



Jerry Wilmoth
General Manager Network Infrastructure

April 23, 2010

Dan Leavitt
Deputy Director
California High-Speed Rail Authority
925 L Street, Suite 1425
Sacramento, California 95814

Attn: Bay Area to Central Valley Revised Draft Program EIR Material Comments

Dear Mr. Leavitt:

In accordance with Section 1.3 of the revised draft program EIR identified above, dated March 4, 2010, Union Pacific Railroad Company submits the following comments regarding the revisions set forth in said revised EIR.

All of Union Pacific's previous written comments and objections submitted to the Authority, for this program segment and all other project and program segments, including the Union Pacific letters attached to the revised EIR, are incorporated herein and remain fully valid and effective.

Chapter 2 – Revised Project Description and Revised Impact Analysis:

San Jose to Gilroy

San Jose (Diridon) to Lick – Union Pacific previously has advised the Authority that it must have no less than twenty-five feet (25') clear and available from right of way line to center line of the No. 1 main track (the UPRR freight and Amtrak track). It appears from the drawings in Chapter 2 of the revised EIR that in some locations, UP's No. 1 main line would be pushed eastward with less than fifteen feet (15') available. This will severely impact our mechanized maintenance functions and greatly hinder our ability to clear derailments. The Authority's plans allowing less than the required twenty-five feet (25') in this segment need to be revised.

Lick to Gilroy – Chapter 2 of the revised EIR appears to locate the high-speed rail corridor immediately adjacent to UP's east right of way line throughout this segment. The proposed alignment provides no buffer space between the high-speed and freight-Caltrain corridors. Where the high-speed corridor is elevated (such as at Morgan Hill), the edge of the elevated platform or structure will be exactly on UP's extended right of way line. Union Pacific previously has advised the Authority that an alignment that abuts UP's right of way line is unacceptable for two reasons: it is potentially unsafe and it prevents all future rail development on that side of the right of way.

Where the high-speed corridor is to be located between UP's right of way and Monterey Highway, UP requests that an adequate buffer space be maintained between the nearest high-speed track and UP's right of way line. The width of such buffer space shall meet UP's existing standards, i.e., be no less than fifty feet (50'), and comply with all FRA regulations and requirements. Where Monterey Highway is not adjacent to the high-speed corridor, UP requests that the corridor right of way be separated from its right of way line by at least one hundred feet (100') and meets all FRA regulations.

Gilroy Station – Chapter 2 indicates that the Gilroy station will be located on UP's right of way east of the existing Caltrain depot. This property is currently held for commercial or industrial development and will not be made available to the Authority. As shown previously, UP will defend against any legal action to take such property by eminent domain. UP has made this position clear to the Authority (and to the City of Gilroy) on many prior occasions and such position has not changed.

Altamont Pass Corridor – Union Pacific has not taken any position regarding this alternative corridor and does not do so at this time. UP has previously advised the Authority concerning the potential use of UP's rights of way in the East Bay and over Altamont Pass. Those comments remain operative.

Chapter 3 – Union Pacific Railroad's Statements.

This chapter of the revised EIR attaches and discusses UP's previous written statements and comments regarding location of the high-speed corridor on its rights of way. The revised EIR does not accurately characterize and summarize UP's position, i.e., that no part of the high-speed corridor may be located on UP's right of way.

The Authority, in preparing the revised EIR, appears to have disregarded UP's statements and position with reference to the alignment of the high-speed corridor in the Lathrop to Merced and Chowchilla to Merced segments. Based on drawings and photographs in the revised EIR, the Authority intends to locate the high-speed corridor either on UP's right of way (either at-grade or elevated) in Manteca, Modesto, Salida, Turlock, Atwater and Merced, or immediately adjacent thereto. This is not acceptable. UP's position has been made clear from the outset of high-speed rail planning and is plainly stated in the letters attached to the revised EIR.

UP reiterates its position once again: no part of the high-speed rail corridor may be located on (or above, except for overpasses) UP's rights of way at any location. To the extent that the Authority ignores this position, its revised EIR is deficient.

Chapter 4 – Impacts to Union Pacific Freight Operations.

Section 4.1.4 states the Authority's position as follows:

HST alignments will be designed to minimize impacts to existing UPRR business-serving spurs where feasible. The Authority will work with UPRR for those locations where design of the HST alignment may affect these business-serving spurs. The following options will be jointly evaluated in concert with the UPRR:

- *The HST alignment will be grade-separated (trench, tunnel, or aerial) from the UPRR spur.*
- *The Authority will negotiate with the UPRR to acquire the business-serving spur.*
- *If possible, the spur will be reconstructed so as not to interfere with HST operations.*

With regard to the business implications of acquiring properties adjacent to the railroad operating rights-of-way that may prohibit or reduce the likelihood of future business-serving spurs and associated potential business opportunities for UPRR, the Authority is fully aware that there currently is no prohibition to acquiring property adjacent to existing privately-owned railroad rights-of-way. UPRR will retain authority to serve those businesses on properties or track rights-of-way owned by the UPRR.

Union Pacific's position on the Authority's plans to locate the high-speed corridor immediately adjacent to UP's right of way has been made quite clear in its comments to the Merced-Sacramento Project Level EIR dated February 25, 2010. Those comments are incorporated herein.

To reiterate the main points of UP's position, no part of the high-speed corridor may be located on any rights of way owned or operated by UP, whether at grade or grade separated. For overpasses, all supporting piers must be completely off the right of way. Locating the high-speed corridor immediately adjacent to UP's right of way raises serious safety issues and creates a barrier against any future rail-served development on that side. California's economic and environmental needs cannot be served if future freight rail development is summarily prohibited by high-speed rail. Adequate free property must be provided adjacent to the right of way to allow for such future rail-served development.

The Authority's position statement as quoted above is unacceptable to Union Pacific. UP will not negotiate with the Authority regarding sale of right of way or rail spurs. UP will protest against and assist its existing rail-served customers in the event that the Authority attempts to take the property and operations of such customers by eminent domain.

The mitigation strategies suggested by the Authority in Section 4.1.5 are unacceptable to Union Pacific. No part of the high-speed corridor may be located on UP's rights of way. Therefore, mitigation for UP is not an issue. UP will not permit any of its trackage or facilities (such as team tracks) to be taken or relocated.

Union Pacific's Safety Concerns and Objections.

The revised EIR fails to analyze the safety risks inherent in locating the high-speed corridor immediately adjacent to a narrow, 60 or 100-foot-wide, freight rail right of way carrying mainline freight trains at speed. Although Union Pacific and other railroads over the years have made astonishing progress in reducing freight train derailments, major derailments still occur. In most instances, derailments will remain within the confines of the rail right of way, but some derailments may propel rail cars onto the tracks of an adjacent passenger operation. A freight train derailment that coincides with passage of a 200-plus m.p.h. HSR train – which would not have the safety protections of current passenger rail equipment – could result in one of the worst rail accidents in American history, with dozens or even hundreds of fatalities. The chances of such an occurrence would be small, but even small chances, given enough time, become increasingly likely. The Authority must consider, and develop mitigation options, for this risk. These mitigations should

include moving the high-speed corridor as far from the freight rail tracks as possible and may include FRA-approved crash walls, intrusion detection, and interlocked signal systems. Union Pacific will hold the Authority responsible for a decision that fails to prevent this type of accident.

Conclusion and Summary.

Union Pacific has made its position regarding use of its rights of way for the high-speed rail corridor clear on many occasions. Union Pacific objects to location of the high-speed corridor so close to UP's operations as to be a safety hazard. Finally, Union Pacific objects to the location of the corridor so that it takes existing rail-served customers or acts as a barrier to all future rail-served developments.

Please direct all questions or comments to the undersigned.

Sincerely,



Jerry S. Wilmoth
General Manager – Network Infrastructure