STB FD-32760 1-11-96 D ID-60805

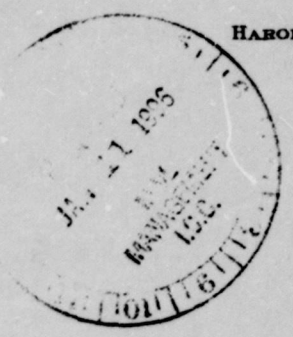
60805 ORIGINAL

LAW OFFICES
BELNAP, SPENCER, MCFARLAND & HERMAN
20 NORTH WACKER DRIVE - SUITE 3118
CHICAGO, ILLINOIS 60606-3101
TELEPHONE (312) 236-0204
FAX (312) 201-9695

THOMAS F. MCFARLAND, JR.
STEPHEN C. HERMAN

NUEL D. BELNAP (1882-1972)
HAROLD E. SPENCER
COUNSEL

January 10, 1996



By U.P.S. Overnight Mail

Vernon A. Williams, Secretary
Surface Transportation Board
U.S. Department of Transportation, Rm. 1324
12th & Constitution Avenue, NW
Washington, DC 20423

Re: **Finance Docket No. 32760, *Union Pacific Corporation, et al. -- Control and Merger -- Southern Pacific Rail Corporation, et al.***

Dear Mr. Williams:

Pursuant to Decision No. 6 in the above proceeding (60 F.R. 54384, Oct. 23, 1995), and Decision No. 9 (60 F.R. 66988, Dec. 27, 1995), this is to provide notice of intent to participate in the proceeding in behalf of:

NEBKOTA Railway, Inc.
P.O. Box 506
Gordon, NE 69343-0506

Twenty copies of this notice of intent to participate accompany the original. Computer data are also enclosed. A copy of this notice of intent to participate is being served on representatives of the applicants.

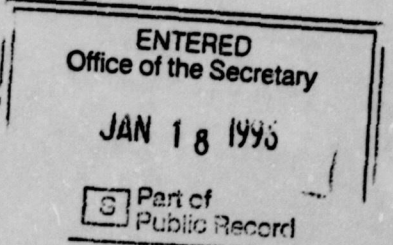
Very truly yours,

Tom McFarland

Thomas F. McFarland, Jr.
Attorney for NEBKOTA Railway, Inc.

TMcF:kl:encl:524

cc: Arvid E. Roach, II) by U.P.S. overnight mail
Paul A. Cunningham) by U.P.S. overnight mail



Item No. _____

Page Count 1

Jan 3rd 92

STB FD-32760 1-11-96 D ID-60803

Item No. 40803

Page Count 2

JAN #80

BAKER & DANIELS
EST. 1863

111 E. WAYNE STREET, SUITE 800 · FORT WAYNE, INDIANA 46802 · (219) 424-8000 · FAX (219) 460-1700

MARTIN A. WEISSERT
DD (219) 460-1633

INDIANAPOLIS
FORT WAYNE
SOUTH BEND
ELKHART
WASHINGTON, D.C.

Office of the Secretary

JAN 17 1996

January 10, 1996

RECEIVED
JAN 11 1996
INTERSTATE COMMERCE COMMISSION
MANAGEMENT

VIA UPS OVERNIGHT

Office of the Secretary
Case Control Branch
ATTN: Finance Docket No. 32760
Interstate Commerce Commission
1201 Constitution Avenue, N.W.
Washington, DC 20223

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

Dear Mr. Secretary:

Golden Cat Division of Ralston Purina Company ("Company") intends to participate in this proceeding as an active party for the purpose of proposing a protective condition with respect to the Company's facilities located near Bloomfield, Missouri.

The Company is represented by and service of pleadings and decisions should be made on:

Martin A. Weissert
Baker & Daniels
111 E. Wayne Street, Suite 800
Fort Wayne, IN 46802
(219)424-8000

Pursuant to 49 C.F.R. 1180.4(2), Company selects the following acronym for identifying all documents and pleadings it submits: "GCRP."

As directed by the Commission's Decision No. 9, served December 27, 1995, Company is enclosing twenty (20) copies of this letter. Copies are also being served on Applicants' representatives.

Please contact me if you have any questions regarding this matter.

Sincerely,

BAKER & DANIELS

Martin A. Weissert

MAW/ml
Enclosure

cc: Arvid E. Roach II, Esq.
Covington & Burling
1201 Pennsylvania Ave., N.W.
P.O. Box 7566
Washington, DC 20044

Paul A. Cunningham, Esq.
Harkins, Cunningham
1300 Nineteenth Street, N.W.
Washington, DC 20036

STB FD-32760 1-11-96 D ID-60802

Viacom Inc.
One Utah Center
201 South Main Street, Suite 1100
Salt Lake City UT 84111-4904

Jeffrey B. Groy
Corporate Counsel/Environmental

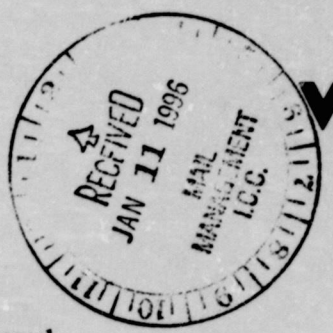
Tel 801 578 6972
Fax 801 578 6999

60802

Office of the Secretary

JAN 17 1996

January 10, 1996



VIACOM

VIA FEDERAL EXPRESS

Office of the Secretary
Case Control Branch
Interstate Commerce Commission/Surface Transportation Board
1201 Constitution Avenue, N.W.
Washington, DC 20423

Re: Finance Docket No. 32760, Docket Nos. AB-8 (Sub-No. 36X) and AB-12 (Sub-No. 189x) - Notice of Intent to Participate

Dear Sir/Madam:

Viacom International Inc. ("Viacom") hereby submits a Notice of Intent to Participate in the above-referenced proceeding. Viacom's interest in the proceeding is limited to the Sage-Leadville, Colorado line discontinuance and abandonment (from MP 335.00 to MP 276.1), Docket Nos. AB-8 (Sub-No. 36X) and AB-12 (Sub-No. 189X). We understand that written comments, requests for conditions and any other evidence must be filed by March 29, 1996.

I will serve as Viacom's representative for purposes of service of documents in connection with this proceeding. My address and telephone number are listed above.

Sincerely,

Jeffrey B. Groy

cc: Arvid E. Roach II, Esq.
Paul A. Cunningham, Esq.

*Of Counsel with Stoel Rives LLP

Item No. _____

Page Count 1

Jan # 79

SLC1-19481.1 21980-0003

STB FD-32760 1-11-96 D ID-60798

60798 Item No.

Page Count 5

JAN 12 96

SEVERSON & WERSON
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
ONE EMBARCADERO CENTER
SAN FRANCISCO, CALIFORNIA 94111

FAX (415) 956-0439
TELEPHONE (415) 398-3344

LARRY W. TELFORD
DIRECT NO. (415) 677-5605

January 5, 1996

VIA FEDERAL EXPRESS

Vernon A. Williams, Secretary
Case Control Branch; Attn: Finance Docket 32760
Interstate Commerce Commission
1201 Constitution Ave., N.W.
Washington, D.C. 20423

JAN 11 1996

Re: Application of Union Pacific Corporation, et al., Finance Docket 32760

Dear Mr. Secretary:

Transmitted herewith for filing and the attention of the Commission are original and twenty copies of Notice of Intent to Participate in the subject proceeding, filed on behalf of the Town of Truckee, a California municipal corporation. A Certificate of Service confirming service by mail upon the appointed Administrative Law Judge and counsel for the Applicants is attached to the original.

Please confirm your receipt and acceptance of this filing by returning the attached copy of this letter the Notice of Intent, endorsed with your "Filed" stamp, in the enclosed stamped self addressed envelope.

Should there be any question about this filing please call me collect at the number set forth above.

Very truly yours,

LARRY W. TELFORD

cc: Mr. Stephen L. Wright, Town of Truckee

Item No. _____

Page Count 9

BEFORE THE

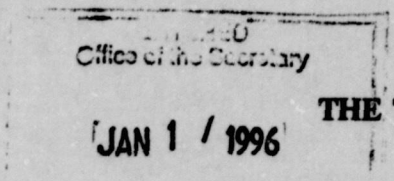
UNITED STATES INTERSTATE COMMERCE COMMISSION

In the matter of the Application of Union Pacific Corporation, Union Pacific Railroad Company, Missouri Pacific Railroad Company, Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and the Denver and Rio Grande Western Railroad Company	)	Finance Docket No. 32760

NOTICE OF INTENT TO PARTICIPATE

OF

THE TOWN OF TRUCKEE



Larry W. Telford, Esq.
Severson & Werson, a
Professional Corporation
One Embarcadero Center, 26th Fl.
San Francisco, CA 94111
Tel. (415) 398-3344
Fax. (415) 956-0439

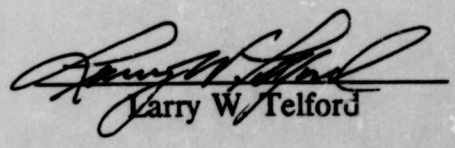
Comes now the Town of Truckee, a California municipal corporation ("Truckee"), appearing by and through its attorneys, Larry W. Telford, Esq., Severson & Werson, a Professional Corporation, and gives notice of its intent to formally participate in the subject proceeding as an interested party whose position of support or opposition has not yet been determined. The Application suggests that significant and adverse environmental and safety impacts arising out of increased rail traffic and blockage of a critical rail/highway grade crossing will occur in Truckee if the transaction for which the Applicants seek authority is consummated. Truckee's analysis of the Application is continuing, and its position will be determined by the results of that analysis. Truckee reserves the right to conduct discovery concerning matters arising from its analysis in accordance with the Rules of Practice and Orders of the Commission issued in this proceeding, and to request imposition of conditions upon any authority granted by the Commission.

Truckee requests that copies of all pleadings, orders, decisions and other papers filed in this proceeding be served upon it at the following address:

Larry W. Telford, Esq.
Severson & Werson, a
Professional Corporation
One Embarcadero Center, 26th Fl.
San Francisco, CA 94111
Tel. (415) 398-3344
Fax. (415) 956-0439

Dated: January 5, 1996

Respectfully submitted,



Larry W. Telford

PROOF OF SERVICE

I, the undersigned, declare that I am over the age of 18 and am not a party to this action. I am employed in the City and County of San Francisco, California; my business address is One Embarcadero Center, 26th Floor, San Francisco, California 94111.

On the below date I served the attached document(s) entitled:

NOTICE OF INTENT TO PARTICIPATE

on all interested parties in said cause addressed as follows:

SEE ATTACHED SERVICE LIST

__XX__ **(BY MAIL)** I caused such envelope to be deposited in the mail at San Francisco, California. The envelope was mailed with postage thereon fully prepaid.

I am readily familiar with the firm's practice of collection and processing of correspondence for mailing. It is deposited with the U.S. Postal Service on the same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date on postage meter is more than 1 day after date of deposit for mailing in affidavit.

_____**(BY HAND)** I caused each such envelope to be delivered by hand to the addressee(s) noted above.

_____**(BY FEDERAL EXPRESS OR EXPRESS MAIL)** By placing a true copy thereof enclosed in a sealed envelope for delivery via Federal Express or Express Mail to the addressee(s) noted above.

_____**(BY FACSIMILE)** I caused a true copy to be transmitted via facsimile to the addressee(s) noted above at the FAX number noted after party's address.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. This declaration is executed in San Francisco, California on **January 5, 1996.**

Irene Sanders

IRENE SANDERS

SEVERSON WERSON
A PROFESSIONAL CORPORATION
ONE EMBARCADERO CENTER • SAN FRANCISCO, CA 94111
TELEPHONE (415) 398-3344

SERVICE LIST

Arvid E. Roach II, Esq.
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, DC 20044

Paul A. Cunningham, Esq.
Harkins Cunningham
1300 Nineteenth Street, N.W.
Washington, DC 20036

Administrative Law Judge Jerome Nelson, FERC
825 North Capitol Street, NE
Washington, DC 20426

STB FD-32760 1-11-96 D ID-60789

60784

Springfield Plastics, inc.

RURAL ROUTE 1, AUBURN, ILLINOIS 62615 • TELEPHONE 217 438-6167
TOLL FREE 800 252-3361
FAX # 217 438-6949

January 9, 1996

Surface Transportation Board
Washington, D.C. 20423

Re: AB-33 (Sub-No. 96)
Finance Docket No. 32760
Union Pacific Railroad Company
Abandonment - Between Barr and Girard
Document No. UP/SP-26

NOTICE of INTENT to PARTICIPATE in PROCEEDING

Dear Sirs:

This letter hereby notifies you of our intent to participate in the above noted proceeding. We wish to participate only in the abandonment and discontinuance of service proceeding. This intent is being filed according to the procedural schedule adopted by the Interstate Commerce Commission on October 19, 1995.

Pursuant to ICC procedures enclosed are 20 copies of this notice, a certificate of service. and a 3.5" diskette (formatted W/P 5.0) containing the notice and certificate. We have also enclosed a return letter and envelope. We would ask that you sign and date this letter and return it to us for our files. Thank you in advance for your attention to this.

Sincerely,

Stephen W. Baker

Stephen W. Baker
Executive Vice President

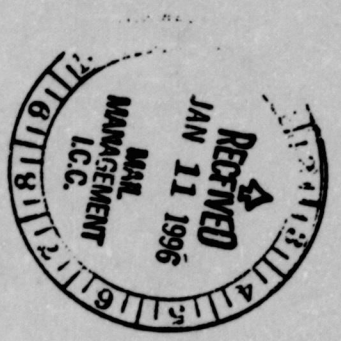
cc: Robert T. Opal

Item No. _____

Page Count JAN #66

Springfield Plastics, inc.

RURAL ROUTE 1, AUBURN, ILLINOIS 62615 • TELEPHONE 217 438-6167
TOLL FREE 800 252-3361
FAX # 217 438-6949



Re: Docket AB-33(Sub-No. 96)
Finance Docket No. 32760
Union Pacific Railroad Company
Abandonment from Barr to Girard
Document No. UP/SP-26

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing Notice of Intent to Participate in the above noted proceeding was served on the party listed below by sending the Notice UPS/Next Day on January 9, 1996.

Sent to: Robert T. Opal
General Attorney
1416 Dodge Street
Omaha, Nebraska 68179-0830

SIGNED: Stephen W Baker

Stephen W. Baker
Executive Vice-President
Springfield Plastics, Inc.

Re: Docket No. AB-33(Sub-No. 96)
Finance Docket No. 32760
Union Pacific Railroad Company
Abandonment from Barr to Girard
Document No. UP/SP-26

RECEIPT OF DOCUMENTS

The undersigned acknowledges receipt of the Notice of Intent to Participate, 20 copies of notice, Certificate of Service and a diskette with such notices in the above noted proceeding.

Surface Transportation Board

By:_____

Dated:_____

STB FD-32760 1-11-96 D ID-60787

Item No. 60787
Page Count 31
JAN #63

COVINGTON & BURLING
1201 PENNSYLVANIA AVENUE, N.W.
P.O. BOX 7566
WASHINGTON, D.C. 20044-7566
(202) 662-6000

TELEFAX: (202) 662-6291
TELEX: 89-593 (COVLING WSH)
CABLE: COVLING

WRITER'S DIRECT DIAL NUMBER

LECONFIELD HOUSE
CURZON STREET
LONDON W1Y 8AS
ENGLAND
TELEPHONE: 071-495-5655
TELEFAX: 071-495-3101

BRUSSELS CORRESPONDENT OFFICE
44 AVENUE DES ARTS
BRUSSELS 1040 BELGIUM
TELEPHONE: 32-2-512-9890
TELEFAX: 32-2-502-1598

Office of the Secretary

JAN 16 1996

Part of
Public Record

January 11, 1996

BY HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Twelfth Street and Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423

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

Dear Secretary Williams:

Enclosed for filing in the above-captioned docket are the original and twenty copies of Applicants' Responses to International Paper's First Interrogatories and Requests for Documents (UP/SP-51). Also enclosed is a 3.5-inch disk containing the text of this pleading in WordPerfect 5.1 format.

I would appreciate it if you would date-stamp the enclosed extra copy of the pleading and return it to the messenger for our files.

RECEIVED
JAN 11 1996
I.C.C. BUILDING
GUARD DESK

Sincerely,

Michael A. Listgarten

Member of the Bar of New York State
Not admitted to the Bar of the District of Columbia

Enclosures

UP/SP-51

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' RESPONSES TO INTERNATIONAL PAPER'S FIRST INTERROGATORIES AND REQUESTS FOR 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
S. WILLIAM LIVINGSTON, JR.
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 11, 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' RESPONSES TO INTERNATIONAL PAPER'S FIRST INTERROGATORIES AND REQUESTS FOR DOCUMENTS

UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW, collectively, "Applicants," hereby respond to the First Interrogatories and Requests for Documents of International Paper Company ("IP").

GENERAL RESPONSES

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

1. Applicants have conducted a reasonable search for documents responsive to the interrogatories. Except as objections are noted herein,[1/] all responsive documents have been or shortly will be made available for inspection and copying in Applicants' document depository, which is located at the offices of Covington & Burling in Washington, D.C. Applicants will be pleased to assist IP to locate particular

---

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

responsive documents to the extent that the index to the depository does not suffice for this purpose. Copies of documents will be supplied upon payment of duplicating costs (including, in the case of computer tapes, costs for programming, tapes and processing time).

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

3. Certain of the documents to be produced contain sensitive shipper-specific and other confidential information. Applicants are producing these documents subject to the protective order that has been entered in this proceeding.

4. In line with past practice in cases of this nature, Applicants have not secured verifications for the answers to interrogatories herein. Applicants are prepared to discuss the matter with IP if this is of concern with respect to any particular answer.

GENERAL OBJECTIONS

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

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

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

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

4. Applicants object to production of public documents that are readily available, including but not limited to documents on public file at the Board or the SEC or clippings from newspapers or other public media. Notwithstanding this objection, Applicants have produced some responsive materials of this kind, but Applicants have not attempted to produce all responsive materials of this kind.

5. Applicants object to the production of, and are not producing, 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 IP from IP's own files.

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

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

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

9. Applicants object to the definition of "Applicants" as unduly vague, overbroad, and not susceptible of meaningful application.

10. Applicants object to the definition of "identify" insofar as it requests home telephone numbers and home addresses on grounds that such information is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

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

12. Applicants object to Instructions Nos. 1, 2, 4, 5, 6, 9 and 10 to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

13. Applicants object to Instructions Nos. 5 and 6 as unduly burdensome.

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

SPECIFIC RESPONSES AND ADDITIONAL OBJECTIONS

Interrogatory No. 1

"Identify all officers and managers employed by Applicants with marketing and operational responsibility for IP rail shipments originating in Pine Bluff and Camden, AR."

Response

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

Responsive information will be produced.

Interrogatory No. 2

"Describe Applicants' operating plan for handling shipments originating in Pine Bluff and Camden AR if the proposed merger is consummated, including but not limited to any changes in the frequency, car supply, performance standards, switching service or rates of Applicants' service. Identify all studies, analyses and reports or other documents, including work papers, relating to that plan. Also identify all persons participating in the creation of that plan."

Response

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

The Operating Plan and Verified Statement of R. Bradley King and Michael D. Ongerth in Volume 3 of the application, and the related workpapers, portray Applicants' operating plans. See BN/SF-1 as to BN/Santa Fe's plans. Highly detailed plans for operations to particular shipper facilities will be worked out in due course among UP/SP, BN/Santa Fe if applicable, and the shipper.

Interrogatory No. 3

"Describe Applicants' operating plan for handling IP traffic to and from Camden and Pine Bluff, AR if the proposed merger is consummated, including but not limited to any changes in the frequency, car supply, performance standards, switching service or rates of Applicants' service. Identify all studies, analyses and reports or other documents, including work papers, relating to that plan. Also identify all persons participating in the creation of that operating plan."

Response

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

See Response to Interrogatory No. 2.

Interrogatory No. 4

"Describe Applicants' plan for operating traffic in the corridor between Memphis, TN and Houston, TX if the proposed merger is consummated, including but not limited to Applicants' plan to have trains bypass the Little Rock/Pine Bluff terminals as set forth in the statement of Witness Peterson. Identify all studies, analyses and reports or other documents, including work papers, relating to that plan."

Response

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

See Response to Interrogatory No. 2.

Interrogatory No. 5

"Describe Applicants' operating plan for shipments to and from Gurdon, AR if the proposed merger is consummated, including but not limited to any changes in frequency of service, car supply, switching service or rates for Applicants' service to and from that point, as well as changes in traffic that would be necessitated by the planned abandonment of the line between Camden and Gurdon, AR. Identify all studies, analyses and reports or other documents, including work papers, relating to that plan."

Response

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

See Response to Interrogatory No. 2.

Interrogatory No. 6

"Identify all BN employees with whom employees of Applicants have communicated concerning the trackage rights between Houston, TX and Memphis, TN granted to BN under the

Settlement Agreement. Identify all documents relating to any such communications."

Response

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

The only BN/Santa Fe employees with whom these rights have been discussed subsequent to the parties' entry intop the settlement agreement are Richard E. Weicher and Michael E. Roper. No non-privileged documents have been located.

Interrogatory No. 7

"With respect to the Applicants' Exemption Petition in Docket No. AB-3 (Sub No. 129x) to abandon the line between Gurdon and Camden AR if the proposed merger is consummated, state, for 1993, 1994 and 1995 year to date, the total number of shipments and tonnage that would be handled annually if the trackage were not abandoned."

Response

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

No traffic is anticipated to be handled on the line if the line is not abandoned. Only one carload of non-overhead traffic was handled on the line between January 1, 1993 and December 31, 1995.

Interrogatory No. 8

"Describe how the Settlement Agreement leaves IP with competitive rail service at Pine Bluff and Camden, AR."

Response

Subject to the General Objections stated above, Applicants respond as follows:

As described in the settlement agreement, BN/Santa Fe will have the right to serve, either through direct access or through reciprocal switching, all shippers at Pine Bluff and Camden that are now served by both UP and SP. BN/Santa Fe has an excellent network and will be able to provide single-line service between these Arkansas points and points and gateways throughout the West. The application extensively addresses BN/Santa Fe's competitiveness under the settlement agreement. See, in particular, the Verified Statement of John H. Rebensdorf in Volume 1 of the application, the Verified Statement of Richard B. Peterson in Volume 2 of the application, and BN/SF-1.

Interrogatory No. 9

"State whether the reciprocal shipping arrangements currently in place in Carrollton, TX and Pinesville [sic - presumably Pineville], LA will be maintained if the proposed merger is consummated. If not, explain any planned changes to those arrangements, and identify all studies, analyses and reports or other documents, including work papers, relating to said changes."

Response

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

Applicants know of no plan to change such arrangements.

Interrogatory No. 10

"Describe how Applicants determined the fees it proposed to charge BN for trackage rights under the Settlement Agreement. Identify all studies, analyses and reports or other documents, including work papers, relating to that determination, and all persons participating in that determination."

Response

Subject to the General Objections stated above, Applicants respond as follows:

The figure was negotiated at arm's-length, not "determined."

Interrogatory No. 11

"State the average number of daily train movements in each direction (a) during 1994, (b) during the first six months of 1995 and (c) projected for the first and second full years of operation after consummation of the proposed merger for each of the following railroad line segments:

(a) Pine Bluff, AR - Memphis, TN

(b) Pine Bluff, AR - Shreveport, LA

(c) Shreveport, LA - Houston, TX

(d) Pine Bluff, AR - Little Rock, AR."

Response

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

Attachments 13-5 and 13-6 to the Operating Plan in Volume 3 of the application set forth train frequencies for the base year and a normal year. To the extent, if any, that additional responsive information is available without conducting a burdensome special study, it will be produced.

Interrogatory No. 12

"State (separately for UP and SP) the amount of traffic originating in Pine Bluff and Camden AR Applicants expect to be diverted to BN as a result of the trackage rights granted BN under the Settlement Agreement. Identify all studies, analyses and reports or other documents, including work papers, relating to that predicted lost traffic. Also, identify all persons who participated in that determination."

Response

Applicants object to this interrogatory as unduly burdensome. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

This information is contained in the Traffic Study workpapers. The Traffic Study was conducted by Richard B. Peterson and his staff, as discussed in Part II of Mr.

Peterson's verified statement. Mr. Peterson's testimony describes the assumptions that he used.

Interrogatory No. 13

"Describe the operational control BN will have in determining the movement of traffic over the lines in the Houston-Memphis corridor for which BN has been granted trackage rights under the Settlement Agreement. Identify all studies, analyses and reports or other documents, including work papers, relating to that operational control. Also, identify all persons primarily responsible for the preparation of the documents identified in response to this interrogatory."

Response

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

BN/Santa Fe will decide what trains to run and what priorities to assign them. It will be entitled to equal dispatch, and UP/SP is committed to work closely with BN/Santa Fe to ensure that no operating problems develop. There are no studies, analyses or similar documents relating to the issue of BN/Santa Fe "operational control" under the settlement agreement.

Interrogatory No. 14

"Describe the facilities and equipment Applicants plan to make available to BN to enable it to operate over the lines in the Houston-Memphis corridor for which BN has been granted trackage rights under the Settlement Agreement."

Response

Subject to the General Objections stated above, Applicants respond as follows:

See the settlement agreement. BN/Santa Fe will be entitled to use the track and to benefit from all associated facilities, such as signalling, dispatching and emergency repair and support facilities. BN/SF-1 describes the terminal facilities that BN/Santa Fe contemplates using.

Interrogatory No. 15

"State, for all line segments over which Applicants are granting BN trackage rights under the Settlement Agreement: (a) annual density; (b) track capacity; (c) net investment by ICC account; (d) annual depreciation by ICC account; and (e) annual operating costs. Identify all documents consulted with in responding to this interrogatory."

Response

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

(a) See the density charts in Volume 3 of the application.

(b) Track capacity depends on the use made of the track. Applicants have produced or will be producing UP and SP timetables and condensed profiles from which IP can draw its own conclusions as to capacity.

(c), (d). To the extent, if any, that this information is available without conducting a burdensome special study, it will be produced.

(e) This information is not available on a line-specific basis without performing an extremely burdensome special study.

Interrogatory No. 16

"State for all line segments over which Applicants have been granted trackage rights by BN under the Settlement Agreement: (a) annual density; (b) track capacity; (c) net investment by ICC account; (d) annual depreciation by ICC account; and (e) annual operating costs. Identify all documents consulted with in responding to this interrogatory."

Response

Applicants do not have this information.

Interrogatory No. 17

"With respect to Applicants' traffic study developed in connection with the proposed merger, describe any modification that have been made to that study to reflect (a) UP's acquisition of the CNW; and (b) Burlington Northern's merger with the Atchison, Topeka & Santa Fe Railway Company."

Response

Subject to the General Objections stated above, Applicants respond as follows:

This is fully described in Part II of the Verified Statement of Richard B. Peterson in Volume 2 of the application.

Interrogatory No. 18

"State whether Applicants maintain documents relating to the reliability of their respective performance, as that term is used by, inter alia, Witness Peterson at page 62 of Volume 2 of the Application (UP/SP-23). If so, describe how such information is developed, who are the responsible persons for recording that information, whether such

information is developed on a shipper specific basis and identify all such documents."

Response

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

Mr. Peterson did not use the term "reliability" in any special sense. UP and SP maintain a wide variety of documents regarding their service reliability. Some is shipper-specific. Numerous persons are responsible for preparing such documents.

Interrogatory No. 19

"Identify all paper company facilities served in California, Oregon and Washington that ship linerboard (STCC 26 311 17) via rail and state which rail carrier serves each facility. For each such company, state:

(a) Whether service is provided by other than direct access (e.g., via reciprocal switching, voluntary coordination agreement, etc.) and, if so, describe such arrangements including whether any switching charges are absorbed; and

(b) Whether any such facilities will have competitive rail service if the merger is consummated and, if so, describe the nature of the competitive service that would be provided."

Response

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

Applicants do not believe that there are any such facilities that would go from two serving railroads to one as a result of an unconditioned merger.

Interrogatory No. 20

"State the number of 'paper grade' boxcars in the Applicants' respective carfleets, by size and type, that are available to service shipments tendered by paper companies in 1995."

Response

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

Responsive information will be produced.

Interrogatory No. 21

"State the number of 'paper grade' boxcars Applicants intend to acquire if the proposed merger is consummated."

Response

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. Without

waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

With regard to additional boxcar requirements, see Volume 3, p. 238 of the Application. Applicants did not separately calculate acquisitions of "paper grade" cars. However, the new marketing opportunities projected by witness Peterson include more than 3,200 carloads per year of paper traffic.

Interrogatory No. 22

"Describe any alternatives contemplated by Applicants in lieu of the Settlement Agreement, and identify all studies, analyses and reports or other documents, including work papers, relating to such alternatives."

Response

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

The Verified Statement of John H. Rebensdorf addresses this matter. See Responses to KCS Interrogatories Nos. 12, 13 and 14, and the rulings with respect to those interrogatories at the hearings of December 20, 1995 and January 2, 1996.

Document Request No. 1

"All documents identified in response to Interrogatory No. 2."

Response

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

See Response to Interrogatory No. 2.

Document Request No. 2

"All documents identified in response to Interrogatory No. 3."

Response

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

See Response to Interrogatory No. 2.

Document Request No. 3

"All documents identified in response to Interrogatory No. 4."

Response

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

See Response to Interrogatory No. 2.

Document Request No. 4

"All documents identified in response to Interrogatory No. 5."

Response

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

See Response to Interrogatory No. 2.

Document Request No. 5

"All documents identified in response to Interrogatory No. 6."

Response

No documents were identified in the response.

Document Request No. 6

"All documents identified in response to Interrogatory No. 9."

Response

No documents were identified in the response.

Document Request No. 7

"All documents identified in response to Interrogatory No. 10."

Response

No documents were identified in the response.

Document Request No. 8

"All documents identified in response to Interrogatory No. 11."

Response

See Response to Interrogatory No. 11.

Document Request No. 9

"All documents identified in response to Interrogatory No. 12."

Response

See Response to Interrogatory No. 12.

Document Request No. 10

"All documents identified in response to Interrogatory No. 13."

Response

No documents were identified in the response.

Document Request No. 11

"All documents identified in response to Interrogatory No. 15."

Response

See Response to Interrogatory No. 15.

Document Request No. 12

"All documents identified in response to Interrogatory No. 16."

Response

No documents were identified in the response.

Document Request No. 13

"All documents identified in response to Interrogatory No. 18 for the period of January 1, 1993 through the most current period for which such information is available."

Response

No documents were identified in the response.

Document Request No. 14

"All documents identified in response to Interrogatory No. 22."

Response

See Response to Interrogatory No. 22.

Document Request No. 15

"The transcript of any testimony given by the following persons before the ICC, or any other verified statement submitted by any of the following persons in an ICC proceeding in which they have discussed the issues of competition, relevant markets or market definitions, as well as testimony related to the economic analysis of mergers in the railroad industry, or the subject of trackage rights or other conditions imposed on a rail merger:

(a) Witness Spero

(b) Witness Willig

(c) Witness Sharp

(d) Witness Peterson

(e) Witness Barber

Also, produce any articles, books or other writings authored in part or in whole by any of the above persons related to the above-stated issues."

Response

Information about or copies of these items, to the extent they can be located, will be produced. Considerable information about publicly-available materials is at pp. 8,

376, 647-67, 697-700 and 723-25 of Volume 2 of the application.

Document Request No. 16

"All traffic studies performed by UP and SP relating to the proposed merger."

Response

Subject to the General Objections stated above, Applicants respond as follows:

The only Traffic Study is the one described in Part II of the Verified Statement of Richard B. Peterson in Volume 2 of the application.

Document Request No. 17

"All documents used or referred to in formulating the Applicants [sic] operating plan."

Response

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

The workpapers underlying the Operating Plan are in Applicants' document depository.

Document Request No. 18

"In connection with SP's sale of certain lines in Oregon to the Central Oregon & Pacific Railroad, Inc. ('COPR'), as described in the Exemption proceeding submitted to the Interstate Commerce Commission in F.D. 32567 and F.D. 32568, provide all documents relating to:

(a) restrictions on the ability of the COPR to interchange with the Burlington Northern at Eugene, Portland or Chemult, Oregon.

(b) the provision of empty cars for all shippers on the lines sold to COPR.

(c) arrangements between COPR and SP for the handling of traffic into and out of IP's mill at Gardiner, Oregon; and

(d) divisional arrangements involving the Longview, Portland and Northern Railroad ('LP&N')."

Response

Applicants object to this 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. 19

"All documents relating to potential movements of outbound product from IP's mill at Gardiner, Oregon moving to points served by BN, including but not limited to:

(a) requests by IP or BN for joint or proportional rate movements;

(b) responses by SP to such requests;

(c) refusals by SP to offer proportional or joint rate arrangements to points other than in the states of Washington, Idaho, North Dakota, South Dakota, Montana, Wyoming or Oregon or to points in Canada other than in British Columbia;

(d) car supply for traffic destined to BN points;

(e) differences in proportional rates to Portland between traffic destined to BN served points and points that are served by UP or its subsidiaries or affiliates."

Response

Applicants object to this request 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.

Document Request No. 20

"All documents relating to SP's absorption or non-absorption of switching charges at Portland, Oregon on IP traffic."

Response

Applicants object to this request as unduly burdensome and 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.

Document Request No. 21

"All documents relating to SP's refusal to provide cars to IP at Gardiner, Oregon on STCC 26 commodities."

Response

Applicants object to this 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. 22

"All documents referring or relating to complaints from paper company shippers concerning the quantity or quality of "paper grade" boxcars Applicants used during the period of January 1, 1993 to the present."

Response

Applicants object to this 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. 23

"All studies, analyses and reports relating to the transit times and utilization of cars used to provide rail service to International Paper from January 1, 1993 to present."

Response

Applicants object to this 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. 24

"All studies, analyses and reports or other documents, including work papers, discussing SP's strategic plans, its competitive and/or financial forecasts, including any such documents supplied to investment analysts."

Response

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

SP business plans and presentations to security analysts have been produced.

Document Request No. 25

"All studies, analyses and reports or other documents, including work papers, discussing the competitive consequences of the proposed merger."

Response

Applicants object to this request as unduly vague and unduly burdensome. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

See the application and related workpapers. In addition, Applicants undertook in response to discovery requests of other parties to search files of pertinent UP and SP executive officers for any responsive studies, reports or analyses, and any such documents have been or will be produced.

Document Request No. 26

"All studies, analyses and reports, including work papers, relating to service problems experienced by UP following its acquisition of CNW."

Response

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

To the extent UP has completed any such studies, reports or analyses, they will be produced.

Document Request No. 27

"All studies, analyses and reports or other documents, including work papers, discussing BN's ability to compete with Applicants for business from shippers served by lines over which BN has been granted trackage rights or which BN is purchasing pursuant to the Settlement Agreement."

Response

Applicants object to this request as unduly vague and unduly burdensome. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

See the application and related workpapers, and BN/SF-1. In addition, Applicants undertook in response to discovery requests of other parties to search files of pertinent UP and SP executive officers for any responsive studies, reports or analyses, and any such documents have been or will be produced.

Respectfully submitted,

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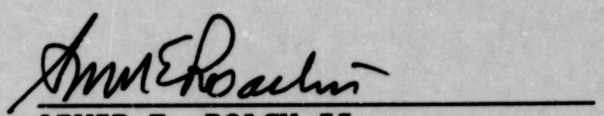

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Attorneys for Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company

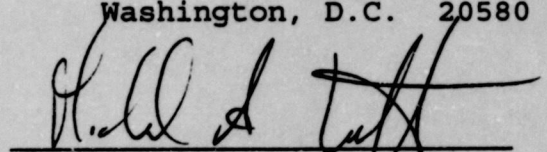
January 11, 1996

CERTIFICATE OF SERVICE

I, Michael A. Listgarten, certify that, on this 11th day of January 1996, I caused a copy of the foregoing document to be served by hand upon Edward D. Greenberg, counsel for International Paper Company, at Galland, Kharasch, Morse & Garfinkle, P.C., 1054 Thirty-First Street, N.W., Second Floor, Washington, D.C. 20007 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 A. Listgarten


STB FD-32760 1-5-96 D ID-60776

Item No. 60776

Page Count 2

JAN # 53

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January 4, 1996

Office of the Secretary
Case Control Branch
Attn: Finance Docket No. 32760
Surface Transportation Board
1201 Constitution Avenue, N.W.
Washington, D.C. 20423

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

In accordance with Decision No. 9 in this docket, this letter constitutes the Notice of Intent to Participate filed on behalf of the Chemical Manufacturers Association. Please serve the following counsel marked with asterisks with all decisions and submissions:

David F. Zoll,
Vice President and General Counsel
* Thomas E. Schick,
Assistant General Counsel
Chemical Manufacturers Association
1300 Wilson Boulevard
Arlington, VA 22209
(703) 741-5000

* Please serve with one copy of public (redacted) and confidential versions.

John L. Oberdorfer
** Scott N. Stone
Patton Boggs L.L.P.
2550 M Street, N.W.
Washington, D.C. 20037
(202) 457-6335

** Please serve with one copy of all versions including highly confidential material.

Sincerely,

Scott N. Stone

Outside counsel for the
Chemical Manufacturers Association

STB FD-32760 1-5-96 D ID-60775

Item No. 60775

Page Count 2

JAN # 52

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GEORGE W. MAYO, JR.
PARTNER
DIRECT DIAL (202) 637-5679

January 5, 1996

Office of the Secretary
Case Control Branch
Attention: Finance Docket No. 32760
Surface Transportation Board
12th Street and Constitution Avenue, N.W.
Washington, DC 20423

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

Dear Sir or Madam:

I am writing to express the intention of this firm to participate in the above-reference proceeding, as co-counsel to Harkins Cunningham in the representation of Southern Pacific Rail Corporation and its affiliates in that proceeding. Please ensure that the following addition is made to the official service list in the proceeding:

George W. Mayo, Jr.
Eric A. Von Salzen
Hogan & Hartson L.L.P.
555 Thirteenth Street, NW
Washington, DC 20004-1109
Co-Counsel 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

FAX: (202) 637-5910 TELEX: 248370(RCA), 892757(WU) CABLE: HOGANDER WASHINGTON

By copy of this letter, I am requesting that counsel for all parties make this same addition to any informal service list they are currently using in the proceeding.

Thank you for your assistance in this matter.

Respectfully,

George W. Mayo, Jr.

GWM:jms

cc: Counsel for All Parties

STB FD-32760 1-5-96 D ID-60772

Item No. _____

Page Count 5

JAN # 49

40772

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FACSIMILE
202-861-0473

KELLEY E. O'BRIEN
MEMBER OF THE VIRGINIA BAR
NOT ADMITTED IN THE DISTRICT OF COLUMBIA
202-778-0607

January 5, 1995

BY HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
12th Street & Constitution Ave., NW
Room 2215
Washington, DC 20423

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

Dear Secretary Williams:

Enclosed for filing in the above-captioned docket are an original and twenty (20) copies of Objections of Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company to Consolidated Rail Corporation's First Requests for the Production of Documents (BN/SF-3). Also enclosed is a 3.5-inch disk containing the text of this pleading in WordPerfect 5.1 format.

I would appreciate it if you would date-stamp the enclosed extra copy of BN/SF-3 and return it to the messenger for our files.

Sincerely,

Kelley O'Brien

Kelley O'Brien

BN/SF-3

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

OBJECTIONS OF BURLINGTON NORTHERN RAILROAD COMPANY AND THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY TO CONSOLIDATED RAIL CORPORATION'S FIRST REQUESTS FOR THE PRODUCTION OF DOCUMENTS

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Janice G. Barber
Michael E. Roper
Sidney L. Strickland, Jr.

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(817) 333-7954

and

The Atchison, Topeka and Santa Fe
Railway Company
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Schaumburg, Illinois 60173
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Erika Z. Jones
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Attorneys for Burlington Northern Railroad Company
and The Atchison, Topeka and Santa Fe Railway Company

January 5, 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

OBJECTIONS OF BURLINGTON NORTHERN RAILROAD COMPANY AND THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY TO CONSOLIDATED RAIL CORPORATION'S FIRST REQUESTS FOR THE PRODUCTION OF DOCUMENTS

Burlington Northern Railroad Company ("BN") and The Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") (collectively "BN/Santa Fe") object as follows to Consolidated Rail Corporation's ("Conrail") "First Requests for the Production of Documents to BNSF Corporation". These objections are being served pursuant to the Discovery Guidelines Order entered by the Administrative Law Judge in this proceeding on December 5, 1995 ("Discovery Guidelines").

Subject to the objections set forth below, BN/Santa Fe will produce non-privileged documents responsive to Conrail's First Requests for the Production of Documents. If

necessary, BN/Santa Fe is prepared to meet with counsel for Conrail at a mutually convenient time and place to discuss informally resolving these objections.

GENERAL OBJECTIONS

BN/Santa Fe objects to Conrail's First Requests for the Production of Documents on the following grounds:

1. Parties. BN/Santa Fe objects to Conrail's First Requests for the Production of Documents to the extent that they are directed to BNSF Corporation (now, Burlington Northern Santa Fe Corporation) rather than BN and Santa Fe. Burlington Northern Santa Fe Corporation is not a party to and has not appeared or intervened in this proceeding. Notwithstanding this objection, BN/Santa Fe will include as a part of its responses to Conrail's Requests any non-privileged, responsive documents in the possession of Burlington Northern Santa Fe Corporation.

2. Privilege. BN/Santa Fe objects to Conrail's First Requests for the Production of Documents to the extent that they call for information or documents subject to the attorney work product doctrine, the attorney-client privilege or any other legal privilege.

3. Relevance/Burden. BN/Santa Fe objects to Conrail's First Requests for the Production of Documents to the extent that they seek information or documents that are not directly relevant to this proceeding and to the extent that a response would impose an unreasonable burden on BN/Santa Fe.

4. Settlement Negotiations. BN/Santa Fe objects to Conrail's First Requests for the Production of Documents to the extent that they seek information or documents prepared in connection with, or related to, the negotiations leading to the Agreement entered into on

September 25, 1995, by BN/Santa Fe with Union Pacific and Southern Pacific, as supplemented on November 18, 1995.

5. Scope. BN/Santa Fe objects to Conrail's First Requests for the Production of Documents to the extent that they attempt to impose any obligation on BN/Santa Fe beyond those imposed by the General Rules of Practice of the Interstate Commerce Commission ("Commission"), 49 C.F.R. § 1114.21-31, the Commission's scheduling orders in this proceeding, or the Administrative Law Judge assigned to this case.

6. Definitions. BN/Santa Fe makes the following objections to Conrail's definitions:

> 9. "Document" means any and all writings and recordings as defined in Rule 1001 of the Federal Rules of Evidence, including drafts, typings, printings, minutes or copies or reproductions thereof in the possession, custody or control of BNSF Corporation.

BN/Santa Fe objects to the definition of "Document" as overly broad and unduly burdensome to the extent that (i) it calls for the production of materials and documents that are as readily, or more readily, available to Conrail as to BN/Santa Fe; (ii) it calls for the production of drafts; and (iii) it calls for the production of routine operating and accounting documents such as invoices and receipts.

> 14. "Relating" or "related" to a given subject matter means constitutes, contains, comprises, consists of, embodies, reflects, identifies, states, refers to, deals with, sets forth, proposes, shows, evidences, discloses, describes, discusses, explains, summarizes, concerns, authorizes, contradicts or is any way pertinent to that subject, including, without limitation, documents concerning the presentation of other documents.

BN/Santa Fe objects to the definition of "Relating or related to" in that it requires subjective judgment to determine what is requested and, further, that it potentially calls for the production of documents that are not directly relevant to this proceeding. Notwithstanding this

objection, BN/Santa Fe will, for the purposes of responding to Conrail's Requests, construe "Relating or related to" to mean "make reference to" or "mention".

> 16. "Analyses or Analysis" include any analyses, studies, evaluations, discussions, or reports in whatever form, including letters, memoranda, tabulations, measurements, electronic mail, notes, diary notations, journals, and computer printouts of data selected from a database.

BN/Santa Fe objects to the definition of "Analyses or Analysis" in that, as defined to include "discussions or reports", it requires subjective judgment to determine what is requested and, further, it is overly broad and unduly burdensome. Notwithstanding this objection, BN/Santa Fe will, for the purposes of responding to Conrail's Requests, construe "Analyses or Analysis" to mean analyses, studies or evaluations in whatever form.

> 17. References to railroads, shippers, and other companies (including Applicants) include: parent companies; subsidiaries; controlled, affiliated, and predecessor firms; divisions; subdivisions; components; units; instrumentalities; partnerships; and joint ventures.

BN/Santa Fe objects to this instruction to the extent that it requests documents to be produced by partnerships and joint ventures in which BN or Santa Fe are members. Notwithstanding this objection, BN/Santa Fe will produce any non-privileged, responsive documents in the possession of BN, Santa Fe, or Burlington Northern Santa Fe Corporation.

7. Instructions. BN/Santa Fe makes the following objections to Conrail's instructions:

> 5. All documents that respond, in whole or part, to any paragraph of a Request shall be produced in their entirety. Documents that in their original condition were stapled, clipped, or otherwise fastened together, shall be produced in such form. In addition, all documents are to be produced in the file folders or jackets in which they are maintained.

BN/Santa Fe objects to this instruction to the extent that it requests documents to be produced in the file folders or jackets in which they are maintained on the grounds that such

manner of production is unduly burdensome and would interfere with BN/Santa Fe's operations and activities, particularly in light of the requirement under the Discovery Guidelines that all document depositories be maintained in the Washington D.C. area.

7. All documents should be grouped together according to the individual paragraphs and sub-paragraphs of the Request to which they are responsive.

BN/Santa Fe objects to this instruction to the extent that it seeks to impose an obligation on BN/Santa Fe to segregate or index the responsive documents it will produce beyond any such obligations imposed by the Discovery Guidelines.

OBJECTIONS TO REQUESTS FOR PRODUCTION OF DOCUMENTS

1. All documents, dating from January 1, 1992, to the present, comprising or relating to Analyses concerning trackage rights, including, but not limited to, the suitability of trackage rights as a remedy for anticompetitive effects asserted to result from a rail transaction including a merger or acquisition (including any comparison of a trackage-rights remedy to the sale of a line or lines for such remedial purpose).

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Document Request No. 1 to the extent it calls for the production of, without limitation, all documents comprising or relating to Analyses concerning trackage rights on the grounds (i) that it is overly broad and unduly burdensome; and (ii) that it is not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence. BN/Santa Fe further objects to this request to the extent that it calls for the production of documents created before January 1, 1993, on the ground that it is not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence.

2. All documents relating to the statements ascribed to Gerald Grinstein in the December 18, 1995, issue of Forbes, whether contained in direct quotations or otherwise.

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden, scope and settlement negotiations objections, BN/Santa Fe will respond to Document Request No. 2.

3. All documents relating to the extent to which the BN/SF Agreement might (or might not) obviate imposition by the ICC of other conditions to the UP/SP merger (or reduce or change such other conditions).

Response: Subject to and without waiving the General Objections stated above, in particular the settlement negotiations objection, BN/Santa Fe will respond to Document Request No. 3.

4. All documents relating to any Analyses of any proposal by Conrail to purchase SP lines in the Gulf/Eastern Area, including, but not limited to, documents relating to the effect of any such possible purchase on competition in the Gulf/Eastern Area after consummation of the Proposed Transaction.

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden and scope objections, BN/Santa Fe will respond to Document Request No. 4.

5. All documents relating to negotiations between BN/Santa Fe and Applicants concerning (a) the BN/SF Agreement, and (b) the BN/Santa Fe Merger or the Proposed Transaction.

Response: Subject to and without waiving the General Objections, in particular the settlement negotiations objection, BN/Santa Fe objects to Document Request No. 5 to the extent that it calls for the production of documents relating to the BN/Santa Fe merger on the ground that it is not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence.

6. All documents analyzing, discussing, or relating to any of the following specific provisions, aspects, or terms of the BN/SF Agreement:

(a) access to industries now served only by both UP and SP and no other railroad; (see, e.g., Sections 4(b), 5(b) and 6(c)).

(b) the type of rights obtained by BN/Santa Fe (see, e.g., Sections 4(b), 5(b) and 6(c) ("bridge rights for movement of overhead traffic only");

(c) geographic limitations on access by BN/Santa Fe to new business (see, e.g., Sections 4(c), 5(c) and 6(d) ("territory within which, prior to the merger of UP and SP, a new customer could have constructed a facility that would have been open to service by both UP and SP, either directly or through reciprocal switch");

(d) provision by Applicants pursuant to Section 8(j) of alternative routes or means of access of commercially equivalent utility at the same level of cost to BN/Santa Fe in the event any of the trackage rights under the BN/SF Agreement cannot be implemented because of the lack of sufficient legal authority;

(e) any capital expenditures on the lines over which BN/Santa Fe has been granted trackage rights pursuant to the BN/SF Agreement (see, e.g., Section 9(c));

(f) the "presumptive weight" to be given to the Operating Plan "in determining what capacity improvements are necessary" pursuant to Section 9(c)(i);

(g) the "shar[ing]" of capacity improvements between the parties to the BN/SF Agreement pursuant to Section 9(c)(ii);

(h) the unrestricted power of the owning carrier to change management and operations of joint trackage pursuant to Section 9(d);

(i) all documents relating to the pricing of the trackage rights under the BN/SF Agreement, including, but not limited to, whether the rates will permit the Applicants to earn a "reasonable return," as that phrase is used in the Verified Statement of John H. Rebensdorf ("Rebensdorf V.S.") (see, e.g., page 301), or a return that is only "marginally" sufficient, as asserted at page 307 of the Rebensdorf V.S.; and

(j) all documents relating to the obligations under Section 11 of the BN/SF Agreement if, in a Final Order, the Application has been denied or approved on terms "unacceptable to the applicants."

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden, scope and settlement negotiations objections, BN/Santa Fe objects to Document Request No. 6 to the extent that it is vague.

7. All documents relating to BN/Santa Fe's interline service with Conrail lines, including, but not limited to, documents discussing BN/Santa Fe's interline service with Conrail lines pursuant to the BN/SF Agreement.

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Document Request No. 7 to the extent that it calls for the production of, without limitation, all documents relating to BN/Santa Fe's interline service with Conrail lines and, as such, is overly broad and unduly burdensome. BN/Santa Fe further objects to Document Request No. 7 to the extent that it is not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence.

8. All documents relating to any decision by Applicants not to provide trackage rights to BN/Santa Fe on any particular line or routes pursuant to the BN/SF Agreement, where the provision of such trackage rights may have been sought by BN/Santa Fe, under consideration by Applicants, or the subject of discussion between Applicants and BN/Santa Fe.

Response: Subject to an without waiving the General Objections stated above, in particular the settlement negotiations objection, BN/Santa Fe will respond to Document Request No. 8.

9. All documents relating to the competition that will be provided by BN/Santa Fe in the Gulf/Eastern Area as a result of the BN/SF Agreement, including, but not limited to:

(a) Analyses of the traffic volume or associated revenue that may or could be diverted to BN/Santa Fe under trackage rights on Gulf/Eastern Area lines;

(b) Analyses or discussions of yard or terminal facilities available for use by BN/Santa Fe in providing service in the Gulf/Eastern Area under trackage rights or line sales provided in the BN/SF Agreement pursuant to Section 9(i) of the BN/SF Agreement or otherwise; and

(c) Analyses of the adequacy in "preserv[ing] rail competition" (see Rebensdorf V.S., at page 297) of the BN/Santa Fe route structure (including, but not limited to, sidings, storage facilities, passing tracks, and similar facilities) in the Gulf/Eastern Area.

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe responds as follows: Assuming that Document Request No. 9 seeks information beyond that contained in BN/Santa Fe's Comments on the Primary Application (BN/SF-1), filed December 29, 1995, and in workpapers in BN/Santa Fe's document depository, BN/Santa Fe objects to Document Request No. 9 to the extent that it is overly broad and unduly burdensome.

10. All documents relating to operating plans of BN/Santa Fe or UP/SP on lines in the Gulf/Eastern Area where BN/Santa Fe will have trackage rights or that will be purchased under the BN/SF Agreement, including, but not limited to, Analyses of or communications concerning:

(a) dispatching, scheduling, traffic priorities, terminal congestion, density, track capacity, or other matters that could affect or relate to operating efficiency;

(b) operation of BN/Santa Fe's trackage rights on lines in the Gulf/Eastern Area designated in the Operating Plan for primarily directional flows, including but not limited to density charts or other documents showing BN/Santa Fe volumes added for such lines; and

(c) the extent of operational control by BN/Santa Fe on such lines.

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden and scope objections, BN/Santa Fe responds as follows: Assuming that Document Request No. 10 seeks information beyond that contained in BN/Santa Fe's Comments on the Primary Application (BN/SF-1), filed December 29, 1995, and in workpapers in BN/Santa Fe's document depository, BN/Santa Fe objects to Document Request No. 10 to the extent that it would require BN/Santa Fe to speculate as to how, were the proposed consolidation of Union Pacific and Southern Pacific approved and the BN/SF Agreement imposed a condition to such approval, it would undertake certain activities with respect to matters it has not studied and as to which it has formulated no position.

11. All documents, dating from January 1, 1990, to the present, relating to complaints or concerns about implementation of trackage rights by UP, including, but not limited to:

(a) complaints or concerns expressed by BN/Santa Fe (whether relating to trackage rights under the BN/SF Agreement or otherwise) or by other railroads possessing such rights over any segment of UP track;

(b) complaints or concerns by Shippers served by railroads having such rights;

(c) complaints or concerns about priorities given to UP and foreign trains on UP's computerized dispatching system.

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden and scope objections, BN/Santa Fe objects to Document Request No. 11 to the extent that it calls for the production of documents created before January 1, 1993, on the ground that it is not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence.

12. All documents relating to communications with any Shipper concerning the directional traffic flows as described in the King/Ongerth V.S. and the Operating Plan.

Response: Subject to and without waiving the General Objections stated above, in particular the relevance, burden and scope objections, BN/Santa Fe objects to Document Request No. 12 to the extent that it is vague.

13. All documents relating to any agreements with any labor organization required or anticipated in connection with BN/Santa Fe operations under trackage rights or line sales in the Gulf/Eastern Area, including the costs and timing of such agreements and any possible difficulties in reaching such agreement.

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Document Request No. 13 to the extent that it would require BN/Santa Fe to speculate as to how, were the proposed consolidation of Union Pacific and Southern

Pacific approved and the BN/SF Agreement imposed a condition to such approval, it would undertake certain activities with respect to matters it has not studied and as to which it has formulated no position.

14. All documents relating to any Analyses of competition provided by SP on Gulf/Eastern Area routes, including, but not limited to, any Analyses of SP's service or performance in the Gulf/Eastern Area, and customer surveys, letters, comments, or complaints of or from Shippers in the Gulf/Eastern Area.

Response: Subject to and without waiving the General Objections stated above, in particular the settlement negotiations objection, BN/Santa Fe objects to Document Request No. 14 to the extent that it is overly broad, unduly burdensome and vague.

15. All documents relating to the effects of the Proposed Transaction on service to and from Mexican gateways, including, but not limited to, any interrelationship or connections between such effects and privatization of Mexican railroads.

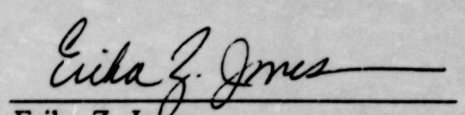
Response: Subject to and without waiving the General Objections stated above, in particular the settlement negotiations objection, BN/Santa Fe responds as follows: Assuming that Document Request No. 15 seeks information beyond that contained in BN/Santa Fe's Comments on the Primary Application (BN/SF-1), filed December 29, 1995, and in workpapers in BN/Santa Fe's document depository, BN/Santa Fe objects to Document Request No. 15 to the extent that it is overly broad, unduly burdensome and vague.

16. All documents relating to any Analyses of possible effects on competition in the Gulf/Eastern Area as a result of the Proposed Transaction, including, but not limited to, documents that discuss possible remedies or solutions thereto.

Response: Subject to and without waiving the General Objections stated above, in particular the settlement negotiations objection, BN/Santa Fe responds as follows: Assuming that Document Request No. 16 seeks information beyond that contained in BN/Santa Fe's Comments on the Primary Application (BN/SF-1), filed December 29, 1995, and in workpapers

in BN/Santa Fe's document depository, BN/Santa Fe objects to Document Request No. 16 to the extent that it is overly broad and unduly burdensome.

Respectfully submitted,



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and

The Atchison, Topeka and Santa Fe
Railway Company
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(708) 995-6887

Attorneys for Burlington Northern Railroad Company
and The Atchison, Topeka and Santa Fe Railway Company

January 5, 1996

CERTIFICATE OF SERVICE

I hereby certify that copies of Objections of Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company to Consolidated Rail Corporation's First Requests for the Production of Documents (BN/SF-3) have been served this 5th day of January, 1996, by hand-delivery on counsel for Consolidated Rail Corporation and by first-class mail, postage prepaid on all persons on the Restricted Service List in Finance Docket No. 32760.

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STB FD-32760 1-5-96 D ID-60770

60770

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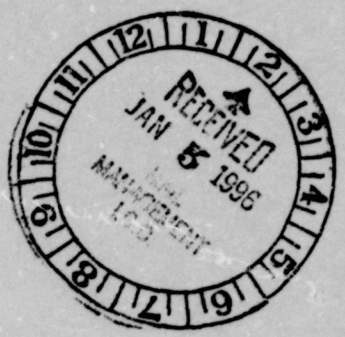
27th District

Committees:
Finance, Chairman
Financial Institutions, Insurance and Commerce
Vice Chairman
Rules
Health
Human Services and Aging
Controlling Board
Legislative Service Commission

January 3, 1996



FD 32760

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

Secretary Williams:

As Chairman of the Ohio Senate Finance Committee and as former Mayor of Akron, I am concerned about economic development issues. I am writing you to let you know of my support for the Conrail proposal to acquire a portion of the Southern Pacific Railroads Eastern Lines.

A direct connection to the Southwest markets would place Ohio in a excellent position to take advantage of the NAFTA agreements, especially in the important automobile markets.

I would appreciate a favorable opinion by the I.C.C. regarding the Conrail alternative to the UP-SP merger as it is the best alternative, in regards to the public interest.

Sincerely,

ROY L. RAY
State Senator

RLR:wam

FILED
Office of the Secretary

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JAN #46

60769

FD-32760

Ohio House of Representatives

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(614) 466-6504 - Office
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ROBERT L. CORBIN
Majority Whip

COMMITTEES:
Finance & Appropriations
Vice Chairman
Education Subcommittee
Vice Chairman
Commerce & Labor
Ways & Means

January 2, 1996

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

Dear Secretary Williams:

I have recently become aware of the hearings to be held before the ICC concerning the possible merger of Union Pacific-Southern Pacific Railroads. I am writing to let you know of my strong support for an alternative plan that would be much more beneficial to Ohio, while protecting competition in those states that could be left with a single rail line if the UP-SP merger were to be approved.

As you know, Conrail is very interested in acquiring the eastern routes owned by Southern Pacific. This alternative would provide Ohio with direct rail access to the Canadian and Mexican markets. Ohio currently ranks as the second largest auto manufacturing state, as well as being a leading producer of auto parts, glass, steel, paper and cellular equipment.

Conrail's proposed acquisition would not only enhance its current services, but it would also help Ohio's industries export these goods into markets now available under NAFTA. This alternative plan would not lead to the creation monopoly like situations in a number of states who would find themselves with only one rail line, as would the UP-SP merger.

For these reasons, I ask for your favorable consideration of the Conrail alternative to the UP-SP merger.

Sincerely,

Robert L. Corbin

Robert L. Corbin
Assistant Majority Floor Leader

bc: Mr. David Levan

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CITY OF BEREA — *"City of Champions*

Stanley J. Trupo
MAYOR

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Berea, Ohio 44017
(216) 826-5800
FAX (216) 826-1446

FD-32760

January 2, 1996

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

Dear Secretary Williams:

I am concerned that the proposed Union Pacific-Southern Pacific railroad merger is not in the public interest in Northeast Ohio. We would be far better served if the UP-SP's eastern routes were, as part of the proposed merger, sold to Conrail, not leased to another western railroad.

My reasoning is straightforward. First, our industrial companies, particularly in the booming polymers sector, need direct service to raw materials and markets in the Gulf "chemical coast" region and to Mexico. Second, we believe that an owner-carrier, such as Conrail, would have greater incentive to improve markets along the route. Third, by keeping Conrail strong, we ensure a variety of service options and strong price competition among the major railroads in our region, namely CSX, Norfolk and Southern, and Conrail.

Finally, I am concerned that railroad "mega mergers" cost hardworking citizens jobs -- as they have in other industries. Conrail is a major Ohio employer, and their success is in the public interest here.

For those reasons I would oppose the proposed merger unless it includes the Conrail purchase of the eastern lines of the old Southern Pacific. Only with the Conrail acquisition will Northeast Ohio economies be maximally served.

Thank you for your consideration.

Sincerely,

CITY OF BEREA

Stanley J. Trupo
Mayor

Office of the Secretary

JAN 16 1996

SJT:csk

STB FD-32760 1-5-96 D ID-60767

SKILL TRANSPORTATION CONSULTING, INC.

60764
60765
60767

1809 N. BROADWAY, SUITE F, WICHITA, KANSAS 67214

PH: (316) 264-9630
FAX: (316) 264-9735

ICC VERIFIED STATEMENT
OF JAMES J. IRLANDI
IN SUPPORT OF
THE TEXAS MEXICAN RAILWAY COMPANY

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

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

Dear Mr. Williams:

My name is James J. Irlandi and I am President of Skill Transportation Consulting, Inc., with offices located at 1809 N. Broadway/Suite F, Wichita, Kansas 67214. Our telephone and fax numbers are: (316) 264-9630 and (316) 264-9735.

Skill is an advisor to the Kansas Shippers Association which is comprised of the UP-MP, SFE and SSW Shippers Groups. A total of 38 companies are involved in these groups. The individual companies are shippers/receivers of agricultural products, lumber, cement, and plastics. Please refer to Appendix A-1 for additional information on employment, and to Appendix A-2 for information on members.

STATEMENT OF INTEREST

Skill supported the Southern Pacific Railroad in its quest for operating rights over the ATSF railroad from Kansas City (MO & KS) over the main line of that railroad through Emporia, Newton to Hutchinson, which it serves on its direct line of the SSW railroad acquired from the bankrupt Rock Island line. From Hutchinson through Newton and Wichita, Winfield to the Dallas Fort Worth, in Finance Docket No. 32549. In addition, Skill's President represented the Kansas Shippers Association and supported the SP before the Kansas Rail Working Group at Topeka on April 17, 1995. This support before the ICC and the State of Kansas was necessary because of the noncompetitive status of the then ATSF railroad in the Wichita area, as well as on the main line of the ATSF from Wichita-southwest, and from the Hutchinson-Pueblo line. This support

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from members of the three shippers' groups varied with different reasons, but on the whole stressed the need for additional competition in this state. My statement was mailed to the SP attorney and working group, and was never received by your commission. The reason for non-receipt was the agreement forged by the BN-ATSF railroads with the SP. I stated on page 1 of this document the following:

> **"Skill Transportation learned of the proposed merger from magazines, newspapers and other periodicals. Members of the Kansas Shippers Association were not contacted by either the BN or SFE regarding the proposed merger and consolidation. Since several members have given SFE thousands of cars of business, we believe this neglect demonstrates the attitude of SFE and BN toward their Kansas customers.**
>
> **This attitude of neglect coupled with BN's car ordering system, BN's policy on private LO hopper cars, and BN'S non cooperation on real estate issues caused the directors of the three associations to vote to oppose this merger. Further, members with experience with BN service in other states are opposed to the BN's emphasis on train loading facilities on the shipment of grain.**
>
> **This increased concentration of the rail industry in Kansas and specifically, the combination of carriers (BN and SFE), which serve our area by direct and joint line service reduces the ability of the members of the Association to obtain competitive rail rates and service. The availability of competitive options is crucial to the members in obtaining competitive rail rates and service."**

On page 2, under the caption **"Concerns of Service and Car Supply"** I stated:

> **"As an advisor and consultant to these shippers it apparent to me that future BN-SFE expressed emphasis on main line and single line service will preclude service to the member shippers. Past experience with the SFE has shown a curtailment of service on main lines to local shippers, giving preference to through train traffic to the exclusion of local originations and termination. One shipper on CKR has waited four months for SFE cars for loading beyond the Junction point at Wichita with SFE. This shipper wished to ship milo to the Texas market. The shipper has no rail options and is not only unable to obtain competitive rates. This situation is compounded by the further rail concentration created by the subject merger. Without competitive options the shipper is at the mercy of these mega-carriers. Restoration of a competitive balance in south centr l Kansas is essential to the survival of the rural economy of the region."**

CONDITIONS HAVE NOT IMPROVED SINCE THE MERGER

Conditions have worsened since the BN-ATSF merger was approved by your Commission. Skill Transportation is participating in this UP-SP merger case and will present statements of city mayors, county commissioners and shippers, which will bring detailed information to your attention concerning the neglect accorded them by the UP and SP railroads even though we helped the SP obtain trackage rights!

DIRECTORS VOTED TO ASK THE KCS RAILROAD TO TAKE OVER SP RIGHTS

In fact, the Directors of the three shippers' groups voted to ask the KCS to replace the SP railroad and support the short line railroads serving their area, namely, the KSW and CKR railroads in the south central section of Kansas. If the approval of the BN-ATSF merger was to benefit Kansas, how come there is much dissatisfaction with the agricultural and other shipping communities.

SUPPORT OF KCS RAILWAY AND SHORT LINE RAILROADS BEFORE THE KANSAS RAIL WORKING GROUP CONCERNING UP-SP MERGER

Chairman Bill York of the UP-MP shippers group and Skill's President testified before the Kansas Rail Working Group in Topeka on December 20, 1995. In my statement , there were copies of the statements by the mayors, county commissioners and shippers who are seeking additional competition for the state of Kansas.

OUR INTEREST IN THE TEX MEX CONDITIONS

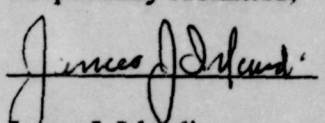
Our members supported the SP railroad serving this area in order to obtain easier access to the Gulf Ports and the gateways into Mexico. These members are interested in utilizing the Laredo gateway currently served by the MP railroad and open to the SP if the railroads are merged in the future. Having one railroad the size of the UP-SP could give problems of service, car supply and, of course, rates. The UP has a bidding system for cars to be utilized into Mexico. Many of our members could be considered small businesses and do not have enough capital to compete with the mega grain companies for cars. They did not approve of the bid-system for supplying cars introduced by the BN railroad. Now, and in the future, all shippers on the combined UP-SP will have to face competitive bidding for LO Hoppers. There is need for additional competition for the Mexican market because the BNSF and UP-SP will control it all in the future. The operating rights granted to the ATSF in Finance Docket No. 32549 is proof of service. Maps attached in Appendixes B-1 and B-2 of the Tex Mex Railroad and the Mexican rail lines in Mexico vividly illustrate the control of Mexican business by the ***DUOPOLY!***

GRANTING OF TEX-MEX CONDITIONS

In order for the Tex-Mex and its partner, the KCS Railway, to remain competitive, there is a need to obtain operating rights they seek.. In the past, the SP and the Tex Mex have given shippers a competitive route and rate to the Laredo gateway. If the merger is successful, this will no longer be available. We have already experienced the BNSF merger and have knowledge that only larger grain firms will have access to the BNSF and, shortly, UP and SP railroads. Contracts for grain movements are evidence of the same. At the least, trackage rights from Houston to Corpus Christi for a carrier should be made a part of the merged decision. As we are also supporting the KCS Railroad. that railroad would be our first choice. A more meaningful operating right would be Kansas City to Hutchinson to Wichita to Dallas, Texas over a combined UP-SP or BNSF railroad system.

I, James J. Irlandi, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on January 2, 1996.

Respectfully submitted,



James J. Irlandi
President

APPENDIX A-1

QUALIFICATIONS OF JAMES J. IRLANDI

Education

A. General.
   1. Graduated from Bulkeley High School New London, Connecticut.
   2. Attended Connecticut State University for 2 years.
   3. Attended night school at the University of Wisconsin for 10 years and a seminar at Marquette University.
   4. Certificate of Transportation Traffic Management from the University of Wisconsin.

B. Marquette University Seminar General Business.

C. LaSalle Extension University.
   1. Graduated with a BS degree in law.
   2. Took 4 years of law training for business leadership.
   3. Graduated from the traffic course (2 years).
   4. Was elected to membership of the Traffic and Transportation Advisory Council.

D. Graduated from the ICC law course at the University of Wisconsin and passed all federal exams -- ICC-FMB.

E. Passed all exams -- Certificate of American Society of Transportation & Logistics (Similar to CPA exam).

F. Distribution and Planning Specialists -- seminars.
   1. Railroad costing and analysis.
   2. Motor carrier costing and analysis.
   3. Advanced railroad costing and analysis.
   4. Waterways costing and analysis.

Employment

A. 40 months with the U.S. Army.

B. Worked 2 years at the NYNH&H Railroad.

C. Worked 16 plus years at Krause Milling Company in Milwaukee as the Director of Transportation -- export, import, domestic rail, truck, and barge.

D. Was with Garvey and SRI, Inc. at Wichita for 23 years as Vice President of Transportation; all phases of transportation.

E. Private consultant for 10 years.

Recognition

A. ICC and Association for Transportation Law Logistics and Policy recognizes James J. Irlandi "For Services to the Transportation Profession and to the Commission and Its Bar Association for More Than Forty Years." Presented June 1995.

B. Listed in Who's Who in the Mid-West, 1976-77 edition.

C. Listed in Leading Men in American Transportation, 1967 edition.

D. Founder Member, Wisconsin Chapter ICC Practitioners.

APPENDIX A-2

SHORT LINE AND MAINLINE SHIPPERS HAVE INTERLOCKING RAILROAD SERVICES

Shipper concerns are also related to ownership of facilities on more than one railroad.

I. Short line and Mainline Shippers.

A. SSW, CKR - Mainline BNSF Shippers.

Some SSW shippers are also located on the mainline of the BNSF - Hutchinson - west; others are on the Herington to Liberal SSW mainline.

B. KSW - CKR and mainline BNSF shippers.

Three shippers are on the mainline of the BNSF - Wellington - west; they have facilities on the KSW and CKR short lines.

C. DCF&B - BNSF.

Two shippers who have facilities on the Hutchinson - west mainline have facilities on the Dodge City - Ford & Bucklin Railroad.

D. CKR - MOPAC.

One shipper has three facilities on the CKR and two on the MOPAC - Pueblo mainline.

II. Short Line Shippers.

A. SEK - SKO.

One shipper located at Humboldt, Kansas, on the SEK, ships cement, grain and other commodities.

B. KSW Railroad.

Two shippers are located on the KSW.

C. CKR Railroad.

One shipper has five facilities on the CKR; others have one or more.

III. Mainline Shippers.

A. Former RI now MP Railroad.

One shipper is located on the MP, which was a former RI and OKT station.

B. Former BN now BNSF.

One shipper was switched by the BN, and now will be on the BNSF --open to the UP-SP.

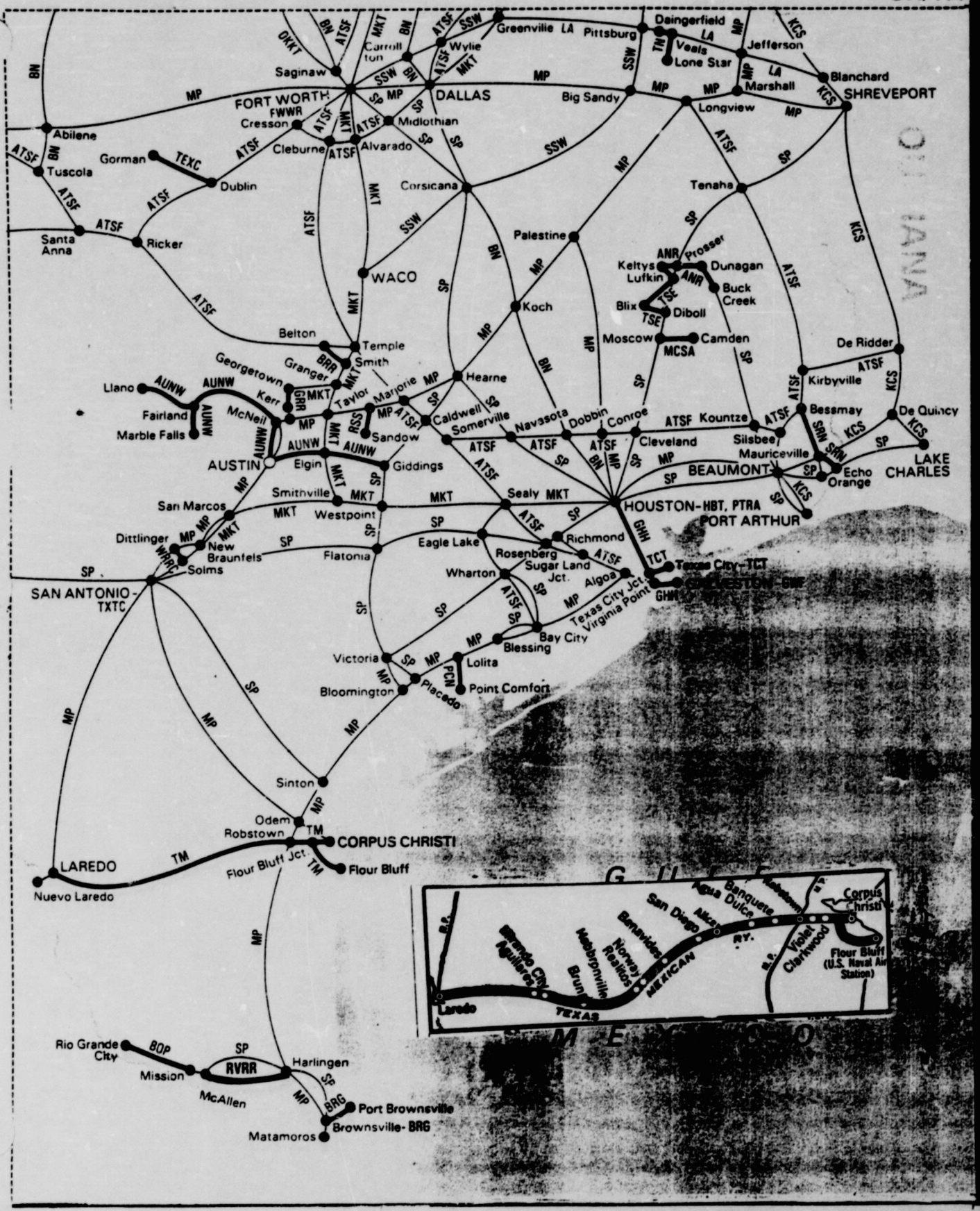
C. KSW -UP.

One shipper who is switched by the KSW is considered on the mainline of the UP.

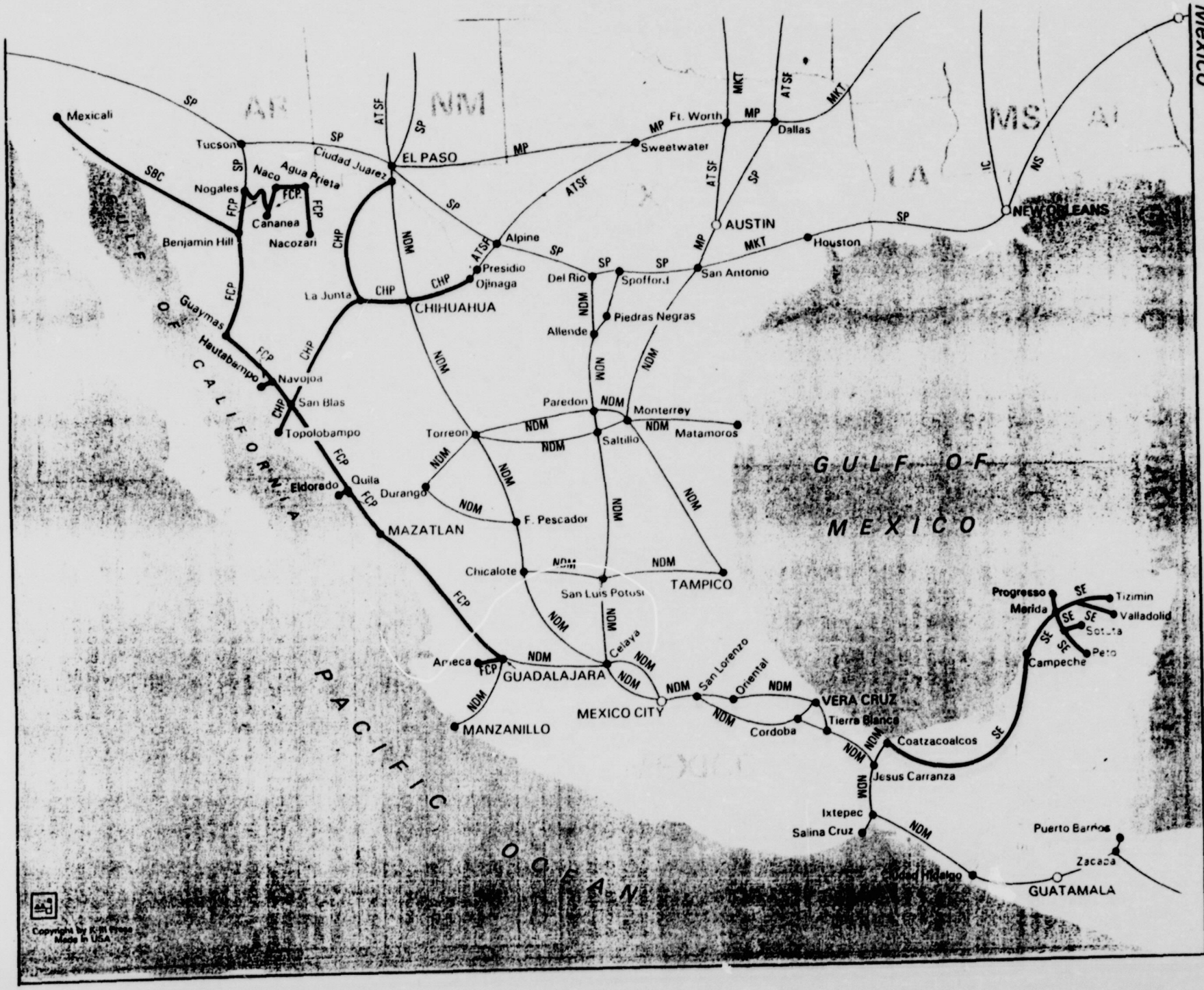
D. SSW - BNSF - Future UP - SP.

One shipper with two facilities at one station was switched by the SSW and ATSF and is now open to UP. We will have only two carriers in the future: the UP-SP and BNSF. In my opinion, this shipper needs the KCS Railroad for additional competition.

REGION 21
OK/TX



REGION 26 · Mexico



APPENDIX B-2

STB FD-32760 1-5-96 D ID-60766

Item No. 60766

Page Count 1

JAN # 43

MARCIA DE BRAGA
ASSEMBLYMAN
District No. 35

COMMITTEES:
Chairman
Natural Resources, Agriculture and Mining
Member
Education
Government Affairs
Transportation

DISTRICT OFFICE:
11050 Fitz Lane
Fallon, Nevada 89406
(702) 423-4674

LEGISLATIVE BUILDING:
401 S. Carson Street
Carson City, Nevada 89710
Office: (702) 687-3606 or 687-5739
Fax No.: (702) 687-5962

State of Nevada Assembly

Sixty-Eighth Session

Dec. 27, 1995

The Honorable Vernon A. Williams
Secretary, Interstate Commerce Commission
Twelfth Street and Constitution Ave., N.W.
Room 2215
Washington, D.C. 20423

Subject: Finance Docket No. 32760
Proposed Merger of Southern Pacific and Union Pacific Railroads

Dear Secretary Williams:

I am writing you to support the proposed merger of the Union Pacific and Southern Pacific Railroads.

I am a State Assemblywoman whose district encompasses a large section of rural Nevada--an area that is very dependent on the continued availability of rail service and the increased opportunities for improved rail service that will result from joining these two railroads.

It is likely that without the merger it would be difficult for Southern Pacific--which is the main service in my area--to remain competitive in today's changing transportation industry. The Burlington/Santa Fe merger has made it imperative that Southern Pacific and Union Pacific merge if they are to survive and become the competitive equal of BN/Santa Fe.

In addition, the merger will improve the reliability and the service provided by enabling the railroads to take advantage of backhaul opportunities and improve scheduling and equipment supply.

To insure the continued and improved financial stability of many businesses and industries throughout the State of Nevada, I urge your favorable consideration of the proposed merger.

Sincerely,

Marcia de Braga

Marcia de Braga

cc: Larry Bennett
Joe Guild
Wayne Horiuchi

ENTERED
Office of the Secretary
JAN 11 1996
Part of

STB FD-32760 1-4-96 D ID-60762

Item No. 60762.

ORIGINAL

Page Count 2

JAN. # 39

JDF-1

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

NOTICE OF INTENT

John D. Fitzgerald,[1/] for and on behalf of United Transportation Union, General Committee of Adjustment, lines of Burlington Northern Railroad Company, hereby gives notice of his intent to participate in these proceedings, as an active party of record.

This notice is filed in accordance with public advice given at 60 Fed. Reg. 66988. (December 27, 1995).

Please place the undersigned on the Board's service list.

GORDON P. MacDOUGALL
1025 Connecticut Ave., N.W.
Washington, DC 20036

Attorney for John D. Fitzgerald

January 4, 1995

1/ General Chairman for United Transportation Union, with offices at 400 E. Evergreen Blvd.-#217, Vancouver, WA 98660.

CERTIFICATE OF SERVICE

I hereby certify I have served a copy of the foregoing upon counsel for applicants by first class mail postage-prepaid, as follows:

Arvid E. Roach II
P.O. Box 7566
Washington, DC 20044

Paul A. Cunningham
1300-19th Street, N.W.
Washington, DC 20036

Washington, DC

Gordon P. MacDougall

STB FD-32760 1-4-96 D ID-60761

ORIGINAL

Item No. _____

Page Count 2

JAN # 38

40741
UTUI-1

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

NOTICE OF INTENT TO PARTICIPATE

Thomas M. Berry, [1] for and on behalf of United Transportation Union, Illinois Legislative Board, hereby gives notice of his intent to participate in these proceedings. [2] This notice is filed in accordance with the announcement by the Interstate Commerce Commission. 60 Fed. Reg. 66988 (Dec. 27, 1995).

This party intends to participate actively as a party of record. The undersigned should be placed on the Board's service list.

GORDON P. MacDOUGALL
1025 Connecticut Ave., N.W.
Washington, DC 20036

Attorney for Thomas M. Berry

January 4, 1996

1/ Illinois Legislative Director for United Transportation Union, with offices at 8 So. Michigan Avenue, Chicago, IL 60603.

2/ In addition to the lead docket and sub-nos., participant has a particular interest in the abandonments proposed for Illinois, i.e. Docket Nos. AB-33 (Sub-No. 96), AB-33 (Sub-No. 97), and AB-33 (Sub-No. 98).

CERTIFICATE OF SERVICE

I hereby certify I have served a copy of the foregoing upon counsel for applicants by first class mail postage-prepaid, as follows:

Arvid E. Roach II
P.O. Box 7566
Washington, DC 20044

Paul A. Cunningham
1300-19th Street, N.W.
Washington, DC 20036

Washington, DC

Gordon P. MacDougall

STB FD-32760 1-4-96 D ID-60756

Item No. 60756
Page Count 1
JAN #33

THE GREATER BATON ROUGE
Chamber
OF COMMERCE

Jimmy Lyles, CCE
President and Chief Executive Officer

December 28, 1995

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

Re: Finance Docket 32760

Dear Secretary Williams:

The Greater Baton Rouge Chamber of Commerce has reviewed the proposed acquisition of the Southern Pacific Railroad by the Union Pacific and is concerned about keeping rates and services to our industries competitive.

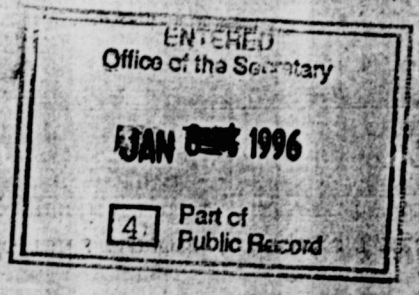
We have also reviewed Conrail's proposal to acquire a significant portion of the Southern Pacific's eastern lines in connection with the merger, especially the lines running from Chicago and St. Louis to Arkansas, Texas and Louisiana.

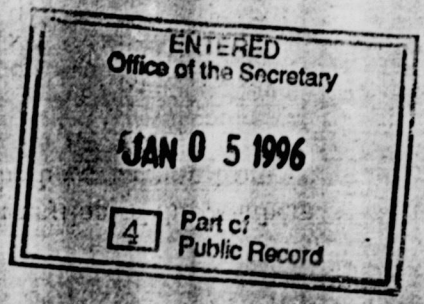
The Greater Baton Rouge Chamber of Commerce would like to urge you to support those proposals that will keep rail rates and services competitive. Our industries are a valuable part of our economy and must not be put at a disadvantage because of higher rates and lack of convenient services.

We urge you to consider Conrail's proposal in considering the UP-SP merger. Thank you for your consideration.

Sincerely,

Jimmy Lyles





LJL:jbl

cc: David M. Levan
President and CEO, Conrail

564 Laurel Street | Baton Rouge, LA 70801-1808 | (504) 381-7125
P.O. Box 3217 | Baton Rouge, LA 70821-3217 | FAX (504) 336-4306

STB FD-32760 1-4-96 D ID-60755

Item No:

Page Count 2

JAN #32

60755

Ohio House of Representatives

5308 Gargasz Drive
Lorain, Ohio 44053
(216) 282-7452 - Home
(614) 466-5141 - Office
(614) 644-9494 - Fax

JOSEPH F. KOZIURA
State Representative
61st House District

COMMITTEES:
Joint Legislative Capital Finance Oversight
Finance & Appropriations
Education Subcommittee
Ways and Means - Ranking Minority Member
Public Utilities

December 29, 1995

FD 32760

Hon. Vernon W. Williams
Secretary
Interstate Commerce Commission
12th St. & Constitution Avenue
Washington, D.C. 20423

Dear Secretary Williams:

I am concerned that the Union Pacific and Southern Pacific Railroads have agreed to merge, making the nation's largest railroad even larger. To resolve the issue of reduced competition resulting from the UP-SP merger, they propose to "rent" 3-4,000 miles of track to their prime competitor, the Burlington Northern-Santa Fe. As you know, the track they propose to rent runs from the Gulf area (Mexico, Texas and Louisiana) through St. Louis and Chicago. The merger, particularly with this proposal, is not good for Northern Ohio or many of its largest employers.

Lorain County employers such as Ford, CEI, USS KOBE, Geon and many others are major consumers of commercial rail transportation. Conrail has made an offer to the UP-SP to buy much of the same track UP-SP wants to rent to BN-SF. Conrail's proposal would serve the public and the economy here much better than the UP/SP plan.

1) Conrail would provide our region with seamless, efficient service from Northern Ohio to the Gulf Coast and Mexico, tying their petrochemical, raw material and manufacturing strengths with local business.

2) Conrail has committed to being the tract it purchases up to the highest possible standards...and Conrail's main line track quality is the best in the nation.

3) In a rented track rights situation, neither the renter nor the owner have such incentives. Nor do they have the same level of motivation to help businesses and communities grow. Conrail would do both, adding to our region's domestic trading partners.

4) The merger would add to Conrail's strength, and to the strength of the entire set of Eastern-Midwestern railroads. That's crucial, because it means stronger price and service competition among those who want to ship to and from our region's businesses.

77 South High Street, Columbus, OH 43266-0603

Furthermore, a region with strong transportation alternatives is attractive to new industry. Conrail's proposal to the UP-SP is clearly in the public interest. The UP-SP/BN-SF track rights rental clearly is not. I ask for your consideration of Conrail's proposal.

Sincerely,

Joseph F. Koziura
State Representative
61st House District

STB FD-32760 1-4-96 D ID-60754

LO 754

Urban League of Greater Cleveland

"Over 75 Years of Community Service."

1255 Euclid Avenue, Suite 205
Cleveland, Ohio 44115
(216) 622-0999 • Fax 622-0997

F D-32760

December 27, 1995

Hon. Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue
Washington, D.C. 20423

Dear Secretary Williams:

This letter is in support of Conrail's purchase of Southern Pacific Eastern Lines. Transportation is a vital component of business and essential for increasing both the export and import industry for our state. We strongly support Conrail's efforts to expand their transportation routes to the southern region of the U.S. and Mexico.

Currently, the proposed plans call for Union Pacific to merge with Southern Pacific. This merger could have the potential of developing into an atmosphere of unfair competition. The merger between these two large rail companies could result in higher rates for transportation routes for industry and consumers.

Conrail is willing to invest intensely in a newly acquired rail system to make the operation more beneficial for industry. This alone would result in the creation of jobs for our state. Conrail has a proven track record in Ohio. Ohio residents would benefit greatly by supporting Conrail's acquisition of Southern Pacific Eastern Lines. For these reasons, I oppose the proposed merger of Union Pacific with Southern Pacific unless it includes a merger that involves Conrail as part of the arrangement.

Thank you for your considerations.

Sincerely,

Israel Diaz
Concerned Citizen

Item No. _____

Page Count 1

JAN #31

STB FD-32760 1-4-96 D ID-60753

Item No. _____

Page Count 1

JAN # 30

Office of the Secretary

JAN 11 1996

Part

FD-32760 60753

463-092 Lakecrest Rd
Janesville, Ca 96114-9415
Dec 29, 1995

Interstate Commerse Commission
(Union Pacific/Southern Pacific Merger
Washington, D.C.

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JAN 4 1996
MAIL MANAGEMENT
I.C.C.

To Whom It May Concern;

I would agree to the merger of UP/SP railroads only if the Kansas City Southern were given haulage and trackage rights from Kansas City to Chicago to connect up with the Canadian National RR. Also, I think the Kansas City Southern should have haulage and trackage rights from Houston to Corpus Cristy, Texas to connect up with the Texas Mexican Railroad to give them access to the mexican economy.

These trackage + haulage rights would help to reduce a monopoly in the southwest & help to control prices of freight shipped between Canada and Mexico.

Sincerely yours,
Rod McElwain

STB FD-32760 1-4-96 D ID-60752

60752.

JEANNINE STROTH
ASSEMBLYWOMAN
District No. 5

COMMITTEES:
Co-Chairman
Taxation

Member
Judiciary
Education

State of Nevada Assembly

Sixty-Eighth Session

DISTRICT OFFICE:
1617 S. Decatur
Las Vegas, Nevada 89102
Office: (702) 363-4455
Fax No.: (702) 363-4466

LEGISLATIVE BUILDING:
401 S. Carson Street
Carson City, Nevada 89710
Office: (702) 687-3576 or 687-5739
Fax No.: (702) 687-5962

December 27, 1995

The Honorable Vernon A. Williams
Secretary, Interstate Commerce Commission
Twelfth Street and Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423

Subject: Finance Docket No. 32760
Proposed Merger Between the Union Pacific and Southern Pacific Railroads

Dear Secretary Williams:

As a member of the Nevada Assembly I am writing to you to express my support for the proposed merger between the Union Pacific and Southern Pacific Railroads.

The merger will provide Nevada businesses with improved rail service, since facilities located on the UP and SP would have single-railroad service to points now located on the other railroad's system. A merger would also bring the financial strength of the Union Pacific to the Southern Pacific which is critical to the survival of the SP.

I hope that action regarding this merger will be taken expeditiously.

Sincerely,

Jeannine Stroth

Jeannine Stroth

JAN 05 1996

Item No.

Page Count 1

JAN 29

STBTB FD-32760 1-3-96 D ID-60750

STB FD-32760 1-3-96 D ID-60750

Item No. _____

60750 Page Count 1

JAN # 27

CN-2

HOPKINS & SUTTER

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

888 SIXTEENTH STREET, N.W., WASHINGTON, D.C. 20006 (202) 835-8000
FACSIMILE (202) 835-8136

CHICAGO OFFICE THREE FIRST NATIONAL PLAZA 60602
DALLAS OFFICE 3700 RANK ONE CENTER 1717 MAIN STREET 75201
DETROIT OFFICE 1333 BREWERY PARK BOULEVARD SUITE 101 48207

ROBERT P. VOM EIGEN
(202) 835-8269

January 3, 1996

Vernon A. Williams
Secretary
Surface Transportation Board
Room 1324
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

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

Dear Secretary Williams:

Canadian National Railway Company ("CN") intends to participate in this proceeding as an active party. CN has previously submitted a notice of appearance in this matter. In accordance with 49 C.F.R. § 1180.4(a)(2), CN selects the acronym "CN" for identifying all documents and pleadings it submits.

If you have any questions on this matter, please contact the undersigned.

Sincerely,

Robert P. vom Eigen

Robert P. vom Eigen

cc: Administrative Law Judge Nelson
All Parties of Record

P45819-1

Office of the Secretary

JAN 04 1996

RECEIVED
JAN 3 1996
MAIL MANAGEMENT
I.C.C.

STB FD-32760 1-3-96 D ID-60749

Item No. 60749

Page Count 2

JAP # 26

IPA-1

BEFORE THE
SURFACE TRANSPORTATION BOARD
Washington, D.C.

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

---

NOTICE OF INTENT TO PARTICIPATE

The Intermountain Power Agency ("IPA"), by its undersigned counsel, hereby provides notice of its intent to participate in this proceeding as an active party. All service of pleadings and decisions to IPA may be made to the undersigned counsel. In accordance with 49 C.F.R. § 1180.4(a)(2), IPA selects the acronym "IPA" for identifying all documents and pleadings it submits.

Dated: January 3, 1996

Respectfully submitted,

Charles A. Spitulnik

Charles A. Spitulnik
Alicia M. Serfaty

HOPKINS & SUTTER
888 Sixteenth Street, NW
Washington, D.C. 20006
(202) 835-8000

Counsel for Intermountain Power Agency

P45824-1

CERTIFICATE OF SERVICE

I hereby certify that on January 3, 1996, a copy of the foregoing Intermountain Power Agency's ("IPA") Notice Of Intent To Participate was served by first-class, U.S. mail, postage prepaid upon all parties of record in this proceeding.

Alicia M. Serfaty

STYB FD-32760 1-3-96 D FD-60748

Item No. 60748

Page Count 1

JAN #25

SCRR-3

HOPKINS & SUTTER

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

888 SIXTEENTH STREET, N.W., WASHINGTON, D.C. 20006 (202) 835-8000
FACSIMILE (202) 835-8136

CHICAGO OFFICE THREE FIRST NATIONAL PLAZA 60602
DALLAS OFFICE 3700 BANK ONE CENTER 1717 MAIN STREET 75201
DETROIT OFFICE 1333 BREWERY PARK BOULEVARD SUITE 101 48207

CHARLES A. SPITULNIK
(202) 835-8196

January 3, 1996

Office of the Secretary

JAN 04 1996

Vernon A. Williams
Secretary
Surface Transportation Board
Room 1324
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

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

Dear Secretary Williams:

Southern California Regional Rail Authority ("SCRRA") intends to participate in this proceeding as an active party. SCRRA has previously submitted a notice of appearance in this matter. In accordance with 49 C.F.R. § 1180.4(a)(2), SCRRA selects the acronym "SCRR" for identifying all documents and pleadings it submits.

If you have any questions on this matter, please contact the undersigned.

Sincerely,

Charles A Spitulnik

Charles A. Spitulnik

cc: Administrative Law Judge Nelson
All Parties of Record

RECEIVED
JAN 3 1996
MAIL MANAGEMENT I.C.C.

P45823-1

STB FD-32760 1-3-96 D ID-60747

60747

Item No. _____

Page Count 5

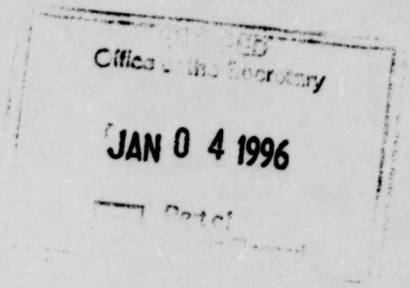
JAN 24

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

KANSAS DEPARTMENT OF TRANSPORTATION
NOTICE OF INTENT TO PARTICIPATE



John Jay Rosacker
Attorney at Law
Bureau of Rail Affairs
Kansas Department of
Transportation
217 SE 4th
Topeka, KS 66603

Date: DECEMBER 29, 1995

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

KANSAS DEPARTMENT OF TRANSPORTATION
NOTICE OF INTENT TO PARTICIPATE

Comes now the Kansas Department of Transportation (KDOT) on behalf of the Governor's Railroad Working Group and the State of Kansas before the Interstate Commerce Commission (Commission) and files its intent to participate.

KDOT is authorized by the State of Kansas to coordinate the planning, development and operation of the various modes and systems of transportation in Kansas. KDOT has represented the public interests of the State of Kansas in a number of Commission proceedings. KDOT is the designated state rail planning agency pursuant to 49 U.S.C. 1654 and administers the Local Rail Freight Assistance Program. The Bureau of Rail Affairs within KDOT coordinates all rail transportation matters.

As representatives of the people of the State of Kansas, KDOT's purpose in this matter is to reinforce the "public interest" aspect of these proceedings by focusing on their present and future effects on the Kansas public. To attain that goal, Governor Bill Graves activated a Railroad Working Group of Kansas state agencies. This group's mission is to identify, analyze, and summarize the potential impacts on the State of Kansas of the proposed merger and recommend a policy position.

KDOT on behalf of Governor Bill Graves, the Railroad Working Group and the State of Kansas requests the Commission allow it to be a party of record and allow its to file comments on or before March 29, 1996.

Respectfully submitted

John Jay Rosacker
Attorney at Law
Bureau of Rail Affairs
Kansas Department of
Transportation
217 SE 4th
Topeka, KS 66603
913-296-4286

CERTIFICATE OF SERVICE

COPIES OF THE STATE OF KANSAS'S NOTICE OF PARTICIPATION HAS BEEN SERVED THIS 29th DAY OF DECEMBER, 1995 BY FIRST CLASS MAIL, POSTAGE PREPAID TO THE FOLLOWING:

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)973-7600

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
LAWRENCE E. WZOREK
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

John Jay Rosacker

John Jay Rosacker

STATE OF KANSAS

KANSAS DEPARTMENT OF TRANSPORTATION
Docking State Office Building
Topeka 66612-1568
(913) 296-3566
TTY (913) 296-3585
FAX (913) 296-1095

E. Dean Carlson
Secretary of Transportation

Bill Graves
Governor of Kansas

December 29, 1995

Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
Twelfth Street and Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423

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

Dear Secretary Williams:

Enclosed for filing in the above-captioned docket are the original and twenty copies of the State of Kansas Notice of Intent to Participate.

Thank you for your consideration.

Sincerely,

John Jay Rosacker

John Jay Rosacker

Enclosure

STB FD-32760 1-3-96 D ID-60746

Item No. _____ 60746

Page Count 2

JAN #23

Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al.

Finance Docket No. 32760

NOTICE OF INTENT TO PARTICIPATE IN PROCEEDINGS--
YOLO SHORTLINE RAILROAD COMPANY

1. The Yolo Shortline Railroad Company is a Class III common carrier railroad located near Sacramento, California, addressed at: 1965 East Main Street, Woodland, CA 95776. The Yolo Shortline began its first operations in February 1991. The Yolo Shortline purchased two railroad lines from Union Pacific Railroad Company and interchanges traffic with Union Pacific in Union Pacific's West Sacramento rail yard. Both Union Pacific and Southern Pacific serve the West Sacramento area via the yard and tracks in West Sacramento.

2. While we generally believe that the Union Pacific/Southern Pacific merger will be in our Yolo Shortline's and our customers' best interests, the efficiency and competition of the Union Pacific/Southern Pacific merger will be assured and further enhanced by providing Burlington Northern/Santa Fe access to customers in Northern and Central California, including our railroad and its customers.

3. Yolo Shortline intends to participate in this proceeding to protect its and its customers interests in efficient, reliable and, most importantly, competitive rail transportation. This can be best provided by Yolo Shortline's access to competing line haul carriers, namely Union Pacific/Southern Pacific and Burlington Northern /Santa Fe.

4. Please direct all notices, documents and inquiries to:

Mr. David Magaw, President
Yolo Shortline Railroad Company
1965 East Main Street
Woodland, CA 95776
(916) 666-9646

Dated: December 28, 1995

by: David Magaw
David Magaw
CA State Bar # 78847

President and General Manager
Yolo Shortline Railroad Company
1965 East Main Street
Woodland, CA 95776

VERIFICATION

I, David Magaw, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on December 28, 1995.

by: David Magaw
David Magaw

STB FD-32760 1-3-96 D ID-60745

Item No. 60745

Page Count 2

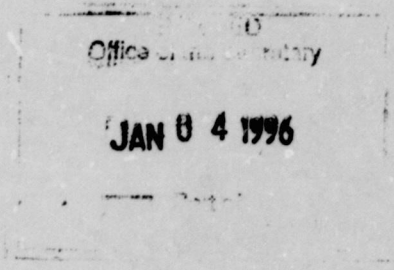
JAN #22

The Board of County Commissioners
of Chaffee County
P. O. Box 699
Salida, Colorado 81201
(719) 539-2218

-Certified-

Return Receipt Requested

P 466 808 890



Secretary
Interstate Commerce Commission
Washington, D.C. 20423

December 26, 1995

Subject: ICC Finance Docket 32760
Proposed Consolidation, et al

Dear Secretary:

Pursuant to the Interstate Commerce Commission procedural schedule adopted by Decision No. 6 in the above outlined Docket, please accept this as our official "Notice of Intent to Participate" in the Docket as listed above.

Please direct all future correspondence and/or telephone or FAX with respect to the Subject Docket to:

Chaffee County
P.O. Box 699
Salida, CO. 81201
Attention: Frank C. McMurry
719-539-2218
719-539-7442

We are aware of the schedule date applicable for the filling of subsequent comments, protests, requests for conditions and any other opposition evidence and argument due" and/or Briefs due" and will meet tnose required deadlines.

Please advise if any questions or changes occur in these proceeding.

Thank you very much.

ICC Finance Docket 32760
Proposed Consolidation, et al

Respectfully submitted,

Frank C. McMurry

Frank C. McMurry
Chairman
Chaffee County Commissioners

CERTIFICATION OF SERVICE

I hereby certify that I have this day served the foregoing document upon Applicant's Representative, Gary Laakso, Gnarl Attorney, southern Pacific Building, Room 846, One Market Plaza, San Francisco, California 94105, by Prepaid, First-Class, Certified Return Receipt Requested, United States Postal Service.

Dated at Salida, Colorado, this ~~20~~ 27th day of December, 1996.

(Signature) Kathy Lenz

STB FD-32760 1-3-96 D ID-60744

Item No. 60744

Page Count 21
JAN #21

COVINGTON & BURLING
1201 PENNSYLVANIA AVENUE, N.W.
P.O. BOX 7566
WASHINGTON, D.C. 20044-7566
(202) 662-6000

TELEFAX: (202) 662-6291
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WRITER'S DIRECT DIAL NUMBER

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TELEPHONE: 071-495-5655
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BRUSSELS CORRESPONDENT OFFICE
44 AVENUE DES ARTS
BRUSSELS 1040 BELGIUM
TELEPHONE: 32-2-512-9890
TELEFAX: 32-2-502-1598

January 3, 1996

BY HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Twelfth Street and Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423

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

Dear Secretary Williams:

Enclosed for filing in the above-captioned docket are the original and twenty copies of Applicants' Responses to Tex Mex's First Interrogatories and First Requests for Production of Documents (UP/SP-43). Also enclosed is a 3.5-inch disk containing the text of this pleading in WordPerfect 5.1 format.

I would appreciate it if you would date-stamp the enclosed extra copy of the pleading and return it to the messenger for our files.

Sincerely,

Michael A. Listgarten

Member of the Bar of New York State
Not admitted to the Bar of the District of Columbia

Enclosures

cc: The Honorable Jerome Nelson (By Hand)
Parties of Record

UP/SP-43

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' RESPONSES TO TEX MEX'S FIRST INTERROGATORIES
AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

CANNON Y. HARVEY
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Southern Pacific Transportation
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(202) 662-5388

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

January 3, 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' RESPONSES TO TEX MEX'S FIRST INTERROGATORIES AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW, collectively, "Applicants," hereby respond to Tex Mex's First Interrogatories.[1/]

GENERAL RESPONSES

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

1. Applicants have conducted a reasonable search for documents responsive to the interrogatories and document requests. Except as objections are noted herein,[2/] all responsive documents have been or shortly will be made

---

1/ In these responses, Applicants use acroynms as they have defined them in the application. However, subject to General Objection No. 10 below, for purposes of interpreting the requests, Applicants will attempt to observe Tex Mex's definitions where they differ from Applicants' (for example, Tex Mex's definitions of "UP" and "SP," unlike Applicants', include UPC and SPR, respectively).

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

available for inspection and copying in Applicants' document depository, which is located at the offices of Covington & Burling in Washington, D.C. Applicants will be pleased to assist Tex Mex to locate particular responsive documents to the extent that the index to the depository does not suffice for this purpose. Copies of documents will be supplied upon payment of duplicating costs (including, in the case of computer tapes, costs for programming, tapes and processing time).

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

3. Certain of the documents to be produced contain sensitive shipper-specific and other confidential information. Applicants are producing these documents subject to the protective order that has been entered in this proceeding.

4. In line with past practice in cases of this nature, Applicants have not secured verifications for the answers to interrogatories herein. Applicants are prepared to discuss the matter with Tex Mex if this is of concern with respect to any particular answer.

GENERAL OBJECTIONS

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

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

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

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

4. Applicants object to production of public documents that are readily available, including but not limited to documents on public file at the Board or the SEC or clippings from newspapers or other public media. Notwithstanding this objection, Applicants have produced some responsive materials of this kind, but Applicants have not attempted to produce all responsive materials of this kind.

5. Applicants object to the production of, and are not producing, 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 the extent that the interrogatories and requests seek highly confidential or sensitive commercial information (including inter alia, contracts containing confidentiality clauses prohibiting

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

7. Applicants object to the definition of "identify" insofar as it requests home telephone numbers on grounds that such information is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

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

9. Applicants object to Instructions Nos. 2, 9, 10, 14 and 15 and to the definition of "provide" to the extent that they seek to impose requirements that exceed those specified in the applicable discovery rules and guidelines.

10. Applicants object to Instruction No. 6 as unduly vague, overbroad and not susceptible of meaningful application.

11. Applicants object to Instruction No. 11 as unduly burdensome.

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

SPECIFIC RESPONSES AND ADDITIONAL OBJECTIONS

Interrogatory No. 1

"Identify every study, analysis, business plan and marketing plan relating to the transportation of goods by UP, SP or the Combined System originating from or destined to Mexico, including but not limited to studies concerning the relative advantages and disadvantages of different Mexican Railroad Gateways, projections of rail traffic trends and the existence of competition to such transportation."

Response

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

The application and the related workpapers extensively address competition for, and operations with respect to, traffic bound to and from Mexico. In addition, files of pertinent UP and SP executive officers are being searched for any studies, reports or analyses of competition in transportation to and from Mexico (including competition between rail and truck), and any such documents have been or will be produced. Business plans for UP and SP generated since January 1, 1993 on have been produced.

Interrogatory No. 2

"Identify every document relating to the marketing and implementation by SP of interline rail transportation by SP and Tex Mex of goods destined to or originating from Mexico, including but not limited to the marketing and implementation of intermodal train service known as the 'Aztec Wind.'"

Response

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. Without waiving this objection, and subject to the

General Objections stated above, Applicants respond as follows:

SP will produce any responsive documents that are located concerning the "Aztec Wind" service.

Interrogatory No. 3

"Identify every document relating to the possible obtaining of, bidding for or operations over any Mexican Railroad Concession by UP, SP, the Combined System or by any of those entities in conjunction with another entity, including but not limited to traffic and revenue projections and analyses of the anticipated competition to operations over any Mexican Railroad Concession by UP, SP, the Combined System or by any of those entities in conjunction with any other entity."

Response

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 every document relating to the possible granting of any Mexican Railroad Concession, including subconcessions, by UP, SP, or the Combined System to any other entity."

Response

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 every document relating to the granting of trackage rights or haulage rights by UP, SP or the Combined System to BNSF over railroad lines in Texas, including but not limited to correspondence between BNSF on the one hand and UP or SP on the other hand, and analyses of the effect of BNSF operations over such trackage or haulage rights on the traffic, revenues or both of the Combined System."

Response

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

The application and the related workpapers extensively address the settlement agreement between Applicants and BN/Santa Fe, and its effects. See Responses to KCS Interrogatories Nos. 12, 13 and 14, and the rulings with respect to those interrogatories at the hearings of December 20, 1995 and January 2, 1996.

Interrogatory No. 6

"Identify every agreement in effect after January 1, 1995 by which other railroads have provided trackage or haulage rights to UP or SP or both over railroad lines or railroad facilities in Texas."

Response

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. Without waiving this objection, and

subject to the General Objections stated above, Applicants respond as follows:

Responsive documents are being produced.

Interrogatory No. 7

"Identify every agreement in effect after January 1, 1995 by which UP and SP have granted trackage or haulage rights or both to another railroad over railroad lines in Texas."

Response

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

Responsive documents are being produced.

Interrogatory No. 8

"Identify every document relating to the possible sale of railroad lines in Texas to the following:

(a) Tex Mex,

(b) KCS, and

(c) BNSF, and

(d) any other railroad."

Response

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. Without waiving this objection, and subject to the

General Objections stated above, Applicants respond as follows:

To the extent that this interrogatory refers to the settlement agreement between Applicants and BN/Santa Fe or other possible settlements in this case, see Response to Interrogatory No. 5.

Interrogatory No. 9

"Identify every document relating to the possible granting of trackage or haulage rights over railroad lines in Texas by UP, SP or the Combined System to the following:

(a) Tex Mex

(b) KCS, and

(c) any other railroad."

Response

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

To the extent that this interrogatory refers to the settlement agreement between Applicants and BN/Santa Fe or other possible settlements in this case, see Response to Interrogatory No. 5.

Interrogatory No. 10

"Identify every document relating to the possible sale or abandonment of any railroad line identified in Appendix A, or of any portion of said line."

Response

Applicants object to this interrogatory as unduly burdensome and unduly vague, 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

"Identify every letter, memorandum, study, analysis, business plan and marketing plan not previously identified that refers to the Tex Mex."

Response

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

See Response to Interrogatory No. 1.

Interrogatory No. 12

"Identify every joint rate tariff and every transportation contract in effect after January 1, 1993 for the through rail transportation of goods by FNM on the one hand and UP or SP, exclusively or in conjunction with other U.S. railroads, on the other hand between points in the United States and points in Mexico."

Response

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

Responsive documents will be produced.

Interrogatory No. 13

"Identify every document relating to studies or analyses of the property values of, and the costs of maintaining and operating over, all or any part of any railroad line identified in Appendix A or of any line of which a line identified in Appendix A constitutes a part."

Response

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

Property records, which are extremely voluminous, can be made available to representatives of Tex Mex for inspection at UP and SP offices if Tex Mex wishes.

Interrogatory No. 14

"Identify every study, memorandum or analysis relating to the level of switch charges to be charged by the Combined System to BNSF pursuant to Section 9(h) of the BNSF Agreement."

Response

Subject to the General Objections stated above, Applicants respond as follows:

No such documents have been located.

Interrogatory No. 15

"Identify the 'tiny handful [of the "2-to-1" shippers that] have direct service from both UP and SP[']' according to the Verified Statement of Richard B. Peterson at page 72 of Volume 2 of the Application."

Response

Subject to the General Objections stated above, Applicants respond as follows:

The quoted statement was a reference to shippers that are served directly by UP and SP over separate spurs to their plants (or by interchanging with the shippers' private railroads). Those of which Mr. Peterson and his staff are aware are Kennecott at Garfield/Smelter/Magma, Utah; Geneva Steel at Geneva, Utah; North American Salt at Little Mountain, Utah; Kruse Grain at Ontario, California; Union Electric at Labadie/West Labadie, Missouri; Cargill at Forrest City, Arkansas; Mobil Chemical at Amelia, Texas; Sierra Army Depot at Herlong, California; and Monsanto at Luling/Boutte, Louisiana. (There are other "2-to-1" situations where UP and SP each can serve shippers in ways other than reciprocal switching, such as via joint facility agreements and interchange with shortline and terminal railroads.)

Interrogatory No. 15 [sic]

"Identify any analysis or other basis for Mr. Peterson's statement at page 168 of Volume 2 that 'BN/Santa Fe will be able to serve the "2-to-1" shippers either directly or via reciprocal trackage rights [sic -- testimony says "reciprocal switching"] at a switch charge that will be well below SP's present charges.'"

Response

Subject to the General Objections stated above, Applicants respond as follows:

The statement is based on Mr. Peterson's personal knowledge of reciprocal switching charges.

Interrogatory No. 16

"With respect to Mr. Peterson's statement at page 298 of Volume 2 that 'We estimated that BN/Santa Fe would divert to a Corpus Christi-Tex Mex-Laredo routing 25% of the traffic moving via UP direct or SP-Tex Mex between competitive points and Laredo' --

a. identify any analysis or other basis for this estimate, including but not limited to the portions of Mr. Peterson's workpapers supporting this estimate; and

b. state whether this estimate includes traffic originating or terminating at local industries at Laredo ('local traffic') and, if so, whether the estimated percentage diversion was the same for local traffic as for traffic moving through Laredo to and from FNM."

Response

Subject to the General Objections stated above, Applicants respond as follows:

(a) This diversion percentage was adopted based on Mr. Peterson's judgment, supported by his personal knowledge and discussions with UP marketing personnel. There are no workpapers regarding the basis for the 25% figure (although there are workpapers evidencing its application).

(b) As Mr. Peterson's verified statement indicates, the 25% percentage was applied to all traffic shown at that point in the Traffic Study as "moving via UP direct or SP-Tex Mex between competitive points and Laredo." This included both traffic interchanged with FNM and traffic originating or terminating at Laredo, some of which likely involved local industries. Mr. Peterson took account of these characteristics of the traffic in setting the overall 25% diversion percentage.

Interrogatory No. 17

"Did Mr. Peterson apply the '75% rule' described at pages 257-258 of Volume 2 to --

a. traffic originating at points on SP and terminating at local industries at Laredo?

b. traffic interchanged with FNM at Laredo?"

Response

Subject to the General Objections stated above, Applicants respond as follows:

No.

Interrogatory No. 18

"If the answer to 17a or 17b or both is no, state what percentage diversions were applied."

Response

Subject to the General Objections stated above, Applicants respond as follows:

In the stage of the Traffic Study that evaluated the effect of the UP/SP merger, traffic moving SP-Tex Mex between exclusively-served SP points and Laredo was diverted 50% to a single-line UP/SP haul and left 50% on the SP-Tex Mex routing. In the stage of the Traffic Study that evaluated the effect of the settlement with BN/Santa Fe, the traffic which had been left on an SP-Tex Mex routing was shifted to a BN-Tex Mex routing.

Interrogatory No. 19

"In developing the adjusted traffic base described by Mr. Peterson on pages 261-266 of Volume 2, did Mr. Peterson make any adjustment based on KCS's acquisition of an interest in Tex Mex?"

Response

Subject to the General Objections stated above, Applicants respond as follows:

No.

Interrogatory No. 20

"Describe the consideration given by Mr. Peterson, in developing the adjusted traffic base described on pages 261-266 of Volume 2, to the compensation to be paid by BNSF to the Combined System for use of the trackage rights under the BNSF Agreement, and the quantitative effect of such compensation, if any, on the adjusted traffic base developed by Mr. Peterson."

Response

Subject to the General Objections stated above, Applicants respond as follows:

None. The adjusted traffic base referred to comes at a stage in the Traffic Study prior to consideration of the effect of the settlement with BN/Santa Fe.

Interrogatory No. 21

"Identify any memorandum, study or analysis relating to whether UP and SP would consummate the merger if its approval were conditioned on divesting certain lines to other entities or on granting trackage and haulage rights to entities other than BNSF, or both."

Response

Subject to the General Objections stated above, Applicants respond as follows:

Files of pertinent UP and SP executive officers are being searched for any responsive studies, reports or analyses, and any such documents will be produced.

Interrogatory No. 22

"With respect to the statement by Mr. Peterson at page 96, footnote 42, of Volume 2 that 'many shippers prefer

Laredo and a substantial segment of Mexican shippers prefer to route traffic via Tex Mex['] --

a. state the basis for this statement;

b. identify every memorandum, study, analysis, shipper survey and letter from shippers supporting this statement."

Response

Subject to the General Objections stated above, Applicants respond as follows:

Mr. Peterson based this statement on the facts cited at page 96 of his verified statement, on the high volumes of traffic that shippers route via Laredo, on the quality of service at Laredo, on discussions with UP marketing personnel, on the record developed in litigation with Tex Mex in prior merger cases including UP/MKT, and on his general personal knowledge. He did not rely on particular memoranda, studies, etc.

Interrogatory No. 23

"Identify any analysis, study or memorandum relating to truck traffic between the United States and Mexico."

Response

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

See Response to Interrogatory No. 1.

Document Request

"Please produce every document identified by Applicants in response to Interrogatory Nos. 1-23 of the Texas Mexican Railway Company's First Interrogatories to Applicants (TM-4)."

Response

Applicants incorporate by reference all of their objections, including the general objections, to Tex Mex's First Interrogatories. Applicants also object to the instructions to the document request to the extent that they go beyond the ICC's discovery rules or the discovery guidelines in this case, and further object to Instruction No. 4 to the document request as unduly burdensome, unduly vague and overbroad and to Instruction No. 5 to the document request as unduly burdensome. Without waiving this objection, and subject to the General Objections stated above, Applicants respond as follows:

See the Responses to Interrogatories above.

Respectfully submitted,

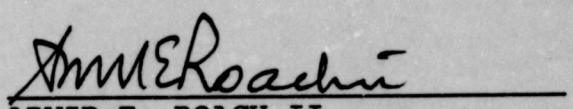
CANNON Y. HARVEY
LOUIS P. WARCHOT
CAROL A. HARRIS
Southern Pacific
Transportation Company
One Market Plaza
San Francisco, California 94105
(415) 541-1000

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
S. WILLIAM LIVINGSTON, JR.
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

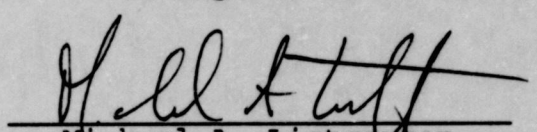
January 3, 1996

CERTIFICATE OF SERVICE

I, Michael A. Listgarten, certify that, on this 3rd day of January 1996, I caused a copy of the foregoing document to be served by hand upon Richard A. Allen, counsel for Texas Mexican Railway, at Zuckert, Scoutt, & Rasenberger, LLP, 888 Seventeenth Street, N.W., Suite 600, Washington, D.C. 20006-3939 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 A. Listgarten

STB FD-32760 1-3-96 D ID-60742

60742

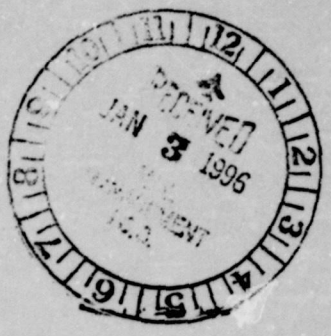
Nevada Legislature

SIXTY-SEVENTH SESSION

BOB PRICE
ASSEMBLYMAN
District No. 17

COMMITTEES:
Chairman
Taxation
Member
Ways and Means
Elections and Procedures

20 December 1995



The Honorable Vernon A. Williams
Secretary Interstate Commerce Commission
12th Street and Constitution Avenue, N.W., Rm 2215
Washington, DC 20423

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

Dear Secretary Williams:

As Assistant Democratic Floor Leader, Chairman of the Assembly Taxation Committee and 22 year member of the Legislature representing the Las Vegas area, I am writing in support of the proposed merger of the Union Pacific and the Southern Pacific Railroads.

Nevadans expect many benefits from the merger, including improved routing and operations, as well as extended single-line access to Union Pacific in the Midwest and Pacific Northwest. Cost savings from the merger should benefit all Nevada shippers. Current Southern Pacific customers will be assured top-quality service with a financially strong railroad that will continually improve its operations.

For these and many other reasons, I am urging your support of this proposed merger.

Sincerely,

Bob Price

Item No. _____

Page Count 1

JAN # 19

DISTRICT OFFICE:
P.O. Box 3759, N. Las Vegas, Nevada 89030 • (702) 642-5669 • Cellular (702) 378-8276

LEGISLATIVE BUILDING:
401 S. Carson Street, Carson City, Nevada 89710 • (702) 687-3966 or 687-6800 • Fax No. (702) 687-5962

STB FD-32760 1-3-96 1-3-96 D ID-60741

Item No. 60741

Page Count 1

JAN # 18

VIVIAN FREEMAN
ASSEMBLYWOMAN
District No. 24

COMMITTEES:
Co-Chair
Health and Human Services
Member
Government Affairs
Elections and Procedures
Legislative Commission

DISTRICT OFFICE:
1665 Carlin Street
Reno, Nevada 89503
Office: (702) 747-3448
Fax No.: (702) 747-9696

LEGISLATIVE BUILDING:
401 S. Carson Street
Carson City, Nevada 89710
Office: (702) 687-3594 or 687-5739
Fax No.: (702) 687-5962

State of Nevada Assembly

Sixty-Eighth Session

RECEIVED
JAN 3 1996
MAIL MANAGEMENT I.C.C.

December 27,1995

The Honorable Vernon A.Williams
Secretary, Interstate Commerce Commission
Twelfth and Constitution Avenue Room 2215
Washington, D.C. 20423

Subject: Finance Docket No.32760, Proposed Merger Between the Union Pacific and Southern Pacific Railroads

Dear Secretary Williams,

I am writing to express my support for the proposed merger of the Union Pacific and Southern Pacific Railroads .

I believe the merger would be in the public interest, and could result in improved services for the people of Nevada.

The area which I represent is within the borders of the City of Reno. A concern of long standing, indeed since the invention of the automobile is that the tracks run through the downtown area. They do, in fact bisect the city. This has become a major problem for both auto and foot traffic and for commerce.

It is my understanding the number of trains running through downtown Reno will increase dramatically as a result of the merger. The traffic delays promise to be not only injurious to commerce, but dangerous as well.

The improved financial status as a result of the merger should make it possible for the railroad to work with the City of Reno in it's efforts to mitigate traffic problems and to lower the tracks in the downtown area.

Sincerely,

Vivian Freeman

Office of the Secretary
JAN 04 1996
Part of Public Record

STB FD-32760 1-13-96 D ID-60739

Item No. 40739

Page Count 2

JAN #16

City of Columbus
Mayor Gregory S. Lashutka

Office of the Ma

City Hall
Columbus, Ohio 43215-9014
614/645-7671
FAX 614/645-8955

December 28, 1995

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

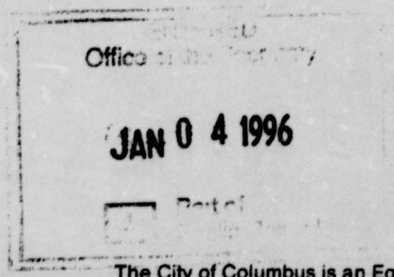
Dear Secretary Williams:

RE: Finance Docket 32760

The City of Columbus is extremely concerned about the competitive aspects on area businesses as a result of the proposed acquisition of the Southern Pacific Lines (SP) by the Union Pacific Railroad (UP). While we are familiar with the proposed agreement between UP and the Burlington Northern-Santa Fe (BNSF), intended to remedy those effects, we are not persuaded that this arrangement will produce effective competition for rail traffic in the Mid-South region of the United States. This is of concern to the City of Columbus.

We 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. We find this proposal to be more appropriate and far more effective in addressing the above stated concerns. The Conrail proposal calls for ownership of the lines, whereas the UP-BNSF agreement mainly involves the granting of trackage rights. We believe that trackage rights provide only limited benefits and limited guarantees which can be easily lost if railroads disagree over whose traffic has priority and who is in charge of operations of the line. Further, we believe an owning railroad is in a far better position than a renter to encourage economic development activities on its lines.

Another reason the City of Columbus favors Conrail's proposal is that it would provide efficient service for rail customers in our area for movement of goods and raw materials to and from the Mid-South and Texas Gulf. Conrail's proposed one-line service to these markets would be the fastest; most direct and involve the fewest car handlings.



We are extremely concerned about the recent railroad merger trend in the United States. This trend seems to be leading our nation toward a few giant railroads. Clearly, mega-railroads will further limit competition and reduce productivity.

For all of the reasons above, the City of Columbus, is actively opposing the UP-SP merger at the ICC unless it is conditioned upon acceptance of Conrail's proposal.

Sincerely,

Gregory S. Lashutka
Mayor

GSL:RAB:PG

U:\williams.gsl\bt

STB FD-32760 1-3-96 D ID-60738

Item No. 60738

Page Count 1

Jan 15

Ohio House of Representatives

JIM BUCHY
State Representative

281 Dogwood Drive
Greenville, Ohio 45331

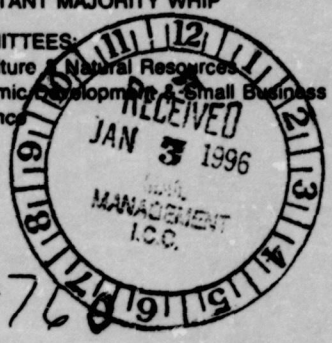
District Office (513) 548-2128
Columbus Office (614) 466-6344
FAX (614) 644-9494

84th House District
Darke, Mercer and
Miami (part) Counties

Columbus
43215

ASSISTANT MAJORITY WHIP

COMMITTEES:
Agriculture & Natural Resources
Economic Development & Small Business
Insurance



December 27, 1995

FD 32760

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

Dear Secretary Williams,

Ohio is very interest in the Union Pacific/Southern Pacific railroad acquisition case now pending before the Interstate Commerce Commission. I understand competitive concerns are being raised about this merger, primarily from states that would be left with a single rail line. Ohio's interest, however, is a bit different.

As you know, Conrail is very interested in acquiring the eastern routes of Southern Pacific. Conrail's plan would give Ohio direct rail access to the growing Gulf Coast and Mexican markets. Ohio is the second largest auto manufacturing state in the country as well as a major producer of auto parts, steel, paper and equipment for high tech applications.

Conrail's proposed acquisition would enhance its current service and help our industries export numerous products to the South and to the new Mexican markets now available because of NAFTA.

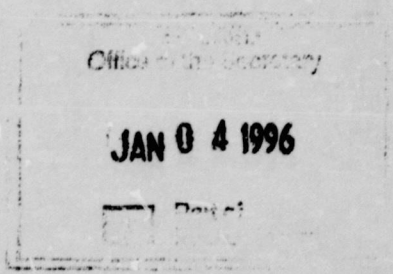
It is my hope that the ICC will look favorably on the Conrail alternative to the Union Pacific/Southern Pacific merger.

Sincerely,

Jim Buchy

Jim Buchy
Majority Whip

JB/ldt



STB FD-32760 1-3-96 D ID-60737

60737

Item No. _____

Page Count 3

Jan #1

COVINGTON & BURLING
1201 PENNSYLVANIA AVENUE, N. W.
P.O. BOX 7566
WASHINGTON, D.C. 20044-7566
(202) 662-6000

TELEFAX: (202) 662-6291
TELEX: 89-593 (COVLING WSH)
CABLE: COVLING

LECONFIELD HOUSE
CURZON STREET
LONDON W1Y 8AS
ENGLAND
TELEPHONE: 44-171-495-5655
TELEFAX: 44-171-495-3101

BRUSSELS CORRESPONDENT OFFICE
44 AVENUE DES ARTS
BRUSSELS 1040 BELGIUM
TELEPHONE: 32-2-512-9890
TELEFAX: 32-2-502-1598

ARVID E. ROACH II
DIRECT DIAL NUMBER
(202) 662-5388
DIRECT TELEFAX NUMBER
(202) 778-5388

December 28, 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

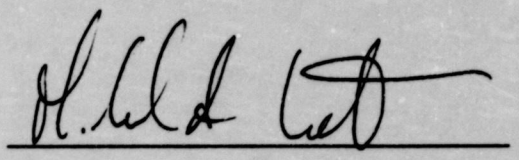
cc: The Honorable Vernon A. Williams
The Honorable Jerome Nelson

Deposition Schedule

Jan. 16	James A. Runde
Jan. 17	Richard D. Spero
Jan. 18	Stephan C. Month
Jan. 19	Don P. Ainsworth
Jan. 22	Michael A. Hartman
Jan. 23	John H. Rebensdorf
Jan. 24-25	Richard J. Barber
Jan. 26	Richard K. Davidson
Jan. 2	Bernard J. La Londe
Jan. 31	Paul O. Roberts
Feb. 1-2	Robert D. Willig
Feb. 5-7	Richard P. Peterson
Feb. 8-9	R. Bradley King & Michael D. Ongerth
Feb. 12	Lawrence C. Yarberry
Feb. 13	Richard G. Sharp
Feb. 16	Philip Anschutz
Feb 20	Mark J. Draper & Dale W. Salzman
Feb. 26-27	John T. Gray

CERTIFICATE OF SERVICE

I, Michael A. Listgarten certify that, on this 3rd day of January 1996, I caused a copy of the foregoing document to be served by hand on Honorable Vernon A. Williams Secretary, Surface Transportation Board, Twelfth Street and Constitution Avenue, N.W., Room 2215, Washington, D.C. 20423.



Michael A. Listgarten

STB FD-32760 1-3-96 D ID-60736

Item No. 60736

Page Count 1

JAN 13 A

WILMER, CUTLER & PICKERING
2445 M STREET, N.W.
WASHINGTON, D.C. 20037-1420

TELEPHONE (202) 663-6000
FACSIMILE (202) 663-6363

A. STEPHEN HUT, JR.
DIRECT LINE (202)
663-6235

4 CARLTON GARDENS
LONDON SW1Y 5AA
TELEPHONE 011 (44711 839-4466
FACSIMILE 011 (44711 839-3537

RUE DE LA LOI 15 WETSTRAAT
B-1040 BRUSSELS
TELEPHONE 011 (322) 231-0903
FACSIMILE 011 (322) 230-4322

FRIEDRICHSTRASSE 95
BRIEFKASTEN 29
D-10117 BERLIN
TELEPHONE 011 (49301 2643-3601
FACSIMILE 011 (49301 2643-3630

December 29, 1995

Mr. Vernon A. Williams
Interstate Commerce Commission
Case Control Branch
Room 1324
1201 Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Finance Docket No. 32760, Union Pacific Corporation, et al. -- Control and Merger -- Southern Pacific Corporation, et al.

Dear Secretary Williams:

My letter of yesterday transmitting Consolidated Rail Corporation's First Requests to BNSF Corporation for the Production of Documents inadvertently contained a typographical error in the date. A transmittal letter correcting the typographical error is enclosed.

Sincerely,

A. Stephen Hut, Jr.

Enclosure

cc: Erika Z. Jones, Esq.
Arvid E. Roach II, Esq.
Paul A. Cunningham, Esq.
Honorable Jerome Nelson

JAN 0 4 1996

STB FD-32760 12-19-95 D ID-50645

606, 45

Party Creations ... and flowers

Minnie C. Rodriguez

233 Hermine San Antonio, Texas 78212 (210) 826-1489

December 6, 1995

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

RE: Finance Docket 32760 - Proposed Merger of Union Pacific and Southern Pacific

Dear Secretary Williams,

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

I would hope that the Interstate Commerce Commission (ICC) would carefully review the implications for foreign and domestic trade if only one company owns rail or is the lessor of trackage rights. I also hope that the Texas Railroad Commission, also, reviews the implications of a single company controlling the rail system of Texas.

In addition, it is my desire to ensure the preservation of competition in all rail served markets within the State of Texas by making it possible for alternative railroads, such as Conrail, Inc., with the requisite financial strength and service capability to fill whatever competitive void may result from a potential merger of the two largest railroads of Texas.

Yours Truly,

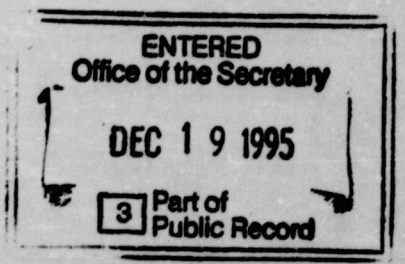
Minnie C. Rodriguez

Minnie Rodriguez

cc:Barry Williamson, Chairman, Texas Railroad Commission

Item No. _____

Page Count 1
Dec # 137



STB FD-32760 12-19-95 D ID-60642

Le0642

BOARD OF

County Commissioners

CROWLEY COUNTY
ORDWAY, COLORADO 81067

HARRY DOAK, DIST. 1
(719) 446-5334
BLAINE ARBUTHNOT, DIST. 2
(719) 267-4491
KEVIN O'DAY, DIST. 3
(719) 267-4795

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
Room 2215
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Please be advised that recently it came to the attention of the Board of County Commissioners of Crowley County,Colorado that a petition or application was recently, filed before the Interstate Commerce Commission in Washington, D.C. by Union Pacific Railroad Company and its rail affiliate, Missouri Pacific Railroad Company, and Southern Pacific Transportation Company and its affiliate, St. Louis Southwestern Railway Company, SPCSL Corporation and The Denver and Rio Grande Western Railroad Company, in ICC Finance Docket No. 32760.

Of concern to our County is that notice has been published in several local newspapers in the surrounding cities and counties, publishing notice of an abandonment of the railroad line commencing at a point in western Kansas and continuing westward into and throughout Kiowa County, through Crowley County and ending in Pueblo County, Colorado.

The impact of abandonment of the entire and only railroad line in Crowley County would be absolutely devastating to our County for several reasons. Crowley County is a large cattle feeding County and the feedyards depend on the rail for grain shipments to reduce the cost of transportation. To remove the rail system in our County would add additional costs to the cattle industry in our area.

Our records indicate approximately fifteen percent of our taxes are derived from our railroad lines and usage. In light of Admendment 1 and other statutory restraints in raising taxes, to lose fifteen percent of our taxes would create severe hardships for our County operations as well as those of our local school district, and cities.

Given our sparse population in Southeast Colorado to abandon this railroad line could have the potential of laying off approximately 125 rail employees as well as a myriad of related employees in spin-off and service or support industries.

Clearly, given the damaging effect such a proposal would present within our County, surrounding counties, and the general taxpayers, we would appreciate any help you could provide on this matter.

Item No. _____

Page Count 2

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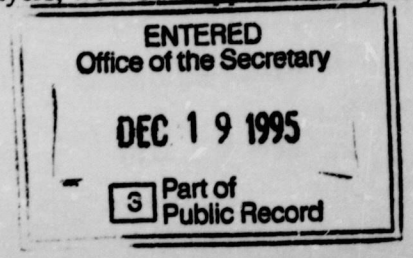

BOARD OF
County Commissioners
CROWLEY COUNTY
ORDWAY, COLORADO 81067

HARRY DOAK, DIST. 1
(719) 446-5334
BLAINE ARBUTHNOT, DIST. 2
(719) 267-4491
MELVIN O'DAY, DIST. 3
(719) 267-4795

Sincerely,

Blaine Arbuthnot-Chairman

Harry Doak - Commissioner

Melvin O'Dea - Commissioner