

ROBERT E. AHLF

RAILWAY DEVELOPMENT CONSULTANT
P.O. Box 1301
HOMewood, ILLINOIS 60430
708-798-5195

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Michael Sol
Sol Wolfe law Firm PLLP
101 East Broadway #300
Missoula, Montana 59802

Dear Mr. Sol:

This is a belated response to your letter of June 15, to me via Sims Professional Engineers. Although Roger Sims and I are good friends and professional colleagues, I am not part of his firm or staff. He promptly sent your letter to me; and it has sat still for a while during my being out of town a lot. I apologize for the delay in responding.

I cannot speak with respect to the PS-2 covered hoppers in particular. I do recall that a lot of harmonic rock-off problems occurred with covered hoppers of 100 ton capacity.

The issue that I was addressing in the late '70s and early '80s was the axle-load of the 100-ton cars (263,000 lbs. gross weight on four axles) vs. the more economically favorable 80-ton cars of 220,000 lbs. gross weight on four axles.

A copy of my findings on that subject is enclosed. Corresponding articles by me were published in Modern Railroads and in Railway Gazette International. At that time, the industry was at its rock-bottom of economic decline and duress, hence the Staggers Act, followed by years of the industry shedding many thousands of miles of track, with a remaining attitude of doing whatever necessary for corporate survival *short term*.

My work was never proven wrong, and the AAR steadfastly refused to perform any work (to my knowledge) to determine the *economically optimum axle load for freight cars*, although I frequently challenged them to do so. The American Railway Engineering Association generally accepted my work, and published it in their January 1984 Bulletin.

The 100-ton car continued to proliferate for what I now perceive to be 2 fundamental reasons.

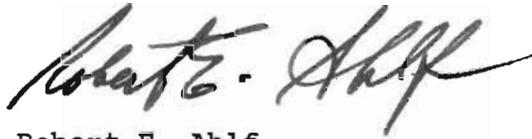
First, it would have been perceived by the industry as an embarrassment to re-emphasize the 80-ton car. With its dearth of capital at that period in its history, the industry had provided strong rate incentives to shippers to provide their own cars for bulk commodities, particularly those moving in trainloads and unit trains. Re-negotiating these agreements to accommodate what had already been accepted would have been embarrassing, tedious, and would have placed the industry open to criticism for first granting rate incentives to move commodities in 100-ton cars, then giving incentives to move back to 80-ton cars.

Secondly, the industry was so economically destitute at that time, that there was no interest in optimizing for long-term economics. These axle-load-related track maintenance costs are related to, and defined by, long-term economics. The prevailing concern was to conserve cash flow and to simply preserve the corporation short-term. Attention became focussed upon closing gateways, abandoning parallel lines, shedding branch lines, cutting cash flow.

As to the Milwaukee's Pacific Coast Extension, I view that as one of the great tragedies of the second of the above two reasons. While I was doing extensive work for the Soo Line in the mid 1990's, one day on a field trip with Bob Pearson who headed the Soo's Engineering Department, he mentioned that he had previously been with the Milwaukee. He stated that if the Milwaukee could have held out for another 10 to 15 years, spanning the bottom of the industry's decline, there would have been enough traffic to sustain the Pacific Coast Extension.

As to your thoughts regarding roughly \$50 million being sufficient to restore the Extension to FRA Class IV, I have no opinion. I do know, however, that getting a track "up to" a certain FRA speed class is one thing. Getting the track up to a physical, structural condition to sustain that particular Track Class on a long-term, economical basis, is quite another. The latter consumes vast quantities of ties, ballast, surfacing, etc.

Sincerely,



Robert E. Ahlf

Cc: Roger Sims
Sims Professional Engineers
2645 Ridge Road
Highland, IN 46322-1663