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Dear Chairman – **Robert E. Primus and Members**

Docket No. FD 36818

Re: STB No FD 36818 Central Oregon & Pacific Railroad, Inc.

Lease and Operation Exemption Including interchange

Commitment Union Pacific Railroad Company

My Name is Charles (Chuck) Knotts. I'm a Locomotive Engineer with 45 years of experience. I was hired out in 1979 as a trainman with Southern Pacific Railroad, I went into Engine Service in 1990. I'm a 5th generation Engineer, so I have grown up knowing the railroad. I have seen many changes over the years. I have also worked with many good Conductors and Engineers over the years. I know when I first hired out with SP customer service was very important to the railroad. SP was known as a gathering railroad, meaning that they would get their cars from the industry and bring them into the yards and put them together to form trains. Eugene is a key gathering spot in Oregon. At one point Eugene had 27 Yard jobs and many locals, and 36 Engineer pools going back and forth to Klamath Falls OR. As a young man I was impressed how well things worked.

I'm writing to express my objection to the lease operation agreement with the Central Oregon & Pacific railroad (CORP).

When Union Pacific (UP) took over the SP there were some hiccups over the years, but they were able to work them out. I have been working the same job for the last 10 years and had some of the greatest customer reviews during that time.

The Union Pacific has stated that the CORP can come in and do a better job than what we are doing. I say that's not true. I have enclosed a copy of the Northwest Passage from the first quarter of 2022. During this time, we were allowed to do our work and had the tools to do our work. If a customer needs something else,

we would do it without any repercussions. Also, during this time all the customers were on a 5 day a week servicing schedule. But in the last year and a half UP has brought in a new manager from the top all the way down to local level. After that our crew was told to do only what was scheduled for our job and if we deviated any way at all we were threatened with insubordination which is a level 5 firing offense. They changed our customer scheduling. The only customer with 5 day a week service was International Paper company (IP), the chemical companies went to a 3-day a week service. The Lumber and the Charcoal company went to a 2 day a week service. Before this time our customers were getting 5 days a week of service, except International Paper was getting 6 days a week of service. On top of all that UP made an agreement with the trainman that they could cut off the brakeman position, but with an increase in business UP could have put the brakeman position back on, which we needed at times. Without the brakeman position the Conductor would walk an extra 3 to 5 miles a day. So, when they first started the job without the brakeman, customers would not get service some of the time. We were not allowed to try to make up for the missed service the next day. So that means the customer would not get switched until their next servicing day for that customer. Springfield has a small yard used to store railroad cars for our customers. One of our chemical customers paid Union Pacific (UP) to lease 1800 ft of the one track in Springfield. That way they could order what they wanted up to 5 am. That would give that customer all night to unload cars and order what they wanted early in the morning. Union Pacific upper service unit managers made the decision to move all that customer cars back to Eugene Yard, and change the time they could order their cars for the next day. Union Pacific changed this time several times and a lot of the time would not tell the customer of the time change. They finally settled on 11 pm, not giving them the extra 6 hours to unload cars and order new cars in at 5 am like they were used to.

I am convinced that Union Pacific has done this intentionally so they can get rid of Eugene yard, Coos bay industry lead and the Marcola industry lead. If this is allowed to happen it would get rid of 30 plus good paying jobs in Eugene OR and replace them with lower paying jobs and less experienced employees. My job handles a lot of hazardous material and I've been highly trained in how we handle this hazardous material. Also, Eugene OR has a lot of hazardous material coming in and out of the yard.

A Class 3 railroad maintenance program is significantly different from a Class 1 program, with Class 3 railroads generally having less stringent maintenance requirements due to their smaller size, lower traffic volume and smaller budget, compared to the more rigorous standards enforced on Class 1 railroads, meaning Class 1 railroads will typically perform more frequent and comprehensive track inspections and repairs than Class 3 railroads. With the volume of cars coming in and out of Eugene yard, the Coos Bay industry lead and the Marcola industry lead, how is the CORP to keep up with the same maintenance program that the UP has? I do not think it's fair to ask the federal and state government to aid the CORP in maintaining yards and industry leads at the taxpayer expense. Also, if there was a catastrophic event who would end up paying? The CORP is an LLC company and can just file bankruptcy and leave the clean up to the taxpayers.

A recent example of an event that happened on January 4 2025 with the Portland & Western Railroad a Class 2 railroad (PNWR). At about noon January 4th 2025 PNWR train with 19 cars, with Urea fertilizer was crossing the Mary's River Bridge when a catastrophic failure of the bridge occurred. Two cars are in the river and the bridge has completely collapsed. They say that high water should help mitigate any spill into the river by diluting and flushing the fertilizer away. The bridge was the subject of a fire a few years ago. With a Class 1 rigorous maintenance program this might have been prevented.

Union Pacific has the resources and experienced personnel to handle any kind of situation, where a Class 2 & 3 railroad does not have the kind of resources.

Union Pacific is just trying to get rid of all their responsibilities and just have run-through freight service and still get all of the revenues, at the expense of their employees and taxpayers Union Pacific kept these negotiations quiet until the last minute. Union Pacific did not offer any sort of help for the affected employees losing their jobs.

I think the lease with the Central Oregon & Pacific Railroad, Inc. should be denied and make Union Pacific management be held accountable for mismanagement of Eugene Yard, Coos Bay industry lead and the Marcola industry lead. Except for the last couple of years our customers were our highest priority until UP management made these ridiculous changes. My crew and I took pride in

servicing our customers and keeping them happy. During that time, we built up a good relationship with each one of our customers.

Thank you for your time

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cc: Parties of Record