



Louisiana Chemical Association

GREGORY M. BOWSER, PRESIDENT & CEO

June 28, 2021

302660

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

ENTERED
Office of Proceedings
July 1, 2021
Part of
Public Record

Sent via Electronic Filing

Re: STB Docket No. FD 36514—Canadian National Railway—Control—Kansas City Southern

Dear Honorable Cynthia T. Brown,

As President and CEO of the Louisiana Chemical Association, I am submitting this letter to communicate our position on the CN/KCS rail merger and the reasons we respectfully urge the STB to reject the proposed CN voting trust.

Approval of the CN voting trust could negatively impact our plants along the Mississippi River in the industrial corridor between New Orleans, Louisiana and Baton Rouge, Louisiana. CN has stated it intends to sell the KCS track between New Orleans and Baton Rouge. We feel strongly that CN should provide the public some insight on to whom they might sell the line to, or at the very least they should provide the public with some idea of what the possible impacts of the sale could be.

If a short line railroad were to buy this line, how will the rail traffic move past Baton Rouge? We are concerned shipments may need to go back to CN to move out of Baton Rouge. Another concern is that it may need to move south to New Orleans to go north, which could add miles and cost to our members. Should another Class 1 railroad buy the line who does not have access to the existing customer base, it could negatively impact our supply chain costs and customer relationships. We feel strongly these are concerns which should be addressed before any STB approval of the CN voting trust.

Should the STB approve the trust, LCA is extremely concerned it will lead to further efforts to consolidate the remaining Class 1 railways in North America. Simply put, this deal does not foster competition and would further make our members shipping goods by rail, captive shippers to an even more monopolistic rail industry than currently exists. This would be to the benefit of CN—but to the detriment of our member companies.

Accordingly, for the reasons and concerns stated above, LCA respectfully requests the STB reject CN's motion to approve its proposed voting trust.

Thank you for your time and consideration,

Greg Bowser
President and CEO
Louisiana Chemical Association

CC: All Parties of Record