



S T A C K F A C T S

September 23, 2005
Electronic Bulletin No. 702
Re: Hurricane Rita Update

To Our Valued Customers,

Hurricane Rita is nearing the Texas and Louisiana coastlines with sustained winds reaching 135 miles per hour. Rita is expected to make landfall early morning on Saturday, September 24th along the upper Texas-Louisiana coast between Houston and Galveston, TX. The projected path of Rita has changed slightly to a course that could spare Houston, but deliver Galveston a direct hit. Rita is expected to continue on a northeastern route, directly impacting the Beaumont and Port Arthur area, and pushing through Louisiana onto Arkansas and Tennessee.

In anticipation of Hurricane Rita's landfall along the Texas Gulf Coast, Union Pacific has implementing its Hurricane Preparedness Plan. Union Pacific has issued embargoes to include all traffic moving to or from Lake Charles, LA to Houston, TX and south of Houston to Brownsville, TX. All intermodal traffic destined to Houston and Englewood is also embargoed. Volume currently en route to the Houston area will be staged on-line until Hurricane Rita passes and damage can be assessed. Volume tendered to an embargoed location will be held at origin until conditions improve and the embargo is lifted.

All train service in these affected areas was stopped at 1800 hours CDT Thursday, September 22, 2005. Union Pacific Dispatching Centers in Houston and Spring, TX have been closed, and all personnel have been relocated to the Harriman Dispatching Center in Omaha, NE in preparation for the hurricane to maintain operations on the San Antonio and Laredo, TX Service Units.

This stoppage and the consequent reroutes will impact fluidity on the Pacer Stacktrain Central and Southern Corridors. Union Pacific is working with other carriers on the re-routing of connecting traffic over their systems at the St. Louis and Memphis Gateways as crew resources and operating constraints allow.

Further updates will be issued as conditions change.

We appreciate your understanding and your patience.

Pacer Stacktrain