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230799

August 10, 2011

By Hand Delivery

Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001



ENTERED
Office of Proceedings
AUG 11 2011
Part of
Public Record

Re: Docket No. 42127, Intermountain Power Agency
v. Union Pacific Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above docket on behalf of Complainant Intermountain Power Agency ("IPA") please find the following:

1. The unbound original and twenty (20) copies of the Highly Confidential Version of IPA's Opening Evidence, consisting of one volume of Narrative and one volume of Exhibits. Please note that some of the Exhibits contain color images.
2. The unbound original and ten (10) copies of the Public Version of IPA's Opening Evidence, also consisting of one volume of Narrative and one volume of Exhibits (some of which contain color images).
3. One hard drive containing electronic copies of the Highly Confidential Version of the Narrative and Exhibits, as well as the workpapers supporting IPA's Opening Evidence (all of which are submitted in electronic form). The electronic workpapers are designated as Highly Confidential under the protective order entered by the Board in this proceeding.

Cynthia T. Brown
August 10, 2011
Page 2

Please note that certain of the electronic workpapers on the hard drives include Security Sensitive Information ("SSI"). The SSI information is appropriately identified in accordance with the Department of Transportation's SSI Order 2011-06-FRA-01. In addition, in accordance with SSI handling guidelines, the hard drive is password protected. Please contact Daniel Jaffe of Slover & Loftus LLP at 202-454-4420 for the password.

Kindly date stamp the extra copies of this cover letter and the enclosed pleading and return them to our messenger. Thank you for your attention to this matter.

Respectfully submitted,

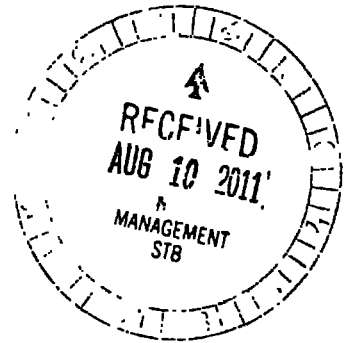
A handwritten signature in black ink that reads "C. Michael Loftus". The signature is written in a cursive, flowing style.

C. Michael Loftus
*An Attorney for Complainant
Intermountain Power Agency*

CML:cej
Enclosures

cc: Counsel for Defendant Union Pacific Railroad Company

PUBLIC VERSION



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

INTERMOUNTAIN POWER AGENCY)

Complainant,)

v.)

UNION PACIFIC RAILROAD COMPANY)

Defendant.)

230799
Docket No. 42127

ENTERED
Office of Proceedings

AUG 11 2011

Part of
Public Record

**OPENING EVIDENCE OF COMPLAINANT
INTERMOUNTAIN POWER AGENCY**

EXHIBITS

INTERMOUNTAIN POWER AGENCY

By: C. Michael Loftus
Christopher A. Mills
Andrew B. Kolesar III
Daniel M. Jaffe
Slover & Loftus LLP
1224 Seventeenth Street, N.W.
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(202) 347-7170

Of Counsel:

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(202) 347-7170

Dated: August 10, 2011

Attorneys for Complainant

LIST OF EXHIBITS

EXHIBIT

TITLE

EXHIBIT

III-A-

- | | |
|---|--|
| 1 | Schematic of the Intermountain Stand-Alone Railroad (“IRR”) |
| 2 | Comparison of Hybrid and Unadjusted EIA HDF Forecast Methodologies With Global Insight’s RCAF Rail Fuel Index Forecast |

EXHIBIT

III-B-

- | | |
|---|---|
| 1 | IRR Track Diagrams |
| 2 | IRR Yard and Locomotive Shop Schematics |
| 3 | Schematic of Coal Wye Tracks at Provo |

EXHIBIT

III-C-

- | | |
|---|----------------------------------|
| 1 | RTC Model Peak Period Train List |
| 2 | IRR Schematic in RTC Model |
| 3 | UP/IRR Transit Time Comparisons |

EXHIBIT

III-H

- | | |
|---|---|
| 1 | Discounted Cash Flow Model |
| 2 | IPA MMM Revenue to Variable Cost Ratios |

EXHIBIT
V-

- 1 October 29, 2010 Letter from Jeffrey W. Maier to Nick C. Kezman
- 2 November 4, 2010 Email from Jeffrey W. Maier to Lance Lee and
 John Aguilar
- 3 November 8, 2010 Letter from Nick C. Kezman to Jeffrey W. Maier
- 4 November 10, 2010 Email from Jeffrey W. Maier to Lance Lee and John
 Aguilar
- 5 December 1, 2010 Letter from Jeffrey W. Maier to Nick C. Kezman
- 6 December 10, 2010 Letter from Nick C. Kezman to Jeffrey W. Maier
- 7 December 14, 2010 Email from Jeffrey W. Maier to Nick C. Kezman

**III-A Stand-Alone
Traffic Group**

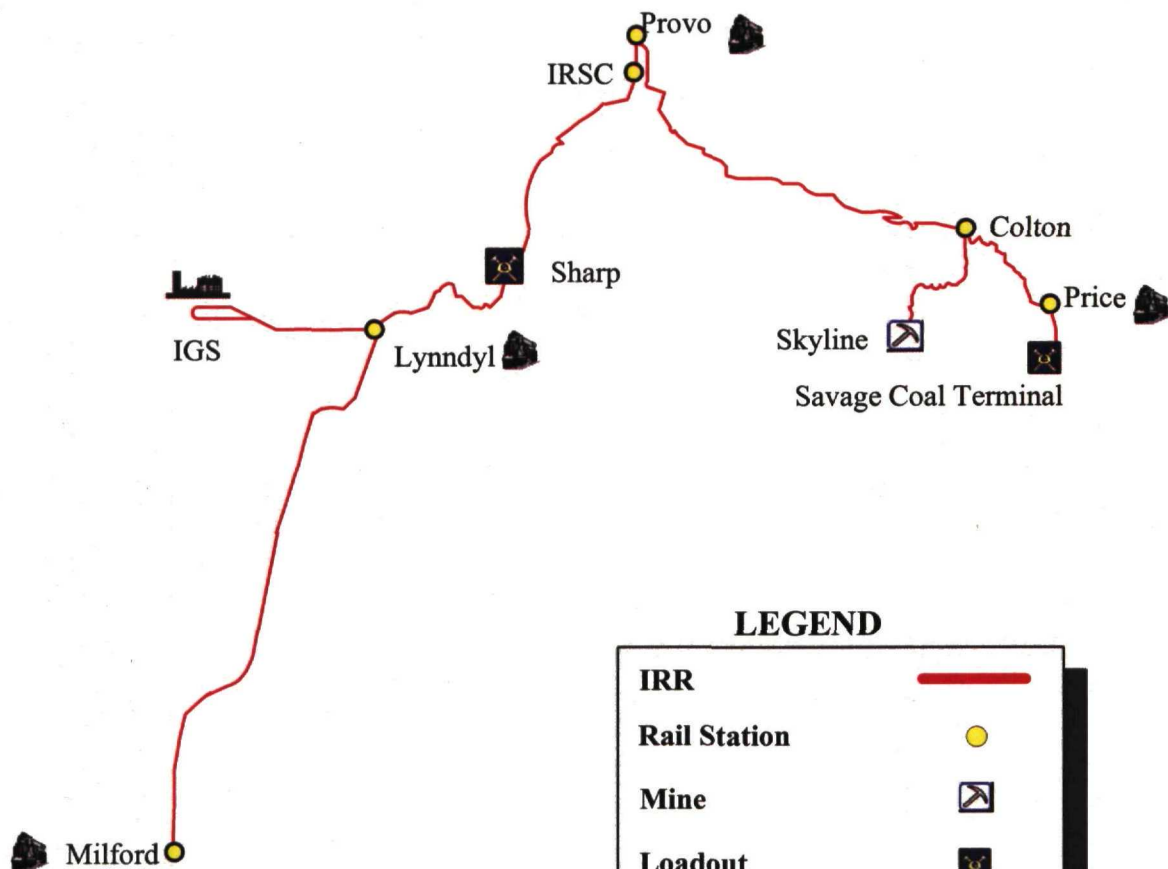
Schematic Of The Intermountain Stand-Alone Railroad ("IRR")

UT

WY



Salt Lake City ★

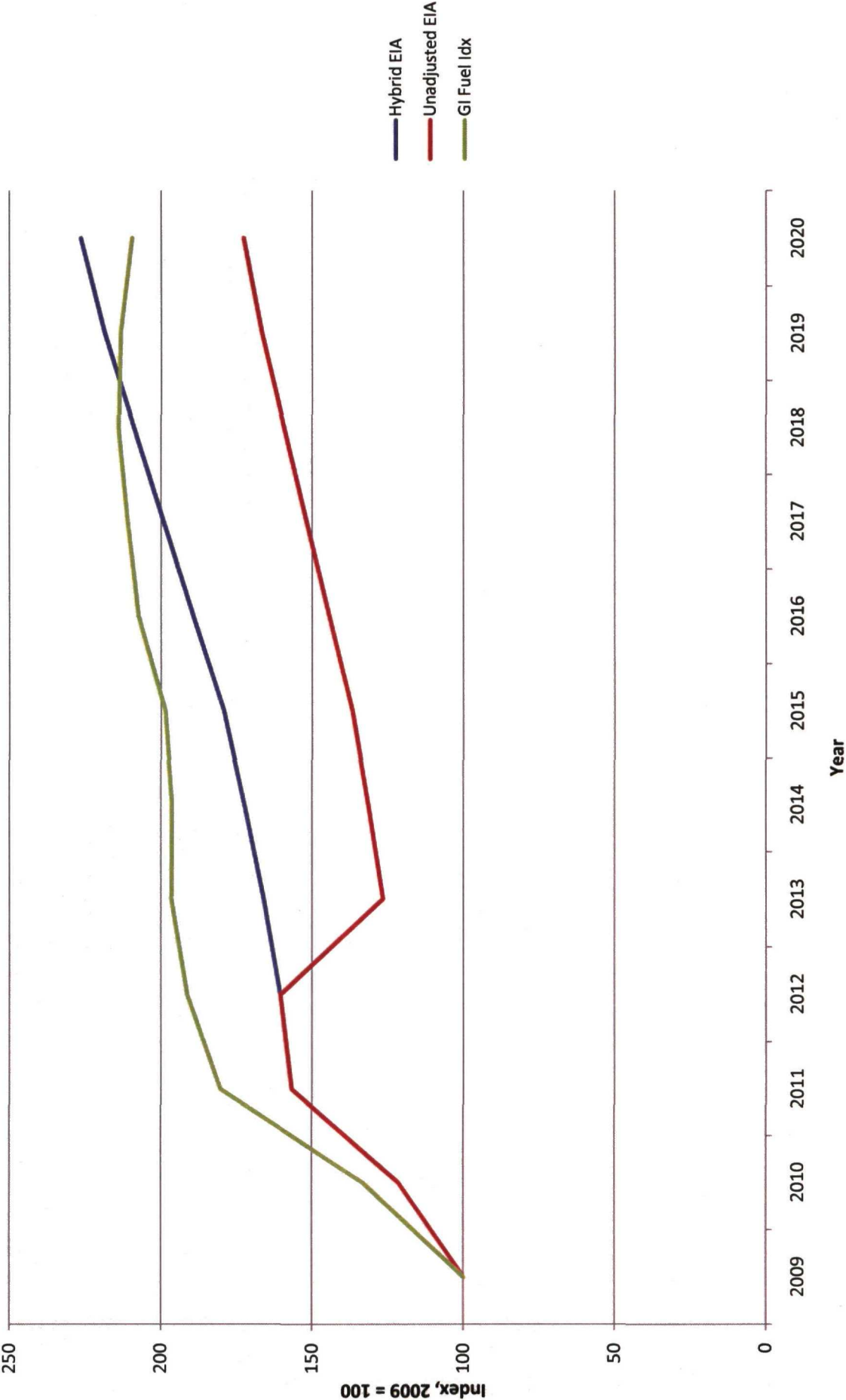


IGS = Intermountain Generating Station
IRSC = Intermountain Railcar Service Center

LEGEND

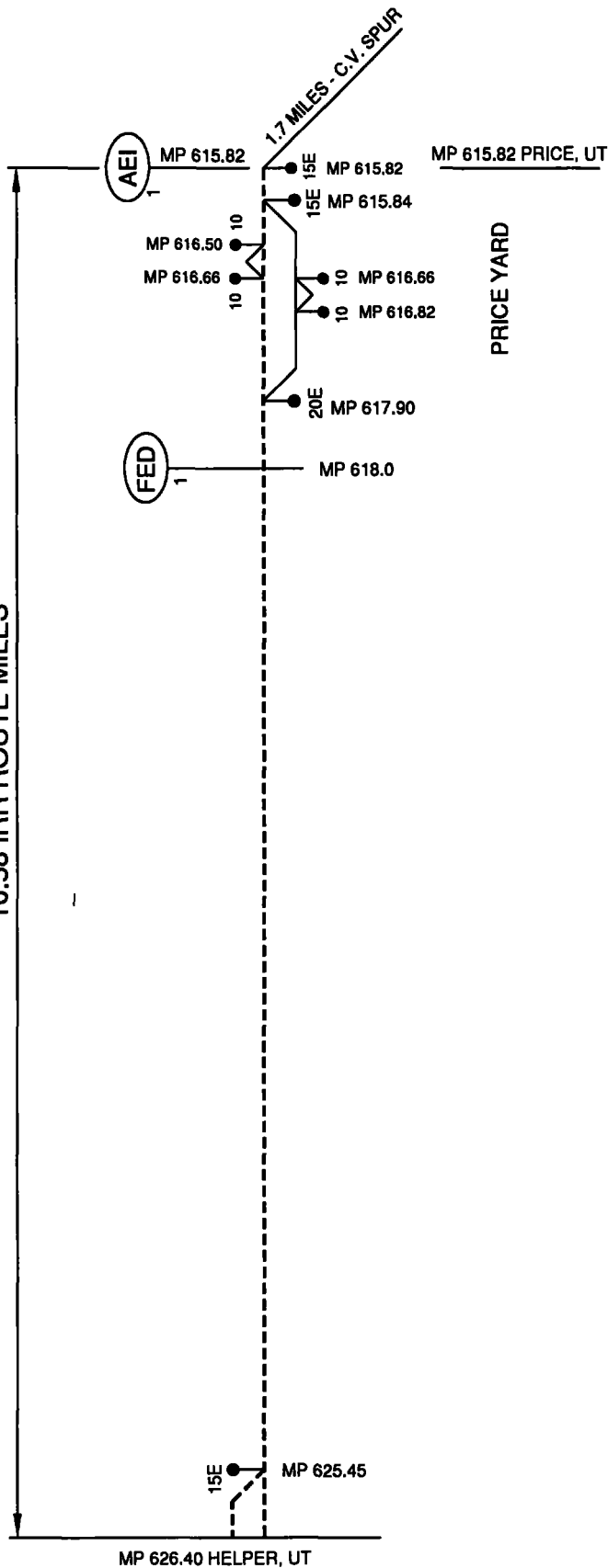
IRR	
Rail Station	
Mine	
Loadout	
Plant	
Interchange	

Comparison of Hybrid and Unadjusted EIA HDF Forecast Methodologies with Global Insight's RCAF Rail Fuel Index Forecast



III-B Stand-Alone Railroad System

10.58 IRR ROUTE MILES



PRICE YARD

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	4
#15 TURNOUTS	3
#20 TURNOUTS	1
FED	1
AEI	1

PAGE 1 OF 8

EXHIBIT:
III-B-1

LEGEND:

- TURNOUT TYPE
- TURNOUT TYPES
- 20 - #20 ELECTRIC
- 15E - #15 ELECTRIC
- 15 - #15 HAND-THROWN
- 10S - #10 SPRING
- 10 - #10 HAND-THROWN
- 10E - #10 ELECTRIC
- 136# STANDARD CWR
- 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- HB = HOT BEARING DETECTOR
- DE OR DED = DRAGGING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR
- AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: **GREEN RIVER**

DATE: **7/18/11**

MP: **626.40**

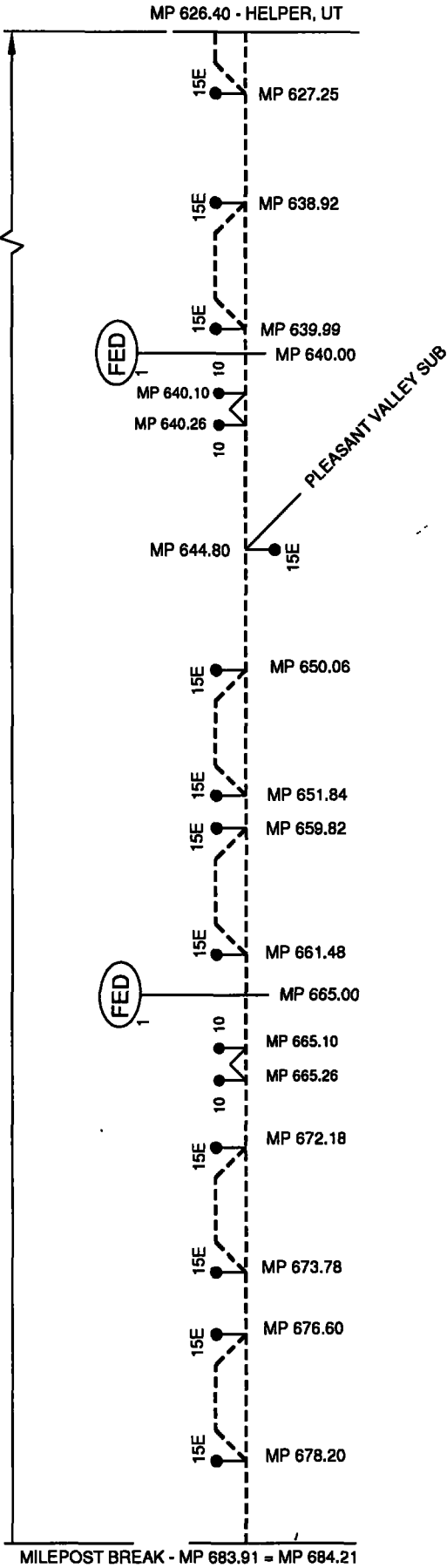
FROM: **HELPER**

MP: **615.82**

TO: **C.V. SPUR**

NOT TO SCALE

73.05 IRR ROUTE MILES (CONTINUES ON SHEET 3 OF 8)
57.51 MILES (THIS SHEET)



TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	12
#15 TURNOUTS	17
#20 TURNOUTS	0
FED	3
AEI	1

PAGE 2 OF 8

EXHIBIT:
III-B-1

LEGEND:

- 20 - TURNOUT TYPE*
 - 20 - #20 ELECTRIC
 15E - #15 ELECTRIC
 15 - #15 HAND-THROWN
 10S - #10 SPRING
 10 - #10 HAND-THROWN
 10E - #10 ELECTRIC

- 136# STANDARD CWR
 - 115# CWR CLASS 1 RELAY

(FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
 HB = HOT BEARING DETECTOR
 DE OR DED = DRAGGING EQUIPMENT DETECTOR
 HW = HOT WHEEL DETECTOR
 (AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

DATE: 7/18/11
NOT TO SCALE

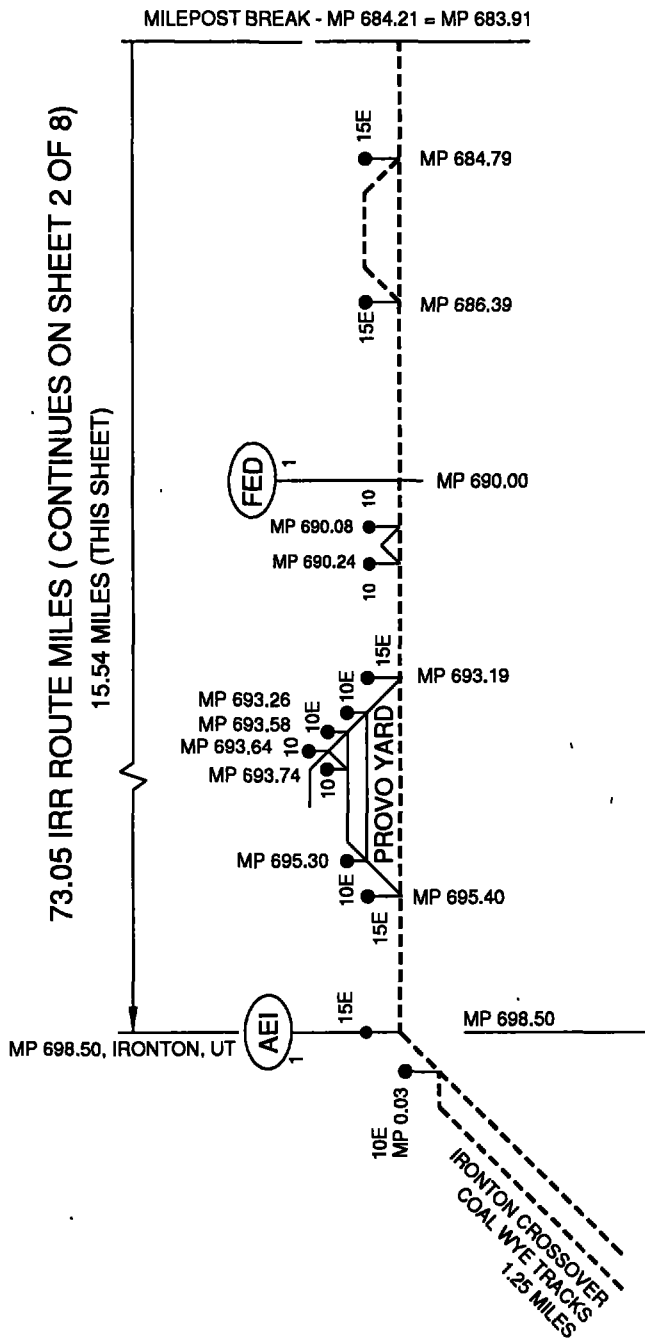
SUBDIVISION: **PROVO**

FROM: **HELPER**

TO: **MILEPOST BREAK**

MP: **626.40**

MP: **683.91**



TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	12
#15 TURNOUTS	17
#20 TURNOUTS	0
FED	3
AEI	1

PAGE 3 OF 8

EXHIBIT:
III-B-1

LEGEND:

20 = TURNOUT TYPE*
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC

136# STANDARD CWR
115# CWR CLASS 1 RELAY

FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

(FED) 1
AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED
(AEI) 1

SUBDIVISION: **PROVO**

DATE: **7/18/11**

MP: **684.21**

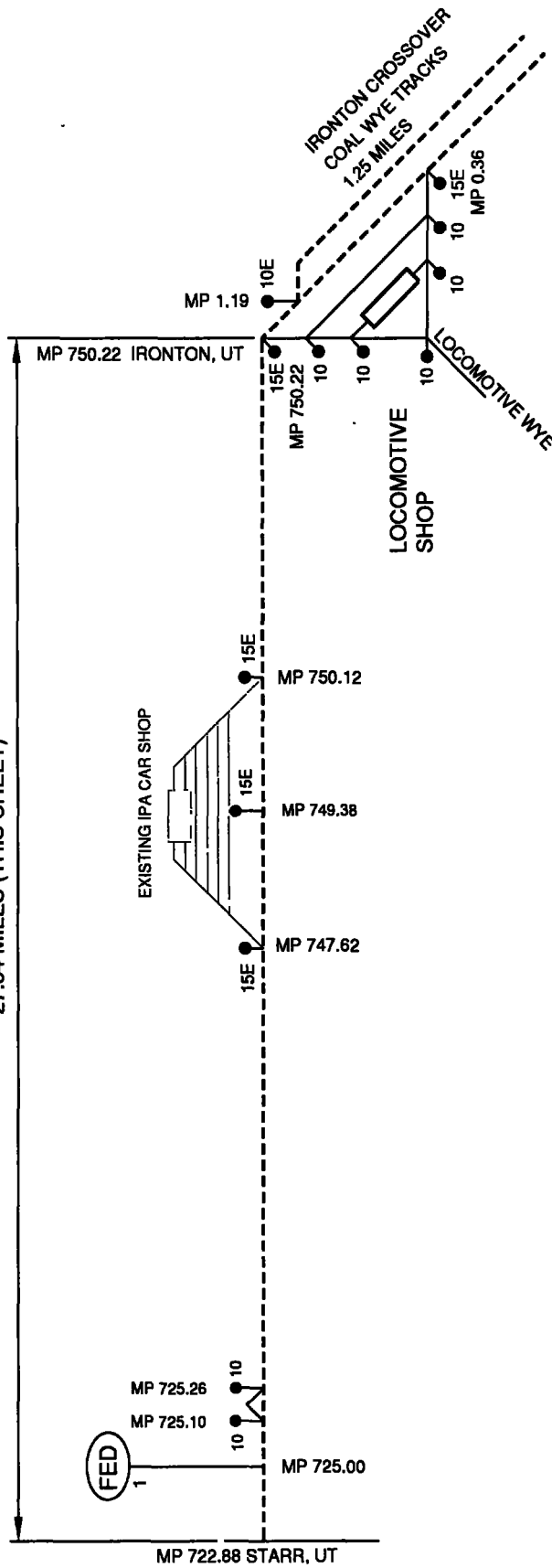
FROM: **MILEPOST BREAK**

MP: **698.50**

TO: **PROVO**

NOT TO SCALE

84.52 IRR ROUTE MILES (CONTINUES ON SHEET 5 OF 8)
27.34 MILES (THIS SHEET)



TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	12
#15 TURNOUTS	9
#20 TURNOUTS	0
FED	3
AEI	1

PAGE 4 OF 8

EXHIBIT:
III-B-1

LEGEND:	
--- 136# STANDARD CWR	20 - TURNOUT TYPE*
--- 115# CWR CLASS 1 RELAY	* TURNOUT TYPES
	20 - #20 ELECTRIC
	15E - #15 ELECTRIC
	15 - #15 HAND-THROWN
	10S - #10 SPRING
	10 - #10 HAND-THROWN
	10E - #10 ELECTRIC
(FED) 1	FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
(AEI) 1	AEI - HOT BEARING DETECTOR OR BEARING DETECTOR
	HW - HOT WHEEL DETECTOR
	AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: **SHARP**

DATE: **7/18/11**

MP: **722.88**

FROM: **STARR**

MP: **750.22**

TO: **IRONTON**

NOT TO SCALE

MP 722.88 STARR, UT

MP 702.26

MP 702.10

MP 702.00

MP 701.70

MP 699.04

MP 681.19

MP 679.91

MP 676.66

MP 676.50

MP 675.00

MP 665.70 LYNN DYLL, UT

FED

AEI

15E

10

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
<u>DESCRIPTION</u>	<u>COUNT</u>
#10 TURNOUTS	12
#15 TURNOUTS	9
#20 TURNOUTS	0
FED	3
AEI	1

PAGE 5 OF 8

EXHIBIT:
III-B-1

LEGEND:

* TURNOUT TYPE*
 * TURNOUT TYPES
 20 - #20 ELECTRIC
 15E - #15 ELECTRIC
 15- #15 HAND-THROWN
 10S - #10 SPRING
 10- #10 HAND-THROWN
 10E - #10 ELECTRIC

----- - 136# STANDARD CWR
----- - 115# CWR CLASS 1 RELAY

FAILED EQUIPMENT DETECTOR WITH
 NUMBER OF TRACKS COVERED
 1B = HOT BEARING DETECTOR
 DE OR DED = DRAGGING EQUIPMENT DETECTOR
 HW = HOT WHEEL DETECTOR

AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

DATE: 7/18/11

MP: 665.70

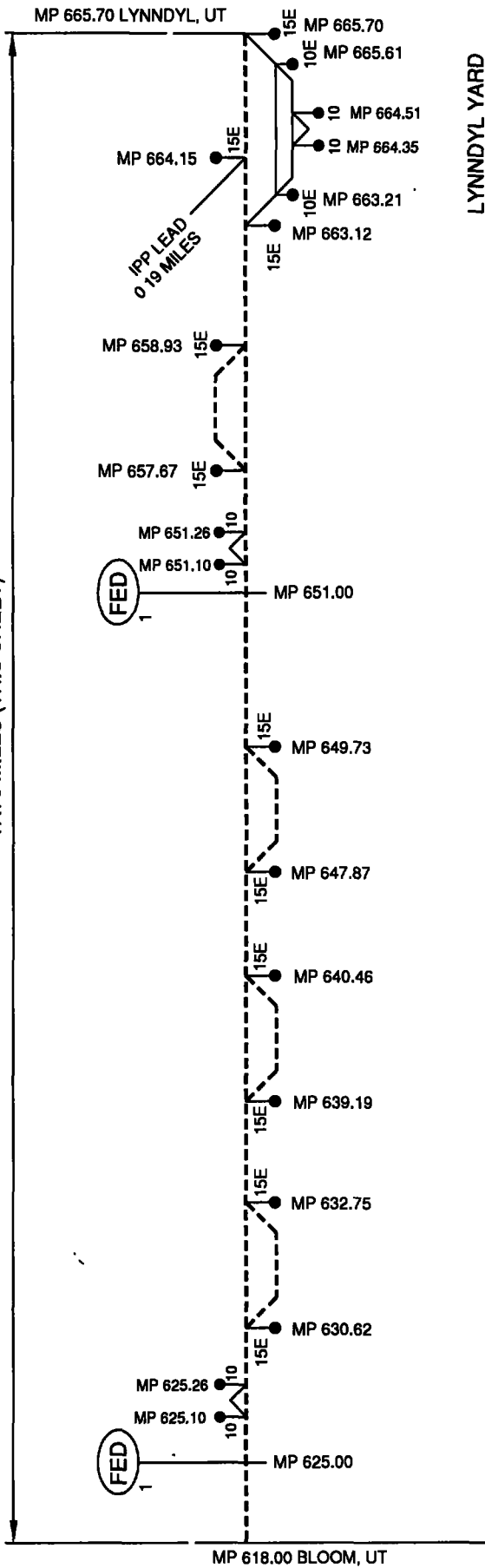
MP: 722.88

SUBDIVISION: SHARP

FROM: LYNDYL

TO: STARR

89.0 IRR ROUTE MILES (CONTINUES ON SHEET 7 OF 8)
47.70 MILES (THIS SHEET)



LYNNDYL YARD

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	16
#15 TURNOUTS	24
#20 TURNOUTS	0
FED	4
AEI	1

EXHIBIT:
III-B-1

LEGEND:

--- 136# STANDARD CWR
--- 115# CWR CLASS 1 RELAY

20 = TURNOUT TYPE
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC

(FED) 1 FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

(AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED

SUBDIVISION: **LYNNDYL**

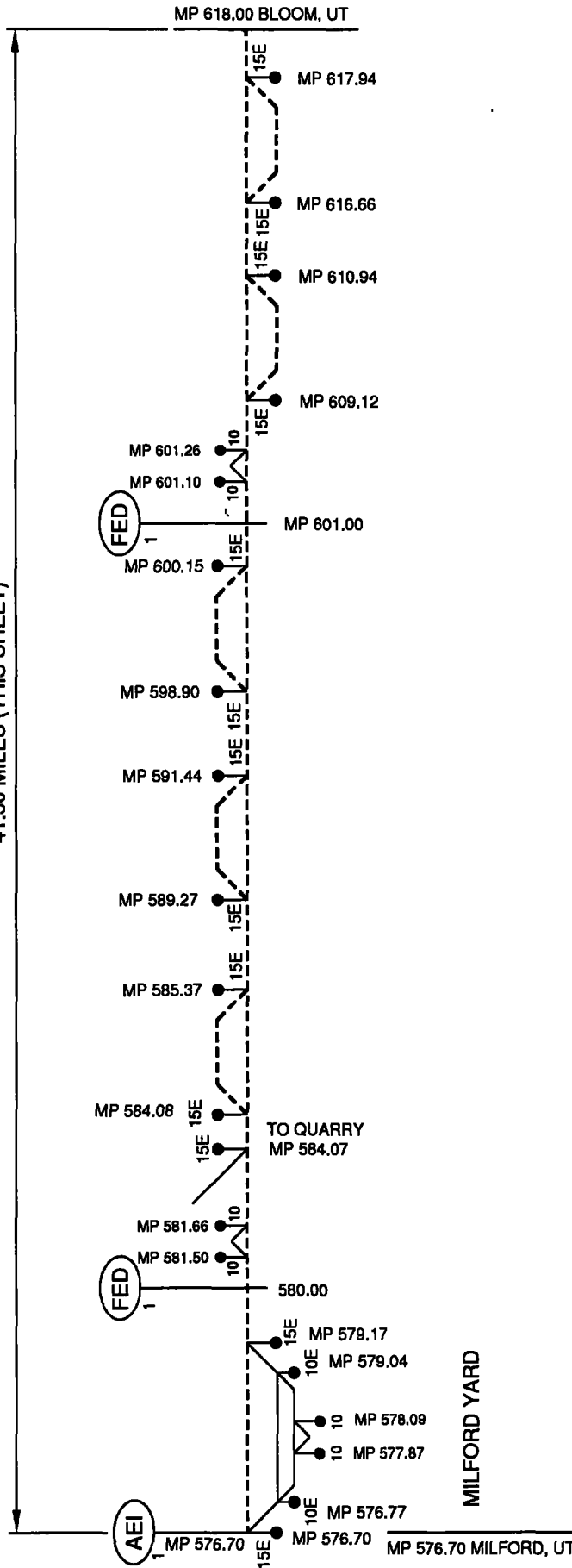
DATE: **7/18/11**

FROM: **BLOOM** MP: **618.00**

TO: **LYNNDYL** MP: **665.70**

NOT TO SCALE

89.0 IRR ROUTE MILES (CONTINUES ON SHEET 6 OF 8)
41.30 MILES (THIS SHEET)



TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	16
#15 TURNOUTS	24
#20 TURNOUTS	0
FED	4
AEI	1

PAGE 7 OF 8

EXHIBIT:
III-B-1

LEGEND:

20 = TURNOUT TYPE
 20 = #20 ELECTRIC
 15E = #15 ELECTRIC
 15 = #15 HAND-THROWN
 10S = #10 SPRING
 10 = #10 HAND-THROWN
 10E = #10 ELECTRIC

1.36# STANDARD CWR
 115# CWR CLASS 1 RELAY

FAILED EQUIPMENT DETECTOR WITH
 NUMBER OF TRACKS COVERED
 HB = HOT BEARING DETECTOR
 DE OR DED = DRAGGING EQUIPMENT DETECTOR
 HW = HOT WHEEL DETECTOR

FED 1
 AEI 1

AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
 NUMBER OF TRACKS COVERED

SUBDIVISION: **LYNN DYL**

DATE: **7/18/11**

MP: **576.70**

FROM: **MILFORD**

MP: **618.00**

TO: **BLOOM**

NOT TO SCALE

19.63 IRR ROUTE MILES

MP 0.00 COLTON, UT
= 644.80 PROVO SUBDIVISION

MP 19.63 SKYLINE, UT

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	0
#15 TURNOUTS	0
#20 TURNOUTS	0
FED	0
AEI	0

PAGE 8 OF 8

EXHIBIT:
III-B-1

LEGEND:

--- - .136# STANDARD CWR
--- - .115# CWR CLASS 1 RELAY

20 = TURNOUT TYPE
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC

FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

(FED) 1
(AEI) 1

AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED

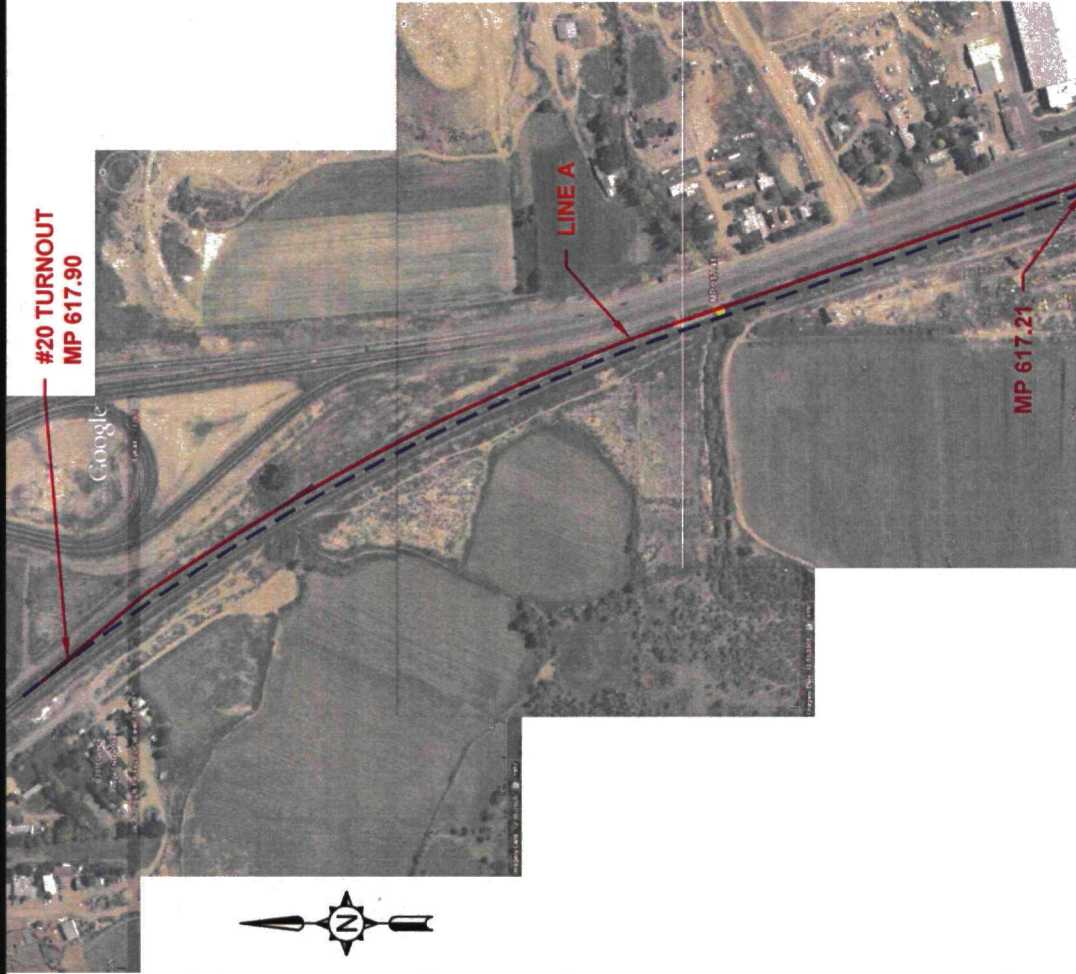
SUBDIVISION: **PLEASANT VALLEY**

DATE: **7/18/11**

FROM: **COLTON** MP: **0.00**

TO: **SKYLINE** MP: **19.63**

NOT TO SCALE



PRICE YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	10,877	2.06	11,265	2.13
SETOUT	600	0.11	860	0.16

PAGE 1 OF 13

EXHIBIT:
III-B-2

LEGEND:

- - 136# STANDARD CWR
- - 115# CWR CLASS 1 RELAY
- (FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- (AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED
- * TURNOUT TYPE*
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15- #15 HAND-THROWN
 - 10S - #10 SPRING
 - 10- #10 HAND-THROWN
 - 10E - #10 ELECTRIC
- HB = HOT BEARING DETECTOR
- DE OR DEED = DERAILING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR

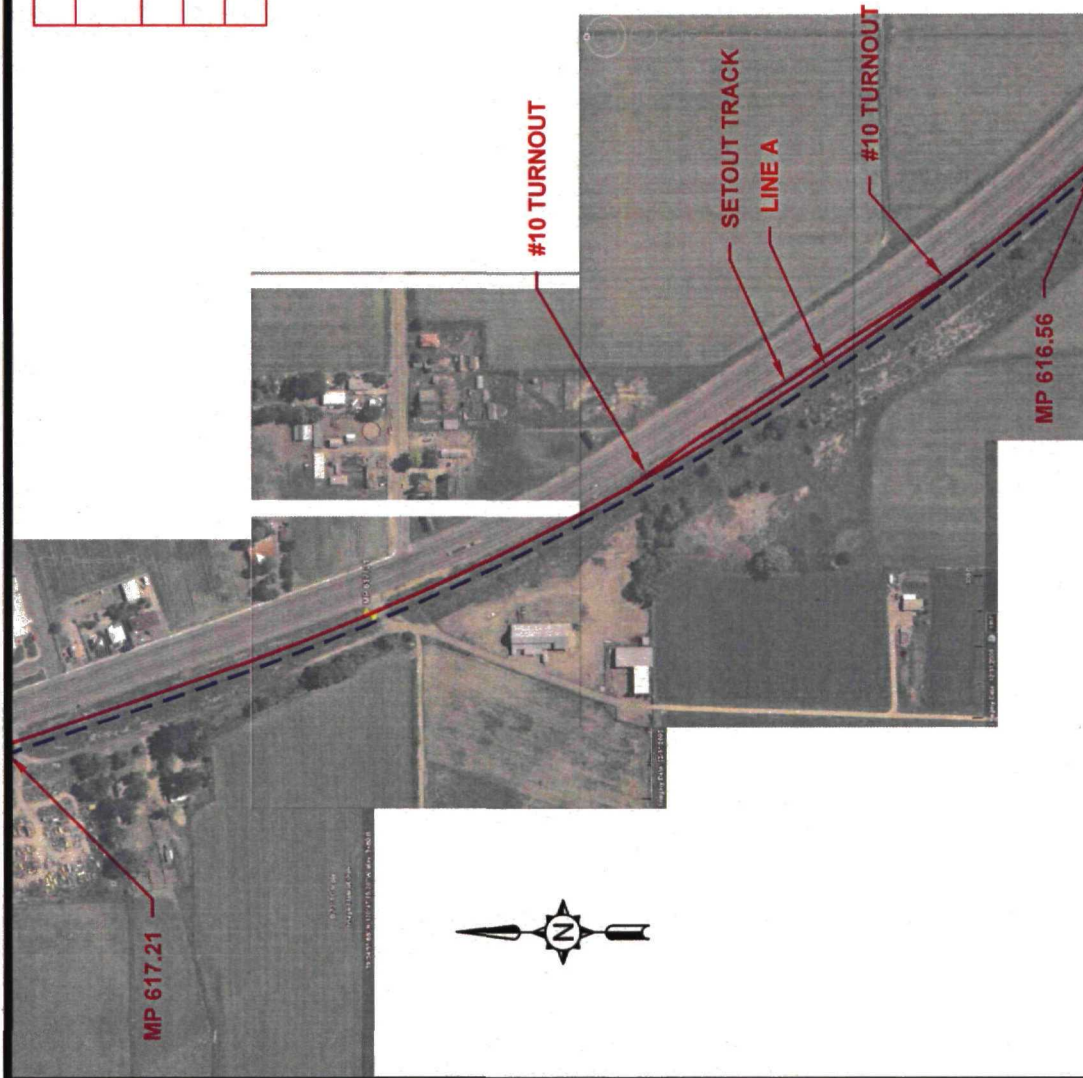
SUBDIVISION: **GREEN RIVER**

PRICE YARD

MP 617.90 TO 617.21

DATE: 7/18/11

SCALE: 1" = 500'



PRICE YARD				
LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT		
LINE	L.F.	MILES	LF	MILES
A	10,877	2.06	11,265	2.13
SETOUT	600	0.11	860	0.16

PAGE 2 OF 13

EXHIBIT:
III-B-2

LEGEND:

- 20 = TURNOUT TYPE*
- * TURNOUT TYPES
 - 20 - #20 ELECTRIC
 - 15E- #15 ELECTRIC
 - 15- #15 HAND-THROWN
 - 10S- #10 SPRING
 - 10- #10 HAND-THROWN
 - 10E- #10 ELECTRIC
- 136# STANDARD CWR
- 115# CWR CLASS 1 RELAY
- (FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- HB = HOT BEARING DETECTOR
- DE OR DEO = DRAGGING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR
- (AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: GREEN RIVER
PRICE YARD
 MP 617.21 TO 616.56

DATE: 7/18/11
SCALE: 1" = 500'

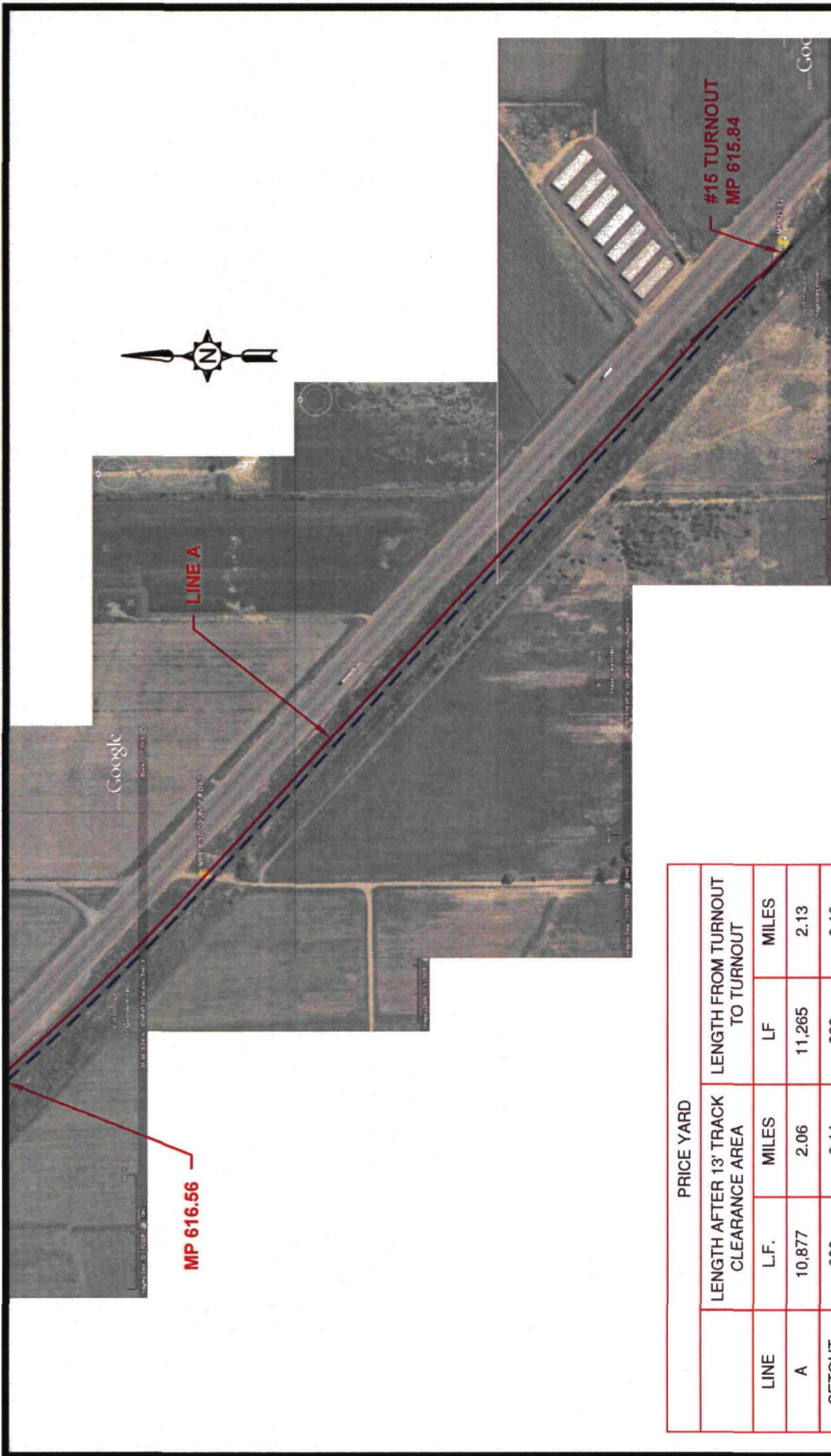


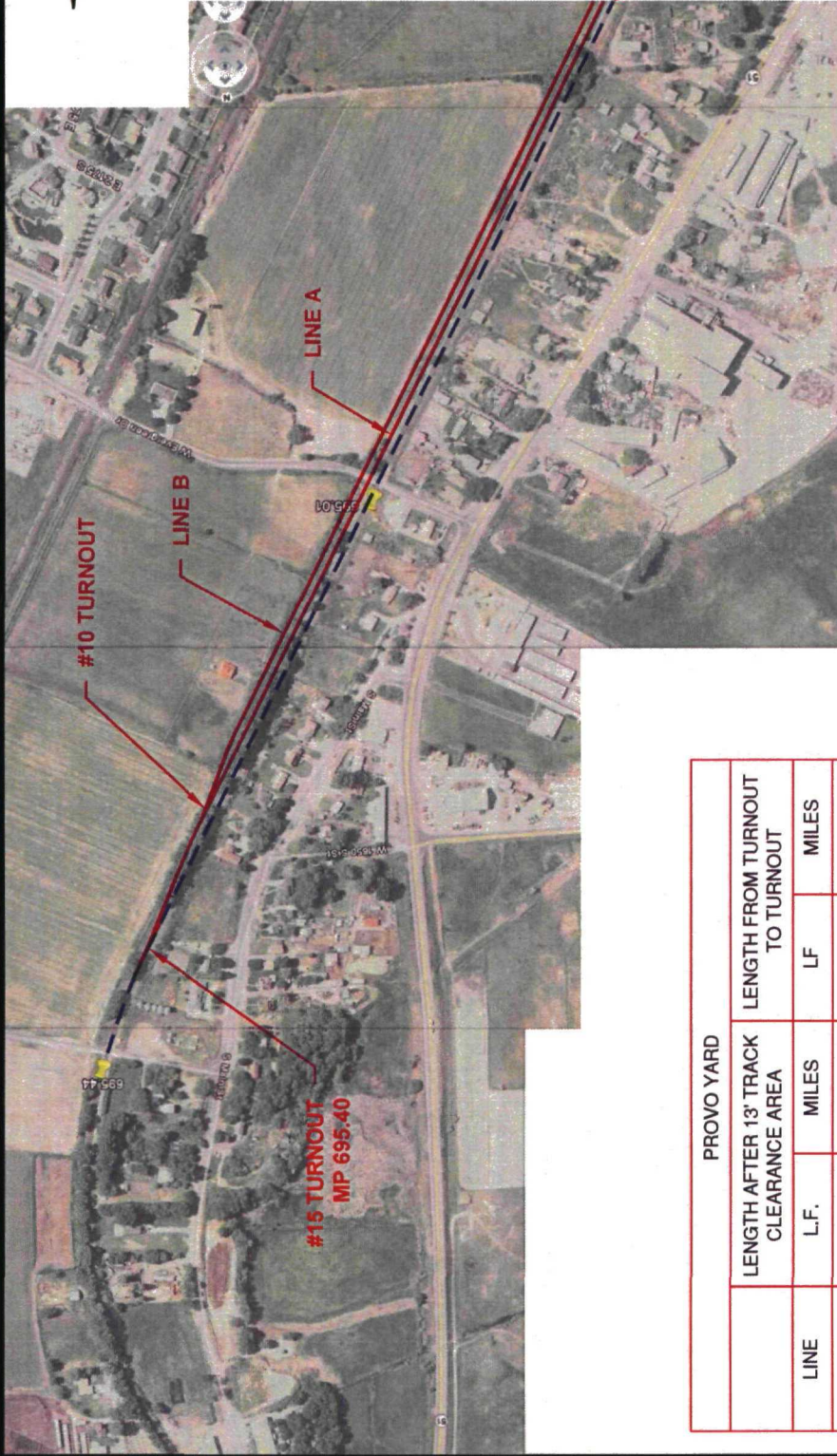
EXHIBIT:
III-B-2

- LEGEND:**
- - 136# STANDARD CWR
 - - 115# CWR CLASS 1 RELAY
 - (FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
 - (AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED
 - 20 = TURNOUT TYPE
 - * TURNOUT TYPES
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15- - #15 HAND-THROWN
 - 10S- - #10 SPRING
 - 10- - #10 HAND-THROWN
 - 10E- - #10 ELECTRIC
 - HB = HOT BEARING DETECTOR
 - DE OR DED = DRAGGING EQUIPMENT DETECTOR
 - HW = HOT WHEEL DETECTOR

DATE: 7/18/11
SCALE: 1" = 500'

SUBDIVISION: **GREEN RIVER**
PRICE YARD
MP 616.56 TO 615.84

LINE	PRICE YARD		LENGTH FROM TURNOUT TO TURNOUT	
	LENGTH AFTER 13' TRACK CLEARANCE AREA	LF	MILES	MILES
A	10,877	2.06	11,265	2.13
SETOUT	600	0.11	860	0.16



PROVO YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	11,237	2.10	11,288	2.14
B	10,560	2.00	10,820	2.04
SETOUT	600	0.11	860	0.16
M.O.W. STORAGE	1,000	0.19	1,130	0.21

EXHIBIT:
III-B-2

20 = TURNOUT TYPE*

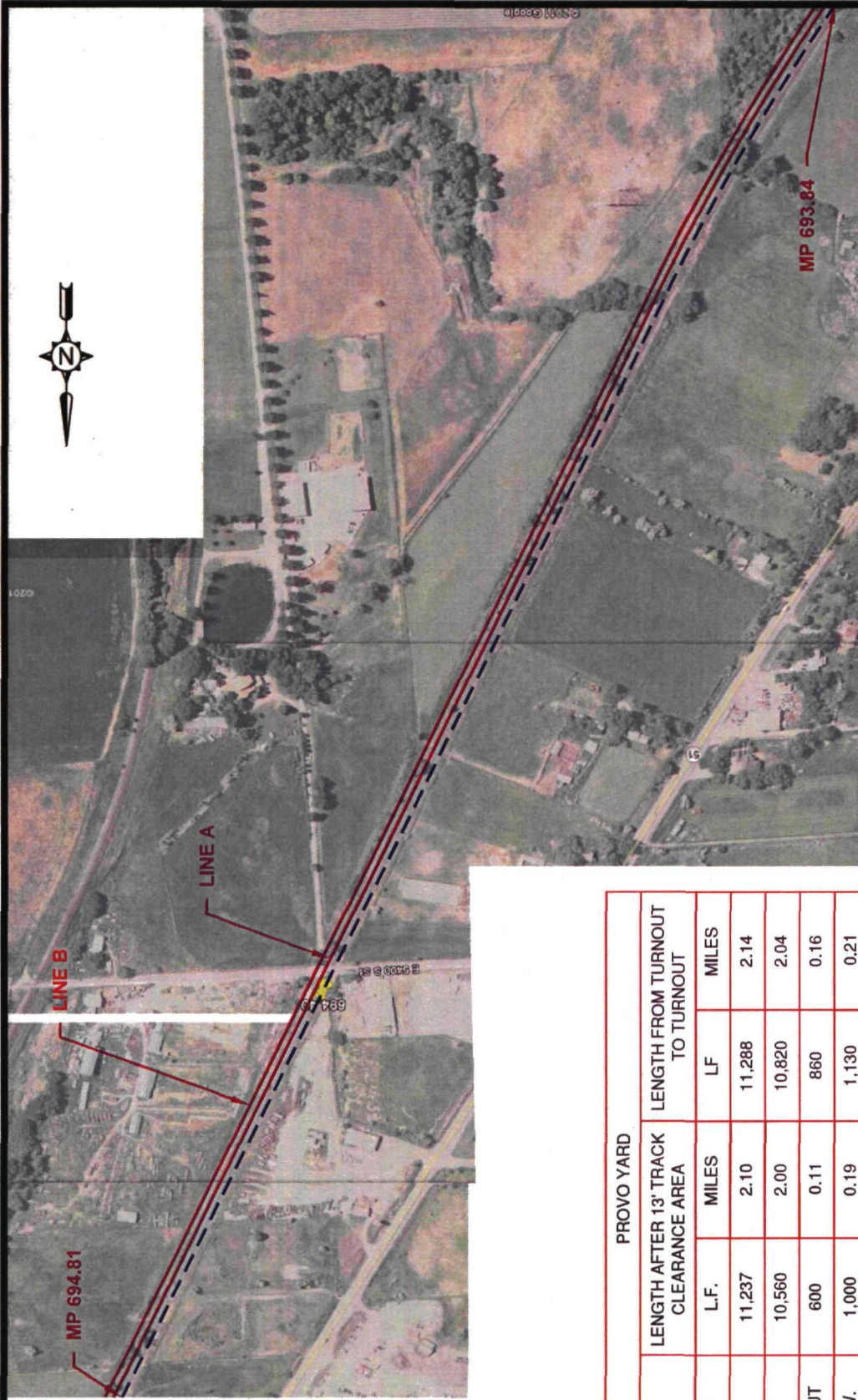
(FED)	FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
1	

HB = HOT BEARING DETECTOR
DE OR DED= DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

**AEI¹ AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED**

DATE: 7/18/11
SCALE: 1" = 500'

SUBDIVISION: **PROVO**
PROVO YARD
 MP 695.40 TO 694.81



PROVO YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	11,237	2.10	11,288	2.14
B	10,560	2.00	10,820	2.04
SETOUT	600	0.11	860	0.16
M.O.W. STORAGE	1,000	0.19	1,130	0.21

EXHIBIT:
III-B-2

LEGEND:

- 136# STANDARD CWR
- 115# CWR CLASS 1 RELAY
- (FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- (AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED
- 20 = TURNOUT TYPE*
- * TURNOUT TYPES
- 20 - #20 ELECTRIC
- 15E - #15 ELECTRIC
- 15 - #15 HAND-THROWN
- 10S - #10 SPRING
- 10 - #10 HAND-THROWN
- 10E - #10 ELECTRIC
- HB = HOT BEARING DETECTOR
- DE OR DED = DRAGGING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR

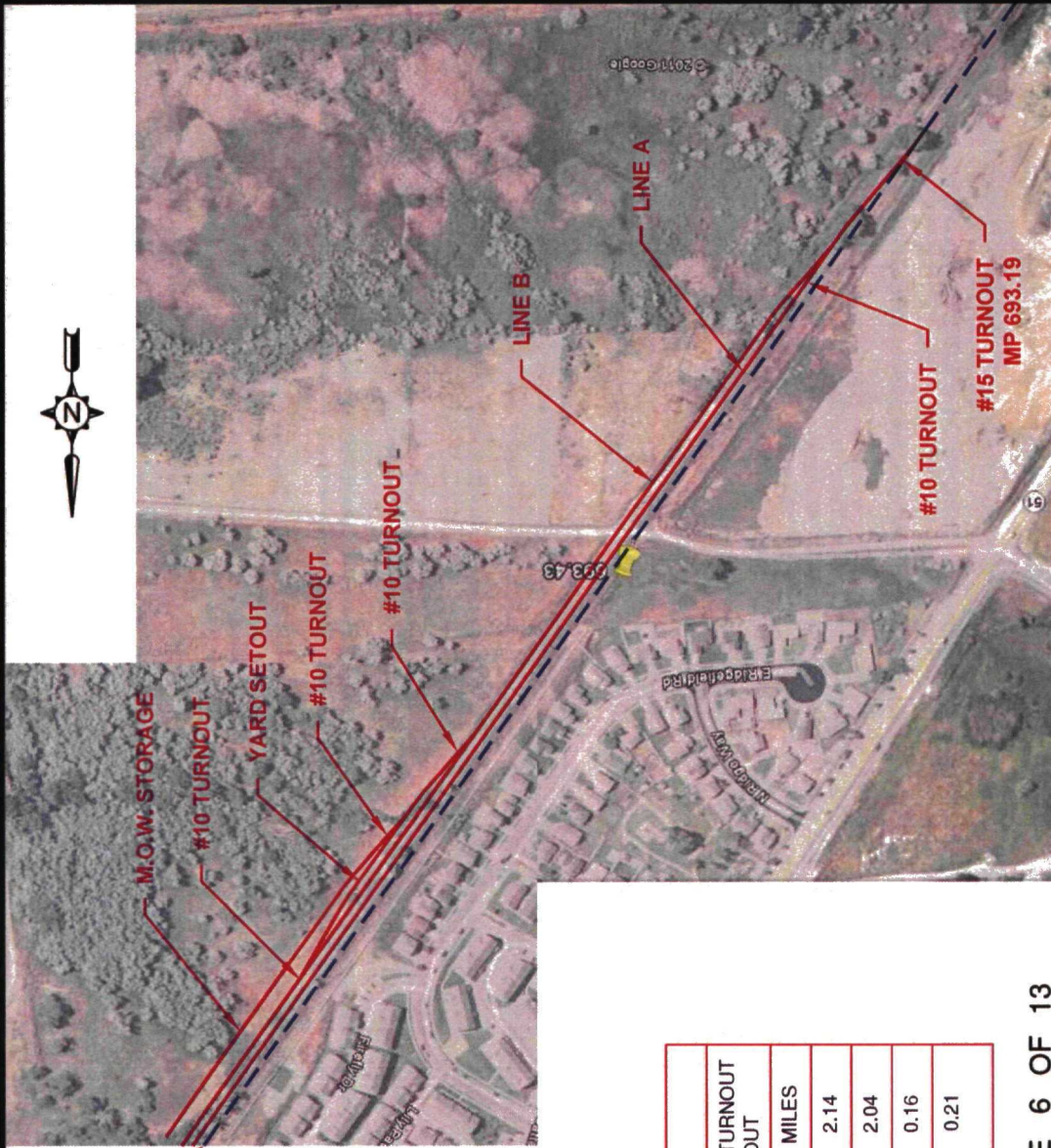
SUBDIVISION: **PROVO**

DATE: **7/18/11**

SCALE: **1" = 500'**

PROVO YARD

MP 694.81 TO 693.84



PROVO YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	11,237	2.10	11,288	2.14
B	10,560	2.00	10,820	2.04
SETOUT	600	0.11	860	0.16
M.O.W. STORAGE	1,000	0.19	1,130	0.21

PAGE 6 OF 13

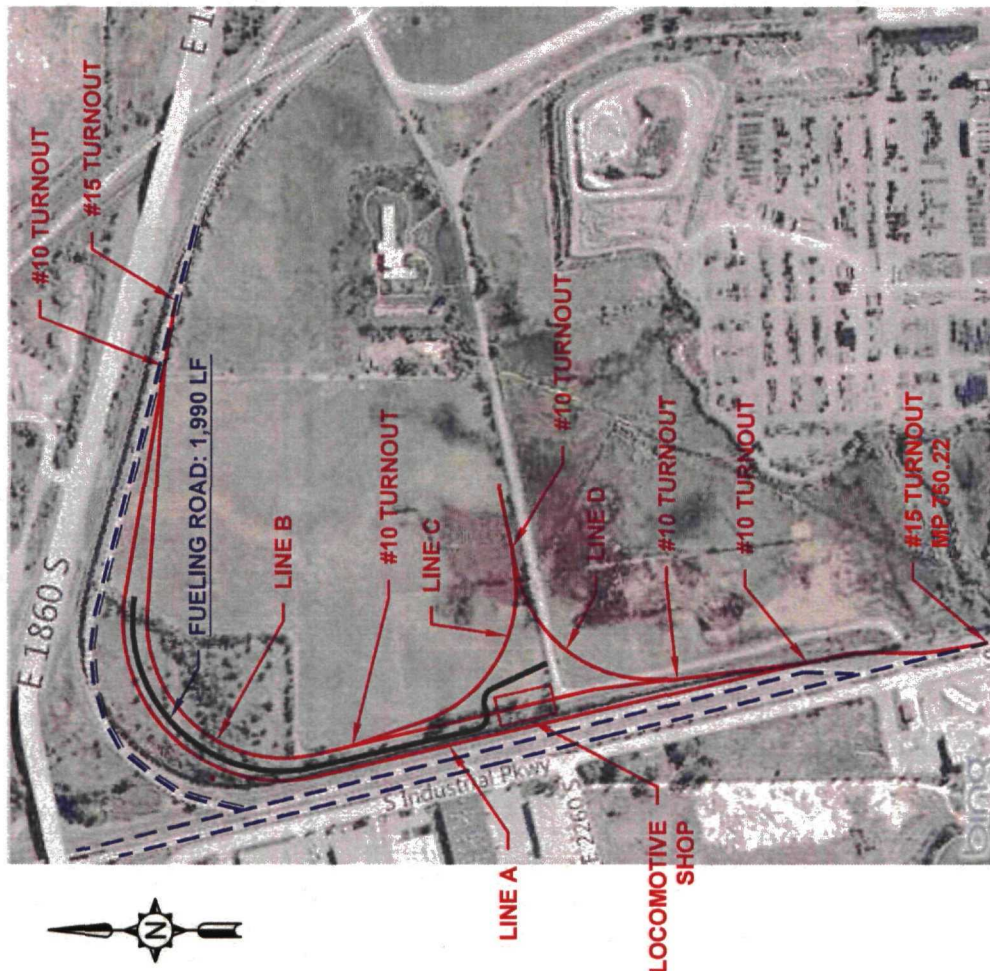
EXHIBIT:
III-B-2

LEGEND:

- TURNOUT TYPE:
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15 - #15 HAND-THROWN
 - 10S - #10 SPRING
 - 10 - #10 HAND-THROWN
 - 10E - #10 ELECTRIC
- 136# STANDARD CWR
- 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
 - FED 1
- NUMBER OF TRACKS COVERED
 - AEI 1
- HB - HOT BEARING DETECTOR
- DE OR REDUCED TRACKING EQUIPMENT DETECTOR
- HW - HOT WHEEL DETECTOR
- AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: **PROVO**
PROVO YARD
MP 693.84 TO 693.19

DATE: **7/18/11**
SCALE: 1" = 500'



LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	LF.	MILES	LF	MILES
A	3,911	0.74	4,450	0.86
B	3,027	0.57	3,516	0.67
C	815	0.15	1,016	0.19
D	875	0.17	1,059	0.20

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EXHIBIT:
III-B-2

LEGEND:

- TURNOUT TYPE*
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15 - #15 HAND-THROWN
 - 10S - #10 SPRING
 - 10 - #10 HAND-THROWN
 - 10E - #10 ELECTRIC
- 136# STANDARD CWR
- 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- HB = HOT BEARING DETECTOR
- DE OR DED = DRAGGING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR
- AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: **SHARP**
LOCOMOTIVE
SHOP

DATE: **7/18/11**
SCALE: **1" = 600'**

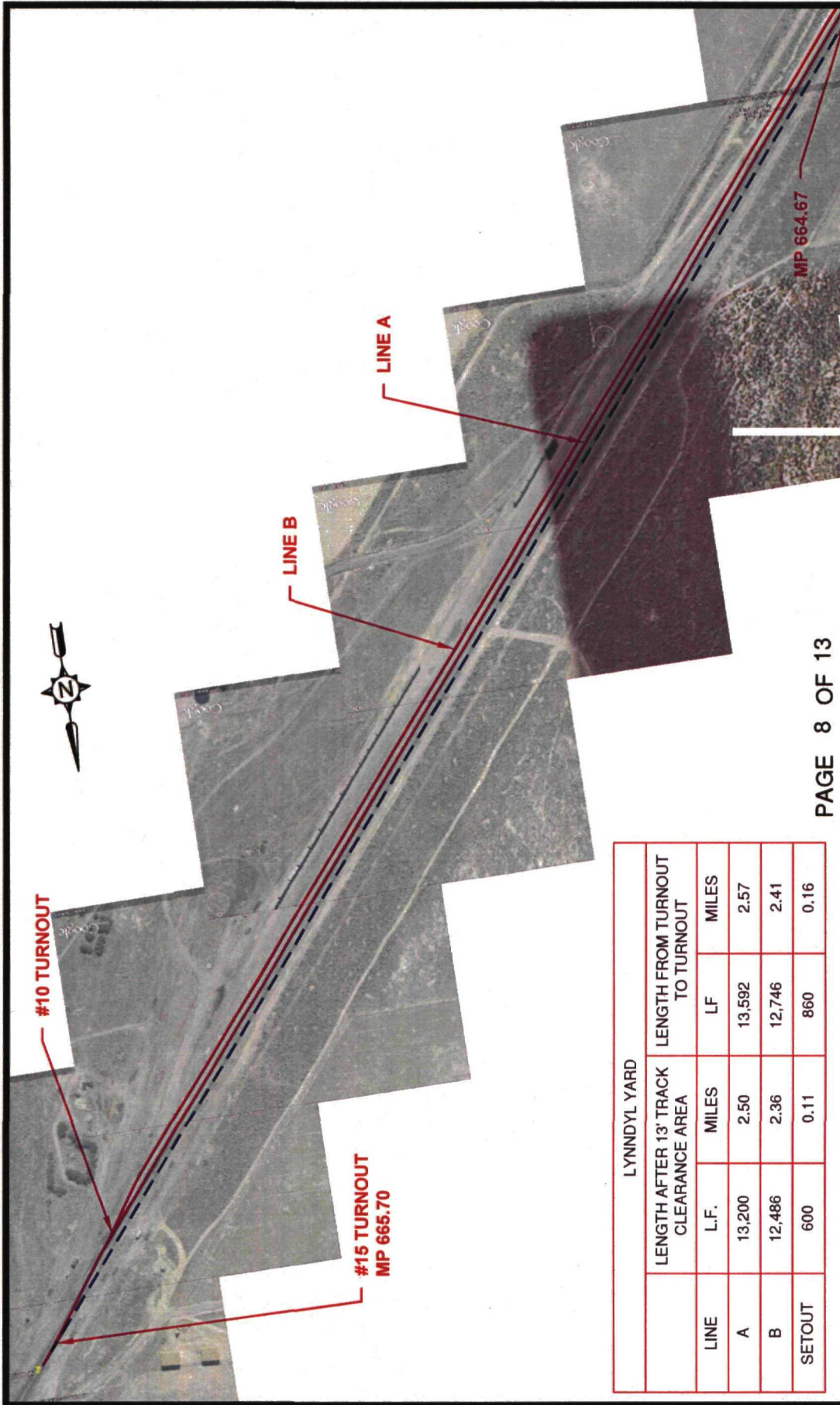


EXHIBIT: **III-B-2**

- LEGEND:**
- 20 = TURNOUT TYPE*
 - * TURNOUT TYPES
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15 - #15 HAND-THROWN
 - 10S - #10 SPRING
 - 10 - #10 HAND-THROWN
 - 10E - #10 ELECTRIC
 - 136# STANDARD CWR
 - 115# CWR CLASS 1 RELAY
 - FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
 - HB = HOT BEARING DETECTOR OR OREDO TRACKING EQUIPMENT DETECTOR
 - HW = HOT WHEEL DETECTOR
 - AE1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

PAGE 8 OF 13

LYNN DYL YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	13,200	2.50	13,592	2.57
B	12,486	2.36	12,746	2.41
SETOUT	600	0.11	860	0.16

SUBDIVISION: **LYNN DYL**
 LYNN DYL YARD
 MP 665.70 TO 664.67

DATE: 7/18/11
 SCALE: 1" = 500'

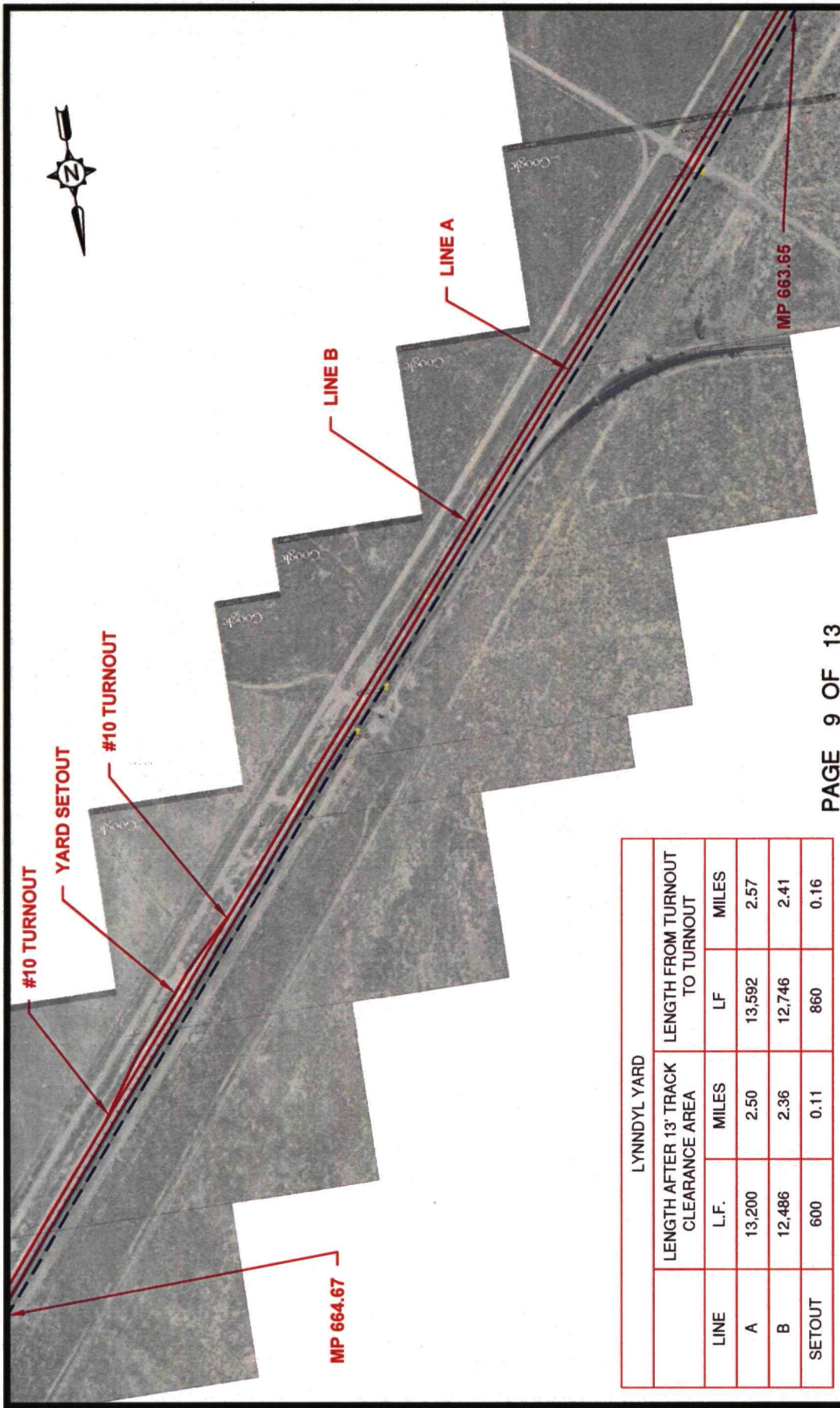


EXHIBIT: **III-B-2**

LEGEND:

* TURNOUT TYPE=

- 20 - #20 ELECTRIC
- 15E - #15 ELECTRIC
- 15S - #15 HAND-THROWN
- 10S - #10 SPRING
- 10E - #10 HAND-THROWN
- 10E - #10 ELECTRIC

- - - - - 136# STANDARD CWR
 - - - - - 115# CWR CLASS 1 RELAY

(FED) 1 FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
 HB - HOT BEARING DETECTOR
 DE OR DED - DRAGGING EQUIPMENT DETECTOR
 HW - HOT WHEEL DETECTOR

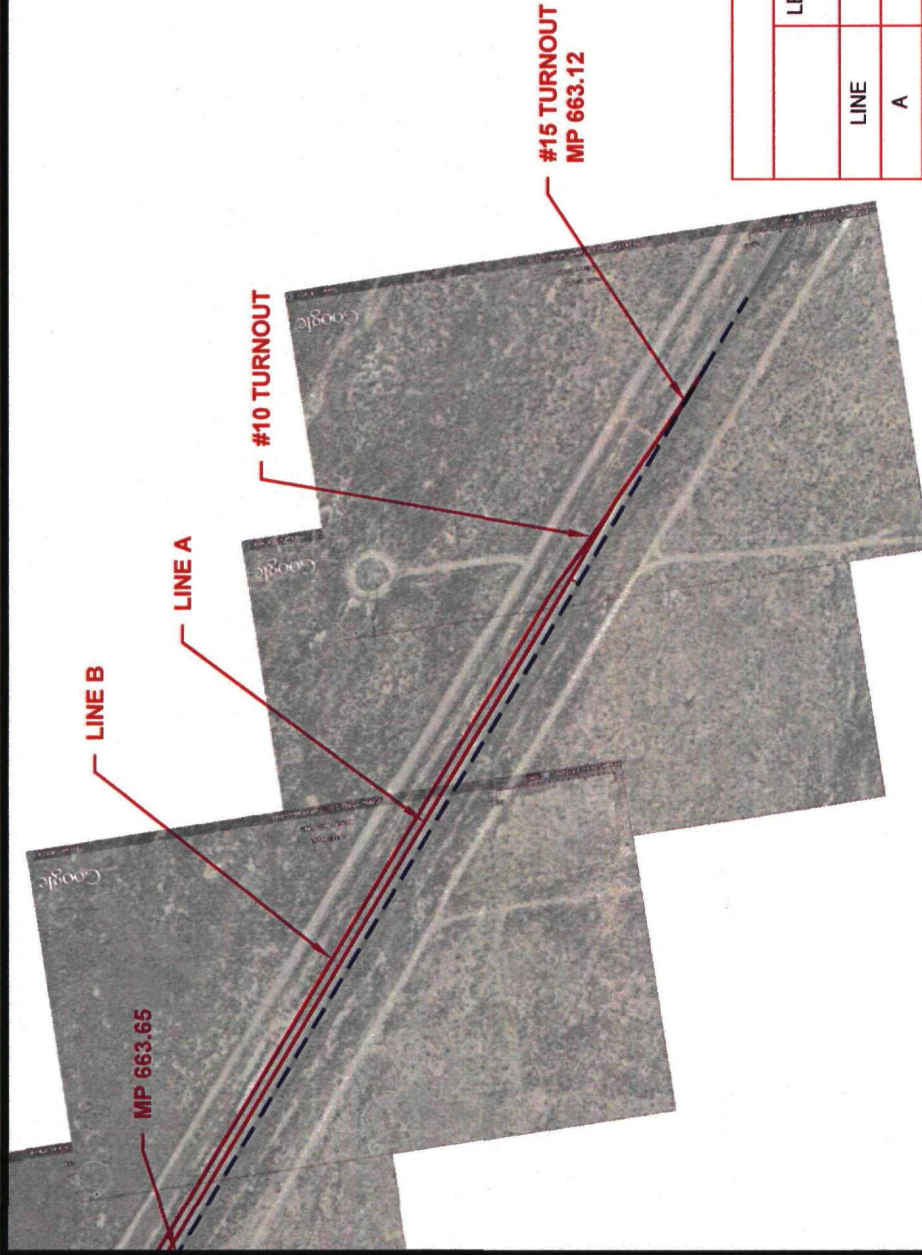
(AEI) 1 AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

PAGE 9 OF 13

DATE: 7/18/11
 SCALE: 1" = 500'

SUBDIVISION: **LYNNNDYL**
LYNNNDYL YARD
 MP 664.67 TO 663.65

LYNNNDYL YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	13,200	2.50	13,592	2.57
B	12,486	2.36	12,746	2.41
SETOUT	600	0.11	860	0.16



LYNDYL YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	13,200	2.50	13,592	2.57
B	12,486	2.36	12,746	2.41
SETOUT	600	0.11	860	0.16

PAGE 10 OF 13

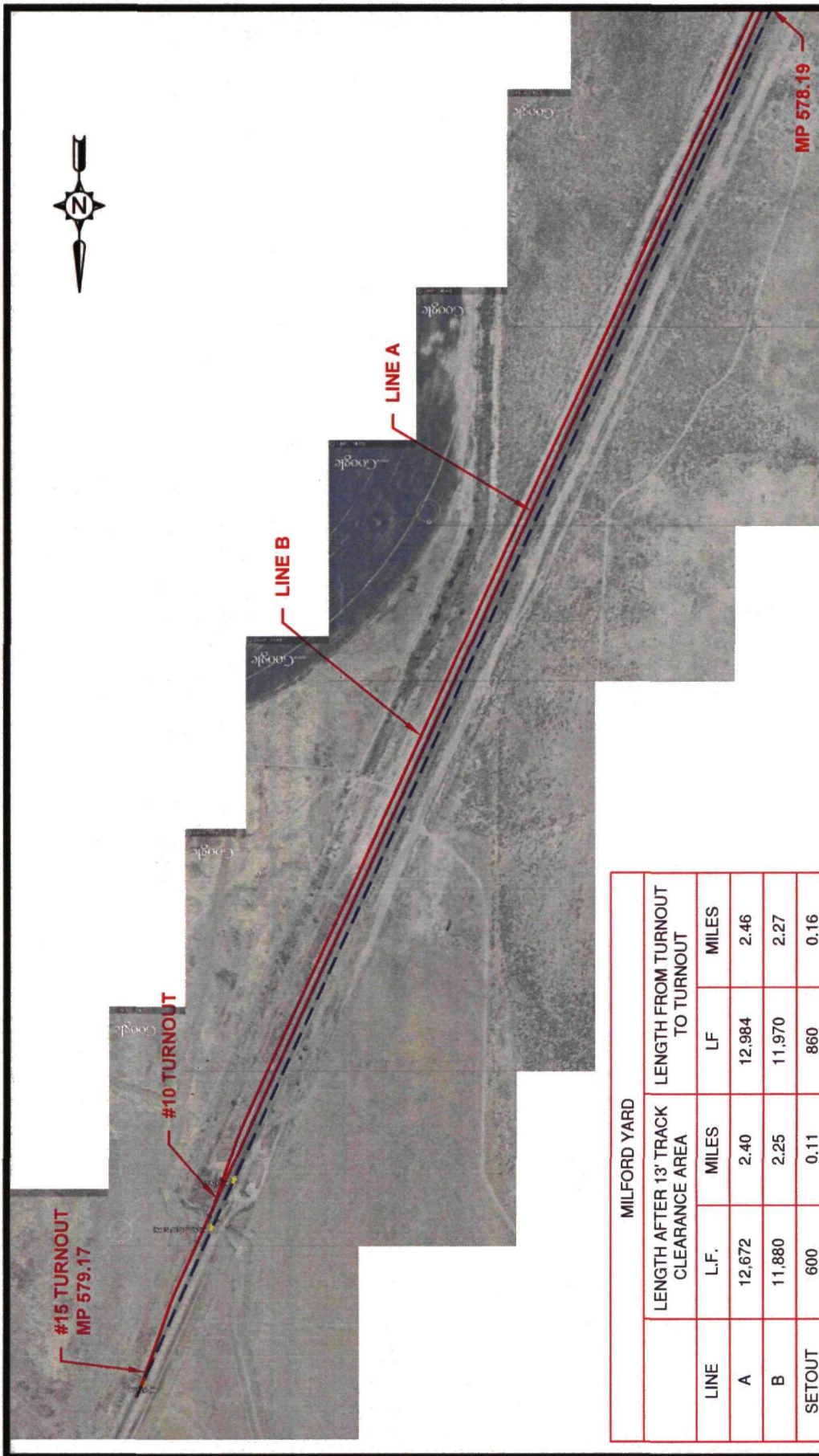
LEGEND:

- - 136# STANDARD CWR
--- - 115# CWR CLASS 1 RELAY
- (FED) 1
NUMBER OF TRACKS COVERED
- (AEI) 1
AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED
- 20 = TURNOUT TYPE*
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15- #15 HAND-THROWN
10S - #10 SPRING
10- #10 HAND-THROWN
10E - #10 ELECTRIC
- FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

EXHIBIT:
III-B-2

SUBDIVISION: **LYNDYL**
LYNDYL YARD
MP 663.65 TO 663.12

DATE: **7/18/11**
SCALE: 1" = 500'



MILFORD YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	12,672	2.40	12,984	2.46
B	11,880	2.25	11,970	2.27
SETOUT	600	0.11	860	0.16

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EXHIBIT:
III-B-2

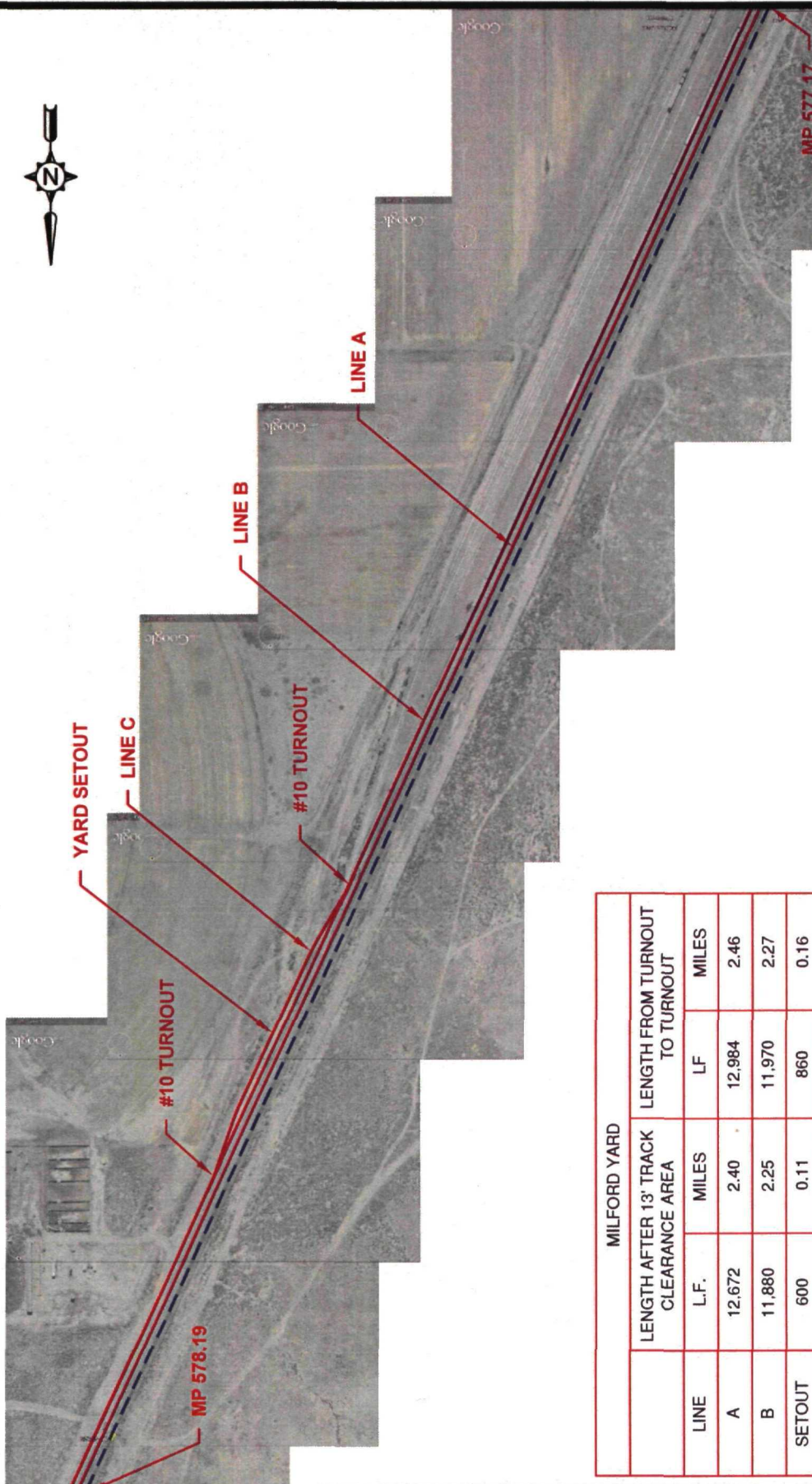
LEGEND:

- 20 = TURNOUT TYPE*
• TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15- #15 HAND-THROWN
10S - #10 SPRING
10- #10 HAND-THROWN
10E - #10 ELECTRIC
- - 136# STANDARD CWR
--- - 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR

DATE: **7/18/11**
SCALE: 1" = 500'

SUBDIVISION: **LYNN DYL**
MILFORD YARD
MP 579.17 TO 578.19

AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED



MILFORD YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	12,672	2.40	12,984	2.46
B	11,880	2.25	11,970	2.27
SETOUT	600	0.11	860	0.16

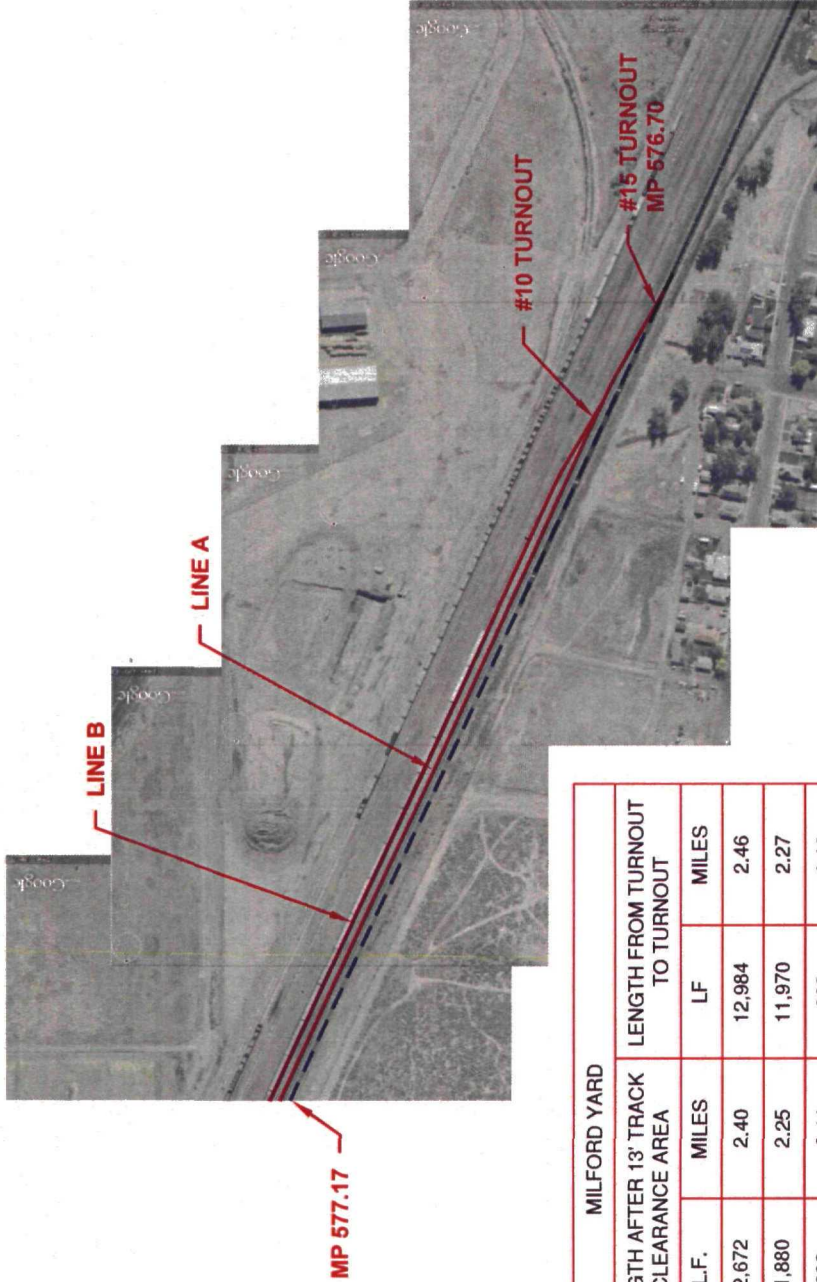
EXHIBIT:
III-B-2

LEGEND:

- 20 = TURNOUT TYPE*
- * TURNOUT TYPES
 - 20 - #20 ELECTRIC
 - 15E - #15 ELECTRIC
 - 15 - #15 HAND-THROWN
 - 10S - #10 SPRING
 - 10 - #10 HAND-THROWN
 - 10E - #10 ELECTRIC
- - 136# STANDARD CWR
- - 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED
- HB = HOT BEARING DETECTOR
- DE OR DED = DRAGGING EQUIPMENT DETECTOR
- HW = HOT WHEEL DETECTOR
- (FED) 1
- (AEI) 1
- AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED

SUBDIVISION: **LYNN DYL**
MILFORD YARD
MP 578.19 TO 577.17

DATE: **7/18/11**
SCALE: 1" = 500'



MILFORD YARD				
LINE	LENGTH AFTER 13' TRACK CLEARANCE AREA		LENGTH FROM TURNOUT TO TURNOUT	
	L.F.	MILES	LF	MILES
A	12,672	2.40	12,984	2.46
B	11,880	2.25	11,970	2.27
SETOUT	600	0.11	860	0.16

LEGEND:

- 20 = TURNOUT TYPE*
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC
- - 136# STANDARD CWR
----- - 115# CWR CLASS 1 RELAY
- FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB - HOT BEARING DETECTOR
DE OR DED - DRAGGING EQUIPMENT DETECTOR
HW - HOT WHEEL DETECTOR
- (FED) 1
AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH
NUMBER OF TRACKS COVERED
(AEI) 1

SUBDIVISION: **LYNN DYL**
MILFORD YARD
MP 577.17 TO 576.70

DATE: **7/18/11**
SCALE: 1" = 500'

EXHIBIT III-B-3
REDACTED

III-C Operating Plan

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EXHIBIT III-C-1
REDACTED

Intermountain Railroad

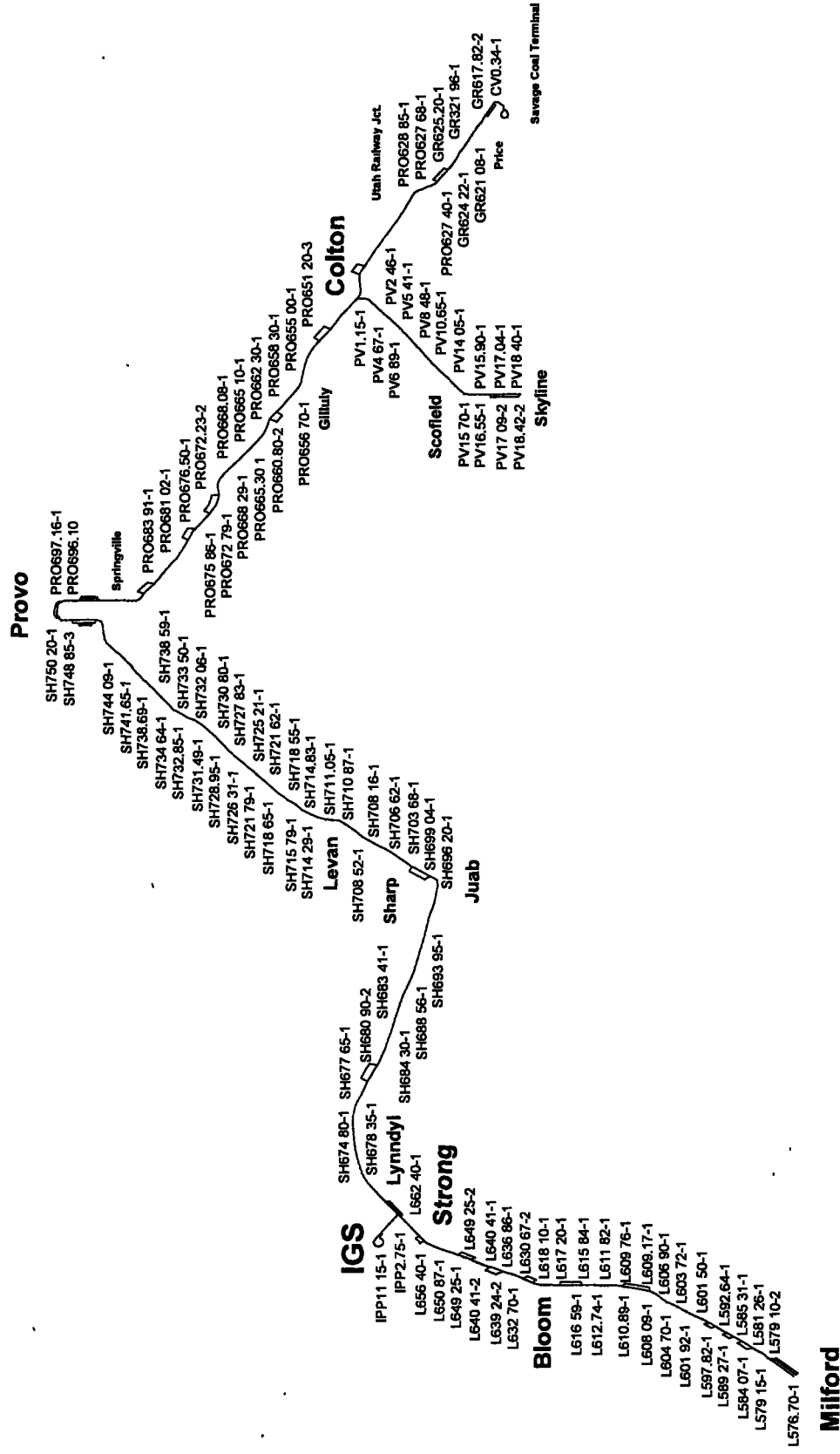


EXHIBIT III-C-3
REDACTED

III-H Results of SAC Analysis

TABLE A: IRR ANNUAL COST OF CAPITAL

Year (1)	Industry Cost of Capital (2)	Industry Debt 1/ (3)	Industry Cost of Preferred Equity 2/ (4)	Industry Cost of Equity 3/ (5)	IRR's Cost of Preferred Equity (6)	IRR's Cost of Equity (7)	IRR's Cost of Equity (8)	Debt as a Percent of Total Investment (9)	Preferred Equity as a Percent of Total Investment (10)	Equity as a Percent of Total Investment (11)	Composite Cost of Capital (12)	1 + Cost of Capital (13)	STB Prescribed Debt as a % of Capital 4/ (14)
2008	9.57%	6.57%	0.00%	10.39%	6.57%	0.00%	10.39%	21.54%	0.00%	78.46%	9.57%	1.0957	21.54%
2009	9.74%	5.72%	0.00%	11.39%	5.72%	0.00%	11.39%	29.10%	0.00%	70.90%	9.74%	1.0974	29.10%
2010	10.15%	4.61%	0.00%	11.84%	4.61%	0.00%	11.84%	23.37%	0.00%	76.63%	10.15%	1.1015	23.37%
2011					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2012					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2013					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2014					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2015					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2016					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2017					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2018					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2019					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	
2020					5.22%	0.00%	11.21%	26.00%	0.00%	74.00%	9.65%	1.0965	

1/ Cost of railroad industry debt from the STB Decision in Ex Parte No. 558 (Sub-No. 12), Railroad Cost of Capital - 2008, decided September 24, 2009, STB Decision in Ex Parte No. 558 (Sub-No. 13), Railroad Cost of Capital - 2009, decided September 30, 2010, and the AAR's Opening Evidence in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, submitted April 29, 2011.

2/ No preferred equity was issued in 2008 - 2010.

3/ Cost of railroad industry cost of equity from the STB Decision in Ex Parte No. 558 (Sub-No. 12), Railroad Cost of Capital - 2008, decided September 24, 2009, STB Decision in Ex Parte No. 558 (Sub-No. 13), Railroad Cost of Capital - 2009, decided September 30, 2010, and the AAR's Opening Evidence in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, submitted April 29, 2011.

4/ Capital structure from the STB Decisions in Ex Parte No. 558 (Sub-No. 12), Railroad Cost of Capital - 2009, decided September 24, 2008, Ex Parte No. 558 (Sub-No. 13), Railroad Cost of Capital - 2009, decided September 30, 2010, and the AAR's Opening Evidence in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, submitted April 29, 2011.

TABLE B: IRR INFLATION INDEXES

Period (1)	Land I/ (2)	Hybrid RCAF 2/ (3)	MWSE/Fuel 3/ (4)	Mat & Suppl 4/ (5)	Wages & Suppl 5/ (6)
3Q 2008	100.0		426.1	341.8	442.2
4Q 2008	101.1		431.3	373.2	442.2
1Q 2009	102.3		449.5	385.1	461.6
2Q 2009	103.5		448.2	377.5	461.6
3Q 2009	104.6		453.5	376.5	468.1
4Q 2009	105.8		448.3	349.1	467.3
1Q 2010	107.0		467.4	352.0	489.8
2Q 2010	108.3		466.7	349.1	489.7
3Q 2010	109.5		465.6	355.8	486.9
4Q 2010	110.7		467.2	364.6	486.9
1Q 2011	112.0			364.0	479.2
2Q 2011	113.3	100.0	463.5	377.4	479.6
3Q 2011	114.6	107.6	464.8	364.6	483.0
4Q 2011	115.9	109.6	467.4	361.7	486.3
1Q 2012	117.2	110.5	474.7	359.9	495.1
2Q 2012	118.5	111.3	476.0	356.7	497.1
3Q 2012	119.9	111.4	478.3	361.0	499.1
4Q 2012	121.2	112.7	480.6	365.7	501.1
1Q 2013	122.6	113.7	488.7	367.9	510.1
2Q 2013	124.0	114.8	490.5	368.3	512.1
3Q 2013	125.4	114.8	492.5	370.1	514.2
4Q 2013	126.9	116.0	495.1	373.1	516.7
1Q 2014	128.3	116.5	498.2	374.5	520.1
2Q 2014	129.8	117.0	501.3	375.9	523.4
3Q 2014	131.2	117.5	504.3	377.3	526.8
4Q 2014	132.7	118.1	507.5	378.7	530.2
1Q 2015	134.2	118.8	511.4	380.9	534.4
2Q 2015	135.8	119.6	515.3	383.2	538.6
3Q 2015	137.3	120.3	519.3	385.5	542.8
4Q 2015	138.9	121.1	523.3	387.8	547.1
1Q 2016	140.5	122.0	527.5	389.9	551.7
2Q 2016	142.1	122.8	531.8	392.0	556.4
3Q 2016	143.7	123.7	536.1	394.1	561.0
4Q 2016	145.3	124.5	540.4	396.3	565.7
1Q 2017	147.0	125.2	545.0	398.0	570.8
2Q 2017	148.6	125.8	549.6	399.6	575.8
3Q 2017	150.3	126.4	554.2	401.3	580.9
4Q 2017	152.1	127.0	558.8	403.0	586.1
1Q 2018	153.8	127.7	563.6	404.0	591.5
2Q 2018	155.5	128.3	568.3	405.0	596.8
3Q 2018	157.3	129.0	573.1	406.0	602.3
4Q 2018	159.1	129.6	578.0	407.1	607.8
1Q 2019	160.9	130.1	582.9	408.3	613.3
2Q 2019	162.7	130.6	587.9	409.5	618.9
3Q 2019	164.6	131.1	592.9	410.7	624.6
4Q 2019	166.5	131.7	597.9	411.9	630.3
1Q 2020	168.4	132.0	602.6	412.7	635.7
2Q 2020	170.3	132.4	607.4	413.4	641.2
3Q 2020	172.2	132.8	612.3	414.1	646.8
4Q 2020	174.2	133.2	617.1	414.8	652.3
Annual Inflation Rate 6/	4.63%		2.82%	1.30%	2.97%

1/ Used to index Road Property Account 2. Based on historic change in land prices as reported by the USDA
2/ Used to index expenses in Table K. Based on the RCAF-U and RCAF-A through 2Q11 then Global Insight forecast for remaining periods
3/ Used to index Road Property Accounts 3, 5, 6, 13, 17, 19, 20, 26, 27, 37, and 39. Based on RCR indices - West Region through 2Q11 then Global Insight forecast for remaining periods
4/ Used to index Road Property Accounts 8, 9, and 11. Based on RCR indices - West Region through 2Q11 then Global Insight forecast for remaining periods
5/ Used to index Road Property Accounts 1, 1A and 12. Based on RCR indices - West Region through 2Q11 then Global Insight forecast for remaining periods
6/ 4Q2010 + 4Q2020*(1/10) - 1. The Annual Rate is used to develop asset replacement values at the end of asset lives

TABLE C: IRR PROPERTY INVESTMENT VALUES

Construction of the IRR occurs between July 1, 2008 and January 1, 2011.
Investments are assumed to be in January 1, 2011 dollars.

Property Account (1)	Property Component (2)	Service Life In Years 1/ (3)	Investment In 7/1/2008 Dollars 2/ (4)	Investment In 7/1/2009 Dollars 3/ (5)	Investment In 7/1/2010 Dollars 4/ (6)	2008 Investment Value 5/ (7)	2009 Investment Value 6/ (8)	2010 Investment Value 7/ (9)	Total Property Investment 1Q 2011 8/ (10)
1	Engineering	NA	\$49,557,131	\$52,459,730	\$54,566,637	\$22,872,522	\$28,247,547	\$0	\$51,120,069
2	Land	NA	31,016,006	32,453,481	33,957,577	4,430,858	27,817,269	0	32,248,127
3	Grading	86	155,274,667	165,259,473	169,668,822	0	110,172,982	56,556,274	166,729,256
5	Tunnels	118	30,214,581	32,157,505	33,015,511	0	23,387,276	9,004,230	32,391,506
6	Bridges & Culverts	71	25,217,067	26,838,629	27,554,721	0	16,774,143	10,333,020	27,107,163
8	Ties	21	46,342,920	51,047,716	48,241,108	0	17,015,905	32,160,739	49,176,644
9	Rails and OTM	27	90,810,317	100,029,504	94,529,874	0	33,343,168	63,019,916	96,363,084
11	Ballast	34	30,431,678	33,521,144	31,678,148	0	11,173,715	21,118,766	32,292,480
12	Labor	27	87,832,508	92,976,927	96,711,100	0	30,992,309	64,474,067	95,466,376
13	Fences and Roadway Signs	59	1,907,079	2,029,712	2,083,867	0	0	2,083,867	2,083,867
16	Stations and Office Buildings	31	1,932,316	2,056,572	2,111,444	0	411,314	1,689,155	2,100,470
17	Roadway Buildings	32	2,311,796	2,460,454	2,526,103	0	0	2,526,103	2,526,103
19	Wastewater Treatment	31	106,355	113,194	116,214	0	0	116,214	116,214
20	Shops and Enginehouses	47	3,164,968	3,368,489	3,458,365	0	374,277	3,074,102	3,448,378
26	Communications Systems	31	7,749,981	8,248,337	8,468,414	0	0	8,468,414	8,468,414
27	Signals and Interlockers	35	19,855,964	21,132,785	21,696,636	0	0	21,696,636	21,696,636
39	Public Improvements	47	9,676,801	10,299,059	10,573,852	0	0	10,573,852	10,573,852
Total			\$593,402,136	\$636,452,711	\$640,958,393	\$27,303,380	\$299,709,905	\$306,895,355	\$633,908,641

- 1/ 1 - Depreciation Rate shown in Schedule 332 of UP's 2010 Annual Report R-1.
2/ July 1, 2008, indexed to 2008 dollars, Investment Exhibit - 1Q11 x Inflation Index from Table B, 3Q2008 + 1Q2011.
3/ July 1, 2009, indexed to 2009 dollars, Investment Exhibit - 1Q11 x Inflation Index from Table B, 3Q2009 + 1Q2011.
4/ July 1, 2010, indexed to 2010 dollars, Investment Exhibit - 1Q11 x Inflation Index from Table B, 3Q2010 + 1Q2011.
5/ Column (4) x Percent constructed in 2008.
6/ Column (5) x Percent constructed in 2009.
7/ Column (6) x Percent constructed in 2010.
8/ Sum of Columns (7) through (9).

TABLE D: INTEREST DURING CONSTRUCTION

Month of Installation (1)	Cost of Funds 1/ (2)	Timing of Account 1 Investment 2/ (3)	Timing of Account 2 Investment 2/ (4)	Timing of Accounts 3, 5 and 6 Investment 2/ (5)	Timing of Accounts 8 Through 39 Investment 2/ (6)	Total Investment by Month 3/ (7)	Interest During Construction 4/ (8)	Cost of Debt 5/ (9)	Deductible Interest During Construction 6/ (10)
Jul-08	0.76%	\$3,812,087	\$0	\$0	\$0	\$3,812,087	\$0	0.53%	\$0
Aug-08	0.76%	3,812,087	0	0	0	3,812,087	29,136	0.53%	4,366
Sep-08	0.76%	3,812,087	0	0	0	3,812,087	58,494	0.53%	8,765
Oct-08	0.76%	3,812,087	0	0	0	3,812,087	88,077	0.53%	13,197
Nov-08	0.76%	3,812,087	0	0	0	3,812,087	117,886	0.53%	17,664
Dec-08	0.76%	3,812,087	4,430,858	0	0	8,242,945	147,923	0.53%	22,165
Jan-09	0.78%	4,035,364	3,973,896	0	0	8,009,259	215,728	0.46%	37,511
Feb-09	0.78%	4,035,364	3,973,896	0	0	8,009,259	279,681	0.46%	48,632
Mar-09	0.78%	4,035,364	3,973,896	12,694,713	0	20,703,972	344,130	0.46%	59,838
Apr-09	0.78%	4,035,364	3,973,896	12,694,713	0	20,703,972	507,788	0.46%	88,296
May-09	0.78%	4,035,364	3,973,896	15,618,122	0	23,627,382	672,718	0.46%	116,974
Jun-09	0.78%	4,035,364	3,973,896	15,618,122	0	23,627,382	861,661	0.46%	149,828
Jul-09	0.78%	4,035,364	3,973,896	15,618,122	0	23,627,382	1,052,074	0.46%	182,938
Aug-09	0.78%	0	0	15,618,122	0	15,618,122	1,243,966	0.46%	216,305
Sep-09	0.78%	0	0	15,618,122	23,131,274	38,749,396	1,375,076	0.46%	239,102
Oct-09	0.78%	0	0	15,618,122	23,131,274	38,749,396	1,687,060	0.46%	293,351
Nov-09	0.78%	0	0	15,618,122	23,336,931	38,955,053	2,001,470	0.46%	348,021
Dec-09	0.78%	0	0	15,618,122	23,711,208	39,329,330	2,319,924	0.46%	403,395
Jan-10	0.81%	0	0	16,034,835	24,954,402	40,989,237	2,750,348	0.38%	298,999
Feb-10	0.81%	0	0	16,034,835	25,394,788	41,429,623	3,104,153	0.38%	337,463
Mar-10	0.81%	0	0	16,034,835	25,394,788	41,429,623	3,464,381	0.38%	376,624
Apr-10	0.81%	0	0	13,033,425	25,394,788	38,428,213	3,827,523	0.38%	416,103
May-10	0.81%	0	0	13,033,425	25,915,755	38,949,180	4,169,324	0.38%	453,261
Jun-10	0.81%	0	0	1,722,170	35,970,772	37,692,942	4,518,105	0.38%	491,178
Jul-10	0.81%	0	0	0	34,208,463	34,208,463	4,859,545	0.38%	528,297
Aug-10	0.81%	0	0	0	33,768,077	33,768,077	5,175,561	0.38%	562,652
Sep-10	0.81%	0	0	0	0	0	5,490,571	0.38%	596,898
Oct-10	0.81%	0	0	0	0	0	5,534,984	0.38%	601,726
Nov-10	0.81%	0	0	0	0	0	5,579,756	0.38%	606,594
Dec-10	0.81%	0	0	0	0	0	5,624,890	0.38%	611,500
Total		\$51,120,069	\$32,248,127	\$226,227,925	\$324,312,519	\$633,908,641	\$67,101,934		\$8,131,643

1/ ((1 + Cost of Capital from Table A for the applicable year)^{(1/12) - 1}) x 100

2/ Applicable account value from Table C for the applicable investment period.

3/ Sum of Columns (3) through (6).

4/ August 08 equals Column (2) x prior Column (7), all other periods equal Column (2) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods)).

5/ ((1 + Cost of Debt from Table A for the applicable year)^{(1/12) - 1}) x 100.

6/ August 08 equals prior Column (7) x Column (9) x Table A, Column (9) for 2008, all other periods equal Column (9) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods)) x Table A, Column (9) for the applicable year.

TABLE E: IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL

INTEREST SCHEDULE FOR THE IRR 2008 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP						INTEREST SCHEDULE FOR THE IRR 2009 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP						INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP					
Quarter (1)	Interest 7/ (2)					Quarter (3)	Interest 7/ (4)					Quarter (5)	Interest 7/ (6)				
1	\$95,830	1				1	\$1,272,476	1				1	\$955,929	1			
2	95,830	2				2	1,272,476	2				2	955,929	2			
3	95,830	3				3	1,272,476	3				3	955,929	3			
4	95,830	4				4	1,272,476	4				4	955,929	4			
5	95,830	5				5	1,272,476	5				5	955,929	5			
6	95,830	6				6	1,272,476	6				6	955,929	6			
7	95,830	7				7	1,272,476	7				7	955,929	7			
8	95,830	8				8	1,272,476	8				8	955,929	8			
9	95,830	9				9	1,272,476	9				9	955,929	9			
10	95,830	10				10	1,272,476	10				10	955,929	10			
11	95,830	11				11	1,272,476	11				11	955,929	11			
12	95,830	12				12	1,272,476	12				12	955,929	12			
13	95,830	13				13	1,272,476	13				13	955,929	13			
14	95,830	14				14	1,272,476	14				14	955,929	14			
15	95,830	15				15	1,272,476	15				15	955,929	15			
16	95,830	16				16	1,272,476	16				16	955,929	16			
17	95,830	17				17	1,272,476	17				17	955,929	17			
18	95,830	18				18	1,272,476	18				18	955,929	18			
19	95,830	19				19	1,272,476	19				19	955,929	19			
20	95,830	20				20	1,272,476	20				20	955,929	20			
21	95,830	21				21	1,272,476	21				21	955,929	21			
22	95,830	22				22	1,272,476	22				22	955,929	22			
23	95,830	23				23	1,272,476	23				23	955,929	23			
24	95,830	24				24	1,272,476	24				24	955,929	24			
25	95,830	25				25	1,272,476	25				25	955,929	25			
26	95,830	26				26	1,272,476	26				26	955,929	26			
27	95,830	27				27	1,272,476	27				27	955,929	27			
28	95,830	28				28	1,272,476	28				28	955,929	28			
29	95,830	29				29	1,272,476	29				29	955,929	29			
30	95,830	30				30	1,272,476	30				30	955,929	30			
31	95,830	31				31	1,272,476	31				31	955,929	31			
32	95,830	32				32	1,272,476	32				32	955,929	32			
33	95,830	33				33	1,272,476	33				33	955,929	33			
34	95,830	34				34	1,272,476	34				34	955,929	34			
35	95,830	35				35	1,272,476	35				35	955,929	35			
36	95,830	36				36	1,272,476	36				36	955,929	36			
37	95,830	37				37	1,272,476	37				37	955,929	37			
38	95,830	38				38	1,272,476	38				38	955,929	38			
39	95,830	39				39	1,272,476	39				39	955,929	39			
40	95,830	40				40	1,272,476	40				40	955,929	40			

1/ From Table D, Column (7) for the applicable year investment.
2/ From Table D, Column (8) for the applicable year investment.
3/ (Total Investment + IDC) x (Proportion of Debt from Table A, Column (9))
4/ From Table A, Column (6) for the applicable year investment.
5/ Based on Ex Parte No. 657 20-year payment period x 4.
6/ Quarterly coupon payments on Line 3 principal and Line 4 interest rates.
7/ Line 6 coupon payment.

TABLE E- IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL
(Continued)

INTEREST SCHEDULE FOR THE IRR 2008 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP				INTEREST SCHEDULE FOR THE IRR 2009 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP				INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 1Q2011 START-UP			
Quarter (1)	Interest 7/ (2)	Quarter (3)	Interest 7/ (4)	Quarter (5)	Interest 7/ (6)	Quarter (7)	Interest 7/ (8)	Quarter (9)	Interest 7/ (10)	Quarter (11)	Interest 7/ (12)
1	TOTAL INVESTMENT	\$27,303,380	1/	1	TOTAL INVESTMENT	\$299,709,905	1/	1	TOTAL INVESTMENT	\$306,895,355	1/
2	IDC	\$441,518	2/	2	IDC	\$12,561,276	2/	2	IDC	\$34,099,140	2/
3	PRINCIPAL	\$5,976,251	3/	3	PRINCIPAL	\$90,870,914	3/	3	PRINCIPAL	\$84,364,414	3/
4	INTEREST	6 57%	4/	4	INTEREST	5 72%	4/	4	INTEREST	4 61%	4/
5	TERM (QUARTERS)	80	5/	5	TERM (QUARTERS)	80	5/	5	TERM (QUARTERS)	80	5/
6	QUARTERLY COUPON	\$95,830	6/	6	QUARTERLY COUPON	\$1,272,476	6/	6	QUARTERLY COUPON	\$955,929	6/
41		\$95,830		41		\$1,272,476		41		\$955,929	
42		95,830		42		1,272,476		42		955,929	
43		95,830		43		1,272,476		43		955,929	
44		95,830		44		1,272,476		44		955,929	
45		95,830		45		1,272,476		45		955,929	
46		95,830		46		1,272,476		46		955,929	
47		95,830		47		1,272,476		47		955,929	
48		95,830		48		1,272,476		48		955,929	
49		95,830		49		1,272,476		49		955,929	
50		95,830		50		1,272,476		50		955,929	
51		95,830		51		1,272,476		51		955,929	
52		95,830		52		1,272,476		52		955,929	
53		95,830		53		1,272,476		53		955,929	
54		95,830		54		1,272,476		54		955,929	
55		95,830		55		1,272,476		55		955,929	
56		95,830		56		1,272,476		56		955,929	
57		95,830		57		1,272,476		57		955,929	
58		95,830		58		1,272,476		58		955,929	
59		95,830		59		1,272,476		59		955,929	
60		95,830		60		1,272,476		60		955,929	
61		95,830		61		1,272,476		61		955,929	
62		95,830		62		1,272,476		62		955,929	
63		95,830		63		1,272,476		63		955,929	
64		95,830		64		1,272,476		64		955,929	
65		95,830		65		1,272,476		65		955,929	
66		95,830		66		1,272,476		66		955,929	
67		95,830		67		1,272,476		67		955,929	
68		95,830		68		1,272,476		68		955,929	
69		95,830		69		1,272,476		69		955,929	
70		95,830		70		1,272,476		70		955,929	
71		95,830		71		1,272,476		71		955,929	
72		95,830		72		1,272,476		72		955,929	
73		95,830		73		1,272,476		73		955,929	
74		95,830		74		1,272,476		74		955,929	
75		95,830		75		1,272,476		75		955,929	
76		95,830		76		1,272,476		76		955,929	
77		95,830		77		1,272,476		77		955,929	
78		95,830		78		1,272,476		78		955,929	
79		95,830		79		1,272,476		79		955,929	
80		95,830		80		1,272,476		80		955,929	

1/ From Table D, Column (7) for the applicable year investment
2/ From Table D, Column (8) for the applicable year investment
3/ (Total Investment + IDC) x (Proportion of Debt from Table A, Column (9))
4/ From Table A, Column (6) for the applicable year investment
5/ Based on Ex Parte No. 637 20-year payment period x 4
6/ Quarterly coupon payments on Line 3 principal and Line 4 interest rates
7/ Line 6 coupon payment

TABLE F: IRR PRESENT VALUE OF REPLACEMENT COST

Property Account (1)	Property Component (2)	Service Life In Years 1/ (3)	Investment 2/ (4)	Salvage 3/ (5)	Replacement Year Asset Net Cost 4/ (6)	Replacement Cost Adjusted To Reflect An Infinite Life 5/ (7)	Present Value Of Replacement Cost Adjusted To Reflect An Infinite Life (2009 Dollars) 6/ (8)
3	Grading	86	\$2,189,317,491	\$0	\$1,754,923,399	\$1,760,552,820	\$548,159
5	Tunnels	118	1,019,646,816	0	817,333,285	817,654,930	13,394
6	Bridges & Culverts	71	232,689,067	0	145,957,150	147,261,253	191,915
8	Ties	21	77,400,434	0	45,841,157	60,375,526	8,159,591
9	Rails and OTM	27	163,794,301	12,523,327	89,647,595	106,961,913	8,275,660
11	Ballast	34	59,844,387	0	35,443,418	39,541,264	1,634,700
12	Labor	27	250,481,316	0	148,349,987	178,005,390	14,340,569
13	Fences and Roadway Signs	59	12,901,657	0	8,092,727	8,252,654	32,329
16	Stations and Office Buildings	31	5,872,006	0	3,683,290	4,235,001	241,475
17	Roadway Buildings	32	7,420,555	0	4,654,636	5,263,580	254,000
19	Wastewater Treatment	31	328,325	0	205,946	235,914	12,983
20	Shops and Enginehouses	47	15,013,720	0	9,417,545	9,861,890	126,459
26	Communications Systems	31	23,924,679	0	14,169,623	16,231,458	893,244
27	Signals and Interlockers	35	68,518,945	2,263,402	39,379,317	43,622,344	1,649,658
39	Public Improvements	47	46,599,499	0	29,230,123	30,567,905	376,262
Total			\$4,167,881,191	\$14,786,729	\$3,146,329,200	\$3,228,623,842	\$36,750,398

1/ From Table C, Column (3).

2/ (Table C, Column (10) after allocation of Engineering) x (Table B, 10 + Annual Inflation Index)⁽³⁾ (Column (3)).

3/ [(Column (4) x Salvage %) - (Table C, Column (10) after allocation of

Engineering x Salvage %)] x (1 - Current Federal Tax Rate) + (Table C, Column (10) after allocation of Engineering x Salvage %).

4/ Column (4) - (Present Value of the remaining tax deductions for depreciation, interest expense and the Present Value of any salvage).

5/ Column (6) + [(Column (6)) / ((1 + Real Cost of Capital)⁽³⁾ - 1)]

6/ Column (7) / ((1 + Average Nominal Cost of Capital from Table A Column (2))⁽³⁾ - 1).

TABLE G: IRR TAX DEPRECIATION SCHEDULES

Depreciation of Start-up investment for tax purposes using accounting lives from Modified Accelerated Cost Recovery System (MACRS) 1/

Road Property Account (1)	Road Property Component (2)	Asset Lives (3)	Total Investment (4)	Depreciable Base (5)
1	Engineering	5	\$51,120,069	\$51,120,069
2	Land	N/A	32,248,127	0
3	Grading	50	166,729,256	166,729,256
5	Tunnels	50	32,391,506	32,391,506
6	Bridges & Culverts	15	27,107,163	27,107,163
8	Ties	7	49,176,644	49,176,644
9	Rails and OTM	7	96,363,084	96,363,084
11	Ballast	7	32,292,480	32,292,480
12	Labor	7	95,466,376	95,466,376
13	Fences and Roadway Signs	15	2,083,867	2,083,867
16	Stations and Office Buildings	15	2,100,470	2,100,470
17	Roadway Buildings	15	2,526,103	2,526,103
19	Fuel Stations	15	116,214	116,214
20	Shops and Enginehouses	15	3,448,378	3,448,378
26	Communications Systems	7	8,468,414	8,468,414
27	Signals and Interlockers	7	21,696,636	21,696,636
39	Public Improvements	15	10,573,852	10,573,852
	Total		\$633,908,641	\$601,660,513

1/ Applicable Depreciation Method: 200 or 150 percent Declining Balance Switching to Straight Line
Applicable Recovery Periods: 7, 15 and 50 a/ years
Applicable Convention: Mid-quarter (property placed in service in first quarter)

The Depreciation Rates are as follows for the corresponding Recovery Period and Recovery year:

Recovery Year	5-Year	7-year	15-year	50-year	Recovery Year	7-year	15-year	50-year
1	20.00%	25.00%	8.750%	2.00%	10	0.00%	5.910%	2.00%
2	20.00%	21.43%	9.130%	2.00%	11	0.00%	5.900%	2.00%
3	20.00%	15.31%	8.210%	2.00%	12	0.00%	5.910%	2.00%
4	20.00%	10.93%	7.390%	2.00%	13	0.00%	5.900%	2.00%
5	20.00%	8.75%	6.650%	2.00%	14	0.00%	5.910%	2.00%
6		8.74%	5.990%	2.00%	15	0.00%	5.900%	2.00%
7		8.75%	5.900%	2.00%	16	0.00%	0.740%	2.00%
8		1.09%	5.910%	2.00%	17	0.00%	0.000%	2.00%
9		0.00%	5.900%	2.00%	18	0.00%	0.000%	2.00%
					19-50	0.00%	0.000%	2.00%

a/ 50 year property uses the Straight Line Method for all time periods

2/ Bonus Depreciation Per the Economic Stimulus Act of 2008, the American Recovery & Reinvestment Act, and the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 for the following depreciable assets:

MACRS Lives (1)	Bonus Depreciation (2)
7	\$151,731,817
15	\$23,978,024

TABLE G: IRR TAX DEPRECIATION SCHEDULES
(Continued)

Year	Amortization - 5 Years			Road Property Depreciation - MACRS 7 Years			Depreciation - MACRS 15 Years			Depreciation - MACRS 50 Years			Total Annual Depreciation 10/ (14)
	Unamortized Investment 1/ (2)	Rate 2/ (3)	Annual Amort 3/ (4)	Undepreciated Investment 4/ (5)	Rate 2/ (6)	Annual Amount 5/ (7)	Undepreciated Investment 6/ (8)	Rate 2/ (9)	Annual Amount 7/ (10)	Unamortized Investment 8/ (11)	Rate 2/ (12)	Annual Amount 9/ (13)	
1	\$51,120,069	20.00%	\$10,224,014	\$151,731,817	25.00%	\$37,932,954	\$23,978,024	8.75%	\$2,098,077	\$199,120,762	2%	\$3,982,415	\$229,947,302
2	40,896,055	20.00%	10,224,014	113,798,863	21.43%	32,516,128	21,879,947	9.13%	2,189,194	195,138,347	2%	3,982,415	48,911,751
3	30,672,041	20.00%	10,224,014	81,282,734	15.31%	23,230,141	19,690,753	8.21%	1,968,596	191,155,932	2%	3,982,415	39,405,166
4	20,448,028	20.00%	10,224,014	58,052,593	10.93%	16,584,288	17,722,158	7.39%	1,771,976	187,173,516	2%	3,982,415	32,562,693
5	10,224,014	20.00%	10,224,014	41,468,506	8.75%	13,276,534	15,950,182	6.65%	1,594,539	183,191,101	2%	3,982,415	29,077,502
6				28,191,772	8.74%	13,261,361	14,355,643	5.99%	1,436,284	179,208,686	2%	3,982,415	18,680,060
7				14,930,411	8.75%	13,276,534	12,919,359	5.90%	1,414,703	175,226,271	2%	3,982,415	18,673,653
8				1,653,877	1.09%	1,653,877	11,504,656	5.91%	1,414,703	171,243,855	2%	3,982,415	7,053,393
9							10,087,555	5.90%	1,414,703	167,261,440	2%	3,982,415	5,397,119
10					100.00%		8,672,851	5.91%	1,417,101	163,279,025	2%	3,982,415	5,399,516
11							7,255,750	5.90%	1,414,703	159,296,610	2%	3,982,415	5,397,119
12							5,841,047	5.91%	1,417,101	155,314,194	2%	3,982,415	5,399,516
13							4,423,945	5.90%	1,414,703	151,331,779	2%	3,982,415	5,397,119
14							3,009,242	5.91%	1,417,101	147,349,364	2%	3,982,415	5,399,516
15							1,592,141	5.90%	1,414,703	143,366,949	2%	3,982,415	5,397,119
16							177,437	0.74%	177,437	139,384,533	2%	3,982,415	4,159,853
17										135,402,118	2%	3,982,415	3,982,415
18								100.00%		131,419,703	2%	3,982,415	3,982,415
19										127,437,288	2%	3,982,415	3,982,415
20										123,454,872	2%	3,982,415	3,982,415
21										119,472,457	2%	3,982,415	3,982,415

1/ From Table G, Page 8, Column (5), Road Property Accounts 1 minus Page 8, 5-Year Bonus Depreciation

2/ From Table G, Footnote 1, Page 8

3/ Column (2), Year 1 x Column (3)

4/ From Table G, Page 8, Column (5), Road Property Accounts 8, 9, 11, 12, 26 and 27 minus Page 10, 7-Year Bonus Depreciation

5/ Column (5), Year 1 x Column (6)

6/ From Table G, Page 8, Column (5), Road Property Accounts 6, 13, 16, 17, 19, 20 and 39 minus Page 8, 15-Year Bonus Depreciation

7/ Column (8), Year 1 x Column (9)

8/ From Table G, Page 8, Column (5), Road Property Accounts 3 and 5

9/ Column (11), Year 1 x Column (12)

10/ Column (4) + Column (7) + Column (10) + Column (13) plus Page 8, 5, 7 & 15 Year Bonus Depreciation

TABLE H: IRR AVERAGE ANNUAL INFLATION IN ASSET PRICES

Development of average annual inflation factors for all capital assets

Period	Quarter	Inflation Index For Land 2/	Inflation Index For Line 2 Property Assets 3/	Inflation Index For Line 3 Road Property Assets 4/	Inflation Index For Line 4 Road Property Assets 5/	1 and Value 6/	Road Property Value 7/	1Q2009 Inflation Index 8/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
0		1.000	1.000	1.000	1.000	\$32,248,127	\$601,660,513	1.000
1	2011 1 Qtr	1.011	0.986	0.998	0.984	32,615,448	595,251,865	0.990
2	2011 2 Qtr	1.023	0.992	1.035	0.985	32,986,953	603,510,297	1.004
3	2011 3 Qtr	1.035	0.995	1.000	0.992	33,362,690	599,087,704	0.998
4	2011 4 Qtr	1.046	1.000	0.992	0.999	33,742,706	600,208,726	1.000
5	2012 1 Qtr	1.058	1.016	0.987	1.017	34,127,051	606,315,181	1.010
6	2012 2 Qtr	1.070	1.019	0.978	1.021	34,515,773	606,104,649	1.011
7	2012 3 Qtr	1.083	1.024	0.990	1.025	34,908,924	610,149,258	1.018
8	2012 4 Qtr	1.095	1.029	1.003	1.029	35,306,552	614,432,596	1.025
9	2013 1 Qtr	1.107	1.046	1.009	1.048	35,708,710	623,006,238	1.039
10	2013 2 Qtr	1.120	1.050	1.010	1.052	36,115,449	624,872,065	1.043
11	2013 3 Qtr	1.133	1.054	1.015	1.056	36,526,820	627,580,574	1.048
12	2013 4 Qtr	1.146	1.060	1.023	1.061	36,942,877	631,348,593	1.054
13	2014 1 Qtr	1.159	1.066	1.027	1.068	37,363,674	634,839,722	1.060
14	2014 2 Qtr	1.172	1.073	1.031	1.075	37,789,263	638,350,991	1.067
15	2014 3 Qtr	1.185	1.079	1.035	1.082	38,219,700	641,882,522	1.073
16	2014 4 Qtr	1.199	1.086	1.039	1.089	38,655,040	645,434,433	1.079
17	2015 1 Qtr	1.212	1.095	1.045	1.097	39,095,339	650,115,681	1.087
18	2015 2 Qtr	1.226	1.103	1.051	1.106	39,540,652	654,831,327	1.095
19	2015 3 Qtr	1.240	1.111	1.057	1.115	39,991,038	659,581,626	1.104
20	2015 4 Qtr	1.254	1.120	1.064	1.124	40,446,555	664,366,836	1.112

1/ Table C, Page 3, Column (10).

2/ Previous Column (3) x (1 + Quarterly Inflation Rate Change from Table B).

3/ Previous Column (4) x (1 + Quarterly Inflation Rate Change from Table B).

4/ Previous Column (5) x (1 + Quarterly Inflation Rate Change from Table B).

5/ Previous Column (6) x (1 + Quarterly Inflation Rate Change from Table B).

6/ Line 1 x Column (3) for applicable quarter.

7/ (Line 2 x Column (4) for applicable quarter) + (Line 3 x Column (5) for applicable quarter) + (Line 4 x Column (6) for applicable quarter).

8/ (Column (7) + Column (8)) ÷ (Period 0; (Column (7) + Column (8))).

9/ Annual weighted inflation using the last two quarters, used to calculate real cost of capital.

TABLE H: IRR AVERAGE ANNUAL INFLATION IN ASSET PRICES
(Continued)

Development of average annual inflation factors for all capital assets

Period	Quarter	Inflation Index For Land 2/	Inflation Index For Line 2 Property Assets 3/	Inflation Index For Line 3 Road Property Assets 4/	Inflation Index For Line 4 Road Property Assets 5/	Land Value 6/	Road Property Value 7/	1Q2009 Inflation Index 8/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
21	2016 1 Qtr	1.269	1.129	1.069	1.133	\$40,907,259	\$669,295,436	1.120
22	2016 2 Qtr	1.283	1.138	1.075	1.143	41,373,212	674,261,628	1.129
23	2016 3 Qtr	1.298	1.147	1.081	1.152	41,844,472	679,265,704	1.138
24	2016 4 Qtr	1.312	1.157	1.087	1.162	42,321,099	684,307,960	1.146
25	2017 1 Qtr	1.327	1.166	1.091	1.172	42,803,156	689,334,126	1.155
26	2017 2 Qtr	1.342	1.176	1.096	1.183	43,290,704	694,399,858	1.164
27	2017 3 Qtr	1.358	1.186	1.101	1.193	43,783,804	699,505,482	1.173
28	2017 4 Qtr	1.373	1.196	1.105	1.204	44,282,522	704,651,323	1.181
29	2018 1 Qtr	1.389	1.206	1.108	1.215	44,786,920	709,554,622	1.190
30	2018 2 Qtr	1.405	1.216	1.111	1.226	45,297,064	714,497,535	1.199
31	2018 3 Qtr	1.421	1.227	1.114	1.237	45,813,018	719,480,397	1.207
32	2018 4 Qtr	1.437	1.237	1.116	1.248	46,334,849	724,503,551	1.216
33	2019 1 Qtr	1.453	1.248	1.120	1.260	46,862,624	729,682,977	1.225
34	2019 2 Qtr	1.470	1.258	1.123	1.271	47,396,411	734,904,214	1.234
35	2019 3 Qtr	1.486	1.269	1.126	1.283	47,936,278	740,167,617	1.243
36	2019 4 Qtr	1.503	1.280	1.130	1.294	48,482,294	745,473,545	1.252
37	2020 1 Qtr	1.521	1.290	1.132	1.306	49,034,530	750,280,805	1.261
38	2020 2 Qtr	1.538	1.300	1.134	1.317	49,593,055	755,125,209	1.269
39	2020 3 Qtr	1.555	1.310	1.136	1.328	50,157,943	760,007,058	1.278
40	2020 4 Qtr	1.573	1.321	1.138	1.340	50,729,265	764,926,656	1.287
Annual Average 9/								2.74%

1/ Table C, Page 3, Column (10).

2/ Previous Column (3) x (1 + Quarterly Inflation Rate Change from Table B).

3/ Previous Column (4) x (1 + Quarterly Inflation Rate Change from Table B).

4/ Previous Column (5) x (1 + Quarterly Inflation Rate Change from Table B).

5/ Previous Column (6) x (1 + Quarterly Inflation Rate Change from Table B).

6/ Line 1 x Column (3) for applicable quarter.

7/ (Line 2 x Column (4) for applicable quarter) + (Line 3 x Column (5) for applicable quarter) + (Line 4 x Column (6) for applicable quarter).

8/ (Column (7) + Column (8)) ÷ (Period 0, (Column (7) + Column (8))).

9/ Annual weighted inflation using the last two quarters, used to calculate real cost of capital.

TABLE I: IRR, DISCOUNTED CASH FLOW
(Road Property)

Discounted Cash Flow									
Present Value of the Cash Flow Discounted at the Cost of Capital in Table A									
Inflation In Asset Values From Table H									
Period	Quarter	Quarterly Levelized Capital Carrying Charge Requirement 7/ (3)	Interest on Investment Financed With Debt 8/ (4)	Tax Depreciation 9/ (5)	Actual Federal Tax Payments 10/ (6)	Actual State Tax Payments 11/ (7)	Cash Flow 12/ (8)	Present Value Cash Flow 13/ (9)	Cumulative Present Value 14/ (10)
1	2011 1 Qtr	\$14,880,223	\$2,324,235	\$57,486,825	\$0	\$0	\$14,880,223	\$14,709,855	\$14,709,855
2	2011 2 Qtr	15,084,749	2,324,235	57,486,825	0	0	15,084,749	14,572,531	29,282,387
3	2011 3 Qtr	14,988,840	2,324,235	57,486,825	0	0	14,988,840	14,150,209	43,432,596
4	2011 4 Qtr	15,024,414	2,324,235	57,486,825	0	0	15,024,414	13,860,864	57,293,459
5	2012 1 Qtr	15,178,244	2,324,235	12,227,938	0	0	15,178,244	13,683,973	70,977,432
6	2012 2 Qtr	15,182,467	2,324,235	12,227,938	0	0	15,182,467	13,376,144	84,353,576
7	2012 3 Qtr	15,287,640	2,324,235	12,227,938	0	0	15,287,640	13,162,154	97,515,731
8	2012 4 Qtr	15,398,578	2,324,235	12,227,938	0	0	15,398,578	12,955,824	110,471,555
9	2013 1 Qtr	15,611,301	2,324,235	9,851,292	0	0	15,611,301	12,835,756	123,307,312
10	2013 2 Qtr	15,665,160	2,324,235	9,851,292	0	0	15,665,160	12,586,794	135,894,106
11	2013 3 Qtr	15,739,100	2,324,235	9,851,292	0	0	15,739,100	12,358,282	148,252,388
12	2013 4 Qtr	15,838,261	2,324,235	9,851,292	0	0	15,838,261	12,153,004	160,405,392
13	2014 1 Qtr	15,930,972	2,324,235	8,140,673	0	0	15,930,972	11,945,831	172,351,223
14	2014 2 Qtr	16,024,274	2,324,235	8,140,673	0	0	16,024,274	11,742,224	184,093,447
15	2014 3 Qtr	16,118,171	2,324,235	8,140,673	0	0	16,118,171	11,542,123	195,635,570
16	2014 4 Qtr	16,212,668	2,324,235	8,140,673	0	0	16,212,668	11,345,466	206,981,036
17	2015 1 Qtr	16,334,046	2,324,235	7,269,375	0	0	16,334,046	11,170,165	218,151,201
18	2015 2 Qtr	16,456,359	2,324,235	7,269,375	0	0	16,456,359	10,997,589	229,148,789
19	2015 3 Qtr	16,579,613	2,324,235	7,269,375	0	0	16,579,613	10,827,696	239,976,485
20	2015 4 Qtr	16,703,817	2,324,235	7,269,375	0	0	16,703,817	10,660,444	250,636,929
21	2016 1 Qtr	16,831,541	2,324,235	4,670,015	0	0	16,831,541	10,497,391	261,134,320
22	2016 2 Qtr	16,960,281	2,324,235	4,670,015	0	0	16,960,281	10,336,856	271,471,176
23	2016 3 Qtr	17,090,044	2,324,235	4,670,015	0	0	17,090,044	10,178,799	281,649,975
24	2016 4 Qtr	17,220,840	2,324,235	4,670,015	0	0	17,220,840	10,023,182	291,673,157
25	2017 1 Qtr	17,351,383	2,324,235	4,668,413	0	0	17,351,383	9,869,231	301,542,388

Federal Tax Rate

35.0%

Route Mile Weighted
Average State Tax Rate

5.0% 6/

TABLE I: IRR DISCOUNTED CASH FLOW
(Road Property Continued)

Period	Quarter	Quarterly Levelized Capital Carrying Charge Requirement 7/	Interest on Investment Financed With Debt 8/	Tax Depreciation 9/	Actual Federal Tax Payments 10/	Actual State Tax Payments 11/	Cash Flow 12/	Present Value Cash Flow 13/	Cumulative Present Value 14/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
26	2017 2 Qtr	\$17,482,993	\$2,324,235	\$4,668,413	\$0	\$0	\$17,482,993	\$9,717,687	\$311,260,075
27	2017 3 Qtr	17,615,681	2,324,235	4,668,413	0	0	17,615,681	9,568,514	320,828,589
28	2017 4 Qtr	17,749,455	2,324,235	4,668,413	0	0	17,749,455	9,421,673	330,250,262
29	2018 1 Qtr	17,877,616	2,324,235	1,763,348	0	0	17,877,616	9,273,646	339,523,908
30	2018 2 Qtr	18,006,851	2,324,235	1,763,348	0	0	18,006,851	9,128,021	348,651,928
31	2018 3 Qtr	18,137,171	2,324,235	1,763,348	1,274,022	191,582	16,671,567	8,258,728	356,910,656
32	2018 4 Qtr	18,268,585	2,324,235	1,763,348	4,715,183	709,050	12,844,352	6,217,945	363,128,602
33	2019 1 Qtr	18,403,844	2,324,235	1,349,280	4,897,834	736,516	12,769,493	6,040,964	369,169,566
34	2019 2 Qtr	18,540,235	2,324,235	1,349,280	4,943,185	743,336	12,853,715	5,942,363	375,111,929
35	2019 3 Qtr	18,677,771	2,324,235	1,349,280	4,988,915	750,213	12,938,643	5,845,440	380,957,369
36	2019 4 Qtr	18,816,460	2,324,235	1,349,280	5,035,029	757,147	13,024,283	5,750,164	386,707,533
37	2020 1 Qtr	18,943,478	2,324,235	1,349,879	5,077,063	763,468	13,102,946	5,653,186	392,360,719
38	2020 2 Qtr	19,071,525	2,324,235	1,349,879	5,119,639	769,871	13,182,016	5,557,815	397,918,534
39	2020 3 Qtr	19,200,611	2,324,235	1,349,879	5,162,560	776,325	13,261,726	5,464,120	403,382,654
40	2020 4 Qtr	19,330,744	2,324,235	1,349,879	5,205,829	782,831	13,342,083	5,434,290	408,816,944
	Future	1,150,559,333	92,969,414	166,552,360	296,269,988	44,551,878	809,737,466	329,809,662	738,626,606

1/ From Table C, Column (10) + Rail Grinding Capital Costs from [MOW Costs - Final.xls].

2/ From Table D, Column (8).

3/ Line 1 + Line 2.

4/ Table F Column (8)

5/ Line 3 + Line 4.

6/ Utah corporate income tax rate.

7/ Quarterly carrying costs needed to recover the total investment over 40 quarters after consideration of the applicable interest payments, tax depreciation and tax liability. The Future value is an estimate of a perpetual income stream for the IRR and is calculated by taking the Period 40, Column (3) value and dividing it by the IRR's estimated quarterly Real Cost of Capital.

8/ Value from Table E.

9/ Value from Table G, Page 12, Column (14) divided by 4 quarters

10/ Table J: Part 1 Page 16 of 20.

11/ Table J: Part 2 Page 17 of 20.

12/ (Column (3) - Column (6) - Column (7)).

13/ Column (8) discounted by the fourth root of the annual Cost of Capital adjusted to midquarter dollars from Table A.

14/ Cumulative total of Column (9).

TABLE J - PART I: COMPUTATION OF FEDERAL TAX LIABILITY - TAXABLE INCOME
(Real Property)

Time Period (1)	Taxable Income B/A NOL's (2)	Net Operating Losses Generated (3)	NOL's Generated Plus Carryforward (4)	Carryforward Utilized (5)	Carryforward Remaining (6)	Carryback Available (7)	Carryback Utilized (8)	Carryback Remaining (9)	Annual Taxable Income (10)	Annual Tax Liability (11)
2008	(\$66,157)	(\$66,157)	(\$66,157)	\$0	(\$66,157)	(\$66,157)	\$0	(\$66,157)	\$0	\$0
2009	(2,184,192)	(2,184,192)	(2,250,348)	0	(2,250,348)	(2,250,348)	0	(2,250,348)	0	0
2010	(5,881,295)	(5,881,295)	(8,131,643)	0	(8,131,643)	(8,131,643)	0	(8,131,643)	0	0
2011 1 Qtr	(44,930,838)	(44,930,838)	(53,062,481)	0	(53,062,481)	(53,062,481)	0	(53,062,481)	0	0
2011 2 Qtr	(44,726,311)	(44,726,311)	(97,788,792)	0	(97,788,792)	(97,788,792)	0	(97,788,792)	0	0
2011 3 Qtr	(44,822,220)	(44,822,220)	(142,611,012)	0	(142,611,012)	(142,611,012)	0	(142,611,012)	0	0
2011 4 Qtr	(44,786,646)	(44,786,646)	(187,397,659)	0	(187,397,659)	(187,397,659)	0	(187,397,659)	0	0
2012 1 Qtr	626,071	0	(187,397,659)	626,071	(186,771,588)	(186,771,588)	0	(186,771,588)	0	0
2012 2 Qtr	630,294	0	(186,771,588)	630,294	(186,141,294)	(186,141,294)	0	(186,141,294)	0	0
2012 3 Qtr	735,467	0	(186,141,294)	735,467	(185,405,826)	(185,405,826)	0	(185,405,826)	0	0
2012 4 Qtr	846,404	0	(185,405,826)	846,404	(184,559,422)	(184,559,422)	0	(184,559,422)	0	0
2013 1 Qtr	3,435,774	0	(184,559,422)	3,435,774	(181,123,648)	(181,123,648)	0	(181,123,648)	0	0
2013 2 Qtr	3,489,633	0	(181,123,648)	3,489,633	(177,634,015)	(177,634,015)	0	(177,634,015)	0	0
2013 3 Qtr	3,563,573	0	(177,634,015)	3,563,573	(174,070,443)	(174,070,443)	0	(174,070,443)	0	0
2013 4 Qtr	3,662,734	0	(174,070,443)	3,662,734	(170,407,709)	(170,407,709)	0	(170,407,709)	0	0
2014 1 Qtr	5,466,063	0	(164,941,645)	5,466,063	(159,382,280)	(159,382,280)	0	(159,382,280)	0	0
2014 2 Qtr	5,559,365	0	(159,382,280)	5,559,365	(153,729,017)	(153,729,017)	0	(153,729,017)	0	0
2014 3 Qtr	5,653,263	0	(153,729,017)	5,653,263	(147,981,258)	(147,981,258)	0	(147,981,258)	0	0
2014 4 Qtr	5,747,759	0	(147,981,258)	5,747,759	(141,240,823)	(141,240,823)	0	(141,240,823)	0	0
2015 1 Qtr	6,740,436	0	(141,240,823)	6,740,436	(134,378,075)	(134,378,075)	0	(134,378,075)	0	0
2015 2 Qtr	6,862,748	0	(134,378,075)	6,862,748	(127,392,072)	(127,392,072)	0	(127,392,072)	0	0
2015 3 Qtr	6,986,003	0	(127,392,072)	6,986,003	(120,281,866)	(120,281,866)	0	(120,281,866)	0	0
2015 4 Qtr	7,110,206	0	(120,281,866)	7,110,206	(110,444,575)	(110,444,575)	0	(110,444,575)	0	0
2016 1 Qtr	9,837,291	0	(110,444,575)	9,837,291	(100,478,544)	(100,478,544)	0	(100,478,544)	0	0
2016 2 Qtr	9,966,031	0	(100,478,544)	9,966,031	(90,382,750)	(90,382,750)	0	(90,382,750)	0	0
2016 3 Qtr	10,095,794	0	(90,382,750)	10,095,794	(80,156,160)	(80,156,160)	0	(80,156,160)	0	0
2016 4 Qtr	10,226,590	0	(80,156,160)	10,226,590	(69,797,426)	(69,797,426)	0	(69,797,426)	0	0
2017 1 Qtr	10,358,734	0	(69,797,426)	10,358,734	(59,307,081)	(59,307,081)	0	(59,307,081)	0	0
2017 2 Qtr	10,490,345	0	(59,307,081)	10,490,345	(48,684,048)	(48,684,048)	0	(48,684,048)	0	0
2017 3 Qtr	10,623,033	0	(48,684,048)	10,623,033	(37,927,242)	(37,927,242)	0	(37,927,242)	0	0
2017 4 Qtr	10,756,807	0	(37,927,242)	10,756,807	(24,137,210)	(24,137,210)	0	(24,137,210)	0	0
2018 1 Qtr	13,790,032	0	(24,137,210)	13,790,032	(10,217,943)	(10,217,943)	0	(10,217,943)	0	0
2018 2 Qtr	13,919,267	0	(10,217,943)	13,919,267	0	0	0	0	0	0
2018 3 Qtr	13,858,005	0	0	10,217,943	0	0	0	0	3,640,062	1,274,022
2018 4 Qtr	13,471,951	0	0	0	0	0	0	0	13,471,951	4,715,183
2019 1 Qtr	13,993,812	0	0	0	0	0	0	0	13,993,812	4,897,834
2019 2 Qtr	14,123,384	0	0	0	0	0	0	0	14,123,384	4,943,185
2019 3 Qtr	14,254,043	0	0	0	0	0	0	0	14,254,043	4,988,915
2019 4 Qtr	14,385,797	0	0	0	0	0	0	0	14,385,797	5,035,029
2020 1 Qtr	14,505,895	0	0	0	0	0	0	0	14,505,895	5,077,063
2020 2 Qtr	14,627,540	0	0	0	0	0	0	0	14,627,540	5,119,639
2020 3 Qtr	14,750,172	0	0	0	0	0	0	0	14,750,172	5,162,560
2020 4 Qtr	14,873,798	0	0	0	0	0	0	0	14,873,798	5,205,829
Future	846,485,681	0	0	0	0	0	0	0	846,485,681	296,269,988

1/ Table 1, Page 13, Column (3) - Table E, Page 5, Columns (2), (4) & (6) - Table G, Column (14) / 4 - Table J Part 2, Page 15, Column (11)

Values for 2008-2010 from Table D, Sum of Column (10)

2/ Column (2) if less than zero, otherwise zero

3/ Cumulative total of Column (2)

4/ If Column (2) is greater than zero, and Column (2) + Column (4) is less than zero, then Column (2), otherwise Column (4)

5/ Column (4) + Column (5) + Column (8)

6/ Previous period Column (9) + current period Column (3) - current period Column (5)

7/ If previous Column (10) is greater than zero, and previous Column (10) is less than current Column (7), then previous Column (10), otherwise zero

8/ Column (7) + Column (8)

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (6), otherwise zero

10/ Column (10) times applicable Federal Statutory Tax Rate

TABLE J - PART 2: COMPUTATION OF STATE TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period	Taxable Income B(4) N(1)s	Net Operating Losses Generated 2/	NOL's Generated Plus Carryforward 3/	Carryforward Utilized 4/	Carryforward Remaining 5/	Carryback Available 6/	Carryback Utilized 7/	Carryback Remaining 8/	Annual Taxable Income 9/	Annual Tax Liability 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2008	\$66,157	\$66,157	\$66,157	\$0	\$66,157	\$66,157	\$0	\$66,157	\$0	\$0
2009	(2,184,192)	(2,184,192)	(2,250,348)	0	(2,250,348)	(2,250,348)	0	(2,250,348)	0	0
2010	(5,881,295)	(5,881,295)	(8,131,643)	0	(8,131,643)	(8,131,643)	0	(8,131,643)	0	0
2011 1 Qtr	(44,930,838)	(44,930,838)	(53,062,481)	0	(53,062,481)	(53,062,481)	0	(53,062,481)	0	0
2011 2 Qtr	(44,726,311)	(44,726,311)	(97,788,792)	0	(97,788,792)	(97,788,792)	0	(97,788,792)	0	0
2011 3 Qtr	(44,822,220)	(44,822,220)	(142,611,012)	0	(142,611,012)	(142,611,012)	0	(142,611,012)	0	0
2011 4 Qtr	(44,786,646)	(44,786,646)	(187,397,659)	0	(187,397,659)	(187,397,659)	0	(187,397,659)	0	0
2012 1 Qtr	626,071	0	(187,397,659)	626,071	(186,771,588)	(186,771,588)	0	(186,771,588)	0	0
2012 2 Qtr	630,294	0	(186,771,588)	630,294	(186,141,294)	(186,141,294)	0	(186,141,294)	0	0
2012 3 Qtr	735,467	0	(186,141,294)	735,467	(185,405,826)	(185,405,826)	0	(185,405,826)	0	0
2012 4 Qtr	846,404	0	(185,405,826)	846,404	(184,559,422)	(184,559,422)	0	(184,559,422)	0	0
2013 1 Qtr	3,435,774	0	(184,559,422)	3,435,774	(181,123,648)	(181,123,648)	0	(181,123,648)	0	0
2013 2 Qtr	3,489,633	0	(181,123,648)	3,489,633	(177,634,015)	(177,634,015)	0	(177,634,015)	0	0
2013 3 Qtr	3,563,573	0	(177,634,015)	3,563,573	(174,070,443)	(174,070,443)	0	(174,070,443)	0	0
2013 4 Qtr	3,662,734	0	(174,070,443)	3,662,734	(170,407,709)	(170,407,709)	0	(170,407,709)	0	0
2014 1 Qtr	5,466,063	0	(170,407,709)	5,466,063	(164,941,645)	(164,941,645)	0	(164,941,645)	0	0
2014 2 Qtr	5,559,365	0	(164,941,645)	5,559,365	(159,382,280)	(159,382,280)	0	(159,382,280)	0	0
2014 3 Qtr	5,653,263	0	(159,382,280)	5,653,263	(153,729,017)	(153,729,017)	0	(153,729,017)	0	0
2014 4 Qtr	5,747,759	0	(153,729,017)	5,747,759	(147,981,258)	(147,981,258)	0	(147,981,258)	0	0
2015 1 Qtr	6,740,436	0	(147,981,258)	6,740,436	(141,240,823)	(141,240,823)	0	(141,240,823)	0	0
2015 2 Qtr	6,862,748	0	(141,240,823)	6,862,748	(134,378,075)	(134,378,075)	0	(134,378,075)	0	0
2015 3 Qtr	6,986,003	0	(134,378,075)	6,986,003	(127,392,072)	(127,392,072)	0	(127,392,072)	0	0
2015 4 Qtr	7,110,206	0	(127,392,072)	7,110,206	(120,281,866)	(120,281,866)	0	(120,281,866)	0	0
2016 1 Qtr	9,837,291	0	(120,281,866)	9,837,291	(110,444,575)	(110,444,575)	0	(110,444,575)	0	0
2016 2 Qtr	9,966,031	0	(110,444,575)	9,966,031	(100,478,544)	(100,478,544)	0	(100,478,544)	0	0
2016 3 Qtr	10,095,794	0	(100,478,544)	10,095,794	(90,382,750)	(90,382,750)	0	(90,382,750)	0	0
2016 4 Qtr	10,226,590	0	(90,382,750)	10,226,590	(80,156,160)	(80,156,160)	0	(80,156,160)	0	0
2017 1 Qtr	10,358,734	0	(80,156,160)	10,358,734	(69,797,426)	(69,797,426)	0	(69,797,426)	0	0
2017 2 Qtr	10,490,345	0	(69,797,426)	10,490,345	(59,307,081)	(59,307,081)	0	(59,307,081)	0	0
2017 3 Qtr	10,623,033	0	(59,307,081)	10,623,033	(48,684,048)	(48,684,048)	0	(48,684,048)	0	0
2017 4 Qtr	10,756,807	0	(48,684,048)	10,756,807	(37,927,242)	(37,927,242)	0	(37,927,242)	0	0
2018 1 Qtr	13,790,032	0	(37,927,242)	13,790,032	(24,137,210)	(24,137,210)	0	(24,137,210)	0	0
2018 2 Qtr	13,919,267	0	(24,137,210)	13,919,267	(10,217,943)	(10,217,943)	0	(10,217,943)	0	0
2018 3 Qtr	14,049,587	0	(10,217,943)	10,217,943	0	0	0	0	3,831,645	191,582
2018 4 Qtr	14,181,001	0	0	0	0	0	0	0	14,181,001	709,050
2019 1 Qtr	14,730,329	0	0	0	0	0	0	0	14,730,329	736,516
2019 2 Qtr	14,866,720	0	0	0	0	0	0	0	14,866,720	743,336
2019 3 Qtr	15,004,256	0	0	0	0	0	0	0	15,004,256	750,213
2019 4 Qtr	15,142,945	0	0	0	0	0	0	0	15,142,945	757,147
2020 1 Qtr	15,269,363	0	0	0	0	0	0	0	15,269,363	763,468
2020 2 Qtr	15,397,411	0	0	0	0	0	0	0	15,397,411	769,871
2020 3 Qtr	15,526,496	0	0	0	0	0	0	0	15,526,496	776,325
2020 4 Qtr	15,656,629	0	0	0	0	0	0	0	15,656,629	782,831
Future	891,037,559	0	0	0	0	0	0	0	891,037,559	44,551,878

1/ Table I, Page 15, Column (3) - Table E, Page 5, Column (2), (4) & (6) - Table G, Column (14) / 4

Values for 2008-2010 from Table D, Sum of Column (10)

2/ Column (2) if less than zero, otherwise zero

3/ Cumulative total of Column (2)

4/ If Column (2) is greater than zero, and (Column (2) + Column (4)) is less than zero, then Column (2), otherwise Column (4)

5/ Column (4) + Column (5) + Column (8)

6/ Previous period Column (9) + current period Column (3) - current period Column (5)

7/ If previous Column (10) is greater than zero and previous Column (10) is less than current Column (7), then previous Column (10), otherwise zero

8/ Column (7) + Column (8)

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (8), otherwise zero

10/ Column (10) times applicable rate less weighted State Statutory Tax Rates

TABLE K: IRR OPERATING EXPENSES

Item (1)	2011 (2)	2012 (3)	2013 (4)	2014 (5)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)	2020 (12)
1. Train & Engine Personnel	\$2,891,636	\$2,876,948	\$3,075,975	\$3,102,695	\$3,151,239	\$3,203,729	\$3,270,094	\$3,215,821	\$3,229,465	\$3,274,443
2. Locomotive Lease Expense	\$1,295,081	\$1,288,503	\$1,377,641	\$1,389,609	\$1,411,350	\$1,434,859	\$1,464,582	\$1,440,274	\$1,446,385	\$1,466,530
3. Locomotive Maintenance Expense	\$1,133,934	\$1,128,174	\$1,206,221	\$1,216,699	\$1,235,735	\$2,036,937	\$2,079,132	\$2,044,625	\$2,053,300	\$2,081,897
4. Locomotive Operating Expense	\$13,671,061	\$13,601,615	\$14,542,576	\$14,668,903	\$14,898,408	\$15,146,568	\$15,460,332	\$15,203,738	\$15,268,244	\$15,480,892
5. Railcar Lease Expense	\$3,566,602	\$3,548,484	\$3,793,969	\$3,826,926	\$3,886,801	\$3,951,543	\$4,033,399	\$3,966,457	\$3,983,286	\$4,038,763
6. Material & Supply Operating	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935	\$374,935
7. Ad Valorem Tax	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125	\$1,479,125
8. Operating Managers	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837	\$3,031,837
9. General & Administration	\$8,907,568	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478	\$7,137,478
10. Loss and Damage	\$58,324	\$58,028	\$62,043	\$62,581	\$63,561	\$64,619	\$65,958	\$64,863	\$65,138	\$66,046
11. Trackage Rights	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12. Intermodal Lift Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13. Switching Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14. Insurance	\$1,567,047	\$1,495,675	\$1,568,120	\$1,577,846	\$1,595,515	\$1,643,739	\$1,668,499	\$1,648,250	\$1,653,341	\$1,670,121
15. Maintenance of Way	\$5,601,062	\$5,572,610	\$5,958,124	\$6,009,880	\$6,103,902	\$6,205,581	\$6,334,131	\$6,229,003	\$6,255,432	\$6,342,554
16. Total Operating Expenses	\$43,578,214	\$41,593,412	\$43,608,043	\$43,878,513	\$44,369,891	\$45,710,949	\$46,399,502	\$45,836,407	\$45,977,965	\$46,444,620
17. Expense Per Quarter	\$10,894,553	\$10,398,353	\$10,902,011	\$10,969,628	\$11,092,473	\$11,427,737	\$11,599,875	\$11,459,102	\$11,494,491	\$11,611,155

TABLE K: IRR OPERATING EXPENSES, INDEXED
(Continued)

Period (1)	Quarter (2)	Hybrid Index 1/ (3)	Operating Expense Indexed For Inflation 2/ (4)	Period (5)	Quarter (6)	Hybrid Index 1/ (7)	Operating Expense Indexed For Inflation 2/ (8)
1	2011 1 Qtr	100.000	\$10,894,553	27	2017 3 Qtr	126.386	\$14,660,605
2	2011 2 Qtr	107.573	11,719,565	28	2017 4 Qtr	127.008	14,732,798
3	2011 3 Qtr	110.293	12,015,910	29	2018 1 Qtr	127.665	14,629,256
4	2011 4 Qtr	109.615	11,942,012	30	2018 2 Qtr	128.311	14,703,275
5	2012 1 Qtr	110.475	11,487,579	31	2018 3 Qtr	128.960	14,777,669
6	2012 2 Qtr	111.348	11,578,331	32	2018 4 Qtr	129.613	14,852,440
7	2012 3 Qtr	111.448	11,588,751	33	2019 1 Qtr	130.134	14,958,237
8	2012 4 Qtr	112.663	11,715,069	34	2019 2 Qtr	130.638	15,016,187
9	2013 1 Qtr	113.665	12,391,818	35	2019 3 Qtr	131.144	15,074,362
10	2013 2 Qtr	114.768	12,512,018	36	2019 4 Qtr	131.652	15,132,762
11	2013 3 Qtr	114.848	12,520,777	37	2020 1 Qtr	132.047	15,332,154
12	2013 4 Qtr	115.980	12,644,106	38	2020 2 Qtr	132.424	15,376,003
13	2014 1 Qtr	116.501	12,779,706	39	2020 3 Qtr	132.803	15,419,976
14	2014 2 Qtr	117.016	12,836,194	40	2020 4 Qtr	133.183	15,464,076
15	2014 3 Qtr	117.533	12,892,931				
16	2014 4 Qtr	118.052	12,949,918				
17	2015 1 Qtr	118.812	13,179,234				
18	2015 2 Qtr	119.570	13,263,263				
19	2015 3 Qtr	120.332	13,347,827				
20	2015 4 Qtr	121.100	13,432,931				
21	2016 1 Qtr	121.953	13,936,492				
22	2016 2 Qtr	122.804	14,033,712				
23	2016 3 Qtr	123.661	14,131,611				
24	2016 4 Qtr	124.523	14,230,193				
25	2017 1 Qtr	125.150	14,517,277				
26	2017 2 Qtr	125.767	14,588,765				

1/ 1Q11 equals 100.0, all other quarters equal Quarterly Inflation Indexes for the Hybrid Index from Table B).

2/ (Quarterly expense from Table K, Page 18, for the applicable time period x Column (3) or Column (7) - 1Q11.

TABLE L: IRR - Stand-Alone Costs and Revenues

Quarterly Revenue Requirements to Cover Total Stand-Alone Costs

Period (1)	Quarter (2)	Quarterly Capital Requirement Road Property (3)	Quarterly Operating Expense (4)	Annual Stand-Alone Requirement (5)	Quarterly Stand-Alone Revenues (6)	Annual Stand-Alone Revenues (7)	Overpayments Or Shortfalls In Revenues (8)	PV Difference (9)	Cumulative PV Difference (10)
1	2011 1 Qtr	\$14,880,223	\$10,894,553		\$32,640,095				
2	2011 2 Qtr	15,084,749	11,719,565		32,640,095				
3	2011 3 Qtr	14,988,840	12,015,910		32,640,095				
4	2011 4 Qtr	15,024,414	11,942,012	106,550,267	32,640,095	130,560,381	24,010,114	22,929,262	22,929,262
5	2012 1 Qtr	15,178,244	11,487,579		32,523,975				
6	2012 2 Qtr	15,182,467	11,578,331		32,523,975				
7	2012 3 Qtr	15,287,640	11,588,751		32,523,975				
8	2012 4 Qtr	15,398,578	11,715,069	107,416,659	32,523,975	130,095,900	22,679,241	19,752,227	42,681,490
9	2013 1 Qtr	15,611,301	12,391,818		34,780,011				
10	2013 2 Qtr	15,665,160	12,512,018		34,780,011				
11	2013 3 Qtr	15,739,100	12,520,777		34,780,011				
12	2013 4 Qtr	15,838,261	12,644,106	112,922,540	34,780,011	139,120,043	26,197,504	20,808,423	63,489,913
13	2014 1 Qtr	15,930,972	12,779,706		35,991,473				
14	2014 2 Qtr	16,024,274	12,836,194		35,991,473				
15	2014 3 Qtr	16,118,171	12,892,931		35,991,473				
16	2014 4 Qtr	16,212,668	12,949,918	115,744,834	35,991,473	143,965,892	28,221,059	20,442,983	83,932,896
17	2015 1 Qtr	16,334,046	13,179,234		37,330,987				
18	2015 2 Qtr	16,456,359	13,263,263		37,330,987				
19	2015 3 Qtr	16,579,613	13,347,827		37,330,987				
20	2015 4 Qtr	16,703,817	13,432,931	119,297,091	37,330,987	149,323,947	30,026,856	19,836,843	103,769,739
21	2016 1 Qtr	16,831,541	13,936,492		38,867,537				
22	2016 2 Qtr	16,960,281	14,033,712		38,867,537				
23	2016 3 Qtr	17,090,044	14,131,611		38,867,537				
24	2016 4 Qtr	17,220,840	14,230,193	124,434,715	38,867,537	155,470,149	31,035,434	18,698,734	122,468,473
25	2017 1 Qtr	17,351,383	14,517,277		40,684,288				
26	2017 2 Qtr	17,482,993	14,588,765		40,684,288				
27	2017 3 Qtr	17,615,681	14,660,605		40,684,288				
28	2017 4 Qtr	17,749,455	14,732,798	128,698,958	40,684,288	162,737,153	34,038,196	18,703,058	141,171,531
29	2018 1 Qtr	17,877,616	14,629,256		40,704,018				
30	2018 2 Qtr	18,006,851	14,703,275		40,704,018				
31	2018 3 Qtr	18,137,171	14,777,669		40,704,018				
32	2018 4 Qtr	18,268,585	14,852,440	131,252,863	40,704,018	162,816,071	31,563,208	15,816,812	156,988,343
33	2019 1 Qtr	18,403,844	14,958,237		41,806,495				
34	2019 2 Qtr	18,540,235	15,016,187		41,806,495				
35	2019 3 Qtr	18,677,771	15,074,362	134,619,858	41,806,495	167,225,981	32,606,123	14,901,455	171,889,798
36	2019 4 Qtr	18,816,460	15,132,762		41,806,495				
37	2020 1 Qtr	18,943,478	15,332,154		43,208,961				
38	2020 2 Qtr	19,071,525	15,376,003		43,208,961				
39	2020 3 Qtr	19,200,611	15,419,976		43,208,961				
40	2020 4 Qtr	19,330,744	15,464,076	138,138,567	43,208,961	172,835,843	34,697,276	14,461,608	186,351,406

EXHIBIT III-H-2
REDACTED

Department of Water and Power



the City of Los Angeles

ANTONIO R. VILLARAIGOSA
Mayor

Commission
LEE KANON ALPERT, *President*
THOMAS S. SAYLES, *Vice-President*
ERIC HOLOMAN
CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHIOS, *Secretary*

AUSTIN BEUTNER
General Manager
RAMAN RAJ
Chief Operating Officer

October 29, 2010

Mr. Jeffrey W. Maier
AVP - Energy
Union Pacific Railroad Company
1400 Douglas Street
STOP 1260
Omaha, NE 68179-1260

Dear Mr. Maier:

Subject: Common Carrier Rate Request

In accordance with 49 U.S.C. § 11101 and 49 C.F.R. Part 1300, Intermountain Power Agency ("IPA") hereby requests that Union Pacific Railroad Company ("UP") either: (a) disclose the existing common carrier rates, charges, and service terms that will apply to the transportation described in Attachment A to this letter; or (b) establish and disclose reasonable common carrier rates, charges and service terms for application to said transportation. Please provide the requested information, in writing, to the undersigned as soon as possible and, in any event, in compliance with the above-referenced requirements. If you require clarification of any aspect of our request, please contact me in writing at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Nick C. Kezman".

Nick C. Kezman
Operating Agent

Attachment

c: C. Michael Loftus
Slover & Loftus LLP
Lance C. Lee
John L. Aguilar

Water and Power Conservation ...a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4211, Cable address: DEWAPOLA

ATTACHMENT A

Commodity: Coal classified as bituminous or sub-bituminous and transported under STCC 11, or Dried, Enhanced, or Beneficiated Coal transported under STCC 29-911-91

Origins/Interchange: The following UP-served origins or points of interchange:

- (a) the Powder River Basin of WY;
- (b) Black Buttes, WY;
- (c) Colorado's North Fork Branch;
- (d) Levan, UT;
- (e) Skyline, UT;
- (f) Savage, UT;
- (g) Provo, UT.

Destination: Intermountain Power Agency, Power Plant at Lynndyl, UT

Volume: Trainload service with annual volumes generally consistent with historic levels moved via UP to Destination

Equipment Supply: Shipper-supplied rail cars

Car Capacity: Please provide separate rates from each origin/point of interchange: (i) for cars rated for 263,000 pounds gross weight on rail; and (ii) for cars rated for 286,000 pounds gross weight on rail. All cars shall be suitable for use at the loading and unloading facilities

Train Length: 104 car minimum

Unloading: Six hours free time

REDACTED

Exhibit V-2

From: Jeff W. Maier [<mailto:JWMAIER@up.com>]
Sent: Thursday, November 04, 2010 3:15 PM
To: Lee, Lance; Aguilar, John
Cc: Franklin D. Sams; Louise A. Rinn
Subject: Reply to Letter of October 29, 2010

Lance and John:

This will respond to the letter we received from your organization requesting the establishment of common carrier rates and other service terms from various mine origins or loadouts to your Power Plant at Lynndyl, Utah. Currently rail transportation contracts with you are in effect until the end of 2010 and they supply the applicable rates and terms. We will endeavor to provide common carrier rates and terms no later than December 1, 2010 unless IPA and UP are successful in establishing new rail contract rates and terms that would apply as a replacement for the expiring rail contract before then.

Please pass this information to those in your organization, including Mr. Kezman.

Thank you,

Jeff

Jeff Maier
Union Pacific Railroad
1400 Douglas St. STOP 1260
Omaha, NE 68179-1260
(402) 544-4502
(402) 203-5495 (cell)
e-mail: jwmaier@up.com

**

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**

Department of Water and Power



the City of Los Angeles

ANTONIO R. VILLARAÍGOSA
Mayor

Commission
LEE KANON ALPERT, *President*
THOMAS S. SAYLES, *Vice-President*
ERIC HOLOMAN
CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHOS, *Secretary*

AUSTIN BEUTNER
General Manager
RAMAN RAJ
Chief Operating Officer

November 8, 2010

Mr. Jeffrey W. Maier
AVP - Energy
Union Pacific Railroad Company
1400 Douglas Street
STOP 1260
Omaha, NE 68179-1260

Dear Mr. Maier:

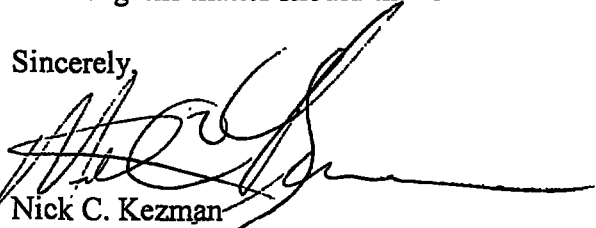
Subject: Common Carrier Rate Request

We are in receipt of your email correspondence dated November 4, 2010 in which Union Pacific (UP) declines to provide common carrier rates in response to our October 29, 2010 request apparently on the grounds that Intermountain Power Agency (IPA) and UP have a contract that will remain in effect until the end of the year. UP proposes to delay its required responses until December 1, 2010.

UP's delay in responding to our request is contrary to the Surface Transportation Board's (STB) regulations and precedent, and will hamper IPA's ability to plan for post-2010 coal deliveries. We are currently within only a few weeks of the termination of our current contract and our discussions, to date, with UP regarding a replacement contract have not been productive. Consequently, there are no rates currently in existence that would govern the transportation of IPA's substantial coal volumes on or after January 1, 2011. Under these circumstances, IPA renews its request that UP provide the requested rates within ten business days after the date of our request (*i.e.*, by Friday, November 12, 2010). *See* 49 C.F.R. § 1300.3.

Given our significant need for these rates, IPA is prepared to seek the STB's assistance in resolving this matter should that become necessary.

Sincerely,


Nick C. Kezman
Operating Agent

c: C. Michael Loftus
Slover & Loftus LLP
Lance C. Lee
John L. Aguilar

Water and Power Conservation ... a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4211 Cable address: DEWAPOLA

REDACTED

From: Jeff W. Maier [<mailto:JWMAIER@up.com>]
Sent: Wednesday, November 10, 2010 6:42 PM
To: Raquel.Lopez@ladwp.com; Lee, Lance; Aguilar, John; Michael Loftus
Cc: Doug Glass; Franklin D. Sams; Louise A. Rinn
Subject: UP Reply

Exhibit V-4
Page 1 of 2

City of Los Angeles Department of Water and Power:

This letter responds to your letter of November 8, 2010, which claims that Union Pacific would be acting contrary to Surface Transportation (STB) rules if it does not provide Intermountain Power Agency (IPA) with certain requested common carrier rates by November 12, 2010. Union Pacific has complied, and will continue to comply, with STB rules.

STB rules provide in 49 C.F.R. § 1300.3 that a carrier must promptly establish and provide to the requester a common carrier rate and applicable service terms "in the absence of an existing rate for particular transportation." In our November 4, 2010 response to your correspondence dated October 29, 2010, Union Pacific explained that contract rates currently exist for the particular transportation about which you inquired and that those rates will continue to apply to IPA's traffic through December 31, 2010. We also advised that no common carrier rates currently exist for the transportation at issue, but that Union Pacific would endeavor to provide such rates by December 1-one month before they could possibly apply to any shipment by IPA.

Your letter insists that we establish common carrier rates by November 12, which would be some seven weeks before IPA could possibly use them, and you claim that any delay will somehow hamper IPA's ability to plan for post-2010 coal deliveries. However, IPA could not assume that any rates we might establish by November 12 would remain in place on or after January 1, 2011. Under STB rules, Union Pacific is permitted to change its common carrier rates and applicable service terms on 20 days notice. In other words, even if STB rules required Union Pacific to provide common carrier rates by November 12, we could still establish new rates after that date and put them into effect on January 1, 2011. Pressing Union Pacific to establish common carrier rates before we can complete our analysis of appropriate and lawful common carrier rate levels would defeat your asserted objective of obtaining reliable information about the rates we would actually change once IPA's current contract expires on December 31, 2010.

We believe that our commitment to provide IPA with common carrier rates by December 1 is consistent with STB rules and will give us sufficient time to satisfy ourselves that the rates we establish are lawful. If IPA concludes that the rates we establish exceed a maximum reasonable level, then IPA's obtaining the rates on December 1 rather than November 12 would not have a significant impact on IPA's planning process: IPA would still face the uncertainties involved in pursuing a rate case. However, if the additional time allows us to complete our analysis and provide rates that IPA

concludes would withstand STB scrutiny, then both parties will have avoided unnecessary legal costs, and IPA will still have a month's time before any traffic would move under those rates.

In summary, Union Pacific believes that we are in compliance with both the letter and the spirit of STB rules regarding the establishment of common carrier rates. We will provide common carrier rates and terms for IPA's traffic no later than December 1, 2010.

Sincerely,

Jeff Maier
Union Pacific Railroad
1400 Douglas St. STOP 1260
Omaha, NE 68179-1260
(402) 544-4502
(402) 203-5495 (cell)
e-mail: jwmaier@up.com

**

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**



Via E-mail
December 1, 2010

Mr. Nick C. Kezman
Operating Agent
Los Angeles Department of Water and Power
Box 51111
Los Angeles, CA 90051-5700

Dear Mr. Kezman:

This letter responds to your request that Union Pacific establish and disclose common carrier rates, charges and service terms that will apply to the transportation of coal to your Intermountain Power Agency, Generating Station at Lynndyl, UT.

Enclosed in the icon below are a draft copy of UP Tariff 4222 and Item 6200, which would apply to coal originated at Levan or Savage, Utah, or received in interchange from the Utah Railway at Provo for movement beyond to Lynndyl. Those are the origins that IPA has identified as originating coal in its previously provided forecast. The Rate Item will become effective January 1, 2011. Rates are subject to increase on 20 days' notice; the applicable fuel surcharge may change on the first day of each month depending on what happens to the price of fuel.

We are also quoting common carrier rates for those origins that were not included in your written forecast for 2011 coal originations but were included in your request for disclosure of rates, charges and terms:

<u>Cars:</u>	<u>286 Capacity Cars</u>	<u>263 Capacity</u>
<u>Rate Quote(s):</u>		
SPRB UP served Mines, WY, (train size 120 cars)	\$25.05 NT	\$25.72 NT
Black Buttes, WY, (train size 114 cars)	\$15.85 NT	\$16.17 NT
Colorado's North Fork Branch, (train size 104 cars)	\$18.05 NT	\$18.41 NT
Skyline, UT, (train size 104 cars)	\$10.60 NT	\$10.79 NT

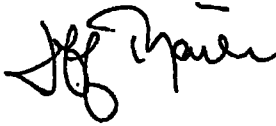
Should you decide to ship from the above origins, please furnish your revised annual forecast by origin mine so that we can arrange for resources to handle the traffic. (To the extent that decision would reduce the volume you plan to take from Levan, Savage or via the Utah Railway, please advise of those adjustments.) These rates are subject to same terms, conditions, and fuel surcharge as those in UP Tariff 4222 and Item 6200. The rate(s) can be published promptly in Item 6200, and are subject to increase on 20 days' notice.

Jeff W. Maier
Assistant Vice President - Energy

UNION PACIFIC RAILROAD
1400 Douglas Street, Stop 1260, Omaha, Nebraska 68179-1260
ph. (402) 544-4502 fr. (402) 233-3039
jwmaier@up.com

Should you have any questions and/or require additional information, please do not hesitate to call me at (402) 544-4502 or Franklin Sams at (402) 544-4504.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Maier". The signature is stylized with a large, looped "J" and a cursive "Maier".

Jeff W. Maier
Assistant Vice President - Energy

UNION PACIFIC RAILROAD
1400 Douglas Street, Stop 1260, Omaha, Nebraska 68179-1260
ph. (402) 544-4502 fx. (402) 233-8039
jwmaier@up.com



UP TARIFF 4222

UNIT TRAIN COAL COMMON CARRIER TARIFF

Publication of rates, terms and conditions applying on:

**Unit Coal Trains with movement from, to or via the
Union Pacific Railroad Company**

**Issued By:
G. A. NAVALKAR - MANAGER PRICING SERVICES**

**Union Pacific Railroad Company
1400 Douglas Street Omaha, NE 68179**

**Issued: June 22, 2010
Effective: July 1, 2010**

UP 4222



UP 4222

Item: 1
DEFINITION OF ITEM SYMBOLS

DEFINITION OF ITEM SYMBOLS

A or [a] = Add
C or [c] = Change
D or [d] = Decrease
I or [i] = Increase
X or [x] = Expire



UP 4222

Item: 5
GOVERNING RULES

GOVERNING RULES DOCUMENTS

This publication is governed, except as otherwise specifically provided herein, by the provisions of publications below as amended from time to time:

Bureau of Explosives	BOE 6000-series
Directory of Hazardous Materials Shipping Description	(Issued by RAILINC)
Official Railroad Station List	OPSL 6000-series
Official Railway Equipment Register	RER-series
Standard Transportation Commodity Code	STCC 6001-series
Uniform Freight Classification	UFC 6000-series
Union Pacific Railroad Company Accessorial Tariff	UP 6004-series
Union Pacific Railroad Governing Rules for Regulated Traffic	UP 6007-series
Union Pacific Railroad General Rules for Coal Trains	UP 6602-series; UP 6603-series; and UP 6605-series
Association of American Railroads "AAR Interchange Rules" Manual	(Issued by AAR)
Association of American Railroads "Open Top Loading Rules Manual"	(Issued by AAR)

Issued: June 22, 2010
Effective: July 1, 2010

UP 4222

Page: 1 of 1
Item: 5
Concluded on this page



UP 4222

Item: 11
REVISIONS/CANCELLATIONS

REVISIONS/CANCELLATIONS

Unless otherwise provided, as this Pricing Document (or items contained herein) is revised, current letter suffixes cancel prior suffixes. Letter suffixes will be used in alphabetical sequence starting with A. Example: Pricing Document 3000-A cancels 3000, 3000-B cancels 3000-A; item 100-A cancels Item 100, Item 100-B cancels Item 100-A.

Issued: June 22, 2010
Effective: July 1, 2010

UP 4222

Page: 1 of 1
Item: 11
Concluded on this page



UP 4222

Item: 100
GENERAL RULES AND DEFINITIONS

General Rules and Definitions

For purposes of applying this Tariff, the following will govern.

Commodity/Coal: Coal, a mineral substance whose Standard Transportation Commodity Code (STCC) as set forth in the Standard Transportation Commodity code tariff ICC STCC 6001-Series, begins with the two digits 11.

Origin(s): Coal mine origins as specified in individual Rate Items.

Destination(s): Rail station capable of receiving trainloads of Coal as specified in individual Rate Items.

Shipper: Party who is paying the freight charges under this Tariff. Shipper shall have the same meaning as Customer.

UP: Union Pacific Railroad Company

Railroad: UP and any other rail carrier that is a party to this Tariff for a joint rate to the specified Destination as listed in Items 1000-9999 of this Tariff.

Rates: Are in U.S. dollars and cents per net ton of 2,000 lbs. Rates apply only for Coal consumed at the station(s) noted in the Item Description of the Rate Item, unless otherwise provided. Railroad may adjust or cancel Rates subject to 20 days' notice for increases.

Rate Item: Schedule of Rates, charges, and terms applicable to particular Destination, as listed in Items 1000-9999 of this Tariff.

Diversions: Diversions may be permitted under certain circumstances, as provided in UP Circular 6602-series; 6603-series or 6605-series.

Request for Service: Transportation under this Tariff will take place on lines which are subject to intense use and operational limitations. In order to maximize the utilization of the rail lines and loading facilities for the benefit of all parties involved in transportation of Coal from Origins, UP must coordinate with the mine operators and Shippers. Shipper requesting transportation under this Tariff must provide a "Monthly Coal Tonnage Forecast" as provided in Item 250 of UP Circular 6602-series; 6603-series or 6605-series. That Item defines the monthly process for the submission of forecasts by both the receivers of coal and the producers who will load those tons for shipment via UP. This condition applies in addition to any specific notice requirements stated in this Tariff.

Shipper Owned or Leased Equipment: Railcars owned, leased or otherwise furnished by Shipper for transportation under this Tariff.

Railroad Owned or Leased Equipment: Railcars owned, leased or otherwise furnished by Railroad, subject to availability, for transportation under this Tariff.

Equipment: If Rate Item for Destination specifies Shipper Owned or Leased Equipment, Shipper will provide suitable equipment at no charge to Railroad. Railcars shall be compatible with the loading facility and the unloading facility.

All railcars used for transportation under this Tariff shall be open-top hopper or gondola railcars, and shall have a marked capacity sufficient to meet the Minimum Lading Weight per Railcar as specified in the Rate Item for

Issued: June 22, 2010
Effective: July 1, 2010
Expiration: December 31, 2025

UP 4222

Page: 1 of 3
Item: 100
Continued on next page

Destination.

Loaded railcars shall not exceed the maximum gross-weight-on-rail ("GWOR") associated with the route of movement, but in no case greater than 286,000 lbs. In some corridors the GWOR will be less than 286,000 lbs, in which case Railroad will note in the applicable Rate Item the maximum weight capability on the route of movement.

Such railcars shall also meet or exceed the Association of American Railroads ("AAR") Interchange Rules, as amended from time to time, and shall have been inspected and approved by UP for safety in accordance with Federal Railroad Administration ("FRA") regulations, as amended from time to time. Railcars must also comply with Item 226 of UP 6602-series; 6603-series and 6605-series.

Transportation under this Tariff is subject to the provisions of the AAR Interchange Rules, including those rules governing railcar repair, maintenance, damage, or destruction, in a manner prescribed by the "Field Manual of Interchange Rules" and the "Office Manual of Interchange Rules" adopted by and currently in use by the AAR.

Maximum Volume: The maximum volume that Railroad will transport under each Rate Item is specified in the Rate Item.

Trainsets: UP reserves the right, in its sole judgement, to limit the number of trainsets that will be in service pursuant to each Rate Item in order to retain fluidity or to meet loading schedules, or if adding trainsets in active service would not materially increase delivered tonnage.

Annual Volume Estimate: For planning purposes, Shipper shall advise Railroad of its intent to ship under this Tariff as specified in Monthly Coal Tonnage Forecast. In addition, not later than July 1 each year, Shipper shall provide to Railroad an estimate of tons of Coal anticipated to be loaded in the next calendar year by month ("Annual Volume Estimate"). This information should include tons from each of its suppliers and origins as soon as it is known. The nominated tonnage must be ratable. A monthly nomination is ratable if it is no more than 10% greater or 10% less than one-twelfth of the annual total. If Shipper decides to begin shipments within any time-frame other than a full calendar year basis, then Shipper shall provide Railroad an Annual Volume Estimate for the remaining months of that calendar year, at least ninety calendar days prior to the first shipment, unless otherwise mutually agreed. The Annual Volume Estimate must be submitted electronically via UP's secured website ([www.uprr.com/customers/energy Bulk Train Planner](http://www.uprr.com/customers/energy/BulkTrainPlanner)), and may be revised at any time prior to October 1 each year.

Service: Railroad shall use reasonable efforts to transport Coal based on the circumstances when the transportation occurs. Railroad shall not be responsible for delays due to weather, track maintenance or construction, equipment failures, embargoes, Acts of God, labor activities, including strikes, denial of or limitation of access to track controlled by any party other than Railroad, excessive demand, or events outside the control of the Railroad. Railroad intends to use reasonable efforts to deliver the Annual Volume Estimate and the Monthly Coal Tonnage Forecast furnished by Shipper but has no binding obligation to comply with these planning estimates.

In no event shall Railroad be liable for any service guarantee. Further, to the extent allowed by law, under no circumstances will Railroad be liable for any direct, indirect, actual or consequential damages or any other liability, or additional costs of any kind arising out of or caused by service interruptions, reductions, or excessive demand.

Freight Charges: Freight charges shall be calculated based on the greater of the actual lading weight of all Coal in a train as determined by weighing pursuant to the rules in UP Circular 6602-series; 6603-series or 6605-series, or the minimum tender per shipment weight, which is specified by Destination in the Rate Item. Rates shall be subject to the fuel surcharge as published in Item 695-series of Tariff UP 6007-series, unless otherwise specified in the Rate Item.

Payment: Railroad may invoice Shipper by means of mail or electronic transfer of documentation. Shipper shall pay the amount invoiced by means of mail or electronic transfer of funds within 15 calendar days after date of invoice. Late payment and other credit terms shall be in accordance with UP's credit terms as published in Rule 62 of UFC 6000-series. If Shipper fails to pay in accordance with the requirements or if, in UP's sole discretion, adverse credit conditions occur which could affect Shipper's ability to meet payment terms, UP may revoke credit privileges and institute any one or more of the Revocation of Credit and Other Remedies procedures outlined in UFC 6000-series.

Notices: Notices to UP should be addressed to:

Attn: General Director- Logistics and Demand
Union Pacific Railroad
Marketing and Sales Energy Group
Stop 1260
1400 Douglas Street
Omaha, NE 68179
Fax (402) 501-0163

Other General Rules: Shipments made under this Tariff shall be subject to Circular UP 6602-series; 6603-series or 6605-series or their successors, which contain the General Loading Rules, Accessorial Charges and Fuel Surcharge for Coal Trains moving via UP, and related items.

Services or other matters not specifically addressed in this Tariff shall continue to be governed by and paid for in accordance with rules, regulations, statutory provisions and provisions of the applicable tariffs, rules circulars, publications or in other applicable rate and service terms established under 49 U.S.C. Section 11101 or 10702. Such rules, regulations and provisions, as amended from time to time, are herein incorporated by reference without being specifically listed. To the extent any such rules, regulations or provisions as they relate to the parties hereto are inconsistent with the terms of this Tariff, the terms of this Tariff shall govern. When reference is made in this Tariff to tariffs, circulars, items, notes, rules, etc., such references are continuous and include revisions and supplements to and successive issues of such tariffs, circulars, items, notes, rules, etc.

In the event of any conflict between the terms of this Tariff and the terms of the Rate Item, the provisions of the Rate Item shall govern.



UP 4222

Item: 6200

Item Desc: UT, Lynndyl, IPA Generating Station

Unit Coal Trains from Origins in Utah
to IPA Generating Station, Lynndyl, UT

For billing purposes use the following rate authority: UP 4222-6200

STCC/GROUP	STCC	DESCRIPTION
------------	------	-------------

11		Coal
----	--	------

Prices are subject to Fuel surcharges.

GENERAL RULE ITEM 6200

The Maximum Volume that Railroad will transport under this item is 6,500,000 Net Tons per calendar year.

Shipper shall provide its Annual Volume Estimate for 2011 to Railroad by December 31, 2010

Rates for trains interchanged to UP at Provo, Utah are contingent on utilization of UP locomotives and a new run-through power agreement between UTAH and UP.

GENERAL APPLICATION RULES FOR ITEM 6200

1. Applies in Customer/Shipper-owned or -leased equipment bearing private (non-railcarrier) reporting marks.
2. Mileage allowance payment on private equipment will not apply.
3. Free time to unload will be 6 hour(s).

APPLICATION AND RATES

COLUMN	RATE APPLICATION RULES
--------	------------------------

1.

Rates are in U.S. dollars Per Net Ton.

Subject to a minimum lading weight of 100 tons per car.

Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).

Price must be used in combination with other prices for the portion of the shipment prior to specified origin
Separate freight bills will be issued for each price used according to the provisions of Railway Accounting
Rule 11, AND Applies when immediately prior movement was via rail on the UTAH.

Col 1
Rate

Route
Code/Group

STCC: 11 Coal
From: UT, PROVO
To: UT, LYNNDYL

727

UP

Issued:
Effective: January 1, 2011
Expiration: December 31, 2025

UP 4222

Page: 1 of 3
Item: 6200
Continued on next page

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s). Price must be used in combination with other prices for the portion of the shipment prior to specified origin. Separate freight bills will be issued for each price used according to the provisions of Railway Accounting Rule 11, AND Applies when immediately prior movement was via rail on the UTAH.	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal From: UT, PROVO To: UT, LYNNDYL		
	7.13	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 100 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal From: UT, SAVAGE To: UT, LYNNDYL		
	10.40	UP

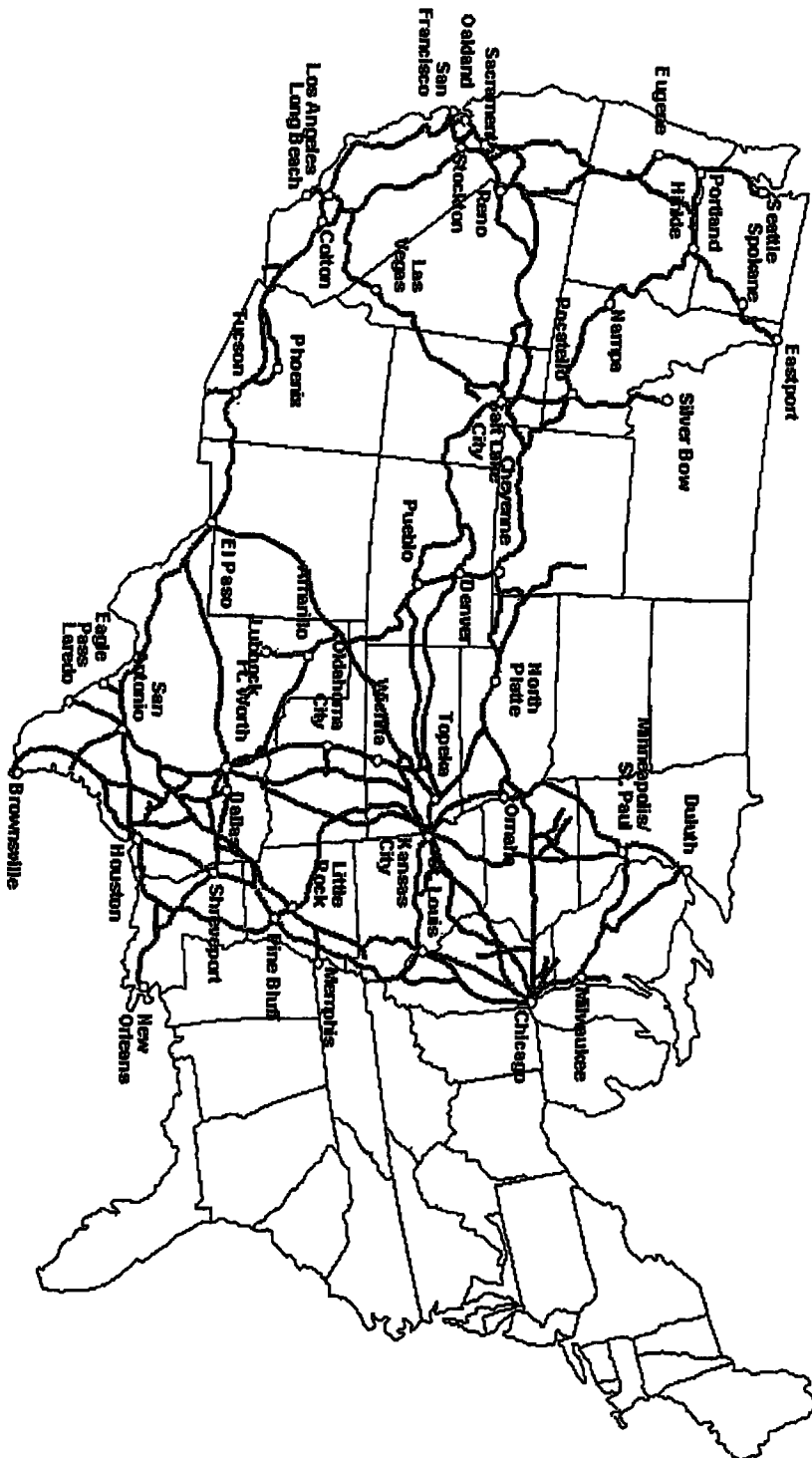
APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal From: UT, SAVAGE To: UT, LYNNDYL		
	10.20	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 100 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	

	Col 1 Rate	Route Code/Group
STCC: 11 Coal From: UT, SHARP To: UT, LYNDYL	3.49	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
I.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal From: UT, SHARP To: UT, LYNDYL	3.37	UP

Union Pacific Railroad



Department of Water and Power



the City of Los Angeles

ANTONIO R. VILLARAIGOSA
Mayor

Commission
LEE KANON ALPERT, *President*
THOMAS S. SAYLES, *Vice-President*
ERIC HOLOMAN
CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHOS, *Secretary*

AUSTIN BEUTNER
General Manager
RAMAN RAJ
Chief Operating Officer

December 10, 2010

Mr. Jeffrey Maier
Assistant Vice President – Energy
Union Pacific Railroad Company
1400 Douglas Street, STOP 1260
Omaha, Nebraska 68179-1260

Dear Mr. Maier:

Subject: Union Pacific (UP) Tariff 4222 and Item 6200

In your December 1, 2010 letter to Intermountain Power Agency (IPA), you provided copies of UP Tariff 4222 and Item 6200, and you also provided rates for service from certain additional mines not referenced in Item 6200 (*i.e.*, “origins that were not included in [IPA’s] written forecast for 2011 coal originations but were included in [IPA’s] request for disclosure of rates”).

You request that if IPA decides to ship from these origins, we should furnish our revised annual forecast by origin mine so that UP can arrange for resources to handle the traffic. You also state that the rates that you have provided for these additional origins “can be published promptly in Item 6200”

IPA is able to advise you at this time that it intends to ship coal in 2011 from the Skyline Mine. Accordingly, please publish your rates for service from Skyline in Item 6200. We will try to determine this month whether we will be shipping coal in 2011 from the other origins listed in your letter, although it may not be possible to do so within this time frame. We will provide our Annual Volume Estimate for 2011 to UP by December 31, 2010, in accordance with your General Rule Item 6200.

Sincerely,

Nick C. Kezman
Coal Business Manager

c: C. Michael Loftus
Slover & Loftus
William W. Engels
Lance C. Lee
John L. Aguilar

Water and Power Conservation . . . a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4211 Cable address: DEWAPOLA



REDACTED

From: Jeff W. Maier [<mailto:JWMAIER@up.com>]

Sent: Tuesday, December 14, 2010 9:48 AM

To: Lopez, Raquel

Cc: Michael Loftus; FDSAMS@up.com; Aguilar, John; Lee, Lance; Engels, William; Louise A. Rinn

Subject: Re: Union Pacific (UP) Tariff 4222 and Item 6200

Exhibit V-7
Page 1 of 12

Mr. Kezman:

Per your request in your letter dated December 10, please find enclosed in the icon below a copy of UP Tariff 4222 and an updated copy of Item 6200-A, which has been amended to include rates from the Skyline Mine:

(See attached file: UP 4222 Item 6200A Lynndyl.pdf)

Should you have any questions and/or require additional information, please do not hesitate to call me at (402) 544-4504 or Franklin Sams at (402) 544-4504.

Thank you.

Jeff Maier
Union Pacific Railroad
1400 Douglas St. STOP 1260
Omaha, NE 68179-1260
(402) 544-4502
(402) 203-5495 (cell)
e-mail: jwmaier@up.com

**

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**



UP TARIFF 4222

UNIT TRAIN COAL COMMON CARRIER TARIFF

Publication of rates, terms and conditions applying on:

**Unit Coal Trains with movement from, to or via the
Union Pacific Railroad Company**

**Issued By:
G. A. NAVALKAR - MANAGER PRICING SERVICES**

**Union Pacific Railroad Company
1400 Douglas Street Omaha, NE 68179**

**Issued: June 22, 2010
Effective: July 1, 2010**

UP 4222



UP 4222

Item: 1
DEFINITION OF ITEM SYMBOLS

DEFINITION OF ITEM SYMBOLS

A or [a] = Add
C or [c] = Change
D or [d] = Decrease
I or [i] = Increase
X or [x] = Expire



UP 4222

Item: 5
GOVERNING RULES**GOVERNING RULES DOCUMENTS**

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Bureau of Explosives	BOE 6000-series
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Official Railway Equipment Register	RER-series
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Uniform Freight Classification	UFC 6000-series
Union Pacific Railroad Company Accessorial Tariff	UP 6004-series
Union Pacific Railroad Governing Rules for Regulated Traffic	UP 6007-series
Union Pacific Railroad General Rules for Coal Trains	UP 6602-series; UP 6603-series; and UP 6605-series
Association of American Railroads "AAR Interchange Rules" Manual	(Issued by AAR)
Association of American Railroads "Open Top Loading Rules Manual"	(Issued by AAR)



UP 4222

Item: 11
REVISIONS/CANCELLATIONS

REVISIONS/CANCELLATIONS

Unless otherwise provided, as this Pricing Document (or items contained herein) is revised, current letter suffixes cancel prior suffixes. Letter suffixes will be used in alphabetical sequence starting with A. Example: Pricing Document 3000-A cancels 3000, 3000-B cancels 3000-A; item 100-A cancels Item 100, Item 100-B cancels Item 100-A.



UP 4222

Item: 100
GENERAL RULES AND DEFINITIONS

General Rules and Definitions

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Origin(s): Coal mine origins as specified in individual Rate Items.

Destination(s): Rail station capable of receiving trainloads of Coal as specified in individual Rate Items.

Shipper: Party who is paying the freight charges under this Tariff. Shipper shall have the same meaning as Customer.

UP: Union Pacific Railroad Company

Railroad: UP and any other rail carrier that is a party to this Tariff for a joint rate to the specified Destination as listed in Items 1000-9999 of this Tariff.

Rates: Are in U.S. dollars and cents per net ton of 2,000 lbs. Rates apply only for Coal consumed at the station(s) noted in the Item Description of the Rate Item, unless otherwise provided. Railroad may adjust or cancel Rates subject to 20 days' notice for increases.

Rate Item: Schedule of Rates, charges, and terms applicable to particular Destination, as listed in Items 1000-9999 of this Tariff.

Diversions: Diversions may be permitted under certain circumstances, as provided in UP Circular 6602-series; 6603-series or 6605-series.

Request for Service: Transportation under this Tariff will take place on lines which are subject to intense use and operational limitations. In order to maximize the utilization of the rail lines and loading facilities for the benefit of all parties involved in transportation of Coal from Origins, UP must coordinate with the mine operators and Shippers. Shipper requesting transportation under this Tariff must provide a "Monthly Coal Tonnage Forecast" as provided in Item 250 of UP Circular 6602-series; 6603-series or 6605-series. That Item defines the monthly process for the submission of forecasts by both the receivers of coal and the producers who will load those tons for shipment via UP. This condition applies in addition to any specific notice requirements stated in this Tariff.

Shipper Owned or Leased Equipment: Railcars owned, leased or otherwise furnished by Shipper for transportation under this Tariff.

Railroad Owned or Leased Equipment: Railcars owned, leased or otherwise furnished by Railroad, subject to availability, for transportation under this Tariff.

Equipment: If Rate Item for Destination specifies Shipper Owned or Leased Equipment, Shipper will provide suitable equipment at no charge to Railroad. Railcars shall be compatible with the loading facility and the unloading facility.

All railcars used for transportation under this Tariff shall be open-top hopper or gondola railcars, and shall have a marked capacity sufficient to meet the Minimum Lading Weight per Railcar as specified in the Rate Item for

Issued: June 22, 2010
 Effective: July 1, 2010
 Expiration: December 31, 2025

UP 4222

Page: 1 of 3
 Item: 100
 Continued on next page

Destination.

Loaded railcars shall not exceed the maximum gross-weight-on-rail ("GWOR") associated with the route of movement, but in no case greater than 286,000 lbs. In some corridors the GWOR will be less than 286,000 lbs, in which case Railroad will note in the applicable Rate Item the maximum weight capability on the route of movement.

Such railcars shall also meet or exceed the Association of American Railroads ("AAR") Interchange Rules, as amended from time to time, and shall have been inspected and approved by UP for safety in accordance with Federal Railroad Administration ("FRA") regulations, as amended from time to time. Railcars must also comply with Item 226 of UP 6602-series; 6603-series and 6605-series.

Transportation under this Tariff is subject to the provisions of the AAR Interchange Rules, including those rules governing railcar repair, maintenance, damage, or destruction, in a manner prescribed by the "Field Manual of Interchange Rules" and the "Office Manual of Interchange Rules" adopted by and currently in use by the AAR.

Maximum Volume: The maximum volume that Railroad will transport under each Rate Item is specified in the Rate Item.

Trainsets: UP reserves the right, in its sole judgement, to limit the number of trainsets that will be in service pursuant to each Rate Item in order to retain fluidity or to meet loading schedules, or if adding trainsets in active service would not materially increase delivered tonnage.

Annual Volume Estimate: For planning purposes, Shipper shall advise Railroad of its intent to ship under this Tariff as specified in Monthly Coal Tonnage Forecast. In addition, not later than July 1 each year, Shipper shall provide to Railroad an estimate of tons of Coal anticipated to be loaded in the next calendar year by month ("Annual Volume Estimate"). This information should include tons from each of its suppliers and origins as soon as it is known. The nominated tonnage must be ratable. A monthly nomination is ratable if it is no more than 10% greater or 10% less than one-twelfth of the annual total. If Shipper decides to begin shipments within any time-frame other than a full calendar year basis, then Shipper shall provide Railroad an Annual Volume Estimate for the remaining months of that calendar year, at least ninety calendar days prior to the first shipment, unless otherwise mutually agreed. The Annual Volume Estimate must be submitted electronically via UP's secured website ([www.uprr.com/customers/energy Bulk Train Planner](http://www.uprr.com/customers/energy/BulkTrainPlanner)), and may be revised at any time prior to October 1 each year.

Service: Railroad shall use reasonable efforts to transport Coal based on the circumstances when the transportation occurs. Railroad shall not be responsible for delays due to weather, track maintenance or construction, equipment failures, embargoes, Acts of God, labor activities, including strikes, denial of or limitation of access to track controlled by any party other than Railroad, excessive demand, or events outside the control of the Railroad. Railroad intends to use reasonable efforts to deliver the Annual Volume Estimate and the Monthly Coal Tonnage Forecast furnished by Shipper but has no binding obligation to comply with these planning estimates.

In no event shall Railroad be liable for any service guarantee. Further, to the extent allowed by law, under no circumstances will Railroad be liable for any direct, indirect, actual or consequential damages or any other liability, or additional costs of any kind arising out of or caused by service interruptions, reductions, or excessive demand.

Freight Charges: Freight charges shall be calculated based on the greater of the actual lading weight of all Coal in a train as determined by weighing pursuant to the rules in UP Circular 6602-series; 6603-series or 6605-series, or the minimum tender per shipment weight, which is specified by Destination in the Rate Item. Rates shall be subject to the fuel surcharge as published in Item 695-series of Tariff UP 6007-series, unless otherwise specified in the Rate Item.

Payment: Railroad may invoice Shipper by means of mail or electronic transfer of documentation. Shipper shall pay the amount invoiced by means of mail or electronic transfer of funds within 15 calendar days after date of invoice. Late payment and other credit terms shall be in accordance with UP's credit terms as published in Rule 62 of UFC 6000-series. If Shipper fails to pay in accordance with the requirements or if, in UP's sole discretion, adverse credit conditions occur which could affect Shipper's ability to meet payment terms, UP may revoke credit privileges and institute any one or more of the Revocation of Credit and Other Remedies procedures outlined in UFC 6000-series.

Notices: Notices to UP should be addressed to:

Attn: General Director- Logistics and Demand
Union Pacific Railroad
Marketing and Sales Energy Group
Stop 1260
1400 Douglas Street
Omaha, NE 68179
Fax (402) 501-0163

Other General Rules: Shipments made under this Tariff shall be subject to Circular UP 6602-series; 6603-series or 6605-series or their successors, which contain the General Loading Rules, Accessorial Charges and Fuel Surcharge for Coal Trains moving via UP, and related items.

Services or other matters not specifically addressed in this Tariff shall continue to be governed by and paid for in accordance with rules, regulations, statutory provisions and provisions of the applicable tariffs, rules circulars, publications or in other applicable rate and service terms established under 49 U.S.C. Section 11101 or 10702. Such rules, regulations and provisions, as amended from time to time, are herein incorporated by reference without being specifically listed. To the extent any such rules, regulations or provisions as they relate to the parties hereto are inconsistent with the terms of this Tariff, the terms of this Tariff shall govern. When reference is made in this Tariff to tariffs, circulars, items, notes, rules, etc., such references are continuous and include revisions and supplements to and successive issues of such tariffs, circulars, items, notes, rules, etc.

In the event of any conflict between the terms of this Tariff and the terms of the Rate Item, the provisions of the Rate Item shall govern.



UP 4222

Item: 6200-A
 Itm Desc: UT, Lynndyl, IPA Generating Station

Unit Coal Trains from Origins in Utah
 to IPA Generating Station, Lynndyl, UT

For billing purposes use the following rate authority: UP 4222-6200-A

STCC/GROUP	STCC	DESCRIPTION
11		Coal

Prices are subject to Fuel surcharges.

GENERAL RULE ITEM 6200

The Maximum Volume that Railroad will transport under this item is 6,500,000 Net Tons per calendar year.

Shipper shall provide its Annual Volume Estimate for 2011 to Railroad by December 31, 2010

Rates for trains interchanged to UP at Provo, Utah are contingent on utilization of UP locomotives and a new run-through power agreement between UTAH and UP.

GENERAL APPLICATION RULES FOR ITEM 6200-A

1. Applies in Customer/Shipper-owned or -leased equipment bearing private (non-railcarrier) reporting marks.
2. Mileage allowance payment on private equipment will not apply.
3. Free time to unload will be 6 hour(s).

APPLICATION AND RATES

COLUMN	RATE APPLICATION RULES
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 100 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s). Price must be used in combination with other prices for the portion of the shipment prior to specified origin. Separate freight bills will be issued for each price used according to the provisions of Railway Accounting Rule 11, AND Applies when immediately prior movement was via rail on the UTAH.

	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, PROVO		
To: UT, LYNN DYL	7.27	UP

Issued: December 10, 2010
 Effective: January 1, 2011
 Expiration: December 31, 2025

UP 4222

Page: 1 of 3
 Item: 6200-A
 Continued on next page

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s). Price must be used in combination with other prices for the portion of the shipment prior to specified origin. Separate freight bills will be issued for each price used according to the provisions of Railway Accounting Rule 11, AND Applies when immediately prior movement was via rail on the UTAH.	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, PROVO		
To: UT, LYNNDYL		
	7.13	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 100 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, SAVAGE		
To: UT, LYNNDYL		
	10.40	UP

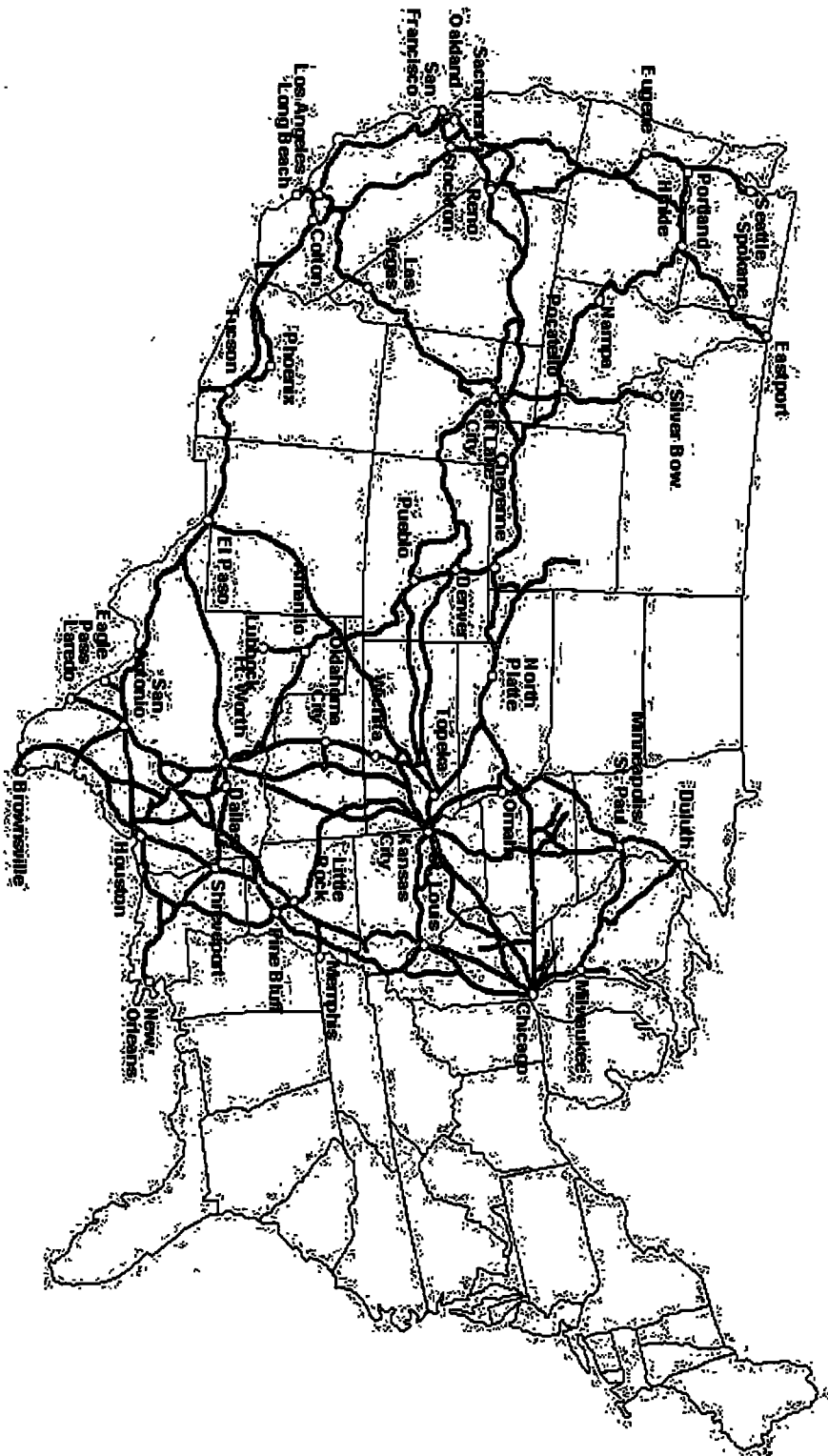
APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, SAVAGE		
To: UT, LYNNDYL		
	10.20	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 100 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	

	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, SHARP		
To: UT, LYNNDYL	3.49	UP
From: UT, SKYLINE		
To: UT, LYNNDYL	10.79	UP

APPLICATION AND RATES		
COLUMN	RATE APPLICATION RULES	
1.	Rates are in U.S. dollars Per Net Ton. Subject to a minimum lading weight of 115 tons per car. Applies if minimum tender per shipment is 91 Car(s) and maximum not greater than 104 Car(s).	
	Col 1 Rate	Route Code/Group
STCC: 11 Coal		
From: UT, SHARP		
To: UT, LYNNDYL	3.37	UP
From: UT, SKYLINE		
To: UT, LYNNDYL	10.60	UP

Union Pacific Railroad



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230799

August 10, 2011

By Hand Delivery

Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: Docket No. 42127, Intermountain Power Agency
v. Union Pacific Railroad Company



ENTERED
Office of Proceedings
AUG 11 2011
Part of
Public Record

Dear Ms. Brown:

Enclosed for filing in the above docket on behalf of Complainant Intermountain Power Agency ("IPA") please find the following:

1. The unbound original and twenty (20) copies of the Highly Confidential Version of IPA's Opening Evidence, consisting of one volume of Narrative and one volume of Exhibits. Please note that some of the Exhibits contain color images.
2. The unbound original and ten (10) copies of the Public Version of IPA's Opening Evidence, also consisting of one volume of Narrative and one volume of Exhibits (some of which contain color images).
3. One hard drive containing electronic copies of the Highly Confidential Version of the Narrative and Exhibits, as well as the workpapers supporting IPA's Opening Evidence (all of which are submitted in electronic form). The electronic workpapers are designated as Highly Confidential under the protective order entered by the Board in this proceeding.