



Northwoods Distribution Services, Inc.
3200 North Rifle Road
4593 County P
Rhineland, WI 54501

September 13, 2021

The Honorable Martin J. Oberman
Chairman
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Oberman,

My name is Steve Dahlquist, I founded and have owned and operated Northwoods Distribution Services (NDS), located in Rhineland Wisconsin since 2001. We are the only transload facility, north of Route 8, serving the Northwoods of Wisconsin and Michigan, and as such provide vital service to the Rhineland Paper mill as well as to the remaining Northwoods industry.

I will not belabor you with the long history of deteriorating rail service under CNs ownership but in concert with your request for issues dealing with "First Mile, Last Mile" service problems, my company desires to further elaborate on a continuing issue. Other CN service issues were well documented in my earlier submissions to the STB. I only mention it, because it is the reason, I have been trying to expand my business to better serve the Northwoods economy.

I am writing to you to express my complete frustration with CNs continued delays, stalling, runarounds, and obfuscation. Clearly what I bring forth falls under issues within the "First & Last Mile" of service, as NDS is a CN served customer.

To grow my business and to better serve my customers, I have proposed to add additional track on my property for storage and additional operational flexibility to address and to help remedy CNs service issues. I began planning this expansion in the first quarter of this year with Volkmann Railroad Builders of Menomonee Falls Wisconsin.

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CN delays of project approval include:

- The original approved standards are no longer accepted. (Rail weight, and switch size)
- The original project blueprints that have been accepted in the past now required additional details
- Correspondence failed to move the project forward in a timely and professional manner.

Once new blueprints were developed and we were given the "okay" by the CN rep that our previously acquired switches from the CN would be accessible, we were then informed that further switch and track qualifications would need to be met before project approval would occur.

We then received the request that the blueprints needed to be in "CN color." We accommodated them once again and sent the blueprints in "CN color" code. While we were clearly responding to their every request in a timely manner, CN failed to recognize receiving them until we again initiated correspondence.

After getting acknowledgment that they received the new blueprints, we were informed through Watco that a water drainage report was now required, which was never needed in the past.

Watco has offered to try to help us get our project pushed through the CN approval process. Unfortunately, Watco has also not been able to move CN out of its foot dragging posture of continued delays.

As our situation stands today, CN still has not approved our expansion, and the time window for construction this fall is shortening every day.

I have worked with shippers throughout Wisconsin and Michigan and know first-hand that several shippers that are served by Watco and/or CN have not stepped forward to express their concerns due to fear of repercussions in service and contract negotiations at their other locations.

I am aware of comments you made at the July 12-13 meeting of the Midwest Association of Rail Shippers at Lake Geneva, Wisconsin concerning the threats and punitive actions (quasi-embargo) which some freight shippers and receivers had received from certain carriers, as punishment for bringing service failures to the attention of the STB. Information was passed on to me by a colleague who was present at your remarks, in which you expressed total objection to those threats, and indicated that you would accept personal telephone calls concerning this type of coercion. I would be delighted to speak with you about these matters.

We appreciate STB's leadership and support of shippers; we would welcome any focus that you can bring to the CN/Watco sale and this matter. As always, we strongly support a locally owned and operated service provider that is attentive to our needs and that of our customers.

Respectfully yours,

Steve Dahlquist

CC The Honorable Thomas P. Tiffany