STB FD 32760 10-22-99 I 195922

195972

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October 22, 1999

BY HAND DELIVERY

The Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

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

Dear Mr. Secretary:

Enclosed for filing in the above-referenced proceeding please find an original and twenty-five (25) copies of the following documents:

(i) Motion for Leave to File Reply of Entergy Services, Inc. and Entergy Arkansas, Inc. **(ESI-31)**

(ii) Reply of Entergy Services, Inc. and Entergy Arkansas, Inc. **(ESI-32)**.

An additional copy of each filing is enclosed. Kindly indicate receipt and filing by time-stamping these copies and returning them to the bearer of this letter.

Thank you for your attention to this matter.

Sincerely,

Frank J. Pergolizzi
An Attorney for Entergy Services, Inc. and Entergy Arkansas, Inc.

Enclosures

cc: Arvid E. Roach II, Esq.

195922

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ESI-31

BEFORE THE
SURFACE TRANSPORTATION BOARD

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY -- CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP., AND THE DENVER AND RIO GRAND WESTERN RAILROAD COMPANY	Finance Docket No. 32760

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MOTION FOR LEAVE TO FILE REPLY
OF ENTERGY SERVICES, INC.
AND ENTERGY ARKANSAS, INC.

Entergy Services, Inc. and its affiliate Entergy Arkansas, Inc. (collectively referred to as "Entergy"), hereby move for leave to file the accompanying Reply (ESI-32) to Union Pacific Railroad Company's ("UP") October 12 and October 15 Reply filings in this case.

In its October 15, 1999 "Motion for Leave to Reply to BNSF's Reply Supporting Entergy's Petition for Enforcement of Merger Condition," UP argues that the Board should allow UP "to respond to arguments that Entergy or BNSF could have raised, but did not raise, in support of the original petition." UP Motion at 1-2. Given the fact that BNSF did not make (and UP does not identify) any arguments that Entergy "did not raise" in its Petition, there appears to be no value to UP's October 15 Reply other than to raise arguments that it could have, but did not, raise in its October 12 Reply.

Entergy respectfully requests leave to submit the attached Reply to respond to misleading characterizations of both the law and the Board's CMA Build-Out Condition in UP's October 12 and October 15 Replies. Entergy's Reply also will help to narrow the issues in dispute and will ensure that the Board has a complete record on which to resolve the underlying dispute.

Respectfully submitted,

ENTERGY SERVICES, INC. and
ENTERGY ARKANSAS, INC.

By: O.H. Storey III
Janan Honeysuckle
Entergy Services, Inc.
Mail Unit A-TCBY-30H
425 West Capitol
Little Rock, AR 72201

C. Michael Loftus
Donald G. Avery
Frank J. Pergolizzi
Andrew B. Kolesar III
Slover & Loftus
1224 Seventeenth St., N.W.
Washington, D.C. 20036
(202) 347-7170

Their Attorneys

OF COUNSEL:

John R. Molm
Sandra L. Brown
Troutman Sanders LLP
1300 I Street, N.W.
Suite 500 East
Washington, D.C. 20005-3314
(202) 274-2950

DATED: October 22, 1999

CERTIFICATE OF SERVICE

I hereby certify that this 22nd day of October, 1999, I have caused a copy of the foregoing document to be served by first-class mail, postage-prepaid, upon all parties to the service list in this proceeding.

Andrew B. Kolesar III

Andrew B. Kolesar III

195921

October 18, 1999

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Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW, Room 711
Washington, DC 20423

Re: Kansas Eastern-Abandonment-Butler County, Kansas Doc. No. AB-563 (Sub-no. 1x).

Dear Mr. Williams:

This comment should be treated as a protest or a petition for reconsideration in the above-captioned proceeding. This comment is filed on behalf of Butler County which is a political subdivision or government agency interested in transportation and/or natural resource conservation which is hereinafter referred to as "Commenter".

While not taking a position on the merits of this abandonment, Commenter requests issuance of a Public Use Condition as well as a Certificate or Notice of Interim Trail Use rather than an outright abandonment authorization between Augusta and Severy.

A. Public Use Condition

Commenter requests the STB to find that this property is suitable for other public use, specifically trail use, and to place the following conditions on the abandonment:

1. An order prohibiting the carrier from disposing of the corridor, other than the tracks, ties and signal equipment, except of public use on reasonable terms. The justification for this condition is that the corridor would make an excellent recreational trail connecting several rural towns together linking them with a state park. In addition, the corridor would provide scenic views of the tallgrass prairie within the Flint Hills and would enhance wildlife habitat through its use as a recreational trail. The time period sought is 180 days from the effective date of the abandonment authorization. Commenter needs this much time because we have not had an opportunity to assemble or to review title information, complete a trail plan or commence negotiations with the carrier.

2. An order barring removal or destruction of potential trail-related structures such as bridges, trestles, culverts and tunnels. The justification for this condition is that these structures have considerable value for recreational trail purposes. The time period requested is 180 days from the effective date of the abandonment authorization for the same reason as indicated above.

B. Interim Trail Use

The railroad right-of-way in this proceeding is suitable for railbanking. In addition to the public use conditions sought above, Commenter also makes the following request:

STATEMENT OF WILLINGNESS TO ASSUME FINANCIAL RESPONSIBILITY

In order to establish interim trail use and rail banking under section 8(d) of the National Trails System Act, 16 U.S.C. §1247(d), and 49 C.F.R. §1152.29, Butler County is willing to assume full responsibility for management of, for any legal liability arising out of the transfer or use of (unless the user is immune from liability, in which case it need only indemnify the railroad against any potential liability), and for the payment of any and all taxes that may be levied or assessed against the right-of-way owned by Kansas Eastern and operated by Kansas Eastern.

The property, known as the extends from railroad milepost 483.0 near Augusta to railroad milepost 438.5 near Severy a distance of 44.5 miles in Butler and Greenwood County, Kansas. The right-of-way is part of a line of railroad proposed for abandonment in STB Docket No. AB-563 (Sub-no. 1x).

A map depicting the right-of-way is attached.

Butler County acknowledges that use of the right-of-way is subject to the user's continuing to meet its responsibilities described above and subject to possible future reconstruction and reactivation of the right-of-way for rail service.

By my signature below, I certify service upon Kansas Eastern c/o Karl Morell, Ball Janik LLP, 1455 F St. N.W., Suite 225, Washington, DC 20005, by U.S. Mail, postage prepaid, first class, this day of 1999.

FILED

OCT 22 1999

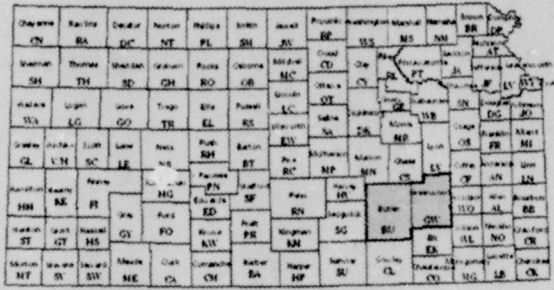
SURFACE
TRANSPORTATION BOARD

Respectfully submitted,

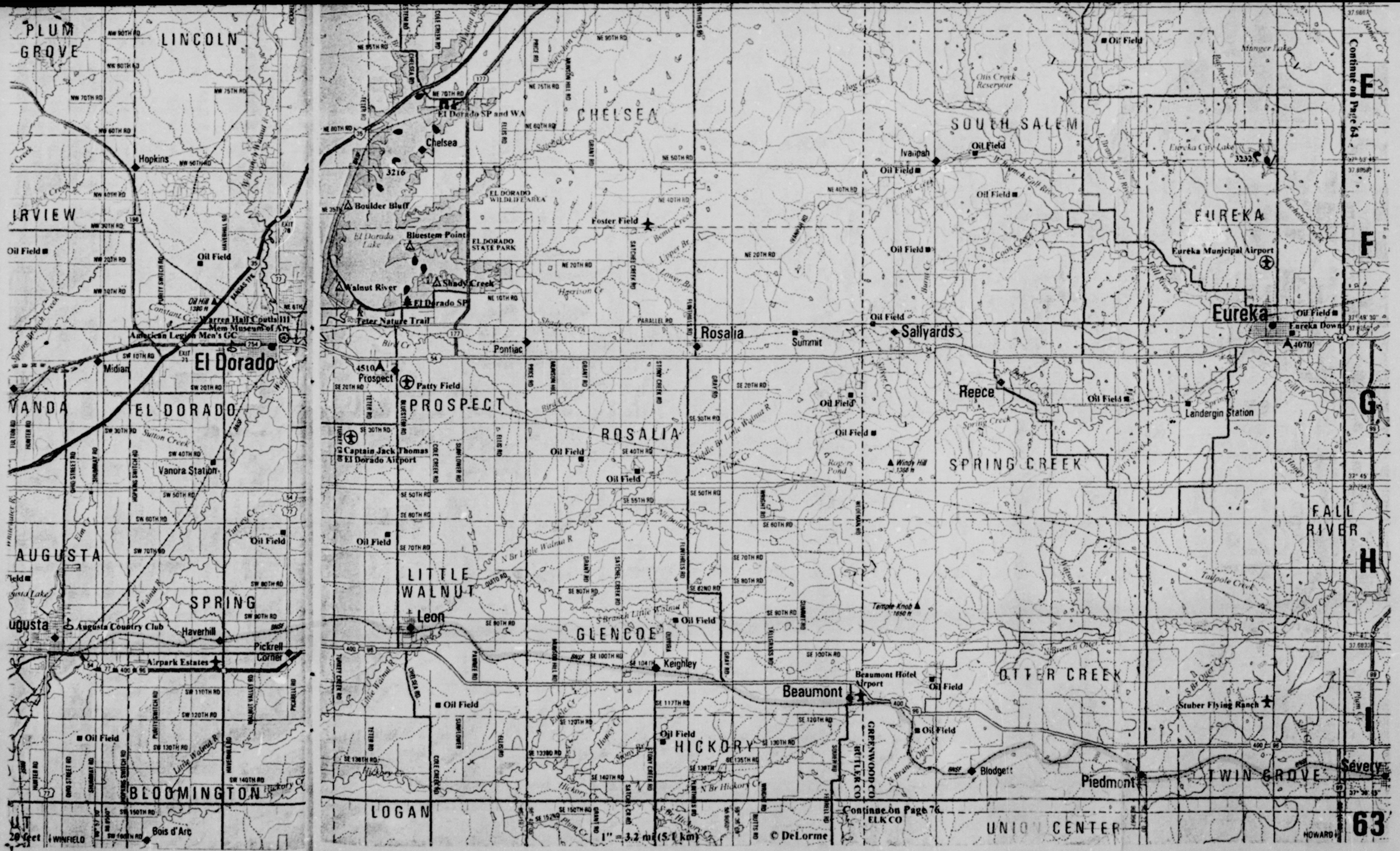
Linsey Cutsinger

Linsey Cutsinger
on behalf of: Butler County Board of Commissioners

Kansas Counties Index Map



These county abbreviations are used when requesting for large areas involving multiple counties. The county identifier is a two-letter abbreviation as used on license plates in the state.


PLUM GROVE
LINCOLN
IRVIEW
Hopkins
Oil Field
Old Hill 1380 ft
Warren Hall Cowtown Mem Museum of Art
American Legion Men's GC
El Dorado
Midian
VANDA
EL DORADO
Vanora Station
AUGUSTA
Oil Field
Augusta
Augusta Country Club
Haverhill
Pickrell Corner
Airpark Estates
SPRING
BLOOMINGTON
Oil Field
Bois d'Arc
WINFIELD
20 feet
CHELSEA
El Dorado SP and WA
Chelsea
3216
Boulder Bluff
Bluestem Point
EL DORADO STATE PARK
Walnut River
Shady Creek
El Dorado SP
Teter Nature Trail
Foster Field
Pontiac
4510
Prospect
Patty Field
PROSPECT
Captain Jack Thomas El Dorado Airport
ROSALIA
Oil Field
LITTLE WALNUT
Leon
GLENCOE
Keighley
HICKORY
LOGAN
Rosalia
Summit
Sallyards
SOUTH SALEM
Ivanpah
Oil Field
3232
EUREKA
Eureka Municipal Airport
Eureka
Eureka Downs
4070
Reece
Landergin Station
SPRING CREEK
Windy Hill 1368 ft
Temple Knob 1650 ft
FALL RIVER
OTTER CREEK
Beaumont Hotel Airport
Beaumont
Stuber Flying Ranch
Bloidgett
Piedmont
TWIN GROVE
Severy
UNION CENTER
HOWARD
Continue on Page 63
Continue on Page 76
ELK CO
BUTLER CO
GREENWOOD CO
E
F
G
H
I
63
1" = 3.2 mi (5.1 km)
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Item No.

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File II 276

UP/SP-104

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ORE THE
...ANSPORTATION 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

Docket No. AB-3 (Sub-No. 131)

MISSOURI PACIFIC RAILROAD COMPANY
-- ABANDONMENT --
HOPE-BRIDGEPORT LINE
IN DICKINSON AND SALINE COUNTIES, KANSAS

Docket No. AB-8 (Sub-No. 37)

THE DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY
-- DISCONTINUANCE OF TRACKAGE RIGHTS --
HOPE-BRIDGEPORT LINE
IN DICKINSON AND SALINE COUNTIES, KANSAS

APPLICANTS' FIRST SET OF INTERROGATORIES AND
DOCUMENT REQUESTS TO AGRI PRODUCERS, INC.

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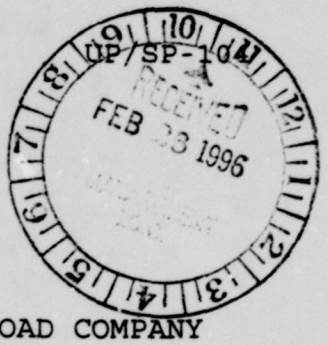
Attorneys for Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company

February 26, 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
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IN DICKINSON AND SALINE COUNTIES, KANSAS

APPLICANTS' FIRST SET OF INTERROGATORIES AND
DOCUMENT REQUESTS TO AGRI PRODUCERS, INC.

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Agri Producers, Inc. ("Agri").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Agri is requested to contact the undersigned promptly to discuss any objections or questions regarding these

requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Agri" means Agri Producers, Inc.

II. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

III. "Board" means the Surface Transportation Board.

IV. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

V. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

VI. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VII. "CNW" means Chicago and North Western Railway Company.

VIII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

IX. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other

process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts, models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Agri and documents in the possession, custody or control of consultants or others who have assisted Agri in connection with this proceeding.

X. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

XI. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of Agri, its counsel, or the consultants or others who have assisted Agri in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for

duplication and expedited delivery of documents to their attorneys.

XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIII. "UP" means UPRR and MPRR, including the former CNW.

XXIV. "UPC" means Union Pacific Corporation.

XXV. "UPRR" means Union Pacific Railroad Company.

XXVI. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVII. "Union Pacific" means UP and UPC.

XXVIII. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXX. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXI. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXII. References to railroads, shippers, consultants or companies (including Agri) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIII. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXIV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify the business facilities that are owned or operated by Agri, or affiliated with Agri, and describe the type of business they conduct. Your response should include all such facilities (including facilities which are not located on the Hope-Bridgeport rail line), provide the business name and address of each one, and provide a short description of the business conducted there (for example "grain elevator," "fertilizer distributor").

2. State by year and type of grain (wheat, corn, etc.), the number of bushels of grain moved out of each of the grain elevators listed in response to Interrogatory No. 1 during 1994 and 1995.

3. State by year and type of grain (wheat, corn, etc.), the number of bushels of grain bought or sold by Agri during 1994 and 1995 which was not moved through one of the elevators listed in the answer to Interrogatory No. 1.

4. List the specific locations and types of facilities to which Agri shipped the grain identified in response to Interrogatories Nos. 2 and 3.

5. If any of the grain identified in response to Interrogatories Nos. 2 and 3 was not shipped over the Hope-Bridgeport rail line, how was it shipped (for example, owned or leased truck, commercial motor carrier)?

names and addresses of the firms you believe to be your five principal competitors.

DOCUMENT REQUESTS

1. Produce copies of Agri's annual report for the most recent two years available. If Agri does not produce annual reports, you may produce any existing financial reports or statements that show the financial results of your operations for these years. This document production request covers only financial reports or statements that already exist, and does not require you to create any such reports or statements.

Respectfully submitted,

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CAROL A. HARRIS
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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

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(202) 662-5388

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

February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by overnight delivery on Stan Uttig, President, Agri Producers, Inc., 205 Main, P.O. Box 25, Tampa, KS 67483, 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
Suite 500
Department of Justice
Washington, D.C. 20530

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

Michael L. Rosenthal

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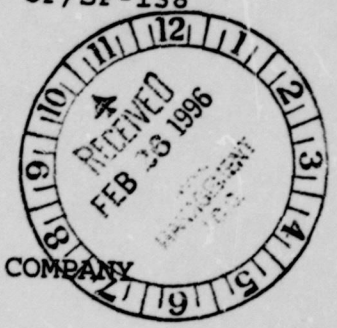
UP/SP-138



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

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APPLICANTS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO COASTAL CORPORATION

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

February 26, 1996

UP-19-F-138
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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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO COASTAL CORPORATION

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Coastal Corporation ("Coastal").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Coastal is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

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VII. "Coastal" means Coastal Corporation.

VIII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

IX. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer

storage devices, computer programs, computer printouts, models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Coastal and documents in the possession, custody or control of consultants or others who have assisted Coastal in connection with this proceeding.

X. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

XI. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of Coastal, its counsel, or the consultants or others who have assisted Coastal in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIII. "UP" means UPRR and MPRR, including the former CNW.

XXIV. "UPC" means Union Pacific Corporation.

XXV. "UPRR" means Union Pacific Railroad Company.

XXVI. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVII. "Union Pacific" means UP and UPC.

XXVIII. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXX. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXI. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXII. References to railroads, shippers, consultants or companies (including Coastal) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIII. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXIV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that Coastal has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If Coastal contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. For each Coastal facility that produces coal, separately for each year 1993 through 1995, identify the

originating mines for all coal and, as to each such mine, state: (a) the tonnage of coal from that mine; (b) the average delivered price of coal from that mine; (c) the average minehead price of that coal; (d) the rail transportation routings (including origination and interchange points) for all coal shipped from that mine to the plant; and (e) any transportation routings or modes other than rail used in shipping coal from the mine.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that Coastal makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for Coastal on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to

seek support from shippers, public officials, railroads or others for the position of Coastal or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that Coastal has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the boards of directors (or other governing bodies) of Coastal

relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all documents relating to whether Utah and Colorado coal competes with Powder River Basin or Hanna Basin coals, including but not limited to any studies, reports or analyses of the use by utilities of, solicitation by utilities of bids for, or interchangeability in use of, such coals.

24. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

25. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

26. Produce Coastal's files regarding the transportation (including the transportation by non-rail modes) of all commodities that Coastal has moved via UP or SP since January 1, 1993.

27. Produce all documents relating to the effect of the UP/SP merger on coal transportation service, competition or routings to or from any Coastal facility or mine.

28. Produce all filings made with state utility commissions or state regulatory agencies that discuss sources of fuel.

29. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or

competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement, or of trackage rights compensation under the BN/Santa Fe Settlement, prepared by L.E. Peabody & Associates, and all workpapers or other documents relating thereto.

Respectfully submitted,

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

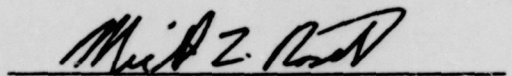
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Robert M. Bruskin, counsel for Coastal Corporation, at Howrey & Simon, 1299 Pennsylvania Avenue, N.W., Washington, D.C. 20004, 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
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

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Item No. 61455

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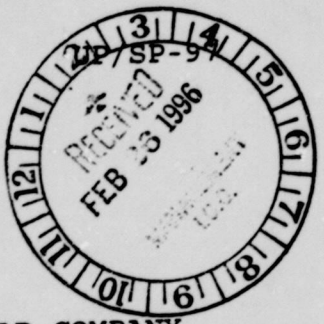


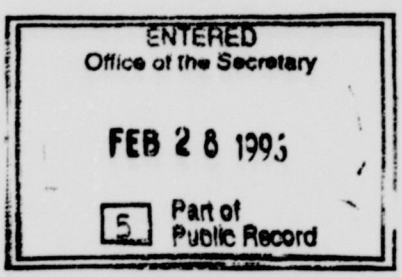
BEFORE THE
FACE TRANSPORTATION BOARD

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

CERTIFICATE OF SERVICE OF LIST OF NUMBERED PLEADINGS
IN ACCORDANCE WITH DECISION NO. 16

This will certify that, in accordance with Decision No. 16, served Feb. 22, 1996, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW have served the attached list of numbered pleadings filed by them to date in the above-captioned matter on all parties of record and have indicated that they will provide copies of any such pleadings to any party that requests them.



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Attorneys for Applicants

February 25, 1996

APPLICANTS' NUMBERED FILINGS

UP/SP-1	August 4, 1995	Notice of Intent to File Railroad Control Application
UP/SP-2	August 4, 1995	Petition for Protective Order
UP/SP-3	August 4, 1995	Petition for Waiver or Clarification of Railroad Consolidation Procedures, and Related Relief
UP/SP-4	August 4, 1995	Petition to Establish Procedural Schedule
UP/SP-5	August 11, 1995	Modification of Notice of Intent to File Railroad Control Application
UP/SP-6	August 18, 1995	Applicants' Reply to KCS' Comments on Proposed Procedural Schedule and Discovery Guidelines
UP/SP-7	August 18, 1995	Applicants' Reply to KCS' Opposition to Proposed Protective Order
UP/SP-8	August 22, 1995	Supplement to Petition for Waiver or Clarification of Railroad Consolidation Procedures, and Related Relief
UP/SP-9	August 29, 1995	Applicants' Reply to STRICT's Opposition to Petition for Waiver or Clarification
UP/SP-10	August 29, 1995	Applicants' Reply to STRICT's Opposition to Petition to Establish Procedural Schedule
UP/SP-11	August 30, 1995	Applicants' Reply to TCU/UTU's Petition to Clarify Information Required Pursuant to 49 C.F.R. 1180.6(a)(2)(v)
UP/SP-12	September 7, 1995	Applicants' Reply to STRICT's Motion to Reject Impermissible Pleadings

UP/SP-13	September 27, 1995	Applicants' Reply to Petitions to Reconsider or Modify Protective Order
UP/SP-14	September 28, 1995	Applicants' Reply to Comments on Proposed Schedule
UP/SP-15	October 4, 1995	Applicants' Reply to IBT's Petition to Reopen
UP/SP-16	October 4, 1995	Applicants' Reply to Additional Comments by the Department of Justice on Proposed Schedule
UP/SP-17	October 24, 1995	Applicants' Reply to IBT's Petition for Leave to File Response
UP/SP-18	NOT USED	
UP/SP-19	NOT USED	
UP/SP-20	NOT USED	
UP/SP-21	NOT USED	
UP/SP-22	November 30, 1995	Railroad Merger Application, Volume 1: Supporting Information, Summary of Benefits, Exhibits 1, 8, 10-12 and 16-19, Statements of Applicants' Principal Officers, and other Supporting Statements
UP/SP-23	November 30, 1995	Railroad Merger Application, Volume 2: Statements Concerning Market Impacts, Competition, and Shipper Benefits (Exhibit 12)
UP/SP-24	November 30, 1995	Railroad Merger Application, Volume 3: Operating Plan (Exhibit 13), Labor Impact Exhibit, Density Charts (Exhibit 14), and Supporting Statements

UP/SP-25	November 30, 1995	Railroad Merger Application, Volume 4, Parts 1-5: Statements of Shippers, Public Officials, and Others in Support of Application
UP/SP-26	November 30, 1995	Railroad Merger Application Volume 5: Related Applications, Petitions for Exemption, and Notices of Exemption
UP/SP-27	November 30, 1995	Railroad Merger Application, Volume 6: Environmental Report (Exhibit 4), • Part 1 - Overview, Part 2 - Rail Line Segments, and Part 3 - Rail Yards and Intermodal and Automotive Facilities • Part 4 - Abandonments • Part 5 - Construction • Part 6 - Appendix
UP/SP-28	November 30, 1995	Railroad Merger Application, Volume 7: Exhibits 2, 6, 7, 9, 20 and 21
UP/SP-29	December 1, 1995	Applicants' Reply to Scott Manatt's Petition to Reopen Procedural Schedule and Protective Order
UP/SP-30	December 8, 1995	Applicants' Objections to KCS' Discovery Requests
UP/SP-31	December 14, 1995	Applicants' Objections to the Society of the Plastic Industry, Inc.'s First Set of Interrogatories and Data Requests

UP/SP-32	December 15, 1995	Applicants' Responses to DOJ's Initial Discovery Requests
UP/SP-33	December 15, 1995	Applicants' Responses to KCS' First Interrogatories
UP/SP-34	December 15, 1995	UP Applicants' Responses to KCS' First Requests for Admission
UP/SP-35	December 15, 1995	SP Applicants' Responses to KCS' First Requests for Admissions
UP/SP-36	December 22, 1995	Supplement to Application
UP/SP-37	December 22, 1995	Applicants' Responses to the Society of the Plastics Industry, Inc.'s, First Set of Interrogatories and Data Requests
UP/SP-38	December 22, 1995	Applicants' Responses to the Texas Mexican Railway Company's First Interrogatories and First Request for Production of Documents
UP/SP-39	December 22, 1995	Applicants' Objections to the Western Coal Traffic League's First Set of Interrogatories an Document Production Requests
UP/SP-40	January 2, 1996	Applicants' Objections to the First Interrogatories and First Request for Production of Documents from Sierra Pacific Power Company and Idaho Pacific Power Company
UP/SP-41	January 2, 1996	Applicants' Objections to Consolidated Rail Corporation's First Request for the Production of Documents and First Set of Interrogatories

UP/SP-42	January 3, 1996	Applicants' Objections to the International Paper Company's First Interrogatories and Request for Documents
UP/SP-43	January 3, 1996	Applicants' Responses to Tex Mex's First Interrogatories and First Request for Production of Documents
UP/SP-44	January 3, 1996	Applicants' Responses to WCTL's First Set of Interrogatories and Document Production Requests
UP/SP-45	January 4, 1996	Applicants' Objections to Southern California Regional Rail Authority's First Set of Interrogatories
UP/SP-46	January 5, 1996	Applicants' Objections to TCU's First Set of Interrogatories
UP/SP-47	January 9, 1996	Applicants' Objections to IAM's First Set of Interrogatories
UP/SP-48	January 9, 1996	Applicants' Objections to RLEA's and UTU's First Set of Interrogatories
UP/SP-49	January 9, 1996	Applicants' Responses to Conrail's First Requests for Production of Documents and First Set of Interrogatories
UP/SP-50	January 9, 1996	Applicants' Responses to Sierra Pacific's First Interrogatories and First Request for Production of Documents
UP/SP-51	January 11, 1996	Applicants' Responses to International Paper's First Interrogatories and Requests for Documents

UP/SP-52	January 13, 1996	Applicants' Supplemental Responses to KCS' First Interrogatories
UP/SP-53	January 12, 1996	Applicants' Objections to KCS' Second Discovery Requests
UP/SP-54	January 15, 1996	Applicants' objections to STRICT's First Set of Interrogatories and Document Requests
UP/SP-55	January 15, 1995	Applicants Responses to TCU's First Set of Interrogatories
UP/SP-56	January 15, 1996	Applicants' Responses to SCRRA's First Set of Interrogatories
UP/SP-57	January 16, 1996	Applicants' Submission in Response to the Commission's Decision in No. 9, Served December 27, 1995
UP/SP-58	January 19, 1996	Applicants' Responses to IAM's First Set of Interrogatories
UP/SP-59	January 22, 1996	Applicants' Responses to RLEA/UTU's First Set of Interrogatories
UP/SP-60	January 22, 1996	Applicants' Responses to STRICT's First Set of Interrogatories and Document Requests
UP/SP-61	January 22, 1996	Applicants' Responses to KCS' Second Interrogatories
UP/SP-62	January 22, 1996	Applicants' Objections to the Teamsters' First Set of Interrogatories and Requests for Production of Documents
UP/SP-63	January 24, 1996	Further Errata to Application

UP/SP-64	January 23, 1996	Applicants' Objection to Kennecott's First Set of Interrogatories and Requests for Production of Documents
UP/SP-65	January 25, 1996	Reply to WSC Motion for Enlargement
UP/SP-66	January 25, 1996	Reply to Comments of KCS and Tex Mex on WSC Motion for Enlargement
UP/SP-67	January 29, 1996	Applicants' Supplemental Responses to RLEA/UTU's First Set of Interrogatories
UP/SP-68	January 29, 1996	Applicants' Responses to the Teamsters' First Set of Interrogatories and Requests for Production of Documents
UP/SP-69	January 31, 1996	Applicants' Responses to Kennecott's First Set of Discovery Requests
UP/SP-70	January 31, 1996	Applicants' Objections to KCS' Third and Fourth Discovery Requests
UP/SP-71	February 1, 1996	Applicants' Objections to the First Set of Interrogatories and Requests for Production of Documents from Entergy, Arkansas Power, and Gulf States
UP/SP-72	February 2, 1996	Applicants' Objections to Dow Chemical's First Set of Interrogatories and Requests for Production of Documents
UP/SP-73	February 2, 1996	Applicants' Objections to Western Resources' First Set of Interrogatories and Requests for Production of Documents

UP/SP-74	February 2, 1996	Applicants' Submission of Settlement Agreements with Utah Railway and Illinois Central
UP/SP-75	February 6, 1996	Additional Errata to Peterson Statement
UP/SP-76	February 7, 1996	Applicants' Objections to Arizona Electric Power's First Set of Interrogatories and Requests for Production of Documents
UP/SP-77	February 8, 1996	Applicants' Responses to KCS' Fourth Discovery Requests
UP/SP-78	February 9, 1996	Applicants' Objections to Consolidated Rail Corporation's Second Set of Interrogatories and Requests for Production of Documents
UP/SP-79	February 9, 1996	Applicants' Objections to Wisconsin Power's and Wisconsin Public Service's First Set of Interrogatories and Requests for Production of Documents
UP/SP-80	February 9, 1996	Applicants' Objections to the Texas Mexican Railway's Second Set of Interrogatories and Requests for Production of Documents
UP/SP-81	February 9, 1996	Applicants Objections to Western Coal Traffic League's Second Set of Interrogatories and Requests for Production of Documents
UP/SP-82	February 9, 1996	Applicants' Responses to KCS' Third Discovery Requests

UP/SP-83	February 9, 1996	Applicants' Responses to the First Set of Interrogatories and Requests for Production of Documents from Entergy, Arkansas Power, and Gulf States
UP/SP-84	February 12, 1996	Applicants' Responses to Western Resources' First Set of Interrogatories and Requests for Production of Documents
UP/SP-85	February 12, 1996	Applicants' Responses to Dow Chemical's First Set of Interrogatories and Requests for Production of Documents
UP/SP-86	February 14, 1996	Applicants' Objections to Conrail's Third Request for Production of Documents
UP/SP-87	February 15, 1996	Applicants' Responses to Arizona Electric Power's First Set of Interrogatories and Requests for Production of Documents
UP/SP-88	February 16, 1996	Applicants' Objections to RLEA and UTU's Second Set of Interrogatories and First Document Requests
UP/SP-89	February 20, 1996	Applicants Objections to WSC's First Set of Discovery Requests
UP/SP-90	February 20, 1996	Applicants' Responses to Tex Mex's Second Set of Interrogatories and Requests for Production of Documents

UP/SP-91	February 20, 1996	Applicants' Responses to Wisconsin Power's and Wisconsin Public Service's First Set of Interrogatories and Requests for Production of Documents
UP/SP-92	February 20, 1996	Applicants' Responses to Western Coal Traffic League's Second Set of Interrogatories and Requests for Production of Documents
UP/SP-93	February 20, 1996	Applicants' Responses to Conrail's Second Set of Interrogatories and Requests for Production of Documents
UP/SP-94	February 21, 1996	Request for Modification of Decision No. 15
UP/SP-95	February 22, 1996	Additional Errata
UP/SP-96	February 22, 1996	Applicants' Response to Conrail's Third Request for Production of Documents

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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' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO BROWNSVILLE AND RIO GRANDE INTERNATIONAL RAILROAD

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Brownsville and Rio Grande International Railroad ("BRGI").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. BRGI is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

UP/SP-196
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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' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO BROWNSVILLE AND RIO GRANDE INTERNATIONAL RAILROAD

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

ENTERED
Office of the Secretary
FEB 27 1996
Part of
Public Record

February 26, 1996

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "BRGI" means Brownsville and Rio Grande International Railroad.

VII. "CNW" means Chicago and North Western Railway Company.

VIII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

IX. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape

recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts, models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of BRGI and documents in the possession, custody or control of consultants or others who have assisted BRGI in connection with this proceeding.

X. "FNM" means Ferrocarriles Nacionales de Mexico.

XI. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

XII. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XIII. "MPRR" means Missouri Pacific Railroad Company.

XIV. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of BRGI, its counsel, or the consultants or others who have assisted BRGI in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XVI. "SP" means SPT, SSW, SPCSL and DRGW.

XVII. "SPCSL" means SPCSL Corp.

XVIII. "SPR" means Southern Pacific Rail Corporation.

XIX. "SPT" means Southern Pacific Transportation Company.

XX. "SSW" means St. Louis Southwestern Railway Company.

XXI. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXII. "Southern Pacific" means SPR and SP.

XXIII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIV. "UP" means UPRR and MPRR, including the former CNW.

XXV. "UPC" means Union Pacific Corporation.

XXVI. "UPRR" means Union Pacific Railroad Company.

XXVII. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVIII. "Union Pacific" means UP and UPC.

XXIX. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXXI. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXII. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXIII. References to railroads, shippers, consultants or companies (including BRGI) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIV. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that BRGI has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If BRGI

contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. Has BRGI ever had a direct connection with FNM at or in the vicinity of Brownsville? If so, state when that connection existed and where it was located.

3. Has BRGI ever had a direct connection with SP at or in the vicinity of Brownsville? If so, state when that connection existed and where it was located.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that BRGI makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for BRGI on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to

seek support from shippers, public officials, railroads or others for the position of BRGI or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that BRGI has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the board of directors (or other governing body) of BRGI

relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

24. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

25. Produce all communications between BRGI and FNM or the Port of Brownsville relating to the UP/SP merger or the handling of rail traffic in the Brownsville area following the UP/SP merger.

26. Produce documents sufficient to show BRGI's switching or other charges for all traffic handled by BRGI during 1994 and 1995.

27. Produce all BRGI financial statements for the period January 1, 1993 to present.

Respectfully submitted,

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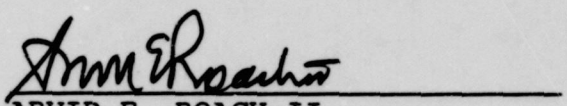

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February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Keith G. O'Brien, counsel for the Brownsville and Rio Grande International Railroad, at Rea, Cross & Auchincloss, 1920 N Street, N.W., Suite 420, Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Suite 500
Department of Justice
Washington, D.C. 20530

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

Michael L. Rosenthal

STB FD 32760 2-26-96 I 61441

Item No. _____

Page Count 15

Fee # 306

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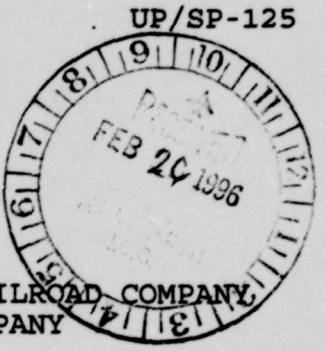
UP/SP-125



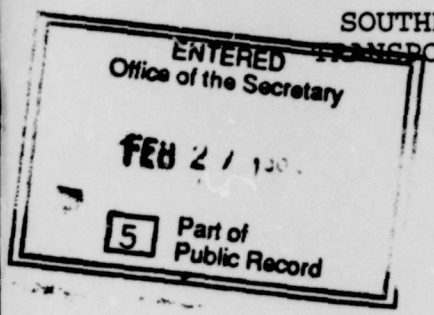
BEFORE THE
SURFACE TRANSPORTATION BOARD

FEB 26 1996

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

ENTERED
Office of the Secretary
FEB 27 1996
5 Part of Public Record



APPLICANTS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO SIERRA PACIFIC POWER COMPANY
AND IDAHO POWER COMPANY

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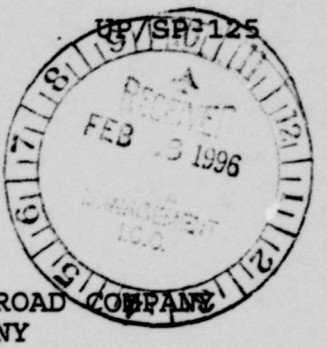
February 26, 1996

UP/SP-125



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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO SIERRA PACIFIC POWER COMPANY
AND IDAHO POWER COMPANY

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Sierra Pacific Power Company and Idaho Power Company ("Sierra Pacific").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Sierra Pacific is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

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(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Sierra Pacific and documents in the possession, custody or control of consultants or others who have assisted Sierra Pacific in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "MPRR" means Missouri Pacific Railroad Company.

XII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of Sierra Pacific, its counsel, or the consultants or others who have assisted Sierra Pacific in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

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XV. "SPCSL" means SPCSL Corp.

XVI. "SPR" means Southern Pacific Rail Corporation.

XVII. "SPT" means Southern Pacific Transportation Company.

XVIII. "SSW" means St. Louis Southwestern Railway Company.

XIX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XX. "Sierra Pacific" means Sierra Pacific Power Company and Idaho Power Company.

XXI. "Southern Pacific" means SPR and SP.

XXII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIII. "UP" means UPRR and MPRR, including the former CNW.

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XXV. "UPRR" means Union Pacific Railroad Company.

XXVI. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVII. "Union Pacific" means UP and UPC.

XXVIII. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXX. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXI. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXII. References to railroads, shippers, consultants or companies (including Sierra Pacific) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIII. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXIV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that Sierra Pacific has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If Sierra Pacific contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. For each utility plant operated by Sierra Pacific, separately for each year 1993 through 1995, identify the originating mines for all coal burned at the plant and, as to each such mine, state: (a) the tonnage of coal from that mine burned at the plant; (b) the average delivered price of coal from that mine; (c) the average minehead price of that coal; (d) the rail transportation routings (including origination and interchange points) for all coal shipped from that mine to the plant; and (e) any transportation routings or modes other than rail used in shipping coal to the plant.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that Sierra Pacific makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for Sierra Pacific on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination

competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers in general.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to seek support from shippers, public officials, railroads or others for the position of Sierra Pacific or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any

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19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that Sierra Pacific has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the boards of directors of Sierra Pacific relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all documents in the possession of Sierra Pacific or its members relating to whether Utah and Colorado coal competes with Powder River Basin or Hanna Basin coals, including but not limited to any studies, reports or analyses of the use by utilities of, solicitation by utilities of bids for, or interchangeability in use of, such coals.

24. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

25. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

26. Produce all documents relating to (a) competition between or among railroads for the transportation of coal to the Valmy plant; (b) the establishment of tariff rates for the transportation of coal to the Valmy plant; (c) the establishment of the terms of transportation contracts and any amendments and supplements to such contracts for the transportation of coal to the Valmy plant; (d) proposals for the transportation of coal to the Valmy plant, including documents relating to negotiations regarding any such proposals; and (e) all traffic projections, business plans and

marketing plans regarding the transportation of coal to the Valmy plant.

27. Produce all documents relating to the effect of the UP/SP merger on coal transportation service, competition or routings to any Sierra Pacific facility.

28. Produce all studies, reports or analyses relating to (a) using a different coal source than is presently used at any Sierra Pacific facility, (b) using a non-coal fuel in lieu of coal at any Sierra Pacific facility, or (c) purchasing power or shifting power generation among facilities as alternatives to consuming coal at any Sierra Pacific facility.

29. Produce all filings made with state utility commissions or state regulatory agencies that discuss sources of fuel.

30. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement, or of trackage rights compensation under the BN/Santa Fe Settlement, prepared by L.E. Peabody & Associates, and all workpapers or other documents relating thereto.

Respectfully submitted,

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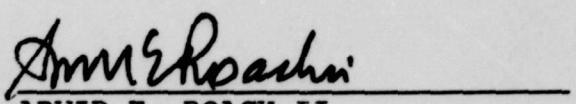

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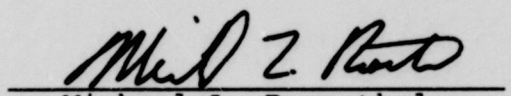
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Richard A. Allen, counsel for Sierra Pacific Power Company and Idaho Power Company, at Zuckert, Scoutt & Rasenberger, 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
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

STB FD 32760 2-26-96 I 61440

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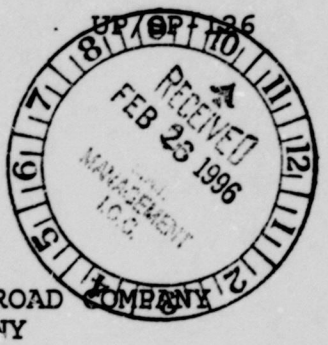

BEFORE THE
SURFACE TRANSPORTATION BOARD

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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO THE SOCIETY OF THE PLASTICS INDUSTRY, INC.

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Southern Pacific Transportation
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Railway Company, SPCSL Corp. and
The Denver and Rio Grande
Western Railroad Company

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

ENTERED
Office of the Secretary
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Part of
Public Record

February 26, 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
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APPLICANTS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO THE SOCIETY OF THE PLASTICS INDUSTRY, INC.

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to the Society of the Plastics Industry, Inc. ("SPI").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. SPI is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "CNW" means Chicago and North Western Railway Company.

VII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

VIII. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts,

models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of SPI and documents in the possession, custody or control of consultants or others who have assisted SPI in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "MPRR" means Missouri Pacific Railroad Company.

XII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of SPI, its counsel, or the consultants or others who have assisted SPI in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XIII. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XIV. "SP" means SPT, SSW, SPCSL and DRGW.

XV. "SPCSL" means SPCSL Corp.

XVI. "SPI" means the Society of the Plastics Industry, Inc.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIII. "UP" means UPRR and MPRR, including the former CNW.

XXIV. "UPC" means Union Pacific Corporation.

XXV. "UPRR" means Union Pacific Railroad Company.

XXVI. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVII. "Union Pacific" means UP and UPC.

XXVIII. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXX. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXI. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXII. References to railroads, shippers, consultants or companies (including SPI) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIII. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXIV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that SPI has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If SPI contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that SPI makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for SPI on or about March 29, 1996 in this proceeding.

2. Produce all documents in the possession of SPI or any member of SPI relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents in the possession of SPI or any member of SPI relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents in the possession of SPI or any member of SPI relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents in the possession of SPI or any member of SPI relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents in the possession of SPI or any member of SPI relating to the IC Settlement Agreement.

7. Produce all documents in the possession of SPI or any member of SPI relating to the Utah Railway Settlement Agreement.

8. Produce all documents in the possession of SPI or any member of SPI relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to the financial position or prospects of SP.

13. Produce all communications between SPI or any of its members and other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents in the possession of SPI or any member of SPI relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used by SPI or any of its members to seek support from shippers, public officials, railroads or others for the position of SPI or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given by SP or any of its members to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda in the possession of SPI or any member of SPI relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents in the possession of SPI or any member of SPI relating to shipper surveys or interviews

concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents in the possession of SPI or any member of SPI relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents in the possession of SPI or any member of SPI relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents in the possession of SPI or any member of SPI relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents in the possession of SPI or any member of SPI relating to any agreement or understanding that SPI has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural

agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the board of directors (or other governing body) of SPI relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to collusion among competing railroads or the risk thereof.

24. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to the terms for or effectiveness of trackage rights.

25. Produce the complete plastics transportation files of the following companies: Formosa, Exxon, Quantum, Amoco, Dow, Georgia Gulf, Rexene, Phillips, Shintec, Union Carbide, Mobil, Fina, Eastman Chemical, Chevron, Himont, Lyondell Petrochemical, Westlake Polymers.

26. Produce all documents in the possession of SPI or any member of SPI relating to the possibility of (a) a build-in by UP (or build-out to UP) at Bayport, Texas, (b) build-ins by SP (or build-outs to SP) at North Seadrift, Texas, Freeport, Texas, or Taft, Louisiana, or (c) a build-in by BN/Santa Fe (or build-out to BN/Santa Fe) at Chocolate Bayou, Texas.

27. Produce all studies, reports or analyses in the possession of SPI or any member of SPI relating to (a) transport pricing or competition for plastics, (b) the handling of plastics by railroads, (c) the handling of plastics by other modes (including truck, truck-rail transloading, and water), (d) storage-in-transit of plastics, or (e) source or destination competition, shifting of production or shipments among facilities, "swapping" of product, modal alternatives, or shipper leverage as constraints on rail pricing or service for plastics.

28. Produce all documents in the possession of SPI or any member of SPI relating to (a) the extent to which any particular 7-digit STCC Code within the STCC 28 or STCC 29 range includes different commodities that are not substitutable in use, and (b) the extent to which manufacturers can shift existing production capacity between, or use the same facilities to produce, such commodities (e.g., high-density and linear low-density polyethylene).

29. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement, or of trackage rights compensation under the BN/Santa Fe Settlement, prepared by L.E. Peabody & Associates, in the possession of SPI or any member of SPI, and all

workpapers or other documents in the possession of SPI or any member of SPI relating thereto.

Respectfully submitted,

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

February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Martin W. Bercovici, counsel for Society of the Plastics Industry Inc., at Keller & Heckman, 1001 G Street, N.W., Suite 500W, Washington, D.C. 20001, 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

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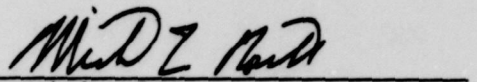


Michael L. Rosenthal

STB FD 32760 2-26-96 I 61439

61439

Item No.

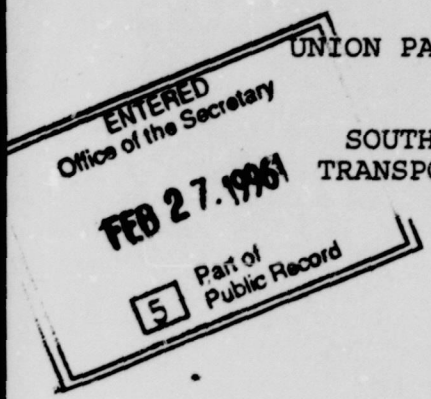
Page Count 19
Feb # 308

BEFORE THE
TRANSPORTATION BOARD



Finance Docket No. 32760

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



APPLICANTS' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO TEXAS MEXICAN RAILWAY COMPANY

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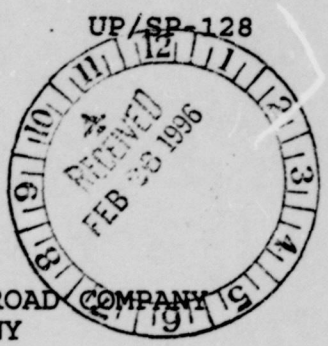
February 26, 1996

UP/SP-128



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' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO TEXAS MEXICAN RAILWAY COMPANY

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Texas Mexican Railway Company ("Tex Mex").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Tex Mex is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

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models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Tex Mex and documents in the possession, custody or control of consultants or others who have assisted Tex Mex in connection with this proceeding.

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X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "KCS" means Kansas City Southern Railway Company.

XII. "MPRR" means Missouri Pacific Railroad Company.

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XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "Tex Mex" means Texas Mexican Railway Company.

XXIII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIV. "UP" means UPRR and MPRR, including the former CNW.

XXV. "UPC" means Union Pacific Corporation.

XXVI. "UPRR" means Union Pacific Railroad Company.

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XXXI. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXII. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXIII. References to railroads, shippers, consultants or companies (including Tex Mex) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

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XXXV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that Tex Mex has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If Tex Mex

contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. In connection with the reported acquisition by Kansas City Southern Industries, Inc., of a 49% interest in Mexrail, Inc., and any related transactions, do either or both of KCS or Tex Mex or their parents or affiliates intend to apply to the Board for (a) control authority under 49 U.S.C. § 11323 (formerly 11343), (b) a declaration that there is not a control relationship between KCS and Tex Mex requiring control authority under 49 U.S.C. § 11323 (formerly 11343), or (c) any other Board action? If so, when will this application be filed? If not, explain why not.

3. Specify all facts that support the contention by Tex Mex that UP's line between Algoa and Placedo, Texas, or any part thereof, is congested or will be congested following the UP/SP merger.

4. Letters sent by Tex Mex to shippers to solicit support statements say that Tex Mex may "ask for trackage rights to points such as Beaumont, Caldwell and Houston, Texas from Corpus Christi, to connect with other railroads," and state: "As you may have heard, TexMex recently established a competitive undertaking with KCS to forge a strong and competitive rail link with Mexico to meet the needs that we expect NAFTA to create. These connections will be essential for that effort." Explain how the cited connections will be

"essential" to the "competitive undertaking" referred to, and describe in detail that "competitive undertaking."

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that Tex Mex makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for Tex Mex on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to seek support from shippers, public officials, railroads or others for the position of Tex Mex or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities

Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be

the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that Tex Mex has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the board of directors of Tex Mex relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

24. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

25. Produce all Tex Mex business plans or strategic plans.

26. Produce all computerized 100% Tex Mex traffic data for 1994, containing at least the fields listed in Attachment A hereto, a Rule 11 or other rebilling indicator, gross freight revenue, and freight revenue net of allowances, refunds, discounts or other revenue offsets, together with documentation explaining the record layout and the content of the fields. To the extent particular items are unavailable in machine-readable form, (a) provide them in hard-copy form, and (b) provide any similar machine-readable data.

27. Produce all communications with Richard C. Levin, Curtis M. Grimm, James M. MacDonald, Clifford M. Winston, Thomas M. Corsi, Carol A. Evans or Steven Salop concerning econometric analyses of rail pricing, and all documents relating to such communications.

28. Produce all studies, reports or analyses relating to competition for traffic to or from Mexico (including but not limited to truck competition) or competition among Mexican gateways.

29. Produce all documents, other than the study itself, relating to the January 1996 study by The Perryman Group entitled, "The Impact of the Proposed Union Pacific-Southern Pacific Merger on Business Activity in Texas."

30. Produce all documents relating to Tex Mex's financial support for, establishment of, participation in, or

relationship with the "Coalition for Competitive Rail Transportation."

31. Produce all documents relating to the reported acquisition by Kansas City Southern Industries, Inc., of a 49% interest in Mexrail, Inc., and any related transactions, including but not limited to all agreements between KCS and Tex Mex or their parents or affiliates and any regulatory filings made by KCS or Tex Mex or their parents or affiliates.

32. Produce all documents relating to the acquisition by any person of all or any portion of SP or Tex Mex's interest in such an acquisition.

33. Produce all documents relating to possible operations by Tex Mex over, or capital investments by Tex Mex in, lines of UP or SP.

34. Produce each current haulage or trackage rights agreement in effect between Tex Mex and any other railroad.

35. Produce all studies, reports or analyses relating to competition in freight transportation services for shipments to or from West Coast ports.

36. Letters sent by Tex Mex to shippers to solicit support statements say that Tex Mex may "ask for trackage rights to points such as Beaumont, Caldwell and Houston, Texas from Corpus Christi, to connect with other railroads," and state: "As you may have heard, TexMex recently established a competitive undertaking with KCS to forge a strong and

competitive rail link with Mexico to meet the needs that we expect NAFTA to create. These connections will be essential for that effort." Produce all documents relating to how the cited connections will be "essential" to the "competitive undertaking" referred to, and describing that "competitive undertaking."

Respectfully submitted,

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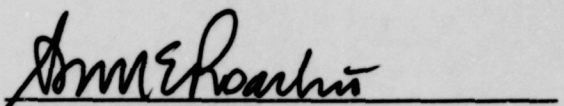

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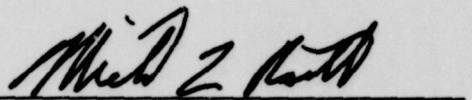
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Richard A. Allen, counsel for The Texas Mexican Railway, at Zuckert, Scoutt & Rasenberger, 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
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

Attachment A

Commodity Code (STCC)
Hazardous Commodity Code
Shipper Name
Origin City
Origin State
Origin SPLC
Origin FSAC
Receiver Name
Destination City
Destination State
Destination SPLC
Destination FSAC
Car Initial
Car Number
Waybill Number
Waybill Date (yy/mm/dd)
Type Move Indicator
AAR Car Type
Origin Railroad
Railroad From
Railroad To
Destination Railroad
On Junction
Off Junction
Net Tons
Freight Revenue
Unit Count
Carload Count
Trailer/Container Count
First Railroad - RR Code
First Railroad - Alpha
Interchange Received Junction #1
First Railroad - Split Revenue
First Railroad Distance
Second Railroad - RR Code
Second Railroad - Alpha
Interchange Received Junction #2
Second Railroad - Split Revenue
Second Railroad Distance
Third Railroad - RR Code
Third Railroad - Alpha
Interchange Received Junction #3
Third Railroad - Split Revenue
Third Railroad Distance
Fourth Railroad - RR Code
Fourth Railroad - Alpha
Interchange Received Junction #4
Fourth Railroad - Split Revenue
Fourth Railroad Distance
Fifth Railroad - RR Code

Fifth Railroad - Alpha
Interchange Received Junction #5
Fifth Railroad - Split Revenue
Fifth Railroad Distance
Sixth Railroad - RR Code
Sixth Railroad - Alpha
Interchange Received Junction #6
Sixth Railroad - Split Revenue
Sixth Railroad Distance
Seventh Railroad - RR Code
Seventh Railroad - Alpha
Interchange Received Junction #7
Seventh Railroad - Split Revenue
Seventh Railroad Distance
Eighth Railroad - RR Code
Eighth Railroad - Alpha
Interchange Received Junction #8
Eighth Railroad - Split Revenue
Eighth Railroad Distance
Ninth Railroad - RR Code
Ninth Railroad - Alpha
Interchange Received Junction #9
Ninth Railroad - Split Revenue
Ninth Railroad Distance
Tenth Railroad - RR Code
Tenth Railroad - Alpha
Interchange Received Junction #10
Tenth Railroad - Split Revenue
Tenth Railroad Distance
Eleventh Railroad - RR Code
Eleventh Railroad - Alpha
Interchange Received Junction #11
Eleventh Railroad - Split Revenue
Eleventh Railroad Distance
Car Ownership Code
Mechanical Designation
Tare Weight
Railroad System Revenue
Railroad System Miles
Railroad Ton Miles

STB FD 32760 2-26-96 I 61438

61438

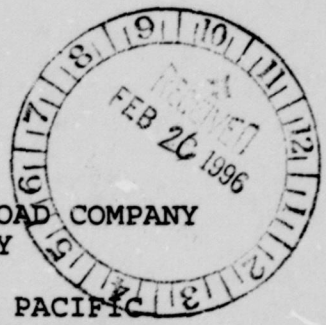
Item No. _____

Page Count 18

Feb II 302

UP/SP-121

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' FIRST SET OF INTERROGATORIES
AND DOCUMENT REQUESTS TO LSBC HOLDINGS, INC.

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Corporation, Union Pacific
Railroad Company and Missouri
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ENTERED
Office of the Secretary
FEB 27 1996
Part of
Public Record

February 26, 1996

UP/SP-121

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
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APPLICANTS' FIRST SET OF INTERROGATORIES
AND DOCUMENT REQUESTS TO LSBC HOLDINGS, INC.

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to LSBC Holdings, Inc. ("LSBC").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. LSBC is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "CNW" means Chicago and North Western Railway Company.

VII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

VIII. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts,

models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of LSBC and documents in the possession, custody or control of consultants or others who have assisted LSBC in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "LSBC" means LSBC Holdings, Inc.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of LSBC, its counsel, or the consultants or others who have assisted LSBC in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XXX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXXI. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXII. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXIII. References to railroads, shippers, consultants or companies (including LSBC) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIV. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. State the date on which LSBC was incorporated and the state of its incorporation.

2. State, as of (a) the date this interrogatory is answered, and (b) January 29, 1996, the name and business address of each firm which is owned, operated or affiliated with LSBC (including railroads, if any), and of each owner of,

investor in, lender to, or joint venturer or partner with LSBC.

3. State the following information as to each of LSBC's officers, directors and managers:

(a) name and title;

(b) experience in railroad management, operations or finance, if any;

(c) annual compensation received from LSBC;

(d) current occupation, other than with LSBC, including name and business address of employer (if any);

(e) the names of any "railfan" organizations to which the person belongs including, without limitation, model railroad clubs, railroad historical societies and railroad museums.

4. State the total purchase price LSBC is proposing to pay for the Subject Lines.

5. State LSBC's intended sources of funds to pay for the Subject Lines. Both equity and debt financing should be specified.

6. State the names and addresses of each person or firm LSBC has approached to obtain funds to pay for the Subject Lines.

7. State whether commitments have been obtained for any funds to pay for the purchase price of the Subject Lines.

8. If the answer to Interrogatory No. 7 is affirmative, state with respect to each such commitment:

(a) the names and business addresses of the person or firm that made the commitment;

(b) the amount of the commitment;

(c) whether the commitment is to provide cash to fund the proposed purchase price;

(d) whether the commitment represents equity or debt financing.

9. At sheet 3 of LBSC's letter of February 2, 1996 to Raymond Allamong, UP's Manager, Rail Line Planning, the claim is made that "we have been pleaded with to 'take back the railroad' to serve the regions of Kansas, Colorado and Utah." State the following information with respect to each of these "pleadings":

(a) the name, address, telephone number and affiliation of the person who made the "pleading";

(b) the date on which the "pleading" was made;

(c) a summary of the substance of the "pleading."

10. At sheet 3 of the February 2 letter, reference is made to "our operational plan." State with respect to this "operational plan":

(a) the date on which work on the "operational plan" was begun;

(b) the date on which work on the "operational plan" was completed;

(c) the names and business addresses of each person who worked on the "operational plan."

11. At sheet 4 of the February 2 letter, the statement is made that "many have indicated that this route must be kept open for National Defense." State the name, business address and title of each person who has so "indicated," and the grounds for the alleged concern about national defense.

12. At sheet 5 of the February 2 letter, reference is made to "our market research." State with respect to this "market research":

(a) the date on which the "market research" was begun;

(b) the date on which the "market research" was completed;

(c) the name, address, title and business affiliation of each person who worked on the "market research" for LSBC.

13. At sheet 5 of the February 2 letter, reference is made to "sources believed to be reliable." State with respect to each of these sources:

(a) the name, address, telephone number, title and business affiliation of the "source";

(b) a summary of the information provided by the "source."

14. At sheet 5 of the February 2 letter, the following statement is made: "These regions [i.e., Kansas, Colorado and Utah] get the specialized, localized rail operator they've been asking to have." State with respect to each such request:

(a) the name, address, telephone number, title and business affiliation of each person who made such a request to LSBC;

(b) the date upon which the request was made;

(c) the substance of the request.

15. At sheet 5 of the February 2 letter, reference is made to a "marketing plan that we know will work for everyone's benefit." State with respect to this "marketing plan":

(a) the date upon which the "marketing plan" was begun;

(b) the date upon which the "marketing plan" was completed;

(c) the names and addresses of each person who worked on the "marketing plan."

16. At sheet 1 of LSBC's letter of February 3, 1996 to Robert T. Opal, attorney for UP, the following statements are made: "[W]e are successful businesspersons who have a

combined 40 years' experience in engineering, finance, and computer and communications technology. We have built successful businesses in highly competitive industries, in highly competitive locations from the ground up." State:

(a) the name, occupation and business address of each businessperson referred to in the above statement;

(b) the following information as to each of the "successful businesses" referred to:

(i) name and business address;

(ii) a description of the business conducted;

(iii) the year in which the business was created;

(iv) the net income or loss produced by the business in 1994 and 1995;

(v) the current net worth of the business;

(vi) the current relationship between any of the persons named in subpart (a) and the business (for example, "owner," "employee," etc.).

17. Has LSBC, or any persons associated with it, had any contact relating to the Subject Lines with personnel associated in any way with Durbano & Associates, The Western Group, Western Railroad Builders, Wyoming & Colorado Railroad, Arizona Railroad, A&K Railroad, A&K Railroad Materials or any

other firm that salvages railroad materials or buys, sells, brokers, distributes or otherwise deals in salvaged railroad materials?

18. If the answer to Interrogatory No. 17 is affirmative, state as to each such contact:

(a) the name, business address, title and business affiliation of each person involved in the contact;

(b) the date upon which the contact was made;

(c) a summary of the substance of the contact.

DOCUMENT REQUESTS

1. Produce LSBC's incorporation papers, including articles of incorporation and all forms and attachments submitted to state officials in connection with LSBC's incorporation.

2. Produce audited financial statements which show LSBC's balance sheet and the financial results of LSBC's operations for the two most recent years available. If LSBC's financial statements are not audited, so indicate and produce any existing unaudited financial statements containing the requested information.

3. Produce all documents relating to any attempts by LSBC to obtain either debt or equity financing for purchase of the Subject Lines including but not limited to documents evidencing commitments to supply financing (letters of credit,

investment agreements, etc.) and documents evidencing refusals to provide financing.

4. Produce bank statements for August 1995 through January 1996 for all LSBC bank accounts (cancelled checks need not be produced).

5. Produce all documents relating to LSBC's claim that LSBC has been "pleaded with to 'take back the railroad,'" including but not limited to any documents exchanged with persons making such "pleadings" and any documents memorializing contacts with such persons.

6. Produce the "operational plan" referred to at sheet 3 of the February 2 letter and all documents relating to it including but not limited to all documents created in connection with the development of the "operational plan."

7. Produce all documents relating to the claim made at sheet 4 of the February 2 letter that "many have claimed that this route must be kept open for National Defense," including but not limited to all documents exchanged with persons making such a claim and all documents memorializing any contacts with such persons.

8. Produce the "market research" LSBC claims at sheet 5 of the February 2 letter to have conducted, and all documents relating to it including but not limited to market surveys, documents exchanged with non-LSBC personnel, and documents memorializing contacts with non-LSBC personnel.

13. Produce all documents relating to any contact by LSBC concerning the Subject Lines made with persons described in Interrogatory No. 17, including but not limited to documents exchanged with such persons or documents memorializing contacts with such persons.

Respectfully submitted,

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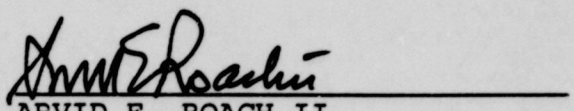

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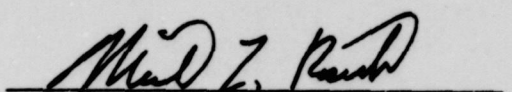
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by overnight delivery on Thomas H. Zwica, Executive Vice President, LSBC Holdings, Inc., 121 West First Street, Geneseo, IL 61254, 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
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

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UP/SP-105
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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' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO ARIZONA ELECTRIC POWER COOPERATIVE, INC.

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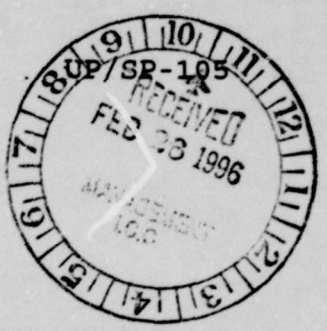
February 26, 1996



BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY
AND MISSOURI PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER --
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COMPANY, SPCSL CORP. AND THE DENVER AND
RIO GRANDE WESTERN RAILROAD COMPANY

APPLICANTS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO ARIZONA ELECTRIC POWER COOPERATIVE, INC.

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Arizona Electric Power Cooperative, Inc. ("AEPCO").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. AEPCO is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "AEPCO" means Arizona Electric Power Cooperative, Inc.

II. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

III. "Board" means the Surface Transportation Board.

IV. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

V. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

VI. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VII. "CNW" means Chicago and North Western Railway Company.

VIII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

IX. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes

or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts, models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of AEPCO and documents in the possession, custody or control of consultants or others who have assisted AEPCO in connection with this proceeding.

X. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

XI. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to

state the name, address and telephone number thereof.

"Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete, and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of AEPCO, its counsel, or the consultants or others who have assisted AEPCO in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIII. "UP" means UPRR and MPRR, including the former CNW.

XXIV. "UPC" means Union Pacific Corporation.

XXV. "UPRR" means Union Pacific Railroad Company.

XXVI. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVII. "Union Pacific" means UP and UPC.

XXVIII. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXX. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXI. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXII. References to railroads, shippers, consultants or companies (including AEPCO) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIII. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXIV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that AEPCO has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If AEPCO

contends that any such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. For each utility plant operated by AEPCO, separately for each year 1993 through 1995, identify the originating mines for all coal burned at the plant and, as to each such mine, state: (a) the tonnage of coal from that mine burned at the plant; (b) the average delivered price of coal from that mine; (c) the average minehead price of that coal; (d) the rail transportation routings (including origination and interchange points) for all coal shipped from that mine to the plant; and (e) any transportation routings or modes other than rail used in shipping coal to the plant.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that AEPCO makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for AEPCO on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to

effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating

to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to seek support from shippers, public officials, railroads or others for the position of AEPCO or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers, or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that AEPCO has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of

questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the board of directors of AEPCO relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all documents relating to whether Utah and Colorado coal competes with Powder River Basin or Hanna Basin coals, including but not limited to any studies, reports or analyses of the use by utilities of, solicitation by utilities of bids for, or interchangeability in use of, such coals.

24. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

25. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

26. Produce all documents relating to the effect of the UP/SP merger on coal transportation service, competition or routings to any AEPCO facility.

27. Produce all studies, reports or analyses relating to (a) using a different coal source than is presently used at any AEPCO facility, (b) using a non-coal fuel in lieu of coal at any AEPCO facility, or (c) purchasing power or shifting power generation among facilities as alternatives to consuming coal at any AEPCO facility.

28. Produce all filings made with state utility commissions or state regulatory agencies that discuss sources of fuel.

29. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement, or of trackage rights compensation under the BN/Santa Fe Settlement, prepared by L.E. Peabody & Associates, and all workpapers or other documents relating thereto.

Respectfully submitted,

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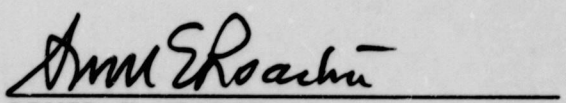

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February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on C. Michael Loftus, counsel for Arizona Electric Power Cooperative, Inc., at Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

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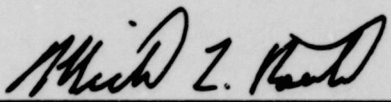

Michael L. Rosenthal

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L-1436

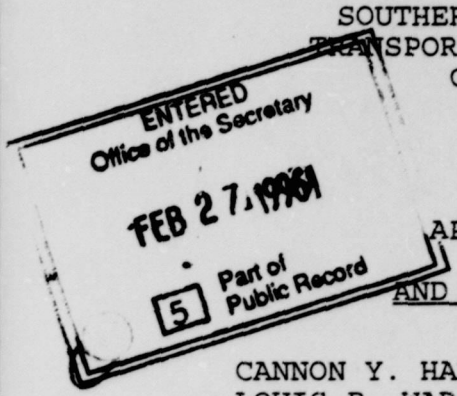
UP/SP-102



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 RLEA'S AND UTU'S
SECOND SET OF INTERROGATORIES
AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

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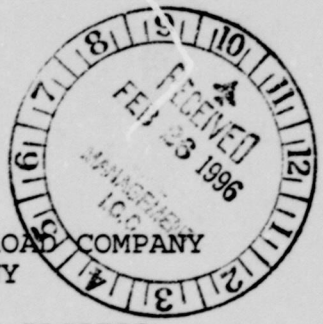
February 26, 1996

UP/SP-102

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
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COMPANY, SPCSL CORP. AND THE DENVER AND
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APPLICANTS' RESPONSES TO RLEA'S AND UTU'S
SECOND SET OF INTERROGATORIES
AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW,[1/] collectively, "Applicants," hereby respond to RLEA/UTU's Second Set of Interrogatories and First Request for Production of Documents.

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

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1/ UPC, UPRR, and MPRR are referred to collectively as "Union Pacific." UPRR and MPRR are referred to collectively as "UP." SPR, SPT, SSW, SPCSL and DRGW are referred to collectively as "Southern Pacific." SPT, SSW, SPCSL and DRGW are referred to collectively as "SP."

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.

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 RLEA and UTU 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 RLEA and UTU if this is of concern with respect to any particular answer.

GENERAL OBJECTIONS

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

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 Securities and Exchange Commission or clippings from newspapers or other public media.

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 RLEA and UTU from their own files.

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

contracts containing confidentiality clauses prohibiting disclosure of their terms) that is of insufficient relevance to warrant production even under a protective order.

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

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

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

SPECIFIC RESPONSES AND ADDITIONAL OBJECTIONS

Interrogatory No. 61

"Identify every part of the UP/SP proposed operating plan which can be implemented only with abrogation or modification of existing collective bargaining agreements."

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. At least the following parts of the Operating Plan may necessitate rationalization or modification of collective bargaining agreements through negotiation and the New York Dock process:

Section 3.2	Consolidation of Main Line Operations
Section 3.3	Through Train Service
Section 3.4	Blocking Plan
Section 3.5	Local Train Service
Section 3.7	Proposed Abandonments
Section 4.0	Yard and Terminal Changes and Consolidations
Section 5.0	Yard and Terminal Activity Changes
Section 6.0	Impacts on Traffic Densities
Section 7.1	Upgrades and New Construction
Section 9.0	Equipment Requirements and Utilization
Section 10.0	Customer Service
Section 11.0	Centralized Functions
Section 12.0	Coordination of Equipment Maintenance
Section 13.0	Coordination of Maintenance of Way
Section 14.2	Crew District Changes
Section 15.2	Communications
Section 16.0	Supply
Appendix A	

Interrogatory No. 62

"Identify every efficiency envisioned by Applicants to result from the proposed common control/merger transaction which cannot be realized without abrogation or modification of existing collective bargaining agreements."

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 Interrogatories No. 1 and 61.

Interrogatory No. 63

"With respect to Applicants' response to RLEA/UTU interrogatory no. 1, referring to 'efficiency to be achieved' by 'rationalization of labor agreements', and Applicants' response to RLEA/UTU interrogatory no. 8 referring to 'rationalization of existing collective bargaining agreements' explain what is meant by 'rationalization' of agreements."

Response

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

This interrogatory was answered by Mr. Hartman during his deposition. In general, the term "rationalization" refers to the process of combining two or more seniority rosters and collective bargaining agreements, with their myriad and often conflicting, inconsistent or differing provisions, into a single agreement, thereby providing a single unified workforce, with the efficiencies thereof, to staff the operations of a unified rail freight operation.

Interrogatory No. 64

"With respect to Applicants' response to RLEA/UTU interrogatory no. 1, referring to 'instances' in which 'rationalization of labor agreements' will be required to permit an 'efficiency to be achieved,' identify every efficiency which is envisioned by Applicants which will necessitate 'rationalization' of labor agreements."

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. 61.

Interrogatory No. 65

"With respect to potential abrogations, modifications or 'rationalizations' of agreements which Applicants believe to be necessary to obtain efficiencies envisioned by Applicants as a result of their common control/merger, including those identified in Applicants' responses to interrogatories nos. 62 and 64, identify the types of agreement provisions which Applicants believe must be abrogated modified or 'rationalized.' [In this interrogatory, RLEA/UTU do not seek identification of specific rules in specific agreements but only types of rules; e.g., 'scope,' 'seniority,' 'starting times,' 'reporting points,' 'classification,' etc.]"

Response

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

This interrogatory was answered by Mr. Hartman during his deposition. The types of provisions that may necessitate rationalization or modification include, but are

not limited to, seniority, scope, starting times, reporting points, geographical application, payment of arbitraries, call times, terminal delay, rates of pay for SP personnel, miles comprehended by the basic day, runarounds, crew consists, travel time and expenses, away from home living expenses, extra boards, tying up for rest, overtime, interchange, incidental work, held away from home terminal, call times, call procedures, order of call, meals and meal periods, and bulletin and advertisement procedures.

Interrogatory No. 66

"With respect to Applicants' response to RLEA/UTU interrogatory no. 1 which refers to some 'but by no means all' efficiencies which cannot be realized without 'rationalization of labor agreements,' identify any efficiencies envisioned by Applicants which will not involve 'rationalization' of agreements."

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:

In general, those efficiencies that can be accomplished without rationalization or modification of collective bargaining agreements are those that do not depend, directly or indirectly, on combining UP and SP forces covered, in whole or in part, by such agreements. Examples of such efficiencies

would include, but are not limited to, consolidation of non-agreement positions in executive offices, marketing and sales departments, human resources departments, quality and re-engineering functions, finance departments, law departments, labor relations departments, information technology services, transportation managements, engineering managements, mechanical department managements, and procurement functions. In addition, UP/SP should be able to achieve non-personnel supply efficiencies, improved damage and claims management, certain abandonments, and some communications and computer efficiencies.

Interrogatory No. 67

"With respect to efficiencies Applicants expect to achieve as a result of the proposed common control/merger which Applicants believe will require 'rationalization of labor agreements':

a. identify any efficiencies which Applicants' contend would be actually precluded by existing agreements;

b. identify any efficiencies which could be implemented without 'rationalization of labor agreements' but at a cost that Applicants deem unacceptable."

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:

(a) None of the efficiencies that may necessitate such rationalization or modification of collective bargaining agreements can be achieved to the extent set forth in the Operating Plan under existing agreements.

(b) Responding to this question with respect to any particular efficiency would require a special study; no such studies have been performed. In aggregate, the cost of achieving efficiencies without rationalization or modification of labor agreements would be unacceptable.

Interrogatory No. 68

"To the extent that Applicants plan to abrogate, modify or 'rationalize' labor agreements identify the procedure that Applicants plan to use to abrogate, modify or 'rationalize' agreements."

Response

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

See Response to Interrogatory No. 14.

Interrogatory No. 69

"To the extent that Applicants plan to 'rationalize' labor agreements, state whether Applicants believe that this cannot be done under the Railway Labor Act; and, if Applicants believe that 'rationalization' cannot be done under the Railway Labor Act, explain the basis for that belief."

Response

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

Yes. As is recognized in judicial and ICC decisions, RLA procedures generally are interminable and would not

permit implementation of the UP/SP consolidation within any reasonable period of time or at reasonable cost, if at all.

Interrogatory No. 70

"To the extent that Applicants have stated that they will need to have single collective bargaining agreements applicable to particular crafts, in particular geographic areas, state whether Applicants believe that uniformity is necessary for rules other than those pertaining to scope, seniority and/or assignment of work."

Response

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

This interrogatory was answered by Mr. Hartman during his deposition. Yes. Also see Response to Interrogatory No. 65.

Interrogatory No. 71

"To the extent that Applicants have stated that they will need to have single collective bargaining agreements applicable to particular crafts, in particular geographic areas, state whether Applicants desire only uniform agreements for those areas without regard to specific rules, or whether they desire specific agreements with specific rules for those areas."

Response

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

This interrogatory was answered by Mr. Hartman during his deposition. Applicants' primary need is for uniformity, but Applicants also need reasonable rules that will permit efficient operations.

Interrogatory No. 72

"With respect to Applicants [sic] responses to RLEA/UTU interrogatories nos. 8, 11 and 12, identify the 'various alternatives' that Applicants believe will be available Applicants for implementation of particular operating changes, and the 'various alternatives' that Applicants believe to be 'open to the parties' under New York Dock as to how to proceed; and identify any differences between the two sets of 'various alternatives.'"

Response

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

In terms of procedure, the two concepts are identical. In terms of specific alternatives, such alternatives are developed by railroads and by labor organizations during implementing agreement negotiations. Other than as set forth in the Operating Plan, Applicants have not yet identified such alternatives.

Interrogatory No. 73

"With respect to Applicants' assertions of Southern Pacific's lack of adequate capital and inability to raise adequate capital for necessary maintenance, upgrades and construction, identify whether any of the following are deemed by Southern Pacific to contribute to these problems:

a. high debt load relative to other railroads;

b. the acquisition of Southern Pacific by RGI Industries through a leveraged transaction;

c. an initial lack of capital for Southern Pacific after its acquisition by RGI Industries;

d. Southern Pacific assets are already pledged as collateral for other debt; and

e. identify the relative degree to which each factor (and) is deemed to contribute to Southern Pacific's capital shortfall."

Response

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

a. Yes.

b. No.

c. Cannot be answered because of vagueness about the meaning of "initial of capital" and "after" RGI acquisition.

d. No.

e. Cannot be determined because of vagueness about the meaning of "initial of capital" and "after" RGI acquisition.

Interrogatory No. 74

"With respect to Applicants' response to RLEA/UTU interrogatory no. 36, identify any particular provisions or types of provisions in existing collective bargaining agreements which Applicants will seek to modify, override or replace through negotiations or arbitration under Article I §4 of the New York Dock conditions. [In responding to this interrogatory, Applicants need not identify specific rules in specific agreements, but only types of rules; e.g., 'scope', 'seniority', 'starting times', 'reporting points', 'classification' etc.]"

Response

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

See Response to Interrogatory No. 65.

Interrogatory No. 75

"With respect to Applicants' response to RLEA/JTU interrogatory No. 35, identify any particular provisions or types of provisions in existing collective bargaining agreements which applicants will seek to modify, override or replace under 49 U.S.C. § 11341(a) if it can not obtain agreement from any union or unions for such modification, override or replacement."

Response

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

See Response to Interrogatory No. 65.

Interrogatory No. 76

"Identify any options or contingencies that have been identified by Southern Pacific for its future in the event that the UP/SP common control merger application is not approved."

Response

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

See Response to Interrogatory No. 37.

Interrogatory No. 77

"With respect to eliminations of existing terminals and/or creation of new terminals for train and engine crews which are planned by Applicants, identify any elimination, termination or change in reporting points which Applicants will propose in negotiations or arbitration which will involve changes in reporting points in excess of 50 miles."

Response

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

Applicants did not identify home terminals, leaving that matter to negotiations.

Interrogatory No. 78

"Are Applicants willing to commit that they will not seek any changes in train and engine crew reporting points which will exceed 50 miles."

Response

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

No.

Interrogatory No. 79

"State how Applicants plan to assign water service mechanic work if the common control/merger application is granted."

Response

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

No changes are now planned as a result of the proposed merger.

Interrogatory No. 80

"State whether Applicants consider the Alton & Southern R.R. to be involved in the common control/merger within the meaning of 49 U.S.C. § 11347; and whether they deem Alton & Southern R.R. employees to be covered by the employee protective conditions which will be imposed if the common control/merger application is approved."

Response

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

Yes.

Interrogatory No. 81

"Identify the total dollar value to the Southern Pacific railroads of the deferral for the Southern Pacific railroads of pay increases and lump sum payments generally applicable to employees of Class I railroads pursuant to Public Law 102-29 (and Presidential Emergency Board 219 and subsequent clarification and modification boards)."

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:

This interrogatory would require a special study, which has not been conducted.

Interrogatory No. 82

"State whether Applicants will assert that the antitrust exemption under 49 U.S.C. § 11341(a) which will attach to STB approval of the Applicants' common control and merger will apply to actions of Applicants and/or BNSF in implementing the September 25, 1995 Settlement Agreement between Applicants and BNSF and with respect to operations under the agreement."

Response

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

Applicants have made no such determination. Applicants cannot foresee whether circumstances will arise in which the legal effect of former 49 U.S.C. § 11341(a) will

be implicated as a result of the Board's approval of the application and the settlement agreement.

Interrogatory No. 83

"State whether Applicants believe that Applicants will be able to assert Section 11341(a) exemption from anti-trust law and other law following an approval of their common control and merger as a defense in a dispute which may arise with BNSF with respect to operations under the September 25, 1995 Settlement Agreement between Applicants and BNSF."

Response

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

Assuming the Board adopts the settlement agreement as a condition as requested, Applicants do not believe that the pre-emption of other law under former Section 11341(a) could be asserted in defense of any failure to carry out the settlement agreement.

Interrogatory No. 84: "State whether Applicants believe that the terms of September 28 [sic], 1995 Settlement Agreement between Applicants and BNSF will be subject to modification of [sic] abrogation pursuant to 49 U.S.C. § 11341(a) following an approval of Applicants' common control and merger if Applicants were to assert that such modification or abrogation would be necessary for Applicants to realize benefits sought by the common control and merger."

Response

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

See Response to Interrogatory No. 83.

Interrogatory No. 85

"Identify any contract which any of the SP railroads has had with any corporation owned or controlled by Philip

Ansxhutz [sic] or The Anschutz Corporation since 1988 for provisions of products or services."

Response

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

These matters were discussed, and were open to questioning, at the deposition of Mr. P. Anschutz and are the subject of public filings with the SEC.

Document Request No. 1

"Copies of any contracts identified by Applicants in response to RLEA/UTU interrogatory no. 85."

Response

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

See Response to Interrogatory No. 1.

Document Request No. 2

"A copy of a typed version or clearly handwritten version of the handwritten notes pertaining to the March 2, 1995 UP-SP meeting with explanations of abbreviations or replacement of abbreviations with the words which are

abbreviated) which are reproduced at the UP/SP document depository at HC52-000026-HC52-000032."

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:

The document referenced in the interrogatory, consisting of handwritten notes by Mr. O'Connor of UPC, is part of Peterson Deposition Exhibit 17. Mr. O'Connor's typewritten notes of the same meeting are included in the same exhibit. The handwritten notes are generally legible. Applicants are not willing to transcribe seven pages of generally legible material that is summarized in another readily available form. If RLEA/UTU requires translation of any particular line or lines from the notes, Applicants will

provide that information in response to reasonable requests on an informal basis.

Respectfully submitted,

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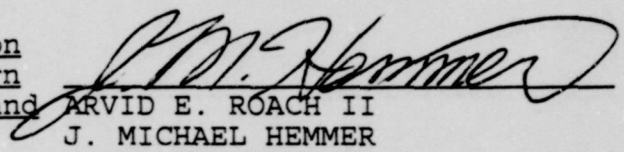

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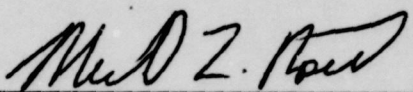
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on William G. Mahoney, counsel for RLEA/UTU, at Highsaw, Mahoney & Clarke, P.C., 1050 17th Street, N.W., Suite 210 Washington, D.C. 20036, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

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Item No.

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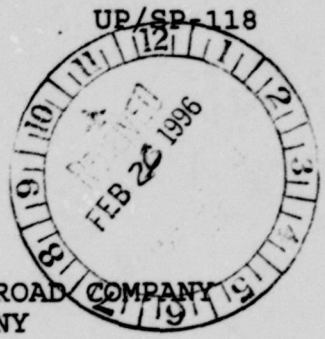
Feb # 298

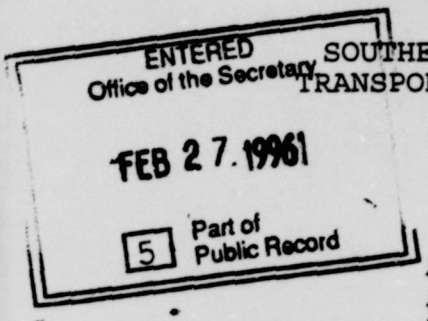
UP/SP-118



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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO KANSAS CITY SOUTHERN RAILWAY COMPANY

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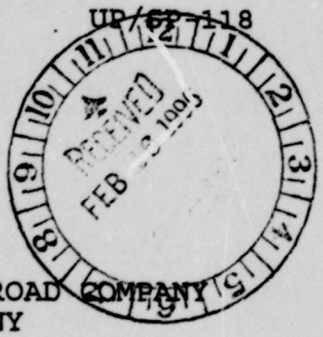
February 26, 1996

UP/SP-118



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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO KANSAS CITY SOUTHERN RAILWAY COMPANY

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Kansas City Southern Railway Company ("KCS").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. KCS is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "CNW" means Chicago and North Western Railway Company.

VII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

VIII. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts,

models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of KCS and documents in the possession, custody or control of consultants or others who have assisted KCS in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "KCS" means Kansas City Southern Railway Company.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of KCS, its counsel, or the consultants or others who have assisted KCS in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

XIV. "Relating to" a subject means referring to, discussing, describing, dealing with, consisting of, or constituting, in whole or in part, the subject.

XV. "SP" means SPT, SSW, SPCSL and DRGW.

XVI. "SPCSL" means SPCSL Corp.

XVII. "SPR" means Southern Pacific Rail Corporation.

XVIII. "SPT" means Southern Pacific Transportation Company.

XIX. "SSW" means St. Louis Southwestern Railway Company.

XX. "Shipper" means any user of rail services, including but not limited to a consignor, a consignee, and a receiver.

XXI. "Southern Pacific" means SPR and SP.

XXII. "Tex Mex" means Texas Mexican Railway Company

XXIII. "This proceeding" means Finance Docket No. 32760 and all subdockets and related dockets.

XXIV. "UP" means UPRR and MPRR, including the former CNW.

XXV. "UPC" means Union Pacific Corporation.

XXVI. "UPRR" means Union Pacific Railroad Company.

XXVII. "The UP/SP merger" means the transactions proposed in this proceeding, including all related applications.

XXVIII. "Union Pacific" means UP and UPC.

XXIX. "The Utah Railway Settlement Agreement" means the agreement between UP and SP and Utah Railway Company dated January 17, 1996.

XXX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

XXXI. Documents need not be produced if they have been produced by Applicants in this proceeding.

XXXII. Produce a privilege log in accordance with the guidelines established at the December 20, 1995 discovery conference (Tr., pp. 313-14).

XXXIII. References to railroads, shippers, consultants or companies (including KCS) include affiliates, subsidiaries, officers, directors, employees, attorneys, agents and representatives thereof.

XXXIV. All uses of the conjunctive include the disjunctive and vice versa. Words in the singular include the plural and vice versa.

XXXV. Unless otherwise specified, these requests cover the period January 1, 1993 and thereafter.

INTERROGATORIES

1. Identify and describe in detail any agreements that KCS has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be identified. If KCS contends that any

such agreement is privileged, state the parties to, date of, and general subject of the agreement.

2. In connection with the reported acquisition by Kansas City Southern Industries, Inc., of a 49% interest in Mexrail, Inc., and any related transactions, do either or both of KCS or Tex Mex or their parents or affiliates intend to apply to the Board for (a) control authority under 49 U.S.C. § 11323 (formerly 11343), (b) a declaration that there is not a control relationship between KCS and Tex Mex requiring control authority under 49 U.S.C. § 11323 (formerly 11343), or (c) any other Board action? If so, when will this application be filed? If not, explain why not.

3. Identify each segment of rail line where KCS owns the track and another railroad has trackage rights, or where KCS operates over another railroad on trackage rights, in each instance identifying the other railroad. Production of the trackage rights agreements will suffice as an answer. With respect to each segment where KCS owns the track and another railroad has trackage rights, identify each instance in which KCS has taken any actions, or failed to take any action, resulting in interference with or limitation on the ability of the tenant railroad to compete effectively with KCS or any other transportation company or to operate its trains as it would if it owned such track segment.

4. Does KCS discriminate against trackage rights tenants in the dispatching and other service that it provides where other railroads operate over KCS lines? Have any such allegations been made? If so, were they well-founded?

5. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following assertions at page 4: "[B]ased on 1993 data, there are 164 BEA origin-destinations with traffic greater than $2 million that will go from 2-1 independent alternatives. The traffic in revenues in these 2-1 corridors exceeds $1.65 billion. There are another $3.93 billion in revenues in BEA origin-destinations that would fall from 3-2 independent alternatives if merger is approved." Were these calculations based on Waybill Sample data? If not, what data were used? How were the number of "independent alternatives" in a BEA pair determined? Was all traffic in a BEA pair, regardless of how many railroads served either end of any particular movement, included in the revenue calculations if the BEA pair was deemed "2-1" or "3-2"? Have any similar calculations been done based on 1994 data or that reflect the BN/Santa Fe Settlement Agreement?

6. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following statements at page 4, footnote 3: "A similar calculation of the competitive harm from 2-1 reduction in independent rail alternatives has been performed for BN-Santa Fe and SP-Santa Fe, based on 1993

waybill data. The revenues in traffic for these BEA corridors are $165 million for BN-Santa Fe and $921 million for SP-Santa Fe." Was this calculation based on Waybill Sample data? If not, what data were used? How were the number of "independent alternatives" in a BEA pair determined? Was all traffic in a BEA pair, regardless of how many railroads served either end of any particular movement, included in the revenue calculations if the BEA pair was deemed "2-1" or "3-2"? Does the calculation for BN/Santa Fe merger reflect the various settlements entered into by the applicants in that case?

7. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following statements at page 5: "Based on Class 1 railroad originations by BEA, the BN/UP duopoly will have fully 100% market share in 37 Western BEA's. The two systems will have 90-99% market share in an additional 8 BEA's, 70-89% market share in an additional 4 BEA's and 50-69% market share in another 4 BEA's." Were these calculations based on Waybill Sample data? If not, what data were used? How was traffic originating on non-Class I railroads handled in the calculations? Have any similar calculations been done based on 1994 data or that reflect the BN/Santa Fe Settlement Agreement? Define the word "duopoly" as it is used here.

8. The Verified Statement of Curtis M. Grimm submitted with KCS-6 in the BN/Santa Fe case (Finance Docket No. 32549) contains the following statements at page 6:

"Based on Class 1 railroad originations by BEA, the BN/SF and the combined UP/SP will have fully 100% market share in 58 Western BEA's. The two systems will have 90-99% market share in an additional 10 BEA's, 70-89% market share in an additional 8 BEA's and 50-69% market share in another 8 BEA's." Were these calculations based on Waybill Sample data? If not, what data were used? What year's data were used for the calculations? How was traffic originating on non-Class I railroads handled in the calculations? Why do these figures differ from those in Interrogatory No. 7?

9. Does KCS contend that any of the lines over which trackage rights are sought in Finance Docket No. 32760 (Sub-No. 9) are not "terminal facilities, including main line track for a reasonable distance outside of a terminal" (former 49 U.S.C. § 11103)? If so, identify each such trackage rights segment and explain the bases for KCS' contention.

10. Does KCS contend that any of the trackage rights sought in Finance Docket No. 32760 (Sub-No. 9) are not essential in order to implement the settlement agreement among UP, SP and BN/Santa Fe? If so, identify each such trackage rights segment and explain the bases for KCS' contention.

11. Does KCS contend that any of the trackage rights sought in Finance Docket No. 32760 (Sub-No. 9) will substantially interfere with the ability of KCS to handle its

own business? If so, identify each such trackage rights segment and explain the bases for KCS' contention.

12. Does KCS contend that the primarily directional operations identified in the UP/SP Operating Plan will have any adverse impact on KCS' operations in the Shreveport terminal or at any other location? If so, identify each such location and explain the bases for KCS' contention.

13. Explain why, if KCS were to purchase SP lines between St. Louis/Memphis and Texas, KCS would provide superior service, greater transportation efficiency or other larger public benefits than would Conrail as purchaser of those lines.

14. Does KCS have a specific proposal for line sales or trackage rights in its favor as a condition to the UP/SP merger? If so, (a) describe that proposal, (b) state whether KCS has conducted a market analysis with respect to the proposal, (c) state whether KCS has prepared an operating plan with respect to the proposal, and (d) state whether KCS has prepared pro forma financial statements with respect to the proposal.

15. Has KCS advised shippers, public officials and others whose support it has solicited in connection with this proceeding that it has determined not to submit a responsive application in this proceeding?

16. KCS President and Chief Executive Officer Haverty is quoted in Traffic World, Dec. 18/25, 1995, p. 32, as stating that Conrail President LeVan "told me what his plan was and I told him what our plan was," and that "[w]e have never, ever had discussions about a joint plan." Describe in detail the discussions referred to between Messrs. Haverty and LeVan. Describe in detail any other discussions, whether occurring before or after Mr. Haverty's statement, between representatives of KCS and Conrail about separate or joint plans.

17. The Verified Statement of Curtis M. Grimm submitted with KCS-6 in the BN/Santa Fe case (Finance Docket No. 32549) contains the following statements at page 10, footnote 11: "For traffic originating in the Dallas-Fort Worth BEA and terminating in the Houston BEA, the SP, BN, UP and SF single-line routes have the following 1993 market shares: [citing percentages, which are redacted in public version]." Were these calculations based on Waybill Sample data? If not, what data were used? Explain in detail how these "market shares" were calculated.

18. Has KCS represented to shippers that the UP/SP merger will impair KCS' ability to provide rail service? If so, describe in detail each such communication and state all facts supporting such representations.

19. A "Dear Transportation Professional" letter from KCS President and Chief Executive Officer Haverty dated December 5, 1995 states, at page 1, that the UP/SP merger "would give the new rail combination pervasive control over almost $3 billion of North American petro-chemical traffic." Explain in detail the basis for this calculation. Does this calculation assume that UP/SP will "control" all traffic that either UP or SP originated or terminated in 1994? Does the calculation take account of the BN/Santa Fe Settlement Agreement? If so, how?

20. Mr. Haverty's December 5 "Dear Transportation Professional" letter asserts, at page 2, that the "UP/SP system would control over 75% of the international rail traffic between the United States and Mexico," and that BN/Santa Fe "will control an additional 13% of that traffic." Explain in detail the basis for these calculations. How is rail traffic assigned to carriers in the calculations? Do the calculations take account of the BN/Santa Fe Settlement Agreement? If so, how?

21. Where KCS and one other railroad serve a shipper, does KCS collude with the other railroad to raise prices or degrade service?

22. Identify the current number of KCS (including MidSouth) movements per day over each of the KCS track segments in Shreveport and Beaumont over which terminal

trackage rights are sought in Finance Docket No. 32760 (Sub-No. 9). Please subdivide the total for each segment into types of movement, such as through trains, locals, and switching moves.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that KCS makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for KCS on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

5. Produce all documents relating to the BN/Santa Fe Settlement Agreement.

6. Produce all documents relating to the IC Settlement Agreement.

7. Produce all documents relating to the Utah Railway Settlement Agreement.

8. Produce all documents relating to conditions that might be imposed on approval of the UP/SP merger.

9. Produce all studies, reports or analyses relating to actual or potential competition between UP and SP.

10. Produce all studies, reports or analyses relating to competition between single-line and interline rail transportation.

11. Produce all studies, reports or analyses relating to the benefits of any prior rail merger or rail mergers generally.

12. Produce all studies, reports or analyses relating to the financial position or prospects of SP.

13. Produce all communications with other parties to this proceeding relating to the UP/SP merger or the BN/Santa Fe Settlement Agreement, and all documents relating to such communications. This request excludes documents already served on Applicants.

14. Produce all presentations, solicitation packages, form verified statements, or other materials used to seek support from shippers, public officials, railroads or others for the position of KCS or any other party in this proceeding.

15. Produce all presentations, letters, memoranda, white papers or other documents sent or given to DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

16. Produce all notes of, or memoranda relating to, any meetings with DOJ, DOT, any state Governor's, Attorney General's or Public Utilities Commission's (or similar agency's) office, any Mexican government official, any other government official, any security analyst, any bond rating agency, any consultant, any financial advisor or analyst, any investment banker, any chamber of commerce, or any shipper or trade organization relating to the UP/SP merger.

17. Produce all documents relating to shipper surveys or interviews concerning (a) the UP/SP merger or any possible conditions to approval of the merger, or (b) the quality of service or competitiveness of any railroad.

18. Produce all documents relating to the price to be paid for, or the value of, any UP or SP lines that might be sold as a condition to approval of, or otherwise in connection with, the UP/SP merger.

19. Produce all documents relating to trackage rights compensation for any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

20. Produce all documents relating to actual or estimated maintenance-and-operating costs, taxes and return-to-capital costs with respect to any of the BN/Santa Fe Settlement Agreement Lines or any other line of UP or SP that might be the subject of a proposed trackage rights condition in this proceeding.

21. Produce all documents relating to any agreement or understanding that KCS has with any other party to this proceeding regarding positions or actions to be taken in this proceeding. Documents relating to routine procedural agreements, such as agreements concerning the order of questioning at depositions or the avoidance of duplicative discovery, need not be produced.

22. Produce all presentations to, and minutes of, the board of directors of Kansas City Southern Industries relating to the UP/SP merger or conditions to be sought by any party in this proceeding.

23. Produce all studies, reports or analyses relating to collusion among competing railroads or the risk thereof.

24. Produce all studies, reports or analyses relating to the terms for or effectiveness of trackage rights.

25. Produce the files for KCS' 25 largest Kansas grain shippers and 10 largest plastics shippers.

26. Produce all publications, written testimony and transcripts of Curtis M. Grimm, Thomas O'Connor and Joseph Plaistow, and all merger analyses that have been conducted by Snavely, King & Associates, without limitation as to date.

27. Produce all KCS business plans or strategic plans.

28. Produce all computerized 100% KCS traffic data for 1994, containing at least the fields listed in Attachment A hereto, a Rule 11 or other rebilling indicator, gross freight revenue, and freight revenue net of allowances, refunds, discounts or other revenue offsets, together with documentation explaining the record layout and the content of the fields. To the extent particular items are unavailable in machine-readable form, (a) provide them in hard-copy form, and (b) provide any similar machine-readable data.

29. Produce all communications with Richard C. Levin, Curtis M. Grimm, James M. MacDonald, Clifford M. Winston, Thomas M. Corsi, Carol A. Evans or Steven Salop concerning econometric analyses of rail pricing, and all documents relating to such communications.

30. Produce all studies, reports or analyses relating to competition for traffic to or from Mexico (including but not limited to truck competition) or competition among Mexican gateways.

31. Produce all documents, other than the study itself, relating to the January 1996 study by The Perryman Group entitled, "The Impact of the Proposed Union Pacific-Southern Pacific Merger on Business Activity in Texas."

32. Produce all documents relating to KCS' financial support for, establishment of, participation in, or relationship with the "Coalition for Competitive Rail Transportation."

33. Produce all documents relating to the reported acquisition by Kansas City Southern Industries, Inc., of a 49% interest in Mexrail, Inc., and any related transactions, including but not limited to all agreements between KCS and Tex Mex or their parents or affiliates and any regulatory filings made by KCS or Tex Mex or their parents or affiliates.

34. Produce all documents relating to discussions between KCS and Applicants in August or September 1995 concerning possible line sales, trackage rights or other agreements in regard to this proceeding. Except to the extent that Applicants may be required to do so, KCS need not produce documents depicting the back-and-forth of negotiations.

35. Produce all documents relating to the decision by KCS not to submit a responsive application in this proceeding, including but not limited to documents relating to whether KCS would be subject to conditions imposed by the Board to address anticompetitive consequences of any such responsive application if it did so.

36. Produce all public statements by KCS' President or other top executives relating to the UP/SP merger.

37. Produce all documents relating to the acquisition by any person of all or any portion of SP or KCS' interest in such an acquisition.

38. Produce all documents relating to possible operations by KCS over, or capital investments by KCS in, lines of UP or SP.

39. Produce each current haulage or trackage rights agreement in effect between KCS and any other railroad.

40. Produce all studies, reports or analyses relating to competition in freight transportation services for shipments to or from West Coast ports.

41. Produce all studies, reports or analyses relating to (a) transport pricing or competition for chemicals or petrochemicals (i.e., any STCC 28 or STCC 29 commodity or such commodities generally), (b) the handling of such commodities by railroads, (c) the handling of such commodities by other modes, (d) storage-in-transit of such commodities, or

(e) source or destination competition, shifting of production or shipments among facilities, "swapping" of product, modal alternatives, or shipper leverage as constraints on rail rates or service for such commodities.

42. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following statements at page 4: "[B]ased on 1993 data, there are 164 BEA origin-destinations with traffic greater than $2 million that will go from 2-1 independent alternatives. The traffic in revenues in these 2-1 corridors exceeds $1.65 billion. There are another $3.93 billion in revenues in BEA origin-destinations that would fall from 3-2 independent alternatives if merger is approved." Produce all documents relating to these calculations and all documents relating to any similar calculations that have been done based on 1994 data or that reflect the BN/Santa Fe Settlement Agreement.

43. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following statements at page 4, footnote 3: "A similar calculation of the competitive harm from 2-1 reduction in independent rail alternatives has been performed for BN-Santa Fe and SP-Santa Fe, based on 1993 waybill data. The revenues in traffic for these BEA corridors are $165 million for BN-Santa Fe and $921 million for SP-Santa Fe." Produce all documents relating to these calculations.

44. The Verified Statement of Curtis M. Grimm submitted with KCS-3 contains the following statements at page 5: "Based on Class 1 railroad originations by BEA, the BN/UP duopoly will have fully 100% market share in 37 Western BEA's. The two systems will have 90-99% market share in an additional 8 BEA's, 70-89% market share in an additional 4 BEA's and 50-69% market share in another 4 BEA's." Produce all documents relating to these calculations and all documents relating to any similar calculations that have been done based on 1994 data or that reflect the BN/Santa Fe Settlement Agreement.

45. Produce KCS' annual reports to stockholders for years 1991 through 1995.

46. Produce all documents relating to any possible sale, acquisition, breakup, bankruptcy or other disposition of SP or any portion of SP.

47. Produce all instructions, guidelines or policies issued to or by train dispatchers or dispatching supervisors relating to dispatching of trains operated by any other railroad or railroads over trackage rights on KCS, including but not limited to any instructions, guidelines or policies relating to how such trains should be handled in relation or comparison to KCS trains, the priorities to be accorded to such trains, and any requirement to provide non-discriminatory or equal dispatch.

48. Produce all documents reflecting the types or levels of priority or ranking assigned by KCS to its trains or trains of other railroads where other railroads have trackage rights over KCS, including but not limited to definitions or lists of such priorities or rankings and priorities or rankings assigned to individual trains.

49. Produce all documents relating to KCS' reasons for opposing the UP/SP merger or seeking to acquire any portion of SP in connection with the UP/SP merger.

50. Produce all analyses, studies, reports or plans relating to implementation of trackage rights or haulage rights obtained by KCS from BN and Santa Fe in connection with the BN/Santa Fe consolidation.

51. Produce all communications between KCS and BN/Santa Fe relating to complaints about the handling of KCS trains or shipments under trackage rights or haulage obtained by KCS from BN and Santa Fe in connection with the BN/Santa Fe consolidation.

52. If KCS has a specific proposal for line sales or trackage rights in its favor as a condition to the UP/SP merger, produce all documents relating to that proposal, including but not limited to (a) documents describing the proposal, (b) any market analysis with respect to the proposal, (c) any operating plan with respect to the proposal,

and (d) any pro forma financial statements with respect to the proposal.

53. The Verified Statement of Curtis M. Grimm submitted with KCS-6 in the BN/Santa Fe case (Finance Docket No. 32549) contains the following statements at page 6: "Based on Class 1 railroad originations by BEA, the BN/SF and the combined UP/SP will have fully 100% market share in 58 Western BEA's. The two systems will have 90-99% market share in an additional 10 BEA's, 70-89% market share in an additional 8 BEA's and 50-69% market share in another 8 BEA's." Produce all documents relating to these calculations.

54. The Verified Statement of Curtis M. Grimm submitted with KCS-6 in the BN/Santa Fe case (Finance Docket No. 32549) contains the following statements at page 10, footnote 11: "For traffic originating in the Dallas-Fort Worth BEA and terminating in the Houston BEA, the SP, BN, UP and SF single-line routes have the following 1993 market shares: [citing percentages, which are redacted in the public version]." Produce all documents relating to these calculations.

55. Produce all documents in which KCS has represented to shippers that the UP/SP merger will impair KCS' ability to provide rail service.

56. Produce all documents relating to the value or profitability of SSW.

57. Produce all communications between KCS and any investment banker relating to the purchase of all or any part of SP.

58. A "Dear Transportation Professional" letter from KCS President and Chief Executive Officer Haverty dated December 5, 1995 states, at page 1, that the UP/SP merger "would give the new rail combination pervasive control over almost $3 billion of North American petro-chemical traffic." Produce all documents relating to this calculation.

59. Mr. Haverty's December 5 "Dear Transportation Professional" letter asserts, at page 2, that the "UP/SP system would control over 75% of the international rail traffic between the United States and Mexico," and that BN/Santa Fe "will control an additional 13% of that traffic." Produce all documents relating to these calculations.

60. Produce all documents relating to Figure I in Mr. Haverty's December 5 "Dear Transportation Professional" letter.

61. Produce all documents relating to Figure II in Mr. Haverty's December 5 "Dear Transportation Professional" letter.

62. Produce all documents relating to Figure III in Mr. Haverty's December 5 "Dear Transportation Professional" letter.

63. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement Agreement or of trackage rights compensation under the BN/Santa Fe Settlement prepared by Curtis M. Grimm, ALK Associates or Snavely, King & Associates, and all workpapers or other documents relating thereto.

Respectfully submitted,

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CAROL A. HARRIS
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Attorneys for Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company

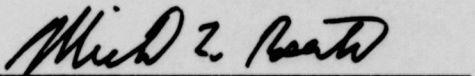
February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on Alan E. Lubel, counsel for KCS, at Troutman Sanders, 601 Pennsylvania Avenue, N.W., Suite 640 - North Building, Washington, D.C. 20004-2609, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Suite 500
Department of Justice
Washington, D.C. 20530

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



Michael L. Rosenthal

Attachment A

Commodity Code (STCC)
Hazardous Commodity Code
Shipper Name
Origin City
Origin State
Origin SPLC
Origin FSAC
Receiver Name
Destination City
Destination State
Destination SPLC
Destination FSAC
Car Initial
Car Number
Waybill Number
Waybill Date (yy/mm/dd)
Type Move Indicator
AAR Car Type
Origin Railroad
Railroad From
Railroad To
Destination Railroad
On Junction
Off Junction
Net Tons
Freight Revenue
Unit Count
Carload Count
Trailer/Container Count
First Railroad - RR Code
First Railroad - Alpha
Interchange Received Junction #1
First Railroad - Split Revenue
First Railroad Distance
Second Railroad - RR Code
Second Railroad - Alpha
Interchange Received Junction #2
Second Railroad - Split Revenue
Second Railroad Distance
Third Railroad - RR Code
Third Railroad - Alpha
Interchange Received Junction #3
Third Railroad - Split Revenue
Third Railroad Distance
Fourth Railroad - RR Code
Fourth Railroad - Alpha
Interchange Received Junction #4
Fourth Railroad - Split Revenue
Fourth Railroad Distance
Fifth Railroad - RR Code

Fifth Railroad - Alpha
Interchange Received Junction #5
Fifth Railroad - Split Revenue
Fifth Railroad Distance
Sixth Railroad - RR Code
Sixth Railroad - Alpha
Interchange Received Junction #6
Sixth Railroad - Split Revenue
Sixth Railroad Distance
Seventh Railroad - RR Code
Seventh Railroad - Alpha
Interchange Received Junction #7
Seventh Railroad - Split Revenue
Seventh Railroad Distance
Eighth Railroad - RR Code
Eighth Railroad - Alpha
Interchange Received Junction #8
Eighth Railroad - Split Revenue
Eighth Railroad Distance
Ninth Railroad - RR Code
Ninth Railroad - Alpha
Interchange Received Junction #9
Ninth Railroad - Split Revenue
Ninth Railroad Distance
Tenth Railroad - RR Code
Tenth Railroad - Alpha
Interchange Received Junction #10
Tenth Railroad - Split Revenue
Tenth Railroad Distance
Eleventh Railroad - RR Code
Eleventh Railroad - Alpha
Interchange Received Junction #11
Eleventh Railroad - Split Revenue
Eleventh Railroad Distance
Car Ownership Code
Mechanical Designation
Tare Weight
Railroad System Revenue
Railroad System Miles
Railroad Ton Miles

STB FD 32760 2-26-96 I 61434

Item No. 61434

Page Count 9

Fee # 265

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WN & PLATT

NIA AVENUE, N.W.

WASHINGTON, D.C. 20006-1882

202-463-2000
TELEX 892603
CSIMILE
661-0273

CHICAGO
RLIN
USSELS
OUSTON
LONDON
LOS ANGELES
NEW YORK
MEXICO CITY CORRESPONDENT
JAUREGUI, NAVARETTE, NADER Y ROJAS

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

etary

- 8 1996

5 Part of Public Record

RECEIVED
FEB 3 1996

February 26, 1996

VIA HAND DELIVERY

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 the original and twenty (20) copies of: (i) Objections of Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company to The International Brotherhood of Teamsters First Set of Interrogatories Upon Burlington Northern Railroad Company and The Atchison Topeka and Santa Fe Railway Company (BN/SF-27); (ii) Objections of Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company to International Paper Company's Second Interrogatories and Requests For Documents to Burlington Northern Railroad Company (BN/SF-28); (iii) Objections of Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company to Consolidated Rail Corporation's Fourth Request to Burlington Northern Railroad Company, Atchison, Topeka and Santa Fe Railway Company, and Burlington Northern Santa Fe Corporation For the Production of Documents (BN/SF-29); (iv) Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company's First Set of Interrogatories and Document Production Requests to Consolidated Rail Corporation (BN/SF-30); Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company's First Set of Interrogatories and Document Production Requests to Kansas City Southern Railway Company (BN/SF-31); Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company's First Set of Interrogatories and Document Production Requests to Montana Rail Link, Inc. (BN/SF-32); Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway

Company's First Set of Interrogatories and Document Production Requests to The Texas Mexican Railway Company; (BN/SF-33); Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company's First Set of Interrogatories and Document Production Requests to Wisconsin Central Ltd. (BN/SF-34); and a letter sent today from Erika Jones to all counsel on the restricted service list.

Also enclosed is 3.5-inch disk containing the text of BN/SF-27 through BN/SF-34 in Wordperfect 5.1 format. I would appreciate it if you would date-stamp the enclosed extra copies and return them to the messenger for our files.

Sincerely,

Kelley E. O'Brien

Kelley E. O'Brien

Enclosures

ENTERED
Office of the Secretary
FEB 28 1996

BN/SF-27

RECEIVED
FEB 23 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 THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS FIRST SET OF INTERROGATORIES UPON BURLINGTON NORTHERN RAILROAD COMPANY AND THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY

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

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Railroad Company
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and

The Atchison, Topeka and Santa Fe
Railway Company
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Erika Z. Jones
Adrian L. Steel, Jr.
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Attorneys for Burlington Northern Railroad Company
and The Atchison, Topeka and Santa Fe Railway Company

February 26, 1996

BN/SF-27



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 THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS FIRST SET OF INTERROGATORIES UPON BURLINGTON NORTHERN RAILROAD COMPANY AND THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY

Burlington Northern Railroad Company ("BN") and The Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") (collectively "BN/Santa Fe") object as follows to The International Brotherhood of Teamsters ("IBT") "First Set of Interrogatories." 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 IBT's First Set of Interrogatories. If necessary, BN/Santa Fe is prepared to meet with counsel for IBT at a mutually convenient time and place to discuss informally resolving these objections.

GENERAL OBJECTIONS

BN/Santa Fe objects to IBT's First Set of Interrogatories on the following grounds:

1. Privilege. BN/Santa Fe objects to IBT's First Set of Interrogatories 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.

2. Relevance/Burden. BN/Santa Fe objects to IBT's First Set of Interrogatories 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.

3. Settlement Negotiations. BN/Santa Fe objects to IBT's First Set of Interrogatories 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.

4. Scope. BN/Santa Fe objects to IBT's First Set of Interrogatories 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.

5. Definitions. BN/Santa Fe makes the following objections to IBT's definitions:

(c) The term "document(s)" as used herein is synonymous with that term as it is used in Federal Rule of Civil Procedure 34 (a), and includes without limitation all writings and other compilations of information made in any form or for any purpose, including without limitation computer disks, internal computer memory storage devices, computer back-up tapes or disks, electronic mail, photographs, photocopies, maps, pictures, books and every other method of physically or electronically recording information.

BN/Santa Fe objects to the definition of "Document" as overly broad and unduly burdensome to the extent that it calls for the production of materials and documents that are as readily, or more readily, available to IBT as to BN/Santa Fe.

(g) "Relating to," "relate to" and "concerning" mean supports, evidences, describes, discusses, mentions, refers to, contradicts and/or comprises.

BN/Santa Fe objects to the definition of "Relating 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 IBT's interrogatories, construe "Relate to" or "Relating to" to mean "make reference to" or "mention".

6. Instructions. BN/Santa Fe makes the following objections to IBT's instructions:

9. The time period covered by these Interrogatories and Requests for Production shall commence five years prior to the date of their service unless otherwise explicitly stated or the context requires a different period.

BN/Santa Fe objects to Instruction No. 9 to the extent that it calls for the production of documents created on or before January 1, 1993, on the ground that such documents are not relevant to this proceeding and not calculated to lead to the discovery of admissible evidence.

OBJECTIONS TO INTERROGATORIES

1. What was the total volume of intermodal rail traffic carried by the Burlington Northern and Atchison Topeka and Santa Fe railroads combined for the twelve-month period immediately preceding the approval of the BN/Santa Fe merger?

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Interrogatory No. 1 to the extent that it is vague, overly broad and unduly burdensome. BN/Santa Fe further objects to Interrogatory No. 1 on the grounds that it is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

2. What was the total volume of intermodal rail traffic carried by the Burlington Northern/Santa Fe railroad in the twelve-month period immediately following the approval of the BN/Santa Fe merger?

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Interrogatory No. 2 to the extent that it is vague, overly broad and unduly burdensome. BN/Santa Fe further objects to Interrogatory No. 2 on the grounds that it is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

3. What was the total volume of intermodal rail traffic carried by the BN/Santa Fe in the most recent twelve-month period?

Response: Subject to and without waiving the General Objections stated above, BN/Santa Fe objects to Interrogatory No. 3 to the extent that it is vague, overly broad and unduly burdensome. BN/Santa Fe further objects to Interrogatory No. 3 on the grounds that it is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

Erika Z. Jones VEO

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and

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

February 26, 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 The International Brotherhood of Teamsters First Set of Interrogatories Upon Burlington Northern Railroad Company and The Atchison Topeka and Santa Fe Railway Company (BN/SF-27) have been served this 26th day of February, 1996, by fax and by first-class mail, postage prepaid on all persons on the Restricted Service List in Finance Docket No. 32760 and by hand-delivery on counsel for The International Brotherhood of Teamsters.

Kelley E. O'Brien
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STB FD 32760 2-26-96 I 61433

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CMTA-4

BEFORE THE
SURFACE TRANSPORTATION BOARD

Union Pacific Corporation, Union Pacific	§	
Railroad Company, and Missouri Pacific	§	
Railroad Company -- Control and Merger	§	
-- Southern Pacific Rail Corporation,	§	
Southern Pacific Transportation Company,	§	Finance Docket No. 32760
St. Louis Southwestern Railway Company,	§	
SPCSL Corp., and the Denver and Rio	§	
Grande Western Railroad Company	§	

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FEB 29 1996
I.C.C. BUILDING
GUARD DESK

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY'S FIRST SET OF INTERROGATORIES AND DOCUMENT PRODUCTION REQUESTS TO APPLICANTS

I. Introduction

Pursuant to 49 C.F.R. §§ 1114.21 - 1114.31 and the Discovery Guidelines entered pursuant to the Order served December 7, 1995 ("Discovery Guidelines"), Capital Metropolitan Transportation Authority ("CMTA") hereby submits its First Set of Interrogatories and Document Production Requests to Applicants. CMTA requests that Applicants, in accordance with the Discovery Guidelines readily notify the undersigned of any objections they may have to these requests so that an attempt may be made to resolve any objections informally and expeditiously. Also, in accordance with the Discovery Guidelines, CMTA requests that Applicants produce documents on an "as available" basis rather than in a "lump sum" production, identifying clearly the specific request with which the produced documents comply.

II. Definitions

A. "Applicants" means Union Pacific Corporation ("UPC"); Union Pacific Railroad Company ("UPRR"), Missouri Pacific Railroad Company ("MPRR"), Southern Pacific Rail Corporation ("SPR"), Southern Pacific Transportation Company ("SPT"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp. ("SPCSL"), and The Denver and Rio Grande Western Railroad Company ("DRGW").

B. "BN/SF" means BNSF Corporation or the entity resulting from the merger of BN with Santa Fe. This term also includes The Atchison, Topeka & Santa Fe Railway Company and the Burlington Northern Railroad Corporation, prior to their merger.

C. "BNSF Agreement" means the agreement between UP and SP and BSF relating to the proposed UP/SP merger, reprinted at Volume 5 of the Railroad Merger Application in this docket, dated November 30, 1995.

D. "Board" or "STB" means the Surface Transportation Board.

E. "Document" means any writings or other compilations of information, whether handwritten, typewritten, printed, recorded, or produced or reproduced by any process, including but not limited to, intracompany or other communications, business records, agreements, contracts, correspondence, telegrams, memoranda, studies, projections, summaries of records of telephone or personal conversations or interviews, reports, diaries, log books, notebooks, forecasts, photographs, maps, tape recordings, computer tapes, computer programs, computer printouts, computer models,

statistical or financial statement, graphs, charts, sketches, note charts, plans, drawings, minutes or records of summaries of conferences, expressions or statements or policy, lists of persons attending meetings or conferences, opinions or reports or summaries of negotiations or investigations, brochures, opinions or reports of consultants, pamphlets, advertisements, circulars, trade or other letters, press releases, drafts, revisions of drafts, invoices, receipts, and original or preliminary notes. Further, the term "document" includes:

(1) Basic records and summaries of such records (including computer runs);

(2) Original versions and copies that differ in any respect from original versions; and

(3) Documents in the possession or control of Applicants and documents in the possession or control of consultants, counsel, or any other person that has assisted Applicants.

F. "Giddings - Llano" means the rail line that extends from Giddings, Texas to Llano, Texas.

G. The terms "identify" or "identification" and "describe" or "description:"

(1) when used in reference to an individual, shall mean to state his or her full name, present or last known residence, business or official affiliation, job title, date of first employment by present employer and business address (by street, city, and state);

(2) when used in reference to a corporation, shall mean to state its full name, its state of incorporation, and its principal place of business;

(3) when used in reference to a document, shall mean to state the type of document, date, author, addressee, title, serial or file number, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished;

(4) when used in reference to any act, occurrence, occasion, meeting, written or oral communication, discussion, transaction or conduct ("act") shall mean to set forth the event or events constituting such act, its location, the date and person(s) participating, present or involved, and the documents relating to or referring in any way thereto; and

(5) when used in reference to any discussion, conversation, written or oral communication, or statement ("discussion") shall mean, in addition to the foregoing, to set forth the substance of the discussion.

H. "Official," "officer," "employee," "representative," or "agent" includes any natural or corporate person, including attorneys.

I. "Person," as used herein, refers to any natural person, any business entity (whether partnership, association, cooperative, joint venture, proprietorship, or corporation), and any governmental or other public entity, department, administration, agency, bureau or political subdivision thereof, or any other form of organization or legal entity, and all their officers, directors, employees, consultants, and agents thereof, except where the context clearly requires otherwise.

J. The term "produce" means to make legible, complete and exact copies of the responsive documents, which are to be arranged for hand pick-up (with notice by telephone of when

they are ready) if within D.C. metropolitan area, or if outside the D.C. metropolitan area, then sent, via first class mail, to the undersigned. In the event the response refers to a Depository, "produce" means to supply the undersigned with the specific location by reference to the relevant index, and to produce a copy of that index.

K. "Referring to" a subject means making a statement about, discussing, describing, reflecting, dealing with, consisting of, constituting, comprising, or in any way concerning, in whole or in part, the subject.

L. "Shippers" means a user of rail services, including a consignor, consignee, or receiver.

M. "SP" means Southern Pacific Rail Corporation ("SPR"), Southern Pacific Transportation Company ("SPT"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp. ("SPCSL"), and The Denver and Rio Grande Western Railroad Company ("DRGW") together with the parent, subsidiary or affiliated corporations.

N. "Studies, analyses, and reports" include studies, analyses, and reports in whatever form, including letters, memoranda, tabulations, and computer printouts of data selected from a database.

O. "Taylor-Elgin" means the portion of UP rail line that extends from Taylor, Texas to Elgin, Texas.

P. "Taylor-McNeil" means the portion of the Union Pacific rail line that extends from Taylor, Texas to McNeil, Texas and which passes through Round Rock, Texas and through the Kerr Station.

Q. "Temple-Taylor" means the portion of UP rail line that extends from Temple, Texas to Taylor, Texas.

R. "UP" means Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company, individually and collectively, together with any parent, subsidiary or affiliated corporation, partnership or other legal entity, including, but not limited to, UP Acquisition Corporation, Union Pacific Holdings Corp., and Chicago & North Western Railway Company.

III. Instructions

A. The time period encompassed by these requests, unless otherwise stated, is January 1, 1986 to the present, and shall extend to the end of this proceeding to the extent documents responsible to these requests are discovered or created or otherwise acquired by Applicants during the pendency of this proceeding.

B. All uses of the conjunctive include the disjunctive and vise versa. Words in the singular include the plural and vice versa. "each" shall be construed to include "all," and the present tense shall include the past tense and vice versa.

C. If Applicants withhold any document or any part of a document on the claim that such document is privileged or confidential, Applicants are to:

(1) Identify the nature of the document;

(2) Identify the subject matter of the document, *i.e.*, briefly describe the contents of the document;

(3) Identify the author and all addresses or recipients of the document;

(4) Identify the date of the document; and

(5) State the nature of the claim that the document is privileged or confidential.

D. If any document called for by these request for production is not available or accessible, such request(s) for production shall be deemed to call for sufficient explanation of the reasons therefor, as well as an identification of the unavailable or inaccessible document(s).

E. If any document or information called for by these requests for production is available in computerized format, produce the document or information in that format, along with a description of the software utilized, instruction books, and all other material necessary to translate the documents or information from computerized to hard copy format.

F. Where any interrogatory or document requests refers to "Applicants" or to any "Applicant," and the response for one applicant would be different from the response for other applicants, give separate responses for each applicant.

G. Where any interrogatory or document request refers to "BNSF", and the response for BN would be different from the response for the Santa Fe, give separate responses for each.

IV. Interrogatories

1. Identify all officers, managers, agents and employees of the Applicants who have operational responsibility for traffic flowing over (i) the Taylor-McNeil line, and (ii) the Taylor-Round Rock and/or Kerr portion of the line.

2. Identify each section of the BN/SF Agreement under which the Applicants have granted BN/SF trackage rights over the Taylor-McNeil line or any portion thereof.

3. Identify each section of the BN/SF Agreement under which the Applicants have granted BN/SF trackage rights over the portion of the Taylor-McNeil line that extends from Taylor to Round Rock and/or Kerr.

4. With respect to BN/SF trackage rights over Taylor- Round Rock and/or Kerr:

   (a) identify specifically the compensation BN/SF would grant in exchange for these rights and identify how this compensation was determined; and

   (b) identify all management level persons responsible for entering into the BN/SF Agreement.

5. Identify each and every reason UP granted BN/SF trackage rights from Taylor to Round Rock and/or Kerr.

6. Identify each and every reason UP did not grant BN/SF trackage rights from Round Rock and/or Kerr to McNeil.

7. As between the Applicants and any other party that expressed an interest in negotiating an agreement that would preserve rail competition upon the UP/SP merger, including but not

limited to the eleven (11) railroads Mr. Rebensdorf referred to in his statement at Volume 1 of the Merger Application, identify all meetings, conferences, telephone conferences, and discussions, whether formal or informal, (together "communications") at which trackage rights on all or any portion of the Taylor-McNeil line were discussed and

(a) identify the individuals who participated in these communications;

(b) identify the substance of these communications, including any outcome or decision.

To the extent the individuals participating or the substance of the communications varied from one portion of the Taylor-McNeil line to another (such as Taylor-McNeil versus Taylor-Round Rock and/or Kerr) identify clearly in your response the differing persons and differing positions.

8. Identify all SP's rights, whether existing, executory or options, and: (i) whether such rights can be exercised now or in the future, and (ii) whether such rights involve an active or abandoned portion of the line, over the following or any portion thereof, and at any termination point thereof:

(a) Giddings-Llano line, or any portion thereof, including but not limited to rights at Elgin; and

(b) the web of railroad lines that extend from 1) Smithville, Texas to Waco, Texas; 2) Kearne, Texas to McNeil, Texas; and 3) Granger, Texas to Round Rock and/or Kerr, Texas.

9. To the extent SP holds rights described in Interrogatory No. 8, identify each provision in the BN/SF Agreement that would ensure BN/SF direct access for a rail shipper that currently benefits, or might in the future benefit, from SP's rights.

10. Identify all trackage and other legal rights SP has over the Taylor-McNeil line, or over any portion of it, whether existing, executory or options and whether they can be exercised now or in the future, and whether they involve an active or abandoned portion of the line.

11. To the extent SP holds rights described in Interrogatory No. 10, identify each provision in the BN/SF Agreement that would ensure BN/SF direct access for a rail shipper that currently benefits, or might in the future benefit, from SP's rights.

12. Identify all trackage and other legal rights UP has over the Giddings-Llano line, whether existing, executory or options and whether they can be exercised now or in the future, and whether they involve an active or abandoned portion of the line.

13. To the extent UP holds rights described in Interrogatory No. 12, identify each provision in the BN/SF Agreement that would ensure BN/SF direct access for a rail shipper that currently benefits, or might in the future benefit, from UP's rights.

14. Identify all meetings, conferences, telephone conferences, and discussions, whether formal or informal (together "communications") at which rights identified in Interrogatory Nos. 8-13 were discussed and:

    (a) identify the individuals who participated in these communications, whether or not employees, officers or managers of Applicant, and including attorneys;

(b) identify the substance of these communications, including any outcome or decision.

15. Identify any studies, analyses, memoranda, reports or other documents regarding the effect of the proposed merger on:

(a) the Giddings-Llano line, or any portion thereof, including interchange points at Giddings, Elgin and McNeil;

(b) the Taylor-McNeil line, or any portion thereof, including interchange points at McNeil, Round Rock and/or Kerr, and Taylor.

16. With respect to BN/SF's trackage rights over Taylor-Round Rock, identify and describe the anticipated increase in traffic over the Taylor-Round Rock line, expressed in terms of train movements per day in either direction.

17. In the alternative, if the BN/SF Agreement does *not* grant BN/SF trackage rights over Taylor-Round Rock and/or Kerr, identify the projections for traffic over the Taylor-Round Rock and/or Kerr line, expressed in terms of trains movements per day in either direction, that the Applicants and BN/SF used to conduct their negotiations.

18. Identify the anticipated increase in traffic, expressed in terms of train movements per day in either direction, over Temple-Taylor, as a result of the BN/SF Agreement.

19. Identify the anticipated increase in traffic, expressed in terms of train movements per day in either direction, over Taylor-Elgin, as a result of the BN/SF Agreement.

20. Identify each instance in which UP was unable to provide timely service to a shipper at McNeil. For each such instance, state the duration of delay, identify the shippers adversely affected, and identify the reasons therefor.

21. Identify each complaint lodged with UP by a shipper regarding UP's service provided at McNeil and UP's response thereto, including correspondence, telephone logs, and records of physical actions taken to correct the situation complained of or to prevent its recurrence.

22. Identify any adverse consequences to (i) competition and (ii) the public interest that would result if the Board conditioned the proposed UP/SP merger upon a condition that BN/SF have trackage rights over the Taylor-McNeil line, including interchange rights at McNeil, for the rail freight operator with the common carrier obligation on the Giddings-Llano line.

23. Identify any adverse consequences to (i) competition and (ii) the public interest that would result if the Board were to condition the proposed UP/SP merger on UP/SP reaching or having reached an accommodation with the operator, manager, and/or others responsible for rail passenger service over the Giddings-Llano line in the Austin Metropolitan Area, which would facilitate or permit rail passenger service through the McNeil interchange.

24. Identify any adverse consequences to (i) competition and (ii) the public interest that would result if the Board were to condition the proposed UP/SP merger on the Applicant funding signalization and other improvements which would accommodate future passenger rail service to and from the Austin metropolitan area over the Giddings-Llano line at peak hours through McNeil.

25. With respect to BN/SF's trackage rights from Taylor to Round Rock and/or Kerr, state how the public interest and enhanced competition is served by BN/SF being precluded from having trackage rights for the approximately additional seven (7) miles from Round Rock to McNeil.

26. Identify any studies, analyses, memoranda, reports or other documents regarding the effect of the proposed merger on any or all of the following:

(a) granting BN/SF trackage rights over the portion of the UP line that extends from Taylor to McNeil;

(b) granting BN/SF trackage rights over the portion of the UP line that extends from Taylor to Round Rock and/or Kerr; and/or

(c) interference at McNeil with passenger rail service along the Giddings-Llano Line for the Austin metropolitan area.

27. Identify any studies, analyses, memoranda, reports or other documents regarding the increase in traffic as a result of trackage and interchange rights granted, if any, to BN/SF over the following or at any termination point thereof:

(a) Taylor-Round Rock and/or Kerr;

(b) Taylor-McNeil;

(c) Round Rock and/or Kerr-McNeil; or

(d) Taylor-Elgin.

28. Identify all documents not identified in response to one of these interrogatories or produced in response to a document request, to which you referred or on which you relied to prepare your responses to these interrogatories.

29. Identify each person who was:

(a) consulted regarding responses to these interrogatories or document requests;

(b) who has knowledge concerning the facts or circumstances contained in the responses; or

(c) who helped prepare the substance of the responses to these interrogatories or document requests.

V. Document Production Requests

CMTA Incorporates its Definitions and Instructions at pages 2-7, herein.

1. Produce all documents evidencing, describing or relating to the BN/SF Agreement provisions identified in response to Interrogatory No. 2.

2. Produce all documents evidencing, describing or relating to the BN/SF Agreement provisions identified in response to Interrogatory No. 3.

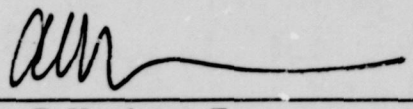
3. Produce all documents evidencing, describing or relating to the BN/SF Agreement provisions identified in response to Interrogatory No. 4.

4. Produce all studies, analyses, or reports generated by or on behalf of the Applicants that form the basis for the response to Interrogatory No. 5.

5. Produce all documents evidencing, describing, relating to, or relied upon in responding to Interrogatory Nos.6-29, in each instance separately identifying to which interrogatory the documents are related.

Respectfully submitted,

CAPITAL METROPOLITAN
TRANSPORTATION AUTHORITY



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Attorneys for Capital Metropolitan
Transportation Authority

CERTIFICATE OF SERVICE

I certify that on this 26th day of February, 1996, a copy of the foregoing Capital Metropolitan Transportation Authority's First Set of Interrogatories and Document Production Requests to Applicants was served by hand-delivery to:

The Honorable Jerome Nelson
Federal Energy Regulatory Commission
888 First Street, N.E.
Room 11F-21
Washington, D.C. 20426

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and by first class mail to all other Parties of Record listed on the service list attached to Decision No. 15.

Monica J. Palko

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Page Count 15

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5 Part of Public Record

UP/SP-119

FEB 26 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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO KENNECOTT UTAH COPPER CORPORATION AND
KENNECOTT ENERGY COMPANY

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

February 26, 1996

UP/SP-119

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' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO KENNECOTT UTAH COPPER CORPORATION AND
KENNECOTT ENERGY COMPANY

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Kennecott Utah Copper Corporation and Kennecott Energy Company ("Kennecott").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Kennecott is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "CNW" means Chicago and North Western Railway Company.

VII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

VIII. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts,

models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Kennecott and documents in the possession, custody or control of consultants or others who have assisted Kennecott in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

(c) provide a brief description of the contents of the document.

XI. "Kennecott" means Kennecott Utah Copper Corporation and Kennecott Energy Company.

XII. "MPRR" means Missouri Pacific Railroad Company.

XIII. "Produce" means to make legible, complete and exact copies of responsive documents and send them by expedited delivery to the undersigned counsel. The originals of responsive documents should be retained in the files of Kennecott, its counsel, or the consultants or others who have assisted Kennecott in connection with this proceeding and have documents in their possession, and made available if requested. Applicants will pay all reasonable costs for duplication and expedited delivery of documents to their attorneys.

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XXIX. Discovery responses should be supplemented when a supplemental response is required pursuant to 49 C.F.R. § 1114.29.

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2. For each Kennecott facility that consumes coal, separately for each year 1993 through 1995, identify the originating mines for all coal burned at the plant and, as to each such mine, state: (a) the tonnage of coal from that mine burned at the plant; (b) the average delivered price of coal from that mine; (c) the average minehead price of that coal; (d) the rail transportation routings (including origination and interchange points) for all coal shipped from that mine to the plant; and (e) any transportation routings or modes other than rail used in shipping coal to the plant.

DOCUMENT REQUESTS

1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that Kennecott makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for Kennecott on or about March 29, 1996 in this proceeding.

2. Produce all documents relating to benefits or efficiencies that will result from the UP/SP merger.

3. Produce all documents relating to potential traffic impacts of the UP/SP merger.

4. Produce all documents relating to competitive impacts of the UP/SP merger, including but not limited to

effects on (a) market shares, (b) source or destination competition, (c) transloading options, or (d) build-in options.

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29. Produce all filings made with state utility commissions or state regulatory agencies that discuss sources of fuel.

30. Produce all studies, reports, analyses, compilations, calculations or evaluations of market or competitive impacts of the UP/SP merger or the BN/Santa Fe Settlement, or of trackage rights compensation under the BN/Santa Fe Settlement, prepared by L.E. Peabody & Associates, and all workpapers or other documents relating thereto.

Respectfully submitted,

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

February 26, 1996

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that, on this 26th day of February, 1996, I caused a copy of the foregoing document to be served by hand on John K. Maser III, counsel for Kennecott Energy Company, at Donelan, Cleary, Wood & Maser, P.C., 1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005-3934, and by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties appearing on the restricted service list established pursuant to paragraph 9 of the Discovery Guidelines in Finance Docket No. 32760, and on

Director of Operations
Antitrust Division
Suite 500
Department of Justice
Washington, D.C. 20530

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

Michael L. Rosenthal

STB FD 32760 2-26-96 I 61431

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Item No. _____

Page Count 15

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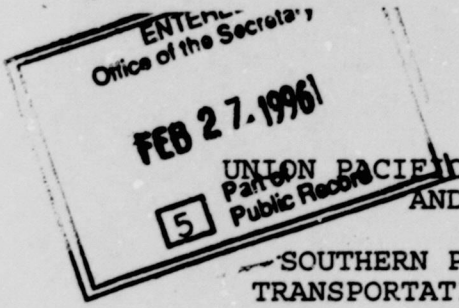

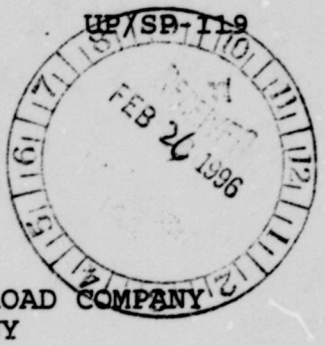

UP/SP-119

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' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO KENNECOTT UTAH COPPER CORPORATION AND KENNECOTT ENERGY COMPANY

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February 26, 1996

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APPLICANTS' FIRST SET OF INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO KENNECOTT UTAH COPPER CORPORATION AND
KENNECOTT ENERGY COMPANY

Pursuant to 49 C.F.R. §§ 1114.26 and 1114.30, and the Discovery Guidelines entered in this proceeding on December 7, 1995, Applicants UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW direct the following interrogatories and document requests to Kennecott Utah Copper Corporation and Kennecott Energy Company ("Kennecott").

Responses should be served as soon as possible, and in no event later than 15 days from the date of service hereof. Kennecott is requested to contact the undersigned promptly to discuss any objections or questions regarding these requests with a view to resolving any disputes or issues of interpretation informally and expeditiously.

DEFINITIONS AND INSTRUCTIONS

I. "Applicants" means UPC, UPRR, MPRR, SPR, SPT, SSW, SPCSL and DRGW.

II. "Board" means the Surface Transportation Board.

III. "BN/Santa Fe" means the Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company.

IV. "The BN/Santa Fe Settlement Agreement" means the agreement between UP and SP and BN/Santa Fe dated September 25, 1994, as supplemented by the November 18, 1995 agreement between those parties.

V. "The BN/Santa Fe Settlement Agreement Lines" means the lines that BN/Santa Fe will receive trackage rights over or purchase under the BN/Santa Fe Settlement Agreement.

VI. "CNW" means Chicago and North Western Railway Company.

VII. "DRGW" means The Denver and Rio Grande Western Railroad Company.

VIII. "Document" means any writing or other compilation of information, whether printed, typed, handwritten, recorded, or produced or reproduced by any other process, including but not limited to intra-company communications, correspondence, telegrams, memoranda, contracts, instruments, studies, projections, forecasts, summaries or records of conversations or interviews, minutes or records of conferences or meetings, records or reports of negotiations, diaries, calendars, photographs, maps, tape recordings, computer tapes, computer disks, other computer storage devices, computer programs, computer printouts,

models, statistical statements, graphs, charts, diagrams, plans, drawings, brochures, pamphlets, advertisements, circulars, trade letters, press releases, invoices, receipts, financial statements, accounting records, worksheets, drafts, revisions of drafts, and original or preliminary notes. Further, the term "document" includes

(a) both basic records and summaries of such records (including computer runs);

(b) both original versions and copies that differ in any respect from original versions; and

(c) both documents in the possession, custody or control of Kennecott and documents in the possession, custody or control of consultants or others who have assisted Kennecott in connection with this proceeding.

IX. "The IC Settlement Agreement" means the agreement between UP and SP and Illinois Central Railroad Company dated January 30, 1996.

X. "Identify," when used in relation to an individual, corporation, partnership or other entity, means to state the name, address and telephone number thereof. "Identify," when used in relation to a document, means to

(a) state the nature of the document (e.g., letter, memorandum, etc.);

(b) state the author, each addressee, each recipient, date, number of pages, and title of the document; and

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1. Produce no later than April 1, 1996 (a) all workpapers underlying any submission that Kennecott makes on or about March 29, 1996 in this proceeding, and (b) all publications, written testimony and transcripts, without limitation as to date, of any witnesses presenting testimony for Kennecott on or about March 29, 1996 in this proceeding.

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February 26, 1996

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