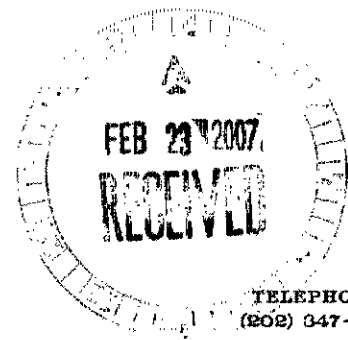


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February 23, 2007

BY HAND DELIVERY

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

218697

Re: Docket No. 41191 (Sub-No. 1), *AEP Texas North*
Company v. BNSF Railway Company

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FEB 23 2007

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Public Record

Dear Secretary Williams:

The purpose of this letter is to correct an error in the Opening Third Supplemental Evidence of Complainant AEP Texas North Company ("Third Supplemental"), which was filed in the referenced proceeding on February 16, 2007.

At pages 20 and 23 of the Third Supplemental, it is stated that AEP Texas and BNSF stipulated to the use of 2002 and 2004 BNSF system density data as a surrogate for the 2000 base year, for purposes of application of the Average Total Cost methodology ("ATC") to allocate revenues from cross-over traffic. This is not accurate. AEP Texas and BNSF have agreed upon the use of 2002 and 2004 *routing* data as a surrogate for 2000; each party reserved its rights with respect to the presentation of evidence regarding line segment density under ATC. AEP Texas is relying on BNSF's 2002 and 2004 system density data because that is the only data produced in discovery which shows traffic density on a net ton basis, which is required in order to execute ATC.

Please include this letter as part of the formal record of this proceeding. Sixteen (16) copies are enclosed for filing.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Dowd', with a large, stylized loop at the end.

Kelvin J. Dowd
An Attorney for
AEP Texas North Company

KJD:lad

cc: Counsel for BNSF (by hand delivery)
David M. Cohen, Esq. (by telefax)