

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



December 6, 2004

CORRECTED COPY

Mr. J. Kevin Klein
General Chairman
United Transportation Union
501 Mission Street, Suite A
Santa Cruz, CA 96060

Dear Sir,

Please refer to our recent discussions regarding implementation of the pools in the Roseville Hub, not previously implemented, namely the RT12 (Roseville to Oakland/San Jose/Fresno) and the RT46 (Portola to Oakland/Stockton/Lathrop). These pools were initially listed in the Carrier's notice of May 17, 2004, but had been subject to some dispute between the parties relative to the appropriateness of splitting the pools based on destination terminals.

Upon further review, the Carrier is agreeable to implement trip rates for the subject pools based on the various destination (away-from-home) terminals. This is done without prejudice to the Carrier's position that pools with multiple away from home terminals do not in all cases give rise to the necessity of multiple trip rates based on those multiple destinations. In fact, as the Carrier has argued, retaining multiple trip rates is antithetical to the parties' overall objective of pay simplification. Nevertheless, in breaking these two pools into the separate rates based on destination yields the following trip rates.

Runs/Pools	Conductor Trip Rate	Brakeman Trip Rate
Roseville - Oakland (RT12)	\$164.05	\$153.85
Roseville - San Jose (RT12)	\$182.11	\$170.78
Roseville - Fresno (RT12)	\$205.97	\$193.14
Portola - Oakland (RT46)	\$300.32	\$281.57
Portola - Stockton/Lathrop (RT46)	\$253.81	\$237.98

Enclosed are the revised data summary reports for these pools as well as spreadsheets detailing the calculation of the above trip rates. These are the rates I will direct Timekeeping to implement effective December 16, 2004. If you have any further questions please do not hesitate to call me.

Yours truly,

Handwritten signature of Alan L. Weed in cursive.

Alan L. Weed
Director Labor Relations
Contract Administration

Enclosures

cc: Terry Olin - Omaha
Al Hallberg - Roseville
Peggy Grosskopf - Omaha
Mike Stom - Omaha



UNITED TRANSPORTATION UNION

GENERAL COMMITTEE OF ADJUSTMENT
UNION PACIFIC WEST • CENTRAL CALIFORNIA TRACTION • STOCKTON TERMINAL & EASTERN
ALAMEDA BELT LINE • OAKLAND TERMINAL RAILROAD

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General Secretary

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Vice General Chairperson

December 15, 2004

Mr. Alan L. Weed, Director Labor Relations
Union Pacific Railroad Company
1400 Douglas Street STOP 0710
Omaha, Nebraska, 68179-0710

Dear Mr. Weed:

Reference your notice to establish trip rates pursuant to Article V, Section 9, of the 2002 UTU National Agreement sent to the undersigned and our discussions related to establishing trip rates.

This committee is agreeable to implementing the following trip rates:

Roseville - Fresno (RT12 Pool)

Trip Rate: Conductor - \$211.99; Brakeman - \$198.78
Flip Trip Rate: Conductor - \$441.57; Brakeman - \$413.95

Roseville - Oakland (RT12 Pool)

Trip Rate: Conductor - \$168.81; Brakeman - \$158.31
Flip Trip Rate: Conductor - \$341.58; Brakeman - \$320.24

Roseville - San Jose (RT12 Pool)

Trip Rate: Conductor - \$187.49; Brakeman - \$175.82
Flip Trip Rate: Conductor - \$384.02; Brakeman - \$360.01

Portola - Oakland (RT46 Pool)

Trip Rate: Conductor - \$309.28; Brakeman - \$289.96
Flip Trip Rate: Conductor - \$687.96; Brakeman - \$644.88

Portola - Lathrop/Stockton (RT46 Pool)

Trip Rate: Conductor - \$261.38; Brakeman - \$245.07
Flip Trip Rate: Conductor - \$582.89; Brakeman - \$546.40

The trip rates include the following elements:

- T21 – Straight Time
- TD4 – Pool freight dead head (separate/apart)
- TO7 – Meals enroute
- TI2 – Initial terminal delay (ITD)
- TF3 – Final terminal delay (FTD)

During our discussions, we agreed that flip trip rates apply when a crew is used in combination service in the following manner:

1. Dead head from the home terminal to the away from home terminal and then work back to the home terminal, or
2. Work a train from home terminal to away from home terminal and then deadhead back the home terminal on a continuous time basis.

If a crew works from the home terminal to the away from home terminal and then upon arrival at the away from home terminal that crew is called to work from the away from home terminal to the home terminal that crew is entitled to two trip rates, one for the working trip from the home terminal to the away terminal and one for the working trip from the away terminal to the home terminal.

In addition we discussed the application of a trip rate to turnaround service performed by an interdivisional pool freight crew. Turnaround service is work allocated to the extra board, however when a pool crew is used for turnaround service in their own pool they will be compensated a trip rate for each trip in turnaround service. Pool crews called for short turnaround service are entitled to a trip rate for each tour of duty in short turnaround service.

Extra board trainmen used in turnaround service will be compensated in the normal manner.

This committee will refer the following issue to the National "Disputes Committee," which is referenced in Article V, Part B, Section 6 of the 2002 UTU National Agreement:

1. Threshold for beginning overtime is changed with the inclusion of ITD and FTD in the trip rate.

It is our understanding that the above referenced trip rates will be implemented December 16, 2004

Sincerely yours,

J. Kevin Klein
UTU General Chairperson
Union Pacific Western Lines

cc: Mr. Arty Martin, UTU Vice President
Mr. Gary Metzdorf, Local Chairperson, UTU 1200
Mr. Marshall Pittman, Local Chairperson, UTU 1570