

TROUTMAN SANDERS LLP

A T T O R N E Y S A T L A W
A LIMITED LIABILITY PARTNERSHIP

401 9TH STREET, N.W. - SUITE 1000
WASHINGTON, D.C. 20004-2134
www.troutmansanders.com
TELEPHONE: 202-274-2950

William A. Mullins
william.mullins@troutmansanders.com

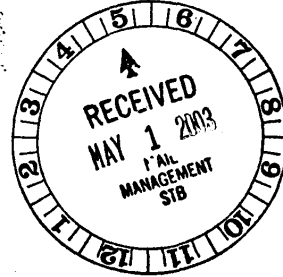
Direct Dial: 202-274-2953
Fax: 202-654-5621

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May 1, 2003

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

ENTERED
Office of Proceedings
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Public Record



RE: *Paducah & Louisville Railway, Inc.--Abandonment Exemption*
--In McCracken County, KY--Docket No. AB-468 (Sub-No. 5X)

Dear Secretary Williams:

Enclosed please find an original and eleven copies of Paducah and Louisville Railway's Rebuttal to "Boral Bricks, Inc. Reply in Protest to Petition For Exemption" filed in connection with the above-referenced proceeding.

Please acknowledge our filing of the enclosed pleading by date stamping the eleventh copy which is enclosed for that purpose and returning it to the individual making this filing to return to me. If there are any questions about this matter, please contact me.

Sincerely yours,

William A. Mullins

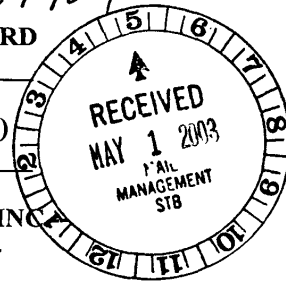
Enclosures

cc: All Parties of Record

207724
BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-468 (SUB-NO. 5X)

PADUCAH & LOUISVILLE RAILWAY INC.
--ABANDONMENT EXEMPTION--
IN McCRACKEN COUNTY, KY



REBUTTAL TO BORAL BRICK, INC.
REPLY IN PROTEST TO PETITION FOR EXEMPTION

ENTERED
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William A. Mullins
Elizabeth A. Martin
TROUTMAN SANDERS LLP
401 9th Street, N.W.
Suite 1000
Washington, D.C. 20004
Tel: (202) 274-2950
Fax: (202) 654-5621

Attorneys for Paducah & Louisville Railway, Inc.

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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

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**PADUCAH & LOUISVILLE RAILWAY INC.
--ABANDONMENT EXEMPTION--
IN McCRACKEN COUNTY, KY**



**REBUTTAL TO BORAL BRICK, INC.
REPLY IN PROTEST TO PETITION FOR EXEMPTION**

The Paducah & Louisville Railway, Inc. ("P&L"), by its counsel, hereby files its Rebuttal to the Boral Bricks, Inc. ("Boral") Reply in Protest to Petition for Exemption ("Boral's Protest"), filed on April 14, 2003. Boral's Protest commented on P&L's Petition for Exemption ("Petition for Exemption") from the provision of 49 U.S.C. § 10903 to abandon approximately 5,780 feet of rail line located in the City of Paducah, McCracken County, Kentucky, running from station number 17+55 (near Caldwell Street in Paducah) to station number 64+00 (near 6th Street in Paducah), extending on each side of railroad milepost 1 (the "Line"), filed on March 4, 2003.

Boral's Protest adds nothing of value to the record, but simply proffers a number of unsubstantiated assertions that are often times inaccurate, incomplete, and/or irrelevant. Indeed, Boral provides no expert opinions, studies, or analysis to verify any of its assertions of fact. Nonetheless, in order to give this Board a fair and accurate picture of the established facts and to provide the Board with a full and accurate record, P&L files this Rebuttal.

ARGUMENT

I. REBUTTAL IS PROPER IN THESE CIRCUMSTANCES

A. P&L Has Filed A Timely Response To Boral's Protest.

Although the Board's regulations governing petitions for exemption under 49 U.S.C. § 10502 do not provide specific filing deadlines with respect to abandonment exemption requests, the regulations do provide, at 49 C.F.R. § 1152.25, specific timeframes to be followed in the case of abandonment applications, as opposed to individual petitions for exemptions. It appears the Board is substantially following those deadlines in this exemption proceeding because the Board's *Federal Register* notice provided parties 41 days to file comments or protests on the abandonment request filed by P&L. 68 Fed. Reg. 14273 (March 24, 2003). This time period is nearly consistent with the procedures applicable to abandonment applications. Under those procedures, any party may file replies or rebuttal to written comments and protests no later than 60 days after the filing of an abandonment application. P&L's Petition for Exemption ("Petition for Exemption") was filed on March 4, 2003, less than 60 days ago. Thus, the Board should accept P&L's Rebuttal as timely filed.

B. P&L's Rebuttal Is Not An Impermissible "Reply To A Reply."

P&L's Rebuttal is not an impermissible "reply to a reply" in violation of 49 C.F.R. § 1104.13 for several reasons. First of all and as earlier noted, although the special rules governing abandonment exemptions do not address the filing of replies or rebuttals, the Board's regulations governing abandonment applications provide that protestors may comment on the application and applicants, in turn, may submit replies or rebuttal to these comments. 49 C.F.R. § 1152.25. Accordingly, the Board gave protestors, such as Boral, the opportunity to comment on the Petition for Exemption; likewise, it should accept P&L's Rebuttal, as it has done in other abandonment exemption proceedings. *See Burlington Northern Railroad Company--*

Abandonment Exemption--In Sedgwick, Harvey and Reno Counties, KS, Docket No. AB-6 (Sub-No. 358X), 1994 ICC LEXIS 104 (ICC served June 30, 1994); *CSX Transportation, Inc.--Abandonment Exemption--In Rocky Mount, Nash County, NC*, STB Docket No. AB-55 (Sub-No. 562X), 1999 STB LEXIS 682 (STB served Dec. 1, 1999).

Secondly, the Board's regulations, at 49 C.F.R. § 1112.2, governing the conduct of matters under modified procedure¹ permit rebuttals. Under these procedures, "a statement responding to an opening statement is referred to as a 'reply,' and a statement responding to a reply is referred to as a 'rebuttal.' Replies to rebuttal material are not allowed." The filing and processing of individual petitions for exemption are analogous to the Board's processes under modified procedure. Accordingly, the Board should accept P&L's Rebuttal as the final pleading in this matter. *See Engelhard Corporation--Petition for a Declaratory Order--Springfield Terminal Railway Company and Consolidated Rail Corporation*, STB Docket No. 42075, 2003 STB LEXIS 157 (STB served Apr. 1, 2003).

Third, the Board has a longstanding policy of allowing the party that bears the burden of proof to close the evidentiary record through a final rebuttal. *See Canadian National Railway Company, et al.--Control--Wisconsin Central Transportation Company*, STB Finance Docket No. 34000, 2001 STB LEXIS 454 (STB served May 9, 2001); *CSX Transportation, Inc.--Abandonment Exemption--In Rocky Mount, Nash County, NC*, STB Docket No. AB-55 (Sub-No. 562X), 1999 STB LEXIS 682 (STB served Dec. 1, 1999); *The Kansas City Southern Railway Company--Adverse Discontinuance Application--A Line of Arkansas and Missouri Railroad Company*, STB Docket No. AB-103 (Sub- No. 14), 1999 STB LEXIS 25 (STB served Jan. 19, 1999). As the party petitioning for exemption from the abandonment proceeding, P&L bears the

¹ A proceeding is considered "under modified procedure when it appears that substantially all material issues of fact can be resolved through submission of written statements, and efficient disposition of the proceeding can be accomplished without oral testimony." 49 C.F.R. § 1112.1.

burden of proof under 49 U.S.C. § 10903. *See Burlington Northern and Santa Fe Railway Company--Abandonment of Chicago Area Trackage in Cook County, IL*, STB Docket No. AB-6 (Sub-No. 382X), 1999 STB LEXIS 553 (STB served Sept. 21, 1999). P&L is thus entitled to submit this Rebuttal.

Finally, the Board routinely accepts rebuttals in the interest of compiling a complete record. *See, e.g., The TJX Companies, Inc.--Petition for a Declaratory Order--Certain Rates and Practices of Sweeney Transportation, Inc., and Knickerbocker East-West Inc.*, Docket No. 41192, 2002 STB LEXIS 554 (STB served Sept. 20, 2002); *Maine Central Railroad Company--Abandonment Exemption--In Androscoggin County, ME*, STB Docket No. AB-83 (Sub-No. 16X), 2000 STB LEXIS 532 (STB served Sept. 15, 2000); *Burlington Northern Railroad Company--Abandonment Exemption--In Sedgwick, Harvey and Reno Counties, KS*, Docket No. AB-6 (Sub-No. 358X), 1994 ICC LEXIS 104 (ICC served June 30, 1994). Thus, the Board should accept this Rebuttal as a means of ascertaining all information pertinent to this proceeding.

II. THE BOARD SHOULD REJECT BORAL'S UNSUBSTANTIATED ASSERTIONS AND GRANT THE PETITION

Because P&L filed its Petition for Exemption under 49 U.S.C. § 10502, for that petition to be denied Boral needs to establish that a formal abandonment application is necessary to carry out the transportation policy of section 10101 and either that the transaction is not limited in scope or that a grant of the Petition for Exemption would subject it to abuse of market power. Boral's Protest boldly and unrelentingly accuses P&L of failing to meet this standard by proffering incomplete or misleading information in the Petition for Exemption. Boral, however, fails to provide any contrary evidence or data in the vast majority of its Reply and simply spends most of its time making unsubstantiated assertions. Each one of the arguments raised by Boral was fully addressed and factually supported in the Petition for Exemption. Nonetheless, in the

interest of establishing a clear record for the Board, P&L will address the issues raised by Boral and show why those arguments do not establish that regulation is either necessary to carry out the transportation policy of section 10101 or that regulation is needed to protect Boral from the abuse of market power or that the transaction is not limited in scope.

A. Boral Has Not Established That Regulation Is Necessary To Carry Out The Rail Transportation Policy

1. Abandonment of the Line Will Not Be Detrimental To Public Health and Safety

The rail transportation policy provides that it is the policy of the U.S. Government to “operate transportation facilities and equipment without detriment to the public health and safety.” 49 U.S.C. § 10101(8). Although Boral contends that the Paducah community will be harmed by abandonment of the Line, it produces no evidence to back up its claims. To the contrary, as established in the Petition for Exemption and this Rebuttal, abandonment is likely to increase overall public health and safety.

Boral’s rationale for asserting that the Paducah citizenry will experience a “decreased quality of life” from line abandonment is completely unsupported. The sole basis for this dire prediction is the possibility that abandonment may result in 275 more trucks per year, far less than an average of one truck per day on public roads. Boral’s assertion that this nominal increase in truck traffic will “significantly increase traffic congestion in Paducah” and cause a detrimental affect on road safety conditions is ridiculous. Boral’s Protest at 7. Of course, Boral cites no cases to back up its claim, nor could it, as none exist.

In any event, if Boral is so concerned about the impacts that approximately five extra trucks a week would impose on traffic conditions, it could easily and inexpensively avail itself of the transloading and storage capabilities at one or more of three sites, as discussed below. Using

these sites would greatly minimize the community impacts that Boral forecasts will otherwise befall the Paducah citizenry if the line is abandoned.

Rather than harm the Paducah community, abandonment of the Line will actually promote the public health and safety because seven public road grade crossings will be removed, reducing the danger inherent in such grade crossings. The Board and Federal Railroad Administration have repeatedly recognized that at-grade crossings are too often responsible for accidents, incidents, injuries, and fatalities, and have advocated their elimination. *See, e.g., Regulations on Safety Integration Plans Governing Railroad Consolidations, Mergers, and Acquisitions of Control; and Procedures for Surface Transportation Board Consideration of Safety Integration Plans in Cases Involving Railroad Consolidations, Mergers, and Acquisitions of Control*, STB Ex Parte No. 574, 2002 STB LEXIS 154, (STB served Mar. 8, 2002).

Boral attempts to discredit the safety benefits resulting from removal of these grade crossings by stating that “P&L ignores the fact that doubling the number of trucks on the roads in the Paducah area” would result in more accidents. Boral’s Protest at 12. First of all, unless the only trucks in the entire Paducah area serve Boral, there is absolutely no chance that abandonment will double the number of trucks on Paducah roads. Secondly, as stated throughout this Rebuttal, Boral predicts that, if it were to switch to shipping exclusively by truck, it would employ 275 more trucks per year, approximately five trucks per week, or an average of less than one truck per day. This small number obviously poses no serious threat to road safety. Finally, this argument does not undercut the fact that abandonment will eliminate the possibility of collisions between trains and motor vehicles at the seven grade crossings. Thus, P&L has established that abandonment would not be detrimental to the public health and safety, and Boral has not shown otherwise. The Board should grant the Petition for Exemption.

2. Abandonment Will Not Adversely Affect The
Environment Nor Violate The Federal
Government's Energy Conservation Policy

Boral fails to offer any credible evidence for its claim that abandonment of the line will cause a "severe detrimental impact" on air quality and run counter to the rail transportation policy "to encourage and promote energy conservation" as provided in 49 U.S.C. § 10101(14). Even assuming abandonment of the Line does result in an extra 275 truck shipments per year, an average of less than one shipment per day, the minimal environmental impact of such traffic does not justify denial of the Petition under the Board's rules. As the Environmental Report attached to P&L's Petition for Exemption made clear, P&L would not be exceeding the Board's stated thresholds requiring P&L to submit more detailed environmental data.² Thus, Boral's accusation that P&L did not state how it arrived at its environmental conclusions is completely unwarranted. Boral's Protest at 9. Indeed, P&L has clearly established that abandonment would not have any significant environmental impact pursuant to the Board's guidelines.

Moreover, Boral cites no cases supporting its contention that abandonment will adversely affect the environment, but merely proffers irrelevant and vague data regarding truck emissions. In fact, the Board has often granted petitions for exemption when abandonment would likely result in increased truck traffic, despite the Board's longstanding environmentally friendly policy. *See, e.g., Union Pacific Railroad Company--Abandonment Exemption--In Adams and Hall Counties, NE (Hansen Industrial Lead Between Hastings and Hansen, NE)*, STB Docket No. AB-33 (Sub-No. 166X), 2001 STB LEXIS 494, (STB served May 21, 2001); *The*

² For instance, P&L was not required to quantify the anticipated effect on air emissions since the proposed action would not result in either: (A) An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase in at least eight trains a day on any segment of rail line affected by the proposal, or (B) An increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment.

Cincinnati, New Orleans and Texas Pacific Railway Company--Abandonment Exemption--In Cumberland and Roane Counties, TN, STB Docket No. AB-290 (Sub-No. 208X), 2000 STB LEXIS 670, (STB served Nov. 15, 2000).

Likewise, while accusing P&L of presenting incomplete data, Boral fails to back up its claim that abandonment would contravene the Board's energy conservation policy. Not only does Boral fail to show that abandonment would result in increased energy consumption, even if it meant that Boral would have to exclusively use trucks to ship its bricks, but Boral does not even present any statute or cases to support its claim that a slight increase in energy consumption would necessitate denial of the Petition for Exemption. Rather, Boral cites a case having absolutely nothing to do with contravention of energy policy. *See Central Railroad Company of Indiana--Abandonment Exemption--In Dearborn, Decatur, Franklin, Ripley, and Shelby Counties, IN*, STB Docket No. AB-459 (Sub-No.2X), 1998 STB LEXIS 121 (STB served May 4, 1998).³ In reality, the Board has often granted petitions for exemption when abandonment would likely result in increased truck traffic, which, in turn, could lead to a slight increase in energy consumption. *See, e.g., Union Pacific Railroad Company*, 2001 STB LEXIS 494, *supra*; *The Cincinnati, New Orleans and Texas Pacific Railway Company*, 2000 STB LEXIS 670, *supra*.

Even if Boral's concern about the environmental and energy impacts resulting from approximately 275 extra truck shipments per year was justified, however, Boral could easily and inexpensively use one or more of three sites to transload and store its bricks, as discussed below. Using these facilities would negate any adverse environmental and energy-related problems

³ Moreover, although the Board denied the railroad's petition for abandonment exemption in *Central Railroad Company*, the protestors presented specific and documented evidence regarding likely increases in line profitability, such as local traffic revenue, overhead traffic revenue, the cost of car hire, crew costs, locomotive leases, etc. 1998 STB LEXIS 121 at *19.

associated with a few more trucks on the roads each week, thus alleviating Boral's concern over abandonment of the Line.

3. Operation of the Line is a Major Burden on P&L
and Continued Operation Would Significantly
Increase this Burden

The rail transportation policy supports "allowing rail carriers to earn adequate revenues," "sound economic conditions in transportation" and "honest and efficient management of railroads." 49 U.S.C. § 10101 (3), (5), (9). Of all the unsupported statements contained in Boral's Protest, by far the most egregious is that operating the line does not burden P&L. Simply put, if operating the line were not a burden on P&L, P&L would not be seeking to abandon the Line.

As demonstrated by P&L's Petition for Exemption, the traffic on the Line does not cover the cost of operation, maintenance or rehabilitation. Franklin Brick shipped only 66 carloads in 2001 and 58 carloads in 2002, generating respective revenue amounts of approximately \$40,100.00 and \$39,600, bringing the total for two years to approximately only \$80,000. The costs to provide this service and to maintain and rehabilitate the Line far exceeds this minimal amount of revenue. *See* Verified Statement of Gaylon I. James, Attachment B of P&L's Petition for Exemption at 14. Thus, as operated today, the Line generates a net loss for P&L.

Not only is current operation of the line unprofitable, however, but continued operation of the Line would require that it undergo extensive repairs. Boral's statements disputing P&L's description of the Line's condition are patently false. First of all, Boral untruthfully claims that "Prior to filing its Petition, P&L gave no indication to Boral that anything was wrong with the Line," Boral's Protest at 10. At least as early as July 1, 1991, however, P&L informed Franklin Brick that the Line needed major rehabilitation. *See* July 1, 1991 Letter in Attachment B to this Rebuttal. Thereafter, P&L repeatedly informed Franklin Brick that the Line was in major

disrepair through the time when it filed the Petition for Exemption. This information also led to frequent discussions between the parties about Franklin Brick's relocation to a different site, although Boral denies this too. Boral's Protest at 5.

In reality, the cost of rehabilitation far exceeds the gross revenues that P&L could anticipate to receive over many years of service. By conservative estimates, which merely factor in replacing rail ties rather than replacing track, which may actually be necessary in some instances, rehabilitation of the line would cost P&L \$210,667.65. The cost of repairing the seven grade crossings would pose an additional \$405,398.40. See Detailed Cost Data in Attachment C to this Rebuttal. Thus, from a conservative standpoint, the total rehabilitation cost for the track and crossings would be \$616,066.05.

Because P&L had been suffering an operating loss, P&L imposed a \$100/ car surcharge to help offset its losses. The \$100/ car surcharge, or approximately \$6000/ year, plus the carload revenue paid for P&L transportation charges, would not begin to cover P&L's expense to operate and rehabilitate this Line, even if Boral's vague "expect[ation] that its Paducah operations will grow during the next few years, and that it will consequently increase its use of the Line" comes to pass. Boral's Protest at 11.

Thus, operation of the Line poses a significant present and future burden on P&L. It is therefore entirely consistent with the rail transportation policy of "allowing rail carriers to earn adequate revenues," provide for "sound economic conditions in transportation" and ensure "honest and efficient management of railroads," 49 U.S.C. § 10101 (3), (5), (9), for the Board to grant the Petition for Exemption. Indeed, denying the Petition for Exemption would directly contradict these policies.

B. Boral Has Not Established That A Grant Of The Petition
Would Subject It To Abuse Of Market Power

Under 49 U.S.C. § 10502, Boral needs to establish that it would be subject to “abuse of market power” if the Board were to grant the Petition for Exemption, or that the transaction is not limited in scope. Boral has not established that abandonment would subject it to abuse of market power or even that abandonment will negatively impact upon its ability to compete in the brick market. Boral merely complains that one of its many competitors⁴--Long Block & Brick (“LB&B”)--will continue to be served by P&L. Boral’s Protest at 7. The fact that LB&B is located along a safer and more profitable P&L rail line⁵ than Boral is simply irrelevant to the Board’s consideration of whether abandonment would expose Boral to abuse of market power. Boral, itself, will not be subject to market abuse because it can and does utilize trucks as an effective alternative.

Moreover, the single case that Boral offers to support its preposterous claim that abandonment will subject it to abuse of market power did not even involve the issue of abuse of market power. The Board merely mentioned “abuse of market power” when reciting the Board’s general authority to exempt transactions under 49 U.S.C. § 10502. *See San Joaquin Valley Railroad Company--Abandonment Exemption--In Kings and Fresno County, CA*, STB Docket No. AB-398 (Sub-No. 4x), 1997 STB LEXIS 114 at *8 (STB served May 23, 1997).⁶

⁴ Boral emphasizes in the paragraph previous to where it discusses this single competitor that it “competes not only with other brick suppliers, but with companies providing products such as wood and vinyl siding.” Boral’s Protest at 6-7.

⁵ LB&B is located along the “City Lead,” which was recently rehabilitated largely through federal grants.

⁶ Moreover, although the Board denied the railroad’s petition for abandonment exemption in *San Joaquin*, the several protesting shippers in that case committed to financing rehabilitation and providing 1200 carloads of traffic a year, over twenty times the amount of carloads that Boral shipped last year. 1997 STB LEXIS 114 at *10. Boral has made no such commitments to defray P&L’s costs or increase its use of the Line.

In reality, there are no cases that support Boral's notion that abandonment would subject it to abuse of market power, as the Board does not find abuse of market power when a shipper has transportation alternatives. *See Monan Rail Preservation Corporation--Abandonment Exemption--In Monroe County*, STB Docket No. AB-589X, 2001 STB LEXIS 907 at 4-5, (STB served Dec. 7, 2001). In the instant case, Boral has a myriad of transportation alternatives available to it and P&L should not have to continue serving Boral at rates that are substantially below the cost to P&L to continue to operate; therefore, the Board should grant the Petition for Exemption.

1. Boral Has Viable Transportation Alternatives To The Line

Although Boral claims that it has no viable transportation alternatives to the line that P&L seeks to abandon, Boral actually has several feasible options, even if it is no longer interested in relocating its facility. Boral can ship all of its bricks by truck, as it currently does for at least 50% of its bricks. Boral can also use one or more of three facilities, each located approximately one mile away, for transloading and storing its bricks.

a. Trucks Provide A Viable Alternative

Boral's claim that trucks are not a viable transportation alternative to the Line is completely contradicted by the fact that Boral currently ships at least 50% of its product by truck.⁷ Not only is Boral's assertion that trucks are not a viable transportation alternative at odds with its own practice, however, but shipping by truck is standard brick industry practice. As the Brick Industry Association, of which Boral is a member, notes in its overview of the modern

⁷ Boral claims that it currently "uses motor carriers for approximately *only* 50% of its inbound shipments." Boral Protest at 4 (emphasis added). P&L, on the other hand, has evidence that Boral uses trucks for more than 90% of its inbound shipment. *See* Verified Statement of Gaylon I. James, Attachment B of P&L's Petition for Exemption at 14. Even if Boral ships only 50% of its product by trucks, however, the fact remains that Boral ships the majority of its product by truck and use of truck does provide a viable alternative.

American Brick Industry, "While railroads used to be the dominant mode of transporting brick, today more flexible truck transportation is the rule." *See*

<http://www.bia.org/html/biaoverview.html>.

Boral attempts to support its claim that trucks are not a viable transportation alternative by proffering that "a large increase of inbound-shipment trucks caused by abandoning the Line would cause severe congestion" at Boral's Paducah Distribution Center. Boral's Protest at 6. Boral estimates, however, that if the Line were discontinued, at the current rate of inbound shipments to its Paducah Distribution Center, Boral would be forced to use approximately 275 more trucks per year, an average of 5 trucks per week and less than one truck per day. *Id.* Thus, Boral's own statistics prove the sheer absurdity of its assertion that an average of less than one more truck per day would result in severe traffic congestion.

Moreover, Boral misleadingly asserts that trucks are not a viable transportation alternative because they are too expensive according to its unverified gross estimates of trucking costs. Even if truck service cost more than Boral is currently paying P&L for service along the Line, however, Boral fails to show how abandonment of the Line will increase its transportation costs, let alone leave it with no viable transportation alternatives. If P&L were to continue to operate the Line, the Line would require expensive rehabilitation, as P&L has repeatedly informed Boral. *See* Attachment B. P&L estimates that merely replacing ties on the Line, as opposed to replacing track which actually may be needed in some instances, would cost at least \$210,667.65. The cost of repairing the seven grade crossings would be \$405,398.40. *See* Detailed Cost Data in Attachment C. By the most conservative of estimates, therefore, the total rehabilitation cost for the track and crossings would be \$616,066.05.

As it stands now, Boral currently pays a \$100 car surcharge to help pay for line maintenance. If rail service were to continue, P&L would have to increase that car surcharge

substantially in order to defray both the operating costs and the rehabilitation costs. Even if truck prices were double or triple P&L's current rail rate, such truck costs would still be significantly less than what P&L would have to raise its rates to in order to offset the substantial costs that it would incur if rail service were to continue.⁸ Accordingly, if P&L continues to operate the Line for the sole benefit of Boral, Boral's shipping costs will significantly increase. Thus, even though severe economic hardships due to a complete lack of viable transportation alternatives have served as grounds for denying petitions for exemption in the cases cited by Boral, such is not the case here and the Board should grant the Petition for Exemption. *See Tulare Valley Railroad Company--Abandonment and Discontinuance Exemption--In Tulare and Kern Counties, CA*, STB Docket No. AB-397 (Sub-No.5x), 1997 STB LEXIS 37 (STB served Feb. 21, 1997); *Boston and Maine Corporation--Abandonment Exemption--In Hartford and New Haven Counties, CT*, STB Docket No. AB-32 (Sub-No.75X), 1996 STB LEXIS 361 (STB served Dec. 31, 1996).

b. Transloading Provides Boral With A Viable Alternative

In addition to using trucks as an alternative to shipping by rail, Boral can store and transload its bricks at one or more of three sites, all located about one mile from Boral's plant. In fact, Boral is well aware of this option, as its predecessor, Franklin Brick, had discussed using or altogether relocating to these and other nearby sites several times over the last ten years, as recently as February 12, 2003.⁹ Yet, Boral falsely asserts that it "has always maintained that it

⁸ Boral shipped just 58 carloads in 2002 and 66 carloads in 2001, amounting to respective maintenance surcharges of \$5800 and \$6600. Boral has not produced any evidence showing that it would increase the amount of carloads it currently uses if P&L continues to operate the Line.

⁹ On February 12, 2003, James T. Holloway, P&L Director of Marketing and Equipment, met with Scott Childress and Bill McAdoo of Franklin Brick and Ken Canter, Director of the Riverport. They discussed both Franklin Brick relocating to and transloading bricks at the Riverport. Childress was particularly interested in relocation as he thought the Riverport was a more visible location and would help sales. Canter later told Holloway that Childress

knew of no other commercially appropriate location where it could be served by rail and accommodate the needs of its business and its customers." Boral's Protest at 5.

Specifically, as Boral well knows, it can use a site provided by the Paducah-McCracken County Riverport Authority (Riverport), located about one and a half miles from Boral's plant. Moreover, as Boral is also aware, P&L has two sites where Boral could store and transload its bricks -- the Littleville Yard and Kentucky Avenue locations -- each of which is located about one mile from Boral's plant. P&L has made clear that Boral could easily and inexpensively avail itself of one or more of these facilities. See March 29, 2002 Letter in Attachment B. Thus, Boral has several viable transportation alternatives to the Line and the Board should grant P&L's Petition for Exemption.

C. Abandonment Of The Line Is A Transaction Of Limited Scope.

Indeed, the Board need not make a definitive finding on whether the abandonment is a transaction of limited scope since, as previously established, the exemption does not expose Boral to abuse of market power. See, e.g., *Monan Rail Preservation Corporation--Abandonment Exemption--In Monroe County*, STB Docket No. AB-589X, 2001 STB LEXIS 907 at 5, n. 5, (STB served Dec. 7, 2001); *Dakota Rail, Inc.--Abandonment Exemption--In McLeod, Carver, and Hennepin Counties, MN*, STB Docket No. AB-472 (Sub-No. 1X), 2001 STB LEXIS 900 at *10 (STB served Nov. 30, 2001). However, even if this were not the case, the present transaction is of limited scope, affecting just 5,780 feet of track, one shipper and an average of 62 carloads over the last two years. See, e.g., *The Land Conservancy of Seattle and King County--Abandonment Exemption--In King County, WA*, STB Docket No. AB-508X., 1998 STB

subsequently talked to him about using the Riverport, and had indicated that he was planning to talk to the corporate office of Franklin Brick about this possibility. See Verified Statement of James T. Holloway, Attachment A. Prior to these discussions, Franklin Brick and P&L had also discussed Franklin Brick's relocation to the Riverport and various other sites. See Letters in Attachment B.

LEXIS 124, *30 (STB served May 13, 1998) (finding that abandonment of a 12.45 mile line with two shippers was a transaction of limited scope and thus granting railroad's petition for exemption); *Iowa Northern Railway Company--Abandonment--In Blackhawk County, IA*, Docket No. AB-284 (Sub-No. 1X), 1988 ICC LEXIS 8, *7 (ICC decided Mar. 28, 1988) (finding that abandonment of a 6.5 mile line with two shippers was a transaction of limited scope and thus granting railroad's petition for exemption). Therefore the transaction is of limited scope, and the Board should grant P&L's Petition for Exemption.

CONCLUSION

Boral's Protest unremittingly accuses P&L of proffering incomplete or misleading information in the Petition for Exemption, but fails to provide any contrary evidence or provides data that is wholly irrelevant, misleading and/or inaccurate. Boral has thus failed to show that regulation is either necessary to carry out the transportation policy of section 10101 or that regulation is needed to protect Boral from the abuse of market power or that the transaction is not limited in scope. The Petition for Exemption and this Rebuttal, however, have clearly established that an exemption from the formal abandonment application procedures are warranted. The Board should, therefore, grant P&L's Petition for Exemption.

Respectfully submitted, this 1st day of May, 2003.

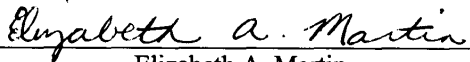


William A. Mullins
Elizabeth A. Martin
TROUTMAN SANDERS LLP
401 9th Street, N.W.
Suite 1000
Washington, D.C. 20004
Tel: (202) 274-2950
Fax: (202) 654-5621

Attorneys for Paducah & Louisville Railway, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing "Rebuttal in Reply to Boral Brick, Inc. Protest to the Petition for Exemption" in STB Docket No. AB-468 (Sub.-No. 5X) by Paducah & Louisville Railway, Inc. was served on the parties listed below on the date indicated below by mailing a copy, first class mail postage prepaid.


Elizabeth A. Martin

May 1, 2003

Military Traffic Management Command
Transportation Engineering Agency
Attn: Railroads for National Defense
720 Thimble Shoals Blvd.
Suite 130
Newport News, VA 23606-2574

U.S. Department of Interior
National Park Service
Recreation Resource Assistance Division
P.O. Box 37127
Washington DC 20013-7127

U.S. Department of Agriculture
Chief of Forest Service
P.O. Box 96090
Washington, DC 20090

Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

Scott O'Melia
Alston & Bird, LLP
1201 West Peachtree Street
Atlanta, GA 30309-3242

Franklin M. Joyce
Ronald E. Quirk, Jr.
Alston & Bird, LLP
601 Pennsylvania Avenue, NW
10th Floor
Washington, DC 20004-2601

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-468 (SUB-NO. 5X)

**PADUCAH & LOUISVILLE RAILWAY INC.--
--ABANDONMENT EXEMPTION--
IN McCRACKEN COUNTY, KY**

**REBUTTAL TO BORAL BRICK, INC.
REPLY IN PROTEST TO PETITION FOR EXEMPTION**

ATTACHMENT A

William A. Mullins
Elizabeth A. Martin
TROUTMAN SANDERS LLP
401 9th Street, NW
Suite 1000
Washington, DC 20004
Tel. (202) 274-2950
Fax (202) 654-5621

Dated: May 1, 2003

*Attorneys for Paducah &
Louisville Railway, Inc.*

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-468 (SUB NO. 5X)

**PADUCAH & LOUISVILLE RAILWAY INC.--
--ABANDONMENT EXEMPTION--
IN McCRACKEN COUNTY, KY**

VERIFIED STATEMENT OF JAMES T. HOLLOWAY, JR.

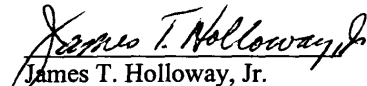
My name is James T. Holloway, Jr. I am Director of Marketing & Equipment for the Paducah & Louisville Railway, Inc. ("P&L"). My business address is 1500 Kentucky Avenue, Paducah, KY, 42003. I am submitting this statement as part of P&L's Rebuttal to Boral Brick, Inc. Reply in Protest to Petition for Exemption.

On February 12, 2003, I met with Scott Childress and Bill McAdoo of Franklin Brick (Boral Brick, Inc.'s predecessor) and Ken Canter, Director of the Paducah-McCracken County Riverport Authority ("Riverport"). We discussed the feasibility of Franklin Brick transloading brick at the Riverport, as well as the possibility that Franklin Brick relocate its business to the Riverport. Mr. Childress seemed particularly interested in relocation, as Mr. Childress thought the Riverport was a more visible location and would help Franklin Brick's sales. Mr. Canter later told me that he spoke to Mr. Childress again about using the Riverport and that Mr. Childress continued to express interest in using the Riverport. In fact, according to Mr. Canter, Mr. Childress said that he was going to talk to the Franklin Brick corporate office about using the Riverport.

VERIFICATION

I, James T. Holloway, Jr., verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement.

7/30/03
Date


James T. Holloway, Jr.
Director of Marketing & Equipment
Paducah & Louisville Railway, Inc.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-468 (SUB-NO. 5X)

**PADUCAH & LOUISVILLE RAILWAY, INC.
-- ABANDONMENT EXEMPTION --
IN McCRAKEN COUNTY, KY**

**REBUTTAL TO BORAL BRICK, INC.
REPLY IN PROTEST TO PETITION FOR EXEMPTION**

ATTACHMENT B

William A. Mullins
Elizabeth A. Martin
TROUTMAN SANDERS LLP
401 9th Street, NW
Suite 1000
Washington, DC 20004
Tel. (202) 274-2950
Fax (202) 654-5621

Dated: May 1, 2003

*Attorneys for Paducah &
Louisville Railway, Inc.*



Paducah & Louisville Railway, Inc.

1500 Kentucky Avenue • Paducah, KY 42003 • (270) 444-4300

March 29, 2002

Mr. James West
Vice President
Franklin Brick
3657 Trousdale Drive
Nashville, TN 37204

Franklin Brick
Scott Childress (Pad)
James West
recy. = 615-356-9291

5/16 - Mr. West
very concern
about cost -

Wants site
affordable & that
all practical
for nothing

Will be in
town in
couple of w.
Sold them to
call for "do,
going" sho

Dear Mr. West:

It is with excitement that we at the Paducah & Louisville Railway learn of your renewed interest in relocating your Paducah, KY, brick distribution center to another, better, rail-served site in the area. We want to work with you in every way possible to make this happen---in the near future!

Helping you relocate to a better site would benefit both our businesses. Relocating you from the "old L&N Line" (which now serves only your facility) would eliminate your cost for surcharges on rail shipments, and, at the same time, allow the PAL to abandon that trackage, which is in much need of unjustifiable upgrading. Certainly Franklin Brick's sales should also improve at a more visible location.

I have ascertained that the following properties---all with adjacent rail---could be considered for your relocation (listed in order of cost, least expensive to the most):

Site #1 - "Littleville Yard":

Approximately 2 acres available for lease in "Littleville Yard" - unimproved property owned by the PAL - located between PAL main line and City Lead near "Littleville Crossing"; track and switches are in place; little, if any, additional would have to be expended for rail siding.

Owned by:	Paducah & Louisville Railway - Contact Marketing Department
Cost:	Nominal - insurance and lease required
Positives:	Good visibility to public from Beltline Highway 4-lane/US60&62; good highway access; little or no additional track expense
Negative:	Small in size; growth would be restricted by track along perimeters; not real favorable surrounding neighborhood.

Site #2 - "Old Boat Yard":

Some 4+ acres available for lease, or possibly sale - unimproved property owned by PAL - known as the "Old Boat Yard" just off Park Avenue near 9th Street; track is in place; road crossing is still there; switch is gone.

Owned by:	Paducah & Louisville Railway - Contact Marketing Department
Cost:	It would take approximately \$150,000 to track upgrade & switch; land cost (for sale or lease) is negotiable
Positives:	Good access to Business I-24 (Park Avenue is westbound 2-lane); visible to public from Business I-24; relatively inexpensive; track is already in place
Negative:	Restrictive in size; older neighborhood

Mr. James West
Franklin Brick
March 29, 2002
Page 2

Site #3 - Noonan Industrial Properties:

Approximately 9.730 acres unimproved land available for sale in Noonan Industrial Properties in Littleville area along Chester Hack Drive. PAL main line runs along northwest boundary of property.

Owned by: Noonan Properties - Contact Mike Noonan @ cell#407-579-2788
Cost: Approximately \$200,000 (Note: Installation of switch/spur additional)
Positives: Good access to Beltline Highway 4-lane/US60&62, utilizing Chester Hack Drive; good visibility to public from Beltline Highway overpass; in newer industrial area; size would allow for expansion of business
Negative: Cost; switch & spur would have to be installed

Site #4 - Paducah-McCracken County Riverport:

Approximately 5.6 acres of unimproved land in Paducah-McCracken County Riverport Industrial Park; on Wayne Sullivan Drive (Business I-24) at railroad crossing; spur serving Riverport along NE property line

Owned by: Harper Industries - Contact Tracey Shelby @ 270-442-2753
Cost: Approximately \$250,000 (probably somewhat negotiable)
(Note: Installation of switch/spur would be additional)
Positives: Very good visibility to public from Business I-24; a lot of traffic; in a newer industrial area; size would allow for expansion of business
Negative: Cost; switch & spur would have to be installed

Site #5 - Yingling Steel Building:

Approximately 1.75 acres plus 11,500 sq ft building with 1,000 ft office space (last occupied by Yingling Steel) on Old Cairo Road (Ky Highway 305); rail line ends adjacent and could be utilized for unloading with minimal expense, if any.

Owned by: Individual investors - Contact Anne Gwinn @ 270-442-5999
Cost: Approximately \$250,000 (Track work, if any, would be additional)
Positives: Large building in place; track in place; on 2-lane highway only a few miles from I-24 interchange; near Business I-24
Negative: Cost; less visibility

I will make myself available to accompany you on a site visit—if you so desire. Each site has been marked on the enclosed Paducah map. Also, further detail is enclosed for all sites except Site #5. Feel free to contact the individual property owners as indicated above regarding their sites. I will be glad to obtain any additional information you may need on the property owned by the Paducah & Louisville Railway or handle to consummate a lease or sale of those sites to Franklin Brick. P&L President & CEO Tony Reck will gladly entertain negotiations for the property owned by our company should either of those sites interest you.

Over ten years have passed since we first addressed the abandonment of the "old L&N line." The track serving your Paducah facility continues to deteriorate. We, therefore, encourage you more than ever to put this matter at the top of your company's agenda and open the doors of a new Franklin Brick facility in Paducah as soon as possible!

Mr. James West
Franklin Brick
March 29, 2002
Page 3

All of us here at the Paducah & Louisville Railway look forward to hearing from you further soon. We value your company's patronage. Relocation of your Paducah facility is, therefore, of utmost importance to us.

Sincerely,

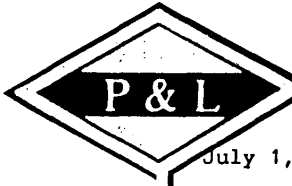
PADUCAH & LOUISVILLE RAILWAY, INC.



LaVira J. Boyarski
Mgr. Community Dev. & Marketing Services
Phone 502-444-4338; FAX #502-444-4388
E-mail at ljoyars@palrr.com

Ltr6903/Enclosures

cc Mr. A. V. Reck, President & CEO
 Mr. D. B. Goewert, AVP Marketing & Sales
 Mr. J. T. Holloway, Director Pricing
 Mr. G. W. Phelps, Director Sales



PADUCAH & LOUISVILLE RAILWAY, INC.

1500 Kentucky Avenue, Paducah, KY 42001 (502) 444-4300

July 1, 1991

Mr. James West
Vice President
Franklin Brick Co.
3657 Trousdale
Nashville, TN 37204

Dear Mr. West:

As you probably know, the Paducah & Louisville Railway serves your company's facility on South Sixth Street here in Paducah. The spur leading to Franklin Brick links your facility to our "Norton Street Lead" which emanates from our main line, in the Littleville area, and extends to downtown Paducah, terminating at McCartney Produce near Second Street and Kentucky Avenue.

The Paducah & Louisville Railway faces a major upgrading of the "Norton Street Lead" costing an estimated \$150,000. Franklin Brick is the only current user of the line and we see no hope of securing other rail users.

We do appreciate the business we now handle into your facility. Unfortunately, however, the revenue earned by the PAL on these carloads of brick cannot come close to offsetting the cost of upgrading the line. The future of the line appears to be a net loss for the PAL.

We would like to help your company relocate your Paducah operation or possibly find another site for unloading your brick. We need to move quickly, for the line needs immediate repairs to allow us to continue handling cars into the South Sixth Street location. Since we feel the repair expense is not justified, we must examine our options and take prompt action---which will probably be abandonment proceedings.

If you plan to be in Paducah soon, I would like to meet with you; or, if need be, I can make a trip to Nashville. Please call me as soon as possible at (502)444-4441 to let me know how you would like to proceed on this issue. I look forward to hearing from you further.

Yours truly,

PADUCAH & LOUISVILLE RAILWAY, INC.

R. L. (Dick) Rushing
Vice President Marketing & Sales

RLR:ljb:Ltr40351

cc	Mr. A. V. Reck	Mr. D. E. Sill	Mr. Gaylon James
	Mr. Tom Garrett	Ms. K. M. Donohue	Mr. Dub Sandefur
	Mr. Richard Rudd, Franklin Brick, P. O. Box 1143, Paducah, KY 42002		

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-468 (SUB-NO. 5X)

**PADUCAH & LOUISVILLE RAILWAY, INC.
-- ABANDONMENT EXEMPTION --
IN McCRAKEN COUNTY, KY**

**REBUTTAL TO BORAL BRICK, INC.
REPLY IN PROTEST TO PETITION FOR EXEMPTION**

ATTACHMENT C

William A. Mullins
Elizabeth A. Martin
TROUTMAN SANDERS LLP
401 9th Street, NW
Suite 1000
Washington, DC 20004
Tel. (202) 274-2950
Fax (202) 654-5621

Dated: May 1, 2003

*Attorneys for Paducah &
Louisville Railway, Inc.*

PADUCAH & LOUISVILLE RAILWAY
ESTIMATE ON REHABILITATION OF 5,780 FT OF THE L&N

LABOR:

Foreman -	hours	\$	17.67	hour	\$	6,007.80
Machine Operator -	hours	\$	16.46	hour	\$	7,900.80
Trackman -	hours	\$	15.47	hour	\$	30,940.00
Welder -	hours	\$	17.67	hour	\$	-
Welder's Helper -	hours	\$	15.57	hour	\$	-
Signal Maintainer -	hours	\$	18.61	hour	\$	893.28
Signalman -	hours	\$	18.61	hour	\$	-
Lead Signalman -	hours	\$	18.71	hour	\$	-
	hours	\$	20.07	hour	\$	-

TOTAL LABOR \$ 45,741.88

PER DIEM (ENGINEERING) \$ 3,360.00

PER DIEM (SIGNAL) \$ -

OVERHEAD (171.94% on "LABOR" and "PER DIEM") \$ 84,425.77

MATERIALS:

Ties, 7x9 -	each	\$	-	each	\$	-
CROSSINGS	ft	\$	160.00	ft	\$	-
TIES 6X8	each	\$	22.00	each	\$	44,000.00
Rail, #	foot	\$	2.50	foot	\$	-
Spikes -	keg	\$	32.00	keg	\$	1,440.00
Anchors -	each	\$	0.9146	each	\$	-
Welds -	each	\$	250.00	each	\$	-
Turnout, #10	each	\$	7,000.00	each	\$	-
Switchties -	set	\$	4,600.00	set	\$	18,400.00
BALLAST	TONS	\$	9.50	TONS	\$	13,300.00
BLACKTOP	TONS	\$	120.00	tons	\$	-

TOTAL MATERIAL \$ 77,140.00

TOTAL INVOICE \$ 210,667.65

PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON CROSSING AT 8TH STREET ON L&N

LABOR:

Foreman -	hours	\$	17.67	hour	\$	1,272.24
Machine Operator -	hours	\$	16.46	hour	\$	790.08
Trackman -	hours	\$	15.47	hour	\$	1,485.12
Welder -	hours	\$	17.67	hour	\$	424.08
Welder's Helper -	hours	\$	15.57	hour	\$	373.68
Signal Maintainer -	hours	\$	18.61	hour	\$	-
Signalman -	hours	\$	18.61	hour	\$	-
Lead Signalman -	hours	\$	18.71	hour	\$	-
	hours	\$	20.07	hour	\$	-

TOTAL LABOR					\$	4,345.20
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PER DIEM (ENGINEERING)	days	\$	30.00	day	\$	3,360.00
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PER DIEM (SIGNAL)	days	\$	4.00	day	\$	-
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OVERHEAD (171.94% on "LABOR" and "PER DIEM")					\$	13,248.32
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MATERIALS:

Ties, 7x9 -	each	\$	160.00	each	\$	-
CROSSINGS	ft	\$	160.00	ft	\$	5,760.00
PANNELS	each	\$	7,500.00	each	\$	7,500.00
Rail, #	foot	\$	2.50	foot	\$	-
Spikes -	keg	\$	28.00	keg	\$	-
Anchors -	each	\$	0.9146	each	\$	-
Welds -	each	\$	250.00	each	\$	-
Turnout, #10	each	\$	7,000.00	each	\$	-
Switchties -	set	\$	3,800.00	set	\$	-
BALLAST	tons	\$	9.50	tons	\$	1,425.00
BLACKTOP	tons	\$	120.00	tons	\$	3,600.00

TOTAL MATERIAL					\$	18,285.00
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TOTAL INVOICE					\$	<u>39,238.52</u>
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PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON CROSSING AT 9TH STREET ON L&N

LABOR:

Foreman -		hours	\$	17.67	hour	\$	1,272.24
Machine Operator -		hours	\$	16.46	hour	\$	790.08
Trackman -		hours	\$	15.47	hour	\$	1,485.12
Welder -		hours	\$	17.67	hour	\$	424.08
Welder's Helper -		hours	\$	15.57	hour	\$	373.68
Signal Maintainer -		hours	\$	18.61	hour	\$	-
Signalman -		hours	\$	18.61	hour	\$	-
Lead Signalman -		hours	\$	18.71	hour	\$	-
		hours	\$	20.07	hour	\$	-

TOTAL LABOR						\$	4,345.20
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PER DIEM (ENGINEERING)		days	\$	30.00	day	\$	3,360.00
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PER DIEM (SIGNAL)		days	\$	4.00	day	\$	-
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OVERHEAD (171.94% on "LABOR" and "PER DIEM")						\$	13,248.32
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MATERIALS:

Ties, 7x9 -		each	\$	160.00	each	\$	-
CROSSINGS		ft	\$	160.00	ft	\$	5,760.00
PANNELS		each	\$	7,500.00	each	\$	7,500.00
Rail, #		foot	\$	2.50	foot	\$	-
Spikes -		keg	\$	28.00	keg	\$	-
Anchors -		each	\$	0.9146	each	\$	-
Welds -		each	\$	250.00	each	\$	-
Turnout, #10		each	\$	7,000.00	each	\$	-
Switchties -		set	\$	3,800.00	set	\$	-
BALLAST		tons	\$	9.50	tons	\$	1,425.00
BLACKTOP		tons	\$	120.00	tons	\$	3,600.00

TOTAL MATERIAL						\$	18,285.00
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TOTAL INVOICE						<u>\$</u>	<u>39,238.52</u>
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PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON 10TH STREET ON L&N

LABOR:

Foreman -	hours	\$	17.67	hour	\$	1,837.68
Machine Operator -	hours	\$	16.46	hour	\$	921.76
Trackman -	hours	\$	15.47	hour	\$	2,196.74
Welder -	hours	\$	17.67	hour	\$	706.80
Welder's Helper -	hours	\$	15.57	hour	\$	622.80
Signal Maintainer -	hours	\$	18.61	hour	\$	-
Signalman -	hours	\$	18.61	hour	\$	-
Lead Signalman -	hours	\$	18.71	hour	\$	-
	hours	\$	20.07	hour	\$	-

TOTAL LABOR \$ 6,285.78

PER DIEM (ENGINEERING) \$ 3,360.00

PER DIEM (SIGNAL) \$ -

OVERHEAD (171.94% on "LABOR" and "PER DIEM" \$ 16,584.95

MATERIALS:

Ties, 7x9 -	each	\$	160.00	each	\$	-
CROSSINGS	ft	\$	160.00	ft	\$	12,800.00
PANNELS	each	\$	9,500.00	each	\$	9,500.00
Rail, #	foot	\$	2.50	foot	\$	-
Spikes -	keg	\$	28.00	keg	\$	-
Anchors -	each	\$	0.9146	each	\$	-
Welds -	each	\$	250.00	each	\$	-
Turnout, #10	each	\$	7,000.00	each	\$	-
Switchties -	set	\$	3,800.00	set	\$	-
BALLAST	tons	\$	9.50	tons	\$	1,900.00
BLACKTOP	tons	\$	120.00	tons	\$	13,200.00

TOTAL MATERIAL \$ 37,400.00

TOTAL INVOICE \$ 63,630.73

PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON 11TH STREET ON L&N

LABOR:

Foreman -	hours	\$	17.67	hour	\$	1,554.96
Machine Operator -	hours	\$	16.46	hour	\$	790.08
Trackman -	hours	\$	15.47	hour	\$	1,856.40
Welder -	hours	\$	17.67	hour	\$	565.44
Welder's Helper -	hours	\$	15.57	hour	\$	498.24
Signal Maintainer -	hours	\$	18.61	hour	\$	-
Signalman -	hours	\$	18.61	hour	\$	-
Lead Signalman -	hours	\$	18.71	hour	\$	-
	hours	\$	20.07	hour	\$	-

TOTAL LABOR					\$	5,265.12
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PER DIEM (ENGINEERING)	days	\$	30.00	day	\$	3,360.00
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PER DIEM (SIGNAL)	days	\$	4.00	day	\$	-
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OVERHEAD (171.94% on "LABOR" and "PER DIEM")		\$	14,830.03
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MATERIALS:

Ties, 7x9 -	each	\$	160.00	each	\$	-
CROSSINGS	ft	\$	160.00	ft	\$	9,600.00
PANNELS	each	\$	8,500.00	each	\$	8,500.00
Rail, #	foot	\$	2.50	foot	\$	-
Spikes -	keg	\$	26.00	keg	\$	-
Anchors -	each	\$	0.9146	each	\$	-
Welds -	each	\$	250.00	each	\$	-
Turnout, #10	each	\$	7,000.00	each	\$	-
Switchties -	set	\$	3,800.00	set	\$	-
BALLAST	tons	\$	9.50	tons	\$	1,425.00
BLACKTOP	tons	\$	120.00	tons	\$	4,800.00

TOTAL MATERIAL		\$	24,325.00
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TOTAL INVOICE		<u>\$</u>	<u>47,780.15</u>
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PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON 12TH STREET ON L&N

LABOR:

Foreman -		hours	\$	17.67	hour	\$	1,272.24
Machine Operator -		hours	\$	16.46	hour	\$	790.08
Trackman -		hours	\$	15.47	hour	\$	1,485.12
Welder -		hours	\$	17.67	hour	\$	424.08
Welder's Helper -		hours	\$	15.57	hour	\$	373.68
Signal Maintainer -		hours	\$	18.61	hour	\$	-
Signalman -		hours	\$	18.61	hour	\$	-
Lead Signalman -		hours	\$	18.71	hour	\$	-
		hours	\$	20.07	hour	\$	-

TOTAL LABOR						\$	4,345.20
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PER DIEM (ENGINEERING)		days	\$	30.00	day	\$	3,360.00
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PER DIEM (SIGNAL)		days	\$	4.00	day	\$	-
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OVERHEAD (171.94% on "LABOR" and "PER DIEM")						\$	13,248.32
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MATERIALS:

Ties, 7x9 -		each	\$	160.00	each	\$	-
CROSSINGS		ft	\$	160.00	ft	\$	5,760.00
PANNELS		each	\$	7,500.00	each	\$	7,500.00
Rail, #		foot	\$	2.50	foot	\$	-
Spikes -		keg	\$	28.00	keg	\$	-
Anchors -		each	\$	0.9146	each	\$	-
Welds -		each	\$	250.00	each	\$	-
Turnout, #10		each	\$	7,000.00	each	\$	-
Switchties -		set	\$	3,800.00	set	\$	-
BALLAST		tons	\$	9.50	tons	\$	1,425.00
BLACKTOP		tons	\$	120.00	tons	\$	3,600.00

TOTAL MATERIAL						\$	18,285.00
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TOTAL INVOICE						\$	<u>39,238.52</u>
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PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON CROSSING AT PROCRAFT ON L&N

LABOR:

Foreman -	hours	\$	17.67	hour	\$	1,272.24
Machine Operator -	hours	\$	16.46	hour	\$	790.08
Trackman -	hours	\$	15.47	hour	\$	1,485.12
Welder -	hours	\$	17.67	hour	\$	424.08
Welder's Helper -	hours	\$	15.57	hour	\$	373.68
Signal Maintainer -	hours	\$	18.61	hour	\$	-
Signalman -	hours	\$	18.61	hour	\$	-
Lead Signalman -	hours	\$	18.71	hour	\$	-
	hours	\$	20.07	hour	\$	-

TOTAL LABOR \$ 4,345.20

PER DIEM (ENGINEERING) \$ 3,360.00

PER DIEM (SIGNAL) \$ -

OVERHEAD (171.94% on "LABOR" and "PER DIEM" \$ 13,248.32

MATERIALS:

Ties, 7x9 -	each	\$	160.00	each	\$	-
CROSSINGS	FT	\$	160.00	FT	\$	5,760.00
PANNELS	each	\$	7,500.00	each	\$	7,500.00
Rail, #	foot	\$	2.50	foot	\$	-
Spikes -	keg	\$	28.00	keg	\$	-
Anchors -	each	\$	0.9146	each	\$	-
Welds -	each	\$	250.00	each	\$	-
Turnout, #10	each	\$	7,000.00	each	\$	-
Switchties -	set	\$	3,800.00	set	\$	-
BALLAST	tons	\$	9.50	tons	\$	1,425.00
BLACKTOP	tons	\$	120.00	tons	\$	3,600.00

TOTAL MATERIAL \$ 18,285.00

TOTAL INVOICE \$ 39,238.52

PADUCAH & LOUISVILLE RAILWAY

ESTIMATE ON CROSSINGS AT LITTLEVILLE ON L&N

LABOR:

Foreman -		hours	\$	17.67	hour	\$	3,816.72
Machine Operator -		hours	\$	16.46	hour	\$	1,316.80
Trackman -		hours	\$	15.47	hour	\$	10,395.84
Welder -		hours	\$	17.67	hour	\$	706.80
Welder's Helper -		hours	\$	15.57	hour	\$	622.80
Signal Maintainer -		hours	\$	18.61	hour	\$	-
Signalman -		hours	\$	18.61	hour	\$	-
Lead Signalman -		hours	\$	18.71	hour	\$	-
		hours	\$	20.07	hour	\$	-

TOTAL LABOR \$ 16,858.96

PER DIEM (ENGINEERING) \$ 3,360.00

PER DIEM (SIGNAL) \$ -

OVERHEAD (171.94% on "LABOR" and "PER DIEM") \$ 34,764.48

MATERIALS:

Crossing -		FT	\$	160.00	FT	\$	38,400.00
Ties, 7x9 -		each	\$	18.00	each	\$	-
PANNELS		each	\$	7,500.00	each	\$	30,000.00
Rail, #		foot	\$	2.50	foot	\$	-
Spikes -		keg	\$	28.00	keg	\$	-
Anchors -		each	\$	0.9146	each	\$	-
Welds -		each	\$	250.00	each	\$	-
Turnout, #10		each	\$	7,000.00	each	\$	-
Switchties -		set	\$	3,800.00	set	\$	-
BALLAST		each	\$	9.50	tons	\$	2,850.00
BLACKTOP		tons	\$	120.00	tons	\$	10,800.00

TOTAL MATERIAL \$ 82,050.00

TOTAL INVOICE \$ 137,033.44