

# UNION PACIFIC RAILROAD COMPANY

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## BUILDING AMERICA

February 4, 2014

J.L. DAYTON  
BLET GENERAL CHAIRMAN  
P.O. BOX 609  
POCATELLO, ID 83204-0609

RE: Letter of Understanding – Interpretations-various issues BLET-UPRR Schedule Agreement governing the Portland Hub Zones 1, 2 and 3 and the Salt Lake City Hub

Dear Mr. Dayton:

This has reference to the extensive discussions between the parties regarding various issues and the agreement to resolve the disputes as outlined below in this Letter of Understanding. The final interpretations and examples shall henceforth serve as the guidelines and agreed upon handling for the issues referenced herein. Where specific locations are used in the examples, it is not intended that the examples will only apply in those locations unless otherwise noted. Except as specifically outlined herein, the parties agree that these interpretations shall not convey to either party or detract from either party any rights that have been resolved in national handling between the parties. The parties also agree that these interpretations apply to all Engineers regardless of hire date and shall only have standing and application within the jurisdiction of the BLET Western Region General Committee of Adjustment on the UPRR, specifically within the territories encompassing Portland Hub Zones 1, 2 and 3 and the Salt Lake City Hub.

- I. **Rule 109: Walking to Register** – This issue concerns claims filed by Engineers for “walk-in pay” (i.e. compensation for actual time for walking to register in the yard under Rule 109). The parties agree that this issue is resolved on the basis that the rule has been rendered moot with the implementation of trip rates, and claims of record will be withdrawn with prejudice.
  
- II. **Rule 46: Extra Service** – Parties agree that this rule applies to local and pool freight engineers (and extra engineers protecting such service) when extra service is performed before beginning or after completing their assignments in accordance with the examples cited below. Where both Rule 46 (Extra Service) and Rule 37 (Terminal Work Where Yard Crews on Duty) may apply, only one payment shall accrue based upon the claim submitted by the engineer unless extra service is performed more than once during the tour of duty (i.e. at the initial and final terminal and/or at the beginning and ending of the trip) in which case both claims could be paid. Time spent performing the extra service will not count toward overtime for the regular assignment/pool service run.

The Parties agree that new day claims as contemplated by Rule 46 are not one of the nine elements of Article V of the 2003 National BLET Agreement that is the genesis of trip rates. The parties agree that items or payments that are included in the nine elements outlined by the 2003 BLET National Agreement as part of trip rates (i.e. initial and/or final delay, payments of miles or hours etc.), shall not be considered under this Letter of Understanding as Rule 46 extra duties. Where, for example, trip rates include mileage or a payment for a specific side trip or route this interpretation will defer

to the trip rate for claims for extra service involving the specific side trip or route. In light of the foregoing, a partial determinant of whether a payment pursuant to Rule 46 is to be made is grounded on whether an engineer is entitled to such payment under existing Agreement rule(s) and/or on whether payment or mileage for the involved work or activity has already been incorporated into the trip rate. In concert therewith, this determination is likewise grounded on the definitive showing of the incorporation of such payments or mileage in the involved trip rate calculation. Claims of record for extra engineers under Rule 46 will be withdrawn if not payable under this or other provisions of this letter of understanding. The following examples are intended to provide guidance on when this rule shall apply:

**Example 1:** A pool freight service crew is required to perform Hours of Service (HOS) relief on another train prior to beginning their trip in pool service. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service.

**Example 2:** A pool freight service crew completes tying down another train in the yard that had died under the Hours of Service, and then boards their train to begin their pool freight service trip. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service.

**Example 3:** A pool freight service crew is required to perform HOS relief on another train after delivering their train to the final terminal. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service.

**Example 4:** A pool freight service crew delivers a train to an intermediate point and then deadheads to the objective (final) terminal. While en route during the deadhead portion of the trip, the crew is required to board another train and deliver it to the objective terminal. The Engineer on this crew would not be entitled to a new day payment as this activity is permitted under BLET National Agreements.

**Example 5:** A pool freight service crew delivers their train to the final terminal. It is then required to run through the terminal and stage the train at a point beyond the terminal. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service as the crew will have been considered to have completed their assignment by delivering the train to the objective (final) terminal. In the event the Engineer is also off-district under Rule 119 as a result of running through the objective terminal, he or she is not entitled to payment under both Rule 46 and Rule 119; the Engineer would be paid under Rule 46 only.

**Example 6:** A pool freight service crew delivers their train to the final terminal. They are then required to run through the terminal and back the train into a track in the terminal. There would be no claim for a new day for extra service as the move would be considered as a head/tail room move in order to fit the train into the terminal and is permitted under BLET National Agreements and interpretations.

**Example 7:** An assigned local freight crew is required to operate out of their terminal in a direction outside of their regular assignment to perform HOS relief on a train. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service. Rule 118 (“Used off Regular Assignment”) is not applicable in this scenario.

**Example 8:** An assigned local freight crew during their trip or tour of duty is required to perform HOS relief on a train within the territory of their regular assignment. The Engineer would not be entitled to a new day payment under Rule 46 for this service.

**Example 9:** An assigned local freight crew, which is bulletined for two trips between the same two points in a single tour of duty, is required to depart the terminal a third time in the same territory for the purpose of performing HOS relief on another train. The Engineer on this crew would be entitled to a new day payment under Rule 46 for this extra service due to being required to depart the terminal more times than allowed by bulletin.

**Example 10:** A pool freight service crew is required to perform HOS relief on another train prior to beginning their trip. They then depart on their assigned train, and upon arrival at the final terminal and after completing the work on their train, the crew is required to perform HOS relief (tie down) on another train in that yard. The Engineer would be entitled to two (2) new day payments under Rule 46 for these extra services (one for HOS relief at the initial terminal before beginning the trip and one for HOS relief at the final terminal after completing the trip).

**Example 11:** Either before departing the initial terminal or after arriving at the final terminal, a crew is required to participate in a safety briefing, training, meeting with company officers, etc. There would be no Rule 46 claim payable for extra service involved because this activity would be considered as part of the regular trip or tour of duty. This example is not intended in any way to limit existing rights or imply an employee is entitled to payment for other activities of a similar nature.

**Example 12:** A crew in pool freight service between Spokane, WA and Eastport, ID delivers a train to Shorty Creek, BC. There would be no claim under Rule 46 for extra service as this point is considered within the territory of the pool.

- III. **Rule 37: Terminal Work Where Yard Crews on Duty.** The parties agree that this rule applies to all engineers in road service who are required to perform yard service work beyond that permitted by national BLET agreements at points where yard crews are on duty. In those cases where road crews are required to perform service within terminal limits where yard crews are on duty not in connection with their own train, the Engineer on the road crew shall be paid a penalty day at the 5-day yard rate of pay in addition to and without deduction from all earnings from the trip or tour of duty. Claims of record for engineers under Rule 37 will be withdrawn if not payable under this or other provisions of this letter of understanding; however, payment under one rule will obviate payment under any others if more than one rule applies. The following examples are intended to provide guidance on when this rule shall apply:

**Example 1:** A pool freight service crew delivers their train to the objective terminal where yard crews are on duty and ties it down in the receiving track. The crew then sets their power onto another train in the yard. The Engineer would not be entitled to a penalty payment as this activity is permitted in connection with the crew's own train under BLET National Agreements.

**Example 2:** A pool freight service crew delivers their train to the objective terminal where yard crews are on duty and ties it down in the receiving track. The crew then sets their power onto another train in the yard. The crew then is required to board another

set of power not part of their own train and deliver it to the fuel racks. The Engineer would be entitled to a penalty day under Rule 37 as this move was not in connection with the crew's own train.

**Example 3:** A pool freight service crew delivers their train to the objective terminal and ties it down in the receiving track. The crew then begins delivery of their power from their train to the round house/service track. While the crew is en route to the round house/service track, it is required to pick up additional power for delivery to the round house. The Engineer would not be entitled to any additional compensation as this activity is permitted in connection with the crew's own train under BLET National Agreements.

**Example 4:** A pool freight service crew is required to operate a transfer from Roper Yard to North Yard in Salt Lake City (where yard crews are on duty) exclusively transferring cars that are not part of their own train prior to boarding their assigned train. The Engineer would be entitled to a penalty day under Rule 37 as this move was not in connection with the crew's own train.

**Example 5:** An extra crew called for an extra yard assignment is first required to perform Hours of Service (HOS) relief on a train that died outside the switching limits. As long as the crew does not go more than 25 miles to retrieve the train, the Engineer on the crew is not entitled to a penalty payment for performing the HOS relief.

**Example 6:** A pool freight service crew delivers their train from Roper Yard in Salt Lake City to Ogden (their turnaround location) where they tie the train and power down. The crew is then required to hostile power not associated with their train to another location in Ogden Yard. The Engineer on the crew is entitled to a penalty day as this additional move was not in connection with the crew's assignment.

**Example 7:** An assigned local freight crew is required to pick up their power from one track and double over cars from three (3) tracks to complete building the train. There would be no penalty day payable as this activity is permitted in connection with their train under BLET National Agreements.

**Example 8:** An extra crew called to perform HOS relief completes tying down a train in the yard that had died under the Hours of Service, and then departs the terminal for another train that has died under the HOS. There would be no claims payable as this is all HOS relief. The time spent tying down the train would count toward the time in HOS relief service.

**Example 12:** An extra crew called in "short turnaround service" completes tying down a train in the yard that had died under the Hours of Service, and then boards a train to begin a trip in turnaround freight service. There would not be a new day claim payable unless one of the three conditions in Rule 29 Short Turnaround Service is breached (i.e. (1) that the mileage of all the trips does not exceed one hundred (100) miles; (2) that the distance run from the terminal to the turning point does not exceed twenty-five (25) miles; and (3) that engineers shall not be required to begin work on a succeeding trip out of the initial terminal after having been on duty eight (8) consecutive hours).

- IV. **Extra Engineers Performing Multiple Types of Service in One Tour of Duty.** The parties agree the following hub agreement provisions allow for “comingled service” (i.e. performing multiple types of service in one tour of duty):

**The Portland Hub Zone 1 Merger Implementing Agreement**, Art. VI, B, 1(b) provides in pertinent part: **“Turnaround Service/Hours of Service Relief.** Turnaround service/ Hours of Service relief at both home and away-from-home terminals; ... (b) Shall be handled by extra boards at the home terminals, if extra crews are available, prior to using pool crews. Engineers used for this service may be used for multiple trips in one tour of duty in accordance with the designated collective bargaining agreement rules.”

**The Portland Hub Zone 2 and 3 Merger Implementing Agreement** Art. VI, B, 1) provides in pertinent part: **“Short Turnaround Service and Hours of Service Relief.** Short turnaround service and Hours of Service relief at both home and away-from-home terminals, ... b) shall be handled by extra boards at the home terminals, if extra crews are available, prior to using pool crews. Engineers used for this service may be used for multiple trips in one tour of duty in accordance with the designated collective bargaining agreement rules.”

**The Salt Lake Hub Merger Implementing Agreement**, Art IV, B, 2, provides: **“Turnaround Service/Hours of Service Relief.** Except as provided in (1) above, turnaround service/hours of service relief at both home and away-from-home terminals shall be handled by extra boards, if available, prior to using pool crews. Engineers used for this service may be used for multiple trips in one tour of duty in accordance with the designated collective bargaining agreement rules. Extra boards may handle this service in all directions out of a terminal.”

**The parties agree that the following interpretation should apply to extra engineers who are called to perform more than one type of service in one tour of duty:**

- a. **Definition of Comingled Service.** The Parties agree that the framers of the respective Hub Agreements cited above did not intend for Hours of Service (HOS) Relief service and other road service to be comingled in a single trip or tour of duty without compensation for performing more than one type of service. Accordingly, the following interpretation shall apply in those cases where road service crews (either extra crews or assigned crews augmenting the extra board) perform both Hours of Service Relief and other road service in a single tour of duty. The handling shall apply whether the engineer receives a call for HOS relief, a call for turnaround service or to combine the service. The compensation is based upon the service performed, not the call. If a crew is not specifically notified they are in Short Turn Around Service (STA), the assumed status is multiple hours of service relief. The adoption of this understanding/interpretation does not establish an automatic terminal release rule within the jurisdiction outlined in the preamble to this letter of understanding.
- b. **Compensation for Comingled Service.** If a crew performs turnaround or other unassigned road service (such as staging trains outside the terminal) and is also required to perform Hours of Service Relief in addition to the service initially called for/performed, the payment for the additional service performed (i.e. the HOS relief) would be a basic day or actual miles, whichever is greater. Time spent on duty performing HOS relief does not count toward road overtime for the prior trip(s) or vice versa since a new day is started upon being required to perform HOS relief. This handling shall not apply to pool freight

engineers who are required to run through or depart a terminal in addition to their normal pool assignment who will be compensated under the provisions of Rule 46.

- c. **Claims of Record.** This interpretation is prospective only. Claims of record for engineers under various rules claiming payment for comingled types of service in one tour of duty such as that described in Section IV will be withdrawn without prejudice.

The following examples are intended to provide guidance on when additional compensation should be provided for comingled service:

**Example 1:** An extra crew first completes tying down a train in the yard that had died under the Hours of Service, and then boards a train to begin a turnaround freight service trip. The Engineer would be entitled to a new day payment (or miles, if greater) under this interpretation for extra engineers performing “comingled” service as outlined herein. This same principle would apply after a crew has completed staging a train and is then required to perform HOS relief. The Engineer on such crew would receive a new day payment for the HOS relief service, in addition to other compensation owed for the staging service.

**Example 2:** An extra crew is called for multiple HOS service relief and performs such service departing the terminal multiple times to retrieve various trains. No new day payment shall be triggered for departing the terminal additional times during the tour of duty. A crew performing multiple HOS relief is permitted to depart the terminal as many times as required within the time remaining under their HOS ,and compensation shall be based upon miles or hours, with a minimum of a basic day.

**Example 3:** An extra crew is called for multiple HOS service relief. They perform HOS relief, and then after completing work on that train within the terminal, the crew continues through the terminal to stage or deliver the train to a customer outside the terminal. The Engineer will commence a new day upon departing the terminal to take the relieved train outside the terminal to the customer. Miles or hours will be allowed for the new day with a minimum of a basic day. Hours in the new day will not be used to calculate overtime on the first trip in HOS relief.

**Example 4:** An extra crew is called for multiple HOS service relief. Prior to departing on a deadhead to retrieve the train that died, the crew delivers another train to a point beyond the terminal. The crew then performs multiple HOS relief following the staging of this first train. The Engineer will be paid miles or hours, whichever is greater, with a minimum of a basic day for the portion of the trip in HOS relief. The Engineer will also be paid a new day payment for that portion of the tour of duty that involved staging the first train with a minimum of a basic day with the understanding that the time spent staging this train will not be used to calculate overtime on the HOS portion of the tour of duty.

**Example 5:** An extra crew is used for turnaround service from Pocatello, ID to Minidoka, ID to deliver a train to the Eastern Idaho Railroad. En route back to Pocatello, the crew is instructed to board a train that is dead under HOS and bring it to Pocatello. Crew would be paid a minimum of a basic day or miles or hours, whichever is greater, for the whole trip as this move is allowed in turnaround service. No penalty or new day claim would be payable when the HOS relief is performed within the territory of the turnaround service.

**Example 6:** An extra crew is called for turnaround service from Milford, UT to Iron Springs, UT to deliver an empty ore train. Upon completion of delivery of the train, the crew is instructed to proceed to Cedar City, UT to perform HOS relief on the Cedar City Local. The Engineer on the crew would begin a new day for this HOS service relief under this interpretation. A new day would commence when the HOS relief is performed beyond the territory of the turnaround service.

**Example 7:** An extra crew is used in staging service out of Hinkle, OR. They stage trains at Castle, 26 miles west of Hinkle; Boardman, 20 miles west of Hinkle; and Clarke, 14 miles west of Hinkle. The crew would be paid a single day and overtime, if applicable, as the aggregate mileage for the service performed is 120 miles and is less than the basic day mileage of 130 miles. No new day claim would be payable under this interpretation as no comingling of different service types occurred.

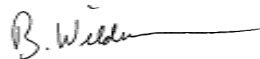
**Example 8:** An extra crew is used for multiple HOS service relief at Hinkle, OR. After delivering the first train that died to Hinkle, they are instructed to stage the train at Clarke – 14 miles west of Hinkle. A new day claim would be payable for the staging service at Clarke as it comingles HOS relief and another type of service. If the crew then performs more HOS relief after staging the train, the miles and time would be included in the calculation of earnings for the HOS portion of the tour of duty.

**Example 9:** An extra crew is used for multiple HOS service relief at Pocatello, ID. The crew is transported twenty-one miles to McCammon, ID where they board a train that died under HOS and operate it to Pocatello. The crew is then instructed to take a different train to Minidoka where it is delivered to the Eastern Idaho Railroad. The Engineer will begin new day when the train departs Pocatello on the trip to Minidoka. Upon the return to Pocatello, the crew is instructed to stage a train at Michaud six miles west of Pocatello. No additional new day claim would be payable for the staging of the train at Michaud unless the departure of that train is more than 8 hours after they went on duty.

- V. It is understood no claims other than for compensation as outlined herein will be filed in connection with this letter of interpretation or application thereof. Should a dispute arise over the terms set forth herein, the matter will be promptly discussed between the General Chairman and Director, Labor Relations.

If the foregoing properly and accurately reflects our understandings and agreements, please sign and date below and return to my attention at the earliest opportunity.

Sincerely yours,



Beth Wilderman  
Director Labor Relations



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J.L. Dayton, General Chairman

February 4, 2014  
Date