

STB FD

32760

2-9-96

B

61213

Item No. 61213
Page Count 13
Feb # 71

61213



BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

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

APPLICANTS' OBJECTIONS TO WISCONSIN POWER'S AND
WISCONSIN PUBLIC SERVICE'S FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

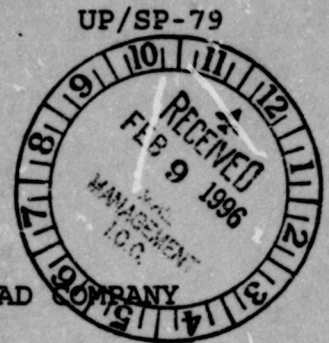
February 9, 1996

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

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



APPLICANTS' OBJECTIONS TO WISCONSIN POWER'S AND
WISCONSIN PUBLIC SERVICE'S FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW submit the following objections to the discovery requests served by Wisconsin Power & Light Company and Wisconsin Public Service Corporation on February 2, 1996. These objections are made pursuant to paragraph 1 of the Discovery Guidelines applicable to this proceeding, which provides that objections to discovery requests shall be made "by means of a written objection containing a general statement of the basis for the objection."

Applicants intend to file written responses to the discovery requests. These responses will provide information (including documents) in response to many of the requests, notwithstanding the fact that objections to the requests are noted herein. It is necessary and appropriate at this stage, however, for Applicants to preserve their right to assert permissible objections.

- 2 -

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

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

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

8. Applicants object to the definitions of "relating to" and "related to" as unduly vague.

9. Applicants object to Instructions 2, 3 and 4 and the definition of "identify" when used with reference to documents to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

10. Applicants object to Instructions 2, 3 and 4 and the definition of "identify" when used with reference to documents as unduly burdensome.

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

12. Applicants object to the interrogatories and document requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

ADDITIONAL OBJECTIONS TO SPECIFIC
INTERROGATORIES AND DOCUMENT REQUESTS

In addition to the General Objections, Applicants make the following objections to the interrogatories and document requests.

Interrogatory No. 1. "Identify the members of the 'Transportation Plan' team, as introduced on pages 16-17 of Witnesses King and Ongerth's Verified Statement."

Additional Objections: None.

Interrogatory No. 2: "Describe any plans, evaluations, studies, analyses or reports performed or written by the 'Transportation Plan' team with respect to post-merger unit train coal traffic flow on the UP mainline across Nebraska and Iowa to the Chicago and Wisconsin areas. For purposes of this Interrogatory and all further interrogatories and document requests, 'UP mainline' refers to the UP east-west line which runs through Cheyenne, Wyoming; North Platte, Gibbon and Fremont, Nebraska; and Council Bluffs, Iowa; and thence, via Boone and Clinton, Iowa, to the Chicago and Wisconsin areas."

Additional Objections: None.

Interrogatory No. 3: "Identify all documents relating to your responses to Interrogatory Nos. 1 and 2."

Additional Objections: None.

Interrogatory No. 4: "State whether, in planning for post-merger unit train coal traffic flow, Applicants considered, analyzed, addressed or evaluated (i) post-merger increased congestion on the UP mainline across Nebraska and Iowa to the Chicago and Wisconsin areas; or (ii) the effect of the loss of competitive rail service by the SP for western coal moving to the Chicago and Wisconsin areas."

Additional Objections: None.

Interrogatory No. 5: "Identify all documents relating to your response to Interrogatory No. 4."

Additional Objections: None.

Interrogatory No. 6: "With respect to post-merger unit train coal traffic flow on the UP mainline across Nebraska and Iowa to the Chicago and Wisconsin areas, identify the basis for Witnesses King and Ongerth's statement on page 59-60 of their Verified Statement that 'we expect the UP/SP consolidation to improve the reliability of rail service compared to the service experienced by UP or SP shippers today. Our goal is to meet shippers' demands for predictability and time-definite delivery'"

Additional Objections: None.

Interrogatory No. 7: "Describe in detail any plans by UP or SP to make improvements or modifications to any of the physical facilities used for the interchange of unit train or

trainload coal traffic between UP or SP and Wisconsin Central Ltd., in the vicinity of Chicago."

Additional Objections: None.

Interrogatory No. 8: "Identify all documents relating to your response to Interrogatory No. 7."

Additional Objections: None.

Interrogatory No. 9: "Describe in detail any forecasts made or relied upon by Witnesses King or Ongerth in the preparation of their Verified Statement and/or Operating Plan, concerning the volumes of coal expected to be transported over the UP mainline to Chicago following consummation of the proposed merger. In answering this Interrogatory, please describe also the extent to which consideration was given to plans by rail carriers other than UP or SP to make improvements or modifications to their lines serving Chicago, and the impact of such improvements or modifications on forecast traffic flows."

Additional Objections: None.

Interrogatory No. 10: "Identify all documents relating to your response to Interrogatory No. 9."

Additional Objections: None.

Interrogatory No. 11: "At page 35 of their Verified Statement, Witnesses King and Ongerth state: 'All manifest traffic between Southern California and Chicago or the Upper Midwest will be shifted to UP's Central Corridor line via Ogden, with its greater capacity and efficient North Platte hump yard.' With regard to this statement, please:

- (a) describe the amount and type of manifest traffic, in number of trains per day, that is expected to be shifted;
- (b) describe the scheduling priority(ies) that such trains will have; and
- (c) describe in detail the effect that the presence of such trains is expected to have on schedules and transit times for unit train or trainload coal traffic moving on the UP mainline to Chicago."

Additional Objections: None.

Interrogatory No. 12: "Identify all documents relating to your response to Interrogatory No. 11."

Additional Objections: None.

Interrogatory No. 13: "At page 58 of their Verified Statement, Witnesses King and Ongerth state: 'The KP route will also be available as a relief route for UP's mainline via North Platte when it experiences congestion or heavy maintenance,' With regard to this statement, please:

- (a) describe in detail the frequency with which UP and SP expect that unit train or trainload coal traffic will be diverted to the KP route, including an estimate of the number of trains each year;
- (b) describe the procedures that will be employed to determine when and which traffic will be diverted to the KP route, including any priorities that will be assigned to given traffic or type of service; and
- (c) describe the difference in transit time (expressed in hours) that a unit train or trainload coal shipment originating at Thunder Junction, Wyoming and normally routed over the UP mainline to Chicago would experience if diverted to the KP route."

Additional Objections: None.

Interrogatory No. 14: "Identify all documents relating to your response to Interrogatory No. 13."

Additional Objections: None.

Interrogatory No. 15: "Describe in detail the effect that the process of pre-blocking trains at North Platte, as described on page 184 of the Verified Statement of Witnesses King and Ongerth, will have on scheduling and/or transit times of unit train or trainload coal traffic transported over the UP mainline through North Platte to Chicago."

Additional Objections: None.

Interrogatory No. 16: "Identify all documents relating to your response to Interrogatory No. 15."

Additional Objections: None.

Interrogatory No. 17: "Identify the expected post-merger rail route and transit time (in both loaded and empty directions) for coal traffic moving from Thunder Junction, Wyoming for ultimate delivery:

- (a) to WP&L's generating facilities known as Columbia Generating Station (Portage, Wisconsin) and Edgewater Generating Station (Sheboygan, Wisconsin); and
- (b) to WPSC's generating facilities known as Pulliam Generating Station (Green Bay, Wisconsin) and Weston Generating Station (Wausau, Wisconsin)."

Additional Objections: None.

Interrogatory No. 18: "Identify the expected post-merger rail route and transit time (in both loaded and empty directions) for coal traffic moving from either Acco, Utah or Co-op, Utah for ultimate delivery to WP&L's generating facilities known as Rock River Generating Station (Beloit, Wisconsin), Nelson Dewey Generating Station (Cassville, Wisconsin), and Edgewater Generating Station (Sheboygan, Wisconsin)."

Additional Objections: None.

Interrogatory No. 19: "Describe any operational constraints that inhibit or prohibit Applicants' efficient provision of unit train service for both WP&L's and WPSC's coal traffic from either PRB or Colorado and Utah origins for ultimate delivery to each generating facility identified in Interrogatory Nos. 17 and 18."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 20: "Describe any analyses, discussions or evaluations that have been undertaken by Applicants (either together or singly) concerning ways in which the operational constraints described in Interrogatory No. 19 could be eliminated or ameliorated either before or after the proposed merger."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 1: "Produce all documents identified in response to Interrogatory No. 3."

Additional Objections: None.

Document Request No. 2: "Produce all documents identified in response to Interrogatory No. 5."

Additional Objections: None.

Document Request No. 3: "Produce all documents which supported the quoted statement in Interrogatory No. 6 and all documents which specifically relate to traffic on the UP mainline across Nebraska and Iowa to the Chicago and Wisconsin areas."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 4: "Produce all documents identified in response to Interrogatory No. 8."

Additional Objections: None.

Document Request No. 5: "Produce all documents identified in response to Interrogatory No. 10."

Additional Objections: None.

Document Request No. 6: "Produce all documents identified in response to Interrogatory No. 12."

Additional Objections: None.

Document Request No. 7: "Produce all documents identified in response to Interrogatory No. 14."

Additional Objections: None.

Document Request No. 8: "Produce all documents identified in response to Interrogatory No. 16."

Additional Objections: None.

Document Request No. 9: "Produce all documents which support or relate to the response given to Interrogatory No. 17."

Additional Objections: None.

Document Request No. 10: "Produce all documents which support or relate to the response given to Interrogatory No. 18."

Additional Objections: None.

Document Request No. 11: "Produce all documents which support or relate to the response to Interrogatory No. 19."

Additional Objections: See objections to Interrogatory No. 19.

Document Request No. 12: "Produce all documents which support or relate to the response given to Interrogatory No. 20."

Additional Objections: See objections to Interrogatory No. 20.

Document Request No. 13: "Produce all documents prepared for or in the possession or control of Applicants that relate to potential post-merger changes in:

- (a) rail transportation service to WP&L and to WPSC; or
- (b) the revenues or rates received by Applicants for such service; or
- (c) the amount of existing or potential inter- or intra-modal competition for participation in such service,

that might result from the merger and other transactions for which Applicants seek approval in this proceeding."

Additional Objections: Applicants object to this document request as unduly burdensome.

Document Request No. 14: "Produce all documents prepared for or in the possession or control of Applicants that relate to the possible effect of the merger and other transactions, for which Applicants seek approval in this proceeding, on the ability of carriers other than Applicants to participate in the movement of coal from coal mines in the PRB or coal mines in Colorado or Utah for ultimate delivery either to WP&L-owned electric generating facilities or to WPSC-owned electric generating facilities, which facilities are identified in Interrogatory Nos. 17 and 18, supra."

Additional Objections: None.

Document Request No. 15: "Produce all communications with producers or receivers of PRB coal concerning complaints related to the service provided by UP with respect to the transportation of such coal over its mainline across Nebraska and Iowa to the Chicago and Wisconsin areas from the period January 1, 1994 to present."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 16: "Produce all communications with producers or receivers of Colorado and/or Utah coal concerning complaints related to the service provided by SP with respect to the transportation of such coal to the Chicago and Wisconsin areas from the period January 1, 1994 to present."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1370 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

Arvid E. Roach II
ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

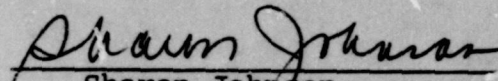
February 9, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 9th day of February, 1996, I caused a copy of the foregoing document to be served by hand on C. Michael Loftus, counsel for Wisconsin Power & Light and Wisconsin Public Service, at Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580


Sharon Johnson

STB FD

32760

2-9-96

B

61212

ENTERED
Office Item No. 61212

Page Count 10
Feb II 77

UP/SP-81

BEFORE THE
TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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



APPLICANTS' OBJECTIONS TO WESTERN COAL TRAFFIC
LEAGUE'S SECOND SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

February 9, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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



APPLICANTS' OBJECTIONS TO WESTERN COAL TRAFFIC
LEAGUE'S SECOND SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW submit the following objections to the discovery requests served by Western Coal Traffic League on February 2, 1996. These objections are made pursuant to paragraph 1 of the Discovery Guidelines applicable to this proceeding, which provides that objections to discovery requests shall be made "by means of a written objection containing a general statement of the basis for the objection."

Applicants intend to file written responses to the discovery requests. These responses will provide information (including documents) in response to many of the requests, notwithstanding the fact that objections to the requests are noted herein. It is necessary and appropriate at this stage, however, for Applicants to preserve their right to assert permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by Western from its own files.

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

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

9. Applicants object to the interrogatories and document requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

10. Applicants incorporate by reference their prior objections to the definitions and instructions set forth in Western's first set of interrogatories and document requests.

ADDITIONAL OBJECTIONS TO SPECIFIC
INTERROGATORIES AND DOCUMENT REQUESTS

In addition to the General Objections, Applicants make the following objections to the interrogatories and document requests.

Interrogatory No. 25. "Identify all coal shippers (including coal mines, coal transloading facilities and power plants or other facilities at which coal is loaded into or unloaded from railcars and the owners or operators thereof) to which BNSF will gain access as a result of the Settlement Agreement. For purposes of this Interrogatory, 'access' means the ability to serve directly with BNSF's power and crews and/or the ability to serve via reciprocal switch or interchange with a rail carrier other than UP/SP that directly serves a coal shipper."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is

neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 26: "Identify any communication(s) with a shipper(s) relating to proposed or contemplated build-outs or build-ins between a plant or other shipping or receiving facility served by UP and a line of the SP, or vice versa, within one year prior to August 4, 1995. With respect to any such communications, provide the name of the shipper, the location of the facility, and the date(s) and nature of the communication(s). For purposes of this Interrogatory, 'build-out' means construction of a spur or other line by UP or SP."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 27: "Identify any studies, analyses, memoranda, reports or other documents relating to whether the proposed merger should or would be consummated if the approval were conditioned on (a) divesting or (b) providing trackage rights over UP/SP's Central Corridor lines, in either event to a neutral rail carrier (one other than UP/SP or BN/Santa Fe) so as to permit such neutral carrier to serve all coal mines presently served by SP in Colorado and Utah and to transport coal produced at such mines or at mines served by the Utah Railway to Kansas City, MO/KS and/or St. Louis, MO, for movement beyond via connecting rail carriers or other mode of transportation."

Additional Objections: None.

Interrogatory No. 28: "Identify any communications between Applicants and Illinois Central Railroad Company ('IC') relating to the matters identified in the UP press release attached here to as Appendix 1."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is

neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 29: "With respect to the first paragraph at the top of the second page of Appendix 1 attached hereto, and assuming that the Board imposes a condition to any grant of merger authority to Applicants requiring sale of or a grant of trackage rights over UP/SP's Central Corridor lines between Provo, UT or points west thereof and Kansas City, MO or points east thereof via Grand Junction, Denver and/or Pueblo, CO, including access to coal mines presently served by or accessible to SP, and that Applicants still decide to go ahead with the merger:

- (a) State whether the agreement with IC requires Applicants to negotiate first with IC concerning such sale or trackage rights;
- (b) Describe any communications between Applicants and IC concerning the line or line(s) that would be sold to or operated over by IC in order to enable IC to provide service between points in the midwest and points in Colorado and/or Utah; and
- (c) Identify the line or line(s) which Applicants would propose to sell to IC or over which Applicants would propose to grant trackage rights."

Additional Objections: None.

Interrogatory No. 30: "Identify any studies, analyses, memoranda, reports or other documents relating to your answer to any part of Interrogatory No. 29."

Additional Objections: None.

Interrogatory No. 31: "Describe any agreement(s) or understanding(s) between Applicants and the Utah Railway or among Applicants, BN/Santa Fe and the Utah Railway concerning Utah Railway's access to additional coal mines or coal transloading facilities following consummation of the proposed merger."

Additional Objections: None.

Interrogatory No. 32: "Identify any documents relating to the agreement(s) or understanding(s) described in your answer to Interrogatory No. 7."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 33: "For purposes of this Interrogatory, 'WRPI' means Western Railroad Properties, Incorporated and 'CNW' means Chicago and North Western Railway Company. Are there any instances where WRPI/UP or WRPI/UP/CNW or UP/CNW submitted a joint bid or rate proposal for the movement of coal to a customer within one year prior to the date of exercise of the common control authority granted by the Interstate Commerce Commission in its decision served March 7, 1995 in Finance Docket No. 32133, and UP submitted a higher bid or rate proposal for the same movement (or a coal movement of comparable tonnage involving the same origin mining area and destination and the same time frame) subsequent to the date of exercise of such common control authority?"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 34: "If the answer to Interrogatory No. 34 is affirmative, identify with respect to each such instance:

- (a) The origin mining area involved;
- (b) The destination state;
- (c) The amount of the increase expressed as a percentage; and
- (d) Whether UP provided bids or rate proposals for the movement of coal to the same customer(s) during the same time frames from (i) the same mining areas, or (ii) other origin mining areas."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 27: "Produce all documents relating to all communications identified in response to Interrogatory No. 26."

Additional Objections: See objections to Interrogatory No. 26.

Document Request No. 28: "Produce all documents identified in response to Interrogatory No. 27."

Additional Objections: None.

Document Request No. 29: "Produce all documents relating to all communications identified in response to Interrogatory No. 28."

Additional Objections: See objections to Interrogatory No. 28.

Document Request No. 30: "Produce any agreements or written understandings between Applicants and IC relating to the subject matter of the first paragraph at the top of the second page of Appendix 1 attached hereto."

Additional Objections: None.

Document Request No. 31: "Produce all documents identified in response to Interrogatory No. 30."

Additional Objections: None.

Document Request No. 32: "Produce all documents identified in response to Interrogatory No. 32."

Additional Objections: See objections to Interrogatory No.

32.

Respectfully submitted,

CANNON Y. HARVEY
LOUIS P. WARCHOL
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

Arvid E. Roach II
ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

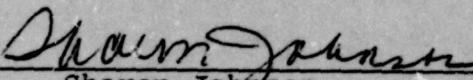
February 9, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 9th day of February, 1996, I caused a copy of the foregoing document to be served by hand on C. Michael Loftus, counsel for Western Coal Traffic League, at Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580


Sharon Johnson

STB FD 32760

2-7-96

B

61197

Item No. _____

Page Count 9

Feb 7 55

61197

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760



ENTERED
Office of the Secretary
FEB 08 1996

3 Part of
Public Record

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

APPLICANTS' OBJECTIONS TO ARIZONA ELECTRIC POWER'S
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eight and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

February 7, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 32760

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

APPLICANTS' OBJECTIONS TO ARIZONA ELECTRIC POWER'S
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and
DRGW submit the following objections to the discovery requests
served by Arizona Electric Power Cooperative, Inc. on January
31, 1996. These objections are made pursuant to paragraph 1
of the Discovery Guidelines applicable to this proceeding,
which provides that objections to discovery requests shall be
made "by means of a written objection containing a general
statement of the basis for the objection."

Applicants intend to file written responses to the
discovery requests. These responses will provide information
(including documents) in response to many of the requests,
notwithstanding the fact that objections to the requests are
noted herein. It is necessary and appropriate at this stage,
however, for Applicants to preserve their right to assert
permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by Arizona Electric from its own files.

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

AEPCO's Apache plant] with nearby Colorado and New Mexico origins."

Additional Objections: None.

Interrogatory No. 2: "State whether AEPCO's Apache Station is one of the locations that Witness Sharp referred to in his assertion in Volume 2 of the Application (at p. 689 n. 28) that '[l]ocal truck hauls compete with SP traffic at some locations . . .'. If so, identify the basis for this assertion."

Additional Objections: None.

Interrogatory No. 3: "Identify any operational or economic constraints that prohibit the Applicants from providing coal unit train service from the Powder River Basin to AEPCO's Apache Station via Stratford, Texas."

Additional Objections: None.

Interrogatory No. 4: "Identify any operational or economic constraints that prohibit the Applicants from providing coal unit train service from coal origins in Colorado to AEPCO's Apache Station via Stratford, Texas."

Additional Objections: None.

Document Request No. 1: "Produce all documents identified in response to Interrogatory No. 1."

Additional Objections: None.

Document Request No. 2: "Produce all documents identified in response to Interrogatory No. 2."

Additional Objections: None.

Document Request No. 3: "Produce all documents identified in response to Interrogatory No. 3."

Additional Objections: None.

Document Request No. 4: "Produce all documents identified in response to Interrogatory No. 4."

Additional Objections: None.

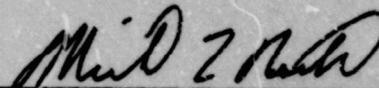
Document Request No. 5: "Produce all documents which discuss or relate to Applicants' potential participation in the rail

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 7th day of February, 1996, I caused a copy of the foregoing document to be served by hand on C. Michael Loftus, counsel for Arizona Electric Power, at Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580



Michael L. Rosenthal

STB FD 32760

2-2-96

B

61161

Item No. _____

Page Count 12

FEB 2/9

61161

UP/SP-73

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --

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



FEB 2 5 1996

APPLICANTS' OBJECTIONS TO WESTERN RESOURCES'
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

February 2, 1996

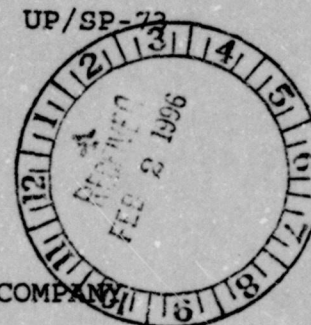
BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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



APPLICANTS' OBJECTIONS TO WESTERN RESOURCES'
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW submit the following objections to the discovery requests served by Western Resources, Inc., on January 26, 1996. These objections are made pursuant to paragraph 1 of the Discovery Guidelines applicable to this proceeding, which provides that objections to discovery requests shall be made "by means of a written objection containing a general statement of the basis for the objection."

Applicants intend to file written responses to the discovery requests. These responses will provide information (including documents) in response to many of the requests, notwithstanding the fact that objections to the requests are noted herein. It is necessary and appropriate at this stage, however, for Applicants to preserve their right to assert permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by Western from its own files.

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

in the rail transportation agreement between Western, SP and The Atchison, Topeka and Santa Fe Railway Company ('Santa Fe') identified as ICC-DRGW-C-15052, which will be caused by Applicants' Operating Plan if the proposed UP/SP consolidation is approved."

Additional Objections: None.

Interrogatory No. 2: "State how soon after the approval of their proposed merger Applicants intend to consummate the proposed abandonment of track known as the Towner-NA Junction Line (portion of Hoisington Subdivision) in Kiowa, Crowley and Pueblo Counties, Colorado, authority for which has been sought by the Missouri Pacific Railroad Company in Docket No. AB-3 (Sub No. 130)."

Additional Objections: None.

Interrogatory No. 3: "State how soon after approval of their proposed merger Applicants intend to consummate the proposed discontinuance of trackage rights over the Towner-NA Junction Line, authority for which has been sought by the Denver and Rio Grande Western Railroad Company in Docket No. AB-8 (Sub No. 38)."

Additional Objections: None.

Interrogatory No. 4: "State how soon after approval of their proposed merger Applicants intend to consummate the proposed abandonment of track known as the Hope-Bridgeport Line (portion of Hoisington Subdivision) in Dickinson and Saline Counties, Kansas, authority for which has been sought by the Missouri Pacific Railroad Company in Docket No. AB-3 (Sub No. 131)."

Additional Objections: None.

Interrogatory No. 5: "State how soon after approval of their proposed merger Applicants intend to consummate the proposed discontinuance of trackage rights over the Hope-Bridgeport line, authority for which has been sought by the Denver and Rio Grande Western Railroad Company in Docket No. AB-8 (Sub No. 37)."

Additional Objections: None.

Interrogatory No. 6: "State how soon after approval of their proposed merger Applicants intend to consummate the proposed abandonment of a 109-mile portion of track as the Malta-Canon City Line, between Malta and Canon City in Lake, Chaffee, and Fremont Counties, Colorado, authority for which has been

sought by Southern Pacific Transportation Company in Docket No. AB-12 (Sub No. 188)."

Additional Objections: None.

Interrogatory No. 7: "State how soon after approval of their proposed merger Applicants intend to consummate the proposed discontinuance of trackage rights over the Malta-Canon City Line, authority for which has been sought by The Denver Rio Grande and Western Railroad Company in Docket No. AB-8 (Sub No. 39)."

Additional Objections: None.

Interrogatory No. 8: "State when the proposed upgrades to the original Kansas Pacific line from Denver to Topeka via Salina, Kansas described in Applicants' Operating Plan are expected to be commenced, and the estimated time for completion of such upgrades."

Additional Objections: None.

Interrogatory No. 9: "State when Applicants proposed to begin rerouting SP trains carrying coal from Colorado mine origins which presently use the Tennessee Pass route to Kansas City via Pueblo, Colorado to the upgraded Kansas Pacific line to Kansas City via Denver, Colorado."

Additional Objections: None.

Interrogatory No. 10: "Describe in detail the '\$50 million worth of new track, ten new 9,300 foot sidings and five siding extensions' referenced in conjunction with the upgrades to the Kansas Pacific Line in the Merger Application, Volume 3, at pages 58 and 219."

Additional Objections: None.

Interrogatory No. 11: "Describe in detail the means by which Applicants intend to route empty coal trains to the Powder River Basin of Wyoming via Topeka and Denver, including but not limited to all planned connections, interchanges, newly constructed track, upgrades, and other reconfigurations or additions or subtractions to existing trackage and routing deemed necessary to accomplish this objective."

Additional Objections: None.

Interrogatory No. 12: "Describe any studies or analyses Applicants have conducted on the effect of the Operating Plan on coal unit train cycle times."

Additional Objections: None.

Interrogatory No. 13: "Describe in detail the extent to which the Operating Plan contemplates the use by Applicants of the line of rail currently owned by the Santa Fe running between Topeka, Kansas and Kansas City Kansas/Missouri, including but not limited to:

- a. Whether it is intended that loaded coal unit trains will traverse the line in either direction, and if so, the level of this traffic on a daily basis and the origins of such coal;
- b. Whether it is intended that empty coal unit trains will traverse the line in either direction, and if so, the level of this traffic on a daily basis and the origins of such empty trains;
- c. The extent to which intermodal trains use this line, and the level of such traffic on a daily basis; and
- d. The extent to which (a)-(c) above will improve Santa Fe's ability to serve existing shippers along the line."

Additional Objections: None.

Interrogatory No. 14: "Describe how Applicant's trains traveling west over the Santa Fe line between Topeka and Kansas City will reach Herington, Kansas, including but not limited to a description of all new or modified interchanges, connections, trackage, or other rail facilities, between Applicants and Santa Fe in Topeka, Kansas, required to facilitate this routing."

Additional Objections: None.

Interrogatory No. 15: "Describe how Applicant's trains traveling west over the Santa Fe line between Topeka and Kansas City will reach Salina, Kansas, including but not limited to all new or modified interchanges, connections, trackage, or other rail facilities, between Applicants and Santa Fe in Topeka, Kansas, required to facilitate this routing."

Additional Objections: None.

Interrogatory No. 16: "State when Applicants intend to close the current SP Lines' yard in Topeka, Kansas, as described in the Merger Application at Volume 3, page 182."

Additional Objections: None.

Interrogatory No. 17: "State whether the present rail interchange between the SP and Santa Fe at First Street in Topeka, Kansas is to be eliminated under Applicants' Operating Plan."

Additional Objections: None.

Interrogatory No. 18: "If the Santa Fe/SP interchange at First Street in Topeka is to remain in place, describe the type and projected levels of UP/SP traffic over the Santa Fe main line pursuant to the trackage rights granted to SP by Santa Fe in the Agreements dated April 13, 1995 and August 1, 1995, between SP, Santa Fe and the Burlington Northern Railroad Company, and SP and Santa Fe, respectively."

Additional Objections: None.

Document Request No. 1: "All documents referring or relating to the new route for coal trains moving between the Powder River Basin in Wyoming and Texas using segments of UP and SP trackage identified and described in the Merger Application at Volume 3, page 123."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 2: "All documents, including but not limited to maps, diagrams and track charts which relate to the 'new route for coal and grain traffic to Texas via Topeka, Kansas' identified and described in the verified statement of King/Ongerth in the Merger Application, at Volume 3, pages 56-58."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither

relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 3: "All documents, including but not limited to maps, diagrams and track charts which refer or relate to the Kansas Pacific Route identified in the verified statement of King/Ongerth."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 4: "All documents, including but not limited to maps, diagrams and track charts which refer or relate to the yard consolidation and conversion, and 'other changes in the routing of traffic' in UP's Neff Yard and 18th Street Yard, and SP's Armourdale Yard, located in Kansas City, Kansas/Missouri, which are described in the Merger Application, at Volume 3, pages 179-180."

Additional Objections: None.

Document Request No. 5: "All documents, including but not limited to maps, diagrams and track charts which discuss or illustrate (1) the present configuration of the SP's and UP's rail yards in Kansas City, Kansas and (2) the changes Applicants have proposed to make to these rail yards, as described in the Merger Application at Volume 3, at page 223."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 6: "All documents, including but not limited to maps, diagrams and track charts which relate to the proposed changes to UP and SP trackage in Herington, Kansas, described in the Merger Application at Volume 3, pages 180-182."

Additional Objections: None.

Document Request No. 7: "All documents, including but not limited to maps, diagrams and track charts which discuss or illustrate (1) the present configuration of the SP's and UP's rail yards in Topeka, Kansas, and (2) all changes Applicants have proposed to make to these rail yards, as described in the Merger Application at Volume 3, at page 132."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 8: "All documents, including but not limited to maps, diagrams, and track charts referring or relating to the construction by UP and SP of a connection in Topeka 'to allow continued access to SP served industry while eliminating current UP-SP crossing,' described in the Merger Application at Volume 3, page 227."

Additional Objections: None.

Document Request No. 9: "All documents which refer or relate to the effect of the Applicants' proposed Operating Plan on the current arrangement by which coal is delivered by SP for Western Resources, Inc. from Colorado origin mines to SP's interchange with Santa Fe in Kansas City, Kansas/Missouri, via Pueblo, Colorado, for final delivery to Western's Lawrence and Tecumseh Energy Stations."

Additional Objections: None.

Respectfully submitted,

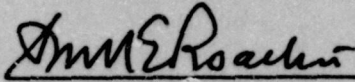
CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000


ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

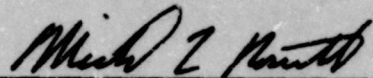
February 2, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 2nd day of February, 1996, I caused a copy of the foregoing document to be served by hand on Nicholas J. DiMichael, counsel for Western Resources, Donelan, Cleary, Wood & Maser, P.C., 1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005-3934, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580



Michael L. Rosenthal

STB FD 32760

2-2-96

B

61160

Item No. _____

Page Count 13

Feb # 18

61160
62/SP-72

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

- CONTROL AND MERGER -

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



APPLICANTS' OBJECTIONS TO DOW CHEMICAL'S
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUTNIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eight and Eaton Avenues
Bethlehem, Pennsylvania 18015
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

February 2, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

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



APPLICANTS' OBJECTIONS TO DOW CHEMICAL'S
FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW submit the following objections to the discovery requests served by Dow Chemical Company on January 26, 1996. These objections are made pursuant to paragraph 1 of the Discovery Guidelines applicable to this proceeding, which provides that objections to discovery requests shall be made "by means of a written objection containing a general statement of the basis for the objection."

Applicants intend to file written responses to the discovery requests. These responses will provide information (including documents) in response to many of the requests, notwithstanding the fact that objections to the requests are noted herein. It is necessary and appropriate at this stage, however, for Applicants to preserve their right to assert permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by Dow from its own files.

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

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

9. Applicants object to the definition of "referring to" as unduly vague.

10. Applicants object to Instructions A, C, D and E and the definition of "produce" to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

11. Applicants object to Instructions A, C, D and E and the definition of "produce" as unduly burdensome.

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

13. Applicants object to the interrogatories and document requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

ADDITIONAL OBJECTIONS TO SPECIFIC
INTERROGATORIES AND DOCUMENT REQUESTS

In addition to the General Objections, Applicants make the following objections to the interrogatories and document requests.

Interrogatory No. 1. "Identify all chemical and plastics production facilities that are rail-served exclusively by the

UP or SP and which, since January 1, 1990, have threatened to shift their traffic to barge if they were not offered a more competitive rate for rail transportation. Identify the producer and the commodity involved (by STCC), state whether UP or SP retained the traffic, state whether more competitive rates were offered by the UP or SP, and identify the percentage of total outbound traffic from each facility that was threatened by barge competition."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 2: "Identify all chemical and plastics production facilities that are rail-served exclusively by the UP or SP and which, since January 1, 1990, have threatened to shift production to another commonly owned facility if they were not offered a more competitive rate for rail transportation. Identify the producer and the commodity involved (by STCC), state whether UP or SP retained the traffic, state whether more competitive rates were offered by the UP or SP, and identify the percentage of total outbound traffic from each facility that was threatened by the potential shift in production."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 3: "Identify all chemical and plastics production facilities that are rail-served exclusively by the UP or SP and which, since January 1, 1990, have threatened to "swap" production with a facility owned by another chemical or plastics producer if they were not offered a more competitive rate for rail transportation. Identify the producer and the commodity involved (by STCC), state whether UP or SP retained the traffic, state whether more competitive rates were offered by the UP or SP, and identify the percentage of total outbound traffic from each facility that was threatened by the proposed

'swap' arrangement. The term 'swap' should be give the same meaning as it has in the Verified Statement of Richard B. Peterson at page 247."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 4: "Identify each instance, since January 1, 1990, in which Dow has used its 'size and geographic diversity' -- as this phrase is used in the Verified Statement of Richard B. Peterson at page 246 -- to its advantage in contract negotiations encompassing traffic at the Freeport facilities and/or Louisiana facilities. Identify the percentage of total outbound traffic from each Dow facility that would have been threatened by Dow's size and geographic diversity."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 5: "State the name, address and job title or position of each individual (1) who was consulted for responses to these interrogatories and document requests, or (2) who participated in preparation of responses to these interrogatories and document requests, or (3) who have knowledge concerning the facts contained in the responses."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 1: "Produce all documents that refer or relate to the possibility of any rail carrier other than UP or the merged rail entity gaining rail access to the Freeport facilities and/or Louisiana facilities for train service either through construction of a new line of rail or by operating over the track of Applicants."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 2: "Produce all documents that refer or relate to rates and/or contract negotiations between the UP and Dow which include traffic originating at Dow's Freeport facilities and/or Louisiana facilities."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 3: "Produce all documents that refer to relate to competition for traffic originating at Dow's Freeport facilities and/or Louisiana facilities."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 4: "Produce all documents generated by, for, or at the request of one or both Applicants that refer or relate to Dow's ability to shift production capacity for any commodity produced at the Freeport facilities to any other Dow facility."

Additional Objections: Applicants object to this document request as unduly burdensome.

Document Request No. 5: "Produce all rail transportation contracts between one or both Applicants and all chemical producers for the movement of chemical commodities originating at production facilities located in the vicinity of Houston, Texas, the Texas Gulf Coast, and Baton Rouge, Louisiana."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 6: "Produce all documents generated by, for, or at the request of one or both of the Applicants that refer or relate to truck rail, barge, and pipeline competition for chemical commodities."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 7: "Produce all documents that refer or relate to potential competition from the BNSF for chemicals traffic on the Texas Gulf Coast after the merger is consummated."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome.

Document Request No. 8: "Produce all documents that refer or relate to potential competition from any other rail carrier, including the SP, for traffic at Dow's Freeport facilities, before or after consummation of Applicants' proposed merger, including whether Applicants have determined if there are any market constraints on the rates that could be charged to Dow by Applicants or the merged rail entity for such service."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 9: "Produce all documents, since January 1, 1990, that refer or relate to the any threats by Dow to use roll-on-roll-off barge service at the Freeport facilities or Louisiana facilities, including, but not limited to, the instance discussed in the Verified Statement of Richard B. Peterson at page 241. Such documents should include, but not be limited to, correspondence between UP and Dow, internal UP correspondence and memoranda, and any studies, analyses, or reports conducted by or at the request of UP."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 10: "Produce all documents, since January 1, 1990, that refer or relate to any threats by Dow to use tankers to ship chemical commodities from the Freeport facilities, including the instance discussed in the Verified Statement of Richard B. Peterson at page 241-242. Such documents should include, but not be limited to, correspondence between UP and Dow, internal UP correspondence and memoranda, and any studies, analyses, or reports conducted by or at the request of UP."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Additional Objections: See objections to Interrogatory No.3.

Document Request No. 16: "Produce all documents that refer or relate to each instance in your response to Interrogatory No. 4."

Additional Objections: See objections to Interrogatory No. 4.

Respectfully submitted,

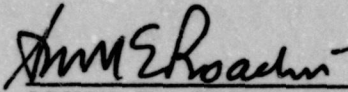
CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000


ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

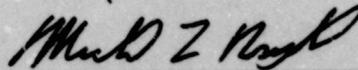
February 2, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 2nd day of February, 1996, I caused a copy of the foregoing document to be served by hand on Nicholas J. DiMichael, counsel for Dow Chemical, Dorlan, Cleary, Wood & Maser, P.C., 1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005-3934, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580



Michael L. Rosenthal

STB

FD

32760

2-1-96

61153

B

Item No. _____

Page Count 10

Feb # 11

61153

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

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



APPLICANTS' OBJECTIONS TO THE FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS FROM ENTERGY, ARKANSAS POWER, AND GULF STATES

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

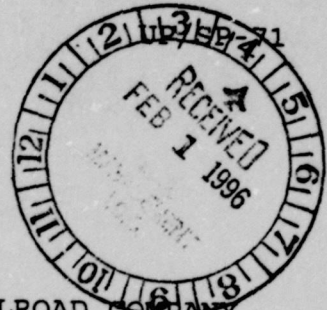
JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

February 1, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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

APPLICANTS' OBJECTIONS TO THE FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS FROM ENTERGY, ARKANSAS POWER, AND GULF STATES

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCL and
DRGW submit the following objections to the discovery requests
served by Entergy Services, Inc., Arkansas Power & Light
Company, and Gulf States Utility Company on January 25, 1996.
These objections are made pursuant to paragraph 1 of the
Discovery Guidelines applicable to this proceeding, which
provides that objections to discovery requests shall be made
"by means of a written objection containing a general
statement of the basis for the objection."

Applicants intend to file written responses to the
discovery requests. These responses will provide information
(including documents) in response to many of the requests,
notwithstanding the fact that objections to the requests are
noted herein. It is necessary and appropriate at this stage,
however, for Applicants to preserve their right to assert
permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

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

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

8. Applicants object to the definitions of "relating to" and "relate to" as unduly vague.

9. Applicants object to Instructions Nos. 2, 3, 4, 5 and 6 to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

10. Applicants object to Instructions Nos. 2, 3, 4, 5 and 6 as unduly burdensome.

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

12. Applicants object to the interrogatories and document requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

ADDITIONAL OBJECTIONS TO SPECIFIC
INTERROGATORIES AND DOCUMENT REQUESTS

In addition to the General Objections, Applicants make the following objections to the interrogatories and document requests.

Interrogatory No. 1: "Provide the mileage over the portion of SP's Houston, TX-Memphis, TN line between Pine Bluff, AR and the closest existing connection between such line and BNSF at or in the vicinity of Memphis, TN."

Additional Objections: None.

Interrogatory No. 2: "Provide the following information with respect to the portion of the unit-train movement of PRB coal to the White Bluff Station east/south of Kansas City, MO/KS:

- (a) The number of locomotive units customarily used for each loaded and empty movement.
- (b) The type of locomotives customarily used and their gross weight."

Additional Objections: Applicants object to this interrogatory as overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 3: "Provide any changes in the number, type and weight of locomotives as described in your answer to Interrogatory No. 2 contemplated during 1996 or 1997."

Additional Objections: Applicants object to this interrogatory as overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 4: "Describe any communications (a) between Applicants and Entergy, (b) among any of the Applicants, (c) among employees or agents of UP, and (d) among employees or agents of SP concerning the possible movement of coal to the White Bluff Station by BNSF and/or SP."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 5: "Identify all studies, analyses, reports, correspondence, memoranda, electronic mail or other documents prepared for or in the possession or control of Applicants relating to your response to Interrogatory No. 4."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 6: "Provide the mileage over the portion of SP's Houston, TX-Iowa Junction, LA line between (a) the existing connection between such line and BNSF at Beaumont, TX and the planned point of connection between SGR and SP near Lake Charles, LA, and (b) the closest existing connection between such line and BNSF at Houston, TX and the planned point of connection between SGR and SP near Lake Charles, LA."

Additional Objections: None.

Interrogatory No. 7: "Assuming UP/SP move unit trains of coal from the PRB to the Nelson Station via Fort Worth, TX commencing on or after October 1, 1996, and further assuming that such trains typically consist of 115 shipper-supplied steel rotary gondola railcars each loaded to a gross weight on rail of 268,000 pounds, provide the following information with respect to the portion of such movement south/east of Fort Worth, TX:

- (a) The number of locomotive units expected to be used for each loaded and empty movement.
- (b) The type of locomotives expected to be used and their gross weight."

Additional Objections: Applicants object to this interrogatory as unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 8: "Describe any communications between (a) Applicants and Entergy, (b) among any of the Applicants, (c) among employees or agents of UP, and (d) among employees or agents of SP concerning (i) the movement of coal to the Nelson Station by UP and/or BN in conjunction with SP or in conjunction with KCS, and (ii) the effect of the proposed

merger on BNSF's ability to continue to participate in the movement of PRB coal by any of the potential pre-merger routings to the Nelson Station following consummation of the proposed merger."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

- Interrogatory No. 9: "Identify all studies, analyses and reports or other documents prepared for or in the possession or control of Applicants relating to your response to Interrogatory No. 8."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 10: "Identify the individual(s) at (a) UP and (b) SP who now have, or during the period covered by these interrogatories did have, responsibilities related to the Entergy account(s) with specific reference to the movement of coal to the White Bluff and/or Nelson Stations, and describe the nature of such responsibilities for each such individual."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 11: "Identify the individual(s) at (a) UP and (b) SP who now have, or during the period from January 1, 1995 to date did have, any responsibilities relating to the bidding for the movement of PRB coal to the Nelson Station,

and describe the nature of such responsibilities for each such individual."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 1: "Produce all documents identified in response to Interrogatory No. 5."

Additional Objections: See objections to Interrogatory No. 5.

Document Request No. 2: "Produce all documents identified in response to Interrogatory No. 9."

Additional Objections: See objections to Interrogatory No. 9.

Document Request No. 3: "Produce all documents in the custody of Applicants that relate to divisions of revenue as between (a) UP and SP and (b) UP and SP [sic] in conjunction with the bidding for the movement of PRB coal to the Nelson Station during the period from January 1, 1995 to date."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 4: "Produce all documents in the custody of Applicants that relate to any constraint(s) on the rates UP can charge for the movement of SPRB coal to the White Bluff Station."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither

relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

Arvid E. Roach II
ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

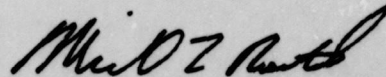
February 1, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 1st day of February, 1996, I caused a copy of the foregoing document to be served by hand on C. Michael Loftus, counsel for Entergy Services, Inc., at Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580



Michael L. Rosenthal

STB FD

32760

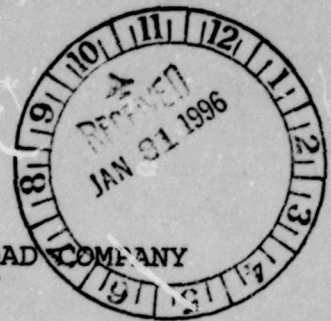
1-31-96

B

61139

61139

UP/SP-70



BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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

APPLICANTS' OBJECTIONS TO KCS' THIRD
AND FOURTH DISCOVERY REQUESTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

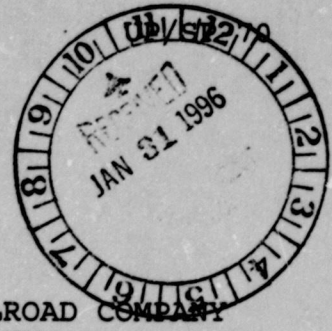
Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

Item No. _____

Page Count 12
JAN 415

January 31, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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

APPLICANTS' OBJECTIONS TO KCS' THIRD
AND FOURTH DISCOVERY REQUESTS

Applicants UPC, UPRR, MPRR, SPR, SPT, ESW, SPCL and
DRGW submit the following objections to the third and fourth
sets of discovery requests, received by applicants on January
24 and 25, 1996. These objections are made pursuant to
paragraph 1 of the Discovery Guidelines applicable to this
proceeding, which provides that objections to discovery
requests shall be made "by means of a written objection
containing a general statement of the basis for the
objection."

Applicants intend to file written responses to the
discovery requests. It is necessary and appropriate at this
stage, however, for Applicants to preserve their right to
assert permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to
all of the discovery requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by KCS from its own files.

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

8. Applicants object to the discovery requests to the extent that they call for the preparation of special studies not already in existence.

9. Applicants object to the discovery requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

10. Applicants incorporate by reference their prior objections to the definitions and instructions set forth in KCS' First Interrogatories.

ADDITIONAL OBJECTIONS TO SPECIFIC DISCOVERY REQUESTS

In addition to the General Objections, Applicants make the following objections to the discovery requests.

Interrogatory No. 62: "Identify each instance of a shipper on a UP line having requested lower rates or other adjustments to the transportation contract or tariff in order to compete with a shipper on an SP line and vice versa, and identify all documents that refer to, relate to or evidence the requests referred to in your response. The request shall be limited to the shippers listed in Attachment I attached hereto on the ten corridors identified by KCS in Attachment II hereto."

Additional Objections: See Applicants' objections to KCS

Interrogatory No. 21. This issue has been resolved by a stipulation between the parties.

Interrogatory No. 63: "Please indicate for each shipper and shipper station identified on Attachment III attached hereto whether or not the shipper sought to obtain either (1) lower rates or other adjustments to the transportation contract or tariff or (2) improved service based on the fact that one of the Applicants provided an alternative means of transportation or represented an alternative carrier to another of the Applicants. The response to this interrogatory may be handwritten on a copy of Attachment III. As to those shippers from whom such requests were received, produce all documents that refer to, relate to or evidence negotiations or communications between the shipper and the Applicant."

Additional Objections: See Applicants' objections to KCS Interrogatory No. 22. This issue has been resolved by a stipulation between the parties.

Interrogatory No. 64: "Identify and produce all documents that refer to, relate to or evidence the complaints to UP from shippers arising from UP's acquisition of CNW, as referred to in the Verified Statement of R. Bradley King (Application, Vol. 3, p. 60), including, but not limited to, shipper complaints and responses thereto, press releases, internal memoranda, reports, studies and analyses."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 65: "Identify and produce all documents that refer to, relate to or evidence actions taken or considered by UP to remedy the service problems resulting from UP's acquisition of CNW, as referred to in the Verified Statement of R. Bradley King (Application, Vol. 3, p. 60)."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 66: "Identify the employee or representative of UP who has the most knowledge of the source and nature of (a) complaints to UP from shippers arising from UP's acquisition of CNW and (b) any actions taken or considered by UP to remedy such problems, as referred to in the Verified Statement of R. Bradley King (Application, Vol. 3, p. 60)."

Additional Objections: None.

Interrogatory No. 67: "To the extent not included in your response to interrogatory no. 56 concerning the BNSF Agreement (and excluding earlier proposals or counter proposals that went back and forth between the parties during negotiations of the Agreement), identify and produce:

- a. all documents that refer to, relate to or evidence the initiation of discussions with BN, BNI, S'P, Santa Fe or BNSF, as referred to on page 292 of the Verified Statement of John H. Rebensdorf;
- b. all documents that refer to, relate to or evidence the creation of guidelines for conducting negotiations, as referred to on page 292 of the Verified Statement of John H. Rebensdorf;
- c. all documents that refer to, relate to or evidence the determination of a definition for '2-to-1' points, as referred to on page 293 of the Verified Statement of John H. Rebensdorf;
- d. all documents that refer to, relate to or evidence communications with shippers that preferred settlement with a Class I railroad because of the shippers' belief that only major carriers would have the resources necessary to meet their transportation needs, as referred to on page 293 of the Verified Statement of John H. Rebensdorf;
- e. all documents that refer to, relate to or evidence communications with shippers indicating that BNSF was the leading candidate because of its geographic reach and financial resources, as referred to on page 293 of the Verified Statement of John H. Rebensdorf;
- f. all documents including internal communications or analyses, that reflect the identification or determination of ' . . . the rights we would need to grant . . . , ' as referred to on page 294 of the Verified Statement of John H. Rebensdorf;
- g. all documents that refer to, relate to or evidence the determination that only BNSF's operational infrastructure and network would support the rights UP/SP would need to grant in order to maximize opportunities of the merger,

as referred to on page 294 of the Verified Statement of John H. Rebensdorf;

- h. all documents that refer to, relate to or evidence possible alternatives to BNSF considered, but not accepted, by UP and SP, as referred to on page 294 of the Verified Statement of John H. Rebensdorf;
- i. all documents that refer to, relate to or evidence the numerous phone calls and six negotiating meetings with BNSF, as referred to on page 294 of the Verified Statement of John H. Rebensdorf;
- j. all documents that refer to, relate to or evidence the 'marathon three-day session' resulting in the September 25 agreement, as referred to on page 294 of the Verified Statement of John H. Rebensdorf;
- k. all documents that refer to, relate to or evidence UP/SP's initial feeling that KCS would end up with significant rights as a result of the merger, as referred to on page 295 of the Verified Statement of John H. Rebensdorf;
- l. all documents that refer to, relate to or evidence that the focus of UP/SP's efforts was to preserve competition for '2-to-1' customers, as referred to on page 296 of the Verified Statement of John H. Rebensdorf; and
- m. all documents that refer to, relate to or evidence the identification of geographic points on the combined UP/SP system where both UP and SP and no other railroad provided service to one or more customers, as referred to on page 296 of the Verified Statement of John H. Rebensdorf.
- n. all documents that refer to, relate to or evidence the identification of '2-to-1' points where UP/SP determined that a comprehensive trackage rights agreement would not be justified, as referred to on page 296 of the Verified Statement of John H. Rebensdorf.
- o. all documents that refer to, relate to or evidence the 'alternative arrangements,' including possible utilization of haulage

arrangements, to be considered to preserve competition at '2-to-1' points not reached by the trackage rights and line sales in the BNSF Agreement, as referred to on page 296 of the Verified Statement of John H. Rebensdorf.

- p. all documents that refer to, relate to or evidence the exchange of rights between UP/SP and BNSF that UP/SP considered not justified by competitive concerns, including any exchange of rights concerning the I-5 corridor, referred to as 'trades' on page 298 of the Verified Statement of John H. Rebensdorf.
- q. all documents that refer to, relate to or evidence the negotiation of the direct marketing/proportional rate agreement reflected in Exhibit B to the BNSF Agreement, including documents that reflect or refer to the claim that the direct marketing/proportional rate agreement preserves competition for customers now using SP, as referred to on page 298 of the Verified Statement of John H. Rebensdorf.
- r. all documents that refer to, relate to or evidence the negotiation of issues having no connection to the merger, including documents concerning how such negotiated rights enhance competition, as referred to on page 300 of the Verified Statement of John H. Rebensdorf.
- s. all documents that refer to, relate to or evidence UP/SP's understanding that a flat rate compensation for the joint facility arrangements between UP/SP and BNSF was the best compensation alternative, as referred to on page 302 of the Verified Statement of John H. Rebensdorf.
- t. all documents that refer to, relate to or evidence the review of 'other recent trackage rights agreements' in determining the flat rate compensation for the joint facility arrangements between UP/SP and BNSF, including a detailed list of trackage rights agreements used and trackage rights agreements considered but not used in arriving at the flat rate, as referred to on pages 302 and 303 of the Verified Statement of John H. Rebensdorf.

- u. all documents that refer to, relate to or evidence the anticipated return UP/SP will receive from the BNSF Agreement and the extent to which UP/SP's investment of capital would subsidize BNSF's operations, as referred to on page 307 of the Verified Statement of John H. Rebensdorf."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 68: "Identify the employees or representatives of each Applicant who may have knowledge superior to Mr. Rebensdorf's knowledge regarding the statements referenced in interrogatory no. 67."

Additional Objections: Applicants object to this interrogatory as unduly vague, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 69: "Identify and produce all documents that constitute, refer to, or evidence the 'presentation on the UP/SP merger' made by UP to the Mexican CFC referred to in Mr. Rebensdorf's deposition on January 22, 1996, and produce the 'paper on the UP/SP merger and the impact on Mexico' that Mr. Rebensdorf testified was left with the CFC, and the 'mileage comparison' that was 'shared with' the CFC, including an English translation of all such materials."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 70: "Identify and produce all notes, memoranda, and other documents prepared by UP pertaining to the UP/SP merger, 'trackage rights,' the 'BN/Santa Fe settlement,' or the impact of the UP/SP merger on Mexico that were made during, or concern or reflect, the UP meeting with the Mexican CFC referred to in Mr. Rebensdorf's deposition on January 22, 1996, including an English translation of all such materials."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 71: "Identify and produce all documents provided to UP by the Mexican CFC in connection with the meeting with the CFC referred to in Mr. Rebensdorf's testimony on January 22, 1996, that pertain to the UP/SP merger, 'trackage rights,' the 'BN/Santa Fe settlement,' or the impact of the UP/SP merger on Mexico."

Additional Objections: Applicants object to this request as unduly vague and unduly burdensome, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

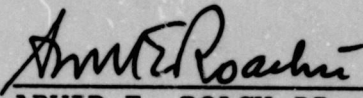
CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp.
and The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000


ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

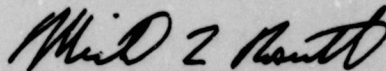
January 31, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 31st day of January, 1996, I caused a copy of the foregoing document to be served by hand on Alan E. Lubel, counsel for KCS, at Troutman Sanders, 601 Pennsylvania Avenue, N.W., Suite 640 - North Building, Washington D.C. 20004-2609, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580



Michael L. Rosenthal

STB

FD

32760

1-23-96

B

61050

Item No. _____

Page Count 16

342331

61050

LAW OFFICES

FRITZ R. KAHN, P.C.

SUITE 750 WEST

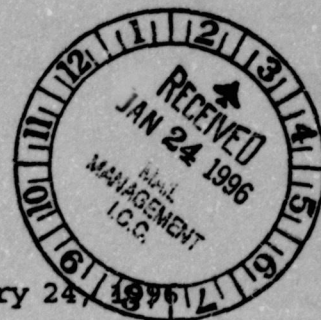
1100 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-3934

(202) 371-8037

FAX (202) 371-0900

ORIGINAL



January 24, 1996

VIA HAND DELIVERY

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

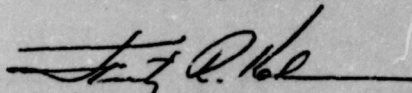
Enclosed for filing in Finance Docket No. 32760, Union Pacific Corporation, et al.--Control and Merger--Southern Pacific Rail Corporation, et al., are the original and twenty copies of the Notice of Intent of Magma Copper Company and its wholly owned subsidiaries, The Magma Arizona Railroad Company and the San Manuel Arizona Railroad Company, to File Responsive Application.

Extra copies of the Notice and of this letter are enclosed for you to stamp to acknowledge your receipt of them and to return to me in the enclosed self-addressed, stamped envelope.

By copy of this letter, service is being effected in accordance with the Certificate of Service.

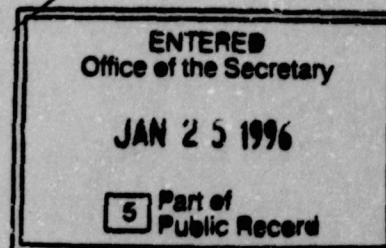
If you have any question concerning this filing or if I otherwise can be of assistance, please let me know.

Sincerely yours,


Fritz R. Kahn

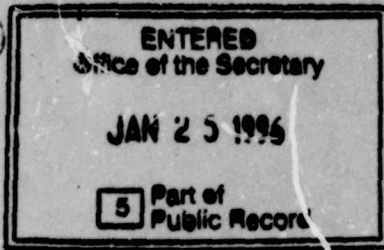
enc.

cc: Arvid E. Roach II, Esq.
Paul A. Cunningham, Esq.
Hon. Federico F. Pena
Hon. Anne K. Bingaman
Hon. Jerome Nelson
Mr. Frank E. Hanson, Jr.



ORIGINAL

MGF-2



BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423



Finance Docket No. 32760

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

NOTICE OF INTENT
TO FILE RESPONSIVE APPLICATION

Pursuant to the decision, served October 19, 1995, Decision No. 6, Magma Copper Company and its wholly owned subsidiaries, The Magma Arizona Railroad Company ("MAA") and the San Manuel Arizona Railroad Company ("SMA") advise the Board of their intention to file a responsive application herein.

The responsive application will seek overhead trackage rights over the lines heretofore operated by the Southern Pacific Transportation Company ("SP") between Magma, Arizona, and Phoenix and Nogales, Arizona, for the MAA and between Hayden (via the Copper Basin Railway Company ("CBRY"), a switching carrier for the SP operating between Hayden, Arizona, and Magma) and Phoenix and Nogales for the SMA.

Pursuant to 49 C.F.R. 1180(d)(4)(ii) and (iv), petitioners request that their responsive application be designated a minor transaction. The request, as already noted, is simply for overhead trackage rights to Phoenix and Nogales, there to

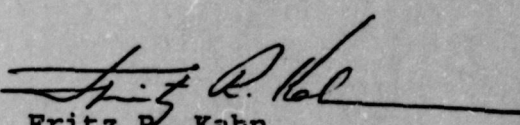
interchange traffic with the merged railroad, as well as the other connecting carriers. The trackage rights would be for a distance of about 36 miles to Phoenix and about 142 miles to Nogales. Petitioners do not anticipate that they will have more than two trains a week going to Phoenix and two to Nogales, over SP lines which have been operated at nowhere near their capacities.

Petitioners, moreover, request that the requirement that they submit an operating plan, pursuant to 49 C.F.R. 1180.9(b), be waived. The trackage rights request, if approved by the Board, will necessitate the negotiation of a mutually acceptable trackage rights agreement between petitioners and the merged railroad, including provisions governing the dispatching of MAA's and SMA's trains. That agreement, in effect, will constitute the operating plan. To try to devise an operating plan in the meantime would be pure conjecture and surmise and would not contribute anything of substance to the record in this proceeding.

Respectfully submitted,

MAGMA COPPER COMPANY
THE MAGMA ARIZONA RAILROAD COMPANY
SAN MANUEL ARIZONA RAILROAD COMPANY

By their attorney,

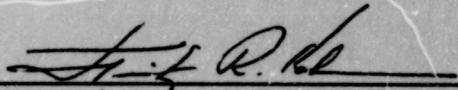

Fritz R. Kahn
Fritz R. Kahn, P.C.
Suite 750 West
1100 New York Avenue, NW
Washington, DC 20005-3934
Tel.: (202) 371-8037

Dated: January 24, 1996

CERTIFICATE OF SERVICE

Copies of the foregoing Notice of Intent to File Responsive Application were served upon counsel for the Applicants, the Attorney General, the Secretary of Transportation and Administrative Law Judge Nelson, by first-class mail, postage prepaid.

Dated at Washington, DC, this 24th day of January 1996.


Fritz R. Kahn

STB

FD

32760

1-23-96

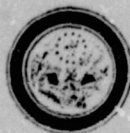
B

61049

Item No. _____

Page Count 2

JAN 325



Representative

JACQUELINE J. ROBERTS

P. O. Box 2075

PINE BLUFF, AR 71613-2075

501-534-2434 Business

501-536-1723 Residence

501-534-3097 FAX

STATE OF ARKANSAS

House of Representatives

COMMITTEE

Public Health, Welfare

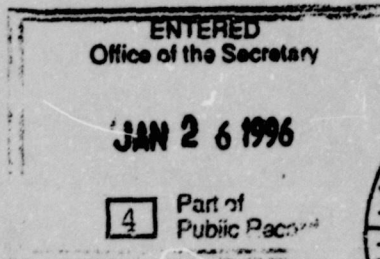
and Labor

State Agencies and

Governmental Affairs

DISTRICT 73

Part of Jefferson County



January 16, 1996

The Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue
Washington, DC 20423

RE: Finance Docket 32760

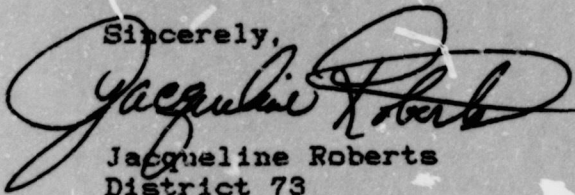
Dear Secretary Williams:

Please know that I am extremely concerned about the competitive effects on area businesses of the proposed acquisition of the Southern Pacific Railroad by the Union Pacific. I am also concerned about the financial welfare of my constituents and their families. I am somewhat familiar with the proposed agreement between UP and the Burlington Northern-Santa Fe which is intended to remedy my concerns and others. However, I am not at all convinced that this arrangement will produce effective competition for area rail traffic, which will address my concerns.

My main interest and reason for this correspondence is the security of jobs in my area and the stabilization of the economy. It is for those reason that I ask you and other members of the commission to look at this merger with sensitivity and concern for the small communities such as Pine Bluff, and all of the hard working families this proposed acquisition will effect.

There are other proposals on the table to be considered, I employ you to inspect them carefully. I can not and will not support any merger that will threaten the welfare of Pine Bluff. Therefore, I will oppose the UP-Sp merger at the ICC and any other that proves to reflect negative repercussions to the Pine Bluff area.

Sincerely,

A large, stylized handwritten signature in dark ink, appearing to read 'Jacqueline Roberts'. The signature is written over the printed name and district number.

Jacqueline Roberts
District 73

STB

FD

32760

1-22-96

B

61035

Item No. _____
Page Count 46
JAN 31

61035

UP/SP-62

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --

Office of the Secretary

SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY
COMPANY, SPOCSL CORP. AND THE DENVER AND
RIO GRANDE WESTERN RAILROAD COMPANY

JAN 25 1996

Partial
Public Record

APPLICANTS' OBJECTIONS TO THE
TEAMSTERS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPOCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

January 22, 1996

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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

APPLICANTS' OBJECTIONS TO THE
TEAMSTERS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCL and
DRGW submit the following objections to the discovery requests
served by The International Brotherhood of Teamsters ("IBT")
on January 12, 1996. These objections are made pursuant to
paragraph 1 of the Discovery Guidelines applicable to this
proceeding, which provides that objections to discovery
requests shall be made "by means of a written objection
containing a general statement of the basis for the
objection."

Applicants intend to file written responses to the
discovery requests. These responses will provide information
(including documents) in response to many of the requests,
notwithstanding the fact that objections to the requests are
noted herein. It is necessary and appropriate at this stage,
however, for Applicants to preserve their right to assert
permissible objections.

GENERAL OBJECTIONS

The following objections are made with respect to all of the interrogatories and document requests.

1. Applicants object to production of documents or information subject to the attorney-client privilege.

2. Applicants object to production of documents or information subject to the work product doctrine.

3. Applicants object to production of documents prepared in connection with, or information relating to, possible settlement of this or any other proceeding.

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

5. Applicants object to the production of draft verified statements and documents related thereto. In prior railroad consolidation proceedings, such documents have been treated by all parties as protected from production.

6. Applicants object to providing information or documents that are as readily obtainable by IBT from its own files.

7. Applicants object to the extent that the interrogatories and document requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

8. Applicants object to the definitions of "relating to," "relate to" and "concerning" as unduly vague.

9. Applicants object to Instructions 2, 3, 5, 6, 7 and 8 to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

10. Applicants object to Instructions 2, 3, 5, 6, 7, and 8 as unduly burdensome.

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

12. Applicants object to the interrogatories and document requests as overbroad and unduly burdensome to the extent that they seek information or documents for periods prior to January 1, 1993.

**ADDITIONAL OBJECTIONS TO SPECIFIC
INTERROGATORIES AND DOCUMENT REQUESTS**

In addition to the General Objections, Applicants make the following objections to the interrogatories and document requests.

Interrogatory No. 1. "Identify all studies or analyses of diversion of truck traffic to intermodal service conducted by Mr. Don P. Ainsworth, Reebie Associates, Mr. Paul O. Roberts, Transmode Consultants, or Science Applications International Corporation from January 1, 1980 to the present. With respect to each such study or analysis:

- (a) Identify the subject matter and purpose of the analysis undertaken.
- (b) Provide the dates of the analysis.
- (c) Describe with specificity the conclusions, estimates, and results reached in such studies and analyses."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 2: "With respect to all truck diversion studies and analyses identified in Interrogatory No. 1, indicate whether any steps were taken following completion of such studies or analyses to determine whether the results of such studies or analyses were accurate as compared to actual subsequent events. Describe for each study or analysis for which follow-up steps were taken the results of such steps (e.g., whether the follow-up steps indicated that the original study or analysis over-estimated or under-estimated the projected level of diversion of truck traffic to intermodal carriage)."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 3: "With respect to the section of Mr. Ainsworth's Verified Statement labelled 'Premises' (Application at Vol. 1, 434-437). identify the source and basis (including documents, if any) of each of the premises stated in that section, including without limitation, the statements that:

- (a) A merged UP/SP will be able to provide new, through train service on 67 major routes.

- (b) Rail truck traffic has increased by 5.6% per year over the past 10 years.
- (c) Container activity has nearly doubled over the past seven years.
- (d) Major LTL carriers have committed up to nearly 20 percent of their traffic to intermodal. For this subpart, identify the LTL carriers to which the statement refers."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome.

Interrogatory No. 4: "Is 'dry van' freight the only category of freight considered by the analysis undertaken by Reebie Associates? Define 'dry van' freight."

Additional Objections: None.

Interrogatory No. 5: "What percentage of the total existing combined truck and intermodal market consists of dry van freight."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it requests information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 6: "Does the 'dry van' cargo considered by the Reebie Associates study include cargo in containers as well as trailers?"

Additional Objections: None.

Interrogatory No. 7: "What has been the increase, in absolute and percentage terms, in truck/rail intermodal carriage in the past five (5) years? In the past three (3) years?"

Additional Objections: Applicants object to this interrogatory as unduly vague, and in that it requests

- 6 -

information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 8: "With respect to the total truck/rail intermodal market, what percentage is container-on-flatcar (COFC) and what percentage is trailer-on-flatcar (TOFC)?"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it requests information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 9: "For each of the individual five traffic corridors identified in Appendix A to Mr. Ainsworth's Verified Statement, what is the average profit level (for UP and SP, separately, for each of the last three years) for intermodal cargoes, expressed as a percentage of both total and variable costs?"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 10: "Identify and describe in detail all studies and analyses undertaken or commissioned by the Applicants to determine the effects on trucking companies of diversion of traffic from truck to rail/truck intermodal carriage."

Additional Objections: Applicants object to this interrogatory as unduly burdensome, and overbroad in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 11: "With respect to all studies and analyses identified in response to Interrogatory No. 10, state

the anticipated effects of diversion from truck to intermodal on the trucking industry as a whole and on all individual trucking companies identified in all such studies and analyses. Description of such effects shall include, without limitation:

- (a) effects on profits of the trucking industry and individual trucking companies,
- (b) effects on per unit costs as they apply to the trucking industry generally and as they apply to all individual trucking companies identified in such studies or analyses, and
- (c) effects on trucking company employment levels on an industry-wide and individual company basis."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 12: "Describe with particularity the process by which the five traffic corridors identified in Appendix A to Mr. Ainsworth's Verified Statement were chosen. Such description shall identify, without limitation:

- (a) All persons participating in the choice of the traffic corridors to be included in the studies undertaken by Reebie Associates and Transmode Consultants.
- (b) All traffic corridors considered but not included in the studies, including an explanation of why such corridors were excluded.
- (c) The data reviewed and the selection criteria employed in choosing the traffic corridors."

Additional Objections: Applicants object to this interrogatory as unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor

reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 13: "For UP and SP separately, what was the total volume of intermodal traffic carried in 1994 between the market pairs identified in Appendix A to Mr. Ainsworth's Verified Statement?"

Additional Objections: None.

Interrogatory No. 14: "For UP and SP separately, what was the total volume of intermodal traffic carried by UP and SP in 1994?"

Additional Objections: None.

Interrogatory No. 15: "For 1994, what was the total volume of truck traffic that moved between the market pairs identified in Appendix A to Mr. Ainsworth's Verified Statement?"

Additional Objections: None.

Interrogatory No. 16: For 1994, what was the total volume of truck traffic that moved between points served by either UP or SP?"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 17: "For each of the five traffic corridors identified in Appendix A to Mr. Ainsworth's Verified Statement, what is the magnitude of the traffic imbalances for each of UP and SP?"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and in that it requests information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 18: "Identify and describe any databases other than the TRANSEARCH database that were considered by Reebie Associates."

Additional Objections: Applicants object to this interrogatory as unduly vague, and in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 19: "Describe the criteria used to apply the three 'factors' identified at Vol. 1, p. 437 of Mr. Ainsworth's Verified Statement with respect to choosing corridors for study. In particular, describe:

- (a) The specific criteria used to determine whether the merger created a prospect for improved performance. I.e., (i) how much would a route have to be shortened to indicate a potential for improved intermodal service, (ii) what improved operations, and in what degree, would predict improved intermodal service, (iii) how much lower would costs have to be to indicate improved intermodal service, (iv) what improved terminal arrangements would indicate improved intermodal service, and (v) what other factors were analyzed, and how were they analyzed?
- (b) What volume of existing truck traffic was deemed sufficient to make an attempt at diversion attractive? How was this figure derived?
- (c) The specific criteria used to determine whether improved service and/or reduced costs from the merger would in fact result in diversion of truck traffic, and how such criteria were applied."

Additional Objections: None.

Interrogatory No. 20: "Identify all documents relating to marketing plans that include consideration of possible truck diversions."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 21: "Describe the analysis of 'extended traffic lanes' referred to at Vol. 1, p. 440 of Mr. Ainsworth's Verified Statement. In particular:

- (a) Identify all extended traffic lanes that were identified by Reebie Associates.
- (b) Identify those extended traffic lanes included in the Reebie Associates study.
- (c) Describe how the inclusion of extended traffic lanes in the Reebie Associates study affected the final diversion predictions."

Additional Objections: None.

Interrogatory No. 22: "For each of the five corridors and each of the individual market pairs included in Appendix A to Mr. Ainsworth's Verified Statement, state the truck diversion estimates obtained by the Reebie Associates study before those estimates were modified to arrive at the 'Consensus' statement attached as Appendix A to Mr. Ainsworth's Verified Statement. Identify all documents relating to truck diversion estimates arrived at by the Reebie Associates study prior to modification of such estimates as reflected in the 'Consensus' statement."

Additional Objections: Applicants object to this interrogatory as unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 23: "For each of the five corridors and each of the individual market pairs included in Appendix A to Mr. Ainsworth's Verified Statement, state the truck diversion estimates obtained by the Transmode Consultants study before

those estimates were modified to arrive at the 'Consensus' statement attached as Appendix A to Mr. Ainsworth's Verified Statement. Identify all documents relating to truck diversion estimates arrived at by the Transmode Consultants study prior to modification of such estimates as reflected in the 'Consensus' statement."

Additional Objections: Applicants object to this

interrogatory as unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 24: "For each traffic corridor identified in Appendix A to Mr. Ainsworth's Verified Statement, name each motor carrier that has been identified by any means (including but not limited to the Reebe Associates and Transmode Consultants studies) as being a significant competitor with rail/truck intermodal service."

Additional Objections: Applicants object to this

interrogatory as unduly burdensome and unduly vague, and in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 25: "Does the estimate of truck diversion in Appendix A to Mr. Ainsworth's Verified Statement include potential diversion of traffic between the Bay Area and Los Angeles? If not, why was that market pair excluded?"

Additional Objections: None.

Interrogatory No. 26: "Describe how the increased revenues for UP/SP resulting from truck diversion stated in Mr. Ainsworth's Verified Statement for each traffic corridor were calculated."

Additional Objections: None.

Interrogatory No. 27: "With regard to the statement at Vol. 1, p. 443 that '[w]e also considered several Eastern extended gathering areas for this [Midwest/Southwest] Corridor,'

identify the extended gathering areas considered and explain how that consideration affected the final study results."

Additional Objections: None.

Interrogatory No. 28: "With respect to Midwest/Texas/Mexico Corridor, identify and describe any analysis undertaken and conclusions reached with respect to diversion of truck traffic originating or terminating in Mexico. Why are no Mexican market points identified in Appendix A to the Verified Statement of Mr. Ainsworth?"

Additional Objections: Applicants object to this interrogatory as unduly vague.

Interrogatory No. 29: "Describe the nature and results of any analysis or study undertaken of the effects of the North American Free Trade Agreement ('NAFTA') on (i) truck diversion and (ii) the competitive and operational positions of UP and SP, together and separately."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 30: "With reference to Mr. Ainsworth's verified Statement at Vol. 1, p. 446, identify the 'eastern markets that could serve as extended gathering areas' for the Central Corridor. Describe the analysis used to consider the effects of these markets on truck traffic diversion and state all conclusions reached with respect to potential truck diversion from such extended gathering areas. Identify all documents relating to consideration of such extended gathering areas."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is

neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 31: "Describe the assumptions, analysis, and data inputs used to arrive at the conclusion stated at Vol. 1, p. 448 of Mr. Ainsworth's Verified Statement that intermodal service must be competitive within a half day in order to divert truck traffic. Identify all documents relating to this analysis and conclusion. Define 'half day.'"

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 32: "With reference to Vol. 1, p. 451 of Mr. Ainsworth's Verified Statement, why were cost levels calculated only from truckload motor carriers?"

Additional Objections: None.

Interrogatory No. 33: "Describe all analysis done and conclusions reached regarding the effect on the Reebe Associates study of using only truckload carrier costs in the diversion calculations."

Additional Objections: None.

Interrogatory No. 34: "Which motor carriers' costs were used to calculate truck carrier costs in the Reebe Associates study? How was this cost information obtained?"

Additional Objections: None.

Interrogatory No. 35: "With reference to the discussion of rail margins in the first paragraph of Vol. 1, p. 457 of Mr. Ainsworth's Verified Statement, explain how assuming a lower price/cost relationship would improve projected rail profitability on diverted cargo."

Additional Objections: Applicants object to this interrogatory as unduly vague.

Interrogatory No. 36: "With reference to the first modification identified at Vol. 1, p. 457 of Mr. Ainsworth's Verified Statement, describe the magnitude and nature of the differences in truck diversion analysis results obtained by substituting BN/Santa Fe's costs for the Dallas-Bay Area and Bay Area-Dallas lanes."

Additional Objections: None.

Interrogatory No. 37: "With reference to the second modification identified at Vol. 1, p. 457 of Mr. Ainsworth's Verified Statement, state how many units of diverted cargo are represented by the 60% share allocated to the BN/Santa Fe for the following lanes: Los Angeles to and from Memphis, and Los Angeles to and from Atlanta."

Additional Objections: None.

Interrogatory No. 38: "Describe in detail the analysis and data inputs on which the 15% and 20% intermodal market share gain caps identified at Vol. 1, p. 458 (Modification 2) of Mr. Ainsworth's Verified Statement were based."

Additional Objections: None.

Interrogatory No. 39: "Identify all market pairs (separately in each direction), whether or not included in the final Reebe Associates or Transmode Consultants studies, for which initial calculations indicated UP/SP intermodal market gains from truck diversions in excess of 15%."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 40: "With respect to those market pairs identified in the response to Interrogatory No. 39 for which initial calculations indicated increases in market share in excess of 15%, state for each such market pair (separately for each direction) the percentage increase in intermodal market share and the actual number of truck units diverted as indicated by unmodified calculations. Identify all documents relating to those market pairs for which initial (unmodified) calculations indicated an intermodal market share increase in excess of 15%."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 41: "With reference to Vol. 1, p. 458-459 of Mr. Ainsworth's Verified Statement (Modification 4), state at what level of headhaul/backhaul imbalance the Feebie Associates study was adjusted to decrease the number of headhaul diversions."

Additional Objections: None.

Interrogatory No. 42: "Also with reference to Vol. 1, p. 458-59 (Modification 4) state the aggregate and discrete (by market pair, each direction separately) effects on final diversion estimates of all modifications of results undertaken as described in Modification 4."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 43: "For the Reebe Associates study, were all rail intermodal cost figures based solely on TOFC services? If the answer is yes, describe how TOFC costs compared to COFC costs."

Additional Objections: None.

Interrogatory No. 44: "With reference to Vol. 1, p. 452 of Mr. Ainsworth's Verified Statement, were 'surplus' and 'deficit' equipment designations based solely on motor carrier information? From what motor carriers was that information obtained?"

Additional Objections: None.

Interrogatory No. 45: "With reference to Vol. 1, p. 453 of Mr. Ainsworth's Verified Statement, state the effects of

dropping from the study traffic distances over 2,300 miles. Identify all documents relating to any analysis of truck diversion potentials for moves over 2,300 miles in length."

Additional Objections: Applicants object to this interrogatory as unduly burdensome.

Interrogatory No. 46: "For the Reebie Associates and Transmode Consultants truck diversion studies, state all equations used to process input data into truck diversion predictions and label and explain each variable in each such equation."

Additional Objections: Applicants object to this interrogatory as unduly burdensome.

Interrogatory No. 47: "Describe all changes (from the time the studies were commissioned until the final reports were delivered to Applicants) made to the input data, premises, assumptions, and methodology of the Reebie Associates and Transmode Consultants studies as a result of consultations between or among the Applicants and their principals, employees, or representatives and the employees, representatives, or principals of Reebie Associates and Transmode Consultants."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 48: "Define the term 'shipper benefits' as that term is used in the Verified Statement of Mr. Paul O. Roberts."

Additional Objections: None.

Interrogatory No. 49: "Describe with particularity what information is included in the North American Truck Survey ('NATS') referred to at Vol. 1, p. 466 of Mr. Roberts' verified Statement. Identify all documents that describe or state the information contained in the NATS database."

Additional Objections: Applicants object to this interrogatory as unduly burdensome.

Interrogatory No. 50: "What percentage of the total truck traffic in the five traffic corridors identified in Appendix A to Mr. Ainsworth's Verified Statement is included in the NATS database."

Additional Objections: Applicants object to this interrogatory as unduly vague.

Interrogatory No. 51: Does the NATS database include only truckload cargoes?"

Additional Objections: None.

Interrogatory No. 52: "What percentage of the total truck traffic in the five traffic corridors identified in Appendix A to Mr. Ainsworth's Verified Statement consists of less-than-truckload ('LTL') cargoes?"

Additional Objections: Applicants object to this interrogatory as unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 53: "Describe in detail, including a statement of all relevant equations and variables used, how the figure of \$72 million in benefits to carload shippers (Vol. 1 at 473) was derived."

Additional Objections: Applicants object to this interrogatory as unduly vague.

Interrogatory No. 54: "Are refrigerated containers and/or trailers included in the input data for the Transmode Consultants study?"

Additional Objections: None.

Interrogatory No. 55: "With respect to Step 4 of the Transmode Consultants diversion analysis (Vol. 1 at 477),

explain the role of the 'receiver's annual use' figures in determining truck diversions."

Additional Objections: None.

Interrogatory No. 56: "Explain how figures for the 'receiver's internal rate of return' affect the Transmode Consultants truck diversion analysis. Define 'receiver's internal rate of return.' How were figures for receivers' internal rates of return obtained?"

Additional Objections: None.

Interrogatory No. 57: "Name all 'tributary areas' considered by Transmode Consultants in conducting its truck diversion study, including all such areas that were not included in the final diversion estimates."

Additional Objections: Applicants object to this interrogatory as unduly burdensome and in that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 58: "For each tributary area considered by Transmode Consultants during its diversion study but not included in the final truck diversion estimates, state the estimated number of diversions by market pair (separately for each direction) for each originating and terminating point within such tributary areas."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 59: "Have the Applicants (including Overnite) undertaken any study or made any analysis as to what effect, if any, the merger will have on Overnite, PMT, or SPMT, including but not limited to whether any traffic now transported by Overnite, PMT, or SPMT will be diverted to intermodal? If so, describe each such effect."

Additional Objections: None.

Interrogatory No. 60: "If the answer to Interrogatory No. 59 is in the affirmative, identify all such studies and analyses and any documents related to such studies or analyses."

Additional Objections: None.

Interrogatory No. 61: "As a result of the merger, including but not limited to any closing, consolidation, or change in terminal facilities associated therewith, will there be any effect on Union Pacific Motor Freight ('UPMF') or Southern Illinois and Missouri Bridge Company ('SIMB')?"

Additional Objections: None.

Interrogatory No. 62: "Have the Applicants undertaken any study or analysis of what, if any, changes in the work performed by UPMF or SIMB will occur as a result of the merger? If so, identify all such studies and analyses and any documents relating to such studies or analyses."

Additional Objections: None.

Interrogatory No. 63: "Describe the work done by UPMF and SIMB at each location at which they operate. State the number of employees and their positions at each location."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 64: "Will any of the employees identified in the response to Interrogatory No. 63 be dismissed or relocated as a result of the merger? If so, describe each such dismissal or relocation."

Additional Objections: None.

Interrogatory No. 65: "Do the Applicants intend within the next five years to make any investment in any truck terminal owned or used by Overnite, PMT, or SPMT? If so, describe each such investment."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and

overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory No. 66: "Describe the basis for the estimate of the diversion of the carriage of each of the following commodities from truck to intermodal as set forth in Mr. Richard B. Peterson's Verified Statement:

- (a) food products (Vol. 3 [sic] at 277-281);
- (b) forest products (Vol. 3 [sic] at 281-283);
- (c) chemicals (Vol. 3 [sic] at 283-284);
- (d) grain (Vol. 3 [sic] at 284-285);
- (e) coal (Vol. 3 [sic] at 285-286);
- (f) automobiles (Vol. 3 [sic] at 287-288);
- (g) metals (Vol. 3 [sic] at 288-289); and
- (h) aggregates (Vol. 3 [sic] at 289-290)."

Additional Objections: None.

Interrogatory No. 67: "Identify all documents related to the calculation, derivation, study, or analysis of each diversion estimate identified in Interrogatory No. 66."

Additional Objections: Applicants object to this interrogatory as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Document Request No. 1: "Produce all documents relating to studies or analyses of truck to intermodal rail traffic diversion undertaken from January 1, 1980, to the present by Mr. Don P. Ainsworth, Reebie Associates, Mr. Paul O. Roberts, Transmode Consultants, and Science Applications International Corporation. Such documents shall include all Verified Statements and transcripts of all testimony (other than in Finance Docket No. 32760) relating to diversion of truck

traffic to intermodal rail service and made or given by Mr. Don P. Ainsworth, Mr. Paul O. Roberts, or any principal, employee, or representative of Reebe Associates, Transmode Consultants, or Science Applications International Corporation."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

• Document Request No. 2: "Produce all documents identified in the response to Interrogatory No. 2."

Additional Objections: See objections to Interrogatory No. 2.

Document Request No. 3: "Produce all documents identified in the response to Interrogatory No. 3."

Additional Objections: See objections to Interrogatory No. 3.

Document Request No. 4: "Produce all documents identified in the response to Interrogatory No. 20."

Additional Objections: See objections to Interrogatory No. 20.

Document Request No. 5: "Produce all documents identified in the response to Interrogatory No. 22."

Additional Objections: See objections to Interrogatory No. 22.

Document Request No. 6: "Produce all documents identified in the response to Interrogatory No. 23."

Additional Objections: See objections to Interrogatory No. 23.

Document Request No. 7: "Produce all documents identified in the response to Interrogatory No. 30."

Additional Objections: See objections to Interrogatory No. 30.

Document Request No. 8: "Produce all documents identified in the response to Interrogatory No. 40."

Additional Objections: See objections to Interrogatory No. 40.

Document Request No. 9: "Produce all documents identified in the response to Interrogatory No. 45."

Additional Objections: See objections to Interrogatory No. 45.

Document Request No. 10: "Produce all documents identified in the response to Interrogatory No. 49."

Additional Objections: See objections to Interrogatory No. 49.

Document Request No. 11: "Produce all documents identified in the response to Interrogatory No. 60."

Additional Objections: None.

Document Request No. 12: "Produce all documents identified in the response to Interrogatory No. 62."

Additional Objections: None.

Document Request No. 13: "Produce all documents identified in the response to Interrogatory No. 67."

Additional Objections: See objections to Interrogatory No. 67.

Document Request No. 14: "Produce all documents relating to instructions given to Reebie Associates and Transmode Consultants concerning any aspect of the studies conducted by those companies."

Additional Objections: Applicants object to this document request as unduly vague and unduly burdensome, and overbroad

in that it includes requests for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

PAUL A. CUNNINGHAM
RICHARD B. HERZOG
JAMES M. GUINIVAN
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 973-7601

Attorneys for Southern
Pacific Rail Corporation,
Southern Pacific Transportation
Company, St. Louis Southwestern
Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

CARL W. VON BERNUTH
RICHARD J. RESSLER
Union Pacific Corporation
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3290

JAMES V. DOLAN
PAUL A. CONLEY, JR.
LOUISE A. RINN
Law Department
Union Pacific Railroad Company
Missouri Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179
(402) 271-5000

David E. Roach II /ml
ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-5388

Attorneys for Union Pacific
Corporation, Union Pacific
Railroad Company and Missouri
Pacific Railroad Company

January 22, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 22nd day of January, 1996, I caused a copy of the foregoing document to be served by facsimile and first-class mail on Marc J. Fink, counsel for Teamsters, Sher & Blackwell, 2000 L Street, N.W., Suite 612, Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Room 9104-TEA
Department of Justice
Washington, D.C. 20530

Premarmer Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580

Michael L. Rosenthal

Michael L. Rosenthal

STB FD

32760

1-19-96

B

61009

SCOTT MANATT

Attorney at Law
January 15, 1996

Item No. _____

Page Count 6

JAN 285

Box 473
Corning Arkansas 72422
Telephone: (501) 857-3163

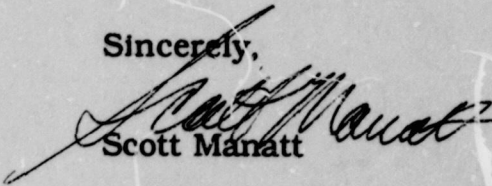
Surface Transportation Board
Office of the Secretary
Case Control Branch
1201 Constitution Avenue, N.W.
Washington, D. C. 20423

ATTN: Finance Docket #32760

Gentlemen:

Please find enclosed Objection to Depositions Dates. Please file and return appropriate copies with file marks.

Sincerely,


Scott Manatt

SM/sg

c: Mr. Arvide Roach, II, Esquire
Covington and Burlington
1201 Pennsylvania Avenue
N.W., P.O. Box 7566
Washington, D. C. 20044

Paul A. Cunningham, Esquire
Harkins and Cunningham
1300 19th Street, N.W.
Washington, D. C. 20036

Mike Billiel
Attorney
Anti-Trust Division
Department of Justice
555 4th Street NW, Room 9409
Washington, D. C. 20001

Hogan & Hartson
Columbia Square
555 Thirteenth Street NW
Washington, D.C. 20004-1109

ATTN: George W. Mayo, Jr.



RECEIVED
Office of the Secretary

JAN 22 1996

Surface Transportation Board
January 15, 1996
Page -2-

Illinois Attorney General's Office
James R. Thompson Center
100 W. Randolph Street
Chicago, IL 60601

Troutman Sanders
Attorney at Law
601 Pennsylvania Avenue, N.W.
Suite 640, North Building
Washington, D.C. 20004

Office of the Secretary

JAN 22 1996

Part of
Public Record

BEFORE THE
INTERSTATE COMMERCE COMMISSION



Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

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

SCOTT MANATT, OBJECTING PETITIONER

OBJECTION TO DEPOSITION DATES

Comes now Scott Manatt, and objects to the method and manner in which the discovery of the applicant is taking place and states:

That Union Pacific Railroad sent out a first schedule of deposition dates and then on December 28, 1995, sent out a second schedule of deposition dates, (see transmittal letter attached). Then on January 10, 1996, Union Pacific, the applicant, changed the depositions yet a third time.

That this effort of alternating deposition dates gives the appearances of being predeterminate and designed to circumvent the ability of the pro se objecting party, the undersigned and others, to meaningfully participate in that there is more than 1,000 miles between Washington, D. C. and the State of Arkansas, and that to attend these depositions, require extreme prior notice, not to mention the cash outlay.

That this deposition schedule has rendered the undersigned Petitioner virtually impotent in being able to proceed toward meaningful participation in these matters.

That the efforts by the applicant to unilaterally alter deposition dates is outside the scope and spirit of the rules and outside the scheduling order, and with the response time as set by the Administrative Law Judge, and the mail time, virtually assures that no meaningful participation by anybody other than those that Union Pacific desires to participate, will be available. This objecting party respectfully submits that said alternating schedule flaunts due process, flaunts the Equal Protection of the Laws Clause, violates the 14th Amendment of the United States Constitution, the Equal Protection of the Laws redress, and

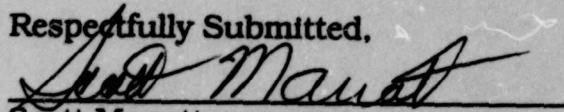
flaunts Title 49 of the U.S. Code, which allows the meaningful participation in these proceedings.

Accordingly, Petitioner objects to any other or further hearings, depositions, or notices until such time as a full and permanent deponent schedule is released and with the sum and substance of the expected testimony of the deponents sufficiently in advance of the said deposition date to allow all persons an opportunity to be meaningfully heard.

By reason of this extra ordinary matter, and by reason of the undersigned being permanently and irreparably jeopardized, Petitioner submits to the ALJ that these rulings and these depositions are dispositive of the fact issues and respectfully submits that this matter may be a proper subject matter for a three judge federal panel as opposed to waiting and appealing the determinations as made in Washington.

Accordingly, Petitioner objects to the deposition schedule as filed herein, and respectfully prays that the Administrative Law Judge forthwith enter a written order as to this objection, said order to be an appealable order. Said order to be sufficient in detail to allow the Petitioner to either file a motion, or for review to a three judge federal panel, or federal panel en banc, or sufficient order to allow petitioner to file in such jurisdiction as to the undersigned petitioner should select and deem appropriate a petition for writ of prohibition or such other extra ordinary relief to which the Petitioner may be entitled prior to the adjudication on the merits of this matter.

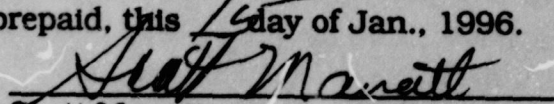
Respectfully Submitted,



Scott Manatt
P.O. Box 473
Corning, AR 72422
(501) 857-3163

CERTIFICATE OF SERVICE

I, Scott Manatt, certify that I have served a copy of the foregoing pleading upon attorneys for all parties to this action, by mailing a copy properly addressed by U.S. Mail, postage prepaid, this 14th day of Jan., 1996.



Scott Manatt
P.O. Box 473
Corning, Arkansas 72422
(501) 857-3163

COVINGTON & BURLING

1201 PENNSYLVANIA AVENUE, N. W.

P.O. BOX 7563

WASHINGTON, D.C. 20044-7566

(202) 662-6000

TELEFAX: (202) 662-6291

TELEX: 89-593 (COVLING WSH)

CABLE: COVLING

ARVID E. ROACH II

DIRECT DIAL NUMBER

(202) 662-5366

DIRECT TELEFAX NUMBER

(202) 776-5366

LECONFIELD HOUSE

CURZON STREET

LONDON W1Y 8AS

ENGLAND

TELEPHONE: 44-01-495-9885

TELEFAX: 44-01-495-3101

BRUSSELS CORRESPONDENT OFFICE

44 AVENUE DES ARTS

BRUSSELS 1040 BELGIUM

TELEPHONE: 32-2-512-9990

TELEFAX: 32-2-505-1995

December 29, 1995

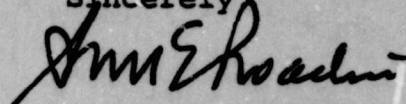
To All Parties of Record:

Re: Finance Docket No. 32760, Union Pacific Corp.,
et al. -- Control & Merger -- Southern Pacific
Rail Corp., et al.

The following page contains a revised schedule for depositions of witnesses who submitted verified statements in the UP/SP merger application.

In preparing this schedule, we did our best to address the concerns conveyed to us by various parties. One request we could not accommodate was to schedule Mr. Willig at a later date. His schedule is very tight, and the dates assigned for him are the latest on which he is available.

Sincerely



Arvid E. Roach II

cc: The Honorable Vernon A. Williams
The Honorable Jerome Nelson

COVINGTON & BURLING

1201 PENNSYLVANIA AVENUE, N. W.

P.O. BOX 7566

WASHINGTON, D.C. 20044-7566

(202) 662-6000

TELEFAX: (202) 662-6291

TELEX: 09-893 (COVLING WSH)

CABLE: COVLING

ARVID E. ROACH II

DIRECT DIAL NUMBER

(202) 662-5388

DIRECT TELEFAX NUMBER

(202) 778-5380

LECONFIELD HOUSE

CURZON STREET

LONDON W1Y 8AS

ENGLAND

TELEPHONE: 44-171-495-9695

TELEFAX: 44-171-495-3101

BRUSSELS CORRESPONDENT OFFICE

44 AVENUE DES ARTS

BRUSSELS 1040 BELGIUM

TELEPHONE: 32-2-512-9690

TELEFAX: 32-2-502-1998

January 10, 1996

Re: Finance Docket No. 32760, Union Pacific
Corp., et al. -- Control & Merger -- Southern
Pacific Rail Corp., et al.

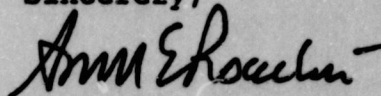
To All Parties of Record:

This letter is to inform you of several changes in the deposition schedule and to request notification of your plans to attend depositions.

In response to requests of KCS, NIT League and others, the deposition of John H. Rebensdorf will now take place over two days, January 22-23, and the deposition of Michael A. Hartman will be on February 23, rather than January 22. In addition, the deposition of Mark J. Draper and Dale W. Salzman will be moved from February 20 to February 22.

In order to assist us in providing adequate facilities for depositions, we request that parties indicate which depositions they plan to attend. Please contact Michael Rosenthal (tel: (202) 662-5448; fax: (202) 778-5448) to advise us of your plans. We will assume you will not be attending a deposition unless you indicate otherwise.

Sincerely,



Arvid E. Roach II

STB

FD

32760

1-19-96

B

61008

CITY OF NEW ORLEANS
MARC H. MORIAL
MAYOR

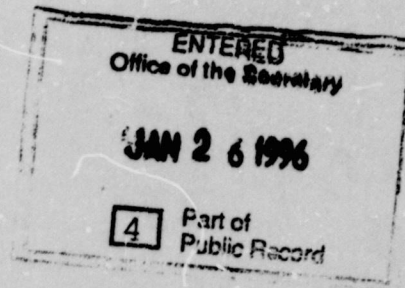
66008

Item No. _____
Page Count 2
JAN 284



January 10, 1996

The Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue
Washington, DC 20423



RE: Finance Docket 32760

Dear Secretary Williams:

I am extremely concerned about the competitive affects on area businesses of the proposed acquisition of the Southern Pacific (SP) Railroad by the Union Pacific (UP). While I am familiar with the proposed agreement between UP and the Burlington Northern-Santa Fe (BNSF) which is intended to remedy those effects, I am not persuaded that this agreement will produce effective competition for area rail traffic.

I also have reviewed Conrail's proposal to acquire a significant portion of the SP's eastern lines in connection with the merger, especially the lines running from Chicago and St. Louis to Arkansas, Texas and Louisiana. I find this proposal to be more appropriate and far more effective in addressing my concerns. The Conrail proposal calls for ownership of the lines, whereas the UP-BNSF agreement primarily involves the granting of trackage rights. I believe that trackage rights provide only limited benefits and limited guarantees which easily can be lost if railroads disagree over whose traffic has priority and who is in charge of operations on the line. Further, I believe an owning railroad is in a far better position than a renter to encourage economic development activities on its lines.

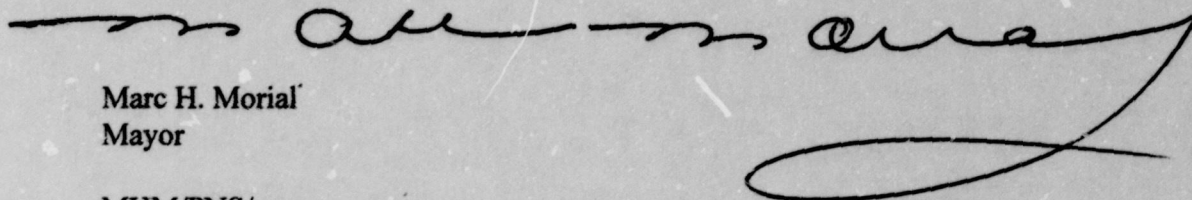
Another reason I favor Conrail's proposal is that it would provide efficient service for area shippers, especially to northeast and midwest markets. Conrail service to these markets would be the fastest and most direct, and involve the fewest car handlings.

Page Two
January 11, 1996
The Honorable Vernon A. Williams

Finally, I believe Conrail's proposal will ensure that area rail customers have multiple rail options. I am extremely concerned about the recent merger trend that could lead to only a few giant railroads serving the nation's businesses. Clearly, mega-railroads will only further limit competition and reduce productivity.

For all of these reasons, I oppose the UP-SP merger at the ICC unless it is conditioned upon acceptance of Conrail's proposal.

Sincerely,

A large, stylized handwritten signature in dark ink, likely belonging to Marc H. Morial. The signature is fluid and cursive, with a long horizontal line extending to the left and a large loop at the bottom right.

Marc H. Morial
Mayor

MHM/PNS/scs

cc: David M. LeVan
President and CEO, Conrail

STB

FD

32760

1-9-96

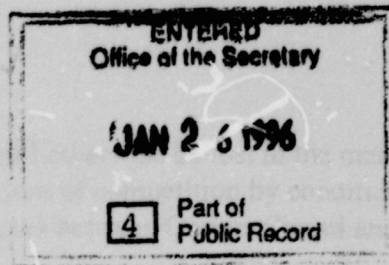
B

61007

Simpson

61007

January 12, 1996



Mr. Vernon Williams
Interstate Commerce Commission
Room 3315
12th and Constitution, N.W.
Washington, D.C. 20423-0001

Item No. _____

Page Count 2
JAN 283

Re: Finance Docket No. 32760, Union Pacific Corp., et al. --
Control & Merger -- Southern Pacific Rail Corp., et al.

SIMPSON TAPER COMPANY
Service Center
Post Office Box 637
21091 Hawes Road
Anderson California 96007
Phone 800 366 5556
Phone 916 378 6300
Fax 800 343 3329
Fax 916 378 6325

Dear Mr. Williams:

Our company has been a major user of rail service for transportation between the United States and Mexico. The Laredo/Nuevo Laredo gateway is the primary route for shipments between the two countries for the majority of international traffic. This gateway possesses the strongest infrastructure of customs brokers. It also provides the shortest routing between major Mexican industrial and population centers and the Midwest and Eastern United States.

Our company depends on competition to keep prices down and to spur improvements in products and services. For many years Union Pacific and Southern Pacific have competed for our traffic via Laredo, resulting in substantial cost savings and a number of service innovations. TexMex has been Southern Pacific's partner in reaching Laredo in competition with Union Pacific, as Southern Pacific does not reach Laredo directly.

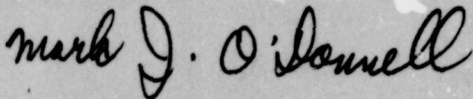
A merger of Union Pacific and Southern Pacific will seriously reduce, if not eliminate, our competitive alternatives via the Laredo gateway. Although these railroads have recently agreed to give certain trackage rights to the new Burlington Northern Santa Fe Railroad, we do not believe Burlington Northern Santa Fe, as the only other major rail system remaining in the Western United States, will be an effective competitive replacement for an independent Southern Pacific on this important route.

I understand there is an alternative that will preserve effective competition for my traffic. TexMex has indicated a willingness to operate over trackage rights from Corpus Christi (or purchase trackage where possible) to connect with other rail carriers to provide efficient competitive routes. Trackage rights operating in such a way as to allow TexMex to be truly competitive are essential to maintain the

competition at Laredo that would otherwise be lost in the merger. Thus I urge the Commissioners to correct this loss of competition by conditioning this merger with a grant of trackage rights via efficient routes between Corpus Christi and these connecting railroads.

Economical access to international trade routes should not be jeopardized when the future prosperity of both countries depends so strongly on international trade.

Sincerely,

A handwritten signature in dark ink, reading "Mark J. O'Donnell". The signature is written in a cursive style with a large, stylized "M" and "J".

Mark J. O'Donnell
Transportation Manager

c: Mr. Larry Fields
President

STB FD

32760

1-19-96

B

61006

Bart Pepperman
President



FD-32760 61006

D.L. "Dave" Doherty
Vice-President

Floyd D. Glass, Dist. 1
"Bernie" Willie, Jr., Dist. 2
James A. "Red" Thompson, Dist. 3
Will Griffin, Dist. 4
Kerry Harwell, Sr., Dist. 5
Gary Singletary, Dist. 6
Connie Glockner, Dist. 7

ST. TAMMANY PARISH POLICE JURY

P. O. BOX 628
COVINGTON, LOUISIANA 70434
(504) 898-2362 or (504) 646-4082

D.L. "Dave" Doherty, Dist. 8
Barry Baggett, Dist. 9
Bart Pepperman, Dist. 10
Steve Stefancik, Dist. 11
Kevin Davis, Dist. 12
Joe "Coach" Thomas, Dist. 13
Thomas J. Smith, Jr., Dist. 14

January 12, 1996

Honorable Veron A. Williams
Secretary, Interstate Commerce Commission
12th Street at Constitution Avenue, NW
Room 2212
Washington, DC 20423

Dear Secretary Williams:

This letter is to inform you that on December 14, 1995, the St Tammany Parish Police Jury voted unanimously to pass Resolution # 95-7413 requesting the Interstate Commerce Commission to review the Conrail application to purchase the Southern Pacific lines, which would run through the state of Louisiana, and reject the proposed merger of Southern Pacific and Union Pacific.

The citizens of St. Tammany Parish hope you will consider this request in the spirit of competition and fairness.

Thank you for your time and cooperation.

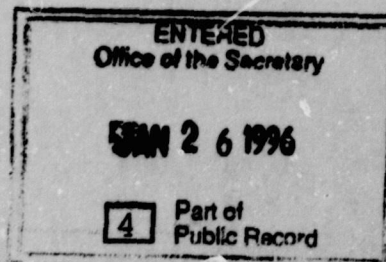
Sincerely,

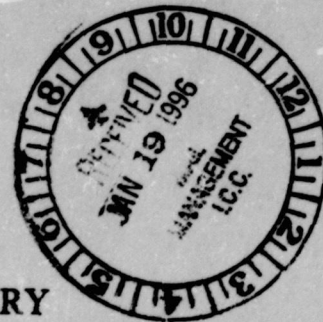
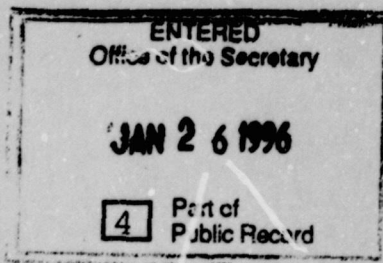
Allan R. Cartier
Parish Manager

Item No. _____

Page Count 3

JAN 28 2





ST. TAMMANY PARISH POLICE JURY

RESOLUTION

RESOLUTION POLICE JURY SERIES NO. 95-7413

RESOLUTION TO REQUEST THE INTERSTATE COMMERCE COMMISSION TO ACCEPT AND REVIEW THE CONRAIL APPLICATION TO PURCHASE THE SOUTHERN PACIFIC LINES WHICH WOULD RUN THROUGH LOUISIANA, AND REQUEST THE PURPOSE MERGER OF SOUTHERN PACIFIC AND UNION PACIFIC.

WHEREAS, Conrail has made a proposal to purchase a significant portion of the Southern Pacific's Eastern and Southern Lines and

WHEREAS, this purchase would create a more direct route from Louisiana to the Midwest and Northeast, and

WHEREAS, this purchase by Conrail would create a better competitive process for Louisiana Shippers, and

WHEREAS, before the Interstate Commerce Commission there is another proposal by Southern Pacific and Union Pacific to merge, and

WHEREAS, if this merger was accepted by the ICC, Union Pacific/Southern Pacific could disband coexisting tracks, and

WHEREAS, if this merger is allowed to take place, part of said merger would be for the UP/SP to rent tracks to their competition, and

WHEREAS, with Conrail's proposal, Conrail would own and maintain its tracks, and

WHEREAS, the St. Tammany Parish Police Jury feels it is in the best interest of the public, that the ICC not accept the Union Pacific/southern Pacific merger, and strongly believes that the purchase proposed by Conrail would directly benefit St. Tammany Parish and Louisiana.

1 THIS RESOLUTION HAVING BEEN SUBMITTED TO A VOTE, THE VOTE
2 THEREON WAS AS FOLLOWS:
3
4

5 MOVED FOR ADOPTION BY STEFANCIK, SECONDED BY DOHERTY
6

YEAS GLASS, WILLIE, GRIFFIN, HAND, DOHERTY, BAGERT, PEPPERMAN,
STEFANCIK, DAVIS, AND SMITH

10
11 NAYS: 0

12
13 ABSTAIN: 0

14
15 ABSENT: RINCK
16

17 AND THIS RESOLUTION WAS DECLARED DULY ADOPTED ON THE 14 TH DAY
18 OF DECEMBER, 1995, AT A REGULAR MEETING OF THE POLICE JURY,
19 A QUORUM OF THE MEMBERS BEING PRESENT.
20
21
22

23
24 Terrence J. Hand
25 TERRENCE J. HAND, PRESIDENT
26 ST. TAMMANY PARISH POLICE JURY
27

28 ATTEST:

29
30 Diane Hueschen
31 DIANE HUESCHEN, SECRETARY
32 ST. TAMMANY PARISH POLICE JURY
33

A TRUE COPY OF

Resolution PJS No. 95-7413

CERTIFIED BY

Misty Jordan Balbach
ST. TAMMANY PARISH POLICE JURY

STB FD

32760

1-19-96

B

61005

Item No. _____

Page Count 1

JAN 281



TODD STAPLES
STATE REPRESENTATIVE
DISTRICT 11

CAPITOL OFFICE:
P.O. BOX 2910
AUSTIN, TX 78768-2910
(512) 463-0592
FAX: (512) 463-8792

DISTRICT OFFICE:
P.O. BOX 257
PALESTINE, TX 75802-0257
(903) 729-7717
FAX: (903) 729-8708

January 12, 1995



The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
12th St. & Constitution Ave., NW
Room 2215
Washington, D.C. 20423

AMENDED POSITION ON

Finance Docket No. 32760, Union Pacific Corporation, et al - Control & Merger -
Southern Pacific Rail Corporation, et al

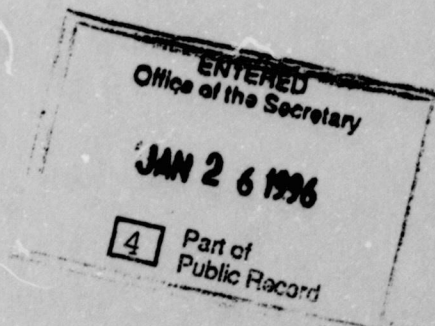
Dear Mr. Williams,

I withdrew my support on January 3, 1996 in order to gain more facts regarding the proposed Union Pacific/Southern Pacific merger. The negative labor impact coupled with possible rail access limitations for Texas House District 11 results in my opposition of the merger as currently filed.

Respectfully submitted,

Todd Staples

Todd Staples
State Representative
House District 11
TS/sw



xc: Jerry Martin, Texas Railroad Commission

