

May 9, 2006

To: The Honorable Mary Margaret Haugen
The Honorable Ed Murray
House and Senate Members in Affected Districts
Washington Transportation Commission Chair Dan O'Neal
Washington Dept. of Agriculture Director Valoria Loveland
UTC Policy Director Chris Rose
PCC Stakeholders

From: Barbara Ivanov, Director of Freight Strategy and Policy
Washington State Department of Transportation (WSDOT)

RE: Watco Companies Embargoed CW Branch Line in December 2005

WSDOT learned last Friday, May 5 that a shipper on the CW branch line attempted to order rail cars last week and was informed by Watco Companies representatives that Watco embargoed that line last December.

The Association of American Railroads defines an embargo as a method of controlling traffic movements when in the judgment of the serving railroad, accumulations, threatened congestion or other interference with operation, *of a temporary nature*, warrant restrictions against such movements.

The notice of Watco's embargo of the CW line is attached for your review.

Best regards,
Barbara Ivanov
Director of Freight Strategy and Policy
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