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TIMIRON LLC
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21 April 2021

ATTENTION: Surface Transportation Board

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

TIMIRON LLC hereby files this letter to express our concern to the bid by CN to acquire the KCS and reiterate our support for the proposed merger between CP and KCS.

As expressed in our initial letter to the Board dated 25 March 2021, we support swift approval of the CP-KCS combination because of the significant benefits the combination would bring including expanded markets and port options, improved service options and invigorated transportation competition.

The combination would provide a marketing advantage for TIMIRON in our efforts to develop "crude by rail" opportunities throughout North America with a new single line carrier serving shale regions and production facilities in Canada, America and Mexico. Delays and high costs due to interlining with multiple class one railroads are a stiff impediment to nimble trading techniques in comparison to what a CP-KCS combination would offer as a newly founded combination.

By contrast, a CN acquisition of KCS would lead to a reduction in competition and deprive shippers of the many tangible benefits offered by the CP/KCS proposal. Specifically, if CN were to acquire the KCS, the merged NEWCO would not provide TIMIRON the single line haul opportunities or the competitive option into the markets south of Kansas City. Our business requires single line service and the resulting more affordable freight rates to access southern markets and Mexico.

From our perspective and practically speaking, the only combination involving the KCS that serves the public interest is the CP/KCS combination. Unlike the CP/KCS merger, the acquisition of KCS by CN would result in harm to competition because the two railroads today serve many locations and shippers in common. Indeed, they operate parallel lines between Baton Rouge and New Orleans and eastern Mississippi. They both serve grain and other shippers in large swaths of the Midwest and southern USA, and they both reach the Port of Mobile Alabama.

Even more fundamentally, between the upper Midwest and Gulf States, a CN/KCS combination would reduce the number of independent routing options from four to three.

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 currently exist.

A CN-KCS combination would limit competitive carrier options to markets and ports south of Kansas City.

Thank you for your consideration of our comments.

Respectfully submitted,

Timothy A Chutz.
Managing General Partner
CC: All Parties of Record



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SAFETY FIRST, SUCCESS WILL FOLLOW