

Verrill Dana^{LLP}

Attorneys at Law

DANIEL L. ROSENTHAL
drosenthal@verrilldana.com
Direct: 207-253-4622

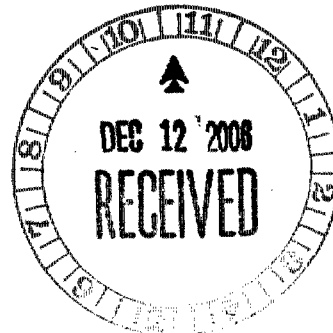
ONE PORTLAND SQUARE
PORTLAND, MAINE 04112-0586
207-774-4000 • FAX 207-774-7499
www.verrilldana.com

December 11, 2006

BY FED EX

Attn: Secretary
Surface Transportation Board
1925 "K" Street NW
Suite 700
Washington, DC 20423

ENTERED
Office of Proceedings
DEC 12 2006
Part of
Public Record



Re: Savannah Port Terminal Railroad, Inc. -- Motion for Declaratory Order
Docket No. FD34920

Dear Secretary:

This is to follow up on P. Campbell Ford's December 6 letter. It is true that my understanding is that 49 C.F.R. s. 1111.10 required the parties to confer regarding scheduling within 12 days after my client Capital Cargo's answer was filed, and to file a report with the Board within 19 days after the filing of the answer.

In my discussion with Mr. Ford's office, I was informed that the STB had indicated that no such conference would be necessary until after the motion to dismiss is decided. Accordingly, SPTR's counsel declined to discuss our proposal that no deadlines or further action be scheduled until the motion to dismiss is decided.

We believe that the motion will dispose of this case, and accordingly we do not object to refraining from scheduling subsequent events in this case at this time. Our goal in raising what we understood to be the obligation to confer was simply to ensure that we did not run afoul of the rules. We would appreciate being advised if in fact we are required to confer, but otherwise will make no further efforts to that end.

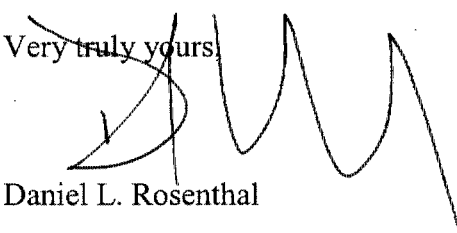
In addition, to the extent that SPTR's motion for extension could be read to suggest that SPTR was not timely served with the motion, our certificate of service and cover letter to Mr. Ford make clear that the motion was sent to Mr. Ford's office by Fed Ex on November 30 and delivered on December 1.

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Thank you for your attention to this matter. Please note that we have filed with the Board one copy of this letter pursuant to 49 C.F.R., section 1104.7(b). I hereby certify that I have this day served copies of this letter on P. Campbell Ford, Esq., Attorney for Savannah Port Terminal Railroad, via federal express.

Very truly yours,


Daniel L. Rosenthal

DLR:sms

cc: P. Campbell Ford, Esq. (by fed ex)
Thomas Mahoney, III, Esq.
Ronald C. Berry, Esq.
James T. Kilbreth, Esq.