

From: [Whitfield, Peter](#)
To: [Wood, Diana](#)
Cc: [Gosselin, Danielle](#); [Wayland, Joshua](#); [Rutson, Vicki](#); [Hildebrandt, Brooklyn](#)
Subject: RE: CN/ICCR MOU & Disclosure Statement
Date: Thursday, July 7, 2022 9:45:22 AM
Attachments: [Purpose and Need 07.07.2022.docx](#)
[Revised Figures 07.07.2022.docx](#)

Diana,

I am attaching the revised purpose and need as well as the figures noted below based on CP's revised data. We are still waiting on CN/ICRR's signature on the MOU and will send as soon as I get it.

PETER WHITFIELD

SIDLEY AUSTIN LLP

1501 K Street, N.W.
Washington, DC 20005
Cell 202.669.2160 (Please use to contact)
+1 202 736 8531
pwhitfield@sidley.com
www.sidley.com

From: Wood, Diana <Diana.Wood@stb.gov>
Sent: Thursday, July 7, 2022 8:13 AM
To: Whitfield, Peter <pwhitfield@sidley.com>
Cc: Gosselin, Danielle <Danielle.Gosselin@stb.gov>; Wayland, Joshua <Joshua.Wayland@stb.gov>; Rutson, Vicki <Vicki.Rutson@stb.gov>
Subject: RE: CN/ICCR MOU & Disclosure Statement

Peter,

As a recap from our June 30, 2022 meeting, we need the following information from CN/ICCR to get started on the environmental review:

1. Revised/updated charts of transaction-related train increases and yard carload switching activities in attainment and non-attainment areas (see February 22, 2022 letter in Exhibit 4 of CN's Amended Responsive Application and beginning on page 174);
2. Purpose and Need Statement; and
3. Signed MOU.

Please let me know if you have any questions.

Thanks,
Diana

From: Whitfield, Peter <pwhitfield@sidley.com>
Sent: Tuesday, July 5, 2022 12:30 PM
To: Wood, Diana <Diana.Wood@stb.gov>
Cc: Gosselin, Danielle <Danielle.Gosselin@stb.gov>; Wayland, Joshua <Joshua.Wayland@stb.gov>; Rutson, Vicki <Vicki.Rutson@stb.gov>
Subject: RE: CN/ICCR MOU & Disclosure Statement

Ok. Working on getting signature from the CN ICRR side. Last Friday was Canada Day and offices were closed, so everyone is playing catch up today.

PETER WHITFIELD

SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, DC 20005
Cell 202.669.2160 (Please use to contact)
+1 202 736 8531
pwhitfield@sidley.com
www.sidley.com

From: Wood, Diana <Diana.Wood@stb.gov>
Sent: Tuesday, July 5, 2022 9:08 AM
To: Whitfield, Peter <pwhitfield@sidley.com>
Cc: Gosselin, Danielle <Danielle.Gosselin@stb.gov>; Wayland, Joshua <Joshua.Wayland@stb.gov>; Rutson, Vicki <Vicki.Rutson@stb.gov>
Subject: FW: CN/ICCR MOU & Disclosure Statement

Peter,

In addition to the revised MOU and disclosure statement sent to you June 30th, the attached third party contractor approval letter also includes CN as an applicant.

Diana

From: Gosselin, Danielle <Danielle.Gosselin@stb.gov>
Sent: Thursday, June 30, 2022 2:29 PM
To: Whitfield, Peter <pwhitfield@sidley.com>
Cc: Wood, Diana <Diana.Wood@stb.gov>; Wayland, Joshua <Joshua.Wayland@stb.gov>; Rutson, Vicki <Vicki.Rutson@stb.gov>
Subject: CN/ICCR MOU & Disclosure Statement

Hi Peter,

Attached please find the revised MOU and disclosure statement reflecting CN and ICCR as the applicants in FD 36500 (Sub-No. 1). Please let us know if you have any questions.

Thanks,
Danielle

Danielle Gosselin
Director
Office of Environmental Analysis
Surface Transportation Board
danielle.gosselin@stb.gov
(202) 245-0300

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Purpose and Need Statement

The purpose and need for the Surface Transportation Board's ("Board") action is to act upon the amended responsive application (the "Responsive Application") submitted in Finance Docket No. 36500 (Sub-No. 1) by Canadian National Railway Company and its United States affiliate, Illinois Central Railroad Company ("ICRR") (referred to hereinafter as "Applicants") pursuant to 49 U.S.C. § 11324(c) and 49 C.F.R. Part 1180 for approval by the 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"). Applicants have requested the Board to consider the Amended Responsive Application 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. Accordingly, the proposed action would present the Board with an option to address the anti-competitive effects of the proposed KCS-CP merger.

ICRR proposed this action to increase competition along a parallel rail line should the Board decide to approve the KCS-CP merger. Approval of the Amended Responsive Application would address significant horizontal competition concerns raised by the CP-KCS merger by preserving and providing an efficient competitive option in the Kansas City to Chicago corridor, restoring and upgrading the Springfield Line, and ultimately offering a higher-speed routing option through the U.S. heartland. As noted in the Amended Responsive Application, approval of ICRR's proposal 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. An ancillary benefit would also be increased truck-to-rail diversions of approximately 80,000 long-haul trucks per year, which results in reductions of greenhouse gas emissions.

Revised Figures A.1-4; A.2-1; A.3-1

Figure A.1-3: Chart Showing Transaction-Related Train Increases and Trailing Tons for Attainment Areas

Subdivision	Line segment	Milepost	2027 Transaction-related Increase in Trains per day	2019 Base Gross Tons (000s)	2027 Transaction-related Increase in Gross Tons (000s)	2027 Percentage Transaction-related Increase in Gross Tons
KCS - Springfield	Roodhouse to Murrayville, Illinois	237.3-221.7	2.3	998	4,450	371%
KCS - Springfield	Murrayville to Springfield, Illinois	221.7-192.4	2.0	168	4,450	2120%
CN - Gilman	Mt. Pulaski to Brickyard Junction, Illinois	169.0-194.8	2.0	260	4,433	1015%
CN - Gilman	Clinton to Mt. Pulaski, Illinois	148.5-169.0	2.0	885	4,423	408%
CN - Gilman	Gibson City, to Clinton, Illinois	110.0-148.5	2.0	879	4,441	412%
CN - Gilman	Gilman, to Gibson City, Illinois	81.1-110.0	2.0	1,690	4,442	231%

Figure A.2-1: Chart Showing Transaction-Related Train Increases and Trailing Tons for Non-Attainment Areas

Subdivision	Line segment	Milepost	2027 Transaction-related Increase in Trains per day	2019 Base Gross Tons (000s)	2027 Transaction-related Increase in Gross Tons (000s)	2027 Percentage Transaction-related Increase in Gross Tons
CN – St. Louis	Lenzburg to Freeburg	32.9-21.4	0	1,598	1,410	82%

CN – St. Louis	Freeburg to Wilderman	21.4-18.6	0	1,595	1,405	83%
CN – St. Louis	Wilderman to East St. Louis (Church)	18.6-6.2	0	1,583	1,410	83%

Figure A.3-1: Chart Showing Transaction-Related Increase in Carload Switching Activity in Rail Yards

Subdivision	Rail Yard	Location	Milepost	2027 Transaction-related Increase in Carload Switching Activity
KCS - Springfield	Roodhouse Yard	Roodhouse, Illinois	237.4	93%
<i>KCS – East St. Louis Terminal</i>	<i>East St. Louis Rail Yard</i>	<i>East St. Louis, Illinois</i>	<i>285</i>	44%
KCS - Pittsburg	International Freight Gateway	Grandview, Missouri	27	88%
<i>CN - Holly</i>	<i>Detroit Intermodal Yard</i>	<i>Ferndale, Michigan</i>	<i>11.1</i>	32%