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April 23, 2021

ATTENTION: Surface Transportation Board
RE: STB Finance Docket No. 36500 (CP-KCS Potential Combination)

ENTERED
Office of Proceedings
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Part of
Public Record

Alberta Prairie Steam Tours Ltd., operating as Alberta Prairie Railway hereby files this letter to express its views about the bid by Canadian National ("CN") to acquire Kansas City Southern ("KCS") and to reiterate its support for Canadian Pacific's ("CP") proposed combination with KCS.

We are a railroad partner of CP Rail's and we rely on them to ship goods across North America. Alberta Prairie Railway has previously voiced support for the proposed CP/KCS transaction. Based on our experience, we believe that the CP/KCS combination promises to deliver tremendous benefits, including new and better competitive transport options for ourselves and our customers.

Alberta Prairie Railway is aware of CN's competing bid to acquire KCS. We are reliant on CN for transportation services in certain markets and therefore does not wish to voice a position on CN's specific proposal.

Alberta Prairie Railway nonetheless has strong views about the kind of railroad combination that the STB should allow – and indeed expedite – versus the kind of combination that it should not permit to proceed.

The kind of transaction that is in the interests of shippers and the public would:

- **Not have competitive overlaps** that reduce the number of independent rail options, even if the railroads might think they can propose "remedies" to overcome the lost competition.
- **Improve competitive options**, including by adding new single-line routes where other, larger railroads currently dominate.
- **Not pose a risk of stimulating further industry consolidation**, such as by destabilizing the six large carrier balance in North America

A transaction meeting these criteria is in the public interest and should receive swift Board approval. Quick approval of procompetitive transactions is critical to helping shippers and other stakeholders reap the benefits sooner rather than later, and we have no objection to the use of



a voting trust mechanism to facilitate such a transaction. For transactions that do not meet the three criteria set out above, we would strongly object to the Board allowing the transaction to proceed even as far as a voting trust, which itself could diminish competition and lead to downstream concerns.

We trust the Board to assess the two proposals for KCS in light of these criteria

Respectfully submitted,

R.C. (Bob) Willis
General Manager – Alberta Prairie Railway

CC: All Parties of Record