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October 28, 2009

BY HAND DELIVERY

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

225948
225949

Re: Docket No. 42104, *Entergy Arkansas, Inc. and Entergy Services, Inc.*
v. Union Pacific R.R. and Missouri & Northern Arkansas R.R. Co., Inc.;
F.D. No. 32187, *Missouri & Northern Arkansas R.R. – Lease, Acquisition*
and Operation Exemption – Missouri Pacific R.R. and Burlington N. R.R.

Dear Ms. Quinlan:

During the oral argument held yesterday in the above-referenced proceeding, counsel for both parties discussed the exchange of correspondence between Entergy Arkansas, Inc. and Entergy Services, Inc. (collectively Entergy) and the Missouri & Northern Arkansas Railroad Company, Inc. ("M&NA") regarding the establishment of a through route as an alternative to the current service to Entergy's Independence Station. See 49 C.F.R. § 1144.1.

Three of the letters involved were attached to M&NA's Answer to the Amended Complaint as Exhibits 1-3. In the interests of ensuring a complete record on this subject, we are filing as an attachment to this letter a fourth letter on this subject dated September 9, 2009.

Sincerely,

C. Michael Loftus
An Attorney for Entergy Arkansas, Inc.
and Entergy Services, Inc.

Enclosures

cc: Parties of Record



Entergy Services, Inc.
10055 Grogans Mill Road
Suite 300
The Woodlands, TX 77380
Tel. 281-297-3532
Fax 281-297-3832

September 9, 2009

Tommy Gibson
General Manager
Missouri & Northern Arkansas Railway Company, Inc.
514 North Orner Street
Carthage, MO 64836



Dear Tommy:

This follows up on our letter dated July 29, 2009, and responds to the questions posed in your letter to Bill Mohl of July 24, 2009. Please understand that all of the following responses are subject to (1) the outcome of current litigation known as **Entergy Arkansas Inc., and Entergy Services, Inc. v. Union Pacific Railroad Company, and Missouri & Northern Arkansas Railroad Company, Inc.** before the Surface Transportation Board ("STB"); (2) negotiations between Entergy Arkansas, Inc. ("EAI"), Missouri and Northern Arkansas Railroad Company, Inc. ("M&NA") and other participating carriers, (3) other transportation contracts by which EAI is bound; and (4) evaluation by EAI of transportation terms and conditions offered in proposals submitted by M&NA and other transportation alternatives.

1. **When will these shipments commence?** Potentially as early as 1/1/2010.
2. **What will be the duration for these shipments?** Preferred term of one to five years.
3. **How much will be the gross weight of the cars?** 286,000 lbs GWR.
4. **What is the total annual tonnage expected to move?** Potentially ranging between 100,000 tons and 100% of plant requirements.
5. **Will the shipments be single or unit train?** Unit train.
6. **What length will the trains be?** 135 cars, or approximately 7,200 feet plus locomotives as determined by M&NA and participating carriers.
7. **What is the expected frequency of unit train shipments?** Approximately one to ten trains per week depending on tonnage commitments.
8. **What will be Entergy's turn time requirements?** Approximately 7-8 days round trip between the Wyoming Powder River Basin and Independence plant.
9. **Will the trains be scheduled or will they arrive at M&NA at random times?** To be determined between M&NA and participating carrier(s), subject to EAI consent concerning plant unloading capability.
10. **Who will provide the locomotives? Will they run through to M&NA?** Locomotives to be supplied by carriers as agreed between M&NA and participating carrier(s).

11. **If the locomotives run-through, will they be operated with distributed power?**
To be determined between M&NA and participating carrier(s), subject to EAI consent concerning plant unloading capability.
12. **What will be the configuration of the distributed power locomotive consist?**
To be determined between M&NA and participating carrier(s), subject to EAI consent concerning plant unloading capability.
13. **What are the arrangements for providing and paying for fuel?** To be determined between M&NA and participating carrier(s).
14. **Will the equipment be privately owned or railroad owned...?** Railcars to be supplied by EAI, no car-hire charges will apply to M&NA.
15. **Has Entergy reached a contract with BNSF or received a common carriage rate with BNSF?** No.
16. **If the cycle time proposed by Entergy requires M&NA to make improvements to the current condition of the track how will Entergy assure that M&NA is reimbursed for the full cost of rehabilitation...?** To be determined through discussion and negotiation between M&NA and EAI
17. **The proposed Aurora and Lamar interchange locations are currently inadequate for unit train operations...?** To be determined through discussion and negotiation between M&NA and EAI.
18. **Does Entergy contemplate entering into a contract with volume commitments?** To be determined through discussion and negotiation between M&NA and EAI.
19. **Provide any other information concerning the proposed move...** Additional information will be provided as needed in the course of further discussions between M&NA and EAI.

We look forward to receiving your response to our request that M&NA establish a through route as described in our letter of July 21, 2009.

Yours truly,



Ryan Trushenski
Project Manager, Solid Fuel Operations
Entergy Services, Inc.

Cc: Bill Mohl
Dan Gray
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