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April 4, 2021

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

My name is Jake Biesanz and my business address is 9661 Newton Ave S, Bloomington, MN 55431. I am the CFO for Salt Source LLC. In my role, I am mainly responsible for finance and operations.

We have previously submitted to the Board a letter supporting approval of the proposed CP-KCS combination, and I have attached a copy of that letter for the Board's convenience. As expressed in our previous letter, Salt Source LLC supports swift approval of the CP-KCS combination because of the significant benefits we expect to realize from this transaction.

We are 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. Salt Source 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.

As we have mentioned in our letter dated March 25, 2021, the end-to-end CP-KCS transaction will improve service options, with new single-line hauls and broader access to markets across North America. Our experience shows us that single-line rail service options are far superior to public and private fleets. The unique synergies of a CP-KCS combination promise significant public benefits to Salt Source and similarly situated shippers, which we are eager to see realized as soon as possible, without the delays and additional burdens that would result from applying the 2001 rules for the first time ever to this transaction.

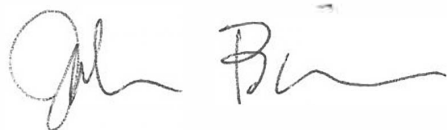
Nothing about the CP-KCS transaction raises the kinds of concerns that would flow from a merger of the much larger Class I railroads. The issues should be simple – the transaction improves competitive options and service – and any concerns any party has should be easy to address under the pre-2000 rules. The 2001 rules were designed for much more complex transactions raised much more serious issues, and they should not be tested out in this case.

Salt Source and our shipping partners are looking forward to a stronger CPKC network that will increase our access to diversified market opportunities. As such, we urge the Board to apply the KCS waiver provision it thoughtfully included in its 2001 Major Merger Rules. An elongated period of review will delay and potentially reduce the positive synergies this merger promises. The KCS waiver will allow the Board to conduct a thorough but efficient and fair review and allow for the benefits of the new CPKC network to come to fruition more quickly.

Salt Source is additionally concerned 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. We also know that 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, Salt Source 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.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Jake Biesanz', with a stylized, cursive script.

Jake Biesanz

Principal/CFO
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651.414.6247

CC: All Parties of Record



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ATTENTION: Surface Transportation Board

My name is Jake Biesanz and I am the CFO and a co-owner of Salt Source LLC dba U.S. Salt. We have three locations in the U.S., but our HQ is located at 9661 Newton Ave S Bloomington, MN 55431. Our other locations are in Burnsville, MN and Theodore, AL. In my role, I manage our finance department and oversee operations for our Minnesota locations. I spend a lot of time managing our rail fleet as well.

At U.S. Salt, we import solar salt from Mexico, Egypt, Brazil, and Canada. The salt we purchase from Canada is delivered via rail on the CP line! The salt we purchase from everywhere else arrives in the U.S. Gulf! We then process it move it to our customers via rail, truck and barge.

We support approval of the CP/KCS combination. This merger could help us be more competitive in the marketplace. Even though we sell salt, we really feel like a logistics company and anything that could help improve service and rates will help us and our customers be more successful every day. And, with the two railroads' strong focus on safety and their track record of operational excellence, I have no doubt that CPKC will be able to integrate their operations seamlessly to the benefit of rail customers and other stakeholders.

We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition against the other, larger rail carriers and trucks that serve our markets.

KCS and CP have had a cooperative relationship in the past, and CP-KCS joint routes are among our transportation options, but as separate companies they have not been able to offer the kind of seamless, single-line service we have come to expect from our transportation providers. This transaction will improve our transportation options.

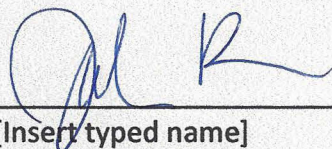
At the same time, the entirely complementary nature of CP's and KCS' networks – connecting only at Kansas City and not overlapping anywhere – means that the transaction will not have any adverse effects on competition. It will only make these carriers a better alternative relative to the other options that already exist, since CPKC will continue to interchange with all of their other existing interline partners.

For these reasons, U.S. Salt is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes. We urge the STB to approve CP's acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.

VERIFICATION

I Jack Blesanz, declare [or certify, verify, or state] under penalty of perjury
[“under the laws of the United States,” if executed outside of the United States] that the foregoing
is true and correct. Further, I certify that I am qualified and authorized to submit this letter.

Executed on 3/25/21 [date].



[Signature]

[Insert typed name]