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October 7, 2021

## **VIA ELECTRONIC FILING**

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

Re: **Docket No. FD 36503**  
**Grand Elk Railroad, Inc. -- Acquisition Exemption --**  
**Lines of Wisconsin Central Ltd. in Michigan**

**Docket No. FD 36504**  
**Fox Valley & Lake Superior Rail System, L.L.C. -- Acquisition and**  
**Operation Exemption -- Lines of Wisconsin Central Ltd. in Wisconsin**

Dear Ms. Brown:

Wisconsin Central Ltd. ("WCL") submits this filing in response to a letter dated September 13, 2021 from Steve Dahlquist of Northwoods Distribution Services, Inc. ("NDS") to Chairman Oberman. That letter was formally docketed on September 17, 2021 in the above-captioned proceedings at the Board, even though it does not specifically refer to those dockets, was not served on the parties in those dockets, and only tangentially addresses the line sale transactions which are the subject of those dockets. The letter becomes at least the fourth NDS filing in these proceedings, and adds nothing relevant to NDS's earlier submissions. It provides no basis for any further delay in a Board decision permitting the subject line sales to proceed.

WCL wants to assure, however, that the record is clear on several allegations contained in the NDS letter. Most essentially, WCL categorically rejects any implication that it has threatened "repercussions in service" or punitive action of any type against customers for expressing concerns to the Board regarding the proposed line sale transactions – or any other subject. NDS's conjecture to the contrary is false. And as WCL has previously explained, NDS's blithe assertion of a "long history of deteriorating rail service" is belied by the 5-day/week service that WCL provides on the rail line on which NDS is located. Response Comments of WCL, Docket Nos. FD 36503 and 36504, May 7, 2021, at 6-7.

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The remainder of NDS's letter relates to a track reconfiguration/expansion that NDS desires at its facility in Rhinelander, Wisconsin. The same facility and tracks were the subject of a confused and confusing notice of exemption filed at the Board by an apparent NDS affiliate late last year, which the Board rejected in April. *Branch Line Railroad, Inc. – Lease & Operation Exemption – Northwoods Distribution Services, Inc.*, Docket No. FD 36422 (STB served Apr. 6, 2021). WCL and NDS had discussions in April and May regarding approval of NDS's track design plans, with WCL providing several required corrections to NDS and its contractor, Volkmann Railroad Builders, on May 4<sup>th</sup>. WCL has had no further correspondence from NDS, prior to becoming aware of NDS's September 13<sup>th</sup> letter to Chairman Oberman.

WCL and Grand Elk Railroad, Inc./Fox Valley & Lake Superior Rail System, L.L.C. (subsidiaries of Watco Holdings, Inc.) desire to complete the proposed line sale transactions prior to the onset of winter and snowfall that could disrupt the efficient start-up of Watco operations. WCL encourages the Board to issue decisions to accommodate the timely transfer of the subject rail lines.<sup>1</sup>

I certify that a copy of this filing has been served by electronic mail on all parties of record in these dockets.

Respectfully submitted,

/s/ *Thomas J. Litwiler*

Thomas J. Litwiler  
Attorney for Wisconsin Central Ltd.

TJL:tl

cc: Mr. Steve Dahlquist  
David F. Rifkin, Esq.  
All Parties of Record

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<sup>1</sup> Watco sought expedited consideration, and a shortened effective date, for its related continuance in control exemption request. See Watco Petition for Exemption, Docket No. FD 36506, April 5, 2021, at 10-11.