



Brotherhood of Railroad Signalmen

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Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

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Re: STB Finance Docket No. 35173 and Docket No. 35174
BRS File Number: PROT_STB-2008-0132.2008.10.15

The Brotherhood of Railroad Signalmen (BRS) represents approximately 9,500 employees on Class I Railroads and other carriers throughout the United States. Our members are directly affected by these proposed transactions, and we request that the Board deny the requests contained in STB Finance Docket No. 35173 and Docket No. 35174.

The STB Finance Docket No. 35173 transaction is related to a concurrently filed verified notice of exemption in STB Finance Docket No. 35174, *Watco Companies, Inc — Continuance in Control Exemption — Pacific Sun Railroad, L.L.C.* (PSRR) In that proceeding, Watco Companies, Inc. has filed a verified notice of exemption to continue in control of PSRR upon PSRR's becoming a Class III rail carrier

The STB Finance Docket No. 35174 is related to a concurrently filed verified notice of exemption in STB Finance Docket No. 35173, *Pacific Sun Railroad, L.L.C. — Lease and Operation Exemption — BNSF Railway Company* (BNSF). In that proceeding, PSRR seeks an exemption under 49 CFR 1150.31 to lease from BNSF and to operate approximately 21.5 miles of rail line and rail freight easement in California. In addition, PSRR will receive incidental trackage rights from BNSF over another 45+ miles of track.

While Docket No. 35173 is silent on employee protection, Docket No. 35174 specifically states that employee protection is not afforded to affected employees because of the Class III carrier status of the parties. The BRS does not dispute the Class III carrier status of Pacific Sun Railroad and Watco. We do point out that the BNSF is an integral part of this two-part transaction and is a Class I carrier. In view of the foregoing, the BRS requests that the Board deny and/or revoke the Pacific Sun Railroad, L.L.C. — Lease and

Operation Exemption — BNSF Railway Company and Watco Companies, Inc. —
Continuance in Control Exemption — Pacific Sun Railroad, L.L.C

Sincerely,



W Dan Pickett
International President

cc. Mike Dake, BNSF General Chairmen — BRS
Kelly Haley, Director of Research — BRS
Karl Morell, Of Counsel