SCIES

Air Resources Board

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Linda S. Adams
Acting Secretary for Environmental Protection

Edmund G. Brown Jr.
Governor

June 24, 2011

Mr. Lanny Schmid, Director
Environmental Operations
Union Pacific Railroad
1416 Dodge Street
Omaha, Nebraska 68179

RE:	Notices of Violation:	RR10-2029, RR10-2034 and RR10-1060
	Issued:	March 23, April 28, and May 11, 2011 (respectively)
	Locomotives:	UP 573, UP 8336, and UP 2239 (respectively)
	Locations:	LATC, Mojave, and Portola California

Dear Mr. Schmid:

Between March 23 and May 11, 2011, the three Notices of Violation (NOV) referenced above were issued for violation of the ARB/Railroad Statewide Agreement ("agreement"). Specifically, the locomotives were documented to be out of compliance with Element 1 of the agreement, *Locomotive Idling-Reduction Program*. For your convenience, copies of the NOVs are enclosed.

We informed Union Pacific Railroad (UP) about these violations of the agreement by telephone call to Mr. M. Jon Germer, to your 800-number, and via fax to your corporate offices. Where possible, copies of the NOVs are left with facility personnel.

We have received three letters concerning these matters from Mr. Germer on behalf of UP. We also met with you in a teleconference to discuss resolution of these violations on June 23, 2011. We understand that UP has stipulated to these three violations and agreed to fully resolve this matter according to the terms of the agreement. Based on new information provided by Mr. Germer, we have agreed to rescind a fourth NOV (RR10-1061). This letter memorializes our mutual understanding and agreement to settle these NOVs under the following terms.

According to the agreement, each locomotive that has an idling violation may be assessed a compliance fee based on the number of similar violations that a particular locomotive has received during the same calendar year. Since this is the first

assessment for these locomotives in 2011, the appropriate compliance fee is one thousand two hundred dollars (3 x $400 = $1,200).

To clear these NOVs, please remit one thousand two hundred dollars ($1,200) together with a copy of the NOVs no later than July 25, 2011. Make your check out to the "Air Resources Board." Please mail these materials to:

Air Resources Board
Enforcement Division, SEIES
1325 J Street, 17th floor
PO Box 2815
Sacramento, CA 95812

Should you require further information regarding procedures, please contact me at (916) 445-1295.

Sincerely,

Richard C. Smith, Manager
Air Resources Board, Enforcement Division
Strategic Environmental Investigations and Enforcement Section (SEIES)

Enclosures (3)

cc M. J. Germer, Manager
Union Pacific Railroad, Environmental Operations
1400 Douglas Street STOP 1030
Omaha, NE 68179-1030

Harold Holmes, Manager
Air Resources Board, Stationary Source Division, Engineering Evaluation Section

John Oback, Railroad Enforcement Program Lead
Air Resources Board, Enforcement Division, SEIES

Bcc: SEIES Chron
ED Chron