

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the Commission, on)	RULE AND REGULATION NO. 182
Its own motion, seeking to amend)	
Title 291, Chapter 3, Motor Carrier)	COMMENTS TO ORDER RELEASING
)	FIFTH SET OF PROPOSED RULES
Rules and Regulations, to rewrite)	FOR COMMENTS AND SCHEDULING
the chapter in its entirety.)	HEARING

Comments of Union Pacific Railroad Company regarding the fifth set of proposed Rules and Regulations to Title 291, Chapter 3, Motor Carrier Rules and Regulations

Union Pacific Railroad Company (“UPRR”) opposes the proposed changes to Section 006.02A of the Rule and Regulation No. 182 for the same reasons that it has expressed in comments previously submitted in response to prior releases of proposed rules regarding this matter. UPRR refers the Commission to those prior comments, which are summarized as follows:

Nothing in the requirement that contract carriers provide increased uninsured and underinsured motorist coverage (“UM/UIM Coverage”) promotes increased safety. The proposed changes unnecessarily increase insurance costs for accidents involving uninsured and underinsured motorists without providing additional protection for injuries involving contract carriers. The proposed increase in minimum UM/UIM Coverage also may have the unintended consequence of limiting competition among contract carriers.

The proposed changes are unnecessary in the railroad industry because railroad employees already have abundant recourse for their injuries. Attached as Exhibit 1 is a chart summarizing the insurance sources and financial protections available to injured railroad employees in Nebraska as explained in UPRR’s prior comments. The proposed increase in UM/UIM Coverage will not improve access to these abundant sources and protections or result in a greater or faster financial recovery.

Finally, the proposed changes could have a direct impact on rail service during periods of high demand or special operating conditions. UPRR uses secondary crew transportation providers as one effective way to comply with federal Hours of Service laws and to keep its railroad operating. The proposed increase in UM/UIM Coverage may make it difficult for these secondary providers to meet this new requirement. Any reduction in the availability of crew hauling providers also would increase the time that train crews must wait for transportation to return home. In periods of peak demand, train crews may be stuck on a train for extended periods of time until transportation by a primary provider is available.



UNION PACIFIC RAILROAD
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Insurance Sources - Nebraska		
Van Company Liability Insurance	\$5,000,000 liability insurance	Mandatory for Union Pacific vendors
Federal Employer's Liability Act (FELA)	No cap Covers pain & suffering	Injury must be caused by the railroad's negligence
Off-Track Vehicle Benefits	\$1000/wk \$300,000 max.	OTV Benefits are no-fault, like Workers Comp Higher weekly payment than Workers Comp Provided under RR union Labor Agreements
Health Insurance	Pays medical bills	Pursuant to the National Collective Bargaining Agreement
Railroad Retirement Board Benefits:	60% of daily pay for injury, subject to various caps	Sickness and Railroad Unemployment Insurance payable biweekly
Employee's own personal UM/UIM coverage	\$25K per person minimum, \$50K per accident; higher limits may apply if selected by employee	Coverage follows employee
Workers Compensation <i>(For contrast-- Does not apply to RR employees.)</i>	Pays 2/3 of salary up to \$761/wk	Workers Comp pays much less than Railroad OTV No compensation for pain & suffering Limited lump sum for permanent injury
All above coverage must be exhausted before Uninsured/Underinsured will pay.		

