

304041

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

ENTERED
Office of Proceedings
February 28, 2022
Part of
Public Record

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

APPLICATION AND EXHIBITS

PUBLIC VERSION

FEE RECEIVED
February 28, 2022
SURFACE
TRANSPORTATION BOARD

FILED
February 28, 2022
SURFACE
TRANSPORTATION BOARD

Sean Finn
Olivier Chouc
CN
935 de La Gauchetière
Street West,
16th Floor
Montreal, QC H3B 2M9
CANADA

Kathryn J. Gainey
CN
601 Pennsylvania Ave,
NW
Suite 500, North
Building
Washington, DC 20004
(202) 347-7840
Kathryn.gainey@cn.ca

Raymond A. Atkins
Terence M. Hynes
Matthew J. Warren
Sidley Austin LLP
1501 K Street, N.W.
Washington, DC 20005
(202) 736-8000
ratkins@sidley.com

*Counsel for Canadian National Railway Company and Illinois Central Railroad
Company*

Dated: February 28, 2022

TABLE OF CONTENTS

	Page
EXECUTIVE SUMMARY	2
SPECIFIC INFORMATION REQUIRED BY THE REGULATIONS	5
1180.6(a)(1)(i) A brief summary of the proposed transaction, the name of the applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.....	6
1180.6(a)(1)(ii) The proposed time schedule for consummation of the proposed transaction.	8
1180.6(a)(1)(iii) The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.....	9
1180.6(a)(1)(iv) The nature and amount of any new securities or other financial arrangements.	13
1180.6(a)(2) A detailed discussion of the public interest justifications in support of the application, indicating how the proposed transaction is consistent with the public interest, with particular regard to the relevant statutory criteria, including:	14
1180.6(a)(2)(i) The effect of the transaction on inter- and intramodal competition, including a description of the relevant market (see § 1180.7). Include a discussion of whether, as a result of the transaction, there is likely to be any lessening of competition, creation of a monopoly, or restraint of trade in freight surface transportation in any region of the United States.	14
1180.6(a)(2)(ii) The financial consideration involved in the proposed transaction, and any economies, to be effected in operations, and any increase in traffic, revenues, earnings available for fixed charges, and net earnings, expected to result from the consummation of the proposed transaction.	15
1180.6(a)(2)(iii) The effect of the increase, if any, of total fixed charges resulting from the proposed transaction.	15
1180.6(a)(2)(iv) The effect of the proposed transaction upon the adequacy of transportation service to the public, as measured by the	

	continuation of essential transportation services by applicants and other carriers.	16
1180.6(a)(2)(v)	The effect of the proposed transaction upon applicant carriers' employees (by class or craft), the geographic points where the impact will occur, the time frame of the impact (for at least 3 years after consolidation), and whether any employee protection agreements have been reached.	17
1180.6(a)(2)(vi)	The effect of inclusion (or lack of inclusion) in the proposed transaction of other railroads in the territory, under 49 U.S.C. 11324.	20
1180.6(a)(3)	Any other supporting or descriptive statements applicants deem material.	20
1180.6(a)(4)	An opinion of applicants' counsel that the transaction meets the requirements of the law and will be legally authorized and valid, if approved by the Board. This should include specific references to any pertinent provisions of applicants' bylaws or charter or articles of incorporation.	20
1180.6(a)(5)	A list of the State(s) in which any part of the property of each applicant carrier is situated.	21
1180.6(a)(6)	Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.	22
1180.6(a)(7)(i)	Describe the nature of the transaction (e.g., merger, control, purchase, trackage rights), the significant terms and conditions, and the consideration to be paid (monetary or otherwise).	22
1180.6(a)(7)(ii)	Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at § 1180.2(d)(7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later.	23

1180.6(a)(7)(iii)	If a consolidation or merger is proposed indicate: (A) The name of the company resulting from the consolidation or merger; (B) the State or territory under the laws of which the consolidated company is to be formed or the merged company is to file its certificate of amendment; (C) the capitalization proposed for the resulting company; and (D) the amount and character of the capital stock and other securities to be issued.....	24
1180.6(a)(7)(iv)	Court Order (exhibit 3). If a trustee, receiver, assignee, or personal representative of the real party in interest is an applicant, submit a certified copy of the order, if any, of the court having jurisdiction, authorizing the contemplated action.....	24
1180.6(a)(7)(vi)	Briefly describe the principal routes and termini of the lines involved, the principal points of interchange on the routes, and the amount of main-line mileage and branch line mileage involved.....	25
1180.6(a)(7)(vii)	State whether any governmental financial assistance is involved in the proposed transaction and, if so, the form, amount, source, and application of such financial assistance.....	26
1180.6(a)(8)	Environmental data (exhibit 4). Submit information and data with respect to environmental matters prepared in accordance with 49 CFR part 1105. In major and significant transactions, applicants shall, as soon as possible, and no later than the filing of a notice of intent, consult with the Board's Office of Environmental Analysis for the proper format of the environmental report.	27
1180.6(b)(3)	Change in control (exhibit 8). If an applicant carrier submits an annual report Form R-1, indicate any change in ownership or control of that applicant carrier not indicated in its most recent Form R-1, and provide a list of the principal six officers of that applicant carrier and of any related applicant, and also of their majority-owned rail carrier subsidiaries. If any applicant carrier does not submit an annual report Form R-1, list all officers of that applicant carrier, and identify the person(s) or entity/entities in control of that applicant carrier and all owners of 10% or more of the equity of that applicant carrier.....	27
1180.6(b)(5)	Issues (exhibit 10). Submit a discussion of any other issues relevant to the transaction.....	28

1180.6(b)(6)	Corporate chart (exhibit 11). Submit a corporate chart indicating all relationships between applicant carriers and all affiliates and subsidiaries and also companies controlling applicant carriers directly, indirectly or through another entity (with each chart indicating the percentage ownership of every company on the chart by any other company on the chart). For each company: include a statement indicating whether that company is a noncarrier or a carrier; and identify every officer and/or director of that company who is also an officer and/or director of any other company that is part of a different corporate family that includes a rail carrier. Such information may be referenced through notes to the chart.	28
1180.6(b)(7)	If applicant is not a carrier, indicate (i) the type of business in which it is engaged, (ii) the length of time so engaged, and (iii) its present and prospective activities which have or may have a relation to transportation subject to 49 U.S.C. Subtitle IV.	28
1180.6(b)(8)	Intercorporate or financial relationships. Indicate whether there are any direct or indirect intercorporate or financial relationships at the time the application is filed, not disclosed elsewhere in the application, through holding companies, ownership of securities, or otherwise, in which applicants or their affiliates own or control more than 5% of the stock of a non-affiliated carrier, including those relationships in which a group affiliated with applicants owns more than 5% of the stock of such a carrier. Indicate the nature and extent of any such relationships, and, if an applicant owns securities of a carrier subject to 49 U.S.C. Subtitle IV, provide the carrier's name, a description of securities, the par value of each class of securities held, and the applicant's percentage of total ownership. For purposes of this paragraph, "affiliates" has the same meaning as "affiliated companies" in Definition 5 of the Uniform System of Accounts (49 CFR part 1201, subpart A).	29
1180.7	For ... significant transactions, applicants shall submit impact analyses (exhibit 12) describing the impacts of the proposed transaction – both adverse and beneficial – on inter- and intramodal competition with respect to freight surface transportation in the regions affected and on the provision of essential services by applicants and other carriers. ...	29

1180.8(b)	For major and significant transactions: Operating plan (exhibit 13). Submit a summary of the proposed operating plan changes, based on the impact analyses, that will result from the transaction, and their anticipated timing, allowing for any time required to complete rehabilitation, upgrading, yard construction, or other major operational changes following consummation of the proposed transaction. The plan should make clear the gains in service, operating efficiencies, and other benefits anticipated from the merger.	30
CONCLUSION.....		38

EXHIBITS

Exhibit 1: Maps

- Exhibit 1A: Map of the Springfield Line (Sub-No. 1)
- Exhibit 1B: Map of the Trackage Rights Between Airline Junction, MO and Grandview, MO (Sub-No. 2)
- Exhibit 1C: Map of the Gateway Eastern Railway Company (Sub-No. 3)
- Exhibit 1D: Map of the Trackage Rights Between Airline Junction, MO and Rock Creek Junction, MO (Sub-No. 4)

Exhibit 2: Proposed Agreements

- Exhibit 2A: Asset Purchase Agreement
- Exhibit 2B: Trackage Rights Agreement
- Exhibit 2C: Haulage Services Agreement
- Exhibit 2D: Assignment and Assumption Agreement

Exhibit 4: Environmental Data

Exhibit 8: Change in Ownership or Control

Exhibit 11: Corporate Chart

Exhibit 12: Market Analyses

- Exhibit 12A: Verified Statement of David Hunt
- Exhibit 12B: Verified Statement of Keith Reardon
- Exhibit 12C: Verified Statement of Daniel R. Bresolin
- Exhibit 12D: Verified Statement of Sarah Slazinski
- Exhibit 12E: Verified Statement of David Przednowek

Exhibit 13: Operating Plan

Exhibit 14: Density Charts

APPENDICES

Appendix A: Opinion of Counsel

Appendix B: Customer Support Statements

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

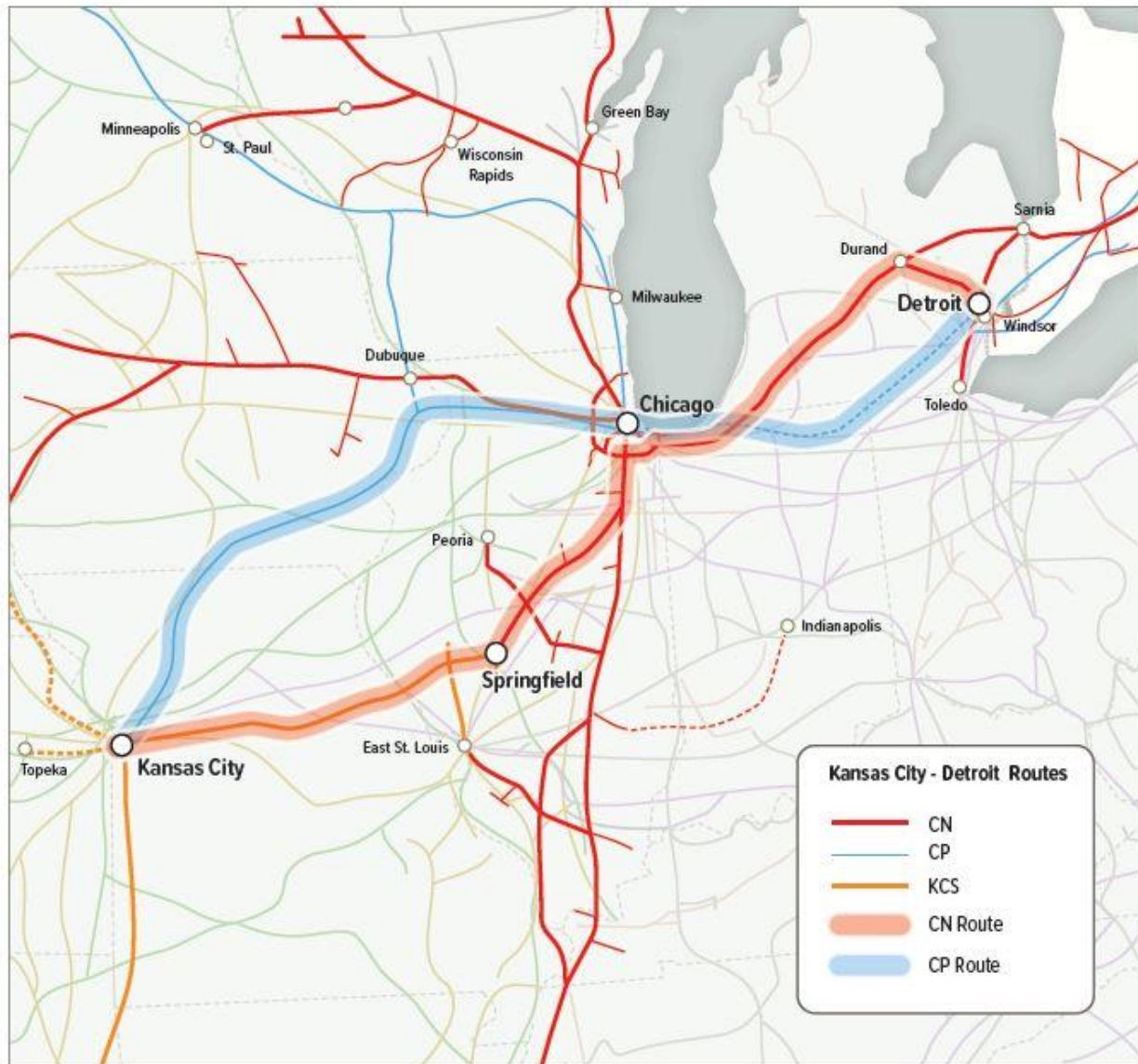
**RESPONSIVE APPLICATION OF ILLINOIS CENTRAL RAILROAD
COMPANY**

Pursuant to 49 U.S.C. §§ 11324(c) and 49 C.F.R. Part 1180, Canadian
National Railway Company (“CN”) and Illinois Central Railroad Company (“ICRR”)
(referred to hereinafter as “Applicants”) submit this responsive application (the

“Responsive Application”) for approval by the Surface Transportation Board (“Board”) of ICRR’s acquisition of Kansas City Southern Railway Company’s (“KCS’s”) lines between Kansas City, Missouri and Springfield, Illinois and East St. Louis, Illinois (the “Springfield Line”) pursuant to the Board’s statutory authority to order the divestiture of parallel tracks as a condition of the proposed merger of KCS with Canadian Pacific (“CP”) in STB Finance Docket No. 36500.

EXECUTIVE SUMMARY

Canadian National Railway Company (“CNR”) and its United States rail carrier affiliate, ICRR, (collectively “CN”) ask the Board to order CP and KCS to divest the parallel Springfield Line to Applicants as a condition of any approval of the proposed CP-KCS merger. Allowing CP to consolidate control over two routes between Kansas City, on the one hand, and Chicago, Detroit, and Eastern Canada, on the other hand, would diminish competitive alternatives for rail customers—particularly because the CP-KCS Application makes clear that CP will favor its existing Chicago-Kansas City route over potential routings involving the parallel Springfield Line.

CP's Line and the Springfield Line Are Plainly Parallel

CN is committed to making substantial investments not merely to preserve the Springfield Line as a competitive routing option for the Kansas City-Chicago-Detroit-Eastern Canada corridor, but to upgrade it into a faster, more efficient route with enhanced intermodal and automotive traffic capacity. Applicants project that the proposed divestiture transaction will enable ICRR to take more than 80,000 long-haul trucks off the road annually—in fact more trucks than would be diverted

by the entire CP-KCS combination. By approving the divestiture, the Board will assure that a viable alternative route will not fall into disuse and disrepair, foster competition on a key corridor, and generate significant public benefits.

This Responsive Application is properly classified as a “minor” transaction, because the proposed divestiture transaction “clearly will not have any anticompetitive effects.”¹ To the contrary, the transaction will be unambiguously pro-competitive. No customer on the Springfield Line will have reduced transportation options—to the contrary, ICRR will give CP-KCS haulage access to all current and future customers on the Line. Indeed, many customers would gain additional transportation options, as local customers on the Springfield Line who currently have access to only KCS would have access to CN’s network as well. As no customer on the line will lose a competitive option, and the acquisition will foster competition on a key corridor, the proposed divestiture transaction clearly satisfies the statutory criteria for a minor transaction. While CN believes this Responsive Application should be classified as a minor transaction, Applicants nonetheless provide all the information that would be required for a “significant” transaction. Applicants have provided thorough market analyses as Exhibit 12, including a traffic diversion analysis and complementary statements from CN marketing personnel discussing the positive impact that the Responsive Application would have on transportation choices for intermodal, automotive, and grain customers. And in Exhibit 13 (Operating Plan), CN has provided a thorough and detailed

¹ 49 C.F.R. § 1180.2(b)(1), (c).

operating plan that meets all the required elements of a “significant” operating plan, including density charts attached as Exhibit 14. This Responsive Application also contains other “significant” exhibits such as Exhibit 8 (Change in Ownership or Control) and Exhibit 11 (Corporate Chart).

This Responsive Application encompasses four separate sub-dockets. In Docket No. FD 36500 (Sub-No. 1), Applicant ICRR seeks approval for a line sale of the Springfield Line to ICRR, as a condition on any merger approval. In Docket No. FD 36500 (Sub-No. 2), Applicant ICRR seeks overhead trackage rights on KCS’s Pittsburg Subdivision to reach the International Freight Gateway Terminal (in which ICRR would acquire a 50% ownership interest as part of the transaction in Docket No. FD 36500 (Sub-No.1)). In Docket No. FD 36500 (Sub-No. 3), CNR and ICRR seek authority to control by acquiring KCS’s equity interest in the Gateway Eastern Railway Company (“GWER”), a KCS subsidiary which owns segments of the Springfield Line located in the East St. Louis terminal area. In Docket No. FD 36500 (Sub-No. 4), Applicant ICRR seeks acquisition by assignment of KCS’s trackage rights over UP between Rock Creek Junction and Airline Junction, Missouri, which enable KCS (and would enable ICRR) to reach the joint agency at Knoche Yard and the IFG Terminal from the Springfield Line.

SPECIFIC INFORMATION REQUIRED BY THE REGULATIONS

49 C.F.R. § 1180.6 specifies information that must be included in applications filed under 49 U.S.C. § 11324(c). The requested information is provided below, preceded by the sub-section of the regulations to which it responds. Each regulatory requirement is set forth verbatim in bold. While Applicants believe that this

Responsive Application should be classified as “minor,” they include the information required for a significant application in the event the Board decides to evaluate the proposed divestiture condition as a significant transaction.

1. General Information Supporting the Transaction

1180.6(a)(1)(i)

A brief summary of the proposed transaction, the name of the applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.

The proposed transaction in Docket No. FD 36500 (Sub-No. 1) is the acquisition of control by ICRR of KCS’s rail lines between Springfield, Illinois and East St. Louis, Illinois, on the one hand, and Kansas City, on the other hand (collectively, the “Springfield Line”), as a condition of CP’s acquisition of KCS. The Springfield Line consists of the following KCS lines:

- The line from milepost (“MP”) 192.4 at Cockrell (Springfield), IL through MP 482.0 at Rock Creek Jct. (Kansas City), MO (milepost equation at Murrayville, IL where MP 221.7=MP 226.7).
- The line from MP 68.2 at Roodhouse, IL (MP 237.2 on the first segment) through MP 287.2 at Church (East St. Louis), IL, including KCS’s interest in the UP/KCS Joint Facility between Godfrey, IL and Church, IL (milepost equation at Godfrey, IL where MP 28.0=MP 252.1).
- The Jacksonville Branch from MP 226.7 at Murrayville, IL to MP 216.3 at Jacksonville, IL.
- KCS’s interest as lessor in the Fulton Branch from MP 0.0 to MP 3.0 at Mexico, MO, leased to Ozark Valley Railroad, Inc.

In connection with the proposed divestiture in Docket No. FD 36500 (Sub-No. 1), the Responsive Application also seeks:

- Acquisition of an 8.33% ownership share of Kansas City Terminal Railway Company (“KCT”), which will enable ICRR to operate over KCT-controlled trackage in Kansas City.
- Assignment of KCS’s overhead trackage rights over a 1.4-mile Union Pacific Railroad Company (“UP”) line segment between Rock Creek Junction, Missouri, and Airline Junction, Missouri, in Kansas City. Specifically, Applicant ICRR is requesting assignment of KCS’s existing overhead trackage rights, pursuant to the August 5, 1997 agreement or any amended or successor agreement, over UP’s KC Metro Subdivision between MP 276.8+/- at Rock Creek Junction and MP 278.2+/- in the vicinity of Air Line Junction² in Kansas City, Missouri, a distance of approximately 1.4 miles.
- A 50% ownership interest in KCS’s International Freight Gateway terminal (the “IFG Terminal”) south of Kansas City.

In Docket No. FD 36500 (Sub-No. 2), Applicant ICRR requests overhead trackage rights on KCS’s Pittsburg Subdivision to reach the IFG Terminal, extending from MP 5.6+/- at Airline Junction in Kansas City, MO, to MP 29.5+/- near Grandview, MO, including the tracks within, and providing entrance to and egress from, the IFG Terminal.

In Docket No. FD 36500 (Sub-No. 3), CNR and ICRR request Board approval for control to acquire KCS’s interest in the GWER, a KCS wholly-owned subsidiary that owns trackage in the East St. Louis terminal area. (Upon approval of the applications in Sub-Nos. 1 and 3, ICRR will file a notice of intra-corporate family transaction pursuant to which ICRR will acquire trackage rights over GWER between (i) GWER’s Milepost 238.7 at or near Q Tower and GWER’s Milepost 236.8 at or near Willows in East St. Louis, IL, (ii) between GWER’s Milepost 2.3 at or

² The Milepost known as Airline Junction is sometimes referred to as Southwest Junction.

near Wann in East Alton, IL and at GWER's Milepost 0.91 at or near Olin Brass in East Alton, IL, and (iii) from GWER's Milepost 265.01 at or near Roxana in Wood River, IL, to the change in ownership in the track with Shell Oil Company. This Responsive Application anticipates 100% common ownership of ICRR and GWER; accordingly, these trackage rights can be obtained by ICRR pursuant to the Board's regulations exempting transactions within a corporate family at 49 C.F.R. § 1180.2(d)(3).

In Docket No. FD 36500 (Sub-No. 4), Applicant ICRR requests acquisition by assignment of KCS's existing trackage rights over UP between Rock Creek Junction and Airline Junction, Missouri. To the extent those trackage rights are not assignable, ICRR requests that the Board override the assignment provision.³

The business address and telephone number for Applicant ICRR is 17655 Ashland Avenue, Homewood, IL 60430; 708-332-4360. The business address and telephone number for Applicant CNR is 935 de La Gauchetière Street West, Montreal, QC H3B 2M9 Canada; 888-888-5909.

Questions can be addressed to Applicants' counsel, Raymond A. Atkins, Sidley Austin LLP, 1501 K Street, N.W., Washington, DC 20005, (202) 736-8889.

1180.6(a)(1)(ii) *The proposed time schedule for consummation of the proposed transaction.*

Applicants expect to consummate the proposed divestiture as soon as possible following a Board decision conditioning approval of a CP-KCS merger on divestiture

³ See 49 U.S.C. § 11321; see, e.g., *Union Pacific Corp., et al.—Control and Merger—Southern Pacific Rail Corp., et al.*, 1 S.T.B. 233, 450 n.217 (1996).

of the Springfield Line and completion of negotiations with CPKC regarding the terms of agreements governing the proposed transactions. Exhibit 2 to this Responsive Application includes proposed forms of each of the required agreements. Applicants ask the Board to order the parties to negotiate the purchase price and other transaction terms within 90 days from the effective date of the Board's decision. If the parties cannot complete such negotiations prior to the expiration of that 90-day period, Applicants ask the Board to require the parties to submit any remaining disputed issues to the Board for determination.⁴

1180.6(a)(1)(iii) The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.

As Canadian National Railway Company, Grand Trunk Corporation, and its US operating subsidiaries explain in more detail in its Comments on Application & Request for Conditions submitted in Docket No. FD 36500 ("Comments"), divestiture of the Springfield Line to ICRR is necessary to address significant horizontal competition concerns raised by the CP-KCS merger. Contrary to CP and KCS's unsupported rhetoric, their merger is not truly a "pure" end-to-end transaction. As shown below, the Springfield Line is part of a direct competitive

⁴ The Board has both experience using multiple methodologies it can use to determine an appropriate and fair purchase price for rail lines in the event the parties cannot agree. See *Nat'l R.R. Passenger Corp.-Conv. of Bos. & Maine Corp. Ints. in Connecticut River Line in Vt. & N.H.*, 4 I.C.C.2d 761, 781 (I.C.C. Aug. 4, 1988) ("The [Board] has consistently used [Net Liquidation Value] and/or [Going Concern Value] as standards for determining what would be a fair market value of rail lines that are being conveyed, not in the market, but by [Board] order.").

alternative to CP's route between Kansas City and Chicago, and beyond to Detroit and Ontario.⁵

The Parallel CP and KCS Routes



The Springfield Line route can be used to move freight in competition with CP's parallel line. Indeed, KCS and its predecessors had access to Chicago pursuant to agreements with several carriers (including CP predecessors and UP) over different routes to reach Chicago, including the Springfield Line.⁶ Shippers have moved freight between Kansas City and Chicago over the Springfield Line,

⁵ See Description of Anticipated Responsive Application, *Canadian Pacific Railway Limited, et al.—Control—Kansas City Southern, et al.*, STB Docket No. FD 36500 (filed Jan. 12, 2022).

⁶ See, e.g., Decision, *Kansas City Southern Industries Inc. et al.—Control—Gateway Western Railway Company and Gateway Eastern Railway Company*, STB Docket No. FD 33311 (STB served May 1, 1997), slip op. at 3 (“GWWR also has haulage rights over UP between Springfield and Chicago, IL.”).

and the Springfield Line has been competitive in that corridor for rail customers for more than 100 years.⁷ Prior to agreeing to a merger with CP, KCS expressed interest in, and touted the benefits of, investing to increase track speeds on this line to create a “Kansas City Speedway.”⁸

As the Department of Justice has explained in this proceeding⁹ and elsewhere,¹⁰ a combined CP-KCS will have an incentive to resist efficient interchanges with rival railroads that could divert traffic from CP’s network. The CP-KCS Application confirms that concern, as it indicates that CPKC have no intention to invest in the KCS Springfield Line but, instead, intend to favor CP’s

⁷ See, e.g., Decision No. 37, *Canadian National Railway Company, et al.—Control—Illinois Central Corporation, et al.*, STB Docket No. FD 33556, 4 S.T.B. 122, 175 (1999) (recognizing that KCS and Illinois Central (CN) were interchanging “three trains per week” via the Springfield interchange point at Cockrell); see Verified Statement of Keith Reardon, at 5.

⁸ See, e.g., Kan. City S., *Combination of CN & Kansas City Southern: Creating the Premier Railway of the 21st Century*, at 8–9 (July 2021), available at <https://www.sec.gov/Archives/edgar/data/0000054480/000005448021000202/kcsinve storpresentation .htm> (stating that the “Kansas City Speedway” would be a “new competitive route between KC, Detroit & Chicago”).

⁹ See Comment of the U.S. Dep’t of Justice, *Canadian Pacific Railway Limited, et al.—Control—Kansas City Southern Railway Company, et al.*, STB Docket No. FD 36500, at 4 (filed Apr. 12, 2021) (observing that the pending merger would cause “KCS [to] make decisions regarding new track construction and old track closure with an eye toward interchanging KCS traffic with CP in the future. Such decisions may be at the expense of interchanges with other railroads, even though these other interchanges may be better for KCS’s customers and KCS itself”).

¹⁰ See Comment of the U.S. Dep’t of Justice, *CSX Corporation and CSX Transportation, Inc., et al.—Control and Merger—Pam Am Systems, Inc., et al.*, STB Docket No. FD 36472, at 3 (filed Aug. 26, 2021) (noting that if CSX were to acquire a stake in a line parallel to its own it could “undermine [its rivals] notwithstanding the joint venture by sabotaging this service and expecting to recapture traffic on its independent line”).

parallel route.¹¹ This not only limits its use as a competitive option for overhead traffic that relies on the viability of the line, but also harms local customers on the line who will see no incremental investment and likely deteriorating rail service.

To be sure, the traffic volumes that currently move between Kansas City and Chicago over the Springfield Line are below the levels that are currently moved by CP over its parallel line.¹² But that does not mean that shippers today are not able to use the Springfield Line as a competitive threat when negotiating with CP, as CP's expert previously acknowledged.¹³

Even if there were *no* traffic being moved between Kansas City and Chicago today over the Springfield Line, there would still be a significant competitive concern. As noted, KCS previously touted the potential for this line to be upgraded to create a Kansas City Speedway. As described in greater detail below and in CN's Comments, such a Speedway would provide enormous public interest benefits, preserving and renewing the route and doing more to benefit customers—creating a more attractive option for moving freight between Kansas City and Chicago and

¹¹ See Description of Anticipated Responsive Application, *Canadian Pacific Railway Limited, et al.—Control—Kansas City Southern, et al.*, STB Docket No. FD 36500, at 3–4 (filed Jan. 12, 2022) (citing Railroad Control Application, *Canadian Pacific Railway Limited, et al.—Control—Kansas City Southern, et al.*, STB Docket No. FD 36500 (filed Oct. 29, 2021) (“Application”), Vol. 1 at 41 (showing no planned capital investment on Springfield Line).

¹² See Application, Vol. 2, Verified Statement of W. Robert Majure, ¶ 70.

¹³ Canadian Pacific's Reply to CN and KCS Joint Motion for Approval of Voting Trust, *Canadian National Railway Company, et al.—Control—Kansas City Southern, et al.*, STB Docket No. FD 36514 (filed June 28, 2021), Verified Statement of W. Robert Majure, ¶¶ 18–19, 38 (describing how shippers have diminished ability to negotiate lower rates from merger that eliminates rail alternative).

beyond to Michigan and Ontario. It has the potential to provide a superior alternative to CP's more circuitous route and would be particularly valuable in connecting auto manufacturers in Michigan and Ontario with the key Kansas City Gateway and greater Missouri market.

It is well recognized that significant competitive concerns arise where an acquiring company will have reduced incentive to deploy acquired assets efficiently because doing so threatens to cannibalize the acquiring company's existing sales.¹⁴ That is the case here because the public interest benefits of the Kansas City Speedway would be private interest harms to CP. Prior to the merger, KCS had incentive to work with CN to create a Kansas City Speedway, but the merger fundamentally alters that incentive because creation of that Speedway would pose a threat to CP's alternative line.

1180.6(a)(1)(iv) *The nature and amount of any new securities or other financial arrangements.*

There will be no new securities or other financial arrangements as a result of the proposed transaction.

¹⁴ See U.S. DEP'T OF JUST., ANTITRUST DIV., MERGER REMEDIES MANUAL 6–9 (Sept. 2020); Press Release, U.S. Dep't of Just, Antitrust Div., Justice Department Sues to Block Visa's Proposed Acquisition of Plaid (Nov. 5, 2020), <https://www.justice.gov/opa/pr/justice-department-sues-block-visas-proposed-acquisition-plaid> (asserting, *inter alia*, that Visa's acquisition of Plaid was likely to prevent Plaid from competing with it in the future); *United States v. Bazaarvoice, Inc.*, No. 13-cv-0013-WHO, 2014 WL 203966 (N.D. Cal. Jan. 8, 2014), <https://www.justice.gov/atr/case-document/file/488846/download> (similar); cf. Press Release, Fed. Trade Comm'n, FTC Challenges Illumina's Proposed Acquisition of Cancer Detection Test Maker Grail (Mar. 30, 2021) <https://www.ftc.gov/news-events/press-releases/2021/03/ftc-challenges-illumina-proposed-acquisition-cancer-detection> (similar).

1180.6(a)(2) *A detailed discussion of the public interest justifications in support of the application, indicating how the proposed transaction is consistent with the public interest, with particular regard to the relevant statutory criteria, including:*

1180.6(a)(2)(i) *The effect of the transaction on inter- and intramodal competition, including a description of the relevant market (see § 1180.7). Include a discussion of whether, as a result of the transaction, there is likely to be any lessening of competition, creation of a monopoly, or restraint of trade in freight surface transportation in any region of the United States.*

The overwhelmingly positive effect of this transaction on inter- and intramodal competition is described in Exhibit 12, which includes the Verified Statement of David Hunt; the Verified Statement of Keith Reardon; the Verified Statement of Daniel R. Bresolin; the Verified Statement of Sarah Slazinski; and the Verified Statement of David Przednowek. Those verified statements describe the positive effect the transaction would have on competitive options for intermodal, automotive, and grain shippers. And because of CN's commitment to give CPKC access (via a haulage agreement) on the Springfield Line, there will be no harm to competitive options whatsoever. To the contrary, customers on the Springfield Line would benefit from gaining access to two Class I rail carriers and from the service improvements and transit time improvement that would flow from CN's capital investments in the Line.

As the discussion above and in Exhibit 12 demonstrates, ICRR's acquisition of the Springfield Line poses no risk of harm to competition but will instead generate substantial, cognizable procompetitive and public interest benefits. Unlike

CP, CN has a pro-competitive vision for the Springfield line. It will invest at least \$250 million in capital improvements on the Springfield Line and ICRR's adjacent Gilman Subdivision. This substantial investment will not only increase rail competition for traffic moving between Kansas City and Chicago/Detroit/Eastern Canada, it will improve service for local customers on the Springfield Line, create 140 jobs, and generate significant environmental benefits by diverting more than 80,000 trucks to rail annually from congested highways.

1180.6(a)(2)(ii) *The financial consideration involved in the proposed transaction, and any economies, to be effected in operations, and any increase in traffic, revenues, earnings available for fixed charges, and net earnings, expected to result from the consummation of the proposed transaction.*

The financial considerations for the proposed divestiture and related trackage rights and haulage arrangements will be negotiated by Applicants and CPKC following any Board decision granting this Responsive Application. As stated previously, Applicants request that the Board provide for a 90-day negotiating period and that resolution of any disputed issues will be resolved by further order of the Board. The economies to be effected in operations, and the projected increase in traffic and revenues expected to result from the proposed divestiture transaction, are described in the verified statements set forth in Exhibit 12.

1180.6(a)(2)(iii) *The effect of the increase, if any, of total fixed charges resulting from the proposed transaction.*

None. CN presently has no plans to take on additional debt or incur any fixed charges in connection with the transactions contemplated by this Responsive Application.

1180.6(a)(2)(iv) *The effect of the proposed transaction upon the adequacy of transportation service to the public, as measured by the continuation of essential transportation services by applicants and other carriers.*

The proposed transaction would greatly increase the adequacy of transportation service to the public. If the CP-KCS merger were approved without Applicants' proposed condition, a combined CPKC would have no incentive to invest in or utilize the Springfield Line in a manner that would compete with CP's existing Kansas City – Chicago line. Nor would CPKC have an incentive to efficiently interchange with CN via the Springfield Line that could compete with CP's network. By contrast, divesting the Springfield Line to ICRR will enable the line to achieve its full potential—as a higher-speed routing option through the U.S. heartland that would offer shippers the benefits of increased competition with trucks and other rail carriers, new innovative product offerings (like temperature-protected service), faster transit time from upgraded track and more frequent service, new and improved intermodal and automotive terminal facilities, and access to new product markets, among other benefits.¹⁵ The operating plan (Exhibit 13) discusses the significant capital projects that CN would undertake to ensure shippers would enjoy faster, safer, and more efficient rail transportation offerings on the Springfield Line if it is divested to ICRR.

The proposed transaction is decidedly pro-competitive: shippers would continue to enjoy their present transportation options. ICRR would grant CPKC

¹⁵ See Exhibit 12.

haulage rights on the Springfield Line. As a result, no local customer on that line would lose a rail option. Instead, customers would enjoy new options via CN, *and* CPKC would still be able to commercially access those customers. In addition, the haulage rights would allow KCS to interchange with other carriers at East St. Louis.

1180.6(a)(2)(v) *The effect of the proposed transaction upon applicant carriers' employees (by class or craft), the geographic points where the impact will occur, the time frame of the impact (for at least 3 years after consolidation), and whether any employee protection agreements have been reached.*

Divestiture of the Springfield Line is not anticipated to have any adverse impact on the current employees of ICRR or Canadian National Railway Company's other US rail subsidiaries. The anticipated hiring is based on limited information currently available. ICRR's likely staffing locations include the following: Missouri (including Mexico, Slater/Kansas City, and Louisiana), and Illinois (including East St. Louis, Roodhouse, and Pearl). ICRR anticipates hiring in Year 1 after consummation. No employee protection agreements have been reached.

The summary of the anticipated labor impacts is attached to the Operating Plan at Appendix E, Exhibit E-3 and is included below. ICRR will be hiring new employees to operate the Springfield Line after consummation. ICRR plans to offer qualified KCS employees currently working on the Springfield Line priority hiring consideration during ICRR's hiring process. As summarized below, ICRR estimates that it will hire 140 new employees in Missouri and Illinois (identified as "Anticipated Jobs Created" in the summary of anticipated labor impacts) to operate

the Springfield Line. Those employees will include 129 craft employees and 11 managers.

SPRINGFIELD LINE DIVESTITURE

Summary of Anticipated Labor Impacts

Illinois Central Railroad Company (ICRR)	
Craft or Class	Anticipated Jobs Created
BLET Locomotive Engineers	23
BMWED Engineering and Track Maintenance	55
BRS Signalmen	11
SMART-TD Conductors	36
IBEW Electrician	1
IAM Machinist	1
BRC Car Mechanic	2
Craft Total	129
Management	Anticipated Jobs Created
Management-Transportation	5
Management-Engineering	6
Management Total	11
GRAND TOTAL	140

For BLET locomotive engineers and SMART-TD conductors, ICRR anticipates T&E in East St. Louis will utilize 21 conductors and 8 engineers, based on current KCS staffing levels on the Springfield Line,¹⁶ T&E in Mexico, Missouri will utilize 4 conductors and 4 engineers for two jobs; and T&E in Kansas City will utilize 11 conductors and 11 engineers for eight jobs.

¹⁶ Application, Vol. 2 at 252. On the basis of the CP-KCS application, ICRR calculates that there are 108 total employees on the Springfield Line: 88 KCS union employees working under the former Gateway Western collective bargaining agreements, and 20 Non-Agreement. Application, Vol. 2 at 245.

For BMWED Engineering and Track Maintenance, ICRR has included 6 bridge tenders at Pearl, IL. KCS has a pending request before the US Coast Guard to automate the bridge at Pearl.¹⁷ If KCS automates the bridge before consummation, the projected bridge tender employment would be reduced accordingly.

For the line sale divestiture in Docket No. FD 36500 (Sub-No. 1), employees adversely affected by the Transaction will be entitled to the employee protective conditions and other procedures adopted in *New York Dock—Control—Brooklyn Eastern District Terminal*, 360 I.C.C. 60, *aff'd sub nom. New York Dock Ry. v. United States*, 609 F.2d 83 (2d Cir. 1979), *as modified by Wilmington Terminal Railroad—Purchase & Lease—CSX Transportation Inc.*, 6 I.C.C.2d 799, 814–26 (1990), *aff'd sub nom. Railway Labor Executives' Ass'n v. ICC*, 930 F.2d 511 (6th Cir. 1991).

Two transactions—ICRR's acquisition of overhead trackage rights from KCS in Docket No. FD 36500 (Sub-No. 2) and ICRR's acquisition of overhead trackage rights via assignment from KCS in Docket No. FD 36500 (Sub-No. 4)—are subject to the employee protective conditions established in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), *as modified in Mendocino Coast Ry. Inc.—Lease and Operate*, 360 I.C.C. 653 (1980). ICRR does not anticipate that the

¹⁷ See *Drawbridge Operation Regulation: Illinois Waterway, Pearl, IL*, Docket No. USCG-2019-0687, 84 Fed. Reg. 70090 (Dec. 20, 2019).

trackage rights transactions proposed in those two sub dockets will adversely affect any rail employees.

For the control proceeding in Docket No. FD 36500 (Sub-No. 3), the CP-KCS Application does not identify Gateway Eastern Railway Company as having any employees. Nonetheless, any active employees of the Gateway Eastern at the time of consummation would be entitled to the employee protective conditions and other procedures adopted in *New York Dock—Control—Brooklyn Eastern District Terminal*, 360 I.C.C. 60, *aff'd sub nom. New York Dock Ry. v. United States*, 609 F.2d 83 (2d Cir. 1979). If there are any active Gateway Eastern employees at the time of consummation, ICRR does not plan to change any terms and conditions of their employment with Gateway Eastern Railway Company as a result of the Springfield Line divestiture and the related control transaction.

1180.6(a)(2)(vi) ***The effect of inclusion (or lack of inclusion) in the proposed transaction of other railroads in the territory, under 49 U.S.C. 11324.***

Not applicable.

1180.6(a)(3) ***Any other supporting or descriptive statements applicants deem material.***

In addition to the previously described verified statements, in Appendix B Applicants enclose 71 support letters from stakeholders expressing their support for a Springfield Line divestiture to CN. Applicants also incorporate by reference the Comments submitted by CN in Docket No. FD 36500 and the accompanying testimony.

1180.6(a)(4) ***An opinion of applicants' counsel that the transaction meets the requirements of the law and***

*will be legally authorized and valid, if approved by the Board. This should include specific references to any pertinent provisions of applicants' bylaws or charter or articles of incorporation.*¹⁸

The opinion of counsel is set forth in Appendix A.

1180.6(a)(5) ***A list of the State(s) in which any part of the property of each applicant carrier is situated.***

CN

Canadian National Railway Company and its U.S. rail operating subsidiaries own and operate approximately 5,453 route miles in the United States in the following states:

- Grand Trunk Western Railroad Company: Illinois, Indiana, Michigan and Ohio¹⁹
- Wisconsin Central, Ltd.: Illinois, Indiana, Michigan, Minnesota, and Wisconsin
- Illinois Central Railroad Company: Alabama, Illinois, Kentucky, Louisiana, Mississippi, and Tennessee²⁰
- Bessemer and Lake Erie Railroad Company: Ohio and Pennsylvania
- Chicago, Central & Pacific Railroad Company: Illinois, Iowa and Nebraska
- Cedar River Railroad Company: Iowa and Minnesota
- The Pittsburgh & Conneaut Dock Company: Ohio
- Sault. Ste Marie Bridge Company: Michigan and Wisconsin
- Waterloo Railway Company: Mississippi and Maine

¹⁸ An opinion of counsel is not required in a control transaction for the party sought to be controlled, or in a responsive application for the party against whom relief is sought. 49 C.F.R. § 1180.6(a)(4).

¹⁹ GTW also has non-rail property assets in Massachusetts.

²⁰ Illinois Central also has non-rail property in South Dakota and Wisconsin.

- Wisconsin Chicago Link Ltd.: Illinois
- Canadian National Railway Company: Minnesota, New York, and Vermont.

1180.6(a)(6)

Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.

Exhibit 1 contains a series of maps that depict the Springfield Line, connections to ICRR, and connections with third party railroads.

1180.6(a)(7)(i)

Describe the nature of the transaction (e.g., merger, control, purchase, trackage rights), the significant terms and conditions, and the consideration to be paid (monetary or otherwise).

The transaction proposed in Docket No. FD 36500 (Sub-No. 1) involves the purchase by Applicant ICRR of KCS's Springfield Line, as defined herein; including an 8.33% equity ownership share of Kansas City Terminal Railway Company ("KCT") and acquisition of a 50% interest in KCS's IFG Terminal.

The transaction proposed in Docket No. FD 36500 (Sub-No. 2) involves ICRR's acquisition of overhead trackage rights on KCS's Pittsburg Subdivision between MP 5.6+/- at Airline Junction in Kansas City, MO, and MP 29.5+/- near Grandview, MO, to reach the IFG Terminal as shown in Exhibit 1B.

The transaction proposed in Docket No. FD 36500 (Sub-No. 3) involves the request by Canadian National Railway Company and ICRR for authority to control

via acquisition of KCS's 100% equity interest in the GWER, a KCS subsidiary that owns certain trackage in the East St. Louis terminal area as shown in Exhibit 1C.

The transaction proposed in Docket No. FD 36500 (Sub-No. 4) involves the assignment to ICRR of KCS's trackage rights agreement with UP relating to the 1.4-mile UP line between Milepost 276.8 at Rock Creek Junction and approximately Milepost 278.2 in the vicinity of Airline Junction in Kansas City, Missouri, as shown in Exhibit 1D.

The terms of the proposed transactions are detailed in Exhibit 2. The significant terms and conditions of the proposed transactions are described in the Asset Purchase Agreement included as Exhibit 2A.

1180.6(a)(7)(ii) ***Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at § 1180.2(d)(7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later.***

Exhibit 2 contains copies of Applicants' proposed forms of the following agreements:

2A – Asset Purchase Agreement between ICRR and KCS relating to the sale by KCS to ICRR of the Springfield Line, a 100% equity interest in GWER, an 8.33% equity interest in KCT and 50% ownership interest in the IFG Terminal;

2B – Trackage Rights Agreement between KCS (as grantor) and ICRR (as grantee) relating to the KCS line between Airline Junction, Missouri and Grandview, Missouri (for ICRR to reach and access the IFG Terminal);

2C – Haulage Agreement between ICRR (as grantor) and KCS (as grantee) granting KCS haulage rights over the Springfield Line (including commercial access to all current and future customers on the Springfield Line, as well as the ability for KCS to interchange with other railroads, primarily in East St. Louis); and

2D – Assignment and Assumption Agreement between KCS and ICRR providing for the assignment to ICRR of KCS's current trackage rights agreement with UP relating to a 1.4-mile line between Rock Creek Junction, Missouri and Airline Junction, Missouri.

1180.6(a)(7)(iii) *If a consolidation or merger is proposed indicate: (A) The name of the company resulting from the consolidation or merger; (B) the State or territory under the laws of which the consolidated company is to be formed or the merged company is to file its certificate of amendment; (C) the capitalization proposed for the resulting company; and (D) the amount and character of the capital stock and other securities to be issued.*

Not applicable.

1180.6(a)(7)(iv) *Court Order (exhibit 3). If a trustee, receiver, assignee, or personal representative of the real party in interest is an applicant, submit a certified copy of the order, if any, of the court having jurisdiction, authorizing the contemplated action.*

Not applicable.

1180.6(a)(7)(v) *State whether the property involved in the proposed transaction includes all the property of the applicant carriers and, if not, describe what property is included in the proposed transaction.*

The proposed transaction does not include all the property of KCS or ICRR.

The proposed transaction consists of the following property:

- In FD 36500 (Sub-No. 1), KCS's line from MP 192.4 at Cockrell (Springfield), IL through MP 482.0 at Rock Creek Jct. (Kansas City), MO (milepost equation at Murrayville, IL where MP 221.7=MP 226.7); the line from MP 68.2 at Roodhouse, IL (MP 237.2 on the first segment) through MP 287.2 at Church (East St. Louis), IL, including KCS's interest in the UP/KCS Joint Facility between Godfrey, IL and Church, IL (milepost equation at Godfrey, IL where MP 28.0=MP 252.1); the Jacksonville Branch from MP 226.7 at Murrayville, IL to MP 216.3 at Jacksonville, IL; KCS's lessor interest in the Fulton Branch from MP 0.0 to MP 3.0 at Mexico, MO, leased to Ozark Valley Railroad, Inc.
 - Also in FD 36500 (Sub-No. 1), acquisition of an 8.33% ownership share of Kansas City Terminal Railway Company ("KCT") and a 50% interest in KCS's International Freight Gateway terminal south of Kansas City.
- In Docket No. FD 36500 (Sub-No. 2), overhead trackage rights on KCS's Pittsburg Subdivision to reach the International Freight Gateway terminal, extending from approximately MP 5.6 at Airline Junction in Kansas City, MO to MP 29.5 near Grandview, MO.
- In Docket No. FD 36500 (Sub-No. 3), Canadian National Railway Company and ICRR seek Board approval to control GWER, a KCS subsidiary which owns trackage in the East St. Louis terminal, through ICRR's acquisition of KCS's 100% equity interest in GWER.
- In Docket No. FD 36500 (Sub-No. 4), Applicant ICRR is requesting acquisition by assignment of KCS's trackage rights over UP between Rock Creek Junction and Airline Junction, Missouri. To the extent those rights are not assignable, Applicants request that the Board override the assignment provision.²¹

1180.6(a)(7)(vi) ***Briefly describe the principal routes and termini of the lines involved, the principal points of interchange on the routes, and the amount of main-line mileage and branch line mileage involved.***

As described in greater detail in the Operating Plan (Exhibit 13), Applicants seeks to acquire the Springfield Line—KCS lines between Kansas City, Missouri, on the one hand, and Springfield, Illinois, and East St. Louis, Illinois. The Springfield Line consists of approximately 400 route miles, including approximately 355 owned

²¹ See 49 U.S.C. § 11321; see, e.g., *Union Pacific Corp., et al.—Control and Merger—Southern Pacific Rail Corp., et al.*, 1 S.T.B. 233, 450 n.217 (1996).

and leased (including perpetual freight easement) route-miles and approximately 43 trackage rights route-miles in Illinois and Missouri. In particular, the Springfield Line consists of the following lines of the former Gateway Western Railway and Gateway Eastern Railway:

- The line from MP 192.4 at Cockrell (Springfield), IL through MP 482.0 at Rock Creek Jct. (Kansas City), Mo. (milepost equation at Murrayville, IL where MP 221.7=MP 226.7).
- The line from MP 68.2 at Roodhouse, IL (MP 237.2 on the first segment) through MP 287.2 at Church (East St. Louis), IL, including KCS's interest in the UP/KCS Joint Facility between Godfrey, IL, and Church, IL (milepost equation at Godfrey, IL where MP 28.0=MP 252.1); Wann, IL, where MP 259.53=MP 262.00 and Q Tower, IL where MP 280.49=MP 280.70.
- The Jacksonville Branch from MP 226.7 at Murrayville, IL to MP 216.3 at Jacksonville, IL; and
- KCS's lessor interest in the Fulton Branch from MP 0.0 to MP 3.0 at Mexico, Mo., leased to Ozark Valley Railroad, Inc.

The junction of Applicants' existing network and the Springfield Line occurs at Cockrell in Springfield, IL, where ICRR trains move over a short segment as a subtenant of UP pursuant to a trackage rights agreement between SPCSL Corp. (UP's predecessor) and Norfolk & Western Company (NS's predecessor).²²

CN also connects with the Springfield Line in East St. Louis at Church. CN also, infrequently, interchanges unit trains with KCS in East St. Louis Yard.

1180.6(a)(7)(vii) *State whether any governmental financial assistance is involved in the proposed transaction and, if so, the*

²² See *Canadian National Ry. Co., et al.—Control—Illinois Cent. Corp., et al.*, 4 S.T.B. 122, 175, 190–99 (1999); *SPCSL Corp.—Trackage Rights Exemption—Norfolk and Western Railway Company*, STB Docket No. FD No. 33351 (STB served Feb. 12, 1997).

form, amount, source, and application of such financial assistance.

There is no government financial assistance involved in the proposed transaction.

1180.6(a)(8)

Environmental data (exhibit 4). Submit information and data with respect to environmental matters prepared in accordance with 49 CFR part 1105. In major and significant transactions, applicants shall, as soon as possible, and no later than the filing of a notice of intent, consult with the Board's Office of Environmental Analysis for the proper format of the environmental report.

Applicants have consulted with the Board's Office of Environmental Analysis ("OEA") and provided the information in the format requested by OEA on February 22, 2022. That information is set forth in Exhibit 4.

1180.6(b)(3)

Change in control (exhibit 8). If an applicant carrier submits an annual report Form R-1, indicate any change in ownership or control of that applicant carrier not indicated in its most recent Form R-1, and provide a list of the principal six officers of that applicant carrier and of any related applicant, and also of their majority-owned rail carrier subsidiaries. If any applicant carrier does not submit an annual report Form R-1, list all officers of that applicant carrier, and identify the person(s) or entity/entities in control of that applicant carrier and all owners of 10% or more of the equity of that applicant carrier.

ICRR is a wholly-owned indirect subsidiary of Canadian National Railway Company ("CNR"). ICRR and the other U.S. rail carrier subsidiaries of CNR report to the Board on a consolidated Class I basis under the name Grand Trunk Corporation. *See Consolidated Reporting By Commonly Controlled Railroads*, 5 S.T.B. 1050 (2001), codified at 49 C.F.R. §1201(1-1)(b)(1). While Applicants believe

the proposed transaction should be classified as “minor,” in the event the Board decides to classify the proposed transaction as a “significant” transaction, Exhibit 8 is provided.

1180.6(b)(5) *Issues (exhibit 10). Submit a discussion of any other issues relevant to the transaction.*

Attached as Appendix B are letters of support from interested stakeholders, who are excited by the prospect of a revitalized Springfield line with hundreds of millions of new investments that will preserve and increase competition for both existing railroad service and trucking alternatives.

1180.6(b)(6) *Corporate chart (exhibit 11). Submit a corporate chart indicating all relationships between applicant carriers and all affiliates and subsidiaries and also companies controlling applicant carriers directly, indirectly or through another entity (with each chart indicating the percentage ownership of every company on the chart by any other company on the chart). For each company: include a statement indicating whether that company is a noncarrier or a carrier; and identify every officer and/or director of that company who is also an officer and/or director of any other company that is part of a different corporate family that includes a rail carrier. Such information may be referenced through notes to the chart.*

While Applicants believe the proposed transaction should be classified as “minor,” in the event the Board decides to classify the proposed transaction as a “significant” transaction, Exhibit 11 is provided.

1180.6(b)(7) *If applicant is not a carrier, indicate (i) the type of business in which it is engaged, (ii) the length of time so engaged, and (iii) its present and prospective activities which have or may have a relation to transportation subject to 49 U.S.C. Subtitle IV.*

Not applicable.

1180.6(b)(8)

Intercompany or financial relationships. Indicate whether there are any direct or indirect intercompany or financial relationships at the time the application is filed, not disclosed elsewhere in the application, through holding companies, ownership of securities, or otherwise, in which applicants or their affiliates own or control more than 5% of the stock of a non-affiliated carrier, including those relationships in which a group affiliated with applicants owns more than 5% of the stock of such a carrier. Indicate the nature and extent of any such relationships, and, if an applicant owns securities of a carrier subject to 49 U.S.C. Subtitle IV, provide the carrier's name, a description of securities, the par value of each class of securities held, and the applicant's percentage of total ownership. For purposes of this paragraph, "affiliates" has the same meaning as "affiliated companies" in Definition 5 of the Uniform System of Accounts (49 CFR part 1201, subpart A).

While Applicants believe the proposed transaction should be classified as "minor," in the event the Board decides to classify the proposed transaction as a "significant" transaction, all known financial relationships between applicant carriers, including persons affiliated with those carriers, and carriers from other corporate families, including persons affiliated with those carriers, are reported in Exhibit 11, Table 11.1.

2. Competitive & Market Information

1180.7

For ... significant transactions, applicants shall submit impact analyses (exhibit 12) describing the impacts of the proposed transaction – both adverse and beneficial – on inter- and intramodal competition with respect to freight surface transportation in the regions affected and on the provision of essential services by applicants and other carriers. ...

While Applicants believe the proposed transaction should be classified as “minor,” in the event the Board decides to classify the proposed transaction as a “significant” transaction, Exhibit 12 is provided. Exhibit 12 contains four verified statements from CN employees who describe the beneficial impact the proposed transaction would have on competition and on the provision of essential services by CN, ICRR, and other carriers. Exhibit 12 also includes the verified statement of David Hunt, who presents Applicants’ traffic diversion study for the proposed transaction.

3. Operational Information

1180.8(b)

For major and significant transactions: Operating plan (exhibit 13). Submit a summary of the proposed operating plan changes, based on the impact analyses, that will result from the transaction, and their anticipated timing, allowing for any time required to complete rehabilitation, upgrading, yard construction, or other major operational changes following consummation of the proposed transaction. The plan should make clear the gains in service, operating efficiencies, and other benefits anticipated from the merger. ...

For the reasons explained elsewhere in this Responsive Application, Applicants believe the proposed divestiture transaction should properly be classified as a “minor” transaction because the transaction “clearly will not have any anticompetitive effects.”²³ Nevertheless, Applicants are submitting an operating plan with all the information required in connection with a “significant” application.

²³ 49 C.F.R. § 1180.2(b)(1).

For this reason, Applicants are including an operating plan as Exhibit 13, along with Density Charts as Exhibit 14, in lieu of Exhibit 15, Operating Plan–Minor.

This Responsive Application involves the sale of a railroad line. Current operations on the Springfield Line are straightforward. The proposed transaction will add approximately 400 miles to CN's existing 5,300+ mile United States network. Although CN believes the line can be an important and economically beneficial component of the national rail network and will preserve and improve a competitive route between Kansas City and Chicago/Detroit/Eastern Canada, the scope of the transaction and the approximately two new through trains per day on the Line are not operationally complex. The Springfield Line and a few yards and terminals (East St. Louis and the IFG Terminal, which is 24 miles south of Kansas City) will be most affected by the transaction-related traffic growth. As discussed in the Operating Plan, CN plans to invest in those facilities to promote safe and efficient handling of traffic that moves on the Springfield Line. ICRR's adjacent Gilman Subdivision and certain CN yards will also experience some increase in intermodal and automotive traffic volumes, including CN's Detroit Intermodal Yard in Ferndale, Michigan; Chicago Intermodal Yard in Harvey, Illinois; and Markham Yard in Hazel Crest, Illinois, for automotive traffic. Most of the transaction-related Springfield Line manifest traffic will be added to existing trains already moving on CN.

The introduction of CN single-line service as envisioned by this Responsive Application will significantly increase the service capabilities of the CN system,

preserving and increasing competition between Kansas City and Chicago/Detroit/Eastern Canada. More than 80,000 trucks will be removed from the highways each year, generating public benefits including reduced carbon emissions, reduced highway congestion, and reduced public expenditures for highway maintenance. The more than 80,000 trucks that will be diverted to CN lines include approximately 77,800 dry vans and containers that will shift to rail intermodal service, approximately 1,480 car transporters carrying assembled automobiles that will divert to multilevel railcars (“multilevels”), and 900 trucks with commodities (*i.e.*, bulk commodities such as plastic pellets and cement that use rail for linehaul and transfer to/from truck for first/last mile pickups and deliveries) that will divert to covered hoppers and other types of railcars.²⁴

A total of approximately 49,500 railcars will be diverted from other railroads due to preserved, renewed, and increased rail competition in the Midwest and Southeast, brought about by the preservation and upgrading of the KCS line between Kansas City and Chicago, the creation of new competitive rail routes from East St. Louis via the Springfield Line, and additional intermodal and automotive facilities in East St. Louis. The traffic diverted from other railroads includes approximately 31,000 intermodal containers, approximately 17,900 multilevels carrying assembled automobiles, and approximately 600 carloads of grain.

An additional 12,500 containers that currently are unloaded at congested U.S. East Coast ports and moved to Kansas City and East St. Louis by rail or truck

²⁴ See Exhibit 12, Verified Statement of David Hunt, at 3.

are projected to be diverted to the Port of Montreal, leveraging CN's new single-line service via the Springfield Line and ICRR's proposed new intermodal terminal in East St. Louis.

By acquiring the Springfield Line, CN will (1) preserve competition between Kansas City and Chicago over the historic Gateway Western line, which has been a competitive route for rail customers for more than 100 years; and (2) introduce new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City. It also will establish a more direct route for traffic between Canada and the Midwest and East St. Louis, because traffic moving to East St. Louis via CN's current route from northern locations moves south of East St. Louis to Du Quoin, IL, before heading north for East St. Louis Yard; and traverses the same longer route on trips from East St. Louis to northern destinations. This would save approximately 100 miles round trip.

CN plans to invest to build new automotive and intermodal terminal facilities at the IFG Terminal and in East St. Louis. As discussed further in the Operating Plan and Verified Statement of David Hunt, these routes and facilities will be widely used by the shipping community:

- The new ICRR intermodal facility at the IFG Terminal in Kansas City is projected to originate and terminate approximately 95,300 annual containers, with another approximately 26,000 annual containers at the new ICRR intermodal terminal in East St. Louis.
- Approximately 10,000 annual multilevels carrying assembled automobiles are projected to originate and terminate on ICRR in Kansas City, with an additional, approximately 9,750 multilevels originating at the new ICRR terminal in East St. Louis.

The origin-destination pairs expected to attract the largest intermodal diversions from other railroads are detailed in the Operating Plan. The single largest lane for rail-to-rail auto diversions is St. Louis to Detroit (2,304 loads), followed by Chicago to Kansas City (1,147 loads), Kansas City to Detroit (878 loads), and Toledo to Kansas City (868 loads). While some of these movements may currently be Rule 11 rebills that do not actually originate in St. Louis or Chicago, with the Springfield Line, CN would be positioned to preserve, renew, and increase competition as a strong competitor for that traffic.

CN's purchase of the Springfield Line will provide shippers several important benefits. The service between Kansas City and destinations in Michigan, Ohio, and Eastern Canada will cross the "watershed" (a north-south area of the United States extending up to 300-400 miles east and west of the Mississippi River where trucks have an unusually high share of freight shipments), offering shippers a new rail alternative which will be attractive enough for 80,000 truckloads per year of freight to divert to CN's new service. CN has also committed to spend \$250 million to (i) upgrade the Springfield Line and CN's adjacent line between Springfield and Gilman IL, where the new route will connect with CN's mainline to Chicago; and (ii) construct new intermodal and automotive facilities in Kansas City and East St. Louis. These improvements will enable CN to achieve improved transit times, faster car cycles, better asset utilization, and operating synergies made possible by fewer car handlings due to single-line service and capital improvements.

To enable its new intermodal/automotive service at Kansas City, CN proposes to acquire a 50 percent ownership interest in KCS's IFG Terminal. CN will invest to create new intermodal and automotive terminals that will expand the capacity of that facility to accommodate the anticipated increase in automotive and intermodal volumes resulted from the proposed transaction. Intermodal containers and multilevels originating in East St. Louis will be moved from the new intermodal/auto terminal that ICRR plans to build in East St Louis to Roodhouse, where that traffic will connect with the eastbound train from Kansas City.

CN's proposed operation will encompass several components, described in greater detail in the Operating Plan:

- Six days per week train service will be provided from East St. Louis to Kansas City for carload traffic.
- A daily turn job will operate between Roodhouse, IL, and East St. Louis to handle intermodal and automotive traffic between St. Louis and Kansas City.
- At Kansas City, ICRR will provide separate services to both Knoche Yard and the IFG Terminal, increasing the manifest service to six days per week, and the intermodal/automotive service to seven days per week, from KCS's existing {{ Redacted }}. Both existing and future customers will receive a superior level of service, as ICRR will eliminate the current KCS practice of shuttling cars between Knoche and IFG, thereby providing direct service to both terminals for CN and CSXT traffic.
- Local operations in East St. Louis to the NS interchange, Wood River, and Godfrey would remain the same. Interchange with CSXT and the TRRA would be increased, and the CSXT interchange could be upgraded. Other local service in the St. Louis area would remain as it is today. As both CN and KCS currently interchange with TRRA, ICRR's six days per week service would replace KCS's less frequent service.

Service frequency for general carload traffic would be six days a week,

{{ Redacted

Reda }}. All local service would be operated at least five days a week and interchanges would be five or six days a week, based on future volumes.

Service in the Kansas City terminal area will also improve. As part of this Responsive Application, ICRR seeks to acquire an 8.33 percent ownership share in KCT and assignment to ICRR of KCS's overhead trackage rights over the UP line connecting the Springfield Line (at Rock Creek Junction) with Knoche Yard (at Airline Junction), as well as overhead trackage rights on the KCS line to the IFG Terminal from Airline Junction. ICRR plans to offer daily intermodal and automotive train service via the Springfield Line to the IFG Terminal facility at Grandview, Missouri.

ICRR's other daily through train on the Springfield Line would operate between Rock Creek Junction and Airline Junction over the KCS-assigned trackage rights on track owned by UP, to Knoche Yard. CPKC haulage traffic handled by ICRR on the Springfield Line would be physically interchanged with CPKC at Knoche Yard.

Existing customers on the Springfield Line will gain access to an improved level of service (compared to KCS's current service):

- A manifest train will operate six days per week in each direction between Kansas City and East St. Louis. This train will pick-up and set-off cars along its route to support the Springfield Line's local train and yard assignments, providing an improvement in service frequency from the current KCS local service.
- Combining the volumes of ICRR and the merged CPKC (much of it to/from interchange with CSXT at East St. Louis) will provide the critical density needed to support an increase in service levels for all the carriers using this route between Kansas City and East St. Louis. As discussed above, ICRR will also provide direct service for carload traffic to the Knoche joint agency Yard

and to the IFG Terminal for intermodal and automotive traffic without having to shuttle cars between the two terminals in Kansas City. This would eliminate current inefficient operations whereby KCS takes manifest traffic south to the IFG Terminal before moving it north to Knoche Yard on westbound trains, and shuttles intermodal loadings to Knoche for eastbound Kansas City – East St. Louis manifest trains.

- A ICRR turn assignment will transfer intermodal/auto traffic between Roodhouse and East St. Louis. Its schedule will be coordinated to provide rapid delivery to East St. Louis of cars set-off at Roodhouse by the new ICRR westbound Chicago-Kansas City train; and prompt handling to Roodhouse of intermodal/auto loads for the new eastbound Kansas City – Chicago train. This will be a new service offering for intermodal/auto shippers moving loads between St. Louis and Toronto/Port of Montreal, as neither CN nor KCS currently have intermodal or automotive facilities in East St. Louis. Detroit will be the largest source of new intermodal and multilevel traffic. The Roodhouse – East St. Louis turn will also move intermodal and automotive traffic coming from Mobile, Jackson, New Orleans, and Memphis (via Centralia) to the Chicago – Kansas City train at Roodhouse for delivery to the IFG Terminal (and vice versa for southbound traffic).

Finally, ICRR will provide improved local service along the key line segment between Roodhouse, IL and Mexico, MO:

- KCS's existing local from Mexico, Missouri would be extended to Laddonia, MO, with increased frequency as volume warrants.
- Service to Jacksonville, IL would be increased.
- Cars moving to/from Roodhouse would be picked up and set off at Mexico, MO, six days a week instead of the current four days a week.
- Service to Cockrell, IL; Springfield, IL, Jerseyville, IL and Carrollton, IL would remain unchanged.
- Customers west of Mexico, MO would be served by the six-day-a-week through train operating between East St. Louis and Kansas City. This would provide a significant improvement in service to the key existing and potential non-agricultural customers and the Ozark Valley Railroad.

KCS will continue to have access to existing unit train grain shippers on the Springfield Line pursuant to the proposed haulage agreement with ICRR, as described in greater detail in the Operating Plan. Under the haulage agreement,

CN would operate this unit train service over the Springfield Line on KCS's behalf with cars supplied by KCS or the customer and locomotives supplied by KCS.

In summary, the proposed divestiture transaction will increase the competitive rail options available to shippers on the Springfield Line.

CONCLUSION

For the reasons set forth above, Applicants respectfully request that the Board grant this Responsive Application in its entirety and impose the transactions contemplated herein as a condition of any approval of the proposed CP-KCS merger in Docket No. FD 36500.

Respectfully submitted,

Sean Finn
Olivier Chouc
CN
935 de La Gauchetière Street West,
16th Floor
Montreal, QC H3B 2M9
CANADA

Kathryn J. Gainey
CN
601 Pennsylvania Ave, NW
Suite 500, North Building
Washington, DC 20004
Kathryn.gainey@cn.ca

/s/ Raymond A. Atkins

Raymond A. Atkins
Terence M. Hynes
Matthew J. Warren
Sidley Austin LLP
1501 K Street, N.W.
Washington, DC 20005
(202) 736-8000
ratkins@sidley.com

Counsel for Canadian National Railway Company and Illinois Central Railroad Company

Dated: February 28, 2022

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of February 2022, a copy of the foregoing Responsive Application was served by first-class mail on all persons designated in § 1180.4(c)(5) and by first-class mail or more expeditious means on all parties of record in Docket No. FD 36500.

/s/ Matthew J. Warren

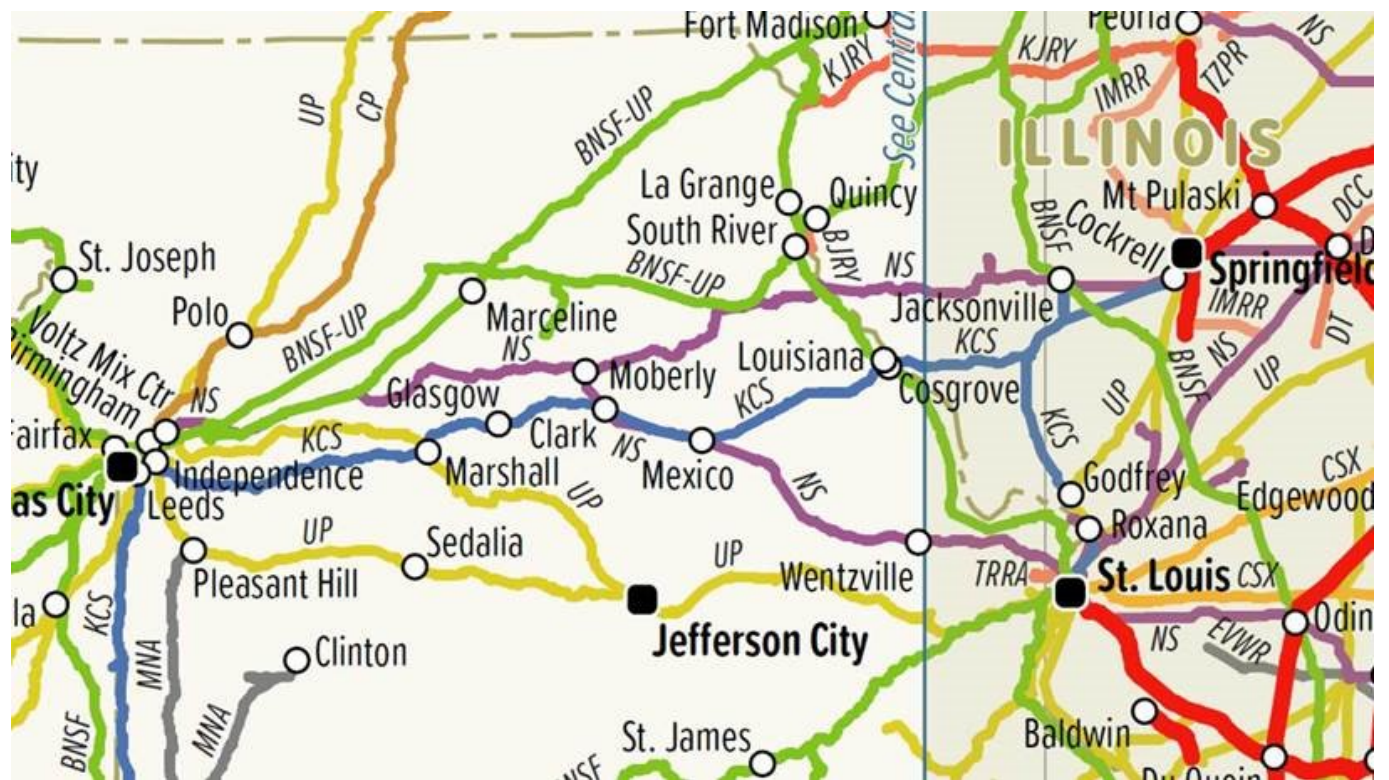
Matthew J. Warren
SIDLEY AUSTIN LLP

Exhibit 1

Maps

Exhibit 1A

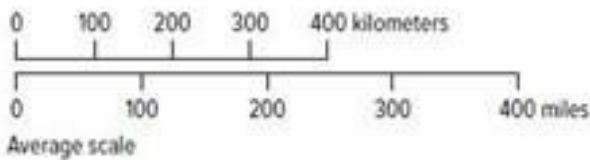
Map of the Springfield Line (Sub No. 1)



NORTH AMERICA SYSTEM MAP

LEGEND

	CN		BNSF Railway
	CN rail ferry		Canadian Pacific
	CN trackage, haulage and commercial rights		CSX Transportation
	CN principal shortline partners		Ferromex
			Kansas City Southern
			Kansas City Southern de México
			Norfolk Southern
			Union Pacific
			Other connecting, regional and shortline railroads
			Out of service



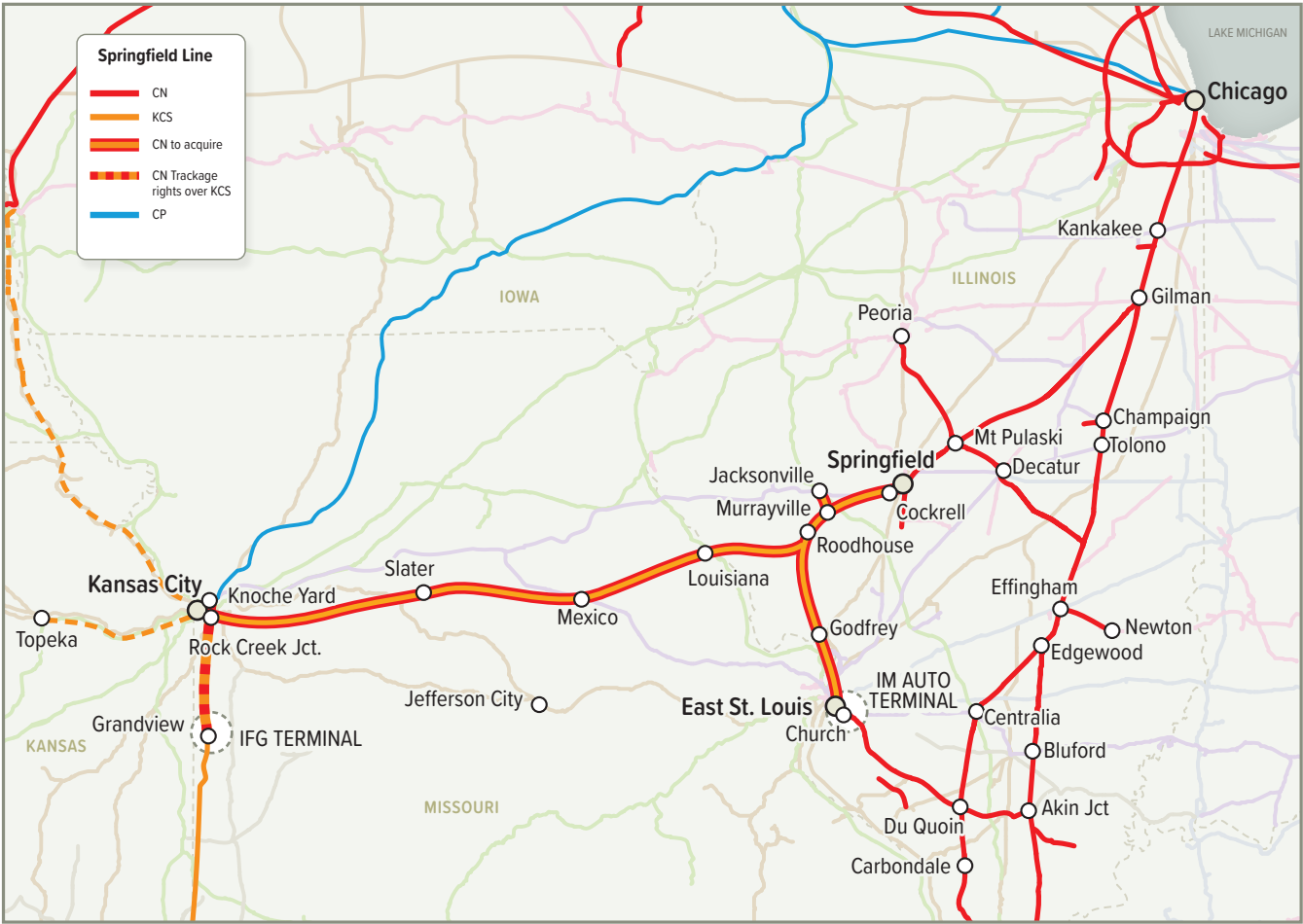


Exhibit 1B

**Map of the Trackage
Rights Between Airline
Junction, MO and
Grandview, MO
(Sub-No. 2)**

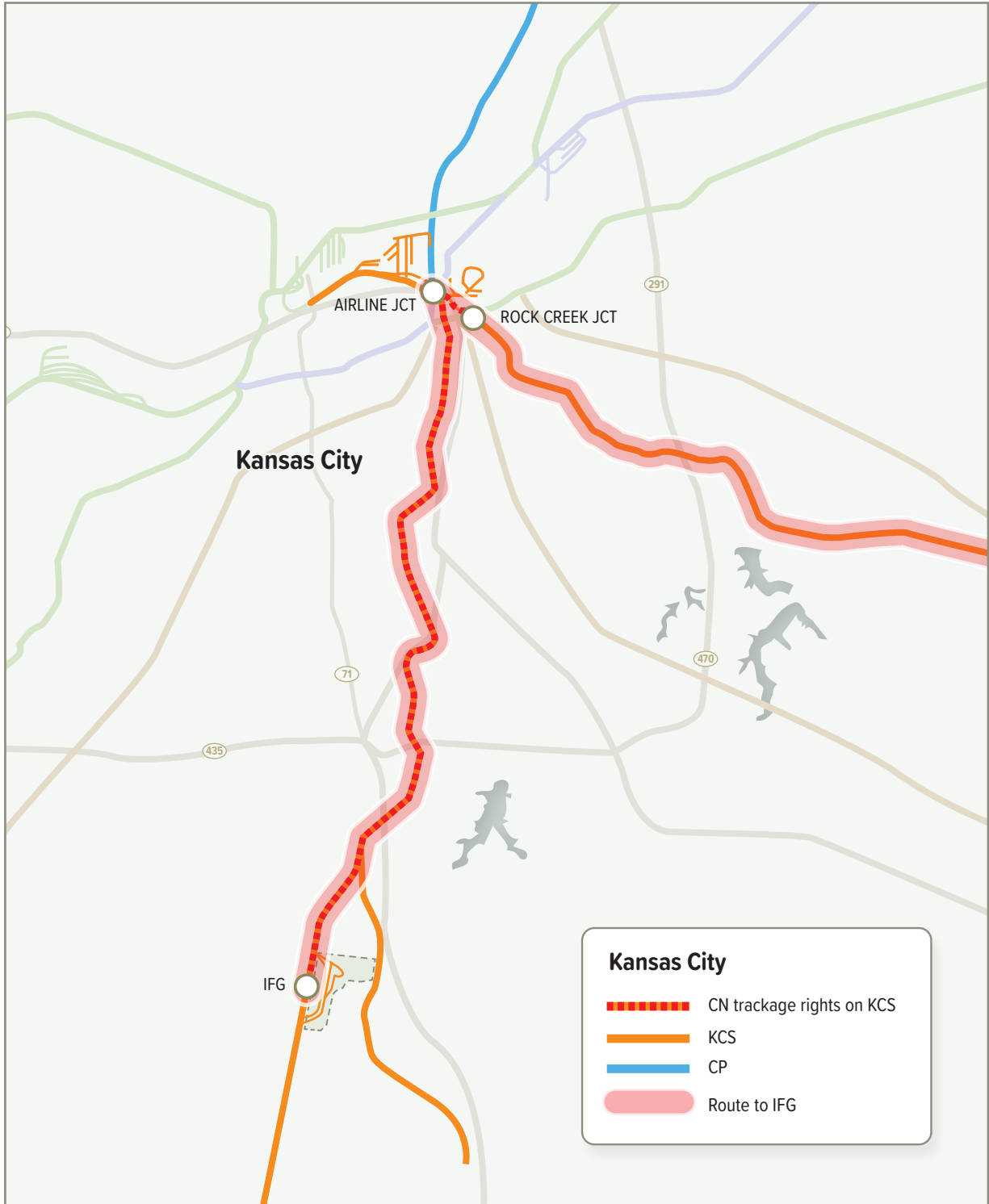


Exhibit 1C

**Map of the Gateway
Eastern Railway
Company (Sub-No. 3)**

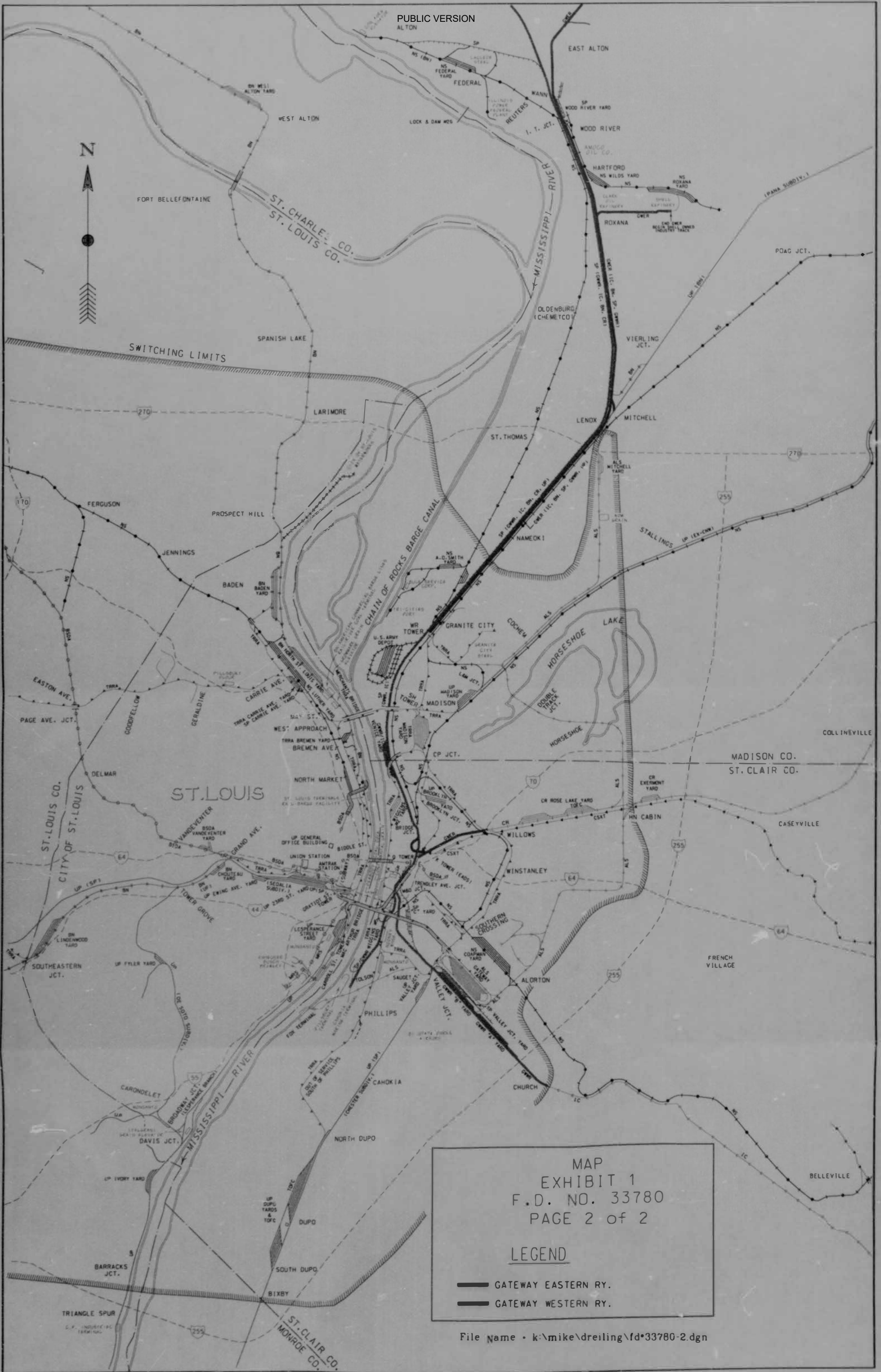


Exhibit 1D

**Map of the Trackage
Rights Between
Airline Junction, MO
and Rock Creek
Junction, MO
(Sub-No. 4)**

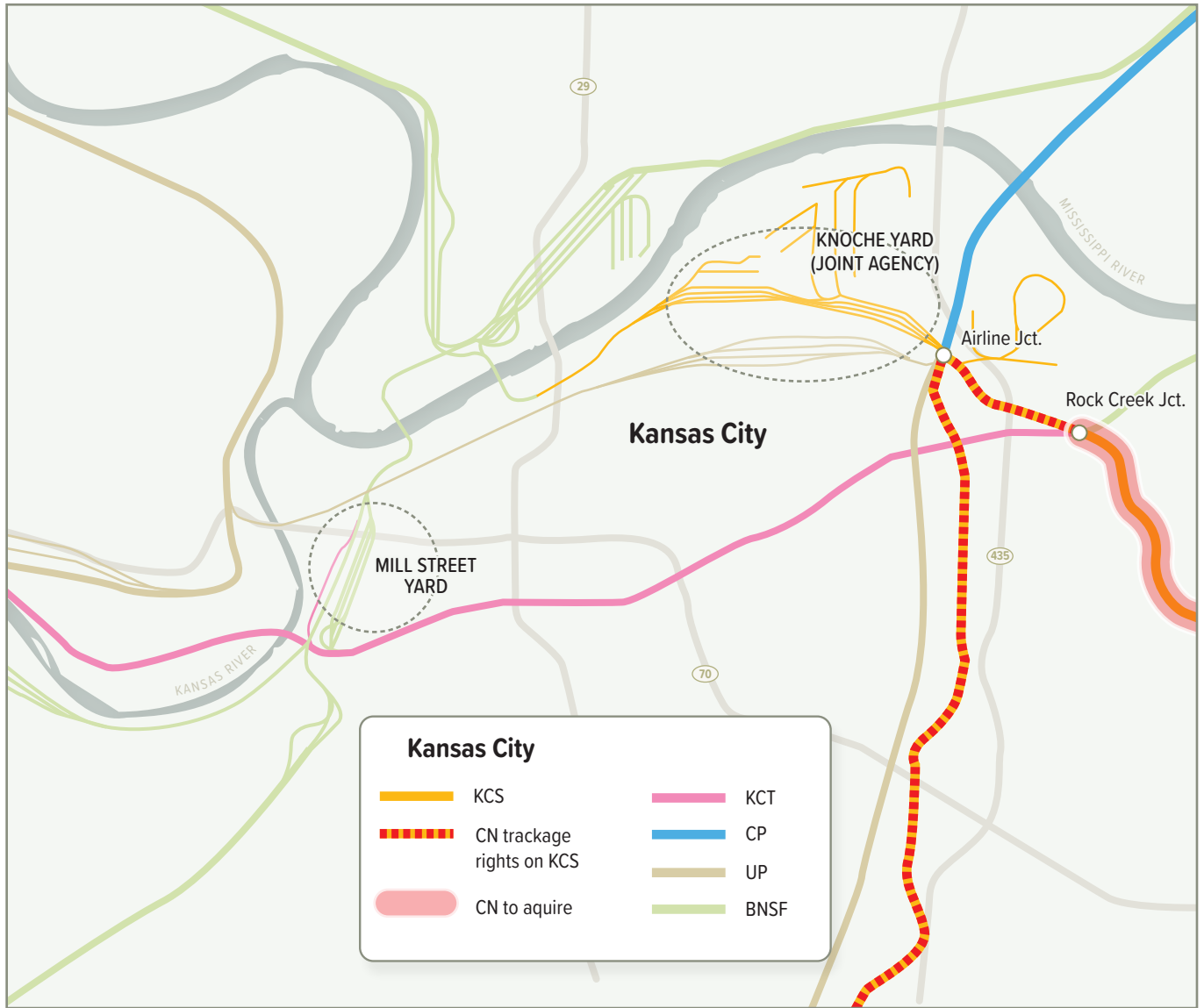


Exhibit 2

Proposed Agreements

Exhibit 2A

Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

By and Between

KANSAS CITY SOUTHERN RAILWAY COMPANY

and

ILLINOIS CENTRAL RAILROAD COMPANY

Dated as of [●], 2022

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I. DEFINITIONS.....	1
Section 1.01. Definitions.....	1
ARTICLE II. PURCHASE AND SALE OF ASSETS.....	10
Section 2.01. Purchase and Sale of the Purchased Assets	10
Section 2.02. Excluded Assets	11
Section 2.03. Required Consent Contracts.....	12
ARTICLE III. LIABILITIES.....	14
Section 3.01. Assumed Liabilities	14
Section 3.02. Excluded Liabilities.....	14
ARTICLE IV. CLOSING AND PURCHASE PRICE.....	16
Section 4.01. Closing; Closing Date Deliveries.....	16
Section 4.02. Purchase Price; Adjustment Amount	16
Section 4.03. Seller Closing Deliveries.....	17
Section 4.04. Purchaser Closing Deliveries.....	18
Section 4.05. Withholding	19
ARTICLE V. REPRESENTATIONS AND WARRANTIES OF SELLER.....	19
Section 5.01. Organization and Standing.....	19
Section 5.02. Authorization, Execution and Enforceability.....	19
Section 5.03. No Conflict or Violation	20
Section 5.04. No Governmental Consent or Filing.....	20
Section 5.05. Assigned Contracts.....	20
Section 5.06. Purchased Assets.....	21
Section 5.07. Litigation.....	21
Section 5.08. Real Property.....	21
Section 5.09. Environmental Matters.....	22
Section 5.10. Tax Matters.....	23
Section 5.11. Compliance with Laws; Permits.....	24
Section 5.12. Conduct of Business	25
Section 5.13. Condition of Subject Line and Bridges	25
Section 5.14. Brokerage.....	25
Section 5.15. Insurance.....	25

Section 5.16.	Sufficiency of Assets	26
ARTICLE VI. REPRESENTATIONS AND WARRANTIES OF PURCHASER.....		26
Section 6.01.	Organization and Standing	26
Section 6.02.	Authorization, Execution and Enforceability.....	26
Section 6.03.	No Conflict or Violation	27
Section 6.04.	No Governmental Consent or Filing.....	27
Section 6.05.	Litigation.....	27
Section 6.06.	No Brokers.....	27
ARTICLE VII. COVENANTS.....		27
Section 7.01.	Effort.....	27
Section 7.02.	Conduct of Business	28
Section 7.03.	Expenses; No Offset	29
Section 7.04.	Tax Matters.....	30
Section 7.05.	Further Actions.....	33
Section 7.06.	Insurance.....	33
Section 7.07.	Real Property Matters	34
Section 7.08.	[Nondisclosure].....	34
Section 7.09.	Removal of Seller Marks.....	36
Section 7.10.	Surface Transportation Board.....	36
Section 7.11.	FCC Radio Licenses	36
Section 7.12.	Notice Regarding Changes.....	36
Section 7.13.	Employment.....	37
ARTICLE VIII. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PARTIES		37
Section 8.01.	Conditions to Each Party's Obligations to Close	37
Section 8.02.	Conditions to Obligations of Purchaser to Close.....	38
Section 8.03.	Conditions to Obligations of Seller to Close.....	38
Section 8.04.	Frustration of Closing Conditions.....	39
ARTICLE IX. TERMINATION; EFFECT OF TERMINATION.....		39
Section 9.01.	Termination.....	39
Section 9.02.	Effect of Termination.....	39
Section 9.03.	Notice of Termination.....	40
ARTICLE X. SURVIVAL, INDEMNIFICATION AND REMEDIES.....		40
Section 10.01.	Survival.....	40
Section 10.02.	Indemnification	40

Section 10.03.	Expiration of Claims.....	43
Section 10.04.	Determination of Loss Amount.....	43
Section 10.05.	Mitigation.....	43
ARTICLE XI. GENERAL PROVISIONS		43
Section 11.01.	Notices.....	43
Section 11.02.	Waiver.....	44
Section 11.03.	Benefit and Assignment.....	44
Section 11.04.	Amendment.....	45
Section 11.05.	Severability	45
Section 11.06.	Governing Law; Waiver of Jury Trial; Submission to Jurisdiction	45
Section 11.07.	Interpretation.....	46
Section 11.08.	Signature in Counterparts; Electronic Delivery	47
Section 11.09.	Entire Agreement.....	47

EXHIBITS

Exhibit A	Subject Line
Exhibit B	Form of Adjustment Statement
Exhibit C	Form of Bill of Sale
Exhibit D	Form of Transition Services Agreement
Exhibit E	Form of Assignment and Assumption Agreement
Exhibit F	Form of Trackage Rights Agreement
Exhibit G	Form of Haulage Agreement
Exhibit H	Form of Seller's Officer's Certificate
Exhibit I	Form of Purchaser's Officer's Certificate
Exhibit J	Allocation Schedule

DISCLOSURE SCHEDULES

<u>Section 1.01</u>	Representatives for Purposes of "Knowledge" Definition
<u>Section 2.01(b)</u>	Transferred Real Property
<u>Section 2.01(j)</u>	FCC Radio Licenses
<u>Section 2.02(g)</u>	Excluded Contracts
<u>Section 3.02(b)</u>	Prior Environmental Liabilities
<u>Section 5.03</u>	No Conflict or Violation
<u>Section 5.06</u>	Title to Purchased Assets
<u>Section 5.07</u>	Litigation
<u>[Section 5.08(a)]</u>	Leased Real Property]
<u>Section 5.08(c)</u>	Encumbrances on Transferred Real Property [and Leased Real Property]
<u>Section 5.09</u>	Environmental Matters
<u>Section 5.11</u>	Permits
<u>Section 5.13</u>	Condition of Subject Line and Bridges
<u>Section 5.14</u>	Brokers
<u>Section 5.15</u>	Insurance
<u>Section 5.16</u>	Sufficiency of Assets
<u>Section 7.02(a)</u>	Conduct of Business

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of [●], 2022, is entered into by and between Kansas City Southern Railway Company, a Delaware corporation (“KCSR” or “Seller”) and Illinois Central Railroad Company, an Illinois corporation (“Purchaser”). Seller and Purchaser are referred to herein individually as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, Seller owns, operates and has certain right, title and interest in and to those certain lines of railroad located between (i) KCSR Milepost 192.4 in the vicinity of Springfield, Illinois and KCSR Milepost 482.0 in the vicinity of Kansas City, Missouri, a distance of approximately [●] miles, (ii) KCSR Milepost 68.2 in the vicinity of Roodhouse, Illinois and KCSR Milepost 287.2 in the vicinity of Church, Illinois, a distance of approximately [●] miles, (iii) KCSR Milepost 226.7 in the vicinity of Murrayville, Illinois and KCSR Milepost 216.3 in the vicinity of Jacksonville, Illinois, a distance of approximately [●] miles, and (iv) KCSR Milepost 0.0 and KCSR Milepost 3.0 in the vicinity of Mexico, Missouri, a distance of approximately [●] miles and certain related assets shown on Exhibit A (collectively, and as defined more fully below, the “Subject Line”), and certain other assets as defined in Section 2.01 (the Subject Line and such other assets referred to collectively hereinafter as the “Purchased Assets”);

WHEREAS, Purchaser desires to acquire the Subject Line and the other Purchased Assets and is willing to assume certain liabilities, in each case as set forth hereinafter, and Seller is willing to sell, convey and assign the same, all on the terms and conditions set forth in this Agreement; and

NOW, THEREFORE, for and in consideration of the foregoing, the representations, warranties, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I. DEFINITIONS

Section 1.01. Definitions.

The following terms shall have the respective meanings set forth below throughout this Agreement:

“Accounts Receivable” means the accounts receivable, billed and unbilled, of Seller.

“Adjustment Amount” shall have the meaning set forth in Section 4.02(b).

“Adjustment Statement” shall have the meaning set forth in Section 4.02(b).

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“Agreement” shall have the meaning set forth in the Preamble hereto.

“Allocation Schedule” shall have the meaning set forth in Section 7.04(d).

“Asset Taxes” means ad valorem, property, excise, sales, use, public utility and similar Taxes based upon the acquisition, operation or ownership of the Purchased Assets, the Purchased Interests and assets owned by the Purchased Entities, but excluding, for the avoidance of doubt, Income Taxes and Transfer Taxes.

“Assigned Contracts” shall have the meaning set forth in Section 2.01(c).

“Assignment and Assumption Agreement” shall have the meaning set forth in Section 4.03(e).

“Assumed Liabilities” shall have the meaning set forth in Section 3.01.

“Base Purchase Price” shall have the meaning set forth in Section 4.02(a)

“Bill of Sale” shall have the meaning set forth in Section 4.03(a).

“Business Day” means any day other than a Saturday, Sunday or a day on which the banks in New York, NY are authorized or obligated by Law or executive order to close.

“Cap” shall have the meaning set forth in Section 10.02(c).

“Claim Notice” shall have the meaning set forth in Section 10.02(d).

“Closing” shall have the meaning set forth in Section 4.01.

“Closing Date” shall have the meaning set forth in Section 4.01.

“Code” means the Internal Revenue Code of 1986, as amended.

“Confidential Information” shall have the meaning set forth in Section 7.08(e).

“CP” means Canadian Pacific Railway Company.

“Data Room” means the “[●]” virtual data room relating to the transactions contemplated by this Agreement hosted by [●].

“Deed” shall have the meaning set forth in Section 4.03(d).

“Disclosing Party” shall have the meaning set forth in Section 7.08(c).

“Disclosure Schedules” shall have the meaning set forth in ARTICLE V.

“Electronic Delivery” shall have the meaning set forth in Section 11.08.

“Encumbrance” means any mortgage, lien, encumbrance, charge, option, right of first refusal or first offer, security interest, pledge, right of way, easement or encroachment.

“Environmental Laws” means any and all Laws that have as their principal purpose the protection, preservation, investigation, remediation, or restoration of, or prevention of harm or damage to, natural resources or the environment, or (to the extent addressing human exposure to Hazardous Substances) occupational or human health and safety, including the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; the Hazardous Materials Transportation Act; the Federal Insecticide, Fungicide, and Rodenticide Act; the Toxic Substances Control Act; the Clean Water Act; the Clean Air Act; and the Oil Pollution Act.

“Environmental Liabilities” means any Liability that arises under or relates to Environmental Laws or a Hazardous Substance, including for property damage, personal injury or death caused by an actual or alleged Release, or exposure to, a Hazardous Substance at any location whatsoever including a location at which Hazardous Substances have been disposed, for Remedial Action, and for any violation of Environmental Law.

“Equity Transfer Document” means [●].¹

“Excluded Assets” shall have the meaning set forth in Section 2.02.

“Excluded Contracts” shall have the meaning set forth in Section 2.02(g).

“Excluded Liabilities” shall have the meaning set forth in Section 3.02.

“FCC” means the Federal Communications Commission.

“FCC Approval” means authorization from the FCC pursuant to 49 U.S.C. § 310(d) for the assignment of all radio frequency licenses currently held by Seller related to the Purchased Assets.

“FCC Licenses” shall have the meaning set forth in Section 2.01(j).

“Final 338(h)(10) Allocation” shall have the meaning set forth in Section 7.04(g)(iv).

“Final Determination” shall have the meaning set forth in Section 10.02(e).

¹ **Note to Draft:** To include the documents transferring 8.33% of the equity share in KCT and 100% of the equity share in GWER.

“FRA” shall have the meaning set forth in Section 7.05(c).

“Fraud” means actual and intentional fraud or misrepresentation made by a Party with respect to the specific representations and warranties of such Party expressly set forth in this Agreement with the knowledge that such representation and warranty was false when made, that such Party had the intent to induce the other Party to act or refrain from acting in making such representation and warranty, that such other Party acted in reliance on such misrepresentation or false representation and warranty, and as a result such other Party suffers harm.

“Fundamental Representations” shall have the meaning set forth in Section 10.01.

“GAAP” means generally accepted accounting principles in the United States as in effect from time to time, as consistently applied.

“Governmental Authority” means any government or political subdivision, whether federal, state, local, foreign or supranational, or any agency, authority, official or instrumentality of any such government or political subdivision, or any federal, state, local, foreign or supranational court, tribunal or arbitrator.

“Governmental Order” means any order, judgment, injunction, decree, writ, stipulation, determination or award, in each case, entered by or with any Governmental Authority.

“GWER” shall have the meaning set forth in Section 2.01(e)(iii).

“Haulage Agreement” shall have the meaning set forth in Section 4.03(g).

“Hazardous Substance” means any pollutant or contaminant or any toxic, radioactive or otherwise hazardous substance, waste or material, including petroleum, as such terms are defined in, identified pursuant to, or give rise to Liability under any Environmental Law, per- and polyfluoroalkyl substances, and any substance that would reasonably be expected to have an adverse impact on human health or property.

“IFG Terminal” shall have the meaning set forth in Section 2.01(e)(ii).

“IFG Terminal Access Trackage Rights” shall have the meaning set forth in Section 2.01(f).

“Income Taxes” means (a) all Taxes based upon, measured by, or calculated with respect to gross or net income, gross or net receipts or profits (including franchise Taxes and any capital gains, alternative minimum, and net worth Taxes, but excluding ad valorem, property, excise, severance, production, sales, use, real or personal property transfer or other similar Taxes), (b) Taxes based upon, measured by, or calculated with respect to multiple bases (including corporate franchise, doing business or occupation Taxes) if one or more of the bases upon which such Tax may be based, measured by, or calculated with respect to is included in clause (a) above, or (c) withholding Taxes measured with reference to or as a substitute for any Tax included in clauses (a) or (b) above.

“Indemnified Party” shall have the meaning set forth in Section 10.02(d).

“Indemnitor” shall have the meaning set forth in Section 10.02(d).

“Intellectual Property” means all rights in intellectual property of any type throughout the world, including (a) patents, patent applications and statutory invention registrations, including continuations, continuations-in-part, divisionals, provisionals, reexaminations, reissues and extensions; (b) name and source identifiers; (c) copyrights, whether registered or unregistered, database rights, and registrations and applications for registration thereof; and (d) trade secrets.

“IRS” means the Internal Revenue Service.

“KCS” means Kansas City Southern, a Delaware corporation.

“KCSR” shall have the meaning set forth in the Preamble hereto.

“KCTR” shall have the meaning set forth in Section 2.01(e)(i).

“Knowledge” or any other similar knowledge qualification, shall mean the actual or constructive knowledge of an individual, assuming due inquiry. For purposes of this Agreement, Knowledge of Seller and Knowledge of Purchaser shall, respectively, be limited to the actual knowledge of those persons listed under such Party’s name on Section 1.01 of the Disclosure Schedules.

“Law” means any law, statute, code, ordinance, regulation or Governmental Order or other legally enforceable requirement of any Governmental Authority.

[“Leased Real Property” shall have the meaning set forth in Section 5.08(a).]

“Liability” means any liability, debt, guarantee, assurance, commitment, claim, deficiency, or obligation, whether known or unknown, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, asserted or unasserted, due or to become due, whenever or however arising (including whether arising by operation of Law, or out of any contract, or of any tort based on negligence or strict liability, or otherwise based on strict liability) and whether or not the same would be required to be stated in financial statements or disclosed in the notes thereto.

“Losses” shall have the meaning set forth in Section 10.02(a).

“Material Adverse Effect” means any event, change, development, circumstance or effect that is materially adverse to (x) the value of the Purchased Assets or the amount of the Assumed Liabilities, taken as a whole, or (y) the ability of Seller to consummate the transactions contemplated by this Agreement; *provided* that none of the following shall be deemed to constitute, and none of the following shall be, either alone or in combination, taken into account in determining whether there has been, a Material Adverse Effect: (a) any adverse event, change, development, circumstance or effect (whether short-term or long-term) arising from or relating to (i) general business, industry or economic conditions, (ii) national or international political or social conditions, including the engagement by the United States or any other country in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of

any military or terrorist attack, any conditions resulting from natural or manmade disasters or other acts of God or weather conditions, flood, epidemics, pandemics or other similar outbreaks or health crises (including the COVID-19 pandemic) or other force majeure events, (iii) changes in financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index), (iv) changes in GAAP or other applicable accounting rules or standards, (v) changes in Laws or the entry, revision or reversal of any Governmental Order, (vi) the taking of any action required by this Agreement or any of the other Transaction Documents, (vii) the announcement, pendency or completion of the transactions contemplated by this Agreement or any of the other Transaction Documents or the identity of Purchaser, including Losses or threatened Losses of employees, customers, suppliers, distributors or others having relationships with Seller or any of its Affiliates or with the Purchased Assets, or (viii) the terms or availability of Purchaser's financing with respect to the transactions contemplated by the Transaction Documents; (b) any failure to meet a forecast (whether internal or published) of revenue, earnings, cash flow, or other data for any period or any change in such a forecast; *provided* that this clause (b) shall not prevent a determination that any event, change, development, circumstance or effect (whether short-term or long-term), not otherwise excluded from this definition of Material Adverse Effect, that results in such failure to meet projections or forecasts has resulted in a Material Adverse Effect; (c) matters disclosed or referred to in the Disclosure Schedules; (d) any event, change, development, circumstance or effect (whether short-term or long-term) with respect to which Purchaser has Knowledge on the date hereof; or (e) any actions taken or omitted to be taken by or at the request or with the consent of Purchaser or any of its Affiliates.

"National Priorities List" means the list of sites of national priority under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., among the known Releases or threatened Releases of Hazardous Substances, pollutants, or contaminants throughout the United States.

"Party" shall have the meaning set forth in the Preamble hereto.

"PCBs" shall have the meaning set forth in Section 5.09(i).

"Permits" means all governmental licenses, permits or other governmental authorizations related to the Purchased Assets.

"Permitted Encumbrances" means (a) all existing agreements, encroachments, claims, easements, servitudes, occupancies, grants, reservations, deed obligations and similar covenants, rights, title defects and other impediments, whether or not recorded and whether or not this Agreement provides actual notice thereof, by operation of Law or otherwise, (b) all existing telecommunications facilities, public and private utilities, pipe and wire crossings, reservations, exceptions and restrictions whether or not of record, (c) legally applicable building, zoning, subdivision and other federal, state, provincial, county, municipal or local Laws, ordinances and regulations, (d) property Taxes and assessments, both general and special, which may become due or payable on or after the Closing Date which relate to all periods from and after the Closing, (e) any and all encroachments which might be revealed by a survey meeting applicable state or provincial minimum technical requirements and (f) any and all existing ways and servitudes, and rights of way, howsoever created, for roads, streets and highways.

“Person” means any individual, corporation, partnership, firm, joint venture, association, limited liability company, limited liability partnership, joint-stock company, trust, joint venture, unincorporated organization, governmental, judicial or regulatory body, business unit, division or any other business entity, organization or Governmental Authority.

“Pre-Closing Tax Period” means any taxable period (or portion of any Straddle Period) ending on or before the Closing Date.

“Prior Environmental Liabilities” shall have the meaning set forth in Section 3.02(b).

“Proceeding” means any claim, charge, action, arbitration, audit, investigation, hearing, litigation or suit (whether civil, criminal, administrative or judicial) commenced, brought, conducted or heard by or before any Governmental Authority.

“PTC” shall have the meaning set forth in Section 7.05(c).

“Purchase Price” shall have the meaning set forth in Section 4.02(a).

“Purchased Assets” shall have the meaning set forth in the Recitals.

“Purchased Entities” shall mean KCTR and GWER.

“Purchased Interests” shall have the meaning set forth in Section 2.01(e).

“Purchaser” shall have the meaning set forth in the Preamble hereto.

“Purchaser Draft 338(h)(10) Allocation” shall have the meaning set forth in Section 7.04(g)(i).

“Purchaser Indemnified Parties” shall have the meaning set forth in Section 10.02(a).

“Release” means any spill, seepage, discharge, leak, migration, emission, escape, injection, pouring, pumping, emptying, dumping, disposal or other release of any Hazardous Substances into the indoor or outdoor environment.

“Remedial Action” means any investigation, remediation, clean-up, abatement, removal or monitoring (or words of similar import) of Hazardous Substances.

“Representative” means any director, officer, member, owner, partner, employee, agent or advisor (including attorneys, accountants, consultants, bankers and financial advisors) of a Party.

“Required Consent Contract” shall have the meaning set forth in Section 2.03(a).

“Reviewing Accountant” shall have the meaning set forth in Section 7.04(g)(iii).

“Section 338 Taxes” has the meaning set forth in Section 7.04(g)(vi).

“Section 338(h)(10) Election” has the meaning set forth in Section 7.04(f).

“Seller” shall have the meaning set forth in the Preamble hereto.

“Seller 338(h)(10) Allocation Notice” shall have the meaning set forth in Section 7.04(g)(ii).

“Seller Indemnified Parties” shall have the meaning set forth in Section 10.02(b).

“Seller Marks” shall have the meaning set forth in Section 7.09.

“Seller Taxes” means, without duplication, (a) any and all Income Taxes imposed on Seller, any of its direct or indirect owners or Affiliates, or any combined, unitary, or consolidated group of which any of the foregoing is or was a member, (b) Taxes of the Purchased Entities or attributable to the Purchased Assets and Purchased Interests Pre-Closing Tax Period, (c) Transfer Taxes that Seller is obligated to pay as set forth in Section 7.04(a), (d) Asset Taxes that Seller is obligated to pay as set forth in Section 7.04(b), (e) any and all Taxes resulting from a breach by Seller of any covenant relating to Taxes, (f) Section 338 Taxes and (g) any Taxes imposed on or with respect to the ownership or operation of the Excluded Assets or that are attributable to any asset or business of Seller that is not part of the Purchased Assets; *provided, however*, that no such Tax shall constitute a Seller Tax (i) if Purchaser is liable therefor under Section 7.04 or (ii) to the extent that the amount of such Tax was included as an adjustment to the Purchase Price under Section 4.02.

“STB” means the U.S. Surface Transportation Board.

“STB Approvals” shall mean, collectively, (a) approval pursuant to 49 U.S.C. § 11323 *et seq.* of the application in Finance Docket No. 36500 for CP to acquire control of KCS and Seller (and each of the related applications in Finance Docket No. 36500 (Sub-Nos. [●])); (b) approval or exemption pursuant to 49 U.S.C. § 11323 *et seq.* and/or 49 U.S.C. § 10901 (as applicable) of the transactions contemplated by this Agreement, and (c) approval or exemption pursuant to 49 U.S.C. § 11323 *et seq.* of the transactions contemplated by the Trackage Rights Agreement, in each case by final order of the STB which shall have become effective and otherwise be in full force and effect.

“Straddle Period” means any taxable period that includes but does not end on the Closing Date. Where necessary to allocate Taxes under this Agreement with respect to a Straddle Period (a) property, ad valorem, intangible, and other periodic Taxes allocable to the Pre-Closing Tax Period shall be equal to the amount of such Taxes for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of calendar days during the Straddle Period that are in the Pre-Closing Tax Period and the denominator of which is the number of calendar days in the entire Straddle Period; and (b) Taxes (other than Taxes allocable under clause (a) of this definition) allocable to the Pre-Closing Tax Period shall be computed on the basis of a “closing of the books,” as if such taxable period ended as of the end of the day on the Closing Date; *provided* that exemptions, allowances or deductions that are calculated on an annual basis (including depreciation and amortization deductions) shall be allocated between the period ending on the Closing Date and the period beginning after the Closing Date in proportion to the number of calendar days in each period. Notwithstanding anything herein to the contrary, all Section 338

Taxes shall be allocable to the portion of the Straddle Period ending on and including the Closing Date.

“Subject Line” shall mean the lines of railroad described in the Recitals, and shall include, with respect to such lines, all tracks, rails, ties, ballast, spikes, tie plates, fastenings, rail anchors, track materials, connections, switches and frogs, shared diamonds, wyers, crossings, bridges, culverts, signals, crossing warning devices, and other rail-related fixtures and improvements, supporting structures and other infrastructure, including all buildings, improvements, shops, on-duty points, yards, terminals, parking and storage areas, adjoining siding, industrial, ancillary and yard track property located on the Transferred Real Property.

“Tax” or “Taxes” (a) all taxes, assessments, duties, levies, imposts or other similar charges in the nature of a tax imposed by a Governmental Authority (whether payable directly or by withholding and whether or not requiring the filing of a Tax Return), including all income, profits, gross receipts, license, payroll, employment, excise, fuel, environmental, severance, stamp, occupation, premium, customs duties, license, withholding, social security, unemployment, disability, ad valorem, real property, personal property, sales, use, lease, transfer, registration, value added, alternative or add-on minimum, estimated, and withholding (including backup withholding) or other similar taxes (together with any and all interest, penalties and additions to tax imposed with respect thereto), (b) including any Liability for payment of any amounts of the type described in clause (a) as a result of being a member of any affiliated, consolidated, combined or unitary group or required to be included in any Tax Return relating to such group prior to the Closing Date by reason of Treasury Regulations Section 1.1502-6(a) or any similar foreign, state or local Law, and (c) any Liability for the payment of any amounts of the type described in clause (a) or (b) as a result of the operation of Law or any express or implied obligation to indemnify any other Person.

“Tax Returns” means any and all returns, declarations, claims for refund, or information returns or statements, reports and forms relating to Taxes filed with any governmental Tax authority (including any schedule or attachment thereto) with respect to the Purchased Assets and Purchased Interests, including any amendment thereof.

“Third Party” means any Person not a Party to this Agreement.

“Third Party Claim” shall have the meaning set forth in Section 10.02(f).

“Threshold Amount” shall have the meaning set forth in Section 10.02(c).

“Trackage Rights Agreement” shall have the meaning set forth in Section 4.03(f).

“Transaction Documents” means this Agreement, the Bill of Sale, the Deed, the Assignment and Assumption Agreement, the Transition Services Agreement, the Haulage Agreement, the Trackage Rights Agreement, the Equity Transfer Documents and each certificate or instrument to be executed and delivered by any Party in connection with or pursuant to this Agreement.

“Transfer Taxes” shall have the meaning set forth in Section 7.04(a).

“Transferred Real Property” shall have the meaning set forth in Section 2.01(b).

“Transition Services Agreement” shall have the meaning set forth in Section 4.03(c).

ARTICLE II. PURCHASE AND SALE OF ASSETS

Section 2.01. Purchase and Sale of the Purchased Assets.

On the terms and subject to the conditions set forth in this Agreement, Seller hereby agrees to sell, assign (but only to the extent assignable), transfer, convey and deliver to Purchaser, and Purchaser hereby agrees to purchase, acquire, and accept from Seller on the Closing Date, all of Seller’s right, title and interest in, to and under the following assets, to the extent that such assets exist as of the Closing, in all cases excepting the Excluded Assets:

- (a) the Subject Line;
- (b) the real property as described in Section 2.01(b) of the Disclosure Schedules attached hereto, together with (and subject to) all easements, rights-of-way and other rights and interests appurtenant thereto (collectively, the “Transferred Real Property”);
- (c) those certain agreements, leases and contracts of Seller that relate to the ownership and operation of the Subject Line[, including the Leased Real Property,] and are listed in Section 2.01(c) of the Disclosure Schedules (the “Assigned Contracts”);²
- (d) Seller’s interest in the Godfrey-East. St. Louis Joint Facility Agreement, dated as of October [●], 1989, related to the joint facility located between KCSR Milepost 28.0 in the vicinity of Godfrey, Illinois and KCSR Milepost 287.2 in the vicinity of Church, Illinois, a distance of approximately [●] miles;
- (e) The following share interest owned by Seller (collectively, the “Purchased Interests”):
 - (i) 8.33% of the total equity share interest in Kansas City Terminal Railway Company (“KCTR”) and all rights, privileges and post-Closing obligations associated therewith;
 - (ii) a 50% ownership interest in KCSR’s International Freight Gateway intermodal terminal (the “IFG Terminal”) located south of Kansas City, Missouri (including the right to use all tracks and facilities within, and providing access to, the IFG Terminal); and

² **Note to Draft:** Contracts to be discussed. Not certain whether any portion of the KCS line is leased.

(iii) 100% of the total equity share interest in Gateway Eastern Railway Company (“GWER”).

(f) overhead trackage rights on KCSR’s Pittsburgh Subdivision to reach the IFG Terminal, extending from approximately KCSR Milepost 5.6 at Airline Junction in the vicinity of Kansas City, Missouri and KCSR Milepost 29.5 in the vicinity of Grandview, Missouri, a distance of approximately 23.9 miles (the “IFG Terminal Access Trackage Rights”);

(g) assignment of Seller’s existing overhead trackage rights, pursuant to the August 5, 1997 agreement or any amended or successor agreement, over Union Pacific Railroad Company’s KC Metro Subdivision between approximately milepost 276.8 at Rock Creek Junction and approximately milepost 278.2 in the vicinity of Southwest Junction/Air Line Junction in Kansas City, Missouri, a distance of approximately 1.4 miles;

(h) all Permits, in each case to the extent transferable by Seller;

(i) all keys, entry devices and passcodes with respect to the Purchased Assets including combinations to any locks or vaults (if any) in Seller’s possession;

(j) the radio license authorizations currently held by Seller with respect to the Purchased Assets, as set forth on Section 2.01(j) of the Seller Disclosure Schedule (the “FCC Licenses”); and

(k) copies of the books and records relating to the ownership and operation of the Purchased Assets by Seller and the Purchased Interests, including those records provided in the Data Room (but excluding (i) all Tax Returns and related books and records except Tax Returns and related books and records related to the Purchased Interests, (ii) any records prepared by Seller in connection with the transactions contemplated by this Agreement, (iii) Seller’s corporate charter, seal, minute books, stock record books, and other similar documents relating to the organization, maintenance and existence of Seller, (iv) any records that are the subject to the work product or other similar privilege or protection and (v) any transportation or customer agreements that are Excluded Contracts).

Section 2.02. Excluded Assets.

Other than the Purchased Assets and the Purchased Interests, all of Seller’s assets, properties, rights and contracts of every description, real, personal, mixed, tangible and intangible, wherever situated (collectively, the “Excluded Assets”) will remain the property of Seller after the Closing. The Excluded Assets include the following assets of Seller:

(a) all cash, cash equivalents and marketable securities;

(b) all Accounts Receivable (including rights to rebates, refunds, and similar items) of Seller;

(c) all tangible personal property other than the Subject Line, including all raw materials, work-in-process and other inventory, radios, locomotives, rolling stock and vehicles, maintenance-of-way equipment, and hand tools;

(d) all Intellectual Property owned by Seller together with the right to sue and collect for past infringement thereof, and all radio licenses or frequencies owned or operated by Seller;

(e) subject to Section 2.03 below, any Required Consent Contracts for which an effective consent or approval permitting the assignment of such contract(s) has not been obtained prior to the Closing Date;

(f) all claims, rights and causes of action relating to or arising from (i) any of the Excluded Assets or the Excluded Liabilities, and (ii) the ownership and operation of the Purchased Assets prior to the Closing Date;

(g) all agreements, leases and contracts of Seller that relate to the ownership and operation of the Subject Line other than those listed in Section 2.01(c) the Disclosure Schedules (the “Excluded Contracts”);

(h) all prepaid expenses, credits, advance payments, security, deposits, charges, sums and fees;

(i) all policies of insurance and any proceeds or return of premiums thereunder;

(j) all claims, rights and interests of Seller in and to any deposits or refunds of Taxes, or Tax credits for any period, and all Tax deposits, refunds and credits related to the Purchased Assets for taxable periods (or portions thereof, having regard to Section 7.04) ending on or prior to the Closing Date (with all such Tax refunds and credits calculated as if the relevant Tax period ended on the Closing Date);

(k) Seller’s Tax Returns and related books and records (excluding Tax Returns and related books and records relating to the Purchased Interests);

(l) all rights of Seller under or pursuant to this Agreement, the other Transaction Documents or any other instrument between Seller and Purchaser or their respective Affiliates entered into pursuant to this Agreement or the transactions contemplated hereby; and

(m) all other assets of Seller and its Affiliates.

Section 2.03. Required Consent Contracts.

(a) Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign or otherwise sell, convey or transfer any Assigned Contract (or any claim, right or benefit arising thereunder or resulting therefrom) prior to receiving any required consent or approval for such assignment, conveyance or transfer, or to enter into any other agreement or arrangement with respect thereto, if an attempted assignment, sale, conveyance or transfer thereof, or entering into any such agreement or arrangement, without the consent or approval of a Third Party, would constitute a breach thereof, or other contravention thereunder, be ineffective with respect to any party thereto or in any way adversely affect the rights of Seller or Purchaser thereunder; *provided, however*, that, if any such Assigned Contract may be so assigned, sold, conveyed or transferred without having any of the foregoing consequences, such

Assigned Contract shall be so assigned, sold, conveyed and transferred. With respect to any Assigned Contract as to which the consent or approval of a Third Party is required (each a “Required Consent Contract”), promptly after the date hereof, and for a period of 12 months from and after the Closing, Seller and Purchaser will use commercially reasonable efforts to obtain the written consent or approval of such Third Party(ies) to such Required Consent Contract for the sale, transfer, assignment and novation thereof to Purchaser, or written confirmation from such parties reasonably satisfactory in form and substance to Seller and Purchaser confirming that such consent is not required; *provided, however*, that Seller shall not be required to pay or incur any costs or expenses (including any requested consent fees) to obtain any required consent or approval under a Required Consent Contract, such costs and expenses to be borne solely by Purchaser, in the event that Purchaser, in its discretion, approves the payment or incurrence of such costs and expenses.

(b) Until such consent or approval is obtained with respect to any Required Consent Contract, to the extent permitted by applicable Law and the terms of any Required Consent Contract not assigned pursuant to Section 2.03(a), from and after the Closing Date, (i) Purchaser will obtain the claims, rights and benefits of Seller arising under such Required Consent Contract, (ii) Purchaser will perform, fulfill and discharge all of Seller’s obligations and Liabilities thereunder that are Assumed Liabilities in a timely manner and in accordance with all applicable Laws and the terms of such Required Consent Contract for the benefit of Seller and the other party or parties thereto, (iii) Purchaser will indemnify, defend, and hold harmless Seller and its Affiliates from any Losses asserted against, incurred or suffered by any of them that relate to, result from or arise out of the failure of Purchaser to comply with this Section 2.03(b) with respect to any Required Consent Contract, including as a result of performance, non-performance or deficient performance under such Required Consent Contract and (iv) Seller agrees to enforce, at the reasonable request of Purchaser and at the expense and for the account of Purchaser, any rights of Seller under or arising from the Required Consent Contracts against any Third Party, including the right to elect to terminate any such Required Consent Contracts (or rights thereunder) in accordance with the terms of such Required Consent Contracts upon the written direction of Purchaser; *provided* that Purchaser shall be responsible for any termination fees resulting from or arising out of the termination of any Required Consent Contracts at the direction of Purchaser.

(c) With respect to any Required Consent Contract not assigned or transferred pursuant to Section 2.03(a) for which Purchaser must undertake performance pursuant to Section 2.03(b), Seller will pay to Purchaser any monies received by Seller from any Third Party for services rendered by Purchaser after the Closing Date, less any actual out-of-pocket costs or expenses incurred by Seller and payable to any Third Party as a result of receiving and processing payment of such monies.

(d) At the request of Seller, Purchaser shall use commercially reasonable efforts to assist Seller in seeking the unconditional release of Seller from any and all obligations or Liabilities under or in respect of any Assigned Contract constituting a Purchased Asset on the Closing Date or thereafter deemed a Purchased Asset as of the Closing Date, including by means of novation, release or similar arrangement with the applicable Third Party; *provided* that Purchaser shall not be responsible for any fees, out-of-pocket costs or expenses resulting from or arising out of seeking such unconditional releases.

ARTICLE III. LIABILITIES

Section 3.01. Assumed Liabilities.

From and after the Closing Date, Purchaser assumes, and agrees to pay, perform and discharge in accordance with the respective terms and subject to the respective conditions thereof, the following Liabilities of Seller in all cases excepting the Excluded Liabilities (collectively, the “Assumed Liabilities”):

(a) all Liabilities arising out of, related to or required to be performed under the Purchased Assets, including the Assigned Contracts, to the extent arising out of, relating to or resulting from any act, error or omission of Purchaser occurring at or following the Closing; *provided, however*, that until such time as any Required Consent Contract is assigned or transferred to Purchaser pursuant to an effective consent or approval, Purchaser shall assume and undertake to pay, perform and discharge such Required Consent Contract in accordance with the terms of Section 2.03 herein;

(b) All obligations of Purchaser pursuant to the terms of the Haulage Agreement and the Trackage Rights Agreement;

(c) except as otherwise provided in the Trackage Rights Agreement and the Haulage Agreement, all Liabilities arising out of or related to the ownership, operation and use of the Subject Line from and after the Closing, including all Taxes that Purchaser is obligated to assume under Section 7.04; and

(d) all Liabilities arising out of, or related to, the ownership, operation or use of the Purchased Assets from and after the Closing. Seller shall fully cooperate and timely provide to Purchaser any information requested by Purchaser to properly review, evaluate, settle and/or litigate any Liabilities to be assumed by Purchaser pursuant to this Section 3.01(d).

Section 3.02. Excluded Liabilities.

Purchaser shall not assume or be obligated to pay, perform or otherwise discharge any of the following Liabilities of Seller (all of such Liabilities not so assumed by Purchaser being referred to herein as the “Excluded Liabilities”):

(a) except as otherwise provided in Section 2.03 herein, any Liabilities arising out of or related to the Excluded Assets or arising out of or related to indebtedness for borrowed money or capital lease obligations;

(b) except for any Environmental Liabilities of Purchaser for the removal and/or remediation of petroleum and petroleum-related substances on and emanating from the diesel shop refueling area of Seller’s Venice, Illinois rail yard facility set forth in that certain Settlement Agreement and Release for KCS Venice, Illinois Facility Remediation, dated as of June 21, 2006, by and between Purchaser and Seller, which, for the avoidance of doubt, shall be retained by Purchaser, all Environmental Liabilities arising out of or related to the ownership, operation or use of the Purchased Assets, including the disposal of Hazardous Substances at any location

whatsoever, whether arising out of, related to, or resulting from, the ownership, operation or use of the Purchased Assets prior to the Closing, including all Environmental Liabilities for any Release of Hazardous Substances at the Purchased Assets or any other location whatsoever or violation of Environmental Law at the Purchased Assets, first occurring prior to the Closing even if continuing after the Closing, including any Environmental Liabilities for the Remedial Action or Release of Hazardous Substances identified on Section 3.02(b) of the Disclosure Schedules³ (“Prior Environmental Liabilities”);

(c) any Liability of GWER arising prior to or at the Closing;

(d) any Liability for Seller Taxes or public utilities relating to the Purchased Assets for periods (or portions thereof, having regard to Section 7.04), ending on or prior to the Closing Date;

(e) any Liability of Seller (i) to any employees or independent contractors of Seller and its Affiliates relating to their employment or retention by Seller and its Affiliates (including for salary, wages, commissions, labor protective conditions, or any other form of compensation, severance pay, termination pay, notice of termination of employment or pay in lieu of such notice, damages for wrongful dismissal, health, accident, sickness, death and disability benefits, workers compensation benefits, claims made under the Federal Employers Liability Act or the Consolidated Omnibus Budget Reconciliation Act of 1985, each as amended from time to time, employee benefits and claims, employee welfare benefits and claims, and all other claims arising out of, relating to or resulting from their employment or provision of services to Seller and its Affiliates) or (ii) under any employee benefit plan or agreement, employee welfare plan or employee pension plan of Seller and its Affiliates, including any multi-employer pension plan in which Seller or any of its Affiliates participates;

(f) any Liability of Seller in respect of any breach of or default under, or any non-compliance with respect to, any Assigned Contract by Seller to the extent arising out of, relating to or resulting from any act, error or omission of Seller occurring at or prior to Closing or any payment obligation of Seller for any goods or services provided to Seller under any Assigned Contract prior to Closing;

(g) All obligations of Seller pursuant to the terms of the Haulage Agreement and the Trackage Rights Agreement;

(h) any Liabilities arising out of, related to, or resulting from, the ownership, operation or use of the Purchased Assets prior to the Closing. Purchaser shall fully cooperate and timely provide to Seller any information requested by Seller to properly review, evaluate, settle and/or litigate any Liabilities to be assumed by Seller;

(i) any Liability of Seller to indemnify any Person by reason of the fact that such Person was a partner, manager, trustee, director, officer, employee or agent of Seller or any

³ **Note to Draft:** Schedule will include description of certain known contamination/remediation issues on the Subject Line.

of its Affiliates or was serving at the request of any such Person as a partner, manager, trustee, director, officer, employee or agent of another Person;

(j) except as otherwise provided by the terms of this Agreement, any Liability of Seller for costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, or under this Agreement or any other Transaction Document, or of Seller to any Affiliate or Representative of Seller;

(k) any Liability of Seller arising out of any collective bargaining agreement or labor contract to which Seller or any Affiliate is a party; and

(l) except as otherwise provided in this Agreement, any Liability of Seller to any customer of Seller or any Liability for any accounts payable of Seller as of the Closing, in each case related to or resulting from the ownership and operation of the Purchased Assets prior to the Closing.

ARTICLE IV. CLOSING AND PURCHASE PRICE

Section 4.01. Closing; Closing Date Deliveries.

The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place, by exchange of documents by Electronic Delivery (except for the Deed, for which Seller shall deliver to Purchaser one (1) original wet-ink, signed and notarized copy for each county in which the Transferred Real Property is located), (a) within 90 days of the effective date of the STB Approvals, subject to the satisfaction of the conditions set forth in ARTICLE VIII (other than those conditions that are to be satisfied by action taken at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) or, to the extent permitted, waived by the Party(ies) entitled to the benefit thereof, or (b) at such other place, time and date as may be agreed between Seller and Purchaser (such date, the “Closing Date”).

Section 4.02. Purchase Price; Adjustment Amount.

(a) In consideration of the transactions contemplated by this Agreement, Purchaser agrees (i) to pay \$[●] (the “Base Purchase Price”) *plus or minus* the Adjustment Amount calculated in the manner set forth in Section 4.02(b) (collectively, the “Purchase Price”) and (ii) to assume the Assumed Liabilities.

(b) Not less than three Business Days prior to the Closing Date, Seller shall deliver to Purchaser a written statement in the form of Exhibit B (the “Adjustment Statement”) setting forth (i) Seller’s good faith estimate of Purchaser’s share of the prorated amounts for the following, in each case as of the Closing Date (collectively, the “Adjustment Amount”): (A) Taxes in accordance with Section 7.04(b), (B) pre-paid (or accrued, but unpaid) fees related to the Permits, (C) payables and receivables under the Assigned Contracts and (D) [●]⁴, and (ii) on the basis of the foregoing, a calculation of the Purchase Price payable by Purchaser at Closing. For the

⁴ **Note to Draft:** Additional items to be determined.

avoidance of doubt, if the Adjustment Amount is a positive number, such amount shall be added to the Base Purchase Price to calculate the Purchase Price and, if the Adjustment Amount is a negative number, the absolute value of such amount shall be deducted from the Base Purchase Price to calculate the Purchase Price.

Section 4.03. Seller Closing Deliveries.

At the Closing and subject to the terms and conditions herein contained, Seller shall deliver to Purchaser the following:

(a) a bill of sale for the personal property included in the Purchased Assets, in substantially the form attached hereto as Exhibit C, duly executed by Seller (the “Bill of Sale”);

(b) a certificate pursuant to Treasury Regulations Section 1.1445-2(b) that Seller is not a foreign Person within the meaning of Section 1445 of the Code as well as IRS Form W-9 of Seller;

(c) the Transition Services Agreement, in substantially the form attached as Exhibit D regarding the provision of transition services, duly executed by Seller (the “Transition Services Agreement”);

(d) for each county in which the Transferred Real Property is located, a quitclaim deed with respect to the transfer to Purchaser of the Transferred Real Property in such county, duly executed by Seller (collectively, the “Deed”);

(e) an assignment and assumption agreement evidencing the sale, assignment, transfer, conveyance and delivery to Purchaser, and Purchaser’s purchase, acquisition and acceptance from Seller on the Closing Date, of the Assigned Contracts and Assumed Liabilities, in substantially the form attached hereto as Exhibit E, duly executed by Seller (the “Assignment and Assumption Agreement”);

(f) a trackage rights agreement granting Purchaser trackage rights over the IFG Terminal Access Trackage Rights, in substantially the form attached hereto as Exhibit F, duly executed by Seller (the “Trackage Rights Agreement”);

(g) an agreement pursuant to which Purchaser agrees to provide haulage service for the account of Seller over the Subject Line, in substantially the form attached hereto as Exhibit G, duly executed by Seller (the “Haulage Agreement”);

(h) a counterpart to the Equity Transfer Documents, duly executed by Seller;

(i) a certificate executed by an officer of Seller certifying that attached thereto are (i) true and correct copies of the organizational documents of Seller; (ii) a true and correct copy of the resolutions of the board of directors or other governing body of Seller authorizing the execution and delivery of this Agreement and the other Transaction Documents and the performance by Seller of the transactions contemplated hereby and thereby; and (iii) a certificate of good standing in respect of Seller from its applicable jurisdiction of organization;

(j) with respect to GWER, IRS Form 8023 (and any state forms) as required to effect the Section 338(h)(10) Election, completed and properly executed by Seller; and

(k) an officer's certificate of Seller required by Section 8.02(c) dated as of the Closing Date in substantially the form attached hereto as Exhibit H.

provided that where this Section 4.03 (or the definition of such document) refers to a Transaction Document other than this Agreement as being in substantially the form attached hereto, the form of such Transaction Document shall be subject to such changes as may be agreed to by the Parties, acting reasonably and in good faith, between the date hereof and the Closing Date.

Section 4.04. Purchaser Closing Deliveries.

At the Closing and subject to the terms and conditions herein contained, Purchaser shall deliver to Seller the following:

(a) the Purchase Price, by wire transfer of immediately available funds to an account designated in writing by Seller to Purchaser prior to the Closing Date;

(b) a counterpart of each Bill of Sale, duly executed by Purchaser;

(c) a counterpart of the Transition Services Agreement, duly executed by Purchaser;

(d) a counterpart of the Assignment and Assumption Agreement, duly executed by Purchaser;

(e) a counterpart of the Trackage Rights Agreement, duly executed by Purchaser;

(f) a counterpart of the Haulage Agreement, duly executed by Purchaser;

(g) a counterpart to the Equity Transfer Documents, duly executed by Purchaser;

(h) an officer's certificate of Purchaser required by Section 8.03(c), dated as of the Closing Date in substantially the form attached hereto as Exhibit I;

(i) a certificate, dated as of the Closing Date, from an officer of Purchaser certifying that attached thereto are (i) true, correct and complete copies of the organizational and governing documents of Purchaser; (ii) a true and correct copy of the resolutions of the board of directors (or board of managers, as applicable) of Purchaser authorizing the execution and delivery of this Agreement and the other Transaction Documents and the performance by Purchaser of the transactions contemplated hereby and thereby; and (iii) a good standing certificate in respect of Purchaser from its applicable jurisdiction of organization;

(j) with respect to GWER, IRS Form 8023 (and any state forms) as required to effect the Section 338(h)(10) Election, completed and properly executed by Purchaser; and

(k) an IRS Form W-9 or applicable IRS Form W-8.

Section 4.05. Withholding.

Provided that the certification contemplated by Section 4.03(b) is provided by Seller, neither Seller nor Purchaser expects for any withholding to be imposed under any applicable Tax Law in connection with the transactions contemplated by this Agreement. Notwithstanding the foregoing, Purchaser and its Affiliates shall be entitled to deduct and withhold from the consideration otherwise payable or deliverable pursuant to this Agreement to Seller such amounts as are required to be withheld and paid over to the applicable Governmental Authority under the Code or any applicable provision of Tax Law; *provided, however*, that (a) Purchaser shall use commercially reasonable efforts to notify Seller prior to making any such deduction or withholding and consider in good faith any claim by Seller that such withholding is not required or should be imposed at a reduced rate, and (b) Seller shall be given a reasonable opportunity to provide any Tax forms which might reduce or eliminate such withholding. Any amounts deducted and withheld pursuant to this Section 4.05 and timely paid over to the applicable Governmental Authority shall be treated for all purposes of this Agreement as having been paid to Seller in respect of which such deduction or withholding was made.

**ARTICLE V.
REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Purchaser that the statements set forth in this ARTICLE V are true and correct as of the date hereof, except as qualified by the correspondingly numbered disclosure schedules delivered by Seller to Purchaser (the “Disclosure Schedules”) and arranged in sections corresponding to numbered and lettered sections contained in this ARTICLE V.

Section 5.01. Organization and Standing.

Seller (a) is duly organized, validly existing and in good standing under the Laws of the State of [Delaware], (b) is duly qualified to do business as a foreign entity and is in good standing in each jurisdiction in which the conduct of its business so requires, and (c) has the corporate power and authority to own the Purchased Assets owned by it.

Section 5.02. Authorization, Execution and Enforceability.

Seller has the requisite corporate power, capacity and authority to execute and deliver this Agreement and each other Transaction Document to which it is a party, and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and each other Transaction Document to which it is a party, the performance of its obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Seller. This Agreement has been, and each other Transaction Document to which it is a party will be, duly executed and delivered by Seller. Assuming due authorization, execution and delivery by Purchaser, this Agreement constitutes, and each other Transaction Document to which it is a party will constitute when executed, the valid

and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws relating to or affecting creditors' rights generally, and by general equitable principles (regardless of whether such enforceability is considered in a Proceeding in equity or at Law).

Section 5.03. No Conflict or Violation.

Except as set forth in Section 5.03 of the Disclosure Schedules, and subject to the STB Approvals, the execution, delivery and performance of this Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated hereby and thereby by Seller will not: (a) conflict with any of the provisions of Seller's organizational documents, (b) result in a violation or contravention of any Law or Governmental Order applicable to Seller, (c) result in a breach of, or constitute a default under, or otherwise give any Person the right to terminate or accelerate the performance required under, any Assigned Contract, or (d) result in the creation or imposition of any Encumbrance on or with respect to any of the Purchased Assets.

Section 5.04. No Governmental Consent or Filing.

No consent, approval or authorization of, or declaration or filing with, or notice to, any Governmental Authority is required to be obtained, made or given by Seller to transfer or assign any Purchased Asset to Purchaser, or otherwise in connection with the execution, delivery or performance of this Agreement or any other Transaction Document, or the consummation of the transactions contemplated hereby or thereby, except for the STB Approvals and FCC Approval.

Section 5.05. Assigned Contracts.

Other than expirations or non-renewals following the date of this Agreement in accordance with the terms of the applicable Assigned Contract, each Assigned Contract is in full force and effect, and is valid, binding and enforceable against Seller and, to the Knowledge of Seller, the other parties thereto in accordance with its terms, in each case, except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws relating to or affecting creditors' rights generally, and by general equitable principles (regardless of whether such enforceability is considered in a Proceeding in equity or at Law). As of the date hereof, neither Seller nor, to the Knowledge of Seller, any other party to an Assigned Contract is in breach or violation of, or default under, any Assigned Contract and, to the Knowledge of Seller, no event has occurred that with or without notice or lapse of time or both would constitute a breach or default (whether by lapse of time or notice or both) of any Assigned Contract. Seller has not received, since January 1, 2021, any written notice of any dispute or claim asserting any material breach or default under any Assigned Contract that has not been fully resolved or withdrawn by a Third Party without any further Liability or obligation of Seller. Seller is not currently renegotiating any of the Assigned Contracts or paying liquidated damages in lieu of performance thereunder. No Assigned Contract contains terms unduly burdensome to Seller with respect to the Purchased Assets or is harmful to the Subject Line.

Section 5.06. Purchased Assets.

Except as set forth in Section 5.06 of the Disclosure Schedules, Seller owns good, valid and marketable title to, or other legal rights to possess and use, the tangible personal property included in the Purchased Assets, free and clear of Encumbrances other than Permitted Encumbrances.

Section 5.07. Litigation.

Except as set forth in Section 5.07 of the Disclosure Schedules, there are no Proceedings pending or, to the Knowledge of Seller, threatened, seeking to restrain or prohibit Seller from entering into this Agreement or any transactions contemplated hereby or prohibit the Closing, or seeking damages against Seller or the Purchased Assets or Purchased Interests as a result of the consummation of this Agreement. No Proceeding is pending, and, to Sellers' Knowledge, no claim has been made or threatened, nor does there exist any fact or circumstance that could give rise to such a claim, in each case, since January 1, 2021, which has resulted in or reasonably could be expected to result in a liability or an indemnification obligation with respect to Seller or GWER.

Section 5.08. Real Property.

(a) [Section 5.08(a)] of the Disclosure Schedules sets forth a list of all leases of real property to which Seller is a party included in the Purchased Assets (the real property subject to such leases being referred to herein as the "Leased Real Property"). Except as set forth in Section 5.08(a) of the Disclosure Schedules (i) Seller is not in default under any lease of Leased Real Property or has received notice of any asserted default, (ii) no event or condition exists which constitutes, or after notice or lapse of time or both would constitute, a default on the part of Seller under any lease of Leased Real Property, and (iii) as of the date of this Agreement, Seller has not received written notice from any other party to a lease of Leased Real Property that such other party intends to terminate, not renew, or renegotiate the terms of, any such lease.]

(b) There are no leases, subleases, concessions, licenses or other contracts granting to any Person other than Seller the right to use or occupy any Transferred Real Property [or Leased Real Property, in each case] that would constitute an Encumbrance (other than a Permitted Encumbrance). There are no outstanding options, rights of first offer, or rights of first refusal to purchase or lease any Transferred Real Property or any portion thereof or any interest therein.

(c) Seller has title to or other valid rights in and to the Transferred Real Property, subject only to Permitted Encumbrances[, and has a valid leasehold interest in each Leased Real Property, in each case] sufficient to enable Purchaser to operate the Purchased Assets after Closing in the same manner as currently operated by Seller and its Affiliates.

Section 5.09. Environmental Matters.⁵

Except as set forth in Section 5.09 of the Disclosure Schedules:

(a) Seller in its ownership, operation and use of the Purchased Assets, including operation of the Subject Line, ownership of the Transferred Real Property[, and use of the Leased Real Property,] (i) is, and has been since March 1, 2017, in compliance with all Environmental Laws and (ii) possesses and is in compliance with and has since March 1, 2017 possessed, been in compliance with and filed timely renewal applications for, all Permits that are required pursuant to Environmental Laws;

(b) (i) No Governmental Orders have been received by Seller from a Governmental Authority or other Person, and (ii) there are no Proceedings pending or, to the Knowledge of Seller, threatened against Seller, in the case of each of clauses (i) and (ii), that (A) relates to the Purchased Assets and (B) alleges a violation of any Environmental Law by Seller, seeks to impose Liabilities on Seller under an Environmental Law, or seeks the revocation, modification or termination of a Permit required pursuant to Environmental Laws held by Seller, that has not been settled, dismissed, paid or otherwise resolved or for which outstanding obligations exist under a settlement agreement;

(c) To the Knowledge of Seller, none of the Transferred Real Property [or the Leased Real Property] has been placed or proposed for placement on the National Priorities List or any similar state list of properties requiring Remedial Action under Environmental Law;

(d) Seller is not subject to any pending or threatened Proceeding in connection with the Purchased Assets alleging or concerning (i) any Liabilities arising from the Release or threatened Release of any Hazardous Substances, (ii) any Liabilities for personal injury or threatened personal injury, or damage or threatened damage to property or natural resources or (iii) any Liabilities or costs arising out of or under any Environmental Law;

(e) There has been no Releases of any Hazardous Substances on, at, under, to or from the Transferred Real Property [or the Leased Real Property,] that would reasonably be expected to require Remedial Action;

(f) The Remedial Action identified on Section 3.02(b) of the Disclosure Schedules⁶ for certain Purchased Assets has been completed;

(g) To the Knowledge of Seller, there are no state or federal liens on the Transferred Real Property [or the Leased Real Property] arising under Environmental Laws for the payment of money by any Governmental Authority;

⁵ **Note to Draft:** Subject to further review by environmental counsel.

⁶ **Note to Draft:** Schedule will include description of certain known contamination/remediation issues on the Subject Line.

(h) [Neither] the Transferred Real Property [nor the Leased Real Property] is subject to a pending or recorded activity use limitation, institutional control or engineering control pursuant to any Environmental Laws;

(i) To the Knowledge of Seller, there is not constructed, placed, deposited, released, stored, disposed, leaching nor located on any of the Purchased Assets any polychlorinated biphenyls (“PCBs”) or transformers, capacitors, ballasts or other equipment which contain dielectric fluid containing PCBs, or any other insulating material containing urea formaldehydes;

(j) To the Knowledge of Seller, there are no underground storage tanks, landfills, impoundments, waste piles, sumps, or gas or oil wells, or associated piping, located on the Transferred Real Property [or the Leased Real Property];

(k) Neither this Agreement nor the consummation of the transactions contemplated herein will result in any obligation for site investigation or cleanup, or notification to or consent of any Governmental Authority or Third Party, pursuant to any Environmental Laws, including any of the so-called “transaction triggered” or “responsible property transfer” Environmental Laws; and

(l) Seller has provided to Purchaser all material environmental reports, including compliance audits, Phase I environmental site assessments, and Phase II environmental site assessments, in Seller’s possession regarding the Purchased Assets.

Section 5.10. Tax Matters.

(a) all Tax Returns required to be filed by or with respect to the Purchased Assets, the Purchased Interests, and the Purchased Entities have been timely filed and all such Tax Returns are correct and complete in all material respects. All material Taxes required to have been paid by the Purchased Entities or with respect to the Purchased Assets and Purchased Interests have been timely paid (whether or not shown as due on any Tax Return);

(b) There are no Encumbrances for Taxes upon the Purchased Assets or Purchased Interests;

(c) Seller and the Purchased Entities have withheld and paid or remitted all material Taxes required to be withheld and paid in connection with amounts paid or owing by it to any Person, and all Tax Returns required with respect thereto have been completed substantially in accordance with Law and timely filed;

(d) There is no pending dispute or claim concerning (i) any Taxes of Seller with respect to the Purchased Assets or the Purchased Interests, (ii) GWER, or (iii) to Seller’s Knowledge, KCTR claimed or raised by any taxing authority in writing. Seller has not waived any statute of limitation or agreed to any extension of time with respect to any Tax assessment or deficiency pertaining to the Purchased Assets or Purchased Interests. GWER, and, to Seller’s Knowledge, KCTR, have not waived any statute of limitation or agreed to any extension of time with respect to any Tax assessment or deficiency;

(e) All of the Purchased Assets have been properly listed and described on the applicable property Tax rolls prior to and including the Closing Date and no portion of the Purchased Assets constitutes omitted property for property Tax purposes;

(f) Each of the Purchased Entities is, and has been since its formation, properly treated as a corporation for U.S. federal income tax purposes;

(g) No Purchased Entity is or has been a member of any affiliated, consolidated, combined or unitary group for U.S. federal, state or non-U.S. income Tax purposes, other than any such group including Seller, and no Purchased Entity has any liability for Taxes of another Person under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law), under any agreement or arrangement, as a transferee or successor, or by contract or otherwise;

(h) None of the Purchased Entities is party to or bound by any Tax allocation or sharing agreement;

(i) None of the Purchased Entities has been a “distributing corporation” or “controlled corporation” in a transaction intended to qualify under Section 355 of the Code in the preceding three years;

(j) No Purchased Entity has participated in any “listed transaction” as defined in Treasury Regulations Section 1.6011-4(b)(2) (or any other transaction requiring disclosure under a similar provision of state, local or non-U.S. Law) and, with respect to each transaction in which any Purchased Entity has participated that is a “reportable transaction” within the meaning of Treasury Regulation Section 1.6011-4(b)(1), such participation has been properly disclosed on IRS Form 8886 (Reportable Transaction Disclosure Statement) and on any corresponding form required under state, local or non-U.S. Law;

(k) None of the Purchased Assets or the Purchased Interests are subject to any tax partnership agreement or are otherwise treated, or required to be treated, as held in an arrangement requiring a partnership income Tax Return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code; and

(l) There are no abatements of or exemptions from Taxes applicable to the Purchased Assets.

The representations and warranties contained in this Section 5.10 constitute the sole representations and warranties of Seller relating to Taxes.

Section 5.11. Compliance with Laws; Permits.

Seller has complied with and is in compliance with all Laws applicable to the Subject Line and the Purchased Assets. No violation of any Permit or Laws governing the issuance or continued validity thereof has occurred. Seller has all Permits necessary to own the Purchased Assets and operate the Subject Line lawfully and in the manner in which the Purchased Assets and the Subject Line are now operated, which Permits are listed in Section 5.11 of the Disclosure

Schedules. No Proceeding is pending or, to the Knowledge of Seller, threatened, to revoke or limit any Permit.

Section 5.12. Conduct of Business.

Since January 1, 2021 to the date of this Agreement, (a) no unrepaired physical Loss or damage has occurred to the Purchased Assets in an amount exceeding \$1,000,000 individually, and (b) the Purchased Assets have not suffered any event, change, development, circumstance or effect that, individually or together with any other event, change, development, circumstance or effect, has resulted in or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect (for the avoidance of doubt, excluding impacts of the COVID-19 pandemic).

Section 5.13. Condition of Subject Line and Bridges.

True and complete copies of all periodic Subject Line and bridge inspections and exemption reports in the possession or under the control of Seller or any of its Affiliates describing the condition of all of the Subject Line and bridges owned, leased or operated by Seller have been provided to Purchaser. All of such Subject Line and bridges are in good operating condition and repair and are capable of being utilized by Purchaser after Closing in the same manner in which it has been used by Seller, except as otherwise indicated on Section 5.13 of the Disclosure Schedules (specified by mile posts). Section 5.13 of the Disclosure Schedules sets forth the current track class of all Subject Line owned, lease or operated by Seller, and all slow orders affecting the designated track class. All of the Subject Line and bridges owned, leased or operated by Seller and currently in service are maintained and operated in compliance with all Laws in all material respects.

Section 5.14. Brokerage.

Except as set forth in Section 5.14 of the Disclosure Schedules, no Person is entitled to any brokerage commission, finders' fee or similar compensation in connection with this Agreement and the transactions contemplated hereby based on any arrangement or agreement made by or on behalf of Seller.

Section 5.15. Insurance.

Section 5.15 of the Disclosure Schedules sets forth a true and complete list and brief description (including nature of coverage, limits, deductibles, premiums and the loss experience for the most recent two years with respect to each type of coverage) of all policies of insurance maintained, owned or held by Seller on the date hereof with respect to the Purchased Asset. All insurance policies have been in effect since they were issued and remain in full force and effect in accordance with their terms. All premiums payable under such insurance policies have been timely paid and Seller has complied with each of such insurance policies and has not failed to give any notice or present any claim thereunder in a due and timely manner. With respect to each insurance policy, (a) the coverage limits under such policy have not been exhausted or impaired, (b) to the Knowledge of Seller, Seller has given timely notice to the applicable carrier of all matters occurring prior to the date hereof which may give rise to a claim under such policy and (c) to the Knowledge of Seller, the applicable carrier is not bankrupt or insolvent or seeking

reorganization, winding-up, liquidation, dissolution or other similar relief with respect to it or its debts.

Section 5.16. Sufficiency of Assets.

(a) The Purchased Assets include all of the assets and rights necessary to conduct the business of Seller with respect to the Subject Line in the same manner as currently conducted by Seller and to enable Purchaser to operate the business of Seller with respect to the Subject Line after the Closing in the same manner as operated by Seller as of the Closing Date.

(b) Except as disclosed on Section 5.16(b) of the Disclosure Schedules, there are no material assets, rights, licenses, Permits or businesses of any kind or description, real, personal or mixed, tangible or intangible, owned, held or currently used for the conduct of the business of Seller with respect to the Purchased Assets that are not owned by Seller or currently used by it pursuant to valid and existing leases or licenses.

**ARTICLE VI.
REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser hereby represents and warrants to Seller that the statements set forth in this ARTICLE VI are true and correct as of the date hereof.

Section 6.01. Organization and Standing.

(a) Purchaser is duly organized, validly existing and in good standing under the Laws of the State of Illinois, (b) Purchaser is duly qualified and in good standing as a foreign entity and is in good standing in each jurisdiction in which the conduct of its business so requires, except where the failure to be so qualified and in good standing would not reasonably be expected to have a material adverse effect on the ability of Purchaser to consummate the transactions contemplated by this Agreement and (c) Purchaser has all requisite corporate power and authority to own, lease, and operate its properties and to carry on its businesses as now being conducted.

Section 6.02. Authorization, Execution and Enforceability.

Purchaser has the requisite corporate power, capacity and authority to execute and deliver this Agreement and each other Transaction Document to which it is a party, and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Purchaser of this Agreement and each other Transaction Document to which it is a party, the performance of its obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Purchaser. This Agreement has been, and each other Transaction Document to which it is a party will be, duly executed and delivered by Purchaser. Assuming due authorization, execution and delivery by Seller, this Agreement constitutes, and each other Transaction Document to which it is a party will constitute when executed, the valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws relating to or affecting

creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a Proceeding in equity or at Law).

Section 6.03. No Conflict or Violation.

Subject to the STB Approvals and the FCC Approval, the execution, delivery and performance of this Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated hereby and thereby by Purchaser will not: (a) conflict with any of the provisions of its organizational documents, (b) result in a violation or contravention of any statute, Law or Governmental Order applicable to it, (c) result in a breach of or constitute a default under, or otherwise give any Person the right to terminate or accelerate the performance required under, any contract or agreement to which Purchaser is a party, or (d) result in the creation or imposition of any Encumbrance on or with respect to any property or asset of Purchaser.

Section 6.04. No Governmental Consent or Filing.

No consent, approval or authorization of, or declaration or filing with, or notice to, any Governmental Authority is required to be obtained, made or given by Purchaser in connection with the execution, delivery or performance of this Agreement or any other Transaction Document to which it is a party, or the consummation of the transactions contemplated hereby or thereby, except for (a) the STB Approvals, (b) the FCC Approval and (c) those that, if not obtained, made or given, would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the ability of Purchaser to consummate the transactions contemplated hereby.

Section 6.05. Litigation.

As of the date hereof there are no Proceedings pending or, to the Knowledge of Purchaser, threatened in writing against Purchaser, in each case that would reasonably be expected to have, individually or in the aggregate, a material adverse impact on the ability of Purchaser to consummate the transactions contemplated hereby.

Section 6.06. No Brokers.

No Person is entitled to any brokerage commission, finders' fee or similar compensation in connection with this Agreement and the transactions contemplated hereby based on any arrangement made by or on behalf of Purchaser.

**ARTICLE VII.
COVENANTS**

Section 7.01. Effort

(a) From and after the date hereof, Purchaser and Seller shall use their respective commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under any applicable Law to consummate and make effective in the most expeditious manner possible the transactions

contemplated by this Agreement, including (i) the preparation and filing of all applications, forms, registrations and notices required to be filed to consummate the transactions contemplated by this Agreement, (ii) taking all actions necessary to obtain (and cooperating with each other in obtaining) any consent or approval of any Third Party, including any Governmental Authority, required to be obtained or made by Purchaser or Seller in connection with the transactions contemplated by this Agreement and (iii) the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by this Agreement and to fully carry out the purposes of this Agreement.

(b) Notwithstanding anything to the contrary herein, Seller shall not be obligated to pay any costs, fees or expenses or incur any Liability in connection with any applications, petitions for exemption, forms, registrations, documentation or notices required to be filed by Purchaser to obtain any required consent or approval of any Governmental Authority or other Person in connection with the transactions contemplated by this Agreement, such costs, fees, expenses or Liabilities to be borne entirely by Purchaser.

Section 7.02. Conduct of Business.

(a) Except as set forth in Section 7.02(a) of the Disclosure Schedules, as required by applicable Law, as otherwise required or contemplated by the terms of this Agreement, or as Purchaser may otherwise consent to (such consent not to be unreasonably withheld, conditioned or delayed), from the date of this Agreement to the Closing, Seller shall:

(i) maintain and operate the Purchased Assets in the ordinary course and preserve intact the Purchased Assets and Seller's business relationships with material customers and others having material business relationships with Seller relating to the Purchased Assets;

(ii) pay or cause to be paid all material costs and expenses (including insurance premiums) incurred in connection therewith in a timely manner, except those contested in good faith by Seller;

(iii) use commercially reasonable efforts to keep all Assigned Contracts in full force and effect (and, where such Assigned Contracts are due to expire prior to Closing, to secure a renewal or extension of such Assigned Contracts on terms substantially similar to their existing terms);

(iv) comply with all of the material covenants contained in all Assigned Contracts;

(v) maintain in force until the Closing Date insurance policies equivalent to those in effect on the date hereof;

(vi) comply in all material respects, with all applicable Laws;

(vii) during normal business hours, in accordance with reasonable procedures established by Seller and in a manner that does not unreasonably interfere with the normal operation of Seller's business, including any procedures established by Seller

in response to the COVID-19 pandemic, accommodate reasonable access by Purchaser to (A) the Transferred Real Property [and the Leased Real Property] included in the Purchased Assets to allow Purchaser to prepare and stage for operations effective as of the Closing Date and (B) copies of the books and records relating to the ownership and operation of the Purchased Assets;

(viii) cause each of KCTR and GWER to not (A) make any material amendment to any Tax Return, (B) make, change or rescind any material Tax election, (C) make any settlement of or compromise any material Tax liability, (D) change or rescind any material Tax method of accounting, (E) make or surrender any right to claim a material refund of Taxes; or (F) consent to any extension or waiver of the limitation period applicable to any Tax assessment; and

(ix) not take any of the following actions: (A) sell, pledge, dispose of, lease, license or encumber any of the Purchased Assets other than in the ordinary course of business; (B) terminate or materially amend any Assigned Contract; (C) grant trackage rights, haulage rights or any right to use all or a part of the Subject Line to any Person; (D) abandon any part of the rail lines included in the Purchased Assets; (E) authorize any of, or commit or agree to take, whether in writing or otherwise, or do any of, the foregoing actions; (F) enter into, modify, amend or terminate any Assigned Contract.

(b) Anything to the contrary in this Agreement notwithstanding, the Parties acknowledge and agree that nothing in this Section 7.02 shall be deemed to limit the sale, lease, license, disposition or transfer of any Excluded Assets by Seller prior to, at or after the Closing.

(c) Anything to the contrary in this Agreement notwithstanding, nothing in this Section 7.02 shall prohibit or otherwise restrict in any way the operation of any business of Seller or its Affiliates, except solely with respect to the operation of the Subject Line and the Purchased Assets by Seller and its Affiliates.

(d) In the event of any damage to or destruction of any of the tangible Purchased Assets following the date hereof but prior to Closing (normal wear and tear excepted), to the extent that such damage or destruction results in costs to repair or replace such tangible Purchased Assets in excess of \$1,000,000 in the aggregate, Seller shall, at its sole discretion, either (i) repair or replace such tangible Purchased Assets prior to or after Closing, at its own expense, or (ii) assign to Purchaser the value of any insurance proceeds received with respect to such damage or destruction.

Section 7.03. Expenses; No Offset.

Except as otherwise specifically provided in this Agreement, the Parties to this Agreement each shall bear their respective expenses incurred in connection with the preparation, execution and performance of this Agreement and consummation of the transactions contemplated hereby, including all fees and expenses of their respective Representatives. Neither Party may make any offset against amounts due to the other Party or its Affiliates pursuant to this Agreement, the other Transaction Documents or otherwise.

Section 7.04. Tax Matters⁷.

(a) All amounts payable by Purchaser to Seller pursuant to this Agreement do not include any goods and services, harmonized sales, value-added, sales, use, consumption, multi staged, ad valorem, personal property, customs, excise, stamp, documentary, transfer or similar Taxes, duties or charges arising out of or in connection with the transactions effected pursuant to this Agreement (collectively, “Transfer Taxes”). All Transfer Taxes, and the collection and remittance thereof to appropriate Governmental Authorities, are the responsibility and for the account of Seller. Seller and Purchaser agree to use commercially reasonable efforts to mitigate, reduce or eliminate any Transfer Taxes, and to obtain any certificate or other document from any Governmental Authority or any other Person, and to jointly make any election as may be available to mitigate, reduce or eliminate any such Transfer Taxes that could be imposed on Seller as a result of the consummation of the transactions contemplated by this Agreement. Seller and Purchaser shall cooperate with one another in the preparation of any necessary Tax Returns and other related documentation with respect to such Transfer Taxes (including any exemption certificates and forms as each may request to establish an exemption from (or otherwise reduce) or make a report with respect to such Transfer Taxes).

(b) At Closing, Purchaser, on the one hand, and Seller, on the other hand, shall each pay its share of Asset Taxes through an adjustment to the Purchase Price, prorated as of the Closing Date based on the number of days in the tax period that ends on and includes the Closing Date and the number of days in the tax period that begins after the Closing Date, of any Asset Taxes that are due and payable with respect to the calendar year in which Closing occurs. At least three Business Days prior to Closing, Seller shall provide Purchaser its calculation of such proration, including supporting documentation. If the relevant property Tax notices have not been received prior to Closing, the Taxes shall be prorated based upon the most recent property Tax notices, which proration shall be final and not subject to further adjustment based on receipt of actual property Tax notices or any audit. To the extent the actual amount of an such Asset Tax (or the amount thereof paid or economically borne by a Party) is ultimately determined to be different than the amount (if any) that was taken into account as an adjustment to the Purchase Price under Section 4.02(b), timely payments will be made from one Party to the other to the extent necessary to cause each Party to bear the amount of such Tax that is allocable to such Party under this Section 7.04(b).

(c) Purchaser and Seller shall, and shall cause their respective Affiliates to, cooperate fully, as and to the extent reasonably requested by the other Party, in connection with the filing of Tax Returns and any Section 338(h)(10) Election, opening and closing of Tax accounts, and any audit, litigation or other Proceeding with respect to Taxes owed or claimed to be owed with respect to the Purchased Assets, the Purchased Interests, the Purchased Entities and the Assumed Liabilities.

(d) The Purchase Price related to the Purchased Assets (and the agreed fair market value of the Assumed Liabilities, if any, required to be treated as consideration under Section 1060 of the Code) shall be allocated among the Purchased Assets for Tax purposes (and also for all non-Income Tax purposes to the extent acceptable) in accordance with Section 1060 of

⁷ **Note to Draft:** Subject to further review by tax counsel.

the Code and the Treasury Regulations thereunder and as set forth on Exhibit J, which schedule also sets forth the identifying information to be included in Part I of IRS Form 8594 (the “Allocation Schedule”). Such Allocation Schedule shall specifically set forth the allocation in accordance with Section 1060 of the Code the amount allocated to the Purchased Assets that are within the Subject Line. A draft of the Allocation Schedule shall be prepared by Purchaser and delivered to Seller not less than three Business Days prior to the Closing Date. Seller shall review and provide comments, and Purchaser shall duly consider all reasonable comments of Seller, and Seller and Purchaser will mutually determine the amounts set forth in the Allocation Schedule as of Closing. If Seller and Purchaser are unable to agree on the specific amounts to be allocated among the Purchased Assets in accordance with the Allocation Schedule then they shall continue to work together in good faith after Closing to reach agreement on such allocation. Upon reaching final agreement, either before or after Closing, the Parties shall reflect the agreed allocation in writing in an updated version of the Allocation Schedule.

(i) Purchaser and Seller shall file their income (and non-income, to the extent permitted under applicable Law) Tax Returns (including IRS Form 8594 and any corresponding state or local Tax form) in all respects and for all purposes consistent with the Allocation Schedule, and no Party shall thereafter take a position on any such Tax Return that is inconsistent with the Allocation Schedule unless expressly required to do so by Law. Purchaser and Seller shall also apply the values in the Allocation Schedule as of Closing for purposes of determining the amount of any Transfer Tax and the value of recording any Transferred Real Property conveyed pursuant to this Agreement. If Seller and Purchaser are unable to agree on the specific amounts to be allocated among the Purchased Assets in accordance with the Allocation Schedule then they shall be required to continue to work together in good faith to agree after Closing on a preliminary allocation among the Purchased Assets that shall be used for purposes of determining the amount of any Transfer Taxes or property transfer Taxes, and such preliminary allocation shall be used for all such related Tax Returns.

(ii) If any such allocation is disputed by any taxation or other Governmental Authority, the Party receiving notice of such dispute shall promptly notify the other Party and the Parties shall use commercially reasonable efforts to sustain those allocations. The parties shall share information and cooperate to the extent reasonably necessary to permit the transactions contemplated by this Agreement to be properly, timely and consistently reported.

(e) Any adjustments to the Purchase Price shall be reflected as an adjustment to the price allocated to the specific asset, if any, giving rise to the adjustment, and if any such adjustment does not relate to a specific asset, such adjustment shall be allocated among the Purchased Assets in a manner consistent with the Allocation Schedule. Such adjustments, if any, shall be determined in good faith by mutual agreement of Seller and Purchaser.

(f) Purchaser and Seller shall make a joint election under Section 338(h)(10) of the Code (and any corresponding elections under state and local Tax Law) with respect to the purchase and sale of GWER (the “Section 338(h)(10) Election”) in accordance with applicable Law. Seller and Purchaser shall each deliver completed and executed copies of IRS Form 8023, required schedules thereto, and any similar state forms at the Closing in accordance with Section

4.03(j) and Section 4.04(j), or following the Closing as may be otherwise agreed by the Parties. If any changes are required in these forms as a result of information which is first available after these forms are prepared, the Parties will promptly make such changes. Seller shall include any income, gain, loss, deduction or other Tax item resulting from such Section 338(h)(10) Elections on its Tax Returns to the extent required by applicable Law.

(g) Section 338(h)(10) Allocation.

(i) Within 90 days following the Closing Date, Purchaser shall provide Seller with a proposed allocation statement allocating the “aggregate deemed sales price” (as such term is defined in U.S. Treasury Regulation Section 1.338-4) with respect to GWER in accordance with the U.S. Treasury Regulations promulgated under Section 338(h)(10) of the Code and consistent with the Allocation Schedule (the “Purchaser Draft 338(h)(10) Allocation”).

(ii) If Seller disagrees with the Purchaser Draft 338(h)(10) Allocation, then Seller may, within 30 days after delivery of the Purchaser Draft 338(h)(10) Allocation, deliver a notice (the “Seller 338(h)(10) Allocation Notice”) to Purchaser specifying the items with which Seller disagrees and setting forth Seller’s proposed allocation. If the Seller 338(h)(10) Allocation Notice is duly delivered, Seller and Purchaser shall, during the 30 days following such delivery, use commercially reasonable efforts to reach agreement on the disputed items or amounts.

(iii) If Seller and Purchaser are unable to reach such agreement, then Seller and Purchaser shall submit all matters that remain in dispute with respect to the Seller 338(h)(10) Allocation Notice (along with a copy of the Purchaser Draft 338(h)(10) Allocation marked to indicate those line items not in dispute) to an independent, nationally recognized accounting firm mutually agreed to by Seller and Purchaser (the “Reviewing Accountant”). Seller and Purchaser shall instruct the Reviewing Accountant to make a determination no later than 30 days following the submission of such dispute, based solely on the written submissions of Purchaser, on the one hand, and Seller, on the other hand. The Reviewing Accountant shall adjust the Purchaser Draft 338(h)(10) Allocation based on these determinations. All fees and expenses relating to the work, if any, to be performed by the Reviewing Accountant shall be borne equally by the Parties.

(iv) The Purchaser Draft 338(h)(10) Allocation, (A) as prepared by Purchaser if Seller has not delivered a Seller 338(h)(10) Allocation Notice in accordance with Section 7.04(g)(ii), (B) or as adjusted pursuant to any agreement between Seller and Purchaser, or as adjusted by the Reviewing Accountant (in each case, the “Final 338(h)(10) Allocation”), shall, absent Fraud or a final determination within the meaning of Section 1313(a) of the Code (or any similar provision of applicable state, local or non-U.S. Law) to the contrary by a Tax authority, be conclusive and binding on Seller and Purchaser for all Tax purposes.

(v) Seller and Purchaser shall file and cause to be filed all Tax Returns and execute such other documents as may be required by any Tax authority, in a manner consistent with the Final 338(h)(10) Allocation, and shall not take any position inconsistent

with the Final 338(h)(10) Allocation in the examination of any Tax Return, in any refund claim or in any action with respect to Taxes, in each case, unless otherwise required pursuant to a final determination within the meaning of Section 1313(a) of the Code (or any similar provision of applicable state, local or non-U.S. Law).

(vi) Seller shall pay any and all Taxes that would not have been imposed but for the Section 338(h)(10) Election or any elections under state, local or other Tax law that are required to be made or deemed to have been made as a result of any Section 338(h)(10) Election (“Section 338 Taxes”).

Section 7.05. Further Actions.

(a) After the Closing, at the request of a Party, the other Party shall cooperate and use commercially reasonable efforts to carry out the intent of this Agreement, and each Party will execute and deliver such other documents and instruments of conveyance, assignment, transfer, assumption and delivery and take such other actions as the other Party reasonably may request in order to consummate, complete and carry out the transactions contemplated hereby, at the expense of the requesting Party.

(b) At Purchaser’s sole cost and expense and within 30 days of the Closing Date, at each railroad-highway at-grade crossing on and along the Subject Line, Purchaser shall either (i) replace Seller’s Emergency Notification Systems (ENS) signs posted at such crossings with Purchaser’s ENS signs, which shall identify Purchaser as the emergency contact and provide an emergency telephone number to contact Purchaser at all times (24/7) pursuant to 49 C.F.R. 234, Subpart E, or (ii) use a sticker, decal or other device to cover Seller’s name and emergency telephone number on the emergency sign and replace such information with Purchaser’s name and an emergency telephone number to contact Purchaser at all times (24/7). Within 35 days of the Closing Date, Purchaser shall provide Seller notice, pursuant to Section 11.01 of this Agreement, that it has complied with this Section 7.05(b).

(c) Seller shall cooperate with Purchaser in connection with any requirement the Federal Railroad Administration (“FRA”) may impose related to Positive Train Control (“PTC”) and Purchaser adding any PTC-equipped subdivision on the Subject Line to Purchaser’s PTC Implementation Plan or other changes related to PTC. Such cooperation shall include responding to communications from the FRA, submitting historical information in Seller’s possession to the FRA directly or through Purchaser, providing physical access to the Subject Line, testing of PTC on the Subject Line, and any other actions necessary to comply with FRA requirements and requests.

(d) Seller shall provide to Purchaser copies of the Assigned Contracts prior to or as soon as practicable after the Closing.

Section 7.06. Insurance.

From and after the Closing Date, the Purchased Assets, the Assumed Liabilities, and the operations and assets and Liabilities in respect thereof, shall cease to be insured by Seller’s or its Affiliates’ insurance policies or by any of their self-insured programs, and none of Purchaser or its Affiliates shall have any access, right, title or interest to or in any Seller insurance policies

(including to all claims and rights to make claims and all rights to proceeds) to cover the Purchased Assets, the Assumed Liabilities, the operation of the Subject Line or Liabilities in respect thereof. Seller or its Affiliates may amend any insurance policies in the manner it deems appropriate to give effect to this Section 7.06. Except as may be otherwise required in the Transaction Documents, from and after the Closing, Purchaser shall be responsible for securing all insurance it considers appropriate for the Subject Line, the Purchased Assets, the Assumed Liabilities, and the operations and Liabilities in respect thereof.

Section 7.07. Real Property Matters.

Conveyance of the Transferred Real Property shall be made by the Deed, which shall convey all of Seller's right, title and interest in the Transferred Real Property free and clear of any Encumbrances other than Permitted Encumbrances. In the event Purchaser is unable to record the Deed related to the Transferred Real Property due to state or local recording requirements (including as to subdivision, survey, legal description, perfection or opposability of Seller's rights in the Transferred Real Property) Purchaser shall be responsible for satisfying such state or local requirements at its sole cost and expense; *provided* that Seller shall provide any assistance reasonably requested by Purchaser at the expense and cost of Purchaser, including executing further documents or providing further information that may be necessary to record the Deed, including real estate transfer tax valuation forms required under applicable Law. Purchaser acknowledges and agrees that the conveyance of the Transferred Real Property shall be made subject to the Permitted Encumbrances which shall survive Closing:

Section 7.08. [Nondisclosure].

(a) The terms of the [Nondisclosure Agreement] are incorporated into this Agreement by reference and shall continue in full force and effect and the confidentiality obligations thereunder shall be binding upon Purchaser and its Representatives until the Closing, at which time the confidentiality obligations under the Nondisclosure Agreement shall terminate subject to the continuing obligations set forth herein. Notwithstanding the terms of the Nondisclosure Agreement, Purchaser may prior to the Closing disclose Confidential Information to existing or prospective lenders or equity investors of Purchaser who have a reasonable need to know such Confidential Information, are informed of the confidential nature of the information and are subject to confidentiality obligations to Purchaser. Purchaser acknowledges and agrees that Purchaser shall be responsible for any breach of the terms of this Agreement or the Nondisclosure Agreement by such existing or prospective lenders or equity investors of Purchaser.

(b) Subject to Section 7.08(c), for a three-year period following the Closing, unless otherwise agreed to in writing by the other Party, each of Seller, on the one hand, and Purchaser, on the other hand, hereby agrees not to (and to cause its Representatives not to) (i) disclose any Confidential Information to any Person other than (A) its Representatives who need to know the Confidential Information for the purpose of the consummation of the transactions contemplated by this Agreement and the other Transaction Documents, (B) public authorities for the purpose of recording the Deed, (C) the STB in connection with obtaining the STB Approvals, or (D) existing or prospective lenders or equity investors of such Party who (1) have a reasonable need to know the Confidential Information, (2) are informed of the confidential nature of the information and (3) are subject to confidentiality obligations to such Party, and (ii) use any

Confidential Information for any purpose other than as contemplated by this Agreement or any of the other Transaction Documents. Each Party shall be responsible for any breach of the terms of this Agreement by its Representatives or existing or prospective lenders or equity investors who receive Confidential Information.

(c) If a Party or its Representative (the “Disclosing Party”) determines, based upon the advice of its legal counsel, that it is required by applicable Law, by applicable stock exchange regulation, by legal process, or for the purposes of enforcement of its rights under this Agreement, to disclose all or any portion of the Confidential Information, the Disclosing Party may so disclose such Confidential Information; *provided* that the Disclosing Party shall, to the extent permitted by Law, (i) provide the other Party with a written notice of such requirement so that the other Party may seek a protective order or other appropriate remedy to the extent applicable; (ii) exercise commercially reasonable efforts to narrow the scope of any such disclosure and consult with the other Party regarding the scope of such disclosure; and (iii) if such protective order or other remedy is not obtained, furnish only that portion of the Confidential Information which the Disclosing Party is compelled to disclose and exercise commercially reasonable efforts to obtain assurance that confidential treatment will be accorded to such Confidential Information to the extent applicable.

(d) If the transactions contemplated by this Agreement are not consummated, Purchaser shall (and shall ensure that its Representatives will) promptly, upon Seller’s written request, and in any event within 20 Business Days of such request return or destroy all copies of Confidential Information in its possession or in the possession of any of its Representatives and return or destroy all information or other documents derived from such Confidential Information. Notwithstanding the foregoing, Purchaser (and its Representatives) shall be permitted, subject to their continued compliance with the obligations specified in this Section 7.08, to retain copies of any computer records and files containing such Confidential Information which have been created pursuant to its automatic electronic archiving and back up procedures and retain any Confidential Information to the extent required by Law. If so requested by Seller, Purchaser shall confirm in writing that its undertakings relating to the return or destruction of any such Confidential Information have been complied with.

(e) For purposes of this Agreement, “Confidential Information” means: (i) in relation to the obligations of Purchaser, any and all information related to Seller and/or its Affiliates and, prior to the Closing, the Purchased Assets[, the Leased Real Property] or the Assumed Liabilities received or held by Purchaser or its Representatives, but shall not include any and all information related to the Purchased Assets[, the Leased Real Property] or the Assumed Liabilities following the Closing, whether oral or written; (ii) in relation to the obligations of Seller, any and all information related to Purchaser, and/or its Affiliates and, following the Closing, the Purchased Assets[, the Leased Real Property] or the Assumed Liabilities, received or held by Seller or its Representatives, whether oral or written; and (iii) any of the terms, conditions or content of the discussions between the Parties with respect to, and the existence and the terms of, this Agreement and the other Transaction Documents; *provided, however*, that Confidential Information shall not include any information that: (A) is or becomes generally available to the public other than as a result of a disclosure by that Party or any of its Representatives in violation of this Section 7.08; (B) was lawfully in the possession of that Party or any of its Representatives prior to such information being received from the other Party or its Representatives free of any

restriction as to its use and disclosure (as can be demonstrated by that Party's or its Representative's written records); (C) becomes available to that Party or any of its Representatives thereafter; *provided* that, at the time of its receipt, such information is not, to the Knowledge of that Party, subject to any confidentiality or restricted-use obligation for the benefit of the other Party; and/or (D) is independently developed by that Party or any of its Representatives without reference to the other Party's Confidential Information (as can be demonstrated by that Party's or its Representative's written records).

Section 7.09. Removal of Seller Marks.⁸

No interest in or right to use any Intellectual Property, trademarks, trade names and trade dress of Seller or any of its Affiliates (the "Seller Marks") is being, or will be, assigned, transferred or otherwise conveyed to Purchaser pursuant to this Agreement or the transactions contemplated hereby. As promptly as practicable following the Closing Date, but in no event later than 30 days after the Closing Date, Purchaser shall remove, permanently obliterate, cover or otherwise stop displaying all Seller Marks in or on any signage, tools, dies, equipment, real estate or other durable items included in the Purchased Assets.

Section 7.10. Surface Transportation Board.

Purchaser shall prepare such documents or filings (in addition to the Application filed by Canadian National Railway Company and Purchaser in Finance Docket No. 36500 (Sub-No. [●])), if any, as may be required to secure STB Approval, or exemption from approval, of the transactions contemplated by this Agreement. In preparing such filings, the Parties shall cooperate fully with each other and shall furnish to the others such necessary information and reasonable assistance as the other may reasonably request in connection with the preparation of any such required STB filings.

Section 7.11. FCC Radio Licenses.

Purchaser and Seller shall cooperate to obtain the consent of the FCC pursuant to 47 U.S.C. § 310(d) and 47 C.F.R. § 1.948 for the assignment of FCC Licenses. Promptly following execution of this Agreement, but not later than five Business Days following execution of this Agreement, Seller shall initiate the electronic filing of a FCC Form 603, "FCC Application for Assignments of Authorization or Transfers of Control," through the FCC's Universal Licensing System, for each FCC License and shall be responsible for the filing fees associated with such applications. Purchaser shall electronically approve and sign the FCC Form 603 applications through the Universal Licensing System and shall, within 30 days after the Closing Date, notify the FCC of the consummation of the transfer of control of each FCC License through the filing of FCC Form 603, Schedule D.

Section 7.12. Notice Regarding Changes.

Prior to the Closing Date, Seller shall promptly inform Purchaser in writing of (a) the receipt of a written or oral notice from any counterparty that they intend to terminate, not renew, or renegotiate the terms of an Assigned Contract, (b) any event, change or circumstance

⁸ **Note to Draft:** Discuss whether any IP licenses (e.g., related to PTC) are necessary.

that could reasonably result in a Material Adverse Effect, and (c) any change in facts and circumstances that could render any of the representations and warranties made herein by Seller inaccurate or misleading if such representations and warranties had been made upon the occurrence of the fact or circumstance in question. Purchaser shall promptly inform Seller in writing of any change in facts and circumstances that could render any of the representations and warranties made herein by Purchaser inaccurate or misleading if such representations and warranties had been made upon the occurrence of the fact or circumstance in question.

Section 7.13. Employment.

Purchaser shall have the right but not the obligation and shall not otherwise have the responsibility or obligation to absorb, hire, or otherwise employ any employees of Seller that may or will be dismissed or displaced as a result of implementing the transaction contemplated by this Agreement, except as may be required by the STB. In the event Purchaser hires any employees for the continued operation of the Subject Line, Purchaser agrees to offer priority hiring consideration to Seller employees (both craft and non-craft) working on the Subject Line whose employment is impacted by Purchaser acquiring the Subject Line on the Closing Date.

**ARTICLE VIII.
CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PARTIES**

Section 8.01. Conditions to Each Party's Obligations to Close.

The respective obligations of Seller and Purchaser to effect the Closing and to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver at or prior to the Closing of the following conditions:

(a) No Governmental Order or Proceedings. There shall not be in force any Governmental Order to and there shall be no Proceeding pending, or to Seller's Knowledge threatened by any Governmental Authority (other than the STB, which shall be governed by Section 8.01(b)) that seeks to, enjoin or prohibit the transactions contemplated by this Agreement or any other Transaction Documents;

(b) STB Approvals. The STB Approvals shall have been obtained and become final and effective and otherwise be in full force and effect.

(c) FCC Approvals. The FCC Approvals shall have been obtained and become final and effective and otherwise be in full force and effect.

(d) No Law. No Governmental Authority shall have enacted, issued or promulgated any Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement (including any STB order approving an inconsistent application with respect to any of the transactions contemplated by this Agreement or the application in Finance Docket No. 36500 for CP to acquire control of KCS and Seller, or otherwise directing Seller to divest all or a portion of the Purchased Assets to a Person other than Purchaser).

Section 8.02. Conditions to Obligations of Purchaser to Close.

The obligation of Purchaser to effect the Closing is subject to the satisfaction (or waiver by Purchaser) at or prior to the Closing of the following additional conditions:

(a) Representations and Warranties. The Fundamental Representations of Seller shall be true and correct in all respects as of the Closing Date and the representations and warranties of Seller contained in ARTICLE V (other than the Fundamental Representations of Seller) shall be true and correct in all material respects as of the Closing Date (without regarding to any express qualifier therein as to materiality);

(b) Performance of Obligations of Seller. The covenants and agreements of Seller to be performed on or before the Closing Date in accordance with this Agreement shall have been performed in all material respects;

(c) Officer's Certificate. Purchaser shall have received a certificate, dated as of the Closing Date and signed on behalf of Seller by an executive officer of Seller, stating that the conditions specified in Section 8.02(a) and Section 8.02(b) have been satisfied;

(d) Seller Closing Deliveries. Seller shall have delivered those instruments and performed those actions set forth in Section 4.03;

(e) Purchaser shall have received prior written approval from its board of directors validly authorizing and approving the transactions contemplated by this Agreement; and

(f) no Proceeding shall have been initiated against Seller by any Person (other than Purchaser or any of its Affiliates), arising by reason of the acquisition of the Purchased Assets pursuant to this Agreement, which could reasonably be expected to restrain, prohibit or invalidate the consummation of the transactions contemplated by this Agreement and that remains in effect at the time of the Closing.

Section 8.03. Conditions to Obligations of Seller to Close.

The obligation of Seller to effect the Closing is subject to the satisfaction (or waiver by Seller) at or prior to the Closing of the following additional conditions:

(a) Representations and Warranties. The Fundamental Representations of Purchaser shall be true and correct in all respects as of the Closing Date and the representations and warranties of Purchaser contained in ARTICLE VI (other than the Fundamental Representations of Purchaser) shall be true and correct in all material respects as of the Closing Date (without regarding to any express qualifier therein as to materiality);

(b) Performance of Obligations of Purchaser. The covenants and agreements of Purchaser to be performed on or before the Closing Date in accordance with this Agreement shall have been performed in all material respects;

(c) Purchaser Officer's Certificate. Seller shall have received a certificate, dated as of the Closing Date and signed on behalf of Purchaser by an executive officer of

Purchaser, stating that the conditions specified in Section 8.03(a) and Section 8.03(b) have been satisfied; and

(d) Purchaser Closing Deliveries. Purchaser shall have delivered those instruments and performed those actions set forth in Section 4.04.

Section 8.04. Frustration of Closing Conditions.

Neither Purchaser nor Seller may rely on the failure of any condition set forth in this ARTICLE VIII to be satisfied if such failure was caused by such Party's failure to act in good faith or to use the requisite efforts to cause the Closing to occur as required by this Agreement, including the requirements of Section 7.01.

**ARTICLE IX.
TERMINATION; EFFECT OF TERMINATION**

Section 9.01. Termination.

Anything to the contrary in this Agreement notwithstanding, this Agreement may be terminated and the transactions contemplated by this Agreement abandoned at any time prior to the Closing:

(a) by mutual written consent of Seller and Purchaser; or

(b) by Purchaser, if any of Seller's representations and warranties contained in ARTICLE V of this Agreement shall fail to be true and correct or Seller shall have breached or failed to perform in any material respect any of its covenants or other agreements contained in this Agreement, and such failure or breach would give rise to the failure of a condition set forth in Section 8.02(a) or Section 8.02(b) and has not been cured by the date that is 10 days after the date that Purchaser has notified Seller in writing of such failure or breach; *provided* that Purchaser is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement such that the conditions set forth in Section 8.03(a) or Section 8.03(b) would fail to be satisfied.

Section 9.02. Effect of Termination.

If this Agreement is terminated and the transactions contemplated by this Agreement are abandoned as described in Section 9.01, this Agreement shall become null and void and of no further force and effect, except for the provisions of Section 7.03, Section 7.08, this ARTICLE IX and ARTICLE XI. Nothing in this Section 9.02 shall be deemed to release any Party from any Liability for Fraud or willful breach by such Party of the terms and provisions of this Agreement. For purposes of this Agreement, "willful breach" means a material breach or failure to perform that is the consequence of an act or omission of a Party with the knowledge that such act or omission would, or would be reasonably expected to, cause a material breach of this Agreement.

Section 9.03. Notice of Termination.

In the event of termination by Purchaser pursuant to Section 9.01(b), written notice of such termination shall be given by Purchaser to Seller in the manner set forth in Section 11.01.

**ARTICLE X.
SURVIVAL, INDEMNIFICATION AND REMEDIES**

Section 10.01. Survival.

All representations and warranties made by each party in this Agreement and in any certificate delivered in connection herewith shall survive the Closing until the third anniversary of the Closing Date; *provided, however*, that the representations and warranties set forth in (a) Section 5.01, Section 5.02, Section 5.08(c), Section 5.14, Section 6.01, Section 6.02 and Section 6.06 (the “Fundamental Representations”) shall survive indefinitely, (b) Section 5.09 and Section 5.16 shall survive the Closing until the fourth anniversary of the Closing Date and (c) Section 5.10 shall survive the Closing until the date that is 60 days following the expiration of the statute of limitations applicable to any claim arising in respect thereof (including any extensions thereof). All representations and warranties related to any claim asserted in writing prior to the expiration of the applicable survival period shall survive (but only with respect to such claim) until such claim shall be resolved and payment in respect thereof, if any is owing, shall be made. Notwithstanding anything to the contrary contained herein, any claim that a party committed Fraud shall survive until the expiration of the applicable statute of limitations. The survival periods set forth above in this Section 10.01 are intended to replace and supersede any applicable statute of limitations to bring a Proceeding even though the survival period may be shorter or longer than otherwise provided by applicable Law.

Section 10.02. Indemnification.

(a) Seller shall indemnify, defend, reimburse and hold harmless Purchaser and its Representatives, Affiliates, and their respective successors and assigns (the “Purchaser Indemnified Parties”) against and with respect to any and all demands, claims, obligations, complaints, actions or causes of action, suits, Proceedings, investigations, arbitrations, assessments, losses, damages, fines, penalties, liabilities, judgments, settlements, costs and expenses (including reasonable attorneys’ fees) (collectively, “Losses”) (including any Losses based on claims for breach of contract, warranty, tortious conduct (including negligence) or otherwise and whether predicated on common Law, statute, strict liability, or otherwise) arising from, in connection with or with respect to the following items:

- (i) any breach or misrepresentation of a representation or warranty by Seller contained in this Agreement, any certificate delivered in connection herewith or any other Transaction Document;
- (ii) any breach or failure to fulfill any agreement or covenant on the part of Seller;
- (iii) any Encumbrances other than Permitted Encumbrances;

(iv) any Labor Protective Conditions imposed for the benefit of Seller's employees;

(v) any pre-Closing violations of, and non-compliance with, FCC regulations with respect to the maintenance and use of radio frequency licenses currently held by Seller with respect to the Purchased Assets (including the payment of any fine or penalty, and the satisfaction of any condition, imposed by the FCC on account of such violations or non-compliance); and

(vi) any Excluded Liabilities.

(b) Purchaser shall indemnify, defend and hold harmless Seller and its Representatives, Affiliates and assigns (the "Seller Indemnified Parties") against and with respect to any and all Losses, arising from, in connection with or with respect to the following items:

(i) any breach or misrepresentation of a representation or warranty by Purchaser contained in this Agreement or an certificate delivered in connection herewith;

(ii) any breach or failure to fulfill any agreement or covenant on the part of Purchaser;

(iii) any Labor Protective Conditions imposed for the benefit of Purchaser's employees; and

(iv) any Assumed Liabilities.

(c) Notwithstanding anything to the contrary contained in this Agreement, (i) Seller shall not have any obligation to indemnify, defend and hold harmless any Purchaser Indemnified Party pursuant to Section 10.02(a)(i) (A) unless the aggregate amount of Losses incurred by the Purchaser Indemnified Parties exceeds \$[●] (the "Threshold Amount") at which point, Seller shall indemnify, defend and hold harmless the Purchaser Indemnified Parties for the full amount of such Losses and (B) except as provided in clause (iii) below, in excess of \$[●] (the "Cap"),⁹ (ii) Purchaser shall have no obligation to indemnify any Seller Indemnified Parties pursuant to Section 10.02(b)(i) (A) unless the aggregate amount of Losses incurred by the Seller Indemnified Parties exceeds the Threshold Amount, at which point Purchaser shall indemnify Seller Indemnified Parties for the full amount of such Losses and (B) in excess of the Cap, and (iii) the parties acknowledge that the Threshold Amount and the Cap shall not apply to any Losses resulting from (A) Fraud, (B) breaches or misrepresentations of the Fundamental Representations, (C) any Adjustment Amount or (D) any indemnification obligations of the parties hereto (other than as set forth in Section 10.02(a)(i) and Section 10.02(b)(i)).

(d) Any Purchaser Indemnified Party or Seller Indemnified Party seeking indemnification hereunder (the "Indemnified Party") shall promptly give to the party obligated to provide indemnification to such Indemnified Party (the "Indemnitor") a written notice (a "Claim Notice"); *provided, however*, that the failure of any Indemnified Party to give the Claim Notice promptly as required by this Section shall not affect such Indemnified Party's rights under this

⁹ **Note to Draft:** Threshold Amount and Cap amounts to be based on the Purchase Price.

Section 10.02 unless and only to the extent that such failure actually prejudices the Indemnitor. The Claim Notice shall provide reasonable detail of the claims being asserted.

(e) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this Section 10.02 shall be determined: (i) by the written agreement between the Indemnified Party and the Indemnitor; (ii) by a final non-appealable determination of a court of competent jurisdiction pursuant to Section 11.06; or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree (a “Final Determination”). Subject to Section 10.03, all amounts due to the Indemnified Party shall be paid by wire transfer within 10 Business Days after such Final Determination.

(f) An Indemnified Party shall notify the Indemnitor in writing, and in reasonable detail, of any Proceeding commenced by any third Person against the Indemnified Party (a “Third Party Claim”) promptly after receipt by such Indemnified Party of written notice of the Third Party Claim. Notwithstanding the foregoing, should a party be physically served with a complaint with regard to a Third Party Claim, the Indemnified Party must deliver a copy of the complaint to the Indemnitor within 10 days after the receipt of such complaint; *provided, however*, that the failure of any Indemnified Party to give such notice shall not affect such Indemnified Party’s rights under this Section 10.02 unless and only to the extent that such failure actually prejudices the Indemnitor.

(g) In the event of the initiation of any Proceeding with respect to a Third Party Claim (in which the only relief sought is monetary damages), the Indemnitor may elect, at its own expense, to be represented by counsel of its choice (reasonably acceptable to the Indemnified Party) and to control and defend such Third Party Claim. The Indemnified Party shall have the right to participate (and to retain legal counsel to participate) in any such defense at its sole cost and expense. The Parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such Proceeding. Such cooperation shall include the retention and the provision of records and information that are reasonably relevant to such Third Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Indemnitor shall not settle or agree to the entry of a final order in any such Proceeding without the prior written consent of the Indemnified Party unless (i) the sole recourse under such settlement or final order is payment by the Indemnitor of monetary damages, (ii) such settlement or final order does not obligate the Indemnified Party to admit any liability, and (iii) such settlement includes a full and unconditional release of the Indemnified Parties.

(h) Any indemnification payment under this Agreement shall be considered an adjustment to the Purchase Price.

(i) This Section 10.02 constitutes the Indemnified Parties’ sole and exclusive remedy for any and all Losses or other claims relating to or arising from this Agreement and the transactions contemplated hereby, except for claims based on Fraud. No Indemnitor shall have any indemnification, contribution, or other obligation for any Loss that the Indemnified Parties may suffer, and the Indemnified Parties shall have no remedies, with respect to (i) the subject matter of this Agreement or the transactions contemplated hereby or (ii) any other matter relating to Seller, prior to the Closing, the operation of its businesses prior to the Closing, or any other transaction

or state of facts involving the Purchased Assets or Seller prior to the Closing (including any common law or statutory rights or remedies), in each case, other than the provisions of this ARTICLE X, which are the Indemnified Parties' sole and exclusive remedies with respect thereto, except for claims based on Fraud.

Section 10.03. Expiration of Claims.

The ability of any Person to receive indemnification under Section 10.02 shall terminate on the applicable survival termination date (as set forth in Section 10.01), unless such Person shall have incurred a Loss and made a valid claim for indemnification pursuant to Section 10.02 prior to such termination date. If a Person has made a valid claim for indemnification pursuant to Section 10.02 prior to such termination date, such valid claim, if then unresolved, shall not be extinguished by the passage of the deadlines set forth in Section 10.01.

Section 10.04. Determination of Loss Amount.

The amount of any Loss subject to indemnification hereunder or of any claim therefor shall be calculated net of and shall be limited to the amount of such Loss that remains after deducting therefrom any insurance proceeds and any other indemnity, contribution or similar payment actually realized by and paid to the applicable Indemnified Parties in respect of any such claim, less any related costs and expenses, including the aggregate cost of pursuing any related insurance claims. The Indemnified Parties shall use commercially reasonable efforts to seek full recovery under all insurance policies or other such indemnity, contribution or similar agreements or sources of payment covering any Loss to the same extent as they would if such Loss were not subject to indemnification hereunder. Promptly after the realization of any such insurance proceeds, or other indemnity, contribution or similar payment, the Indemnified Parties shall reimburse the applicable Indemnitor for such reduction in Losses for which the Indemnified Parties was indemnified prior to the realized reduction of such Losses.

Section 10.05. Mitigation.

Each Person entitled to indemnification hereunder shall take all reasonable steps to mitigate all Losses after becoming aware of any event which could reasonably be expected to give rise to any Losses that are indemnifiable or recoverable hereunder or in connection herewith.

ARTICLE XI. GENERAL PROVISIONS

Section 11.01. Notices.

All notices and other communications under this Agreement shall be in writing and shall be deemed given (a) when delivered personally by hand (with written confirmation of receipt), (b) on the day transmitted by electronic mail (with written confirmation of transmission), if sent before 5:00 p.m. Eastern Time on a Business Day, otherwise on the next Business Day following transmission, or (c) one Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses (or to such other address as a Party may have specified by notice given to the other Party pursuant to this provision):

If to Seller:

[•]

[•]

[•]

Attention: [•]

Email: [•]

with a copy (which shall not constitute notice) to:

[•]

[•]

[•]

Attention: [•]

Email: [•]

If to Purchaser:

Illinois Central Railroad Company

[•]

[•]

Attention: [•]

Email: [•]

with a copy (which shall not constitute notice) to:

Sidley Austin LLP

1501 K. Street, NW

Washington, DC 20005

Attention: Terence M. Hynes

Email: thynes@sidley.com

Section 11.02. Waiver.

No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this Agreement or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against a Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

Section 11.03. Benefit and Assignment.

No Party to this Agreement shall assign this Agreement, in whole or in part, whether by operation of Law or otherwise, without the prior written consent of the other Parties; *provided* that no such assignment shall relieve the assigning Party of its obligations hereunder.

Any purported assignment contrary to the terms hereof shall be null, void and of no force and effect. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. No Person other than the Parties hereto and their respective successors and permitted assigns is or shall be entitled to bring any action to enforce any provision of this Agreement against any of the Parties hereto, and the representations and warranties, covenants and other agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the Parties hereto or their respective successors and assigns as permitted hereunder. Notwithstanding the foregoing, Purchaser shall (subject to the terms of the STB Approvals) be entitled to assign all or any portion of its rights and liabilities hereunder to an Affiliate of Purchaser without consent of (but with notice to) Seller; *provided* that no such assignment shall relieve Purchaser of its obligations hereunder.

Section 11.04. Amendment.

No amendment, modification or supplement to this Agreement shall be binding unless executed in writing by all of the Parties hereto.

Section 11.05. Severability.

If any part of any provision of this Agreement or any other Transaction Document shall be invalid or unenforceable under applicable Law, such part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of such provisions or the remaining provisions of this Agreement or any other Transaction Document.

Section 11.06. Governing Law; Waiver of Jury Trial; Submission to Jurisdiction.

(a) This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto, shall be governed by and construed under and in accordance with the Laws of the State of Delaware, without regarding to any choice of Law provision or rule of the State of Delaware that would otherwise result in the application of the Laws of any other State or jurisdiction.

(b) THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER NOW EXISTING OR HEREAFTER EXISTING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES HERETO AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS SECTION 11.06(B) WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT BETWEEN THE PARTIES HERETO IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY ACTION OR PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

(c) Each of the Parties agrees that any Proceeding with respect to this Agreement brought by a Party hereto or its successors or assigns shall be brought and determined in the Federal or state court sitting in the State of Delaware and each of the Parties hereby submits

with regard to any such Proceeding for itself and in respect to its property, generally and unconditionally, to the jurisdiction of the aforesaid courts. Each of the Parties hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim, or otherwise, in any Proceeding with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason, (ii) that it or its property is exempt or immune from jurisdiction of such court or from any legal process commenced in such court (whether through judgment or otherwise), and (iii) to the fullest extent permitted by applicable law that (A) the Proceeding in any such court is brought in an inconvenient forum, (B) the venue of such Proceeding is improper and (C) this Agreement, or the subject matter hereof, may not be enforced in or by any such court.

Section 11.07. Interpretation.

(a) When a reference is made in this Agreement to a Section, subsection, Exhibit or Schedule, such reference shall be to a Section, subsection, Exhibit or Schedule of this Agreement unless otherwise indicated. The headings contained in this Agreement, in any Schedules and in the table of contents to this Agreement, are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made part of this Agreement as if set forth in full herein. Any fact or item which is clearly disclosed on any Schedule to this Agreement in such a way as to make its relevance or applicability to information called for by another Schedule or Schedules to this Agreement reasonably apparent on the face of the disclosure shall be deemed to be disclosed on such other Schedule or Schedules, as the case may be, notwithstanding the omission of a specific reference or cross-reference thereto. Any capitalized term used in any Exhibit or Schedule and not otherwise defined shall have the meaning given to such term in this Agreement.

(b) Unless the context clearly requires otherwise, whenever the words “include”, “includes”, “including”, “such as” or terms of similar meaning are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The words “hereof”, “herein”, “hereby” and “hereunder” and terms of similar meaning when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The term “or” is not exclusive. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”. The definitions contained in this Agreement are applicable to the singular as well as to the plural forms of such terms. Any agreement or instrument defined or referred to herein means such agreement or instrument as from time to time amended, modified or supplemented. References to a Person are also to its permitted successors and assigns. Pronouns of one gender shall include all genders. All accounting conventions shall be consistent with GAAP, unless otherwise specified. All references to “Dollars” or “\$” shall be to U.S. Dollars unless otherwise specified. All references to “days” shall mean calendar days unless Business Days are specified. Unless otherwise specified herein, undefined terms shall be given the meaning customarily applied to such terms in the railroad industry in the United States.

Section 11.08. Signature in Counterparts; Electronic Delivery.

This Agreement may be executed in separate counterparts, none of which need contain the signatures of all Parties, each of which shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than the number of counterparts containing the respective signatures of, or on behalf of, each of the Parties. This Agreement, the other Transaction Documents and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto (in each case other than the Deed), to the extent delivered by means of a facsimile, email or electronic .pdf transmission (any such delivery, an “Electronic Delivery”), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such agreement or instrument, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to the other Party. No Party hereto or to any such agreement or instrument shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such Party forever waives any such defense, except to the extent such defense related to lack of authenticity.

Section 11.09. Entire Agreement.

This Agreement, together with all Exhibits and Schedules hereto and the Transaction Documents, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, except for any prior agreements regarding obligations of Seller or an Affiliate or predecessor for the performance of and/or payment for Remedial Action identified on Section 3.02(b) of the Disclosure Schedules.¹⁰

[Remainder of page intentionally left blank]

¹⁰ **Note to Draft:** Schedule will include description of certain known contamination/remediation issues on the Subject Line.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SELLER:

Kansas City Southern Railway Company

By: _____

Name: [●]

Title: [●]

PURCHASER:

Illinois Central Railroad Company

By: _____

Name: [●]

Title: [●]

Exhibit 2B

Trackage Rights Agreement

TRACKAGE RIGHTS AGREEMENT

THIS TRACKAGE RIGHTS AGREEMENT (the “Agreement”), is made and entered into this [●]th day of [●], 202[●] by and between KANSAS CITY SOUTHERN RAILWAY COMPANY, a Delaware corporation (“KCSR” or “Owner”) and ILLINOIS CENTRAL RAILROAD COMPANY, an Illinois corporation (“ICRR” or “User”).

WHEREAS, pursuant to that certain Asset Purchase Agreement (the “**Springfield - Kansas City APA**”) dated as of [●], 20[●] by and among ICRR, KCSR and Gateway Eastern Railway Company (“GWER”), ICRR purchased from KCSR and GWER certain lines of railroad extending between Springfield, Illinois and East St. Louis, Illinois, on the one hand, and Kansas City, Missouri, on the other hand, as more particularly described in the Springfield – Kansas City APA; and

WHEREAS, in connection with the transactions contemplated by the Springfield – Kansas City APA, ICRR desires to obtain trackage rights over KCSR’s rail line between Airline Junction, Missouri and KCSR’s International Freight Gateway Intermodal Terminal at Grandview, Missouri (the “**IFG Terminal**”), and the tracks located within and providing access to the IFG Terminal, and KCSR has agreed to grant such trackage rights to ICRR, on the terms and subject to the conditions set forth hereinafter;

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. **TRACKAGE SUBJECT TO AGREEMENT**

Attached hereto as Exhibit “A,” and incorporated herein by reference, is a print that depicts the KCSR rail line between MP 5.6 +/- at Airline Junction, Missouri (including tracks within and providing access to the joint agency facility at Knoche Yard) and MP 29.5 ± in the vicinity of Grandview, Missouri (including the tracks within and providing access to the IFG Terminal), over which User shall be granted trackage rights pursuant to this Agreement (referred to collectively as the “**Joint Trackage**”).

Section 2. **GRANT OF TRACKAGE RIGHTS**

- (a) Subject to the terms and conditions (the “**General Conditions**”) set forth in Exhibit “B” to this Agreement (which is attached hereto and incorporated herein by reference), KCSR grants to User the nonexclusive right to operate its trains with its own Equipment and crews in either direction over the Joint Trackage. User’s use of the Joint Trackage shall be in common with KCSR and such other railroad company or companies as KCSR may hereafter at any time admit to the joint use of any and all of the Joint Trackage. For purposes of this Agreement, trains and “**Equipment**” (as

defined in Section 1.5 of Exhibit “B”) of such other railroad company or companies admitted by KCSR to the use of the Joint Trackage shall be considered trains and Equipment of KCSR.

- (b) The trackage rights granted to User pursuant to this Agreement may be exercised by ICRR or by a rail carrier affiliate of ICRR, including Canadian National Railway Company (“CN”); *provided*, however, that only one of ICRR, CN or an affiliate may exercise such trackage rights at any time; and *provided further*, that ICRR, CN or such affiliate (as applicable) shall have first obtained any required Surface Transportation Board (“STB”) approval or exemption for the exercise of such trackage rights.
- (c) The exercise of the trackage rights granted to User by this Agreement shall be subject at all times to the General Conditions. If any conflict between the General Conditions and this Agreement shall arise, the provisions of this Agreement shall prevail.
- (d) Except as otherwise provided in Section 2(b), User may not admit any third party to the use of the Joint Trackage, nor may User provide haulage service or otherwise transport rail traffic moving in the account of any third party over the Joint Trackage; *provided*, however, that User may transport railcars moving in the account of CN or ICRR over the Joint Trackage; and *provided further*, that User may operate locomotives of another railroad as its own pursuant to a run-through agreement with such other railroad.

It is understood and agreed that User shall not have the right to:

- (1) Serve industries or transload freight at intermediate points on and along the Joint Trackage; *provided*, however, that User may transload freight at the IFG Terminal;
- (2) Set out, pick up or store Equipment on or about Joint Trackage, or any part thereof, except (i) on tracks at the IFG Terminal (ii) User may tie up, fuel and service its locomotives and Equipment on such track(s) as shall be designated from time to time by KCS’s dispatcher or other designated operating officer in charge of operations at Knoche Yard, and (iii) as otherwise provided in Exhibit “B”;
- (3) Serve any industry, team or house track, transload, intermodal or auto facility (other than the IFG Terminal) on and along the Joint Trackage;

- (4) Operate onto or off the Joint Trackage at any location other than the end points of the Joint Trackage;
- (5) Build-in to or build-out from any point on or along the Joint Trackage;
- (6) Interchange with any railroad or other party at any point on or along the Joint Trackage;
- (7) Provide any passenger service of any kind or handle or operate passenger trains on or along the Joint Trackage;
- (8) Transport Dimensional Traffic on or along the Joint Trackage without first obtaining the common clearance protocol from KCSR;
- (9) Detour trains of any other railroad over or upon the Joint Trackage;
- (10) Load or unload cars on or along the Joint Trackage except as permitted by this Agreement or the General Conditions or incidental to cleaning derailments or other similar emergencies; or
- (11) Make scheduled crew changes on or along the Joint Trackage, except at the termini.

(c) User shall qualify its crew members as pilots and provide pilots or qualified crews on all User trains prior to entering the Joint Trackage.

(d) User locomotives shall have sufficient fuel for the entire movement on and along the Joint Trackage. User will be responsible for performing any required 1,000 mile inspection of its trains.

Section 3. **MAINTENANCE AND OPERATION OF TRACKAGE**

Owner, at its expense, shall maintain, repair and renew the Joint Trackage in a manner permitting operation at no less than the track standard designated in the timetable in effect on the date of this Agreement (a copy of which is appended hereto as Exhibit "C." In the event that, for operating convenience, necessity or emergency, Owner permits or directs User to use adjacent tracks or track connections between or beyond the termini of the Joint Trackage as an alternate route, then and in such event, such trackage, track connections and appurtenances shall be deemed to be part of the Joint Trackage and shall be governed by all the provisions of this Agreement while such use continues.

Section 4. LIMITATIONS AND MEASUREMENT OF TRACKAGE RIGHTS TRAINS

User trains shall have a sufficient horse-power per ton ratio ("HPT") to traverse the Joint Trackage; *provided*, that Owner shall accept User trackage rights trains of similar size and operating characteristics as Owner's own trains, consistent with available capacity, mainline and siding restrictions, operating rules such as designated horsepower per ton, maximum train length, and maximum gross tonnage parameters that govern Owner's (and other users') trains moving over the Joint Trackage.

All trains of Owner and User shall be treated equally and operated and dispatched on a first-come first-served basis without prejudice or partiality, except for passenger trains which shall have priority. In the event of refusal to grant a User train admission to or operation on the Joint Trackage, User shall have no claim of any nature against Owner by reason of such refusal provided that the trains of Owner and User are treated equally and operated and dispatched without prejudice or partiality.

Section 5. COMPENSATION

(a) In addition to any other payments to be made under this Agreement, User shall remit to Owner for its use of the Joint Trackage, on a monthly basis, [●] cents per car mile for each loaded or empty car, locomotive or caboose moved by User (the "**Base Charge**") The Base Charge shall be deemed to include compensation to Owner for ordinary and programmed maintenance of the Joint Trackage, operating expenses, interest rental, depreciation and taxes. With respect to articulated units, the number of cars shall be determined by the AAR Car Type Code as defined in the UMLER Specification Manual. The second character in the Car Type Code field covering codes "Q" and "S" will be the factor in determining the car count for an articulated unit. For example, AAR Car Type Code (S566) would equate to a five (5) car count as these type cars have five wells capable of handling 40' to 53' containers in each well. (Car count data for articulated units are subject to change upon development of technology to separate units by car numbers.)

(b) For the purpose of computing the Base Charge under this Section 5, the parties hereby mutually agree that the track mileage between the termini of the Joint Trackage (KCT Junction and the IFG Terminal) is [●] miles (the "**Mileage Factor**"). In the event that for whatever reason physical changes are made to the Joint Trackage that result in a change in the track mileage provided in the prior sentence, then the Mileage Factor will be adjusted up or down to reflect such new mileage, and such adjusted Mileage Factor will be used to calculate the monthly Base Charge effective with the commencement of train operations over the new track.

(c) The Base Charge set forth in Section 5(a) of this Agreement shall be adjusted annually during the term of this Agreement beginning 1st day of April, 202[●] to reflect 100 percent of increase or decrease in the cost of labor and material, excluding fuel, as reflected in Table A, Annual Indices of Charge-Out Prices and Wage Rates (1977=100), Series RCR, included in "AAR Railroad Cost Indexes" and supplements thereto, issued by the Association of American Railroads (the "AAR"). In making such determination, the final "Material prices, wage

rates and supplements combined (excluding fuel)" index for the East District shall be used. The Base Charge shall be revised by calculating the percentage of increase or decrease for the year to be revised based on the final index of the most recently completed calendar year as related to the final index of the calendar year prior to the most recently completed calendar year; and applying this percentage of increase or decrease to the current Base Charge to be escalated.

By way of example, assuming "A" to be the "Material prices, wage rates and supplements combined (excluding fuel)" final index figure for the calendar year prior to the most recently completed calendar year; "B" to be the "Material prices, wage rates and supplements combined (excluding fuel)" final index figure for the most recently completed calendar year; and "C" to be the current Base Charge to be escalated; the revised Base Charge would be determined by the following formula:

$$B/A \times C = \text{Revised Base Charge, Rounded to Nearest Whole Cent (5 Mills or More Rounds to Next Cent)}$$

In the event the base for the Annual Indexes of Charge-Out Prices and Wage Rates issued by the AAR shall be changed from the year 1977, appropriate revision shall be made. If the AAR or any successor organization discontinues publication of the Annual Indices of Charge-Out Prices and Wage Rates, an appropriate substitute for determining the percentage of increase or decrease shall be negotiated by the parties hereto. In the absence of agreement, the matter will be referred to the STB for determination. In the event said Board is without jurisdiction to make such a determination, the parties shall submit the matter to binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The decision of the arbitrator so appointed by said Association shall be final and binding upon the parties hereto. Each party to the arbitration shall pay the compensation, costs, fees, and expenses of its own witnesses, exhibits, and counsel. The compensation, costs, and expenses of the arbitrator shall be borne equally by such parties; *provided*, that the per car mile rate shall never be less than the Base Charge set forth in this Section 5.

Section 6. **LIABILITY**

Any liability for loss, damage, injury or death which arises from the operation of trains under this Agreement shall be allocated, settled and paid in the manner set forth in Section 5 of the General Conditions attached hereto.

Section 7. **TERM AND TERMINATION**

This Agreement shall become effective (the “**Effective Date**”) on the later of (i) the date upon which KCSR and ICRR consummate the line sale transaction contemplated by the Springfield - Kansas City APA, (ii) the date upon which User having obtained any required STB approval or exemption for the exercise of the trackage rights granted pursuant to this Agreement, and (iii) such other date as the Parties may mutually agree in writing. This Agreement shall remain in effect for an initial term of thirty (30) years (the “**Initial Term**”). Upon expiration of the Initial

Term, this Agreement shall automatically renew for five (5) successive terms of ten (10) years (each a “**Renewal Term**”). Upon expiration or termination of this Agreement, all obligations (including, without limitation, obligations to remit fees and obligations of indemnity) arising or accruing prior to such termination or expiration and all provisions of this Agreement necessary to enforce and resolve same shall survive and remain enforceable.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

ILLINOIS CENTRAL RAILROAD COMPANY

By:_____

KANSAS CITY SOUTHERN RAILWAY COMPANY

By:_____

EXHIBIT “A”
(attached)

EXHIBIT "B"

GENERAL CONDITIONS

Section 1. DEFINITIONS

1.1 "Agreement" shall mean that certain Trackage Rights Agreement dated as of the [●]th day of [●], 202[●] by and between Kansas City Southern Railway Company ("KCSR") and Illinois Central Railroad Company ("ICRR"), to which this Exhibit "B" is appended. The term "Agreement" shall include this Exhibit "B" in its entirety.

1.2 "Owner" shall mean KCSR.

1.3 "User" shall mean ICRR.

1.4 "Joint Trackage" shall mean those certain lines of railroad extending between MP 5.6 ± in the vicinity of Airline Junction, Missouri (including tracks within and providing access to the joint agency facility at Knoche Yard) and MP 29.5 ± at the IFG Intermodal Terminal ("IFG Terminal") in the vicinity of Grandview, Missouri (including all of the tracks within and providing access to the IFG Terminal), including all necessary head room/tail room, right-of-way and appurtenances and support facilities thereof, and all additions and betterments to, and changes in, the tracks and facilities constituting the Joint Trackage in the future as are required or desirable for the operation of the trains of the parties hereto

1.5 "Equipment" shall mean and include (i) trains, locomotives, cars and cabooses, (ii) vehicles and machinery which are capable of being operated on railroad tracks that, at the time of an occurrence, are being operated on the Joint Trackage, and (iii) vehicles and machinery that, at the time of an occurrence, are on the Joint Trackage or its right-of-way for the purpose of performing maintenance, repairs or the clearing of wrecks thereon.

1.6 "STB" shall mean the Surface Transportation Board, or any successor agency.

Section 2. MAINTENANCE CHANGES IN AND/OR ADDITIONS, OPERATION AND CONTROL

2.1 The construction, maintenance, repair, and renewal of the Joint Trackage shall be the responsibility, and under the exclusive direction and control, of Owner. Owner shall use reasonable and customary care, skill, and diligence in the construction, operation, maintenance, repair, and renewal of the Joint Trackage and in managing same. Notwithstanding anything to the contrary contained in the Agreement, User shall not, by reason of Owner's performing or failing or neglecting to perform any construction, operation, maintenance, repair, renewal, or management of the Joint Trackage, have or make against Owner any claim or demand for any

loss, damage, destruction, injury, or death whatsoever resulting therefrom; *provided*, that the Joint Trackage is at all times maintained to Federal Railroad Administration Class 3 or higher track standards.

2.2 Owner may make any additions and betterments to, and changes in, the Joint Trackage which may be required by law, or which Owner deems necessary or desirable for the safe, efficient, and economical use of the Joint Trackage by the parties. Such additions, betterments and changes shall progressively become part of the Joint Trackage during construction as they are completed. User may request additions and betterments to, and changes in, the Joint Trackage which User shall deem necessary or desirable for the safe, efficient, and economical use of the Joint Trackage by the parties. If Owner concurs with such additions and betterments, or changes requested by User, Owner shall construct the same upon such terms and conditions as may be agreed upon and they shall become part of the Joint Trackage. In the event that Owner does not concur with such additions, betterments or changes requested by User, Owner shall nevertheless construct the same at User's sole cost and expense if so requested by User. Owner shall make no retirement, withdrawal, elimination or disposal of any part of the Joint Trackage which would permanently or materially impair the usefulness thereof to User.

2.3 The management and operation of the Joint Trackage shall be under the exclusive direction and control of Owner. Owner shall make such changes to the management and operations on and over the Joint Trackage as in Owner's reasonable judgment may be necessary, expedient, or proper for the operations thereof herein intended.

2.4 If the use of the Joint Trackage shall at any time be interrupted or traffic thereon or thereover be delayed for any cause, neither party shall have or make any claim against the other for loss, damage, or expense of any kind, caused by or resulting from such interruption or delay.

2.5 Owner may from time to time substitute any track or tracks for those delineated in the Agreement for use by User; *provided*, User shall at all times have access to contiguous route of equal utility as the Joint Trackage for the operation of User's Equipment between the termini of the Joint Trackage. When tracks that are not specified as part of the Joint Trackage in Section 1.4 of these General Conditions are used as provided in this Section 2.5, the Agreement shall govern for purposes of direction and control and liability as if all train movements had been made over the Joint Trackage.

2.6 Each party shall be responsible for furnishing, at its own expense, all labor, fuel, and train supplies necessary for the operation of its own Equipment over the Joint Trackage. In the event a party hereto does furnish such labor, fuel, or train supplies to another party hereto, the party receiving same shall promptly, upon receipt of billing therefor, reimburse the party furnishing same for its reasonable costs of furnishing such labor, fuel, or train supplies.

2.7 The operation by User on or along the Joint Trackage shall at all times be in accordance with the rules, instructions and bulletins of Owner as they may be amended and supplemented from time to time; *provided*, however, that such rules, instructions and bulletins

shall be reasonable, just, and applied fairly to all parties using the Joint Trackage and shall not discriminate against any of them.

2.8 User shall be responsible for reporting and paying any mileage, per diem, use, or rental charges accruing on Equipment in User's account while on the Joint Trackage. Except as may be specifically provided for in the Agreement, nothing herein contained is intended to change practices with respect to interchange of traffic between the parties or with other carriers on or along the Joint Trackage.

2.9 The total cost of clearing a derailment, cleaning up any Hazardous Materials released during such derailment, and/or repairing the Joint Trackage or any other property damaged thereby shall be borne by the party or parties liable therefor in accordance with Section 4 of these General Conditions.

2.10 In the event of release of Hazardous Materials caused by faulty equipment or third parties, cleanup will be conducted and total costs resulting therefrom shall be borne by the parties as provided for in Section 4 of these General Conditions.

2.11 All employees of User engaged in or connected with the operations of User on or along the Joint Trackage shall be required to pass periodic examination on the rules of Owner related to the Joint Trackage; *provided*, with respect to such examinations that, upon request of User, owner shall qualify one or more of User's supervisory officers on said rules and such supervisory officer or officers so qualified shall thereafter examine all employees of User engaged in or connected with User's operations on or along the Joint Trackage. Pending qualification of train and engine crews of User, Owner shall furnish a pilot or pilots, at the expense of User, as deemed necessary by owner to assist in operating trains of User over the Joint Trackage.

2.12 If any employee of User shall neglect, refuse, or fail to abide by Owner's rules, instructions, and bulletins governing the operation on or along the Joint Trackage, such employee shall, upon written request of Owner, be prohibited by User from working on the Joint Trackage. If either party shall deem it necessary to hold a formal investigation to establish such neglect, refusal, or failure on the part of any employee of User, then upon such notice presented in writing, Owner and User shall promptly hold a joint investigation in which all parties concerned shall participate and bear the expense for its officers, counsel, witnesses, and employees. Notice of such investigation shall be given to employees of User by User's officers, and such investigation shall be conducted in accordance with applicable terms and conditions of schedule agreements between User and its employees. If, in the judgment of Owner, the result of such investigation warrants, such employee shall, upon written request of Owner, be withdrawn by User from service on the Joint Trackage, and User shall release and indemnify Owner from and against any and all claims and expenses because of such withdrawal, except as otherwise provided below.

If the disciplinary action is appealed by an employee of User to the National Railroad Adjustment Board or other tribunal lawfully created to adjudicate such cases, and if the decision of such board or tribunal sustains the employee's position, such employee shall not thereafter be barred from service on the Joint Trackage by reason of such occurrence.

It is understood that Owner shall reimburse User for all payments that User might be required to make as a result of a successful challenge being made by the employee or his representative as to the discipline recommended by Owner and assessed by User. User agrees to notify Owner before committing itself to making payment of any such employee claim. In the event a claim is progressed to an Adjustment Board, Owner will be given an opportunity to review User's submission. Any payments made to employees, as a result of an investigation being "overturned", shall include not only actual wages, but in addition, shall include expenses which User may be required to pay covering vacation allowances, Railroad Retirement taxes, unemployment insurance taxes and any other payroll tax or fringe benefits.

2.13 If any Equipment of User is bad ordered enroute on the Joint Trackage and it is necessary that it be set out, such bad ordered Equipment shall, after being promptly repaired, be promptly picked up by User. Unless otherwise agreed, Owner may, upon request of User and at User's expense, furnish the required labor and material and perform light repairs to make such bad ordered Equipment safe for movement. The employees and Equipment of Owner while in any manner so engaged or while en route to or returning to Owner's terminal from such an assignment shall be considered sole employees of User and sole property of User. However, should Owner after repairing such Equipment for User, move directly to perform service for Owner's benefit rather than return to Owner's terminal, then User's exclusive time and liability will end when owner's employees depart for work to be performed for Owner's benefit. In the case of such repairs by Owner to freight cars in User's account, billing therefor shall be in accordance with the Field and Office Manuals of the Interchange Rules adopted by the Association of American Railroads, hereinafter called "Interchange Rules", in effect at the date of performance of the repairs. Owner shall prepare and submit billing directly to and collect from the car owner for car-owner responsibility items as determined under said Interchange Rules. Should said car owner refuse or otherwise fail to make payment therefor, Owner shall submit billing to and collect from User any charges for repair to freight cars that are car-owner responsibility items, as determined under said Interchange Rules.

2.14 If Equipment of User shall become derailed, wrecked, or otherwise disabled while upon the Joint Trackage, it shall be re-railed or cleared by Owner; *provided*, that employees of User may re-rail User's derailed Equipment on the Joint Trackage whenever use of motorized on or off track equipment is not required and User has obtained permission to perform such re-railing from Owner (which permission shall not be unreasonably denied, conditioned or delayed). The costs and expenses of clearing derailments and wrecks shall be at User's expense unless otherwise provided for in allocation of liability in Section 5 of these General Conditions.

2.15 In the event Equipment of User shall be forced to stop on Joint Trackage, and such stoppage is due to insufficient hours of service remaining among User's employees, or due to mechanical failure of User's Equipment, or any other cause not resulting from an accident or derailment, and such Equipment is unable to proceed, or if a train of User fails to maintain the speed required by Owner on the Joint Trackage, or if in emergencies, crippled or otherwise defective Equipment is set out of User's trains on the Joint Trackage, Owner shall have the option to furnish motive power or such other assistance (including but not limited to the right to re-crew User's train) as may be necessary to haul, help or push such Equipment, or to properly move the disabled Equipment off the Joint Trackage. The costs and expenses of furnishing motive power or of rendering such other assistance shall be at User's expense.

2.16 In the event any accident, derailment, or wreck (hereinafter, a "**Derailment**") involving Units on or in a train operated by User or for User by Owner carrying hazardous materials, substances, pollutants or wastes, as defined pursuant to federal, state or local laws, regulations and ordinances and/or court decisions interpreting such laws, regulations and ordinances (hereinafter, "**Hazardous Materials**") shall occur on any segment of the Joint Trackage, any report required by federal, state or local authorities shall be the responsibility of User. User shall also advise the owner/shipper of the Hazardous Materials involved in the derailment, and Owner, immediately.

Unless otherwise agreed by the parties, Owner shall assume responsibility for cleaning up any release of Hazardous Materials from User's cars in accordance with all federal, state, or local regulatory requirements. User may have representatives at the scene of the derailment to observe and provide information and recommendations concerning the characteristics of Hazardous Materials release and the cleanup effort. Such costs shall be borne in accordance with Section 4 of these General Conditions.

If Hazardous Materials must be transferred to undamaged cars, User shall perform the transfer, provided, however, that if the Hazardous Materials are in damaged cars that are blocking the Joint Trackage, Owner, at its option, may transfer the Hazardous Materials. Transfers of Hazardous Materials by User shall only be conducted after being authorized by Owner.

Section 3. BILLING; DEFAULT

3.1 Billing shall be accomplished on the basis of data contained in a billing form mutually agreed to between the parties. Such billing form shall contain sufficient detail to permit computation of payments to be made hereunder. Billing shall be prepared in accordance with the Base Charge and Mileage Factor set forth in Sections 5(a) and 5(b), respectively, of this Agreement (and, as applicable, the rules, additives, and equipment rental rates published by Owner). User shall pay to Owner at the Office of the Treasurer of Owner or at such other location as Owner may from time to time designate, all the compensation and charges of every

name and nature that User is required to pay pursuant to the Agreement, in lawful money of the United States, within sixty (60) days after the receipt of bills therefor. Bills shall contain a statement of the amount due on account of the expenses incurred and services rendered during the billing period.

3.2 Errors or disputed items in any bill shall not be deemed a valid excuse for delaying payment, and bills shall be paid subject to subsequent adjustment. No exception to any bill shall be honored, recognized, or considered if filed after the expiration of three (3) years from the last day of the calendar month during which the bill is rendered. No bill shall be rendered later than three (3) years (i) after the last day of the calendar month in which the expense covered thereby is incurred, or (ii) in the case of claims disputed as to amount or liability, after the amount is settled and/or the liability(ies) established. This provision shall not limit the retroactive adjustment of billing made pursuant to retroactive adjustment of wage rates and settlement of wage claims.

3.3 So much of the books, accounts and records of each party hereto as are related to the subject matter of the Agreement shall at all reasonable times be open to inspection by the authorized representatives and agents of the parties hereto.

All books, accounts, and records shall be maintained to furnish readily full information for each item in accordance with 49 U.S.C. § 11161 *et seq.* and the related regulations of the STB in 49 C.F.R. Part 1201, 1-3, *et seq.*

3.4 Should any amount become payable by Owner to User under the Agreement, the provisions of Section 3.1 through Section 3.3 of these General Conditions shall apply with User as the billing party and Owner as the paying party.

No action of Owner in waiving any default of User under this Agreement shall be deemed to waive any subsequent default of User, or to impair any rights of Owner under the Agreement.

Section 4. COMPLIANCE WITH LAWS

4.1 User shall not treat, store or dispose of petroleum products or Hazardous Materials at any location on or along the Joint Trackage.

4.2 Responsibility for “**Environmental Claims**” (as defined in Section 4.6, below) as between the parties shall be borne by the party or parties liable therefor pursuant to the allocation of liability in Section 5 of these General Conditions.

4.3 Each party shall release the other party to the extent it is responsible for an Environmental Claim, and, to the extent of such responsibility, shall defend, indemnify, protect and save harmless such other party from and against such Environmental Claim and costs associated therewith, including, but not limited to, environmental consultant fees, attorneys' fees and third party claims.

4.4 In the event that any incident, accident, Derailment, or vehicle striking or being struck by Equipment (hereinafter "**Incident**") involving Equipment operated by a party hereto carrying Hazardous Materials shall occur on the Joint Trackage, any report required by Federal, State or local authorities shall be the responsibility of such party. Each party shall advise the other party immediately of the occurrence of an Incident involving Equipment operated by the party carrying Hazardous Materials.

Unless otherwise agreed by the parties, Owner shall undertake any "**Response Action**" (as defined in Section 4.5, below) in accordance with all Federal, State, or local regulatory requirements necessitated by a release of Hazardous Materials resulting from an Incident involving Equipment operated by either party on Owner's right-of-way underlying the Joint Trackage. User shall provide data or a representative available at the scene of any Incident involving Equipment operated by it to provide information concerning the characteristics of Hazardous Materials released.

If, following an Incident occurring on or along the Joint Trackage, Hazardous Materials must be transferred to undamaged cars or other vehicles, unless otherwise agreed by the parties, the party whose Equipment was involved in such Incident shall perform the transfer; *provided*, however, that if the Hazardous Materials are in damaged cars of a train of User that are blocking the Joint Trackage, Owner shall transfer the Hazardous Materials; *provided further* that transfers of Hazardous Materials by User shall only be conducted after being authorized by Owner (which authorization shall not be unreasonably denied, conditioned or delayed). The cost of such transfer of Hazardous Materials shall be borne by the party or parties liable therefor pursuant to the allocation of liability in Section 5 of these General Conditions.

4.5 In the event any cleanup, response, removal or remediation of any environmental condition on the Joint Trackage is necessary (collectively, a "**Response Action**"), neither party shall be entitled to any damages, actual or consequential, by reason of the Response Action's interference with the other party's use of the Joint Trackage. Owner and its contractors shall have full, unrestricted and unconditional access to the Joint Trackage for the purpose of completing or engaging in a Response Action for which Owner has any responsibility or, at Owner's option, a Response Action which Owner has undertaken should User fail to diligently pursue and complete such Response Action to the satisfaction of Owner; *provided*, however, that any Response Action (i) shall be undertaken and completed pursuant to a work plan (including a schedule) submitted to the other party for its review and, in the case of Owner, approval, and (ii) shall not unreasonably, in terms of duration or otherwise, restrict the other party's use of the Joint Trackage. Either party's completion of the other party's obligations hereunder shall not be

deemed a waiver of such obligations under the Agreement. Owner shall have the right, but not the obligation, to conduct reasonable inspections of any Response Action of User and User shall provide Owner all information requested by Owner regarding any Response Action of User or any Environmental Claims for which User is responsible.

4.6 The term "**Environmental Claim**" means the direct costs of any cleanup, Response Action, removal, remediation, natural resource damage, closure and/or post-closure required by any environmental condition affecting the air, soil, surface waters, ground waters, streams, sediments and similar environmental conditions caused by, resulting from, arising out of, or occurring in connection with this Agreement.

4.7 The liability and indemnity provisions of this Section 4 shall continue in full force and effect regardless of whether this Agreement is terminated pursuant to any other provision, or the Joint Trackage is abandoned and vacated by User.

4.8 The total cost of clearing a Derailment or other Incident, cleaning up any Hazardous Materials released during such Derailment or Incident, and repairing the Joint Tracks or any other property damaged thereby shall be borne by the party or parties liable therefor pursuant to the allocation of liability in Section 5 of these General Conditions.

Section 5. LIABILITY

5.1 The responsibility and liability as between the parties for: (i) any personal injury or death of any person (including employees of the parties and third parties), (ii) any real or personal property damage (including property of the parties and any third person), (iii) any damage or destruction to the environment (including land, air, water, wildlife and vegetation), and (iv) all cleanup and remedial expenses, court costs, litigation expenses and attorney's fees resulting from the use of the Joint Trackage by the parties to this Agreement or by third party users, all of which are collectively referred to as a "**Loss**", will be divided as follows:

- (a) If a Loss results from the use of the Joint Trackage solely by the Equipment of only one of the parties to this Agreement without the involvement of any Equipment of the other party, then the party whose Equipment is involved shall be solely responsible for the Loss, even if caused partially or completely by the other party.
- (b) If a Loss results from the use of the Joint Trackage by both Owner and User and involves the Equipment of both parties, then: (i) each of Owner and User shall be solely responsible for any Loss to its own employees and Equipment in its own account (including lading) and (ii) Owner and User shall each be responsible for one-half of any Loss to the Joint Trackage and Loss sustained by third parties, regardless of the proportional responsibility between or among them as to the cause of the Loss.

- (c) If a Loss results from the use of the Joint Trackage by both User and a third party user of the Joint Trackage that is not a party to this Agreement, and involves the Equipment of both User and such third party user, then the responsibility of User and such third party user for the Loss shall be allocated in the manner specified in subsection (b), with the third party user being considered as Owner for the purpose of allocating such Loss. Owner shall be responsible for, and shall indemnify, defend, and hold harmless User from and against, all Loss allocated to a third party user in accordance with subsection 5(b).
- (d) Notwithstanding any provision of this Section 5 to the contrary, each Party shall assume and bear all responsibility for any Loss or Damage is that is directly or proximately caused by acts or omissions of any of its employees while under the influence of drugs or alcohol.
- (e) Whenever any liability, cost, or expense is assumed by or allocated to any party to this Agreement pursuant to this Section 5, that party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its subsidiaries and affiliates, and all of its and their respective directors, officers, agents, and employees from and against that liability, cost, and expense assumed by that party or apportioned to it, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of the indemnitee or its directors, officers, agents or employees. Notwithstanding any provision to the contrary herein, no obligations of indemnity of either party shall apply with respect to punitive or exemplary damages to the extent arising from the conduct of the party to be otherwise indemnified hereunder.
- (f) In every case of death or injury suffered by an employee of any party to this Agreement, when compensation to such employee or employee's dependents is required to be paid under any workmen's compensation, occupational disease, employer's liability, or other law, and either of said parties under the provisions of this Agreement is required to pay said compensation, if such compensation is required to be paid in installments over a period of time, such party shall not be released from paying any future installments by reason of the expiration or other termination of this Agreement prior to any of the respective dates upon which any such future installments are to be paid.
- (f) For purposes of determining liability, pilots furnished by Owner to User pursuant to this Agreement shall be considered as the employees of User while such employees are on board or getting on or off trains of User .
- (g) If any suit or action shall be brought against any party for damages which under the provisions of the Agreement are in whole or in part the responsibility of the other party, said other party shall be notified in writing by the party sued, and the party so

notified shall have the right and be obligated to take part in the defense of such suit and shall pay its allocated share of the judgment and cost, expense and attorneys' fees incurred in such suit as determined pursuant to this Section 5.

- (h) In the event of a Loss involving lading, the parties to this Agreement shall be bound by the Freight Claim Rules, Principles, and Practices of the Association of American Railroads (AAR) as to the handling of any claims for the loss or damage to lading, except to the extent expressly provided otherwise herein.

5.2 Notwithstanding any provision to the contrary herein, the obligation of a party to indemnify the other party pursuant to this Section 5 shall not include any obligation to indemnify such other party for punitive or exemplary damages to the extent arising from conduct of such indemnified party.

Section 6. ARBITRATION

6.1 If at any time a question or controversy shall arise between the parties hereto in connection with the Agreement upon which the parties cannot agree, then, upon the written request of either party setting forth the issue in dispute, such question or controversy shall be submitted to arbitration. If the parties involved in such dispute are able to agree upon a single arbitrator experienced in matters of the character in dispute within thirty (30) days after the party desiring such arbitration (the "**Demanding Party**") shall notify in writing the other party to such dispute (the "**Noticed Party**"), such dispute shall be submitted to such single arbitrator. Otherwise, the Demanding Party shall appoint an arbitrator and notify the Noticed Party in writing of such appointment. Within twenty (20) days after receipt of said notice, the Noticed Party shall appoint an arbitrator and notify the Demanding Party in writing of such appointment. Should the Noticed Party fail within twenty (20) days after receipt of such notice to name its arbitrator, the arbitrator for the Demanding Party shall select one for the Noticed Party so failing and, if they cannot agree, said arbitrator may be appointed by the Chief Judge (or acting Chief Judge) of the United States District Court for the District in which the headquarters office of the Demanding Party is located upon application by either party after ten (10) days' written notice to the other party. The arbitrators so chosen, if an even number, shall select a third arbitrator to complete the panel. If they fail to agree upon a third arbitrator, the third arbitrator shall, upon application of any party, be appointed by said judge in the manner heretofore stated.

Upon selection of the arbitrator(s), said arbitrator(s) shall with reasonable diligence determine the questions set forth in said notice of demand for arbitration, shall give all parties reasonable notice of the time and place (which shall be at the discretion of the arbitrator(s)) of hearing evidence and argument, may take such evidence as they deem reasonable or as either party may submit with witnesses required to be sworn, and may hear arguments of counsel or others. If any arbitrator declines or fails to act, the party (or parties in the case of a single arbitrator) by whom such arbitrator was chosen or said judge shall appoint another to act in such

arbitrator's place. After considering all evidence, testimony, and arguments, said single arbitrator or the majority of said panel of arbitrators shall promptly state such decision or award in writing which shall be final, binding, and conclusive on all parties to the arbitration when delivered to them. Until the arbitrator(s) shall issue the first decision or award upon any question submitted for arbitration, performance under the Agreement shall continue in the manner and form existing prior to the rise of such question. After delivery of said first decision or award, each party shall forthwith comply with said first decision or award immediately after receiving it.

Each party to the arbitration shall pay the compensation, costs, and expenses of the arbitrator appointed in its behalf and all fees and expenses of its own witnesses, exhibits, and counsel. The compensation, costs, and expenses of the single arbitrator or the additional arbitrator in the board of arbitrators shall be paid in equal shares by all parties to the arbitration.

6.2 The books and papers of all parties, as far as they relate to any matter submitted for arbitration, shall be open to examination by the arbitrator(s).

Section 7. APPLICABLE LAW

This Agreement and any claims, disputes or controversies arising hereunder shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to any choice or conflict of laws provision or rule (whether of the State of Illinois or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Illinois.

Section 8. GOVERNMENTAL APPROVAL; ABANDONMENT

8.1 User shall, at its own cost and expense, initiate by appropriate application or petition and thereafter diligently prosecute proceedings to obtain any required STB and Federal Communications Commission ("FCC") approval or exemption for the exercise of the trackage rights granted to User pursuant to the Agreement. Owner, at its expense, shall assist and support said application or petition and will furnish such information and execute, deliver, and file such instrument or instruments in writing as may be necessary or appropriate to obtain such STB and/or FCC consent, approval, or authority. User and Owner agree to cooperate fully to procure all such necessary consent, approval, or authority.

8.2 Owner reserves the right, to the extent that Owner may lawfully do so and subject to any required STB approval or exemption, to abandon all or any part of the Joint Trackage at any time during the life of the Agreement without concurrence of User, by giving six (6) months prior written notice to User of its intention so to do; *provided*, that User shall have a right of first refusal to purchase all or such part of the Joint Trackage that Owner proposes to abandon at a price to be calculated in the manner prescribed by the STB's regulations governing Offers of Financial Assistance at 49 C.F.R. § 1152.27 or any successor regulations.

8.3 Each party shall be responsible for any labor claims of, and shall bear the cost of employee protection payable to, its own employees and the employees of companies affiliated with it, to the extent resulting from the Agreement and/or such party's operations on the Joint Trackage.

Section 9. OTHER CONSIDERATIONS

9.1 Nothing in the Agreement contained shall limit the right of Owner to admit other companies to the use of the Joint Trackage or any part thereof on such terms and conditions as are acceptable to Owner; *provided*, that the operations of such other companies shall not unduly interfere with or delay the operations of User on and along the Joint Trackage. Except as otherwise provided in Sections 2 (b) of the Agreement, User shall have no right to admit any person, firm, or corporation to the use of the Joint Trackage.

9.2 The Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, lessees, and assigns. Neither KCSR nor ICRR may assign this Agreement, or any of its rights, interests or obligations hereunder, including by operation of law or otherwise, without the prior consent in writing of the other Party, which consent will not unreasonably be withheld, conditioned or delayed; *provided*, that either Party may assign this Agreement without the prior consent of the other Party in connection with a corporate merger, asset sale, assignment, mortgage or lease of substantially all of such Party's railroad lines and business. In connection with the sale, lease or transfer by Owner of all or a portion of the Joint Trackage, Owner shall require the purchaser, lessee or transferee of such portion (or all) of the Joint Trackage to accept assignment in writing of this Agreement with respect to, and to perform Owner's obligations under this Agreement, with respect to the portion of the Joint Trackage sold, leased or transferred.

9.3 The Agreement and each and every provision hereof is for the exclusive benefit of the parties hereto and not for the benefit of any third party. Nothing herein contained shall be taken as creating or increasing any right in any third person to recover by way of damages or otherwise against any of the parties hereto.

9.4 All notices, demands, requested, or submissions which are required or permitted to be given pursuant to the Agreement shall be given by either party to the other in writing by serving the same upon the Vice President of Operations of each company.

9.5 If any covenant or provision of the Agreement not material to the right of User to use the Joint Trackage shall be adjudged void, such adjudication shall not affect the validity, obligation, or performance of any other covenant or provision which is in itself valid. No controversy concerning any covenant or provision shall delay the performance of any other covenant or provision. Should any covenant or provision of the Agreement be adjudged void, the

parties will make such other arrangements as, under the advice of counsel, will effect the purposes and intent of the Agreement.

9.6 All Section headings are inserted for convenience only and shall not affect any construction or interpretation of the Agreement.

9.8 No term or provision of the Agreement may be changed, waived, discharged, or terminated except by an instrument in writing signed by both parties to the Agreement.

9.9 All words, terms and phrases used in the Agreement shall be construed in accordance with the generally applicable definition or meaning of such words, terms, and phrases in the railroad industry in the United States.

9.10 The Agreement is the result of mutual negotiations between the parties hereto, neither of whom shall be considered the drafter for purposes of contract construction.

9.11 Except as provided by law or by rule, order, or regulation of any court or regulatory agency with jurisdiction over the subject matter of the Agreement, or as may be necessary or appropriate for a party hereto to enforce its rights under the Agreement, all commercial information to which access is provided or obtained hereunder will be kept confidential and will not be disclosed by either Owner or User to any party other than Owner or User (as applicable), their respective affiliates, and its and their respective officers, employees, and attorneys,, without the prior written approval of the other party.

End of Exhibit “B”.

Exhibit 2C

Haulage Services Agreement

HAULAGE SERVICES AGREEMENT

THIS HAULAGE SERVICES AGREEMENT (the “**Agreement**”) is entered into as of this [●] day of [●], 20[●], by and between KANSAS CITY SOUTHERN RAILWAY COMPANY, a Delaware corporation (“**KCSR**”), and ILLINOIS CENTRAL RAILROAD COMPANY, an Illinois corporation (“**ICRR**”). KCSR and ICRR are referred to individually herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, pursuant to that certain Asset Purchase Agreement (the “**Springfield - Kansas City APA**”) dated as of [●], 20[●] by and among ICRR, KCSR and Gateway Eastern Railway Company (“**GWER**”), ICRR purchased from KCSR and GWER certain lines of railroad extending between Springfield, Illinois and East St. Louis, Illinois, on the one hand, and Kansas City, Missouri, on the other hand, as more particularly described in the Springfield – Kansas City APA (the “**Subject Line**”); and

WHEREAS, in connection with the sale of the Subject Line to ICRR, KCSR desires to obtain “**Haulage Services**” (as defined in Section 2.1 below) for “**KCSR Traffic**” (as defined in Section 1.3 below) moving to and from customers, transload, intermodal and auto facilities, and interchange points on and along the Subject Line, and ICRR has agreed to provide such Haulage Services to KCSR, on the terms and subject to the conditions set forth hereinafter;

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. DEFINITIONS

1.1 **“Railcars”** shall mean and include each loaded or empty railroad freight car, caboose or similar equipment tendered by KCSR for handling by ICRR pursuant to this Agreement. For articulated cars, each platform or well shall be counted as one Railcar. Railcars shall also include a locomotive moving under waybill (but not a locomotive furnished by KCSR for the transportation of Haulage Cars over the Haulage Route).

1.2 **“Haulage Route”** shall mean and include (i) the Subject Line and all side tracks, spur tracks, industry tracks (whether owned by ICRR or a customer), yard and terminal facilities, rights-of-way and appurtenances and support facilities thereof, (ii) all changes and/or additions and betterments thereto as are used now or in the future for the handling of Haulage Cars by ICRR pursuant to this Agreement, and (iii) the joint agency facility at Knoche Yard in Kansas City (for purposes of delivering Haulage Cars to, and receiving Haulage Cars from, KCS at Kansas City).

1.3 **“KCSR Traffic”** shall mean Railcars moving in the revenue account of KCSR, Canadian Pacific Railway Company (**“CP”**) and their respective U.S. rail carrier affiliates.

1.4 **“Haulage Cars”** shall mean KCSR Traffic tendered for handling by ICRR pursuant to this Agreement. Haulage Cars may include:

- (1) Railcars originating or terminating at any (a) customer facility, (b) industry, team or house track, and (c) transload, intermodal or auto facility (except to any such facility that is owned or operated by ICRR or an affiliate of ICRR), in each case located at any point on and along the Haulage Route during the Term of this Agreement.
- (2) Railcars tendered by KCSR for interchange with any third party railroad at any location where the lines of such railroad connect with the Haulage Route.

1.5 “**Haulage Services**” shall have the meaning set forth in Section 2 of this Agreement.

SECTION 2. HAULAGE SERVICES

2.1 ICRR hereby agrees to provide, upon request by KCSR, the following

“**Haulage Services**,” on the terms and subject to the conditions set forth in this Agreement:

- (i) line haul transportation of Haulage Cars to, from and between points on and along the Haulage Route;
- (ii) pick up, delivery, switching, spotting and placement of Haulage Cars at customer facilities, on industry, team or house tracks, and at transload, intermodal or automotive facilities, in each case, as directed by KCSR and/or the subject customer or facility operator;
- (iii) the receipt of Haulage Cars tendered by KCSR, and the placement of Haulage Cars delivered to KCSR, on the designated tracks at the joint agency facility at Knoche Yard in Kansas City, Missouri;
- (iv) the placement of Haulage Cars tendered by KCSR for interchange to any third party railroad, and the receipt of Haulage Cars delivered by any third party railroad for interchange to KCSR, in each case on the designated interchange tracks at locations where the lines of such third party railroad connect with the Haulage Route;
- (v) movement of bad order equipment to or from repair tracks on ICRR’s lines; *provided*, however, that KCSR will be billed separately for repairs to such equipment performed by ICRR pursuant to Section 3.6 of this Agreement;
- (vi) such mechanical or other inspections of Haulage Cars as may be required by applicable laws or regulations or by ICRR’s operating practices; and
- (vii) provision of supervision as required.

2.2 Haulage Cars shall be blocked by KCSR or ICRR (as applicable) prior to movement on and along the Haulage Route in the manner set forth in Exhibit 1 to this Agreement.

2.3 ICRR shall provide Haulage Cars substantially the same types and levels of service for the protection of freight (such as inspections, load shifting and security) as ICRR does for other traffic moving in ICRR trains.

2.4 For (i) any intact train consisting of 75 or more Haulage Cars of the same commodity (“**Unit Train**”) and (ii) any train (regardless of commodity) that is 8,000 feet or longer, in each case tendered by KCSR for handling by ICRR over the Haulage Route, KCSR shall, at its expense, provide a sufficient number of PTC-equipped locomotives to enable movement of such Unit train on and along the Haulage Route at the rated track speed.

2.5 If ICRR, in its reasonable judgment, is required to construct or install additional main line track, siding capacity, spur or lead track to serve new online industries, or other infrastructure (collectively, “Capacity Improvements”) on any portion of the Haulage Route as a result of (i) an increase in the volume of Haulage Cars, (ii) an increase in the frequency of Haulage Services set forth in Section 4.2, or (iii) a request by KCSR that ICRR provide Haulage Services in addition to those set forth in Section 2.1, and such Capacity Improvements are not required in connection with ICRR’s own traffic or operations over the Haulage Route, KCSR shall be responsible for all costs associated with the construction, installation and maintenance of such Capacity Improvements.

SECTION 3. MANAGEMENT AND OPERATION

3.1 ICRR shall deliver Haulage Cars to, and shall receive Haulage Cars from, KCSR (i) at the joint agency facility at Knoche Yard in Kansas City, Missouri on such track(s) as shall be designated from time to time by the designated operating officers in

charge of operations at Kansas City, Missouri, and (ii) at transload, intermodal or auto facilities served by ICRR (except any such facility that is owned or operated by ICRR or an affiliate of ICRR) at any point on and along the Haulage Route. KCSR and ICRR shall at all times be subject to the direction and control of the ICRR or KCSR (as applicable) operating officer in charge of such tracks and facilities, and to all applicable provisions of ICRR's or KCSR's (as applicable) safety and operating rules, while operating on the other carrier's tracks and facilities.

3.2 KCSR and ICRR each shall provide, via EDI transmission (or by such other means as may be mutually agreed by the Parties), information necessary for the efficient interchange and movement of Haulage Cars that are delivered or received at Kansas City, Missouri, and at customer facilities, transload, intermodal or auto facilities or interchange locations on and along the Haulage Route. Such information shall include, for each Haulage Car:

- (1) Car initial and number.
- (2) Loaded or empty.
- (3) Commodity.
- (4) All required hazardous materials information.
- (5) Such other information as the Parties may agree is necessary or convenient for the safe and efficient exchange and further movement of such cars, to support efficient car management and to support their respective customer service functions.

3.3 Haulage Cars shall be considered as physically delivered by KCSR to ICRR:

- (1) at Kansas City, Missouri when those Haulage Cars have been placed by KCSR on the designated track(s) at Knoche Yard and the KCSR locomotive(s) are uncoupled from those Haulage Cars or, for trains

operating with run-through power, when the KCSR crew disembarks the train.

- (2) at a customer facility, transload, intermodal or auto facility or interchange location on or along the Haulage Route when the ICRR locomotive(s) are coupled to those Haulage Cars or the ICRR crew embarks the train.

In each case, the physical delivery of Haulage Cars shall be preceded by the delivery of the car movement information specified in Section 3.2 of this Agreement.

3.4 Haulage Cars shall be considered as physically delivered by ICRR to KCSR:

- (1) at Kansas City, Missouri when those Haulage Cars have been placed by ICRR on the designated track(s) at Knoche Yard and the ICRR locomotive(s) are uncoupled from those Haulage Cars or, for trains operating with run-through power, when the ICRR crew disembarks the train.
- (2) at a customer facility, transload, intermodal or auto facility or interchange location on or along the Haulage Route when the ICRR locomotive(s) are uncoupled from those Haulage Cars or the ICRR crew disembarks the train.

In each case, the physical delivery of Haulage Cars shall be preceded by the delivery of the car movement information specified in Section 3.2 of this Agreement.

3.5 ICRR shall have exclusive management and control over the movement of trains containing Haulage Cars while on ICRR's rail lines.

3.6 ICRR may arrange for repairs to Haulage Cars, and adjustments to or transfers of lading from bad ordered, defective or overloaded Haulage Cars, in accordance with the Field and Office Manuals of the Interchange Rules of the Association of American Railroads ("AAR"), as may be necessary to move such Haulage Cars safely on or along the Haulage Route. KCSR shall reimburse ICRR for the cost of such work at rates prescribed in, and submitted pursuant to, the AAR Interchange Rules. KCSR shall also pay to ICRR

the switch fee set forth on Schedule 6.1 for each of (i) removing the car from the train and (ii) picking up the car after repairs are made and placing it in a train for further movement.

3.7 KCSR shall permit ICRR to tie up, fuel and service its locomotives and Equipment (as defined in Section 7.1), at no charge, on such track(s) at Knoche Yard in Kansas City, Missouri as shall be designated from time to time by KCSR's dispatcher or other designated operating officer in charge of operations at Knoche Yard; *provided*, however, that ICRR shall do so at its sole risk and expense.

SECTION 4. SERVICE STANDARDS

4.1 ICRR shall accord Haulage Cars the same level of service as other traffic of the same type moving in ICRR trains.

4.2 ICRR will, upon request by KCSR, provide Haulage Services at least [●] days per week, in each direction, subject to weather conditions and the availability of sufficient Haulage Cars to warrant such frequency of service. The Parties shall cooperate to establish (and to adjust as necessary from time to time) mutually beneficial train service schedules. ICRR shall make commercially reasonable efforts to provide Haulage Services in accordance with the schedules agreed to by the Parties.

SECTION 5. CAR ACCOUNTING AND CAR HIRE

5.1 ICRR shall not be entitled to any line haul revenue for the handling of Haulage Cars, nor shall ICRR participate in the routing of, nor appear in tariffs, waybills or other shipping documents (other than transportation routing documents) as a participating carrier in connection with, the movement of Haulage Cars. ICRR shall be entitled to collect all applicable accessorial charges set forth in ICRR tariffs including, but not limited to,

demurrage, storage and other car-related charges from customers served (or accessed) by ICRR to which Haulage Cars are originated or delivered.

5.2 Haulage Cars shall at all times remain in the car hire account of KCSR while moving on or along the Haulage Route, while awaiting interchange with KCSR or a third party railroad, and while located at customer facilities, industry, team or house tracks and transload, intermodal or auto facilities on and along the Haulage Route. KCSR shall report and pay, or arrange to have reported and paid, directly to the owner(s) of such Haulage Cars, all appropriate allowances and charges for the time period(s) during which such Haulage Cars are moving on or along the Haulage Route, awaiting interchange with KCSR or a third party railroad, and located at customer facilities, industry, team or house tracks and transload, intermodal or auto facilities on and along the Haulage Route. If a Haulage Car is at any time found to be in the car hire account of ICRR, ICRR shall be entitled to reclaim from KCSR any car hire assessed to ICRR with respect to such Haulage Car.

SECTION 6. COMPENSATION

6.1 KCSR shall pay to ICRR as compensation for Haulage Services provided with respect to Haulage Cars the fees set forth in Schedule 6.1 attached to this Agreement (the “**Haulage Fees**”). The Haulage Fees set forth in Schedule 6.1 shall include (i) fuel and fuel surcharge (set forth in ICRR Fuel Surcharge Tariff Number [●], as amended from time to time) and (ii) all applicable ICRR switching charges for access to customer facilities.

6.2 The Haulage Fees set forth in Schedule 6.1 of this Agreement shall be adjusted annually beginning on the 1st day of April, 202[●] to reflect 100 percent of increase or decrease in the cost of labor and material, excluding fuel, as reflected in Table A, Annual Indices of Charge-Out Prices and Wage Rates (1977=100), Series RCR, included in

"AAR Railroad Cost Indexes" and supplements thereto, issued by the Association of American Railroads ("AAR"). In making such determination, the final "Material prices, wage rates and supplements combined (including fuel) " index for the East District shall be used. The Haulage Fees shall be revised by calculating the percentage of increase or decrease for the year to be revised based on the final index of the most recently completed calendar year as related to the final index of the calendar year prior to the most recently completed calendar year; and applying that percentage of increase or decrease to the current Haulage Fees to be escalated.

By way of example, assuming "A" to be the "Material prices, wage rates and supplements combined (including fuel) " final index figure for the calendar year (202[●]); "B" to be the "Material prices, wage rates and supplements combined (including fuel)" final index figure for the calendar year (202[●]); and "C" to be the current Haulage Fees to be escalated; the revised Haulage Fees would be determined by the following formula:

$$B/A \times C = \text{Revised Haulage Fee, Rounded to Nearest Whole Cent (5 Mills or More Rounds to Next Cent);}$$

provided, however, that under no circumstances shall the Haulage Fees ever be less than the Haulage Fees set forth in Schedule 6.1.

6.3 In the event the base for the Annual Indexes of Charge-Out Prices and Wage Rates issued by the AAR shall be changed from the year 1977, appropriate revision shall be made. If the AAR or any successor organization discontinues publication of the Annual Indices of Charge-Out Prices and Wage Rates, an appropriate substitute index for determining the percentage of increase or decrease shall be negotiated by the Parties. In the

absence of agreement, the Parties shall submit the matter to binding arbitration pursuant to the procedures set forth in Section 12 of this Agreement.

6.4 No later than the 15th day of each month, KCSR shall submit to ICRR a list of all Haulage Cars handled by ICRR during the prior month. ICRR shall then prepare and deliver to KCSR an invoice (the “**Haulage Invoice**”), computed in accordance with the Haulage Fees set forth in Schedule 6.1 (as adjusted pursuant to Section 6.3), for Haulage Services provided during the prior calendar month. KCSR shall make payment to ICRR within fifteen (15) days after the date of each Haulage Invoice.

6.5 Any dispute regarding the amount of a Haulage Invoice shall be reconciled between KCSR and ICRR, and any adjustment resulting from such reconciliation shall be reflected in a subsequent Haulage Invoice. If KCSR disputes any portion of a Haulage Invoice, it shall nevertheless pay the undisputed portion of such Haulage Invoice. No exception to any Haulage Invoice shall be honored, recognized, or considered if tendered to ICRR after the expiration of three (3) years from the last day of the calendar month during which such Haulage Invoice was delivered, and no Haulage Invoice shall be issued by ICRR later than three (3) years (i) after the last day of the calendar month in which the Haulage Services covered thereby were provided by ICRR to KCSR, or (ii) in the case of claims disputed as to amount or liability, after the amount is settled and/or the liability(ies) established.

6.6 KCSR and ICRR each shall have the right, at its own expense, to audit the records of the other Party pertaining to Haulage Services provided under this Agreement at any time within one (1) year of the date of the relevant Haulage Invoice. All such audits shall be conducted at reasonable intervals (not to exceed once every twelve (12) months),

locations and times. Each Party agrees that, except as permitted by Section 14, all information disclosed to it or its representatives in connection with such an audit will be held in strictest confidence and will not be disclosed to any third party (other than to an arbitrator in connection with an arbitration conducted pursuant to Section 12 of this Agreement, or as required by applicable law). Any adjustment resulting from an audit conducted pursuant to this Section 6.6 with respect to which KCSR and ICRR are in concurrence shall be reflected in a subsequent Haulage Invoice.

SECTION 7. LIABILITY

As between the Parties hereto, responsibility for any loss or destruction of, or damage to, any property whatsoever (including without limitation Cars and Equipment, as defined in Section 7.1), damage to or destruction of the environment (including without limitation land, air, water, wildlife and vegetation), and any injury to or death of any person or persons whomever (including without limitation employees of ICRR and KCSR), resulting from, arising out of, incidental to or occurring in connection with this Agreement and the Haulage Services contemplated hereby (collectively, **“Loss or Damage”**), shall be allocated as follows, without regard to considerations of fault or negligence (except as otherwise provided in Sections 7.4 and 7.5 hereof).

7.1 For purposes of this Section 7, the following words shall have the meanings set forth in this Section 7.1:

- (1) **“Cars”** shall mean loaded and empty freight cars, trailers and containers (including lading).
- (2) **“Equipment”** shall mean locomotives, cabooses, hi-rail vehicles, track inspection equipment and other non-revenue vehicles and machinery capable of being operated on railroad tracks that, at the time of an

occurrence, (i) are being operated on the trackage upon which such occurrence takes place, or (ii) are on the trackage upon which such occurrence takes place, or on the adjoining right-of-way, for the purpose of maintenance or repair thereof or the clearing of wrecks thereon.

7.2 Whenever Loss or Damage occurs with one or more KCSR and/or ICRR trains being involved, and one or more of such trains contains Haulage Cars, then the responsibility of the Parties, as between themselves, for such Loss or Damage shall be determined as follows:

- (1) KCSR shall assume and bear all liability for Loss or Damage to (i) all Haulage Cars (including lading) moving in such KCSR and ICRR train(s), (ii) all other Cars and Equipment (including lading) moving in such KCSR train(s) and (iii) for any injury to, or death of, any KCSR employee(s);
- (2) ICRR shall assume and bear all liability for Loss or Damage to (i) Cars and Equipment other than Haulage Cars (including lading) moving in such ICRR train(s), (ii) ICRR Locomotives and Equipment tied up, fueled or serviced on KCSR track and/or Knoche Yard pursuant to Section 3.7 of this Agreement, and (iii) for any injury to, or death of, any ICRR employee(s).
- (3) Any other Loss or Damage, including without limitation Loss or Damage to trackage or to property, to the environment, and any injury to or death of any other person or persons, so occurring shall be allocated between ICRR and KCSR in proportion to the number of Haulage Cars and other KCSR Cars and Equipment, on the one hand, and the number of ICRR Cars and Equipment, on the other hand, moving in such trains.

7.3 For purposes of determining responsibility for Loss and Damage as between the Parties hereto pursuant to this Section 7, (i) any Cars or Equipment of any railroad not a party to this Agreement and moving in a ICRR train shall be deemed to be Cars or Equipment of ICRR, and (ii) any Cars or Equipment of any railroad not a party to this Agreement and moving in a KCSR train shall be deemed to be Cars or Equipment of KCSR.

7.4 Notwithstanding any provision of this Section 7 to the contrary, each Party shall assume and bear all responsibility for any Loss or Damage is that is directly or

proximately caused by acts or omissions of any of its employees while under the influence of drugs or alcohol.

7.5 Whenever circumstances require wrecking service or wrecking train service on the lines of KCSR or at Knoche Yard in connection with the subject of this Agreement, KCSR shall arrange for such services to be performed as promptly as reasonably possible, and the cost thereof shall be allocated as between the Parties in accordance with the terms of this Section 7. Whenever circumstances require wrecking service or wrecking train service on ICRR's lines in connection with the subject of this Agreement, ICRR shall arrange for such services to be performed as promptly as reasonably possible, and the cost thereof shall be allocated as between the Parties in accordance with the terms of this Section 7.

7.6 If any suit or action shall be brought against either Party for Loss or Damage which under the provisions of this Agreement is in whole or in part the responsibility of the other Party, said responsible Party shall be notified in writing by the Party sued, and the Party so notified shall have the right and be obligated to take part in the defense of such suit and shall pay its share of the judgment and the costs and expense incurred in such suit in accordance with the terms of this Section 7.

7.7 In every case of death or injury suffered by an employee of ICRR or KCSR, when compensation to such employee or employee's dependents is required to be paid under any present or future state or federal worker's compensation, occupational disease, employers' liability or other law, and a Party is required under provisions of this Agreement to pay some or all of such compensation in installments over a period of time, said Party shall not be released from paying any such future installment(s) by reason of the expiration

or other termination of this Agreement prior to any of the respective date(s) upon which any such future installments are to be paid.

7.8 Whenever any liability, cost or expense is assumed by or the responsibility of a Party under this Section 7, that Party shall (i) forever protect, defend, indemnify and save harmless the other Party, its parent corporations, subsidiaries and affiliates, and their respective directors, officers, agents, and employees from and against that liability, cost and expense, regardless of whether such liability, cost and expense was caused in whole or in part by the fault, failure, negligence, misconduct, malfeasance or misfeasance of the indemnitees, their parent corporations, subsidiaries and affiliates, or their respective directors, officers, agents or employees, and (ii) defend such indemnitees, their parent corporations, subsidiaries and affiliates, and their respective directors, officers, agents or employees against such claims with counsel selected by the responsible Party and reasonably acceptable to the indemnified Party..

7.9 As between KCSR and ICRR, responsibility for investigating, adjusting and defending cargo related claims filed in accordance with 49 U.S.C. Section 11706 or 49 C.F.R. Section 1005 (or any applicable Canadian or Mexican law or regulation), or in accordance with any applicable transportation contract filed pursuant to 49 U.S.C. Section 10709 (or any applicable Canadian or Mexican law or regulation) shall be allocated between KCSR and ICRR in the manner set forth in Section 7.2, Section 7.3 and Section 7.4.

7.10 All costs and expenses in connection with the investigation, adjustment and defense of any claim or suit (other than cargo-related claims made against a Party by a customer of such Party) under this Agreement shall be included as costs and expenses in

applying the liability provisions of this Section 7; *provided*, however, that salaries or wages of full-time agents, full-time attorneys and other full-time employees of a Party engaged directly or indirectly in such work shall be borne by such Party.

7.12 No Party shall settle or compromise any claim, demand, suit or cause of action (other than a cargo-related claim filed with it in accordance with 49 U.S.C. Section 11706 or 49 C.F.R. Section 1005, in accordance with any applicable transportation contract filed pursuant to 49 U.S.C. Section 10709, or in accordance with any applicable Canadian or Mexican law or regulation) for which the other Party has any liability under this Agreement without the written concurrence of such other Party.

SECTION 8. COMPLIANCE WITH LAW

8.1 KCSR and ICRR each shall comply with all applicable federal, state and local laws, rules, regulations and orders promulgated by any government or governmental agency that relate to the loading, handling, movement, inspection, repair and maintenance of Haulage Cars. If any fine, penalty, cost or charge is imposed or assessed on or against a Party hereto by reason of the other Party's failure to comply with any such laws, rules, regulations or orders, such non-complying Party shall reimburse and indemnify the other Party for or on account of any such fine, penalty, cost, or charge, and all expenses and attorney's fees incurred in connection therewith, and, to the extent feasible, such non-complying Party shall defend the interests of that other Party in any related legal proceeding free of cost, charge or expense to such other Party.

SECTION 9. TERM

9.1 This Agreement shall become effective (the “**Effective Date**”) on the later of (i) the date upon which KCSR and ICRR consummate the line sale transaction contemplated by the Springfield -Kansas City APA, and (ii) such other date as the Parties may agree in writing.

9.2 This Agreement shall remain in effect for an initial term of thirty (30) years (the “**Initial Term**”). Upon expiration of the Initial Term, this Agreement shall automatically renew for five (5) successive terms of ten (10) years (each a “**Renewal Term**”); *provided*, that KCSR and ICRR each shall have the right to request renegotiation of the Haulage Fees set forth in Schedule 6.1 (as adjusted pursuant to Section 6.3 of this Agreement) by providing written notice to the other Party no less than one calendar year prior to the expiration of the Initial Term or a Renewal Term (as applicable); and *provided further*, that the Party seeking an adjustment to the Haulage Fee(s) shall demonstrate that the then-current Haulage Fee(s) is/are unreasonable in light of unforeseen circumstances or otherwise imposes undue economic hardship on such Party. If the Parties are unable to agree upon the adjustment (if any) to be made to the Haulage Fee(s), the matter shall be submitted to binding arbitration pursuant to the procedures set forth in Section 12 of this Agreement.

9.3 Termination of this Agreement shall not relieve or release any Party hereto from any obligation assumed or from any liability which may have arisen or been incurred by that Party under the terms of this Agreement prior to such termination. Upon expiration or termination of this Agreement, all obligations (including, without limitation, obligations to remit fees and obligations of indemnity) arising or accruing prior to such termination or

expiration and all provisions of this Agreement necessary to enforce and resolve same shall survive and remain enforceable.

SECTION 10. FORCE MAJEURE

10.1 The obligations, other than payment obligations, of the Parties to this Agreement shall be subject to force majeure, including (including strikes, riots, weather or floods, explosion, accidents, Acts of God, acts of war or terrorism, pandemic, and other causes or circumstances beyond the control of the Party invoking such force majeure as an excuse for nonperformance), but only for as long as, and to the extent that, such force majeure shall reasonably prevent performance of such obligations by the affected Party; *provided*, that the Party experiencing such force majeure or promptly gives to the other Party prompt notice in writing of such force majeure. In the event that an event of force majeure impairs a Party's ability to fulfill its obligations to the other Party under this Agreement, said Party shall take reasonable measures to restore performance of its obligations in a timely manner.

SECTION 11. SUCCESSORS AND ASSIGNS

11.1 This Agreement shall inure to the benefit of and be binding upon each of the Parties and their respective successors and permitted assigns.

11.2 Except as otherwise provided in Section 11.3, neither KCSR nor ICRR may assign this Agreement, or any of its rights, interests or obligations hereunder, including by operation of law or otherwise, without the prior consent in writing of the other Party, which consent will not unreasonably be withheld, conditioned or delayed.

11.3 Notwithstanding the provisions of Section 11.2, either Party may assign this Agreement without the prior consent of the other Party in connection with a corporate merger, asset sale, assignment, mortgage or lease of substantially all of such Party's railroad lines and business. In connection with a sale, lease or transfer involving all or a portion of the Haulage Route, ICRR shall require the purchaser, lessee or transferee of such portion (or all) of the Haulage Route to accept assignment in writing of this Agreement with respect to, and to perform ICRR's obligation to provide Haulage Services for KCSR on and along, the portion of the Haulage Route sold, leased or transferred.

11.4 Assignment of this Agreement by a Party shall not transfer or extinguish any liability or obligation incurred by that Party under this Agreement prior to such assignment.

SECTION 12. ARBITRATION

12.1 Any dispute arising between the Parties with respect to the interpretation, enforcement or breach of this Agreement shall be referred to their respective senior operating officers for resolution. In the event such officers are unable to resolve the dispute within thirty (30) days, then, upon the written request of either Party setting forth the issue in dispute, such question or controversy shall be submitted to arbitration. If the Parties involved in such dispute are able to agree upon a single arbitrator experienced in matters of the character in dispute within thirty (30) days after the Party invoking arbitration (the "**Demanding Party**") has notified the other Party to such dispute (the "**Noticed Party**") in writing, such dispute shall be submitted to such single arbitrator. Otherwise, the Demanding Party shall appoint an arbitrator and notify the Noticed Party in writing of such appointment. Within twenty (20) days after receipt of said notice, the Noticed Party shall appoint an arbitrator and notify the Demanding Party in writing of such appointment. Should the

Noticed Party fail within twenty (20) days after receipt of such notice to name its arbitrator, the arbitrator for the Demanding Party shall select one for the Noticed Party so failing and, if the Noticed Party does not agree with such selected arbitrator, said arbitrator may be appointed by the Chief Judge (or acting Chief Judge) of the United States District Court for the District in which the headquarters office of the Demanding Party is located upon application by any Party after ten (10) days' written notice to all other Parties. The arbitrators so chosen shall select one additional arbitrator to complete the arbitration panel. If they fail to agree upon an additional arbitrator, the same shall, upon application of any Party, be appointed by said judge in the manner heretofore stated.

12.2 Upon selection of the arbitrator(s), said arbitrator(s) shall with reasonable diligence determine the questions set forth in said notice of demand for arbitration, shall give all Parties reasonable notice of the time and place (which shall be at the discretion of the arbitrator(s)) of hearing evidence and argument, may take such evidence as they deem reasonable or as either Party may submit with witnesses required to be sworn, and may hear arguments of counsel or others. If any arbitrator declines or fails to act, the Party (or Parties in the case of a single arbitrator) by whom he was chosen or said judge shall appoint another to act in his place. After considering all evidence, testimony, and arguments, said single arbitrator or the majority of said panel of arbitrators (as applicable) shall promptly issue a decision or award in writing on the issue(s) in dispute, which shall be final, binding, and conclusive on all Parties to the arbitration when delivered to them. Until the arbitrator(s) shall issue the first decision or award upon any question or dispute submitted for arbitration, performance under the Agreement shall continue in the manner and form existing prior to

the rise of such question or dispute. After delivery of said first decision or award, each Party shall forthwith comply with said first decision or award immediately after receiving it.

12.3 Each Party to the arbitration shall pay the compensation, costs, and expenses of the arbitrator appointed in its behalf and all fees and expenses of its own witnesses, exhibits, and counsel. The compensation, costs, and expenses of the single arbitrator (or the additional arbitrator in the panel of arbitrators) shall be paid in equal shares by all Parties to the arbitration.

12.4 The books and papers of the Parties, as far as they relate to any matter submitted for arbitration, shall be open to the examination of the arbitrator(s).

SECTION 13. NOTICE

13.1 Any notice required or permitted to be given by one Party to another Party under this Agreement (a “**Notice**”) shall be in writing. Notices shall be deemed to have been given, made or delivered: (a) if delivered in person or by overnight courier service, when received; and (b) if sent by registered or certified mail return receipt requested, on the earlier of the date of receipt or the fifth day after it is mailed. Notices shall be addressed as follows:

(a) If to ICRR:

Attention: _____

with a copy to:

Attention:

(b) If to KCSR:

Attention : _____

with a copy to:

Attention: _____

Any Party may provide notice of changes in the above addressees to the other Party by personal service or certified or registered mail.

SECTION 14. CONFIDENTIALITY

14.1 Except as provided by law or by rule, order or regulation of any court or government agency with jurisdiction over the subject matter of this Agreement, or as may be necessary or appropriate for a Party hereto to enforce its rights under this Agreement, during the Initial Term and any Renewal Term(s), the terms and provisions of this Agreement and all information to which access is provided or which is obtained pursuant to this Agreement will be kept confidential and will not be disclosed by any Party to any person other than such Party's officers, employees, and attorneys, without the prior written approval of the other Party.

SECTION 15. GENERAL PROVISIONS

15.1 This Agreement and each and every provision hereof is for the exclusive benefit of the Parties hereto and not for the benefit of any third person. Nothing herein contained shall be taken as creating or increasing any right of any third person to recover by way of damages or otherwise against any Party hereto.

15.2 This Agreement contains the entire understanding of the Parties hereto and supersedes any and all prior oral or written agreements or understandings between the Parties with respect to the subject matter hereof. In the event of any conflict between the terms of this Agreement and the terms of any interchange agreement, arrangement or understanding between ICRR and KCSR, the terms of this Agreement shall govern with respect to the movement, handling, delivery and transfer of Haulage Cars between the Parties.

15.3 No term or provision of this Agreement may be changed, waived, discharged or terminated except by an instrument in writing signed by all Parties.

15.4 Each definition in this Agreement includes the singular and the plural, and references in this Agreement to the neuter gender include the masculine and feminine where appropriate. References herein to any agreement or contract mean such agreement or contract as amended. As used in this Agreement, the word “including” means “without limitation”, and the words “herein”, “hereof” and “hereunder” refer to this Agreement as a whole. All dollar amounts stated herein are in United States currency.

15.5 All words, terms and phrases used in this Agreement, and not otherwise defined explicitly, shall be construed in accordance with the generally applicable definition or meaning of such words, terms and phrases in the railroad industry in the United States.

15.6 The division of this Agreement into sections and subsections and the insertion of headings and section numbers are for convenience of reference only, and shall not affect the construction or interpretation of this Agreement. Unless the context otherwise requires, all references to sections are to sections of this Agreement.

15.7 This Agreement is the result of mutual negotiations between the Parties hereto, neither of whom shall be considered the drafter for purposes of contract construction.

15.8 No consent or waiver, expressed or implied, by a Party of any breach or default by the other Party in the performance by such other Party of its obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance hereunder by such other Party. Failure on the part of a Party to complain of any act or failure of the other Party or to declare the other Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such first mentioned Party of its rights hereunder.

15.9 If any provision of this Agreement, or the application thereof to any Party hereto or to any circumstance, shall be determined by a court of competent jurisdiction to be invalid or unenforceable to any extent or for any reason, the remainder of this Agreement or the application of the provisions thereof to such Party or circumstance, other than those determined to be invalid or unenforceable, shall not be affected thereby and shall be enforced to the fullest extent permitted by law. In such event, the Parties shall promptly enter into such other agreement(s) as their respective legal counsel may deem appropriate in order to replace such invalid or unenforceable provisions in a manner that produces a result which is substantially equivalent to the terms of this Agreement in all material respects.

15.10 Nothing herein shall be interpreted as creating an association, partnership, joint venture or other joint undertaking between KCSR and ICRR.

15.11 This Agreement shall be construed in accordance with the domestic laws of the State of Illinois, without giving effect to any choice or conflict of laws provision or rule (whether of the State of Illinois or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Illinois. Any legal action or proceeding involving the interpretation or application of this Agreement or arising out of this Agreement shall be subject to the exclusive jurisdiction and venue of the courts of the State of Illinois.

15.12 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly
executed as of the date first above written.

KANSAS CITY SOUTHERN RAILWAY
COMPANY

By: _____
Name:
Title:

ILLINOIS CENTRAL RAILROAD COMPANY

By: _____
Name:
Title:

SCHEDULE 6.1
HAULAGE FEES

Exhibit 2D

Assignment and Assumption Agreement

Rock Creek Jct.-Airline Jct. Trackage Rights Assignment**[DRAFT]****ASSIGNMENT AND ASSUMPTION AGREEMENT**

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is dated as of the _____ day of _____ 202__ (the "Execution Date") by and between Illinois Central Railroad Company, an Illinois corporation ("Assignee") and The Kansas City Southern Railway Company, a Missouri corporation ("Assignor"). All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Trackage Rights Agreement between Union Pacific Railroad Company ("Owner") and Assignor dated August 5, 1997, as may be amended, attached hereto as Appendix 1 (the "TRA").

WHEREAS, pursuant to decision of the U.S. Surface Transportation Board (the "STB") dated _____, 202_, in Docket No. FD 34500 (Sub-Nos. 1 and 4), the STB authorized and directed the conveyance of certain of Assignor's rail lines to Assignee and the assignment of the TRA to Assignee;

WHEREAS, Assignor and Assignee wish to provide for the assignment by Assignor and the assumption by Assignee of all of Assignor's rights and obligations under the TRA to and by Assignee; and

WHEREAS, Assignee hereby accepts such assignment and assumes such rights and obligations.

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Assignment. Assignor agrees to assign to Assignee all of its rights and obligations under the TRA, effective as of the date (the "Assignment Effective Date") indicated in a written notice by Assignee to Owner and Assignor that the Assignor and Assignee have closed on the conveyance of certain of Assignor's rail lines connecting to the TRA to Assignee (the "Transaction"). This Agreement will take effect if and only if Assignee provides written notice that the Transaction has closed to Owner and Assignor within two years of the date of this agreement.

Section 2. Assumption. Assignee agrees to accept the assignment of and assume all of Assignor's rights and obligations under the TRA on the Assignment Effective Date.

Section 3. Effect of the Assignment and Assumption. All obligations and liabilities under the TRA prior to the Assignment Effective Date shall remain the obligations and

Rock Creek Jct.-Airline Jct. Trackage Rights Assignment

liabilities of Assignor and not Assignee. All rights, obligations and liabilities under the TRA accruing after the Assignment Effective Date shall be the rights, obligations and liabilities of Assignee and not Assignor. Assignment of the TRA shall not relieve or release Assignor or Owner from any obligation or liability which may have accrued under the terms of the TRA prior to the Assignment Effective Date.

Section 4. Further Assurances. The parties shall, from time to time, upon the reasonable request of the other party, execute and deliver all such further documents and instruments, and take all such further acts as shall be necessary or desirable to give full effect to the intent and meaning of this Agreement.

Section 5. Governing Law. The laws of the state of Missouri, excluding conflicts of law principles, shall govern the validity of this Agreement.

Section 6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 7. Successors and Assigns. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, interests, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

*****Signature Page Follows*****

Rock Creek Jct.-Airline Jct. Trackage Rights Assignment

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Execution Date.

ILLINOIS CENTRAL RAILROAD COMPANY

By: _____

Its: _____

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

By: _____

Its: _____

Rock Creek Jct.-Airline Jct. Trackage Rights Assignment

APPENDIX 1

Exhibit 4

Environmental Data

Exhibit 4

WITHHELD AS
CONTAINING
HIGHLY
CONFIDENTIAL
OR
CONFIDENTIAL
INFORMATION

Exhibit 8

Change in Ownership or Control

CHANGE IN CONTROL – EXHIBIT 8

TABLE 8.1
APPLICANT CARRIER INFORMATION

APPLICANT ILLINOIS CENTRAL RAILROAD COMPANY		
Ownership	100% by Illinois Central Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest ¹	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer
	Ghislain Houle	Executive Vice-President and Chief Financial Officer
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region

WATERLOO RAILWAY COMPANY		
Ownership	100% by Illinois Central Railroad Company	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer
	Ghislain Houle	Executive Vice-President and Chief Financial Officer
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region

CHICAGO, CENTRAL & PACIFIC RAILROAD COMPANY		
Ownership	100% by Illinois Central Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region
	Bernd Beyer	Vice-President and Treasurer

¹ Tracy Robinson will shortly replace Jean-Jacques Ruest as President and Chief Executive Officer.

PUBLIC VERSION

CEDAR RIVER RAILROAD COMPANY		
Ownership	100% by Illinois Central Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer
	Ghislain Houle	Executive Vice-President and Chief Financial Officer
	Salvatore Forgione	Vice-President
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region

GRAND TRUNK WESTERN RAILROAD COMPANY		
Ownership	100% by Grand Trunk Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Ghislain Houle	Executive Vice-President and Chief Financial Officer and Treasurer
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary

BESSEMER AND LAKE ERIE RAILROAD COMPANY		
Ownership	100% by Grand Trunk Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary
	Ghislain Houle	Executive Vice-President and Chief Financial Officer and Treasurer
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region

PUBLIC VERSION

THE PITTSBURGH AND CONNEAUT DOCK COMPANY		
Ownership	100% by Grand Trunk Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	John B. Furlan	Counsel
	Paul Westman	Director, Taxation US
	Derek M. Taylor	Vice-President, Eastern Region
	Bernd Beyer	Vice-President and Treasurer

WISCONSIN CENTRAL LTD.		
Ownership	100% by Grand Trunk Corporation	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary
	Ghislain Houle	Executive Vice-President and Chief Financial Officer and Treasurer
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Derek M. Taylor	Vice-President, Eastern Region

SAULT STE. MARIE BRIDGE COMPANY		
Ownership	100% by Wisconsin Central Ltd.	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	Paul Westman	Director, Taxation US
	John B. Furlan	Counsel
	Derek M. Taylor	Vice-President, Eastern Region
	Bernd Beyer	Vice-President and Treasurer

WISCONSIN CHICAGO LINK LTD.		
Ownership	100% by Wisconsin Central Ltd.	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer & Secretary
	Brenda L. Gunn	Senior Manager, Risk Mitigation
	John B. Furlan	Counsel
	Paul Westman	Director, Taxation US
	Derek M. Taylor	Vice-President, Eastern Region
	Bernd Beyer	Vice-President and Treasurer

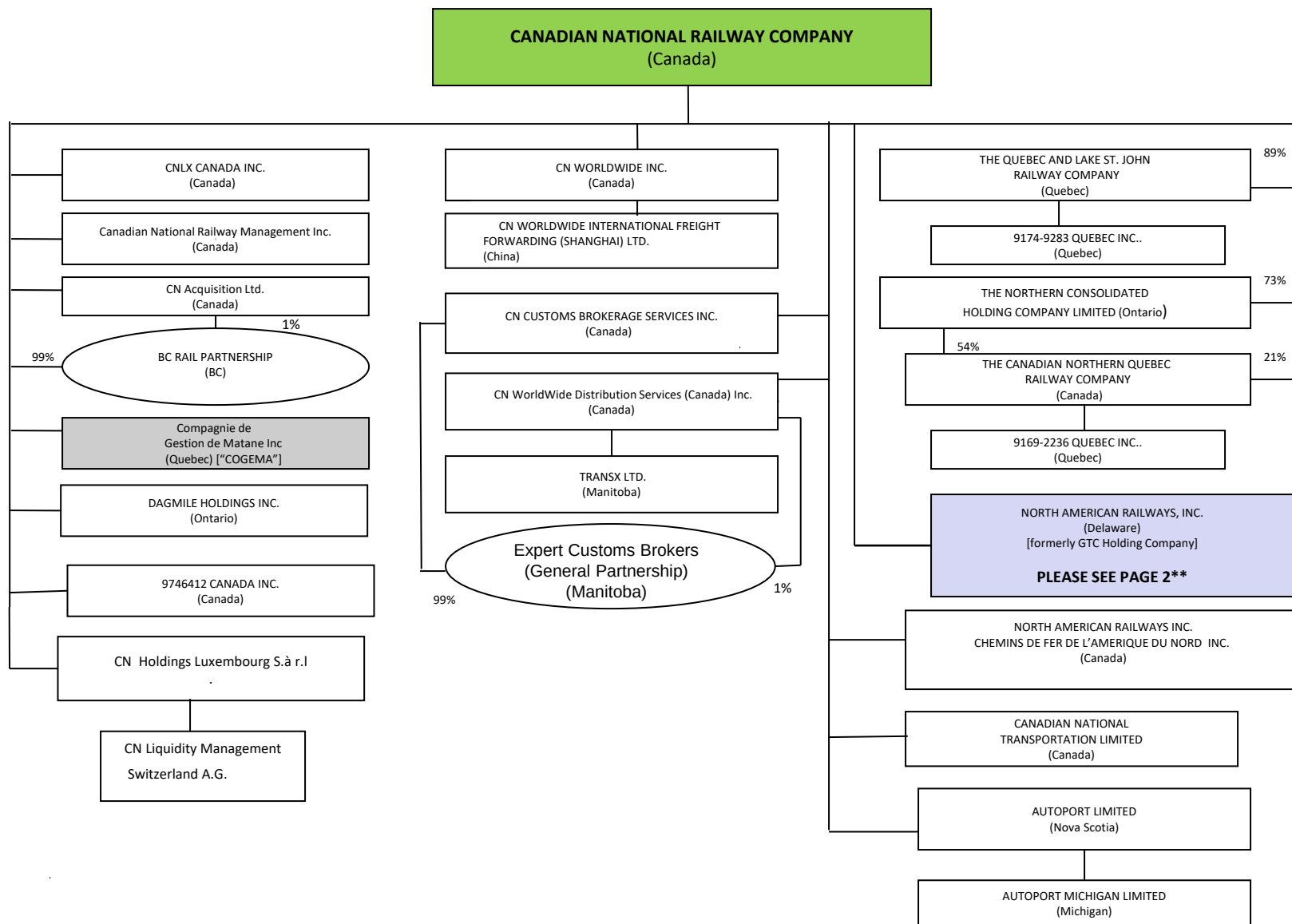
CANADIAN NATIONAL RAILWAY COMPANY		
Ownership	Public	
Principal Officers	<u>Name</u>	<u>Title</u>
	Jean-Jacques Ruest	President and Chief Executive Officer
	Sean Finn	Executive Vice-President, Corporate Services and Chief Legal Officer
	Ghislain Houle	Executive Vice-President and Chief Financial Officer
	Dominique Malenfant	Executive Vice-President and Chief Information and Technology Officer
	Rob Reilly	Executive Vice-President and Chief Operating Officer
	James Cairns	Senior Vice-President, Rail Centric Supply Chain
	Dorothea Klein	Senior Vice-President and Chief Human Resources Officer
	Doug Macdonald	Senior Vice-President, Office of the President and CEO, Special Projects
	Helen Quirke	Senior Vice-President and Chief Strategy Officer
	Keith Reardon	Senior Vice-President, Consumer Product Supply Chain

Exhibit 11

Corporate Chart

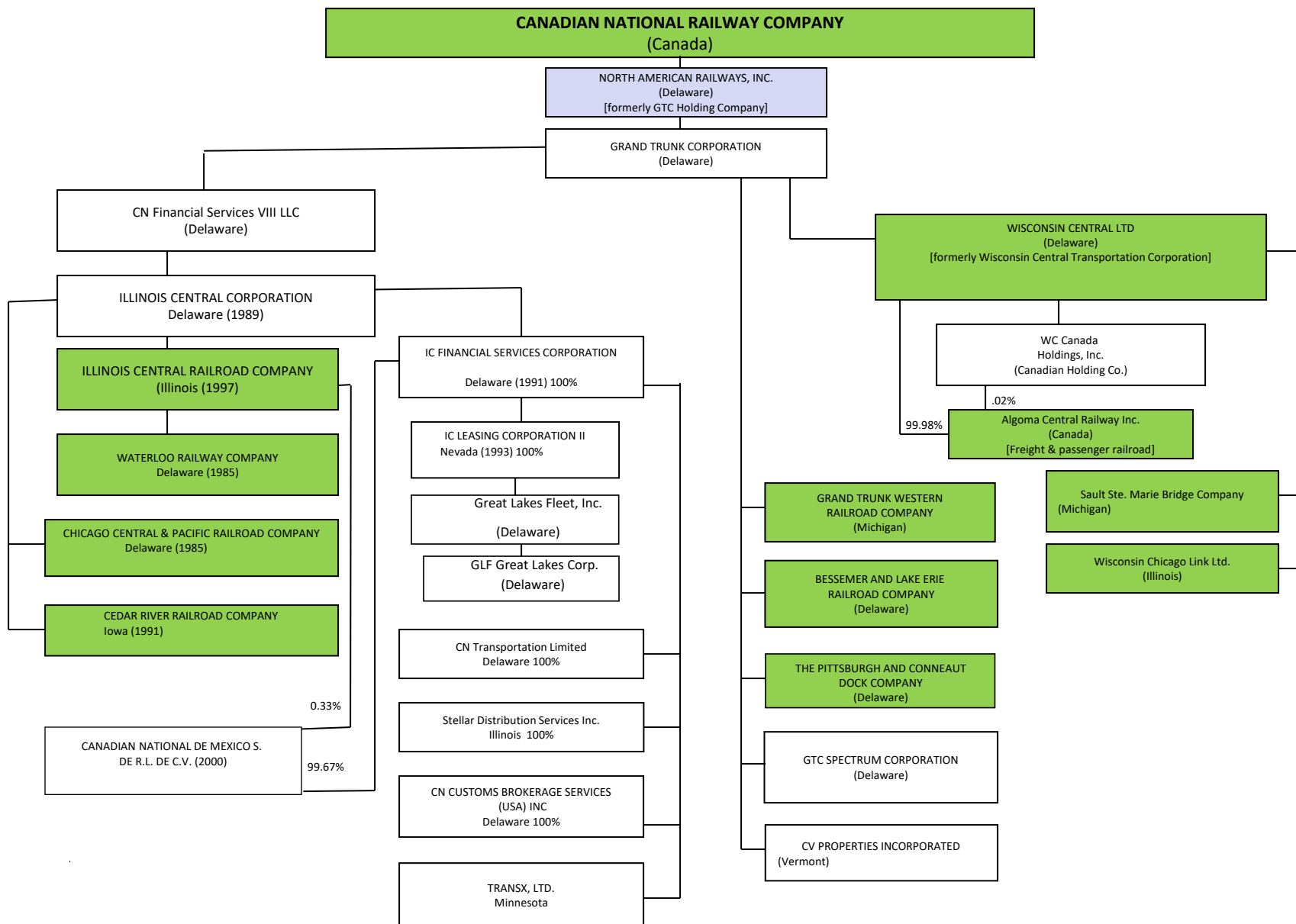
PUBLIC VERSION

CORPORATE STRUCTURE

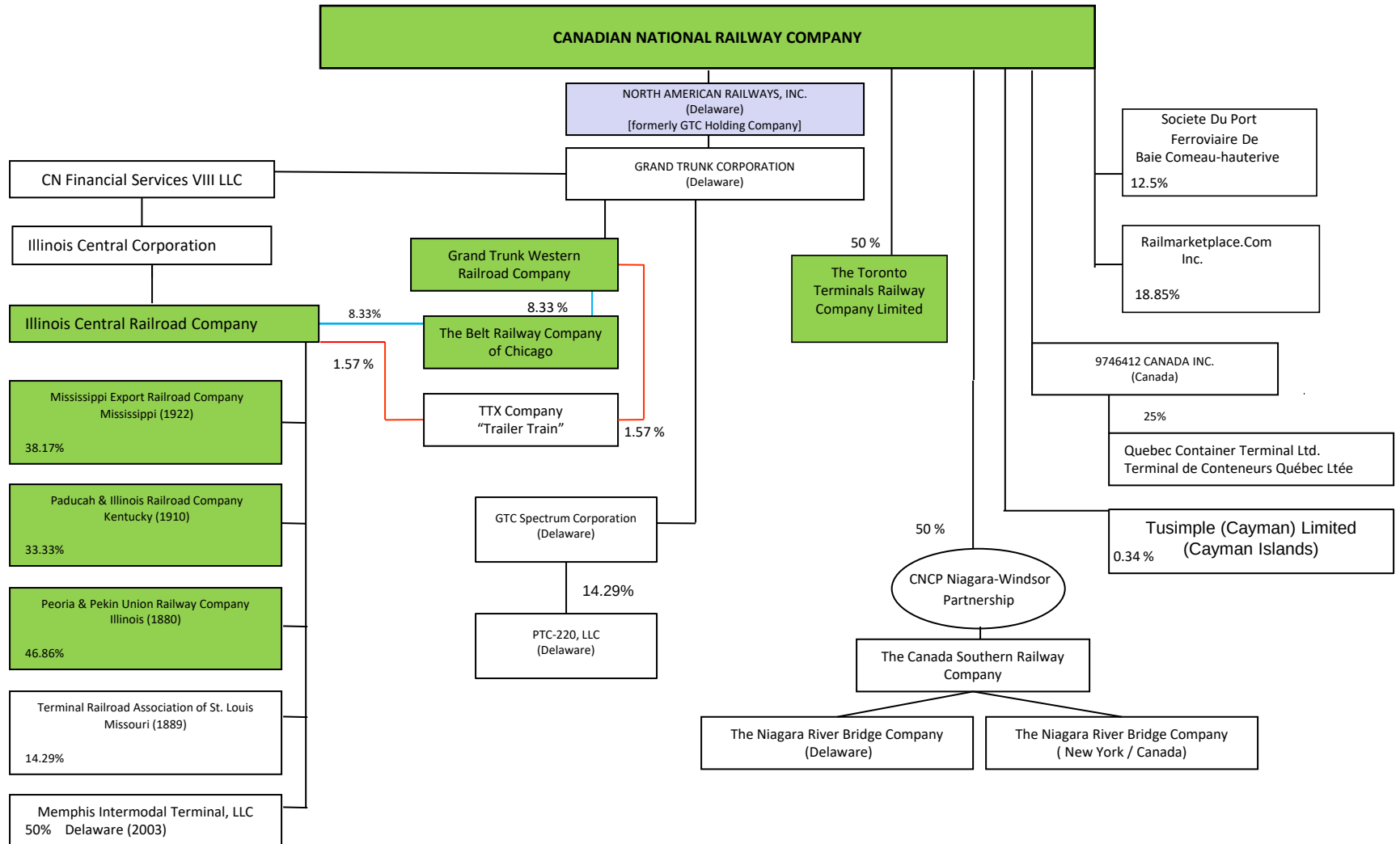


OPERATING RAILROADS SHADED GREEN

PUBLIC VERSION
CORPORATE STRUCTURE



INVESTMENTS



Non-Affiliated Carrier Ownership Interests
[49 C.F.R. § 1180.6(b)(8)]

Minority rail holdings:

Mississippi Export Railroad Company

- 38.17% held by Illinois Central Railroad Company

Paducah & Illinois Railroad Company

- 33.33% held by Illinois Central Railroad Company

Peoria & Pekin Union Railway Company

- 46.86% held by Illinois Central Railroad Company

The Belt Railway Company of Chicago

- 8.33% held by Illinois Central Railroad Company
- 8.33% held by Grand Trunk Western Railroad Company

Terminal Railroad Association of St. Louis

- 14.29% held by Illinois Central Railroad Company

**OFFICER/DIRECTOR OVERLAPS BETWEEN CN CORPORATE FAMILY
AND OTHER RAILROAD CORPORATE FAMILIES**

TABLE 11.1

**THE BELT RAILWAY COMPANY OF CHICAGO
(16.67% BNSF/16.67% IC & GTW/8.33% SOO(CP)/25% CSX/25% NS/8.33% UP)**

Name	Title	Other Corporate Family
Rance Randle	Director	IC (CN) Representative
Derek Taylor	Director	GTW (CN) Representative
J. Jenkins	Director	BNSF Representative
J. Gabriel	Director	BNSF Representative
William Albright	Director	CSX Representative
R.A. Holtz	Director	CSX Representative
Greg Jaggernauth	Director	CSX Representative
John Friedmann	Director	NS Representative
Randall Hunt	Director	NS Representative
Jason Zampi	Director	NS Representative
J.W. Turner	Director	UP Representative
Tracy Miller	Director	CP Representative

**TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS
(42.84% UP/14.29% BNSF/14.29% CSX/14.29% IC (CN)/14.29% NS)**

Name	Title	Other Corporate Family
Michael Matteucci	Director	IC (CN) Representative
Edward Boyle	Director	NS Representative
Paul Duncan	Director	BNSF Representative
Greg Jaggernauth	Director	CSX Representative
Shane Keller	Director	UP Representative
Tanya Spratt	Director	UP Representative
John Turner	Director	UP Representative
Michael A. McCarthy	President	TRRA Employee
Asim Raza	Secretary	TRRA Employee
Brent R. Wood	Treasurer	TRRA Employee

**PEORIA & PEKIN UNION RAILWAY COMPANY
(46.86% IC (CN)/40.64% NS/12.5% UP)**

Name	Title	Other Corporate Family
William Albritton, Jr.	Director	IC (CN) Representative
James Anders	Director	IC (CN) Representative
Michael Matteucci	Director	IC (CN) Representative
Stacy Holleran	Director	NS Representative
Randall W. Hunt	Director	NS Representative
Tanya Spratt	Director	UP Representative

**PADUCAH & ILLINOIS RAILROAD COMPANY
(33.33% IC (CN)/33.33% BNSF/33.33% PADUCAH & LOUISVILLE RAILWAY, INC.)**

Name	Title	Other Corporate Family
Michael Matteucci	Director	IC (CN) Representative
Derek Taylor	Director	IC (CN) Representative
Sarah W. Bailiff	Director	BNSF Representative
Thomas A. Greene	Director	PAL Representative
Jason Jenkins	Director	BNSF Representative
Tim Wyatt	Director	PAL Representative

**TTX COMPANY
(0.6% KCS/ 0.6% B&M/ PAN AM/0.6% FERROCARRIL MEXICANO SA DE CV (“FXE”)/
1.6% SOO LINE (CP)/3.1% CN/17.3% BNSF/19.7% CSX/19.7% NS/36.8% UP)**

Name	Title	Other Corporate Family
Robert Reilly	Director	CN Representative
David Fink	Director	B&M/ Pan Am Representative
Keith Creel	Director	CP Representative
Jaime Boychuk	Director	CSX Representative
Isaac Franklin	Director	FXE Representative
Michael J. Naatz	Director	KCS Representative
Alan Shaw	Director	NS Representative
Jennifer Hamann	Director	UP Representative

PTC-220, LLC
(EQUAL 1/7TH OWNERSHIP BY EACH OF BNSF/CN/CP/CSX/KCS/NS/UP)

Name	Title	Other Corporate Family
Catalin Miu	Voting Member	CN Representative
Paul Sztanko	Voting Member	CP Representative
Miles Francis	Voting Member	BNSF Representative
Sunny Bajaj	Voting Member	BNSF Representative
Kevin Stokes	Voting Member	CSX Representative
Joel Pangborn IV	Voting Member	CSX Representative
Tom Schnautz	Voting Member	NS Representative
Danny Hall	Voting Member	KCS Representative
Tom Burns	Voting Member & Chair	KCS Representative
Thomas Vaiskunas	Voting Member	UP Representative
Blake Loper	Voting Member	UP Representative

RAILMARKETPLANE.COM INC.
(EQUAL OWNERSHIP AMONGST BNSF/CN/CP/CSX/NS/UP)

Name	Title	Other Corporate Family
Paul Harridine	Director	CN Representative
Andrew Ruiz	Director	BNSF Representative
Rhea Adama	Director, Chair President	CP Representative
Evan Bell	Director	CSX Representative
Anna Webster	Vice President & Secretary	CSX Representative
Jacqueline Gray	Director	NS Representative
Clark Ponthier	Director	UP Representative

THE TORONTO TERMINALS RAILWAY COMPANY LIMITED
(50% CN/50% CP)

Name	Title	Other Corporate Family
Doug Ryhorchuk	Director Vice-President	CN Representative
James Thompson	Director	CN Representative
Greg Squires	Director	CP Representative
Ben Serena	Director, Chair President	CP Representative

**CNCP NIAGARA-WINDSOR PARTNERSHIP
(50% CN/50% CP OWNERSHIP)**

Name	Title	Other Corporate Family
Sean Finn	Director, Secretary & Treasurer	CN Representative
Ghislain Houle	Director	CN Representative
Derek Taylor	Director Vice-President	CN Representative
Salvatore Forgione	Vice-President & Corporate Controller	CN Representative
Ben Serena	Director	CP Representative
Adolph Gameiro	Director and Chairman President	CP Representative
Johane Lemay	Director General Manager	CP Representative

**THE CANADA SOUTHERN RAILWAY COMPANY
(50% CN/50% CP)**

Name	Title	Other Corporate Family
Sean Finn	Director Chief Legal Officer & Secretary	CN Representative
Ghislain Houle	Director	CN Representative
Derek Taylor	Director Vice-President	CN Representative
Clarke Trolley	Joint Manager	CN Representative
Marnie Dawson	Comptroller	CP Representative
Ben Serena	Director	CP Representative
Adolph Gameiro	Director President	CP Representative
Johane Lemay	Director Joint Manager	CP Representative

**THE NIAGARA RIVER BRIDGE COMPANY
(ULTIMATE 50% CN/50% CP OWNERSHIP)**

Name	Title	Other Corporate Family
Sean Finn	Director Secretary-Treasurer	CN Representative
Ghislain Houle	Director	CN Representative
Derek Taylor	Director Vice-President	CN Representative
Marnie Dawson	Comptroller	CP Representative
Ben Serena	Director	CP Representative
Adolph Gameiro	Director President	CP Representative
Johane Lemay	Director	CP Representative

**THE NIAGARA RIVER BRIDGE COMPANY LIMITED
(ULTIMATE 50% CN/50% CP OWNERSHIP)**

Name	Title	Other Corporate Family
Sean Finn	Director Secretary	CN Representative
Ghislain Houle	Director	CN Representative
Derek Taylor	Director President	CN Representative
Clarke Trolley	Joint Manager	CN Representative
Marnie Dawson	Comptroller	CP Representative
Ben Serena	Director	CP Representative
Adolph Gameiro	Director Vice-President	CP Representative
Johane Lemay	Director Joint Manager	CP Representative

CORPORATE CHART – EXHIBIT 11

TABLE 11.2
AFFILIATE CARRIER STATUS

Company	Carrier?	Mode	Certificate / Docket Number
9169-2236 QUEBEC INC.	No	N/A	N/A
9174-9283 QUEBEC INC.	No	N/A	N/A
9746412 CANADA INC.	No	N/A	N/A
Algoma Central Railway Inc.	Yes	Rail (Canada)	N/A
Autoport Limited	No	N/A	N/A
Autoport Michigan Limited	No	N/A	N/A
BC Rail Partnership	Yes	Rail (Canada)	N/A
Belt Railway Company of Chicago, The	Yes	Rail	N/A
Bessemer and Lake Erie Railroad Company	Yes	Rail	N/A
Canada Southern Railway Company, The	No	N/A	N/A
Canadian National de Mexico S. de R.L. de C.V.	No	N/A	N/A
Canadian National Railway Company	Yes	Rail	N/A
Canadian National Railway Management Inc.	No	N/A	N/A
Canadian National Transportation Limited	Yes	Motor	N/A
Canadian Northern Quebec Railway Company, The	No	N/A	N/A
Cedar River Railroad Company	Yes	Rail	FD 31958
Chicago, Central & Pacific Railroad Company	Yes	Rail	FD 30663
CN Acquisition Ltd.	No	N/A	N/A
CN Customs Brokerage Services (USA) Inc	No	N/A	N/A
CN Customs Brokerage Services Inc.	No	N/A	N/A
CN Financial Services VIII LLC	No	N/A	N/A
CN Holdings Luxembourg S.à.r.l	No	N/A	N/A
CN Liquidity Management Switzerland A.G.	No	N/A	N/A
CN Transportation Limited	Yes	Motor	N/A
CN WorldWide Distribution Services (Canada) Inc.	No	N/A	N/A
CN Worldwide Inc.	No	N/A	N/A
CN Worldwide International Freight Forwarding (Shanghai) Ltd.	No	N/A	N/A
CNCP Niagara-Windsor Partnership	No	N/A	N/A
CNLX Canada Inc.	No	N/A	N/A
Compagniede Gestion de Matane Inc	No	N/A	N/A
CV Properties Incorporated	No	N/A	N/A
Dagmile Holdings Inc.	No	N/A	N/A
Expert Customs Brokers	No	N/A	N/A

Company	Carrier?	Mode	Certificate / Docket Number
GLF Great Lakes Corp.	No	N/A	N/A
Grand Trunk Corporation	No	N/A	N/A
Grand Trunk Western Railroad Company	Yes	Rail	FD 32116
Great Lakes Fleet, Inc.	Yes	Water	N/A
GTC Spectrum Corporation	No	N/A	N/A
IC Financial Services Corporation	No	N/A	N/A
IC Leasing Corporation II	No	N/A	N/A
Illinois Central Corporation	No	N/A	N/A
Illinois Central Railroad Company	Yes	Rail	FD 33383
Memphis Intermodal Terminal, LLC	No	N/A	N/A
Mississippi Export Railroad Company	Yes	Rail	N/A
Niagara River Bridge Company, The	No	N/A	N/A
Northern Consolidated Holding Company Limited, The	No	N/A	N/A
North American Railways Inc. (Chemins de fer de L'amerique du Nord Inc.)	No	N/A	N/A
North American Railways, Inc.	No	N/A	N/A
Paducah & Illinois Railroad Company	Yes	Rail	N/A
Peoria & Pekin Union Railway Company	Yes	Rail	N/A
Pittsburgh & Conneaut Dock Company, The	Yes	Rail	N/A
PTC-220, LLC	No	N/A	N/A
Quebec and Lake St. John Railway Company, The	No	N/A	N/A
Quebec Container Terminal Ltd. Terminal de Conteneurs Québec Ltée	No	N/A	N/A
Railmarketplace.com Inc.	No	N/A	N/A
Sault Ste. Marie Bridge Company	Yes	Rail	N/A
Societe du Port Ferroviaire de Baie Comeau-Hauterive	No	N/A	N/A
Stellar Distribution Services Inc.	No	N/A	N/A
Terminal Railroad Association of St. Louis	Yes	Rail	N/A
Toronto Terminals Railway Company Limited, The	Yes	Rail (Canada)	N/A
TRANSX Ltd.	No	N/A	N/A
TTX Company	No	N/A	N/A
Tusimple (Cayman) Limited	No	N/A	N/A
Waterloo Railway Company	Yes	Rail	FD 30176
WC Canada Holdings, Inc.	No	N/A	N/A
Wisconsin Central Ltd.	Yes	Rail	FD 31102
Wisconsin Chicago Link Ltd.	Yes	Rail	FD 33825

Exhibit 12

Market Analyses

Exhibit 12A

Verified Statement of David Hunt

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

**Verified Statement of David T. Hunt
in Support of Springfield Line Divestiture to CN**

February 28, 2022

PUBLIC VERSION

Contents

1. Qualifications.....	1
2. Assignment and Summary of Findings	2
3. Overview of the Springfield Line.....	5
4. Projected Traffic Gained by Removing Trucks from Roadways.....	7
4.1 CN’s acquisition of the Springfield Line removes more than 80,000 trucks annually from the roads.....	8
4.2 Intermodal truck-to-rail diversion estimates	9
4.3 Assembled automobiles truck-to-rail diversion estimates.....	11
4.4 Transload truck-to-rail diversion estimates	13
5. Projected Traffic Gained by Increasing Rail Competition	14
5.1 Intermodal rail-to-rail diversion estimates	14
5.2 Assembled automobiles rail-to-rail diversion estimates.....	16
5.3 Grain rail-to-rail diversion estimates.....	17
5.4 Impacts on other railroads from rail-to-rail diversions.....	18
6. Diversions Through the Port of Montreal	19
7. Diverted Traffic is Estimated to Generate \$107 Million in Annual Revenue for CN.....	21
Appendix A. Resume of David Hunt.....	24
Appendix B. Truck-to-Rail Model Description.....	25
B.1 In-scope markets.....	26
B.2 Rail and truck cost models	28
B.3 Estimation process.....	32
B.4 Review and adjustment	34
Appendix C: Rail-to-Rail Model Description.....	35
C.1 In-scope markets.....	36
C.2 Rail network	37
C.3 Estimation process.....	38
C.4 Review and adjustment.....	40

1. Qualifications

My name is David T. Hunt. I am a Vice President with Oliver Wyman, a global general management consulting firm with more than 60 offices in 31 countries. My office address is 1 University Square, Suite 100, Princeton, NJ 08540.

Oliver Wyman is a leading general management consulting firm. We maintain one of the largest practices in the world dedicated to the transportation and logistics sectors. Oliver Wyman's transportation clients include national and regional governments on six continents, as well as many of the world's largest users of rail services, railroads, motor carriers, leasing companies, and industrial and consumer manufacturing firms.

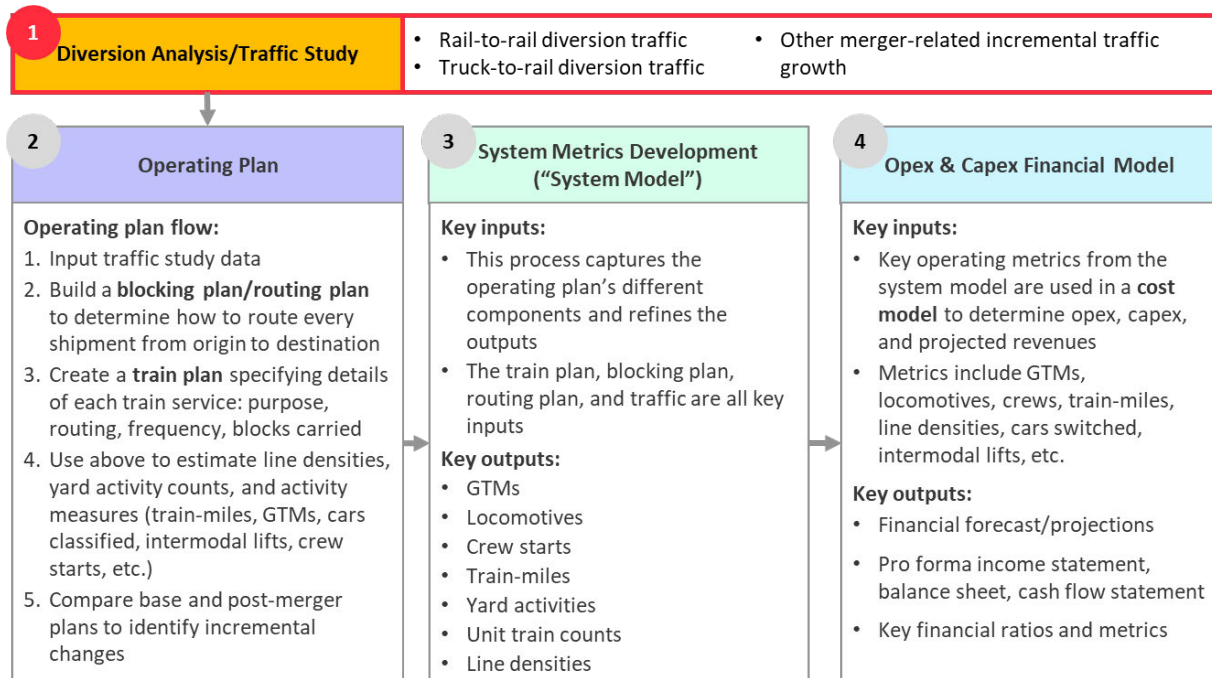
I have been a consultant in the transportation sector for more than 35 years. I joined Oliver Wyman in 2008, specializing in strategic planning, regulatory issues, and operations for freight railroads and other freight transportation providers. Prior to joining Oliver Wyman, I was a consultant at Cambridge Systematics, Wilbur Smith Associates, and ALK Associates. While at ALK from 1983 through 2000, I provided services to clients in connection with all the Class I railroad mergers that occurred during that time period. I also was responsible for the annual calibration of and updates to ALK's Advanced Traffic Diversion Model that was used in ICC and STB merger proceedings. I hold a Bachelor's degree in civil engineering from West Virginia University and a Master's degree in civil engineering and operations research from Princeton University. My resume is included in Appendix A.

2. Assignment and Summary of Findings

I have been asked to assess the traffic that CN could expect to divert from trucking companies and other railroads if it acquires the Springfield Line of the Kansas City Southern Railway (KCS) and makes certain investments in intermodal and automotive terminals at Kansas City and East St. Louis. The Springfield Line connects Springfield, IL with Kansas City, MO and East St. Louis, IL. By acquiring the Springfield Line, CN will gain new access to Kansas City and improved access to East St. Louis, thereby enhancing competition for shippers.

As shown in Exhibit 2-1, analyzing the traffic CN can attract if it acquires the Springfield Line is an essential element in planning for the acquisition. The operating plan, operating statistics, and financial projections all depend on accurate traffic projections.

Exhibit 2-1: The operating plan and financial model are dependent on the accuracy of Applicants' traffic projections¹



¹ This is the logic flow explicitly cited in the Canadian National-Illinois Central and Norfolk Southern-Conrail merger applications to the Board. See FD33556, Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated – Control – Illinois Central Corporation, Illinois Central Railroad

Findings: By applying traffic diversion models, which are described in Appendices B and C of this Verified Statement, I have estimated that acquisition of the Springfield Line by CN will lead to the following results, which are summarized in Exhibit 2-2:

- More than 80,000 trucks will be removed from the highways each year, producing public benefits, including reduced carbon emissions, reduced highway congestion, and reduced public expenditures for highway maintenance. The more than 80,000 trucks that will be diverted to CN include approximately 77,800 dry vans and containers that will divert from highway to rail intermodal service, approximately 1,480 car transporters carrying assembled automobiles that will divert to multilevel railcars (“multilevels”), and approximately 900 trucks with cargoes that can move via transload service (i.e., bulk commodities such as plastic pellets and cement that use rail for linehaul and transfer to/from truck for first/last mile pickups and deliveries) and that will divert to covered hoppers and other types of railcars.
- A total of approximately 49,500 railcars will be diverted from other railroads due to increased rail competition in the Midwest and Southeast, brought about by the creation of CN’s new competitive rail routes to Kansas City and improved routes to East St. Louis via the Springfield Line. The traffic diverted from other railroads includes approximately 31,000 intermodal containers, approximately 17,900 multilevels carrying assembled automobiles, and approximately 600 carloads of grain.
- An additional 12,500 containers that currently are unloaded at East Coast ports and moved to Kansas City and East St. Louis by rail or truck will be diverted to the Port of Montreal, leveraging CN’s new single-line service via the Springfield Line and CN’s proposed new intermodal terminal in East St. Louis.
- In total, the acquisition of the Springfield Line is estimated to generate \$106.9 million (2019 USD) in annual revenue for CN.

Exhibit 2-2: Diversion results summary for CN's acquisition of the Springfield Line²

	Rail-to-Rail Units	Truck-to-Rail Units	Port of Montreal Units	Total Units	Total Revenue
Intermodal	31,006	77,771	12,500	121,277	\$51.0M
Automobiles	17,903	1,479	-	19,382	\$50.3M
Grain	604	-	-	604	\$2.2M
Other	-	890	-	890	\$3.3M
Totals	49,513	80,140	12,500	142,153	\$106.9M

Assumptions: Key assumptions used in the model and throughout this report include:

- All results represent fully phased-in totals. Full phase-in is assumed to occur in 2025 (Year 3); however, the values are reported as if they occurred in the Base Year of 2019, with no adjustments for organic growth. Revenues also are reported in 2019 values, without adjustment for inflation.
- The truck-to-rail and rail-to-rail models do not attempt to predict how increased competition or reduced costs may lead to an increase in production or demand. Therefore, the model assumes a gain in traffic by CN is offset by an equal loss of traffic for trucks or another railroad.
- It is assumed that the CN acquisition of the Springfield Line is a condition of a CP-KCS merger. The model reflects CP-KCS as a single railroad for competition purposes but does not attempt to predict CP-KCS market shares.
- Both the truck-to-rail and rail-to-rail diversion models are based on logistics regression and are similar to the types of models used in diversion models in prior merger proceedings before the Board.

As demonstrated by these diversion results, CN's acquisition of the Springfield Line will introduce a competitive rail option for shippers moving goods between Kansas City and St. Louis to and from regions such as Michigan, Ohio, Eastern Canada, and the Gulf Coast.

² Oliver Wyman work paper Exhibit 3-3 Sources.xlsx.

3. Overview of the Springfield Line

The Springfield Line is owned by KCS, which acquired it from the Gateway Western Railway in 1997. As shown in Exhibit 3-1, the Springfield Line runs from Springfield, IL west to Kansas City and East St. Louis. It connects with CN lines from the north and east at Springfield, and with CN lines from the southeast at East St. Louis.

By acquiring the Springfield Line, CN will create new single-line rail services from Michigan and Eastern Canada to Kansas City and from the Southeast to Kansas City. CN also will establish a more direct route for traffic from Canada and the Midwest to East St. Louis, since the current CN route from northern locations runs south of East St. Louis to Du Quoin, IL before heading north (Exhibit 3-2).

Exhibit 3-1: The Springfield Line in relation to the CN network³

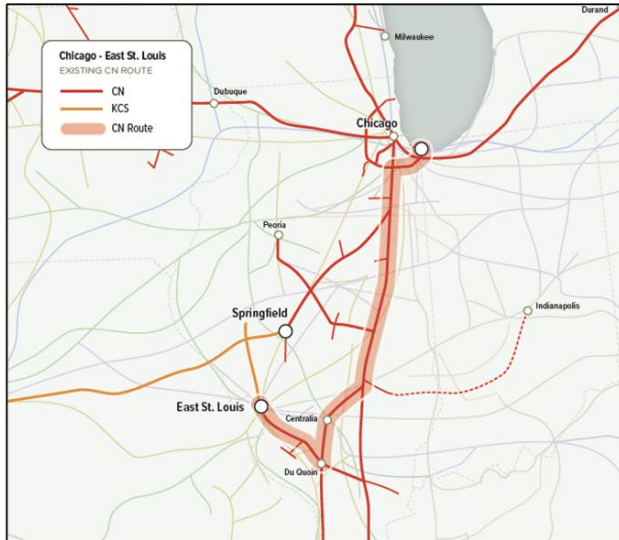


³ Map provided by Canadian National Railway.

Exhibit 3-2: Acquisition of the Springfield Line will reduce CN distances between East St. Louis and northern locations by 50 miles⁴

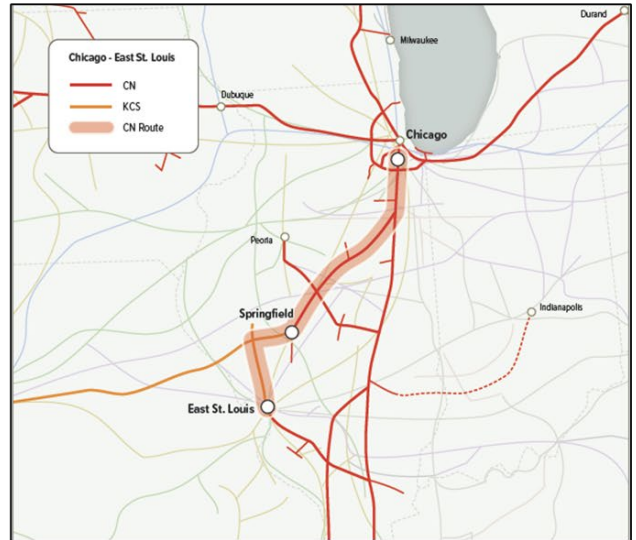
CN Existing Route From Chicago Area to East St. Louis Via Du Quoin, IL

Distance is 360.5 miles from FSAC 55978 to 58112 through Du Quoin



CN Route with Springfield Line From Chicago Areas to East St. Louis Via Springfield, IL

Distance is 310.5 miles from FSAC 55978 to 58112 through Cockrell

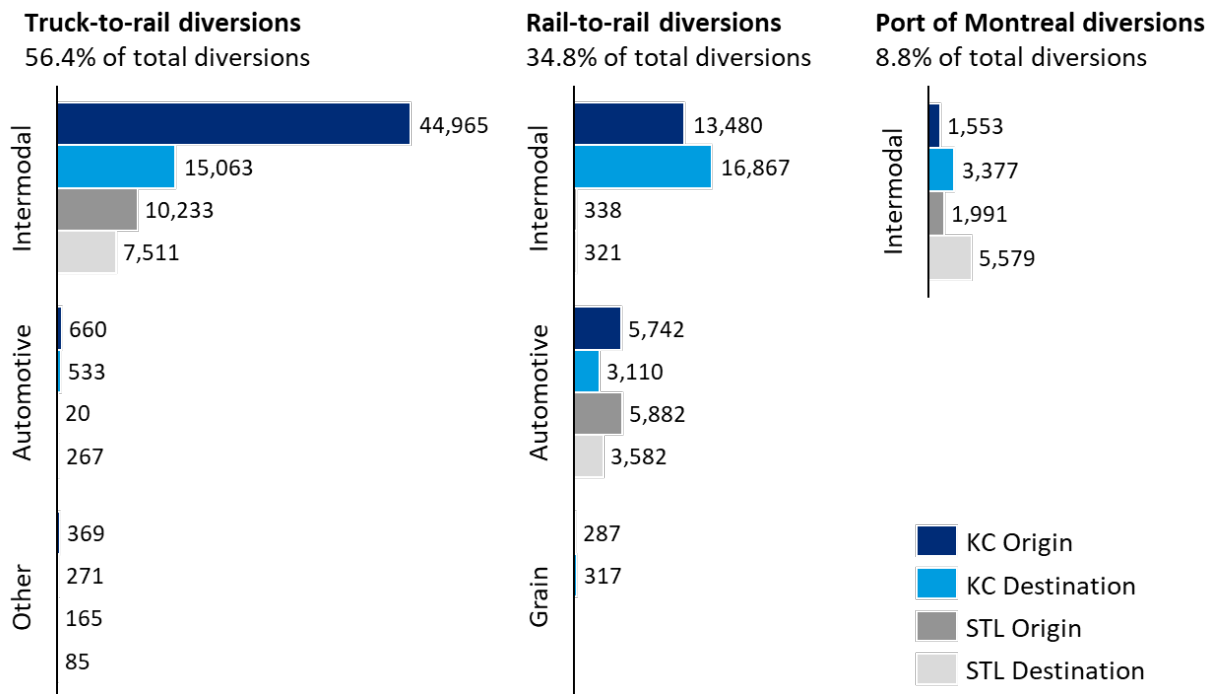


To augment these new and more direct routes, CN plans to invest in new automobile terminal facilities and new intermodal facilities at Kansas City, MO and East St. Louis, IL. As shown in Exhibit 3-3, my analysis finds that these routes and facilities will be widely used by the shipping community:

- The new CN intermodal terminal in Kansas City is projected to originate and terminate approximately 95,300 annual containers, with another approximately 26,000 annual containers at the new intermodal terminal in East St. Louis.
- Approximately 10,000 annual multilevels carrying assembled automobiles are projected to originate and terminate on CN in Kansas City, with approximately an additional 9,750 at the new automotive terminal in East St. Louis.

⁴ Maps provided by Canadian National Railway. Distances from PC*Miler[Rail ver. 27. Maps are illustrative and do not use the same Chicago origin; however, distances are based on the same freight stations. PC*Miler[Rail “shortest” path was used for both routes to adjust for incorrect CN routing in the software.

Exhibit 3-3: 75 percent of the diversions will use the Kansas City Terminal and 25 percent will use the proposed new intermodal and automotive terminals in St Louis⁵



4. Projected Traffic Gained by Removing Trucks from Roadways

A CN acquisition of the Springfield Line will remove over 80,000 trucks per year from roadways in the Midwest, including I-94 in Michigan and Indiana, I-55 in Illinois, and I-72 in Missouri.⁶ This total for CN operations on the Springfield Line exceeds the total estimated truck-to-rail diversions by CP-KCS for their entire merger, as I demonstrate in Section 4.1. Sections 4.2 through 4.4 break down total diversions from truck by intermodal, assembled automobiles, and transloads, respectively. The details of the truck-to-rail diversion model are provided in Appendix B.

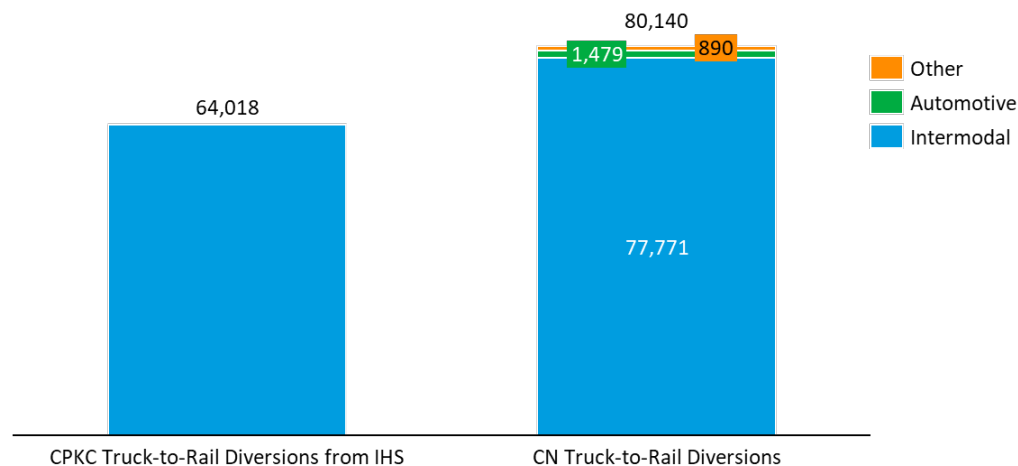
⁵ IHS Transearch 2019; STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper Exhibit 3-3 Sources.xlsx.

⁶ “Truck” refers to a standard five-axle Class 8 truck. Routes were identified using Google Map directions.

4.1 CN's acquisition of the Springfield Line removes more than 80,000 trucks annually from the roads

CP-KCS witness Bengt Mutén estimated that 64,018 trucks will be removed from the highways annually by the proposed merger of CP and KCS.⁷ As shown in Exhibit 4-1, the new service options that will be created by CN's proposed acquisition of the Springfield Line will remove 80,140 trucks from the highways each year, or 25 percent more truck-to-rail diversions than CP would create over its entire merged network. This reduces annual truck-miles on the roadways by 45.6 million and it reduces the annual net truck ton-miles by 637 million.⁸

Exhibit 4-1: CN's acquisition of the Springfield Line is estimated to divert 25 percent more trucks off the roads than claimed by the proposed CP-KCS merger⁹



Mr. Mutén's analysis only identified intermodal containers as diverting to CPKC, and he did not identify any diversion of trucks for automotive or bulk commodities. My analysis shows that assembled automobile shippers and bulk shippers also will benefit from the increased

⁷ Verified statement of Bengt Mutén, CP-KCS Application Vol. 2, p. 223, ¶52.

⁸ Calculations are in work paper 20220224 TTR Carmile Summaries final.xlsx, Ton-Miles tab.

⁹ Verified statement of Bengt Mutén, CP-KCS Application Vol. 2, p. 223, ¶52; IHS Transearch, 2019; Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx. The 80,140 value represents railcars and containers. Using average truck net weights from the 2019 IHS Transearch data for non-intermodal traffic, the total number of trucks removed from the roadways is estimated at 83,625. Calculations are in work paper 20220224 TTR Carmile Summaries final.xlsx, Truck Rail Adjustment tab.

competition created by CN's acquisition of the Springfield Line. Furthermore, the more than 80,000 trucks that CN will divert annually are concentrated on a limited number of roadways – including I-94 in Michigan and Indiana; I-55 in Illinois, Missouri, Arkansas, Tennessee, Mississippi, and Louisiana; and I-72 in Missouri – allowing a more significant impact to be realized in communities along those roads.

4.2 Intermodal truck-to-rail diversion estimates

As shown in Exhibits 4-2 through 4-4, these new intermodal service options will benefit current truck shippers in traffic lanes throughout the Midwest and Southeast. The greatest benefits will be in the Kansas City – Chicago and Kansas City – Detroit markets, where CN will provide a new competitive rail service over the Springfield Line. The new intermodal terminal in East St. Louis also will help to divert trucks from roadways, by drawing traffic from the Detroit and New Orleans markets. In addition, Exhibits 4-3 and 4-4 show several thousand trucks originating and terminating in Ontario, many of them traveling to/from the US over the highly congested Ambassador Bridge between Detroit and Windsor, which would be diverted to move via rail on CN.

An important step in preparing the diversion estimates was discussions with the CN commercial team to receive feedback on the geographical regions they viewed as opportunities for traffic gain as a result of the acquisition of the Springfield Line and the opening of new terminals. (See the statement of witness Dan Bresolin, Vice-President, Intermodal, for a commercial understanding of the intermodal opportunities.)

Exhibit 4-2: Intermodal truck-to-rail diversions: top 15 origin-destination pairs¹⁰

Total across all markets = 77,771 annual containers

Origin BEA	Destination BEA	Diverted units
Kansas City, MO	Chicago, IL	3,213
Kansas City, MO	Detroit, MI	3,008
St. Louis, MO	Detroit, MI	2,559
Detroit, MI	St. Louis, MO	2,345
Wichita, KS	Chicago, IL	2,144
Des Moines, IA	Jackson, MS	1,465
Topeka, KS	Chicago, IL	1,259
Wichita, KS	Detroit, MI	1,253
New Orleans, LA	St. Louis, MO	1,165
Wichita, KS	Cleveland, OH	1,144
Kansas City, MO	Cincinnati, OH	1,143
Kansas City, MO	Cleveland, OH	1,074
Kansas City, MO	Milwaukee, WI	994
Omaha, NE	Detroit, MI	925
St. Louis, MO	New Orleans, LA	920

Exhibit 4-3: Intermodal truck-to-rail diversions: top origins¹¹

Total of 56 locations originating traffic diverted from truck. The top 20 account for 91 percent

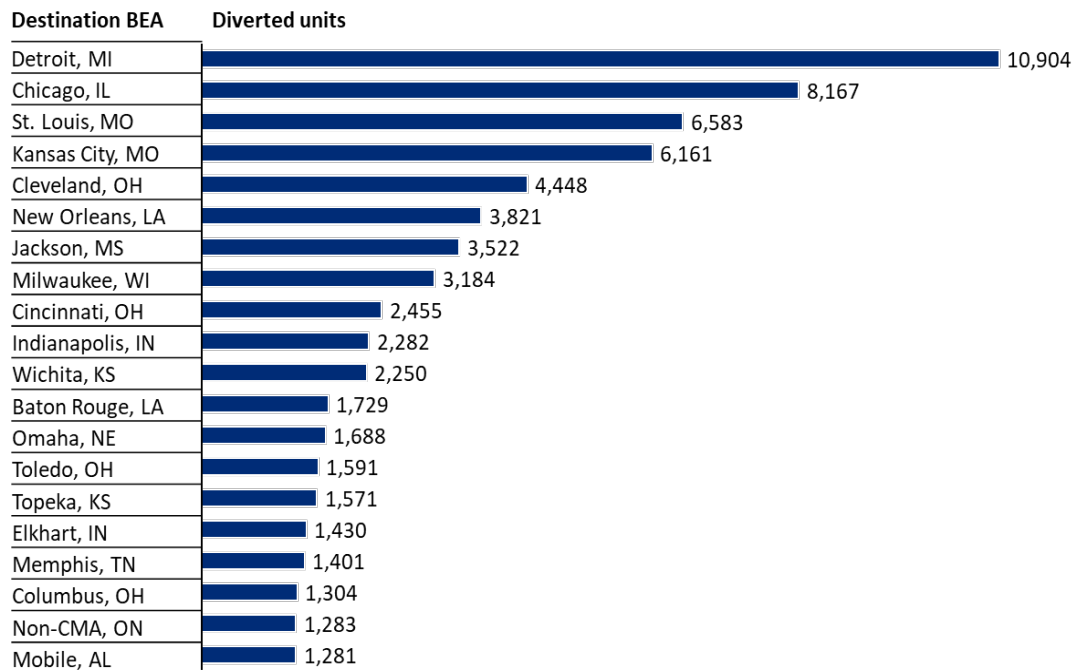
Origin BEA	Diverted units
Kansas City, MO	16,371
Wichita, KS	8,557
St. Louis, MO	7,590
Topeka, KS	5,258
Omaha, NE	4,605
Detroit, MI	4,309
New Orleans, LA	3,696
Des Moines, IA	3,596
Lincoln, NE	2,070
Joplin, MO	2,058
Springfield, MO	1,788
Chicago, IL	1,663
Springfield, IL	1,641
Toledo, OH	1,311
Non-CMA, ON	1,289
Cleveland, OH	1,040
Milwaukee, WI	984
Indianapolis, IN	919
Evansville, IN	915
Toronto, ON	861

¹⁰ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx.

¹¹ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx. A “Non-CMA” is a non-Census Metropolitan Area and indicates locations outside of metropolitan areas such as Toronto, ON.

Exhibit 4-4: Intermodal truck-to-rail diversions: top destinations¹²

Total of 59 locations terminating traffic diverted from truck. The top 20 account for 86 percent



4.3 Assembled automobiles truck-to-rail diversion estimates

The new services and facilities CN will create through acquisition of the Springfield Line also will create new options for shippers now using car transporters to move assembled automobiles over the highways. Exhibits 4-5 through 4-7 illustrate that CN's new services and automotive terminals in East St. Louis and Kansas City will benefit shippers in lanes throughout the Midwest and South.

An important step in preparing the diversion estimates was discussions with the CN commercial team to receive feedback on the geographical regions they viewed as opportunities for traffic gain due to the acquisition of the Springfield Line and the opening of new terminals. (See the statement of witness Sarah Slazinski, Assistant Vice-President, Automotive, for a commercial understanding of the automotive opportunities.)

¹² IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx. A "Non-CMA" is a non-Census Metropolitan Area and indicates locations outside of metropolitan areas such as Toronto, ON.

Exhibit 4-5: Automotive truck-to-rail diversions: top 15 origin-destination pairs¹³

Total across all markets = 1,479 carloads

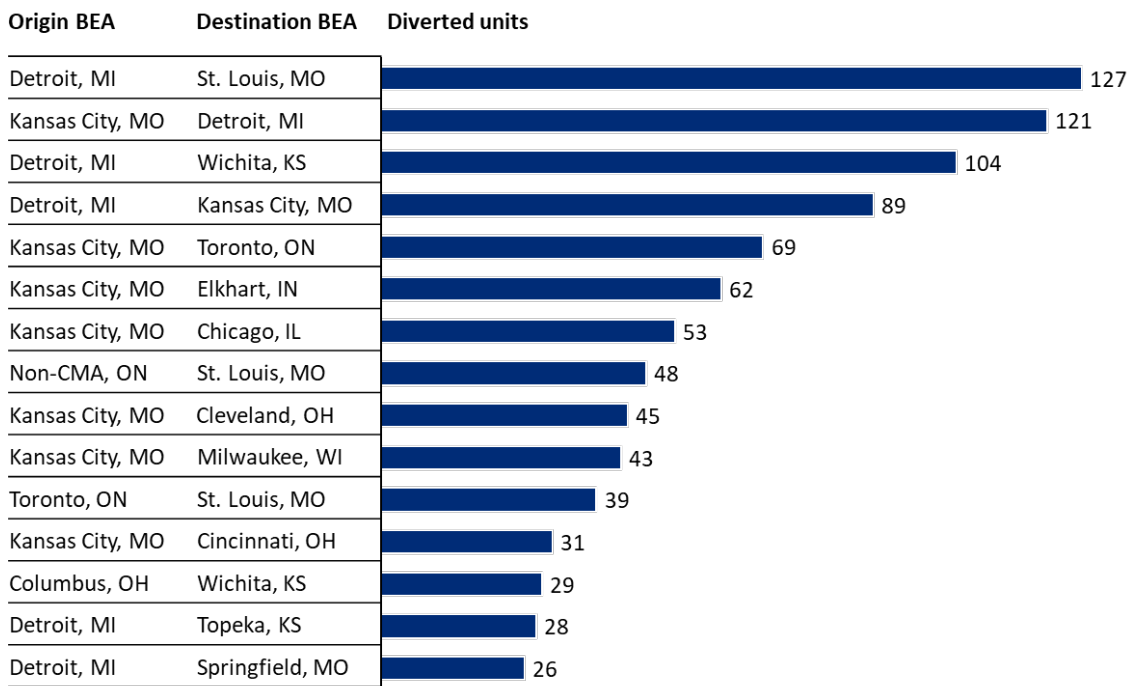
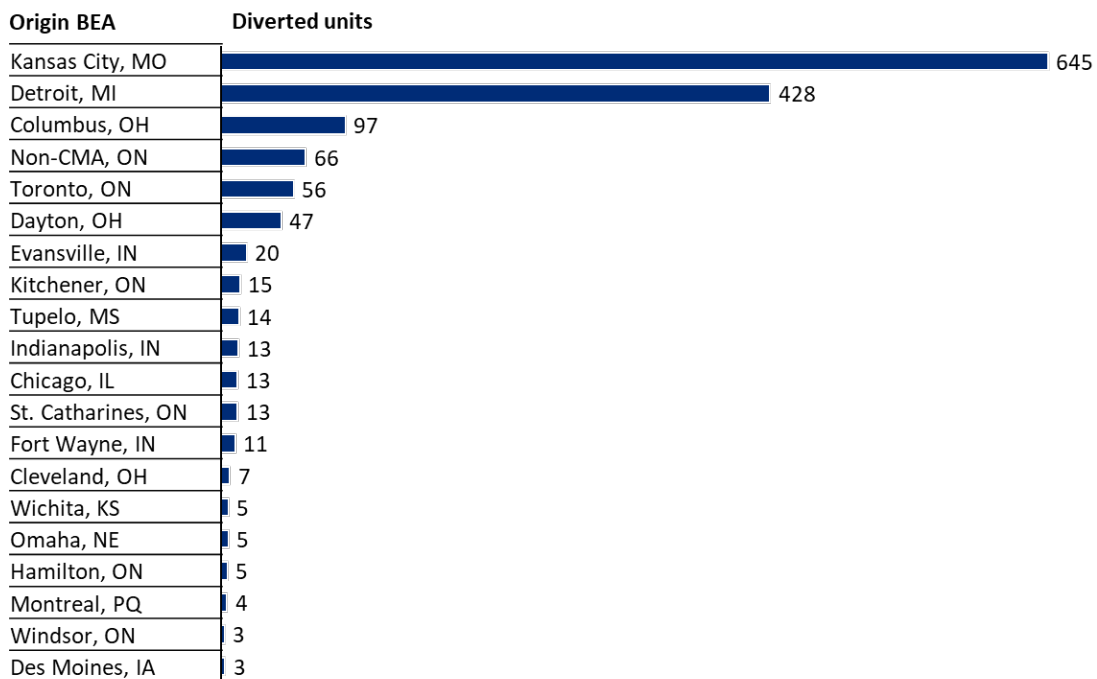


Exhibit 4-6: Automotive truck-to-rail diversions: top origins¹⁴

Total of 34 locations originating traffic diverted from truck. The top 20 account for 99 percent

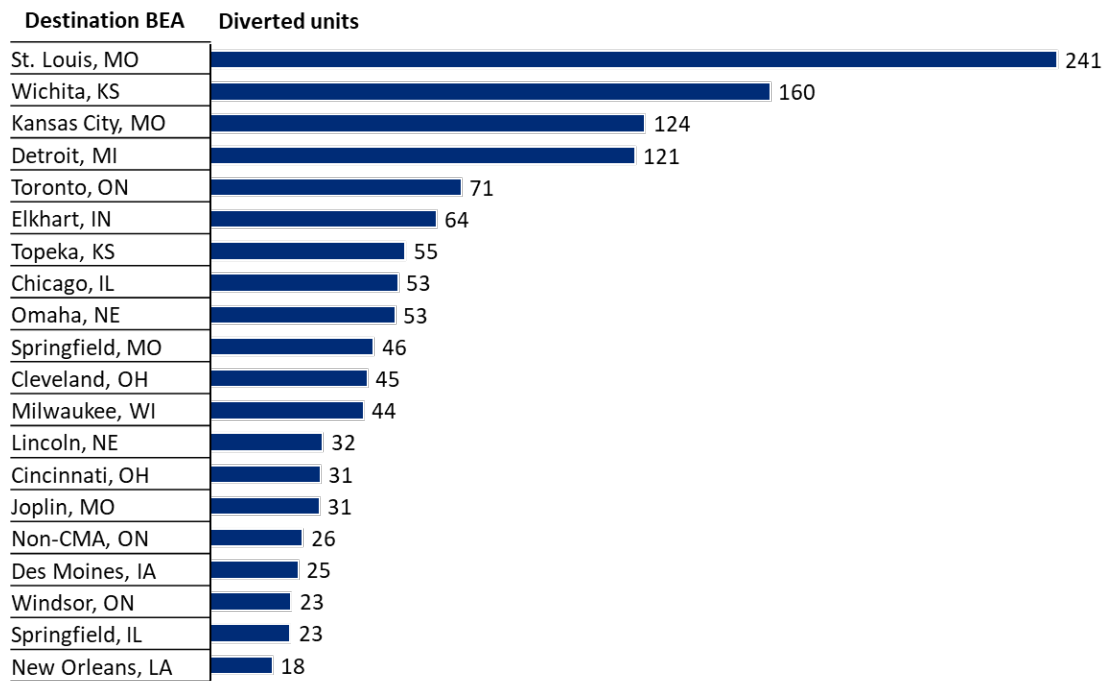


¹³ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx.

¹⁴ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx.

Exhibit 4-7: Automotive truck-to-rail diversions: top destinations¹⁵

Total of 54 locations terminating traffic diverted from truck. The top 20 account for 87 percent



4.4 Transload truck-to-rail diversion estimates

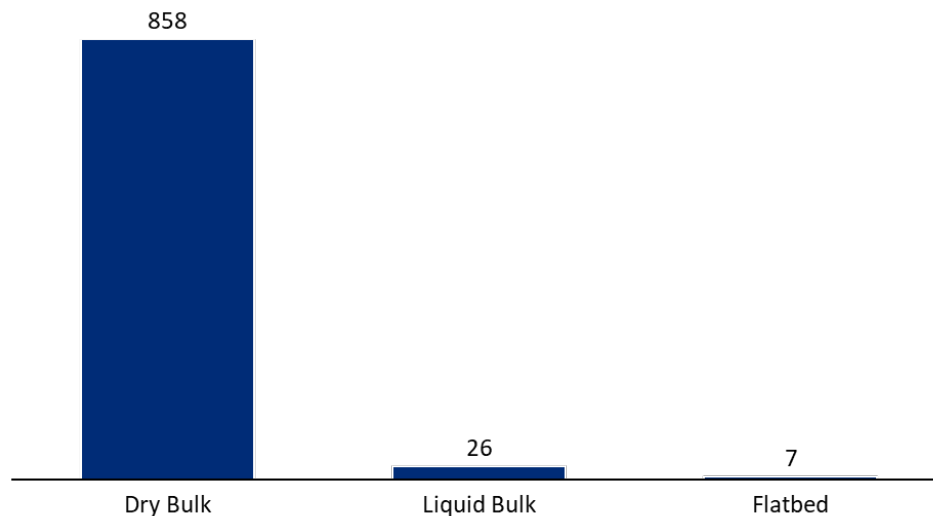
An estimated 890 carloads of other commodities would be diverted from truck to CN.

These involve commodities moving in trucks as dry bulk and liquid bulk and commodities moving on flatbed trucks. These commodities are transloads, using truck for the first and/or last mile and transferring to rail for the linehaul portion of the move. The presence of a new CN transload service will provide shippers with increased competitive options for bringing these products to market.

¹⁵ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx.

Exhibit 4-8: Transload truck-to-rail diversions¹⁶

Diverted units



5. Projected Traffic Gained by Increasing Rail Competition

Acquisition of the Springfield Line will create new competitive routes for rail shippers, particularly between Eastern Canada and Michigan and Kansas City, and between the Southeast and Kansas City. In total, I estimate that CN will divert approximately 49,500 containers and carloads per year. Sections 5.1 through 5.3 demonstrate that the benefits of these new options will be widely available to shippers, including shippers using lanes linking Western Canada, Eastern Canada, the Midwest and the South with Kansas City and East St. Louis. Section 5.4 shows the expected impact on other railroads. The details of the rail-to-rail diversion model are provided in Appendix C.

5.1 Intermodal rail-to-rail diversion estimates

The primary rail-to-rail diversion opportunity for a CN acquisition of the Springfield Line will be intermodal shipments between Detroit and Kansas City. The presence of CN in this

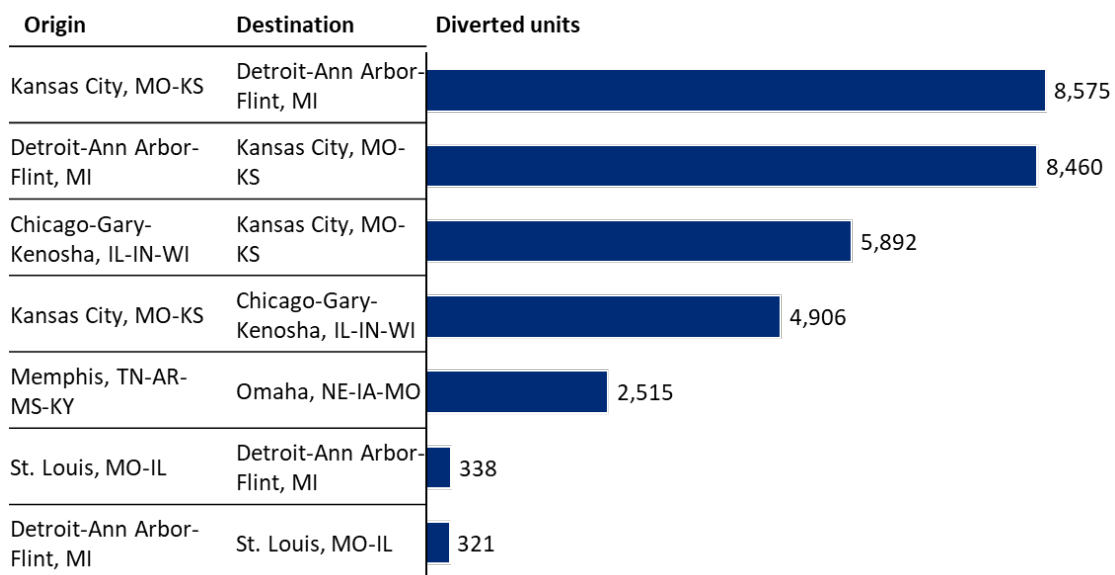
¹⁶ IHS Transearch 2019, Oliver Wyman work paper 20220121_Springfield_T2R_v19.xlsx.

market will provide shippers with a strong competitive rail option. While the contents of intermodal containers can be difficult to ascertain from waybill data, because the STCC code is often “Miscellaneous Mixed Shipments,” this traffic most likely contains a high percentage of automobile parts.

An important step in preparing the diversion estimates was discussions with the CN commercial team to receive feedback on the geographical regions they viewed as opportunities for traffic gain due to the acquisition of the Springfield Line and the opening of new terminals. (See the statement of witness Dan Bresolin for a commercial understanding of the intermodal opportunities.)

Exhibit 5-1: Intermodal rail-to-rail diversions: origin-destination pairs¹⁷

The 26,101 diverted containers are concentrated in seven origin-destination pairs



¹⁷ STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper HC-2022January_R2R_Intermodal_v4.xlsx.

5.2 Assembled automobiles rail-to-rail diversion estimates

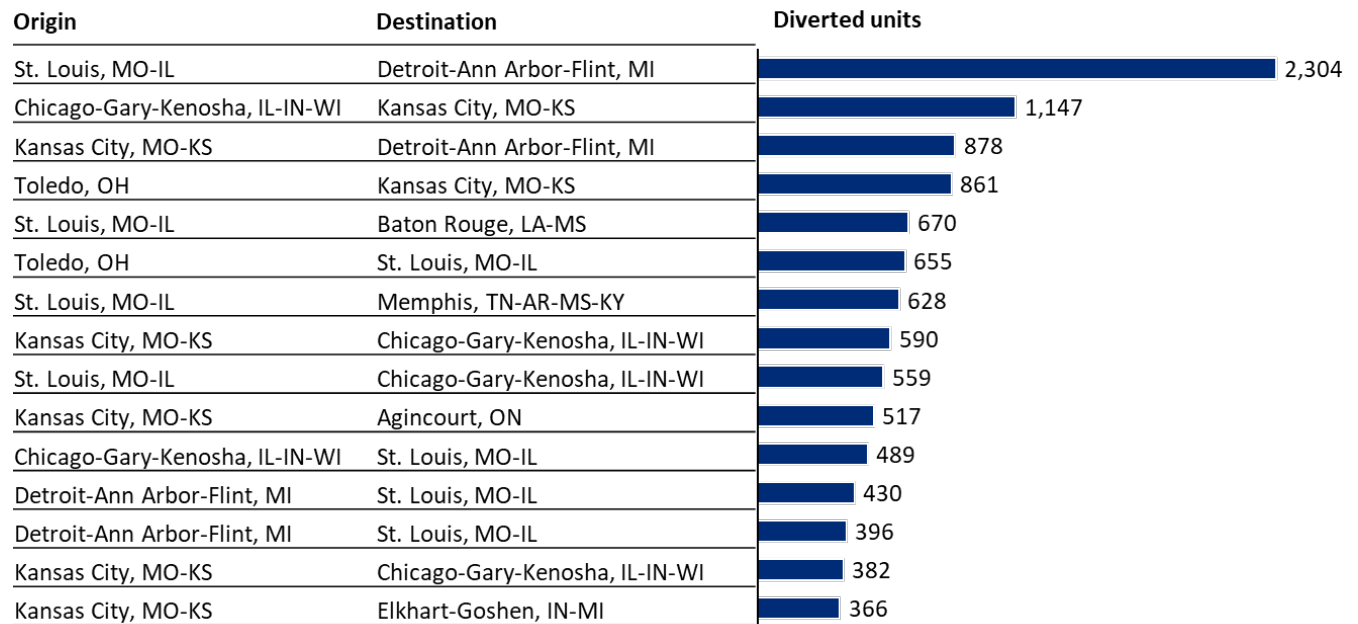
The single largest lane for rail-to-rail automobile diversions is St. Louis to Detroit, as shown in Exhibit 5-2, followed by Chicago to Kansas City. While some of these movements may be Rule 11 rebills that do not originate in St. Louis or Chicago, CN, with the acquisition of the Springfield Line, would be positioned as a strong competitor for traffic, regardless of whether it is an ultimate origin or an interline movement.¹⁸

An important step in preparing the diversion estimates was discussions with the CN commercial team to receive feedback on the geographical regions they viewed as opportunities for traffic gain due to the acquisition of the Springfield Line and the opening of new terminals. (See the statement of witness Sarah Slazinski for a commercial understanding of the automotive opportunities.)

¹⁸ Rule 11 traffic moves under different waybills, thus masking the ultimate origin and/or destination of the shipment. This can occur, for example, when trucks are used to transport shipments between rail yards, a practice known as “rubber-tired” interchanges.

Exhibit 5-2: Assembled automobiles rail-to-rail diversions, top 15 origin-destination pairs¹⁹

The St. Louis to Detroit market makes up 12.8 percent of the total 17,903 rail-to-rail diverted multilevels



5.3 Grain rail-to-rail diversion estimates

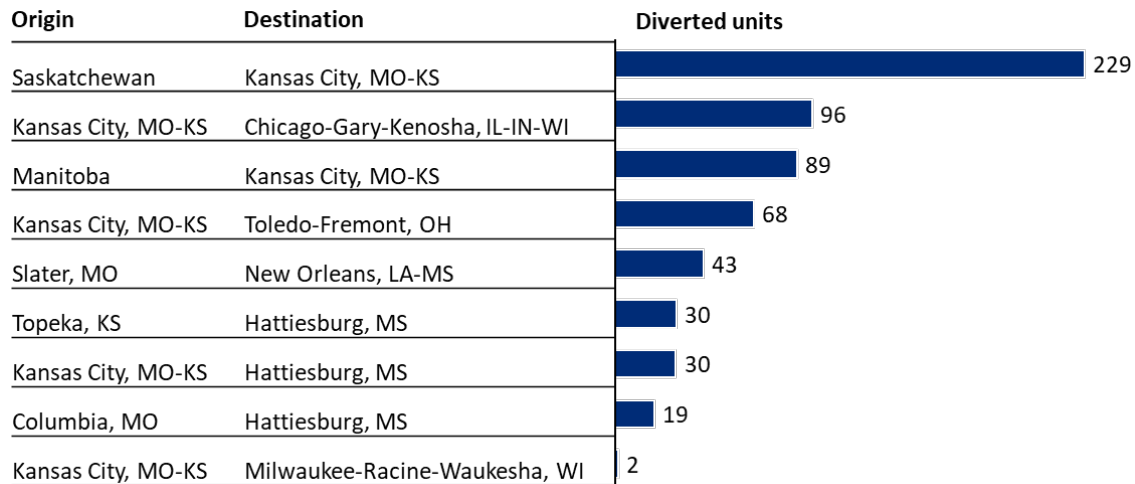
Acquisition of the Springfield line will generate modest gains for CN in grain traffic moving in existing markets, including the opportunity to divert traffic from western Canada into Midwest markets.

An important step in preparing the diversion estimates was discussions with the CN commercial team to receive feedback on the geographical regions they viewed as opportunities for traffic gain due to the acquisition of the Springfield Line and the opening of new terminals. (See the statement of witness David Przednowek, Assistant Vice-President, Grain, for a commercial understanding of the grain opportunities.)

¹⁹ STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper HC-2022January_R2R_Auto_v4.xlsx.

Exhibit 5-3: Grain rail-to-rail diversions: origin-destination pairs²⁰

An estimated total of 604 carloads of grain will divert to CN, of which 53 percent originates in Canada



5.4 Impacts on other railroads from rail-to-rail diversions

Given the importance of Kansas City as an origin and destination for Springfield Line rail-to-rail diversions, the greatest increase in competition between CN and incumbent carriers will be with BNSF and NS. As shown in Exhibit 5-4, 54 percent of the rail-to-rail diversions will involve traffic now carried by NS and 28 percent traffic carried by BNSF. Only approximately 3 percent of diversions will involve traffic now carried by CP and KCS.

²⁰ STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper HC-2022January_R2R_Grain_v4.xlsx.

Exhibit 5-4: Rail-to-rail diversions: traffic diverted from other railroads to CN²¹

Railroad	Intermodal		Automotive		Grain		Total
	New To CN	CN Extended Haul	New To CN	CN Extended Haul	New To CN	CN Extended Haul	
NS	17,693	-	6,457	2,483	68	-	26,701
BNSF	12,764	-	962	68	185	43	14,022
UP	548	-	2,909	1,651	-	-	5,108
CSXT	-	-	2,304	-	-	-	2,304
CPRS²²	-	-	1,384	14	230	-	1,628
KCS²³	-	-	-	10	78	-	88

6. Diversions Through the Port of Montreal

Acquisition of the Springfield Line by CN will create a new, single-line competitive route linking the Port of Montreal with shippers and receivers in the Midwest. This new route will give these shippers a competitive, alternative option to the Port of New York and New Jersey and other ports on the East Coast. These ports are often congested and are located further from European ports than is the Port of Montreal. For example, the Port of Montreal is 200 miles closer to the primary ports in Europe than is the Port of New York and New Jersey. This equates to one to two days of additional sailing time. With the acquisition of the Springfield Line, the rail distance between Montreal and Kansas City on CN will be equivalent to the rail distance on NS between New York/New Jersey and Kansas City.

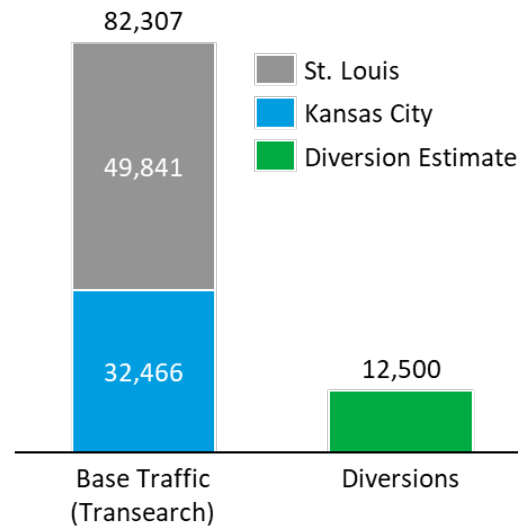
As shown in Exhibits 6-1 and 6-2, approximately 12,500 containers per year will be diverted to CN service between the Port of Montreal and the Midwest. This represents 15 percent of the approximately 82,300 containers moving from East Coast ports to the Midwest.

²¹ STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper HC-Rail to Rail losses by carrier.xlsx.

²² For purposes of diversion modeling, CP and KCS were treated as a single railroad competitor, but no attempt was made to estimate a combined CP-KCS market share. Diversions are shown individually for CP and KCS.

²³ Ibid.

Exhibit 6-1: Port of Montreal: CN diversion estimate for St. Louis and Kansas City²⁴



The estimated 12,500 diverted units to/from the Port of Montreal were assigned to Midwestern origins/destinations proportionally, based on the historical traffic patterns in the IHS Transearch data for movements between East Coast ports and the Midwest.

Exhibit 6-2: Port of Montreal diversions by origin and destination²⁵

Origin	Destination	Pct of Total Volume	Diverted units
Port of Montreal	St. Louis	45%	5,579
Port of Montreal	Kansas City	27%	3,377
St. Louis	Port of Montreal	16%	1,991
Kansas City	Port of Montreal	12%	1,553

²⁴ IHS Transearch 2019, Oliver Wyman work paper POM analysis.xlsx.

²⁵ IHS Transearch 2019, Oliver Wyman work paper POM analysis.xlsx.

7. Diverted Traffic is Estimated to Generate \$107 Million in Annual Revenue for CN

Once traffic diversions are fully phased in, which is assumed to be three years from approval of the CN acquisition of the Springfield Line (i.e., 2025), CN is projected to earn \$106.9 million in incremental revenues on an annual basis.²⁶

Exhibit 7-1: Projected CN revenue from acquisition of the Springfield Line²⁷

	Estimated change in CN car-miles not receiving discount	Average CN revenue per car-mile	Estimated change in CN car-miles receiving discount	Average CN revenue per car-mile with 5% discount	Unadjusted revenue estimate (2019 US\$)	Adjusted annual revenue estimate (2019 \$US)
Intermodal	{ }	{ }	{ }	{ }	\$ 52.7	\$ 51.0
Automotive	{ }	{ }	{ }	{ }	\$ 57.2	\$ 50.3
Grain	-	{ }	{ }	{ }	\$ 2.6	\$ 2.2
Other	{ }	{ }	-	{ }	\$ 3.3	\$ 3.3
Totals	{ }	N/A	{ }	N/A	\$115.8	\$106.9

- This revenue is in 2019 US dollars and does not consider inflation nor any organic growth of traffic on the Springfield Line.
- Average revenue per car-mile is based on revenue splits for CN originated and terminated traffic in the 2019 STB Carload Waybill Sample.
- Estimates include all mileage for new moves and only new mileage for extended haul diversions, thus not double-counting existing CN revenue.
- If the estimated revenue CN would receive for moving a rail-to-rail diverted shipment exceeds the historical revenue received by the incumbent carrier, the estimated revenues were adjusted, since a higher CN rate would be less likely to attract traffic.

²⁶ Carl Van Dyke and Derik Taylor Verified Statement shows full phase in by the year 2025

²⁷ IHS Transearch 2019; STB Carload Waybill Sample, 2019; CP-KCS 2019 waybill traffic file received from FTI; CN 2019 waybill file; Oliver Wyman work paper HC-20220208 Rev Adjustment v03.xlsx.

- A 5 percent discount was applied to the rate for rail-to-rail new volumes and non-CN originating extended hauls, since a discount may be necessary to incentivize shippers to switch carriers.
- Revenue is expected to be fully realized three years after agreement and approval to acquire the Springfield Line. Values are not adjusted for inflation.

VERIFICATION

I, David Hunt, declare under penalty of perjury that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.



David Hunt

Appendix A. Resume of David Hunt

Mr. Hunt, a Director in Oliver Wyman's Transportation & Service practice, has over 30 years of experience in the areas of transportation operations and strategic planning, national and regional transportation policy, and network modeling and operations research. Mr. Hunt focuses on projects involving regulatory and policy analysis, strategic planning, and operational improvements. His projects include:

- Developed a market share model that predicted truck/rail shares and volumes under various scenarios, including autonomous truck technologies and the potential responses by the rail industry.
- Worked with a Class I railroad to explore opportunities and value of adopting predictive maintenance practices for their railcar fleet.
- Prepared several policy white papers filed with the US Department of Transportation, addressing issues such as positive train control and use of electronically controlled pneumatic brakes.
- Called as an expert witness in rail capacity modeling as part of an international arbitration case in South America.
- Participated in discussions with the Mexican government that led to a favorable ruling for the rail industry regarding proposed regulatory action to promote competition through expanded interconnection of rail services.
- Managed the design and development of BlueNet, a facility location model used in network design.
- Developed a simulation model that showed the benefits of operating a nationwide railcar pool, the results of which were used in a Surface Transportation Board proceeding to reauthorize the operation of the pool.
- Worked with a rail industry supplier to restructure their support services, incorporating predictive maintenance tools for safer and more reliable operations.

Prior to joining Oliver Wyman, Mr. Hunt was a Senior Associate at Cambridge Systematics (CS). Mr. Hunt was also a Vice President at ALK Associates. Mr. Hunt is active in the Institute for Operations Research and the Management Sciences (INFORMS), where he was the recipient of the 2017 INFORMS President's Award. He currently serves on the INFORMS Board of Directors as Treasurer and is a member of the Transportation Research Board's Railroad Operating Technologies Committee.

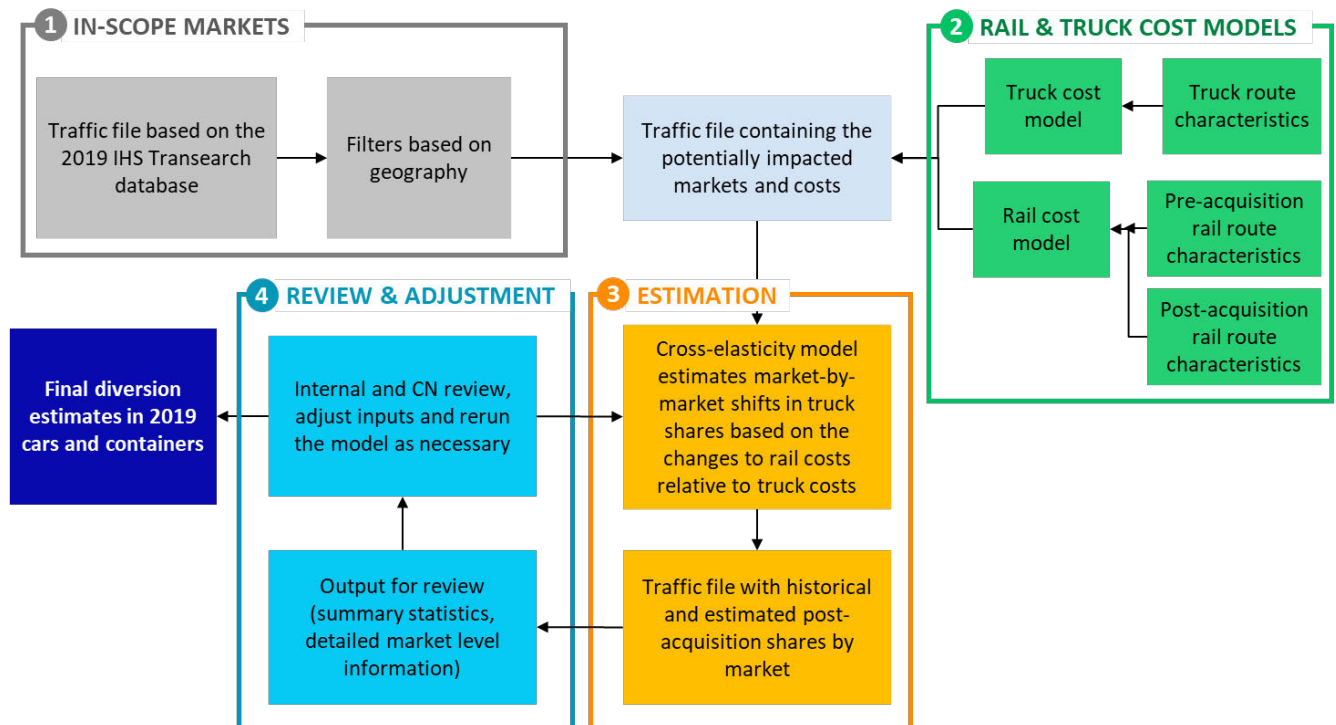
Mr. Hunt earned a BS in civil engineering from West Virginia University and a MSE from the Civil Engineering and Operations Research Department at Princeton University.

Appendix B. Truck-to-Rail Model Description

The truck-to-rail model is contained in work paper “20220121_Springfield_T2R_v19.xlsx.” The scale of the potentially divertible traffic for the Springfield Line acquisition made it possible to run the model as a spreadsheet exercise.

The components of Oliver Wyman’s truck-to-rail model are shown in Exhibit B-1, with each component discussed in more detail below. This is a cost-based model that considers the cost of a truck move relative to a rail move, using the same basic principle as used in models to evaluate previous railroad mergers in cases before the ICC and STB.²⁸

Exhibit B-1: Oliver Wyman truck-to-rail model



The key assumptions used in modeling the potential truck-to-rail diversions due to CN’s acquisition of the Springfield Line were:

²⁸ See, for example, FD 32549 Verified Statement of Peter Stone, Reebie Associates.

- A market is defined as an origin, destination, and service type.
- Market volume is fixed (cost changes will not change total demand).
- Costs for truck and rail other than the CN-Springfield Line are unchanged post-acquisition.
- Diversions of truck market volumes are bound between zero and current truck volume.

B.1 In-scope markets

Since the commodities are currently moving by truck, it is assumed that any commodity can be drayed to and from a rail terminal. The catchment areas were defined based on Bureau of Economic Analysis (BEA) regions, where the major location in the BEA was less than 200 miles from a CN terminal. A BEA was assigned to only one terminal – the closest one. The assignment of BEAs to terminals is shown in Exhibit B-2.

Exhibit B-2: Catchment area for existing and proposed new terminals, based on 200-mile limit

Existing CN Terminal	BEA	Existing CN Terminal	BEA	Existing CN Terminal	BEA
Calgary	Calgary, AB	Memphis	Memphis, TN	Winnipeg	Winnipeg, MB
	Milwaukee, WI		Tupelo		Non-CMA MB
Chicago	Chicago, IL	Mobile	Mobile, AL		
	Elkhart, IN		Saint John, NB		
	Champaign, IL	Moncton	Prince Edward I		
	Cleveland, OH		Non-CMA NB		
	Toledo, OH		Montreal, PQ		
Detroit	Detroit, MI		Quebec, PQ		
	Grand Rapids, MI	Montreal	Trois Rivières, PQ		
	London, ON		Non-CMA QC		
	Windsor, ON		New Orleans, LA		
East Regina	Regina, SK	New Orleans	Baton Rouge, LA		
Edmonton	Edmonton, AB	Prince George	Non-CMA BC		
	Non-CMA AB		Saskatoon, SK		
Halifax	Halifax, NS	Saskatoon	Non-CMS SK		
	Non-CMA NS		Hamilton, ON		
	Cincinnati, OH		Kitchener, ON		
	Dayton, OH		Oshawa, ON		
Indianapolis	Columbus, OH	Toronto	St Catharines, ON		
	Fort Wayne, IN		Toronto, ON		
	Indianapolis, IN		Non-CMA ON		
Jackson	Greenville, MS		Vancouver, BC		
	Jackson, MS	Vancouver	Victoria, BC		

New CN Terminal	BEA
	Columbia, MO
	Joplin, MO
	Kansas, MO
	Springfield, MO
Kansas City	Topeka, KS
	Des Moines, IA
	Omaha, NE
	Lincoln, NE
	Wichita, KS
	Evansville, IN
St. Louis	Paducah, KY
	St. Louis, MO
	Springfield, IL

Diversions were considered by the model if the truck traffic moved from a BEA assigned to an existing terminal to or from a BEA assigned to a new terminal (i.e., Kansas City or St. Louis). However, not every combination of BEA to BEA was included. Four rules were used to identify origin BEA – destination BEA pairs for input into the diversion model:

- **Rule 1:** Drayage catchment area is 200 miles or less at the origin and at the destination.
- **Rule 2:** CN rail length-of-haul (LOH) is greater than 400 miles.
- **Rule 3:** Average truck length-of-haul is greater than 400 miles.
- **Rule 4:** Retain origin-destination pairs where the average circuitry is less than 1.57, based on:²⁹

$$Circuitry = \frac{Orig\ Dray + Rail\ LOH + Dest\ Dray}{Truck\ LOH}$$

Exhibit B-3 contains examples of how the rules were applied.

Exhibit B-3: Examples of rules for retaining or removing origin-destination BEA pairs

Red indicates failed rule, green indicates passed rule

Orig (Term)	Dest (Term)	Rule 1 Dray O/D	Rule 2 R-LOH	Rule 3 T-LOH	Rule 4 Circuitry	Incl.
Det (Det)	KCity (KC)	<200 / <200	754	764	1.05	✓
Det (Det)	Omaha (KC)	<200 / <200	754	733	1.32	✓
Det (Det)	Tulsa (KC)	<200 / >200	754	926	1.13	X
Det (Det)	Des Moines (KC)	<200 / <200	754	600	1.62	X
Chicago (CHI)	KCity (KC)	<200 / <200	497	510	1.07	✓
Chicago (Chi)	St. Louis (ESL)	<200 / <200	290	297	1.14	X
Winpg (Win)	KCity (KC)	<200 / <200	1365	820	1.73	X
Vanc (Van)	St. Louis (ESL)	<200 / <200	2699	2219	1.24	✓

²⁹ 1.57 represents a 25 percent allowance on an average rail/truck circuitry of 1.26, calculated from the 2019 IHS Transearch database for truck (excluding LTL) and rail traffic.

B.2 Rail and truck cost models

Rail cost estimation model

The cost for a rail haul was estimated using the STB’s Uniform Rail Costing System (URCS) figures included in the 2019 STB Waybill Sample “Total Variable Cost” field, American Trucking Research Institute figures to estimate the representative cost of drayage, and R-1 data submitted to the Board by the railroads, to estimate the incremental per-ton cost due to fixed cost allocations, which would otherwise be excluded from URCS figures. Cost estimates were then reviewed with CN’s accounting team to ensure their plausibility and consistency. Exhibit B-4 shows the cost parameters applied to moves originated in CN-served locations, while Exhibit B-5 shows the cost parameters applied to moves originated in KCS-served locations. A combination of CN and KCS cost parameters was used, since all diverted traffic will use the Springfield Line. An explanation of each cost parameter follows.

Exhibit B-4: Cost of rail moves originated in CN-served locations

Service type	O-D Cost per Ton originated	Variable Cost per Ton-Mile	Fixed Cost Allocation per Ton	Fixed Cost per Ton Interchanged	Additional Cost per Ton Interchanged, per Mile >400
Auto	15.954	0.083	5.361	8.996	0.007
Intermodal	32.358	0.023	5.361	14.732	0.012
Bulk - Dry	3.963	0.026	5.361	1.886	0.002
Bulk - Tank	4.658	0.026	5.361	2.217	0.002
Flatcar	4.918	0.026	5.361	2.341	0.002

Exhibit B-5: Cost of rail moves originated in KCS-served locations

Service type	O-D Cost per Ton originated	Variable Cost per Ton-Mile	Fixed Cost Allocation per Ton	Fixed Cost per Ton Interchanged	Additional Cost per Ton Interchanged, per Mile >400
Auto	15.954	0.083	5.579	8.996	0.007
Intermodal	23.520	0.021	5.579	14.732	0.012
Bulk - Dry	3.963	0.026	5.579	1.886	0.002
Bulk - Tank	4.658	0.026	5.579	2.217	0.002
Flatcar	4.918	0.026	5.579	2.341	0.002

The costs are established as follows:³⁰

- **O-D cost per ton originated:** the cost of originating or terminating a rail haul and corresponds to the intercept of an Ordinary Least Squares (OLS) regression on the costed 2019 STB Carload Waybill Sample, for each service type (i.e., the extrapolated “zero-mile cost”), divided by the average number of tons per railcar in each service type. Conceptually, the figure corresponds to loading/unloading, switching, and other operations which must take place regardless of the distance traveled for a railcar. The focus was on carload traffic, so only included movements in the calculations that had less than 10 carloads of the same commodity group.
- **Variable cost per ton-mile:** the variable component of cost, which corresponds to the variable coefficient in the Ordinary Least Squares (OLS) regression on the costed 2019 STB Carload Waybill Sample, for each service type. Unit trains were excluded from the calculation by only considering rail moves with less than 10 carloads of the same commodity group.
- **Fixed cost allocation per ton:** URCS-based STB Carload Waybill Sample costs only consider the variable portion of railroad costs. However, to fully capture the cost of rail service, certain fixed costs should be allocated to each move. To determine the total amount to be allocated, I used R-1 reported cost data for CN and for KCS and subtracted the total estimated costs in the expanded Carload Waybill Sample for CN (US only) and KCS (US only). The Carload Waybill Sample data only considers variable costs, whereas R-1 data includes both this variable portion as well as fixed costs. I then allocated these fixed costs on a per-ton basis for each rail move.
- Finally, to determine the cost of an interchange, I used the URCS software for 2019 to estimate the cost of rail moves of different lengths, adding and removing interchanges. Based on the results I obtained from the software, and using a simple extrapolation, I determined the average cost gap between a 400-mile move with an interchange and a 400-mile move without interchanges and used it to estimate the fixed cost per ton

³⁰ In cases where parameters for KCS costs had a wide confidence interval (driven by smaller sample sizes for certain types of moves on the KCS network), I applied CN costs. I believe that the costs thus obtained are reasonable and representative of the true costs of a rail move for modeling purposes.

interchanged. Since URCS estimated an additional cost for longer hauls with interchanges, I applied the same increase in my cost model, in the form of an additional cost per ton interchanged, per mile of haul beyond the initial 400 miles.³¹

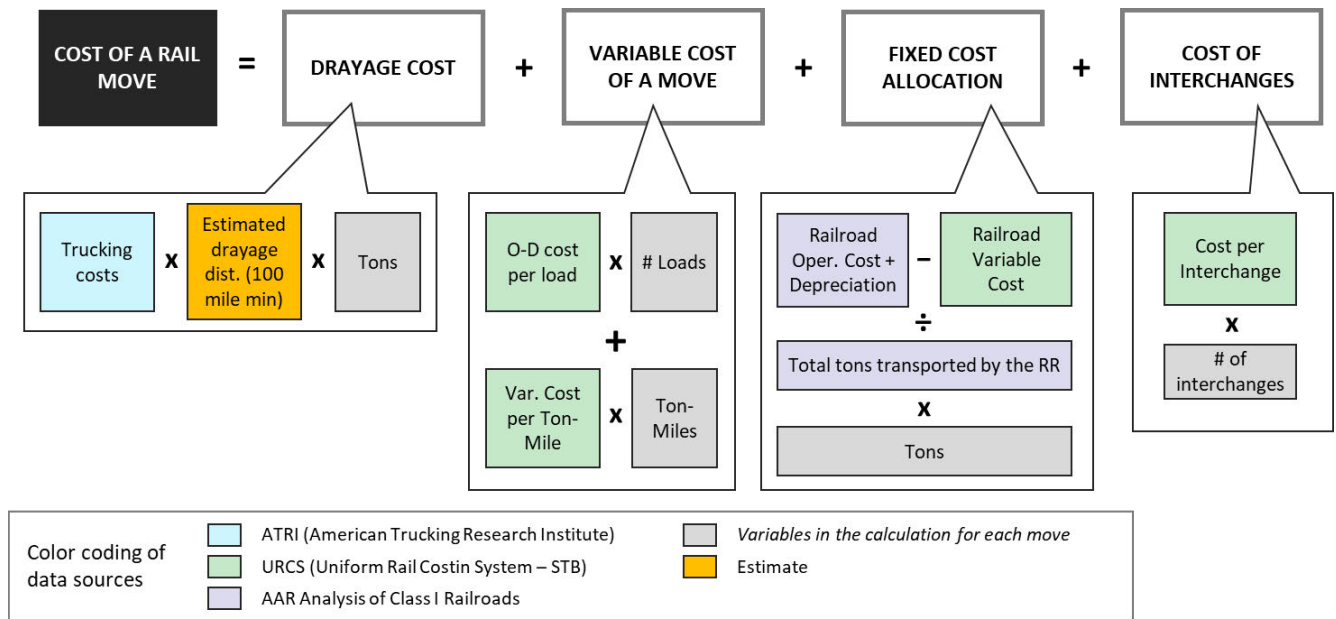
- In addition to the rail costs described above, I applied a drayage cost assumption for rail moves with a minimum of 100 miles at each end, to represent a minimum cost and then an additional charge for each mile above 100.

The resulting rail costs were discussed with CN's accounting teams and deemed to be in line with their expectations. The cost per ton-mile is higher for commodity groups with lower average net weight (automotive and intermodal) and lowest for bulk (which includes general merchandise). As expected, the estimated cost per ton-mile also decreases with distance. Finally, rail becomes increasingly competitive against trucking for longer distances, with a substantially lower cost per ton-mile for long distances.³² Exhibit B-6 is a diagram depicting the rail cost process.

³¹ I use 400 miles as a cutoff because no truck-to-rail diversions are assumed to occur on moves that are shorter than 400 miles.

³² Although rail costs per ton-mile are generally substantially lower, in many cases rail routes are more circuitous than trucking routes, due to the many more miles of roadway available for use versus rail miles.

Exhibit B-6: Process used to estimate rail costs



This approach leverages consistent cost data provided by the STB and the AAR

Truck cost estimation model

To estimate truck transportation costs, I used data provided by ATRI (American Trucking Research Institute) in their 2020 update of the Analysis of the Operational Costs of Trucking.³³ In my experience, ATRI provides the most credible and useful data source available for trucking costs. The report estimates an average cost per mile of \$1.652 in 2019, which is the base year for all my calculations. To estimate the average cost per ton-mile, I used Oliver Wyman estimates of the average payload and percent of empty miles by truck type. I used these figures in conjunction with the ATRI cost estimates to obtain the figures presented in Exhibit B-7. Since my analysis only covers O-D pairs located more than 400 miles apart, I modeled trucking costs as being linear, with an intercept at zero. I believe that these costs are representative of trucking costs for lengths of haul that are in scope for this study.

³³ Analysis of the Operational Costs of Trucking 2020, American Truck Research Institute, p. 19.

Exhibit B-7: Process used to estimate truck costs

A	Starting point: Average cost per mile (2019)	\$1.652	Source: American Trucking Research Institute (ATRI) – An Analysis of the Operational Cost of Trucking 2020
B	- Adjustment by truck type: - Automotive - Intermodal - Hopper truck, tank truck, flatbed		Source: Characteristics & Changes in Freight Transportation Demand, Oliver Wyman analysis
C	- Adjustment to Cost per Net Ton Mile: - Truck payload by type % of empty trips by type of truck		Source: Characteristics & Changes in Freight Transportation Demand, Oliver Wyman analysis
D	Cost per net ton mile: Automotive	\$0.1315	
	Cost per net ton mile: Intermodal	\$0.1315	
	Cost per net ton mile: Dry Bulk	\$0.0941	
	Cost per net ton mile: Tank	\$0.1329	
	Cost per net ton mile: Flatbed	\$0.0806	

Drayage costs were based on net ton-mile costs, except that since drayage moves will be shorter distances, a 100-mile minimum was set at both the origin and destination. If drayage distances exceeded 100 miles, then the additional mileage charges were added to the cost, which has the effect of reducing diversion percentages, since long drays increase rail cost when compared to a truck move.

B.3 Estimation process

The data for the model came from the IHS Transearch freight database. Rail was defined as modes Rail Carload (mode=1), Rail Intermodal (mode=2) and Rail Not Elsewhere Classified (mode=3). Trucks were defined as Truck Truckload (mode=4), Truck Private (mode=6), and Truck Not Elsewhere Classified (mode=7). Less-than-truckload truck moves were excluded. The geography included was based on the description contained in Section B.1.

The Oliver Wyman truck-to-rail diversion model is a logistics regression that predicts how truck-rail market share will change based on changes in the cost differential between truck and rail. The detailed model is contained in work paper “20220121_Springfield_T2R_v19.xlsx.” The truck-to-rail model is first used to estimate pre-acquisition market shares (base case) and then used to estimate post-acquisition market shares. If the difference between post-acquisition and the base case results in a gain in rail market share, the difference is the diversion estimate.

Subtracting the diversions from the base case, rather than from historical traffic volume, helps to eliminate biases in the model. The model is prevented from diverting more tons than historically moved by truck in each market. Diverted tons were then converted into carloads and containers using average weights obtained from the 2019 STB Carload Waybill Sample, as shown in Exhibit B-8.

Exhibit B-8: Conversion of diverted tons to railcars and containers

Service Type	Key	Tons/Unit	Criteria Used in STB CWS
Intermodal	I	12.86	Service Type = 2
Auto	A	21.29	Service Type = 4
Flatbed	F	81.53	AAR Cartype = F
Dry Bulk	D	90.57	Service Type = 1
Liquid Bulk	L	86.37	AAR Cartype = T

Calibration of the logistics regression model was based on the 2019 IHS Transearch freight database for truck (excluding LTL) and rail, for moves exceeding 400 miles. Coefficients were calculated for intermodal, automotive, dry bulk, liquid bulk, and flatbeds by minimizing the sum of the square error (the square of the base case model prediction minus the historical market share).³⁴

³⁴ Oliver Wyman work paper T2R_Calibrations.xlsx.

B.4 Review and adjustment

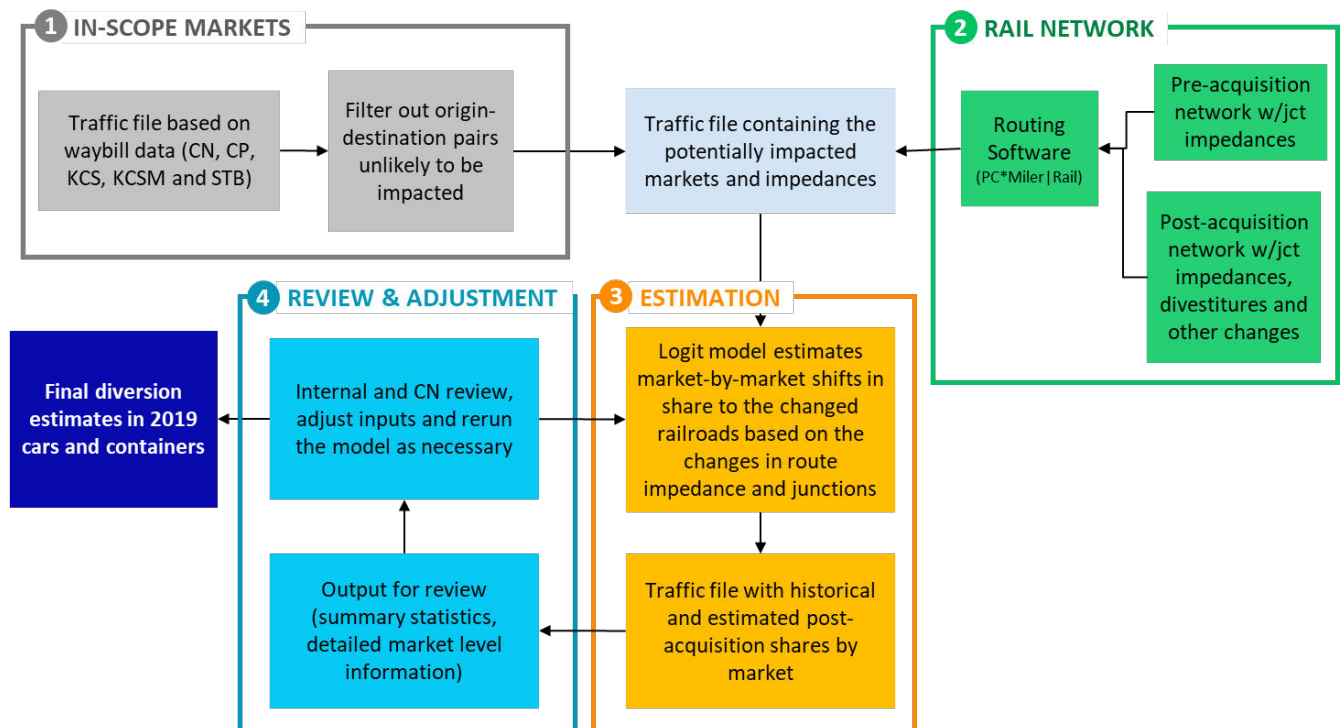
The final step was to review the diversion results internally and with CN to assess the findings. The reviews involved an explanation of the model assumptions and a review of diverted traffic, with market totals and diversion percentages removed to protect confidential data. Based on the review feedback, adjustments were made to the markets eligible for diversions and the model rerun and reviewed again.

Appendix C: Rail-to-Rail Model Description

The rail-to-rail model is contained in work papers “HC-2022January_R2R_Auto_v4.xlsx,” “HC-2022January_R2R_Intermodal_v4.xlsx,” and “HC-2022January_R2R_Grain_v4.xlsx.” The scale of potentially divertible traffic for the Springfield Line acquisition made it possible to run the model as a spreadsheet exercise.

The components of Oliver Wyman’s rail-to-rail model are shown in Exhibit C-1, with each component discussed in more detail below. This is the same structure and type of model I used to evaluate diversion analyses for railroad mergers in the 1980s and 1990s, while employed at ALK Associates. This model has been used in numerous ICC and STB rail merger cases.³⁵

Exhibit C-1: Oliver Wyman rail-to-rail model



³⁵ For example, see FD 32549 Verified Statement of Mark Hornung of ALK Associates.

The key assumptions used in modeling the potential rail-to-rail diversions due to CN's acquisition of the Springfield Line were:

- A market is defined as an origin, destination, and service type.
- Market volume is fixed (a gain by CN's acquisition of the Springfield Line is offset by losses on other railroads).
- To isolate the impact of the proposed Springfield Line acquisition, junction impedances for CP-KCS are set to zero (assumes they are merged) to reflect where the merged carrier is a competitor, but no effort was made to estimate CP-KCS market share.
- Impedance and junction frequency are surrogates for costs and service quality, which are properties that influence shipper route choice selection.

C.1 In-scope markets

The data was assembled from 2019 waybill files provided by CN, CP-KCS (through FTI) and the STB. To avoid double-counting traffic, the CN waybill data was used first, then the CP-KCS waybill data with all records involving CN removed, and finally the STB Carload Waybill Sample with all records involving CN, CNUS, CPRS, CPUS, KCS, and KCSM removed. Geographic filters were applied to select traffic between CN currently served regions and the proposed new terminals in Kansas City and East St. Louis and areas served by these new terminals.

Whether or not rail traffic is competitive is dependent on a range of factors, including the type of traffic, length of haul, and volumes. The details of which markets were included and which were cut are contained in the diversion model work papers.³⁶ In general:

- **Intermodal:** traffic within the same BEA or neighboring BEA at both the origin and destination was considered to be competitive.

³⁶ Oliver Wyman work papers HC-2022January_R2R_Auto_v4.xlsx, HC-2022January_R2R_Intermodal_v4.xlsx, and HC-2022January_R2R_Grain_v4.xlsx.

- **Automotive:** since assembled automobiles tend to have more concentrated origins and disbursement destinations (e.g., auto assembly plant shipping to a region for distribution to dealers), auto diversions were restricted to a SPLC at the origin and a BEA at the destination.
- **Grain:** has some flexibility in rail loading and unloading locations. BEAs were used at the origin and destination for grain diversions.

C.2 Rail network

The traffic diversion model is network-based, where before and after scenarios are constructed that reflect pre- and post-transaction changes to the network. In the case of the Springfield Line acquisition by CN, I assumed the “before case” is the current North American rail network with CP-KCS merged. This reflects CN’s request that the Springfield Line be divested as a condition of the merger. I did not attempt to determine CP-KCS post-merger market shares; I included CP-KCS for the purpose of modeling the competitive routes.

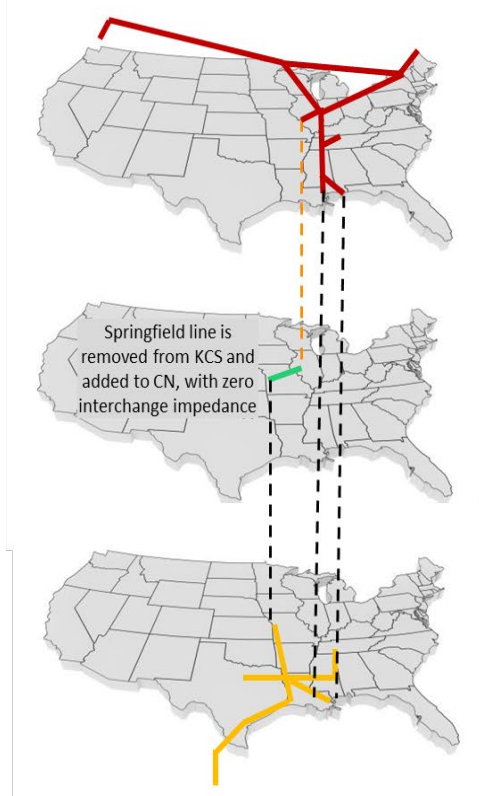
Exhibit C-2 demonstrates the type of changes made to the post-merger network. “Vertical” junction links are added reflecting interchanges, and impedances (which represent an “interchange cost” specified in terms of miles) are assigned based on historical traffic volumes at the junction between railroads. A 350-mile impedance is used for high-volume junctions, while a 650-mile impedance is used for low-volume junctions. A junction between two railroads in the same family, as would be the case for CP-KCS interchange locations post-merger, is assigned an impedance of zero. The rules for assigning impedances to junctions are provided in Exhibit C-3. In modeling the Springfield Line, I assumed the pre-acquisition base case has an impedance of 650 miles between CN and KCS at Springfield.³⁷ In the post-acquisition case, the impedance is set to zero, reflecting the assumption that the Springfield Line is part of CN.

³⁷ The name “Springfield” is used for the interchange in the Springfield area, which is physically at Cockrell, IL.

Exhibit C-2: Defining the network-based scenarios

Post-Merger Network

Illustrative – does not show all railroads included in model



Pre and Post-Acquisition Network Scenarios

- **Pre-Acquisition:** CN and KCS have low interchange volumes at Springfield/Cockrell in the 2019 base year, therefore the impedance is set to 650 miles.
- **Post-Acquisition:** the Springfield line is considered part of CN, and there is a zero interchange impedance for CN to move traffic over this line to any location, including Kansas City and St. Louis.
- **Other Interchanges:** all other interchange locations between railroads are retained at the impedances reflecting 2019 base year interchange volumes. This has the effect of keeping the gateway open and operating as it did in 2019.
- **Example:** moving from Detroit to Kansas City on CN-KCS through Springfield has an impedance of 1404 (754 miles + 650 jct imp) pre-acquisition, and 754 (754 miles + 0 jct imp) post-acquisition

Exhibit C-3: Junction impedances are set based on historical volumes from waybill data

2019 Interchange Volume	Junction Impedance	Notes
Same Family	0	No impedance at the interchange
< 730	650	< 2 loaded units/day
730 to < 3,650	550	2 to 10 loaded units/day
3,650 to < 17,800	450	10 to 50 loaded units/day
> 17,800	350	> 50 loaded units/day

C.3 Estimation process

A logit model is used to estimate the pre-acquisition market shares (base case) and post-acquisition market shares, with the difference between post-acquisition minus the base case being the diversion estimate. Subtracting the diversions from the base case rather than from historical traffic volumes helps to eliminate biases in the model.

The coefficients for the logit model were calibrated using the STB 2019 Carload Waybill Sample.³⁸ Coefficients were calculated for intermodal, automotive, and all other by minimizing the sum of the square error (base case model prediction minus historical volumes). The coefficients are applied to the route impedance divided by the minimum impedance in the market and the route junction frequency plus one, divided by the minimum junction frequency in the market plus one.

The logit model is formulated as:

$$\text{Share for route}_i = \frac{\text{probability shipper selects route}_i}{\text{sum of probabilities for all routes in market}}$$

The model is run by comparing the route characteristics of:

- All historical routes in the market, where a route is defined as the railroad sequence used from the origin to the destination
- The route that was added or changed (i.e., CN with Springfield Line)
- Other routes that may not have historical share, but are potentially competitive in the market

As an example, for intermodal traffic moving from Detroit to Kansas City, there are three possible single-line competitors:

- NS, which historically has moved traffic in this lane
- CN with the Springfield Line as a new competitor
- CP, which has not historically moved intermodal traffic, since it does not have an intermodal terminal in Kansas City. However, a CPKC route is added with zero historical share, since it would be a competitor post-merger and post-acquisition of the Springfield Line by CN.

³⁸ Oliver Wyman work papers HC-R2R_IM_Calibration.xlsx, HC-R2R_Auto_Calibration.xlsx, and HC-R2R_Other_Calibration.xlsx.

C.4 Review and adjustment

The final step was to review the diversion results internally and with CN to assess the findings. The reviews involved an explanation of the model assumptions and a review of diverted traffic, with market totals and diversion percentages removed to protect confidential data. Based on the review feedback, adjustments were made to the markets eligible for diversions and the model rerun and reviewed again.

Exhibit 12B

Verified Statement of Keith Reardon

PUBLIC VERSION

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

VERIFIED STATEMENT OF KEITH REARDON

My name is Keith Reardon. I currently serve as Senior Vice-President, Consumer Product Supply Chain Growth, for CN, a role I assumed in 2018. I am responsible for the execution and expansion of CN's intermodal and automotive

PUBLIC VERSION

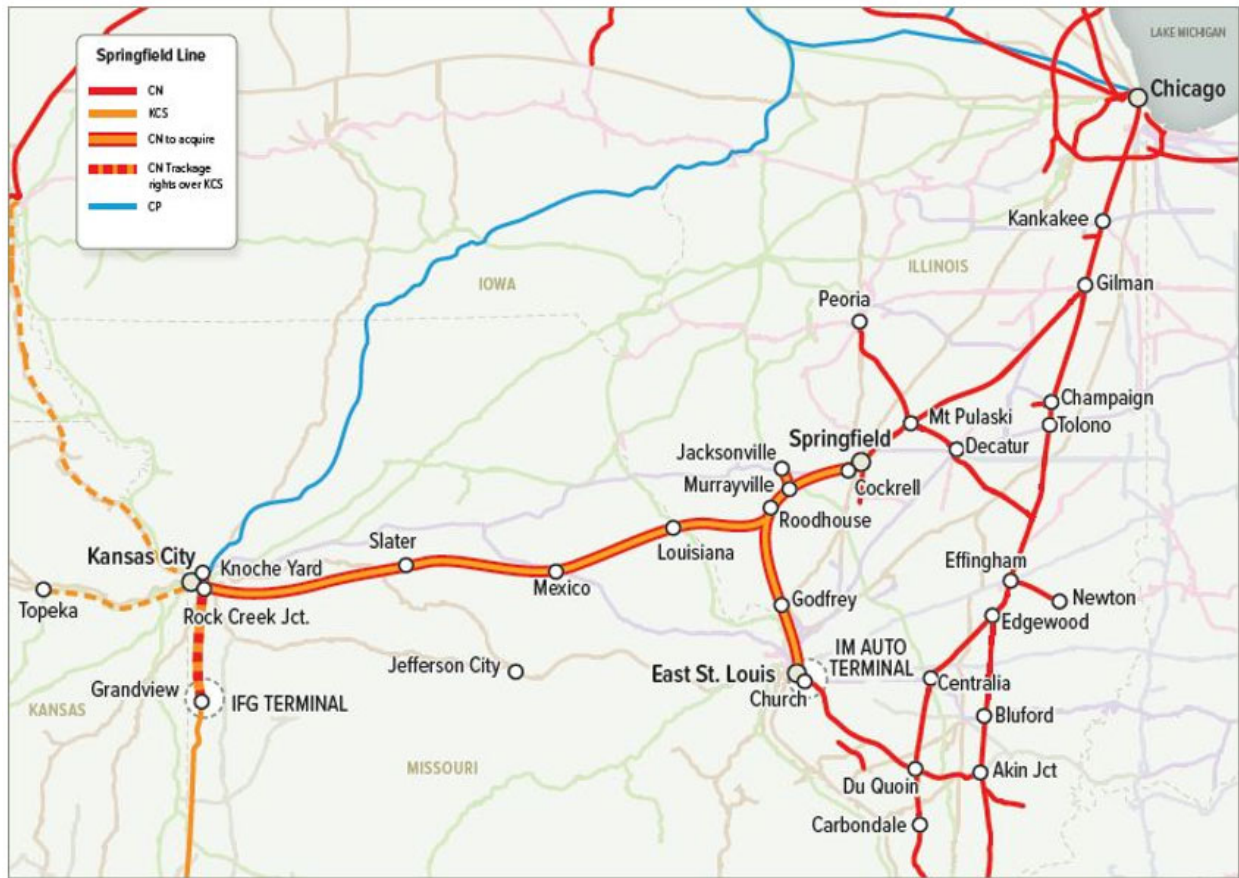
businesses, leading the commercial and non-rail operations in my supply chains, and adapting last-mile services for customers. I also oversee all aspects of the Company's domestic and international intermodal and automotive activities, and CN's Supply Chain Sales groups, corporate revenue planning, and business development.

Prior to my appointment as Senior Vice-President, Consumer Product Supply Chain Growth, my positions at CN have included Vice-President of Intermodal and Automotive from 2017 to 2018; Vice-President of Intermodal Services from 2012 to 2017; and Vice-President of Supply Chain Solutions from 2009 to 2012, where I was responsible for, among other things, CN's non-rail transportation services, including transloading, freight forwarding, and warehousing. I have also directed many supply chain and business development initiatives for CN, working closely with CN customers and partners. I have more than 25 years of experience in the field of logistics. I hold a Bachelor of Arts degree in Marketing and an MBA from the University of North Florida.

Given my current role and experience, I am knowledgeable about the CN's vision for the Springfield Line as shown in Figure 1 below if the Board orders divestiture of the line to CN. As shown in Figure 1 below, CP and KCS own parallel tracks in this corridor. The merger, however, will diminish the incentive of CP-KCS to efficiently utilize the Springfield Line because that would threaten to divert traffic from CP.

PUBLIC VERSION

Figure 1: The Springfield Line Divestiture to CN



If CN acquires the Springfield Line, CN is committed to invest \$250 million in the Springfield Line as well as the adjacent CN Gilman Subdivision in Illinois. CN's investment would have substantial benefits for intermodal and automotive customers. CN would also add new automotive and intermodal terminal facilities in East St. Louis yard and in the International Freight Gateway (IFG) outside of Kansas City. Ownership of the line will enable CN to invest to address current inadequate facilities on the Springfield Line near Cockrell, expand existing sidings in Illinois and Missouri, and add a new siding. These investments benefit local and overhead customers who rely on the line. As a responsible steward for the Springfield Line, CN

PUBLIC VERSION

will create substantial benefits for intermodal and automotive rail customers from new terminal service offerings, increased service, reduced transit times, and increased resilience from supply chain disruptions. This is responsive to current needs of customers, who have moved from just-in-time inventory management to a just-in-case approach in the last two years.

The benefits of the Springfield divestiture extend beyond our rail customers. CN's diversion analysis performed by David Hunt concludes that CN can take more than 80,000 long-haul trucks off the highways annually that have been traveling hundreds of miles. This benefits communities by reducing congestion on highways and benefits the environment by reducing carbon emissions. It also furthers the Board's and the Biden Administration's sustainability and conservation goals. Without divestiture of the Springfield Line to CN, these benefits would be permanently foreclosed by a CP-KCS merger. These benefits will not be achieved without divestiture of the Springfield Line.

CP-KCS will not be harmed by divestiture of the KCS line, as they will continue to own the CP line between Kansas City and Chicago, and I understand that their Application has focused their investment plans solely on that parallel CP line. Nor would local customers on the Springfield Line lose their ability to reach points on the KCS (and if the Board approves the combination, points on the CP-KCS) because CN is proposing a haulage agreement for the merged CP-KCS under which CN would provide service on the line. CP-KCS would have ratemaking authority for local customers on the line. Nor would a merged CP-KCS lose the ability to interchange

PUBLIC VERSION

with other railroads in East St. Louis, which would be permitted under the haulage agreement.

I. DIVESTITURE OF THE SPRINGFIELD LINE WILL ENSURE THAT A UNIQUE RAIL ASSET IS EFFICIENTLY UTILIZED.

The Springfield Line has been a competitive route for rail customers between Kansas City and Chicago for more than 100 years. That line served as a direct connection between Kansas City and Chicago until 1989, when it became owned by two railroads instead of one. In the period since, the Springfield Line has continued as a competitive commercial routing option in the Kansas City to Chicago corridor. The combination of CP and KCS would sever the Springfield Line's connection to Chicago that has been in place for more than 140 years.

As early as 1878, the Springfield Line was under common ownership with a line to Chicago. The Springfield Line came into control by the Alton Railroad in 1878 and connected Chicago to Kansas City, Missouri and East St. Louis, Illinois. The Alton Railroad merged with the Gulf, Mobile and Ohio Railroad, which in 1972 merged with the Illinois Central Railroad and formed the Illinois Central Gulf Railroad (ICG). ICG sold the Chicago to Kansas City/East St. Louis route, including the Springfield Line, in 1987 to the Chicago, Missouri and Western Railway (CM&W). CM&W could not service its debt with revenues and declared bankruptcy. A bankruptcy trustee in 1989 sold the CM&W lines to two separate railroads. The Southern Pacific subsidiary known as SPCSL Corp. (now part of Union Pacific) purchased the Chicago to East St. Louis line in 1989. Gateway Western subsequently

PUBLIC VERSION

purchased the remaining portion from the CM&W Trustee out of bankruptcy in 1990. KCS purchased Gateway Western in 1997.

When the ownership of the segment to Chicago was severed in the bankruptcy proceeding, the railroads and the Board's predecessor took steps to ensure the Springfield Line would have access to Chicago with the owner of the Springfield Line having ratemaking authority between Kansas City and Chicago. This included a haulage agreement with the SPCSL Corp., a subsidiary of Southern Pacific Transportation Company, as well as unrestricted trackage rights for Illinois Central Railroad Company that allow interchange with KCS at Cockrell (near Springfield, Illinois). SPSCL then merged with Union Pacific as part of the UP-SP merger. At the time of the UP-SP merger in 1996, railroads acted to maintain the Springfield Line's connection to Chicago. Gateway Western negotiated with UP-SP so that traffic could move between Kansas City and Chicago via Springfield and Illinois Central's line to Chicago. That interchange at Springfield between KCS and CN has been in place since then. As Daniel Bresolin explains in his verified statement, CN has worked with KCS to use the Springfield Line as a connection to Chicago via CN. Those efforts include an alliance agreement with KCS, which was developed as part of the CN-IC merger, that sought to move intermodal and other traffic via the Springfield Gateway between Kansas City and CN's midwestern network, including Chicago.

To be sure, KCS' Springfield Line is currently underutilized despite its ability to connect Kansas City and Chicago. I understand KCS previously recognized the enormous potential of this line by upgrading it to a "Speedway" that would provide

PUBLIC VERSION

superior service to CP's parallel line.¹ But a merged CP-KCS would not have the incentive to preserve and improve the Springfield Line. I understand Applicants do not plan any merger-related investment in the Springfield Line. I likewise understand that they are not adding new intermodal and automotive terminal facilities in East St. Louis. Nor do they intend to expand the yard track and sidings on the line. This is not surprising because CP has a parallel track between Kansas City and Chicago, and any investment in the Springfield Line threatens its parallel route. There is no reason for CP to steal from Peter to pay Paul.

Favoring the CP parallel routing and starving the Springfield Line of capacity improvements would deprive customers of a competitive rail option between Chicago and Kansas City, as well as a means of efficiently getting to East St. Louis. Ultimately, allowing a merged CP-KCS to maintain control of the Springfield Line would reduce customers' competitive options between Kansas City and Chicago (and beyond to Detroit and Eastern Canada). The Springfield Line would remain underutilized. This would harm not only customers who would use the Springfield Line, but also customers throughout the U.S. and North American rail network, who need resiliency and optionality in their supply chains. Allowing a crucial vein of the U.S. rail network between Kansas City and Chicago to remain underutilized negatively impacts the resiliency, capacity, and efficiency of the entire rail network

¹ See, e.g., Exhibit 14, June 3, 2021 CN-KCS Presentation Slides, Bernstein's 37th Annual Strategic Decisions Conference ("Bernstein Slides"), at 5 (touting the "Kansas City Speedway – connecting CN's Midwest foothold and the KC region").

PUBLIC VERSION

in a moment in history when more—and not less—supply chain solutions are sorely needed.

By contrast, if the Springfield Line were divested, CN would ensure it is utilized efficiently. In particular, CN would invest \$250 million in the Springfield Line and CN's adjacent Gilman Subdivision within three years of the transaction in order to unlock the value of the Line for the benefit of customers and communities. The Springfield Line would offer faster, safer, more efficient rail service between the key gateways of Kansas City, East St. Louis, Chicago, Detroit, and beyond to Eastern Canada. The extensive capital projects CN would undertake are explained in detail in our responsive application.

II. DIVESTING THE SPRINGFIELD LINE TO CN WOULD BENEFIT INTERMODAL AND AUTOMOTIVE CUSTOMERS.

With the Springfield Line running parallel to CP's mainline between Kansas City and Chicago, a CN-owned Springfield Line would renew important, alternative single-line routing options for traffic moving between Kansas City and Chicago. It would also establish single-line routing options to other points on CN's network and Kansas City. CN—by growing the Springfield Line—would compete directly with trucks, and other railroads, including a combined CP-KCS single-line route.

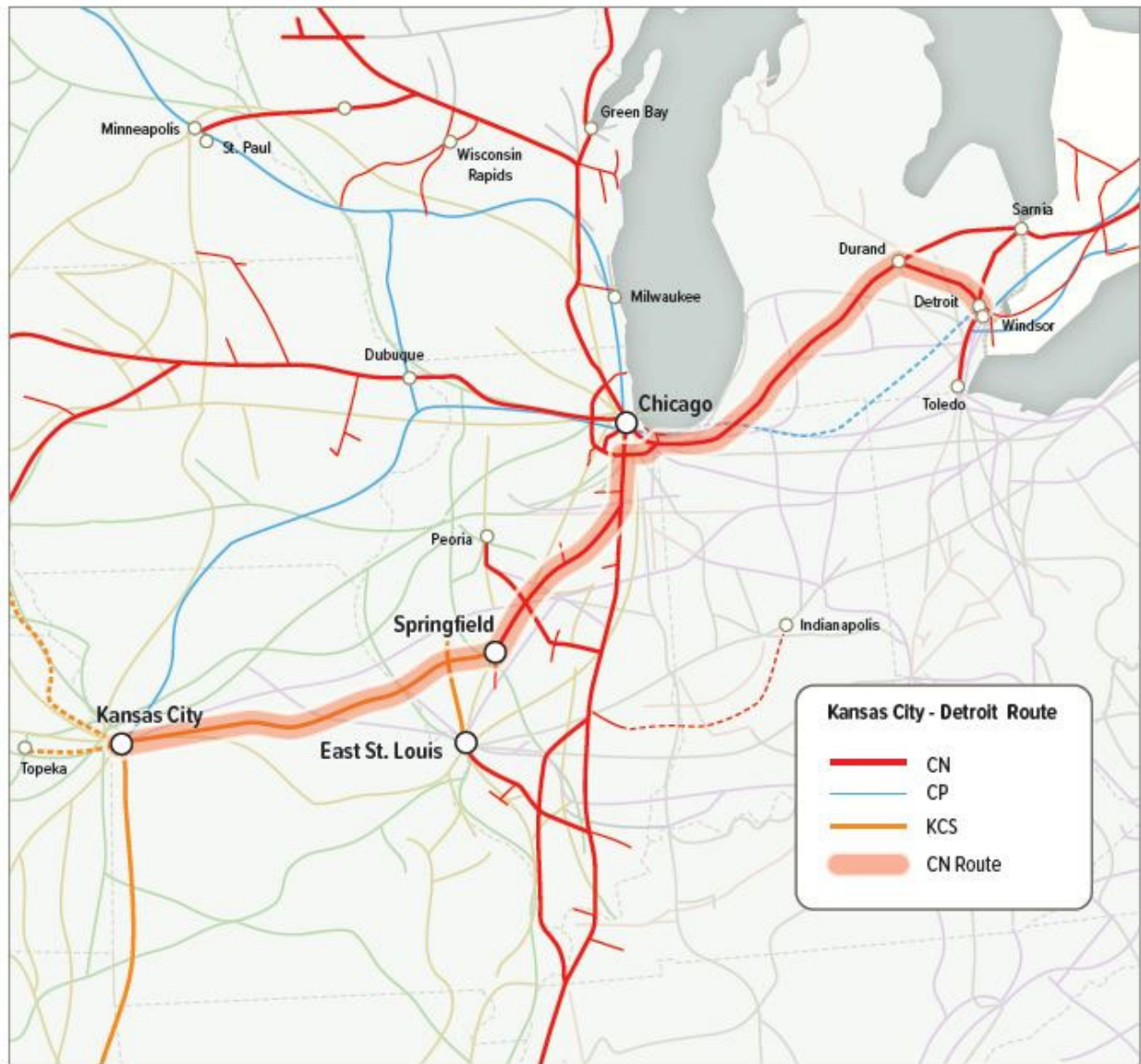
Divestiture of the Springfield Line would particularly benefit intermodal and automotive customers who ship to or from Detroit and Toronto. As explained in more detail in the Verified Statement of Sarah Slazinski, CN serves numerous auto plants and associated businesses in the Detroit and Toronto area. CN's route to move intermodal and automotive traffic between Detroit and Kansas City is shown in

PUBLIC VERSION

Figure 2, its route between Toronto and Kansas City is shown in Figure 3, and its route between Montreal and Kansas City is shown in Figure 4. The new CN route will be a direct and efficient way of connecting these areas to Kansas City. CN's new route will particularly benefit intermodal and automotive customers because CN's ability to serve those customers is limited by its trackage rights and tunnel height restrictions at the U.S./Canada border. As such, CN's new single-line access between Toronto and Detroit to Kansas City and East St. Louis would lower costs, offer access to new destination automotive markets near Kansas City, and increase the supply chain resiliency for finished autos and auto parts.

PUBLIC VERSION

Figure 2: CN Route Between Detroit and Kansas City via Springfield Line



PUBLIC VERSION

Figure 3: Springfield Divestiture to CN Increases Rail Options Between Toronto and Kansas City

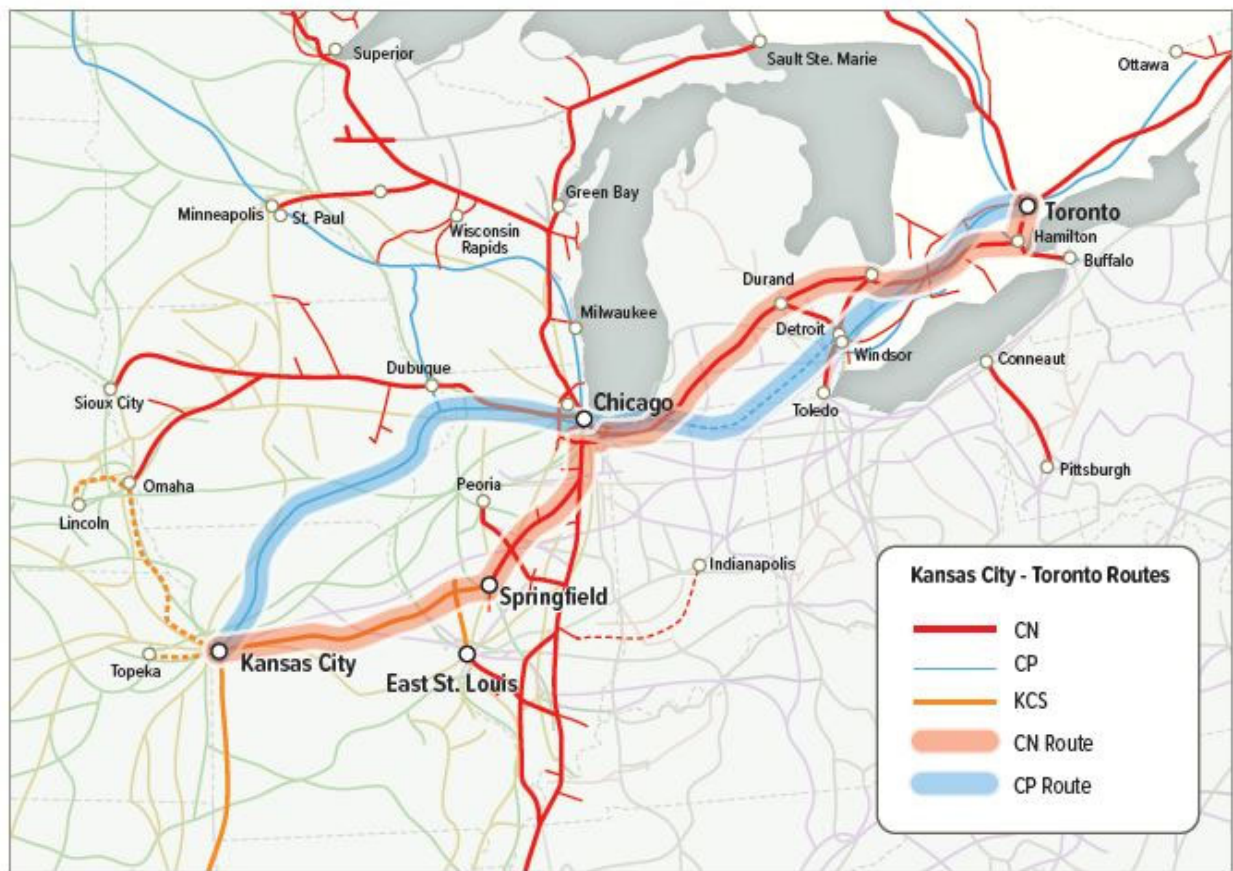
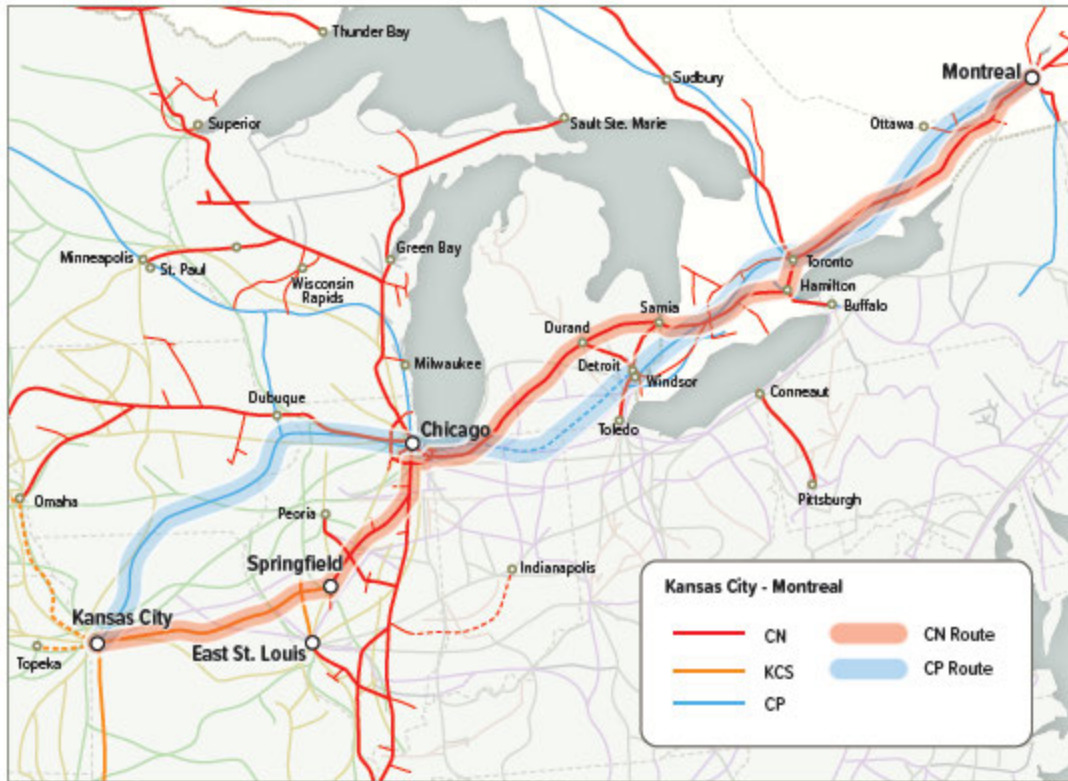


Figure 4: Springfield Divestiture to CN Increases Rail Options Between Montreal and Kansas City



Importantly, CN's proposal for the Springfield Line divestiture would only *increase* the transportation choices of all of KCS' current customers on the Springfield Line. This is because CN would give CP-KCS haulage rights to continue to commercially access customers on the Springfield Line, while CN would provide service to customers on the line. In this way, all customers on the Springfield Line would gain an option, and no local customer would lose a rail option. In addition, CN would give the merged CP-KCS overhead haulage rights to interchange with other carriers, including CSX Transportation, Inc., in the East St. Louis terminal.

PUBLIC VERSION

III. DIVESTING THE SPRINGFIELD LINE TO CN WOULD OFFER SIGNIFICANT BENEFITS TO U.S. RAIL CUSTOMERS, COMMUNITIES, AND THE ENVIRONMENT.

Beyond the benefit to automotive customers, divestiture of the Springfield Line to CN—given CN’s commitment to invest \$250 million—would generally improve transportation options for customers, better utilize the U.S. rail network, increase rail-to-rail competition, and take more than 80,000 long-haul trucks off the road annually through increased truck-to-rail competition, among many other benefits. Many customers, including intermodal and automotive, would particularly benefit, as would any customers who rely on the corridors between Kansas City and Chicago, Detroit, and Eastern Canada.

By increasing average train speeds on the Line, as CN’s investment would accomplish, traffic will flow more efficiently over it, reducing transit times and increasing capacity. CN expects to add approximately two trains per day to the CN network between CN’s automotive and intermodal facilities near Chicago (in Hazel Crest and Harvey, Illinois) and Kansas City once the Line investments are completed as expected in year 3. These investments will, in turn, stimulate more business, more jobs, and more market opportunities for customers and communities along the Springfield Line. As Derek Taylor explains, Illinois Central will be hiring to staff the Springfield Line and will offer priority hiring consideration to active employees on the Springfield Line for IC’s open positions. Illinois Central projects to hire more than 125 union employees, including conductors, engineers, and maintenance of way personnel. Illinois Central also expects to hire more than 10 managers. These jobs are in addition to labor needs for CN’s construction activity for the capital

PUBLIC VERSION

investments in the Springfield Line, as well as jobs that will be added locally as a result of CN's new intermodal and automotive terminal facilities in Kansas City and East St. Louis. For example, I would expect that the new single-line route between Kansas City and Chicago would attract new businesses to locate along the Springfield Line, offering communities additional new employment opportunities.

A CN-owned Springfield Line would not only give customers the benefits of increased rail-to-rail and truck-to-rail competition, it would also renew single-line service between Kansas City and Chicago and open up new single-line service to origin and destination markets beyond. This offers enhanced optionality and competitive advantage to customers. The verified statements of Daniel Bresolin, Sarah Slazinski, and David Przednowek discuss the benefits for intermodal, automotive, and grain customers, respectively. A CN-owned Springfield Line would give more customers access to CN's innovative product offerings, which would particularly benefit intermodal customers, including CN's industry-leading temperature-protected product offerings that are needed in Kansas City, where many producers of refrigerated products are located, as Daniel Bresolin explains. Integrating the Springfield Line into CN's three-coast network would connect customers in Kansas City to the value offered by CN's network, which reaches key domestic gateways through the U.S. heartland, as well as international ports on the East, West, and Gulf coasts. CN is a supply-chain enabler with strong relationships with international port authorities and all of the major ocean carriers.

PUBLIC VERSION

Finally, CN's plan to invest in the Springfield Line would benefit local communities and the environment by taking 80,000 long-haul trucks off the road annually, particularly along I-94 in Michigan and Indiana, I-55 in Illinois, and I-72 in Missouri. Daniel Bresolin discusses lanes between Kansas City and Chicago, Detroit, and Eastern Canada where trucks are moving intermodal containers. That traffic could be converted to rail. Overall, a CN-owned Springfield Line would generate a larger reduction in truck traffic than what CP and KCS have projected to achieve for their entire merger.

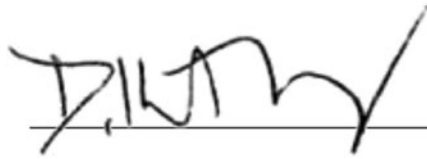
I am excited about the potential opportunities to bring value and better service to customers by integrating the Springfield Line into CN's network. Allowing CN to invest in the underutilized Springfield Line to build a safer, faster line is good for customers to help them grow and reach markets for their products. There is no reason to allow the CP-KCS merger to move forward without ensuring that customers' competitive options are undiminished, and without ensuring the parallel KCS Springfield Line that competes directly with the northern alternative CP route may be utilized to its full potential. Only divesting the Springfield Line to CN will prevent harm to customers, accomplish these critical goals, and achieve the corresponding substantial benefits.

PUBLIC VERSION

VERIFICATION

I, Keith Reardon, declare under penalty of perjury under the laws of the United States that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.

A handwritten signature in black ink, appearing to read 'D. Reardon', is written over a horizontal line.

Keith Reardon

Exhibit 12C

**Verified Statement of
Daniel R. Bresolin**

PUBLIC VERSION

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

VERIFIED STATEMENT OF DANIEL R. BRESOLIN

My name is Daniel R. Bresolin. I currently serve as Vice-President, Intermodal, for Canadian National (“CN”), a role I assumed in 2020. I joined CN in 1999 and have taken on increasing responsibilities through my various prior roles as

PUBLIC VERSION

Assistant Vice-President Intermodal, Assistant Vice-President International Intermodal, Director of Marketing, Intermodal International and Director of Sales of both Strategic Sales and Domestic Intermodal. In my current role, I focus on driving growth in both domestic and international intermodal traffic, and I am responsible for all components of CN's international and domestic intermodal portfolios, including regional sales, marketing, customs brokerage, and CN supply chain logistics services. As a former Rail Conductor and Intermodal Crane Operator, I take great pride in my knowledge and experience in rail operations and in helping add value for CN's intermodal customers.

Given my current role and experience, I am intimately familiar with CN's current intermodal business, and its successful track record of investing in and growing domestic and international intermodal traffic to help our customers. In this statement, I describe the ways in which U.S. intermodal customers would benefit from CN's ownership of, and investment in, the Springfield Line. These benefits include unlocking the full potential of the Springfield Line, increasing competition, increasing overhead and local service, and reducing transit time on the line.

I. CN IS THE RAIL INDUSTRY LEADER IN INTERMODAL GROWTH AND SERVICE OFFERINGS FOR OUR CUSTOMERS.

CN is proud to be the industry leader in intermodal growth and service offerings. CN is committed to growing *with* its intermodal customers and is skilled at providing tailored supply-chain solutions that help our intermodal customers access markets in their supply chains. CN's future-oriented planning, customer-minded investments, and innovative product offerings have resulted in incredible growth in

PUBLIC VERSION

our intermodal traffic. Since 2010, CN has grown its intermodal business {^{Redacted}} by volume.

CN's growth in the intermodal sector is directly linked to CN seeing ourselves as a partner with our customers. CN understands the importance of its role in the supply chain. CN's intermodal investment strategy thus focuses on offering new and innovative business solutions to our intermodal customers to help them move their goods to fulfill consumer demand. As a result, shippers are choosing us: CN has the fastest growing intermodal traffic in the industry by volume, and intermodal is the fastest growing segment within CN's total book of rail business.

This vibrant intermodal growth reflects CN's commitment to its intermodal customers. CN offers the widest range of intermodal products and service offerings of all Class I railroads. To offer even more supply-chain solutions to our intermodal customers, in 2019, CN added TransX, a refrigerated specialist, which has a leased network of 11 distribution centers and owns or leases approximately 1,400 temperature-controlled containers. CN combines these robust and flexible service offerings with a North American intermodal network that accesses three coasts: East, West, and Gulf. As a result, CN's intermodal network has the reach and capacity to bring value and optionality to our international and domestic intermodal customers.

In addition to the TransX network, CN's core intermodal network includes 23 intermodal terminals, including the Chicago Intermodal Terminal and Memphis Intermodal Terminal; a state-of-the-art logistics park in Calgary, Alberta; and partnerships or supply chain agreements with 7 port authorities and 15 ocean

PUBLIC VERSION

terminal operators, including the Ports of New Orleans and Mobile, and access to the ports of New York and Philadelphia via a partnership with CSX.

CN also offers unparalleled equipment and infrastructure options to tailor our intermodal service offerings to meet our customers' needs. In particular, the CN family offers a fleet of more than {{Redacted}} containers and {{Redacted}} chassis, a centralized dispatch group, its own trucking division (CNTL, one of Canada's largest trucking companies), a logistics management team, and an {{Redacted}}

}}

}}

CN also has numerous products, including heated, refrigerated, and dry containers, and access to CN's domestic wholesale partnership fleet.

In fact, CN offers one of the largest fleets of refrigerated containers and is the first railroad to introduce a refrigerated program operating in Canada, the United States, and Mexico with traceability and post-audit capability. This program, CargoCool®, provides a cost-competitive and eco-friendly approach to moving temperature-sensitive goods. CN's temperature-controlled domestic and overseas intermodal service is the Canadian industry leader with recent and successful expansion into the U.S. Gulf region. We offer innovative food safety compliance processes and state of the art equipment and technology. CN's temperature-protected fleet includes {{Redacted}} CN-owned or leased temperature-controlled domestic containers ({{Redacted}} refrigerated units and {{Redacted}} heated units, {{Redacted}}

PUBLIC VERSION

genset/powerpacks (each of which power up to 17 containers, a vastly greener option when compared to refrigerated trucking, which requires one powerpack for each truck container) with {{Redacted}} and {{Redacted}} nosemount gensets. CN's CargoCool® facilitates the intermodal movement of produce, fruits, processed foods, and animal proteins (*e.g.*, beef, pork, poultry).

I am proud that CN's three-coast network, wide array of intermodal services, and industry-leading infrastructure and equipment options make it possible for CN's intermodal customers to reach as many markets as possible, as quickly, economically, and safely as possible. If the market has a need, CN responds. CN helps meet the needs of our customers by putting together innovative solutions. For example, in 2021, in response to the congestion and delays in vessel unloading at ports on the U.S. West coast, CN offered a new priority train service between the Port of Prince Rupert and Chicago, which helped expedite sorely needed consumer products that would have otherwise been delayed in transit in the water waiting for the vessel to dock and unload during the supply-chain disruption. CN's solution to connect customers using the Port of Prince Rupert with a priority train service offered customers a faster option to reach Chicago, and helped relieve congestion in West coast ports of Los Angeles and Long Beach.

I am excited about the possibility of offering industry-leading services to more intermodal customers if the Board grants CN's condition to divest the Springfield Line to CN. This will enable CN to invest in the Springfield Line to rehabilitate the line, increase service, and reduce transit times for customers. With CN's planned

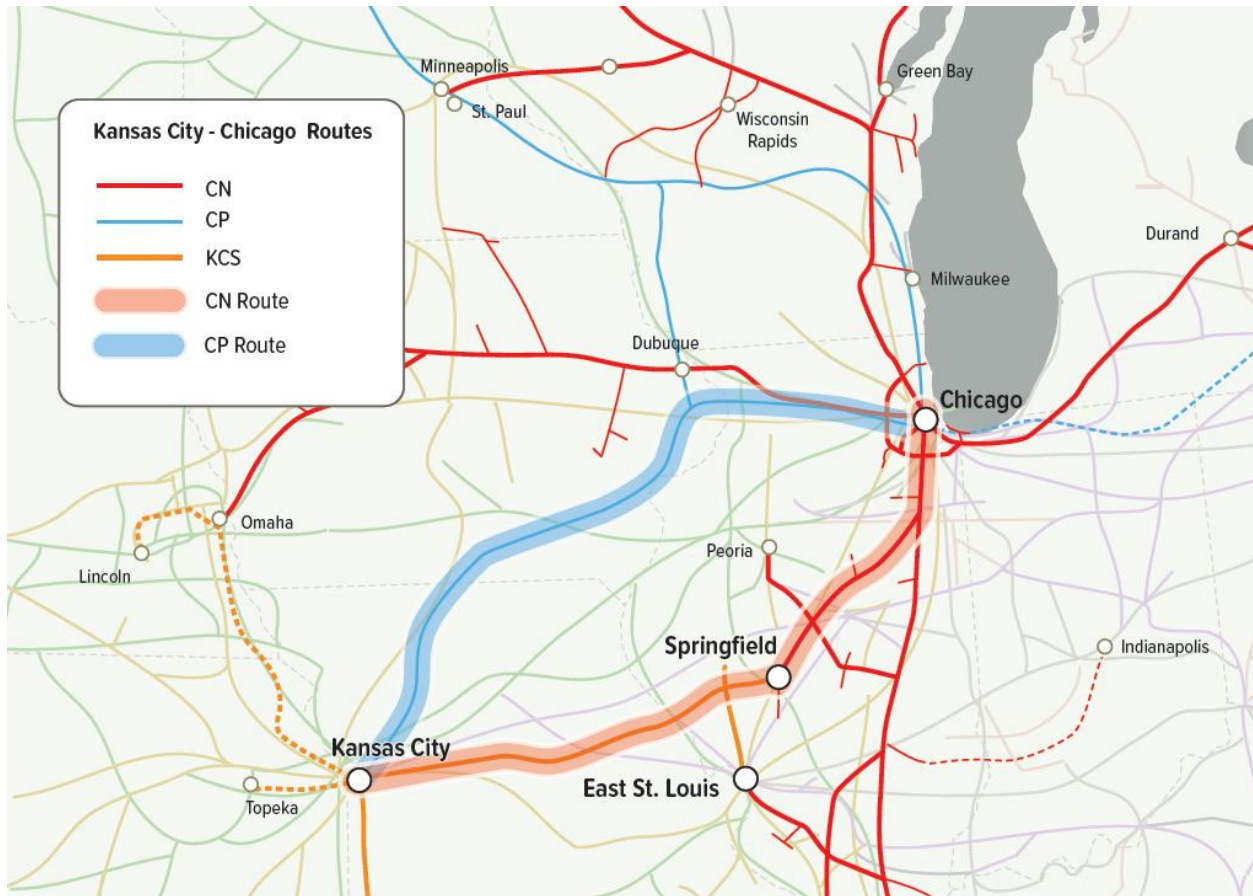
PUBLIC VERSION

investment, CN would build the Springfield Line into a single-line rail option for customers to help take trucks off the road, including in Illinois, Indiana, Michigan, Louisiana, Missouri, Mississippi, Tennessee, Alabama, and the provinces of Ontario and Quebec.

II. DIVESTITURE OF THE SPRINGFIELD LINE TO CN IS NECESSARY TO ENSURE EFFICIENT UTILIZATION OF AN IMPORTANT RAIL ASSET.

The Springfield Line was previously a part of the Illinois Central Railroad Company. For more than 100 years, the Springfield Line has served as a competitive rail option between Kansas City and Chicago. Today the Springfield Line is owned by KCS, and it is parallel to CP's own line in the Kansas City to Chicago corridor as shown in Figure 1.

Figure 1: CP and KCS have Parallel Lines in the Kansas City to Chicago Corridor



A. Intermodal Customers Are Eager For More Competitive Rail Transportation Options Between Chicago and Kansas City.

Divestiture of the Springfield Line is necessary so that a merged CP-KCS does not own two parallel lines between Kansas City and Chicago. A merged CP-KCS would have little incentive to improve the Springfield Line and partner with other railroads to provide service to reach Chicago. Instead, the merged CP-KCS would favor the parallel CP line, investing in that northern route and investing no capital resources in the parallel Springfield Line. The merged parties would understand that any traffic on the Springfield Line would potentially come at the expense of CP's line.

PUBLIC VERSION

While understandable that CP-KCS would want to maximize their bottom line, that would be bad for customers.

Intermodal customers are eager for more competitive rail transportation options between Chicago and Kansas City. Customers have in the past, and continue to have, a strong interest in moving intermodal shipments between those two critical U.S. gateways. As shown below in Figure 2, intermodal containers are moving by truck on highways between Chicago and Kansas City and their vicinities. These intermodal lanes are from David Hunt’s analysis using 2019 IHS Markit Transearch data.¹ Divestiture of the Springfield Line would enable CN to compete for these truck moves to convert containers to rail.

**Figure 2: Intermodal Containers Moving By Truck
Between Kansas City and Chicago and Their Vicinities**

Origin BEA	Destination BEA	Average Miles
Chicago, IL	Columbia, MO	383.5
Chicago, IL	Joplin, MO	590.2
Chicago, IL	Kansas City, MO	499.9
Chicago, IL	Springfield, MO	510.2
Detroit, MI	Columbia, MO	630.3
Detroit, MI	Joplin, MO	824.7
Detroit, MI	Kansas City, MO	757.0
Detroit, MI	Springfield, MO	754.2
Detroit, MI	St. Louis, MO	560.0
Detroit, MI	Springfield, IL	505.3
Kansas City, MO	Chicago, IL	497.7
Kansas City, MO	Detroit, MI	768.4
Springfield, MO	Detroit, MI	735.8

¹ Workpapers of David Hunt, “TransearchTruckDistances.xlsx.”

PUBLIC VERSION

Ensuring the Springfield Line is an alternative to CP is also important because it preserves optionality for customers given congestion in Chicago. For example, in summer 2021, supply chain disruptions resulted in two Class I railroads embargoing their intermodal rail yards in Chicago to reduce congestion. This example emphasizes the need for preserving alternate rail options and preventing the loss of rail capacity on the corridor between Chicago and Kansas City.

The CP-KCS merger eliminates KCS's incentive to use the Springfield Line as a competing alternative to the parallel CP line between Kansas City and Chicago and work with other carriers. This is underscored by the CP-KCS Application. I understand that the three-year plan set out in the Application does not include any improvements on the Springfield Line, and virtually no transaction-related traffic growth by overhead customers or local customers on that line.

B. CN is Committed To Investing In the Springfield Line To Preserve the Corridor for Seamless Transit To Chicago and Beyond.

Keith Reardon explains that CN is committed to investing \$250 million in the Springfield Line and CN's adjacent Gilman Subdivision. CN plans to grow the capacity of the Springfield Line to accommodate 10,000-foot intermodal and automotive trains. CN will add a new siding at Cockrell to address currently inadequate facilities at that location. CN also plans to add a new yard track at Roodhouse and extend the siding at Roodhouse. CN will invest to expand other sidings along the Springfield Line in Illinois and Missouri as Derek Taylor explains.

CN will add new intermodal and automotive facilities in the East St. Louis Yard that are not currently available in that yard. CN does not have any intermodal

PUBLIC VERSION

facilities in East St. Louis. CN will also add its own intermodal and automotive facilities in the International Freight Gateway (IFG) Yard, which is a 356-acre facility outside of Kansas City in Grandview, Missouri. These new facilities will give intermodal customers shipping to and from Kansas City more options to reach markets.

This divestiture would not undermine any investment planned by CP-KCS. I understand that they do not plan to increase the intermodal capacity at the IFG location and instead plan to use the existing facility. Nor does CP-KCS plan to add intermodal and automotive facilities to KCS' East St. Louis Yard.

C. CN Has a Proven Track Record of Investing in New Opportunities to Bring Value to Its Intermodal Customers.

CN invests to bring value to its intermodal customers and would take this same approach with the Springfield Line. With the Springfield Line integrated into CN's network, intermodal customers will enjoy better service—faster, safer, and with more optionality and new innovative service offerings (*e.g.*, CargoCool®). CN's \$250 million in investments in the Springfield Line would renew the line to support increased average train speeds between Roodhouse and Springfield. This change for customers along this portion of the Springfield Line would be like going from a slow, two-lane country road to a high-speed multiple-lane highway. As a result, these customers will be able to better compete and create more business, and offer more jobs to local communities along the Springfield Line. With more speed and more traffic, more businesses will be drawn to locate themselves near the Springfield Line. With CN's

PUBLIC VERSION

\$250 million investment, the Springfield Line will become the best of what it could be.

CN's recent partnership with CSX in the U.S. Northeast is a great example of how CN turns its investments into value for its intermodal customers (as well as the surrounding communities). In late 2019, CN invested in a partnership with CSX that allowed CN to access the New York, New Jersey, and Philadelphia ports. This was a highly competitive market; yet, within a little over a year, CN began successfully winning traffic and took {Redacted} trucks off the road in 2021 alone. CN is moving imports, exports, and refrigerated containers to Toronto and Montreal, and its traffic from this partnership has grown by {{Redacted}} year over year.

This example highlights how CN invests and coordinates with interline partners to drive its intermodal customers' growth while also benefitting ports and the surrounding communities by taking trucks off the local roads. If CN acquires the Springfield Line, CN would do the same.

III. DIVESTITURE OF THE SPRINGFIELD LINE TO CN WILL UNLOCK NEW SINGLE-LINE OPPORTUNITIES TO COMPETE FOR INTERMODAL TRAFFIC.

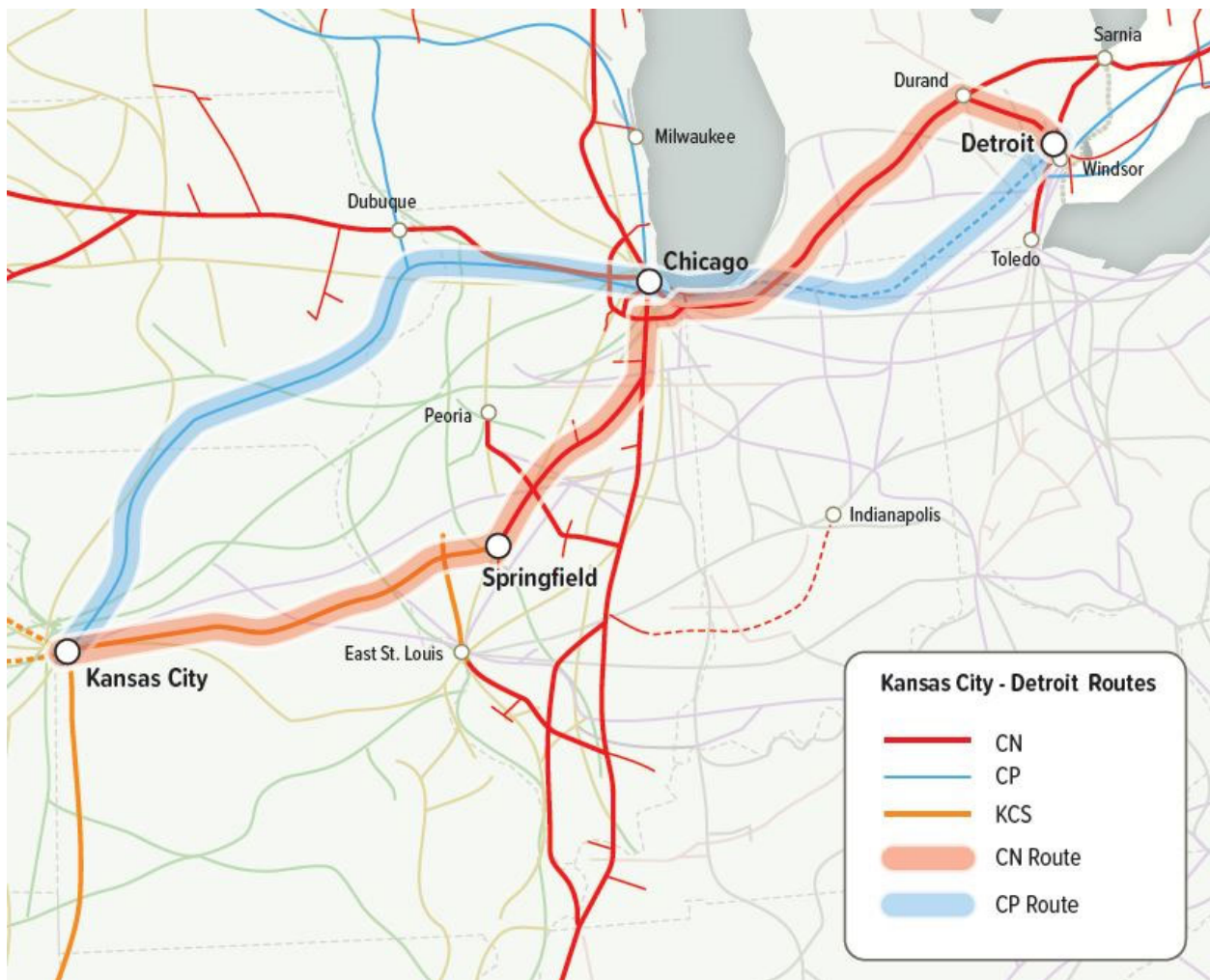
A. The Springfield Line Would Intensify Transportation Competition for Intermodal Traffic.

By planning to build a new intermodal terminal at East St. Louis and CN's own intermodal facilities in Kansas City, CN's investment in the Springfield Line would create new single-line rail service from Detroit and Eastern Canada to Kansas City, a more efficient route to East St. Louis, and new single-line rail service from the Southeast to Kansas City. Figure 3 shows as an example the new single-line service

PUBLIC VERSION

between Detroit and Kansas City. These new routes would intensify competition with CP, other railroads, as well as with trucks, for lanes throughout the Midwest and Southeast. CN would be able to tie the Springfield Line into CN's access to ports on three coasts, including the ports of New Orleans and Mobile, so that customers could have options through the multiple port access.

**Figure 3: New CN Single-Line Service Via the Springfield Line
From Detroit to Kansas City**



CN's unique and industry-leading intermodal product offerings combined with these new routes would divert more than 80,000 trucks off highways annually,

PUBLIC VERSION

particularly in Michigan, Indiana, Illinois, and Missouri, to the benefit of local communities and the environment. CN could also compete to take trucks off the road that are traveling between Eastern Canada and the Kansas City and St. Louis markets. Figure 4 below includes truck lanes from David Hunt's Transearch analysis between Kansas City and East St. Louis markets and Eastern Canada.

**Figure 4: Intermodal Containers Moving By Truck
Between Kansas City/St. Louis and Eastern Canada**

Origin BEA	Destination BEA
Kansas City, MO	Hamilton, ON
Kansas City, MO	Kitchener, ON
Kansas City, MO	London, ON
Kansas City, MO	Oshawa, ON
Kansas City, MO	St. Catharines, ON
Kansas City, MO	Toronto, ON
Kansas City, MO	Windsor, ON
St. Louis, MO	Hamilton, ON
St. Louis, MO	Kitchener, ON
St. Louis, MO	London, ON
St. Louis, MO	Oshawa, ON
St. Louis, MO	St. Catharines, ON
St. Louis, MO	Toronto, ON
St. Louis, MO	Windsor, ON
Hamilton, ON	Kansas City, MO
Kitchener, ON	Kansas City, MO
London, ON	Kansas City, MO
Oshawa, ON	Kansas City, MO
St. Catharines, ON	Kansas City, MO
Toronto, ON	Kansas City, MO
Windsor, ON	Kansas City, MO
Hamilton, ON	St. Louis, MO
Kitchener, ON	St. Louis, MO

PUBLIC VERSION

Origin BEA	Destination BEA
London, ON	St. Louis, MO
Oshawa, ON	St. Louis, MO
St. Catharines, ON	St. Louis, MO
Toronto, ON	St. Louis, MO
Windsor, ON	St. Louis, MO

Intermodal customers will also enjoy lower costs on CN's network when compared to trucking options, particularly for businesses who ship temperature-protected products and have been limited to trucking capacity and pricing.

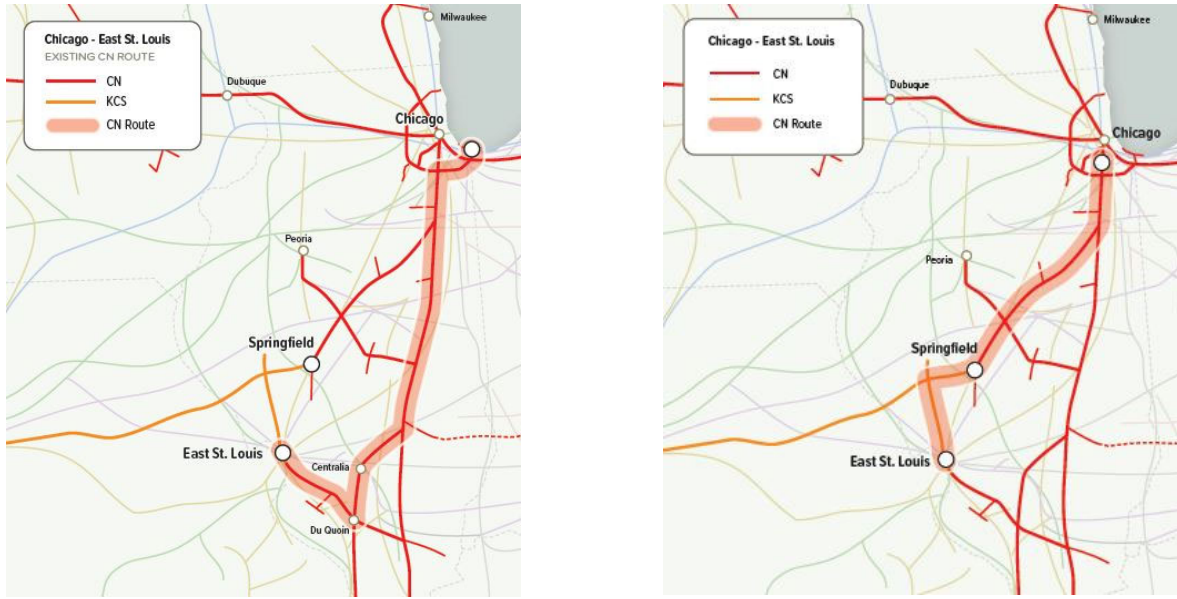
B. The Springfield Line Would Add Capacity to the Growing Intermodal Supply Chain Network.

Opening up the Springfield Line to intermodal traffic would also offer additional capacity for the growing intermodal industry. CN's new routes via the Springfield Line, as well as its planned intermodal terminal at East St. Louis, would offer a new "valve" in the network that could relieve pressure when demand skyrockets or when severe weather or a global pandemic disrupts supply chains. For example, this new intermodal terminal in East St. Louis is expected to divert trucks from Ontario, where many trucks travel to and from the United States over the highly congested Ambassador Bridge between Detroit and Windsor. CN would also be able to offer faster transit times from the North to East St. Louis, and a shorter and faster routing option for intermodal trains moving from the Midwest south to East St. Louis. CN's current route for that traffic takes it south past East St. Louis in order to reach Du Quoin, Illinois, and then doubles back up again to reach East St. Louis. With the Springfield Line, intermodal customers would enjoy a much shorter (by over 100

PUBLIC VERSION

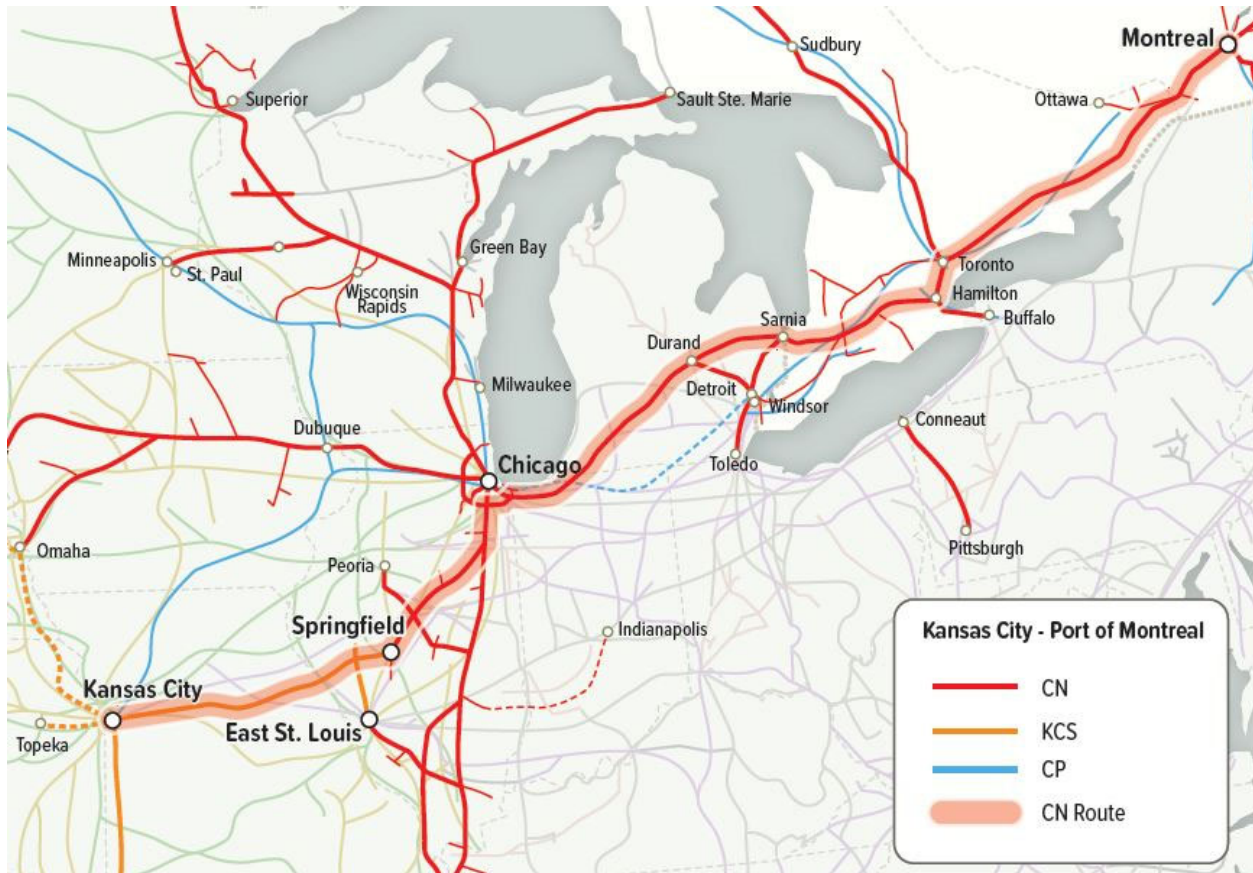
miles per round trip) routing option via Gilman, Illinois, that would lower costs and transit time, as shown in Figure 5.

**Figure 5: New Shorter Route From the North
Via the Springfield Line to East St. Louis**



In addition, the Springfield Line would offer greater capacity for international intermodal traffic by opening up new East Coast port options, including the Port of Montreal, which would reduce port congestion and give intermodal shippers increased optionality and flexibility. This new single-line route is shown in Figure 6.

**Figure 6: New Single-Line Service Via the Springfield Line
From Port of Montreal to Kansas City**



C. The Springfield Line Would Offer New Competitive Advantages and Market Options for Intermodal Shippers.

Under CN's ownership, the Springfield Line would also unlock new value and market options for intermodal shippers in the United States. For example, CN's customers who move intermodal shipments from Eastern Canada today would be able to access the Kansas City market, opening up new end-markets, gateways, and international ports to these customers. In addition, the Springfield Line would offer intermodal shippers in the United States new access to CN's industry-leading intermodal offerings, which are designed to add value and competitive advantages to our customers' businesses.

PUBLIC VERSION

For example, the Springfield Line is surrounded by animal protein producers that require temperature-protected transport, but no Class I in the United States offers temperature-controlled service to these producers. If CN acquired the Springfield Line, these customers would have access to CN's industry-leading fleet of temperature-controlled containers and CN's suite of innovative CargoCool® product offerings. More cost-efficient temperature-controlled shipping solutions are pivotal to these industries, particularly in the Kansas City and Omaha area, which are currently paying higher prices for refrigerated trucking.

These benefits would extend to customers beyond the Springfield Line as well. Refrigerated intermodal products are trucked between the U.S. Midwest and Mexico (and into Canada) at 10–20% higher costs to consumers and, on average, 75% more GHG emissions. With the Springfield Line in its network, CN would be able to compete with trucks to offer a lower-cost, innovative product offering for this market. As a result, CN would be able to take more than 80,000 trucks off the road annually with the Springfield Line. CN's product offerings have enabled Canadian exporters to create a robust chilled and frozen supply chains. With the Springfield Line, CN would be able to offer the same to U.S. exporters. CN already has the assets to provide a tailored product to these U.S. customers, and are prepared to invest if future demand arises to replicate what we already do in Canada and in parts of the United States. No other Class I in the U.S. can do this, and it is a product sorely needed in the U.S. market.

PUBLIC VERSION

D. The Springfield Line Would Increase Optionality and Resiliency for International Intermodal Traffic.

Finally, the Springfield Line would offer additional optionality for international intermodal products, reduce congestion at ports, and increase the resiliency of U.S. import and export supply chains. In particular, thousands of containers unloaded today at East Coast ports and moved to Kansas City or East St. Louis could be diverted to the Port of Montreal to take advantage of CN's new single-line service via the Springfield Line. In addition, many export commodities from the U.S. Heartland along CN's route and near the Springfield Line would enjoy new gateway options and market expansion opportunities. Export commodities from these markets include agriculture, DDGs, beef, pork, and poultry—all products highly sought-after in the export market.

CN is a leader in facilitating the movement of exports, including temperature-protected product, grain, and auto parts—all of which would rely upon the Springfield Line, either to East St. Louis or to Kansas City. CN's three-coast network handles 54 vessel services to ports around the world, including the ports of New Orleans and Mobile. CN has strong relationships with all of the world's largest steamship lines and can offer a breadth of experience and innovative supply-chain solutions and optionality for U.S. businesses looking to export their products. Several of these steamship lines are among the numerous intermodal parties who have offered their support for the divestiture of the Springfield Line to CN. With the Springfield Line, CN would be able to offer its robust import/export resources and product offerings to

PUBLIC VERSION

more U.S. markets and add resiliency to the supply chain by opening up a new single-line route between the Port of Montreal to Kansas City, and East St. Louis.

PUBLIC VERSION

VERIFICATION

I, Daniel Bresolin, declare under penalty of perjury under the laws of the United States that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.

A handwritten signature in black ink, appearing to read "Dan Bresolin", is positioned above a horizontal line.

Daniel Bresolin

Exhibit 12D

**Verified Statement
of Sarah Slazinski**

PUBLIC VERSION

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

VERIFIED STATEMENT OF SARAH SLAZINSKI

My name is Sarah Slazinski. I currently serve as Assistant Vice-President Automotive for CN in Troy, Michigan. I assumed this role in March 2021. Immediately prior to my current position at CN, I served as Director of Marketing,

PUBLIC VERSION

Director of Sales, and as an Account Manager for Automotive and have been with CN for over 10 years. Prior to joining CN, I worked for another Class I railroad for six years as an automotive account manager, and also have five years of experience working directly for a large US automotive manufacturer purchasing vehicle transportation. I earned a Bachelor of Arts in Supply Chain Management from Michigan State University and a Master of Business Administration with an emphasis on Marketing from Oakland University in Michigan. My current role at CN is to serve our customers, {{

}}

Given my role and experience, I am familiar with CN's important role in the automotive supply chain, our work with automotive vehicle production and parts suppliers, and the general North American and global automotive market—including how CN's acquisition of the Springfield Line would increase transportation competition and unlock significant benefits for the automotive industry in North America that would not be achieved but for that acquisition.

PUBLIC VERSION

I. CN CONNECTS THE NORTH AMERICAN AUTOMOTIVE MARKET.

CN is proud to connect the North American automotive market by serving 13 vehicle assembly plants and 18 automotive facilities. CN handles more than 2 million finished vehicles annually and is a strategic supply chain provider to our customers. CN's network reach allows us to transport finished vehicles and auto parts to major population centers in Canada, the Midwest, and Gulf region in the United States. CN's extensive North American network allows our railroad to compete and offer flexibility, enhancing supply chains while our customers import and export raw materials, production parts, and finished vehicles around the globe.

CN values all our vehicle automotive customers, and we directly serve vehicle assembly and part plants for {

}}

{{

}}

PUBLIC VERSION

CN currently contributes {{ }} multilevels that are used to transport finished vehicles. In addition, CN has a fleet of boxcars and supporting frame flats. {

}}

Over the years, CN has worked with our automotive customers to add capacity and support their growth. For example, in March 2021, CN completed and invested over { }} million to open a new automotive and intermodal terminal in New Richmond, Wisconsin, to service Minneapolis and the surrounding area.

As a critical part of the supply-chain, CN works collaboratively with our customers to offer solutions and capacity tailored to our customers' needs for future, new model vehicle and part launches. CN is also a go-to carrier when supply chains are disrupted, including those disruptions associated with the past two years of the pandemic, extreme weather events, part shortages, and the recent Ambassador

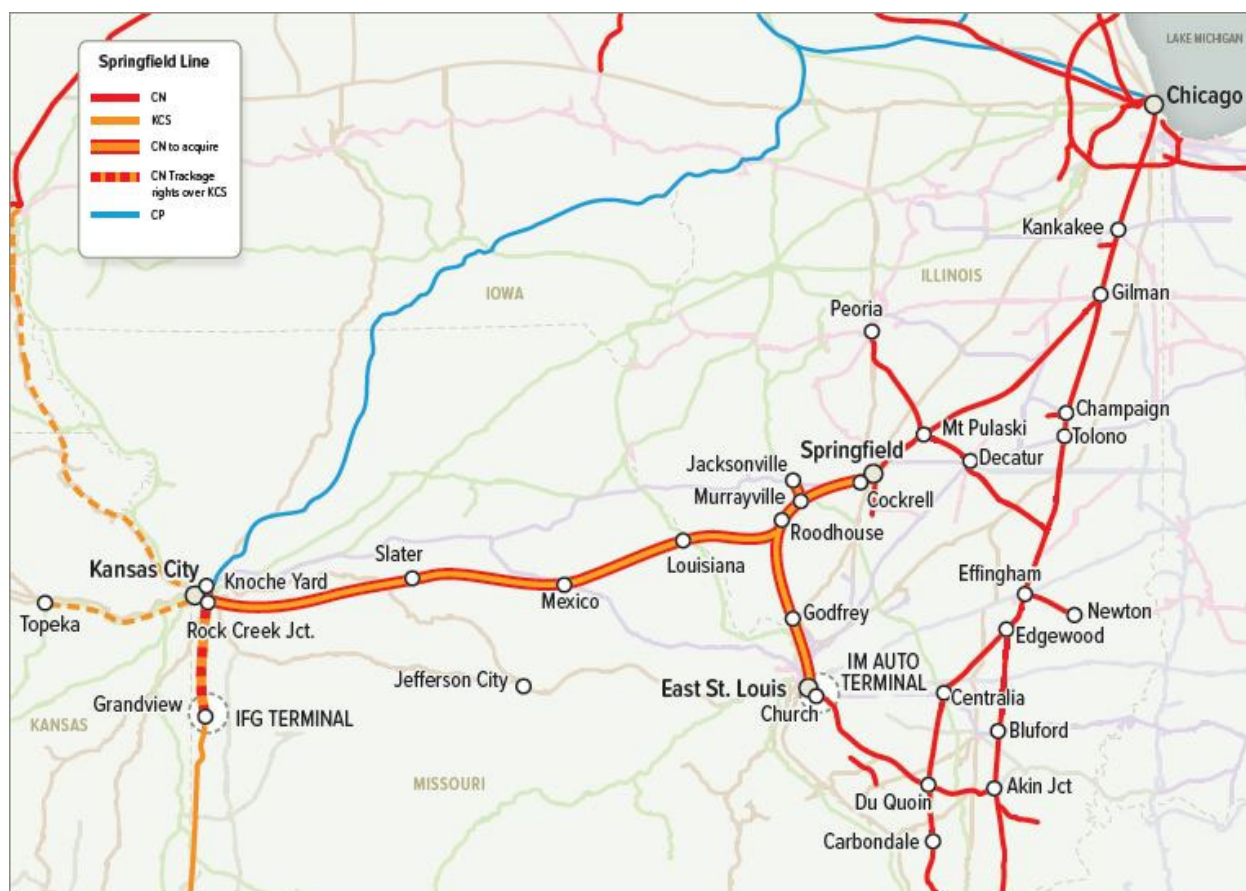
PUBLIC VERSION

Bridge disruption. CN recognizes the importance of time-sensitive, high-value freight, and offers dedicated customer service via CN's Auto Desk.

II. DIVESTITURE OF THE SPRINGFIELD LINE TO CN WILL INCREASE COMPETITION AND OPTIONS TO AND FROM THE KANSAS CITY AUTOMOTIVE MARKET AND GATEWAY CONNECTING THE EAST, WEST, NORTH, AND SOUTH.

CN's automotive customers want more transportation options, capacity, and competition. Given future sustainability objectives, driver shortages, and ongoing global network disruptions, it is our duty to build better mouse traps and resiliency into the North American market and critical to maintain options rather than reducing them. This is especially true given the importance of the Springfield Line connecting CN to the greater Missouri market and beyond. *See Figure 2.*

Figure 2: The Springfield Line



- A. CP's control of the Springfield Line limits competition for Kansas City automotive traffic and stifles the ability for another Class I to compete in single-line service and access a viable alternative gateway for interchange service, adding resiliency and options over and above Chicago.**

The CP-KCS merger gives CP single-line access to KCS' automotive terminal in Kansas City known as the International Freight Gateway (IFG) in Grandview, Missouri. Pre-merger, a neutral KCS had a strong incentive to grow its auto business. Indeed, the KCS reports that it doubled the number of finished vehicles moved in 2021 to more than 80,000 at the IFG.¹ After the combination, CP-KCS will be the only

¹ U.S. Intermodal Ramps, Kansas City Southern (Feb. 2022), at 3, <https://www.kcsouthern.com/en-us/pdf/kcsr-intermodal-ramps/kcsr-us-intermodal-ramps.pdf>.

PUBLIC VERSION

option for automotive customers in Canada to reach Kansas City in single-line service.

This is a problem because CP-KCS would control the parallel lines between Kansas City and Chicago. The merged CP-KCS would not have an incentive to work with CN to ship automotive traffic over the Springfield Line to the detriment of CP's parallel line. Nor would CP-KCS be willing to make the necessary investments in the Springfield Line track or facilities to accommodate 10,000-foot intermodal and automotive trains, which are necessary for a competitive, quality product offering for customers. This would be a significant lost opportunity to increase capacity, improve competition, and build resiliency and is bad for automotive customers.

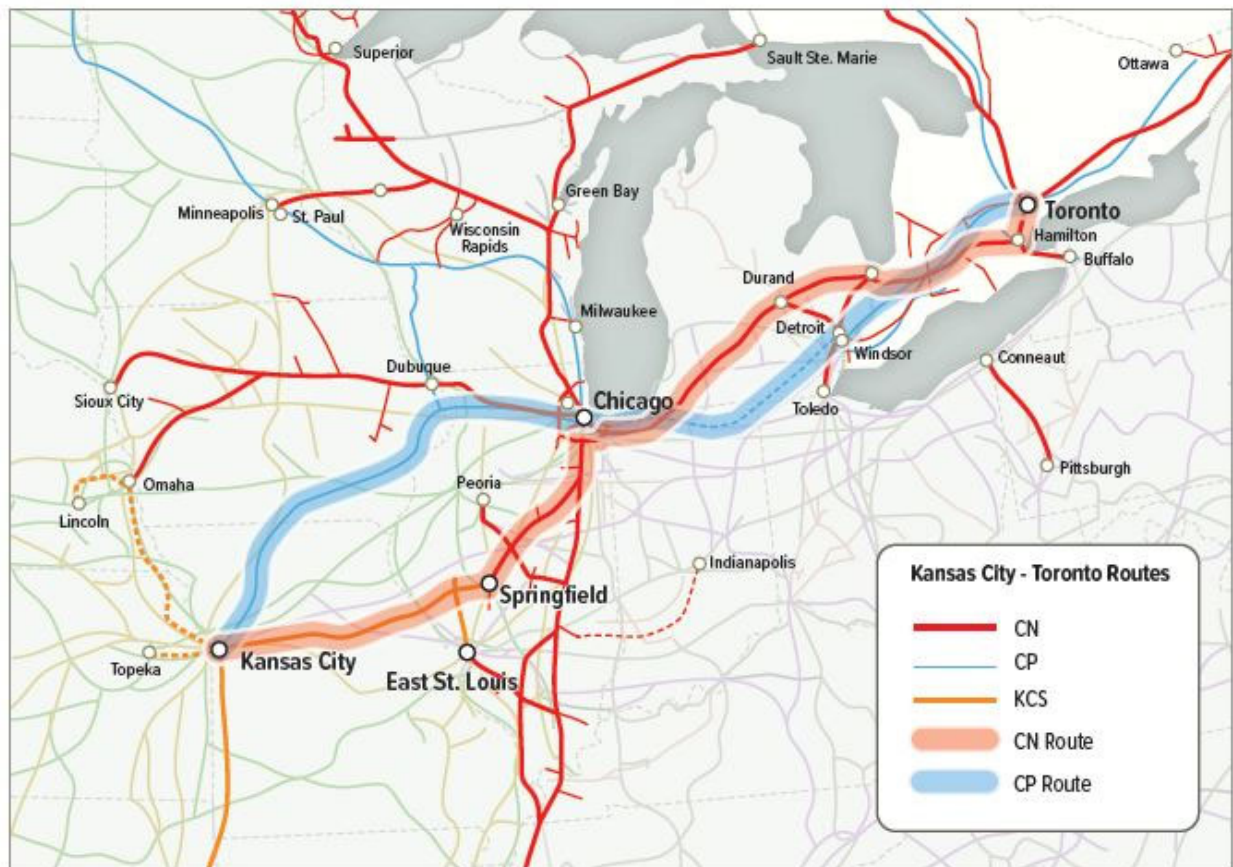
B. CN's ownership of the Springfield Line would increase competition by adding both CN's single-line automotive service to the greater Missouri Market and create a more efficient Kansas City automotive interchange service for the future.

Both {{ }} have automotive vehicle assembly plants in the Kansas City area. A CN-owned Springfield Line would ensure that it could be used as a second single-line rail option for automotive traffic between Kansas City and Canada, as well as an additional single-line option between Kansas City and Michigan. CN can only make the investment necessary to ensure that the Line will be used to offer fast, uninterrupted, quality service, if it owns the Line. With CN's investment in the Springfield Line, automotive customers will have more competitive options connecting the Kansas City market with another single-line service option into and out of Canada and Michigan, as well as the addition of another Class I to the existing Kansas City rail gateway. Figure 3 shows an example of the competing single-service

PUBLIC VERSION

route for CP (with the KCS) and CN (with the Springfield Line) between Kansas City, Michigan and Eastern Canada.

**Figure 3: Divestiture of the Springfield Line
Increases Competition With CN Single-Line Service
Between Kansas City, Detroit/Michigan and Eastern Canada**



Divestiture to CN will not limit CP. Divesting the Springfield Line to CN does not hinder CP-KCS' ability to compete to move auto parts or finished vehicles. A merged CP-KCS would retain the parallel line between Kansas City via Chicago to Eastern Canada to move such automotive traffic. Indeed, I understand the CP-KCS Application confirms they have concentrated all of their investment plans in CP's line between Kansas City and Chicago to the detriment of the Springfield Line.

PUBLIC VERSION

Divestiture of the Springfield Line will reduce congestion in Chicago.

Connecting CN to Kansas City in single-line service would further develop Kansas City into an additional hub for CN as an alternate to connecting with other Class I railroads in Chicago. Without the Springfield Line, to serve the greater Missouri market and beyond, CN would short haul automotive freight to Chicago and must interchange with other carriers in Chicago (adding congestion to Chicago with interchange activity between carriers) versus CN also having the ability to offer direct single-line service to Missouri market destinations or to interchange with another railroad for furtherance. Stopping in Chicago adds time and expense and unnecessarily wastes capacity in Chicago, and capacity in Chicago should not be wasted. Automotive safety and quality are required to compete globally, and efficient interchanges and railcar handling greatly improves the quality service that rail is able to offer to the consumer. Like Chicago, Kansas City is centrally located, and adding CN to an existing major rail hub benefits customers by further increasing customer shipping options and adding resiliency into the nation's rail infrastructure. Without single-line access to/from Kansas City on an improved and efficient Springfield Line, Canadian automotive customers will only have one single-line option.

III. DIVESTITURE OF THE SPRINGFIELD LINE TO CN HAS CONCRETE BENEFITS FOR THE AUTOMOTIVE SUPPLY CHAIN.

Divestiture of the Springfield Line to CN is beneficial for all participants in the automotive supply chain, opening up an additional single-line, competitive service option to the Heartland supporting Kansas City and St. Louis {

}}

PUBLIC VERSION

C. CN Has Committed to Invest to Create New and Improved Service Offerings for Automotive Customers in Kansas City and East St. Louis.

Benefits of investment. CN knows the demands of automotive just-in-time parts and we demonstrate our capabilities daily out of our Detroit, Chicago, and Memphis intermodal terminals in addition to the ports we serve. CN would be a good steward of the Springfield Line. CN has committed to invest \$250 million in the Springfield Line and CN's adjacent Gilman Subdivision. This investment includes building new facilities to benefit customers shipping finished autos and containerized auto parts in Kansas City and East St. Louis, similar to our most recent investments in New Richmond, Wisconsin. CN's investment in new automotive and intermodal facilities would include the following new service offerings:

- **East St. Louis:** CN plans to invest in the existing East St. Louis Yard to create new facilities for finished vehicles, as well as containerized parts that ship on intermodal trains. CN's planned investments include unloading, storage tracks and pavement.
- **Kansas City:** CN plans to invest in our own vehicle and intermodal facilities on 64 acres at IFG outside of Kansas City, which could increase capacity to support the transportation needs of the automotive supply chain.

Single-Line Service. CN's new capacity at IFG would unlock yet another competitive single-line rail service between Kansas City, Michigan, and Canada for the automotive supply chain. It will help decongest Chicago and create future solutions and opportunities for possibilities that have yet to be revealed.

Unleashing the Springfield Line's potential. CN's upgrades and investment to benefit automotive customers contrast starkly with CP-KCS' plans. KCS' East St. Louis Yard does not have automotive or intermodal facilities, and I

PUBLIC VERSION

understand there are no plans laid out in the Application for CP-KCS to add such facilities. I further understand that CP-KCS are not planning to expand capacity at IFG for finished vehicles and automotive traffic. Instead, I understand that CP-KCS plan to use IFG's existing capacity as well as increase block swaps at the yard for their carload manifest traffic. Divestiture to CN is important to ensure that the Springfield Line is efficiently utilized given its connection to Kansas City.

D. A CN-Owned Springfield Line Will Help Raw Materials, Parts Suppliers, and Automotive Customers Build Resiliency In Their Supply Chains and Future Growth.

Benefits of resiliency. The CN-owned Springfield Line would help build resiliency for the automotive industry by offering another option in their supply chain to help them source raw materials and parts needed as well as distribute finished vehicles. CN's new single-line option over the Springfield Line to reach Kansas City offers a long-term, viable, competitive option as well as an available work around during times of disruption in supply chains.

Helping customers to minimize impact of supply chain disruptions.

The recent experience with the Ambassador Bridge blockade is illustrative of CN's creativity in helping our automotive customers solve supply chain problems as they arise. In response to an inquiry from an automobile manufacturer, who had an urgent need for product during the disruption, {

PUBLIC VERSION

}}

Building resiliency to accommodate growth {{

}} The Springfield Line in CN's network would also support the
expanding electric vehicle manufacturing throughout the United States {

}}

PUBLIC VERSION

{

}}

{{

}}

PUBLIC VERSION

With the electric car market expected to grow dramatically over the next decade, a CN-owned Springfield Line will support carload and intermodal growth for this exciting new market that will further the Biden Administration's commitment to encourage the development of the electric vehicle industry, including its recent announcement to help rural communities build electric vehicles charging infrastructure and funding \$7.5 billion to build a nationwide network of 500,000 electric vehicle chargers.³

E. With the Springfield Line, CN Will Reduce Rail Transit Times for Automotive Traffic.

Benefits of reduced transit time. The Kansas City interchange will allow CN to offer a competitive alternative, allowing us to reduce transit time, bypass Chicago, and connect with the West at a new gateway. Reduced transit time means improved multilevel fleet cycle times because the railcars arrive faster to destination and more fluid interchange options. This uses the fleet more efficiently and potentially allows us to move more vehicles with the same amount of multilevels. Automotive customers will also benefit from more options in the future that improves capacity on the network: {

}}. Reduced transit time would improve speed to market and enable customers to reduce inventory carrying costs. Ultimately, more competitive options for single-line service, and more interline gateways for the customers, will

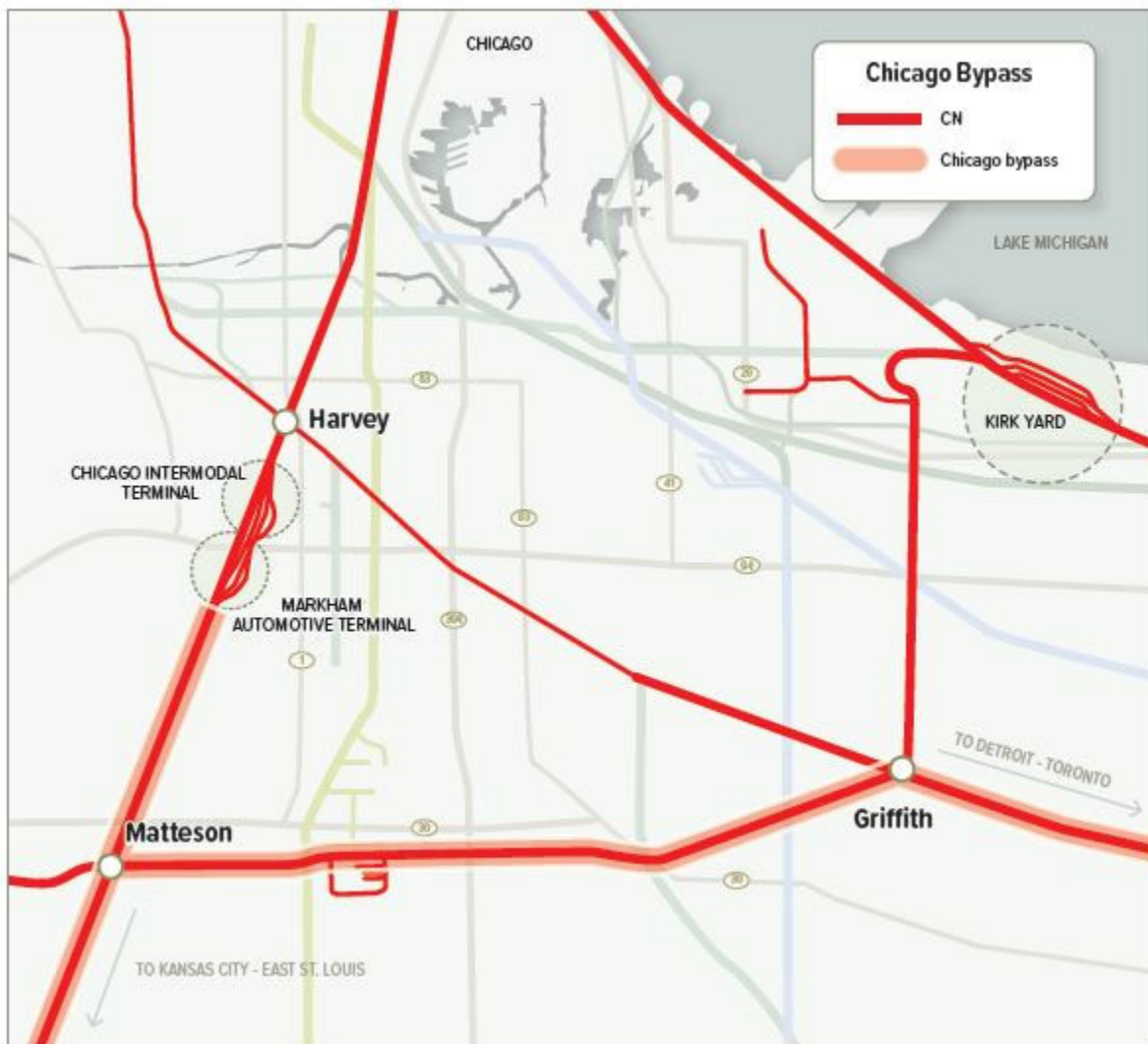
³ President Joseph R. Biden, Jr., *U.S. Department of Transportation Releases Toolkit to Help Rural Communities Build Out Electric Vehicle Charging Infrastructure* (Feb. 2, 2022), <https://www.transportation.gov/briefing-room/president-biden-us-department-transportation-releases-toolkit-help-rural-communities>.

PUBLIC VERSION

further build resiliency in the just-in-time automotive supply chain should disruptions occur, benefiting the automotive supply chain and the consumer.

Reduced transit time near Chicago. Automotive customers also would save transit time around Chicago. As Derek Taylor explains in the Operating Plan, CN's route between Eastern Canada/Detroit and the Springfield Line bypasses the City of Chicago as shown below in Figure 6. With single-line service to Kansas City, CN could bypass the Chicago interchange, saving customers an average of 24–36 hours.

Figure 6: CN Chicago Bypass and Markham Automotive Terminal



PUBLIC VERSION

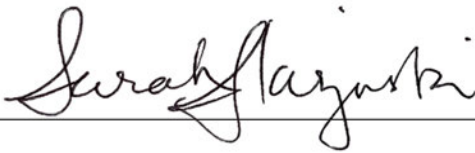
Reduced transit time on Springfield Line and Gilman Subdivision. CN is planning improvements to reduce transit time, including upgrading the portions of the Springfield Line between Roodhouse and Cockrell and CN's Gilman Subdivision as needed to support increased average speeds. CN plans to increase the length of sidings along the Springfield Line in Illinois and Missouri to 10,000 feet to facilitate efficient movement of automotive trains without creating congestion on the line.

PUBLIC VERSION

VERIFICATION

I, Sarah Slazinski, declare under penalty of perjury under the laws of the United States that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.

A handwritten signature in black ink, reading "Sarah Slazinski", is written over a horizontal line.

Sarah Slazinski

Exhibit 12E

**Verified Statement
of David
Przednowek**

PUBLIC VERSION

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

VERIFIED STATEMENT OF DAVID PRZEDNOWEK

My name is David Przednowek. I currently serve as Assistant Vice President - Grain for Canadian National Railway Company (“CN”), a role I assumed in October 2021. Immediately prior to my current position, I served for nearly three years as

PUBLIC VERSION

Director, Sales & Marketing, and I have been with CN since October 2014. I hold a Master of Science Degree and a Bachelor of Science (Agriculture) Degree from the University of Manitoba, specializing in agricultural sciences. In my current role at CN, I lead the marketing-related activities for the carload movement of grain and processed grain products across the CN network. My sales account director responsibilities are focused on US-based agricultural customers involved in grain trading, grain processing, and renewable fuels production. Prior to joining CN, I was directly involved in the grain industry for 17 years, including grain trading, derivatives trading, marine and rail logistics, vessel chartering, financial analysis and accounting, market analysis, and trade execution and management.

Given my current role and experience, I am very familiar with grain traffic flows (both within North America and globally), CN's grain customers, as well as the ways in which adding the Springfield Line to CN's network would benefit grain customers, both from an origin and destination/end-user perspective.

I. CN INVESTS IN ITS GRAIN CUSTOMERS' SUCCESS.

The core of CN's direct origination network for grain traffic in the U.S. is primarily in Illinois, Iowa and Wisconsin. CN extends its network reach with shortline railroads and Class 2 railroad partners in these states along with states such as Michigan, Indiana, and Tennessee. CN's grain traffic, which includes commodities such as corn, soybeans, wheat, soybean meal and oil, ethanol and distillers dried grains (DDGs), and renewable fuel feedstock, moves to domestic end-users and to international markets. The traffic destined to domestic end-users

PUBLIC VERSION

includes the movement of feed ingredients such as corn and soybean meal to Mississippi, the Midwest, and eastern Canada; ethanol shipments to destinations in Canada and the US; and bulk grain to corn, soybean, wheat, oat, and barley processing facilities. Traffic destined primarily for overseas markets moves to grain terminals in the New Orleans and Mobile area. In addition to rail shipments moving direct to grain export terminals in the US Gulf region, CN accesses multiple barge loading locations along the inland waterways system, with locations stretching from southern Illinois to northeastern Iowa and northwestern Illinois.

CN is committed to investing in network infrastructure and equipment to help grow CN's customers' businesses and enhance the capacity of CN's network. CN's capital investments in the U.S. alone amounted to over US\$550 million per year in both 2020 and 2021. Those capital investments included replacement of rail, installation of new ties, rebuilding road crossing surfaces, and maintenance work on bridges, culverts, signal systems, and other track infrastructure. In November 2020, CN completed the re-construction of the Bonnet Carré-McComb Spillway Bridge near New Orleans. This 2.2 mile-long bridge provides a critical U.S. transportation corridor for both freight and passenger service across the Bonnet Carré Spillway, which alleviates excess water from the Mississippi River, protecting New Orleans and other communities from flooding. This \$90 million dollar project adds to the safety, reliability, and fluidity of CN's network, and ensures that CN's direct rail traffic to the Gulf can move efficiently.

PUBLIC VERSION

CN is also in the process of a major multi-year hopper car fleet renewal plan that will replace aging equipment and help to meet the growing needs of our grain customers. In May 2021, CN announced it was acquiring 1,000 new generation, high-capacity grain hopper cars. This purchase was part of a multi-year 3,500 hopper car fleet renewal program. Building on CN's on-going grain hopper car fleet renewal program that began in 2018, CN's new generation hopper car fleet is expected to grow to 6,000 hopper cars.

II. ADDING THE SPRINGFIELD LINE TO CN'S NETWORK WOULD INCREASE COMPETITION AND OPTIONALITY FOR U.S. GRAIN SHIPPERS.

CN's acquisition of the Springfield Line would offer several benefits to U.S. grain shippers. First, a CN-owned Springfield Line would increase transportation competition for grain customers on CN's lines in the Midwest by offering a revived competitive option to the East St. Louis barge market. This market is valuable to grain shippers because East St. Louis represents the single largest concentration of barge loading facilities along the Mississippi River.

A CN-owned Springfield Line would reduce transportation costs for CN's Midwest grain shippers and provide increased optionality and market arbitrage opportunity. Currently, CN moves some bulk grain and processed grain products from the Midwest to the East St. Louis market, including DDGs, soybeans, and wheat. However, for example, to reach East St. Louis today from points in northern Illinois, Iowa, and Wisconsin, CN must route all the way to southern Illinois, past East St. Louis to Du Quoin, Illinois, and then route back up again to East St. Louis. This

PUBLIC VERSION

routing adds an extra 50 miles in each direction for a total of 100 miles to the route (compared to using the Springfield Line), which means extra costs to Midwest grain shippers, recognizing that the cost of transportation service is primarily a function of distance. With the Springfield Line in CN's network and upgraded with much-needed investments to support increased average train speeds, CN could, in the future, simply take a right-hand turn at Gilman, Illinois to get unit train traffic from northern Illinois, Iowa, and Wisconsin to East St. Louis. Those 100 extra total miles would disappear, as would the accompanying extra costs to customers.

Second, grain customers on the Springfield Line would enjoy their current competitive options via haulage rights on KCS, but would also enjoy new direct single-linehaul routing via CN to the U.S. Gulf for export, multiple barge loading facilities along the inland waterways system, and numerous feed mills in the Mid-South and elsewhere, along with other grain processing facilities.

Third, for feed mills and other grain processing facilities, both on the Springfield Line and along the CN network, the acquisition of the Springfield Line will increase origination reach. Grain processors will be able to spread out their product origination risk across a broader geography in the event of a poor crop in their traditional product origination region. Increasing the number of origination options also means more sellers offering product for purchase, improving the competitive position of these processing facilities.

Fourth, the increased optionality afforded to KCS-served customers along the Springfield Line, along with CN-served customers in the Midwest, will offer new

PUBLIC VERSION

arbitrage opportunities as well as increased market liquidity and a more dynamic rail freight market for these shippers, allowing them to spread their commercial risk across a larger network. For example, for bulk grain customers along the Springfield Line today, where emphasis on the shipment of corn, soybeans, and wheat is primarily to the Mexico market, a combined CP-KCS will likely result in a significant increase in competition from other origin shippers wanting to access the Mexico market. Having additional CN destination markets to trade grain and processed grain products into will increase market optionality.

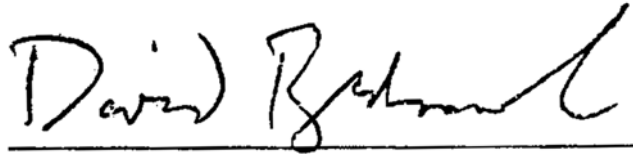
Furthermore, allowing CN to acquire and invest in the Springfield Line will ensure that CN's Midwest grain customers have more competitive options for selling and exporting their products by connecting them more directly to the East St. Louis market, helping CN's grain customers remain resilient and competitive.

PUBLIC VERSION

VERIFICATION

I, David Przednowek, declare under penalty of perjury under the laws of the United States that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.

A handwritten signature in black ink, appearing to read "David Przednowek", is written over a horizontal line.

David Przednowek

Exhibit 13

Operating Plan

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 1)

**ILLINOIS CENTRAL RAILROAD COMPANY – ACQUISITION OF A LINE
OF RAILROAD BETWEEN KANSAS CITY, MO, AND SPRINGFIELD AND
EAST ST. LOUIS, IL – KANSAS CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 2)

**ILLINOIS CENTRAL RAILROAD COMPANY – TRACKAGE RIGHTS
BETWEEN AIRLINE JUNCTION, MO, AND GRANDVIEW, MO – KANSAS
CITY SOUTHERN RAILWAY COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 3)

**CANADIAN NATIONAL RAILWAY COMPANY AND ILLINOIS CENTRAL
RAILROAD COMPANY – CONTROL – GATEWAY EASTERN RAILWAY
COMPANY**

STB FINANCE DOCKET NO. 36500 (SUB-NO. 4)

**ILLINOIS CENTRAL RAILROAD COMPANY – ASSIGNMENT OF KCS
TRACKAGE RIGHTS BETWEEN ROCK CREEK JUNCTION, MO, AND
AIRLINE JUNCTION, MO – UNION PACIFIC RAILROAD COMPANY**

EXHIBIT 13

OPERATING PLAN FOR SPRINGFIELD DIVESTITURE

VERIFIED BY CARL VAN DYKE AND DEREK TAYLOR

OPERATING PLAN FOR SPRINGFIELD DIVESTITURE

Verified by Carl Van Dyke and Derek Taylor

Table of Contents

I.	Introduction.....	1
II.	Qualifications and Background.....	7
A.	Carl Van Dyke	8
B.	Derek Taylor	9
III.	Data Sources and Methodologies	10
A.	Traffic Data Sources.....	11
B.	Operating Data Sources	12
C.	Methodology.....	13
1.	MultiRail	14
2.	Base Year 2019 Traffic	15
3.	Pre-Transaction Operating Plan.....	17
4.	Post-Transaction Traffic and Operating Plan	19
5.	Post-Transaction Operating Plan Implementation.....	23
IV.	Pre-Transaction Line and Operations.....	24
A.	KCS Springfield Line	24
1.	Line Description.....	24
2.	Existing Yards and Other Facilities	28
3.	Existing Customers, Traffic, and Operations	29
4.	Existing Locomotive and Car Support Facilities.....	34
5.	Existing Track Condition	36
6.	Existing Dispatch.....	37
7.	Existing Labor.....	37
8.	Existing Short Lines	39
9.	Existing Passenger Service	41
B.	CN's Current Operations	43
1.	Line Description.....	43
2.	Existing Yards and Other Facilities	57
3.	Existing Traffic and Customers	61

4.	Existing Dispatch.....	63
5.	Existing Labor.....	63
6.	Existing Passenger Service	64
V.	Post-Transaction Operations.....	68
A.	Improved Service for Customers and Operations on the Springfield Line .	70
1.	Improvements For Existing Customers.....	75
2.	Improved Local Service.....	77
3.	KCS Grain Service	78
B.	Comparison of Pre- and Post-Transaction Operating Statistics	78
1.	Changes in Yard Volume.....	78
2.	Changes In Trains Per Day by Segment.....	81
3.	Changes in GTMs by Line Segment.....	83
4.	Changes in Intermodal Lifts by Terminal	85
5.	Trains Added, Dropped, or Changed.....	88
C.	Operating Agreements	98
1.	KCS Haulage Rights on the Springfield Line.....	99
2.	KCS Trackage Rights Between Southwest Airline Junction and IFG Terminal (Docket No. FD 34500 Sub-No. 2)).	99
3.	Assignment of KCS Trackage Rights Between Rock Creek Junction and Airline Junction (Docket No. FD 34500 (Sub-No. 4))	100
4.	East St. Louis Trackage Rights (Docket No. FD 34500 (Sub-No. 3))	101
D.	Dispatching Changes.....	102
E.	Labor Impact	102
F.	Passenger Rail Service Impact	104
G.	Discontinuances or Abandonments	105
H.	Requirements for additional locomotives, cars, and other equipment.....	106
I.	Capital Investment.....	107
1.	Tracks and Line Infrastructure Upgrades.....	108
2.	Sidings.....	109
3.	Yard and Terminal Capacity.....	118
4.	Bridges.....	119
J.	Safety Impact.....	120
VI.	Conclusion	122

Appendix A: Methodology for Development of Line Densities for Springfield Line and Assessment of CPKC Provided Density Data.....	1
Appendix B: Listing of Trains, Locals, and Yard Assignments Currently Operated by KCS.....	10
Exhibit B-1: KCS Scheduled Trains (TSP Trains) Schedules for the Springfield Line	10
Exhibit B-2: KCS Unscheduled Train (Non-TSP) Schedules for the Springfield Line	13
Appendix C: Summary of CN Base Period Trains Used in MultiRail.....	15
Appendix D: CN Segments in the United States with No Changes in Trains Per Day Not Adjacent to the Springfield Line	23
Appendix E: Springfield Line Employees	28
Exhibit E-1: Current KCS Agreement Employees on the Springfield Line	28
Exhibit E-2: Current Non-Agreement Employees on the Springfield Line.....	28
Exhibit E-3: Summary of Anticipated Labor Impacts	29
Appendix F: Capital Improvements.....	30
Appendix F-1: Capital Improvements	31
Appendix F-2: Gilman Subdivision Improvements.....	34
Verifications	39
Résumé of Carl Van Dyke	41

I. Introduction

Canadian National Railway Company and its U.S. subsidiary, Illinois Central Railroad Company (“ICRR”) (referred to collectively herein as “CN”), submits this responsive application to ask the Board to condition any approval of the proposed CP and KCS merger on the divestiture to ICRR of the KCS rail lines between Springfield, Illinois and East St. Louis, Illinois on the one hand, and Kansas City, MO, on the other hand (as more particularly described in the Asset Purchase Agreement submitted as Exhibit 2A to the Responsive Application) (the “Springfield Line”), pursuant to the Board’s statutory authority to order “the divestiture of parallel tracks” as a merger condition. Divestiture of the Springfield Line will restore and preserve KCS’s former competitive route between Kansas City, MO and Chicago, Illinois, will transform what would otherwise become a relatively underused and neglected segment of the combined CPKC network, and create a new single line route for traffic moving between Kansas City and points beyond, on the one hand, and Chicago, Detroit, Eastern Canada, and south towards Memphis, on the other. The proposed divestiture does not present any operational challenges – indeed the Springfield Line was once a part of ICRR’s rail system.

The traffic diversion analysis included with this Responsive Application estimates that ICRR would attract more than 49,500 rail cars and rail intermodal units, as well as more than 80,000 automotive and intermodal truck units to the Springfield Line annually.¹ Moreover, 12,500 containers that are currently routed

¹ See Verified Statement of David Hunt.

via congested east coast ports would shift to the Port of Montreal and move to points in the United States via ICRR's Springfield Line. The majority of the diverted shipments would be intermodal traffic, with more than 19,000 assembled auto multilevel cars diverted as well. The anticipated traffic diversions are detailed in Figure 1 and described more fully in the Verified Statement of David Hunt.

Figure 1
Diversions Analysis

	Rail-to-Rail	Truck-to-Rail	Port of Montreal	Total Units
Intermodal Units	31,006	77,771	12,500	121,277
Automobiles	17,903	1,479	-	19,382
Grain	604	-	-	604
Other	-	890	-	890
Totals	49,513	80,140	12,500	142,153

ICRR's acquisition of the Springfield Line will reduce greenhouse gas emissions by shifting more than 80,000 truckloads off the highway to more environmentally friendly rail service. Although the volume of traffic on the Springfield Line will increase, there will be no adverse impact on operations across the broader network as the projected increase represents only two new daily through trains in each direction—for automotive and intermodal traffic between CN's Markham Yard in Harvey, Illinois and KCS's International Freight Gateway terminal in Grandview, MO ("IFG" or "IFG Terminal"), with connecting service to/from East St. Louis via Roodhouse, IL—and increased local service. Pursuant to a proposed haulage agreement (Responsive Application, Exhibit 2C), existing KCS unit trains would move on the Springfield Line via haulage.

Figure 2
Map of Transaction-Related Train Increases on the Springfield Line



Figure 3
Map of Transaction-Related Train Increases on the Gilman Subdivision

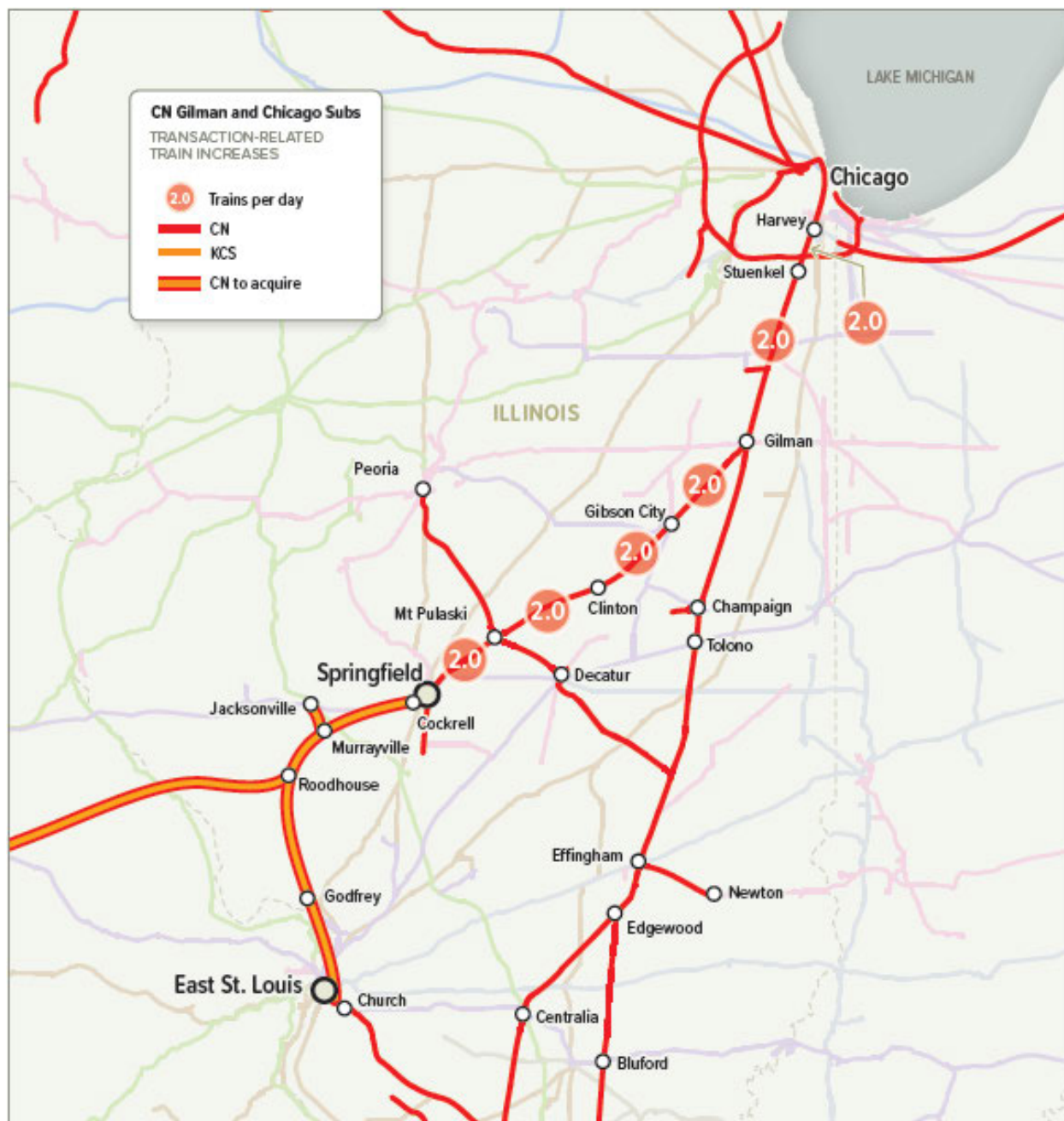


Figure 4
Map of Transaction-Related Train Increases at Memphis Terminal



To handle the increased traffic on an acquired Springfield Line, CN is prepared to make approximately \$250 million in capital investments on the Springfield Line and ICRR's adjacent Gilman Subdivision. These capital improvements will include track improvements to increase operating speeds, new and extended sidings, and the construction of new intermodal and automotive facilities in the existing East St. Louis Yard and at the IFG Terminal.

ICRR will access the Springfield Line via its existing trackage rights over Norfolk Southern (“NS”)-owned track as a subtenant of Union Pacific Railroad Company (“UP”) as it can today for interchange with KCS.² ICRR and KCS currently connect directly in the East St. Louis area at Church, IL.

ICRR proposes to enter into a haulage agreement with KCS that will enable KCS to continue to access all current and future customers on the Springfield Line and to interchange with other railroads at East St. Louis, IL (except for access to CN’s new intermodal or automotive facilities at the IFG Terminal and East St. Louis). The proposed transaction also contemplates an assignment of KCS’s existing trackage rights over UP between Rock Creek Junction and Airline Junction, MO, so that CN can reach KCS’s Knoche and Mill Street Yard (Responsive Application, Exhibit 2D, Docket No. FD 3560 (Sub No. 4)), and a trackage rights agreement pursuant to which ICRR would obtain overhead rights on KCS beyond Airline Junction to reach the IFG Terminal at Grandview, MO (Responsive Application, Exhibit 2B, Docket No. FD 35600 (Sub. No. 2)).³

As explained elsewhere in the Responsive Application, CN believes that the proposed divestiture transaction should properly be classified as a “minor” transaction, because the transaction “clearly will not have any anticompetitive

² ICRR obtained these rights pursuant to an October 1, 1994 agreement between a predecessor of UP and NS’s predecessor, Norfolk & Western Railway Company. That arrangement was discussed by the Board in *Canadian National Ry. Co. – Control – Illinois Central R. Co.*, 4 S.T.B. 122 at 175, 190-199 (1999).

³ ICRR would acquire a 50% ownership interest in the IFG Terminal, and would make a capital investment in additional capacity at that facility.

effects.”⁴ This Responsive Application, however, provides all of the information required under the Board’s regulations governing “significant” applications, in the event that the Board prefers to evaluate the proposed divestiture condition as a significant transaction.

This Exhibit 13 complies with the requirements for an operating plan set forth in 49 C.F.R. § 1180.8 (2000). Specifically, it includes

a summary of the proposed operating plan changes, based on the impact analyses, that will result from the transaction, and their anticipated timing, allowing for any time required to complete rehabilitation, upgrading, yard construction, or other major operational changes following consummation of the proposed transaction.

The plan also “make[s] clear the gains in service, operating efficiencies, and other benefits anticipated.”⁵ Those requirements specifically enumerated in Section 1180.8 are set forth below.

II. Qualifications and Background

This Operating Plan (Exhibit 13) is sponsored by Carl Van Dyke of Oliver Wyman and Derek Taylor, Vice-President, Operational Excellence, for CN. In preparing the Operating Plan, those individuals consulted and worked closely with each other and with marketing and operating personnel at CN. They used publicly-available KCS data—as well as data in the CP/KC application and materials produced in discovery—to create both the pre-transaction and post-transaction

⁴ 49 C.F.R. § 1180.2(b)(1).

⁵ 49 C.F.R. § 1180.8.

Operating Plans. As described further below, Messrs. Van Dyke and Taylor utilized Oliver Wyman's MultiRail Network Planning Software ("MultiRail") to develop robust post-transaction blocking and train service plans for the post-transaction CN system.

A. Carl Van Dyke

My name is Carl Van Dyke. I am a retired Partner of Oliver Wyman, a global management consulting firm. I have more than 40 years of consulting experience with the application of computer programs to transportation planning and operations issues, with particular emphasis on railroad network modeling, service design, train scheduling, line capacity analysis, and equipment management.

Prior to joining Oliver Wyman in 2006, I founded MultiModal Applied Systems in 1992, a software development company that designed and built the initial versions of the MultiRail software. During the 14 years I served as President of MultiModal Applied Systems, MultiRail was installed and used by every major North American railroad, as well as many other railways around the world. In 2006, MultiModal was acquired by Oliver Wyman.

Prior to founding MultiModal, I worked for ALK Associates, a railway-focused transportation consulting firm, for more than 6 years, including 4 years as a Vice-President.

As a Partner at Oliver Wyman, I was responsible for the marketing and implementation, including detailed operations planning, of MultiRail to major railways around the world.

Under my leadership, Oliver Wyman-MultiModal was involved in the redesign of the operating plans of every major North American railroad and similar operating plan redesign projects in Europe, Africa and the Commonwealth of Independent States. We also assisted in developing the operating plans supporting the STB applications for the following transactions: Union Pacific/Southern Pacific, Canadian National/Illinois Central, Norfolk Southern/Conrail, and (proposed) Burlington Northern Santa Fe/Canadian National mergers. In addition, we performed similar operating analyses in connection with the privatization of the Mexican railways. This interaction with various railway systems has given me a deep knowledge of the inner workings of the real-world operations control systems utilized by railroads in North America, Europe, the CIS and South Africa.

I earned a Master of Science Degree in Civil Engineering/Transportation from Massachusetts Institute of Technology and a Bachelor of Science in Engineering in Mechanical Engineering, summa cum laude, from the University of Pennsylvania.

A copy of my CV is attached hereto.

I am sponsoring elements of the Operating Plan that relate to ICRR's proposed operations over the Springfield Line.

B. Derek Taylor

My name is Derek Taylor. I was appointed Vice-President, Operational Excellence, for CN in September 2021. In this role, I am responsible for driving continuous improvement across CN's key operating metrics. I am a proven and experienced railroad operator with over 20 years of experience at CN.

I joined the Company as Management Trainee in Winnipeg in 2000 and moved to progressively more senior roles. Prior to my current role, I served as Vice-President, Eastern Region (2019-2021), Vice-President, Southern Region (2018-2019), General Manager of the Regional Operations Center, Southern Region (2016-2018), General Manager, Midwest Division (2012-2016), General Superintendent of BC South and the Greater Vancouver Terminal (2009-2012), and Superintendent for the Memphis Zone (2005-2009). Most of my 20 plus years of railroading experience with CN has been spent on the ICRR main line between Chicago and New Orleans, which branches to Springfield, IL And East St. Louis, IL, where it connects with the KCS Springfield Line.

I earned a Bachelor of Arts degree at DePauw University in Indiana.

I am sponsoring elements of the Operating Plan that relate to CN's current and proposed future operations and CN's capital and labor plans for the Springfield Line.

I have previously testified before the STB on *Oversight Hearing on Demurrage and Accessorial Charges*, STB Ex Parte No. 754 (2019).

III. Data Sources and Methodologies

The CN Operating Plan for the Springfield Line was developed by a team of experienced CN operating employees, under the supervision of Derek Taylor, in conjunction with railroad operations experts at Oliver Wyman. This "Operating Plan team" focused on blocking, train scheduling, network capacity and capability, yard and terminal operations, and existing plant and facilities, as well as capital improvements necessary to execute the Operating Plan and maintain fluid train

service. CN's current standards for train operations, maintenance, and equipment utilization were applied in developing the Operating Plan for the Springfield Line. The data sources used and methodology applied to develop the plan are described below.⁶

A. Traffic Data Sources

To develop Base Year 2019 carload volumes, we analyzed the 2019 full-year CN waybill data and the 2019 waybill data for CP and KCS. The CPKC data was provided by Applicants' consultants, in exchange for provision of the CN 2019 waybill data to them. Additional CP and KCS waybill data were obtained from the Applicants' work papers.⁷ In the case of CN, we used the full system 2019 traffic data to represent the entire CN network and pre-transaction operating plan. For the proposed CPKC, we used only the traffic expected to traverse the Springfield Line.

To determine changes in post-transaction traffic for CN, we utilized the results of the CN Springfield Line traffic diversion study,⁸ adding this traffic to the KCS Base Year traffic on the Springfield Line in 2019. For CPKC, we identified the

⁶ See also "HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf" in the workpapers for more technical details and associated data inputs and outputs.

⁷ See FD 36500 – Work Paper, "HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt."

⁸ See Verified Statement of David Hunt.

traffic projected to use the Springfield Line in the CPKC traffic studies,⁹ and added this traffic to the Base Year traffic. We also added an allowance for organic growth to the CPKC traffic volumes in order to assure sufficient capacity to handle all of the traffic likely to traverse the Springfield Line post-divestiture. The organic growth factor we used was the CP/KC application assumed {{ }} rate, although there are significant concerns as to the achievability of that figure.¹⁰

B. Operating Data Sources

The Operating Plan team used the 2019 density maps and tables as published in the CP/KC Application¹¹ as a cross-check against the traffic data for CPKC and have included this data in the Responsive Application. We also obtained the historic line density data for CN for the years 2019 through 2021.¹² The 2019 density data provided the base values for the line density information in this responsive application for the lines currently operated by CN. Other resources

⁹ Source: Diversion traffic from CP/KC Application workpapers: “HC - 1.Proposed Final FTI Rail to Rail Diversion Results for Merger Application 10_21_20 UPDAT_TRUK_REV”; “HC - 8 - Diversion Identification.xlsx;” “HC – 10b - Grain Diversion Worksheet.xlsx”; ”HC – 10a - Lumber Diversion Worksheet.xlsx.”

¹⁰ See “HC - Review of Growth Factors in CPKC Application.pdf.”

¹¹ CPKC filing, App Vol 2, p.461, Exhibit 14 Density Chart, Exhibit 14, p.505 Density Maps.

¹² See Density Charts in Appendices.

included KCS and CN timetables,¹³ Google Maps, and internal knowledge of KCS operations based on our experience in the industry.

A summary of the KCS train plan for the Springfield Line, as well as for the Kansas City and East St Louis areas, was produced by KCS late in the discovery process, well after we had to commence development of the Springfield Line Operating Plan to comply with the procedural schedule in this proceeding. We reviewed the late-produced information and aligned our base Operating Plan to be consistent with that information to the extent possible given the time constraints.

The Operating Plan for the full CN network is based on a combination of a partial loading of the 2021 CN Operating Plan from the CN production system and extensive manual review and refinement to match that plan to the 2019 full-year traffic data. This base Operating Plan is complete with respect to all aspects of CN's operations, including local trains, manifest trains, intermodal trains, and unit trains. Oliver Wyman validated that this plan produced aggregate statistics for car-miles, gross-ton-miles ("GTMs"), and train-miles to within +/- 5 percent of historic values from 2019.

C. Methodology

The CN pre-transaction base plan was extended by adding in elements of the KCS network associated with the Springfield Line, along with the KCS traffic

¹³ See "CN Timetables.zip" and "KCS Timetable No. 15_Highly_Confidential_June 9 2020.pdf."

associated with this line.¹⁴ Using MultiRail, a pre-transaction Operating Plan for the KCS Springfield traffic was created based on our general understanding of KCS's current operating strategy for the line, augmented by a more detailed description of the trains operated by KCS that was obtained in discovery. The pre-transaction Operating Plan was then adjusted as necessary to create a post-transaction Operating Plan incorporating the new post-merger CPKC and CN traffic, and the assumption of operating control for the Springfield Line by CN.

1. MultiRail

In developing the pre- and post-transaction Operating Plans, the Operating Plan team used the software application MultiRail to develop local, carload, and intermodal blocking and train service plans for the Springfield Line, as well as a set of dedicated unit trains to handle the unit grain movements that originate/terminate on the Springfield Line. As the Board has observed:

“MultiRail computer software is a modeling tool that generates car classification and blocking service plans for a selected traffic group, based upon the characteristics of the traffic, the railroad's network configuration, and customer service requirements. Operating experts can develop the costs for such blocking and train service plans without the assistance of software, but the use of software like MultiRail can be used to facilitate this process. MultiRail is used to help develop a comprehensive blocking and train service plan, which then establishes

¹⁴ See “HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf” for MultiRail process.

the requirements for the network of yards and other facilities necessary to serve the selected traffic.”¹⁵

MultiRail is commercially available software developed and owned by Oliver Wyman. All the North American Class I railroads have used MultiRail for various network planning and service design purposes over the past 30 years. Blocking plans and train schedules based on MultiRail have been presented in a variety of prior Board proceedings.¹⁶ The use of MultiRail in railroad merger proceedings is well established and recognized by the Board, as the program has been used to develop operating evidence in the NS-Conrail, Union Pacific-Southern Pacific, and Canadian National-Illinois Central merger proceedings.¹⁷

2. Base Year 2019 Traffic

The year 2019 was selected as the pre-transaction Base Year, consistent with the Base Year used by CP and KCS in their application. STB waybill data, TransSearch data, and Freight Analysis Framework truck and rail data are all available for 2019. In addition, 2019 data reflects the most recent year of “normal”

¹⁵ *E.I. DuPont de Nemours and Co. v. Norfolk Southern Ry.*, Docket No. 42125, at 31 (STB served Mar. 24, 2014) (internal footnote omitted).

¹⁶ *Id.* (“The Board has allowed the use of MultiRail to create blocking plans in other types of proceedings, and we conclude that its use here is permissible.”) (internal footnote omitted).

¹⁷ See Finance Docket No. 33556, Railroad Control Application, Surface Transportation Board, July 1998, Volume 2, pp. 5-6 (CN-IC merger) and Finance Docket No. 33388, Railroad Control Application, Surface Transportation Board, June 1997, Volume 3B, p. 7 (Conrail merger).

pre-pandemic rail traffic, as the traffic and operations of all rail carriers including CN and KCS, were significantly impacted by the COVID-19 pandemic in 2020.

As discussed above, 100 percent of CN full-year 2019 waybill data for loaded movements was used to develop Base Year traffic flows for the pre-transaction CN Operating Plan. Base Year CN empty flows were generated based on historic empty return ratios for CN, by reverse routing each loaded flow and using the appropriate empty/loaded ratio to adjust the reverse routed movement's car volume. Loaded unit train movements were reverse routed using an assumed 100 percent empty return ratio.

Historic CN slot utilization data and intermodal railcar tare weights and lengths were used to estimate the proportion of each railcar's length and weight that should be assigned to each intermodal container shipment. Thus, our intermodal movement unit counts are expressed in containers, while the associated gross weight represents the container plus its share of the associated railcar. Likewise, the railcar length for each container is based on the share of each railcar associated with a container (*e.g.*, a typical railcar length of 35-36 feet is associated with each container).

For the pre-transaction KCS traffic, we used the 100 percent CP and KCS 2019 full year waybills for both loaded and empty movements as our starting point. This data had been at least partially cleaned and adjusted by CP and KCS to eliminate duplicate records for shipments that moved on more than one of the CP

and KCS merging railroads.¹⁸ These data were examined, and all movements that originated, terminated, or interchanged at a point on the Springfield Line were identified. This subset of traffic became the 2019 base traffic set for the pre-transaction Operating Plan.

Intermodal volumes for CP and KCS are expressed in containers to be consistent with the representation of the CN Base Year traffic. We applied the same statistical standards used by CP and KCS for intermodal shipments in their Application, which included a railcar length per container of {{ }} feet, and a railcar tare weight per container of {{ }} tons, and an aggregate tare weight of { } tons for railcar plus container.¹⁹

3. Pre-Transaction Operating Plan

The pre-transaction traffic database was loaded into MultiRail. We did not attempt to merge movements that interchanged between CN and KCS at Springfield or East St Louis, so that these moves were left as two separate moves on their respective railroads, with the end of one move being the same location as the start of the other move. This was estimated to affect approximately three cars per day.

To model the pre-transaction operations for each railroad in MultiRail, we also needed to develop a “digital rail network” for CN and the KCS Springfield Line.

¹⁸ See “HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf.”

¹⁹ See “HC - Intermodal to Railcar Conversion Factor Source Compilation.pdf.”

CN provided the Operating Plan team with a MultiRail network previously prepared by CN. That network was augmented by manually encoding the Springfield Line network, plus selected additional stations in the Kansas City area, such as IFG and Knoche Yard, yielding the entire network that was relevant for purposes of developing the Springfield Line Operating Plan.

Oliver Wyman, supported by planning experts at CN, then carried out the detailed task of matching, at the Freight Station Accounting Code (“FSAC”) level, the traffic data for each carrier with the MultiRail network.²⁰ Mismatches were resolved so that the origin and destination of all traffic movements in the pre-transaction traffic database could be assigned to a MultiRail location.

Based on our review of the CP/KC Application and associated work papers, the CP/KC traffic for the Springfield Line, our knowledge of current KCS operations on the Springfield Line gained from experience in the industry, and a description of the current KCS train service for the Springfield Line, Kansas City area, and East St. Louis area produced by KCS, we developed our best estimate of the current KCS blocking and train services for the Springfield Line.²¹ This included both local and manifest scheduled trains, and a set of (unscheduled) unit trains primarily to serve grain and other bulk customers located on the Springfield Line. We attempted to

²⁰ See “HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf” for technical details.

²¹ See workpapers and documents related to generating Operating Plan metrics from MultiRail: “HC - Operating Metrics – Estimation of Line Density and Train Counts Methodology.pdf” and “HC - Operating Metrics – Estimation of Yard Activity.pdf.”

cross-check the results of this effort to the gross tons and trains per day reported by KCS, with the foreknowledge that the CP/KC values might be less than reliable.²² We believe that, based on our knowledge of this line and associated traffic, our Base Year Operating Plan fairly represents the actual KCS operations that took place on the Springfield Line in 2019.

We used the algorithms and diagnostic capabilities in MultiRail to ensure that all of the pre-transaction traffic using the Springfield Line was being moved in a logical and efficient manner, and that no traffic was stranded because of gaps in the Operating Plan. MultiRail diagnostics included identification of out-of-route or circuitous movements, blocks not assigned to trains, and traffic unable to depart its origin. Train sizes in terms of weights and lengths were also checked to ensure that they were within expected ranges. Yard volumes were inspected and were consistent with expectations.

Output reports from this final version of the “pre-transaction” MultiRail Operating Plan included switching volumes for each yard, unit loadings for each intermodal terminal, train movements/counts, train-miles, and GTMs for each line-of-road corridor.

4. Post-Transaction Traffic and Operating Plan

The post-transaction Operating Plan reflects the third year of combined operations (2025), which is the expected year of fully implemented post-transaction

²² Concerns with the methodology used by CP and KCS are described in Appendix A of the Operating Plan.

operations. To develop the traffic base for Year 3 post-transaction operations, a separate process was followed for the CN and CPKC components of the traffic.

No organic growth factor was applied to the CN traffic on the Springfield Line. Instead, we expect CN to develop the new market opportunities arising from the Springfield Line over several years. Thus, our post-acquisition traffic for CN represents the projected transaction related full phase-in of the traffic identified in CN witness Hunt's traffic diversions study.²³

To take this traffic into account, each new traffic movement identified in the CN traffic study was examined, and the starting and ending location of each movement on the CN network was identified. Based on this information, the traffic movement was added to the pre-transaction 2019 traffic already in MultiRail. The vast majority of the post-transaction diverted traffic is intermodal and automotive, with some smaller volumes of carload traffic, primarily grain.

Because the new traffic identified by Mr. Hunt only represents loads, a corresponding set of empty movements was generated. For multilevel traffic, we applied CN's historical system average 2019 empty/loaded mileage ratio of {{ }} percent. Based on this value, we created a reverse route movement for every loaded movement that had {{ }} percent of the loaded movement's volume. For intermodal traffic, we looked at the total number of intermodal containers originating and terminating on the line and, based on the net difference, determined a backhaul

²³ The methodology employed and result of CN's traffic diversion study are detailed in the Verified Statement of CN witness David Hunt in support of this Responsive Application. See STB Finance Docket No. 36500 (Sub-No. 1).

percentage of 30%,²⁴ which was used to create reverse route empty movements in one direction only. For all other traffic, we created reverse routed empty movements using a 100 percent empty/loaded ratio. Car gross weights and lengths were based on statistical averages by shipment type.²⁵

For CPKC traffic that would move under the proposed haulage agreement, we took two actions to represent post-acquisition traffic volumes. First, for existing traffic, both loaded and empty, we increased the CPKC 2019 base traffic volumes by {{ }} percent, based on the organic growth rate assumed by CPKC and set forth in the CPKC System Model for 2025.²⁶ CPKC's projected organic growth traffic was included to demonstrate that the Springfield Line will have sufficient capacity to accommodate CPKC's assumed organic growth.

Next, we identified the small amount of traffic from the CP/KC traffic diversion study that would use the Springfield Line, and added those movements to the 2019 KCS base traffic. Because the traffic in CPKC's traffic study was loads only, we also created a set of empty movements using a simple 100 percent reverse route approach. The gross weights and car lengths for the CPKC traffic are based on

²⁴ See "HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf."

²⁵ *Id.*

²⁶ CN does not believe the {{ }} organic growth rate is appropriate or realistic given historic organic growth numbers. However, for consistency with the CP/KC Application, CN has used it here. See "CN-WP-HC Review of Growth Factors in CPKC Application.pdf."

a mix of MultiRail sample data provided in the CP/KC Application workpapers and CN's full 2019 Waybill file.²⁷

Using the 2019 KCS traffic on the Springfield Line as the starting point, we developed a post-transaction traffic file incorporating (1) forecasted CPKC organic growth and (2) likely diversions from trucks and other rail carriers for CPKC and CN. Then, we proceeded to construct a post-transaction Operating Plan that would transport that traffic safely and efficiently. In doing so, the Operating Plan team generally followed the same methodology as was used in preparing the pre-transaction Operating Plan.

Specifically, the post-transaction traffic file was run through MultiRail's planning algorithms, using the pre-transaction blocking and train plans for each railroad already loaded in the MultiRail model. Based on the outputs of this initial iteration, we identified which elements of the existing KCS Springfield Line plan could be retained and which would need to be adapted to fit into CN's Operating Plan, and where additional train service would be justified.

For example, we retained all the existing KCS unit trains, on the assumption that these would continue to be operated by ICRR under the haulage agreement using KCS locomotives and equipment, while moving on the Springfield Line. We also retained the concept of a pair of daily trains between Kansas City/IFG and East St. Louis, although we converted these trains to purely manifest trains going to

²⁷ See "HC - Springfield Line Network and Traffic Development for MultiRail – Methodology.pdf" for more details on data sources and processes used.

Kansas City, not the IFG Terminal, as KCS does today. We introduced a pair of new through trains for automotive and intermodal traffic from CIT to IFG Terminal (and in reverse), with connecting service to/from East St. Louis via Roodhouse, IL. Various other adjustments were made to improve service between points on the CN network and East St. Louis/Kansas City, and ensure that all local customers would be appropriately served.

Throughout this design process, we carefully checked the expected sizes of trains to ensure they would be within the anticipated limits for length and weight, that the blocking plan was feasible, and that increased yard volumes could be accommodated. The changes in GTMs, car-miles, location-based volumes, train schedules, and other operating plan attributes were used by the teams examining capital needs and labor impacts. A summary of labor impacts and equipment impacts, as well as the post transaction capital investments in the physical plant that CN proposes to make to the Springfield Line and ICRR's adjacent Gilman Subdivision, are all described herein.

5. Post-Transaction Operating Plan Implementation

The post-transaction Operating Plan for the Springfield Line would not be fully implemented on "Day One" after approval of the transaction. As noted above, the post-transaction Operating Plan depicts the anticipated operations of the combined CN network and ICRR-Springfield Line in the third year of combined operations (*i.e.*, 2025, assuming approval of the Responsive Application in 2022). As

such, it reflects the projected year of fully implemented post-transaction operations, following completion of planned capital improvements.

The Operating Plan assumes full realization of projected CN traffic gains by 2025 and also reflects the impact of phased gains in operating efficiency over the three-year implementation period from merged train operations (*e.g.*, more run-through, single-line trains; more bypass blocking; more block passing).²⁸

IV. Pre-Transaction Line and Operations

A. KCS Springfield Line

1. Line Description

The Springfield Line consists of approximately 400 route miles of rail lines from Kansas City, MO, to Springfield, IL and East St. Louis.²⁹ It includes approximately 355 route-miles owned by KCS and approximately 43 trackage rights route-miles in Illinois and Missouri. Specifically, it consists of the following lines of the former Gateway Western Railway and Gateway Eastern Railway:

- The line from Milepost 192.4 at Cockrell (Springfield), IL through Milepost 482.0 at Rock Creek Jct. (Kansas City), MO (milepost equation at Murrayville, IL where Milepost 221.7=Milepost 226.7).
- The line from Milepost 68.2 at Roodhouse, IL (Milepost 237.2 on the first segment) through Milepost 287.2 at Church (East St. Louis), IL, including KCS's interest in the UP/KCS Joint Facility between Godfrey, IL, and Church, IL (milepost equation at Godfrey, IL where Milepost 28.0= Milepost

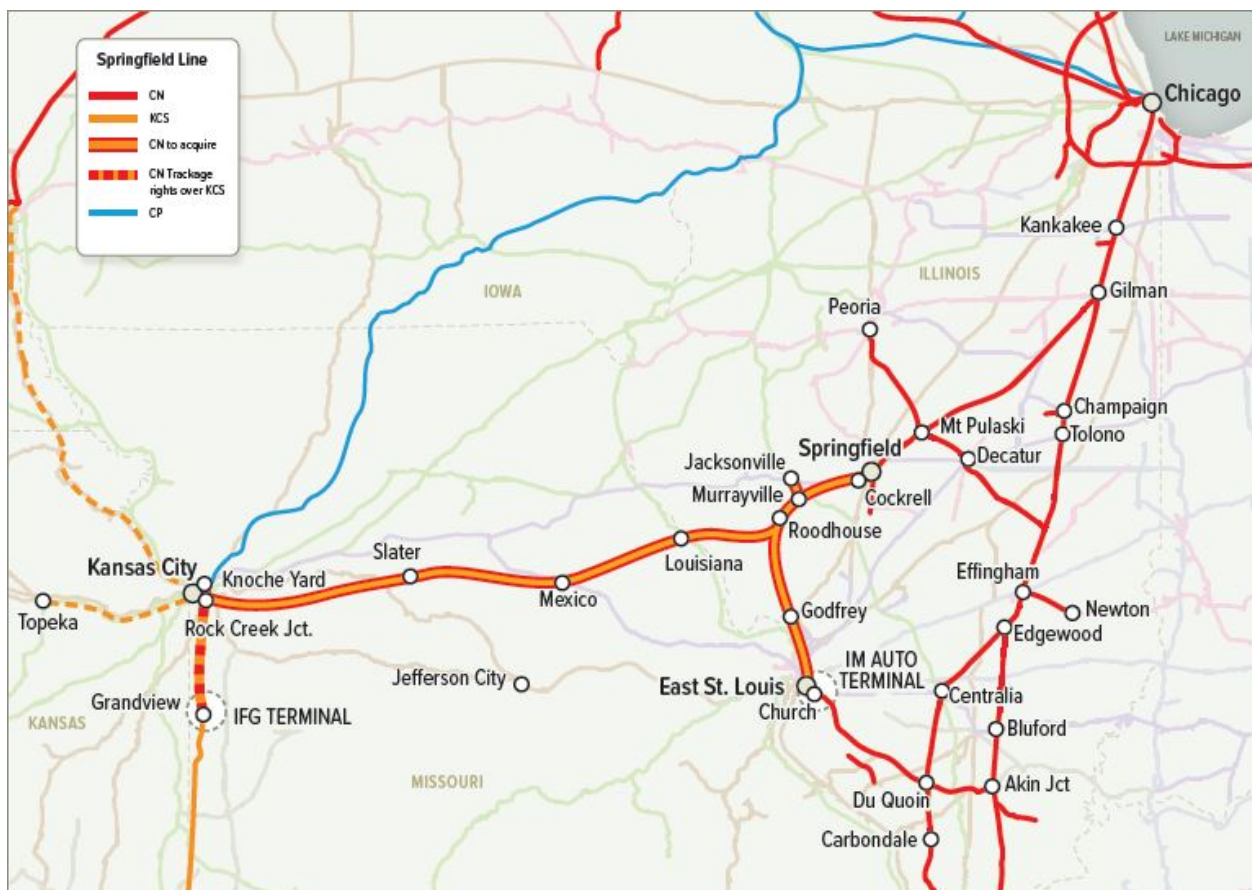
²⁸ Some anticipated efficiencies could not be immediately realized in Year 1 because of a variety of factors, including the time required to complete certain infrastructure improvements, negotiate implementing agreements, and implement operating initiatives.

²⁹ All mileage and Milepost numbers on the Springfield Line and other affected KCS lines were sourced from a publicly available KCS timetable ("KCS Timetable").

252.1); Wann, IL, where Milepost 259.53= Milepost 262.00 and Q Tower, IL where Milepost 280.49= Milepost 280.70.

- The Jacksonville Branch from Milepost 226.7 at Murrayville, IL to Milepost 216.3 at Jacksonville, IL
- KCS's interest in the Fulton Branch from Milepost 0.0 to Milepost 3.0 at Mexico, MO, which is leased to and operated by Ozark Valley Railroad, Inc.³⁰ The Springfield Line is depicted in Figure 5.

Figure 5
The Springfield Line



³⁰ *Ozark Valley R.R.—Acquisition and Operation Exemption—The Kansas City S. Ry. Co.*, STB Fin. Docket No. 34989 (served June 8, 2007).

At Kansas City, the Springfield Line connects directly with the Kansas City Terminal Railway (“KCT”).³¹ A track connection in East St. Louis allows for the potential direct interchange with other Class I railroads, described further below, including CSXT, NS, UP/Alton & Southern Railway, and CN, as well as the Terminal Railroad Association (“TRRA”) (which reaches BNSF and Missouri Eastern Railroad).³² At Springfield, interchange is available with UP, NS, IMRR, and CN via ICRR trackage rights over NS as UP’s subtenant.³³

The Springfield Line is part of KCS’ current North Division and comprises the following subdivisions, from west to east and north to south:³⁴

- Mexico
- Roodhouse
- Fulton Branch (under long-term lease to the Ozark Valley Railroad)
- Jacksonville
- Springfield
- Godfrey
- East St. Louis Terminal
- Gateway Eastern Branch

³¹ See KCS Timetable.

³² Determined in consultation with CN operating experts.

³³ See *Canadian National Ry. Co. – Control – Illinois Cent. R. Co.*, 4 S.T.B. 122, 175, 190-199 (1999).

³⁴ KCS Timetable.

In connection with the proposed divestiture, and to efficiently and safely operate the line, the responsive application also seeks from CP and KCS:

- Acquisition of an 8.33% ownership share of the KCT, whose Mill St. Yard is where ICRR plans to handle its manifest traffic in addition to Knoche Yard in Kansas City.
- A 50% interest in KCS's IFG Terminal, which is located 24 miles south of Kansas City at Grandview, MO. The interest is necessary to handle the make-up/break-up of CN's new daily intermodal train operating between Kansas City and Harvey, IL with connecting service to Detroit (with drayage to Cleveland), Toronto, and the Port of Montreal. As described further below, CN will also make a capital investment in the IFG Terminal to handle additional automotive and intermodal traffic.
- Overhead trackage rights on KCS's Pittsburg Subdivision to reach the IFG terminal, extending from approximately Milepost 5.6 at Airline Junction³⁵ in Kansas City, MO, to Milepost 29.5 near Grandview, MO, as well as assignment of KCS's rights to operate between Rock Creek Junction and Airline Junction in Kansas City.
- KCS's interest in the Gateway Eastern Railway Company ("GWER"), a KCS subsidiary which owns trackage in the East St. Louis terminal.³⁶

KCS has implemented Positive Train Control ("PTC") on all required segments of the Springfield Line. Certain trackage in Springfield, Jacksonville, and East St. Louis have not been equipped with PTC, as permitted by Federal Railroad Administration ("FRA") regulations.³⁷ KCS's PTC-equipped track on the Springfield Subdivision is in track-warrant-controlled "dark territory."

³⁵ Airline Junction and Southwest Junction are geographically close to each other and on some maps, are listed with the same milepost. For simplicity, the Operating Plan refers to this area as Airline Junction.

³⁶ *Id.*

³⁷ Kansas City Southern, *Positive Train Control*, <https://www.kcsouthern.com/en-us/ship-with-us/safety-security/ptc> (last accessed February 10, 2022).

Figure 6
Springfield Line Required PTC In Operation³⁸



2. Existing Yards and Other Facilities

The most significant yard and terminal facilities along the Springfield Line operated by KCS are located at East St. Louis, IL, Kansas City, MO (joint agency at Knoche Yard), and the IFG Terminal. There is also a smaller yard at Roodhouse, IL.³⁹ Pre-transaction yard volumes are shown in Figure 7 below. The existing volume at Knoche Yard presented is based on the volumes reported in the CP/KC Application and have not been independently verified. It is believed to exclude unit traffic volumes. The Knoche Yard volumes also contain traffic that is unrelated to the Springfield Line and, thus, has a higher volume than would be reported if only

³⁸ *Id.* (Green is PTC operational; Blue is PTC not required).

³⁹ Determined in consultation with CN operating experts.

Springfield Line related volumes were identifiable and listed. The IFG Terminal also contains non-Springfield Line traffic in its totals.

Figure 7
Pre-transaction Yard Volumes⁴⁰

Location	Base Total Equivalent Cars Handled
East St. Louis	{{ }}
International Freight Gateway	{{ }}
Kansas City/Knoche Yard	581.5
Roodhouse, IL	{{ }}

3. Existing Customers, Traffic, and Operations

Existing customers: There are existing shippers on the Springfield Line that generate originating, terminating, and interchange traffic. The top five customers—by volume—of the {{ }} carloads on the Springfield Line during 2019 are shown in Figure 8 for grain shippers and Figure 9 for non-grain carload shippers, below with their location provided.⁴¹

⁴⁰ See “HC – Operating Metrics – Estimation of Yard Activity.pdf” and associated analysis workpapers. Yard volume for “Kansas City/Knoche Yard” is based on Appendix B, CPKC merger application, Vol. 2, page 371.

⁴¹ Source: “2019 CPKC 100% Waybills (FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt.”

Figure 8
2019 Springfield Line Grain Shippers⁴²
{{

}}

Figure 9
2019 Springfield Line (Non-Grain) Carload Shippers⁴³
{{

}}

The top five shippers of the {{ }} intermodal containers that moved on the Springfield Line during 2019 are shown in Figure 10 by location.⁴⁴

⁴² Source: 2019 CPKC 100% Waybills (FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt) provided as part of CP/KC Application. See “HC – KCS Springfield Current Customers.xlsx.”

⁴³ Source: 2019 CPKC 100% Waybills (FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt) provided as part of CP/KC Application. See “HC – KCS Springfield Current Customers.xlsx.”

⁴⁴ *Id.*

Figure 10
2019 Springfield Line Intermodal Shippers⁴⁵

{ {

} }

Existing Train Operations on the Springfield Line: KCS currently operates the following road trains, local trains, and yard assignments on the Springfield Line. Assignments operate { } days per week.⁴⁶ A detailed listing of all trains operated is included in Appendix B. Many of the assignments in the Kansas City area primarily serve traffic not associated with the Springfield Line. ICRR does not expect to operate local trains in the Kansas City area post-transaction.

Scheduled Assignments⁴⁷

- { { } } foreign railroad transfers of interchange cars between Knoche Yard and the foreign railroad's yard in Kansas City.

⁴⁵ Source: 2019 CPKC 100% Waybills (FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt) provided as part of CP/KC Application. See “KCS Springfield Current Customers.xlsx.”

⁴⁶ See “21.2.16 - KCSR-HC-00020863.xlsx” produced in discovery.

⁴⁷ See *id.*

- {{ }} operating from/to various locations on the Springfield Line, with destinations varying by day of the week⁴⁸
- { } operating between Kansas City and East St. Louis
- { } in East St. Louis, with varying destinations depending on the day of the week
- { } at the IFG Terminal
- { } in Kansas City, with varying destinations depending on the day of the week.

Unscheduled Trains⁴⁹

KCS operates an average of {{ }} unit grain trains per week (loaded and empty) from points along the Springfield Line to multiple destinations on the KCS and KCSM network.

These trains, locals, and yard assignments provide the following services:

- Through trains M-KCVN and M-VNKC run between Kansas City and East St. Louis four days per week.
- { }

}⁵⁰

⁴⁸ Local and unit train discussions are designated Highly Confidential because KCS's existing local and unit train service on the Springfield Line was derived from their Highly Confidential production. Other trains were available from publicly available sources. As a result, CN's planned local and unit train service were redacted to avoid any disclosure of KCS's current, apparently Highly Confidential local and unit train service.

⁴⁹ See "21.2.16 - KCSR-HC-00020860.xlsx", "21.2.16 - KCSR-HC-00020862.xlsx" produced in discovery.

⁵⁰ See "KCSR-HC-00020863.xlsx."

• {

}⁵²

• {

}⁵⁵

Existing KCS operations in St. Louis: {

⁵¹ *Id.*

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ Source: “FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt” provided as part of CP/KC Application workpapers. See “KCS Springfield Interchange Volumes Analysis.xlsx” for analysis performed.

}}⁵⁷

4. Existing Locomotive and Car Support Facilities

Locomotives: KCS maintains locomotive service tracks in both Kansas City, MO,⁵⁸ and East St. Louis, IL. Only the East St. Louis service track would be converted to ICRR as part of the proposed divestiture transaction. Locomotive service tracks can perform minor running repairs and servicing such as fueling, sanding, daily inspections, and locomotive derailment response. In addition,

}

Cars: For railcar maintenance and repair, KCS has mechanical facilities and personnel at both Kansas City, MO, and East St. Louis, IL. Again, only the East St. Louis facilities would be converted to ICRR in connection with the proposed transaction. {

⁵⁷ See “KCSR-HC-00020863.xlsx.”

⁵⁸ {

} (Source: Kansas City Southern, Mechanical – Locomotive Executive Report, 15 July 2021, 21.1.10 - KCSR-C-00020869 to KCSR-C-00020871.pdf).

⁵⁹ Kansas City Southern, Mechanical – Locomotive Executive Report, 15 July 2021, 21.1.10 - KCSR-C-00020869 to KCSR-C-00020871.pdf.

}

In addition to railcar maintenance and repair, KCS mechanical personnel perform other duties. In Kansas City, {

}⁶²

These KCS personnel also handle work attributable to other parts of the KCS network.

Between Kansas City and East St. Louis, trainmen generally handle all required air brake tests and railcar inspections (except for 1,500-mile extended haul tests, as trainmen are not considered qualified mechanical inspectors by FRA) when making pickups and set outs at industries or other sidings. KCS also has identified locations between Kansas City and East St. Louis where train crews can perform intermediate terminal air brake tests. Those locations are {

}⁶³.

⁶⁰ See “21.1.11 - KCSR-C-00020872 to KCSR-C-00020874.pdf.”

⁶¹ *Id.*

⁶² *Id.*

⁶³ *Id.*

5. Existing Track Condition

On February 11, 2022, CN received through a discovery production certain track and bridge inspection reports and pictures of track condition from KCS, including a June, 2021, Bridge Inspection Report of the KCS Bridge over the Mississippi River at Louisiana, MO, prepared by Modjeski and Masters, Inc, an engineering firm. On February 21, 2022, CN received through a discovery production video footage related to the Springfield Line. Both productions came late in the process of assembling the Responsive Application.⁶⁴

CN has requested access to the Springfield Line from Kansas City to Cockrell/East St. Louis to perform a hi-rail or other physical inspection. As of the data of this Responsive Application, such access has not been granted.

It is not clear that any of the pictures produced by Applicants depict the line segment between Roodhouse, Ill., and Springfield, Ill. However, based on CN's existing knowledge, the line in some sections may be Class I or FRA excepted. Except for track restricted to {{ }} mph from {

}}, the KCS timetable (2020 edition)⁶⁵ does not show any conditions on the line from Kansas City to St. Louis and Springfield to be anything other than Class {{ }}. Physical inspection of the full Springfield Line would be required to confirm track conditions, as well as the condition of the bridges.

⁶⁴ Track condition pictures and video and bridge inspection reports were produced by KCS in files in the range from "21.1.13 KCSR-C-00020876 to KCSR-C-00020887.pdf" to "21.1.220 KCSR-C-00027148-KCSR-C-00027148.pdf."

⁶⁵ A copy of the 2020 KCS timetable was produced through discovery.

6. Existing Dispatch

CN assumes that the Springfield Line is currently dispatched from a regional desk in the Kansas City Network Operations Center located in Kansas City, MO⁶⁶

7. Existing Labor

According to the CP/KC Application and accompanying materials,⁶⁷ KCS currently employs 92 people on the Springfield Line, including 72 Agreement employees (Engineering – 20; Mechanical – 1; and Transportation – 49) and 20 Engineering, Mechanical, and Transportation Non-Agreement supervisory employees.⁶⁸ The location of these employees are shown in Figure 11. A complete list of employees by craft is provided in Appendix E.

⁶⁶ Source: Determined in consultation with CN operating experts.

⁶⁷ KCS produced a list of purported list of Springfield Line employees, but that list attributed to the Springfield Line numerous employees who will, in fact, actually continue to work on the KCS main line extending south from Kansas City.

⁶⁸ See “CP-KCS - Summary of GWWR Employee Impacts - Revised.pdf,” CP/KC Application. Verified Statement of Myron W. Becker at 245 (shows Engineering, Transportation, and Mechanical employees).

Figure 11
Locations of Springfield Line Employees⁶⁹

Location	Agreement	Non- Agreement	Total
E. St. Louis, IL	35	7	42
Kansas City, MO	23	0	23
Louisiana, MO	4	0	4
Mexico, MO	4	3	7
Odessa, MO	0	5	5
Roodhouse, IL	0	1	1
Slater, MO	6	4	10

The table of existing employees by location that work under agreements originally entered into with the former Gateway Western Railway Company,⁷⁰ a predecessor company of KCS, includes an estimate of the Kansas City-based T&E employees who work on the through Kansas City – East St. Louis train pair. All other employees are actually located on the Springfield Line (excluding bridge tenders at Pearl who will be replaced by a remote bridge operation pending a request made by KCS to the U.S. Coast Guard).

⁶⁹ Source: “CP-KCS - Summary of GWWR Employee Impacts - Revised.pdf.”

⁷⁰ See “CP-KCS - Summary of GWWR Employee Impacts - Revised.pdf”; CP/KC Application. Verified Statement of Myron W. Becker at 245 (shows Engineering, Transportation and Mechanical employees).

8. Existing Short Lines

Figure 12 below provides a list of the short line carriers that can interchange traffic at points along the Springfield Line. Not all of these carriers actively receive traffic from, or deliver traffic to, KCS.

Figure 12
Existing Short Lines on the Springfield Line⁷¹

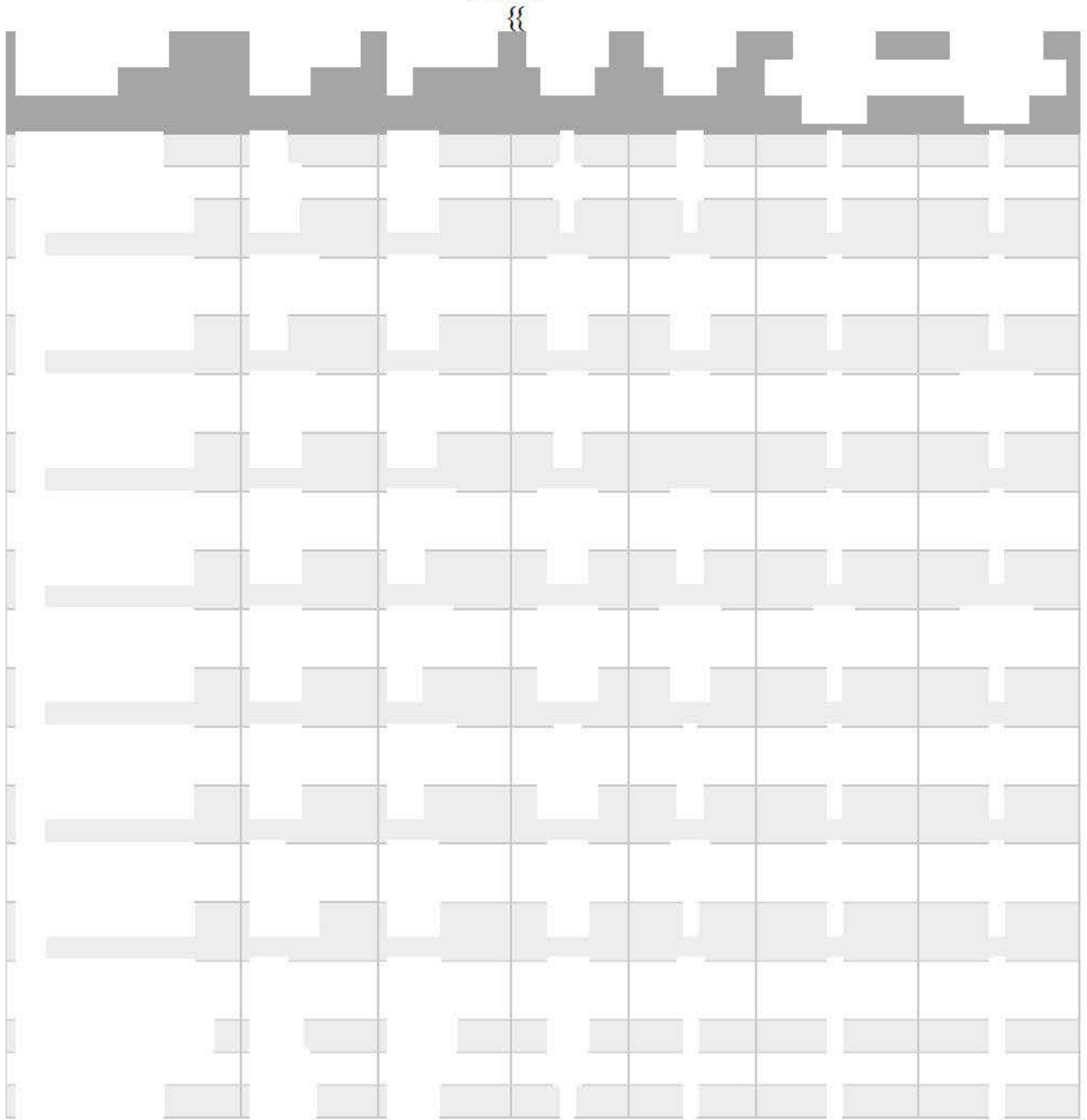
Mark	Name	Interchange
ALS	Alton & Southern	East. St. Louis and Madison, Illinois
CMR ⁷²	Central Midland	Madison, Illinois
IMRR	Illinois & Midland Railroad	Springfield, Illinois
KCTL	Kansas City Terminal	Kansas City, Missouri, and Kansas City, Kansas
OVR	Ozark Valley Railroad	Mexico, Missouri
PHRR	Port Harbor Railroad	Granite City, Illinois
TPW	Toledo, Peoria & Western	Springfield, Illinois (via IMRR and TZPR)
TRRA	Terminal Railroad of St. Louis	East St. Louis and Madison, Illinois
TZPR	Tazewell & Peoria	Springfield, Illinois (via IMRR)

Volume by interchange in the Base Year is set forth in Figure 13 below.

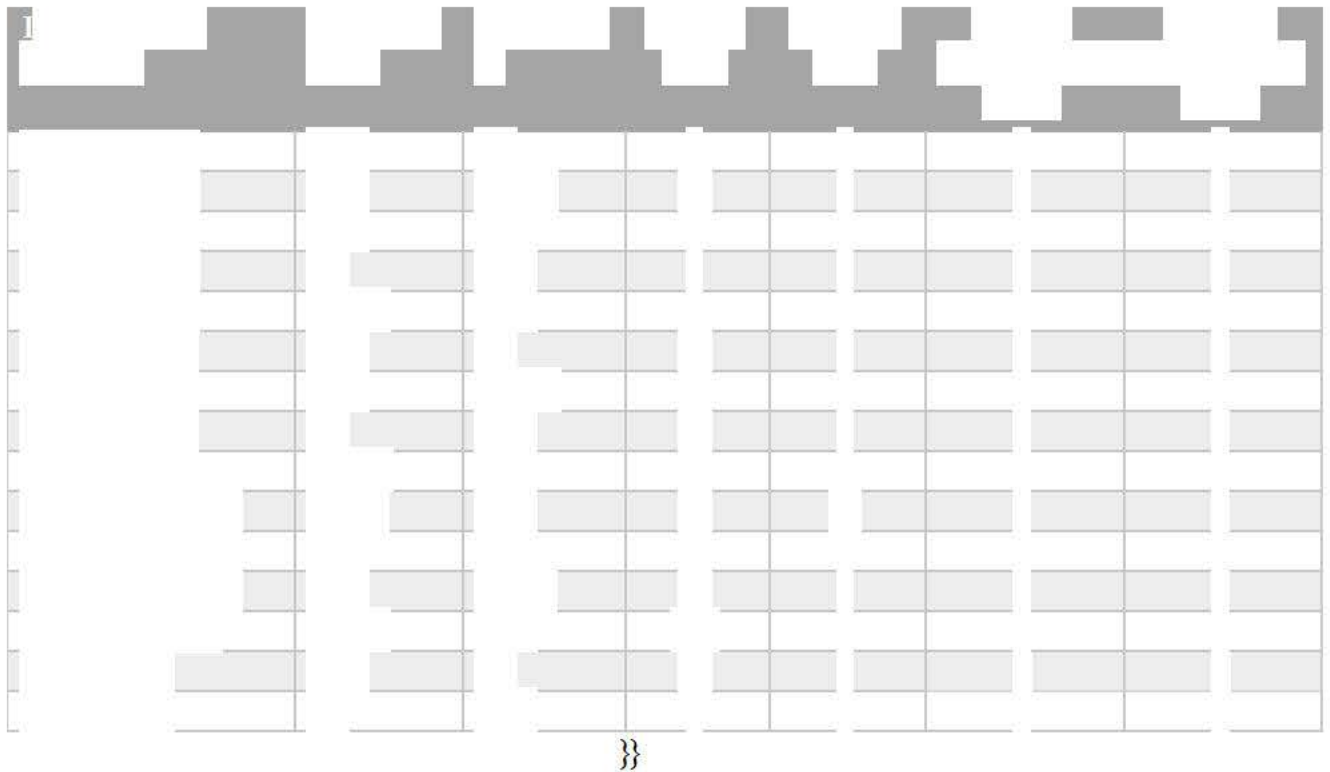
⁷¹ Source: KCS Network Map for Short Line connections (<https://www.kcsouthern.com/en-us/work-with-us/partners/network-map>). Actual interchange locations between KCS and Short Line were determined using Railinc: <https://steelroads.railinc.com>.

⁷² Now Missouri Eastern Railroad (MER) as of November 2021.

Figure 13
Existing Short Lines & Class I Railroads: Interchanges & Traffic Volume
(2019)⁷³



⁷³ Source: 100% CPKC Waybill data “FD 36500 – Work Paper – HC – 2019_CONSOLIDATED_CPKCS_DATA_MASTER.txt” provided as part of CP/KC Application workpapers. See “HC - KCS Springfield Interchange Volumes Analysis.xlsx” for analysis performed.



9. Existing Passenger Service

a. Existing Intercity Service (Amtrak)

There are two segments of the Springfield Line over which Amtrak operates as a tenant of other railroads.

Near Kansas City: At Rock Creek Junction, MO, Amtrak arrives and departs Kansas City, crossing the existing Springfield Line for approximately 0.1 miles while moving from UP track to the KCT trackage.⁷⁴ Amtrak currently operates one daily Missouri state-supported Missouri River Runner train pair

⁷⁴ Amtrak, Illinois and Missouri Train Service Schedules, 23 March 2020; SPV, Comprehensive Railroad Atlas of North America, Prairies East and Ozarks, 2004.

between St. Louis and Kansas City (prior to 2022, the Amtrak operated two Missouri River Runner roundtrips per day).⁷⁵

In addition, on occasion, Amtrak's daily long-distance Southwest Chief may be rerouted off the BNSF mainline at Congo, MO to take the ground-level route (as opposed to the Sheffield Flyover, which bridges Rock Creek Junction and other railroad grade crossings) through Rock Creek Junction. Amtrak trains rerouted in this manner share the line with KCS for approximately 0.1 miles. The Southwest Chief operates five days per week in both directions between Chicago, Kansas City, and Los Angeles, which is tentatively scheduled to end March 27, 2022, when the train is expected to go back to its daily schedule.⁷⁶

Godfrey, IL and Q Tower, IL (East St. Louis): Between Godfrey, IL and Q Tower in East St. Louis, IL, Amtrak operates as part of a higher-speed Chicago to St. Louis Corridor. The Amtrak trains operating over this line include four daily Lincoln Service train pairs and one daily Texas Eagle train pair (currently operating five days per week due to the COVID-19 pandemic.⁷⁷ UP hosts these trains on the jointly owned segment between Godfrey and Q Tower. UP dispatches

⁷⁵ KSHB, Amtrak to reduce Missouri service to 1 daily round trip, 1 January 2022.

⁷⁶ Amtrak, Southwest Chief Train Service Schedule, 8 March 2020; Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022; SPV, Comprehensive Railroad Atlas of North America, Prairies East and Ozarks, 2004.

⁷⁷ Amtrak, Illinois and Missouri Train Service Schedules, 23 March 2020; Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

the jointly owned segment. A subset of these Amtrak trains exit the segment after a shorter distance at WR Tower in Granite City, IL, for an alternative routing into St. Louis.

b. Existing Commuter Rail Service

The KCS Springfield Line does not currently host any commuter rail service.

B. CN's Current Operations

1. Line Description

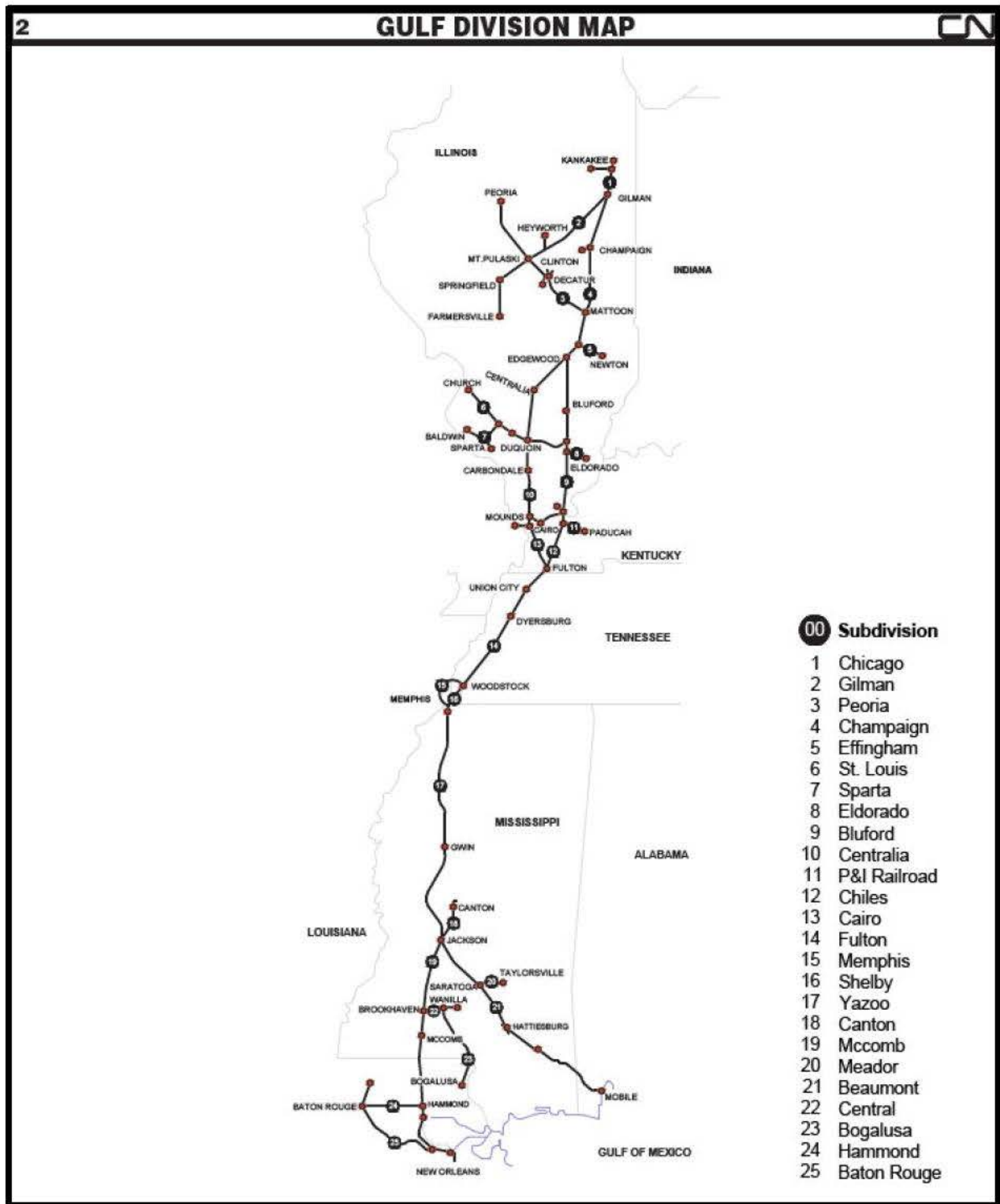
CN's current network spans approximately 18,619 route miles in 13 U.S. states and eight Canadian provinces, with 5,314 miles in the United States. CN has lines linking the Atlantic, Pacific, and Gulf Coasts of North America. CN has approximately 2,310 locomotives, 51,974 railcars, and 25,975 employees across its U.S. and Canadian system. CN currently operates an average of 479 freight trains per day (including 224 road trains and 255 local and switching assignments).

CN's network is organized into two regions: Western (Western Canada) and Eastern (Eastern Canada and the United States). In the United States, CN's network is organized into three divisions: Midwest, Central, and Gulf. For purposes of this Responsive Application, detail is provided about the portions of CN's network that will be most affected by ICRR's acquisition of the Springfield Line.

In Eastern Canada, some transaction-related impact will occur between Sarnia and Montreal, including Toronto because of increased volume of intermodal traffic to and from the Port of Montreal. In the United States, the increased traffic from the projected diversions will primarily affect CN's Central and Gulf Divisions. The additional trains and cars by segment are described further below.

CN's Gulf Division is depicted in Figure 14. The Gulf Division includes 25 subdivisions, running from Kankakee, IL through Illinois, Kentucky, and Tennessee to Memphis, TN, and south to Jackson, MS. At Jackson, CN's lines split with one line extending southeast to Mobile, AL and a second line running south to New Orleans, LA. An additional main line extends northwest from New Orleans to Baton Rouge, LA. In Illinois, CN lines extend to several western points.

Figure 14

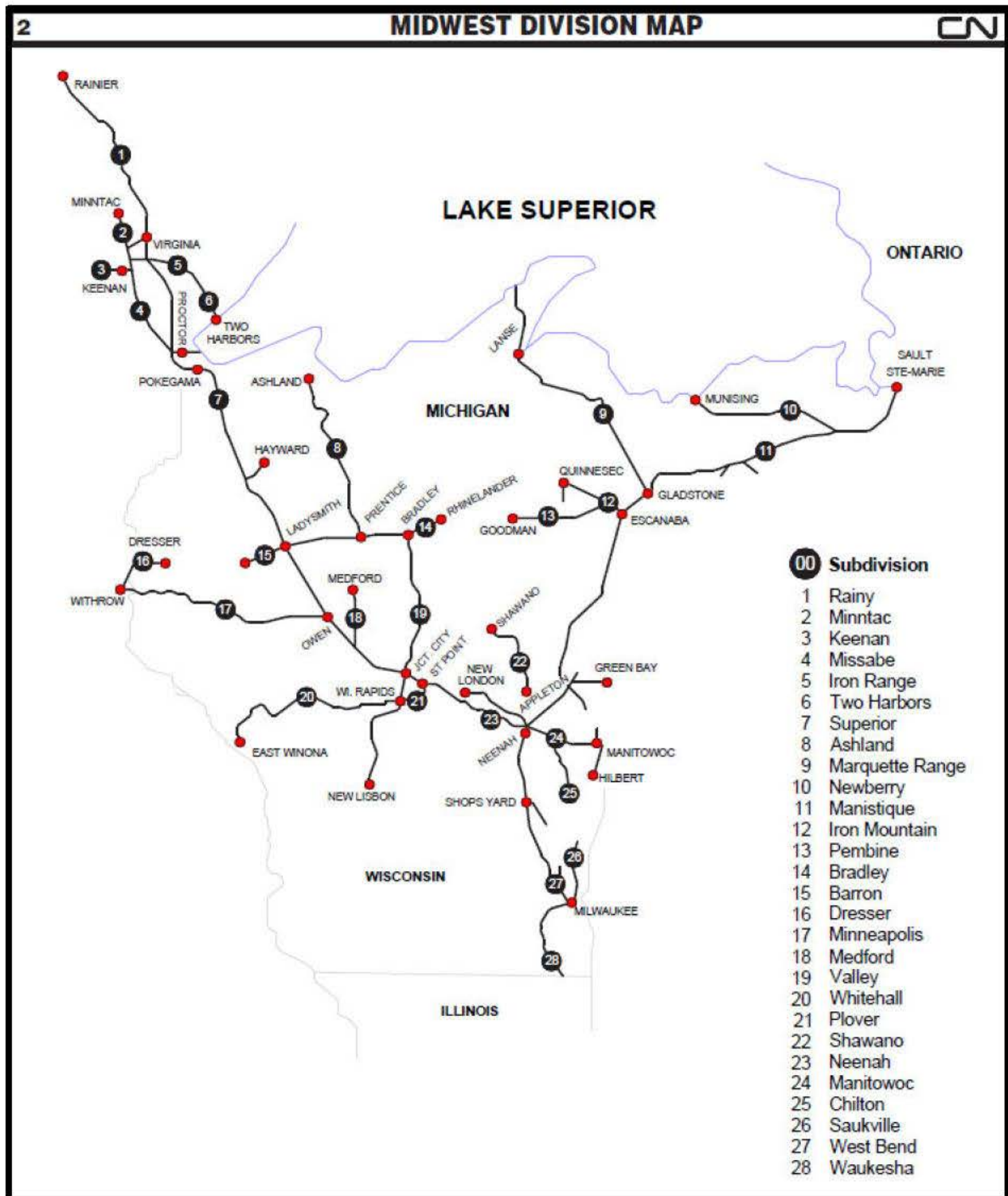


The Gulf Division operates in mid-America, serving several major natural resource and industrial traffic flows, including: chemicals from Louisiana and Mississippi to Chicago and other gateways; grain from Midwestern origins to processing plants in the Midwest, river barge facilities, and Gulf ports; and intermodal traffic, paper, forest products, metals, and bulk commodities. CN also provides premium north-south intermodal service from Chicago to New Orleans, LA, and points en route in Memphis, TN and Jackson, MS. CN's Gulf Division has rail connections with all major railroads in the United States and provides significant joint linehaul service in conjunction with other carriers. The Gulf Division provides access to the ports of New Orleans and Mobile on the Gulf of Mexico, and to various other port facilities on the Mississippi River. The Gulf Division includes the Gilman Subdivision, which runs from Springfield, IL to Gilman, IL.

CN's Midwest Division is depicted in Figure 15. The Midwest Division include 30 subdivisions and extends from Ranier, MN south to Milwaukee and Waukesha, WI.⁷⁸ Its western-most point is Withrow, MN, and its eastern-most point is Sault Ste-Marie, MI. To the south, it terminates at Antioch, IL

⁷⁸ Wisconsin Central consummated its transaction on January 28, 2022 with Watco, that involved the sale of certain lines in Wisconsin and Michigan. *See* STB Docket Nos. 36503, 36504, and 36505.

Figure 15



CN's Central Division is depicted in Figures 16-18. The Central Division has 28 subdivisions. It includes CN's line between Conneaut, OH and Wallace Junction, PA to North Bessemer, PA. It runs south from Port Huron, MI to Toledo, OH, then also runs west from Port Huron, MI, through Battle Creek, MI, then onto Griffith, IN. The Central Divisions includes Detroit and runs west through and around Chicago and on through Illinois and Iowa to Omaha, NE.

Figure 16

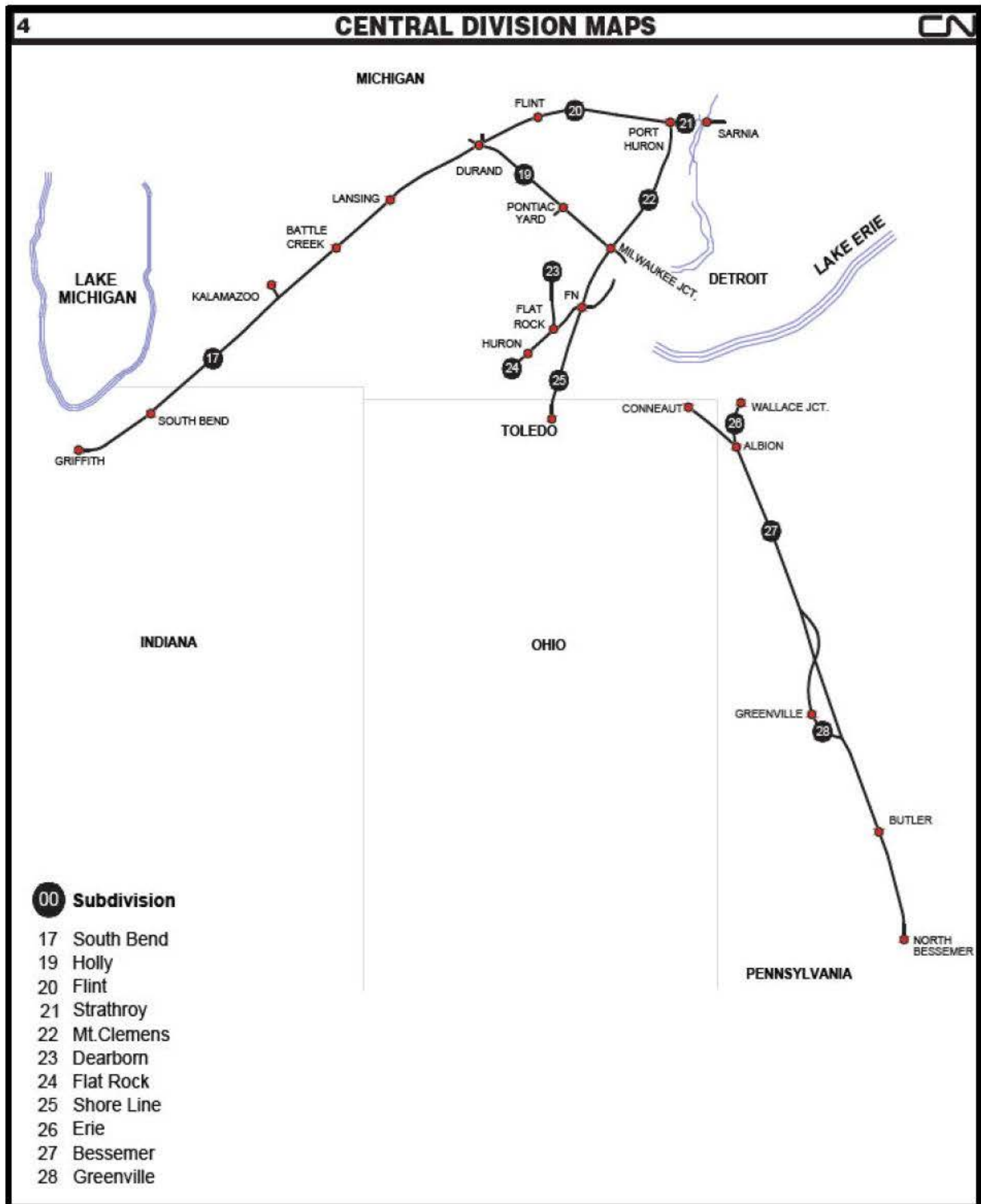


Figure 17

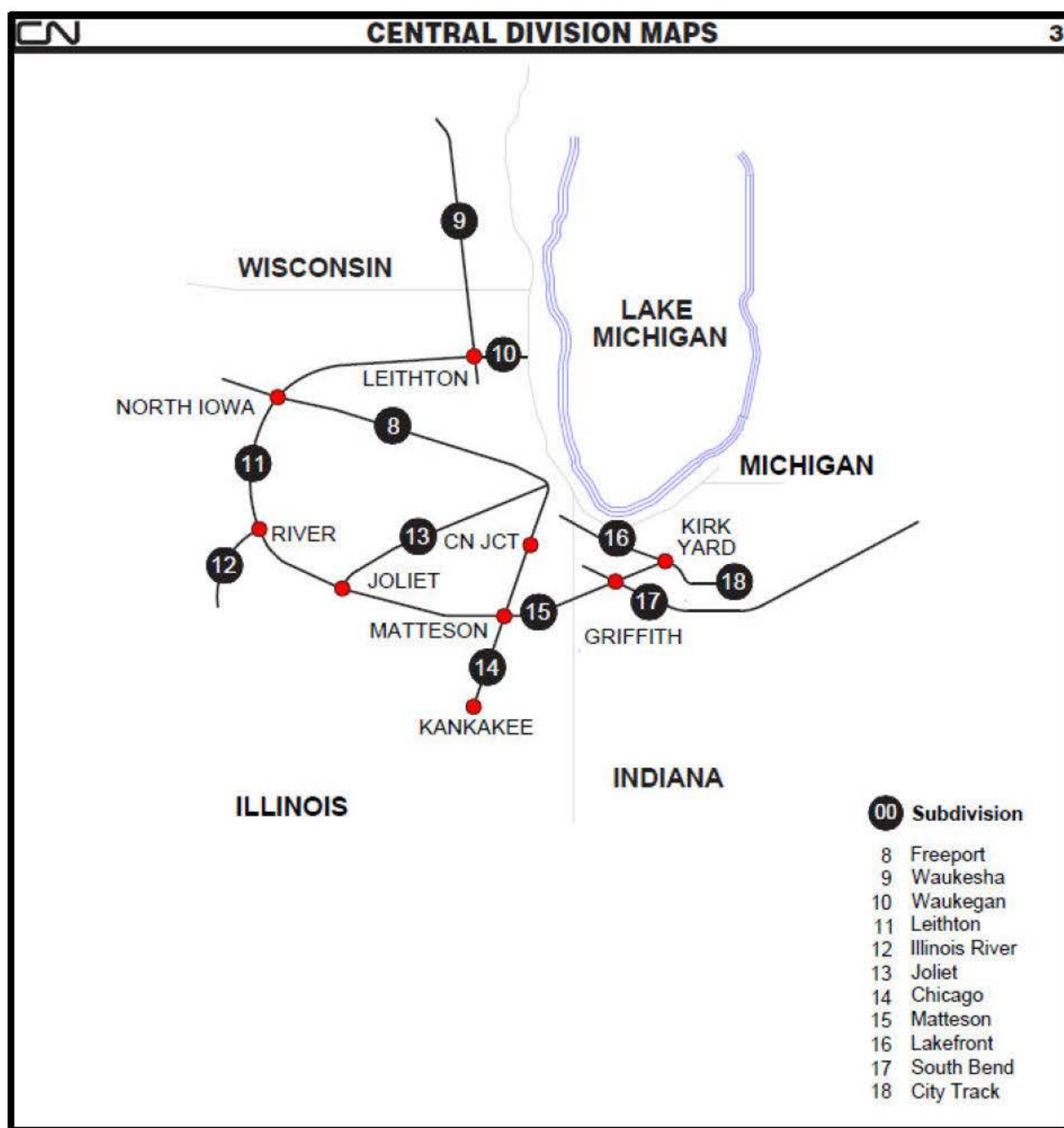
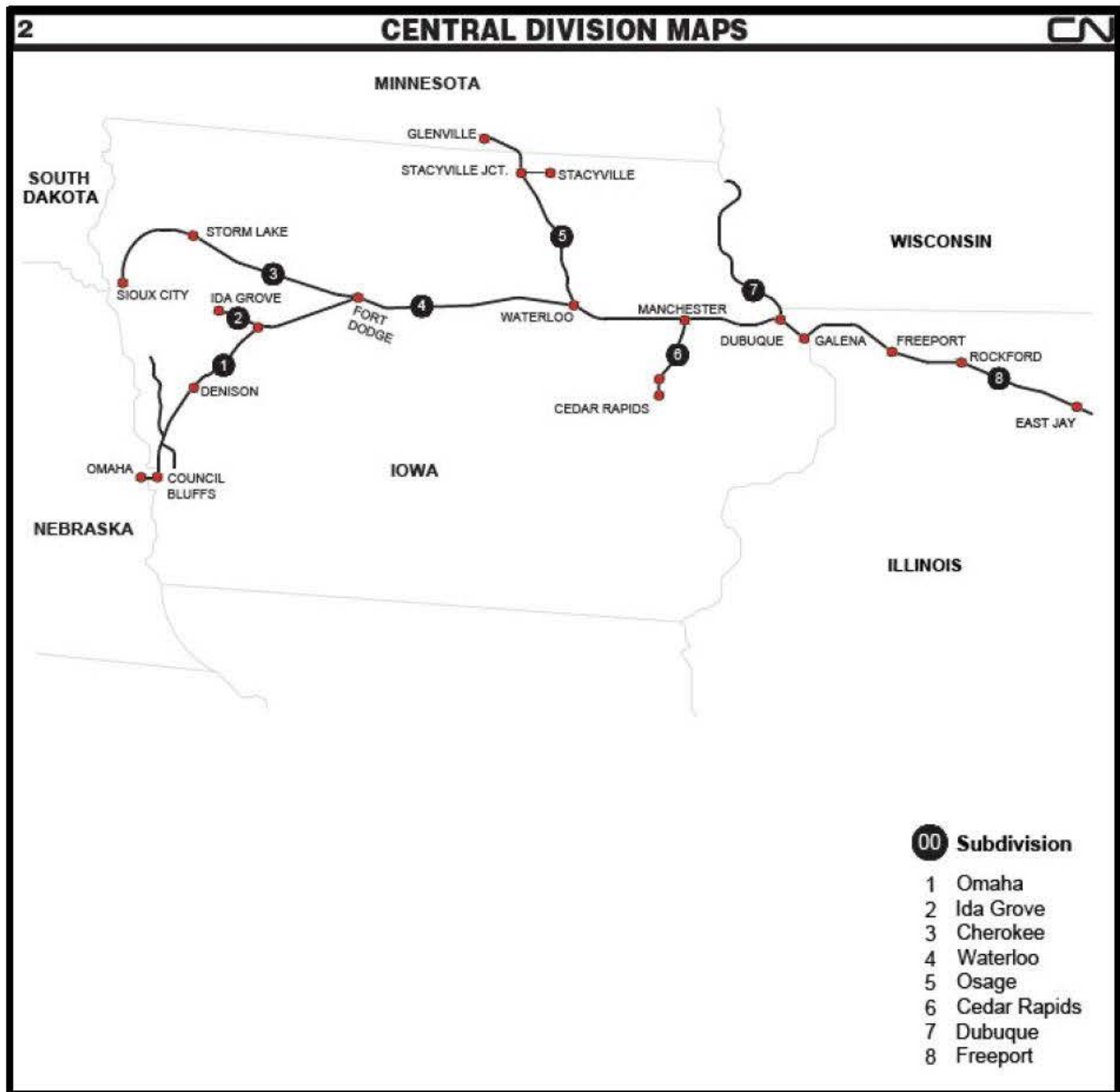


Figure 18

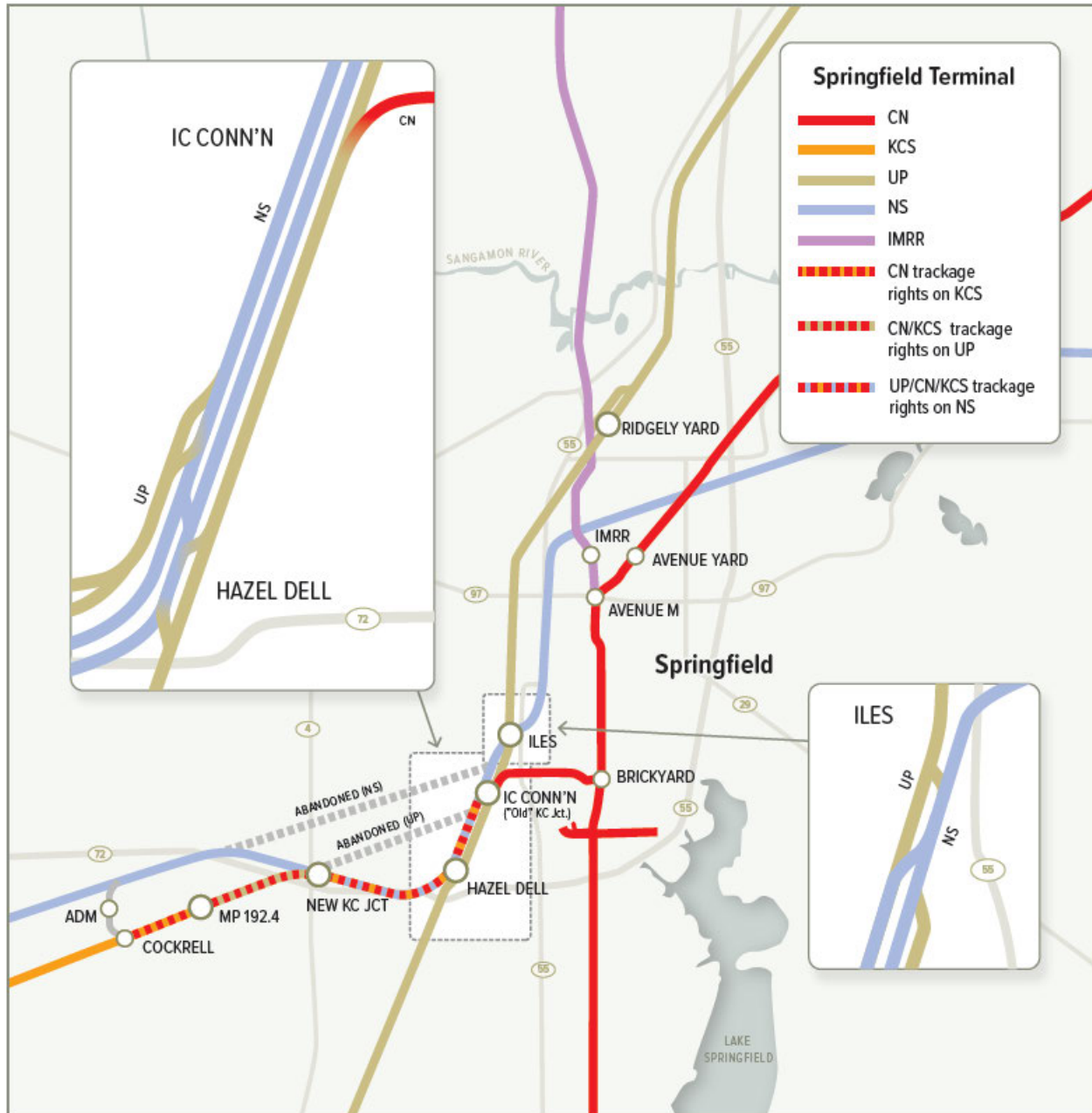


The junction of CN's existing network and the Springfield Line occurs in Springfield, IL, where CN trains move over trackage rights as a subtenant of UP. CN operates for 1.8 miles on the UP-owned Airline Industrial Lead and over the NS mainline for 2.6 miles (a line over which UP freight trains and Amtrak passenger

trains also operate over, under NS dispatcher authority),⁷⁹ using turnouts to get on and off to reach CN's Gilman District line of the Gulf Region; then 115.3 miles to reach Gilman, IL, where this line connects with CN's main north-south line toward Chicago. Figure 19 depicts the lines in the Springfield Terminal area.

⁷⁹ Union Pacific, St. Louis Area Timetable No. 6, 30 March 2020, p. 43.

Figure 19
Springfield Terminal



CN also connects with the Springfield Line in East St. Louis at Church. CN also, infrequently, interchanges unit trains with KCS in East St. Louis Yard. CN uses overhead trackage rights over KCS to reach TRRA's Madison Yard and CN

leases a portion of the KCS yard office in East St. Louis as a CN crew reporting location.

The new train services contemplated by the Operating Plan will operate between Kansas City and the CN Chicago Intermodal Terminal/Markham Yard (“CIT”) and East St. Louis and Roodhouse, IL. The increased intermodal and automotive volumes attracted by CN’s new single-line services will be added to existing CN trains for movement between CIT and Detroit/Toronto/Port of Montreal.

CN’s Chicago Subdivision between Chicago, IL and Gilman, IL is CTC/PTC and permits operating speeds of 60 MPH and 79 MPH for passenger. It is a single-track railroad with passing sidings. Twelve freight trains and four passenger trains per day.

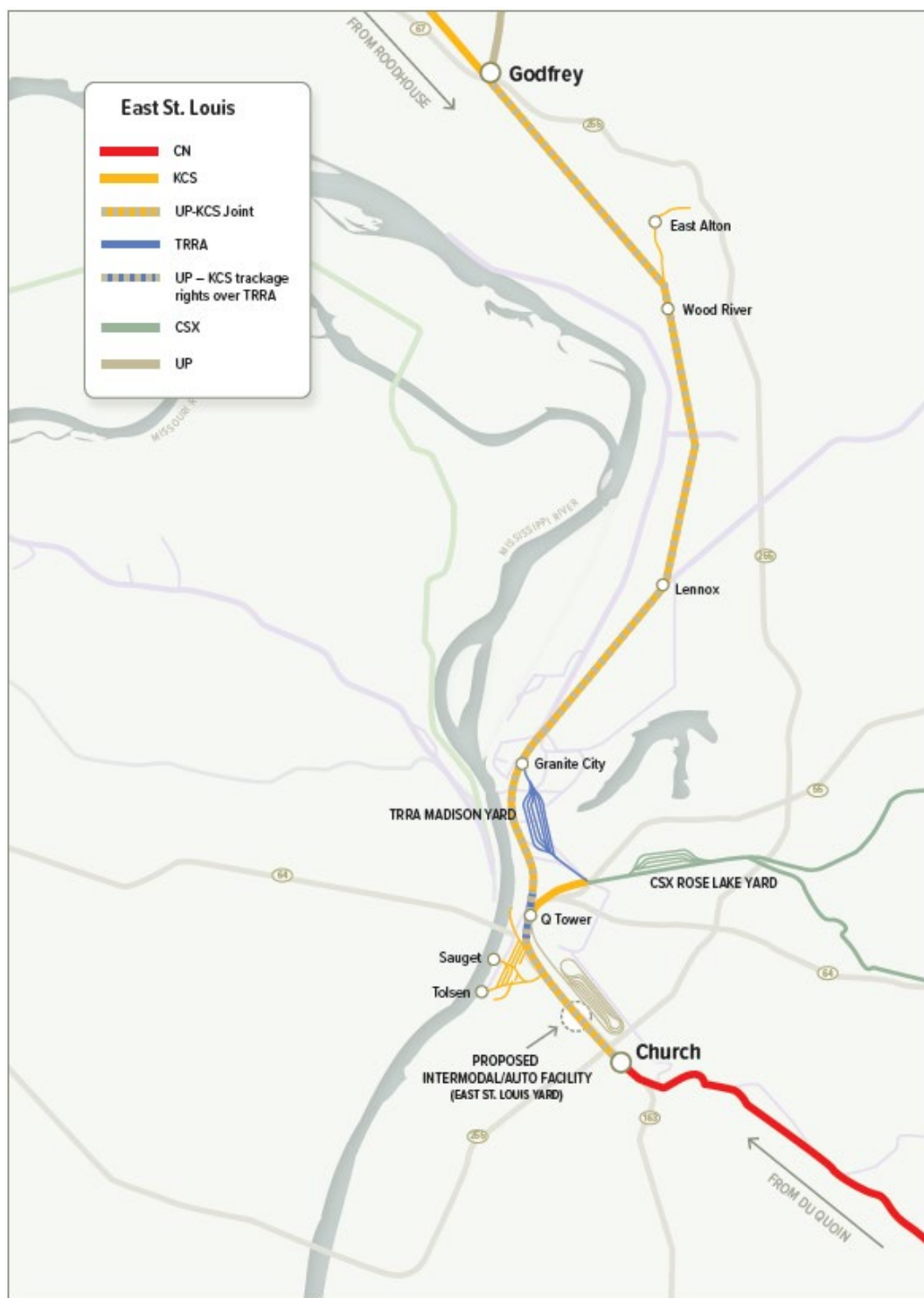
There are numerous points of interchanges along CN’s lines between Memphis and Chicago. Non-unit train interchanges of significance include the interchange with CSXT at Effingham, IL (daily interchange); the Indiana Railroad (“INRD”) at Effingham, IL (interchange six days per week); the UP at Salem, IL (daily interchange with 2-3 run through trains); TRRA at East St. Louis (six day turn local interchange); and the Paducah & Louisville Railway (“PAL”) at Paducah, IL (six day turn local interchange). Smaller volume interchanges take place with NS at Decatur, IL; TZPR in Peoria, IL; and TPW at Gilman, IL. The 2019 interchange volumes for the five highest volume interchanges are shown in Figure 20 below.

Figure 20
2019 Interchange Volumes for Most Significant Interchanges
Between Chicago and Gilman

Station	Foreign	Delivered	Received	Total
Effingham	CSXT	4,100	4,650	8,750
East St. Louis	TRRA	9,678	9,882	19,560
Newton/Indy Int	INRD	16,675	16,642	33,317
Paducah	PAL	17,468	17,521	34,989
Salem	UP	54,888	39,161	94,049
Grand Total		102,811	87,856	190,667

CN can enter KCS's East St. Louis Yard from the southeast. KCS enters from the northwest. Unit trains destined for Sauget on the Mississippi River are interchanged infrequently between CN and KCS at this point. East St. Louis Yard has a small transload terminal today. CN's plan is to add an automotive unloading terminal and an intermodal terminal to this underutilized facility. Today, CN operates a train six days per week between East St. Louis and its main north-south freight line at Du Quoin, IL. The traffic then transfers to manifest trains to/from St. Louis. CN has overhead trackage rights to reach TRRA's Madison Yard. All interchange of CN manifest traffic is done through TRRA, which provides such service six days per week.

Figure 21
East St. Louis



2. Existing Yards and Other Facilities

CN operates numerous yards and facilities throughout the United States.

Relevant to this Responsive Application, there are five existing major CN yards that serve hump, intermodal, and automotive traffic in the vicinity of Chicago, IL and Memphis, TN. Traffic to and from the Springfield Line will generally transit one or more of these yards.

a. Greater Chicago Area

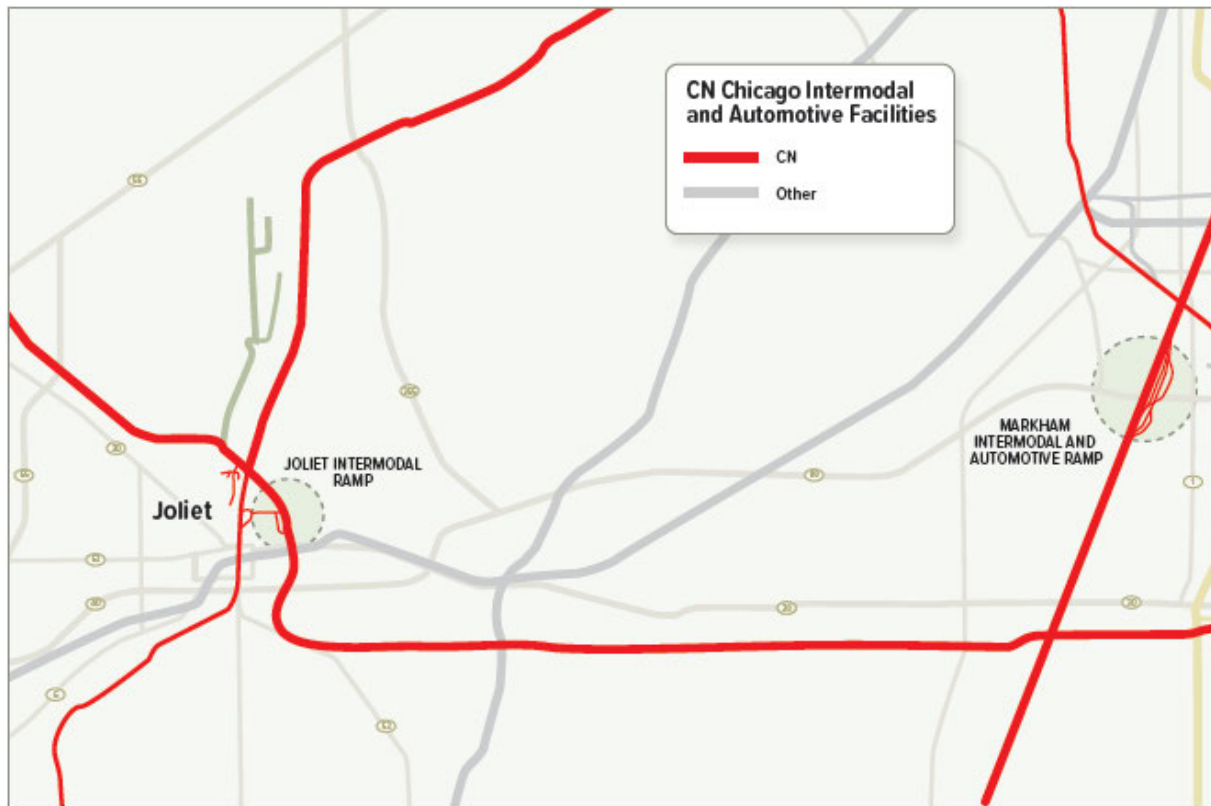
Kirk Yard is CN's hump yard in Gary, Ind., southeast of Chicago. The yard consistently processes 2,000–2,200 cars per day. The yard hosts 18 core train departures per day, three core train turn locals departure/arrivals per day, and 21–24 core train arrivals per day. Additional train movements include interchange with the Chicago South Shore & South Bend Railroad ("CSS") short line daily in and out, CSXT manifest trains daily in and out, CSXT unit coke trains, and a limited number of NS unit coke trains. The yard's fluid capacity is 3,500 cars, but it has the ability to accommodate up to 4,300 cars per day on a short term basis if required. Kirk Yard has eight receiving tracks, 11 departure tracks, and 53 classification tracks which allows it to classify numerous cars and trains at any given time.

Markham Automotive Yard in Hazel Crest, IL, south of Chicago, is CN's automotive yard. Markham Yard has two 1,300-foot unloading tracks. It hosts four automotive trains per day. NS, UP, and the Indiana Harbor Belt Railroad ("IHB") can interchange finished vehicles with CN at this location.

CN's Chicago Intermodal Terminal or CIT is in Harvey, IL, south of Chicago, is CN's intermodal yard.⁸⁰ The yard has two tracks of 7,200 feet, two tracks of 6,000 feet, and three tracks of 2500 feet, all with asphalt pad to accommodate chassis movements. The Harvey facility currently hosts 11 intermodal trains per day in and/or out, four automotive trains per day in and/or out, two switching jobs, and two industry jobs. NS, UP, CSXT, and the IHB can all interchange intermodal traffic with CN at Harvey. The yard can flat-switch about 300 cars per day. It also has a small, four-track support yard. CN has a dried distillers' grains ("DDG") transload facility that receives product from Iowa, where it is loaded into containers and shipped to Asia.

⁸⁰ CIT is within the broad footprint of what has historically been referred to as Markham Yard.

Figure 22
Markham Yard



b. Memphis

Harrison Yard is CN's hump yard in Memphis, TN. The yard consists of eight receiving tracks, four departure tracks, 45 classification tracks and a single pull back on the single hump. The yard uses dowdy retarders and is not a traditional hump yard. The 45 classification tracks come off two separate long leads that are equal in length. Harrison Yard's fluid capacity is about 2,600 cars. The yard consistently processes 1,100–1,300 cars per day. The yard currently hosts 18 core train arrivals and departures daily, including interchange traffic; prior to the COVID-19 pandemic, the yard regularly hosted 22 core trains per day. The yard workload also includes 10–12 bulk trains per day (a number that increases during

peak grain harvest season) three transfers per day in and out, four hump assignments, five pull-down trim assignments, and two industry assignments. CN interchanges traffic daily with CSXT, UP, NS, BNSF, and the Grenada Railway short line at Harrison Yard.

CN's Memphis intermodal yard is co-located with CSXT with separated rail operations. CN has two pad tracks (about 6,200 feet each), and CSX has two pad tracks (about 5,500 feet each). Each railroad has an 8,000-foot running track without loading pad. Two CN intermodal trains operate daily out of the yard, with two more operating four days per week. CSXT operates a daily pair of trains from the facility. CN's Memphis automotive compound is located at a small satellite yard and has two 725-foot unloading tracks.

Figure 23
Memphis Intermodal Terminal



3. Existing Traffic and Customers

CN's existing traffic base systemwide is divided into seven commodity groups. Figure 24 shows the carload and revenue breakdown for each commodity group for the Base Year 2019. As noted previously, the most significant commodities for purposes of this Responsive Application are intermodal and automotive traffic.

Figure 24
CN 2019 Traffic Base

Commodity Group	Carloads
Intermodal	2,618,000
Automotive	269,000
Grain and Fertilizers	619,000
Metals and Minerals	1,008,000
Petroleum and Chemical	688,000
Forest Products	375,000
Coal	335,000
Total	5,912,000

a. Intermodal

CN's intermodal commodity business includes rail and trucking services and is comprised of two markets: domestic intermodal and international intermodal. Domestic intermodal transports consumer products and manufactured goods, serving retail, wholesale, and logistics-provider channels, both domestically in Canada and the United States, and cross-border shipments. International intermodal handles import and export container traffic to and from overseas markets, serving the major ports of Vancouver, Prince Rupert, Montreal, and Halifax in Canada, as well as the U.S. ports of New Orleans and Mobile. CN's

network of inland intermodal terminals, located near ports and large urban centers, connects customers to major markets in North America and overseas.

b. Automotive

CN's automotive commodity group moves both domestic finished vehicles and vehicle parts throughout North America, providing service to vehicle assembly plants in Ontario, Michigan, and Mississippi. CN also serves vehicle distribution facilities in Canada and the United States, as well as parts production facilities in Michigan and Ontario. CN also serves shippers of imported finished vehicles via the ports of Halifax and Vancouver, and through interchange with other railroads. CN's network of automotive facilities is used to distribute vehicles throughout Canada and the U.S. Midwest

c. Grain and Fertilizers

The grain and fertilizers commodity group primarily includes crops grown and fertilizers processed in Western Canada and the U.S. Midwest. Grain products transported by CN include wheat, oats, barley, flaxseed, rye, peas, lentils, corn, ethanol, dried distillers grain, canola seed and canola products, soybeans, and soybean products. The majority of the grain produced in Western Canada and moved by CN is exported via the ports of Vancouver, Prince Rupert, and Thunder Bay. Grain grown in the U.S. Midwest is both exported and transported to domestic processing facilities and feed markets. CN also serves major producers of potash in Canada, as well as producers of ammonium nitrate, urea, and other fertilizers across Canada and the United States.

d. Other Commodity Groups

The remaining commodity groups in CN's current traffic base include:

- Metals and Minerals, including steel, iron ore, non-ferrous base metals and ores, construction materials, machinery, railway equipment, and dimensional (large) loads.
- Petroleum and Chemical, which comprises a wide range of commodities, including chemicals and plastics, refined petroleum products, natural gas liquids, crude oil, and sulfur.
- Forest Products, which includes various types of lumber, panels, paper, wood pulp and other fibers such as logs, recycled paper, wood chips, and wood pellets.
- Coal, which consists of thermal grades of bituminous coal, metallurgical coal, and petroleum coke.

4. Existing Dispatch

In the United States, CN dispatches trains from a dispatching center at Homewood, IL. This dispatching facility operates 24/7, 365 days per year with approximately 90 employees—predominantly Rail Traffic Controllers (“RTCs”)—and dispatches all CN lines in the United States. Homewood uses Precision Dispatch System (“PDS”) as its dispatch system. CN operates 13 dispatch desks at Homewood during the day shift, Monday through Friday, and 11 dispatch desks across the other shifts. The Homewood RTCs are responsible for dispatching an average of 108 trains per day across 83 subdivisions in the United States.

5. Existing Labor

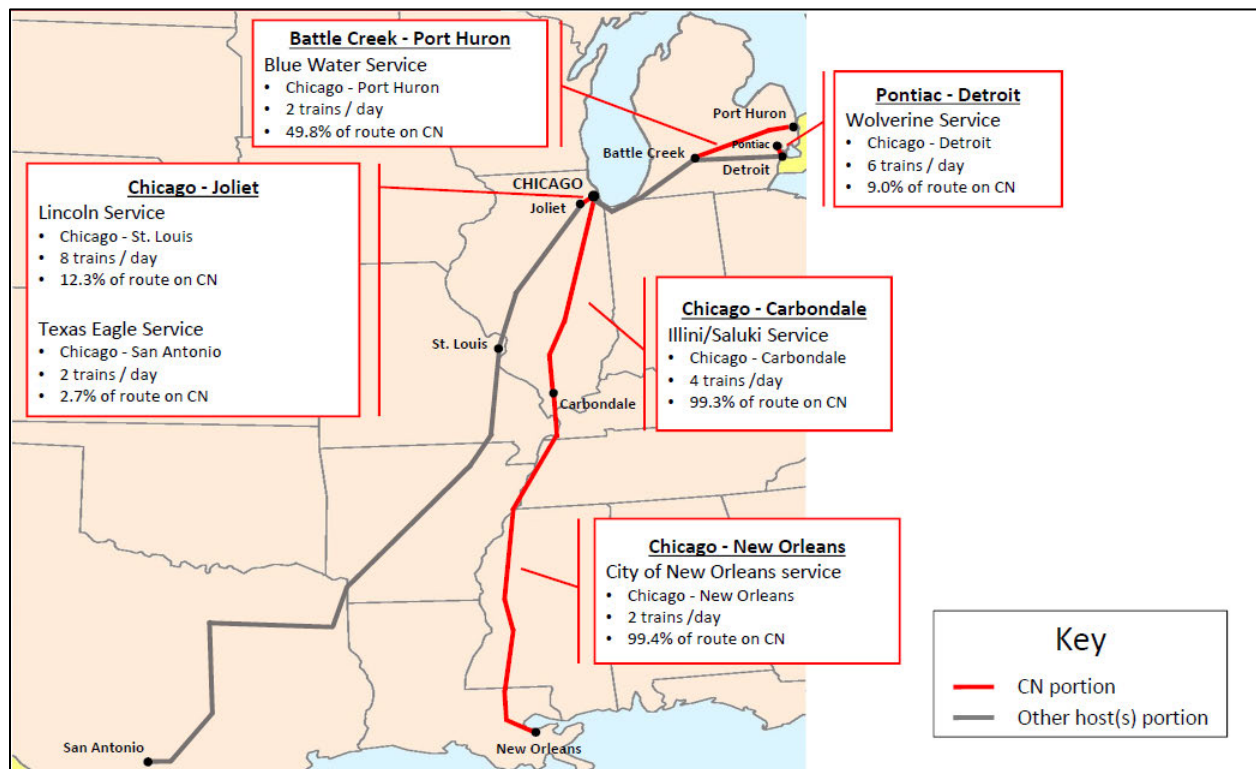
CN has approximately 25,975 employees across its U.S. and Canadian operations, representing all railroad crafts as well as management.

6. Existing Passenger Service

a. Existing Intercity Service (Amtrak)

There are a few segments of CN's existing network over which Amtrak operates that will see additional trains or cars as a result of the proposed divestiture transaction. As described in more detail below, only the Chicago, Gilman, and Memphis Subdivisions will see additional freight trains (two on each subdivision per day). On other CN subdivisions, the post-transaction increases in traffic can be accommodated on existing freight trains. Figure 25 is a visual representation of Amtrak routes on CN's current network

Figure 25
Amtrak Routes on CN



Michigan

As referenced above and described further below, the proposed divestiture transaction will not result in any additional freight trains on CN lines in Michigan. The below description identifies line segments where Amtrak operates on CN lines in Michigan that will see additional car volumes, but there will be no change to how Amtrak and host railroads operate.

Pontiac, Mich., to Moterm, Mich.: Amtrak's Wolverine service is a Michigan state-sponsored service that operates three daily train pairs between Pontiac, Detroit, and Chicago. The Wolverine service operates on CN lines for 15 miles between Pontiac and Moterm.⁸¹

Durand, Mich., and Battle Creek, Mich.: Amtrak's Blue Water service is another Michigan state-supported service with one daily train pair operating between Chicago and Port Huron, MI.⁸² The Blue Water service utilizes CN trackage between Battle Creek and Port Huron, and also operates over other freight rail lines to reach Chicago.

Battle Creek, Mich.: In addition to the Blue Water service running on CN lines into Battle Creek, the Wolverine service operates on the CN mainline through Battle Creek between Baron and Gord, a distance of 1.2 miles.

Illinois

⁸¹ Amtrak, Michigan Service Train Schedules, 8 July 2019; Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

⁸² Amtrak, Michigan Service Train Schedules, 8 July 2019; Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

As explained above and discussed in more detail below, CN's Chicago and Gilman Subdivisions will each see two additional freight trains per day. Those minimal increases will not interfere with Amtrak service, which is described below despite the lack of impact.

Chicago, IL, to Gilman, IL: Prior to the COVID-19 pandemic, Amtrak operated several pairs of trains over the length of this line segment in connection with its City of New Orleans, Illini, and Saluki services.⁸³ The City of New Orleans is a long-distance service operating between Chicago and New Orleans. Because of the ongoing COVID-19 pandemic, this train pair currently operates five days per week instead of daily.⁸⁴ The Illini and Saluki trains are Illinois state-supported services that operate between Chicago and Carbondale, IL. Currently, the Illini and Saluki services currently operate only one train each.⁸⁵ As shown on the map above, three train pairs per day of this service were operated prior to the pandemic.

Gilman, IL, to Cockrell, IL: At Springfield, IL, the line includes turnouts to access UP/Amtrak's higher-speed corridor between Chicago and St. Louis, as well as the NS mainline to KC. There is 0.6 miles of overlap between the Springfield Line and the point at which Amtrak trains exit the line. Amtrak currently schedules four daily Illinois-supported Lincoln Service train pairs and one daily long-distance train

⁸³ Amtrak, City of New Orleans, Illini, and Saluki Train Service Schedules, 1 October 2019.

⁸⁴ Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

⁸⁵ Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

pair, the Texas Eagle, over the segment.⁸⁶ Lincoln Service trains operate from Chicago to St. Louis, while the Texas Eagle traverses the same corridor on its journey between Chicago and San Antonio, TX. Because of the COVID-19 pandemic, the Texas Eagle currently operates only five days per week.⁸⁷

St. Louis to Memphis, TN: Between East St. Louis and Du Quoin, IL, CN's St. Louis Subdivision sees no passenger trains. The St. Louis Subdivision meets the Centralia Subdivision at Du Quoin. The Centralia Subdivision currently hosts two Amtrak train pairs, the long-distance City of New Orleans (five days per week) and the Illini corridor train (daily), all described above. As the Illini train turns at Carbondale, IL, the Cairo and Fulton Subdivisions see only Amtrak's City of New Orleans train pair on a five day a week basis. Beginning March 27, 2022, it is expected that the City of New Orleans will return to daily service and the Saluki corridor train pair will resume its daily schedule between Chicago and Carbondale.⁸⁸

b. Existing Commuter Service

Metra, the commuter rail division of Chicago's Regional Transportation Authority, operates over several CN lines. Those lines are not implicated by this Responsive Application. The only Metra line that approaches any CN lines that are expected to experience increased trains as a result of this Responsive Application is

⁸⁶ Amtrak, Illinois and Missouri Train Service Schedules, 23 March 2020.

⁸⁷ Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

⁸⁸ Railway Age, Omicron Forces Amtrak Service Cuts, 18 January 2022.

the Metra Electric line which runs near Markham Yard. In that area, however, Metra has dedicated tracks for commuter operations that are adjacent to CN's north-south main line. Trains on the Metra Electric Line do not operate over or cross at grade any of CN's adjacent freight tracks.

V. Post-Transaction Operations

The proposed post-transaction operations on the Springfield Line are straightforward. The transaction will add approximately 400 miles to CN's existing 5,300+ mile United States network. While CN believes that the Springfield Line can be an important and economically beneficial component of the national rail network, and that ICRR ownership of the line will preserve a competitive route between Kansas City and Chicago, the scope of the transaction is not operationally complex. The areas most affected by transaction-related traffic growth will be the Springfield Line and a few yards and terminals (East St. Louis and the IFG Terminal 24 miles south of Kansas City). As discussed below, CN plans to make substantial capital investments in the Springfield Line to ensure that the growth can be absorbed.

The proposed transaction will also result in increased intermodal and automotive traffic on CN's Gilman Subdivision and at certain CN yards including CN's Detroit Intermodal Yard and the CIT. Most of the transaction-related Springfield Line traffic will be added to existing trains already moving on CN. The proposed acquisition of the Springfield Line improves the single line service capabilities of the CN system, preserving and enhancing competition between Chicago and Kansas City. More than 80,000 trucks will be removed from the highways each year, producing public benefits, including reduced carbon emissions,

reduced highway congestion, and reduced public expenditures for highway maintenance. The more than 80,000 trucks that will be diverted to CN include approximately 77,800 dry vans and containers that will divert from highway to rail intermodal service, approximately 1,480 car transporters carrying assembled automobiles that will divert to multilevel railcars (“multilevels”), and 900 trucks with cargoes that can move via transload service (*i.e.*, bulk commodities such as plastic pellets and cement that use rail for linehaul and transfer to/from truck for first/last mile pickups and deliveries) that will divert to covered hoppers and other types of railcars.

A total of approximately 49,500 railcars will be diverted from other railroads due to the preservation of the Springfield Line as a competitive alternative between Kansas City and Chicago, the creation of new competitive rail routes from East St. Louis via the Springfield Line, and the new intermodal and automotive facilities that CN will construct in East St. Louis. The traffic diverted from other railroads includes approximately 31,000 intermodal containers, approximately 17,900 multilevel cars carrying finished automobiles, and approximately 600 carloads of grain.⁸⁹

An additional 12,500 containers that currently move via congested East Coast ports to/from Kansas City and East St. Louis by rail or truck are projected to be diverted to the Port of Montreal, leveraging CN’s new single-line service via the Springfield Line and CN’s proposed new intermodal terminal in East St. Louis.

⁸⁹ See Verified Statement of CN Witness David Hunt.

By acquiring the Springfield Line, CN will (1) preserve competition over the historic Gateway Western line over which KCS once provided service between Kansas City and Chicago; and (2) create new single-line rail automotive and intermodal service between Michigan/Eastern Canada and Kansas City. It also will establish a more direct route for traffic between Eastern Canada and the Midwest and East St. Louis, because traffic moving to East St. Louis via CN's current route from northern locations must move south of East St. Louis to Du Quoin, IL, before heading north for East St. Louis Yard; and traverses the same longer route on trips from East St. Louis to northern destinations.

CN plans to invest to build new automotive and intermodal facilities at the IFG Terminal and in East St. Louis. As discussed in detail in witness David Hunt's Verified Statement, it is anticipated that these routes and facilities will be widely used by the shipping community:

- The new ICCR intermodal facility at the IFG Terminal is projected to originate and terminate approximately 95,300 annual containers, with another approximately 26,000 annual containers moving through the new intermodal terminal in East St. Louis.
- Approximately 10,000 annual multilevel cars carrying assembled automobiles are projected to originate and terminate at the new IFG Terminal automotive facility, with an additional, approximately 9,750 multilevels originating at the new terminal in East St. Louis.

A. Improved Service for Customers and Operations on the Springfield Line

ICCR's purchase of the Springfield Line will provide shippers two primary benefits:

1) The new single-line CN service between Kansas City and destinations in Michigan, Ohio, and Eastern Canada, which will cross the “watershed” (a north-south area of the United States extending up to 300-400 miles east and west of the Mississippi River where trucks have an unusually high share of freight shipments),⁹⁰ offering shippers a new rail alternative. CN anticipates that this new service will attract more than 80,000 truckloads per year from busy highways to CN’s new service.⁹¹

2) CN has committed to spend at least \$250M to upgrade the Springfield Line and CN’s adjacent line between Springfield and Gilman IL, where the new route will connect with CN’s mainline to Markham, Kirk Yard and points beyond. This investment includes constructing new intermodal / automotive facilities south of Kansas City (IFG Terminal) and East St. Louis. These investments will enable CN to improve transit times, decrease car cycles, improve asset utilization, and realize operating synergies created by the new single-line service from fewer handlings due to single-line service and capital improvements.

To implement these new services, CN proposes to acquire a 50 percent interest in the IFG Terminal from KCS. The IFG Terminal has only 356 acres currently developed. As detailed below, CN will invest and estimated \$56 million to

⁹⁰ Railroads to the east (NS and CSXT) and the west (BNSF and UP) of the Mississippi River are not generally interested in traffic that may be short-haul to them but long-haul to railroads on the other side of the river. As a result, trucking has a very high share of freight crossing the “watershed.”

⁹¹ See Verified Statement of CN witness David Hunt for details.

construct new intermodal and automotive facilities to support post-transaction operations at the IFG Terminal Intermodal traffic and multilevel cars originating in East St. Louis will move from the new intermodal/auto terminal that CN plans to build in East St Louis to connect with the Kansas City eastbound train at Roodhouse, IL.

CN's proposed train operations will encompass several components: A six day per week train service will be operated from East St. Louis and terminating at the Knoche Joint Agency yard (shared by CP and KCS) in Kansas City for the carload traffic; and a daily (seven days per week) turn job would operate from Roodhouse, IL to East St. Louis to handle intermodal and automotive traffic between St. Louis (coming from CSXT, the new CN East St. Louis terminal facilities, and points south (Mobile, AL; Jackson, MS; New Orleans, LA; and Memphis, TN) and the IFG Terminal. CN will provide separate services to Knoche Yard and IFG, with manifest service six day per week, and the intermodal/automotive service seven days per week, from KCS's existing four day per week service. Existing and future customers will receive a superior level of service to what is currently provided by KCS, by eliminating the need to shuttles cars between Knoche and IFG, as ICRR will provide direct service to both terminals for CN and CSXT traffic. Traffic in KCS's account moving between Kansas City and points on the Springfield Line pursuant to the proposed haulage agreement will also move via those facilities.

Local operations in East St. Louis to the NS interchange, Wood River, and Godfrey would remain the same as KCS's current operations. Interchange with

CSXT and TRRA would be six days per week to match the through service.

Interchange with CSXT could be increased to seven days per week if there is sufficient intermodal/automotive volume for the IFG Terminal. Other local service in the St. Louis area would remain { } as it is today. As both CN and KCS currently interchange with the TRRA, the six day a week service provided by CN would be continued and replace the KCS { } service.

Overall, this post-transaction train plan represents an increase in current service over the Springfield Line with daily service to IFG by CN, and effectively for CSXT, which interchanges to KCS at Rose Lake Yard. It also contemplates an increase in service of 50 percent from four days per week to six days per week. All local service would be at least five days per week and interchanges would be five or six days per week, based on future volumes.

KCS will be able to continue to serve its existing non-unit train customers as per a Haulage Agreement to be negotiated with CN, under which CN would provide the train service. For unit train traffic to KCS' existing grain customers, KCS would provide the cars and locomotives and CN would provide the T&E crews, under a Haulage Agreement to be negotiated between CN and KCS and described further below.

Service within the Kansas City terminal area will also change. Currently, the Springfield Line terminates at Rock Creek Junction, just east of Kansas City, MO. At Rock Creek Junction, the Springfield Line connects with KCT's mainline west into Kansas City and with a UP line extending northwest toward Airline Junction

near the entrance to the KCS-CP Knoche Yard (also known as the “Joint Agency Yard”). KCS holds a 16.67% ownership share⁹² and CP holds an 8.33% ownership share in KCT.⁹³ KCS has overhead trackage rights on UP’s line between Rock Creek Junction and Airline Junction. As part of this Responsive Application, CN seeks to acquire (1) an 8.33% ownership share in KCT and (2) assignment to CN of KCS’s trackage rights over the UP line segment. After the transaction, CPKC will own 16.67% ownership of KCT.

Upon reaching Rock Creek Junction, ICRR trains would operate via the UP trackage rights line to Airline Junction. Trains destined to the IFG Terminal would then turn south via trackage rights onto KCS’s Pittsburg Subdivision for the final approximately 24-mile movement to IFG.⁹⁴

CN’s other daily planned through train on the Springfield Line would operate between Rock Creek Junction and Airline Junction over the UP trackage rights, and then on KCT trackage to Knoche Yard, where CPKC non-intermodal/automotive haulage traffic handled by CN on the Springfield Line would be physically interchanged with CPKC. When needed, that train would proceed to KCT’s Mill Street Yard, where other manifest traffic would be interchanged with KCT for

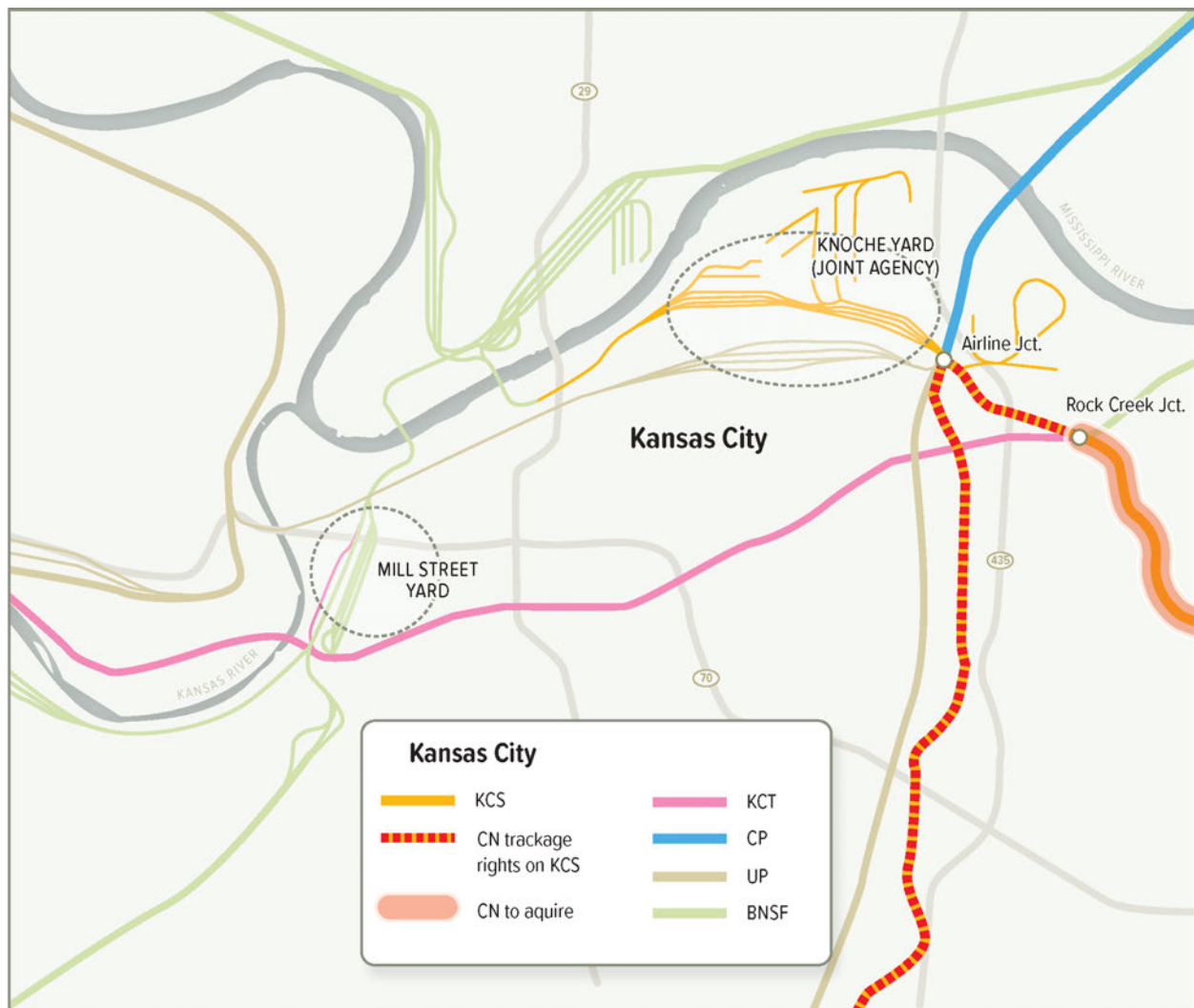
⁹² See CP/KC Application, Vol. 1 Pg. 95.

⁹³ *Id.* at 93.

⁹⁴ As described more fully below, CN’s Responsive Application in this proceeding includes a request for overhead trackage rights on KCS’s Pittsburg Subdivision extending from approximately Milepost 5.6 at Airline Junction to approximately Milepost 29.5 near Grandview in order to reach the IFG terminal.

handling as required for further interchange or delivery in the Kansas City terminal. Alternatively, if conditions and traffic volumes warranted, ICRR trains could continue onto KCT's tracks at Rock Creek Junction to reach Mill Street Yard or another appropriate location on KCT's line in Kansas City for the exchange of manifest traffic directly with KCT.

Figure 26
Kansas City Map



1. Improvements For Existing Customers

Existing Customers. Existing customers on the Springfield Line will enjoy an improved level of service compared to the service that KCS provided.

A manifest train will operate six days per week in each direction between Kansas City and East St. Louis. These trains will pick-up and set-off cars along their route to support the Springfield Line's local train and yard assignments, an improvement in frequency from the current KCS service which operates only four days per week.

Combining the volumes from CN and the merged CPKC loadings (much of it to/from CSXT, which currently interchanges more than {{ }} intermodal units per year with KCS at Rose Lake Yard in East St. Louis) will provide the critical density to support increased service for all the carriers using this route between Kansas City and East St. Louis. It will also provide direct service for carload traffic to the Knoche Joint Agency Yard and to the IFG Terminal without having to transfer cars between those two terminals in Kansas City. This feature of CN's Operating Plan eliminates a current inefficient operation where KCS takes manifest traffic south to IFG before moving it north to Knoche Yard on westbound trains, and shuttles intermodal traffic to Knoche Yard for eastbound Kansas City–East St. Louis manifest trains.

A Roodhouse–East St. Louis turn assignment will transfer intermodal/auto loadings. Its schedule will be coordinated to provide rapid delivery of loadings for East St. Louis that are set-off in Roodhouse, IL, by the new westbound CIT-Kansas City train; and deliver intermodal/auto loads for the new eastbound Kansas City–

CIT train. This will be a new service offering for intermodal/auto shippers moving traffic between St. Louis and Toronto/Port of Montreal, as neither CN nor KCS currently have intermodal or automotive capacity in East. St. Louis. Detroit will be the largest source of new intermodal and multilevel traffic for the Springfield Line. The Roodhouse – E. St. Louis turn will also handle intermodal and automotive traffic coming from Mobile, Jackson, New Orleans, and Memphis (via Centralia) to the Chicago – Kansas City train at Roodhouse for delivery to IFG and vice versa for southbound traffic.

2. Improved Local Service

CN proposes to augment the existing KCS local service along the key corridor between Roodhouse, IL and Mexico, MO, by extending the current service to Laddonia, MO, west to Mexico, MO and changing the frequency from {{ }} days per week to {{ }} days per week, as volume warrants. Service to Jacksonville, IL would be increased from {{ }} days per week to {{ }} days per week. Cars would be picked up and setoff at Mexico, MO, for the Roodhouse local operations { }} days per week instead of the current {{ }} days per week. Service to Cockrell, IL; Springfield, IL, Jerseyville, IL and Carrollton, IL would remain unchanged.

The { }} would be discontinued. Customers west of { }} (currently totaling less than {{ }} per day) would be served by the six-day-a-week through train between East St. Louis and Kansas City, thus providing replacement service for these customers. The reduction in local operations at {{ }} would be offset by an increase in local service at { }}, which would provide a significant improvement in service to the key

existing and potential non-agricultural customers and the Ozark Valley Railroad on the lines between Jacksonville, IL and Mexico, MO.

3. KCS Grain Service

Under the proposed haulage agreement, KCS will have unit train access to its existing grain shippers, as described further below. That unit train traffic currently averages {{ }} grain trains per week (including empties). Under the haulage agreement, CN would perform this unit train service on KCS' behalf with cars supplied by KCS or the customer and locomotives supplied by KCS.

More competitive rail options will be available to shippers on the Springfield Line. All shippers will now have the choice of using CN or KCS for their rail shipments.

B. Comparison of Pre- and Post-Transaction Operating Statistics

1. Changes in Yard Volume

CN anticipates that the proposed divestiture transaction will enable ICRR to attract over 121,000 new intermodal units, 19,000 new automotive shipments and over 1,500 new manifest loads to its network by Year 3.⁹⁵ Yards that will experience an increase in volume of more than 25 cars per day or more than a 20 percent increase in volume compared to pre-transaction levels are shown in Figure 27 below.⁹⁶ Not surprisingly, the yards with the most significant volume increases are

⁹⁵ See Verified Statement of CN Witness David Hunt.

⁹⁶ See "Operating Metrics – Estimation of Yard Activity Methodology.pdf" for associated process and workpapers.

IFG ({{ }} increase); Roodhouse ({{ }} increase); and East St. Louis ({{ }} increase). The traffic diversion analysis and the Operating Plan reflecting these increases demonstrates the opportunities on the Springfield Line.

Figure 27
Pre- and Post-Transaction Yard Volumes⁹⁷

LOCATI ON	Base Total Equivale nt Cars Handled	Year 3 Total Equivale nt Cars Handled	Change in Equivale nt Cars Handled	Percent Change ⁹⁸	Base Block Swap Equivale nt Cars	Year 3 Block Swap Equivale nt Cars	Block Swap Differen ce
Centralia	343.2	336.5	-6.8	-2%	102.2	178.4	76.2
CIT	774.7	830.8	56.1	7%	330.2	424.3	94.1
Detroit IM Terminal	232.4	306.7	74.3	32%			
East St. Louis ⁹⁹	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}
Flat Rock	319.3	348.1	28.8	9%	84.9	84.9	0.0
Flint	89.9	92.1	2.2	2%	135.8	170.7	34.9
Internationa l Freight Gateway ¹⁰⁰	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}
Markham	524.2	558.7	34.5	7%	28.2	56.8	28.6
Memphis IM Terminal	306.1	341.8	35.7	12%	56.2	59.5	3.4
Mexico ¹⁰¹	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}
Roodhouse	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}	{{ }}

⁹⁷ Intermodal units expressed in platforms assuming capacity of two containers per platform and a 94% slot utilization rate, which is the same as the CPKC slot utilization assumption. See “HC - Intermodal to Railcar Conversion Factor Source Compilation.pdf.” “Year 3” volumes for CPKC originations and terminations were increased by {{ }} over the Base Year to reflect Applicants’ organic growth assumptions for KCS as indicated in the “Cost Metrics” spreadsheet. See “HC - Review of Growth Factors in CPKC Application.pdf.” Organic growth is included for the CPKC traffic using their presumed { } factor. No organic growth factor was applied to CN traffic for Years 1-3, as all of such traffic would be newly diverted from trucks or other railroads. See “HC – Operating Metrics – Estimation of Yard Activity Methodology.pdf” for associated process and workpapers.

⁹⁸ The yard volume in this Responsive Application is calculated on an organic growth assumption for base CPKC traffic of {{ }} by Year 3. It differs from the tonnage density table provided for the Environmental Assessment, which included no organic growth in the primary comparison numbers for yard volumes.

⁹⁹ Base volumes at ESTLOUIS_IL, MEXICO_MO, and ROODHOUSE_IL were computed using full year 2019 waybills, and reflect intermodal volumes stated in platforms, and did not rely on CP/KC application yard volumes.

2. Changes In Trains Per Day by Segment

The projected increase in traffic volumes by Year 3 will result in an increase in trains per day on the Springfield Line, as shown in Figure 28.¹⁰²

Figure 28
Trains Per Day: Springfield Line¹⁰³

Segment	Pre-Transaction Trains Per Day	Post-Transaction Trains Per Day	Change in Trains Per Day
IFG to Kansas City	13.5	29.7	15.6
Kansas City to Slate	2.9	5.1	2.2
Slater to Mexico	2.5	4.6	2.1
Mexico to Roodhouse	2.5	6.0	3.5
Roodhouse to Godfrey	1.6	4.1	2.5
Godfrey to East St. Louis	2.9	5.6	2.6
Roodhouse to Murrayville	1.7	4.1	2.4
Murrayville to Jacksonville	1.4	1.8	0.4
Murrayville to Springfield	0.3	2.3	2.0
Venice to K Tower	2.9	2.9	-
Bridge Junction to Q Tower	2.9	2.9	-
Q Tower to Rose Lake Yard	0.2	0.2	0.0
Willows to East. St. Louis	1.4	1.7	0.3
M&O Junction to Tolson	1.5	1.5	0.0

¹⁰⁰ IFG includes CPKC activity counts for base period and “Year 3” periods based on CP/KC Application yard volume reports, and detailed review of CPKC 2019 waybill data and traffic studies. See “HC – Yard Volume Comparison for Pre- and Post-Transaction.xlsx” for details.

¹⁰¹ The site is not technically a yard but is used as a block swap location in the Operating Plan.

¹⁰² See “Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf” and associated workpapers.

¹⁰³ Certain segments of the Springfield Line also have Amtrak trains described elsewhere in the Operating Plan. See “HC – Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf”.

Figure 29
Trains Per Day: Segments Neighboring the Springfield Line¹⁰⁴

Subdivision	Segment	Pre-Transaction Trains Per Day	Post-Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
St. Louis	Du Quoin to Pinckneyville	5.1	5.1	-	-
St. Louis	Pinckneyville to Coulterville	5.1	5.1	-	-
St. Louis	Coulterville to Lenzburg	3.1	3.1	-	-
St. Louis	Lenzburg to Freeburg	1.7	1.7	-	-
St. Louis	Freeburg to Wilderman	1.7	1.7	-	-
St. Louis	Wilderman to East St. Louis	1.7	1.7	-	-
Gilman	Gilman to Gibson City	2.3	4.3	2.0	-
Gilman	Gibson City to Clinton	2.0	4.0	2.0	-
Gilman	Clinton to Mt. Pulaski	2.0	4.0	2.0	-
Gilman	Mt. Pulaski to Brickyard Junction	0.3	2.3	2.0	-

The Chicago and Gilman Subdivisions on CN's existing network will also have two additional trains per day, as shown in Figure 30. Other CN subdivisions will accommodate additional car volume in existing trains.

¹⁰⁴ The below train counts reflect the CP/KC Application's presumed { } organic growth rate, which CN accepts only for purposes of the operating plan to match the CP/KC submission.

Figure 30
Other Segments Projected to Have Change in Trains Per Day¹⁰⁵

Subdivision	Segment	Pre-Transaction Trains Per Day	Post-Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
Memphis	Memphis to West Junction	21.4	23.4	2.0	2.0
Memphis	West Junction to Memphis Intermodal Terminal	6.6	8.6	2.0	-
Chicago	Homewood to Stuenkel	25.6	27.6	2.0	6.0
Chicago	Stuenkel to Gilman	23.1	25.1	2.0	6.0
Chicago	Kensington to Homewood ¹⁰⁶	18.0	18.8	0.8	6.0
Elsdon	Harvey to CIT	11.1	13.1	2.0	-

3. Changes in GTMs by Line Segment

Figure 31 below shows the impact of post-transaction traffic growth projections on the Springfield Line by Gross Ton Miles by segment.

¹⁰⁵ The below train counts include the CP/KC applications' presumed { } organic growth rate that CN is accepting only for purposes of the Operating Plan to match the CP/KC submission. See "HC - Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf" for associated workpapers.

¹⁰⁶ Only 39% of the section Kensington to Homewood IL will have two new trains that operate between CIT and the IFG in Kansas City. This amounts to an increase of 0.78 trains per day for this section. These two trains are fully reported in subsequent sections such as the Homewood to Stuenkel IL section.

Figure 31
Post-transaction Growth Projections for Segments on Springfield Line¹⁰⁷

Gross Tons (000s) ¹⁰⁸					
Segment	Distance	Base 2019 Tons	Post-transaction	Change in Gross Tons	% Change
IFG to Kansas City	23.24	51,259	91,173	39,914	78%
Kansas City to Slater	98.6	10,376	15,801	5,425	52%
Slater to Mexico	67.9	8,809	14,026	5,217	59%
Mexico to Roodhouse	88.4	6,656	12,605	5,949	89%
Roodhouse to Godfrey	48.1	3,816	6,871	3,055	80%
Godfrey to East St. Louis	32.9	7,288	10,403	3,115	43%
Roodhouse to Murrayville	15.6	3,090	7,970	4,880	158%
Murrayville to Jacksonville	10.4	3,054	3,468	414	14%
Murrayville to Springfield	18	43	4,506	4,463	10380%
Venice to K Tower	3.13	373	427	54	14%
Bridge Junction to Q Tower	0.78	373	427	54	14%
Q Tower to Rose Lake Yard	2.03	164	199	34	21%
Willows to East St. Louis	5.14	1,505	1,831	326	22%
M&O Junction to Tolson	2.6	207	236	30	14%

Figure 32
Post-transaction Growth Projections Breakdown for Segment Between International Freight Gateway and Kansas City¹⁰⁹

Gross Tons (000s)							
Segment	Distance	Base 2019 Tons	KCS Growth	KCS Diversion	CN Diversion	Post-transaction	% Change
IFG to Kansas City	23.3	51,259	7,381	29,137	3,395	91,172	78%

¹⁰⁷ See “HC - Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf” and associated analysis workpapers for how the values were estimated.

¹⁰⁸ The tonnage density in this Responsive Application is calculated on an organic growth assumption for base CPKC traffic of { } by Year 3. It differs from the tonnage density table provided for the Environmental Assessment, which included no organic growth in the primary comparison numbers, and an advisory column estimating potential Year 5 organic growth at the same rate as was experienced for the 2015-2019 period.

Figure 33
Post-transaction Growth Projections for Segments Neighboring the
Springfield Line¹¹⁰

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post-transaction	Change in Gross Tons	% Change
St. Louis	Du Quoin to Pinckneyville	8.9	6,935	8,339	1,404	20%
St. Louis	Pinckneyville to Coulterville	14.6	6,872	8,276	1,404	20%
St. Louis	Coulterville to Lenzburg	19.6	6,687	8,092	1,405	21%
St. Louis	Lenzburg to Freeburg	11.4	1,598	3,008	1,410	88%
St. Louis	Freeburg to Wilderman	4.2	1,595	3,005	1,410	88%
St. Louis	Wilderman to East St. Louis	11.4	1,582	2,992	1,410	89%
Gilman	Gilman to Gibson City	29.05	1,690	6,132	4,442	263%
Gilman	Gibson City to Clinton	38.6	879	5,320	4,441	506%
Gilman	Clinton to Mt. Pulaski	21.7	885	5,308	4,423	500%
Gilman	Mt. Pulaski to Brickyard Junction	25	260	4,693	4,434	1706%

4. Changes in Intermodal Lifts by Terminal

The majority of the new traffic that CN expects to divert to the Springfield Line consists of intermodal loads currently moving either by truck or on other railroads. Figure 34 below shows the pre- and post-transaction difference in lifts at the largest intermodal facilities.

¹⁰⁹ CN's post transaction plan adds an estimated { }; the { } CN's expected diversions on this line is offset by the elimination of an out of route move for the carload traffic from the Springfield line destined to Knoche yard which currently moves via IFG. The post-transaction tonnage includes the KCS diversion amount stated in their CP/KC Application, based on the values from the "Pittsburg - Kansas City" segment.

¹¹⁰ See "HC - Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf" and associated analysis workpapers for how the values were estimated.

Figure 34
Intermodal Facilities with Largest Change in Units Handled¹¹¹

Total Intermodal Units Originated and Terminated Loaded and Empty (Includes CPKC Organic Growth)				
Locations	Pre-Transaction	Post-Transaction	Difference	% Difference
International Freight Gateway	{{ }}	{{ }}	{{ }}	{{ }}
Detroit Intermodal Terminal	159,444	210,437	50,993	32%
CIT	491,663	521,751	30,088	6%
East St. Louis	0	29,739	29,739	
Montreal Wharf	93,828	107,391	13,563	14%
Indiana Intermodal Terminal	40,071	52,964	12,893	32%
May Yard	25,820	37,122	11,302	44%
All others	4,446,052	4,473,963	27,911	1%
Total	{{ }}	{{ }}	{{ }}	{{ }}

The largest increase is at the IFG Terminal. Figure 35 shows the pre- and post-transaction division of intermodal units at IFG by railroad. As described further below, CN is prepared to invest in the IFG Terminal so that the increase in units handled can be absorbed.

Figure 35
Breakdown of Changes in Intermodal Units Handled at International Freight Gateway by Railroad¹¹²

International Freight Gateway - Total Intermodal Units Originated and Terminated for Loaded and Empty (Includes CPKC Organic Growth)				
Railroad	Pre-Transaction	Post-Transaction	Difference	% Difference
CP-KCS related	{{ }}	}}	}}	}}
CN Related	0	113,303	113,303	-
Total	}}	}}	}}	}}

¹¹¹ See "HC - Change in Intermodal Containers and Muiltilevels by Location - Base vs Post-Transaction – Methodology.pdf" and associated analysis workpapers.

¹¹² See "HC - Change in Intermodal Containers and Muiltilevels by Location - Base vs Post-Transaction – Methodology.pdf" and associated analysis workpapers.

The second largest category of traffic that CN expects to attract to the Springfield Line is automotive traffic. Figure 36 shows the automotive facilities that CN projects will experience the largest changes in automotive units handled.

Figure 36
Automotive Locations With Largest Change in Cars Handled¹¹³

Total Multilevel Cars Originated and Terminated Loaded and Empty (Includes CPKC Organic Growth)				
Locations	Pre-Transaction	Post-Transaction	Difference	% Difference
International Freight Gateways	{{ }}	{{ }}	{{ }}	{{ }}
East St. Louis	{{ }}	{{ }}	{{ }}	{{ }}
Flat Rock, MI	10,066	19,764	9,698	96%
Markham, IL	92,443	98,070	5,627	6%
All others	541,202	552,220	11,018	2%
Total	{{ }}	{{ }}	{{ }}	{{ }}

Once again, the largest increase will occur at IFG. Figure 37 shows the breakdown by railroad at that facility.

Figure 37
Breakdown of Changes in Multilevel Cars Handled at International Freight Gateway by Railroad¹¹⁴

International Freight Gateway - Total Multilevel Cars Originated and Terminated for Loaded and Empty (Includes CPKC Organic Growth)				
Railroad	Pre-Transaction	Post-Transaction	Difference	% Difference
CP-KCS Related	{{ }}	{{ }}	{{ }}	{{ }}
CN Related	0	12,876	12,876	-
Total	{{ }}	{{ }}	{{ }}	{{ }}

¹¹³ See “HC - Change in Intermodal Containers and Multilevels by Location - Base vs Post-Transaction – Methodology.pdf” and associated analysis workpapers.

¹¹⁴ See “HC - Change in Intermodal Containers and Multilevels by Location - Base vs Post-Transaction – Methodology.pdf” and associated analysis workpapers.

5. Trains Added, Dropped, or Changed

Figure 38 below shows the trains added on the Springfield Line between KCS' pre-transactions operations and CN's post-transaction operations. All but one train will run daily each week.

Figure 38
Springfield Line - Trains Added

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
IMDL	I-CHKC	CHIINTTER_IL to INTFREGAT_MO	494	7	20.5	• New direct train from CIT to IFG • Mixed intermodal and automotive • Carries blocks from CIT for East St Louis and IFG • Picks-up blocks from Detroit Intermodal, Montreal, and Flatrock at CIT for East St. Louis and IFG from trains Z149, E261 and E271 • Picks up Blocks from Memphis, Indianapolis, CSXT at Rose Lake, and East St. Louis for IFG at Roodhouse connecting from train I-RHSL • Sets off East St. Louis blocks at Roodhouse for connection to train I-RHSL
IMDL	I-KCCH	INTFREGAT_MO to CHIINTTER_IL	494	7	20.5	• New direct train from IFG to CIT • Mixed intermodal and automotive • Carries blocks from IFG for CIT, Detroit Intermodal, Flat Rock and Montreal • Also carries blocks for East St. Louis, CSX/Rose Lake, Indianapolis, and Memphis for connection to I-RHSL at Roodhouse

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
						- Picks-up additional blocks for Chicago Intermodal, Markham, Detroit Intermodal, Flat Rock and Montreal at Roodhouse from I-RHSL - Detroit Intermodal, Flat Rock and Montreal blocks set off at Chicago for connection to trains Q116 and Z148
IMDL	I-RHSL	ROODHOUSE_IL (Turn)	146	7	5.8	- Turn train from Roodhouse to East St Louis shuttling blocks between East St. Louis and Roodhouse for connection to I-CHKC and I-KCCH - Carries blocks made at East St Louis, Indianapolis, CSX/Rose Lake, and Memphis for IFG from East St Louis to Roodhouse for connection to I-CHKC - Carries blocks made at East St Louis for CIT, Detroit, Flat Rock, and Montreal from East St Louis to Roodhouse for connection to I-KCCH - Carries blocks made at IFG for East St. Louis, CSX/Rose Lake, Indianapolis, and Memphis from Roodhouse to East St Louis from connection with I-KCCH - Carried blocks made at CIT, Detroit, Flat Rock, and Montreal for East St Louis from Roodhouse to East St. Louis from connection with CHKC - Carries local block from East St Louis to Roodhouse and reverse
LOCAL	LRH102	ROODHOUSE_IL (Turn)	177	5	10.1	Roodhouse to Mexico local turn train serving all

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
						points along line including Hillview, Pleasant Hill, Louisiana, Vandalia, Laddonia, and Mexico • Delivers cars to/from Kansas City for train M-VNKC at Mexico and picks up cars from M-KCVN for customers served out of Roodhouse • Traffic for points on CN connects to I-RHSL at Roodhouse

Figure 39 identifies the trains that will be discontinued following the transaction. As explained in the notes column, however, all of the services provided by these trains today would continue to be provided via different operations.

**Figure 39
Trains Discontinued**

{{

}}

Figure 40 lists the trains currently operated by KCS on the Springfield Line that will be continued (in some cases with modifications) by ICRR. One local train

(YES305) will be unchanged but adjustments in service will be applied to each of the others.

Figure 40
Springfield Line Non-Local Trains Continued/Changed

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
MANIFEST	M-KCVN	KANCITY_MO to ESTLOUIS_IL	321	6	14.5	• Handles local work (as needed) between Centralia, MO and Odessa, MO • Picks up and sets off at Mexico, MO instead of Roodhouse, IL and Slater, MO • Frequency increased from 4 days a week to 6 days a week • Intermodal/Automotive traffic for IFG handled on I-RHSL to/from I-CHKC and I-KCCH
MANIFEST	M-VNKC	ESTLOUIS_IL to KANCITY_MO	321	6	16.4	• Handles local work (as needed) between Centralia, MO and Odessa, MO • Picks up and sets off at Mexico, MO instead of Roodhouse, IL and Slater, MO • Frequency increased from 4 days a week to 6 days a week • Intermodal/automotive traffic for IFG handled on I-RHSL to/from I-CHKC and I-KCCH • Train terminates at Knoche instead of IFG

Figure 41
Springfield Line Local Trains Continued/Changed

}}

Figure 42 below illustrates the transaction-related train increases on the Springfield Line.

Figure 42
Transaction-Related Train Increases on the Springfield Line

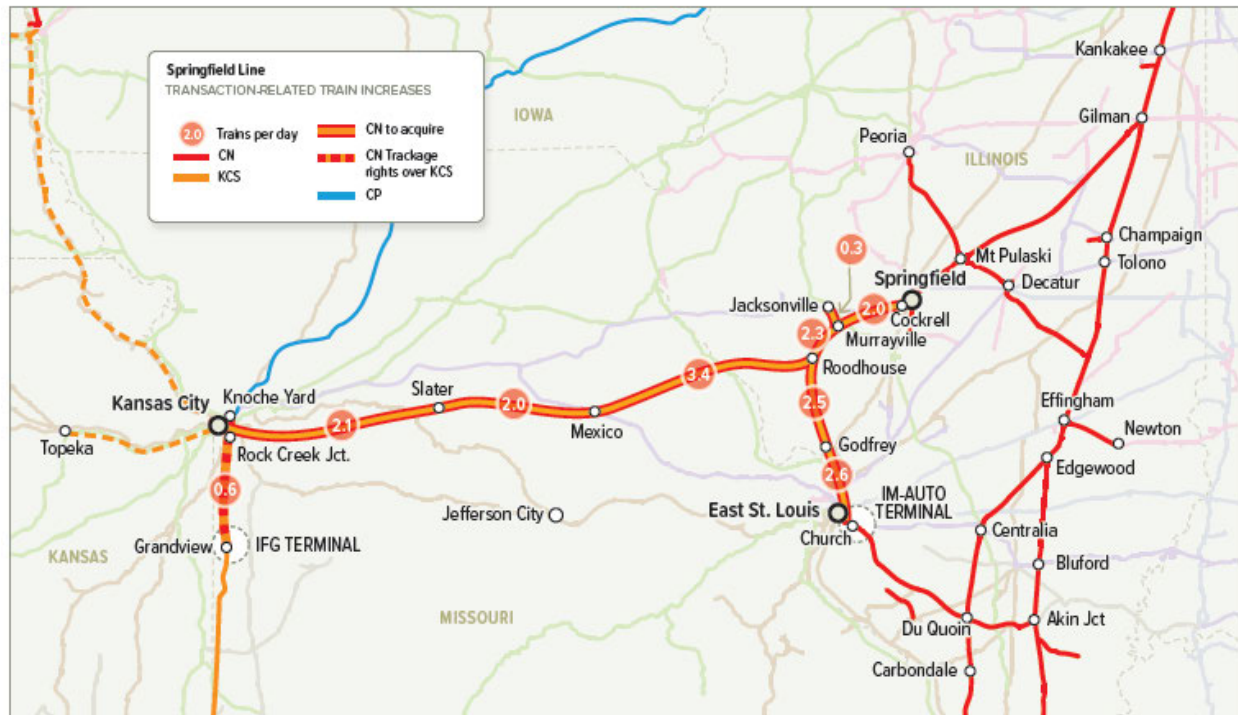


Figure 43 below describes the adjustments that will be made to trains operating elsewhere on the CN system to account for the new traffic from the Springfield Line.

Figure 43
Other CN System Train Changes

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
IMDL	Q_1169	CHIINTTER_IL to FLAROCK_MI	328	7	16.2	Added blocks and traffic from IFG and E. St. Louis to Detroit Intermodal (Moterm) and Flatrock connecting from I-KCCH
LOCAL	M-SLCE	ESTLOUIS_IL to CENTRALIA_IL	100	6	5.8	- Combined local L504 and L548 into a through train from E. St. Louis to Centralia still swapping crews at Coulterville, IL - Added intermodal and automotive blocks to Memphis from IFG and E. St. Louis connecting to train A432 - Added intermodal block to Indianapolis from IFG connecting to train A431
LOCAL	M-CESL	CENTRALIA_IL to ESTLOUIS_IL	100	6	4.8	- Combined local L504 and L548 into a through train from Centralia to E. St. Louis still swapping crews at Coulterville, IL - Added intermodal and automotive blocks from Memphis to IFG and E. St. Louis connecting to train A431 - Added intermodal block from Indianapolis to IFG connecting from train A432
IMDL	Z_1492	MONMONINT_PQ to CHIINTTER_IL	831	7	32.2	Handles new intermodal blocks to great Chicago for IFG and E. St. Louis from Detroit and Montreal for connection to I-CHKC
AUTOS	E_2616	BATCREEK_MI to MARKHAM_IL	164	2	6.6	Handles new automotive blocks to greater Chicago for IFG and E. St. Louis from Flat Rock connecting to I-CHKC
LOCAL	L_5146	FLINT_MI (Turn)	130	7	6.0	Handles new intermodal blocks to Flint for IFG and E. St. Louis from Detroit for connect to train Z149

Train Type	Symbol	Origin - Destination	Dist. (miles)	Runs per Week	Est. Transit Time (Hrs)	Notes
MANIFEST	A_4329	DECATUR_IL to MEMPHIS_TN	400	7	22.3	- Picks up Intermodal block for IFG from Indianapolis at Effingham, IL to set off at Centralia to connect to M-CESL - Picks up Intermodal and automotive blocks from IFG and St. Louis at Centralia for Memphis
MANIFEST	A_4317	MEMPHIS_TN to DECATUR_IL	400	7	23.4	- Picks up Intermodal block from M-SLCE from IFG to Indianapolis at Centralia, IL to set off at Effingham - Picks up Intermodal and automotive blocks to IFG and St. Louis at Centralia from Memphis to connect to M-CESL - Picks up new E. St. Louis manifest block from Memphis for M-CESL
LOCAL	L_5339	EFFINGHAM_IL (Turn)	44	6	8.0	Added new blocks between Indianapolis and IFG for connection at Effingham to A432 and from A431
HAULAGE	H_1769	NEWTON_IL (Turn)	305	7	12.2	Added new blocks between Indianapolis and IFG for connection at Effingham to A432 and from A431
LOCAL	K_1492	MONVIATER_PQ to MONMONINT_PQ	13	7	15.0	Handles new blocks for IFG and E. St. Louis from Port of Montreal to connect to Z149
AUTOS	E_2516	FLAROCK_MI to GIBSON_IN	321	7	19.0	Handles new automotive blocks for IFG and E. St. Louis from Flat Rock to connect to trains E271 and E261 at Battle Creek
IMDL	Z_1489	CHIINTTER_IL to MONTASYAR_PQ	834	7	32.3	Handles new intermodal blocks from IFG and E. St. Louis to the Port of Montreal connecting from I-KCCH
AUTO	E_2716	BATCREEK_MI to SALEM_IL	373	7	21.4	Handles new automotive blocks for IFG and E. St. Louis from Flat Rock, MI off E251 from Battle Creek to Markham, IL
LOCAL	K_1482	MONTASYAR_PQ to MONVIATER_PQ	16	7	0.7	Handles new block from IFG and E. St. Louis to the Port of Montreal from Z148

Figure 44 below illustrates the net transaction-related train changes (all increases) on a map of CN's Gilman and Chicago Subdivision. Following that, Figure 45 shows the increases in trains projected on the Memphis Subdivision. No other CN subdivisions will experience an increase in trains.

Figure 44
Map Showing Transaction-Related Train Increases on CN's Gilman and Chicago Subdivisions

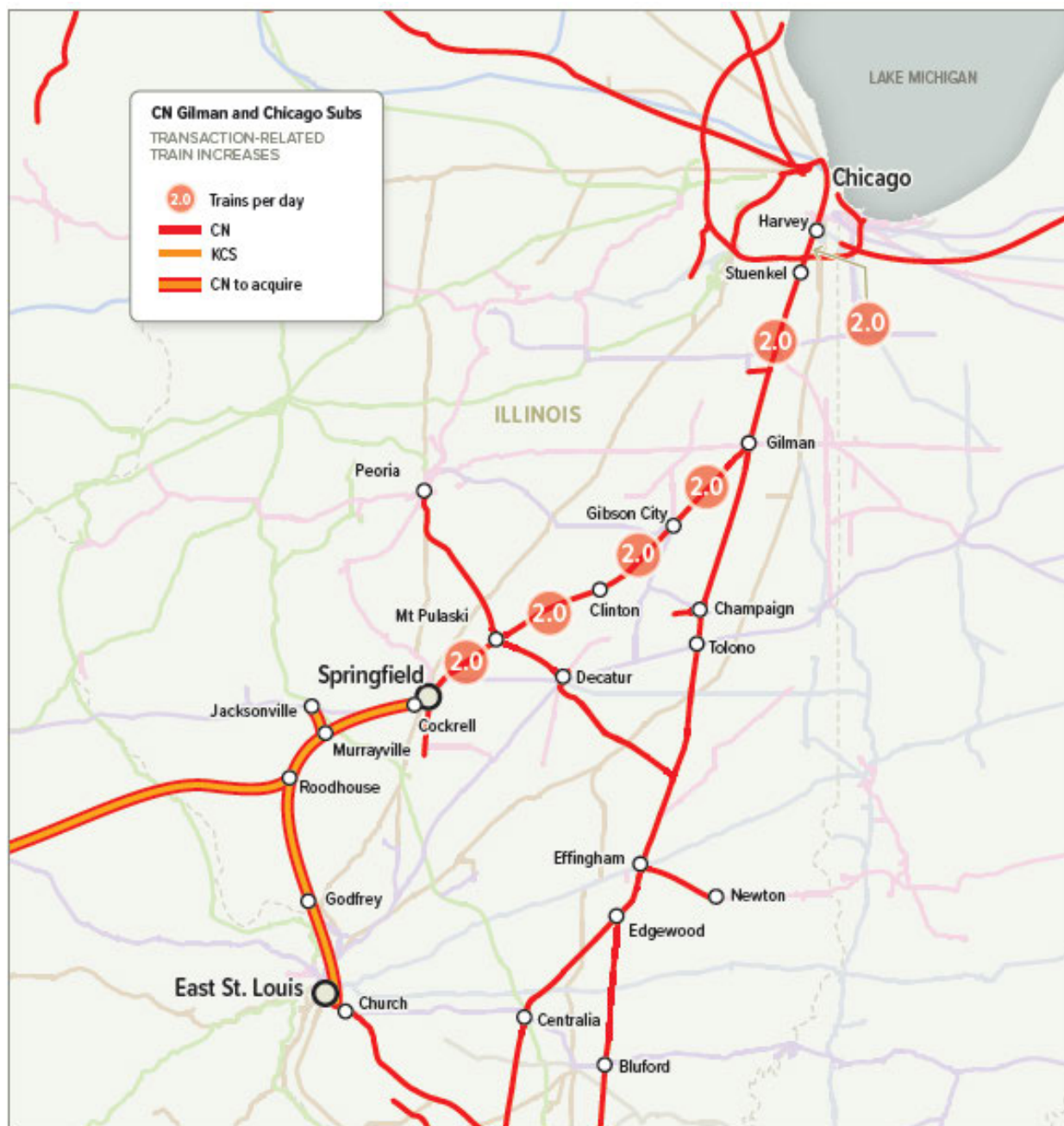


Figure 45
Map Showing Transaction-Related Train Increases on
CN's Memphis Subdivision



C. Operating Agreements

CN's Responsive Application includes several existing KCS agreements that will be needed to execute the Springfield Line Operating Plan. These agreements are summarized here.

1. KCS Haulage Rights on the Springfield Line

In order to allow customers on the Springfield Line to continue to ship via KCS—and to create an additional competitive option for most shippers located on the Line—CN proposes to grant to KCS haulage rights to serve all current and future customers on the Springfield Line. Attached as Exhibit 2B to this Responsive Application is a proposed form of Haulage Agreement, pursuant to which CN would handle railcars in the account of KCS originating or terminating at customers facilities, industry, team or house track, and intermodal and automotive facilities (other than those owned by ICRR). At any point on and along the Springfield Line, KCS will also have the right to interchange traffic with other railroads at any location where the lines of such railroad connect with the Springfield Line. CN would pick up and deliver haulage cars at the Joint Agency facility at Knoche Yard in Kansas City.

The proposed haulage agreement will allow KCS to continue to serve its existing customers on the Springfield Line and compete to for the business of new customers who locate in the line in the future. CN anticipates that the volume of KCS haulage traffic would be approximately 45,000 carloads and 23,000 intermodal units annually, which approximates its current local traffic on the Springfield Line.

2. KCS Trackage Rights Between Southwest Airline Junction and IFG Terminal (Docket No. FD 34500 Sub-No. 2)).

The Operating Plan contemplates that ICRR will acquire a 50% interest in KCS's IFG Terminal, which ICRR will utilize in connection with its intermodal and automotive service. Accordingly, CN is requesting that the Board require KCS to

divest a 50% ownership interest in the IFG Terminal. In order to reach the IFG Terminal from the terminus of the Springfield Line at Rock Creek Junction, MO – and to provide the haulage services to KCS contemplated by the Responsive Application, in FD 36500, (Sub-No 2), ICRR is seeking overhead trackage rights on approximately 24 miles of KCS track between Milepost 5.6 +/- at Airline Junction, MO, and Milepost 29.5 + at the entrance to the IFG Terminal. A form of proposed trackage rights agreement can be found at Exhibit 2C. CN requests that the Board approve those trackage rights, and require KCS to negotiate the terms of a trackage rights agreement, as a condition to any approval of the CPKC transaction.

The trackage rights would be used by ICRR for overhead operations only; ICRR does not seek the right to serve local customers on the trackage rights line. ICRR would negotiate with KCS an appropriate base charge (on a cents per car mile basis) which would be subject to annual adjustment pursuant to Table A, Annual Indices of Charge-Out Prices and Wage Rates (1977=100), Series RCR, included in "AAR Railroad Cost Indexes" and supplements thereto, issued by the Association of American Railroads (the "AAR"), an index that is frequently used by railroads in connection with such agreements. KCS would dispatch the line on a non-discriminatory, first-come first-served basis.

3. Assignment of KCS Trackage Rights Between Rock Creek Junction and Airline Junction (Docket No. FD 34500 (Sub-No. 4))

KCS currently reaches Knoche Yard from the Springfield Line via overhead trackage rights on UP's KC Metro Subdivision between Milepost 276.8+/- at Rock Creek Junction and Milepost 278.2+/- in the vicinity of Airline Junction in Kansas

City, MO, a distance of approximately 1.4 miles. KCS obtained those rights pursuant to an August 5, 1997 trackage rights agreement. In FD 36500, Sub-No. 4, as part of the Springfield Line transaction, ICRR seeks to have KCS to assign its existing overhead trackage rights. Access to that short segment is necessary for ICRR to access Knoche Yard and the proposed overhead trackage rights between Airline Junction and the IFG Terminal (discussed above).

4. East St. Louis Trackage Rights (Docket No. FD 34500 (Sub-No. 3))

In FD 36500 (Sub-No. 3), ICRR proposes to acquire KCS's 100% equity interest in GWER (which owns or leases certain trackage used by KCS in the vicinity of East St. Louis, IL). In order to enable ICRR to conduct in its own name the operations in and around East. St. Louis contemplated by this Operating Plan, ICRR plans to enter into an intra-corporate transaction with GWER to acquire trackage rights over GWER's trackage in the East St. Louis area. Specifically, ICRR would obtain rights to operate over GWER lines between (i) GWE's Milepost 238.7 at or near Q Tower and GWE's Milepost 236.8 at or near Willows in East St. Louis, IL; (ii) between GWER's Milepost 2.3 at or near Wann and GWER's Milepost 0.91 at or near Olin Brass in East Alton, IL; and (iii) from GWER's Milepost 265.01 at or near Roxana to the change in ownership in the track with Shell Oil Company in Wood River, IL.

It is anticipated that, upon consummation of the Springfield Line divestiture, ICRR will acquire intra-corporate overhead and local trackage rights allowing it to operate over that trackage. This is comparable to KCS's arrangement for operations

on those lines today. See *The Kansas City Southern Railway Company – Trackage Rights Exemption – Gateway Western Railway Company and Gateway Eastern Railway Company*, Docket No. FD 33780 (STB served Sep. 29, 1999).

D. Dispatching Changes

The train dispatching function is of central importance to both the efficiency and safety of rail operations. As explained above, CN's United States dispatching is centralized at Homewood, IL where it has 90 employees and 13 desks. CN would dispatch the Springfield Line from there. KCS dispatchers would continue to control train movements on the KCS line between Airline Junction and IFG (including ICRR CN trains arriving and departing the IFG Terminal). To the extent CN cannot dispatch trains on the Springfield Line with current staffing levels at Homewood, CN would add additional, trained RTCs to dispatch the line.

E. Labor Impact

ICRR anticipates hiring additional personnel to staff the Springfield Line, including employees in the train and engine crew, signals, and maintenance crafts.

Estimated post-transaction ICRR manpower needs include the following a T&E workforce for the Springfield Line that assumes conventional type assignments. The total T&E number, however, will not change if an assignment is run remote with two trainmen instead of a trainman and engineer. These employees would support the pair of intermodal/automotive trains, the pair of

manifest trains, the likely transfer that is required to get CN manifest traffic to and from KCS, the grain trains, and the General Extra Board.¹¹⁵

CN plans to hire the number of employees at the time CN acquires ownership that it needs to operate the line safely and effectively. Assuming they are qualified, existing employees working on the Springfield Line will be given priority consideration in the hiring process.

While CP and KCS have submitted somewhat conflicting information in the Application and work papers about current employment levels on the Springfield Line, no major changes in the current number of positions are anticipated on the Springfield Line, except for the elimination of the local train at {{ }}, which as explained elsewhere will see the service accounted for elsewhere. Roodhouse will be the hub and spoke of ICRR's local service plan; accordingly, ICRR might need to change the location of some Agreement employees. Also, some Non-Agreement jobs will be transferred to the IFG Terminal from other locations on the Springfield Line. ICRR does not anticipate the need to hire many employees for locations at which KCS (or CPKC) will still be the carrier primarily responsible for local operations, such as Knoche Yard. Also, ICRR will continue its typical practice—and the industry norm— of utilizing a third-party contractor to staff its new intermodal and automotive facilities at the IFG Terminal and in East St. Louis.

¹¹⁵ Determined in consultation with CN operating experts. See attached Summary of Labor Impacts.

The proposed Asset Purchase Agreement provides that, in the event that ICRR hires any employees for the continued operation of the Springfield Line, it will offer priority hiring consideration to KCS employees (both craft and non-craft) currently working on the Springfield Line whose employment is impacted by the proposed divestiture transaction.¹¹⁶

A labor impact chart is printed in Appendix E, Exhibit E-3.

F. Passenger Rail Service Impact

The proposed divestiture transaction will have no impact on passenger rail service.

As explained above, there are only two areas on the Springfield Line itself that host Amtrak service. Those locations would see only minimal increases in daily trains: Roodhouse, IL to East St. Louis (one additional local train on the UP/Amtrak corridor between Godfrey, IL and Q Tower) and around Kansas City (two new trains per day where Amtrak crosses the Springfield Line for approximately 0.1 miles). These minimal increases will have no impact on Amtrak service; nevertheless, CN will commit to work with Amtrak to address any issues of concern.

There are portions of the existing CN lines in Michigan—described above—that will experience an increase in daily cars (but not trains), and which host the Amtrak Wolverine and Blue Water services. Because there will be no additional trains on those lines, there will be no impact on Amtrak service. To the extent any concern is raised about train length, CN will commit to work with Amtrak to

¹¹⁶ See Responsive Application, Exhibit 2A, Section 7.13.

address any issues of concern. Points between St. Louis and Memphis on the Centralia, Cairo, and Fulton, subdivisions will likewise experience an increase in daily cars, but not trains,

Finally, there are sections of the existing CN network in Illinois that will see two new trains per day:

- Chicago, IL to Gilman, IL: This segment is used by Amtrak's City of New Orleans (currently five times per week) and Illini and Saluki services between Chicago and Carbondale, IL, which operate daily in each direction (currently only one pair of trains daily). The Chicago – Gilman line has ample capacity to handle two additional freight trains.
- Gilman, IL to Cockrell, IL: Turnouts on this line at Springfield are used to enter and exit UP/Amtrak's higher-speed corridor between Chicago and St. Louis, as well as the NS mainline to Kansas City. ICRR trains will share only 0.6 miles of track with Amtrak trains that are part of the Lincoln Service and Texas Eagle service before exiting the line. The addition of two trains per day should not create any issues on the UP and NS lines.

In summary, the anticipated increase in traffic and trains resulting from the proposed divestiture transaction is minimal, and is not likely to cause any disruption to Amtrak service, CN stands ready to work with Amtrak to ensure that is the case.

Finally, as explained above, the only area where the Metra commuter railroad approaches any CN line that will see an increase in traffic are segregated Metra lines that do not cross CN.

G. Discontinuances or Abandonments

No line abandonments or gateway closings are planned as a consequence of this transaction.

H. Requirements for additional locomotives, cars, and other equipment

To provide the services contemplated by this Operating Plan, ICRR will need additional cars and locomotives. The amount of additional equipment has been estimated for locomotives based on the percent increase in CN's systemwide post-transaction GTM's; and for intermodal platform and automotive multilevel cars based on the calculations described below, with results as follows:

- Locomotives: An estimated 16 additional high-horsepower road locomotives (including a bad order factor) will be required for (i) the new Chicago-Kansas City train pair, (ii) movement of the projected increase in intermodal and automotive traffic between Chicago and Detroit/Toronto/Port of Montreal on existing trains; (iii) for the movement of increased volumes on CN's existing manifest trains moving between Chicago and Memphis, on the one hand, and East St. Louis; and (iv) increased volumes on the manifest trains operating between St. Louis and Kansas City. In addition, nine mid/low horsepower units will be required for local assignments at Roodhouse and East St Louis. While CN may be able to provide these locomotives from its existing fleet, if doing so proves not to be feasible as traffic volumes on the Springfield Line increase, CN would acquire additional locomotives to support this service.
- Cars: CN will require the following additional intermodal and multilevel cars.¹¹⁷

¹¹⁷ The approach used to calculate the necessary cars is based in principle on CN's intermodal fleet planning process:

- 1) Calculate loading/unloading dwell per car at O/D, to determine dwell car days for the year. Assuming 1.3 days per load/unload.
- 2) Using route miles and cars, determine transit car days. Assume intermodal velocity is 360 MPD (East Region average), and that slot utilization is 90%. Assume Automotive Car velocity is 200 MPD (East region average).
- 3) To determine the required fleet, turn the annual total car days into daily average car days. The difference between the existing car fleet requirements and the new requirement is the additional cars required.

Figure 46
Car Needs

	Annual Units	Slot util	Loading days	Unloading days	Car Velocity	Platforms/ Cars Required
Intermodal	143,043	1	1	1	360	731
Multi-levels	26,251	1	1	1	200	354

Fueling, servicing and repairing of the road locomotives, intermodal cars and multilevel cars will take place at the IFG Terminal in Kansas City and at existing locations throughout CN's network. Yard switchers used on the Springfield Line will ordinarily be fueled and serviced at their normal assigned locations using truck fueling and light repair services. If for some reason that is not possible, units would be cycled to East St. Louis and back. Ninety-two-day inspections and other more labor-intensive items would be handled at CN's Woodcrest Light Repair Centers in Chicago or at East St. Louis.

The same types of Maintenance of Way equipment (and supporting manpower, for production gang rail and tie renewals) used on KCS's network will be deployed as needed to maintain and renew the track on the Springfield Line.

I. Capital Investment

CN proposes to make capital investments of approximately \$250 million over three years following the transaction. As explained above, CN has not been granted physical access to the Springfield Line as of the date the Operating Plan was finalized and such physical inspection may result in adjustments to the capital investment program.

The capital investments described herein will improve transit times for customers who rely on the Springfield Line and add intermodal and automotive capacity at IFG Terminal and East St. Louis. To determine the necessary capital investment, CN evaluated the Springfield Line as well as the adjacent Gilman Subdivision based on the assumptions in the Operating Plan and an assumed track speed of 40 miles per hour.

CN will use its capital investment to integrate the Springfield Line's operations into its Operating Plan, expand intermodal and automotive capacity at the IFG Terminal and in East St. Louis, upgrade main line track as needed on the Springfield Line and Gilman Subdivision, add/extend eight sidings to expand the Springfield Line's capacity, expand the capacity of Roodhouse Yard (which will serve as a mini-hub for local train crews serving industries at the east end of the Springfield Line; and will be the home terminal for the Roodhouse-East St. Louis turn job, and add maintenance-of-way equipment required to maintain the line. With these investments, CN will increase train velocity and improve performance of trains and supporting yard activities on the Springfield Line. Going forward, CN will implement its standard asset replacement cycles.

Appendix F-1 sets forth the total capital investment plan for sidings, East St. Louis and IFG intermodal and automotive facilities, and other investments.

1. Tracks and Line Infrastructure Upgrades

CN's objective is for the entire Springfield Line mainline tracks between Kansas City and Gilman, IL be at Class 3 standards to allow for a minimum freight train speed of 40 MPH. Except for a four mile segment (Milepost 234-237) just east

of Roodhouse which is speed restricted to {{ }} mph,¹¹⁸ the KCS Timetable indicates that the Springfield Line south of Cockrell already meets FRA Class {{ }} standards; if that is correct, most of the line may not require track upgrades. At Roodhouse, however, 5,000 feet of new yard track will be added between mileposts 235.6 and 236.6.

On the adjacent Gilman Subdivision, CN will install new ties, upgrade certain curves for increased speeds, remove rail defects in the existing track, upgrade the rail on the main line. install a full flange bearing diamond at Mt. Pulaski, and a make a few other improvements to achieve 40 MPH speeds on the entire subdivision.

2. Sidings

To handle the projected additional trains, CN will extend or modify seven sidings on the Springfield Line; and build an entirely new siding at Cockrell, IL. Each of those projects is described further below. The projected cost of the modified sidings is \$92 million and the new siding is estimated to cost \$14 million.

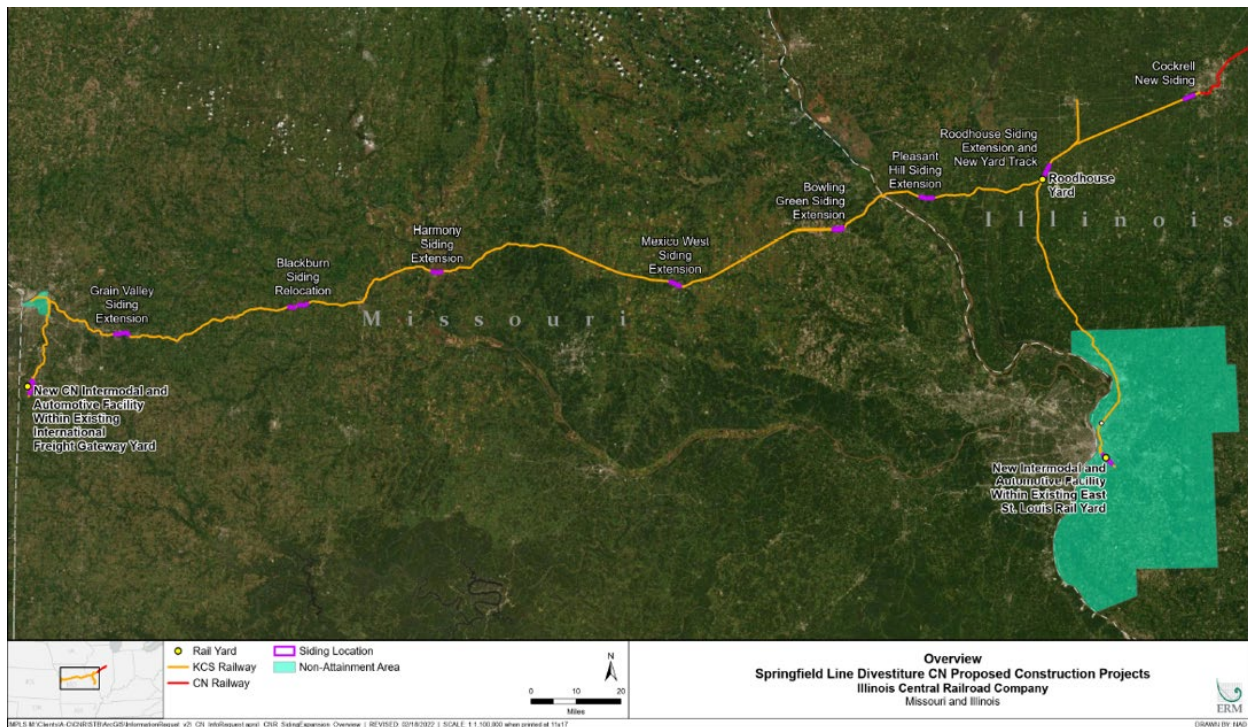
These sidings are important to enhance the overall fluidity of the line so trains can pass each other and move between lines at a higher speed. For example, trains cross both the Mississippi and Illinois Rivers on the Springfield Line (at Louisiana, MO and Pearl, IL, respectively), and at both locations the rivers are navigable and the bridge closes—halting river traffic—only when a train is approaching. This can lead to delays for trains on this segment, which CN took into

¹¹⁸ KCS Timetable No. 15, 2020 edition.

account in designing its siding improvement plan. CN also carefully planned the location of new or extended sidings to minimize their impact on existing grade crossings.

The new and extended sidings will be built over a three-year period to accommodate the anticipated growth in traffic. A map of the siding projects on the Springfield Line itself is depicted in Figure 47.

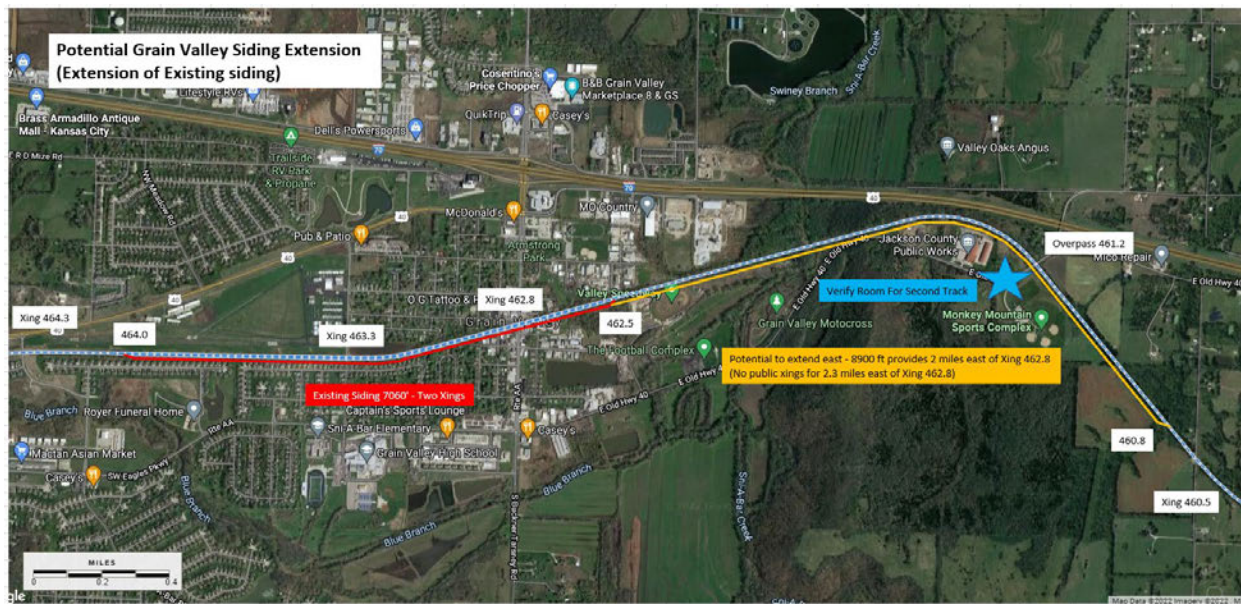
Figure 47
Springfield Line Siding Projects



The first planned siding investment on the Springfield Line is an extension of the existing siding at Grain Valley, MO on the KCS Mexico Subdivision. The extension will be located from Milepost 460.8 to Milepost 462.5 and would include a new span over the Sni-A-Bar Creek. The investment is depicted in Figure 48. There

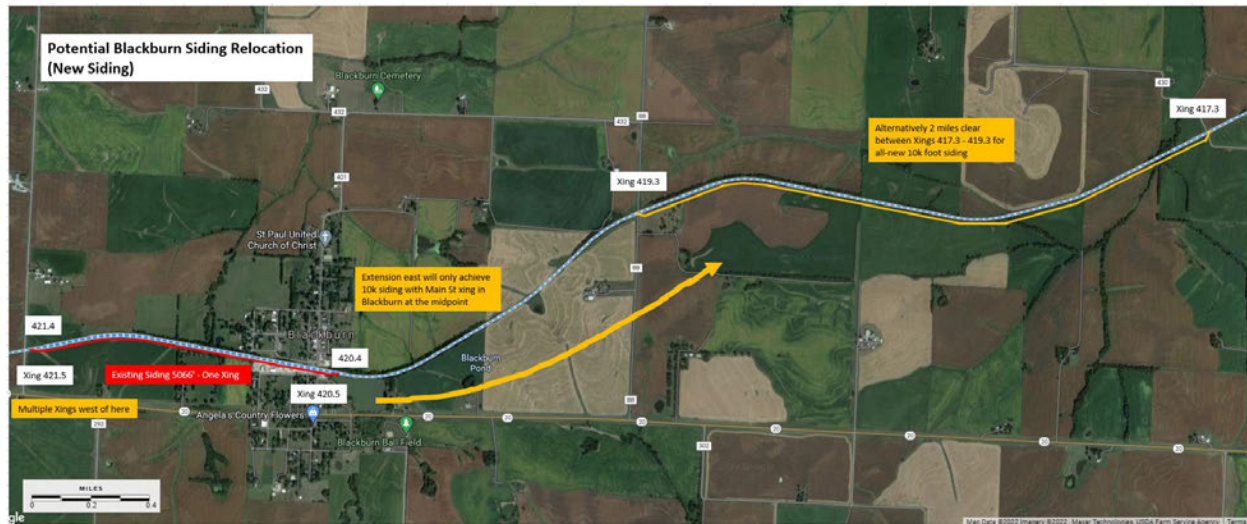
are two public grade crossings on the existing siding but no public grade crossings on the extension.

Figure 48
Grain Valley Siding Extension



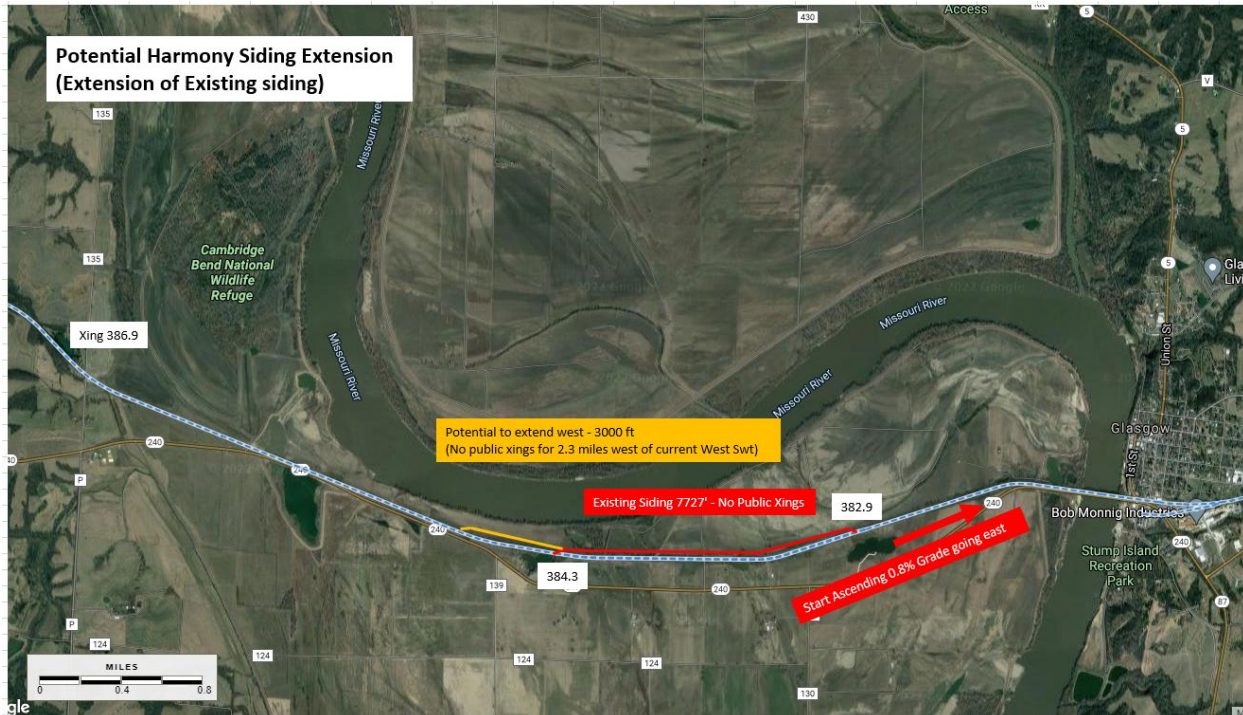
An existing siding on the KCS Mexico Subdivision at Blackburn, MO will be relocated between Milepost 417.3 and Milepost 419.3. This project is depicted in Figure 49. An extension of the existing siding at Blackburn would be less effective than a relocated new siding. Moreover, relocating the siding will avoid blocking any grade crossings.

Figure 49
Relocated Blackburn Siding



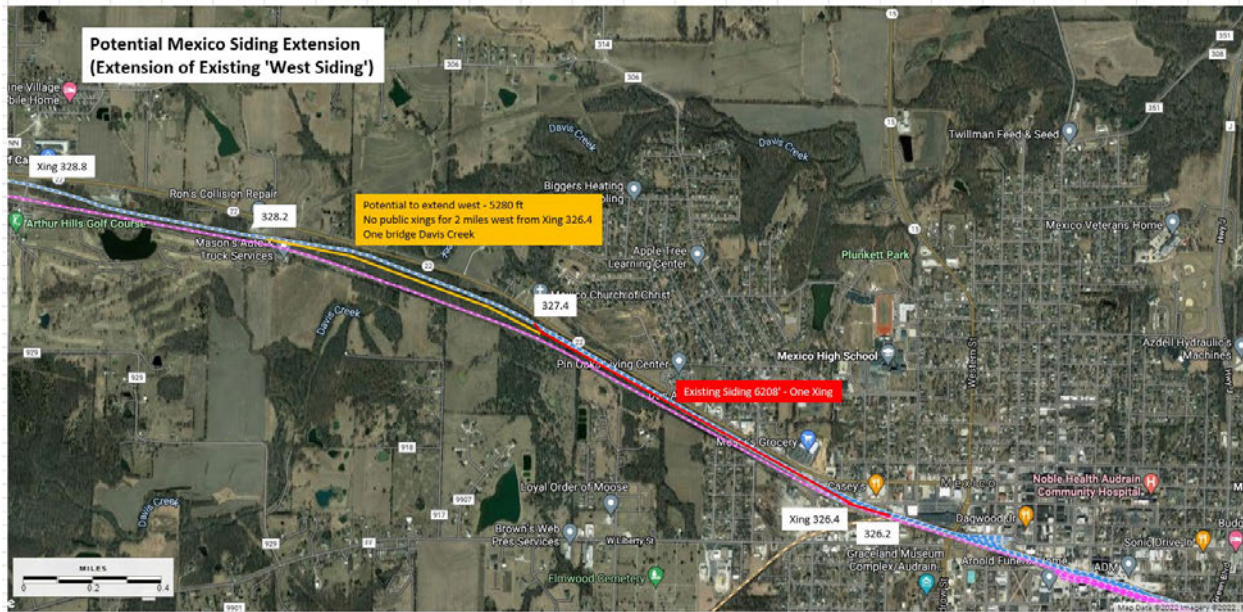
CN also proposes to extend the existing siding between Milepost 384.3 and Milepost 384.9 at Harmony, MO on the KCS Mexico Subdivision. That project is depicted in Figure 51. There are no grade crossings on either the existing siding or the proposed extension.

Figure 50
Extended Harmony Siding



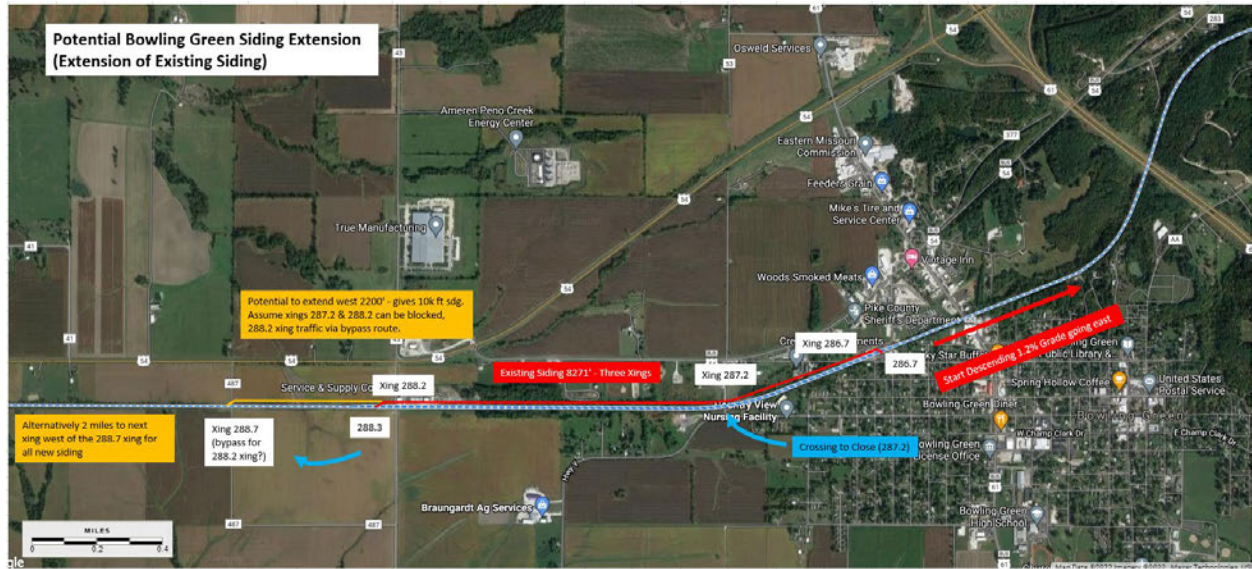
Finally on the Mexico Subdivision, the existing West Siding at Mexico, MO will be extended between Milepost 327.4 and Milepost 328.4, a project that will include a bridge over Davis Creek. The project is depicted in Figure 52. There is a grade crossing on the existing siding but not on the extension. Note that between Harmony and the West Siding, there is an existing siding at Clark, MO that is long enough to hold a unit grain train.

Figure 51
Extended West Siding



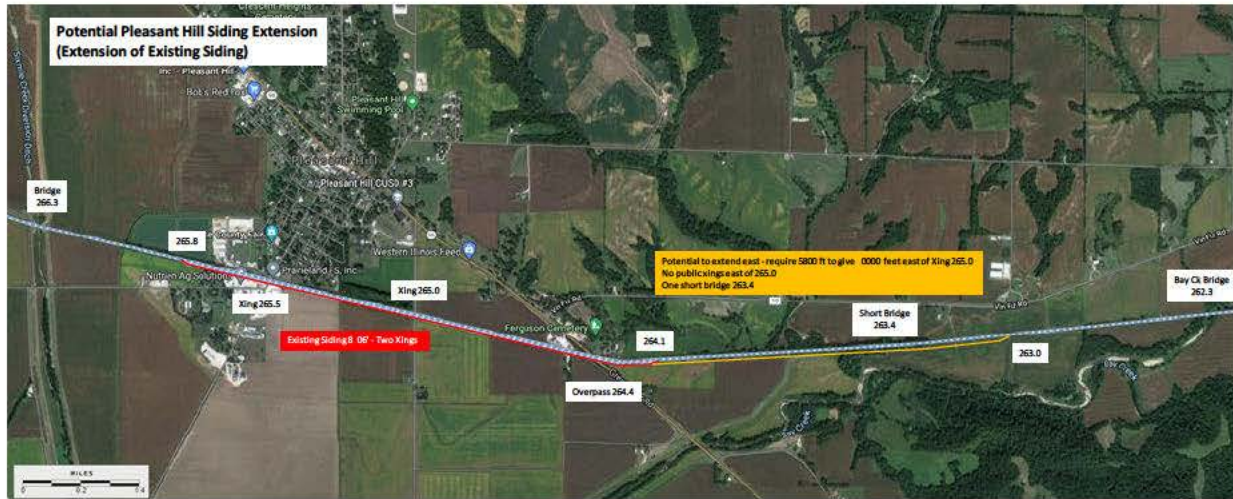
On the KCS Roodhouse Subdivision, the siding at Bowling Green, MO will be extended from Milepost 288.3 to Milepost 288.7. There are three grade crossings along the existing siding, two of which could be potentially closed or rerouted; there are no crossings on the extension.. Note that between the West Siding and Bowling Green, an existing siding at Laddonia, MO is long enough to hold a unit grain train. The project is depicted in Figure 52.

Figure 52
Extended Bowling Green Siding



The existing siding at Pleasant Hill, IL on the KCS Roodhouse Subdivision will be extended from Milepost 263.0 to Milepost 264.1, including a short bridge over the Bay Creek. This siding will be located between the two moveable river bridges at Louisiana, MO and Pearl, IL and will mitigate any bridge delays that could disrupt line capacity. There are no grade crossings on the extension, although the existing siding has two grade crossings; the extended siding will provide space to hold a 10,000-foot train clear of any grade crossings. The project is depicted in Figure 53.

Figure 53
Extended Pleasant Hill Siding



On the KCS Springfield Subdivision, at Roodhouse, IL the existing Long Yard Track will be extended from Milepost 233.2 to Milepost 234.9. The extension involves no public grade crossings, although there is a crossing on the existing siding. The project is depicted in Figure 54.

Figure 54
Extended Roodhouse Siding



At Cockrell, IL, on the KCS Roodhouse Subdivision, a new siding will be built between Milepost 192.4 and Milepost 194.5 and no public grade crossings are affected. The project is depicted in Figure 55.

Figure 55
New Cockrell Siding



Gilman Subdivision infrastructure documentation is located in Appendix F-2.

3. Yard and Terminal Capacity

Most of the anticipated increase in traffic can be absorbed by existing yards and facilities. As discussed above, investments will be made in East St. Louis and at the IFG Terminal south of Kansas City to handle intermodal units and automotive traffic. The IFG Terminal project will be constructed so as not to conflict with CPKC and its operations.

In East St. Louis, investments will be made to accommodate 44 outbound loaded intermodal units per day, 43 inbound loaded units per day, and 13 outbound empty units per day. That represents the expected level of new intermodal traffic in Year 3 of CN's Operating Plan. To accommodate that growth, CN will construct 6,000 track feet with intermodal pads and accompanying pavement. CN will also invest to accommodate 16 loaded outbound automobile multilevels, four empty

outbound multilevels, 13 inbound loaded multilevels, and seven empty multilevels daily at East St. Louis consistent with CN's Operating Plan. It will require the construction of 5,000 track feet for loading/unloading and car storage. In addition, approximately 25 acres will be developed with necessary roadways, parking, and truck areas.

At the IFG Terminal, facilities will be constructed to accommodate 180 loaded outbound intermodal units, 105 loaded inbound intermodal units, and 53 empty intermodal units per day, all consistent with CN's Operating Plan. The project requires 20,000 track feet (with pad) and storage, and the accompanying pavement. For automotive traffic, CN will construct sufficient capacity to accommodate 19 loaded inbound multilevels and four empty inbound multilevels, as well as 10 loaded inbound multilevels and 14 outbound empty multilevels, each daily. This project will require construction of 6,600 track feet including for loading/unloading and for storage. The accompanying work will include roadways and railhead parking and truck areas.

4. Bridges

There are a number of bridges on the Springfield Line. The three largest, from east to west, are:

- Lift bridge crossing the Illinois River at Pearl, IL with five fixed trusses west of the lift span.
- Swing span bridge crossing the Mississippi River at Louisiana, MO, with eight additional trusses.
- Missouri River bridge crossing at Glasgow, MO with six trusses and no moveable section.

CN has not been granted access to physically inspect these bridges prior to filing this Responsive Application. Post-transaction, CN will carefully inspect each of these bridges, to determine whether and what capital investments are needed.

J. Safety Impact

Nothing is more important to CN than operating safely. CN recognizes that safety is not a static “program”; it is a dynamic process focused on continuously improving its corporate safety culture. CN’s culture is built on a fundamental commitment to safety that begins at the top. CN is dedicated to providing the leadership, training, organizational structure, technology, and resources necessary to support its goal of eliminating serious injuries and fatalities and becoming the safest Class I railroad in North America. CN’s Safety Policy outlines its continual focus on: (1) A Strong Safety Culture; (2) A Safe Work Environment; and (3) Safe Work Practices and Training.¹¹⁹

CN is committed to integrating the Springfield Line in a manner that will not compromise safety. As stated above, the Springfield Line would be dispatched from Homewood, IL, like the rest of CN’s United States network. To the extent employees who have not previously worked on the Springfield Line are assigned there, CN will comply with all applicable FRA regulations including those relating to territorial qualification. CN’s investment in CTC on the new sidings will also enhance safety and efficiency because it will give the RTC the ability to control the signals and switches remotely from the dispatch center in Homewood, IL. That will eliminate

¹¹⁹ Source: CN Safety Policy.

the need for trains to stop for crews to throw switches to enable trains to enter and exit those sidings.

CN's PTC technology is fully interoperable with KCS, so no significant change in PTC infrastructure would be required. CN will consult with FRA to update CN's system PTC Implementation Plan and PTC Safety Plan, as well as coordinate any necessary PTC testing or other FRA-required information. CN would work with FRA to ensure compliance with all requirements and PTC would continue to protect all PTC regulated track as it does today.

VI. Conclusion

The additional traffic (particularly truck traffic) that CN will divert to the Springfield Line, and the major investments that CN will make to handle that traffic safely and efficiently, will be a great benefit to both the national rail network and the environment. The proposed divestiture will provide shippers an alternate competitive rail route between Kansas City and Chicago, and will preserve and upgrade parallel lines that would have little significance to the CPKC network.

Appendix A: Methodology for Development of Line Densities for Springfield Line and Assessment of CPKC Provided Density Data

As part of preparing the proposed operating plan, Oliver Wyman undertook the process of identifying the base period (2019) tonnage on each line segment and the projected post-transaction growth in tonnage for each line segment. The actual process we followed was as follows:

- 1) As discussed in the methodology section of this verified statement in Section III, Data Sources and Methodologies, we developed two operating plans—one representing the pre-transaction plan (the “Base Plan”) and one representing the post-transaction plan (the “Year 3 Plan”). The Base Plan used traffic derived from the full year 2019 waybill data obtained from CPKC, including the gross tons for each shipment. The Year 3 Plan used traffic that included the diversion traffic identified by the respective traffic studies undertaken by CPKC and CN, as well as an allowance for organic growth in the CPKC base traffic volumes.
- 2) Using the above operating plans, and corresponding traffic, we used functionality in MultiRail to determine the gross tons traversing each line segment of the Springfield Line, and all of the lines making up the CN system, for the Base Plan and Year 3 Plan.
- 3) We then computed the net change in tonnage on each line segment by taking the difference in tonnage values between the Year 3 Plan and the Base Plan.
- 4) We obtained the historic tonnage for each line segment. For the KCS controlled segments, we used the tonnages found in Appendix Q Exhibit 14 of Volume 2 of the CP/KC application for the year 2019, and for CN we used the “trailing” tonnages found in a historic tonnage table furnished by CN for the year 2019 (see Exhibit 14 of the Responsive Application). For a small number of short, local line segments where historic values could not be identified, we used the tonnage values produced by MultiRail from the Base Plan as a proxy for the historic tonnages.
- 5) We used these historic tonnage values as the tonnage numbers for our Base Plan in the line density tables. To these tonnages we added the net change in tonnage values we computed using MultiRail (step 3 above) to obtain the Year 3 Plan tonnage values. Because the tonnages for the Base Plan from MultiRail did not exactly match the historic values, and we wanted to be

consistent with the historic metrics, we ensured this by only using the incremental values from the MultiRail analysis in our density tables. This is based on the concept that while there may be some differences between the absolute values produced by MultiRail relative to the historic values, the net change values produced by MultiRail, which are based on the projected traffic increases, should be reliable.

We believe that this deliberate and transparent process produced a fair and reliable representation of the expected pre-transaction and post-transaction tonnage values for each line segment. However, they differ from the post-transaction tonnages published in the CP/KC application. This is because CPKC did not follow a process that even remotely resembled the step-by-step approach set forth above. The basic issues with the CPKC tonnage values are discussed below. Also see the CN Verified Statement of Carl Van Dyke, CN Comments on Application (Finance Docket No. 36500, submitted February 28, 2022) for additional explanation of the errors in the CP/KC application.

CPKC Approach to Computing Line Densities

As described above, in a conventional operations planning process, all carload, intermodal, and bulk unit train traffic is flowed over the network/operating plan and is coded into the operations planning software (*i.e.*, MultiRail).¹²⁰ The software develops estimates of traffic density and train counts by line segment and car handlings by yard. CP and KCS did not follow such a simple and straightforward procedure. Instead, they employed an overly complex process to

¹²⁰ Finance Docket No. 33556, Railroad Control Application, Surface Transportation Board, July 1998, Volume 2, pp. 5-6 (CN-IC merger) and Finance Docket No. 33388, Railroad Control Application, Surface Transportation Board, June 1997, Volume 3B, p. 7 (Conrail merger).

compute line density values that used a combination of 1) train counts (without weight values) extracted from MultiRail for selected traffic and trains, 2) historic train weights from various time periods which were multiplied by the train counts to estimate tonnage (without reference to the tonnages computed by MultiRail), and 3) a separate manual process for estimating tons for existing and new unit trains.¹²¹ The train counts from MultiRail were based on the use of traffic from October 2020, instead of the full year 2019 traffic one would expect to be used given that the base year adopted by CP and KCS for their application was 2019. Further, the unit train data was based on a single month sample of unit trains operated in October 2019. In addition to being based on inappropriate traffic data, including a purely statistical representation of organic growth-related changes in unit trains,¹²² the Applicants' estimates exclude trains that failed to operate over an arbitrary amount of a line segment.¹²³ CP and KCS, furthermore, ignored the historic tonnage values in developing their post-merger, Year 3, tonnage values so that the Year 3 values cannot be matched to the actual tonnages from 2019.

This is evidenced by the assertions in a letter from CP and KCS to CN wherein they assert that CN was in error to use the 2019 historic tonnages found in the CP/KC application, and instead should have used the tonnages found in the

¹²¹ "FD 36500 - Work Paper - HC - Trains Per Day and Gross Ton Miles - 2021.10.22 - Working Copy with Haz Breakdown.xlsx."

¹²² See CN Comments on Application (STB Finance Docket No. 36500) in the Verified Statement of Carl Van Dyke (February 28, 2022) for analysis of unit trains.

¹²³ Applicants note in "FD 36500 – Work Paper – HC – Trains Per Day – Methodology.pdf" that

}

work paper that was apparently used to estimate their pre-merger and post-merger tonnage values.¹²⁴ The values in this work paper for the base period differ from the historic values by dramatic amounts, with the growth values in some cases exceeding 30% due to calculation errors as discussed below and in our work papers.¹²⁵

As discussed above, CP and KCS chose to ignore tonnage values from MultiRail, and the historic values they provided in their application, and instead computed tonnage values using an aggregate tonnage spreadsheet model.¹²⁶ Any differences between the aggregate tonnage spreadsheet model and the aggregate tonnages CP and KCS projected for the overall system were eliminated by applying numerous unexplained “calibration factors” to the process.¹²⁷ These calibration factors had the effect of significantly distorting growth estimates in many cases, leading to further errors in density values. For example, while CP and KCS in the “system model” use an organic growth factor through Year 3 for KCS of approximately { }, in computing the line densities, they instead apply the higher merged-system average growth rate of { } for the KCS

¹²⁴ See Applicants’ Reply to Canadian National’s Description of Anticipated Responsive Application, Finance Docket No. 36500, January 28, 2022.

¹²⁵ See “HC - Oliver Wyman Springfield Line 30 Percent.pdf” for methodology and calculation.

¹²⁶ “FD 35600 – Work Paper – HC – 1.Proposed Final FTI Rail to Rail Diversion Results for Merger Application 10_21_20 Updat_Trunk_Rev.xlsx.”

¹²⁷ “FD 36500 – Work Paper – HC – Trains Per Day and Gross Ton Miles – 2021.10.22 – Working Copy with Haz Breakdown.xlsx.” See “Oliver Wyman Springfield Line 30 Percent.pdf” for analysis process.

subdivisions.¹²⁸ They then compound this error through the use of “calibration factors” to cause the effective organic growth rate to exceed {{ }} on the Kansas City–Springfield line, over double the value of { } in the CPKC work papers.¹²⁹ Applicants do not explain why they chose to use an untested process, requiring numerous adjustments, when the MultiRail software provides a much more transparent and integrated way to conduct the analysis thoroughly and accurately.

The Applicants’ process produced line density (tonnage) results that are demonstrably incorrect on essentially every subdivision.¹³⁰

Detailed View of Springfield Line CPKC Tonnages

CP and KCS’s density maps for the Springfield Line (Kansas City to Springfield/East St. Louis) are shown in Exhibit 1, and the tonnages for the line segments are shown in Exhibit 2.

¹²⁸ See “HC - Review of Growth Factors in CPKC Application.pdf.”

¹²⁹ See CN Comments on Application (STB Finance Docket No. 36500) in the Verified Statement of Carl Van Dyke (February 28, 2022). See “Review of Growth Factors in CPKC Application.pdf.”

¹³⁰ See CN Comments on Application (STB Finance Docket No. 36500) in the Verified Statement of Carl Van Dyke (February 28, 2022)

Exhibit 1 Springfield Line Density Maps¹³¹

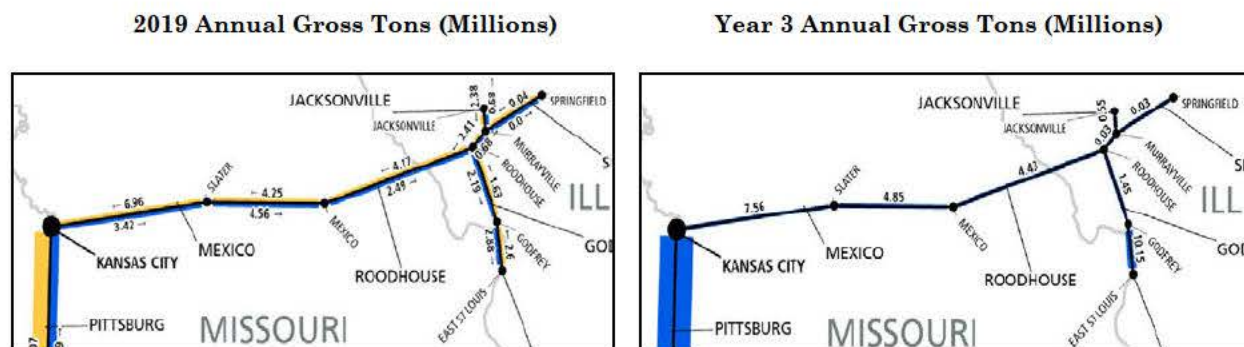


Exhibit 2 Springfield Line reported tonnage by line segment¹³²

Line Segment	2019 Tonnage	Year 3 Tonnage	Difference	Percent Change (%)
Kansas City – Slater	10.38	7.56	-2.82	-27.2%
Slater – Mexico	8.81	4.85	-3.96	-44.9%
Mexico – Roodhouse	6.66	4.43	-2.23	-33.5%
Roodhouse – Godfrey	3.82	1.45	-2.37	-62.0%
Godfrey – East St. Louis	5.48	10.15	+4.67	+85.2%
Roodhouse – Murrayville	3.09	0.032	-3.06	-99.0%
Murrayville – Springfield	0.04	0.033	-0.01	-25.0%

The Applicants do not explain the projected decline in tonnage on most segments of the line between 2019 and Year 3 or the projected dramatic increase in tonnage on the segment between Godfrey and East St. Louis. Instead, CPKC in its reply to Canadian National's Description of Anticipated Responsive Application (STB Finance Docket No. 36500) of January 28, 2022, indicates that the 2019 tonnage values from its Application should not be used, and instead should be

¹³¹ See Application Vol. 2, Exhibit 14 traffic density maps, pp. 512-513.

¹³² Source: Application Vol. 2, Exhibit 14: Density Charts, pp. 461-504.

replaced by values from the work paper entitled “FD 36500 – Work Paper – HC – Trains Per Day and Gross Ton Miles - Working Copy with Haz Breakdown.xlsx.” As shown in Exhibit 3 below, doing so significantly changes the 2019 tonnages – and presents a radically different picture.

Exhibit 3
Springfield Line Reported Tonnage by Line Segment Using Values from Work Paper¹³³

Line Segment	Application 2019 Tonnage	Work Paper 2019 Tonnage	Work Paper Year 3 Tonnage ¹³⁴	2019 Tonnage Percent Difference (Application. vs. Workpaper)	Work Paper Percent Change between 2019 and Year 3
Kansas City – Slater	10.38	{{ }}	7.56	{{ }}	{{ }}
Slater – Mexico	8.81	{{ }}	4.85	{{ }}	{{ }}
Mexico – Roodhouse	6.66	{{ }}	4.43	{{ }}	{{ }}
Roodhouse – Godfrey	3.82	{{ }}	1.45	{{ }}	{{ }}
Godfrey – East St. Louis	5.48	{{ }}	10.15	{{ }}	{{ }}
Roodhouse – Murrayville	3.09	{{ }}	0.03	{{ }}	{{ }}
Murrayville – Springfield	0.04	{{ }}	0.03	{{ }}	{{ }}

First, the above table shows large differences between the values for 2019 published in the Application and those from the work papers, which implies that either the Application is wrong, or the work papers are wrong. Either way, it raises

¹³³ Application 2019 and Year 3 tonnages are based on values from Application Vol. 2, Exhibit 14: Density Charts, pp. 461-504. Work paper 2019 tonnage are based on values provided in the “FD 36500 – Work Paper – HC – Trains Per Day and Gross Ton Miles - Working Copy with Haz Breakdown.xlsx.”

¹³⁴ Application Year 3 tonnages values for the below segments have the same values as the Year 3 tonnage numbers from the workpaper “FD 36500 – Work Paper – HC – Trains Per Day and Gross Ton Miles - Working Copy with Haz Breakdown.xlsx.”

significant questions as to the credibility of the line density values not just on the Springfield Line but across the CPKC network. Second, the growth percentages in the work papers are large and greatly exceed any actual projections CP and KCS are making with respect to growth on this line. A review of the diversion studies reveals close to zero diversion traffic for this line, and an examination of the System Model/Cost Metrics model¹³⁵ reveals an expected organic growth rate for the KCS system of { } through Year 3, with an overall combined CPKC growth rate of { }¹³⁶ As noted earlier, due to distortions from their calibration process, this { } growth rate was transformed into a 30% growth rate in the case of the Springfield line.¹³⁷

To cross-check the Applicants' traffic projections for the Springfield Line segments, we conducted a MultiRail analysis of tonnage on the line prior to development of the Base Plan detailed in this verified statement and the results are shown in Exhibit 4. The MultiRail analysis used only the CPKC traffic, where the 2019 values were based on the full year 2019 waybill data provided by CP and KCS, and the post-merger values incorporated the CPKC diversion traffic and CPKC system wide average organic growth rate of { }¹³⁸ We used the same methodology described above for our Base Plan and Year 3 Plan traffic density values. We found that the Applicants underestimate traffic on every line segment

¹³⁵ See "FD 36500 – Work Paper – HC – System Model - Methodology.pdf."

¹³⁶ See "HC - Review of Growth Factors in CPKC Application.pdf."

¹³⁷ See "HC - Oliver Wyman Springfield Line 30 Percent.pdf" for associated methodology and calculations

¹³⁸ See "HC - Review of Growth Factors in CPKC Application.pdf."

except Godfrey to East St. Louis by between { } and { }.

Between Godfrey and East St. Louis the Applicants' overestimate traffic by { }

{ }¹³⁹.

Exhibit 4 Springfield Line Tonnage Analysis¹⁴⁰

Line Segment	Applicants 2019 Tonnage	Applicants Year 3 Tonnage	Estimated Year 3 Tonnage from Diversion ¹⁴¹	Organic Growth @ { } ¹⁴²	Revised Year 3 Estimated Tonnage ¹⁴³	Percent Error (%)
Kansas City – Slater	10.38	7.56	{ }	{ }	{ }	{ }
Slater – Mexico	8.81	4.85	{ }	{ }	{ }	{ }
Mexico – Roodhouse	6.66	4.43	{ }	{ }	{ }	{ }
Roodhouse – Godfrey	3.82	1.45	{ }	{ }	{ }	{ }
Godfrey – East St. Louis	5.48	10.15	{ }	{ }	{ }	{ }
Roodhouse – Murrayville	3.09	0.03	{ }	{ }	{ }	{ }
Murrayville – Springfield	0.04	0.03	{ }	{ }	{ }	{ }

¹³⁹ See “HC - MultiRail Corridor Volume, Tonnage and Length Estimates for Diversion Traffic – Methodology.pdf” for associated sources and output.

¹⁴⁰ Applicant’s 2019 and Year 3 Tonnage values are based on values from Application Vol. 2, Exhibit 14: Density Charts, pp. 461-504.

¹⁴¹ See “HC - MultiRail Corridor Volume, Tonnage and Length Estimates for Diversion Traffic – Methodology.pdf” for associated sources and output.

¹⁴² See “HC - Review of Growth Factors in CPKC Application.pdf.”

Appendix B: Listing of Trains, Locals, and Yard Assignments Currently Operated by KCS

Exhibit B-1: KCS Scheduled Trains (TSP Trains) Schedules for the Springfield Line

Train Type	Train Symbol	Origin Station	Dest. Station	Route	Departure Day	Departure Time	Days of Operation	Comments
A - Auto	A-KCITY	Kansas City, MO	Kansas City, MO	Kansas City, MO - International Freight Gateway (IFG), MO - Kansas City, MO	0	7:00	-M-W-F-	Forward industry cars from Kansas City to IFG and returns to Kansas City with auto loads for CPRS and East St. Louis
F - Foreign	F-KC101	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City industries - Kansas City, MO	0	8:00	SuMTuWThFSa	Morning Kansas City industry job
F - Foreign	F-KC202	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City industries - Kansas City, MO	0	20:00	SuMTuWThFSa	Evening Kansas City industry job
F - Foreign	F-KC320	Kansas City, MO	Kansas City, MO	Kansas City, MO - BNSF - Kansas City, MO	0	19:00	SuMTuWThFSa	BNSF interchange
F - Foreign	F-KC475	Kansas City, MO	Kansas City, MO	Kansas City, MO - CPRS - Kansas City, MO	0	21:00	SuMTuWThFSa	CPRS interchange
F - Foreign	F-KCNS	Kansas City, MO	Kansas City, MO	Kansas City, MO - NS - Kansas City, MO	0	10:00	SuMTu-ThFSa	NS interchange
F - Foreign	F-KCTL	Kansas City, MO	Kansas City, MO	Kansas City, MO - KCTL - Kansas City, MO	0	18:00	Su-Tu-Th--	KCTL interchange
F - Foreign	F-KCUP	Kansas City, MO	Kansas City, MO	Kansas City, MO - UP - Kansas City, MO	0	10:30	SuMTuWThFSa	UP interchange; also handles an industry block

PUBLIC VERSION

Train Type	Train Symbol	Origin Station	Dest. Station	Route	Departure Day	Departure Time	Days of Operation	Comments
				Mayview, MO - Odessa, MO - Slater, MO				
								}}
M - Manifest	M-KCVN	Kansas City, MO	East St. Louis, IL	Kansas City, MO - East St. Louis, IL	0	12:00	SuM-W-F-	Linehaul train with pickups and setouts at Slater and Roodhouse
M - Manifest	M-VNKC	East St. Louis, IL	IFG, MO	East St. Louis, IL - IFG, MO	0	11:00	-MTu-Th-Sa	Linehaul train with pickups and setouts at Roodhouse and Slater, as well as a pickup at Mexico
Y - Yard	Y-ALS	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - ALS - East St. Louis, IL	0	17:00	Su-Tu-Th--	Interchange to ALS
Y - Yard	Y-CSXT	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - CSX - East St. Louis, IL	0	18:00	--TuWThFSa	Interchange to CSX
Y - Yard	Y-ES111	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - East St. Louis, IL	0	15:30	-M----	Yard and industry job at East St. Louis
Y - Yard	Y-ES111	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - East St. Louis, IL	0	8:00	--Tu-Th-F-	Yard job at East St. Louis
Y - Yard	Y-ES111	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - East St. Louis, IL	0	9:00	---W---	Yard and industry job at East St. Louis
Y - Yard	Y-ES212	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - Sauget, IL - East St. Louis, IL	0	18:00	--Tu-Th--	Yard and industry job serving industries between East St. Louis and Sauget
Y - Yard	Y-ES305	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - Sauget, IL - East St. Louis, IL	1	0:30	-MTuWThF-	Yard and industry job serving industries between East St. Louis and Sauget
Y - Yard	Y-ES312	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - East St. Louis, IL	0	23:00	--TuW---	Yard job at East St. Louis
Y - Yard	Y-ES312	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - East St. Louis, IL	0	8:00	Su-----Sa	Yard job at East St. Louis
Y - Yard	Y-ITSIFG	IFG, MO	IFG, MO	IFG, MO - IFG, MO	0	5:00	SuMTuWThFSa	Yard and industry job at IFG
Y - Yard	Y-ITSIFN	IFG, MO	IFG, MO	IFG, MO - IFG, MO	0	5:00	SuMTuWThFSa	Yard job at IFG
Y - Yard	Y-KC105	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	7:00	-M--Th-Sa	Yard and industry job at Kansas City
Y - Yard	Y-KC105	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	7:00	---W---	Yard and industry job at Kansas City
Y - Yard	Y-KC105	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	7:00	--Tu--F-	Yard and industry job at Kansas City
Y - Yard	Y-KC106	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	8:00	SuMTuWThFSa	Yard job at Kansas City
Y - Yard	Y-KC108	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	8:00	--Tu----	Yard job at Kansas City
Y - Yard	Y-KC224	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	16:00	SuMTuWThFSa	Yard and industry job at Kansas City
Y - Yard	Y-KC229	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	16:00	SuMTuWThFSa	Yard job at Kansas City
Y - Yard	Y-KC237	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	17:00	-M-W---	Yard and industry job at Kansas City
Y - Yard	Y-KC237	Kansas City, MO	Kansas City, MO	Kansas City, MO - CPRS - Kansas City, MO	0	15:00	Su-Tu-Th--	Industry job and transfer run to CPRS
Y - Yard	Y-KC342	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	0	22:30	SuMTuWThFSa	Industry job at Kansas City
Y - Yard	Y-KC348	Kansas City, MO	Kansas City, MO	Kansas City, MO - Kansas City, MO	1	2:00	hg	Yard and industry job at Kansas City

PUBLIC VERSION

Train Type	Train Symbol	Origin Station	Dest. Station	Route	Departure Day	Departure Time	Days of Operation	Comments
Y - Yard	Y-KC348	Kansas City, MO	Kansas City, MO	Kansas City, MO - Grandview, MO - Kansas City, MO	1	2:00	--Tu----	Works Grandview industries
Y – Yard	Y-TRRA	East St. Louis, IL	East St. Louis, IL	East St. Louis, IL - Madison, IL - East St. Louis, IL	0	5:00	-MTuWThF-	Interchange to TRRA

Exhibit B-2: KCS Unscheduled Train (Non-TSP) Schedules for the Springfield Line

 $\{\}$

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
--	---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------

**Appendix C: Summary of CN Base Period Trains Used in MultiRail
Manifest, Intermodal, Automotive, and Haulage Trains Only (Excludes
Locals and Unit Trains)**

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	A_4002	MONTASYAR_PQ	JOFFRE_PQ	7	157	4.9
General Manifest	A_4012	JOFFRE_PQ	MONTASYAR_PQ	7	157	6.6
General Manifest	A_4016	LANG_OH	LANG_OH	7	149	8.2
General Manifest	A_4022	JOFFRE_PQ	MTJOLI_PQ	5	199	7.5
General Manifest	A_4031	MTJOLI_PQ	JOFFRE_PQ	5	199	10.6
General Manifest	A_4054	WINSYMYAR_MB	EDMONTON_AB	7	814	47.7
General Manifest	A_4061	MONINTTER_NB	MONINTTER_NB	7	176	7.3
General Manifest	A_4064	SASKATOON_SK	WINSYMYAR_MB	7	474	24.8
General Manifest	A_4071	DARTMOUTH_NS	MONINTTER_NB	7	189	8.1
General Manifest	A_4079	CENTRALIA_IL	KIRYARD_IN	7	248	17.5
General Manifest	A_4081	MONINTTER_NB	DARTMOUTH_NS	7	189	7.8
General Manifest	A_4089	KIRYARD_IN	CENTRALIA_IL	7	248	16.2
General Manifest	A_4105	SCOTFORD_AB	WINSYMYAR_MB	7	806	50.3
General Manifest	A_4114	NBATTLEFO_SK	EDMONTON_AB	7	258	18.7
General Manifest	A_4125	VANTHOYAR_BC	EDMONTON_AB	7	737	45.0
General Manifest	A_4158	GREBAY_WI	STEPT_WI	5	97	4.5
General Manifest	A_4165	VANTHOYAR_BC	EDMONTON_AB	7	737	44.5
General Manifest	A_4168	STEPT_WI	GREBAY_WI	5	97	4.0
General Manifest	A_4175	EDMONTON_AB	VANTHOYAR_BC	7	740	44.8
General Manifest	A_4185	MCLENNAN_AB	EDMONTON_AB	7	264	15.5
General Manifest	A_4195	EDMONTON_AB	MCLENNAN_AB	7	264	15.8

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	A_4197	MAYYARD_LA	MEMPHIS_TN	4	394	15.9
General Manifest	A_4197	JACKSON_MS	MEMPHIS_TN	3	217	8.3
General Manifest	A_4204	THEPAS_MB	MELVILLE_SK	2	238	12.5
General Manifest	A_4207	MEMPHIS_TN	JACKSON_MS	7	217	9.3
General Manifest	A_4213	TORMACYAR_ON	PTROBINSO_ON	7	101	7.0
General Manifest	A_4214	MELVILLE_SK	THEPAS_MB	2	238	16.5
General Manifest	A_4223	PTROBINSO_ON	TORMACYAR_ON	7	101	6.8
General Manifest	A_4224	MELVILLE_SK	REGINA_SK	6	95	6.5
General Manifest	A_4234	REGINA_SK	MELVILLE_SK	6	95	6.5
General Manifest	A_4292	BECANCOUR_PQ	STLAMBERT_PQ	5	107	6.1
General Manifest	A_4302	MONTASYAR_PQ	BECANCOUR_PQ	5	117	6.0
General Manifest	A_4317	MEMPHIS_TN	DECATUR_IL	7	400	23.1
General Manifest	A_4329	DECATUR_IL	MEMPHIS_TN	7	400	22.0
General Manifest	A_4343	LONEAST_ON	TORMACYAR_ON	7	126	8.8
General Manifest	A_4353	TORMACYAR_ON	LONEAST_ON	7	126	6.8
General Manifest	A_4364	FTFRANCES_ON	THUBAY_ON	7	220	8.8
General Manifest	A_4374	THUBAY_ON	WINSYMYAR_MB	7	419	18.3
General Manifest	A_4383	WINDSOR_ON	LONEAST_ON	3	109	4.6
General Manifest	A_4384	WINSYMYAR_MB	SUPERIOR_WI	7	360	16.5
General Manifest	A_4393	LONEAST_ON	WINDSOR_ON	3	109	4.2
General Manifest	A_4398	PROCTOR_MN	WINSYMYAR_MB	7	353	17.1
General Manifest	A_4409	KIRYARD_IN	ELKHART_IN	7	86	5.5
General Manifest	A_4425	EDMONTON_AB	CALLOGPAR_AB	7	212	11.8
General Manifest	A_4468	FONLAC_WI	CLEARING_IL	7	159	13.8

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	A_4479	KIRYARD_IN	GREBAY_WI	7	288	18.8
General Manifest	A_4503	NBAY_ON	TORMACYAR_ON	4	207	8.2
General Manifest	A_4506	BATCREEK_MI	FLAROCK_MI	7	162	13.6
General Manifest	A_4508	SAUSTMARI_ON	GREBAY_WI	7	274	16.3
General Manifest	A_4513	TORMACYAR_ON	NBAY_ON	4	207	7.5
General Manifest	A_4518	GREBAY_WI	SAUSTMARI_ON	7	274	16.5
General Manifest	A_4585	SWALANDIN_AB	GRAPRAIRI_AB	7	232	17.0
General Manifest	A_4595	GRAPRAIRI_AB	SWALANDIN_AB	7	232	13.0
General Manifest	A_4605	TERRACE_BC	PRIGEORGE_BC	2	372	15.8
General Manifest	A_4632	SENNETERR_PQ	PARENT_PQ	6	138	4.5
General Manifest	A_4642	PARENT_PQ	SENNETERR_PQ	6	138	4.5
General Manifest	A_4652	PARENT_PQ	GARNEAU_PQ	6	191	8.8
General Manifest	A_4662	GARNEAU_PQ	PARENT_PQ	6	191	8.0
General Manifest	A_4682	MONTASYAR_PQ	CHAMBORD_PQ	7	264	18.5
General Manifest	A_4692	CHAMBORD_PQ	MONTASYAR_PQ	7	264	18.7
General Manifest	A_4725	CHETWYND_BC	PRIGEORGE_BC	7	196	8.4
General Manifest	A_4735	PRIGEORGE_BC	CHETWYND_BC	7	196	7.5
General Manifest	A_4785	FTNELSON_BC	FTSTJOHN_BC	1	251	23.3
General Manifest	A_4795	FTSTJOHN_BC	FTNELSON_BC	1	251	24.0
General Manifest	A_4826	LANG_OH	SARNIA_ON	7	109	7.2
General Manifest	A_4846	FLAROCK_MI	SARNIA_ON	7	80	4.6
General Manifest	A_4853	SARNIA_ON	FLAROCK_MI	7	80	5.3
General Manifest	A_4887	MEMPHIS_TN	MOBILE_AL	7	404	19.4
General Manifest	A_4897	MOBILE_AL	MEMPHIS_TN	7	404	18.8

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	A_4908	STEPT_WI	KIRYARD_IN	7	315	17.7
General Manifest	A_4913	TORMACYAR_ON	KIRYARD_IN	7	495	25.7
General Manifest	A_4919	KIRYARD_IN	STEPT_WI	7	315	17.4
General Manifest	A_4929	KIRYARD_IN	TORMACYAR_ON	7	495	26.5
General Manifest	A_4945	HOUSTON_BC	PRIGEORGE_BC	5	199	15.0
General Manifest	A_4955	PRIGEORGE_BC	HOUSTON_BC	5	199	13.0
General Manifest	A_4967	MEMPHIS_TN	KIRYARD_IN	7	525	21.9
General Manifest	A_4979	KIRYARD_IN	MEMPHIS_TN	7	503	22.9
General Manifest	A_4999	KIRYARD_IN	MEMPHIS_TN	7	503	22.9
General Manifest	H_9065	FRASURIMP_BC	VANTHOYAR_BC	7	3	0.1
General Manifest	M_3015	EDMONTON_AB	VANTHOYAR_BC	7	737	29.5
General Manifest	M_3017	BATROUGE_LA	MEMPHIS_TN	7	394	16.5
General Manifest	M_3027	MEMPHIS_TN	BATROUGE_LA	7	394	17.0
General Manifest	M_3033	TORMACYAR_ON	WINSYMYAR_MB	7	1,183	40.9
General Manifest	M_3035	EDMONTON_AB	PRIGEORGE_BC	7	485	25.1
General Manifest	M_3045	PRIGEORGE_BC	WINSYMYAR_MB	7	1,286	71.3
General Manifest	M_3051	MONINTTER_NB	TORMACYAR_ON	7	897	31.8
General Manifest	M_3063	TORMACYAR_ON	MONINTTER_NB	7	897	37.9
General Manifest	M_3095	EDMONTON_AB	COQUITLAM_BC	7	744	38.7
General Manifest	M_3105	COQUITLAM_BC	EDMONTON_AB	7	734	40.9
General Manifest	M_3115	EDMONTON_AB	VANTHOYAR_BC	7	741	36.3
General Manifest	M_3125	EDMONTON_AB	WINSYMYAR_MB	7	797	40.4
General Manifest	M_3133	TORMACYAR_ON	WINSYMYAR_MB	7	1,183	50.3
General Manifest	M_3134	WINSYMYAR_MB	SCOTFORD_AB	7	817	43.6

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	M_3144	WINSYMYAR_MB	TORMACYAR_ON	3	1,191	50.7
General Manifest	M_3154	WINSYMYAR_MB	CALLOGPAR_AB	7	996	51.3
General Manifest	M_3165	MIRROR_AB	WINSYMYAR_MB	4	880	48.3
General Manifest	M_3174	WINSYMYAR_MB	EDMONTON_AB	7	797	43.3
General Manifest	M_3184	WINSYMYAR_MB	TORMACYAR_ON	7	1,191	51.4
General Manifest	M_3185	EDMONTON_AB	WINSYMYAR_MB	7	797	47.3
General Manifest	M_3212	STLAMBERT_PQ	TORMACYAR_ON	7	338	14.9
General Manifest	M_3223	TORMACYAR_ON	STLAMBERT_PQ	7	338	10.9
General Manifest	M_3232	STALBANS_VT	RIVPRAIRI_PQ	3	86	6.8
General Manifest	M_3242	MONTASYAR_PQ	STALBANS_VT	3	75	4.5
General Manifest	M_3262	HUNTINGDO_PQ	MONTASYAR_PQ	6	53	2.9
General Manifest	M_3272	MONTASYAR_PQ	HUNTINGDO_PQ	6	53	3.7
General Manifest	M_3357	MEMPHIS_TN	KIRYARD_IN	7	525	21.9
General Manifest	M_3368	GREBAY_WI	KIRYARD_IN	7	288	18.5
General Manifest	M_3379	KIRYARD_IN	WATERLOO_IA	7	327	21.5
General Manifest	M_3389	WATERLOO_IA	KIRYARD_IN	7	327	25.5
General Manifest	M_3404	WINSYMYAR_MB	ELKHART_IN	7	954	49.4
General Manifest	M_3419	KIRYARD_IN	WINSYMYAR_MB	7	840	33.4
General Manifest	M_3424	WINSYMYAR_MB	KIRYARD_IN	7	888	42.6
General Manifest	M_3439	KIRYARD_IN	WINSYMYAR_MB	7	840	33.4
General Manifest	M_3444	WINSYMYAR_MB	STEPT_WI	7	574	25.8
General Manifest	M_3458	STEPT_WI	WINSYMYAR_MB	7	574	24.6
General Manifest	M_3479	KIRYARD_IN	PRIGEORGE_BC	7	2,171	123.1
General Manifest	M_3485	PRIGEORGE_BC	EDMONTON_AB	7	489	28.0

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
General Manifest	M_3545	VANTHOYAR_BC	PRIGEORGE_BC	7	628	29.9
General Manifest	M_3555	PRIGEORGE_BC	VANTHOYAR_BC	7	631	28.9
General Manifest	M_3564	WINSYMYAR_MB	MARKHAM_IL	7	872	39.7
General Manifest	M_3683	TORMACYAR_ON	MONTASYAR_PQ	7	328	12.7
General Manifest	M_3692	MONTASYAR_PQ	TORMACYAR_ON	7	328	10.6
General Manifest	M_3732	MONTASYAR_PQ	TORMACYAR_ON	7	328	8.8
General Manifest	M_3763	TORMACYAR_ON	MONTASYAR_PQ	7	328	9.1
General Manifest	M_3772	MONTASYAR_PQ	TORMACYAR_ON	7	328	8.8
General Manifest	M_3823	SARNIA_ON	TORMACYAR_ON	7	185	7.0
General Manifest	M_3833	TORMACYAR_ON	LANG_OH	7	293	16.3
General Manifest	M_3949	KIRYARD_IN	TORMACYAR_ON	7	495	22.8
General Manifest	M_3969	CHAMPAIGN_IL	TORMACYAR_ON	7	598	26.7
General Manifest	M_3973	TORMACYAR_ON	KIRYARD_IN	7	495	20.9
General Manifest	M_3993	TORMACYAR_ON	SALEM_IL	7	707	31.0
General Manifest	M-KCVN	KANCITY_MO	ESTLOUIS_IL	4	321	14.0
General Manifest	M-VNKC	ESTLOUIS_IL	INTFREGAT_MO	4	342	14.9
Intermodal	K_1044	WINSYMYAR_MB	TRANSCONA_MB	7	3	0.8
Intermodal	K_1205	FRASURIMP_BC	FRASURIMP_BC	7	7	0.3
Intermodal	K_1225	VANCENPIE_BC	VANCENPIE_BC	7	35	1.4
Intermodal	K_1245	VANVANter_BC	VANVANter_BC	7	37	1.5
Intermodal	K_1344	REGINA_SK	REGINA_SK	7	20	0.8
Intermodal	Q_1013	BRAINTTER_ON	TRANSCONA_MB	7	1,186	39.7
Intermodal	Q_1014	TRANSCONA_MB	ROBBANK_BC	7	1,569	73.8
Intermodal	Q_1025	ROBBANK_BC	BRAINTTER_ON	5	2,758	126.3
Intermodal	Q_1052	MONTASYAR_PQ	VANTHOYAR_BC	7	3,030	132.1
Intermodal	Q_1065	ROBBANK_BC	MONTASYAR_PQ	3	3,066	135.3
Intermodal	Q_1084	WINSYMYAR_MB	MONTASYAR_PQ	7	1,506	53.2
Intermodal	Q_1165	ROBBANK_BC	CHIINTTER_IL	7	2,440	126.4
Intermodal	Q_1169	CHIINTTER_IL	FLAROCK_MI	7	328	16.3
Intermodal	Q_1179	CHIINTTER_IL	VANTHOYAR_BC	7	2,424	120.2

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
Intermodal	Q_1185	VANTHOYAR_BC	CHIINTTER_IL	7	2,410	127.0
Intermodal	Q_1199	CHIINTTER_IL	ROBBANK_BC	7	2,454	117.7
Intermodal	Q_1265	ROBBANK_BC	CHIINTTER_IL	1	2,440	116.1
Intermodal	Q_1475	CALLOGPAR_AB	VANTHOYAR_BC	7	953	49.9
Intermodal	Q_1805	PRIRUPTER_BC	BRAINTTER_ON	4	2,945	136.3
Intermodal	Q_1833	BRAINTTER_ON	PRIRUPTER_BC	7	2,935	120.5
Intermodal	Q_1925	PRIRUPTER_BC	CHIINTTER_IL	7	2,627	109.9
Intermodal	Q_1965	PRIRUPTER_BC	MEMINTTER_TN	3	3,104	146.3
Intermodal	Q_1977	MEMINTTER_TN	PRIRUPTER_BC	5	3,133	138.4
Intermodal	Q_1985	PRIRUPTER_BC	CHIINTTER_IL	7	2,628	128.1
Intermodal	Q_1999	CHIINTTER_IL	PRIRUPTER_BC	7	2,629	124.4
Intermodal	Z_1113	BRAINTTER_ON	VANTHOYAR_BC	7	2,722	94.3
Intermodal	Z_1125	VANINTTER_BC	BRAINTTER_ON	7	2,718	121.4
Intermodal	Z_1144	WINSYMYAR_MB	BRAINTTER_ON	7	1,198	51.4
Intermodal	Z_1145	CALLOGPAR_AB	WINSYMYAR_MB	7	998	50.4
Intermodal	Z_1153	BRAINTTER_ON	CALLOGPAR_AB	7	2,181	69.5
Intermodal	Z_1203	BRAINTTER_ON	ROCKINGHA_NS	7	1,090	35.6
Intermodal	Z_1211	ROCKINGHA_NS	BRAINTTER_ON	7	1,090	36.8
Intermodal	Z_1489	CHIINTTER_IL	MONTASYAR_PQ	7	834	32.3
Intermodal	Z_1492	MONMONINT_PQ	CHIINTTER_IL	7	831	32.2
Intermodal	Z_1949	CHIINTTER_IL	MAYYARD_LA	7	883	29.5
Intermodal	Z_1957	MAYYARD_LA	CHIINTTER_IL	3	909	31.1
Intermodal	Z_1957	JACKSON_MS	CHIINTTER_IL	3	732	23.8
Intermodal	Z_1957	MEMINTTER_TN	CHIINTTER_IL	1	520	15.5
Multi-levels	E_2516	FLAROCK_MI	GIBSON_IN	7	321	19.0
Multi-levels	E_2609	MARKHAM_IL	FLINT_MI	2	255	11.3
Multi-levels	E_2616	BATCREEK_MI	MARKHAM_IL	2	164	6.6
Multi-levels	E_2716	BATCREEK_MI	SALEM_IL	7	373	21.4
Multi-levels	E_2749	MARKHAM_IL	MONTASYAR_PQ	7	834	35.0
Multi-levels	E_2753	TORMACYAR_ON	MARKHAM_IL	7	501	25.7
Multi-levels	M_3565	VANTHOYAR_BC	WINSYMYAR_MB	7	1,535	86.8
Multi-levels	M_3579	MARKHAM_IL	EDMONTON_AB	7	1,665	72.8
On-line Haulage	H_1769	NEWTON_IL	NEWTON_IL	7	305	12.2
On-line Haulage	H_2609	WCHICAGO_IL	MARKHAM_IL	7	52	2.1
On-line Haulage	H_3095	COQUITLAM_BC	COQUITLAM_BC	7	38	1.5
On-line Haulage	H_3932	STROSJCT_PQ	STLAMBERT_PQ	5	29	1.5

PUBLIC VERSION

Train Type	Symbol	Origin	Destination	Runs Per Week	Distance	Transit Time(Hours)
On-line Haulage	H_3942	STLAMBERT_PQ	STROSJCT_PQ	5	29	1.5
On-line Haulage	H_9006	BUTLER_PA	SENECA_NY	7	246	9.9
On-line Haulage	H_9016	SENECA_NY	BUTLER_PA	7	246	9.9
On-line Haulage	H_9025	TILBURY_BC	TILBURY_BC	7	5	0.2
On-line Haulage	H_9029	KIRYARD_IN	GOFF_IN	5	7	4.6
On-line Haulage	H_9035	CAMROSE_AB	CAMROSE_AB	7	16	0.7
On-line Haulage	H_9038	SLINGER_WI	SLINGER_WI	7	29	1.2
On-line Haulage	H_9044	WINSYMYAR_MB	WINSYMYAR_MB	7	16	0.7
On-line Haulage	T_7469	SPAULDING_IL	KIRYARD_IN	1	84	5.2

**Appendix D: CN Segments in the United States with No Changes in Trains
Per Day Not Adjacent to the Springfield Line¹⁴⁴**

Subdivision	Segment	Pre-Transaction Trains Per Day	Post- Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
BATON ROUGE	RESERVE_LA - KENNER_LA	9.8	9.8	-	0.1
BEAUMONT	BAYSHOJCT_AL - MOBILE_AL	2.5	2.5	-	-
BEAUMONT	BELJCT_AL - BAYSHOJCT_AL	2.5	2.5	-	-
BEAUMONT	HATTIESBU_MS - BELJCT_AL	4	4	-	-
BEAUMONT	JACKSON_MS - STAR_MS	3.2	3.2	-	-
BEAUMONT	SARATOGA_MS - HATTIESBU_MS	5.6	5.6	-	-
BEAUMONT	STAR_MS - SARATOGA_MS	4.1	4.1	-	-
CAIRO	BUDA_KY - FULTON_KY	12.3	12.3	-	2
CAIRO	CAIRO_IL - WICKLIFFE_KY	12.3	12.3	-	2
CAIRO	WICKLIFFE_KY - BUDA_KY	12.1	12.1	-	2
CENTRALIA	BOIS_IL - TAMAROA_IL	19.4	19.4	-	6
CENTRALIA	CARBONDAL_IL - COBDEN_IL	10.7	10.7	-	2
CENTRALIA	CENTRALIA_IL - IRVINGTON_IL	19.4	19.4	-	6
CENTRALIA	COBDEN_IL - MOUNDS_IL	10.7	10.7	-	2
CENTRALIA	DESOTO_IL - CARBONDAL_IL	14.7	14.7	-	6
CENTRALIA	DOWELL_IL - ELKVILLE_IL	14.7	14.7	-	6
CENTRALIA	ELKVILLE_IL - CARBONDAL_IL	14.7	14.7	-	6
CENTRALIA	IRVINGTON_IL - RICHVIEW_IL	19.4	19.4	-	6
CENTRALIA	MOUNDS_IL - CAIRO_IL	12.3	12.3	-	2
CENTRALIA	MOUNDS_IL - PULASKI_IL	10.7	10.7	-	2
CENTRALIA	RICHVIEW_IL - BOIS_IL	19.4	19.4	-	6
CENTRALIA	TAMAROA_IL - DOWELL_IL	18.2	18.2	-	6
CENTRALIA	TAMAROA_IL - DUQUOIN_IL	19.4	19.4	-	6
CHAMPAIGN	ARCOLA_IL - HUMBOLDT_IL	22.5	22.5	-	6
CHAMPAIGN	DORANS_IL - MATTOON_IL	22.5	22.5	-	6
CHAMPAIGN	EFFINGHAM_IL - WATSON_IL	27	27	-	6
CHAMPAIGN	HUMBOLDT_IL - DORANS_IL	22.5	22.5	-	6
CHAMPAIGN	LEVJCT_IL - TOLONO_IL	22	22	-	6
CHAMPAIGN	MATTOON_IL - NEOGA_IL	24.9	24.9	-	6
CHAMPAIGN	NEOGA_IL - EFFINGHAM_IL	26	26	-	6
CHAMPAIGN	PESOTUM_IL - TUSCOLA_IL	21.6	21.6	-	6
CHAMPAIGN	SANJCT_IL - CENTRALIA_IL	16.7	16.7	-	6
CHAMPAIGN	TOLONO_IL - PESOTUM_IL	21.6	21.6	-	6

¹⁴⁴ See “HC - Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf” for estimation process and associated workpapers.

PUBLIC VERSION

Subdivision	Segment	Pre-Transaction Trains Per Day	Post- Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
CHAMPAIGN	TUSCOLA_IL - ARCOLA_IL	22.5	22.5	-	6
CHAMPAIGN	WATSON_IL - SANJCT_IL	19.8	19.8	-	6
CHICAGO	DELREY_IL - LODA_IL	23.2	23.2	-	6
CHICAGO	GILMAN_IL - DELREY_IL	23.2	23.2	-	6
CHICAGO	LODA_IL - LEVJCT_IL	23.2	23.2	-	6
DEARBORN	FORDHAVEN_MI - WOODHAVEN_MI	14.1	14.1	-	-
EFFINGHAM	EFFYD_IL - NEWTON_IL	2.4	2.4	-	-
ELSDON	HARVEY_IL - THOJCT_IL	5.4	5.4	-	-
ELSDON	THOJCT_IL - GRIFFITH_IN	6.4	6.4	-	-
FLAT ROCK	FLAROCK_MI - FORDHAVEN_MI	13.1	13.1	-	-
FLAT ROCK	FN_MI - FLAROCK_MI	7.4	7.4	-	-
FLAT ROCK	FN_MI - FORDHAVEN_MI	1	1	-	-
FLINT	BATCREEK_MI - OLIVET_MI	18.3	18.3	-	2
FLINT	DAVISON_MI - EMMETT_MI	12.9	12.9	-	2
FLINT	DURAND_MI - FLINT_MI	17	17	-	2
FLINT	EMMETT_MI - TAPPAN_MI	13	13	-	2
FLINT	FLINT_MI - DAVISON_MI	12.7	12.7	-	2
FLINT	LANSING_MI - MORRICE_MI	19.9	19.9	-	2
FLINT	MORRICE_MI - DURAND_MI	18.2	18.2	-	2
FLINT	OLIVET_MI - POTTERVIL_MI	19.1	19.1	-	2
FLINT	POTTERVIL_MI - LANSING_MI	20	20	-	2
FLINT	PTHURON_MI - SARNIA_ON	14.7	14.7	-	-
FLINT	TAPPAN_MI - PTHURON_MI	19	19	-	2
FULTON	CURVE_TN - MILLINGTO_TN	18.2	18.2	-	2
FULTON	FULTON_KY - RIVES_TN	19.3	19.3	-	2
FULTON	MILLINGTO_TN - WOODSTOCK_TN	17.9	17.9	-	2
FULTON	NEWBERN_TN - CURVE_TN	18.8	18.8	-	2
FULTON	RIVES_TN - NEWBERN_TN	19.3	19.3	-	2
FULTON	WOODSTOCK_TN - MEMPHIS_TN	20.1	20.1	-	2
GRENADA	CANTON_MS - JACKSON_MS	2	2	-	-
HOLLY	DURAND_MI - WATERFORD_MI	5	5	-	-
HOLLY	PONTIAC_MI - DETINTTER_MI	15.1	15.1	-	6
HOLLY	WATERFORD_MI - PONTIAC_MI	5.3	5.3	-	-
KEENAN	IROJCT_MN - HIBBING_MN	3.9	3.9	-	-
LAKEFRONT	BUFFINGTO_IN - INDHARBOR_IN	4.5	4.5	-	-
LAKEFRONT	BUFFINGTO_IN - STOCKTON_IN	4.5	4.5	-	-
LAKEFRONT	HAMLAKFRO_IN - SCHICAGO_IL	4.3	4.3	-	-
LAKEFRONT	INDHARBOR_IN - HAMLAKFRO_IN	4.3	4.3	-	-
LAKEFRONT	KIRYARD_IN - BUFFINGTO_IN	39.8	39.8	-	-

PUBLIC VERSION

Subdivision	Segment	Pre-Transaction Trains Per Day	Post- Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
LEIGHTON	EOLA_IL - RIVER_IL	24.1	24.1	-	-
LEIGHTON	LEIGHTON_IL - SPAULDING_IL	18.8	18.8	-	-
LEIGHTON	MUNGER_IL - WCHICAGO_IL	22	22	-	-
LEIGHTON	RIVER_IL - WBRIJCT_IL	28.2	28.2	-	-
LEIGHTON	SPAULDING_IL - MUNGER_IL	21	21	-	-
LEIGHTON	WBRIJCT_IL - EBRIJCT_IL	28.2	28.2	-	-
LEIGHTON	WBRIJCT_IL - WROMEO_IL	12.1	12.1	-	-
LEIGHTON	WCHICAGO_IL - EOLA_IL	21.5	21.5	-	-
MATTESON	CAVANAUGH_IN - STOCKTON_IN	28.2	28.2	-	-
MATTESON	CHIHEIGHT_IL - GRIFFITH_IN	30.8	30.8	-	-
MATTESON	EBRIJCT_IL - JOLYARD_IL	30.1	30.1	-	-
MATTESON	GRIFFITH_IN - IVANHOE_IN	28.8	28.8	-	-
MATTESON	IVANHOE_IN - CAVANAUGH_IN	29	29	-	-
MATTESON	JOLYARD_IL - MATTESON_IL	23.3	23.3	-	-
MATTESON	KIRYARD_IN - BUFFINGTO_IN	39.8	39.8	-	-
MATTESON	MATTESON_IL - CHIHEIGHT_IL	30.8	30.8	-	-
MATTESON	STOCKTON_IN - KIRYARD_IN	35.3	35.3	-	-
MCCOMB	CENJCA_MS - SUMMIT_MS	13.1	13.1	-	2
MCCOMB	CRYSRING_MS - WESSON_MS	14.3	14.3	-	2
MCCOMB	ELTON_MS - CRYSRING_MS	13.3	13.3	-	2
MCCOMB	FERNWOOD_MS - FRENIER_LA	11.1	11.1	-	2
MCCOMB	FRENIER_LA - ORLIJCT_LA	7.9	7.9	-	2
MCCOMB	JACKSON_MS - ELTON_MS	15.1	15.1	-	2
MCCOMB	KENNER_LA - MAYYARD_LA	8.3	8.3	-	2
MCCOMB	ORLIJCT_LA - KENNER_LA	8	8	-	2
MCCOMB	SUMMIT_MS - FERNWOOD_MS	13.8	13.8	-	2
MCCOMB	WESSON_MS - CENJCA_MS	14.5	14.5	-	2
MEMPHIS	MEMINTTER_TN - LAKEVIEW_MS	2.6	2.6	-	-
MISSABE	ADOLPH_MN - FAIRLANE_MN	15.4	15.4	-	-
MISSABE	DULUTH_MN - ADOLPH_MN	17.3	17.3	-	-
MISSABE	FAIRLANE_MN - KEENAN_MN	18.2	18.2	-	-
MISSABE	IROJCT_MN - WOLF_MN	28.2	28.2	-	-
MISSABE	KEENAN_MN - IROJCT_MN	17.6	17.6	-	-
MISSABE	WOLF_MN - SHEJCT_MN	22.5	22.5	-	-
NEENAH	BLAWOLF_WI - NEENAH_WI	26.5	26.5	-	-
NEENAH	FONLAC_WI - VANDYNE_WI	25.2	25.2	-	-
NEENAH	NEENAH_WI - STOCKTON_WI	26.2	26.2	-	-
NEENAH	VANDYNE_WI - BLAWOLF_WI	25.2	25.2	-	-
RAINY	ASHLAKE_MN - ORR_MN	27.6	27.6	-	-
RAINY	GLENDALE_MN - HALEY_MN	27.6	27.6	-	-

PUBLIC VERSION

Subdivision	Segment	Pre-Transaction Trains Per Day	Post- Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
RAINY	HALEY_MN - VIRGINIA_MN	27.6	27.6	-	-
RAINY	ORR_MN - GLENDALE_MN	27.6	27.6	-	-
RAINY	PEARY_MN - MELRUDE_MN	20.1	20.1	-	-
RAINY	PEARY_MN - SIMAR_MN	20.1	20.1	-	-
RAINY	RANIER_MN - ASHLAKE_MN	27.6	27.6	-	-
RAINY	VIRGINIA_MN - PEARY_MN	22.5	22.5	-	-
SAUKVILLE	BRODEER_WI - SAUKVILLE_WI	0.9	0.9	-	-
SAUKVILLE	MILWAUKEE_WI - BRODEER_WI	0.4	0.4	-	-
SHORE LINE	COOLIDGE_MI - ECORSE_MI	9	9	-	-
SHORE LINE	COOLIDGE_MI - VINEWOOD_MI	9	9	-	-
SHORE LINE	ECORSE_MI - FN_MI	13	13	-	-
SHORE LINE	FN_MI - LANG_OH	5.3	5.3	-	-
SHORE LINE	FN_MI - WYANDOTTE_MI	12.5	12.5	-	-
SHORE LINE	MILJCT_MI - VINEWOOD_MI	15	15	-	6
SOUTH BEND	CASSOPOLI_MI - SCHOOLCRA_MI	15.7	15.7	-	-
SOUTH BEND	GRIFFITH_IN - SEDLEY_IN	17.8	17.8	-	-
SOUTH BEND	PAVILION_MI - BATCREEK_MI	18.4	18.4	-	0.6
SOUTH BEND	SBEND_IN - MARCELLUS_MI	15.7	15.7	-	-
SOUTH BEND	SCHOOLCRA_MI - PAVILION_MI	15.7	15.7	-	-
SOUTH BEND	SEDLEY_IN - VALPARAIS_IN	17.8	17.8	-	-
SOUTH BEND	STILLWELL_IN - SBEND_IN	19.5	19.5	-	-
SOUTH BEND	VALPARAIS_IN - STILLWELL_IN	18	18	-	-
STRATHROY	SARNIA_ON - PTHURON_MI	14.7	14.7	-	-
SUPERIOR	HAYJCT_WI - SITASCA_WI	23.1	23.1	-	-
SUPERIOR	JCTCITY_WI - SPENCER_WI	26.3	26.3	-	-
SUPERIOR	LADYSMITH_WI - HAYJCT_WI	24.8	24.8	-	-
SUPERIOR	NOPJCT_MN - ADOLPH_MN	8.4	8.4	-	-
SUPERIOR	OWEN_WI - LADYSMITH_WI	23.5	23.5	-	-
SUPERIOR	SAUNDERS_WI - STEELTON_MN	28.6	28.6	-	-
SUPERIOR	SITASCA_WI - SAUNDERS_WI	20.6	20.6	-	-
SUPERIOR	SITASCA_WI - SUPERIOR_WI	26.4	26.4	-	-
SUPERIOR	SPENCER_WI - OWEN_WI	26.6	26.6	-	-
SUPERIOR	STEELTON_MN - NOPJCT_MN	28.6	28.6	-	-
SUPERIOR	STEPT_WI - JCTCITY_WI	27.9	27.9	-	-
WAUKESHA	BYRON_WI - FONLAC_WI	28.2	28.2	-	-
WAUKESHA	DESPLAINE_IL - LEITHTON_IL	20.3	20.3	-	13.6
WAUKESHA	DUPLAINVI_WI - SUSSEX_WI	29.6	29.6	-	-
WAUKESHA	FORPARK_IL - ROSEMONT_IL	10.8	10.8	-	6.4
WAUKESHA	GRALAKE_IL - LAKVILLA_IL	41.3	41.3	-	14.3
WAUKESHA	LAKVILLA_IL - DUPLAINVI_WI	26.9	26.9	-	0.7

PUBLIC VERSION

Subdivision	Segment	Pre-Transaction Trains Per Day	Post- Transaction Trains Per Day	Change in Trains Per Day	Passenger Trains Per Day
WAUKESHA	LEITHTON_IL - MUNDELEIN_IL	40.6	40.6	-	13.6
WAUKESHA	LOMIRA_WI - BYRON_WI	28.2	28.2	-	-
WAUKESHA	LOMIRA_WI - FONLAC_WI	28.2	28.2	-	-
WAUKESHA	MUNDELEIN_IL - GRALAKE_IL	40.6	40.6	-	13.6
WAUKESHA	ROSEMONT_IL - DESPLAINE_IL	20.3	20.3	-	13.6
WAUKESHA	RUGJCT_WI - LOMIRA_WI	27.4	27.4	-	-
WAUKESHA	SUSSEX_WI - RUGJCT_WI	28.4	28.4	-	-
YAZOO	BANKS_MS - LAKEVIEW_MS	17.1	17.1	-	2
YAZOO	JACKSON_MS - YAZCITY_MS	16.9	16.9	-	2
YAZOO	LAKEVIEW_MS - WJCT_TN	14.2	14.2	-	2
YAZOO	MARKS_MS - BANKS_MS	17.4	17.4	-	2
YAZOO	SWALAKE_MS - MARKS_MS	18.4	18.4	-	2
YAZOO	YAZCITY_MS - SWALAKE_MS	17.9	17.9	-	2

Appendix E: Springfield Line Employees

Exhibit E-1: Current KCS Agreement Employees on the Springfield Line¹⁴⁵

Department	Position	East Saint Louis, IL	Kansas City, MO	Louisiana, MO	Mexico, MO	Slater, MO	Total
Engineering	Track Maintenance	4	4	3	3	4	18
Engineering	Signalman	1	1	1	1	0	4
Engineering	Subtotal	5	5	4	4	4	22
Mechanical	Carmen	1	0	0	0	0	1
Mechanical	Subtotal	1	0	0	0	0	1
Transportation	Conductor	21	11	0	0	1	33
Transportation	Engineer	8	7	0	0	1	16
Transportation	Subtotal	29	18	0	0	2	49
Grand Total		35	23	4	4	6	72

Exhibit E-2: Current Non-Agreement Employees on the Springfield Line¹⁴⁶

Position	East Saint Louis, IL	Mexico, MO	Odessa, MO	Roodhouse, IL	Slater, MO	Total
Non-agreement personnel	7	3	5	1	4	20

¹⁴⁵ CP-KCS Control Application, Vol. 2, p. 252.

¹⁴⁶ CP-KCS Control Application, Vol. 1, pp. 399-400.

Exhibit E-3: Summary of Anticipated Labor Impacts

Illinois Central Railroad Company (ICRR)	
Craft or Class	Anticipated Jobs Created
BLET Locomotive Engineers	23
BMWED Engineering and Track Maintenance	55
BRS Signalmen	11
SMART-TD Conductors	36
IBEW Electrician	1
IAM Machinist	1
BRC Car Mechanic	2
Craft Total	129
Management	Anticipated Jobs Created
Management-Transportation	5
Management-Engineering	6
Management Total	11
GRAND TOTAL	140

Appendix F: Capital Improvements

Appendix F-1: Capital Improvements

Investment	Estimated Cost	Assumptions
Upgrade track speed to 40 mph on KCS Springfield Line between Cockrell and Roodhouse	{{ }}	{{ }}
6 siding extensions on KCS lines (1 in IL and 5 in MO) and siding relocation	{{ }}	{{ }}
Cockrell, IL: new 10,000-foot siding	{{ }}	{{ }}
Improve KCS East St. Louis Yard to add automotive/ intermodal facility to existing yard	{{ }}	{{ }}
5,000-foot clear yard track at Roodhouse	{{ }}	{{ }}
Track department trucks and equipment	{{ }}	{{ }}
Signal department trucks and equipment	{{ }}	{{ }}
Automotive/Intermodal Facility (IFG)	{{ }}	{{ }}
Mt. Pulaski siding reconfiguration on Gilman Subdivision	{{ }}	{{ }}
Gilman replace diamond with crossover on Gilman Subdivision	{{ }}	{{ }}
Gilman subdivision - upgrade track to 40 miles per hour	{{ }}	{{ }}
PTC subdivision file for PTC-equipped track on the Springfield Line to add the subdivisions to CN's Precision Dispatch System (PDS)	{{ }}	{{ }}

Investment	Estimated Cost	Assumptions
Miscellaneous and Contingency	{{ }}	{{ }}
Total cost for KCS upgrades	\$250,802,480	

Mt. Pulaski Siding (1 of 4)¹⁴⁷



147 “Mt Pulaski.pdf.”

148 “Mt Pulaski.pdf.”



149 “Mt Pulaski.pdf.”



150 “Mt Pulaski.pdf.”

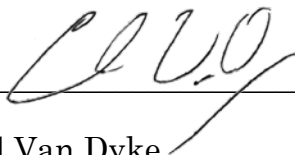
¹⁵¹ “2021053 Gilman Reconfiguration.pdf.”

Verifications

VERIFICATION

I, Carl Van Dyke, declare under penalty of perjury that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.



Carl Van Dyke

Résumé of Carl Van Dyke

Mr. Van Dyke is Managing Director of TransNetOpt, a consultancy focused on the use of computers to address transportation network planning and design issues. He is a retired Partner in the Surface Transportation Practice of Oliver Wyman, with a focus on improving the operations and general performance of transportation companies, and railroads in particular. He continues to undertake engagements on behalf of Oliver Wyman in the role of Senior Advisor. Mr. Van Dyke has spent over 40 years focused on the application of computers to transportation planning and operations issues, with particular emphasis on railroad network modeling, service design, train scheduling, line capacity analysis, and equipment management. In 1992, he founded MultiModal Applied Systems, which became part of Oliver Wyman in 2006.

He is best known for leading the design, creation and application of the MultiRail planning products, including both the MultiRail-Passenger Edition and MultiRail-Freight Edition. The Freight Edition has been used by major freight railroads around the world, and has become the tool of choice for special studies such as mergers, privatization studies, operating plan redesigns, and routing/yard investment analysis. Over the past decade, Oliver Wyman-MultiModal has had a hand in the redesign of the operating plans of every major North American railroad, and is now pursuing a similar role in Europe, Africa, and the CIS.

Mr. Van Dyke has designed and implemented over a dozen freight rail, passenger rail, trucking, and container line operations planning models, many of which significantly advanced the state-of-the-art through the use of innovative

algorithms and user interfaces. He also has played a key role in the adoption of algorithm-based methods for the real-time control of car routing and classification at a major North American carrier, and has led the development of a similar system which became the MultiRail-Enterprise Edition. Over the course of his career, he has provided technical assistance to dozens of railroads for the in-house use of MultiRail and other models, including all of the major North American carriers, and a number of commuter operators. The “scheduled railroad” operating plans currently employed by five of the six Class I’s were developed using MultiRail and Oliver Wyman-MultiModal’s consulting services. Work with CP resulted in winning the 2003 Franz Edelman Prize in Operations Research from the Institute for Operations Research and Management Science (INFORMS).

An integral part of the modeling work undertaken by Mr. Van Dyke has been the analysis of traffic and operating plans related to mergers and reconfigurations of railroads. He first started undertaking this work by participating in the processing of the STB Waybill Sample and full waybill databases from individual railroads while at ALK Associates in the late 1980s. This work included traffic database processing, network traffic flow modeling, and diversion analysis. He went on to fill leading roles in traffic modeling and operating plan development efforts for the UP-SP, NS-Conrail, IC-CN, and CN-BNSF merger filings, as well as developing traffic models for the break-up of the Mexican railroads. Deep experience processing full-year proprietary railroad waybill databases was also gained through numerous projects including operating plan development efforts at Class I’s in North America,

and at a variety of railroads in countries such as Sweden, Switzerland, Italy, France, Kazakhstan, Germany, and South Africa.

Over the course of his career, Mr. Van Dyke has become very familiar with the computer systems that drive the operations and planning aspects of numerous railroads in both North America and many other countries around the world. He has worked extensively with the IT departments at many of these railroads in the design and development of a wide variety of systems, and through this process has become familiar with the IT practices and organizations at these railroads. Examples include assistance to Class I's in the design of current production systems, development of roadmaps for systems improvement, and design and development of numerous planning systems.

Mr. Van Dyke's background in equipment management includes directing the design and development of a real-time, intermodal equipment management system for the rail industry, and adapting this model for use by a major steamship line. He also worked on the development of locomotive planning tools that have been applied to a number of major railways worldwide. While at ALK Associates, Mr. Van Dyke also served as President of Fleet Management, Inc., a company providing central management of railway car fleets. Mr. Van Dyke's other areas of expertise include the design and implementation of optimization and heuristic algorithms, logistics and market analysis, network rationalization, traffic analysis, and geographic information systems.

Mr. Van Dyke received an MS degree in civil engineering from MIT, with a concentration in transportation. He graduated *summa cum laude* from the University of Pennsylvania with a BSE in mechanical engineering. He has served on the National Council of the Transportation Research Forum, various Transportation Research Board committees, and was a charter member and former Chairman of the Rail Applications Special Interest Group of INFORMS. MultiRail, based on its impact on the rail industry, was named “technology of the decade” by *Trains Magazine* in November 2010. He is a co-author of a book on the use of operations research in the rail industry, which was published by Springer Verlag in 2015. He makes presentations and writes articles on a regular basis on various transportation analysis topics.

VERIFICATION

I, Derek Taylor, declare under penalty of perjury that the foregoing information is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 28th day of February, 2022.



Derek Taylor

Exhibit 14

Density Charts

PUBLIC VERSION

Exhibit 14: Density Tables

Exhibit 14-A: Post-Transaction Growth Projections for CN Segments In The United States Not On Or Adjacent to the Springfield Line¹

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
BATON ROUGE	RESERVE_LA - KENNER_LA	21.2	23,762	23,782	20	0%
BEAUMONT	BAYSHOJCT_AL - MOBILE_AL	2	4,209	4,279	70	2%
BEAUMONT	BELJCT_AL - BAYSHOJCT_AL	2.4	4,209	4,279	70	2%
BEAUMONT	HATTIESBU_MS - BELJCT_AL	99.8	5,389	5,461	72	1%
BEAUMONT	JACKSON_MS - STAR_MS	18.88	9,217	9,302	85	1%
BEAUMONT	SARATOGA_MS - HATTIESBU_MS	37.4	8,450	8,535	85	1%
BEAUMONT	STAR_MS - SARATOGA_MS	29.5	9,414	9,500	85	1%
CAIRO	BUDA_KY - FULTON_KY	2.7	8,927	9,876	949	11%
CAIRO	CAIRO_IL - WICKLIFFE_KY	8.36	9,045	9,994	949	10%
CAIRO	WICKLIFFE_KY - BUDA_KY	33.04	17,831	18,781	949	5%
CENTRALIA	BOIS_IL - TAMAROA_IL	6	26,954	29,308	2,354	9%
CENTRALIA	CARBONDAL_IL - COBDEN_IL	15.3	20,080	21,030	950	5%
CENTRALIA	CENTRALIA_IL - IRVINGTON_IL	6.2	28,659	31,013	2,354	8%
CENTRALIA	COBDEN_IL - MOUNDS_IL	28.9	20,079	21,029	950	5%
CENTRALIA	DESOTO_IL - CARBONDAL_IL	3.2	10,040	10,990	950	9%
CENTRALIA	DOWELL_IL - ELKVILLE_IL	5.1	20,080	21,030	950	5%
CENTRALIA	ELKVILLE_IL - CARBONDAL_IL	9.4	20,080	21,030	950	5%
CENTRALIA	IRVINGTON_IL - RICHVIEW_IL	4.7	26,957	29,310	2,354	9%
CENTRALIA	MOUNDS_IL - CAIRO_IL	5.1	10,071	11,022	951	9%
CENTRALIA	MOUNDS_IL - PULASKI_IL	4	10,039	10,989	950	9%
CENTRALIA	RICHVIEW_IL - BOIS_IL	10.5	26,957	29,310	2,354	9%
CENTRALIA	TAMAROA_IL - DOWELL_IL	7.8	27,072	29,041	1,970	7%
CENTRALIA	TAMAROA_IL - DUQUOIN_IL	5.7	26,956	29,310	2,354	9%
CHAMPAIGN	ARCOLA_IL - HUMBOLDT_IL	5.7	48,413	48,547	134	0%
CHAMPAIGN	DORANS_IL - MATTOON_IL	5	48,398	48,532	134	0%
CHAMPAIGN	EFFINGHAM_IL - WATSON_IL	4.6	55,699	56,188	489	1%
CHAMPAIGN	HUMBOLDT_IL - DORANS_IL	3.8	48,416	48,549	134	0%
CHAMPAIGN	LEVJCT_IL - TOLONO_IL	13.15	47,808	47,942	133	0%
CHAMPAIGN	MATTOON_IL - NEOGA_IL	11.9	53,072	53,197	125	0%
CHAMPAIGN	NEOGA_IL - EFFINGHAM_IL	14.9	53,284	53,410	125	0%

¹ See “HC- Operating Metrics – Estimation of Line Density And Train Count Methodology.pdf” and associated analysis workpapers for how the values were estimated.

PUBLIC VERSION

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
CHAMPAIGN	PESOTUM_IL - TUSCOLA_IL	7.9	47,817	47,951	134	0%
CHAMPAIGN	SANJCT_IL - CENTRALIA_IL	5.2	12,380	12,842	462	4%
CHAMPAIGN	TOLONO_IL - PESOTUM_IL	4.8	47,817	47,951	134	0%
CHAMPAIGN	TUSCOLA_IL - ARCOLA_IL	8.1	48,417	48,551	134	0%
CHAMPAIGN	WATSON_IL - SANJCT_IL	41.7	34,133	34,601	468	1%
CHICAGO	DELREY_IL - LODA_IL	11	46,829	46,962	132	0%
CHICAGO	GILMAN_IL - DELREY_IL	6.15	23,417	23,550	132	1%
CHICAGO	HOMEWOOD_IL to STUENKEL_IL	7.8	49,788	55,424	5,636	11%
CHICAGO	KENSINGTO_IL to HOMEWOOD_IL	10.33	28,764	30,834	2,070	7%
CHICAGO	LODA_IL - LEVJCT_IL	25.3	47,467	47,599	132	0%
CHICAGO	STUENKEL_IL to GILMAN_IL	49.55	46,624	51,199	4,575	10%
DEARBORN	FORDHAVEN_MI - WOODHAVEN_MI	0.5	4,873	5,551	677	14%
EFFINGHAM	EFFYD_IL - NEWTON_IL	23.5	4,486	4,841	356	8%
ELSDON	HARVEY_IL - THOJCT_IL	2	13,175	14,557	1,382	10%
ELSDON	HARVEY_IL to CHIINTTER_IL	1.72	14,932	19,697	4,765	32%
ELSDON	THOJCT_IL - GRIFFITH_IN	11.2	14,569	15,951	1,382	9%
FLAT ROCK	FLAROCK_MI - FORDHAVEN_MI	2.3	12,243	12,618	375	3%
FLAT ROCK	FN_MI - FLAROCK_MI	6.1	12,355	12,742	387	3%
FLAT ROCK	FN_MI - FORDHAVEN_MI	5.5	2,435	2,738	303	12%
FLINT	BATCREEK_MI - OLIVET_MI	21.1	23,152	26,174	3,022	13%
FLINT	DAVISON_MI - EMMETT_MI	37.9	32,102	32,961	859	3%
FLINT	DURAND_MI - FLINT_MI	9.4	34,483	36,582	2,100	6%
FLINT	EMMETT_MI - TAPPAN_MI	14.2	32,089	32,948	859	3%
FLINT	FLINT_MI - DAVISON_MI	10	32,091	32,951	860	3%
FLINT	LANSING_MI - MORRICE_MI	25.4	22,368	25,390	3,022	14%
FLINT	MORRICE_MI - DURAND_MI	11.1	22,366	25,388	3,022	14%
FLINT	OLIVET_MI - POTTERVIL_MI	8.8	46,309	49,331	3,022	7%
FLINT	POTTERVIL_MI - LANSING_MI	8.1	23,155	26,177	3,022	13%
FLINT	PTHURON_MI - SARNIA_ON	0.1	23,185	24,048	862	4%
FLINT	TAPPAN_MI - PTHURON_MI	1.9	11,895	12,757	862	7%
FULTON	CURVE_TN - MILLINGTO_TN	43.9	51,490	52,453	963	2%
FULTON	FULTON_KY - RIVES_TN	1.5	52,274	53,237	963	2%
FULTON	MILLINGTO_TN - WOODSTOCK_TN	6.53	25,706	26,669	963	4%
FULTON	NEWBERN_TN - CURVE_TN	24.5	51,809	52,772	963	2%
FULTON	RIVES_TN - NEWBERN_TN	21.7	52,206	53,168	963	2%

PUBLIC VERSION

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
FULTON	WOODSTOCK_TN - MEMPHIS_TN	20.4	55,482	56,446	964	2%
GRENADA	CANTON_MS - JACKSON_MS	25.7	2,427	2,448	21	1%
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
HOLLY	DURAND_MI - WATERFORD_MI	28.5	12,475	14,582	2,108	17%
HOLLY	PONTIAC_MI - DETINTTER_MI	22.5	9,415	11,522	2,107	22%
HOLLY	WATERFORD_MI - PONTIAC_MI	6.3	8,866	10,974	2,108	24%
KEENAN	IROJCT_MN - HIBBING_MN	16.7	116	120	4	4%
LAKEFRONT	BUFFINGTO_IN - INDHARBOR_IN	2.6	1,581	1,587	6	0%
LAKEFRONT	BUFFINGTO_IN - STOCKTON_IN	1.6	1,037	1,044	6	1%
LAKEFRONT	HAMLAKFRO_IN - SCHICAGO_IL	1.9	947	953	6	1%
LAKEFRONT	INDHARBOR_IN - HAMLAKFRO_IN	4.5	941	947	6	1%
LAKEFRONT	KIRYARD_IN - BUFFINGTO_IN	1	127,648	127,978	331	0%
LEITHTON	EOLA_IL - RIVER_IL	11.5	77,145	77,358	213	0%
LEITHTON	LEITHTON_IL - SPAULDING_IL	22.6	61,748	61,957	209	0%
LEITHTON	MUNGER_IL - WCHICAGO_IL	5.8	63,040	63,249	209	0%
LEITHTON	RIVER_IL - WBRIJCT_IL	7.35	79,569	79,797	229	0%
LEITHTON	SPAUDLING_IL - MUNGER_IL	1.8	63,102	63,310	209	0%
LEITHTON	WBRIJCT_IL - EBRIJCT_IL	0.75	80,151	80,379	229	0%
LEITHTON	WBRIJCT_IL - WROMEO_IL	2.15	658	754	96	15%
LEITHTON	WCHICAGO_IL - EOLA_IL	8.4	67,043	67,253	210	0%
MATTESON	CAVANAUGH_IN - STOCKTON_IN	1.3	50,207	50,524	317	1%
MATTESON	CHIHEIGHT_IL - GRIFFITH_IN	9.7	47,261	49,177	1,916	4%
MATTESON	EBRIJCT_IL - JOLYARD_IL	1.7	80,334	80,563	229	0%
MATTESON	GRIFFITH_IN - IVANHOE_IN	6.4	49,978	50,298	320	1%
MATTESON	IVANHOE_IN - CAVANAUGH_IN	1.3	50,549	50,868	320	1%
MATTESON	JOLYARD_IL - MATTESON_IL	22.1	73,648	73,872	224	0%
MATTESON	KIRYARD_IN - BUFFINGTO_IN	2.5	127,648	127,978	331	0%
MATTESON	MATTESON_IL - CHIHEIGHT_IL	2.6	46,872	48,788	1,916	4%
MATTESON	STOCKTON_IN - KIRYARD_IN	2.1	53,167	53,491	324	1%
MCCOMB	CENJCA_MS - SUMMIT_MS	24.4	18,704	19,148	443	2%
MCCOMB	CRYSRING_MS - WESSON_MS	22	33,437	33,880	443	1%
MCCOMB	ELTON_MS - CRYSRING_MS	17.4	33,202	33,645	443	1%
MCCOMB	FERNWOOD_MS - FRENIER_LA	86.5	25,411	25,855	444	2%
MCCOMB	FRENIER_LA - ORLIJCT_LA	2.2	9,508	9,951	443	5%

PUBLIC VERSION

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
MCCOMB	JACKSON_MS - ELTON_MS	8.8	16,887	17,330	443	3%
MCCOMB	KENNER_LA - MAYYARD_LA	2.6	11,200	11,644	444	4%
MCCOMB	ORLJCT_LA - KENNER_LA	1	9,464	9,908	444	5%
MCCOMB	SUMMIT_MS - FERNWOOD_MS	13.8	15,991	16,436	444	3%
MCCOMB	WESSON_MS - CENJCA_MS	7.9	16,730	17,174	443	3%
MEMPHIS	MEMINTTER_TN - LAKEVIEW_MS	6.36	6,174	6,794	621	10%
MEMPHIS	MEMPHIS_TN to WJCT_TN	1	55,508	56,372	864	2%
MEMPHIS	WJCT_TN to MEMINTTER_TN	3.44	8,547	9,323	775	9%
MISSABE	ADOLPH_MN - FAIRLANE_MN	48.2	51,428	51,467	39	0%
MISSABE	DULUTH_MN - ADOLPH_MN	10.7	19,939	19,988	49	0%
MISSABE	FAIRLANE_MN - KEENAN_MN	2	67,375	67,400	25	0%
MISSABE	IROJCT_MN - WOLF_MN	2.2	92,120	92,145	25	0%
MISSABE	KEENAN_MN - IROJCT_MN	2.5	66,866	66,891	25	0%
MISSABE	WOLF_MN - SHEJCT_MN	2.8	65,629	65,667	39	0%
NEENAH	BLAWOLF_WI - NEENAH_WI	17.6	72,665	72,878	212	0%
NEENAH	FONLAC_WI - VANDYNE_WI	4.3	72,429	72,641	212	0%
NEENAH	NEENAH_WI - STOCKTON_WI	60.9	68,472	68,680	208	0%
NEENAH	VANDYNE_WI - BLAWOLF_WI	5.6	36,214	36,427	212	1%
RAINY	ASHLAKE_MN - ORR_MN	7.6	77,974	78,182	208	0%
RAINY	GLENDALE_MN - HALEY_MN	10.4	78,040	78,247	208	0%
RAINY	HALEY_MN - VIRGINIA_MN	31	78,065	78,272	208	0%
RAINY	ORR_MN - GLENDALE_MN	1.4	77,974	78,182	208	0%
RAINY	PEARY_MN - MELRUDE_MN	10.2	43,517	43,686	169	0%
RAINY	PEARY_MN - SIMAR_MN	30.6	37,327	37,496	169	0%
RAINY	RANIER_MN - ASHLAKE_MN	36.9	77,968	78,175	208	0%
RAINY	VIRGINIA_MN - PEARY_MN	11.5	52,959	53,135	176	0%
SAUKVILLE	BRODEER_WI - SAUKVILLE_WI	15	210	211	1	0%
SAUKVILLE	MILWAUKEE_WI - BRODEER_WI	7.2	95	96	0	0%
SHORE LINE	COOLIDGE_MI - ECORSE_MI	2.7	20,220	20,922	703	3%
SHORE LINE	COOLIDGE_MI - VINEWOOD_MI	5.3	20,220	20,922	703	3%
SHORE LINE	ECORSE_MI - FN_MI	5.9	23,026	23,729	703	3%
SHORE LINE	FN_MI - LANG_OH	35.3	10,943	10,955	13	0%
SHORE LINE	FN_MI - WYANDOTTE_MI	10.1	8,483	9,186	703	8%
SHORE LINE	MILJCT_MI - VINEWOOD_MI	1.1	9,385	10,088	703	7%
SOUTH BEND	CASSOPOLI_MI - SCHOOLCRA_MI	14.6	45,815	48,892	3,077	7%

PUBLIC VERSION

Gross Tons (000s)						
Subdivision	Segment	Distance	Base 2019 Tons	Post Transaction	Change in Gross Tons	% Change
SOUTH BEND	GRIFFITH_IN - SEDLEY_IN	14.3	28,393	31,470	3,077	11%
SOUTH BEND	PAVILION_MI - BATCREEK_MI	19.1	23,451	26,544	3,093	13%
SOUTH BEND	SBEND_IN - MARCELLUS_MI	32.1	22,925	26,002	3,077	13%
SOUTH BEND	SCHOOLCRA_MI - PAVILION_MI	10.4	22,922	25,999	3,077	13%
SOUTH BEND	SEDLEY_IN - VALPARAIS_IN	6.9	56,789	59,866	3,077	5%
SOUTH BEND	STILLWELL_IN - SBEND_IN	19	28,807	31,885	3,077	11%
SOUTH BEND	VALPARAIS_IN - STILLWELL_IN	23	28,485	31,562	3,077	11%
STRATHROY	SARNIA_ON - PTHURON_MI	0.2	23,185	24,048	862	4%
SUPERIOR	HAYJCT_WI - SITASCA_WI	54.4	70,933	71,162	229	0%
SUPERIOR	JCTCITY_WI - SPENCER_WI	29.4	75,341	75,552	211	0%
SUPERIOR	LADYSMITH_WI - HAYJCT_WI	47.2	71,850	72,058	208	0%
SUPERIOR	NOJCT_MN - ADOLPH_MN	5.8	35,622	35,661	39	0%
SUPERIOR	OWEN_WI - LADYSMITH_WI	44.8	71,093	71,301	208	0%
SUPERIOR	SAUNDERS_WI - STEELTON_MN	4.7	74,437	74,645	208	0%
SUPERIOR	SITASCA_WI - SAUNDERS_WI	5.9	71,314	71,488	175	0%
SUPERIOR	SITASCA_WI - SUPERIOR_WI	2.8	2,931	3,186	255	9%
SUPERIOR	SPENCER_WI - OWEN_WI	19.1	74,796	75,006	211	0%
SUPERIOR	STEELTON_MN - NOJCT_MN	2.2	79,591	79,799	208	0%
SUPERIOR	STEPT_WI - JCTCITY_WI	13	76,880	77,093	212	0%
WAUKESHA	BYRON_WI - FONLAC_WI	2	73,027	73,241	213	0%
WAUKESHA	DESPLAINE_IL - LEIGHTON_IL	14.9	11,382	11,387	4	0%
WAUKESHA	DUPLAINVI_WI - SUSSEX_WI	4	73,017	73,231	214	0%
WAUKESHA	FORPARK_IL - ROSEMONT_IL	7.8	3,403	3,407	4	0%
WAUKESHA	GRALAKE_IL - LAKVILLA_IL	3.8	35,757	35,970	213	1%
WAUKESHA	LAKVILLA_IL - DUPLAINVI_WI	50.3	71,798	72,011	213	0%
WAUKESHA	LEIGHTON_IL - MUNDELEIN_IL	2.6	35,793	36,006	213	1%
WAUKESHA	LOMIRA_WI - BYRON_WI	3.2	73,018	73,232	213	0%
WAUKESHA	LOMIRA_WI - FONLAC_WI	8.1	36,513	36,727	213	1%
WAUKESHA	MUNDELEIN_IL - GRALAKE_IL	8	71,519	71,732	213	0%
WAUKESHA	ROSEMONT_IL - DESPLAINE_IL	4.2	4,862	4,866	4	0%
WAUKESHA	RUGJCT_WI - LOMIRA_WI	25.1	72,426	72,639	214	0%
WAUKESHA	SUSSEX_WI - RUGJCT_WI	11.1	72,378	72,592	214	0%
YAZOO	BANKS_MS - LAKEVIEW_MS	12.76	51,503	52,209	706	1%
YAZOO	JACKSON_MS - YAZCITY_MS	44.4	49,011	49,715	704	1%
YAZOO	LAKEVIEW_MS - WJCT_TN	21.2	19,653	19,734	82	0%
YAZOO	MARKS_MS - BANKS_MS	41.6	51,602	52,310	707	1%
YAZOO	SWALAKE_MS - MARKS_MS	26.3	51,653	52,361	708	1%
YAZOO	YAZCITY_MS - SWALAKE_MS	80.9	51,139	51,845	705	1%

PUBLIC VERSION

Exhibit 14-B: KCS 2019 Traffic Density for Segments on the Springfield Line²

Subdivision	Segment	Mileposts	2019 Gross tons per miles (000)		
			West/South	East/North	Total
MEXICO	INTFREGAT, MO – AIRLINE JCT, MO	3.7-128.2	37,069	14,190	51,259
MEXICO	AIRLINE JCT, MO - SLATER, MO	393.6-490.8	6,959	3,417	10,376
MEXICO	SLATER, MO - MEXICO,MO	325.7-393.6	4,251	4,558	8,809
ROODHOUSE	MEXICO,MO - ROODHOUSE, IL	237.3-325.7	4,167	2,489	6,656
SPRINGFIELD	ROODHOUSE,IL - MURRAYVILLE,IL	221.7-237.3	2,412	678	3,090
SPRINGFIELD	MURRAYVILLE,IL - SPRINGFIELD, IL	203.7-221.7	40	3	43
GODFREY	ROODHOUSE,IL-GODFREY,IL	28.1-68.2	1,631	2,185	3,816
EAST ST LOUIS TERMINAL	GODFREY,IL - EAST ST LOUIS, IL	252.1-285	2,596	2,884	5,480
JACKSON	JACKSONVILLE, IL - MURRAYVILLE, IL	216.3-226.7	2,376	678	3,054

Exhibit 14-C: KCS 2020 Traffic Density for Segments on the Springfield Line³

Subdivision	Segment	Mileposts	2020 Gross tons per miles (000)		
			West/South	East/North	Total
MEXICO	INTFREGAT, MO – AIRLINE JCT, MO	3.7-128.2	35,042	12,733	47,775
MEXICO	AIRLINE JCT, MO - SLATER, MO	393.6-490.8	5,595	2,778	8,373
MEXICO	SLATER, MO - MEXICO,MO	325.7-393.6	2,989	3,357	6,346
ROODHOUSE	MEXICO,MO - ROODHOUSE, IL	237.3-325.7	2,762	1,929	4,691
SPRINGFIELD	ROODHOUSE,IL - MURRAYVILLE,IL	221.7-237.3	1,521	445	1,966
SPRINGFIELD	MURRAYVILLE,IL - SPRINGFIELD, IL	203.7-221.7	34	2	36
GODFREY	ROODHOUSE,IL-GODFREY,IL	28.1-68.2	1,279	1,879	3,158
EAST ST LOUIS TERMINAL	GODFREY,IL - EAST ST LOUIS, IL	252.1-285	1,916	2,362	4,278
JACKSON	JACKSONVILLE, IL - MURRAYVILLE, IL	216.3-226.7	1,489	445	1,934

i)

² Density values obtained from CPKC Application, Vol 2, pp.494 – 496. Note the line density values for segment “INTER. FREIGHT GATEWAY, MO – AIRLINE JCT, MO” based on “PITTSBURG,KS - KANSAS CITY,MO” and “AIRLINE JCT, MO – SLATER,MO” values are based on “KANSAS CITY, MO – SLATER, MO” segments.

³ Density values obtained from CPKC Application, Vol 2, 497 – 499. Note the line density values for segment “INTER. FREIGHT GATEWAY, MO – AIRLINE JCT, MO” based on “PITTSBURG,KS - KANSAS CITY,MO” and “AIRLINE JCT, MO – SLATER,MO” values are based on “KANSAS CITY, MO – SLATER, MO” segments.

PUBLIC VERSION

Exhibit 14-D: CN Historic Traffic Density (2019 – 2021)⁴

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
ASHLAND	PRENTICE - MELLEN	67.7	0.10	0.09	0.10
BARRON	CAMERON - RICLAKE	14.6	2.71	1.14	2.57
BARRON	LADYSMITH - ALMENA	24.7	1.94	1.17	
BARRON	LADYSMITH - POSKIN	40.7			1.88
BATON ROUGE	BATON ROUGE J - UNIVERSITY	0.8	6.02	3.69	3.24
BATON ROUGE	GEISMAR - RESERVE	24.6	16.37	14.28	16.54
BATON ROUGE	RESERVE - KENNER	62.8	23.76	21.48	29.50
BATON ROUGE	UNIVERSITY - GEISMAR	43.7	13.45	11.61	11.94
BEAUMONT	BAY SHORE JCT - MOBILE	26.9	4.21	3.46	3.74
BEAUMONT	BELT JCT - BAY SHORE JCT	2.7	4.21	3.46	3.74
BEAUMONT	HATTIESBURG - BELT JCT	8	5.39	4.65	5.13
BEAUMONT	JACKSON - STAR	1.3	9.22	8.22	8.85
BEAUMONT	SARATOGA - HATTIESBURG	1.2	8.45	8.77	9.54
BEAUMONT	STAR - SARATOGA	13.7	9.41	8.42	9.13
BESSEMER	BRANCHTON - BUTLER	24.1	5.31	5.17	5.43
BESSEMER	BUTLER - N BESSEMER	49.7	5.10	5.08	5.38
BESSEMER	CONNEAUT - CONNEAUT JCT	6.8	5.07	5.09	5.35
BESSEMER	CONNEAUT JCT - SANDY JCT	78.6	5.07	5.09	5.35
BESSEMER	GROVE CITY - BRANCHTON	53.9	5.31	5.17	5.43
BESSEMER	KELSEY - GROVE CITY	6.4	5.30	5.16	5.42
BESSEMER	SANDY JCT - KELSEY	68.1	4.11	4.13	4.37
BLUFORD	AKIN JCT - METROPOLIS	57.4	24.31	20.02	22.72
BLUFORD	BLUFORD - DIANA	64.2	24.00	21.51	21.76
BLUFORD	DIANA - AKIN JCT	21.3	24.57	21.75	22.27
BLUFORD	EDGEWOOD - BLUFORD	38	24.02	21.46	21.73
BLUFORD	METROPOLIS - CHILES	30.3	34.59	27.21	31.32
BOGALUSA	MORGANTOWN - BOGALUSA	4	0.91	0.90	0.95
BOGALUSA	WANILLA - MORGANTOWN	5	1.06	1.04	1.10
BRADLEY	BRADLEY - ARGONNE	66.4	0.08	0.08	0.11
BRADLEY	LADYSMITH - PRENTICE	1.3	0.03	0.02	
BRADLEY	PRENTICE - BRADLEY	12.5	0.18	0.17	0.18
CAIRO	BUDA - FULTON	115	8.93	7.30	8.83
CAIRO	CAIRO - WICKLIFFE	14	9.05	7.17	8.67
CAIRO	WICKLIFFE - BUDA	1.6	17.83	14.50	17.53
CASO	WINDSOR - DETROIT	3.2	0.43		
CEDAR RAPIDS	MANCHESTER - MARION JCT	58.2	1.77	1.55	1.63
CEDAR RAPIDS	MARION JCT - MARION	6.1	1.77	1.80	1.63
CEDAR RAPIDS	MARION JCT - SHAVER	44.2	1.23	1.07	1.12
CENTRAL	SILVER CREEK - BROOKHAVEN	44.2	1.61	1.91	1.75
CENTRALIA	BOIS - TAMAROA	8.4	26.95	24.86	27.06
CENTRALIA	CARBONDALE - COBDEN	31.9	20.08	17.75	19.76
CENTRALIA	CENTRALIA - IRVINGTON	21.2	13.48	12.43	13.53
CENTRALIA	COBDEN - MOUNDS	20.4	20.08	17.75	19.75
CENTRALIA	DESOTO - CARBONDALE	28.3	10.04	8.88	9.88

⁴ Historical CN line density from “2019 to 2021.xlsx” provided by CN, excluding segments that are within Canada.

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
CENTRALIA	DOWELL - ELKVILLE	5	20.08	17.75	19.76
CENTRALIA	ELKVILLE - CARBONDALE	3	20.08	17.75	19.76
CENTRALIA	IRVINGTON - RICHVIEW	6	26.96	24.87	27.07
CENTRALIA	MOUNDS - CAIRO	6	10.07	8.40	9.90
CENTRALIA	MOUNDS - PULASKI	2	10.04	8.88	9.87
CENTRALIA	RICHVIEW - BOIS	2.4	26.96	24.87	27.07
CENTRALIA	TAMAROA - DOWELL	99.8	7.20	6.51	7.15
CENTRALIA	TAMAROA - DU QUOIN	18.88	26.96	24.88	27.06
CHAMPAIGN	ARCOLA - HUMBOLDT	37.4	48.41	42.60	43.45
CHAMPAIGN	CHAMPAIGN - ANDERSONS	29.5	0.54	0.69	1.04
CHAMPAIGN	DORANS - MATTOON	10.6	48.40	42.62	43.52
CHAMPAIGN	EFFINGHAM - BRICKYARD JCT	12.9	5.15	4.66	4.96
CHAMPAIGN	EFFINGHAM - WATSON	28.4	55.70	51.20	53.22
CHAMPAIGN	HUMBOLDT - DORANS	10.8	48.42	42.60	43.47
CHAMPAIGN	LEVERETT JCT - TOLONO	5.5	47.81	42.02	42.88
CHAMPAIGN	MATTOON - NEOGA	19.8	53.07	47.71	48.47
CHAMPAIGN	NEOGA - EFFINGHAM	18.1	53.28	48.01	49.00
CHAMPAIGN	PESOTUM - TUSCOLA	35.4	47.82	41.93	42.82
CHAMPAIGN	SANDOVAL JCT - CENTRALIA	13.1	12.38	11.64	12.74
CHAMPAIGN	TOLONO - PESOTUM	33.9	47.82	41.93	42.82
CHAMPAIGN	TUSCOLA - ARCOLA	9	48.42	42.59	43.43
CHAMPAIGN	WATSON - SANDOVAL JCT	20.1	34.13	31.76	33.96
CHAMPAIGN TERM	CHAMPAIGN - SEYMOUR	10.9	0.07	0.38	0.36
CHEROKEE	ALTA - AURELIA	84.1	2.88	3.43	3.41
CHEROKEE	AURELIA - MARCUS	40	2.82	3.39	3.34
CHEROKEE	FONDA - NEWELL	79.23	3.01	3.69	3.42
CHEROKEE	LE MARS - SIOUX CITY	14.7	2.29	2.55	2.75
CHEROKEE	MANSON - FONDA	6.6	3.02	3.73	3.44
CHEROKEE	MARCUS - LE MARS	41.6	2.30	2.59	2.69
CHEROKEE	NEWELL - STORM LAKE	3.1	3.01	3.69	3.42
CHEROKEE	STORM LAKE - ALTA	44.1	3.01	3.69	3.42
CHEROKEE	TARA - MANSON	28	3.70	4.50	4.12
CHICAGO	CHGO 82ND ST - KENSINGTON	46.5	2.86	2.82	2.45
CHICAGO	DEL REY - LODA	40.6	46.83	41.30	42.09
CHICAGO	GILMAN - DEL REY	27.4	23.42	20.64	21.05
CHICAGO	HOMEWOOD - STUENKEL	53.31	24.58	23.50	22.64
CHICAGO	KENSINGTON - HOMEWOOD	54.6	8.11	7.93	7.30
CHICAGO	LODA - LEVERETT JCT	3	47.47	41.91	42.70
CHICAGO	STUENKEL - GILMAN	4.9	46.62	40.59	41.14
CHILES	CHILES - MAXON	5.1	32.95	27.02	30.71
CHILES	CR JUNCTION - MAXON	5.2	2.79	2.40	2.50
CHILES	MAXON - FULTON	2	35.73	29.42	33.21
CHILTON	KIEL - HILBERT JCT	0.4	0.13	0.17	0.10
DEARBORN	FORDHAVEN - WOODHAVEN	3.3	4.87	5.97	7.19
DUBUQUE	ARCCO - DUBUQUE JCT	51.1	13.37	13.67	12.32
DUBUQUE	DUBUQUE JCT - JULIEN	132.9	12.54	10.56	8.80
DUBUQUE	EAST JCT - WEST JUNCTION	2.7	6.60	6.90	5.77

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
DUBUQUE	JULIEN - MANCHESTER	8.36	12.76	13.41	11.87
DUBUQUE	MANCHESTER - WATERLOO	33.04	10.57	11.42	10.00
DUBUQUE	WEST JUNCTION - PORTAGE	1.7	13.20	13.50	11.75
EFFINGHAM	EFFINGHAM YD - NEWTON	46.5	4.49	4.03	4.37
ELDORADO	BENTON - AKIN JCT	6.21	0.22	0.26	0.03
ELDORADO	ELDJCT - CHRISTOPH	46.01	0.20	0.26	0.03
ELDORADO	FERBER - ELDORADO	57.7	0.07	0.07	0.03
ELDORADO	SESSER - BENTON	42.3	0.20	0.26	0.03
ELSDON	BLUE ISLAND - HARVEY	30.5	2.12	1.74	1.61
ELSDON	HARVEY - THORNTON JCT	112.2	5.14	3.96	3.26
ELSDON	HAYFORD - BLUE ISLAND	22.5	1.55	1.53	1.46
ELSDON	THORNTON JCT - GRIFFITH	9.7	5.41	4.33	3.54
ERIE	WALLACE JCT - CONNEAUT JCT	18.4	0.06	0.02	0.00
FLAT ROCK	FLAT ROCK - MAYBEE	17.8	4.20	0.66	0.02
FLAT ROCK	FN - FLAT ROCK	10.5	12.35	8.26	8.83
FLAT ROCK	MAYBEE - DIANN	26.2	4.20	0.66	0.02
FLINT	BATTLE CREEK - OLIVET	3.2	23.15	20.25	21.08
FLINT	DAVISON - EMMETT	39	32.10	30.40	32.45
FLINT	DURAND - FLINT	5.04	34.48	33.38	34.99
FLINT	DURAND - FLINT 2 TRK	5.2	17.24	16.69	17.50
FLINT	EMMETT - TAPPAN	26.2	32.09	30.40	32.45
FLINT	FLINT - DAVISON	14.9	32.09	30.38	32.46
FLINT	LANSING - MORRICE	22.2	22.37	19.61	20.40
FLINT	MORRICE - DURAND	6	22.37	19.61	20.40
FLINT	OLIVET - POTTERVILLE	15.3	46.31	40.50	42.16
FLINT	PORT HURON - SARNIA	6.2	23.19	21.53	22.99
FLINT	PORT HURON - SARNIA 1 TRK	28.9	46.37	43.07	45.98
FLINT	POTTERVILLE - LANSING	3.2	23.15	20.25	21.08
FLINT	TAPPAN - PORT HURON	5.1	11.89	10.92	11.61
FLINT	TAPPAN - PT HURON 2TRK	9.4	23.79	21.83	23.23
FOX RIVER	APPLETON - GREEN BAY	4.7	9.50	9.11	10.27
FOX RIVER	GREEN BAY - DENMARK	5.1	0.18	0.20	0.19
FOX RIVER	GREEN BAY - LUXEMBURG	4	0.18	0.12	0.11
FOX RIVER	NEENAH WI - APPLETON	10.5	10.61	10.17	11.31
FREEPORT	BROADVIEW - MUNGER	7.8	13.19	13.66	11.45
FREEPORT	HAWTHORNE - BROADVIEW	5.7	6.18	6.40	5.84
FREEPORT	MUNGER - ROCKFORD	5.7	13.23	13.81	11.53
FREEPORT	PARKWAY - BROADVIEW	0.2	4.44	4.58	3.68
FREEPORT	ROCKFORD - EAST JCT	5	13.36	13.90	11.64
FULTON	AULON - EAST JCT	3	46.27	44.39	51.64
FULTON	CURVE - MILLINGTON	4.6	51.49	43.42	50.16
FULTON	MEM HOL YARD - AULON	3.8	46.25	42.96	49.78
FULTON	MILLINGTON - WOODSTOCK	13.15	25.71	21.70	25.07
FULTON	NEWBERN - CURVE	11.9	51.81	43.69	50.35
FULTON	ONARGA SPUR - RIVES	14.9	52.27	44.27	51.15
FULTON	RIVES - NEWBERN	7.9	52.21	44.08	50.78
FULTON	WOODSTOCK - MEM HOL YARD	5.2	45.80	41.54	48.20

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
FULTON	WOODSTOCK - MEMPHIS	4.8	4.56	2.33	2.25
GILMAN	BRICKYARD JCT - CROWN 3	8.1	0.08		
GILMAN	CLINTON - MT PULASKI	41.7	0.89	1.23	1.24
GILMAN	GIBSON CITY - CLINTON	7.1	0.88	1.01	0.96
GILMAN	GILMAN - GIBSON CITY	56	1.69	1.35	1.95
GILMAN	MT PULASKI - BRICKYARD JCT	13.1	0.26	0.19	0.17
GREENVILLE	KELSEY - SHENANGO	8	0.26	0.11	0.07
GREENVILLE	SHENANGO - OSGOOD	16.6	0.03	0.01	0.00
GRENADA	CANTON - JACKSON	47	2.43	1.88	1.90
HAMMOND	HAMMOND - BATON ROUGE J	1	11.23	6.84	6.60
HOLLY	DETINTTER - MILWAUKEE JCT	6.4	2.04	1.48	1.69
HOLLY	DURAND - WATERFORD	20.7	12.47	10.22	10.55
HOLLY	MILWAUKEE JCT - WINDSOR	27.4	0.22		
HOLLY	PONTIAC - DETINTTER	7.4	3.73	2.92	2.94
HOLLY	WATERFORD - PONTIAC	24.5	5.30	4.20	4.31
IDA GROVE	IDA GROVE JCT - IDA GROVE	8.1	1.57	1.67	1.53
ILLINOIS RIVER	BEVEN - DIVINE	23.9	1.36	1.17	0.39
ILLINOIS RIVER	BEVEN - EMORRIS	16.2	3.18	2.63	1.61
ILLINOIS RIVER	RIVER - BEVEN	18.8	2.33	2.00	1.29
IRON MOUNTAIN	HERMANVILLE - QUINNESEC	10.5	1.81	1.62	1.48
IRON MOUNTAIN	QUINNESEC - ANTOINE	5.6			0.00
IRON RANGE	MESABA - EMCO	12.56	0.60	0.43	0.41
IRON RANGE	TWO HARBORS - WALDO	73.6	20.76	18.25	19.37
IRON RANGE	WALDO - IRON JCT	41.8	24.60	21.54	22.88
IRON RANGE	WALES - JORDAN	25.7	0.47	0.27	0.28
JOLIET	BRIDGEPOR - BRIPARK	34.4	2.26	2.44	2.27
JOLIET	JOLIET - PLAINES	30.1	1.65	1.36	1.00
JOLIET	LEMOYNE - SUMMIT	8.04	3.93	4.25	4.27
JOLIET	SUMMIT - JOLIET	11	0.74	1.18	0.76
KEENAN	IRON JCT - HIBBING	6.15	0.12	0.10	0.20
LAKEFRONT	BUFFINGTO - INDHARBOR	7.8	1.58	1.49	1.25
LAKEFRONT	BUFFINGTO - STOCKTON	10.33	1.04	0.83	3.02
LAKEFRONT	HAMLAKFRO - SCHICAGO	25.3	0.95	0.78	0.96
LAKEFRONT	INDHARBOR - HAMLAKFRO	49.55	0.94	0.78	0.95
LAKEFRONT	KIRYARD - BUFFINGTO	2	0.55	0.64	0.61
LANSE	BARAGA - CHAMPION	0.05	0.15	0.14	0.15
LEIGHTON	EOLA - RIVER	40.2	77.15	67.73	68.73
LEIGHTON	LEIGHTON - SPAULDING	18.1	61.75	55.66	58.86
LEIGHTON	MUNGER - WCHICAGO	4.1	63.04	55.56	58.74
LEIGHTON	PHOENIX - EBRIJCT	1.1	0.33	0.37	0.37
LEIGHTON	RIVER - WBRIJCT	6.9	79.57	69.96	70.32
LEIGHTON	RONDOUT - LEIGHTON	3.6	0.11	0.14	0.13
LEIGHTON	SPAULDING - MUNGER	20	63.10	55.78	58.93
LEIGHTON	WAUKEGAN - RONDOUT	6.2	0.07	0.08	0.07
LEIGHTON	WBRIJCT - EBRIJCT	2.7	80.15	70.14	70.83
LEIGHTON	WBRIJCT - PHOENIX	89.5			0.00
LEIGHTON	WBRIJCT - WROMEO	5.3	0.66	0.18	0.56
LEIGHTON	WCHICAGO - EOLA	15	67.04	59.02	61.87

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
LEITHTON	WROMEO - EBRIJCT	35	0.15	0.16	0.08
LETELLIER	EMERSON JCT - NOYES	82.3	4.89	3.35	3.93
MANISTIQUE	GLADSTONE - MANISTIQUE	133.7	5.63	5.28	5.75
MANISTIQUE	MANISTIQUE - TROUT LAKE	47	5.38	5.12	5.57
MANISTIQUE	S STE MARI ON - ODENA	52.8	1.52	0.57	0.09
MANISTIQUE	S STE MARI WI - S STE MARI ON	28.8	4.89	4.68	5.18
MANISTIQUE	TROUT LAKE - S STE MARI WI	6.1	4.95	4.74	5.24
MANITOWOC	CLEVELAND - MANITOWOC	9.9	0.01	0.01	0.01
MANITOWOC	HILBERT JCT - NEENAH	2.4	0.76	0.79	0.73
MANITOWOC	MANITOWOC - HILBERT JCT	57.3	0.55	0.53	0.56
MARINETTE	ESCANABA - GLADSTONE	0.5	9.19	10.72	11.51
MARINETTE	GREEN BAY - MENOMINEE	6.5	6.44	6.24	7.32
MARINETTE	MENOMINEE - POWERS	4.9	6.44	6.35	7.18
MARINETTE	POWERS - ESCANABA	1.9	5.97	7.62	8.09
MATTESON	CAVANAUGH - STOCKTON	84.2	50.21	51.63	51.32
MATTESON	CAVANAUGH - WHITING	1.5	0.68	0.99	1.65
MATTESON	CHIHEIGHT - GRIFFITH	25.9	47.26	46.43	48.41
MATTESON	EBRIJCT - JOLYARD	0.7	80.33	70.39	71.17
MATTESON	GRIFFITH - IVANHOE	37.7	49.98	51.55	51.62
MATTESON	IVANHOE - CAVANAUGH	20	50.55	52.10	52.08
MATTESON	JOLIET - JOLYARD	3.6	2.41	4.49	2.08
MATTESON	JOLYARD - MATTESON	25.4	73.65	64.90	68.43
MATTESON	KIRYARD - BUFFINGTO	0.5	0.27	0.32	0.31
MATTESON	KIRYARD - GARY	0.8	2.37	1.84	2.59
MATTESON	KIRYARD - PINE	16.7	0.58	0.00	0.01
MATTESON	MATTESON - CHIHEIGHT	1.9	46.87	46.24	48.18
MATTESON	STOCKTON - GOFF	37.6	2.23	5.26	5.93
MATTESON	STOCKTON - KIRYARD	48.6	53.17	55.94	56.07
MCCOMB	CENJCA - SUMMIT	52	18.70	14.73	18.81
MCCOMB	CRYSTAL SPRIN - WESSON	0.4	33.44	26.67	33.69
MCCOMB	ELTON - CRYSTAL SPRIN	7.5	33.20	26.46	33.53
MCCOMB	FERNWOOD - FRENIER	16.3	25.41	20.89	28.22
MCCOMB	FRENIER - ORLEANS JCT	4.3	9.51	8.46	12.17
MCCOMB	HARAHAN - MAYS YARD	0.7	0.00	0.00	
MCCOMB	JACKSON - ELTON	4	16.89	13.52	22.35
MCCOMB	KENNER - MAYS YARD	0.7	11.20	7.50	10.17
MCCOMB	MAYS YARD - NEW ORLEANS	46.5	0.01	0.00	1.51
MCCOMB	ORLEANS JCT - KENNER	2.8	9.46	7.50	10.17
MCCOMB	SUMMIT - FERNWOOD	0.7	15.99	12.60	16.21
MCCOMB	WESSON - CENJCA	1.6	16.73	13.35	16.85
MEDFORD	SPENCER - MEDFORD	1.2	0.02	0.01	0.01
MEMPHIS	DENIE - MEMPHIS	89.6	46.27	44.47	52.91
MEMPHIS	MEMPHIS - EAST JCT	19.1	23.14	22.22	26.18
MEMPHIS	MEMPHIS - WEST JCT	11.2	55.51	48.48	58.87
MEMPHIS	WOODSTOCK - MEMPHIS	10.2	0.72	0.64	0.62
MINNEAPOLIS	OWEN - WITHROW	11.6	3.81	3.63	4.16
MINNTAC	WOLF - MOUNTAIN IRON	11.6	27.17	25.66	28.62

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
MISSABE	ADOLPH - FAIRLANE	23.5	51.43	45.04	48.39
MISSABE	DULUTH - ADOLPH	14.3	19.94	19.04	22.14
MISSABE	FAIRLANE - KEENAN	23.6	67.37	62.58	64.99
MISSABE	IRON JCT - WOLF	5.7	92.12	86.16	87.31
MISSABE	KEENAN - IRON JCT	23.5	66.87	63.90	63.57
MISSABE	WOLF - SHELTON JCT	10.3	65.63	61.04	59.93
MT CLEMENS	DOUBLE TRACK - RICHMOND	11	11.92	10.12	10.74
MT CLEMENS	MILWAUKEE JCT - DOUBLE TRACK	19.3	12.40	10.52	11.22
MT CLEMENS	RICHMOND - TAPPAN	7.77	15.46	13.13	13.97
NEENAH	BLACK WOLF - NEENAH	3.9	72.67	64.26	67.67
NEENAH	FOND DU LAC - VAN DYNE	2	72.43	64.01	67.42
NEENAH	NEENAH - STOCKTON	7.5	68.47	60.47	63.85
NEENAH	VAN DYNE - BLACK WOLF	11.2	36.21	32.00	33.71
NEW LONDON	APPLETON - NEW LONDON	8	0.06	0.07	0.07
NEW LONDON	NEW LONDON - MANAWA	14	0.03	0.03	0.02
NEWBERRY	TROUT LAKE - MUNISING JCT	6.1	0.12	0.12	0.13
OMAHA	FT DODGE - IDA GROVE JCT	8.4	3.26	3.45	3.00
OMAHA	IDA GROVE JCT - OMAHA	21.1	0.72	0.78	0.67
ORE	ESCANABA - LARCH	37.9	4.38	4.21	4.54
ORE	LARCH - PARTRIDGE	9.4	3.52	3.39	3.65
OSAGE	MONA JUNCTION - STAJCT	7.3	1.22	1.08	1.09
OSAGE	STAJCT - LYLE	14.2	0.48	0.61	0.57
PEMBINE	ARGONNE - PEMBINE	10	0.35	0.30	0.40
PEMBINE	HERMANVILLE - POWERS	25.4	2.48	2.16	2.21
PEMBINE	PEMBINE - HERMANVILLE	11.1	0.73	0.60	0.81
PEORIA	DECATUR - MT PULASKI	8.8	3.24	3.61	3.07
PEORIA	MATTOON - DECATUR	0.1	5.28	5.57	5.25
PEORIA	MT PULASKI - PEORIA	1	2.50	2.32	1.78
PLOVER	PLOVER - WISCONSIN RAP	8.1	1.87	1.59	1.11
PLOVER	STEVENS POINT - PLOVER	1.9	1.89	1.60	1.15
RAINY	ASH LAKE - ORR	0.2	77.97	68.75	69.94
RAINY	GLENDALE - HALEY	39.7	78.04	68.76	69.94
RAINY	HALEY - VIRGINIA	14.8	78.06	68.79	69.97
RAINY	INTERNATNL BO - RANIER	88.6	76.90	67.86	69.10
RAINY	ORR - GLENDALE	1	77.97	68.75	69.94
RAINY	PEARY - MELRUDE	54.5	43.52	40.44	41.88
RAINY	PEARY - SIMAR	250.8	37.33	34.68	35.95
RAINY	RANIER - ASH LAKE	46.3	77.97	68.75	69.94
RAINY	VIRGINIA - PEARY	23.2	52.96	48.54	50.07
ROUSES POINT	ROUSES POINT - CANTIC	30	0.45	0.09	
SAUKVILLE	BROWN DEER - SAUKVILLE	15.5	0.21	0.22	0.26
SAUKVILLE	MILWAUKEE - BROWN DEER	16.7	0.10	0.10	0.12
SHAWANO	APPLETON - SHAWANO	4.9	0.18	0.21	0.24
SHAWANO	SHAWANO - THORNTON	87.4	0.06	0.10	0.12
SHORE LINE	ECORSE - FN	61	23.03	18.21	20.28
SHORE LINE	FN - LANG	21.1	10.94	8.83	9.70
SHORE LINE	FN - WYANDOTTE	5.46	8.48	6.96	7.76

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
SHORE LINE	MILWAUKEE JCT - VINEWOOD	51	9.39	7.23	7.80
SHORE LINE	VINEWOOD - ECORSE	2.54	0.58	0.31	0.27
SOUTH BEND	CASSOPOLIS - SCHOOLCRAFT	26.8	45.82	40.58	42.35
SOUTH BEND	GRIFFITH - SEDLEY	4	28.39	24.89	26.74
SOUTH BEND	PAVILION - BATTLE CREEK	43.9	23.45	20.80	21.70
SOUTH BEND	SCHOOLCRAFT - PAVILION	2.6	22.92	20.29	21.18
SOUTH BEND	SEDLEY - VALPARAISO	6.53	56.79	49.77	53.49
SOUTH BEND	SOUTH BEND - ELKHART	24.5			6.04
SOUTH BEND	SOUTH BEND - MARCELLUS	1.5	22.93	20.30	21.19
SOUTH BEND	STILLWELL - SBEND V FLWRS	21.7	28.81	25.33	27.29
SOUTH BEND	VALPARAISO - STILLWELL	7	28.48	24.99	26.81
STAMFORD	FORT ERIE - BLACK ROCK	20.4	10.88	9.15	9.77
STLOUIS	COULTERVILLE - LENZBURG	25.7	6.69	6.42	7.20
STLOUIS	DU QUOIN - PINCKNEYVILLE	21.7	6.93	6.85	7.28
STLOUIS	FREEBURG - WILDERMAN	38.6	1.60	1.73	2.64
STLOUIS	LENZBURG - FREEBURG	29.05	1.60	1.73	2.64
STLOUIS	PINCKNEYVILLE - COULTERVILLE	25	6.87	6.83	7.24
STLOUIS	WILDERMAN - EAST ST LOUIS	48	1.58	1.72	2.63
STRATHROY	BLACKWELL - SARNIA	25.4	24.34	21.78	23.20
STRATHROY	BLACKWELL - SARNIA 1 TRK	4	48.69	43.56	46.40
STRATHROY	MANDAUMIN - BLACKWELL	36.6	24.32	21.78	23.20
STRATHROY	SARNIA - PORT HURON	14.4	23.19	21.53	22.99
SUPERIOR	HAYWARD JCT - SOUTH ITASCA	73.1	70.93	60.61	64.83
SUPERIOR	JUNCTION CITY - SPENCER	46.9	75.34	63.86	68.31
SUPERIOR	LADYSMITH - HAYWARD JCT	7.5	71.85	60.99	65.09
SUPERIOR	NOPEMING JCT - ADOLPH	38.6	35.62	29.83	31.92
SUPERIOR	OWEN - LADYSMITH	108.5	71.09	59.87	63.65
SUPERIOR	SAUNDERS - STEELTON	123.3	74.44	66.75	95.18
SUPERIOR	SOUTH ITASCA - SAUNDERS	4.2	71.31	63.18	66.81
SUPERIOR	SOUTH ITASCA - SUPERIOR	10.8	2.93	1.36	
SUPERIOR	SPENCER - OWEN	25.7	74.80	63.74	68.09
SUPERIOR	STEELTON - NOPEMING JCT	8	79.59	70.28	72.15
SUPERIOR	STEVENS POINT - JUNCTION CITY	6	76.88	68.35	73.68
SWANTON	EAST ALBURGH - CANTIC	7.2	2.23	1.77	1.61
TAYLORSVILLE	SARATOGA - TAYLORSVILLE	7.5	0.13	0.24	0.23
TETE JAUNE	HARVEY - MCBRIDE	10.5	54.10	58.87	48.26
TETE JAUNE	TAVERNA - HARVEY	4.2	35.20	40.34	32.15
TWO HARBORS	TWO HARBORS - DIVERT	178	5.24	4.57	4.86
VALLEY	JUNCTION CITY - BRADLEY	14	3.29	2.96	3.23
VALLEY	NEW LISBON - WISCONSIN RAP	1.4	2.71	1.32	1.35
VALLEY	WISCONSIN RAP - JUNCTION CITY	16.3	25.55	16.07	14.94
WATERLOO	ACKLEY - FT DODGE	3.6	7.02	7.53	6.46
WATERLOO	WATERLOO - ACKLEY	7.3	7.02	7.57	6.50
WAUKESHA	BYRON - FOND DU LAC	1	73.03	65.51	69.61
WAUKESHA	DES PLAINES - LEIGHTON	0.6	11.38	9.82	9.74
WAUKESHA	DUPLAINVILLE - SUSSEX	3.2	73.02	65.01	68.86

PUBLIC VERSION

Subdivision	Segment	Route miles	Gross tons per miles (000,000)		
			2019	2020	2021
WAUKESHA	FOND DU LAC - EDEN	4	0.31	0.26	0.27
WAUKESHA	FOREST PARK - ROSEMONT	1.5	3.40	2.90	3.19
WAUKESHA	GRAYS LAKE - LAKE VILLA	2.7	35.76	32.07	33.88
WAUKESHA	LAKE VILLA - DUPLAINVILLE	0.9	71.80	64.32	67.94
WAUKESHA	LEIGHTON - MUNDELEIN	3.9	35.79	32.12	33.93
WAUKESHA	LOMIRA - BYRON	3.1	73.02	65.51	69.61
WAUKESHA	LOMIRA - FOND DU LAC	1.2	36.51	32.75	34.80
WAUKESHA	MUNDELEIN - GRAYS LAKE	0.1	71.52	64.12	67.75
WAUKESHA	ROSEMONT - DES PLAINES	6.2	4.86	4.16	5.77
WAUKESHA	RUGBY JCT - LOMIRA	6.4	72.43	64.95	68.95
WAUKESHA	SUSSEX - RUGBY JCT	46.6	72.38	64.54	68.36
WEST BEND	D B R SIDING - WEST BEND	16.1	0.07	0.09	0.12
WHITEHALL	MERRILLAN - EAST WINONA	28.5	4.93	2.85	2.47
WHITEHALL	WISCONSIN RAP - MERRILLAN	0.1	12.68	7.39	7.38
YAZOO	BANKS - LAKEVIEW	22.5	51.50	44.19	54.67
YAZOO	JACKSON - YAZOO CITY	6.3	49.01	41.78	52.48
YAZOO	LAKEVIEW - WEST JCT	25	19.65	17.20	20.99
YAZOO	MARKS - BANKS	0.6	51.60	44.27	54.78
YAZOO	SWAN LAKE - MARKS	1.1	51.65	44.31	54.79
YAZOO	YAZOO CITY - SWAN LAKE	6.2	51.14	43.86	54.33

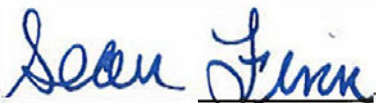
Appendix A

Opinion of Counsel

**OPINION OF COUNSEL
FOR APPLICANTS
[SECTION 1180.6(a)(4)]**

ILLINOIS CENTRAL RAILROAD COMPANY AND SUBSIDIARIES

As counsel for Illinois Central Railroad Company and its subsidiaries (collectively "IC"), we are generally familiar with the proposed Transaction and have reviewed the foregoing Application. It is our opinion that the Transaction, to the extent it involves IC, meets the requirements of law, is within the corporate powers of IC and its subsidiaries and affiliates, and will be legally authorized and valid, if approved by the Surface Transportation Board and the other requirements set forth in the agreement governing the Transaction are satisfied or waived. Capitalized terms used and not otherwise defined in this opinion shall have the meanings specified in the foregoing Application.



Sean Finn
Executive Vice-President,
Chief Legal Officer and
Corporate Secretary

Executed 28th day of February, 2022.

Kathryn Gainey
Deputy General Counsel

Executed ____ day of _____, 2022.

OPINION OF COUNSEL
FOR APPLICANTS
[SECTION 1180.6(a)(4)]

ILLINOIS CENTRAL RAILROAD COMPANY AND SUBSIDIARIES

As counsel for Illinois Central Railroad Company and its subsidiaries (collectively "IC"), we are generally familiar with the proposed Transaction and have reviewed the foregoing Application. It is our opinion that the Transaction, to the extent it involves IC, meets the requirements of law, is within the corporate powers of IC and its subsidiaries and affiliates, and will be legally authorized and valid, if approved by the Surface Transportation Board and the other requirements set forth in the agreement governing the Transaction are satisfied or waived. Capitalized terms used and not otherwise defined in this opinion shall have the meanings specified in the foregoing Application.

Sean Finn
Executive Vice-President,
Chief Legal Officer and
Corporate Secretary

Executed ____ day of ____, 2022.


Kathryn Gaaney
Deputy General Counsel

Executed 28th day of February, 2022.

**SIGNATURES, OATHS, AND CERTIFICATIONS
OF APPLICANTS' EXECUTIVE OFFICERS
[SECTION 1180.4(c)(2)(i)]**

ILLINOIS CENTRAL RAILROAD COMPANY

I, Ghislain Houle, declare under penalty of perjury under the laws of the United States that I am Executive Vice-President and Chief Financial Officer of Illinois Central Railroad Company, Applicant herein; that I am one of the executive officers duly authorized to sign, to verify, and to file this Application on behalf of the foregoing; that I have knowledge of the matters contained in this Application to the extent they relate to the foregoing; and that the statements made in this Application are true and correct to the best of my knowledge and belief.



Ghislain Houle
Executive Vice-President and
Chief Financial Officer
Illinois Central Railroad
Company

Executed this 28th day of February, 2022.

I, Sean Finn, certify that I am Executive Vice-President, Chief Legal Officer and Corporate Secretary of Illinois Central Railroad Company, Applicant herein, and that Ghislain Houle, Executive Vice-President and Chief Financial Officer of Illinois Central Railroad Company, is duly authorized to sign, to verify, and to file this Application on behalf of the foregoing.



Sean Finn
Executive Vice-President,
Chief Legal Officer and
Corporate Secretary
Illinois Central Railroad
Company

Executed this 28th day of February, 2022.

CANADIAN NATIONAL RAILWAY COMPANY

I, Ghislain Houle, declare under penalty of perjury under the laws of the United States that I am Executive Vice-President and Chief Financial Officer of Canadian National Railway Company, Applicant herein; that I am one of the executive officers duly authorized to sign, to verify, and to file this Application on behalf of the foregoing; that I have knowledge of the matters contained in this Application to the extent they relate to the foregoing; and that the statements made in this Application are true and correct to the best of my knowledge and belief.



Ghislain Houle
Executive Vice-President and
Chief Financial Officer
Canadian National Railway
Company

Executed this 28th day of February, 2022.

I, Sean Finn, certify that I am Executive Vice-President, Chief Legal Officer and Corporate Secretary of Canadian National Railway Company, Applicant herein, and that Ghislain Houle, Executive Vice-President and Chief Financial Officer of Canadian National Railway Company, is duly authorized to sign, to verify, and to file this Application on behalf of the foregoing.



Sean Finn
Executive Vice-President,
Chief Legal Officer and
Corporate Secretary
Canadian National Railway
Company

Executed this 28th day of February, 2022.

Appendix B

Customer Support Statements

Statements SUPPORTING TRANSACTIONN

1. The Honorable Frank J. Mrvan, United States House of Representatives
2. Illinois State Senator Christopher Belt
3. Illinois State Senator Doris Turner
4. Illinois State Representative LaToya Greenwood
5. Mayor Robert Eastern III, City of East St. Louis, IL
6. Mayor Christopher W. Curtis, City of Kankakee, IL
7. Administrator Ben Benson, City of Lockport, IL
8. Mayor John Egofske, Village of Lemont, IL
9. Mayor Timothy Nugent, Village of Manteno, IL
10. Village President John F. Argoudelis, Village of Plainfield, IL
11. Mayor Joseph E. Roudez III, Village of University Park, IL
12. Economic Alliance of Kankakee County, IL
13. AgriTrading
14. Agrocorp Processing LTD.
15. AJC International Inc.
16. Angelo's Garden Centre
17. Atlantic Container Line
18. Battle River Railway
19. Belle Pulses, Ltd.
20. Big Sky Rail Corp.
21. Briercrest Grain Limited
22. Caneda Transport LTD
23. CDS Transportation Services LTD
24. Central Metal Buildings
25. CFS-Sartigan Railway
26. CHEP Canada
27. Chester Construction Supply
28. Coca-Cola Canada Bottling Limited
29. DeGroot's Nurseries
30. DFK Enterprise, Inc.
31. DG Global Inc.
32. Effingham Equity
33. Event Logistics Worldwide Inc.
34. Fine Choice Foods
35. Grande Cheese
36. Groupe De Scieries G.D.S. Inc.(Promobois G D S Inc.)
37. Heritage Grain Cooperative
38. Independent Dispatch, Inc.
39. Intermobil
40. Jefe Nutritions Inc.
41. Johnvince Foods/Planters Canada
42. KFI Inc.
43. Kristom International
44. Last Mountain Railway

45. Linear Grain Inc.
46. Lotus Terminals LTD
47. Mediterranean Shipping Company, Canada
48. Mediterranean Shipping Company, USA
49. MMI Freight Systems Inc.
50. MobilEx Terminal
51. National Silicates
52. North American Freight Logistics
53. OOCL (USA) Inc.
54. Padnos Iron and Metal
55. Pival International
56. Presto Enterprises Ltd.
57. Priam Logistics Inc.
58. Prince Rupert Port Authority
59. Protos Shipping Ltd.
60. Purely Canada Foods
61. Rankin County Limestone
62. Roslin Enterprises Inc.
63. Sadoff Iron and Metal Company
64. SM Line Corp.
65. Solurail Logistics Inc.
66. Suit-Kote Corp.
67. T. S. Lines Ltd.
68. Tiger Cool Express
69. TLS Truck Load Services Inc.
70. VIP Rail ULC
71. ZIM Integrating Shipping

FRANK J. MRVAN

1ST DISTRICT, INDIANA

1607 LONGWORTH
WASHINGTON, DC 20515-0007
(202) 225-2461

7895 BROADWAY, SUITE A
MERRILLVILLE, IN 46410
(219) 795-1844

<http://mrvan.house.gov>

PUBLIC VERSION



Congress of the United States
House of Representatives

Washington, DC 20515-0007

COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEES:
CHAIRMAN - TECHNOLOGY MODERNIZATION
HEALTH

EDUCATION AND LABOR COMMITTEE
SUBCOMMITTEES:
HEALTH, EMPLOYMENT, LABOR, AND PENSIONS
CIVIL RIGHTS AND HUMAN SERVICES

Co-CHAIRMAN - CONGRESSIONAL STEEL CAUCUS

CONGRESSIONAL LAW ENFORCEMENT CAUCUS

February 18, 2022

The Honorable Martin Oberman
Chairman
Surface Transportation Board
395 E Street Southwest
Washington, DC 20423-0012

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Chairman Oberman,

I write today in support of the Canadian National (CN) railroad's condition request seeking the divestiture of the Kansas City Southern (KCS) line from Kansas City, Missouri to Springfield/East St. Louis, Illinois.

The freight rail industry remains an efficient, safe, and environmentally sound way of shipping goods throughout our nation. CN's economic impact in particular on Indiana's economy is significant, enabling supply chains and linking businesses throughout Northern Indiana to domestic and global markets. Indiana's First Congressional District, along Lake Michigan's southern shore, is home to three domestic steel mills and ancillary manufacturing, all which rely on the transportation of goods via railroads, the Ports of Indiana – Burns Harbor, and our interstate and state highway networks. This divestiture opportunity would further enhance connectivity in the state, providing Northern Indiana manufactures and farmers with new, faster service between Detroit, Chicago, and Kansas City.

I appreciate your review of CN's divestiture condition request in accordance with the Surface Transportation Board's procedures. If I may be able to provide any additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Frank J. Mrvan".

Frank J. Mrvan
Member of Congress

FJM:ej



Office of State Senator Christopher Belt

Senator Christopher Belt
57th Senate District

M118 State Capitol
Springfield, IL 62706
217-782-5399

February 19, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of 57th District of Illinois, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

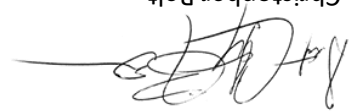
CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in the 57th District that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The 57th District of Illinois asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, 57th District, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help Illinois manufacturers and farmers as well as create new economic opportunity for the region without adding to congestion in Chicago. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

PUBLIC VERSION

The 57th District is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborhood and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the 57th District of Illinois, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Christopher Belt
Illinois State Senator
57th District

cc: Parties of Record



DORIS TURNER
STATE SENATOR • 48th DISTRICT

February 4, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in Springfield, Illinois that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

I am asking the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Springfield, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help Illinois manufacturers and farmers as well as create new economic opportunity for the region without adding to congestion in Chicago. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

I am proud of my relationship with CN. During Springfield's railroad relocation project, I have had the opportunity to interact with principals of CN and those interactions have always been very productive and beneficial to the constituents that I represent. CN's request that the Surface Transportation Board grant their divestiture conditions

aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. I urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with myself, Springfield leadership, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in cursive script that reads "Doris Turner". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Doris Turner
Illinois State Senator

PUBLIC VERSION
HOUSE OF REPRESENTATIVES

DISTRICT OFFICE:
KENNETH HALL REGIONAL STATE OFFICE BLDG.
10 COLLINSVILLE AVE., SUITE 302
EAST ST. LOUIS, ILLINOIS 62201
618/857-8124
618/857-8116 FAX

CAPITOL OFFICE:
632 CAPITOL BUILDING
SPRINGFIELD, ILLINOIS 62706
217/782-5951

EMAIL: STATEREPGREENWOOD@GMAIL.COM



LATOYA GREENWOOD
STATE REPRESENTATIVE 114TH DISTRICT
MAJORITY CONFERENCE CHAIR

COMMITTEES:
- AGRICULTURE & CONSERVATION
- APPROP - ELEMENTARY & SECONDARY
- APPROPRIATIONS - HUMAN SERVICES
- CITIZEN IMPACT SUBCOMMITTEE
- CYBERSECURITY, DATA ANALYTICS, & IT
- HEALTH CARE AVAILABILITY & ACCESS
- MUSEUMS, ARTS, & CULTURAL
ENHANCEMENT
- PRESCRIPTION DRUG AFFORDABILIT
- PUBLIC UTILITIES

February 22, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in East St. Louis that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

I am asking the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create a new single-line service between Kansas City, East St. Louis, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial services will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help Illinois manufacturers and farmers as well as create new economic opportunities for the region without adding to the congestion in Chicago. CN's plan will also create a viable alternative to trucks, diverting estimated many thousands of trucks per year from the congested highways.

I am proud of my strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. I urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board to work closely with local leaders, CN, and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read "LaToya Greenwood". The signature is fluid and cursive, with the first name "LaToya" and last name "Greenwood" clearly distinguishable.

LaToya Greenwood
District 114 State Representative
Majority Conference Chair
Illinois House of Representatives

cc: Parties of Record



PUBLIC VERSION

OFFICE OF THE MAYOR ROBERT EASTERN III

301 River Park Drive • East St. Louis, Illinois 62201 • (618) 482-6600

February 4, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown,

On behalf of the City of East St. Louis, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in East St. Louis that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

East St. Louis asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, East St. Louis, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help our manufacturers and farmers as well as creating new economic opportunity for the metro-east region. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

The City of East St. Louis is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the city, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,


Robert Eastern III
Mayor

cc: Parties of Record



- OFFICE OF THE MAYOR -
Christopher W. Curtis
City of Kankakee

February 8, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the City of Kankakee, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in the City of Kankakee that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The City of Kankakee asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, City of Kankakee, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help our manufacturers and farmers as well as creating new economic opportunity for this geographic region. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.



- OFFICE OF THE MAYOR -
Christopher W. Curtis
City of Kankakee

The City of Kankakee is proud of our strong relationship with CN. CN rail is a key economic development tool for our City and region and a key asset in helping us procure industrial development. Our City is located an hour outside of Chicago and is an attractive alternative to locating near major metropolitan area's. We allow quick shipping options to the Chicago area and other larger cities, but provide lower land cost, lower operating cost and less traffic congestion. By allowing CN's rail footprint to grow and connect, the City of Kankakee's ability to grow and prosper will only continue with this expansion. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the City of Kankakee, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,
City of Kankakee

A handwritten signature in blue ink, appearing to read "Chris W. Curtis", with a stylized flourish at the end.

Chris W. Curtis
Mayor

CC. / Parties of Record

LOCKPORT

Mayor
Steven Streit

City Clerk
Kathleen Gentile

Administrator
Ben Benson



Alderman

Karen Kostecki - 1st Ward
Matt Kairis - 1st Ward
JR Gillogly - 2nd Ward
Larry Schreiber - 2nd Ward
Christina Bergbower - 3rd Ward
Joanne Bartelsen - 4th Ward
Renee Saban - 4th Ward
Mark Lobes - At-Large

City of Historic Pride

222 E. Ninth Street ♦ Lockport, IL 60441-3497

January 21, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the City of Lockport I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in Lockport that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The City of Lockport asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Lockport, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as

KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help our manufacturers and farmers as well as creating new economic opportunity for the Midwest. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

The City of Lockport is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the City of Lockport, CN, and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Ben Benson', with a stylized, cursive script.

Ben Benson
City Administrator

cc: Parties of Record



www.lemont.il.us

February 3, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the Village of Lemont, Illinois, (the Village), I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in the Village that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The Village of Lemont respectfully asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, the Village, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help Illinois manufacturers and farmers as well as create new economic opportunity for the region without adding to congestion in Chicago. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.



www.lemont.il.us

The Village is proud of our strong relationship with CN. CN has operated around the Village for years and is a good partner when it comes to addressing the Village's local needs. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the Village, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Egofske'.

John Egofske
Mayor, Village of Lemont

cc: Parties of Record

**TIMOTHY O. NUGENT, Village President**ROBIN BATKA, Village Clerk
CHRIS LAROCQUE, Village AdministratorENTERED
Office of Proceedings

February 7, 2022

Part of
Public Record**Trustees**TIMOTHY BOYCE
TODD CROCKETT
DIANE DOLE
JOEL GESKY
SAMUEL MARTIN
WENDELL O. PHILLIPS

January 21, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the Village of Manteno, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

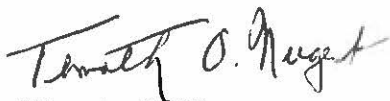
CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in the Village of Manteno that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The Village of Manteno asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Manteno, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help our manufacturers and farmers as well as creating new economic opportunity for the Kankakee County area. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

The Village of Manteno is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the Village of Manteno, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Timothy O. Nugent
Village President

cc: Parties of Record



John F. Argoudelis
PRESIDENT

Michelle Gibas
VILLAGE CLERK

TRUSTEES

Harry Benton
Kevin M. Calkins
Patricia T. Kalkanis
Cally J. Larson
Tom Ruane
Brian Wojowski

February 10, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated that they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line.

The Village of Plainfield asks that the Surface Transportation Board condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's plan will create a viable alternative to trucks, thus diverting a significant number of trucks per year from the congested highways which will help Plainfield and the greater Will County area.

The Village of Plainfield is proud of our strong relationship with CN. They have always been responsive to the community's needs including establishing a quiet zone, relocating instrumentation equipment, and most recently, assisting the Village with making trail connections. We appreciate their continued partnership.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with CN and all relevant parties to promote regional competition and customer choice.

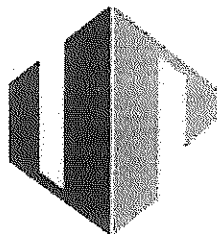
Sincerely,

A handwritten signature in dark ink, appearing to be 'J. Argoudelis', written over a light blue horizontal line.

John F. Argoudelis
Village President

Village of

University Park



Joseph E. Roudez III
MAYOR

Dorothy R. Jones, MMC
VILLAGE CLERK

BOARD OF TRUSTEES.

Janelle McFadden
Theaplise Brooks
Sonia Jenkins-Bell
Shirley Bolding
Donzell Franklin
Karen Lewis

Ernestine Beck-Fulgham
VILLAGE MANAGER

James H. Ellis
VILLAGE TREASURER

January 27, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the Village of University Park I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in University Park that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The Village of University Park asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, University Park, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help Illinois manufacturers and farmers as well as create new economic opportunity for the region without adding to congestion in Chicago. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Village Hall • 698 Burnham Drive • University Park, Illinois 60484-2708
(708) 534-6451 • Fax (708) 534-3430 • Website: www.university-park-il.com

The Village of University Park is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with University Park, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Joseph E. Roudez III
Mayor
Village of University Park

cc: Parties of Record



January 21, 2022

Jeff Hammes, **Chair**
PeoplesBank

Dr. Michael Boyd, **Vice Chair**
Kankakee Community College

Jeff Bennett
McColly Bennett Real Estate

David Johns
Geoffrey, Johns & Associates

Melissa Kahoun
Aqua Illinois

Phil Kambic
Riverside Healthcare

Chad Miller
Kankakee County Board

Stephen Liehr
Kankakee County Board

Steve Magruder
IBEW retired

Pat Martin
Midland States Bank

Theodis Pace
Kankakee County NAACP

Samuel Payton
Kankakee County Board

Maureen Powell
CSL Behring Kankakee

Christopher Shride
Amita Health

Russell Tobey
Kankakee Valley Construction Co.

Andrew Wheeler
Kankakee County Board

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of the Kankakee County Economic Alliance, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for customers in the Kankakee County area that rely on this line to efficiently move goods to domestic and international markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor and have a detrimental effect on my community.

The Kankakee County Economic Alliance asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new beneficial service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest at least \$250 million in the Kansas City to Springfield/East St. Louis line to improve transit times, which will directly help our manufacturers and farmers as well as creating new economic opportunity for the Kankakee County area. CN's plan will also create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.



Jeff Hammes, **Chair**
PeoplesBank

Dr. Michael Boyd, **Vice Chair**
Kankakee Community College

Jeff Bennett
McColly Bennett Real Estate

David Johns
Geoffrey, Johns & Associates

Melissa Kahoun
Aqua Illinois

Phil Kambic
Riverside Healthcare

Chad Miller
Kankakee County Board

Stephen Liehr
Kankakee County Board

Steve Magruder
IBEW retired

Pat Martin
Midland States Bank

Theodis Pace
Kankakee County NAACP

Samuel Payton
Kankakee County Board

Maureen Powell
CSL Behring Kankakee

Christopher Shride
Amita Health

Russell Tobey
Kankakee Valley Construction Co.

Andrew Wheeler
Kankakee County Board

The Economic Alliance of Kankakee County is proud of our strong relationship with CN. Many of the food, plastic and steel manufacturers, along with several distribution warehouses in and around Kankakee County utilize the railways. Rail access is a strong selling point to many potential investors to expand developments in our region, and we look forward to that continued growth. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the neighborly and customer-focused approach to business that CN has demonstrated since the inception of our relationship. We urge the STB to realize the public interest benefits of CN's divestiture condition and encourage the Board work closely with the Economic Alliance of Kankakee County, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in dark ink, appearing to read "Timothy O. Nugent".

Timothy O. Nugent
President/CEO

cc: Parties of Record

340 Michigan St SE
P.O. Box 609
Hutchinson, MN 55350



320-587-2133
800-328-5189
Fax 320-587-5816

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of AgriTrading, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for AgriTrading and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

AgriTrading asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to AgriTrading as we utilize multiple locations on this line and having it served by multiple railroads will lead to better pricing and better service.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

AgriTrading is proud of our strong 45 year relationship with CN and other Railroads where we ship various commodities that service the Renewable Fuels Sector as well as the animal Feed sector. CN's

PUBLIC VERSION

request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with AgriTrading, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon DeRock", is written over the printed name.

Jon DeRock
Chief Financial Officer
AgriTrading

cc: Parties of Record

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Agrocorp Processing LTD., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Agrocorp Processing LTD and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Agrocorp Processing LTD asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

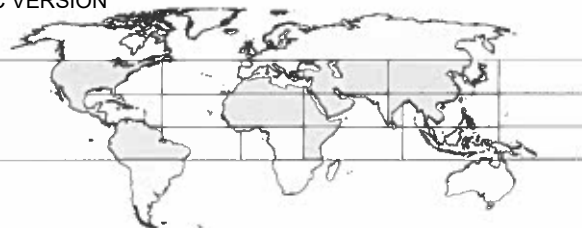
CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Agrocorp Processing LTD, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink that reads 'Valeriy Bolgarov'.

Valeriy Bolgarov
Trade Execution Manager and Trader

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

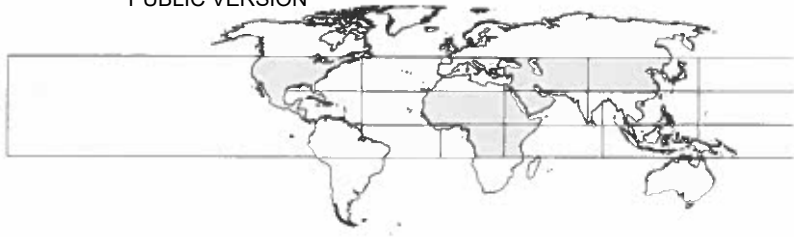
Dear Ms. Brown:

On behalf of AJC International Inc, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for AJC International Inc and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

AJC International Inc asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. while new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Ricardo Monteiro, CN and all relevant parties to promote regional competition and customer choice.



Sincerely,

A handwritten signature in black ink, appearing to read 'Ricardo Monteiro', written over the printed name and title.

Ricardo Monteiro

Director, Global Transportation

ANGELO'S GARDEN CENTRE

1801 Highway 7 Concord, Ontario Canada

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Angelo's Garden Centre, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Angelo's Garden Centre and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Angelo's Garden Centre asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Angelo's Garden Centre. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Angelo's Garden Centre is proud of our strong 15 year relationship with CN and TransX/H&R. We have been shipping with rail companies for more than 15 years and we have found that the more rail lines available to transport companies the more completion there is and the more competitive pricing they can

offer us. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Angelo's Garden Centre, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

Carlo Ammendolia
Owner

cc: Parties of Record



Atlantic Container Line

50 Cardinal Drive • Westfield, New Jersey 07090 • Tel.: 908-518-5300

Writer's Direct Number:

Phone: (908) 518-5710

Fax: (908) 518-7326

E-mail: BMcBride@ACLCargo.com

January 14, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Atlantic Container Line, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Atlantic Container Line and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Atlantic Container Line asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit

Atlantic Container Line

times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Atlantic Container Line, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink that reads "Brian McBride". The script is cursive and fluid, with the first name "Brian" and last name "McBride" clearly legible.

Brian McBride
Vice President Logistics

cc: Parties of Record



Box 128
Forestburg Alberta
T0B 1N0

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Battle River Railway (BRR) I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for our customers and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

BRR asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with BRR, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Matthew Enright
GM, BRR

cc: Parties of Record



BELLE PULSES LTD.

Tony or Francis Gaudet

P.O. Box 65
1101 Main Street
Bellevue, Sask.
S0K 3Y0

Bellevue: (306)423-5202 or: 877-423-5202

Fax: (306)423-6212

GST#R100459833

Email: bellepulses@sasktel.net

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Belle Pulses Ltd., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Belle Pulses Ltd. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Belle Pulses Ltd. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Belle Pulses Ltd., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Belle Pulses Ltd.

cc: Parties of Record





Big Sky Rail Corp. PO Box 3192
Regina, SK S4P 3G7

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Big Sky Rail Corp. (BGS), I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for BGS and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

BGS asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with BGS, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Dane Kostenuk
BGS General Manager

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

PUBLIC VERSION

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Briercrest Grain Limited, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

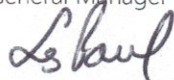
CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Briercrest Grain Limited and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Briercrest Grain Limited asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Briercrest Grain Limited, CN and all relevant parties to promote regional competition and customer choice.

Sincerely

Les Paul
General Manager



cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Caneda Transport LTD, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Caneda Transport LTD and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Caneda Transport LTD asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Caneda Transport LTD, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Scott Nielson
Director of Sales & Logistics

cc: Parties of Record

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of CDS Transportation Services LTD, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for CDS Transportation Services LTD and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

CDS Transportation Services LTD asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. **This new competitive service will be particularly beneficial to intermodal customers like CDS Transportation Services LTD. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA**

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CDS Transportation Services LTD is proud of our strong 15+ year relationship with CN and TransX/H&R. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with CDS Transportation Services LTD, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

Jason Ando
Transportation Manager



CENTRAL METAL BUILDING, INC.

Serving Central Mississippi and Beyond

Office 601-936-3825

106 Diane Drive Richland, MS 39218

Ken Parker

Ken@centralmetalbuildings.com

Cell 601-720-7823

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Central Metal Buildings, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Central Metal Buildings and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Central Metal Buildings asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Central Metal Buildings is proud of our strong 2 year relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Central Metal Buildings CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ken Parker", with a long horizontal flourish extending to the right.

Ken Parker
President

cc: Parties of Record

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Sartigan Railway, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for our customers that rely on this corridor to efficiently move goods to and from Kansas City markets.

We have multiple lumber shippers who ship through this lane to reach Kansas City and other Midwestern destinations. The two grain terminals on our railway, ComAgro Inc and Aliments Breton Foods Canada Inc source their grain from suppliers on this line or from suppliers who route the traffic through this lane.

Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

CFS-Sartigan Railway asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new

service will be available, no options will be lost as KCS will retain access to the divested lines. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Sartigan Railway is proud of our strong 9-year relationship with CN. CN has been a true business partner helping our company to develop new customers and return rail service to an abandoned railway line with many economic and environmental benefits for the communities served.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Sartigan Railway, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Stephan Vachon, co-owner & general manager
CFS-Sartigan Railway

cc: Parties of Record

Canada
7400 East Danbro Crescent
Mississauga, Ontario
L5N 8C6
Canada
Tel: +1 905 790 2437

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of CHEP Canada, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for [CHEP Canada] and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

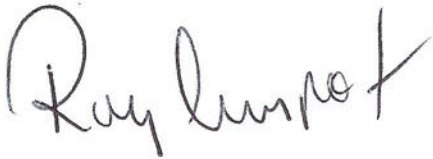
CHEP Canada] asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like CHEP Canada. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Canada
7400 East Danbro Crescent
Mississauga, Ontario
L5N 8C6
Canada
Tel: +1 905 790 2437

CHEP Canada is proud of our strong 20 plus year relationship with CN. CHEP partners with CN Rail within Canada and cross border to and from North East US and Mid-West. CN services CHEP Canada customers reliably and economically in those region and markets. Over the years, CN Rail have met and exceeded CHEP Canada expectations and continues to offer new solutions growing partnership and business relationship. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with CHEP Canada, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Roy Gunpat

Manager, Transportation and Logistics

LOGISTICS

7400 E DANBRO CRESCENT
MISSISSAUGA, ONTARIO L5N 8C6

TEL: 647-799-1564

Roy.Gunpat@chep.com

A BRAMBLES COMPANY



HANDLING THE WORLD'S
MOST IMPORTANT PRODUCTS
everyday.

cc: Parties of Record

CHESTER STORE
2229 State Street
Chester, IL 62233
618-826-4502



RED BUD STORE
1250 W. Market Street
Red Bud, IL 62278
618-826-4503

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Construction Supply, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Construction Supply and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Construction Supply asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Construction Supply is proud of our strong 11 year relationship with CN. Construction Supply is a distributor of building materials in the Midwest. We have a reload site on CN Track located in Du Quoin, Illinois. We are very satisfied with the service CN gives us. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Construction Supply, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Construction Supply
President

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Coca Cola Canada Bottling Ltd (CCCBL), I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for CCCBL and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

CCCBL asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused



public interest benefits of CN's divestiture condition and will work closely with CCCBL, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Dave Keenan
Director Transportation
Coca Cola Canada Bottling Ltd
dkeenan@cokecanada.com

cc: Parties of Record



Sincerely,

Coca-Cola Canada Bottling Limited



1840 London Line, Sarnia, Ontario N7T 7H2
Phone: (519) 542-3435
e-mail address: jeff@degroots.ca

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

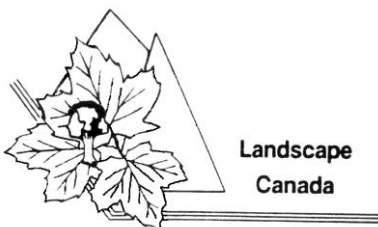
February 1, 2022

Dear Ms. Brown:

On behalf of DeGroot's Nurseries, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for DeGroot's and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

DeGroot's Nurseries asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. **This new competitive service will be particularly beneficial to intermodal customers like Degroot's Nurseries. We will gain a**





1840 London Line, Sarnia, Ontario N7T 7H2
Phone: (519) 542-3435
e-mail address: jeff@degroots.ca

new option for single-line service to ports served by CN – helping implement the USMCA.

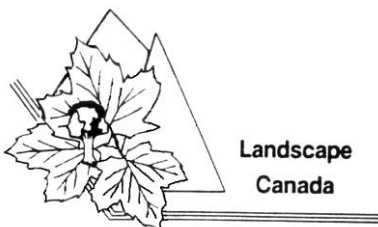
If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

DeGroot's Nurseries is proud of our strong 10 year relationship with CN and TransX/H&R. We have had reliable competitive service during these years. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with DeGroot's Nurseries, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

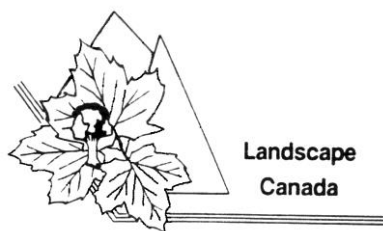
Jeff Baarschers

Nursery Manager





1840 London Line, Sarnia, Ontario N7T 7H2
Phone: (519) 542-3435
e-mail address: jeff@degroots.ca



DFK Enterprise, Inc.

Derek Kruk

President

944 Rockbridge Road
Naperville, Illinois 60540
February 4, 2022

Cynthia T. Brown

Chief, Section of Administration

Office of Proceedings

Surface Transportation Board

395 E. Street, S.W.

Washington, DC 20423-0001

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:

My name is Derek Kruk, and I am President of DFK Enterprise (DFK). In my role, I am responsible for all company rail operations.

DFK Enterprise is a bulk oil trading and transportation company with ongoing rail operations in North America. DFK has used CN frequently over the last ten years to ship petroleum products from multiple Canadian locations into the US Midwest and Louisiana.

DFK Enterprise supports approval of CN's voting trust. We believe CN's proposed voting trust benefits KCS and its shareholders by creating the opportunity for them to make a fair, informed decision when choosing between the competing offers and by shielding them from the lengthy regulatory approval process that would arise following an acquisition of KCS by either CN or CP.

To ensure fair and transparent review of CN's voting trust, DFK Enterprise also supports CN's request that the STB review CN's voting trust agreement simultaneously with CP's proposed voting trust and that the review process include a brief public comment period. Such a review would ensure a level playing field for the bids.

DFK Enterprise is proud of our ten year relationship with CN and appreciate their outreach to us since April 20 regarding the proposed KCS-CN combination. Their voting trust—as well as their request that the STB review their voting trust concurrently with its review of CP's trust with a period for public comment—demonstrates the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We look forward to seeing CN's commitment to fairness and efficiency reflected in the STB's review of the voting trust as well as the entire transaction.

Sincerely,



Derek Kruk
President



PUBLIC VERSION

250-4299 Canada Way
Burnaby, BC, Canada
V5G 1H3

T 604-597-5060
F 604-597-4933

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of DG Global Inc, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for DG Global Inc and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

DG Global Inc asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like DG Global Inc. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

DG Global Inc is proud of our strong 16-year relationship with CN; we rely on CN's services to service our customer base in the USA from our Canadian originations. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused

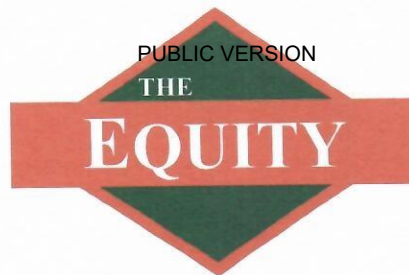
public interest benefits of CN's divestiture condition and will work closely with DG Global Inc, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Allaire', with a long horizontal stroke extending to the right.

Mike Allaire
Director- Western Canada
DG Global West Inc.

cc: Parties of Record



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

February 4, 2022

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

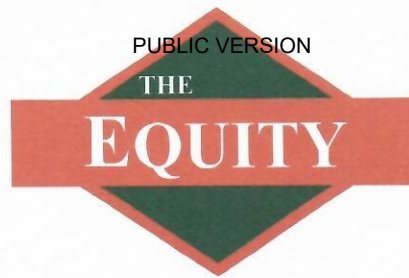
Effingham Equity is a 102-year-old agricultural cooperative that has our origin adjacent to the CN rail line in Effingham, IL. In the early days, our company was primarily a receiver of products that arrived by rail such as coal, hay, and feed ingredients. During the past 102 years we have utilized our rail access to grow our company from 53 farmer members at a single location in 1919 to over 5,000 farmer members across 18 locations encompassing more than 20,000 square miles in south central Illinois. Put simply, we do agriculture! We rely on the CN rail to bring us fertilizer and feed ingredients for our customers to successfully operate their farms. Additionally, as production agriculture has improved total output, we rely heavily on the CN rail to transport our grain to end users throughout their territory and to the export market.

On behalf of Effingham Equity, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Effingham Equity and other shippers like us that rely on this corridor to efficiently move goods to and from East St. Louis markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Effingham Equity asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit –

www.TheEquity.com



directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Effingham Equity is proud of our strong 102 year relationship with CN (previously IC). CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Effingham Equity, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Mark Tarter
VP Grain
Effingham Equity

www.TheEquity.com



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Events Logistics Worldwide Inc. I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Events Logistics Worldwide Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Events Logistics Worldwide Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Events Logistics Worldwide Inc.. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Events Logistics Worldwide Inc. is proud of our strong 3 year relationship with CN. We are very happy with the timely, ecological and cost efficient service received from CN for our international cargo loads. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize

Events Logistics Worldwide Inc
407 RANG THIERSANT, SAINT-LOUIS, QC, J0G1K0 CANADA



the customer-focused public interest benefits of CN's divestiture condition and will work closely with Events Logistics Worldwide Inc., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read "St-Laurent", written over a horizontal line.

Events Logistics Worldwide Inc.
Stephane St-Laurent
President

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of FINE CHOICE FOODS, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for FINE CHOICE FOODS and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

FINE CHOICE FOODS asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like FINE CHOICE FOODS. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

FINE CHOICE FOODS is proud of our strong 5-year relationship with CN and TransX/H&R. For example, we also move a lot of our products from West to East Canada by intermodal mode of transportation with a reasonable shipping cost than by shipping by road. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with FINE CHOICE FOODS, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,



Alfredo Wong (SCMP, CCLP, MBA)

Logistics Planner

Fine Choice Foods

23011 Fraserwood Way, Richmond BC, V6V 3B3

phone:(604)522-3110 Ext. 226

www.finechoicefoods.com

cc: Parties of Record

Grande Cheese

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of TransX, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

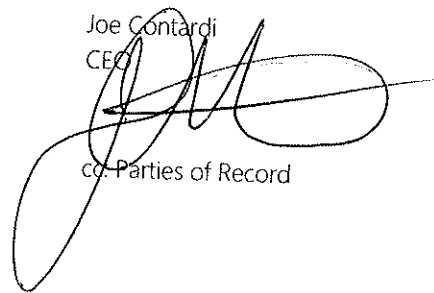
CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Grande Cheese and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Grande Cheese asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Grande Cheese. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Grande Cheese is proud of our strong 2 year relationship with CN and TransX/H&R. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Grande Cheese, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

Joe Contardi
CEO

co. Parties of Record



GROUPE DE SCIERIES G.D.S. INC.

Centre administratif

Administrative center

207, route 295

Dégelis (Québec)

Canada G5T 1R1

Tél. : (418) 853-2566

Fax : (418) 853-2569

www.groupgds.com

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Group GDS, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Group GDS and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Group GDS asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Group GDS. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Group GDS is proud of our strong 20 years relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Group GDS, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read 'FD', followed by a long horizontal flourish.

Frederic Deschenes
Sales Director

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of HERITAGE GRAIN COOP, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for HERITAGE GRAIN COOP and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

HERITAGE GRAIN COOP asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

HERITAGE GRAIN COOP is proud of our strong 20+ year relationship with CN. Currently we ship 25 car trains to southeast feed customers, adding this line would be beneficial to us by opening up opportunities to reach other markets. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the

inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with HERITAGE GRAIN COOP, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Stacey Longfellow
Heritage Grain Cooperative
Assistant General Manager

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Cynthia Brown,

On behalf of Independent Dispatch, Inc., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for IDI, our customers, and other US shippers that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be limited over the overlapping corridor.

Independent Dispatch, Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks which will improve congestion on highways, reduce carbon emissions and help shippers move their freight as the driver shortage continues.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long-term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with IDI, US shippers, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink that reads "Erica Hill". The signature is written in a cursive, flowing style.

Erica L. Hill
Independent Dispatch, Inc.
ehill@independentdispatch.com

PUBLIC VERSION



Intermobil Box 3192 Stn Main
Regina, SK S4P 3G7

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Intermobil, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Intermobil and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Intermobil asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Intermobil, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A black ink signature, appearing to read "Kent Affleck", written in a cursive style.

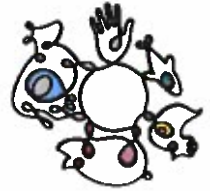
Kent Affleck
Division Head; Mobil Group of Companies

A blue ink signature, appearing to read "Jon Stricker", written in a cursive style.

Jon Stricker
Intermobil Terminal Manager

cc: Parties of Record

Jefo Nutrition Inc.
5020 Avenue Jefo, C.P. 325
Saint-Hyacinthe, Québec
Canada, J2S 7B6
T 450 799 2000
F 450 778 1338



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

St Hyacinthe, Monday January 31, 2022

Chère Madame Brown,

JEFO NUTRITION INC is Canadian leader for Animal Feed. We manage a large volume of our activities with and through USA and a big share of them are connected to railway transport, including CN rail : 8,000 Teu's a year import and export, USA supplies shipped by full waggons, Multimodal service to deliver USA customers and our USA distribution centers, and a wish that our weekly flows to Mexico could move from Road to Multimodal.

JEFO Group owns a private rail infrastructure in a Québec small city and it is served by CN rail almost daily. Up to 135 wagons can be parked on our tracks.

We are highly connected to North American agro-food industry.

On behalf of JEFO NUTRITION INC, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger.

As per public information displayed CP-KCS have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade. As top considerations for JEFO NUTRITION INC, that rail solutions should receive priority to support environment sustainability concerns, reduction of carbon footprint, enhance and we believe both USA and Canadian governments should always both decide THE COHERENCE must remain core objectives.

Increasing the competitive rail shipping options through maintaining and developing infrastructures **(which is in total coherence with President Biden huge plans)** should start by obvious and easy decisions to be made and built.

We believe CN Rail is right to apply from Surface Transportation Board the Kansas City to Springfield and East Saint Louis corridor to be allocated to them. In order to increase competition and efficiency move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Jefo Nutrition Inc.
5020 Avenue Jéfo, C.P. 325
Saint-Hyacinthe, Québec
Canada, J2S 7B6
T 450 799 2000
F 450 778 1338



JEFO NUTRITIONS INC kindly asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between

Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

This new competitive service will be particularly beneficial to intermodal customers like JEFO NUTRITIONS INC. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

JEFO NUTRITION INC is proud of our strong 25 years relationship with CN and like many companies we rely on CN network and resources, and others, to optimise our supply chain and support sustainable developments in transport.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with JEFO NUTRITION INC, CN and all relevant parties to promote regional competition and customer choice.

Truly and logistically yours,

Frédéric Houdoyer, Director of Operations, Jefo Nutritions
On Behalf Mr Jean-François Fontaine, Jefo Group Vice-President.

cc: Parties of Record

PLANTERS



JOHNVINCE FOODS

Jan 25, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Johnvince Foods and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options and prices will be reduced over the overlapping corridor.

Johnvince Foods asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long-term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Johnvince Foods, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Luis Deviveiros
Vice President of Operations
Johnvince Foods/Planters Canada

cc: Parties of Record

KFI Inc
6295 Kestrel Rd
Mississauga, ON L5T 1Z4

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of TransX, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for KFI and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

KFI asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like KFI. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

KFI is proud of our strong 8 year relationship with CN and TransX/H&R. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition

and will work closely with KFI, TransX and all relevant parties to promote regional competition and customer choice.

PUBLIC VERSION

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Ravi Kumar". The signature is fluid and cursive, with the first letter of each name being capitalized and prominent.

Ravi Kumar Angirekula
Plant Manger

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of [Kristom International], I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for [Kristom International] and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

[Kristom International] asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with [Kristom International], CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Jeffrey Clarke

President -Representative

cc: Parties of Record



Last Mountain Railway PO Box 3192
Regina, SK S4P 3G7

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Last Mountain Railway (LMR), I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for LMR and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

LMR asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with LMR, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Dane Kostenuk
LMR General Manager



67 Centre Avenue West, Box 219
Carman, Manitoba Canada R0G 0J0
Tel 204.745.6747 Fax 204.745.6573
Email: linear@lineargrain.com

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Linear Grain Inc, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Linear Grain Inc and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Linear Grain Inc asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We

hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Linear Grain Inc, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ryan McKnight', with a stylized flourish extending to the right.

Ryan McKnight
President
Linear Grain Inc

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Lotus Terminals LTD., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Lotus Terminals LTD and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Lotus Terminals LTD asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Lotus Terminals LTD. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Lotus Terminals LTD is proud of our strong relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Lotus Terminals LTD, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Marcus Patenaude

Intermodal Specialist





MEDITERRANEAN SHIPPING COMPANY

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Mediterranean Shipping Company (MSC) I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for MSC and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

MSC asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with MSC, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Brooks', with a long horizontal flourish extending to the right.

Jason Brooks
Vice President of Logistics

cc: Parties of Record



MEDITERRANEAN SHIPPING COMPANY

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Mediterranean Shipping Company (MSC) I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for MSC and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

MSC asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with MSC CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Milazzo', is written over a horizontal line.

Robert Milazzo
EVP Intermodal

cc: Parties of Record



MMI FREIGHT SYSTEMS INC.
3484 Boul. des Sources
Suite 524
Dollard Des Ormeaux, QC, Canada
H9B 1Z9

514 798-1919(T)
1 877-798-1919
866 476-4777(F) ADMINISTRATION
855 215-3030(F) OPERATIONS

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of MMI Freight Systems Inc. I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for MMI Freight Systems Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

MMI Freight Systems Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like MMI Freight Systems Inc. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

MMI Freight Systems Inc. is proud of our strong 15-year relationship with CN and TransX/H&R, throughout our business dealings, MMI Freight Systems has been able to expand both our customer base and geographical positions to outside markets. We value and look forward to further expansion of our US market through TransX/CN partnership.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with MMI Freight Systems Inc. TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

Tina Iannuzzi for MMI Freight Systems Inc..

Tina A. Iannuzzi

MMI Freight Systems Inc.
General Manager

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

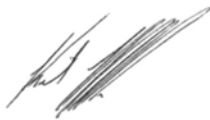
On behalf of MobilEx Terminal, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for MobilEx Terminal and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

MobilEx Terminal asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with MobilEx Terminal, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Kent Affleck
Division Head; Mobil Group of Companies



Trevor Pennell
MobilEx Terminal Manager

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of National Silicates, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for National Silicates and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

National Silicates asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to carload customers like National Silicates. We will gain a new option for access to two of our sister manufacturing plants in the Midwest served along this corridor served by CN.

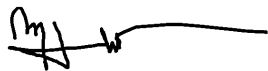
If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

National Silicates is proud of our strong 35+ year relationship with CN, working in partnership to serve 5 manufactures sites in Canada and 1 in Illinois. We work with CN in many areas from rail activity to customs brokerage, and export intermodal. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the

A handwritten signature in black ink, appearing to be "M. J. W.", written over a horizontal line.

inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with National Silicates, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Vinca', followed by a horizontal line.

Mike Vinca
Purchasing and Logistics Manager
National Silicates
Toronto, ON
Ph # 416 225 7771 / ext. 148

cc: Parties of Record

North American Freight Logistics

111 – 250 Schoolhouse Street, Coquitlam, BC V3K 6V7 Canada
Tel (604) 523-6235 ~ Fax (604) 523-6237 ~ 1-888-828-6235 ~ accounts@nafl.ca ~ www.nafl.ca

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of North American Freight Logistics, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for North American Freight Logistics and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

North American Freight Logistics asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like North American Freight Logistics. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

North American Freight Logistics is proud of our strong 15-year relationship with CN and TransX/H&R. We have worked for years with CN direct to bring freight out of the mid-west and eastern United States to various customers in Western Canada. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has

We get it right!
The right equipment, at the right time, at the right price!

North American Freight Logistics

111 – 250 Schoolhouse Street, Coquitlam, BC V3K 6V7 Canada
Tel (604) 523-6235 ~ Fax (604) 523-6237 ~ 1-888-828-6235 ~ accounts@nafl.ca ~ www.nafl.ca

demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with North American Freight Logistics, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,

Jeff Vowles

Jeffrey E. Vowles
President, North American Freight Logistics

cc: TransX – Alan Couto – Director of Corporate Sales, North America

We get it right!

The right equipment, at the right time, at the right price!

January 25, 2022

The Honorable Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
1001 L Street, N.E.
Washington, D.C. 20002

PUBLIC VERSION

Re: CP (2020), Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of OOC (OOCL) Inc., I am writing to you today in support of CP's requested condition limiting shuntline of Kansas City Southern's (KS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CP should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for OOC (OOCL) Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CP condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

OOC (OOCL) Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CP's requested shuntline condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CP's alternative would create a new single line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS, while new service will be available, no options will be lost as KCS will retain access to the shuntline line. If the shuntline condition is granted, CP has commitments issued to the Kansas City to Springfield/East St. Louis line to improve travel times over the line. CP's plan will create a viable alternative to trucks, starting an estimated every thousands of trucks per year from the congested highway.

CP's request that the Surface Transportation Board grant their shuntline condition aligns with the customer-focused approach to business that CP has demonstrated as a long-term service provider. We hope the STB will also realize the customer-focused public interest benefits of CP's shuntline condition and will work closely with OOC (OOCL) Inc., CP and all relevant parties to promote regional competition and customer choice.



We take it personally

Signature

[Handwritten signature]

PUBLIC VERSION



Padnos

Paper, Plastics, Metals and more Recycling the world over, and over

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Padnos Iron and Metal, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Padnos Iron and Metal and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Padnos Iron and Metal asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Padnos

Iron and Metal. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Padnos Iron and Metal is proud of our strong 15 year relationship with CN. We ship over 20 rail-cars a month into various markets that provide us a competitive advantage that is only met with because of the rail service. CN's great service and gondola car supply allows us to ship to locations we did not think possible before. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Padnos Iron and Metal CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Zack Brachman
Logistics Manager

cc: Parties of Record



Friday, February 18th, 2022.

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

Re : FD 36500, Canadian Pacific Railway – Control – Kansas City Solutions

Dear Ms. Brown

On Behalf of PIVAL International, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for PIVAL International and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

PiVAL International asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of languishing corridor to create new single-line between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will

be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like PiVAL International. We will gain a new option for single-line service to ports served by CN-helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year the congested highways.

PiVAL International is proud of our strong 19-year relationship with CN. CN has always demonstrate being customer focused. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with PiVAL International, CN and all relevant parties to promote regional and customer choice.

Sincerely,

Sylvie St-Laurent

C 438-394-0558

Directrice Solutions Clients et Tarification
Director Customer Solutions and Pricing
Montreal, QC
514-684-1600 ext. 727



[Website](#) | [LinkedIn](#) | [YouTube](#) | [Facebook](#)



*2930 LONSDALE AVE. P.O. BOX 37068 LONSDALE,
NORTH VANCOUVER, BC V7N 4M4
Phone: (604)-723-9728. Email:
prestoenterprise@gmail.com*

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Presto Enterprises Ltd, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Presto Enterprises Ltd and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Presto Enterprises Ltd asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like [COMPANY NAME]. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Presto Enterprises Ltd is proud of our strong 10 year relationship with CN and TransX/H&R. We have a daily intermodal shipment from BC to ON, CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Presto Enterprises Ltd, TransX and all relevant parties to promote regional competition and customer choice.

Sincerely,



Pearl Wang

Director, Presto Enterprises Ltd.

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Priam Logistics Inc., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Priam Logistics Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Priam Logistics Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Priam Logistics Inc, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Troy Wasmuth
President

February 22, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Prince Rupert Port Authority, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Prince Rupert Port Authority and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Prince Rupert Port Authority asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Prince Rupert Port Authority, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

PRINCE RUPERT PORT AUTHORITY



Shaun Stevenson
President & CEO

cc: Parties of Record



February 3, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Protos Shipping Ltd., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Protos and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Protos Shipping Ltd. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Protos, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Andre Neuendorff
President,
Protos Shipping Ltd.

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of PURELY CANADA FOODS, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Purely Canada Foods and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Purely Canada Foods asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Purely Canada foods, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,


Ray Hassan, Logistics Manager

cc: Parties of Record



PUBLIC VERSION
Rankin County Limestone, LLC
1001 Underwood Drive • Flowood, MS 39232
Ken Parker • 601-720-7823
Rankincountylimestone@gmail.com

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Rankin County Limestone, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Rankin County Limestone and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Rankin County Limestone asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Rankin County Limestone is proud of our strong 2 year relationship with CN. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Rankin County Limestone CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Ken Parker
President



677 Dundas St.
Woodstock, Ontario, Canada
N4S 1E5
1-888-997-0993

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Roslin Enterprises Inc., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Roslin Enterprises Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Roslin Enterprises Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Roslin Enterprises Inc. is proud of our strong relationship with CN. CN has helped develop new business with Roslin Enterprises and currently ships 100% of its finished product by Rial to the Gulf Coast. This development has removed over a 1,000 truck load's from the roads and helped to grow Roslin by over 200% year over year. With the new construction of a Renewable Diesel Plant in Hugoton, KS the expansion of CN's service to Kansas City will allow us to access a new high valued customer. CN's service at our facility has always been excellent and their willingness to help solve problems has been second to none. CN's safety protocol and training has also been a huge advantage for Roslin Enterprises. They have trained our employees that have contact with the rail and given ownership at Roslin the confidence to expand our rail business year over year. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Roslin Enterprises Inc., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Scott Dennis
President/CEO

cc: Parties of Record





THE PREFERRED CHOICE IN RECYCLING

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

Wisconsin

Berlin: 920.361.1450
Fond du Lac: 920.921.2070
Green Bay: 920.434.0137
Manitowoc: 920.684.3388
Oshkosh: 920.651.9398
Sheboygan: 920.457.2431

Nebraska

Lincoln: 402.470.2510
Omaha: 402.345.6624

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Sadoff Iron and Metal Company, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Sadoff Iron and Metal and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Sadoff Iron and Metal asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Sadoff Iron and Metal. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Sadoff Iron and Metal is proud of our strong 21-year relationship with CN. We utilize CN rail services at our Fond du Lac and Manitowoc, Wisconsin locations. We have found the CN to be a valued business partner over the course of our relationship. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Sadoff Iron and Metal, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,
SADOFF IRON AND METAL COMPANY

A handwritten signature in black ink, appearing to read 'Mark H. Lasky', is written over a faint, circular embossed seal.

Mark H. Lasky
Chief Executive Officer

cc: Parties of Record



585 N Juniper Dr suite 250, Chandler, AZ 85226
Tel: (480) 588-3200 Fax(480) 493-5617

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of SM LINE CORP., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for SM Line and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

SM Line asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with SM Line, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Paul F Schneider
Director, Intermodal

cc: Parties of Record

SOLURAIL

25 rd Roland-Masse, Val-d'Or,
Quebec, Canada, J9P 0E3

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Solurail Logistics Inc. I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

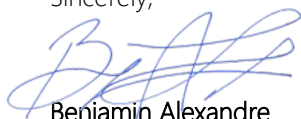
CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Solurail Logistics Inc and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Solurail Logistics Inc asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like Solurail Logistics Inc. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Solurail Logistics Inc is proud of our strong 13 years relationship with CN. The CN team have always been a great support to our growth and we are looking to develop the intermodal services with them by providing new opportunities to our Canadian customers. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Solurail and his clients, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Alexandre', with a stylized flourish at the end.

Benjamin Alexandre
President
Solurail Logistics Inc

cc: Parties of Record

SUIT-KOTE CORPORATION

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of Suit-Kote Corporation, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plan for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for Suit-Kote Corporation and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

Suit-Kote Corporation asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

Suit-Kote Corporation is proud of our strong 12-year relationship with CN. CN Rail provides shipping services of Bituminous Asphalt from Canada into the Northeastern U.S. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Suit-Kote Corporation, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Brent Hall

Director Procurement

Suit-Kote Corporation

1911 Lorings Crossing Road

Cortland, NY, USA

cc: Parties of Record



- T. S. LINES LTD.

- 9/F., C-Bons International Center, 108 Wai
Yip Street,
- Kowloon Hong Kong

- FEB.15TH 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

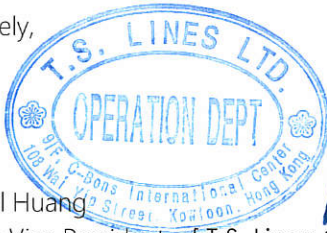
On behalf of T. S. LINES LTD., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for T. S. LINES LTD. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

T. S. LINES LTD. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with T. S. LINES LTD., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



Russell Huang
Senior Vice President of T.S. Lines Co., Ltd. for and on behalf of T.S. Lines Ltd.
Signed at: Taipei, Taiwan

cc: Parties of Record



January 17, 2022

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

Re: FD 36500, Canadian Pacific Railway=Control=Kansas City Southern

Dear Ms. Brown:

On behalf of Tiger Cool Express LLC, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for Tiger Cool Express LLC and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

Tiger Cool Express LLC asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with Tiger Cool Express LLC, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in blue ink, appearing to read "Theodore Prince", is written over a circular blue stamp.

Theodore Prince
Co-Founder and Chief Strategy Officer

cc: Parties of Record



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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of TLS Inc, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for TLS Inc. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

TLS Inc. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. This new competitive service will be particularly beneficial to intermodal customers like TLS Inc. We will gain a new option for single-line service to ports served by CN – helping implement the USMCA.

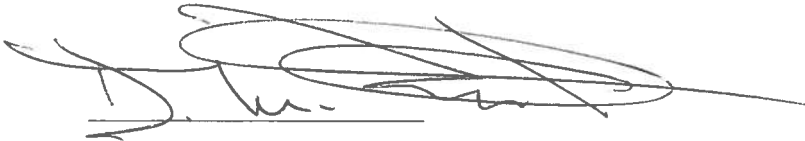
If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

January 28, 2022

TLS is proud of our strong 6-year relationship with CN. Moving more than a hundred containers from Mexico to Canada on a per annum basis reduces the carbon footprint and fuel consumption which is an environmentally conscious decision TLS is proud of. This divestiture would increase our volume of container movements and create a larger reduction of carbon output, while further reducing fuel consumption and benefitting the environment even more so.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with TLS Inc., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,



TLS Truck Load Services Inc..

Director of Sales

DON MCINTOSH

cc: Parties of Record



February 10, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of VIP Rail ULC., I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. They have made it clear in their merger application they will divert traffic from the Kansas City to Springfield/East St. Louis line and do not plan to invest in that line, leaving the track to slowly degrade and reducing the competitive shipping options for VIP Rail ULC. and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that CP's plan will reduce a competitive option over the overlapping corridor.

VIP Rail ULC. asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would eliminate the risk of a languishing corridor to create new single-line service between Kansas City, Chicago and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines.

If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

VIP Rail ULC. is proud of our strong 12 year relationship with CN. VIP operates several last mile switching operations that support customer activity in the Sarnia area with CN and have the same operation with KCS in Port Arthur, Texas. We have strong relationships in the Petrochemical industry and are considered first in class transload operators who focus on assisting customers with custom rail solutions. CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with VIP Rail ULC., CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

A handwritten signature in black ink that reads "Darcy M Brede". The script is cursive and fluid.

Darcy Brede
COO Alpenglow Rail / VIP Rail / USA Rail

cc: Parties of Record

Jan. 26th, 2022

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

Re: FD 36500, Canadian Pacific Railway—Control—Kansas City Southern

Dear Ms. Brown:

On behalf of ZIM Integrated Shipping, I am writing to you today in support of CN's requested condition seeking divestiture of Kansas City Southern's (KCS) line from Kansas City, MO to Springfield, IL and East St. Louis, IL to CN should the Canadian Pacific (CP) merger with KCS be approved by the Surface Transportation Board.

CP and KCS have demonstrated they intend to focus their operations and plans for growth across CP's existing line connecting Kansas City to Chicago, making KCS's overlapping corridor between Kansas City to Springfield/East St. Louis redundant to their service offerings and rail operations after the merger. This will reduce the competitive shipping options for ZIM and other shippers like us that rely on this corridor to efficiently move goods to and from Kansas City markets. Without the proposed CN condition, we are concerned that our competitive options will be reduced over the overlapping corridor.

ZIM asks the Surface Transportation Board to condition any approval of the CP-KCS merger on CN's requested divestiture condition of the Kansas City to Springfield/East St. Louis line should the Board approve the CP-KCS merger. CN's alternative would create a new single-line service between Kansas City, Chicago, and Detroit – directly competing with the service that would be provided by CP-KCS. While new service will be available, no options will be lost as KCS will retain access to the divested lines. If the divestiture condition is granted, CN has committed to invest in the Kansas City to Springfield/East St. Louis line to improve transit times over the line. CN's plan will create a viable alternative to trucks, diverting an estimated many thousands of trucks per year from the congested highways.

CN's request that the Surface Transportation Board grant their divestiture conditions aligns with the customer-focused approach to business that CN has demonstrated as a long term service provider. We hope the STB will also realize the customer-focused public interest benefits of CN's divestiture condition and will work closely with ZIM, CN and all relevant parties to promote regional competition and customer choice.

Sincerely,

Liat Uliel-mirkin

Global Intermodal Manager

ZIM Integrated Shipping Services Ltd.

www.ZIM.com

