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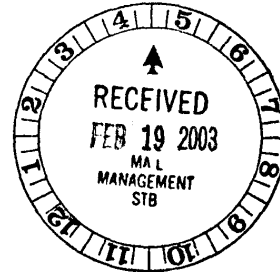
February 19, 2003

Via HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

1330 Connecticut Avenue, NW
Washington, DC 20036-1795

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Re: **STB Docket No. 42077, Arizona Public Service Co. and PacifiCorp v. The Burlington Northern and Santa Fe Railway Company**

Dear Secretary Williams:

Enclosed for filing in the captioned docket, please find the original and ten copies of the Answer of The Burlington Northern and Santa Fe Railway Company.

Please date stamp the extra copy of the referenced pleading and return it with our messenger. If you have any questions regarding this matter, please contact the undersigned.

Sincerely,

Samuel M. Sipe Jr.

Counsel for The Burlington Northern
and Santa Fe Railway Company

ENTERED
Office of Proceedings

FEB 20 2003

Part of
Public Record

cc: C. Michael Loftus

WASHINGTON

PHOENIX

LOS ANGELES

LONDON

BRUSSELS

**BEFORE THE
SURFACE TRANSPORTATION BOARD**



ARIZONA PUBLIC SERVICE
COMPANY, and PACIFICORP,

Complainants,

v.

THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY
COMPANY,

Defendant.

Docket No. 42077

**ANSWER OF THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY COMPANY**

Defendant, The Burlington Northern and Santa Fe Railway Company ("BNSF"), hereby answers the Complaint filed by complainants Arizona Public Service Company and PacifiCorp (hereafter jointly referred to as "APS") in this proceeding.

COMPLAINT

BNSF responds to the allegations of each separately numbered paragraph of the Complaint as follows:

1. BNSF lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 1 of the Complaint.
2. BNSF lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2 of the Complaint.

3. BNSF admits the allegations in paragraph 3 of the Complaint, except that it denies any implication that the Board has jurisdiction with respect to all interstate rail transportation service. The Board's limited jurisdiction is defined in the revised Interstate Commerce Act, as amended by the Interstate Commerce Commission Termination Act of 1995 (49 U.S.C. §§ 10101 *et seq.*).

4. BNSF admits the allegations in the first sentence of paragraph 4 of the Complaint. With respect to the second sentence of Paragraph 4, BNSF admits that it transported between 3.5 and 4.0 million tons of coal to the Cholla Station in 2002. BNSF lacks knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 4 of the Complaint.

5. With respect to the allegations in the first and second sentences of paragraph 5, BNSF admits that since 1999 the coal transported by BNSF to the Cholla Station has come primarily from mines located in New Mexico, including coal from the Lee Ranch Mine. BNSF lacks knowledge or information sufficient to form a belief as to the remaining allegations in paragraph 5.

6. BNSF admits that it is the only line of railroad that currently serves the Lee Ranch Mine, but BNSF denies all other allegations in paragraph 6 of the Complaint.

7. BNSF admits that it owns and operates the only line of railroad that currently serves the Cholla Station, but BNSF denies all other allegations in paragraph 7 of the Complaint.

8. BNSF admits the allegations in paragraph 8 of the Complaint.

9. BNSF admits the allegations in paragraph 9 of the Complaint.

10. BNSF denies the allegations in the first sentence of paragraph 10 of the Complaint. With respect to the second sentence of paragraph 10, BNSF admits that BNSF Common Carrier Pricing Authority 90040-A, Supplement No. 4 provides rates of \$8.75 per net ton for shipments in BNSF provided steel railcars and \$8.62 per net ton for shipments in BNSF provided aluminum railcars for movements from Lee Ranch to Cholla Station.

11. BNSF denies the allegations in paragraph 11 of the Complaint.

12. BNSF admits rail is the only practical means of moving coal from Lee Ranch Mine to Cholla Station. The remaining allegations in paragraph 12 of the Complaint state a legal conclusion, and therefore no response from BNSF is required.

13. BNSF denies the allegations in paragraph 13 of the Complaint.

14. Paragraph 14 of the Complaint states a legal conclusion, and therefore no response from BNSF is required.

15. Paragraph 15 of the Complaint states a legal conclusion, and therefore no response from BNSF is required.

16. Paragraph 16 of the Complaint states a legal conclusion, and therefore no response by BNSF is required.

APS' PRAYER FOR RELIEF

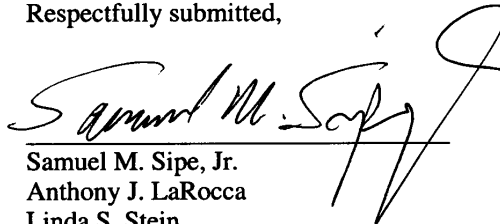
BNSF denies that an order granting any relief sought by APS in this proceeding would be appropriate.

DEFENSES

1. The challenged rates are reasonable.

WHEREFORE, BNSF requests that the Complaint be dismissed with prejudice and that no relief of any kind be awarded to APS, that BNSF be awarded its costs, and that the Board grant BNSF such other and further relief as may be appropriate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Samuel M. Sipe, Jr.", is written over a horizontal line.

Samuel M. Sipe, Jr.
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Linda S. Stein
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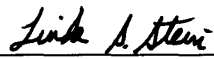
Attorneys for Defendant

Dated: February 19, 2003

CERTIFICATE OF SERVICE

I hereby certify that on February 19, 2003, I caused one copy of the foregoing Answer of The Burlington Northern And Santa Fe Railway Company to be served by hand upon the following counsel for Arizona Public Service Company and PacifiCorp.:

C. Michael Loftus
Frank J. Pergolizzi
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036



Linda S. Stein