
BEFORE THE PUBLIC SERVICE COMMISSION

**IN THE MATTER OF LOGAN CITY'S
PETITION REQUESTING
INVESTIGATION INTO UNION PACIFIC
RAILROAD COMPANY'S
ADMINISTRATION OF AGREEMENTS
AND MAINTENANCE PROVISIONS**

Docket No. 21-888-01

SURREBUTTAL TESTIMONY

OF PAUL RATHGEBER

ON BEHALF OF UNION PACIFIC RAILROAD COMPANY

1 **Q. Please state your name and business address.**

2 A. Paul Rathgeber. My business address is 24125 Old Aldine Westfield Road, Spring, Texas
3 77373.

4 **Q. Please state your occupation and employment information.**

5 A. I am employed by Union Pacific (“UP”) and have been for over 24 years. I am currently
6 the Director of Industry and Public Projects and have been in this position for 4 years. In
7 my current position I lead the team that works directly with road authorities on projects
8 such as grade crossing surface and traffic control device installations and upgrades, grade
9 separation, quiet zone and other public projects.

10 **Q. On whose behalf are you testifying?**

11 A. I’m testifying on behalf of UP.

12 **Q. Have you previously filed testimony in this proceeding?**

13 A. Yes, I filed direct testimony on March 1, 2022, and rebuttal testimony on April 11, 2022.

14 **Q. What is the purpose of your surrebuttal testimony?**

15 A. To address an answer given by Thomas Dickinson in his rebuttal testimony.

16 **Q. In his rebuttal testimony, Mr. Dickinson indicated that he disagrees with your**
17 **testimony that UP made several good-faith negotiated proposals to Logan City and**
18 **that Logan City made no reasonable counteroffers. Why do you believe that Logan**
19 **City’s counteroffers were not reasonable?**

20 A. As indicated in my direct testimony, 49 CFR Part 234 requires testing, reporting, and
21 maintenance activities; some of which are weekly, some monthly, and some annually. The
22 costs associated with conducting these activities, as well as a considerable amount of other
23 scheduled and unscheduled signal maintenance work and the replacement of components,

24 are real costs to UP. Logan City's offers of either \$1,000 a year for three years, with no
25 assurance of payment of signal maintenance beyond that, or \$40,000 a year for 4 years for
26 the maintenance of three crossings (approximately \$3,330 per crossing, per year) would
27 cover only a small portion of annual signal maintenance costs. I believe that it is not
28 reasonable to propose a project that includes signals and expect the railroad to absorb the
29 majority or all of the costs to maintain those signals, particularly when the railroad will see
30 no ascertainable benefit from the project.

31 **Q. Does this conclude your surrebuttal testimony?**

32 A. Yes.