

**BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Commission, on	)	Docket No. PI-230
Its own motion, to investigate insurance	)	
requirements for motor carriers providing	)	RESPONSE TO ORDER
intrastate transportation services	)	SEEKING COMMENTS AND
within the State of Nebraska	)	SCHEDULED HEARING
	)	

**Comments of Union Pacific Railroad**

Union Pacific Railroad Company (“UPRR”) opposes the proposed changes to **Section 006.02A** 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:

Changes to current required insurance limits are not necessary because they will increase insurance costs for contract carriers and could also result in less competition among these same contract carriers.

Railroad employees already have several areas of recourse for injuries that occur while being transported by contract carriers (which provide benefits not available to regular citizens). 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. Increasing currently mandated insurance limits will not add any additional source of financial protection or create a more expedient path to financial recovery.

UPRR has serious concerns that any increases in insurance limits could have a negative impact on rail service in periods of high demand or unique operating conditions. In addition to our primary contract carriers, UPRR also uses secondary crew transportation providers in order to comply with federal Hours of Service laws and to maintain network fluidity. Increasing current minimum required limits could result in contraction of availability from these secondary providers. A potential side effect of reduced availability is an increase in wait time before crews can return home. The last thing UPRR wants are crews stuck on trains for extended periods of time during peak demand.



UNION PACIFIC RAILROAD  
1400 Douglas Street Omaha, Nebraska 68179

<b>Insurance Sources - Nebraska</b>		
<b>Van Company Liability Insurance</b>	\$5,000,000 liability insurance	Mandatory for Union Pacific vendors
<b>Federal Employer's Liability Act (FELA)</b>	No cap  Covers pain & suffering	Injury must be caused by the railroad's negligence
<b>Off-Track Vehicle Benefits</b>	\$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
<b>Health Insurance</b>	Pays medical bills	Pursuant to the National Collective Bargaining Agreement
<b>Railroad Retirement Board Benefits:</b>	60% of daily pay for injury, subject to various caps	Sickness and Railroad Unemployment Insurance payable biweekly
<b>Employee's own personal UM/UIM coverage</b>	\$25K per person minimum, \$50K per accident; higher limits may apply if selected by employee	Coverage follows employee
<b>Workers Compensation</b>  <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
<b>All above coverage must be exhausted before Uninsured/Underinsured will pay.</b>		

