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LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LA SALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. MCFARLAND

June 16, 2006



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By UPS overnight mail
(Monday delivery)

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

Re: STB Finance Docket No. 34802, *PYCO Industries, Inc. -- Alternative Rail Service*
-- South Plains Switching, Ltd. Co.

Dear Mr. Williams:

Alternative rail service in the above proceeding is scheduled to expire on June 25, 2006. South Plains Switching, Ltd. Co. (SAW) has petitioned the Board to allow alternative rail service to expire as scheduled.

SAW is hereby bringing to the attention of the Board that on June 14, 2006, West Texas & Lubbock Railway Company (WTL), the alternative rail service provider for PYCO, derailed 3 cars as a result of running through a switch on the property of Farmers Compress. WTL's only locomotive for providing rail service to PYCO and for SAW is located behind that switch, unable to provide rail service. Farmers Compress had released 6 cars for transportation by SAW on June 14, but SAW was prevented from providing that transportation due to the derailment. There were also 20 cars for Hanson Aggregates in the BNSF yard awaiting transportation by SAW, but WTL was unable to pick them up from the yard, so SAW was unable to deliver those cars to Hanson.

This derailment was caused solely by railroad error (by WTL running through a switch), not by any defective track conditions. Attached to this communication are statements by SAW employees Rodney Kern, Alan Davidson, Leonel Guerra, and Ruben Robles attesting to that fact.

This is brought to the Board's attention so that PYCO and WTL cannot falsely claim that the service failures for Farmers Compress and Hanson Aggregates were caused by defective

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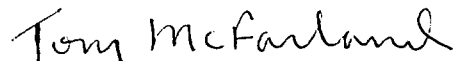
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SAW track conditions or other SAW service failure. The sole cause of this derailment and resulting service failure was negligence on the part of WTL.

PYCO has utterly failed to identify service failures on the part of SAW, except for a single day on November 28, 2005 due to locomotive failure that was repaired the following day. More to the point, PYCO has utterly failed to provide evidence that there is a continuing service emergency at its plants, which is the sole ground for the drastic remedy of alternative rail service. Instead, PYCO contends that SAW would be unlikely to provide adequate service to PYCO because SAW refuses to extend privileges to PYCO to which PYCO is not entitled by law (such as granting an easement to cross SAW's tracks). But SAW is fully capable of providing adequate rail service to PYCO without extending special privileges not required by law. And that is not the standard for determining whether to continue alternative rail service in any event.

Ten copies accompany the original of this communication.

Very truly yours,



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

TMcF:kl:wp8.0\1144\ltrsb

cc: Charles H. Montange, Esq., *by fax to 206-546-3739*
John D. Heffner, Esq., *by fax to 202-296-3939*
Gary McLaren, Esq., *by fax to 806-785-2521*
Mrs. Delilah Wisener, *by e-mail*
Mr. Dennis Olmstead, *by e-mail*

Incident Report

Date: _____

Name of Witness: Rodney Kern

Write in your own words what happened:

I Rodney Kern have 20+ Years Railroad exp.
in track & switching. I have done a thorough
investigation on a derailment on 6-13-06 By WTL
at Farmers complex. I find that human error
at fault for this costly and interruption
of service derailment. The south runaround
switch had being run threw south bound
and the run back threw north bound with
load cars causing this derailment.
proper inspection by man on point should of
seen point was spit (or had been run threw)
I am a certified track inspector for SLAL
and have been since 1997. I do track inspection
& reports. This switch had repairs made 4-14-06
a switch stand and new foot lock installed, &
switch adjusted. on 6-13-06 I personal
line this switch and found no defects.

Signature: R L Kern 6-15-06

6-15-06

STATEMENT CONCERNING FARMERS SWITCH
AT PLANT 3. ON 6-13-06 AT ABOUT 11⁴⁵ AM WE
HAD OBTAINED AUTHORITY TO CROSSOVER FROM
OUR MAIN LINE OVER BNSF MAIN LINE TO
TRK 310 IN ORDER TO PLACE CARS ON SPOT IN
PLANT 3 AT FARMERS. IN ORDER TO DO THIS
WE USED SOUTH RUNAROUND SWITCH 3 TIMES IN
ORDER TO SPOT CARS IN PLANT, A TOTAL OF SIX
CARS I FOUND NOTHING WRONG WITH THE SWITCH
AS IT HAD BEEN SERVICED JUST LAST WINTER

Alan
Dandson

06-15-06

MY NAME IS LEONEL GUERRA AND I HAVE BEEN EMPLOYED BY SOUTH PLAINS LAMESA RAILROAD AS OF MAY 2004. ON TUESDAY JUNE 13 AT APPROX. 1145 HRS. THE SAW CREW (ALON DAVIDSON, RUBEN ROBLES, AND MYSELF) WENT TO SPOT CARS IN PLANT 3 AT FARMERS. WE USED THE SOUTH RUNAROUND SWITCH APPROX. 2-3 TIMES. AT NO TIME DID WE HAVE ANY PROBLEMS WITH THE SWITCH, SWITCH POINTS OR TRACK. THIS STATEMENT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


LEONEL GUERRA

On 6-13-06, at 11:45.

We went to Farmers and used so stated switches.

e repeatedly used these switches 3 or more times. We took 6 cars across the main and used these switches to spot 6 cars in Plant 3. All switches worked in order and we had no problems during this time.

6-15-06

Reuben Robles