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THOMAS F. McFARLAND

June 5, 2006

By e-mail

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Finance Docket No. 34844, *PYCO Industries, Inc. -- Feeder Line Development -- South Plains Switching, Ltd. Co.*

Dear Mr. Williams:

South Plains Switching, Ltd. Co. (SAW) is pleased with the result reached in the Board's decision in the above proceeding, served June 2, 2006. However, SAW is concerned about the form of some of the Board's findings.

At pages 3-5 of the decision, the allegations of the feeder line application were considered in relation to the decisional criteria of 49 U.S.C. § 10907(c)(1)(A)-(E). In the context of the decision whether to accept or reject the feeder line application for filing under 49 C.F.R. § 1151.2(b), the findings should have reflected whether or not the allegations provided a sufficient prima facie showing under each criterion. However, the findings were not so limited. Instead, the findings implied unqualified compliance with some of the criteria. For example, in regard to the criterion in § 10907(c)(1)(A), the finding was that "(t)his evidence is adequate to show that SAW provided inadequate rail service to PYCO . . .". A broad unqualified finding of that nature was not appropriate prior to SAW's opportunity to rebut it in the feeder line proceeding.

SAW is engaged in extensive litigation with PYCO. Although the feeder line application has been rejected, SAW is fearful that in other litigation, PYCO will point to the above findings as establishing the fact of PYCO's compliance with the decisional criteria, rather than prima

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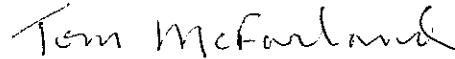
Vernon A. Williams

June 5, 2006

Page 2

facie compliance subject to rebuttal. That would be improper. Consequently, SAW sets forth its position on this matter on a contemporaneous basis so that it cannot be accused of acquiescing in the legitimacy of the foregoing findings.

Very truly yours,



Thomas F. McFarland
*Attorney for South Plains
Switching, Ltd. Co.*

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