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VIA HAND DELIVERY

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 711
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings

DEC 4 - 2006

Part of
Public Record

Re: Docket No. 41191 (Sub-No. 1), AEP Texas North Company
v. BNSF Railway Company

Dear Secretary Williams:

The following is a status report concerning the additional discovery in the above-referenced proceeding authorized by the Board's Decision served November 22, 2006 ("November 22 Decision").

Complainant AEP Texas North Company ("AEP Texas") served additional document production requests on Defendant BNSF Railway Company ("BNSF") on November 29, 2006. On December 1, 2006 the parties met and conferred on the additional discovery requests. At the meeting the parties agreed that there is no need for a Staff Discovery Conference on December 5, 2006, as contemplated by the November 22 Decision.

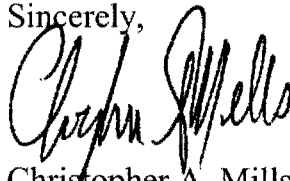
BNSF is in the process of determining the extent to which it will be able to produce certain data requested by AEP Texas, and if not, the parties may need to confer again to determine what will be produced and for what time period. BNSF also has indicated that in any event it will not be in a position to actually produce any data until after December 8, 2006, which is the due date for a motion to compel per the November 22 Decision. Accordingly, AEP Texas will not be filing a motion to compel on December

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8th. However, given the possible need to file a motion to compel on a subsequent date, AEP Texas requests the Board to waive the December 8, 2006 due date for a motion to compel and/or modify the November 22 Decision to the extent necessary to permit such a later filing. If no motion to compel proves necessary AEP Texas expects that the parties will be able to complete discovery by the January 16, 2007 cut-off date specified in the November 22 Decision.

On a related subject, the November 22 Decision states on page 2 that neither complainant in the two proceedings that were the subject of the Decision objected to the "substance" of the Board's prior decision served November 8, 2006, instructing the parties to submit certain supplemental evidence to implement the changes to SAC rate case procedures adopted in Ex Parte No. 657 (Sub-No. 1). It is unclear to AEP Texas what the Board meant by this. However, AEP Texas, both individually and as part of the Concerned Captive Coal Shippers, did in fact object to several of the procedures adopted by the Board in Ex Parte No. 657 (Sub-No. 1). AEP Texas also objected to their application in the instant docket, as a matter of fairness and to the extent additional evidence is required to implement them.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher A. Mills". The signature is fluid and cursive, with the first name "Chris" and last name "Mills" being the most legible parts.

Christopher A. Mills
An Attorney for
AEP Texas North Company

CAM: jml

cc: David Konschnik (Office of Proceedings)
Anthony J. LaRocca, Esq. (counsel for BNSF)