



S T A C K F A C T S

January 18, 2005

Electronic Bulletin No. 621

Re: West Coast Service- Update on UP's Cancellation of Service

Dear Valued Stacktrain Customer,

Work continued over the weekend to help restore service in the west after the destruction caused by massive storms last week.

Crews battled additional flooding from run-off in the lower part of the Caliente Canyon in Nevada, and are making great progress. On the upper portion of the canyon, temporary track has been installed for work trains. A workforce of 200 employees is involved in the Caliente effort that is spread out over 80 miles, with teams working around the clock on track, bridge and signal repairs.

The line between Los Angeles and Salt Lake City, which goes through Las Vegas, is cut by flooding and mudslides at several points. The Union Pacific estimates that it may take up to the end of January to completely restore service on this line. Most of the damage is in the very narrow Caliente Canyon in Nevada, where all access roads were washed out and repair work is very difficult. This line averages 25 trains per day and is one of the two primary east-west routes between Los Angeles and the Midwest.

An embargo continues in effect restricting traffic for a significant portion of the service area to the Los Angeles Basin and Southern California. Intermodal traffic into the L.A. Basin is being regulated on a tactical basis day to day based on capacity and crew availability. We anticipate having a metering system implemented soon as UPRR continues to operate a limited number of trains between the Midwest and Southern California on detour routes.

The critical Sunset route between Los Angeles and El Paso, Texas, is open and operating at capacity, two of the five main routes in and out of the Los Angeles Basin remain closed. Burlington Northern Santa Fe has also allowed a few UP trains to detour over their system on a daily basis.

The Union Pacific emphasized that it is taking every step to ensure that lines will reopen as soon as possible consistent with safe operations. Updates on the embargoes and service status will be provided as conditions change.

We thank you for choosing Pacer Stacktrain and appreciate your patience.