



Western Upper Peninsula Planning & Development Region Commission

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VIA E-FILING

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April 9, 2021

ENTERED
Office of Proceedings
April 9, 2021
Part of
Public Record

The Honorable Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E. Street, S.W., Room #100
Washington, DC 20423-0001

Re: Petitions for Revocation of Exemption and Stay of Effective Date

Surface Transportation Board Finance Docket No. FD 36503
Grand Elk Railroad, Inc. – Acquisition – Lines of Wisconsin Central Ltd. in the State of Michigan

Dear Ms. Brown:

This formal filing is a Petition for Revocation of the Exemptions and Stay of the Effective Date in the above captioned Finance Docket.

The Applicant cannot fairly be said to be a “new carrier” within the meaning of 49 CFR 1130.31(a).

The applicant is owned and controlled by Watco, which operates more than three dozen rail carriers which Watco describes as an “unmatched network of short line railroads”. The proposed transaction was publicly announced after entirely closed-door negotiations with no known participation by shippers or other stakeholders. It was announced as a deal between CN and Watco. Little detail was provided to the public.

There is no credible factual basis for the Board to deem the Applicant to be a “new carrier” for the purposes of public review.

Moreover, there is no credible basis for the Board, as required by 49 USC 10502(a), to grant exemption on the basis:

1. That public review by the Board is not necessary to carry out the transportation policy 49 USC 10101; or

2. That the transaction or service is of limited scope; or,
3. That the application is not needed to protect shippers from the abuse of market power.

The Applicant's Notice of Exemption mentions whether or not shippers on the acquired line will continue to have the benefit of conditions imposed by the Board in the Board's 2001 decision in STB Finance Docket 34000, *Canadian National – Control – Wisconsin Central*. That decision granted CN control of Wisconsin Central, and that continues to this day.

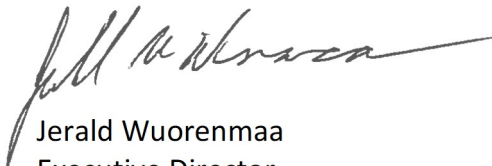
Watco already controls some 600 miles of railroad lines in the State of Wisconsin, operated under the name Wisconsin & Southern Railroad. The proposed transaction, in combination with the concurrent transaction addressed in Docket No. FD 36504, will result in the Applicant acquiring more than 650 miles of rail lines in Wisconsin and Upper Michigan and will result in Watco's controlling a total of more than 1,250 miles of rail lines in Wisconsin and Upper Michigan.

These proposed transactions ought to be designated as "significant" under 49 CFR Part 1180 and subject to public review by the Board.

Western Upper Peninsula Planning and Development Region (WUPPDR) is a regional planning agency with a membership that includes six counties in the Western Upper Peninsula of Michigan. Two of these are Gogebic and Ontonagon, which are traversed by the White Pine Subdivision included in Finance Docket FD 36503.

On behalf of WUPPDR, I request that this Petition be filed in the formal dockets and that WUPPDR be designated a party of record.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerald Wuorenmaa", with a long, sweeping horizontal stroke at the end.

Jerald Wuorenmaa
Executive Director

jwuorenmaa@wuppdr.org

cc: Parties of Record