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October 31, 2023

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Office of Proceedings
October 31, 2023
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Public Record

VIA E-FILING

Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

Re: Canadian Pacific Kansas City Limited and The Kansas City Southern Railway Company, D/B/A CPKC – Acquisition and Operation – Certain Rail Line of Meridian & Bigbee Railroad, L.L.C., in Lauderdale County, Mississippi and Choctaw and Marengo Counties, Alabama, FD 36732; Alabama & Gulf Coast Railway LLC – Trackage Rights Exemption – The Kansas City Southern Railway Company D/B/A Canadian Pacific Kansas City, FD 36731; CSX Transportation, Inc. – Acquisition and Operation – Rail Line of Meridian & Bigbee Railroad, L.L.C., FD 36727; CSX Transportation, Inc. – Trackage Rights Exemption – Kansas City Southern Railway Company, FD 36730; Alabama & Gulf Coast Railway LLC – Trackage Rights Exemption – CSX Transportation, Inc., FD 36724; Meridian & Bigbee Railroad, L.L.C. – Discontinuance of Incidental Overhead Trackage Rights – In Lowndes and Montgomery Counties, AL, AB 1335X; CSX Transportation, Inc. – Discontinuance of Trackage Rights Exemption – in Marengo and Choctaw Counties, AL and Lauderdale County, MS, AB 55 (Sub-No. 814X)

Dear Ms. Brown:

Please find attached for filing on behalf of Illinois Central Railroad Company ("CN") in the above-referenced proceedings: (1) Motion for Leave to Reference Earlier Submitted Response/Reply, and (2) CN's Reply to Combined Norfolk Southern Notice of Intent to Participate and Request to Hold CPKC/CSXT Transcon Corridor Transaction in Abeyance.

Sincerely,

/s/ David A. Hirsh

David A. Hirsh

Counsel for Illinois Central Railroad Company

Enclosures

cc: All Parties of Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

CANADIAN PACIFIC KANSAS CITY LIMITED AND THE KANSAS CITY
SOUTHERN RAILWAY COMPANY, D/B/A CPKC – ACQUISITION AND OPERATION
– CERTAIN RAIL LINE OF MERIDIAN & BIGBEE RAILROAD, L.L.C., IN
LAUDERDALE COUNTY, MISSISSIPPI AND CHOCTAW AND MARENGO
COUNTIES, ALABAMA, FD 36732;
ALABAMA & GULF COAST RAILWAY LLC – TRACKAGE RIGHTS EXEMPTION –
THE KANSAS CITY SOUTHERN RAILWAY COMPANY D/B/A CANADIAN PACIFIC
KANSAS CITY, FD 36731;
CSX TRANSPORTATION, INC. – ACQUISITION AND OPERATION – RAIL LINE OF
MERIDIAN & BIGBEE RAILROAD, L.L.C., FD 36727;
CSX TRANSPORTATION, INC. – TRACKAGE RIGHTS EXEMPTION – KANSAS
CITY SOUTHERN RAILWAY COMPANY, FD 36730;
ALABAMA & GULF COAST RAILWAY LLC – TRACKAGE RIGHTS EXEMPTION –
CSX TRANSPORTATION, INC., FD 36724;
MERIDIAN & BIGBEE RAILROAD, L.L.C. – DISCONTINUANCE OF INCIDENTAL
OVERHEAD TRACKAGE RIGHTS – IN LOWNDES AND MONTGOMERY
COUNTIES, AL, AB 1335X;
CSX TRANSPORTATION, INC. – DISCONTINUANCE OF TRACKAGE RIGHTS
EXEMPTION – IN MARENGO AND CHOCTAW COUNTIES, AL AND LAUDERDALE
COUNTY, MS, AB 55 (SUB-NO. 814X)

**CN’S REPLY TO COMBINED NORFOLK SOUTHERN NOTICE OF INTENT TO
PARTICIPATE AND REQUEST TO HOLD CPKC/CSXT TRANSCON CORRIDOR
TRANSACTION IN ABEYANCE**

Illinois Central Railroad Company (“CN”) hereby replies to the Combined Norfolk
Southern Notice of Intent to Participate and Request to Hold CPKC/CSXT Transcon Corridor
Transaction in Abeyance (“NS Request”), filed on October 25, 2023 in the above-captioned
dockets. Given the potential impacts of the Meridian & Bigbee Railroad, L.L.C. (“MNBR”)
transactions proposed by Canadian Pacific Kansas City Limited (“CPKC”) and CSX
Transportation, Inc. (“CSXT”) on CN’s and Amtrak’s traffic on CN’s main north-south line

through Jackson, Mississippi that connects the track between Chicago and New Orleans, CN supports consolidation of the proceedings.

A. The Applications Fails to Analyze the Impacts of Added Traffic Due to the MNBR Transactions That Would Affect IC (CN) and Amtrak at Jackson, MS.

With the acquisitions of the Western and Eastern Lines of MNBR, CPKC and CSXT seek to create “a new east-west Class I freight rail corridor linking CPKC-served markets in Mexico and the Southwestern United States with CSXT-served markets in the Southeastern United States and beyond.”¹ That new Class I corridor connects to the so-called Meridian Speedway, which runs from Meridian, MS to Shreveport, LA, where it connects to CPKC’s line to Dallas, TX. New traffic coming from and heading to Mexico or the Southwest on and off the proposed new CPKC/CSXT Class I corridor will move over the Meridian Speedway, including any existing traffic that is rerouted onto the Meridian Speedway.

Any increase in traffic moving over the MNBR Western and Eastern Lines, and therefore necessarily over the Meridian Speedway, will also traverse a segment of CN’s mainline in Jackson, Mississippi. Meridian Speedway traffic moves via trackage rights over that segment of CN’s mainline in order to connect the western and eastern halves of the Meridian Speedway. CN’s north-south traffic moving to and from the Gulf area, in addition to Amtrak’s City of New Orleans daily long-distance service, operate on this CN line through Jackson.

The Applications do not make clear the impacts of additional traffic arising from the CPKC and CSXT transactions that would enable analysis of those traffic changes on CN and Amtrak operations in Jackson. CN is concerned that the MNBR’s sale of its lines to CPKC and CSXT in separate transactions appears to make it difficult to understand the full nature of those

¹ CPKC Application at 2; *see also* CSXT Application at 13; NS Request at 5-8.

impacts. This is further complicated by Applicants' designation of various non-shipper-specific projected traffic as Highly Confidential. CN has initiated discussions with Applicants' counsel seeking redesignation of such information.

B. Consolidation of the MNBR Transactions Makes Sense in These Circumstances.

Given the indisputably inter-related nature of CPKC's and CSXT's applications, any additional traffic they anticipate that would move through Jackson, their failure to analyze such traffic or its impacts, and CN's and Amtrak's operations through Jackson, including Amtrak's operations on the City of New Orleans service, CN supports consolidation of these proceedings so that the Applicants may refile to address projected increases in traffic from the sale of the MNBR's lines. Indeed, the Board's Office of Environmental Analysis ("OEA") apparently has already decided to conduct a "single Environmental Assessment that will address the potential aggregate environmental impacts of the combined CPKC and CSXT transactions," and CPKC and CSXT each agreed to this approach.² CSXT has recently recognized again "that the Board may wish to analyze the aggregate effects of all of the transactions, whether through a *single proceeding that embraces all of the dockets* or through two separate proceedings for the CSXT and CPKC transactions."³ Likewise, CPKC does not object to "the Board's coordination of its review of the two transactions so that – for example – the Board can ensure that its decision-making is undertaken consistently by deciding whether to approve CPKC's proposal against the backdrop of its determinations regarding CSXT's application and exemptions."⁴ Given that the Applicants and Board's OEA have effectively recognized the benefits of treating these

² CPKC Reply, at 8-9.

³ CSXT Reply, at 6-7 (italics added).

⁴ CPKC Reply at 9-10 (quotation and footnote omitted).

transactions in a consolidated proceeding, the Board should do so as well. Consolidation will enable Applicants to supplement the record and further the public interest by assuring that the Board, parties of record, and impacted stakeholders are provided with the information necessary to understand and assess the potential impacts of the transactions.

Respectfully submitted,

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Counsel for Illinois Central Railroad Company

Dated: October 31, 2023

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of October 2023, a copy of the preceding CN Reply to Combined Norfolk Southern Notice of Intent to Participate and Request to Hold CPKC/CSXT Transcon Corridor Transaction in Abeyance was served electronically on all Parties of Record for the following proceedings:

CANADIAN PACIFIC KANSAS CITY LIMITED AND THE KANSAS CITY SOUTHERN RAILWAY COMPANY, D/B/A CPKC – ACQUISITION AND OPERATION – CERTAIN RAIL LINE OF MERIDIAN & BIGBEE RAILROAD, L.L.C., IN LAUDERDALE COUNTY, MISSISSIPPI AND CHOCTAW AND MARENGO COUNTIES, ALABAMA, FD 36732;

ALABAMA & GULF COAST RAILWAY LLC – TRACKAGE RIGHTS EXEMPTION – THE KANSAS CITY SOUTHERN RAILWAY COMPANY D/B/A CANADIAN PACIFIC KANSAS CITY, FD 36731;

CSX TRANSPORTATION, INC. – ACQUISITION AND OPERATION – RAIL LINE OF MERIDIAN & BIGBEE RAILROAD, L.L.C., FD 36727;

CSX TRANSPORTATION, INC. – TRACKAGE RIGHTS EXEMPTION – KANSAS CITY SOUTHERN RAILWAY COMPANY, FD 36730;

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MERIDIAN & BIGBEE RAILROAD, L.L.C. – DISCONTINUANCE OF INCIDENTAL OVERHEAD TRACKAGE RIGHTS – IN LOWNDES AND MONTGOMERY COUNTIES, AL, AB 1335X

CSX TRANSPORTATION, INC. – DISCONTINUANCE OF TRACKAGE RIGHTS EXEMPTION – IN MARENGO AND CHOCTAW COUNTIES, AL AND LAUDERDALE COUNTY, MS, AB 55 (SUB-NO. 814X)

/s/James M. Guinivan
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