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BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

EXPERIMENTAL RATE AND SERVICE CHANGES TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT WITH CAPITAL ONE SERVICES, INC.	**DOCKET NO. MC2002-2**

DIRECT TESTIMONY
OF
CHRISTOPHER D. KENT
ON BEHALF OF THE
NEWSPAPER ASSOCIATION OF AMERICA

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December 20, 2002

I am Christopher D. Kent, Senior Managing Director of FTI Consulting; my office is at 1201 Eye Street, NW, Suite 400, Washington, DC 20005. Since 1974, I have been regularly involved in calculating revenues, costs, lost profits and project valuations associated with a wide variety of industries and endeavors.

During the period between about 1990 and 1994 I directed numerous projects my firm performed for the United States Postal Service (USPS or Postal Service). These projects ranged from a feasibility analysis of a USPS National Control Center, to operating efficiency studies at distribution centers, to examining the viability of an integrated management system. My detailed qualifications are appended to this testimony. I previously appeared before the Postal Rate Commission in Docket No. R2000-1 as a rebuttal witness on behalf of the Newspaper Association of America.

I. Overview of Testimony

The Postal Service and Capital One Services, Inc. (COS) propose to enter a negotiated service agreement (NSA) that will alter the rates charged and the services provided by the USPS to COS. Among the major terms of the proposed agreement, COS receives volume-based discounts (through a declining block schedule), and the USPS waives the fee for electronic address correction service, in exchange for COS waiving its current right to have nonforwardable undeliverable as addressed ("UAA") mail returned physically to it.[1] The USPS estimates a net positive institutional cost

[1] In addition to being the UPSPS' largest First-Class mailer, COS experiences an unusually high rate of return mail.

contribution of $8.2 million during the first year of the agreement. It calculates this net as:

Total New Contribution as a result of NSA ($8.2 million) = New Volume Contribution ($1.8 million) + Return Cost Savings ($13.1 million) - Discount Leakage ($6.7 million).

By any measure, this is a good deal for COS. COS gets rate discounts for volumes it is projected to have mailed anyway[2] and receives free of charge a service (Change Service Requested, Option 2) soon to be offered by the USPS to other mailers for a fee.[3] This new service will allow COS to improve the quality of its mailing lists at no charge. In exchange, COS commits to certain address practices – some of which it already performs[4] – and waives its right to physical returns. It would be logical to surmise that COS really does not want those physical returns, so long as it can receive address corrections more quickly by other means at no more cost. The USPS forecasts that this combination will result in a net positive contribution to institutional costs.

There is ample reason to be concerned that the Postal Service has not calculated the cost savings accurately. This is because: (1) the Postal Service proposes entering a three-year NSA without having fully considered the financial implications of the

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[2] USPS-T-2 at page 6, lines 1-4.

[3] USPS witness Wilson testified that CSR, Option 2 will be available to all mailers in January, 2003 (USPS-T-4 at page 4, lines 10-12).

[4] COS-T-1 at page 5, lines 12-20; page 6, lines 21-22; and page 7, lines 1-4.

second and third years;[5] (2) the Postal Service has made no attempt to model the actual costs of COS's mail, but instead relies upon average First Class Mail costs, albeit with certain adjustments; and (3) even taken on its own terms, there are reasons to believe that the USPS calculation of cost savings may be overstated. Because $8.2 million is such a small amount when considering the USPS costs for handling 1.4 billion pieces of mail, or even 768,000,000 pieces of solicitation mail, an error of just a few cents per piece in its estimate would leave the USPS with not only no additional contribution, but with a loss.

Essentially, the USPS contends that the cost savings it may experience from reducing the number of physical returns (coupled with a small contribution from additional volume it may mail as a result of the discounts) will override the loss of revenue it will experience from the discounts it is granting COS. The discounts are at mail volume levels that the USPS cost analysis assumes would have been handled in the absence of the proposed agreement. Further, the USPS justification does not even take into account the even larger value of the eACS fees that the USPS proposes to waive for COS.

In my experience, no private firm would have negotiated the Postal Service's side of this deal, and certainly would not have agreed to such a deal based solely on a single year of analysis.[6] Furthermore, in situations where, as here, the value of the deal to the regulated entity is so dependent upon a hoped-for reduction in the costs of serving a

[5] The USPS and Capitol One NSA has a proposed three-year term.

[6] The USPS presented no cost estimates for years 2 and 3 of the proposed experiment and despite pressure from the Postal Rate Commission and other parties, has, to date, presented only various sensitivities to the volumes and costs to provide estimates of the effects of the NSA during years 2 and 3.

single customer, it is important for the regulated entity to understand that customer's specific costs, and not simply base estimates on average costs. Strangely, the USPS made no attempt to model COS's specific costs and there are substantial reasons to believe that the counted-upon cost savings are not properly estimated. I address each of my areas of concern below.

II. The Commission Should Consider All Three Years of the NSA

Despite proposing a three-year agreement, the USPS initially presented a cost analysis for only the first year of the NSA. In response to requests subsequent to its filing, the USPS has prepared several sensitivity analyses, but it has not committed to any one final number for all three years.[7] Further, several of the sensitivities result in net negative contributions in years two and three.

A regulated firm operating under the break-even constraint of the Postal Service should not entertain a multi-year arrangement such as this one without giving fuller consideration to the financial impacts in the second and third years. If the USPS does not realize its projected cost savings (such as if it has overstated the actual cost of handling COS's mail) and actually does lose money, other mailers will pick up the tab. The USPS has no shareholders to absorb the loss. Therefore, it is important to provide a definitive number for the net contribution of the NSA over the full three-year term of the agreement.

[7] Response of USPS to Oral Request of Commissioner Goldway at Tr. 2/396-7, Response of USPS to APWU-USPS-2.

III. The Volume And Fee Discounts Raise Issues That Should Be Considered

Although the legality of non-cost justified declining block rates and fee waivers under the Postal Reorganization Act is beyond the scope of my testimony, the proposed rate structure does raise some important questions for rate design. First, the discounts proposed in this NSA are not based on the potential cost savings that the USPS might experience as, I understand, are intended by other USPS discounts. In other words, unlike other postal discounts, there is no purported cost justification for the particular volume thresholds for the various discounts.

Second, the proposed discounts start at a volume below the level of the predicted volume for COS for FY2003, which assumes no discounted rate. If the discounts are meant to serve as an incentive for COS to mail higher volumes, then the discounts should start at a level above what COS is expected to mail without the discounts. If, on the other hand, the discount is supposed to act as an incentive to motivate COS to better sanitize its mail, then the discount should be based on the costs that will be saved by the USPS. Instead, the proposed discounts seem to serve no purpose other than to reduce USPS revenue. It is troubling to see the USPS offer one mailer a discount that has no basis in either cost savings or volume incentives.

It is my understanding that the Postal Service also offers as a justification for the NSA the notion that the declining block discounts will provide COS with an incentive to retain its current First-Class Mail volume levels.[8] If this is so, the Postal Service has failed to extract any commitment from COS that it will, in fact, maintain its First-Class

[8] USPS-T-2 at page 4, lines 16-20.

Mail volumes. Nor has the Postal Service negotiated a meaningful penalty. Although the proposed NSA does contain a penalty provision (the greater of $1 million or all ACS fees for the year),[9] it is set at a 750 million piece threshold, which is so significantly below expected volume levels that if the penalty were to come into play COS presumably would be experiencing more serious problems than merely declining First Class Mail volumes.

Third, as a matter of rate design, it seems inequitable to give free eACS to a high-cost entity, while mailers that engage in better address hygiene do not get a discount. Essentially, COS receives a gift beyond the volume discounts of between $15 and $26 million from the USPS in the form of waived eACS fees – depending upon how many eACS notifications it would receive -- apparently for little reason other than that its return rate is so high.[10] Presumably, other mailers will utilize CSR, Option 2, when it becomes available. However, these mailers, unlike COS, will have to pay the $0.20 fee per notice. It is conceivable that some mailers could look to this proposed NSA and see engaging in high cost behavior as a way to get a better deal with the Postal Service. This would create an incentive exactly the opposite of the purpose of the proposed NSA.

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[9] Witness Crum calculates that COS paid the USPS $335 million in postage for FCM in FY2001 (USPS-T-3 at Attachment1).

[10] I arrive at the $15 to 26 million range by adding the eACS fees generated from return mail to those generated from forwards. The return mail fees equal the solicitation mail volume (760 million) multiplied by the return rate (9.6%), UAA success rate (85%), and the eACS fee/piece ($0.20). The forward fees equal the product of the solicitation mail volume (760 million), forwarding rate (1.96% to 9.6%), CFS forwarding rate (95%), eACS fee/piece ($0.20). I am using as the range for forwards here Mr. Crum's assumption that Capital One's forwarding rate is the system average of 1.96% (see Mr. Crum's response to POIR 2, Question 7) and 9.6% (set at the COS return rate as a proxy).

IV. The USPS's Estimates of the Alleged Cost Savings Are Likely Overstated And Should Not Be Relied Upon To Justify The NSA

A. The USPS Has Not Modeled COS's Actual Costs

When basing cost savings on altering the cost behavior of such a large customer, it is important to understand that customer's specific costs, and not simply to base the estimated savings on averages. The USPS has a margin of only $8.2 million in this NSA. Although this may look like a lot of money, when one considers the per piece costs for 1.4 billion pieces in the test year alone, an error in the cost estimates of a penny or two becomes significant. Yet, the USPS projected cost savings are based on average First-Class Mail costs. Those costs include pieces of all shapes and all levels of worksharing. The average costs for First-Class Mail returns and forwards can reasonably be expected to be more costly, per piece, for the USPS to handle than COS's well-formatted First Class bulk mail, and thus using average costs inevitably overstates the cost savings.

B. There Is Substantial Reason To Believe That The USPS Has Overstated The Costs To It Of Physically Returning COS's Mail

Rather than determining what it actually costs to return COS's UAA mail, the USPS has used the average costs for all First Class mailers, although with some adjustments. This is likely to overstate the costs of physically returning COS's mail because COS's mail is likely cleaner and easier to process during the return than the average piece. In addition, the Postal Service's estimate of cost savings is based on FY2000 data, which fails to reflect the cost savings likely to stem from the introduction of the Postal

Automated Redirection System (PARS) next year and its further deployment in the second and third years of the NSA.

The USPS has presented no evidence that the shape mix of COS mail reflects that of the First Class Mail (FCM) average mix. Presorted/bar-coded letters, the type of letter that COS normally mails, comprise only a part of total FCM volume. The First Class mailstream also includes flats and parcels, as well as hand-addressed letters, that cost more to return than COS's mail.[11] Witness Crum's adjustment to remove the postage due costs, while correct, does not address the additional costs of other shapes and workshare levels. Thus, the average FCM return cost is unlikely to accurately reflect the cost of returning COS's pieces, because COS's pieces are generally uniform letters.

In response to an oral request from the Chairman, the USPS attempted to support the belief that COS returns are as costly as other FCM returns.[12] However, problems encountered in returning other mail, such as further searching for a return address that may be on the back of the mailpiece, would appear not to apply to COS mail. Given COS's typical letter-shaped mail, the average FCM returns cost (which contain the costs for letters, flats, packages, and IPP's) is not appropriate to apply to COS mail.

Second, once COS return mail re-enters the mailstream for the trip to Richmond, it is likely to require fewer sortations than the average piece. This is because the high volume of COS mail should enable the USPS to gather COS returns into cases or sacks that will remain together throughout the process. In contrast, the average FCM

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[11] From LR-J-58; hand-written letters also cost more to process.

customer is more likely to have returns go through several sorts before enough pieces are accumulated to gather into a separate container that can remain intact for the rest of the returns process.

Third, the mail processing cost of returned mail in the USPS analysis appears to be based on FY2000 IOCS data. The record is by no means clear whether FY00 data accurately reflect even the current means of processing returns. In fact, witness Wilson's testimony seemed to suggest that the process is even more automated than it was a few years ago, although the Postal Service's later written statement appears to back away from that statement. Regardless of the current process, however, these methods will likely change with the implementation of the PARS system for returns and forwards in 2003[13] which should reduce the cost of returning mail throughout the duration of the proposed NSA.

Beginning in July 2003, the USPS will be using the new PARS system to identify and process UAA mail. Witness Wilson has testified that PARS will automate many of the manual processes currently used to handle UAA mail,[14] but the USPS has not included any estimates to account for what should be much lower physical returns costs in its analysis. As I understand, under PARS many of the costs of physical returns will be eliminated for those UAA mailpieces identified by PARS. This is because the mailpiece will be caught and identified as a return to sender piece at a much earlier stage in the returns process

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[12] Response of United States Postal Service to Oral Request of Chairman Omas at Tr. 2/342.

[13] Response to APWU/USPS-T4-1.

[14] Response to APWU/USPS-T4-1.

For these reasons, the Postal Service's use of average return costs (itself based on FY00 data) is likely to overstate the costs of physically returning Capital One's mail during the NSA. This, in turn, means the costs savings relied upon by the USPS are likely overstated. Although the amount of the overstatement is not known, it would not take much of an overstatement to eliminate entirely the purported cost savings or even cause the USPS to lose money. A reduction in the returns cost to reflect COS's lower costs produces significant changes in the cost savings estimated by the USPS. For example, a reduction of less than 25% to the returns cost/piece results in a loss to the USPS under the USPS cost analysis of the proposed NSA. See Table 1.

Table 1: Physical Returns Costs[15]

Difference from USPS Estimate	Physical Returns Cost	Return Cost Savings for FY2003	Total Contribution as a Result of the NSA
0%	$0.535	$13,094,000	$8,205,000
-10%	$0.480	$9,574,000	$4,685,000
-24%	$0.407	$4,787,000	-$102,000
-35%	$0.350	$1,267,000	-$3,622,000

[15] Physical returns cost found in witness Crum's testimony, Attachment 2; the $0.480, $0.407, and $0.350 figures were used instead of the $0.535 figure as illustrative unit costs; these illustrative unit costs were used to calculate the return cost savings and net contribution in witness Crum's written testimony, Attachment B.

C. The Postal Service Has Not Considered Forwarding Costs

1. Additional costs due to providing eACS for forwarded mail

As a feature of FCM, COS solicitation mail is currently forwarded when the required conditions are satisfied. Under the proposed NSA, COS solicitation mail will continue to be forwarded, plus eACS will be provided. This occurs because COS has agreed to accept Change Service Requested, Option 2, but it will not have to pay the 20 cent per piece correction fee that all other CSR, Option 2 mailers will pay once that service feature is offered. The additional cost of providing eACS has not been included in the USPS cost analysis, but it should be included to fully account for the costs of the NSA.[16]

To do this accurately, one would need to know the volume of COS's forwarded mail. However, this quantity is unknown. To estimate that volume and additional eACS costs, three pieces of data need to be considered: the percentage of COS solicitation mail forwarded, the percentage of COS solicitation mail forwarded through CFS (Computerized Forwarding System), and the cost of providing eACS.

Taking these in order, in Mr. Crum's attempt to estimate this cost, he assumed that COS's forwarding rate was equal to the FCM average forwarding rate.[17] This is merely an assumption; there is no evidence as to COS's actual forwarding rate. It should be noted, however, that COS's return rate of 9.6% is eight times higher than the FCM average of 1.2%. If COS's return rate so exceeds the average, then it is at least appropriate to question whether its forwarding rate is the system average.

[16] As discussed below, witness Crum admits that the USPS will incur an additional cost of at least $0.066 per piece.

[17] Witness Crum's response to POIR 2, Question 7.

As an alternative estimate of forwards, one might assume that the relationship between COS's forwarding and return rates corresponds to the average for all FCM. The forwarding average for all FCM (1.96%) is about 159% of the average return rate (1.23%). Under this assumption, COS's forwarding rate would be 159% of its return rate, which works out to 15.3%, although use of NCOA presumably should reduce the forwarding rate somewhat. See Table 2.

Second, not only is the amount of COS's forwarded mail unknown, but witness Crum's use of 85% as an estimate of the percentage of COS mail forwarded through CFS is questionable. This percentage is important because an eACS notice is only generated if the mail is forwarded through CFS. His calculation is:

> Cost of providing eACS notices to forwarded mail = Solicitation mail volume * Percent of solicitation mail forwarded * ***UAA success rate*** (85%)* Cost/piece to provide eACS notice.

The UAA success rate of 85% is the number of eACS notices generated, divided by the UAA mail volume. However, that rate does not necessarily reflect the percentage of forwarded solicitation pieces that go through CFS. Witness Crum should have used the following calculation:

> Cost of providing eACS notices to forwarded mail = Solicitation mail volume * Percent of solicitation mail forwarded * ***Percent of solicitation mail that goes through CFS**** Cost/piece to provide eACS notice.

The USPS states that all CSR, Option 2, forwarded mail should go through CFS, although some may be forwarded locally by mistake and thus not generate an eACS notification.[18] Currently (without CSR, Option 2), 4-5% of forwarded mail is forwarded locally. Thus, a conservative estimate for the percentage of COS mail forwarded through CFS would be 95%.

Third, witness Crum used a cost of $0.066 for providing eACS for forwarded mail. He acknowledged, however, that the true figure is slightly higher due to the cost of providing media for the eACS transfer to COS.[19] The $0.066 cost is based solely on letters that can be processed on mechanized terminals.[20] Note that in this instance Mr. Crum did use a cost that is likely to reflect COS's mail, the effect of which is to result in a lower cost of producing the eACS.

Given the percent of mail forwarded through CFS (either 85% or 95%) and the cost of providing eACS for forwarded mail ($0.066 per piece, although the true figure is acknowledged to be slightly higher), it is possible to run sensitivities on the percent of mail forwarded to see the effect on the additional contribution claimed by the Postal Service to result from the NSA. I have used both witness Crum's assumption that 85% of forwards go through CFS and the alternative assumption of 95% to calculate the percentage of forwards that will generate the contributions in Table 2.

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[18] Response to APWU/USPS-T4-16.

[19] Response to NAA/USPS-T3-14.

[20] According to LR-J-69 from Docket No. R2001-1, relied upon by Mr. Crum, 83% of FCM forwards are processed on mechanized terminals and 17% on non-mechanized terminals.

Table 2: Forwarding Costs

% Forwarded Using 85% Assumption for CFS Forwarded Mail	% Forwarded Using 95% Assumption for CFS Forwarded Mail	Additional Cost due to Providing EACS for Forwarded Mail	Total Contribution as a Result of the NSA
2.30%	2.05%	$1,000,000	$7,205,000
4.59%	4.11%	$2,000,000	$6,205,000
9.18%	8.22%	$4,000,000	$4,205,000
17.10%	15.30%	$7,450,000	$755,000
20.00%	17.89%	$8,711,569	-$506,569

This table shows that if as little as under 20 percent of COS's mail is forwarded, all of the USPS's estimated net contribution would be wiped out, without even considering the overstated cost savings from returns. Nor does this consider the $15 to $26 million in waived fees. However, it would still be appropriate to consider what costs the USPS would save from reducing the number of future returns.

2. Avoided forwarding costs are overstated

Witness Crum asserts that, because eACS will be used for COS forwarded mail, many repeat forwards will be avoided, thus saving the USPS the higher cost of forwarding the mail versus simply delivering it.[21] He contends eACS will be able to better match names and addresses than NCOA and COS will be updating its lists with eACS information more quickly than through its current physical returns process.

[21] As stated above, the USPS calculates the costs and savings associated with forwarding under CSR, Option 2, but does not rely upon them in their calculation of the net contribution of the proposed NSA.

There are two factors to consider when calculating the anticipated avoided costs: (1) the number of repeat forwards avoided and (2) the cost difference between a forwarded piece and a normally delivered piece. In order to identify the number of repeat forwards avoided, witness Crum calculated the average number of solicitations to each delivery point per year (5.6) and looked at the effects of several different numbers of notifications that would be necessary before the name and address are corrected on COS's lists. Witness Crum describes the use of any number of notifications other than one in the analysis as conservative. It is clear, however, that (at least at the onset of the NSA) multiple notifications will still be necessary due to the frequency of mailings and the lag time between received the notification and incorporating the information into the mailing lists.

Although witness Crum has a valid point regarding a probable improvement in the repeat-forwarded rate, he is overly optimistic in his assumptions regarding avoided costs. First, he failed to remove costs associated with postage due mail in his estimate of the cost difference between a forwarded piece of mail and a normally delivered piece. Second, he failed to account for the overall reduction in the costs of forwards that should come from the introduction of the PARS system.

Witness Crum used $0.307/piece for the cost difference between a forwarded piece and a normally delivered piece. However, he neglected to remove the costs associated with postage due mail, even though he makes this correction for returned mail costs. Adjusting to remove the postage due mail costs reduces that cost figure, slightly, to approximately $0.306. Even that figure would seem to be high for Capital One's mail, because it is an average that reflects the cost for shapes and workshare levels other than the typical COS letter.

Most importantly, the Postal Service's $0.307 cost estimate completely ignores any changes to the forwarding process that will accrue from the introduction of the PARS system early in the three-year period contemplated by the NSA. The PARS system, when implemented, should, at a minimum, significantly reduce the CFS and carrier costs incurred in identifying forwarded pieces. Thus, witness Crum appears to have overstated the actual cost savings associated with the forwarding of COS mail.

V. Summary

It is easy to understand why COS is eager to sign up for this NSA. It is not as easy to understand why the USPS or other First-Class mailers should be in favor of it. The basis for the NSA, as presented by the USPS, is the positive net contribution that the Postal Service claims will be the result of the proposed NSA. As I have explained, there is ample reason to believe that the USPS has overstated the cost savings significantly. When considering per piece costs for 1.4 billion pieces in the test year alone, a cost error of a penny or two becomes significant.

STATEMENT OF QUALIFICATIONS
OF
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EDUCATION

University of Virginia, Charlottesville, Virginia, 1970
Bachelor of Arts

EMPLOYMENT HISTORY

Western Electric, Inc., King of Prussia, Pennsylvania, 1970-1976
Management Trainee
Production Supervisor
Section Chief Production Planning
Section Chief Costs and Forecasts

Conrail, Philadelphia, Pennsylvania, 1977-1978
Project Manager

United States Railway Association, Washington, DC, 1978-1980
Manager Equipment
Chief, Facilities and Equipment Analysis -- Asset Valuation

Transportation and Distribution Associates, Washington, DC, 1980-1981
Principal Consultant

Kent Associates, Inc. Washington Management Group, Washington, DC, 1981-1984
President, Vice President

Snavely, King & Associates, Inc., Washington, DC, 1984-1987
Senior Consultant

Klick, Kent & Allen, Inc., Alexandria, Virginia, 1987-1998
Principal

FTI Consulting, Inc., Washington, DC, 1998-Present
Senior Managing Director

TESTIMONY

January, 1980	In the Matter of the Valuation Proceedings Under Sections 303(c) and 306 of the Regional Rail Reorganization Act. Special Court Misc. No. 76-1
October, 1981	In the Matter of the Valuation Proceedings Under Sections 303(c)and 306 of the Regional Rail Reorganization Act. Special Court Misc. No. 76-1
January, 1986	Oral testimony before the House of Delegates, Commonwealth of Virginia, Courts of Justice Committee
May 15, 1987	I.C.C. Docket No. 38301S - Coal Trading Corporation et al. v. The Baltimore and Ohio Railroad Company et al.
December, 1987	I.C.C. Docket No. 38301S (Sub-No. 1) - Westmoreland Coal Sales Company v. The Denver & Rio Grande Western Railroad Company, et al.
December, 1987	I.C.C. Docket No. 37038 Bituminous Coal -- Hiawatha, Utah to Moapa, Nevada and consolidated proceedings
January 14, 1988	I.C.C. Docket No. 38301S - Coal Trading Corporation et al. v. The Baltimore and Ohio Railroad Company et al.
June 20, 1988	I.C.C. Docket No. 37038 Bituminous Coal -- Hiawatha, Utah to Moapa, Nevada and consolidated proceedings
July, 1989	Oral testimony before the Superior Court of Rhode Island in the matter: National Railroad Passenger Corporation v. DOT, Providence & Worcester Railroad Co. v. RI
July 30, 1990	I.C.C. Docket No. 37038 Bituminous Coal -- Hiawatha, Utah to Moapa, Nevada and consolidated proceedings
October 10, 1990	I.C.C. Docket No. 37063, 38025S - The Dayton Power and Light Company v. Louisville and Nashville Railroad Company
December 14, 1990	I.C.C. Docket No. 37063, 38025S - The Dayton Power and Light Company v. Louisville and Nashville Railroad Company
January 25, 1991	I.C.C. Docket No. 37063, 38025S - The Dayton Power

	and Light Company v. Louisville and Nashville Railroad Company
July 15, 1991	I.C.C. Docket No. 37038 Bituminous Coal -- Hiawatha, Utah to Moapa, Nevada and consolidated proceedings
April 24, 1992	I.C.C. Finance Docket No. 31951 Southern California Regional Rail Authority For an Order Requiring Joint Use of Terminal Facilities of The Atchison, Topeka and Santa Fe Railway Company
May 7, 1993	I.C.C. Finance Docket No. 21215 (Sub-No. 5) Seaboard Air Line Railroad Company -- Merger -- Atlantic Coast Line Railroad Company -- Petition to Remove Traffic Protective Conditions
June 10, 1994	I.C.C. Finance Docket No. 21215 (Sub-No. 5) Seaboard Air Line Railroad Company -- Merger -- Atlantic Coast Line Railroad Company -- Petition to Remove Traffic Protective Conditions
October 11, 1994	I.C.C. Finance Docket No. 32549 Burlington Northern, Inc. And Burlington Northern Railroad Company -- Control and Merger -- Santa Fe Pacific Corporation and the Atchison, Topeka and Santa Fe Railway Company
March 29, 1995	I.C.C. Docket No. 37809, 37809 (Sub-No. 1) McCarty Farms, Inc., et al., and consolidated proceedings
May 30, 1995	I.C.C. Docket No. 41191 West Texas Utilities Company v. Burlington Northern Railroad Company
October 30, 1995	I.C.C. Docket No. 41185 Arizona Public Service Company and Pacificorp v. The Atchison, Topeka and Santa Fe Railway Company
April 29, 1996	Finance Docket No. 32760. Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and The Denver & Rio Grande Western Railroad Company.
May 23, 1996	S.T.B. Docket No. 41191. West Texas Utilities Company v. Burlington Northern Railroad Company -- Petition of

	Burlington Northern Railroad Company to Reopen Proceeding.
October 15, 1996	S.T.B. Docket No. 41242 Central Power & Light Company v. Southern Pacific Transportation Company; Docket No. 41295 Pennsylvania Power & Light Company v. Consolidated Rail Corporation; Docket No. 41626 MidAmerican Energy Company v. Union Pacific Railroad Company and Chicago & North Western Railway Company.
October 25, 1996	S.T.B. Docket No. 41242 Central Power & Light Company v. Southern Pacific Transportation Company; Docket No. 41295 Pennsylvania Power & Light Company v. Consolidated Rail Corporation; Docket No. 41626 MidAmerican Energy Company v. Union Pacific Railroad Company and Chicago & North Western Railway Company.
July 11, 1997	S.T.B. Docket No. 41989 Potomac Electric Power Company v. CSX Transportation, Inc. Reply Statement and Evidence of Defendant CSX Transportation, Inc.
May 26, 1998	S.T.B. Docket No. 42012 Sierra Pacific Power Company and Idaho Power Company v. Union Pacific Railroad Company, Opening Verified Statement.
July 1998	S.T.B. Finance Docket No. 33556. Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated -- Control -- Illinois Central Corporation, Illinois Central Railroad Company, and Cedar River Railroad Company.
September 28, 1998	S.T.B. Docket No. 42022 FMC Corporation and FMC Wyoming Corporation v. Union Pacific Railroad Company, Verified Statement Supporting UP's Opposition to FMC's Petition for Partial Revocation of Exemption for Coke.
December 1998	S.T.B. Finance Docket No. 33556. Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated -- Control -- Illinois Central Corporation, Illinois Central Railroad Company, and Cedar River Railroad Company.
January 15, 1999	S.T.B. Docket No. 42022 FMC Corporation and FMC

	Wyoming Corporation v. Union Pacific Railroad Company, Opening Verified Statement of Christopher D. Kent and Benton V. Fisher.
March 31, 1999	S.T.B. Docket No. 42022 FMC Corporation and FMC Wyoming Corporation v. Union Pacific Railroad Company, Reply Verified Statement of Christopher D. Kent and Benton V. Fisher.
April 30, 1999	S.T.B. Docket No. 42022 FMC Corporation and FMC Wyoming Corporation v. Union Pacific Railroad Company, Rebuttal Verified Statement of Christopher D. Kent and Benton V. Fisher.
July 15, 1999	S.T.B. Docket No. 42038 Minnesota Power, Inc. v. Duluth, Missabe and Iron Range Railway Company, Opening Verified Statement of Christopher D. Kent and Benton V. Fisher.
August 30, 1999	S.T.B. Docket No. 42038 Minnesota Power, Inc. v. Duluth, Missabe and Iron Range Railway Company, Reply Verified Statement of Christopher D. Kent and Benton V. Fisher.
September 28, 1999	S.T.B. Docket No. 42038 Minnesota Power, Inc. v. Duluth, Missabe and Iron Range Railway Company, Rebuttal Verified Statement of Christopher D. Kent and Benton V. Fisher.
April 4, 2000	Expert Report of Christopher D. Kent, In the Matter of IFL Group, Inc. v. Birmingham Express.
June 15, 2000	S.T.B. Docket No. 42051 Wisconsin Power and Light Company v. Union Pacific Railroad Company, Opening Verified Statement of Christopher D. Kent and Benton V. Fisher.
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