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Office of Proceedings

June 8, 2018

Part of

Public Record

VIA E-FILE

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

Re: FD 36178, Metropolitan Council - Petition for Declaratory Order

Dear Ms. Brown:

The Midwest Shippers Association submits these comments in response to the Surface Transportation Board's ("Board or STB") May 22, 2018 decision permitting public comments on the Petition for Declaratory Order ("Petition") filed on April 4, 2018 by the Metropolitan Council ("Met Council"). In that Petition, Met Council requests the Board find that certain proposed transactions involving Met Council, Hennepin County Regional Railroad Authority ("HCRRA") and Soo Line Railroad Company d/b/a Canadian Pacific ("CP") would not require Surface Transportation Board ("Board" or "STB") authorization and would not result in Met Council becoming a rail common carrier.

The Board's decision on these matters, in our judgment, absolutely must consider the impacts of this development project on Twin Cities & Western Railroad Company ("TCW"), and absolutely must see that there is no deterioration of the ability of the TCW to continue to provide timely, reliable agriculture freight rail service for its many shipper customers over these key freight rail corridors.

The Midwest Shippers Association is a regional, multi-state trade association made up of small, medium, and some larger sized companies that source, ship and export a wide range of agricultural grain and oilseed commodities for food and feed uses. MSA's membership is also made up of some farmer producers, and companies that are suppliers to our ag shipping members and sector, including international freight forwarders, bulk grain transloaders, and various grain quality service companies and organizations. MSA is based in the Twin Cities. Our members include cooperative elevators with facilities located on the Twin Cities & Western Railroad Company ("TC&W") line. MSA also has export trading company members that on occasion ship distillers grains from ethanol plants served by TC&W, and other commodities sourced from the important central Minnesota area served by the TC&W.

The TC&W railroad provides a vital role in transporting bulk agricultural commodities from the highly productive central Minnesota region, connecting to four Class One railroads and river barge shipping operations in the Twin Cities.

We are advised that the Southwest Light Rail Transit Project will involve a four year construction timeline, and during that time the rail line will be relocated and realigned. In order to do that, by necessity, the rail line will have to be taken out of service from time to time during certain construction periods.

We are concerned about potential delays during construction, safety, and the restoration of freight service to the level it has been and possible increased levels it will need to be in the future. Service plans must be in place that protect the reliability and capacity of freight rail during the construction phase and after.

We are also advised that the Met Council plans to remove a number of side tracks currently used by TCW as part of this project. Side tracks we believe will be extremely important assets to have during the course of this project and in future operations for these corridors to be able to handle large unit freight trains and light rail at the same time.

These concerns could be alleviated if there were construction and operational agreements between Met Council and TCW in place. We understand, however, that there are no such current agreements. The only existing agreements are trackage rights agreements governing TCW's overhead operations. We encourage the STB to require that the Met Council and TCW enter into operational agreements to protect freight rail shippers need for timely reliable service through these corridors during both the construction phase and eventual regular operation.

The Midwest Shippers Association understands the need for improved passenger transit options in the Twin Cities, such as that offered by light rail, in large part because it can relieve some congestion on highways where freight also must move by truck. But freight rail will also continue to be an increasingly important means of moving cargo to alleviate highway congestion. The responsible parties must understand and embrace the fact that these rail corridors must serve both the vital freight rail shippers' needs of this broad area of central Minnesota as equal priority with the transit needs of southwest Twin Cities passengers.

Respectfully submitted,

Bruce Abbe, President & CEO
Midwest Shippers Association

June 8, 2018

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of these comments via prepaid first class mail to all parties of record in this proceeding or by more expeditious means of delivery.

Dated this eighth day of June, 2018.