through interservice sharing. Comments of AAR at 17 n.11. Nonetheless, AAR agrees with other PLMR user groups such as UTC that the Commission must permit more flexibility in its regulations implementing EUO. Comments of UTC at 49. The proposed 50-mile radius for obtaining concurrence for exclusivity is irrelevant to users with right-of-way service areas. Comments of API at 11. The Commission's EUO rules should be flexible enough to accommodate users' individual operating characteristics and system design. Comments of Coalition at 21-22. Moreover, special consideration should be given to users with public safety applications.

VIII. OTHER ISSUES

A. AAR Opposes Proposed Channel Split in 72-76 MHz Band.

AAR opposes the Commission's proposal to split channels in the 72-76 MHz range to 5 kHz bandwidth. The railroads use these channels for low-power remote control of overhead cranes and production equipment in train yards and for operation of conveyor belts and other loading and unloading equipment at dock facilities. Reducing the channel width from 20 kHz to 5 kHz would make these low-power operations susceptible to intolerable levels of interference from adjacent channel high-power users, making it impossible to effectively use low-power devices in this band. Five kHz channelization also would impair operation of model airplanes, creating a risk that hobbyists would lose control of such devices, harming persons and property. See,

e.g., Comments of Academy of Mobile Aeronautics. Paging operations also would be affected. Moreover, the proposed reduction to 5 kHz would not produce any significant efficiency gains. AAR recommends that the width of these channels not be reduced.

B. AAR Supports Formation of Industry Advisory Committee.

AAR supports the recommendation that the Commission form a special committee to recommend specific technical parameters for spectrum "refarming" and revisions to the Commission's PLMR rules. See, e.g., Comments of APCO at 37-38 and Comments of ATA at 16. The comments, as well as the Commission's public hearings on March 1 and May 6, 1993, revealed that many of the Commission's proposals, while perhaps appealing theoretically, would not meet users' real-world operational requirements. Direct input from industry experts would be especially beneficial as the Commission considers the many complex technical proposals in this proceeding.

IX. CONCLUSION

PLMR users have spoken with a clear voice that "refarming" the frequency bands below 512 MHz is a complicated and expensive proposition with a far-reaching impact on significant industries, their customers and the public. Accordingly, the Commission should adopt only those measures that provide the greatest spectrum efficiency gains at the least cost and with the least

risk to safety-related operations. Before imposing burdensome mandates, the Commission should seek to identify clear spectrum that could be allocated to relieve congestion in the PLMR bands. AAR urges the Commission to recognize the railroads' truly unique PLMR requirements, including nationwide interoperability, and preserve the Railroad Radio Service with AAR as frequency coordinator. In addition, AAR urges adoption of its "offset overlay" plan for achieving spectrum efficiency in the VHF band.

Respectfully submitted,

ASSOCIATION OF AMERICAN RAILROADS

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EXHIBIT 1

New York Times, Monday, July 26, 1993
Page A1, Column 1

Railroads Threading Freight Around the Midwest's Floods

By BARNABY J. FEDER
Special to The New York Times

Monica Almeida/The New York Times

Washouts like this one, in which the Mississippi River claimed tracks south of St. Louis, have forced innovative changes in freight routes.

CHICAGO, July 24 — Widespread Midwestern flooding is costing the country's railroads tens of millions of dollars, punishing train crews and maintenance workers and taxing the ingenuity and patience of railroad operations employees and their customers. But the freight is getting through.

The railroads account for more than a third of all freight moving through American commerce — more than any other form of transport — and their success in getting into and out of the heartland has prevented an economic headache from escalating into a stroke.

'War Rooms' and Bufferin

Total intercity rail freight traffic is down 1.5 percent nationwide from a year ago, according to the most recent weekly tabulations of the Association of American Railroads, which represents the country's 70 largest railroads. But the strikes hobbling Eastern coal production appear to be a more important factor than the flooding, the group said.

Auto companies and other leading manufacturers that rely on railroads say factories that are not under water are getting the supplies they need to operate normally.

The tensions of recent days are evident in temporary "war rooms" like that of the Atchison, Topeka & Santa Fe Railway in Schaumburg, a suburb just west of here, where operations managers spend hours on the telephone, coordinating detours of their trains onto the tracks of other railroads and of other lines' trains onto Santa Fe tracks. Squeezed in among the maps plastered to the walls is a Bufferin dispenser.

More than a quarter of the country's rail freight traffic normally runs through the flood zone. Some critical shipments, like perishable food or products needed immediately to keep individual customers' manufacturing plants running, have been shifted to trucks. But the majority appears to be wiggling through by rail with tolerable delays of up to several days on an ever-changing crazy quilt of detours.

"We have had six railroads use our lines and we've diverted on to four ourselves," said Bob Auman, a spokesman for the Norfolk Southern Railway Company, which is based in Norfolk, Va., and has a network of track that stretches into flood-stricken areas of Illinois, Iowa and Missouri.

The trucking industry, which accounts for less freight than the railroads by weight but more when measured by value, has also run into delays and detours and, like the railroads, has been forced to absorb most of the costs. Although the most heavily traveled routes have remained open, including interstate highway crossings of the Missouri and Mississippi Rivers, some transcontinental trips have been lengthened by as much as 500 miles, said Ferdinand P. Serpe, the executive director of the Illinois Transportation Association, an industry trade group.

Recent improvements have helped the rail system to cope. "The railroad network going into this was in the best shape it had been in modern history, thanks to billions of dollars in investment since deregulation in 1980," Edwin Harper, the president of the railroad association, said. "There's been stress on the system, but the system has been able to handle it."

A big part of that investment has been large, centralized dispatch centers, like the one in Schaumburg. Operations managers can see the exact status of every train on any stretch of the line from a glance at a computer screen. Marketing specialists can use the same computers to tell customers the location of a shipment.

These electronic hubs have made it far easier for railroads to coordinate their activities. And the closer relationships that many railroads have forged with the trucking industry in recent years have also helped.

For the railroads, the challenges of the flood are greater than any that executives can recall. "There have been hurricanes where there was more damage in a particular area, but no one can recall a situation where so much railroad property has been under water for so long," said Mr. Auman of Norfolk Southern.

A Detour to Montana

The Santa Fe sticks as close to its main Chicago-Kansas City-Los Angeles artery as possible. At one point, with track flooded on the Illinois side of its Mississippi River crossing at Niota, Ill., and problems in Missouri as well, the detours sometimes entailed what was called a "North Pole" route, using Burlington Northern tracks to Minneapolis, then to Billings, Mont., and on to Denver.

Now, with the Mississippi crossing restored, a preferred detour involves switching to Burlington Northern lines at Bucklin, Mo., a detour of less than 100 miles, before returning to Santa Fe tracks in Kansas City, Mo.

The Bucklin line, a single track weakened by the weather, cannot handle much traffic, so other routes are used. One alternative follows CSX track to Memphis, then Southern Pacific track to Fort Worth, where the Santa Fe is rejoined.

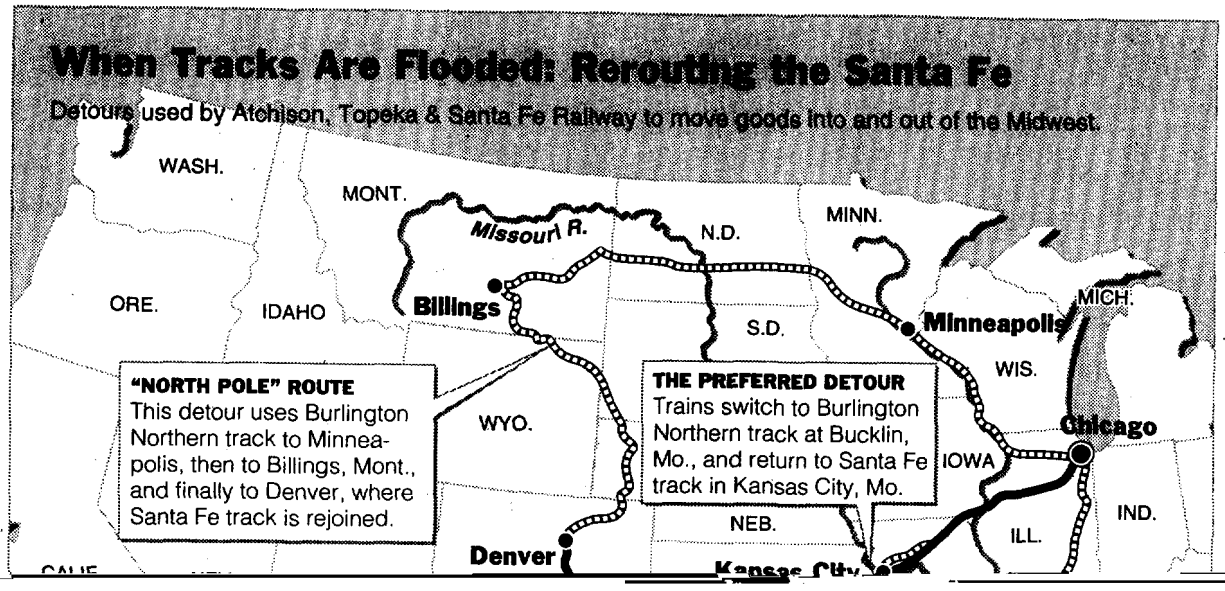
Each detour adds to fuel costs and running time. In addition, crew arrangements become vastly more complicated. On many detours, railroads must hire crews from the company whose line they are using or, at the least, a pilot to accompany their crew over the unfamiliar track. Even then, complications pop up.

On Thursday, for example, Santa Fe had to send an engine to help a Burlington Northern train stranded on the Santa Fe line through Missouri. The Burlington locomotive turned out to be under-powered to deal with the grade of the unfamiliar track.

Detours also wreak havoc on the precisely scheduled distribution of engines and freight cars to points where they can immediately be put back into service. The Chicago, Central and Pacific Railroad has been sending grain cars that normally shuttle between Iowa and Illinois to Dubuque, Iowa, where they are unloaded onto barges on rail trips as far as New Orleans.

"That results in far fewer loadings, which will have a major impact on our profits," said Paul Anderson, a superintendent of transportation for the line, which is based in Waterloo, Iowa.

While streamlining increased railroad profitability during the 1980's, the railroads are now finding it has impeded their options in dealing with the


When Tracks Are Flooded: Rerouting the Santa Fe
Detours used by Atchison, Topeka & Santa Fe Railway to move goods into and out of the Midwest.
WASH.
MONT.
Missouri R.
N.D.
MINN.
ORE.
IDAHO
Billings
S.D.
Minneapolis
MICH.
WIS.
"NORTH POLE" ROUTE
This detour uses Burlington Northern track to Minneapolis, then to Billings, Mont., and finally to Denver, where Santa Fe track is rejoined.
WYO.
THE PREFERRED DETOUR
Trains switch to Burlington Northern track at Bucklin, Mo., and return to Santa Fe track in Kansas City, Mo.
Chicago
IOWA
IND.
NEB.
ILL.
Denver

CERTIFICATE OF SERVICE

I, Marilyn L. Charles, a secretary for the law firm Verner, Liipfert, Bernhard, McPherson and Hand, Chartered, do hereby certify that a true and correct copy of the foregoing "Reply Comments of Association of American Railroads" was delivered by hand, this 30th day of July, 1993, to the following:

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