BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35305

ARKANSAS ELECTRIC COOPERATIVE CORPORATION --
PETITION FOR DECLATORY ORDER

Rebuttal
Verified Statement

Of

Thomas D. Crowley
President
L.E. Peabody & Associates, Inc.

On behalf of

Western Coal Traffic League
And Concerned Captive Coal Shippers

Redacted, Public Version

Date: June 4, 2010

TABLE OF CONTENTS PAGE

LIST OF EXHIBITS

EXHIBIT NO. (1)	EXHIBIT DESCRIPTION (2)
__(TDC-5)[1]	Letter from Andrew B. Kolesar, Esquire to Anthony J. LaRocca, Esquire, dated May 7, 2010
__(TDC-6)	Letter from. Andrew B. Kolesar, Esquire to Joe Rebein, Esquire, dated May 7, 2010
__(TDC-7)	Letter from Anthony J. LaRocca, Esquire to Andrew B. Kolesar, Esquire, dated May 20, 2010
__(TDC-8)	Letter from Anthony J. LaRocca, Esquire to Frank Pergolizzi, Esquire, dated February 26, 2010

[1] Exhibit No__(TDC-1) through Exhibit No__(TDC-3) were included with my Opening Verified Statement in this proceeding filed on March 16, 2010. Exhibit No.__(TDC-4) was included in my Reply Verified Statement in this proceeding filed on April 30, 2010.

I. INTRODUCTION

My name is Thomas D. Crowley. I submitted an Opening Verified Statement in this proceeding on March 16, 2010 and a Reply Verified Statement on April 30, 2010. These verified statements were submitted on behalf of the Western Coal Traffic League and the Concerned Captive Coal Shippers ("Coal Shippers"). My qualifications are set forth in my Opening Verified Statement.

The BNSF Railway Company ("BNSF") and Union Pacific Railroad Company ("UP") submitted their Reply Evidence on April 30, 2010. BNSF and UP continue to overstate the magnitude of the maintenance problems related to coal dust and to understate the cost to coal shippers to apply surfactants to prevent coal dusting.

I have been requested by Coal Shippers to review and analyze the Reply Verified Statements ("RVS") submitted by BNSF's Mr. William VanHook, UP's Mr. Douglas Glass and

2) The cost-benefit analysis that compares the incremental maintenance costs versus the benefits related to the application of surfactants to the coal in the rail cars[6];

[redacted]

and

4) The level of costs and profitability in UP's coal rates.[8]

My rebuttal testimony is organized below under the following topical headings:

II. Summary and Findings

III. Amount of Coal Dust in Ballast

[redacted]

V. Incremental Cost Due to Coal Dust

VI. Cost to Apply Surfactants

VII. UP's Assertions Regarding the BNSF Tariff

VIII. UP's Assertions Regarding Coal Rates

II. SUMMARY AND FINDINGS

In their Reply Evidence, BNSF and UP continue to claim that coal dust in the ballast is a significant cause of increased maintenance costs. In response to the analyses I presented in my Opening Verified Statement, BNSF and UP claim that I have understated the incremental maintenance costs related to coal dust and overstated the costs to apply surfactant to coal in rail cars. Also, BNSF maintains that it has not experienced deferred maintenance on the Orin Subdivision. Further, UP has challenged any contention that current coal rates provide for sufficient revenue to cover maintenance costs. It asserts that coal rates do not pay all of the required costs because UP has been found to be revenue inadequate.

After a review of BNSF's and UP's Reply Evidence, I conclude that BNSF and UP currently receive more than sufficient revenues from Powder River Basin ("PRB") coal shippers to maintain the rail lines in the PRB, even at the maintenance levels suggested by BNSF's witnesses in this proceeding. I find no basis to conclude that the expected costs to shippers to cover the costs of surfactants will be any different than I showed in my Opening Verified Statement. Accepting some of BNSF's adjustments to my analysis of incremental ballast maintenance associated with coal dust, I still conclude that the costs of spraying PRB coal trains is substantially greater than the costs for dealing with coal dust through traditional maintenance techniques, based on available evidence as to the amounts of such costs. In addition, UP's claims that coal rates are insufficient to pay for maintenance costs or to contribute to UP's revenue adequacy are without any merit.

My specific observations and conclusions, as discussed in more detail in the remaining sections of this Rebuttal Verified Statement, are as follows:

1. BNSF asserts that the major contaminant to ballast on the coal lines is coal dust and that even small amounts of coal dust can cause significant damage. BNSF has not analyzed the amount of, or impact on maintenance cycles of, recognized ballast contaminants other than coal dust. It assumes, but has not demonstrated, that coal dust is solely responsible for increased ballast maintenance on the Joint Line and adjacent PRB lines;

2. BNSF asserts that no deferred maintenance has occurred on the Joint Line and that increased maintenance expenditures after the 2005 derailments were simply due to the belated realization that additional maintenance was required. First, BNSF recognizes that it failed to perform the required level of maintenance prior to the derailments, although it now claims it was unaware that additional maintenance was needed. Second, {

}

3. BNSF has restated the annual maintenance costs it claims are due to coal dust. {

} For the "coal loop" and adjacent segments, I have not restated the annual maintenance costs, but have continued to rely on the {

} because BNSF's analysis is based on flawed and unsupported assumptions regarding how maintenance is impacted as the trains move farther away from the coal mines;

4. UP asserts that my analysis of the cost of maintenance due to coal dust is flawed because I failed to include UP's non-PRB line segments and failed to include the benefits to non-coal traffic. Although UP should have the data to support its claims, to the extent they have validity, UP did not present any analysis to support its claim (other than the statement that coal dust is fouling tracks far away from the coal mines). Because UP has chosen not to provide any data that would allow me, or this Board, to evaluate the extent of its coal-related maintenance costs, I have made no adjustments to my cost calculations for such claimed costs.

5. BNSF and UP claim that the cost to apply surfactants would {

}

6. BNSF states that the cost to spray equals less than { } and the benefit to shippers from the retention of additional coal due to the surfactants will add { } in value to the shippers. The cost to spray is also less than {

}

7. Although UP asserts that the proposed BNSF tariff rules regarding coal dust would not impact UP coal shippers, UP has supported the BNSF in this proceeding by adopting BNSF's philosophy regarding the incremental costs due to coal dust and has sent letters to shippers supporting the use of a surfactant to meet BNSF's operating rules; and

8. {

} UP has no support or basis to claim that coal is not paying for all of its costs due to the fact that UP has been found to be revenue inadequate by the STB.

The details supporting my conclusions are discussed in the remainder of this Rebuttal Verified Statement and in my two earlier verified statements.

III. AMOUNT OF COAL DUST IN BALLAST

Mr. VanHook, at pages 5 through 7 of his RVS, criticizes the portion of my Opening Verified Statement where I point out that ballast becomes fouled because of other types of contaminants as well as coal dust. Mr. VanHook mischaracterizes my testimony as suggesting that "coal dust fouling is insignificant".[9] The purpose of my testimony was to show that BNSF had demonstrated neither the amount of other contaminants in the ballast on its PRB lines, nor the extent to which other contaminants might dictate the pace of ballast undercutting and other ballast cleaning notwithstanding reductions in coal dust. In my Opening Verified Statement, the point I made was that:

{

}[10]

Indeed, Mr. VanHook recognizes the validity of this point. Later in his testimony he states that: "To assess the impact of coal dust in ballast, it is also important to know what other contaminants are present and the amount of other contaminants".[11] I agree, but it remains the case that BNSF has not presented this information which is important "[t]o assess the impact of coal dust in ballast". Nor has BNSF demonstrated the changes to the maintenance cycles that are solely related to coal dust.

---

[9] RVS of VanHook, page 5. UP's Mr. McCulloch also mischaracterizes my testimony regarding the harmful aspects of coal dust. Like BNSF, UP has also not demonstrated the changes to the maintenance costs that are solely related to coal dust.

[10] See my Opening Verified Statement, pages 8-9.

[11] RVS of VanHook, page 11.

IV. BNSF'S DEFERRED MAINTENANCE

Mr. VanHook denies that, prior to 2005, the Joint Line experienced deferred maintenance. Mr. VanHook states that the "...fact that BNSF performed greater maintenance after the [2005] derailments is not at all surprising, and it is not indicative of deferred maintenance."[12] The increase in maintenance, in Mr. VanHook's opinion, is due to "...BNSF's realization that additional maintenance needed to be carried out to address the adverse effects coal dust has on the ballast and track structure as a whole..." and that the "...magnitude of the [maintenance] problem is much larger than BNSF initially believed."[13] Mr. VanHook's response to the issue of deferred maintenance are self-serving and ignore the positions of BNSF and UP at the time of the 2005 derailments.

First, to claim that deferred maintenance did not exist because of the need for "additional maintenance" or because the "problem is much larger" than believed demonstrates that maintenance was inadequate. Essentially, Mr. VanHook's position is that BNSF did not defer maintenance because BNSF did not know at the time that additional maintenance was required. As Coal Shippers' Mr. McDonald has explained, BNSF had all the knowledge it needed to recognize that its maintenance activities were inadequate.[14] The BNSF should have known the situation, even if its claims that it did not were correct. BNSF's own documents, however, confirm that BNSF was not performing even its planned level of ballast maintenance activity.

Second, as noted at pages 15 through 16 of my Opening Verified Statement and in Appendix B to Coal Shippers Argument in the Opening Evidence, {

[12] RVS of VanHook, page 23.
[13] RVS of VanHook, page 23.
[14] Rebuttal Verified Statement of Mr. McDonald, pages 8-12.

}

1. {

}[15]

2. {

}[16]

3. {

}[17]

Other documents that Mr. VanHook relies upon as workpapers for his RVS also confirm that maintenance was deferred in the years leading up to the 2005 derailments. {

}[18] {

}[19] {

}[20]

In summary, Mr. VanHook's statements and the documents demonstrate that insufficient maintenance occurred on the Joint Line in periods prior to the derailments.

[15] See BNSF_Coaldust_0025220.
[16] See UP-AECCBN-0006774.
[17] See BNSF_Coaldust_0018132.
[18] See BNSF_Coaldust_0076051.
[19] See BNSF_Coaldust_0076053.
[20] See BNSF_Coaldust_0076055 and Exhibit_(TDC-7).

V. INCREMENTAL COST DUE TO COAL DUST

In my Opening Verified Statement, I demonstrated that, {

} BNSF and UP disagree with my analysis and my response is summarized below.

A. BNSF RESTATED ANALYSIS OF MAINTENANCE COSTS

BNSF's Mr. VanHook made several adjustments to my analysis of the Orin Subdivision. Mr. VanHook's first adjustment "...was to update the unit costs to use current cost assumptions and to update the miles to reflect track miles added in recent construction projects."[21] The second adjustment made by Mr. VanHook was to add back in the slow orders and track maintenance "costs" that were excluded from my analysis, even though BNSF has admitted that these are "...opportunity costs associated with longer cycle times..." and not actual expenditures for maintenance.[22] At this point, Mr. VanHook calculates the annual incremental maintenance costs associated with coal dust at { }

Next, Mr. VanHook expanded his analysis to include the line segments that are the principal lines utilized by BNSF to move coal from the PRB mines, i.e., the "coal loop". {

[21] RVS of VanHook, page 26. As part of his adjustment, Mr. VanHook did exclude the { } in initial right-of-way clean-up that was also excluded in my analysis (RVS of VanHook, page 27).
[22] BNSF Reply Argument, page 18.

} Mr. VanHook rejected { } and claims that BNSF has "found that the levels of coal dust maintenance on BNSF's subdivisions in the coal loop are not significantly different from those on the Orin Subdivision."[23] Based on this unsupported assumption, Mr. VanHook calculates that the incremental annual maintenance costs for the coal loop (including the Orin Subdivision) equals { }

Mr. VanHook further expands his analysis to include the "four adjacent subdivisions that are directly affected by coal dust maintenance costs – the Angora, Big Horn, Ravenna, and Sandhills Subdivisions."[24] For the Sandhills Subdivision, Mr. VanHook relies on the same assumptions as he utilized for his coal loop analysis. For the Angora, Big Horn and Ravenna Subdivisions, Mr. VanHook "account[s] for the lower level of incremental maintenance on these lines, [using] only fifty percent of the actual track miles, turnouts and concrete ties..."[25] Based on these assumptions, Mr. VanHook concludes that the total annual incremental maintenance costs for the coal loop and adjacent subdivisions equals { }

While there is some merit to the updating of the unit costs and service units for the Orin Subdivision and coal loop segments, Mr. VanHook's analysis is a transparent attempt to inflate the costs associated with coal dust maintenance.

Looking first at the Orin Subdivision costs, BNSF recognizes that the costs for track availability {

} I did not, as Mr. VanHook claims, arbitrarily exclude these costs. Slow orders and maintenance windows do affect track availability. However, the elimination of the slow orders and maintenance windows would not decrease

[23] RVS of VanHook, page 29.
[24] RVS of VanHook, page 29.
[25] RVS of VanHook, page 30.

BNSF's incremental maintenance costs.[26] Neither BNSF nor UP have provided any documented study to show how many train hours would be saved, or the value to the railroads due to increased train speed, as a result of an increase in track availability. Mr. VanHook also included {

}[27] {

}

I have not attempted to restate the annual maintenance costs for the "coal loop" lines and four (4) adjacent subdivisions because of the flawed and unsupported assumptions contained in Mr. VanHook's analysis. BNSF has not shown that {

} Logic dictates, and no BNSF analysis or document refutes it, that the amount of coal dust decreases as the trains get farther from the coal mines. UP's Mr. McCulloch's testimony appears to { } Mr. McCulloch states that "...the impact of coal dust is greater in proximity to the mines (as on the BNSF-UP Joint Line) and decreases with distance from the loading points".[28] To assume the

---

[26] { } Elsewhere, BNSF has asserted, without support, that 80% of the slow orders and maintenance windows are associated with coal dust. (see RVS of BNSF's Smith, page 3.)

[27] { }

[28] RVS of McCulloch, page 9.

entire "coal loop" and Sandhills Subdivision has the same cost function as the Orin Subdivision – one of the highest density lines in the world – is an erroneous view of maintenance costs.

However, Mr. VanHook's assumption does serve to substantially increase the costs that BNSF claims to be incurring. In addition, Mr. VanHook chose an arbitrary value of 50 percent for the remaining adjacent subdivisions which is completely unsupported. BNSF has the actual maintenance cost and density data available to test Mr. VanHook's assumptions. Without BNSF providing this data, the STB should not rely on the self-serving analysis presented by Mr. VanHook.

B. UP'S UNQUANTIFIED MAINTENANCE COSTS

UP disagrees with my calculation of the incremental maintenance costs related to coal dust, claiming that my "...analysis is seriously incomplete and fatally flawed."[29] However, UP does not provide any quantification of any incremental maintenance costs it incurs due to coal dust. Mr. Glass' critique of my analysis is summarized as follows:

1. Mr. Glass states that I compared the cost of spraying all PRB coal to only the maintenance costs for the Orin Subdivision and PRB segments north of Gillette;[30]

2. Mr. Glass states that I did not include the coal dust related maintenance costs for UP line segments outside of the Orin Subdivision;[31] and

3. Mr. Glass states that I failed to consider the impact of coal dust on the service provided for other commodities.[32]

---

[29] RVS of Glass, page 3.
[30] RVS of Glass, page 4.
[31] RVS of Glass, page 5.
[32] RVS of Glass, page 6. Mr. Glass also contends that I failed to consider the benefit to the shippers from avoiding lost coal in transit and better utilization of the shipper's equipment. As noted by BNSF's Mr. VanHook, the cost of applying surfactants is { } As for the increased utilization of equipment, train cycle times are a function of many factors such as availability of crews and locomotives as well as slow orders and track availability. UP has not demonstrated that better maintenance will improve utilization.

In reality, each of Mr. Glass' criticism falls into one category, namely that I did not analyze the costs on the UP line segments. UP has the cost and maintenance data to determine its maintenance costs and develop the increased costs due to coal dust. UP has not presented any of this cost data. UP asserts that it experiences coal dust at locations far from the coal mines, but has provided no quantitative analysis related to its maintenance or costs. While UP's Mr. McCulloch opines on the impact that coal dust may have on ballast fouling, his testimony fails to identify with any specificity the amount of fouling caused solely by coal dust. To the contrary, Mr. McCulloch acknowledges that "[b]allast fouling is an eventuality on all heavy haul routes".[33] UP simply asserts that the coal dust is the cause of increased costs. Furthermore, any assertion of the increased costs to non-coal shippers fails to recognize the massive contribution to fixed costs and profits paid by coal shippers.

[33] RVS of McCulloch, page 9.

VI. COST TO APPLY SURFACTANTS

At pages 4 through 6 of my Opening Verified Statement, {

}[34]

{

}[35]

{ }[36] { }[37]

Mr. VanHook states that BNSF's experience with the cost of surfactants would equal { }[38] He further assumes that the "cost will come down fifteen percent when shippers begin to comply with BNSF's coal dust standards, to a cost of about { }[39] UP's Mr. Glass' RVS also addresses the cost of spraying. Mr. Glass contends that the {

}[40]

---

[34] {

}

[35] RVS of VanHook, page 32.
[36] { }
[37] { }
[38] RVS of VanHook, page 31.
[39] RVS of VanHook, page 31.
[40] RVS of Glass, { }.

Coal Shippers requested all support from BNSF and UP regarding the cost of surfactants claimed in the testimony of Mr. VanHook and Mr. Glass. Exhibit__(TDC-5) is a copy of the letter to BNSF requesting the supporting workpapers { }[41] Exhibit__(TDC-6) is a copy of the letter to UP requesting support for the cost per ton presented by Mr. Glass { }

BNSF responded to Coal Shippers' workpaper requests on May 20, 2010. The response is attached to this Rebuttal Verified Statement as Exhibit__(TDC-7). BNSF states that the requests for the support for the values of {

}[42] In other words, {

}

Mr. VanHook presents an analysis where he attempts to show that: 1) the cost to spray would be very small compared to the delivered cost of coal; and 2) the cost to spray would be offset by { } that shippers would save due to the retention of coal in the coal cars.[43] Mr. VanHook's analysis is both irrelevant and incorrect.

Mr. VanHook asserts that { } of a delivered cost of $30 per ton. {

}[44] The ratio of the cost to spray versus the delivered cost is, in any event, irrelevant to this proceeding.[45] Mr. VanHook assumes that 500 pounds of coal per car are lost in transit, which, based on delivered cost of $30 per ton and the 2009 number of carloadings, would result in a

[41] Exhibit__(TDC-1) through Exhibit__(TDC-3) were included in my Opening Verified Statement and Exhibit__(TDC-4) was included in my Reply Verified Statement.
[42] Exhibit__(TDC-7, page 1).
[43] RVS of VanHook, page 32.
[44] See Exhibit__(TDC-5) { } and BNSF's response in Exhibit__(TDC-7).
[45] Following Mr. VanHook's logic, the cost to spray is { } of the cost of transportation ($20 per ton) in his analysis. If this cost would have no impact on the coal shippers, then theoretically, this cost would have no impact on the railroads if they absorbed the cost to spray.

savings of { } This value is incorrect for several reasons. First, Mr. Van Hook has assumed that no coal would be lost in transit. Even if surfactants were applied to the coal, some loss of coal would still occur. Second, implicit in Mr. Van Hook's calculation is the assumption that the annual coal loss due to dust is approximately { }[46] In the analysis of the incremental maintenance costs discussed above, BNSF {

}, the line segment with the highest deposits of coal dust. It is totally illogical that the remainder of the BNSF and UP systems would generate { } Third, Mr. VanHook has no workpapers to support the 500 pounds per car lost in transit. {

}[47] {

}[48] Fourth, Mr. Van Hook does not have any support for his delivered cost for coal of $30 per ton. In 2009, BNSF's average freight rate equaled $13.27 per ton.[49] Accepting Mr. Van Hook's coal price of $10 per ton, results in a delivered cost of $23.27 per ton. This reduces the annual benefits to shippers to { }[50]

On {May 10, 2010}, UP responded to Coal Shippers' request for support for the cost per ton utilized by Mr. Glass stating:

{

---

[46] { }

[47] See BNSF_Coaldust_0021534. BNSF, and UP's Mr. Glass (page 7) have also utilized a figure of 225 pounds per car for the amount of coal not lost in transit. Use of this value would result in an annual benefit of { }

[48] { }

[49] BNSF 2009 Report of Freight Commodity Statistics (Form QCS), $3.757 billion divided by 283.1 million tons.

[50] { }

}[51]"

In other words, Mr. Glass has no demonstrable basis to dispute the values in the { } that I relied on and cannot support the costs that he has assumed in his analysis.

I continue to rely on the cost to apply surfactants as shown { } Based on the annual volume { }, the estimated total cost of spraying would range between { }

[51] { }

VII. UP'S ASSERTIONS REGARDING THE BNSF TARIFF

UP's Mr. Glass asserts that BNSF's proposed tariff rules would not impact UP's coal shippers. Mr. Glass explains that UP's customers are not subject to the BNSF tariff rules at [redacted]

issue ..."[52] Notwithstanding the fact that the challenged BNSF tariff items do not apply to UP's coal traffic, UP is fully supporting the BNSF tariff rules and has positioned itself to apply those rules to its own coal shippers.

While the BNSF rules are under challenge in this proceeding, Coal Shippers' concerns are justified as related to the application of the BNSF tariff rules to UP shippers. First, UP's position regarding the incremental maintenance cost due to coal dust echoes the position of BNSF. Second, UP operates on the Joint Line under BNSF's rules, which BNSF states apply to both railroads. BNSF takes the position that it has "...authority to promulgate reasonable rules governing rail operations over the PRB Joint Line".[53] BNSF's Mr. Bobb, in BNSF's Opening Evidence noted that "...because UP operates over the Joint Line and because coal dust emitted from trains operated by UP ...is a source of the coal dust problem, we have issued a Joint Line operating rule, applicable both to BNSF and UP, that incorporates the coal dust emissions standard...."[54] Third, {

cost to coal shippers for spraying coal trains, it is appropriate to consider tons moved out of the PRB by both BNSF and UP.

VIII. UP'S ASSERTIONS REGARDING COAL RATES

UP's Mr. Glass makes several assertions regarding the rates paid by UP's coal customers. Mr. Glass rejects the "claims that rail rates for coal already cover the cost of removing coal dust at the frequency and intensity that is necessary to ensure safe and reliable service" because this claim, in Mr. Glass' opinion "...is merely an assertion with no data behind it".[56] He further asserts that while UP's contract rates for PRB coal {

}[57] Mr. Glass also raised the issue that UP has not been found to be revenue adequate by the STB and that if UP "...as a whole has not recovered its costs as a network, then coal rates cannot have paid for all of the costs associated with moving coal."[58]

{

}[59]

UP and BNSF are already receiving compensation in their coal rates for the current level of maintenance. Based on my experience, all long term coal transportation contracts contain rate adjustment provisions which provide for rate changes to compensate for the railroad's increased

[56] RVS of Glass, page 9.
[57] RVS of Glass, page 9.
[58] RVS of Glass, page 10.
[59] February 26, 2010 letter from Anthony J. LaRocca, Esquire to Frank J. Pergolizzi, Esquire, included as Exhibit__(TDC-8) to this Rebuttal Verified Statement.

costs. To the extent that these adjustment provisions do not consider the railroad's productivity, they increase transportation rates faster than the changes in the costs incurred by the railroad. UP's claim that some coal rates may not cover costs over the life of a contract has not been supported by UP with any data with respect to coal transportation contracts, so Coal Shippers have no ability to evaluate the extent to which, if at all, UP actually has any contracts under which its costs exceed the rates it is receiving. Obviously, this means that the STB also has no basis to credit such a claim. As I pointed out in my RVS, BNSF and UP coal traffic is very profitable, generating contribution of $2.18 billion in 2008.[60]

Mr. Glass notes that the STB has not found the UP to be revenue adequate and, therefore, deduces that coal could not have paid for all of its costs. Beyond this unsupported inference, Mr. Glass has provided no support that coal is not paying for all of its costs. Following Mr. Glass' theory, if UP is not revenue adequate, then any commodity, or any shipper, could be claimed to be paying rates that are below "all of its costs". Coal is extremely profitable for UP. If all commodities paid rates that provided contribution at the same level as coal, then UP would be revenue adequate.

[60] See my RVS, page 6.

VERIFICATION

COMMONWEALTH OF VIRGINIA)
)
CITY OF ALEXANDRIA)

I, THOMAS D. CROWLEY, verify under penalty of perjury that I have read the foregoing Verified Statement of Thomas D. Crowley, that I know the contents thereof, and that the same are true and correct. Further, I certify that I am qualified and authorized to file this statement.

Thomas D. Crowley

Sworn to and subscribed
before me this 4th day of June, 2010

Diane R. Kavounis
Notary Public for the State of Virginia

My Commission Expires: November 30, 2012
Registration Number: 7160645

Exhibits__(TDC-5) through (TDC-8)

REDACTED