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April 18, 2018

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

ENTERED
Office of Proceedings
April 19, 2018
Part of
Public Record

**Re: Docket No. FD 36178, Metropolitan Council – Petition for Declaratory Order
Docket No. FD 36177, Hennepin County Regional Rail Authority – Acquisition
Exemption – In Hennepin County, Minnesota**

***LETTER IN SUPPORT OF TWIN CITIES & WESTERN RAILROAD COMPANY'S
INITIAL REPLY REQUESTING THE BOARD TO SET A PROCEDURAL SCHEDULE***

Dear Ms. Brown:

Pilot Travel Centers LLC ("PTC") urges the Board to set a procedural schedule in the above referenced proceeding (FD 36178) to permit public comment and a full hearing on Metropolitan Council's Petition seeking to acquire ownership of the Bass Lake and Kenilworth corridors in Hennepin County, Minnesota. The Board should also stay the Hennepin County Regional Rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

By way of background, PTC is the largest operator of travel centers in North America with more than 750 locations in 43 states and six Canadian provinces. As you may imagine, a fundamental and integral function of our business is the supply and distribution of fuels and other products to our customers at our travel centers across the United State and Canada. One of those critical products for our commercial truck drivers is diesel exhaust fluid, or "DEF", which is required by all modern diesel engines and used to lower the nitrogen oxide concentration in diesel exhaust emissions. PTC often uses the rail system for delivery of raw materials to its DEF blending plants across the country and for delivery of finished DEF to certain customers and serves as a means to ensure efficient and cost-effective delivery of DEF to its customers at its travel centers.

PTC has a track agreement with Twin Cities & Western Railroad Company ("TCW") to provide service over the MPL Mainline to PTC's DEF blending facility in Arlington, Minnesota. PTC has invested approximately \$1.8 million dollars into building a DEF terminal and rehabilitating industry track line in Arlington, adjacent to the MPL Mainline, for purposes of transporting raw materials and finished DEF. Over the past year, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers, a route that includes the Bass Lake/Kenilworth corridor. We estimate that we ship over 150 carloads a year over this route. Given our significant investment in the Arlington terminal and the volume of product we route through this terminal, there is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

It is PTC's understanding that Metropolitan Council is seeking to expand its light rail service from Minneapolis west to certain suburban communities, and that TCW and the Metropolitan Council have been involved in negotiations regarding this topic for some time. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail corridor, TCW committed that it would work with the Council to reach agreements both to minimize disruption to freight rail service during construction and thereafter to assure that the presence of light rail in the freight rail corridor would not negatively impact TC&W's operational and economic ability to provide service or force shippers, such as PTC, to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council recently abruptly ended negotiations with TCW and has filed its present Petition asking the Board to approve an arrangement whereby the Council will acquire ownership of the rail line but will ask the Board to transfer the common carrier obligation to HCRRA.

This is a very complicated transaction that needs full public input and understanding. Neither the Council nor HCRRA has ever sought our input on freight rail needs on the corridor, and we now have learned they have no agreements in place with TCW on how freight service will be handled on this proposed "shared corridor" route.

We urge the Board to set a procedural schedule and delay HCRRA's request to acquire the common carrier obligation in order to solicit the views of others affected by this transaction – in particular shippers like ourselves who need this vital rail route to move our goods through the Twin Cities. Entrusting the common carrier obligation to a public entity that does not operate freight rail service provides little assurance that important shipper interests in continued effective transportation service will be protected. In addition, deciding on this matter without reaching an agreement with the one entity that is currently – and effectively – providing the common carrier service, TCW, is a matter of significant concern and warrants close scrutiny by the Board.

Respectfully submitted,



Brad Jenkins
Sr. Vice President, Supply & Distribution

cc: Parties of Record