March 28, 1996

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

RE: Compliance with Decision No. 26, dated March 22, 1996 regarding Finance Docket No. 32760, ICC Dockets AB-12 (Sub-No. 1880) and AB-8 (Sub-No. 39)

Dear Sir:

This letter serves to notify the Secretary and all parties of record not previously notified of all filings made to date by the Colorado Department of Public Health and Environment. The documents followed are:

COLO-1: Notice of Intent to Participate; COLO-2 Amended Notice of Intent to Participate; COLO-4: Request for Change of Status; COLO-5, letter notifying parties of filings to date, and COLO-6, Joint Comments of the Colorado Department of Public Health and Environment and the United States Environmental Protection Agency Region VIII.

Sincerely,

Jane T. Feldman
Assistant Attorney General
Natural Resources Section
(303) 866-5073
CERTIFICATE OF SERVICE

I certify that I have this day served copies of the within Notice of Prior Filings by depositing copies of same in Federal Express mail, prepaid, at Denver, Colorado this 28th day of March, 1996, addressed as follows:

William G. Mahoney, Esq.
Highsaw, Mahoney & Clarke, P.C.
1050 17th Street, N.W.
Washington, D.C. 20036

Betsy B. Monseau
Cyprus Amax Coal Sales Corp.
#100 East Mineral Circle
P.O. Box 3299
Englewood, CO 80112-3299

[Signature]
Office of the Colorado Attorney General
Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
Room 2215  
1201 Constitution Ave., N.W.  
Washington, D.C. 20423-0001  

Dear Mr. Williams:

Enclosed is a disk with the Highly Confidential Version of the Verified Statement of Henry B. McFarland, submitted in Finance Docket 32760. It is in Word Perfect 5.1 format on a MS-DOS readable disk. Appendix B is in a separate document saved as an Excel text file.

If there are any problems in reading the disk, please call me at 202-833-5262.

Sincerely Yours,

Henry B. McFarland  
Senior Economist
April 2, 1996

Hand Delivered

Mr. Vernon A. Williams
Surface Transportation Board
Case Control Branch
Room 2215
1201 Constitution Avenue, N.W.
Washington, D.C. 20423


Dear Secretary Williams:

Enclosed are the disks containing Appendices 5 and 6 to the Verified Statement of Dr. Curtis Grimm. These disks were inadvertently omitted from the disks that were sent with The Kansas City Southern Railway Company’s Comments and Request for Conditions (“KCS-33”). These Appendices appear at Volume III, pp. 373 through 452.

Sincerely yours,

William A. Mullins

Enclosures
Ms. Linda T. Morgan, Chairman  
Surface Transportation Board  
Department of Transportation  
1201 Constitution Ave., NW  
Washington, DC 20423  

In re: Union Pacific/Southern Pacific Merger  
Finance Docket No. 32760  

Dear Ms. Morgan:  

In reference to the above matter, we are transmitting in five separate envelopes 503 names of individuals opposing the merger of the Union Pacific/Southern Pacific Railroads, postmarked March 29, 1996 from the United States Post Office, Brinkley, Arkansas.  

Very truly yours,  

ARKANSANS FOR COMPETITIVE RAIL SERVICE  

By James B. Sharp, Treasurer

JBE:bm  
Encls.
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

Notice of Withdrawal of Counsel for International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers

Highsaw, Mahoney & Clarke, P.C. hereby withdraws as counsel for the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers ("IBB") in this proceeding. Late in the day on March 29, 1996, the due date for comments, IBB entered a settlement with the Applicants under which IBB changed its position to support for the proposed transaction. IBB will continue to participate in this case but through its own representative, Joseph A. Stinger. Any filings by IBB will be filed under the acronym "IBB". Service of any filings on IBB should be made on its representative at:

Office of the Secretary

APR 4 1996
Respectfully submitted,

[Signature]

William G. Mahoney
Richard S. Edelman
Donald F. Griffin

HIGHSAW, MAHONEY & CLARKE, P.C.
1050 17th Street, N.W.
Suite 210
Washington, D.C. 20036
(202) 296-8500

Dated: April 2, 1996

Counsel for Allied Rail Unions
CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing Notice Of Withdrawal Of Counsel For International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers to all parties of record on the attached service list, by first-class mail, postage prepaid.

Dated at Washington, D.C. this 2nd day of April, 1996.

Richard S. Edelman
March 29, 1996

Hon. Vernon A. Williams, Secretary
Surface Transportation Board
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

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

Dear Sir:

Enclosed please find a diskette containing the the Montana Farmers Union Request
for Conditions, Protest and Comments in the above-styled proceeding. This diskette
is formatted in WordPerfect 5.1 format.

Sincerely,

George Paul, Executive Director
Montana Farmers Union
P.O. Box 2447
Great Falls, Montana 59403
406-452-6406 phone
406-727-8216 FAX
Subject: Finance Docket No. 32760 Union Pacific, Union Pacific Railroad Company, and Missouri Pacific Railroad Company - Control and Merger - Southern Pacific Rail Corporation, St. Louis Southwestern Railway Company, SPCL Corp., and The Denver and Rio Grande Western Railroad Company

Enclosed is a computer disk formatted in Word Perfect 5.0. The Comments of Major General Roger G. Thompson, Jr., on the behalf of the U.S. Department of Defense and All Other Federal Executive Agencies in the above-referenced proceeding are under "Rail2.doc". The original and 20 copies of this document were previously filed with the Surface Transportation Board on March 27, 1996. If you have any problems with this disk, please call Mr. Peter Q. Nyce, Jr. at (703) 696-1644.

Sincerely,

Peter Q. Nyce, Jr.
General Attorney
Regulatory Law Office

Enclosures
VIA HAND DELIVERY

Vernon A. Williams
Secretary
Surface Transportation Board
Room 2215
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Sierra Pacific Power Company and Idaho Power Company -
Request for Conditions and Comments
Finance Docket No. 32760

Dear Secretary Williams:

We were informed that the 3.5" computer disk containing a
copy of the highly confidential version of SPP-10, Request for
Conditions and Comments by Sierra Pacific Power Company and Idaho
Power Company, which was filed on March 29, 1996, is incomplete.
Accordingly, we are enclosing a second 3.5" computer disk in Word
Perfect 5.1 format that contains the following information that
was inadvertently omitted:

1. Summary of Evidence and Argument
2. Verified Statement of Jeffery W. Hill
3. Certificate of Service

We apologize for this error.

Sincerely,

Richard A. Allen
Attorney for Sierra Pacific Power
Company and Idaho Power Company

Enclosure
March 27, 1996

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

Re: Compliance with Decision No. 26, issued March 25, 1996, regarding Finance Docket No. 32760, ICC Dockets AB-12 (Sub-No. 1880) and AB-8 (Sub-No. 39)

Dear Sir/Madam:

I enclose an original and five copies of a Certificate of Service, which certifies Viacom International Inc.'s compliance with Decision No. 26 of Finance Docket No. 32760 requiring parties to serve additional other parties with a list of numbered pleadings submitted in connection with the above-referenced matter.

Sincerely,

Jeffrey B. Groy

Enclosures
cc: (w/o encls.)
   Felicity Hanney, Esq.
   Arvid E. Roach II, Esq.
   Paul A. Cunningham, Esq.
CERTIFICATE OF SERVICE

Pursuant to Decision No. 26 in Finance Docket No. 32760, I certify that on this 27th day of March 1996, I served a list of numbered pleadings submitted by Viacom International Inc. to the additional parties of record listed below by causing it to be mailed via U.S. Mail, postage prepaid.

Mr. Richard S. Edelman
Highsaw, Mahoney & Clarke
1050 17th Street, N.W., Suite 210
Washington, DC 20036

Mr. Donald F. Griffin
Highsaw, Mahoney & Clarke
1050 17th Street, N.W., Suite 210
Washington, DC 20036

Mr. William G. Mahoney
Highsaw, Mahoney & Clarke
1050 17th Street, N.W., Suite 210
Washington, DC 20036

Ms. Besty B. Monseau
Cyprus Amax Coal Sales Corp.
9100 East Mineral Circle
PO Box 3299
Englewood, CO 80112-3299

Clinton Miller, III
United Transportation Union
14600 Detroit Avenue
Cleveland, OH 44107

Mr. James J. Irlandi
STB Practitioner
1809 N. Broadway, Suite F
Wichita, KS 67214

Jeffrey B. Groy

SLC1-21329.1 21980-0010
March 27, 1996

TO ADDITIONAL PARTIES OF RECORD

Re: Compliance with Decision No. 26, issued March 25, 1996, regarding Finance Docket No. 32760, ICC Dockets AB-12 (Sub-No. 1880) and AB-8 (Sub-No. 39)

Dear Sir/Madam:

This letter serves to notify additional parties of record of all filings made to date by Viacom International Inc. in connection with the above-referenced matter. The document filed to date is:

VII 0001 Notice of Intent to Participate

Parties wishing to obtain a copy of this document should contact the undersigned.

Sincerely,

Jeffrey B. Grey

cc: Secretary, Surface Transportation Board
Felicity Hanney, Esq.
Arvid E. Roach, Esq.
Paul A. Cunningham, Esq.
March 25, 1996

Secretary Vernon Williams
Surface Transportation Board
Department of Transportation
1201 Constitution Avenue NW
Washington, D.C. 20423

On 2/23/96, the Missouri Secretary of State Chartered (R422812) the LACKLAND WESTERN RAILROAD COMPANY for the purpose of acquiring, maintaining, constructing and operating a railroad for public use in the conveyance of persons and property between Centaur, MO and E. St. Louis, IL, a distance of 42 miles. The trackage (23 mi) and Operating Rights (18 mi) is owned and operated by the St. Louis Southwestern Ry. Co., a subsidiary of Southern Pacific Trans. Co. Southern Pacific has agreed to be acquired by Union Pacific currently before the Surface Transportation Board ("STB") as FD 32760.

Lackland Western has become a party to Association of American Railroads: Interchange Car Service/Car Hire, and section 10706 Agreements and paid the AAR's Administration Fee to reserve "LKWR" as its reporting marks. Lackland Western has become a full carrier member of the American Short Line Railroad Association ("ASLRA").

Lackland Western has been in contact with UP's Rebensdorf and SP's Ongarth and has decided to make application to STB to become a party of record and possibly intervene in FD 32760.

This application is being FAXed to you at 202-927-6419 and 202-927-5647 at the suggestion of one of your staff members.

C. A. Mennell
President

I certify that this is a true and correct copy of the document as of the date of the decision in the FDR individuals in the Service List 518 Decision of 1991. FD 32760 dated Feb 15, 1991.

C. A. Mennell
President
Lackland West
Railroad Co.
March 20, 1996

Honorable Vernon A. Williams
Office of the Secretary
Attn: Finance Docket No. 32760
Surface Transportation Board
1201 Constitution Avenue, NW
Washington DC 20423

RE: Union Pacific Corp. et al. -- Control and Merger -- Southern Pacific Rail Corp. et al. (Finance Docket No. 32760)

Dear Secretary Williams:

CERTIFICATE OF SERVICE

As required by Decision No. 17, I hereby certify that a copy of the previous filing by East Bay Regional Park District in this proceeding has been served by first-class U.S. mail, postage pre-paid, upon the additional parties of record designated in Decision No. 17. Five copies of this Certificate is enclosed.

Very truly yours,

GRAHAM & JAMES LLP

Susan B. Gerson
Attorneys for East Bay Regional Park District
TO ALL PARTIES OF RECORD


Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company ("BN/Santa Fe") ask that all parties submitting March 29 filings serve two (2) copies of those filings on BN/Santa Fe at the addresses below by the most expeditious means possible:

Erika Z. Jones
Adrian L. Steel, Jr.
Roy T. Englert, Jr.
Kathryn A. Kusske
Mayer, Brown & Platt
2000 Pennsylvania Ave., NW
Washington, DC 20006

Jeffrey R. Moreland
Richard E. Weicher
The Atchison, Topeka and Santa Fe Railway Company
1700 East Golf Road
Schaumburg, Illinois 60173

Janice G. Barber
Michael E. Roper
Burlington Northern Railroad Company
3800 Continental Plaza
777 Main Street
Ft. Worth, Texas 76102-5384

BN/Santa Fe requests that parties with representatives or counsel in the Washington, DC area either: (i) serve counsel for BN/Santa Fe by hand delivery on or before March 29; or (ii) call Kelley O'Brien at (202) 778-0607 on or before March 29 and arrange for pick-up of the filing.
BN/Santa Fe requests that all other service be made by overnight mail for Saturday delivery. Upon request, Ms. O’Brien will provide parties with an overnight courier account number that may be used by parties serving BN/Santa Fe by overnight mail.

Thank you for your assistance.

Sincerely,

Erika A. Jones

cc: Hon. Vernon A. Williams
Hon. Jerome Nelson
March 26, 1996

To: Parties of Record on the Surface Transportation Board's Service List for Finance Docket No. 32760 Listed in Decision No. 26

The Texas Mexican Railway Company, in compliance with Decision No. 26, served March 25, 1996, hereby provides to you a list of each of its numbered pleadings in this case. Any Party of Record wishing to have copies of any pleading on this list should send a request to:

Richard A. Allen
Andrew R. Plump
John V. Edwards
Zuckert, Scoult & Rasenberger, LLP
888 17th Street, N.W.
Suite 600
Washington, D.C. 20006

Copies of requested pleadings will be sent within three (3) days of receipt of the request.

Certificate of Service

I certify that I have served by U.S. mail, postage pre-paid, this Notice and the attached List of Numbered Pleadings of the Texas Mexican Railway Company on all Parties of Record listed in Decision No. 26.

Dated: March 26, 1996

John V. Edwards
Zuckert, Scoult & Rasenberger, LLP
888 17th Street, N.W.
Suite 600
Washington, D.C. 20006
## List of Numbered Pleadings for
### THE TEXAS MEXICAN RAILWAY COMPANY

<table>
<thead>
<tr>
<th>Designation</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>TM-1</td>
<td>Aug. 28, 1995</td>
<td>Notice of Intent to Participate</td>
</tr>
<tr>
<td>TM-2</td>
<td>Sept. 18, 1995</td>
<td>Comments of the Texas Mexican Railway Company in Opposition to the Proposed Procedural Schedule</td>
</tr>
<tr>
<td>TM-3</td>
<td>Dec. 7, 1995</td>
<td>Request to place Representatives of the Texas Mexican Railway Company on the Restricted Service List</td>
</tr>
<tr>
<td>TM-4</td>
<td>Dec. 18, 1995</td>
<td>The Texas Mexican Railway Company’s First Interrogatories to the Applicants</td>
</tr>
<tr>
<td>TM-5</td>
<td>Dec. 18, 1995</td>
<td>The Texas Mexican Railway Company’s First Request to the Applicants for the Production of Documents</td>
</tr>
<tr>
<td>TM-6</td>
<td>Jan. 24, 1996</td>
<td>The Texas Mexican Railway Company’s Comments in Support of the Motion of the Western Shippers Coalition for Enlargement of the Procedural Schedule</td>
</tr>
<tr>
<td>TM-7</td>
<td>Jan. 29, 1996</td>
<td>The Texas Mexican Railway Company’s Description of Anticipated Responsive Application</td>
</tr>
<tr>
<td>TM-8</td>
<td>Jan. 29, 1996</td>
<td>The Texas Mexican Railway Company’s Petition for Waiver or Clarification</td>
</tr>
<tr>
<td>TM-9</td>
<td>Feb. 2, 1996</td>
<td>The Texas Mexican Railway Company’s Second Interrogatories to the Applicants</td>
</tr>
<tr>
<td>TM-10</td>
<td>Feb. 2, 1996</td>
<td>The Texas Mexican Railway Company’s Second Request to the Applicants for the Production of Documents</td>
</tr>
<tr>
<td>TM-11</td>
<td>Feb. 5, 1996</td>
<td>The Texas Mexican Railway Company’s First Interrogatories to Burlington Northern Santa Fe</td>
</tr>
<tr>
<td>TM-12</td>
<td>Feb. 5, 1996</td>
<td>The Texas Mexican Railway Company’s First Request to Burlington Northern Santa Fe for the Production of Documents</td>
</tr>
<tr>
<td>TM-13</td>
<td>Feb. 26, 1996</td>
<td>List of Numbered Pleadings by the Texas Mexican Railway Company served on all PORs</td>
</tr>
</tbody>
</table>
TM-14  Feb. 26, 1996  The Texas Mexican Railway Company’s Third Interrogatories to the Applicants

TM-15  Feb. 26, 1996  The Texas Mexican Railway Company’s Third Request to the Applicants for the Production of Documents

TM-16  Mar. 4, 1996  Objections of the Texas Mexican Railway Company to the Applicants’ First Set of Interrogatories and Request for Production of Documents

TM-17  Mar. 4, 1996  Objections of the Texas Mexican Railway Company to the First Interrogatories and Request for Production of Documents of the Burlington Northern Railroad Company and the Atchison, Topeka and Santa Fe Railway Company

TM-18  Mar. 11, 1996  List of Numbered Pleadings by the Texas Mexican Railway Company served on all PORs listed in Decision No. 17

TM-19  Mar. 12, 1996  Response of the Texas Mexican Railway Company to the Applicants’ First Interrogatories and Request for the Production of Documents

TM-20  Mar. 12, 1996  Response of the Texas Mexican Railway Company to the First Interrogatories and Request for the Production of Documents of the Burlington Northern Railroad Company and the Atchison, Topeka and Santa Fe Railway Company

TM-21  Mar. 18, 1996  Response of the Texas Mexican Railway Company to the Applicants’ Appeal of the ALJ’s Order Restricting Applicants’ Discovery
March 26, 1996

VIA HAND DELIVERY

Vernon A. Williams
Secretary
Surface Transportation Board
Room 2215
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423


Dear Secretary Williams:

Enclosed are an original and twenty copies of SPP-9, List of Numbered Pleadings by Sierra Pacific Power Company and Idaho Power Company served on Parties of Record Listed in Decision No. 26. Also enclosed is a 3.5" floppy computer disc containing a copy of the filing in Wordperfect 5.1 format.

Sincerely,

Richard A. Allen
Jennifer P. Oakley

Enclosures

cc: Honorable Jerome Nelson
Restricted Service List

ENTRERED
Office of the Secretary

MAR 27 1996

Part of Public Record
March 26, 1996

To: Parties of Record ("POR") on the Surface Transportation Board's Service List for Finance Docket No. 32760 Listed in Decision No. 26

Sierra Pacific Power Company and Idaho Power Company, in compliance with Decision No. 26, served March 25, 1996, hereby provide a list of each of its numbered pleadings in this case. Any POR wishing to have copies of any pleading on this list should send a request to:

Richard A. Allen
James A. Calderwood
Jennifer P. Oakley
Zuckert, Scoutt & Rasenberger, LLP
888 17th Street, N.W.
Suite 600
Washington, D.C. 20006

Copies of requested pleadings will be sent within three (3) days of receipt of the request.

Certificate of Service

I certify that I have served by U.S. mail, postage pre-paid, this Notice and the attached List of Numbered Pleadings of Sierra Pacific Power Company and Idaho Power Company on all Parties of Record listed in Decision No. 26.

Dated: March 26, 1996

Jennifer P. Oakley
Zuckert, Scoutt & Rasenberger, LLP
888 17th Street, N.W.
Suite 600
Washington, D.C. 20006
### List of Numbered Pleadings for Sierra Pacific Power Company and Idaho Power Company

<table>
<thead>
<tr>
<th>Designation</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPC-1</td>
<td>Dec. 29, 1995</td>
<td>Notice of Intent of Idaho Power Company to Participate</td>
</tr>
<tr>
<td>SPP-1</td>
<td>Dec. 7, 1995</td>
<td>Notice of Intent of Sierra Pacific Power Company to Participate</td>
</tr>
<tr>
<td>SPP-2</td>
<td>Dec. 20, 1995</td>
<td>Request to place Representatives of Sierra Pacific Power Company on the Restricted Service List</td>
</tr>
<tr>
<td>SPP-3</td>
<td>Dec. 22, 1995</td>
<td>First Request of Sierra Pacific Power Company and Idaho Power Company to Applicants for the Production of Documents</td>
</tr>
<tr>
<td>SPP-4</td>
<td>Dec. 22, 1995</td>
<td>First Interrogatories of Sierra Pacific Power Company and Idaho Power Company to Applicants</td>
</tr>
<tr>
<td>*</td>
<td>Feb. 26, 1996</td>
<td>List of Numbered Pleadings by Sierra Pacific Power Company Served on all PORs</td>
</tr>
<tr>
<td>SPP-5</td>
<td>Mar. 4, 1996</td>
<td>Sierra Pacific's Objections to Applicants' First Set of Interrogatories and Request for the Production of Documents</td>
</tr>
<tr>
<td>SPP-6</td>
<td>Mar. 11, 1996</td>
<td>List of Numbered Pleadings by Sierra Pacific Power Company Served on PORs Listed in Decision No. 17</td>
</tr>
<tr>
<td>SPP-7</td>
<td>Mar. 12, 1996</td>
<td>Response of Sierra Pacific Power Company to the Applicants' First Interrogatories and Request for Production of Documents</td>
</tr>
<tr>
<td>SPP-8</td>
<td>Mar. 18, 1996</td>
<td>Response of Sierra Pacific Power Company to the Applicants' Appeal of the ALJ's Order Restricting Applicants' Discovery</td>
</tr>
<tr>
<td>SPP-9</td>
<td>Mar. 26, 1996</td>
<td>List of Numbered Pleadings by Sierra Pacific Power Company Served on PORs Listed in Decision No. 17</td>
</tr>
<tr>
<td>*</td>
<td>Document not numbered</td>
<td></td>
</tr>
</tbody>
</table>
RE: Finance Docket No. 32760, UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD CO, AND MISSOURI PACIFIC RAILROAD CO. --Control and Merger --SOUTHERN PACIFIC RAIL CORP., SOUTHERN PACIFIC TRANSPORTATION CO., ST. LOUIS SOUTHWESTERN RW. CO., SPCSL CORP. And THE DENVER AND RIO GRANDE WESTERN RAILROAD CO.

The State of Oregon, through its Department of Transportation, in compliance with Decision No. 16, has served a copy of its Notice of Participation, as well as that of the Port of Portland, on all Parties of Record in this proceeding.

CERTIFICATE OF SERVICE

I certify that I have served by US mail, postage pre-paid, this Notice on all Parties of Record in this proceeding.

Dated: February 29, 1996

Claudia L. Howells
Oregon Department of Transportation

Office of the Secretary

MAR 26 1996

Part of Public Record
March 21, 1996

Finance Docket No. 32760

Dear Mr. Williams:

This letter is being sent to all parties of record to notify them that the following documents were filed in the above-captioned proceeding by Save The Rock Island Committee (STRICT):

1. Reply in Opposition of Save the Rock Island Committee, Inc., to Petition For Waiver of or Exemption From 49 U.S.C. Section 10904(E)(3) and 49 C.F.R. Section 1152.13(D) (STRC-1), filed August 24, 1995.


STRICT also filed a notice of intent to participate (STRC-6) on December 15, 1995, and served discovery on applicants (STRC-7), service of which on all parties is not required by Decision No. 16 in the referenced proceeding.

This letter is being served on all parties of record following recent communications from your office correcting earlier advice that the foregoing notification of filings was not required by Decision No. 16. Under the circumstances, a waiver of the time limit for serving this list of pleadings is requested if necessary. Any party requiring a copy of any of the foregoing documents who has not previously received same should request it from me.

Very truly yours,

William F. Jackson, J.

WPJ/jmb

cc: Mr. Jim Link
All Parties of Record
CERTIFICATE OF SERVICE

I, William P. Jackson, Jr., counsel for Save the Rock Island Committee, Inc. ("STRICT"), certify that on this 21st day of March, 1996, I caused a copy of the attached notice to be served by first-class mail, postage prepaid, on all known parties of record in Finance Docket No. 32760.

[Signature]

William P. Jackson, Jr.
March 22, 1996

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

Re: F.D. No. 32760, et al.
Union Pacific-Control & Merger-Southern Pacific

Dear Mr. Williams:

This is to certify, in accordance with Decision No. 17 (served March 7, 1996), that I have served a copy of all filings submitted so far in this proceeding (UTUI-1, JDF-1) on behalf of United Transportation Union, Illinois Legislative Board, and United Transportation Union, General Committee of Adjustment, on all designated parties of record by first class mail postage-prepaid.

Very truly yours

[Signature]
Attorney for UTU-IL and UTU-GCA
Mr. Jerome Nelson  
Federal Energy Regulatory Commission  
Mr. Vernon Williams  
United States Dept. of Transportation  
Surface Transportation Board  
12th and Constitution Ave. NW Room 1324  
Washington DC 20423  

March 15th 1991

Gentlemen,

I am writing asking for party status to the pending UP-SP merger, because of the work we have done as Union Pacific engineers being diverted to the BNSF Railroad apparently as a trade off or as a deal to gain BNSF railroad support for the UP-SP merger.

Please review some of the enclosed letters which describe the expanding situation in the Pacific Northwest and Washington State in particular. I will begin with our problems with the proportional rate scheme, where two carriers bid to serve a customer and the successful bidder either provides the service or contracts with the unsuccessful bidders crews to provide the service. I compare this to the oil business where you buy brand A gasoline however it comes out of the brand D pipeline. This confuses the customer while charging more for the service.

Haulage agreements allow railroad management to decide who will provide the service rather than the customer who pays for the service. This is anti-competitive and does not improve the situation.

Service measures a railroads commitment by management to serve and the condition of its equipment, availability, access, and crews skill in providing the service day after day. For example if a particular railroad needs motive power in it’s coal fields, the higher rate coal business will command the extra horsepower and the customers at the Ports of Seattle and Tacoma Wash. will have to hold business to wait for available locomotives. When the monopoly one railroad, BNSF has for control over all east west routes and all north south routes in the state of Washington then the customer and rates and access will be limited.

Union Pacific employees have asked for UP railroad to negotiate with the BNSF for access to a soon to be reopened east west route to help with congestion and access to the western Washington ports, but UP management seems to be paralyzed with fear that the BNSF might object or withdraw support to the pending UP-SP merger. When the BN and the Santa Fe merger combined a far reaching single line service, the UP railroad received a small trackage access in Nebraska. Now when the UP-SP merger is being considered the BNSF railroad will receive several hundred miles of trackage rights and International connections to Mexico and trackage rights between Bieber and Stockton California for a single line service between San Diego and Vancouver BC Canada. This includes access for BNSF to every west coast sea port.
March 15th 1996

We have watched BN railroad block out UP access to the coast route between Seattle and Vancouver BC Canada, about 120 miles. We have also watched BN deny access to their double track between Seattle and Tacoma, (29 miles) when congestion on the UP single track plugged up traffic. The closed BNSF Stampede pass route will soon be reopened with help from Washington state DOT and other government agencies, the BNSF has said they will keep it closed if UP railroad and crews had access to this route when the BNSF keeps traffic bottled up on the BNSF’s Tacoma Portland route. The UP has given trackage to the BNSF on the UP Olympia branch and the Grays harbor branch and diverted many main line trains to the BNSF and access at many points in between.

Apparently BNSF is determined to take all the business while giving little or no access to UP railroad. The balance has been lost with the merger of the BN and the Santa Fe railroads.

I think you have the hardest job of all trying to restore balance to the rail system and some measure of competition to the railroad system in the western United States dominated by the BNSF which has been determined to block any competition in the Pacific Northwest.

I will emphasize that I only speak for our local division of Union Pacific engineers and do not know of adverse affects on other BLE divisions which may be affected by this pending merger but I believe you probably should combine UP-SP to counter the monopoly of the BNSF.

The devil still remains in the details as to how you restore balance and access to the transcontinental and international freight business in the western U.S. with trackage rights and access. Our customers need safe and reliable service at reasonable rates to balance the shippers needs and the railroads capabilities and the professional skill of the railroads employees. If I can clarify or explain any of the information I have enclosed please let me know and I hope you could send more information to us as it becomes available. Thank you for your time.

Sincerely,

Dan Potoshnik secretary UP BLE division 892 Seattle

cc: 892 division officers
cc: Dave Stewart BLE GC WR
cc: Warren Wilson UPRR
Senate Transportation Committee Members
Senator Brad Owen Chairman

Concerning ESHB 2832 Stampede Pass Milwaukee corridor

We are writing to follow up on a few of our safety and operational concerns that we were asked to comment on by Senator Prentice, at the committee hearing on February 26th 1996.

We are concerned about short line (WCRC) railroads operating with unqualified crews and equipment over difficult mountain grades and through sensitive areas such as the Green river gorge which supplies the Tacoma city water supply.

We believe that a shortline WCRC could not be financially responsible to protect these sensitive areas in the event of an accident or derailment. BNSF and UP railroads are financially responsible and their crews are qualified and capable to serve the needs of the customers.

Another area of concern is the proportional rate and haulage agreements between railroad carriers, which have the following effects upon shippers, rates and service. Two railroads bid for the customers business and the successful bidder either provides the service or contracts with the competing railroads crews to provide the service to take the financial resources of the bidding railroad elsewhere.

This complicated scheme is similar to the oil business when you buy brand A gasoline and it is supplied by another company out of the brand D pipeline, confusing the customer while charging more for the product. Trackage rights allows another railroad to actually provide service on a route such as the North, South route between Tacoma Wash. and Portland Oregon.

In closing we would also express concern about the BNSF railroad having exclusive control and access to all East West corridors and the North South corridors with limited access by Union Pacific between Tacoma Wash. and Portland Oregon Southward. This may have a negative effect on shipper's service, rates and access to services. If we can answer any questions please let us know.

Sincerely,

Nick Flores President
Dan Potoshnik Secretary

cc: Sid Morrison WsDOT
cc: BLE GC Dave Stewart
cc: Bob Gallanore UPRR
Mr. Dennis Duffy Manager Quality
Union Pacific Railroad
1416 Dodge St. Room 430
Omaha Nebraska 68179

Dear Mr. Duffy,

I am writing to inquire if Union Pacific has any plans to improve our service to the Seattle and Tacoma Wash. area. I have written a few letters and I will enclose copies and ask that you review them. I have received no response from management and I think that is probably due to the pending UP-SP merger. Omaha is backing away from anything the BNSF might possibly object to. Unfortunately our service to Tacoma and Seattle has deteriorated over the last five years that customers have diverted business to the BNSF because the UP cannot handle it.

Specifically the BNSF has plans to reopen the Stampede pass route with help from the Washington State DOT and the Ports. I believe that the UPRR should also seek access to this route to maintain our service to Seattle and Tacoma with UP crews since the BNSF has effectively limited our service on the north, south route. Recent statistics have proven the BNSF intermodal traffic has increased while the UP has declined. How long will Omaha be paralyzed in making any decision?

Our local managers have been supportive and even the conductors have expressed support for UP service across Stampede pass from Auburn to Yakima where I believe the current UP trackage rights end. This would connect to Kennewick and Wallula and on to Hinkle Oregon. The BNSF has controlled access and denied UP access while taking help from the Washington state DOT and other government agencies.

The BNSF is already hauling United Parcel Service which we used to haul eastbound and they are probably going to get APL business also. The current situation will only get worse and the projected traffic will go elsewhere so maybe we can learn a lesson from the BNSF where their management works with their employees to provide service to our customers. If you need more information please write or call.

Sincerely,

Dan Potoshnik secretary BLF 892

cc: Dave Stewart GCA
cc: Nick Flores 892 President
cc: Bob Hines UP Seattle
cc: Bob Gallamore Omaha
Mr. Robert Naro  
Vice President Operations  
Union Pacific Railroad  
1416 Dodge St.  Room 1206  
Omaha Nebraska  68179  

Dear Mr. Naro,

I am writing to ask you about proposed changes at the Seattle Wash. and the Portland Oregon area as a result of the pending Burlington Northern and the Santa Fe merger, and the Union Pacific and the Southern Pacific merger. We were dismayed to hear that Omaha had not asked for any access in the northwest area, which has been frequently plugged during heavy traffic levels. The ports of Tacoma and Seattle have to explain to customers why the railroads can't get their act together and improve the service.

Recently the tonnage has been at a medium level, however when the Continental grain elevator at Tacoma reopens after the recent fire and explosion it will be difficult at best to get a train through Tacoma.

During August there were rumors about changes in plans by the UP to serve customers North of Seattle however I believe the UP will be shut out by the BN general managers, who have been determined to block any service by the UP anywhere. Since August we have watched the UP give trackage rights to the BN on the Olympia branch and give all the service on the Grays harbor branch to the BN and on Sept. 7th two military trains were exchanged on the main line at Kenton and Champ Oregon and crewed with BN crews while two UP engineers were deadheaded home. The trains were SSCPDC-31 led by engines UP9020 and UP3582 and SSCPDC-01 led by engines UP6021 and CSXT8427. The engineers affected were Roy Gill and Ron Ryan. At the least this was a screwed up interchange compounded by the management decision to use MOP's Larry Breeden and Hank Saathoff to pilot the BN crews instead of operating department personnel. The BN crews took the two 58 car trains north to Tacoma and combined them to deliver them to Fort Lewis Washington. My question is why couldn't the UP work with the UP labor representatives to serve UP customers instead of contracting to the BN?

Recently some UP crews were delivering trains to the Fort Lewis via Nisqually and quite a few years ago the UP declined to provide the service to the fort when it discontinued the Wabash turn.

This trend of declining service and giving away more and more work to the Burlington Northern makes us wonder why a customer would want to ship with the Union Pacific and pay more for less service? I have watched while the UP backs away from serving the customers more and more while maybe the UP serves the customer some where else, on our district you can see for your self what is happening. Our crews have earned service awards from our customers. While management has been
willing to give up and give away service that has taken our crews a long time to earn. Let me describe something else to you, the BN and the BLE state legislative board have worked with the Washington state department of Transportation to help with access and financial cost to reopen the Stampede line between Auburn Wash. and the Richland, Pasco area. This plan will connect to the Spokane line and the BN main line to Chicago and increase their capacity significantly. Does the UP have any service plans in this area? I admire the cooperation between the BNRR and its Labor Representatives. This is something the UP has been lacking in consistently.

I'd like to describe something else, recently we asked Boise Service Unit Superintendent Jerry Heavin to ask the BN Superintendent Kevin Spradlin if to relieve congestion at Tacoma could we divert straight through trains around on the BN double track to Seattle. The reply was no and probably more direct than that. The BN will let their own crews die on hours of service at Tacoma behind waiting UP trains holding both on the UP single track at Reservation, rather than let the UP have access to this route. Does Omaha have any plans to help serve the customers here or more of the same which has been to retreat from the hard work of serving our customers.

I'd like to speak about cost, which is something dear at heart to management. Does the car mile charges and the Maintenance of way cost and the operations charge for dispatching and probably even a fee for administrative cost that the BN charges the UP for all of these interchanges how can all of these costs be shuffled into so many different budgets? Hopefully your own UP crews are your best choice investment and with a little support from Omaha we can move forward and serve our customers better than we have in the past. Please let us know what Omaha has planned so that maybe something positive can be accomplished.

Sincerely,

Dan Potoshnik BLE division 892 Seattle

cc: Tom Frederick
cc: Nick Flores
cc: Dave Stewart
cc: Jerry Heavin
Mr. Barry Michaels General Manager  
Union Pacific Railroad  
1416 Dodge St. Room 642  
Omaha Nebraska 68179

Dear Mr. Michaels,

I am writing enclosing more information following the letter from MTO Bob Hines concerning planned expansion by the BNSF railroad for the ports of Seattle and Tacoma Washington. I have written earlier to ask if Union Pacific management had any plans for improving our service to the ports and I have been unable to get even a response from Omaha management.

I believe the BNSF railroad has utilized its connections with the ports and the State of Washington Department of Transportation for financial support while the UPRR has little or no access to serve our customers. In essence why would our customers choose Union Pacific service when we do not have access to serve our customers?

Currently our APL and UPS and doublestack trains follow BNSF lumber and grain trains which are underpowered so we operate on approach block signals all night long averaging slow speeds 35mph or less. I hope that Omaha has some plans for improving our service so we can serve our customers better.

Enclosed is more information about BNSF plans to reopen the Stampede pass and or the Snoqualmie pass route please let us know what we can do to help.

Sincerely,

Dan Potoshnik secretary

cc: Tom Frederick  
cc: Nick Flores  
cc: Larry Smith Omaha
examiners yesterday killed in a week, but were exactly how the identified as Tamu was found in a block of South at 3 a.m. Friday, urnell Slagton, 26, an hour later in about five miles of Midland.

Office listed the violence in both
tan said the to be deter-
obtained through
utician, and her sometime commun-
ian said. The ing checked out,
re bizarre cases Sebastian said.
e. You've got two ed in a fire at've got a lot of

Lowry offers a rail plan

Hikers, bikers would get trail; trains, a track

By MICHAEL PAULSON
OLYMPIA - Attempting to please trail lovers and rail companies that are eyeing the same stretch of abandoned track, Gov. Mike Lowry yesterday proposed legislation intended to revive a dormant freight line across the Cascades and complete a trail across the state for hikers, bikers, skiers and horseback riders.

Lowry's proposal for use of the old Milwaukee Road right of way, which is now largely owned by the state, was one of 19 pieces of legislation he said he will ask the Legislature to pass during the session that begins Jan. 8.

Lowry also said he will ask the Legislature to raise the minimum wage from $4.90 per hour to $5.30 per hour by 1997, to impose stiffer penalties on juvenile sex offenders and on adults convicted of domestic violence, and to extend legal protection for private sector employees who report fraud by their employers.

Lowry has had a mixed record at seeing his proposals enacted into law by the Legislature, and the next session may be particularly difficult for the governor because it is scheduled to last only 60 days and will likely be overshadowed by election-year politics.

Raising the minimum wage has never been popular among Republican politicians, and is not likely to be an easy sell next year.

But the governor, who may him-
Prothero's loss from blaze

Prothero used to rise well before dawn every day and go down to his dock to work on The Glory of the Sea. Prothero's family has been building ships since 1870, when his great-grandfather William arrived from Wales and set up shop at Fairview Avenue and 10th Street.

Prothero, who ran a boat yard on Lake Union with his brother for about 30 years, described himself as a "wood butcher." He helped build an estimated 250 vessels, including a small wooden schooner years ago. The two-alarm blaze that destroyed Prothero's barge-drydock drew between 70 and 80 firefighters, who brought the fire under control shortly after 10 a.m., Fire Department Captain Paul Feist said. The fire also destroyed equipment, refishing supplies and Prothero's tools, some of which were handmade.

"Says Prothero said his husband didn't want to see the destruction. We are upset enough," she said. The Coast Guard has taken control of the scene to protect the lake's water from pollution. Booms have been erected around the scene.

No cause or damage estimate will be determined until the barge is refloated, Feist said. Fire officials planned to return to the barge today to continue their investigation.

Other smaller boats near the dock also were hauled clear of the flames. "No one was hurt. There was no big ecological disaster. None of the boats were damaged," said Hobie Stibbins, production manager at Lake Union Drydock. "The fire department did a very remarkable job."

This schooner has gotten into trouble before. Vandalism in 1982 partially sank the barge and the shed on the barge collapsed onto the schooner. Prothero rebuilt that time.

Rail: Lease would pay for trail

If there is a good economic interest, and at the same time you get the trail open, we'll have to take a look at it seriously," Owen, D-Shelton, who said, "it has been an issue for a long time." With the money paid, the Burlington Northern to build and run the trail across the state. The state of Ellensburg is already poised among mountain bikers, horse riders, cross-country skiers and others. But the eastern part of the trail is rough and little used.

Some sections are overgrown, so there is no trail at all, and there's no funding for maintenance," said Owen, author of "Washington's Rail Trails," who bicycled across 220 miles of the trail. "There's increasing use by landowners for lowland trails, especially trails open to all kinds of use, which would provide a mechanism."

Governor's proposal was the last interest by Senate Transportation Committee Chairman Brad Owen, D-Shelton, who said, "it has been an issue for a long time." With the money paid, the Burlington Northern to build and run the trail across the state. The state of Ellensburg is already poised among mountain bikers, horse riders, cross-country skiers and others. But the eastern part of the trail is rough and little used.

"If there is a good economic interest, and at the same time you get the trail open, we'll have to take a look at it seriously," Owen said. The minimum wage proposal got a less enthusiastic reaction.

"This is a kind of worn-out debate that the Democrats run back to when they're in trouble," she said. "They're hiding behind the people they purport to help, which isn't fair if they don't want to talk about the real problems.

And Carolyn Logan, Washington state director of the National Federation of Independent Business, said her organization would oppose the increase even though only 3 percent of the group's members pay any full-time workers the minimum wage. "Bumping up wages bumps up business costs and limits the ability of people to get minimum wage jobs," she said.

Pair ch with al their ch

The stepfather, DeWayne D. DeWayne D. Dec 20 and against him were filed charges of sexual abuse by a police spokesman.

Elizabeth Ginn, 7-year-old son of Don Ginn, has been charged with the murder of the three children.

Both Ginnett's stepfather and mother were arrested on Dec 20 and against him were filed charges of sexual abuse by a police spokesman.

State officials plan to send children in temporary care while the charges are handled.

Deputy Prosecuting Attorney said the abuse began a 9-month period. The abuse by abuse by a stepfather or mother is "very rare."
Mr. Ron Burns President  
Union Pacific Railroad  
1416 Dodge St.  
Omaha Nebraska 68179

February 9, 1996

Dear Mr. Burns,

I am writing to ask if Union Pacific has any plans for expanding service to our customers in the Seattle and Tacoma Washington area. I have watched the UP railroad management decline to provide service and divert work to the Burlington Northern Santa Fe Railroad crews while leaving UPRR crews wondering, and watching the work we have usually done given away. I have watched work given away on the Grays Harbor Branch, on the Olympia Branch, and even Main line trains between Portland, Oregon and Seattle, Washington. Our UP crews watched and wondered why our good service was not backed up by Omaha management. I believe that the UPRR misses an opportunity when it does not utilize its own crews. It also appears to be a way for UPRR managers to save their budgets by diverting the work to the BNSF RR, while the bill for the service comes to the UPRR later.

Let me describe something to you. Recently, a fellow engineer described a trip where he hauled a train between Portland, Oregon and Longview, Washington where a disagreement between a local manager and train management occurred. The local manager wanted this crew to switch Longview and train management wanted the crew to cut off and run for Vancouver, Washington to pull empties to avoid causing the customer to shut down. Train Management overruled the manager and sent the crew to Vancouver. Someone unknown arranged for the BNSF to pull the empties, so when this crew arrived, the BNSF had already pulled the empties. BN engine 3503 pulled the 96 empties and the UP crew went on into the terminal, this was on January 7th. On January 8th a whole train of UP business was delivered to the UP Albina yard pulled by UP engine 907 with a BNSF crew aboard. this appears to be how the budget gets circumvented and the customer gets short-changed. The budget is more important to managers than the customer is, and I believe this is what is wrong with our service. Access is critical in our area because of capacity restraints. Also critical is support from Omaha, which has not supported anything except a smaller budget even when business increases. Enough about the budget.

Let me describe something else to you; our operations. On February 7th, 1996, I was the engineer aboard the APL Seattle eastbound landbridge train UP
engine 9725 south. We entered the BNSF RR at Tacoma, and on the double track ran around the BNSF 111 train who was working at Tacoma. Our train was about 2 miles ahead of 111 train with no work or speed restrictions. Fort Worth BNSF dispatcher stopped our APL train to put BNSF 111 back in front of our train with a speed restricted, under-powered and heavy tonnage train, of mixed freight lumber grain and boxcars. This caused significant delay and is normal procedure. In fact, APL and UPS business has no priority and is regularly put behind BNSF grain trains. UPS business out of Seattle eastbound regularly goes on the BNSF because the UP does not have access or desire to serve this business.

Let me describe something else to you. A few years back we hauled coal between Sharp Utah and Centralia Washington on train symbol CSSUCW. I was the engineer aboard this train and we had an uneventful trip from Portland Ore. to Centralia Wash. When we arrived at Centralia we usually put about 110 cars in the Main 2 siding which was clear. The BN trainmaster said no because there was a BN coal train between Pasco and Vancouver Wash. about 200 or 300 miles behind our train. Our next suggestion was the Main 1 siding which was also clear. Again the BN trainmaster said no because the BN coal train which was behind us would come in and be switched and unloaded and the empties when they were available would go in the Main 1 siding so we were sent north to put the train in the next two stations 10 miles north of Centralia. Two more crews later the train was finally again delivered to Centralia. With this kind of runaround it is amazing that the customers ship with us at all.

There are usually several derailment or congestion problems which block the North/South main line leaving UP customers at the Ports of Seattle and Tacoma left out. When the line opens the BNSF trains will go first, and days later, the UP trains will be fit in giving our customers second rate service and excuses from Omaha. I believe we need a second way to serve our customers over the abandoned Stampede or Snoqualmie pass routes. This is vital if you plan to compete with I-5 traffic in the future. Please see the enclosed articles from the local newspaper describing the BNSF plans while the UP will have no access to this project while the Washington State Department of Transportation helps support this project. You will find a report of a meeting enclosed where no one from UP management attended. I hope that someone at Omaha supports the idea of serving our customers with our crews and would support the idea of joining with the BNSF to open these lines which have been abandoned for many years. This would be a win for the customers of the Ports and for BNSF and UP railroads and their crews. Please let me know if you need more information.

Thank you for your time.

Sincerely,

Dan Potoshnik
Secretary, Brotherhood of Locomotive Engineers
Division 892
March 21, 1996

Vernon A. Williams
Secretary
Surface Transportation Board
12th Street and Constitution Avenue, N.W.
Room #2215
Washington, D.C. 20423


Dear Secretary Williams:

Applicants have received a copy of the Board's March 19, 1996 Decision No. 20. Footnote number three states that Applicants' appeal of Judge Nelson's Wednesday, March 6 order, dated March 11, "was in fact filed with the Board at approximately 3:00 a.m. on Tuesday, March 12." The footnote also states that applicants' reply to Entergy/WCTL's appeal was filed "in the early hours of March 12."

Applicants appreciate the fact that the Board accepted the appeal and response. Based on our internal records, however, we are confident that both pleadings were filed on the evening of March 11. On the date-stamped copies we received, the "2" in "12" was crossed out and made a "1," presumably to indicate "11." This change was initialed. We suspect that the Board's date-stamp inadvertently was set on an incorrect date.

Applicants understand the importance of adherence to deadlines and continue to make every effort to meet the deadlines set forth in Decision No. 6. Applicants would appreciate any steps you could take to correct the record on this matter. Thank you for your assistance.

Sincerely,

Arvid E. Roach II

Enclosure

cc: Restricted Service List (by facsimile)
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' APPEAL FROM ALJ'S ORDER
GRANTING DOW'S REQUEST TO TAKE CERTAIN DEPOSITIONS

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

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

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

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

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

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

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

March 11, 1996
BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

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

APPLICANTS' RESPONSE TO ENTERGY'S AND WCTL'S APPEAL
FROM ALJ'S ORDER DENYING REQUEST TO TAKE CERTAIN DEPOSITIONS

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

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

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

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

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

ARVID E. ROACH II
J. MICHAEL HEMMER
MICHAEL L. ROSENTHAL
Covington & Burling
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, D.C. 20044-7566
(202) 662-3388

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

March 11, 1996
March 21, 1996

BY HAND

Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street & Constitution Ave., NW
Room 2215
Washington, DC 20423


Dear Secretary Williams:

Earlier today, we received a copy of Decision No. 20 in Finance Docket No. 32760. Footnote No. 3 to this decision states that:

BN/Santa Fe’s repl[y] to Entergy/WCTL’s appeal [was] filed in the early hours of March 12, but should have been filed on March 11.

We have reviewed the records concerning the filing of BN/Santa Fe’s reply, and, as indicated by the attached messenger receipt, BN/Santa Fe’s reply was filed with the Guard at the Surface Transportation Board on the evening of March 11 before 7:30 p.m., which was the time the date-stamped copy was returned to our office. We believe that the Guard may have inadvertently had the date-stamp set for March 12.

We recognize and appreciate that the Board accepted BN/Santa Fe’s reply for filing. BN/Santa Fe has made and will continue to make every effort to comply with deadlines imposed by the Board and the Administrative Law Judge in this proceeding.
Thank you for your time and attention to this matter. Please call me if you have any questions.

Sincerely,

Erika Z. Jones

cc: Administrative Law Judge Jerome Nelson
All Parties on Restricted Service List
<table>
<thead>
<tr>
<th>CLIENT</th>
<th>FROM/TO</th>
<th>SIGNATURE</th>
<th>PRINT LAST NAME</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD 298</td>
<td>NH 1281</td>
<td>M. Freeman</td>
<td>Freeman</td>
<td>15:30</td>
</tr>
<tr>
<td>VA 101</td>
<td>NH 1281</td>
<td>T. Jerome</td>
<td>Stewart</td>
<td>16:20</td>
</tr>
<tr>
<td>WA 101</td>
<td>NH 1281</td>
<td>M. Edmund</td>
<td>Edmund</td>
<td>15:30</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>M. Gedney</td>
<td>Gedney</td>
<td>16:35</td>
</tr>
<tr>
<td>CT 101</td>
<td>NH 1281</td>
<td>X. Powell</td>
<td>Powell</td>
<td>5:22</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>T. Morgan</td>
<td>Morgan</td>
<td>3:07</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>J. Bacon</td>
<td>Bacon</td>
<td>5:15</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>T. McAdoo</td>
<td>McAdoo</td>
<td>5:38</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>R. Holbrock</td>
<td>Holbrock</td>
<td>6:08</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>E. A. Miller</td>
<td>Miller</td>
<td>9:10</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>P. Hynan</td>
<td>Hynan</td>
<td>7:15</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>S. Gary</td>
<td>Gary</td>
<td>8:15</td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>A. Miller</td>
<td>Miller</td>
<td>9:50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>getClient</th>
<th>getFrom</th>
<th>getTo</th>
<th>getSignature</th>
<th>getPrintLastname</th>
<th>getTime</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD 298</td>
<td>NH 1281</td>
<td>M. Freeman</td>
<td>Freeman</td>
<td>15:30</td>
<td></td>
</tr>
<tr>
<td>VA 101</td>
<td>NH 1281</td>
<td>T. Jerome</td>
<td>Stewart</td>
<td>16:20</td>
<td></td>
</tr>
<tr>
<td>WA 101</td>
<td>NH 1281</td>
<td>M. Edmund</td>
<td>Edmund</td>
<td>15:30</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>M. Gedney</td>
<td>Gedney</td>
<td>16:35</td>
<td></td>
</tr>
<tr>
<td>CT 101</td>
<td>NH 1281</td>
<td>X. Powell</td>
<td>Powell</td>
<td>5:22</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>T. Morgan</td>
<td>Morgan</td>
<td>3:07</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>J. Bacon</td>
<td>Bacon</td>
<td>5:15</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>T. McAdoo</td>
<td>McAdoo</td>
<td>5:38</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>R. Holbrock</td>
<td>Holbrock</td>
<td>6:08</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>E. A. Miller</td>
<td>Miller</td>
<td>9:10</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>P. Hynan</td>
<td>Hynan</td>
<td>7:15</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>S. Gary</td>
<td>Gary</td>
<td>8:15</td>
<td></td>
</tr>
<tr>
<td>NY 101</td>
<td>NH 1281</td>
<td>A. Miller</td>
<td>Miller</td>
<td>9:50</td>
<td></td>
</tr>
</tbody>
</table>
March 13, 1996

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

Re: Compliance with Decision No. 17, issued March 7, 1996, regarding Finance Docket No. 32760, ICC Dockets AB-12 (Sub-No. 1888) and AB-8 (Sub-No. 39)

Dear Sir/Madam:

I enclose an original and five copies of a Certificate of Service, which certifies Viacom International Inc.'s compliance with Decision No. 17 of Finance Docket No. 32760 requiring parties to serve additional other parties with a list of numbered pleadings submitted in connection with the above-referenced matter.

I understand that service of additional parties of record was to be completed by March 12, 1996. Due to a delay in receiving Decision No. 17, however, service was completed as quickly as possible.

Sincerely,

Jeffrey B. Groy

Enclosures
cc: (w/o encls.)
Felicity Hanney, Esq.
Arvid E. Roach II, Esq.
Paul A. Cunningham, Esq.
CERTIFICATE OF SERVICE

Pursuant to Decision No. 17 in Finance Docket No. 32760, I certify that on this 13th day of March 1996, I served a list of numbered pleadings submitted by Viacom International Inc. to the additional parties of record listed below by causing it to be mailed via U.S. Mail, postage prepaid.

Sue Ballenski
Physical Resources
U.S.D.A Forest Service
P.O. Box 25127
Lakewood, CO 80225

Jane T. Feldman
Asst. Attorney General
State of Colorado
1525 Serrano Street, Suite 500
Denver, CO

Eric M. Hocky
Golatz, Griffin & Ewing
213 West Miner Street
P.O. Box 796
West Chester, PA 19381-0796

Dick Schiefele
7801 Woodharbor Drive
Fort Worth, TX 76179

Anne D. Smith
White & Case
1747 Pennsylvania Avenue, N.W.
Washington, DC 20006

D.E. Thompson, General Chairman
Brotherhood of Locomotive Engineers
414 Missouri Blvd.
Scott City, MO 63780

J. Tucker
P.O. Box 25181
Arlington, VA 22202

George T. Williamson
Management Director
Port of Houston Authority
P.O. Box 2562
111 East Loop N.
Houston, TX 77029

Tami J. Yellico
Pueblo County Courthouse
215 West 10th Street
Pueblo, CO 81003

Stephen D. Alters
Alfers & Carver
730 17th Street, (#340)
Denver, CO 80202

John D. Dallas, Agency Engineer
Industry Urban-Development Agency
15651 East Stafford Street
P.O. Box 7089
City of Industry, CA 91744

Kenton Forrest
Secretary, Intermountain Chapter
National Railway Historical Society
Termini Annex
P.O. Box 480181
Denver, CO 80248

Susan B. Gerson
J. Michael Cavanaugh
Graham & James, LLP
2000 M. Street, N.W., Suite 700
Washington, DC 20036

Russell S. Jones, III
Mountain Coal Company
555 17th Street, Suite 2200
Denver, CO 80202

William R. Knight, Director
Fuel Services Department
Wisconsin Power & Light Co.
P.O. Box 192
222 West Washington Avenue
Madison, WI 53701-0192

Richard H. Streeter
Barnes & Thornburg
1401 Eye Street, N.W., Suite 500
Washington, DC 20005

Steve Tucker, President
Denver and Rio Grande Western Employees Labor Committee
2048 J Road
Fruita, CO 81521

Betty Jo Christian
Stephens & Johnson
1330 Connecticut Ave., N.W.
Washington, DC 20036-1795
Pursuant to the Board's Decision No. 17, served March 7, 1996, , Marc Racicot, Governor of the State of Montana, herewith list the pleadings filed to date in the above-styled proceeding:

1. Petition for Leave to Intervene - Filed January 10, 1996 - MTGO-2
2. Description of Inconsistent and Responsive Application - State of Montana - Filed January 29, 1996 - MTGO-3

Further pursuant to the Board's decision, petitioner, will, upon request, serve a copy of the above-described pleading.

CERTIFICATE OF SERVICE

Pursuant to the Board's decision, this document has been served upon each of the parties of record identified in Decision No. 17, by mailing them by first-class mail, postage prepaid.

Dated at Helena, Montana this 15th day of March, 1996.

MARC RACICOT
Governor
March 18, 1996

VIA FACSIMILE

The Honorable Jerome Nelson
Administrative Law Judge
Federal Energy Regulatory Commission
Room 11F21
888 First Street, N.E.
Washington, D.C. 20426


Dear Judge Nelson:

Applicants intend to raise at the hearing on March 20 all of the issues addressed in my letter of March 13 as to the parties identified there. We are pursuing discussions with counsel for the parties and hope to be able to report prior to the hearing that some of the issues have been resolved.

In addition, the issues that are raised in my March 13 letter in regard to the response of Wisconsin Electric are raised a fortiori as to the following parties represented by the same counsel, who made the same objections Wisconsin Electric made earlier but did not serve anything on March 12: Illinois Transit Assembly Corp., Springfield Plastics, Inc., and Mountain Plains Communities and Shippers Coalition.

The responses of International Paper (which Applicants just received today) and Kennecott raise the same issue regarding UP and SP traffic files as the Dow responses, referred to on page 2 of my March 13 letter. We are pursuing discussions with all three of these parties in an effort to resolve this issue before the hearing.

In addition, if there is a need to do so, we intend to raise the issue whether parties intending to file testimony should be required to give us alternative dates when their
The Honorable Jerome Nelson
March 18, 1996
Page 2

witnesses will be available for deposition between April 8 and 19, as we have requested. We have asked that parties advise us immediately if they are not willing to do so, so that we may raise the issue in a timely manner. So far we are not aware of any refusals.

Sincerely,

Arvid E. Roach II/cfs

cc: Restricted Service List
March 13, 1996

VIA FACSIMILE

The Honorable Jerome Nelson
Administrative Law Judge
Federal Energy Regulatory Commission
Room 11F21
888 First Street, N.E.
Washington, D.C. 20426

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

Dear Judge Nelson:

This is in response to Mr. McBride's letter of March 13 concerning the issue of whether associations have any duty to attempt to seek information from their members in response to Applicants' discovery requests.

The issue is not academic as to Western Shippers Coalition ("WSC"), as Mr. McBride suggests. We raised the issue because all of the association parties, including WSC, objected generally that they had no duty at all even to seek information from their members in responding to Applicants' requests. WSC made such a general objection (General Objections ¶ 13), as well as its objections to specific interrogatories (see response to Applicants' Document Request No. 25). The issue will also arise with respect to discovery requests Applicants serve after March 29.

We are not aware of any ICC or Surface Transportation Board precedent supporting the broad position of WSC and the other associations. As with other parties, they should have to demonstrate as to each request that requiring or even requesting the members to respond would entail an undue burden, and that the
information sought is not relevant. Applicants are prepared to address specific objections about burden and relevance relating to securing responses from association members, but it is difficult to do so productively if an association contends that it cannot even be required to make an inquiry.

In some cases, moreover, members may have obligations to assist and provide information to the association as to matters where the association is purporting to represent members' interests. If members can be called upon to provide information or documents to assist the association or its consultants when it serves their interests, e.g., in opposing the application, they have a comparable obligation to provide information or documents requested by Applicants, if they wish to be able to use or rely upon information from their members in this proceeding. There should certainly be no presumption that information can flow from members to an association only when it is convenient or helpful to them.

Further, the associations have plainly used discovery to obtain information from Applicants for the benefit of their members. Complying with these requests has often been burdensome for Applicants, and has included production of highly sensitive commercial information. Applicants have gone to great lengths to obtain responsive information. These same associations should not now be permitted to shield their members from discovery requests, or from simple inquiries for responsive information.

The fact that WSC may have chosen to make an inquiry of its members, through its consultant, to respond to one interrogatory, does not moot the issue raised by its general objection. This is a threshold issue that should be resolved

---

1 *Cf.* *Pacific Gas Transmission Co.*, 70 FERC ¶ 61,023 (Jan. 13, 1995) (data requests to association seeking information from members should be considered individually on basis of whether request is unduly burdensome and seeks relevant information).

2 Nor is it relevant for this purpose that Applicants did not have someone go to Mr. McBride's office to examine a document that his response described sufficiently. Applicants' requests called upon parties to provide copies of all depository documents by expedited delivery at Applicants' expense, precisely so that we did not have to send people all over town to examine and ask for copies of such documents. WSC did not initially comply with this request.
at the outset as to all parties to whom it applies, so that both sides can know how to proceed with respect to the specific requests where the issue arises.

Finally, the possibility that WSC might ultimately decide not to file anything on March 29 does not bear on the general issue raised as to whether WSC or other associations have any duty at all to seek to obtain information from their members. The issue is relevant and has been raised by the responses of WSC and other parties.

Sincerely,

Arvid E. Roach II

cc: Restricted Service List
March 18, 1996

VIA FACSIMILE

The Honorable Jerome Nelson
Administrative Law Judge
Federal Energy Regulatory Commission
Room 11F21
883 First Street, N.E.
Washington, D.C. 20426


Dear Judge Nelson:

This is in response to Mr. McBride’s letter of March 13 seeking to reopen the issue concerning production of certain information about bids for coal transportation. Mr. McBride asserts that Western Shippers Coalition ("WSC") did not get "what we were to receive" because Applicants did not provide the names of the utilities in question (p. 1). In fact, Applicants were not required to reveal the names of their customers.

Applicants’ obligation regarding this sensitive bid information was based on the arrangements worked out with Your Honor at the March 1 discovery conference, which were in turn a modification of what we had undertaken to do in connection with Your Honor’s rulings on January 26, 1996 concerning WCTL’s requests for rate proposal information. At the January 26 hearing, Applicants agreed to produce information about whether both SP and UP had made bids on shipping coal from Colorado/Utah and the Powder River Basin, respectively, to the same facilities of a list of utilities to be selected by WCTL. In view of the commercial sensitivity of such rate proposal information, Your Honor suggested that the names of the customers for which there was such an overlap not be identified, but rather that the
customers be identified by a code (January 26, 1996 Tr., pp. 967-69).

At the March 1 hearing, after Your Honor ruled that Applicants should provide some information about actual coal bid prices, the parties agreed that Applicants would do so by modifying their response to WCTL to include the actual bid prices in instances of overlap. This bid information would be available only to outside counsel, while information about the relationship of the SP and UP bids to each facility would be available to outside consultants (March 1, 1996 Tr., pp. 1630-42). This agreement on the record came after off-the-record discussions in which Applicants explained, in conjunction with counsel for WCTL, what we were required to do under the January 26 ruling, including the provision of coded responses to avoid identification of individual customers. Applicants decided to forgo an appeal from Your Honor’s March 1 ruling (March 1, 1996 Tr., p. 1639) in part because Your Honor had provided for protecting the identity of customers who had received the bids. Applicants wrote to counsel for WSC and WCTL on March 8, 1996 providing the information required as to the two instances identified where bids had been made to the same facilities and offered to discuss provision of the ratios for outside consultants if desired.

WSC now seeks to change the deal it struck and Your Honor endorsed. After Applicants complied in good faith in reliance on the understanding that the confidentiality issue had been resolved, WSC asks Your Honor to require identification of the utility customers and to permit WSC’s consultants to have the actual bid prices. It has provided no basis for such a ruling. WSC received what it asked for in the first instance, and it should not be entitled to a second -- really a third -- bite at the apple.

The concerns about commercial sensitivity of bid information that underlay the original January 26 limitations and the March 1 modifications are as strong as they were then. Even with masking of the customer names, there is a risk that the knowledgeable consultants working for WSC and WCTL would be able to identify the customers in question if they saw the actual bids. That is precisely why Your Honor concluded on March 1 that the information to be provided to consultants would be limited to ratios.

1 Copies of the relevant transcript pages are enclosed for Your Honor’s convenience.
WSC has not shown that Applicants' responses are deficient in any way. Its requests should be denied.

Sincerely,

Arvid E. Roach II

Enclosures

cc (w/o encl.): Restricted Service List
UNITED STATES OF AMERICA
SURFACE TRANSPORTATION BOARD

---

DISCOVERY CONFERENCE

IN THE MATTER OF:

UNION PACIFIC CORPORATION,
UNION PACIFIC RAILROAD COMPANY,
and MISSOURI PACIFIC RAILROAD COMPANY

Finance Docket No. 32760

- CONTROL AND MERGER -

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

Friday, January 26, 1996

Federal Energy Regulatory Commission
Hearing Room 3
Second Floor
888 First Street, N.E.
Washington, D.C.

The above-entitled matter came on for hearing, pursuant to notice, at 9:00 a.m.

BEFORE:

THE HONORABLE JEROME NELSON
Administrative Law Judge

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
FROM COURTROOM TO BURELINS
served by us or served by another railroad but they
don't like the price they're paying there and they
want to negotiate a buy out with that mine.

And in order to be able to run those
numbers, they need a proposal from us so that they
know what their delivered cost would be for either
going to another source of mine or buying out of that
contract and trying to do that. That is very, very
sensitive information. Not to us, but to our
customers.

JUDGE NELSON: So what's your point?

MS. RINN: Well, just other examples --

JUDGE NELSON: We shouldn't give anybody

anything?

MS. RINN: No, what I am saying --

JUDGE NELSON: In this department.

MS. RINN: What I am pointing out is that
we have an obligation to keep this confidential and we
are not free to go ahead and disclose that. That we
either have to get the consent or at least advise
these other parties because they have such
confidentiality --

JUDGE NELSON: How about if we code the
customers by letter or by number? Again, he doesn't
care who they are. He wants to show competition.

NEAL R. GROSS
MS. RINN: That strikes me as being somewhat difficult since this is a document request and the notion is we're supposed to be producing documents and anything can be redacted. We can make an educated guess based on the length of the redaction as to what customer you're talking about.

JUDGE NELSON: We do this on the energy side sometimes.

MR. ROACH: I though it was just whether there had been a bid from a customer. And if we end up with --

JUDGE NELSON: He wants to show two bids to Goldberg and say see, there's competition out there. Well, for these purposes, it doesn't matter if Goldberg's name is O'Brian or Saltenstall or Commonwealth Electric.

MS. RINN: The other thing of it would be --

JUDGE NELSON: So we can code names.

MR. ROACH: Seven of them we have --

MS. RINN: Code names and --

JUDGE NELSON: It could be shipper number two. Who cares?

MR. ROACH: Yeah. Seven customers we had a positive reading on bids for both kinds of coal.
MS. RINN: Yes, if we --

JUDGE NELSON: Well, that’s my suggestion.

MS. RINN: -- had the name of the customer, the destination, that would be --

JUDGE NELSON: Use numbers or letters.

MS. RINN: Yes.

MR. LOFTUS: Your Honor, we’re certainly happy to explore something like that with applicant’s counsel.

JUDGE NELSON: Can you keep it down to the Colorado coals versus the Powder River Basin coals so they don’t have to look for --

MR. LOFTUS: I’ll look at that.

JUDGE NELSON: -- every mine in the systems.

MR. LOFTUS: Colorado and Utah maybe?

JUDGE NELSON: I don’t know enough to know whether that means anything. I see the continuation of the line into Utah.

MR. LOFTUS: Yes, Your Honor.

JUDGE NELSON: And I think Ms. Rinn said -- she told me that there were mines there. That’s fine, Colorado and Utah on the one hand, Powder River Basin on the other. We’ll use the same time frame as we used before and we’ll use that same universe of

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIPTIONS
UNITED STATES OF AMERICA
SURFACE TRANSPORTATION BOARD

DISCOVERY CONFERENCE

IN THE MATTER OF:

UNION PACIFIC CORPORATION,
UNION PACIFIC RAILROAD COMPANY,
and MISSOURI PACIFIC RAILROAD COMPANY

- CONTROL AND MERGER -

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

Finance Docket No. 32760

Friday, March 1, 1996

Federal Energy Regulatory Commission
Hearing Room 3
Second Floor
888 First Street, N.E.
Washington, D.C.

The above-entitled matter came on for hearing, pursuant to notice, at 1:30 p.m.

BEFORE:

THE HONORABLE JEROME NELSON
Administrative Law Judge
just this kind.

JUDGE NELSON: So in doing that work, why can't you also get this price and volume information, whatever it is he gave --

MR. ROACH: Because we'll have to go back and do a thousand more searches to get this because that's not what we've been searching for.

JUDGE NELSON: How far have you gotten?

MR. ROACH: I don't know. I think we're close to being complete with that work.

JUDGE NELSON: Can you find that out?

MR. ROACH: I can find it out.

JUDGE NELSON: All right, let's take a break while counsel finds that out.

(whereupon, the proceedings went off the record at 3:11 p.m. and resumed at 3:24 p.m.)

JUDGE NELSON: Mr. Norton.

MR. NORTON: Your Honor, with respect to the request for the additional discovery, which is separate from the redaction question, we have agreed that we will in addition to providing the information that we were called upon to provide with respect to
the list of shippers identified by Western Coal
Traffic League in response to earlier requests that
you ruled on on January 26th, which were called on us
to identify where there was an overlap in situations
where both companies have significant proposals to the
same facility.

We will, in those instances where that
happened, we will also give information about the
final rate positions of the parties, in addition to
the overlap.

MR. MILLS: Is that for all the applicants
for both Union Pacific and Southern Pacific?

MR. NORTON: That's correct, yes.

MR. MCBRIDE: And just so I make sure we
have clarity on this. The way these rates are often
times quoted, they are shipper cars and rail cars
often times, and they are different types of rates or
tonnage levels. I presume we're going to get that
kind of breakdown, because those are the rates.

JUDGE NELSON: There's a question, Mr.
Norton, whether they'll get a breakdown when it's
shipper cars versus railroad cars. There are
different rate structures.

MR. NORTON: Well, we would -- the rate information is probably going to be comparable in both cases if they are responding to bids that we provided in both ways.

JUDGE NELSON: Anything else?

MR. ROACH: Well, we'll give the final bid for each, if that's broken down two ways, shipper cars, non-shipper cars.

JUDGE NELSON: The final bid is whatever it is.

MR. ROACH: Right.

MR. NORTON: Now we would also think that this information, as we indicated before, ought to be subject to a higher level of confidentiality.

JUDGE NELSON: That's the next question. I'm prepared to turn it over to counsel only.

MR. MCBRIDE: We have a coal expert and so does Mr. Mills. The coal expert is going to review this material and draw the inference and submit the rebuttal testimony. He is outside all of these companies. He's a consultant, just like Mr. Sharp.
So we're not giving this to somebody who is then going to derive commercial advantage.

JUDGE NELSON: For who does he work? Who are his clients?

MR. MCBRIDE: Well, he has done work for coal companies and utilities, as well as railroads. His data base goes to the Union Pacific, Mr. Sharp testified.

His name is Mr. Jerald Vanonneti. He is with Resource Data International. He signed the protective order in this proceeding. He sat in on Mr. Sharp's deposition to prepare this testimony. He's an honorable person. Your Honor can order him to do whatever Your Honor orders him to do with the information, but I have to have him be able to prepare rebuttal testimony about it.

MR. MILLS: We would also like to request that we have one expert who we have not yet finally identified, but we'll be in a similar role. Western expert for -- Western Shippers Coalition also will be permitted to see the information under the same guidelines, but only one.
MR. NORTON: It's not clear how much expertise is needed to hear the two rates and determine one is higher or lower than the other. I'm not sure that this is the same kind of information that is necessary access to the outside experts who are going to be continuing to represent the people we have to negotiate with, and possibly also our competitors.

JUDGE NELSON: I think that Mr. Norton has the better of it on this one as far as you are going to get the numbers that you can make sense out of them. We have experienced counsel here, and deal with such things. I don't think you need experts.

MR. MCBRIDE: I should have told you something.

JUDGE NELSON: In the better world, it would be nicer to have them. But we are dealing with highly sensitive stuff.

MR. MCBRIDE: Let me explain the problem.

I'm sorry, I --

JUDGE NELSON: Which you read at the last minute for. I want you to have some of it, but I want
to respect these protections.

MR. MCBRIDE: I understand. I just want to explain to you that this is a little more complicated than just putting two rates along side one another. Because if it's PRB coal, for example, versus Colorado or Utah, PRB coal is in the 8,000 to 8,500 btu per pound range. Colorado Utah coal is in the 11,000 pound per btu range. Then you have to look at ratings of boilers. This is what these kinds of experts do.

I am not that expert.

JUDGE NELSON: The expert can do all that. Mr. Norton, as long as you can -- price.

MR. MCBRIDE: But he has got to take the numbers and put them on an equal footing so that he can draw a conclusion from them. It is a little more complicated, because the utilities buy the coal on a per BTU basis, so they make these kind of computations. So do the railroads I'm sure, if they are marketing right. He has to be able to draw a conclusion about these somewhat adjusted numbers.

JUDGE NELSON: Is there a way to code the
numbers so the consultant will know what they are?

MR. NORTON: Well, I think that's already provided for as to the response to 30 CTL. We were going to be doing that.

JUDGE NELSON: I'm lost now.

MR. NORTON: No. Part of the ruling on January 26th was that the information would be provided of the overlap, would be provided ultimately in a coded form. So we would be indicating --

JUDGE NELSON: So then the consultant can look at the code?

MR. NORTON: Well, if that applies here, that would alleviate that problem.

JUDGE NELSON: Why don't we do that?

MR. MCBRIDE: Let me make another point. If they are going to give us what is not historical rate information where one railroad won the business over another, then I think almost by definition, that information is not going to be at all useful to him, even if they wanted to theorize he was going to do something with it for some other client in the next negotiation. Every one of these situations --
JUDGE NELSON: Now we're talking about two different things. If the rate -- we're talking about the turnover of rates.

MR. NORTON: Right.

JUDGE NELSON: The winning bid. Is that right?

MR. NORTON: Well, the winning and the losing.

JUDGE NELSON: And the losing bid, the last bid.

MR. NORTON: That's right.

JUDGE NELSON: If there is a system of coding them, which you would have to work out, what harm can it be if the consultant sees the code?

MR. NORTON: I don't think we would have the same problem in that case.

MR. ROACH: But if he sees the rates and what's coded is who is the utility, I think that's what we were talking about.

JUDGE NELSON: I am trying to code the price.

MR. ROACH: Well, it's not going to tell
him anything if he doesn't see what the price is.
That's the problem.

I mean this is what we argued about at
length last time.

JUDGE NELSON: He can see -- we can make
a code of relative strength, like 3X and 2X.

MR. MCBRIDE: We can accept the coding of
the utilities and just take the prices and the rates
and go from there, which I understood was Mr. Norton's

JUDGE NELSON: No, no. The problem is
that he doesn't want your consultant seeing the
prices. My suggestion is that we code the prices.

MR. ROACH: Give a ratio instead of a --

JUDGE NELSON: Yes. Something that would
reflect magnitude, but without the actual real
dollars. Could we do that?

MR. NORTON: That could be done.

MR. ROACH: To go to the consultant, and
the actual prices to the lawyer.

JUDGE NELSON: Yes. Exactly.

MR. ROACH: I think that would be
acceptable.

JUDGE NELSON: So I'm going to direct
that, that coded prices be provided the consultant,
and the real prices to counsel only, outside counsel
only, no --

Okay. What else do we have?

MR. ROACH: I have one other thing I need
to say about this, the matter we just resolved, Your
Honor. That is, that by agreeing to this we are
foregoing our right to appeal. We did this before
with KCS, as you may recall. We found ourselves back
here.

We very much do not want to find ourselves
back here with yet another bite of the apple on this
issue. We thought it was resolved January. Now we're
trying to resolve it on March 1. We are stipulating
to something that we very much would prefer to appeal
from, frankly.

JUDGE NELSON: Well, if we were here for
a third time with seeking further discovery with
reference to this alleged coal competition, I would be
very upset at it. You remind me. Twice is enough.
MR. MCBRIDE: Fair enough, Your Honor. I just need to know since our evidence is due in four weeks and we have to work through a consultant, when the applicants estimate we'll get this information.

JUDGE NELSON: How soon can this production go on?

MR. ROACH: Just as soon as we can do it. We're near the point of identifying where the overlap is. I think it will be a matter of days to go to the overlap cases and get the rate information.

MR. MCBRIDE: Could we set an outside date of next Friday?

JUDGE NELSON: A week from today. How's that?

MR. ROACH: Yes. Unless we come back to you and show you cause, which I don't imagine we'll be able to do.

JUDGE NELSON: That's fine.

MR. MCBRIDE: And then I guess we could come back and show you cause if our understanding of this didn't work.

JUDGE NELSON: Well, I don't really want...
to see this again.

MR. MCBRIDE: I understand.

JUDGE NELSON: We've been through it twice now in a different context.

MR. MCBRIDE: That we understand what we're being told here in kind of hieroglyphics. But it may be that their hieroglyphics and ours are a little different.

JUDGE NELSON: You're going to see the real numbers and the hieroglyphics. You can understand what they did. I would expect Mr. Roach and Mr. Norton or whoever does the work, if there's a question about how the coding translates to the real numbers, that somebody could help them see that relationship.

MR. ROACH: Sure.

JUDGE NELSON: All right?

MR. ROACH: As long as everybody is being fair and candid with everybody, we'd like the study of Mr. Vanannetti or Vasanetti that you said you'd give the applicants at the hearing today.

MR. MCBRIDE: Yes, sir.
MR. ROACH: Thanks.

MR. MCBRIDE: You bet.

JUDGE NELSON: All right. Now what else do we have today? We have Mr. Lubel's -- is there any other item, or is that it now?

What do you have?

MR. MILLS: We have a request for depositions of one Burlington Northern witness and two Union Pacific witnesses.

JUDGE NELSON: Well put aside this argument of the non-testifying witnesses. What else is there about it?

MR. MILLS: About those witnesses?

JUDGE NELSON: Yes. Who are they, and why do you want them?

MR. MILLS: One is a Burlington Northern witness who was involved in some bidding for a movement to energies or gulf state utilities, Nelson Generating Station in Louisiana, and which there was some bidding that took place between the Burlington Northern, the Union Pacific, as originating carriers, the Kansas City Southern and the Southern Pacific as
March 7, 1996

Vernon A. Williams
Surface Transportation Board
1201 Constitution Avenue NE
Washington DC 20423 0001

RE: Finance Docket No. 32760, UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD CO, AND MISSOURI PACIFIC RAILROAD CO. --Control and Merger -- SOUTHERN PACIFIC RAIL CORP., SOUTHERN PACIFIC TRANSPORTATION CO., ST. LOUIS SOUTHWESTERN RW. CO., SPCSL CORP. And THE DENVER AND RIO GRANDE WESTERN RAILROAD CO.

Please remove the name of Rick Willis, Director, Oregon Public Utility Commission (OPUC), as a party of record in the above-captioned proceeding and from any subsequent transportation/rail related mailings. The responsibilities relating to railroads, and transportation generally, were transferred to the Oregon Department of Transportation by the Oregon Legislature, effective January 1, 1996.

CERTIFICATE OF SERVICE

I certify that I have served by US mail, postage pre-paid, this Notice on all Parties of Record in this proceeding.

Dated: March 7, 1996

Rick Willis
Oregon Public Utility Commission
Edward S. Christenbury  
400 West Summit Hill Drive  
Knoxville, TN 37902

Betty Jo Christian  
Steptoe & Johnson  
1330 Connecticut Avenue, N.W.  
Washington, DC 20036-1795

Honorable Thad Cochran  
U.S. Senate  
Washington, DC 20510

Honorable William Cohen  
U.S. Senate  
Washington, DC 20510

Paul A. Conley, Jr.  
Law Department  
Union Pacific RR Co.  
1416 Dodge Street  
Omaha, NE 68179

Honorable Jon R. Cook  
Texas House of Representatives  
P.O. Box 2910  
Austin, TX 78768

Robert J. Cooney  
Law Department  
Norfolk Southern Corp.  
Three Commercial Place  
Norfolk, VA 23510-2191

William F. Cottrell  
Asst. Attorney General  
100 West Randolph Street, 12th Floor  
Chicago, IL 60601

James R. Craig  
South Orient RR  
4809 Cole Avenue, Suite 350  
Dallas, TX 75205

Paul A. Cushing, Jr.  
Harkins Cunningham  
1300 19th Street, N.W., Suite 600  
Washington, DC 20036
Robert A. Cushing, Jr.
United Trans Union, Local 1918
12401 Hidden Sun Court
El Paso, TX 79938

John M. Cutler, Jr.
McCarthy Sweeney Harkaway
Suite 1105
1750 Pennsylvania Avenue, N.W.
Washington, DC 20006

Honorable Kika de La Garza
U.S. House of Representatives
Washington, DC 20515

Thomas Degnan
U.S. Gypsum Co.
25 South Franklin Street
Chicago, IL 60606

Jo A. Deroche
Weiner, Brodsky, et al
Suite 800
350 New York Avenue, N.W.
Washington, DC 20005-4797

Patricia E. Dietrich
Slover & Loftus
224 17th Street, N.W.
Washington, DC 20036

Nicholas J. Dimichael
Donelan, Cleary, Wood et al
Suite 750
100 New York Avenue, N.W.
Washington, DC 20005-3934

James V. Dolan
Law Department
Union Pacific RR Co.
416 Dodge Street, N.W.
Omaha, NE 68179

Kelvin J. Dowd
Slover & Loftus
224 17th Street, N.W.
Washington, DC 20036

Robert K. Dreiling
K. C. Southern Rwy Co.
114 West 11th Street
Kansas City, MO 64105
Honorable Richard S. Edelman  
Highsay Mahoney Clarke  
Suite 210  
1050 Seventeenth Street, N.W.  
Washington, DC 20006-3939

John Edwards, Esq.  
Zuckert, Scoutt et al  
888 17th Street, N.W., Suite 600  
Washington, DC 20006-3939

Krista L. Edwards  
Sidley & Austin  
722 Eye Street, N.W.  
Washington, DC 20006

Honorable Delcarl Eikenberg  
Mayor  
Town of Haswell  
P.O. Box 206  
Haswell, CO 81045-0206

Daniel R. Elliott, III  
United Transp Union  
4600 Detroit Avenue  
Cleveland, OH 44107

Richard J. Elston  
Cyprus Amax Corp.  
9100 East Mineral Circle  
Englewood, CO 80112

Roy T. Englert, Jr.  
Mayer, Brown & Platt  
Suite 6500  
2000 Pennsylvania Avenue, N.W.  
Washington, DC 20006

Robert V. Escalante  
Suite 470  
2010 Main Street  
Irvine, CA 92714-7204

John T. Estes  
Suite 400  
1029 North Royal Street  
Alexandria, VA 22314

G. W. Fauth & Associates  
P.O. Box 2401  
Alexandria, VA 22301
Ray D. Gardner
Kennecott Utah Copp Corp.
8315 West, 3595 South
P.O. Box 6001
Magna, UT 84044-6001

General Committee of Adjust
United Trans Union
North Loop Office Park
2040 North Loop West, Suite 310
Houston, TX 77018

Roy Glangrosso
Entergy Services, Inc.
350 Pine Street
Beaumont, TX 77701

Janet H. Gilbert
Wisconsin Central Ltd.
6250 North River Road, Suite 9000
Rosemont, IL 60018

Honorable John Glenn
United States Senate
Attention Susan Carmohan
Washington, D.C. 20510

Honorable John Glenn
200 N. High Street, S-600
Columbus, OH 43125-2408

Robert K. Glynn
Hoisington Chamber of Commerce
123 North Main Street
Hoisington, KS 67544-2594

Andrew P. Goldstein
McCarthy, Sweeney Et Al.
1750 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Andrew T. Goodson
Canal Square
1054 Thirty-First Street, N.W
Washington, D.C. 20007

Honorable Phil Gramm
Attention Brett Brewer
2323 Bryan Street, Suite 1500
Dakotas, TX 75201
Ronald E. Hunter  
Cargill Incorporated  
Law Department  
15407 McGinty Road West  
Wayzata, MN 55391

A. Stephen Hut Jr.  
Wilmer Cutler Pickering  
2445 M Street, N.W.  
Washington, D.C. 20037-1420

Hon Earl Hutto  
U.S. House of Representatives  
Washington, D.C. 20515

Edward B. Hynson  
Consolidated Rail Corporation  
2001 Market Street, 16-A  
Philadelphia, PA 19101-1416

Jack Hynes  
P.O. Box 270  
Capital Avenue at Jefferson Street  
Jefferson City, MO 65102

Terrence M. Hynes  
Sidley & Austin  
1722 Eye Street, N.W.  
Washington, D.C. 20006-5304

James J. Irlani  
Skill Trans Consul Inc.  
1809 North Broadway, Suite H  
Wochita, KS 67214

Thomas F. Jackson  
800 Lincoln Way  
Ames, LA 50010

William P. Jackson Jr.  
Jackson & Jessup, P.C.  
P.O. Box 1240  
3426 North Washington Boulevard  
Arlington, VA 22210

Thomas R. Jacobsen  
TU Electric  
1601 Bryan Street, Suite 11-060  
Dallas, TX 75201-3411
Larry T. Jenkins  
Arco Chemical Company  
3801 West Chester Pike  
Newton Square, PA 19073-3280

Edwin C. Jertson  
Interstate Power Co.  
1000 Main Street  
Dubuque, LA 52004

Kenneth C. Johnsen  
Vice President & General Counsel  
Geneva Steel Company  
P.O. Box 2500  
Provo, UT 84603

Honorable J. Bennett Johnston  
U.S. Senate  
Washington, D.C. 20510

Erika Z. Jones  
Mayer, Brown & Platt  
2000 Pennsylvania Avenue, N.W.  
Washington, D.C. 20006

Terrence D. Jones  
Keller & Heckman  
1001 G Street, Suite 500 West  
Washington, D.C. 20001

Alexander H. Jordan  
Western Shippers Coalition  
136 South Main Street, Suite 1000  
Salt Lake City, UT 84101-7612

Mark L. Josephs  
Howrey & Simon  
1299 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2402

Honorable Ron Junell  
Texas House Representative  
P.O. Box 2910  
Austin, TX 78768

Fritz R. Kahn  
Suite 750 West  
1100 New York Avenue, N.W.  
Washington, D.C. 20005-3534
Michael E. Halley  
City of Reno  
P.O. Box 1900  
Reno, NV 89505

Darrel L. Hanavan  
Executive Director  
Colorado Wheat Administration  
5500 South Quebec Street, Suite 111  
Englewood, CO 80111

Frank E. Hanson Jr.  
Magma Metals Company  
7400 North Oracle Road, Suite 200  
Tucson, AZ 85704

James E. Hanson  
Dow Chemical Company  
2020 Willard H. Dow Center  
Midland, MI 48674

Carol A. Harris  
Southern Pac. Trans. co.  
One Market Plaza  
San Francisco, CA 94105

Cannon Y. Harvey  
Southern Pacific Trns. Co.  
One Market Plaza  
San Francisco, CA 94105

Barrett Hatches  
8300 College Boulevard  
Overland Park, KS 66210

Timothy Hay  
727 Fairview Drive  
Carson City, NV 89710

Thomas J. Healey  
Openheimer Wolff Etal  
180 North Stetson Avenue  
2 Prudential Place  
Chicago, IL 60601

John D. Heffner  
ESQ  
Rea, Cross & Auchincloss  
1920 North Street, N.W., Suite 420  
Washington, D.C. 20036
Larry b. Kahn  
Transportation Building  
P.O. Box 30050  
425 West Ottawa  
Lansing, MI 48909

Richard E. Karnes  
Transportation Manager  
Champion International Corp.  
101 Knightsbridge Drive  
Hilton, OH 45020-0001

Bruce A. Klimek  
Inland Steel  
3210 Watling Street  
East Chicago, IN 46312

Jeffrey L. Klimek  
Peaboy Holding Company  
701 Market Street, Suite 700  
St. Louis, MO 63101-1826

Ann Knapton  
Transportation Manager  
Idaho Timber Corporation  
P.O. Box 67  
5401 Kendall Street  
Boise, ID 83707-0067

Robert J. Kompanty  
Suite 130  
720 Thimble Shoals Boulevard  
Newport News, VA 23608-2574

Stanley B. Kontz  
Unit Manager  
Public Service Company  
1225 17th Street, Suite 1100  
Denver, CO 80202

Alber B. Krachman  
Bracewell & Patterson LLP  
2000 K Street, N.W., Suite 500  
Washington, D.C. 20006

Kathryn Kusske  
Mayer, Brown & Platt  
Suite 6500  
2000 Pennsylvania Avenue, N.W.  
Washington, D.C. 20006

Joseph L. Lakshmanan  
Illinois Power Company  
500 South 27th Street  
Decatur, IL 62525
O Kent Maher
33 West Fourth Street
P.O. Box 351
Winnemucca, NV 89446

William G. Mahoney
Highsaw, Mahoney & Clarke
Suite 210
1050 Seventeenth Street, N.W.
Washington, D.C. 20036

Scott Manatt
Attorney at Law
P.O. Box 473
Corning, AR 72422

Nancy Mangone
Enforcement Attorney
U.S. EPA Region VIII
999 18th S Street, Suite 500
Denver, CO 80202-2466

Anthony M. Marquez
Co. Public Utility Comm
1525 Sherman Street, Fifth Floor
Denver, CO 80203

Jerry L. Martin
Director Rail Division
RR Comm of Texas
P.O. Box 12967
1701 North Congress
Austin, TX 78711

John K. Maser III
Donelan, Cleary, Wood, Master
1100 New York Avenue, N.W., Suite 750
Washington, D.C. 20005-3934

Tina Masington
Plan Anal
'K' Line America, Inc.
535 Mountain Avenue
Murray Hill, NJ 07974

Michael Mattia
Institute of Scrap Recycling
1325 G Street, N.W., Suite 1000
Washington, D.C. 20005

Daniel K. Mayers
Wilmer Cutler Pickering
2445 M Street, N.W.
Washington, D.C. 20037-1420
George W. Mayo Jr.
Hogan & Hartson
555 Thirteenth Street, N.W.
Washington, D.C. 20004-1161

Michael F. McBride
Leboeuf Lamb Greene, EtAl
1875 Connenticut Avenue, N.W.
Washington, D.C. 20009

R. Michael McCormick
Humbolt County District Attorney
P.O. Box 909
50 West Fifth Street
Winnemucca, NV 89446

Rosemary H. McEnery
Howry & Simon
1299 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2402

Thomas F. McFarland Jr.
Belnap Spencer McFarland
20 North Wacker Drive, Suite 3118
Chicago, IL 60606-3101

Gary L. McFarlen
Director of Transportation
Kennecott Energy Company
505 South Gillette Avenue
Gillette, WY 82716

Robert L. McGeorge
U.S. Department of Justice
Antitrust Division
555 4th Street, N.W., Room 9104
Washington, D.C. 20001

William J. McGinnn
North America Chemical Company
8300 College Boulevard
Overland Park, KS 66210

Ronald P. McLaughlin
Brotherhood of Locomotive Engineers
1370 Ontario Street, Stan Building
Cleveland, OH 44113-1702

Anthony J. McMahon
2828 PA Avenue, N.W., Suite 203
Washington, D.C. 20007
Frank C. McMurray  
P.O. Box 699  
Salida, CO 81201

D. Michael Miller  
American Electrical Power  
1 Riverside Plaza  
Columbus, OH 43215

Christopher A. Mills  
Slover & Loftus  
1224 Seventeenth Street, N.W.  
Washington, D.C. 20036

John R. Molm  
Troutman Sanders  
601 PA., Avenue, N.W., Suite 640  
North Boulevard  
Washington, D.C. 20004

Charles H. Montagne  
426 N.W. 162nd Street  
Seattle, WA 987

Jeffrey R. Moreland  
Santa Fe Pac. Corp. Et Al  
1700 East Golf Boulevard  
Schaumburg, IL 60173

Jeffrey O. Moreno  
Donelan Cleary Wood Maser  
Suite 750  
1100 New York Avenue, N.W.  
Washington, D.C. 20005-3934

Michele J. Morris  
Pepper, Hamilton, Etal  
1300 Nineteenth Street, N.W.  
Washington, D.C. 20036-1685

William A. Mullins  
Troutman Sanders  
Suite 640, North Building  
601 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

National Interstate Transportation League  
Suite 1900  
1700 North Moore Street  
Arlington, VA 22209
David A. Pins
The Chemical Group Monsanto
800 North Lindbergh Boulevard
St. Louis, MO 63167

Andrew R. Plump
Zuckert, Scoultt Et Al
888 17th Street, N.W., Suite 600
Washington, D.C. 20006-3939

Joseph R. Pomponio
Federal Railroad Administration
400 7th Street, S.W., RCC-20
Washington, D.C. 20590

Larry R. Pruden
Trans. Comm. Intl. Union
3 Research Place
Rockville, MD 20850

Attn Carmie Henry
Senator David Pryor
330 Federal Building
Little Rock, AR 72201

James T. Quinn
CA Public Utilities Commission
505 VanNess Avenue
San Francisco, CA 94102-3298

Steven G. Rabe
City Manager
City of Florence
300 West Main Street
Florence, CO 81236

Honorable Marc Racicot
Governor's Office, State Capitol
P.O. Box 200801
Helena, MT 59620-0801

Kent M. Ragsdale
Interstate Power Co.
P.O. Box 769
Dubuque, LA 52004

Debra Ravel
Staff Attorney
Railroad Commission of TX
P.O. Box 12967
Austin, TX 78711-2967
The Texas Mexican Railway Co.
P.O. Box 419
Laredo, TX 78042-0491

Steve Thacker
City of Canon City
P.O. Box 1460
Canon City, CO 81215-1460

Lynette W. Thirkill
Logistics Manager
Greater Salt Lake Minerals
P.O. Box 1190
Ogden, UT 84402

Eric W. Tibbetts
P.O. Box 3766
1301 McKinney Street
Houston, TX 7753

W. David Tidholm
Hutchesen & Grundy
1200 Smith Street, No. 3300
Houston, TX 77002-4579

Mark Tobey
P.O. Box 12548
Austin, TX 78711-2548

Myles L. Tobin
Illinois Central Railroad
455 North Cityfront Plaza Drive
Chicago, IL 60611-5504

Gary L. Towell
Toledo, Peoria & Western
1900 East Washington Street
East Peoria, IL 61611-2961

B. K. Townsend, Jr.
Exxon Chemical Americas
P.O. Box 3272
Houston, TX 77253-3272

Merrill L. Travis
Illinois Dept. of Transportation
2300 South Dirksen Parkway
Springfield, IL 62703-4555
Anne E. Treadway  
Consolidated Rail Corp.  
P.O. Box 41416  
2001 Market Street  
Philadelphia, PA 19101-1416

Bernice Tuttle  
Kiowa County Wife, Chapter 124  
13775 C.R. 78.5  
Towner, CO 81071-9619

Union Pacific Corporation  
Martin Tower  
Eighth & Eaton Avenues  
Bethlehem, PA 18018

Gilbert Van Kell  
Morton Int'l. Inc.  
100 North Riverside Plaza  
Chicago, IL 60606-1597

Gerald E. Vaninetti  
Resource Data Int'l  
1320 Pearl Street, Suite 300  
Boulder, CO 80302

Gregory M. Vincent  
Vice President  
Tennessee Valley Auth.  
Lookout Place  
1101 Market Street  
Chattanooga, TN 37402

Allen J. Vogel  
Minnesota DOT  
Kelly Annex, Suite 925  
St. Paul, MN 55155

Robert P. Vom Eigen  
Hopkins & Sutter  
888 16th Street, N.W.  
Washington, DC 20006

Eric Von Salzen  
Hogan & Hartson  
555 13th Street, N.W.  
Washington, DC 20004-1161

Charles Wait  
Baca County  
P.O. Box 116  
Springfield, CO 81073
Timothy M. Walsh
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, DC 20036-1795

Jeffrey A. Walter
Waterfall Towers, 201-B
2455 Bennett Valley Road
Santa Rosa, CA 95404

Louis P. Warchot
Southern Pacific Trans. Co.
One Market Plaza
Southern Pacific Bldg, Room 815
San Francisco, CA 94105

Philip D. Ward, et al
P.O. Box 351
200 First Street, S.E.
Cedar Rapids, IA 52406-0351

Richard E. Weicher
Santa Fe Pac. Corp. et al
1700 East Golf Road
Schaumburg, IL 60173

Martin A. Weissert
Baker & Daniels
111 E. Wayn Street, Suite 800
Fort Wayne, IN 46802

Charles H. White, Jr.
1054 31st Street, N.W.
Washington, DC 20007-4492

William W. Whitehurst, Jr
12421 Happy Hollow Road
Cockeysville, MD 21030-1711

Terry C. Whiteside
3203 Third Avenue, North
Billings, MT 59101-1945

Thomas W. Wilcox
Donelan, Cleary Wood
1100 New York Avenue, N.W., Suite 750
Washington, DC 20005-3934
Debra L. Willen
Guerrié, Edmond, et al
1331 F Street, N.W.
Washington, DC 20004

Honorable Lester Williams
Mayor
Town of Eads
P.O. Box 8
110 West 13th Street
Eads, CO 81034

Rick Willis
550 Capitol Street, N.E.
Salem, OR 97310-1390

Bruce B. Wilson
Consolidated Rail Corp.
2001 Market Street
Philadelphia, PA 19101-1417

Robert A. Wimbish, Esq.
Rea. Cross & Auchincloss
1920 N Street, N.W. Suite 420
Washington, DC 20036

Frederic L. Wood
Donelan, Cleary, Wood
1100 New York Avenue, N.W., Suite 750
Washington, DC 20005-3934

Dean L. Worley
Hilburn Calhoon Harper
P.O. Box 5551
One Riverfront Place, Eighth Floor
North Little Rock, AR 72119

E. W. Wotipka
6388 Terrace Lane
Salida, CO 81201

Edward Wytkind
Executive Director
Transp Trade Dept. AFL-CIO
400 North Capitol Street, S.W., Suite 861
Washington, DC 20001

R. L. Young
P.O. Box 700
One Memorial Drive
Lancaster, OH 43130-0700
March 18, 1996

BY FACSIMILE

Honorable Jerome Nelson
Administrative Law Judge
Federal Energy Regulatory Commission
Room No. 11F21
388 First Street, N.E.
Washington, D.C. 20426


Dear Judge Nelson:

At the discovery conference scheduled for March 20, 1996, Consolidated Rail Corporation ("Conrail") expects to raise two issues. First, Conrail expects to move to compel a response to its Third Request for Production of Documents to BN/Santa Fe. (For your convenience, BN/Santa Fe's Response to this request (served February 22, 1996) is Attachment A hereto.) After BN/Santa Fe initially objected to this request, we conferred with BN/Santa Fe's counsel and explained the relevance of these documents. (A letter memorializing that discussion is Attachment B hereto.) At that time, BN/Santa Fe's counsel, Mr. Steel, stated that he would determine the availability of these documents. He informed us on Friday, March 8 (after that day's discovery conference) that BN/Santa Fe would stand on its relevance objection.

The document request at issue seeks BN/Santa Fe's "train sheets" for a representative four week period for its

\(^1\) Conrail's initial request asked for "timesheets," as it refers to them. The parties have agreed that Conrail seeks what is known to BN/Santa Fe as "train sheets." BN/Santa Fe agreed that Conrail need not supplement or amend its discovery request (continued...)

---

\(^1\)
route between Memphis and St. Louis. An issue of some considerable importance in this proceeding is the level of service BN/Santa Fe will be able to provide between Houston and St. Louis. Under the BNSF Agreement, BN/Santa Fe receives trackage rights between Houston and Memphis (going against the flow on one of the directional routes that has been described at past discovery conferences). North of Memphis, BN/Santa Fe will use its existing route to St. Louis. Conrail seeks the train sheets for a limited, representative time period for this portion of the route.

The issue here is quite simple. In its Comments, BN/Santa Fe claims that it "would plan its new train between Houston and St. Louis at about 31 hours, which represents an improvement over the current service offered by both UP and SP." (Verified Statement of Ncal D. Owen, at 32.) We want to test that proposition. To judge how long it will take BN/Santa Fe to move between Houston and St. Louis, we need to know both how long it will take to go between Houston and Memphis, but also how long it will take to go between Memphis and St. Louis. We have analyzed information produced by the Applicants to assess train performance over the Houston-Memphis portion of the route, but BN/Santa Fe refuses to produce documents concerning the other segment. Train sheets are the most basic record of train performance; they record the times at which particular trains pass particular points, and are maintained in some form by all railroads.

Given BN/Santa Fe's predictions for this route, these documents are plainly relevant. BN/Santa Fe makes no claim of burden. Nor are these documents of any special proprietary nature. Indeed, train sheets have been produced in other merger proceedings (and train sheets were produced to Conrail by Applicants in this matter). Because of the short time period remaining before comments must be filed, Conrail is prepared to review these documents where they are kept (an offer we have made to BN/Santa Fe). We are informed by Conrail personnel that this review should take no more than half a day.

*   *   *   *

Second, Conrail may need to raise the issue of the failure of both the Applicants and BN/Santa Fe to produce

\(^{1}(...continued)\)

to reflect this difference and has not based its refusal to produce these documents on this difference.
materials responsive to, respectively, Conrail's Fourth Request For Production of Documents to Applicants and Conrail's Fourth Request for Production of Documents to BN/Santa Fe (the pertinent part of Applicants' Response, served March 4, 1996, is Attachment C hereto; the pertinent part of BN/Santa Fe's Response is Attachment D hereto). Neither the Applicants nor BN/Santa Fe objected to these requests; indeed, both responded by stating that these documents would be produced. Those responses were due March 4; as of this date, nothing has been made available. These documents relate to service from the Houston terminal, and are important to Conrail's analysis of that issue.

While we hope that responsive material will be produced before Wednesday's discovery conference, time is of the essence. Given the short time before Conrail's comments are due, it is essential that these documents be made available immediately. As Conrail has made clear to the Applicants and BN/Santa Fe, Conrail stands ready to make whatever arrangements are necessary to expedite production of these documents, including sending personnel to review these documents where they are kept.

Respectfully,

A. Stephen Hut, Jr.

Attachments

cc (w/o attachments): Erika Z. Jones, Esq.
Arvid E. Roach II, Esq.
Gerald P. Norton, Esq.
Restricted Service List
CERTIFICATE OF SERVICE

I, DAVID MAGAW, hereby declare and state that I served a copy of all filings (one) made in this proceeding by the Yolo Shortline Railroad Company, a Party of Record in this proceeding, on the Parties of Record (POR) listed in the Surface Transportation Board's Decision No. 17. Such service was made by enclosing a copy thereof in a sealed envelope, with postage prepaid, and placed in the United States mail at Sacramento, CA to the list of POR in said Surface Transportation Board's Decision No. 17.

I, David Magaw, declare under penalty of perjury that the foregoing is true and correct.

Executed on February 26, 1996 at Sacramento, CA.

by:

David Magaw
CA State Bar # 78847
President and General Manager
Yolo Shortline Railroad Company
1965 East Main Street
Woodland, CA 95776
Office of the Secretary  
Case Control Branch  
Attn: Finance Docket No. 32760  
Surface Transportation Board  
1201 Constitution Avenue, N.W.  
Washington, D.C. 20423  

RE: Compliance with Decision No. 16, issued February 22, 1996 regarding Finance Docket No. 32760, ICC Dockets AB-12 (Sub-No. 188) and AB-8 (Sub-No. 39)

Dear Sir or Madam:

This letter serves to notify the Secretary and all parties of record of all filings made to date by the Colorado Department of Public Health and Environment. The documents followed are: COLO-1: Notice of Intent to Participate; COLO-2 Amended Notice of Intent to Participate; COLO-4: Request for Change of Status and COLO-5, this letter.

I understand that this letter was required to be filed and served by February 26, 1996. However, this letter was not received by this office until the afternoon of February 26, so service was made as quickly as possible.

Sincerely,

Jane T. Feldman  
Assistant Attorney General  
Natural Resources Section  
(303) 866-5073
CERTIFICATE OF SERVICE

I certify that I have this day served copies of the within Notice of all Previous Filings with the Surface Transportation Board herein to all additional parties of record as listed in Decision No. 17 herein by depositing copies of same in the United States mail, first class postage prepaid, at Denver, Colorado this 14th day of March, 1996.

Margaret K. Ferris
Office of the Colorado Attorney General
February 29, 1996

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

RE: Compliance with Decision No. 16, Issued February 22, 1996 regarding Finance Docket No. 32760, ICC Dockets AB - 12 (Sub-No. 188) and AB - 8 (Sub No. 39).

Dear Sir or Madam:

This letter serves to notify the Secretary and all parties of record of all filings made to date by Public Service Company of Colorado. The two documents filed to date are: PSC - 1: Notice of Intent to Participate and PSC - 2: this letter.

I understand that this letter was required to be filed and served by February 26, 1996. However, we regret that we failed to comply by the deadline due to some pressing issues at our company, so service was made as soon thereafter as possible.

Sincerely,

[Signature]
David N. Lawson
Fuel traffic Coordinator
CERTIFICATE OF SERVICE

I certify that I have this day served copies of the within Notice of all Previous Filings with the Surface Transportation Board to all additional parties of record listed in Decision 17, by depositing same in the United States mail, first class postage prepaid, at Denver, Colorado this 12th day of March, 1996.

David N. Lawson
Fuel Traffic Coordinator
Public Service Company of Colorado
March 18, 1996

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


Dear Secretary Williams:

This certifies that I served the attached list of Conrail pleadings in conformity with Decision No. 17 (March 7, 1996) on the parties of record identified in Decision No. 17.

Sincerely,

A. Stephen Hut, Jr.
Counsel for Consolidated Rail Corporation

Attachment
March 12, 1996

TO: All Parties of Record Added by Decision 17


Pursuant to Decision No. 16 of the Surface Transportation Board served on February 22, 1995, you are hereby advised that Consolidated Rail Corporation has filed the following 20 pleadings in the above-captioned docket:

1. Notice of Appearance of Consolidated Rail Corporation, dated September 7, 1995 ("CR-1");

2. Comments of Consolidated Rail Corporation in Response to Decision No. 1 (Sept. 1, 1995), dated September 18, 1995 ("CR-2");

3. Letter from Bruce B. Wilson, to Honorable Vernon A. Williams, dated October 13, 1995, further commenting on the procedural schedule ("CR-3");

4. Consolidated Rail Corporation’s First Requests to Applicants for the Production of Documents and First Set of Interrogatories to Applicants, dated December 22, 1995 ("CR-4");

5. Consolidated Rail Corporation’s First Requests to BNSF Corporation for the Production of Documents, dated December 28, 1995 ("CR-5");

7. Consolidated Rail Corporation's First Set of Interrogatories and Second Set of Requests for the Production of Documents to BNSF Corporation, dated February 2, 1996 ("CR-7");

8. Consolidated Rail Corporation's Second Set of Interrogatories and Second Requests for Production of Documents to Applicants, dated February 2, 1996 ("CR-8");


10. Consolidated Rail Corporation's Third Request to BNSF Corporation for the Production of Documents, dated February 7, 1996 ("CR-10");

11. 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, dated February 16, 1996 ("CR-11");

12. Consolidated Rail Corporation's Fourth Request to Applicants for the Production of Documents, dated February 16, 1996 ("CR-12");


14. Consolidated Rail Corporation's First Request to Burlington Northern Railroad Company, Atchison, Topeka and Santa Fe Railway Company, and Burlington Northern Santa Fe Corporation for Inspection of Property, dated February 26, 1996 ("CR-14");


15A. Consolidated Rail Corporation's Objections to Applicants' First Set of Interrogatories and Requests for Production of Documents to Consolidated Rail Corporation, dated March 4, 1996 ("CR-15A");

---

1/ This document was initially numbered CR-15 in error. It is now numbered CR-15A.
16. Consolidated Rail Corporation's Objections to 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, dated March 4, 1996 ("CR-16");

17. Reserved

18. Consolidated Rail Corporation's Responses to Applicants' First Set of Interrogatories and Requests for Production of Documents, dated March 12, 1996 ("CR-18");


Should you require a copy of any or all of the above 20 pleadings, please submit a request and allow us three business days from the date of receipt to honor it. Thank you.

Very truly yours,

[Signature]

A. Stephen Hut, Jr.