



April 21, 2021

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Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E. Street, S.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings
May 3, 2021
Part of
Public Record

Re: FD 36514, Canadian National Railway Company, Grand Trunk Corporation,
and CN's Rail Operating Subsidiaries—Control—Kansas City Southern, the
Kansas City Southern Railway Company, Gateway Eastern Railway Company,
and the Texas Mexican Railway Company

Dear Ms. Brown:

Ceres Terminals Holdings (CTH) is one of two owners of New Orleans Terminals, a container port terminal operator. We work closely with the CN to expedite the import and export of international containers through the Port of New Orleans. Through the many years of working with the CN, we are proud of what has been accomplished and have developed a strong working relationship built on operational capabilities.

CTH supports CN's acquisition of KCS because of the superior benefits a CN-KCS railway would bring by offering faster, safer, cleaner and more direct service for North-South trade.

We believe that a combination of CN and KCS would help us to win in our markets. CN's strong track record of success with superior service, intermodal and safety gives us confidence that a combined CN-KCS would be best positioned to serve our needs. Additionally, CN's successful track record of acquisitions over the past 25+ years also provides assurance that CN will effectively and seamlessly be able to integrate and partner with KCS.

New Orleans is served by all the significant class 1 railroads – BNSF, UP, NS, CSX, CN as well as KCS. CTH has relationships in place to ensure we continue to grow the business. CN is the railroad that puts in the time and effort to work closely with customers and vendors to support the needed collaboration to build volumes.



The combined company would create network with enhanced end-to-end single-owner, single-operator service which will result in a faster, safer and more economical rail option for us where we currently rely on trucks and provide shorter distances on many key routes. We are hopeful about this transaction as a CN-KCS rail will be able to provide the seamless transportation and service that would not be available through KCS should it go forward with an alternative combination.

For example:

- The combined company's single-owner, single-operator service would enhance our ability to be competitive in the markets in which we operate, benefiting our shipments of products from the Midwest to International destinations via New Orleans.
- CN's significant experience providing seamless intermodal service throughout their network and across borders.
- The ability to provide a seamless North South network which is unique noting the other railroads focus on East West networks. This provides better services for Latin American activity.
- Provide options to use rail or vessel for products flowing between Mexico and the United States and Canada. Vessels can flow product from Mexico via New Orleans and Mobile whereas the rail can be used landside.

CTH is confident in and strongly supports CN's proposed acquisition of KCS for all of the reasons as stated above. We hope to see the premier 21st century railway come to life.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Mygatt".

Craig Mygatt
CEO
Ceres Terminals Holdings

cc: Parties of Record