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April 21, 2021

ATTENTION: Surface Transportation Board

RE: STB Finance Docket No. 36500
CP-KCS Potential Combination

The North Dakota Grain Dealers Association (NDGDA) hereby files this letter to express its opposition to the bid by CN to acquire KCS and re-iterate its support for the CP-KCS combination.

As expressed in our initial letter to the Board dated March 30, 2021, NDGDA supports swift approval of the CP-KCS combination because of the significant benefits the combination should bring, including expanded markets to the North Dakota grain shippers serviced by CP and strengthened competition against the other, larger rail carriers and trucks that serve our members' markets.

The backbone of North Dakota's economy is agriculture and over 80% of North Dakota's grain production moves to market by rail. North Dakota's grain shippers are in a captive rail market which limits competition and our options for market destinations. A CP-KCS combination should provide CP grain shippers expanded access to markets across the United States, Mexico, Canada, and even internationally. The bid by CN would effectively end any opportunity for market expansion for North Dakota CP grain shippers.

In addition, a CPKC network should increase competition between North Dakota's rail carriers and trucks that serve our members' markets. We expect a combined CPKC network to offer seamless, single-line service that will improve our transportation options and provide a better alternative to the options that already exist. As mentioned, North Dakota is a captive rail market but a CPKC network should provide alternatives that would increase competition between North Dakota's Class I carriers. A CN-KCS combination would do nothing to benefit North Dakota shippers but would instead decrease competition overall.

Respectfully submitted,

Stu Letcher
Executive Vice President
North Dakota Grain Dealers Association

CC: All Parties of Record