

302026

April 15, 2021

ENTERED
Office of Proceedings
April 16, 2021
Part of
Public Record

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Re: Finance Docket No. 36500 – Reply to Objections to KCS Waiver

Dear Ms. Brown & STB Members,

I am Erica Hill, the Director of Intermodal Services, for Independent Dispatch, Inc. in Portland, OR. In my role there, I am responsible for the intermodal (stack-train) rail services division.

IDI previously submitted to the Board a letter supporting approval of the proposed CP-KCS merger. As previously stated, we support the swift approval of the CP-KCS combination due to the benefits we hope the merger will provide.

IDI is aware that several parties have filed objections to the application of the pre-2001 merger rules to the CP-KCS transaction under the “waiver” issued in 2001 for transactions involving KCS. IDI wishes to reply to those objections by urging the Board not to revoke the KCS waiver. The pre-2001 rules provide the Board and all interested parties all the tools that are needed to fully evaluate the proposed transaction.

We are fully cognizant of the Board’s mandate to ensure that Class I mergers are in the public interest, and do not risk significant disruptions in the railway system. From our perspective, the unique nature of the CP-KCS transaction alleviates the concerns that motivated the new rules adopted in 2001. Reviewing the CP-KCS combination under the tried and true pre-2001 merger standards will prevent undue delay, while still allowing for a thorough public interest assessment by the Board.

IDI feels the transaction improves competitive options and service – and any concerns any party has should be easy to address under the pre-2000 rules.

We have concerns that applying the 2001 Major Merger Rules to the CP-KCS merger, a transaction the rules were not designed for, would lead to precedent with unintended consequences and might also create an easier path for some other Class I merger proposals that would be problematic in ways CP-KCS is not. The CP-KCS merger is unlike other Class I merger combinations, in that it is a straightforward transaction between the two smallest U.S. Class I railroads, and it promises substantially more benefits than risks to the public interest.

IDI feels this transaction, among all possible Class I mergers, is unique in not posing any serious concerns about lost competition, service disruption, or other harms. Interpreting and applying the 2001 rules to this transaction could encourage other Class I railroads to see an easier path for their own Class I merger proposals without the same unique benefits of the CP-KCS transaction.

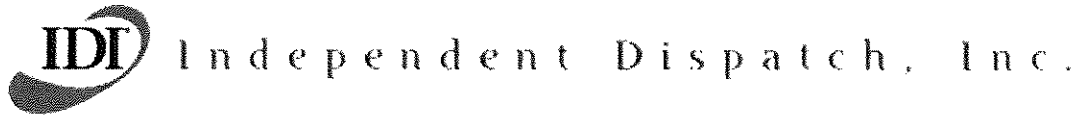
For these reasons, IDI urges the Board to maintain the KCS waiver and reject calls to revoke it, and to proceed to review and approve the CP-KCS proposed combination as expeditiously as possible. We look forward to seeing CPKC as a stronger competitor in the industry.

Sincerely,

A handwritten signature in cursive script, appearing to read "Erica L. Hill".

Erica L. Hill
Director – Intermodal Services

CC: All Parties of Record



INTERMODAL MARKETING SUPPORT LETTER

ATTENTION: Surface Transportation Board

My name is Erica Hill, our business address is 214 NE Middlefield Rd, Portland, OR 97211. I am Director of Intermodal Services for Independent Dispatch, Inc. In my role, I am responsible for the intermodal department that handles railroad stacktrain container shipments.

Independent Dispatch, Inc. is an Intermodal Marketing Company that uses both the CPRR & KCS/KCSM railroads. Both are an integral part of our transportation solutions. We currently use CP for cross-border US to/from Canada and we use the KCS for both intra-US and cross-border shipments to/from Mexico on a regular basis.

Independent Dispatch, Inc. supports approval of the CP/KCS combination. The transaction could provide significant benefits for in-bond shipments between Canada and Mexico, in particular. We anticipate the merger will create a greater supply of containers in Mexico for us to use for shipments Silao, GJ to Dublin, VA for Ethan Allen Furniture. We also hope the CP will decide to make the KCSM TMXU container fleet into the EMP container fleet, which would create a more reloadable option.

Independent Dispatch Inc. feels a single-line rail service would provide a more seamless means of rail transport for our customers. As the CP and KCS networks do not currently overlap at all, we do not foresee any adverse effects on competition. Both CP & KCS rails have excellent safety records and good operational effectiveness (with CP being the most reliable of the two). IDI does not have the reservations we often have with other proposed Class I consolidations.

For these reasons, Independent Dispatch, Inc. supports the combination of CP and KCS. It will enhance competition, provide expanded options and drive efficiencies for customers of all sizes. IDI urges the STB to approve CP's acquisition of KCS for the benefit of intermodal transportation companies and the shippers we serve.

VERIFICATION

I Erica Hill, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to submit this letter.

Executed on April 5, 2021.



Erica L. Hill
Director – Intermodal Services
Independent Disptach, Inc.
214 NE Middlefield Rd
Portland, OR 97211
503-535-6420 direct