry. In New York Dock arbitration Union Pacific Railroad System Sacramento Northern Railway Company v. United Transportation Union, Kehoun, Arb., (1985), a determination was made that prior rights Sacramento Northern employees working on the Western Pacific must, after six months, be transferred to coverage under the WP-UTU health and welfare program. The underplinning for this conclusion seems to be the fact that health and welfare benefits arise from the Collective Bargaining Agreement and because prior rights SN employees would be working under the WP Agreement it was procedures flowing from that Agreement which should dictate benefits.

This Board concurs with this basic notion. The Agreement that controls the basic elements of the job should also control health and welfare provisions arising from employment under that Agreement. UP prior rights employees while working in the Kansas City terminal will be subject to the MP Agreement. All facets of their service will be controlled by UTU-MP negotiated provisions. This should also include their health and welfare benefits.

Accordingly, the Board remands the matter to the parties with the directive that procedures be immediately established for the transfer of UP prior rights employees to the MP Hospital Association. The procedures should also provide appropriate flow back provisions in the event an employee exercises his prior rights to a UP assignment.

A W A R D

Claim disposed of in accordance with the Findings.

NATIONAL RAILROAD ADJUSTMENT BOARD
By Order of First Division

Attest: Nancy J. Dever - Executive Secretary

Dated at Chicago, Illinois, this 5th day of August 1992.