



S T A C K
F A C T S

August 19, 2004
Electronic Bulletin No. 547
Re: Revision - UPRR Embargo on Portland / Seattle destined traffic

Dear Valued Customer:

Effective 1201 AM August 19, 2004 the Union Pacific Railroad has issued an embargo on all traffic destined to Portland, Oregon and Seattle, Washington originating at Oakland, Lathrop, Los Angeles. This embargo has been imposed as a result of a tunnel fire in Oregon that has incapacitated the corridor between Los Angeles and Seattle and is expected to last for approximately two weeks.

All existing loads in the system will be forwarded to the Portland and Seattle ramps via Salt Lake City/Ogden, Utah from Los Angeles, Oakland and Lathrop as traffic warrants to protect existing volume. Some loads may be delayed from these areas to accumulate enough volume to warrant Union Pacific Railroad to operate a train. Volume and resources will dictate UPRR's decision on when they will operate a train.

UPRR has instituted a permit allocation system for movement of Pacer volume from Los Angeles. A Pacer Representative will contact customers regarding individual allocations as they are issued.

Even through the use of the allocation system there is no guarantee volume will move as locomotive and railcar assets have been negatively affected by this and other extraordinary events on the UPRR network.

Pacer will provide further updates as they are received from the Union Pacific Railroad.