

Surface Transportation Board Washington, D.C. 20423-0001

September 20, 2018

Mr. Lance M. Fritz Chairman, President and Chief Executive Officer Union Pacific Corporation and Union Pacific Railroad Company 1400 Douglas Street Omaha, NE 68179

Dear Mr. Fritz:

Thank you for your phone calls earlier this week to advise us in advance of Union Pacific Railroad Company's (UP) announcement of its plan to implement core tenets of so-called "precision scheduled railroading" as part of UP's Unified Plan 2020. We are well aware of UP's service challenges during this year, and believe it is essential that all carriers strive to provide efficient and reliable rail service to their customers. Therefore, we request that you and your team keep the Board informed throughout implementation of these planned operating changes.

As you know, CSX Transportation, Inc. (CSX) implemented precision scheduled railroading across its network last year, which resulted in serious service disruptions not only for its customers, but also other railroads. In order to facilitate CSX's recovery efforts, the Board engaged in several forms of oversight, including a public listening session in Washington, DC. In light of those events, we trust that UP will work in a transparent manner to avoid similar disruptions to the nation's rail system. During your call, we were pleased by the contrast you drew with regard to UP's planned implementation, including retention of sufficient employee resources and active communication with your customers. We also appreciate that next month, Mr. Kenny Rocker, Executive Vice President – Marketing and Sales, will meet individually with us and Board staff to provide more detailed information on UP's operating plan changes.

Going forward, to help ensure that the Board is fully informed about the implementation of UP's operating changes and any impacts to customers and others, we request that members of UP's senior management begin holding weekly calls with staff from the Board's Rail Customer and Public Assistance office. Ms. Lucille Marvin, Director of the Office of Public Assistance, Governmental Affairs, and Compliance, will be in contact with your staff to set up the weekly calls.

Thank you for your phone calls and for your attention to this request. If you or your staff have any questions, please contact Ms. Marvin at 202-245-0238.

Sincerely,

Ann Begeman

Chairman

Deb Miller Vice Chairman