

**SURFACE TRANSPORTATION BOARD ISSUES ORDER SETTING DECEMBER 3
PUBLIC HEARING ON RAIL SERVICE PROBLEMS IN WESTERN U.S.**

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Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board will hold a public hearing on **December 3, 1997**, to review whether progress is being made in resolving the rail service problems in the western United States.

The Board earlier instituted a proceeding and held a 12-hour public hearing in this matter on October 27, 1997, at which over 60 witnesses testified. See "Surface Transportation Board News" release No. 97-81 (October 2, 1997). Subsequently, on October 31, 1997, the Board issued an emergency service order that, among other things, took steps to allow other carriers to handle traffic of the Union Pacific Railroad Company/Southern Pacific Transportation Company (UP/SP) in Houston to relieve congestion, and provided additional means by which railroads can route traffic around Houston.

Additionally, the Board in its emergency service order indicated that it would hold a follow-up hearing at which UP/SP would address the progress it has made in relieving the service problems on its lines, and at which affected shippers would comment on whether any additional actions by the Board are necessary. See "Surface Transportation Board News" release No. 97-92 (October 31, 1997).

The Board's order announcing the follow-up hearing on the service emergency provides for testimony from the **3** involved railroads (UP/SP, The Burlington Northern and Santa Fe Railway Company, and Texas Mexican Railway, an affiliate of The Kansas City Southern Railroad Company); **6** organizations representing shippers and receivers of general commodities, plastics, chemicals, coal, and lumber; **4** grain shipper organizations; **2** individual shippers; and **3** government and rail labor organizations (the Federal Railroad Administration, the Railroad Commission of Texas, and the United Transportation Union).

Further information on the Board's hearing will be released shortly.

The Board's decision was issued today in Rail Service in the Western United States, STB Ex Parte No. 573, and Joint Petition For Service Order, STB Service Order No. 1518.

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