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Office of Proceedings
April 24, 2018
Part of
Public Record

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April 24, 2018

VIA E-FILING

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

EXPEDITIOUS HANDLING REQUESTED

Re: STB Docket No. FD No. 36177
Hennepin County Regional Rail Authority – Acquisition Exemption – In
Hennepin County, Minnesota

Dear Ms. Brown:

Enclosed on behalf of Twin Cities & Western Railroad Company a Petition To Reject Or Stay The Exemption Notice. As can be seen from the certificate of service attached, copies of this petition are being served today on all parties of record.

Please acknowledge filing of this petition by return electronic receipt. If there are any questions concerning this filing, please contact me by telephone at (202) 663-7823 or by e-mail at wmullins@bakerandmiller.com.

Sincerely,



William A. Mullins

Enclosures

cc: All Parties of Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36177

**HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY -- ACQUISITION
EXEMPTION – IN HENNEPIN COUNTY, MINNESOTA**

PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

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April 24, 2018

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PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

SUMMARY OF ARGUMENT AND REQUESTED RELIEF

Twin Cities & Western Railroad Company (“TCW”) hereby petitions the Surface Transportation Board (“Board” or “STB”) to reject the Notice of Exemption (“Notice”) filed by Hennepin County Regional Railroad Authority (“HCRRA”) on April 5, 2018,¹ or in the alternative, issue a housekeeping stay to allow further development of the record concurrent with the Board’s consideration of The Metropolitan Council’s (“Met Council”) Petition for Declaratory (“Declaratory Order Petition”) filed on April 4, 2018 in Finance Docket No. 36178.

HCRRA has filed a notice of exemption under 49 C.F.R. §1150.42 involving acquisitions or operation of an extended or additional rail line by a Class II or Class III carrier. Through the Notice, HCRRA seeks to acquire Soo Line Railroad Company’s (d/b/a Canadian Pacific (“CP”)) common carrier obligation over the Bass Lake Spur.² The Notice should be rejected and/or a

¹ The Notice was dated April 4, 2018 but was not docketed until April 5, 2018.

² In FD 36178, a related proceeding, Met Council seeks a Declaratory Order Petition that its acquisition of certain rail assets in a 2.6 mile segment of rail line and right-of-way, known as the Kenilworth Corridor, and in a 6.7 mile long segment of rail line and right-of-way currently owned by CP, known as the Bass Lake Spur, does not require STB authorization and would not result in the Met Council becoming a common carrier. HCRRA’s acquisition of CP’s common

housekeeping stay issued because the Notice is (1) false and misleading; (2) filed under the wrong regulatory provisions; (3) not routine and extremely controversial and therefore not properly the subject of a notice of exemption; and (4) subject of a federal court proceeding that could moot the Board's need to act. In similar situations in the past, the Board has either rejected the notice or has often issued a housekeeping stay in order to allow development of a thorough record. The Board should likewise do so here.

BACKGROUND

What HCRRA seeks in this Notice and what Met Council seeks in the concurrent Declaratory Order Petition proceeding is reminiscent of the famous scene in the movie Naked Gun where Officer Frank Derbin tells the crowd to "Move On. Nothing To See Here. Please Disperse" while, in the background, there is nothing but chaos and destruction.³ What HCRRA doesn't tell you is that Met Council and HCRRA are seeking to undertake the proposed transactions without the participation or concurrence of the only rail carrier conducting freight train operations on the subject line – TCW.⁴ Indeed, for approximately a decade, TCW has been the only carrier that has operated over the Bass Lake Spur and the Kenilworth Corridor.

Met Council's proposal to acquire and utilize the rights-of-way of the so-called Kenilworth Corridor and Bass Lake Spur in southwestern Hennepin County, Minnesota for the construction and operation of Met Council's proposed Southwest Light Rail Transit Project ("Project") has been in planning, discussions, and negotiations for many years. In fact, TCW

carrier obligation in the Bass Lake Spur that is the subject of this Notice is inextricably intertwined with the Met Council's request in FD 36178.

³ The Naked Gun: From the Files of Police Squad! Dir. David Zucker. Paramount Pictures, 1988. https://www.youtube.com/watch?v=pdFl_NlOpA&list=RDpdFl_NlOpA#t=0.

⁴ TCW is the only carrier operating on the Bass Lake Spur and Kenilworth Corridor. On average, TCW transports approximately four trains and 160 loaded carloads per day over those lines and uses the side tracks daily for an average of about 160 cars.

was an active part of those negotiations for more than a year. TCW thought there was an agreement whereby, as the only operating railroad in the corridor, it would acquire CP's easement and HCRRA's rights, to the extent they exist at all, over the involved rail lines. The assumed agreement also involved negotiated construction, relocation, and maintenance terms and conditions so as to limit the impact of the Project on TCW's shippers. There was also agreement governing the future shared use of the Bass Lake Spur and the Kenilworth Corridor. The parties were in such agreement that TCW, with the other parties' consent, actually submitted its labor certification in advance of submitting the planned notice of exemption for its acquisition of CP's and HCRRA's easement.⁵ However, after the TCW filing, there was a small period of limited negotiations in the Fall, but the draft agreements remained unsigned. Then, there was five months of silence.

In early March, Met Council and HCRRA informed TCW in a March 8, 2018 letter that the various proposed agreements were no longer valid and that the permanent, exclusive rail freight easement in the Bass Lake Spur would be transferred to HCRRA, instead of TCW. Under the new proposal, HCRRA would allegedly assume the common carrier obligation on the lines and thereby "protect" TCW's trackage rights operations and service on the shared corridor. TCW was completely cut out of the transactions and would no longer be offered any assurances or agreements regarding the construction and relocation to (1) limit the impact of the Project on TCW's shippers, or (2) coordinate sharing of the two lines. Before TCW could even respond to this March 8 letter, Met Council filed its pending Declaratory Order Petition at the Board and HCRRA filed the Notice.

⁵ See, Twin Cities & Western Railroad Company – Acquisition Exemption – Lines of Soo Line Railroad Company and Hennepin County Regional Railroad Authority, FD 36115 (Filed Aug. 21, 2017) TCW letter certification pursuant to 49 C.F.R. § 1150.42(e).

The Board, of course, would not be aware of any of the prior dealings or any of these details because none of it is discussed or even referenced in Met Council's Declaratory Order Petition or HCRRA's Notice. Until the filing, TCW was likewise unaware of any of these arrangements. Indeed, the first time TCW saw the 1,300 pages of agreements among Met Council, HCRRA and CP, which agreements allegedly protect the routings of TCW's shippers and the common carrier service TCW provides to them, was on April 4 and 5, when the Declaratory Order Petition and Notice were filed with the Board.⁶

The Project as now proposed will require the relocation and reconstruction of nearly all existing rail trackage in the Kenilworth Corridor and much of the Bass Lake Spur, the elimination or relocation of some 16,000 feet of side track critical to TCW's terminal operations, and the co-location of light rail transit and rail freight operations directly adjacent to each other in the shared corridor. The Project also involves HCRRA obtaining CP's unused rail freight easement on the Bass Lake Spur and the retention of a HCRRA specific rail freight easement on the Kenilworth Corridor when it sells the tracks, physical assets, and right-of-way to Met Council.

The Project as now proposed did not involve discussions or input from TCW nor was input solicited from TCW's connecting carriers, shippers, and receivers. To be clear, there are no agreements between TCW and/or Met Council, HCRRA, or CP that limits the impacts of the

⁶ For several years, TCW had been represented by Fletcher & Sippel ("F&S") during the negotiations, and with CP's consent, as CP is a client of that firm. Unexpectedly, and concurrent with the Met Council and HCRRA filings, CP claimed that F&S could no longer represent TCW at the STB. This has required TCW to obtain new counsel, who has had less than 20 days to review a voluminous record and file its initial replies to the Declaratory Order Petition and the Notice. The change in counsel also explains in part the reason why numerous filings have already been made by shippers, carriers, and other parties supporting TCW's "initial reply," which counsel for Met Council correctly notes in its April 18, 2018 letter had not yet been filed when those letters were submitted.

Project on TCW's shippers. There are likewise no agreements regarding the future shared use of the Kenilworth Corridor and the Bass Lake Spur by freight trains and light rail transit. And, there are no agreements for the relocation and reconstruction of the tracks that TCW uses, or for replacement of the miles of critical side tracks that will be eliminated or repurposed. Yet, TCW is the only common carrier providing service over the Bass Lake Spur and the Kenilworth Corridor.

Despite HCRRA's and Met Council's façade that these are routine filings, that is far from the truth. This is not a routine and non-controversial notice of exemption under 49 C.F.R. §1150.42. As discussed herein, for several reasons, the Notice should be rejected and declared void ab initio under 49 C.F.R. §1150.42(c). Alternatively, the Board should issue a housekeeping stay for the Notice pending a thorough development of the record in both this proceeding and the concurrent FD 36178 declaratory order proceeding.

ARGUMENT

I. THE NOTICE SHOULD BE REJECTED

A. The Notice Is False And Misleading

1. HCRRA's Statements Regarding Its Common Carrier Obligation

Under the proposed new structure, HCRRA is to obtain CP's common carrier obligation and CP's rail freight easement on the Bass Lake Spur. It is this acquisition that is the subject of this Notice. HCRRA will also reserve for itself a rail freight easement on the Kenilworth Corridor when it sells the underlying physical assets and right-of-way in the Kenilworth Corridor to Met Council. According to both HCRRA and Met Council, the Project has been "carefully crafted . . . to ensure that the Council's construction activities and operations of the SWLRT [Project] will not cause any undue interference with HCRRA's ability to respond to any request

for common carrier freight service or TCWR's overhead operations pursuant to its trackage rights." Declaratory Order Petition at 7. HCRRA also claims that it will "have permanent and adequate rights to ensure the provision of any required common carrier service on the line." Notice at 2-3. It claims that its easement "will allow HCRRA to acquire and fulfill CP's common carrier rights and obligations with respect to the Line," Id. at 3-4, and that its rights will "ensure the provision of any required common carrier service on the Line." Id. at 4.

The above statements are false and misleading. HCRRA is not a rail carrier with a common carrier obligation, or even a residual common carrier obligation. It does not meet the definition of "rail carrier" under 49 U.S.C. §10102(5) because it does not "provide common carrier railroad transportation for compensation." By its own admission, HCRRA is a "local government agency filing the request on behalf of the general public." Notice, Transmittal Letter. It says that it is a "political subdivision of the State of Minnesota." Notice at 1. Its own website notes that it is not a rail carrier but "was established in 1980 as a political subdivision and local government unit of Minnesota," and "It was established as a separate political entity to plan, design and implement light rail transit in Hennepin County." It notes that its "mission [is] to acquire abandoned railroad corridors in order to preserve them for future transportation use." <https://www.hennepin.us/your-government/leadership/rra>. There is no mention of HCRRA being a common carrier or having even the legal corporate authority to be a common carrier.

The Board itself noted that HCRRA is a "governmental entity and political subdivision of the State of Minnesota. It describes its statutory purpose as the preservation and improvement of local rail service for agriculture, industry, and passenger traffic."⁷ In 2002, the Board noted HCRRA is a "noncarrier and political subdivision of the State of Minnesota." Hennepin County

⁷ Dakota Rail, Inc. – Abandonment Exemption – In McLeod, Carver, And Hennepin Counties, MN, AB-472 (Sub-No. 1X) slip op. at 1, n. 1 (STB served Dec. 14, 2001).

Regional Railroad Authority – Acquisition Exemption – Soo Line Railroad Company, FD 34217 (STB served July 10, 2002). In that same proceeding, HCRRA’s own filing noted that HCRRA was “neither a carrier, nor a shipper.” Verified Notice Of Exemption Of Hennepin County Regional Railroad Authority, Transmittal Letter at 4 (Filed June 11, 2002). Indeed, HCRRA has requested a fee waiver on the basis that it is a government entity not acting in the capacity of a carrier.⁸

Presumably HCRRA claims in this proceeding that it is a carrier (and indeed has filed its Notice under 49 C.F.R. §1150.41, et. seq., which involves line acquisitions by a Class II or III carrier) because it was forced to become a carrier when it acquired in 1995 the “to be” abandoned Kenilworth Corridor.⁹ In that proceeding, and notwithstanding that HCRRA specifically requested not to become a carrier when it acquired that line, the ICC granted it carrier status in order for HCRRA to undertake the transaction. There, the ICC stated that HCRRA “will assume the common carrier obligation to assure that Soo and TCW will be permitted to continue service.” HCRRA/Kenilworth, at *4.

But once the ICC granted HCRRA that common carrier status, and what HCRRA conveniently ignores and doesn’t even mention in its Notice, is that the ICC immediately removed that common carrier status from HCRRA by granting a complete exemption from

⁸ HCRRA has sought a fee waiver under 49 C.F.R. § 1002.2(e) and Regulations Governing Fees for Services – Policy Statement, 5 S.T.B. 352 (2000) in connection with its Notice. Yet the Board is clear that “[f]ees will be assessed to *any entity* (a state or local governmental entity . . .) that owns or proposes to own a carrier, or that is a shipper, and comes before the Board in that capacity. . . . The fee waiver will be available to a state or local governmental entity that is not acting in the capacity of a carrier or shipper.” 5 S.T.B. at 355 (emphasis in original). HCRRA’s request for a fee waiver clearly demonstrates that it has no intention of “acting in the capacity of a carrier.”

⁹ See Chicago and North Western Transportation Company – Abandonment and Discontinuance of Service in Hennepin County, MN, AB-1 (Sub-No. 252X), 1995 ICC LEXIS 316 (ICC served Dec. 20, 1995) (“HCRRA/Kenilworth”).

application of Subtitle IV of the Interstate Commerce Act. HCRRA also ignores its numerous prior filings and the prior Board statements, subsequent to the 1995 transaction, where it described, and called itself, a non-carrier.

Being completely exempt from Subtitle IV, HCRRA has no common carrier obligation and is not required to abide by any of the common carrier obligations imposed on a carrier in that Subtitle. It has no obligation to provide service to shippers, no obligation to interchange with other carriers, no obligation to charge reasonable rates, and no obligation to seek any form of STB approval for any of the transactions it decides to undertake, including the abandonment of lines. It is this exemption from Subtitle IV that likely explains HCRRA's numerous assertions in its prior filings that it is a non-carrier and merely a political subdivision of the State and a local governmental entity. In short, the Subtitle IV exemption means HCRRA does not have a common obligation to serve anyone.¹⁰

HCRRA's statements about its willingness and ability to fulfill a common carrier obligation are not only belied by the Subtitle IV exemption, but also by HCRRA's own government actions. For example, in October 2014, HCRRA and the City of Minneapolis entered into a Memorandum of Understanding ("MOU") (attached as Exhibit A). The MOU commits HCRRA to taking efforts to specifically prohibit TCW and Soo (CP) from admitting additional railroads and to limit TCW's ability to extend or expand railroad use. MOU at 3, ¶'s 1 and 2. The MOU notes that the HCRRA Board passed a resolution specifically stating that "HCRRA's conveyance of property interests for the light rail project must assure that HCRRA is relieved of all obligations, liabilities or risks for freight rail or light rail in the corridor." MOU at

¹⁰ This is so even if the Board treats HCRRA as a carrier who is acquiring CP's common carrier rights through the Notice. This is because once it acquires CP's common carrier rights via the Notice, HCRRA, an exempt entity, will own those rights. The acquisition of CP's rights does not remove HCRRA from its Subtitle IV exemption.

2, ¶ I. These are not the actions of an entity that is committed to fulfilling a common carrier obligation (or safeguarding TCW's ability to use its trackage rights).

The only existing carrier with a common carrier obligation on either the Bass Lake Spur or the Kenilworth Corridor is TCW. Yet, HCRRA has no agreement with TCW guaranteeing that TCW can fulfill its common carrier obligations to its shippers. If the Project results in lines being taken out of service, line embargoes, service delays, or the inability to interchange with its connecting carriers, neither the shippers nor TCW can enforce any of the various ICCTA remedies against HCRRA because HCRRA is exempt. Likewise, if TCW were to discontinue its operations, HCRRA has no obligation to provide anyone with common carrier service. In fact, given the exemption, HCRRA is free to extinguish any alleged residual common carrier obligation (which HCRRA has none) at will and without any Board authority.¹¹

Accordingly, HCRRA's statements that it will "fulfill CP's common carrier rights and obligations with respect to the Line" and that it will "ensure the provision of any required common carrier service on the Line" are false and misleading statements. These are hollow promises and commitments because there are no remedies to enforce such promises. As such, the Notice should be rejected. Sonoma-Marin Area Rail Transit Dist.--Acquis. & Operation Exemption--Nw. Pac. R.R., FD 34842, slip op. at 1 (STB served Feb. 1, 2008) (rejecting notice of exemption because the government entity could not fulfill the common carrier obligation because it would not provide freight service over the Line and failed to identify any entity that could or would provide such service); see also, Utah Southern Railroad Company, LLC – Change In Operators Exemption – Iron Bull Railroad Company, FD 35558 (STB served Sept.

¹¹ Possessing a Subtitle IV exemption means that HCRRA is exempt from application of 49 U.S.C. § 10903 – 10907. As such, its statement that "[f]urther approval from the Board would be required for HCRRA to discontinue or abandon freight service currently available on the line," Notice at 5, is also false and misleading.

21, 2012); BNSF Railway Company – Abandonment Exemption – In Oklahoma County, OK;
Stillwater Central Railroad, Inc. – Discontinuance Of Service Exemption – In Oklahoma County,
OK, AB-6 (Sub-No. 430X); AB-1040X (STB served June 5, 2008); San Francisco Bay Railroad
– Mare Island – Operation Exemption – California Northern Railroad; David Gavrich –
Continuance In Control Exemption – San Francisco Bay Railroad- Mare Island; FD 35304; FD
35303 (STB served Dec. 6, 2010); and U S Rail Corp.--Lease & Operation Exemption--Shannon
G., a N.J. LLC, FD 35042 (STB served Oct. 8, 2008).

2. HCRRA's Statements Regarding Non-Interference With TCW's Trackage Rights

HCRRA's statements with respect to its ability and desire to fulfill CP's common carrier obligations over the Bass Lake Spur and its willingness to provide common carrier service via its retained easement when it transfers the Kenilworth Corridor to Met Council are not the only false and misleading statements. HCRRA also states that the Project will "not impact rail operations." Notice at 2. It also claims that "neither HCRRA nor the Council will unreasonably interfere with or restrict TCWR's continued overhead operations." *Id.* at 3.

How can HCRRA make these statements? The Project is a four-year effort to relocate, realign, and reconstruct significant portions of the Kenilworth Corridor and the Bass Lake Spur in order to share the corridor with light-rail transit. It also involves the elimination or relocation of some 16,000 feet of side track critical to TCW's terminal operations. TCW nor its shippers were invited to participate in structuring the CP/Met Council/HCRRA transaction to ensure the rights and obligations of the parties did not impact rail operations nor are there any agreements between TCW and the Met Council/HCRRA providing for a construction and maintenance schedule that limits the impacts on TCW's shippers. There are likewise no agreements regarding the future shared use of the corridors. There is no agreement for the replacement of the miles of

critical side tracks that will be eliminated. Clearly, without an agreement with TCW, how can the Project NOT unreasonably interfere with or restrict operations? The bald assertions by HCRRA that TCW's operations will not be impacted are false and misleading.¹²

B. The Notice Was Filed Under The Wrong Statutory And Regulatory Provision

As previously noted, HCRRA is not a carrier. It does not hold itself out as being a carrier. It has made several filings with the Board noting that it is not a carrier. It has requested a fee waiver for the Notice on the basis that it is a government entity that does not own a carrier or propose to own a carrier and will not be acting in the capacity of a carrier or shipper. It also has a Subtitle IV exemption which removed the one time carrier status of HCRRA. It has passed resolutions relieving itself of any freight rail obligations with respect to property that it owns and conveys to others. Indeed, a careful reading of HCRRA's Notice indicates that at no point does HCRRA actually claim to be a carrier.

Yet, despite these facts, HCRRA has invoked 49 C.F.R. Part 1150.41, et seq. as the basis for its authority to acquire CP's common carrier obligations in the Bass Lake Spur. Those regulations and procedures are only available for transactions that fall under 49 U.S.C. §10902. Section 10902 involves an existing Class II or Class III carrier acquiring an extended or additional rail line. HCRRA is not a Class II or Class III carrier. As such, the Notice should be rejected as being filed under the wrong section. BNSF Railway Company--Abandonment Exemption--in Oklahoma County, OK, AB-6 (Sub-No. 430X), et al., slip op. at 4-5 (STB served Jan. 26, 2007) (rejecting notice for failure to qualify under that particular class exemption);

¹² Because of the anticipated significant disruptions to TCW's common carrier service, TCW has filed a claim in the United States District Court for the District of Minnesota asserting that the government actions to undertake the Project itself are preempted under ICCTA and that CP and HCRRA will breach their contracts with TCW if they undertake the Project without TCW's consent. See Exhibit B for a copy of the court filing.

Sagamore National Corporation – Acquisition And Operation Exemption – Lines Of Indiana Hi-Rail Corporation; Sagamore National Corporation d/b/a/ Wabash & Erie Railroad And Wabash & Ohio Railroad – Transaction Within A Corporate Family Exemption – Lines of Indiana Hi-Rail Corporation, FD 32523; FD 32582 (ICC served Oct. 28, 1994); San Bernardino Associated Governments – Acquisition Exemption – Southern Pacific Transportation Company, FD 32449 (ICC served June 30, 1994).

C. The Notice Failed To Comply With The Board's Environmental And Historic Review Requirements

1. The Environmental Impacts

The Notice should also be rejected because it lacks sufficient information for the Board to ascertain the environmental effects of the Project.¹³ The Board is obligated under NEPA to take a “hard look” at the environmental consequences associated with major actions and to consider those effects in its decision making process. See Kleppe v. Sierra Club, 427 U.S. 390, 410 n. 21 (1976); Mid States Coalition for Progress v. Surface Transportation Board, 345 F.3d 520, 533-534 (8th Cir. 2003) (agency must prepare a detailed statement to establish that it has taken the requisite 'hard look' at the environmental consequences of its action). While the Board has established certain categorical exclusions from the requirement to undertake a full environmental analysis, it is HCRRA's burden to present evidence that the action qualifies for a categorical

¹³ The Board and the ICC have previously rejected notices that were filed without the required environmental reports or where there was not sufficient information for the Board to conclude that the transaction qualified for a categorical exclusion. See, e.g., Fredonia Valley Railroad, Inc.-Abandonment Exemption-In Caldwell County, KY, AB-592X, 2001 STB LEXIS 661 (STB served Aug. 9, 2001) (rejecting notice for failure to provide sufficient information to justify an exclusion from the environmental rules); See generally Consolidated Rail Corporation-Abandonment Exemption-in Middlesex County, NJ, AB-167 (Sub-No. 1184X) (STB served Jan 5, 2004) at *1, n. 1; Iowa Northern Railway Company-Abandonment Exemption-In Tama and Benton Counties, IA, AB-284 (Sub-No. 4X), 1994 ICC LEXIS 109 (ICC served July 7, 1994) at *1, n. 2, and Consolidated Rail Corporation-Exemption-Abandonment in Middlesex County, NJ, AB-167 (Sub-No. 1085X), 1987 ICC LEXIS 205 (July 28, 1987) at *1, n. 1.

exclusion under 49 C.F.R. § 1105.6(c) (2). Implementation Of Environmental Laws, Ex Parte No. 55 (Sub-No. 22A), 1990 ICC LEXIS 104 (Mar. 20, 1990) at *13 (“Under our current rules, an applicant must submit an Environmental Report to the Commission, which serves as the starting point for the preparation of the EA or EIS.”), and *16, n. 22 (“The stringent time frames for many Commission proceedings make the filing of accurate and complete environmental reports (and early communication with appropriate agencies) critical to our ability to prepare timely and thorough environmental documents.”).

In this case, the Board has no evidence to make the required findings because HCRRA has not presented any. HCRRA did not provide an environmental report at all. Instead, it claims that it is exempt from the environmental reporting requirement. The basis for an exemption from the environmental report requirement rests on the notion that “railroad operations on the Line will not be affected by the proposed acquisition,” Notice at 5, and thus qualifies for a categorical exclusion under 49 C.F.R. §1105.6(c) (1) (i). As noted, this statement is false. Clearly railroad operations will be affected by the Project. It is a four year construction and realignment project. It also involves the future shared usage of a rail freight corridor.

It may be that the thresholds contained at 49 C.F.R. §1105.7(e) (4) & (5) are not exceeded as a direct result of HCRRA’s acquisition of CP’s common carrier obligation, but this is an insufficient justification in this case to avoid the environmental report requirements because such a narrow statement does not take into account TCW’s operations and the underlying effects of the Project as whole. Yet, the Board has an independent obligation to consider the cumulative environmental effects from actions that are directly foreseeable and related to the underlying Board transaction. See e.g., Alaska Railroad Corporation – Construction And Operation Exemption – A Rail Line Extension To Port Mackenzie, Alaska, FD 35095, slip op. Appendix 2

at 24-27 (STB served Nov. 21, 2011) (noting that the Board has an obligation to consider both direct and indirect cumulative impacts). The environmental impacts from the Project as a whole are directly related to and the direct result of the underlying HCRRA Notice. As such, the Board has an obligation to review the environmental impacts of the entire Project, not just of HCRRA's acquisition of CP's common carrier obligation and freight rail easement.

Another rationale presented by HCRRA for claiming to be exempt from the Board's environmental requirements is based upon the precedent holding that the Board lacks jurisdiction over relocation projects where such projects will not extend the railroad's territory or markets, citing BNSF Railway – Petition for Declaratory Order, FD 35164, slip op. at 8, (STB served May 20, 2009) (citing Denver & R.G.W.R. Co.--Jt. Proj.--Relocation Over BN, 4 I.C.C.2d 95, 97-99 (1987)). Because, in HCRRA's view, the Board does not have jurisdiction over the relocation project, the Board does not have the need to review the environmental impacts of the Project. But what HCRRA conveniently omits is that the precedents exempting relocation projects from the Board's review only apply if there are no effects on shippers. See also; The State of Texas, Department of Transportation--Petition for Declaratory Order Regarding Highway Construction in Tarrant County, TX, 1995 ICC LEXIS 14, FD 32589 (ICC served Feb. 7, 1995).

When a relocation project impacts shippers and disrupts service, the proposed transaction is not exempt from otherwise applicable Board jurisdiction and the applicable environmental reporting requirements. A four-year relocation project without any agreements with TCW, the only operating carrier, to facilitate the coordination of the construction and relocation aspects of the Project, share a rail corridor, eliminate critical side tracks, and resolve the competing interests that inevitably will arise between freight and transit operations, is certainly going to have adverse effects on shippers so as to remove the Project from the relocation precedents. In

such circumstances, HCRRA cannot rely upon the relocation precedents and should be required to obtain Board authority for (and environmental review of) the construction and abandonment aspects of the Project.¹⁴

In addition, environmental review is needed because this will be the Board's only opportunity to review the potential abandonment and salvage of the tracks used in common carrier service. In the related Declaratory Order Petition proceeding, Met Council seeks to acquire the physical assets and the right-of-way, to relocate the physical freight rail tracks, and build parallel light-rail tracks in the shared corridor. HCRRA would allegedly have the common carrier obligation on the freight rail tracks and presumably HCRRA could not discontinue its operations and abandon freight service without future Board authority. However, if the State of Maine¹⁵ transaction and the other aspects of the Project go forward, HCRRA, with its Subtitle IV exemption, could abandon its common carrier obligation and salvage the Kenilworth Corridor and the Bass Lake Spur tracks without further Board involvement. Thus, this is the Board's only opportunity to review the environmental effects of such a future action.

In analogous situations where the only opportunity for the Board to review the environmental and historic impacts of future actions that could occur without Board authorization, the Board has required parties to present, in the current transaction, a full environmental and historic report. Longhorn Railway Company-Discontinuance Exemption-In Burnet County, TX, AB-501X, 1997 STB LEXIS 2958 (STB served Apr. 1, 1997) (requiring

¹⁴ An argument could be made that HCRRA and CP should have filed a notice of exemption under 49 C.F.R. §1180.2(d) (5) for joint projects for the relocation of a line of railroad (rather than under 10901) since multiple carriers are involved. However, such a filing also would have been problematic. Because the Project disrupts service to shippers, it would not qualify under that exemption. Instead, an application or a petition for exemption would need to be filed.

¹⁵ State of Maine, Department of Transportation – Acquisition and Operation Exemption – Maine Central R. Co., 8 I.C.C. 2d 835 (1991) (“State of Maine”)

compliance with environmental rules in context of a discontinuance by a tenant railroad because the abandonment could occur without Board approval due to the line being owned by an entity with a Subtitle IV exemption); see also, Boston and Maine Corporation—Discontinuance of Service Exemption—in Essex County, Mass., AB-32 (Sub-No. 106X), Environmental Assessment at 2 (STB served Mar. 3, 2015) (Environmental Assessment required in a discontinuance where there is no subsequent abandonment filing with the Board and, therefore, no opportunity for environmental review by the Board before salvage could occur); and The Cincinnati, New Orleans and-Texas Pacific Railway Company Discontinuance of Service Exemption - In Scott County, TN, AB-290 (Sub-No. 354X), April 10, 2015 letter from William A. Mullins, counsel for The Cincinnati, New Orleans and Texas Pacific Railway Company, and Environmental Assessment at 2 (STB served May 8, 2015). The Board should likewise here require full compliance with the environmental rules.

2. The Historic Impacts

HCRRA also claims an exemption from the requirement to provide an historic report. The basis for the exemption from the requirement to provide an historic report is because “[f]urther approval from the Board would be required for HCRRA to discontinue or abandon freight service currently available on the Line,” Notice at 5, and thus qualifies for an exemption under 49 C.F.R. §1105.8(b) (1). This too is false. Possessing a Subtitle IV exemption means that HCRRA does not need to obtain future authority pursuant to 49 U.S.C. §10903 – 10907 to discontinue or abandon its lines or common carrier rights. As such, the only opportunity for the Board to view the impacts on historic sites and structures is in the context of this proceeding and thus the Board should also require preparation and submission of a historic report.

D. The Transaction Is Not Routine And Is Controversial And Therefore Not Proper For Handling Under The Notice of Exemption Procedures

In several previous cases where the matters are not routine and controversial, the Board has rejected the use of a notice of exemption and required either the filing of an application or individual petition for exemption. This is because the notice of exemption process is an expedited means of obtaining Board authorization in certain classes of transactions that ordinarily do not require substantial regulatory scrutiny.¹⁶ But in cases involving non-routine and controversial matters, the attempted use of the Board's class exemption procedures has been found to be inappropriate, and, accordingly, the Board will reject the notice (or if the notice has already taken effect, it will revoke the exemption).¹⁷

Here, the Project is not a routine State of Maine situation. What Met Council and HCRRA are seeking in these concurrent proceedings is a State of Maine determination without the participation or concurrence of the only rail carrier conducting freight train operations on the

¹⁶ See Class Exemption for the Acquis. & Operation of Rail Lines Under 49 U.S.C. 10901, 1985 ICC LEXIS 29, *5-*6 (Dec. 19, 1985) (the class exemption procedure is "designed to meet the need for expeditious handling of a large number of requests that are rarely opposed").

¹⁷ See e.g., James Riffin and Eric Strohmeyer – Acquisition and Operation Exemption – In Rio Grande and Mineral Counties, Colo., FD 35705 (STB served Jan. 11, 2013) (revoking a notice of exemption due to opposition to the transaction, and because the case presented issues requiring a more detailed examination than that accompanying the notice of exemption process); Swanson Rail Transfer LP – Operation Exemption – Olive Investors, FD 35376 (STB served July 7, 2010) (even a transaction involving an agreement to operate 1,805 feet of railroad track may present sufficient controversy and complexity to necessitate the use of the Board's formal application processes, rather than a class exemption notice or individual petition for exemption processes); Rail Switching Services, Inc. – Operation Exemption – Pemiscot County Port Authority; Pioneer Railcorp – Continuance In Control Exemption – Rail Switching Services, Inc., FD 35685 and 35686 (STB served Jan. 8, 2013); and Winamac S. Ry.—Trackage Rights Exemption—A. & R. Line, Inc., FD 35208 (STB served Jan. 9, 2009); Burlington Northern And Santa Fe Railway Company – Acquisition And Operation Exemption – State Of South Dakota, FD 34645 (STB served Jan. 14, 2005) (notice rejected because transaction was not routine and involved other issues that were not appropriate for the class exemption process); and Riverview Trenton Railroad Company – Acquisition and Operation Exemption – Crown Enterprises, Inc., FD 33980 (STB served Feb. 15, 2002) (exemption process should only be used for routine transactions).

subject line. It is also unprecedented in that the entity who is allegedly acquiring and maintaining the common carrier obligation, HCRRA, is not a carrier, does not provide any rail service, and has a complete exemption from Subtitle IV, including any obligation to provide common carrier service. It is further unprecedented in that there are absolutely no agreements between TCW and Met Council/HCRRA providing for a construction and maintenance schedule to govern a four-year construction, relocation, and realignment project that coordinates with TCW so as to limit the impacts on TCW's shippers. There are likewise no agreements regarding the future shared use of the Kenilworth Corridor and the Bass Lake Spur by freight trains and light rail transit. Yet, HCRRA wants the Board to believe that this is a run-of-the mill notice of exemption acquisition. It is not.

The Project is very controversial. Numerous shippers, other shortlines who either originate or terminate traffic that involves TCW, and several public bodies have written letters to the Board expressing concern over the Project. They have also requested the Board to stay the effective date of the Notice until such time as the Board provides for a full and complete opportunity for public comment and the development of the record.¹⁸ These are not mere "form letters" as so condescendingly referred to by counsel for Met Council in its April 18, 2018 letter in FD 36178. Each of these parties has explained the importance of TCW and the need to ensure that TCW service is not impacted – issues which were not addressed in either the Notice or the Declaratory Order Petition. These are real shippers and shortlines whose financial well-being could be significantly impacted if the Project alters, changes, or disrupts TCW's current service. In addition, Congressman Collin Peterson has also requested a thorough analysis of the Project

¹⁸ For ease of convenience and to ensure a complete record, all of the letters that have been submitted in FD 36178 and in this proceeding are compiled and attached as Exhibit C (minus duplicates).

and a stay of the Notice until that analysis can be conducted. Met Council apparently wants the Board to ignore these concerns: Nothing To See Here. Please Disperse. The Board should review what is really going on in the background and make its decisions based upon those facts and the very real concerns of shippers and connecting carriers.

Given the controversial nature of the Project and complex circumstances surrounding it, use of the notice of exemption process for HCRRA's acquisition of CP's common carrier obligation and CP's freight rail easement is inappropriate. Accordingly, the Notice should be rejected, or, if the Board believes that it can cut through the complexity of this case in keeping with the class exemption procedures and agency precedent, then the Board must at least impose a housekeeping stay of appropriate duration to allow further development of the record and public comment.

E. The Pending Court Matter May Moot The Need For The Board To Act

As previously noted and as is reflected in Exhibit B, TCW filed for a declaratory order in the United States District Court for the District of Minnesota. In that declaratory order request, TCW seeks three things. First, a declaration that the actions proposed to be taken by HCRRA and Met Council are preempted under ICCTA because such actions would unreasonably interfere with TCW's common carrier obligations. Second, that CP has breached its obligations under the 1991 Trackage Rights Agreement and the 1993 Supplemental Agreement because CP's performance under the agreements with Met Council and HCRRA will result in a material interference of TCW's rights. Third, that by entering into the various agreements with CP and Met Council, HCRRA has breached its obligations under the 1998 Trackage Rights Agreement and 2002 Supplemental Agreement, which agreements gave TCW the exclusive control of the Kenilworth Corridor.

With respect to the preemption issue, and as discussed in TCW's reply to the Declaratory Order Petition, the Board should defer ruling on the State of Maine question until there is a ruling (or referral to the Board) by the District Court of Minnesota on the merits of TCW's preemption claim. Indeed, the Board has several times noted that courts can address issues of preemption just as well as the Board. City of Sammamish, Wash – Petition For Declaratory Order, FD 36161 (STB served Mar. 29, 2018) (noting that preemption issues can be decided either by the Board or the courts in the first instance, as both the Board and courts have concurrent jurisdiction to determine preemption); see also, Adrian & Blissfield R.R.--Pet. for Declaratory Order, FD 36148, slip op. at 4 (STB served Jan. 31, 2018); 14500 Ltd.--Pet. for Declaratory Order, FD 35788, slip op. at 2 (STB served June 5, 2014); CSX Transp., Inc.-- Pet. for Declaratory Order, FD 34662, slip op. at 8 (STB served May 3, 2005).

With respect to the breach of contract claims, the Board need not rule on the merits of TCW's contract claims either, but should likewise stay the Notice and/or the Declaratory Order Petition proceeding until such time that the District Court has ruled. The Board has repeatedly held that contractual disputes are best addressed in federal and state courts.¹⁹ Such pronouncements also extend specifically to trackage rights agreements authorized by the Board. See, e.g., BNSF Railway Company – Trackage Rights Exemption – Union Pacific Railroad

¹⁹ Indiana Harbor Belt Railroad Company – Trackage Rights – Consolidated Rail Corporation, CSX Transportation, Inc., and Norfolk Southern Railway Company, FD 36099, slip op. at 5 (STB served Mar. 14, 2017) (Noting that the Board has consistently stated that contractual disputes are properly for courts to decide.) (emphasis added). This general principle is found over and over again in Board decisions. See, e.g., Canadian Pacific Railway Company, et al. – Control – Dakota, Minnesota & Eastern Railroad Corp., et al., FD 35081, slip op. at 7 (STB served May 7, 2009) (“The Board's policy is to refrain from interpreting or enforcing private contracts, leaving such issues to be resolved by the parties to the contract or in court.”); City of Peoria and the Village of Peoria Heights, Il – Adverse Discontinuance – Pioneer Industrial Railway Company, AB-878, slip op. at 6 (STB served Aug. 10, 2005) (noting in part that “the Board does not undertake to interpret or enforce operating agreements or contracts. . .”).

Company, FD 35601, slip op. at 5-6 (STB served Sept. 11, 2013); Indiana Northeastern Railroad Company – Change in Operators – Branch and St. Joseph Counties Rail Users Association, Inc. in Branch County, Michigan, FD 33760, slip op. at 4 (STB served Sept. 1, 1999); Iowa Interstate Railroad, LTD. – Lease and Operate – Exemption, ICC Docket No. FD 30554, 1984 ICC Lexis 240, at *12 (ICC served Sept. 28, 1984).

Clearly, a favorable ruling on any of the three counts asserted in TCW's federal court litigation would moot the need for the Board to proceed at all on the Declaratory Order Petition or the Notice. There is no need to task the Board's resources at this time when this dispute may in fact never need Board involvement at all. As such, the Board can and should reject the Notice,²⁰ or, at a minimum issue a housekeeping stay until such time as the Court rules.²¹

II. ABSENT REJECTION, THE BOARD SHOULD ISSUE A HOUSEKEEPING STAY

Normally, when a petitioner seeks to stay an agency decision, a petitioner must establish (1) that there is a strong likelihood of prevailing on the merits; (2) that the petitioners will suffer

²⁰ U S Rail Corporation--Lease and Operation Exemption--Winamac Southern Railway Company and Kokomo Grain Co., Inc., FD 35205 (STB served Mar. 11, 2013) (rejecting a notice of exemption filing in reliance on a decision in the U.S. District Court for the Northern District of Indiana determining that Winamac Southern Railway's trackage rights agreement did not permit Winamac Southern Railway to assign its trackage rights over a segment of track covered by the agreement).

²¹ TCW is aware of some precedents refusing to grant a housekeeping stay simply because there are contractual issues pending in court and noting that notices of exemption are permissive and that Board authorization does not constitute a ruling on the contract matters. See e.g., Wisconsin Central LTD – Trackage Rights Exemption – Lines Of Union Pacific Railroad Company And Illinois Central Railroad Company, FD 35992 (STB served Mar. 4, 2016); Lehigh Railway, LLC – Lease Exemption Containing Interchange Commitment – Norfolk Southern Railway Company, FD 36062 (STB served Oct. 14, 2016); and Grand Elk Railroad, Inc. – Acquisition Of Incidental Trackage Rights Exemption – Norfolk Southern Railway Company, FD 35187 (STB served Nov. 1, 2016). However, in those cases, the request for a stay relied almost entirely on the pendency of the court contractual disputes and none of them involved allegations of false and misleading statements in the notice. Here, there are several grounds for rejecting the Notice or granting a housekeeping stay. As such, this case is distinguishable from those precedents.

irreparable harm in the absence of a stay; (3) that other interested parties will not be substantially harmed; and (4) that the public interest supports granting the stay. Hilton v. Braunskill, 481 U.S. 770, 776 (1987); Washington Metropolitan Area Transit Commission v. Holiday Tours, Inc., 559 F.2d 841, 843 (D.C. Cir. 1977) (“Holiday Tours”). However, the notice of exemption process does not involve the issuance of a Board decision. Rather, the notices automatically take effect unless stayed or rejected. In such circumstances, the Board’s practice has been not to require compliance with the Holiday Tours test before issuing a stay of the effective date of a notice of exemption. Instead, if the Chairman or the Board believes that further development of the record is necessary in order to ensure that the transaction does in fact properly invoke the Board’s notice of exemption procedures, the Chairman or the Board issues a “housekeeping stay” by which the effective date of a transaction is postponed until such time as the Board and the public are provided with additional information.

Absent outright rejection, the Board will often times impose a housekeeping stay when the notice is unclear, when the scope of the transaction appears to be outside of the purview of an exemption proceeding, when further information is required, when the environmental impacts are unknown, or when the transactions are not routine and there is significant opposition to a transaction. See e.g., Norfolk Southern Railway Company – Abandonment Exemption – In Roanoke, VA, AB-290 (Sub-No. 389X) (STB served Apr. 21, 2017) (housekeeping stay to provide sufficient time for the Board to consider fully the issues raised); Maryland Transit Administration -- Abandonment Exemption -- In Somerset County, Md., AB-590 (Sub-No. 1X) (Chairman’s Order served Dec. 30, 2014); Union Pacific Railroad Company—Operation Exemption—in Bexar and Wilson Counties, Tex., FD 35776 (Chairman’s Order served Nov. 15, 2013); BNSF Railway Company, CBEC Railway Inc., Iowa Interstate Railroad, Ltd., and Union

Pacific Railroad Company—Joint Relocation Project Exemption—In Council Bluffs, Iowa, FD 35755 (Chairman’s Order served Nov. 8, 2013) (granting housekeeping stay to allow more time for the Board to gather more information); Buffalo Southern Railroad, Inc. – Acquisition And Operation Exemption – Line In Croton-On-Hudson, NY, FD 34903 (Chairman’s Order served July 3, 2006) (in lieu of rejecting notice, a housekeeping stay was issued to provide the Board with sufficient time to consider the issues); ISG Cleveland Works Railway Company – Acquisition And Operation Exemption – Rail Lines Of The Cuyahoga Valley Railway Company And River Terminal Railway Company, FD 34182 (Chairman’s Order served May 6, 2002) (housekeeping stay issued to consider issues raised); CSX Transportation, Inc. Discontinuance – At Memphis, In Shelby County, TN, AB-55 (Sub-No. 618) (Chairman’s Order served Nov. 22, 2002) (housekeeping stay issued to provide further time to consider issues raised).

This case is right in line with those precedents. The issues that are the subject of this Notice and the Declaratory Order Petition involve precisely the type of transactions for which the Board, if it determines not to reject the Notice outright, should, at a very minimum, issue a housekeeping stay. The housekeeping stay is necessary in order to hold the Notice in abeyance pending resolution of either the District Court proceeding or the Declaratory Order Petition.

CONCLUSION

What Met Council and HCRRA are seeking in this Notice and the Declaratory Order Petition Proceeding is unprecedented. Met Council seeks a State of Maine determination without the participation or concurrence of the only rail carrier conducting freight train operations on the subject line -- TCW. HCRRA, a governmental body, who claims to be a carrier, seeks to acquire CP’s common carrier rights on the Bass Lake Spur and then sell the physical assets of the Kenilworth Corridor to Met Council while retaining an alleged existing common carrier

obligation in the Kenilworth Corridor. HCRRA's purpose in doing so is to "fulfill CP's common carrier rights and obligations with respect to the Line" and "ensure the provision of any required common carrier service on the Line." But these are false and misleading statements and hollow promises and commitments. HCRRA is exempt from providing the very obligations it claims it will provide. Parties will have no remedy for HCRRA's failure to provide those obligations.

The Project is further unprecedented in that there are absolutely no agreements between TCW and the Met Council/HCRRA providing for a construction and maintenance schedule to govern a four year construction, relocation, and realignment project that coordinates with TCW so as to limit the impacts on TCW's shippers. There are likewise no agreements regarding the future shared use of the Kenilworth Corridor and the Bass Lake Spur by freight trains and light rail transit. Clearly, despite HCRRA's and Met Council's façade that there is nothing to see here and the Board should just move on, nothing could be further from the truth. As currently structured, the Project will have significant effects on TCW's rail operations and its ability to provide service to its many shippers and connecting carriers.

In these circumstances, and as established above, the Notice should be rejected and/or a housekeeping stay issued. The Notice is (1) false and misleading; (2) filed under the wrong regulatory provisions; (3) not routine and extremely controversial and therefore not properly the subject of a notice of exemption; and (4) subject of a federal court proceeding that could moot the Board's need to act. In similar situations in the past, the Board has either rejected the notice and declared it void ab initio or has often issued a housekeeping stay in order to allow development of a thorough record. The Board should likewise do so here.

Respectfully submitted,



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April 24, 2018

Attorneys for Twin Cities & Western
Railroad Company

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36177

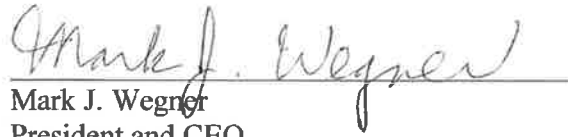
**HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY -- ACQUISITION
EXEMPTION – IN HENNEPIN COUNTY, MINNESOTA**

PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

VERIFICATION

VERIFICATION

I, Mark J. Wegner, President and CEO, for Twin Cities & Western Railroad Company ("TCW") declare under penalty of perjury that I have read the foregoing Petition To Reject Or Stay The Exemption Notice and to the best of my knowledge the facts stated therein with respect to TCW are true and correct. Further, I certify that I am authorized to file this verification on behalf of TCW. Executed this 24th day of April, 2018.


Mark J. Wegner
President and CEO
Twin Cities & Western Railroad Company

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the Twin Cities & Western Railroad Company's Petition To Reject Or Stay The Exemption Notice filed in the above-captioned matter was served by first-class mail, postage prepaid, or by a more expeditious manner, this 24th day of April, 2018, on counsel for Hennepin County Regional Rail Authority, Metropolitan Council, Canadian Pacific, and all other parties of record.



William A. Mullins
Attorney for Twin Cities & Western
Railroad Company

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36177

**HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY -- ACQUISITION
EXEMPTION -- IN HENNEPIN COUNTY, MINNESOTA**

PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

EXHIBIT A

Execution Copy

HCRRRA Agreement No. A141188

**MEMORANDUM OF UNDERSTANDING
(Southwest LRT Project)**

THIS MEMORANDUM OF UNDERSTANDING (the "MOU") is made the 10th day of October 2014 by and between the HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY, a regional railroad authority organized and existing as a political subdivision and local government unit of the State of Minnesota ("**HCRRRA**"); and the CITY OF MINNEAPOLIS, a Minnesota municipal corporation ("**City**").

RECITALS:

- A. HCRRRA is the owner of certain real property in an area commonly known as the Kenilworth Corridor and legally described in the attached Exhibit A (the "**HCRRRA Property**"). The parts of the HCRRRA Property that are located within the boundaries of the City of Minneapolis are hereinafter referred to as the "**Corridor**."
- B. A portion of the HCRRRA Property consists of a railroad line approximately 2.5 miles in length, extending from a point of connection with trackage at or near milepost 16.2 on attached Exhibit B in the City of St. Louis Park, northeasterly to a point of connection at or near milepost 13.7 on attached Exhibit B in the City of Minneapolis.
- C. Pursuant to that certain Trackage Rights Agreement Between the Soo Line Railroad Company, Twin Cities & Western Railroad Company and Hennepin County Regional Railroad Authority dated August 10, 1998, denominated HCRRRA Contract No. A18158 (the "1998 Trackage Rights Agreement"), HCRRRA granted a railroad easement to Twin Cities & Western Railroad, a Minnesota corporation ("**TCW**") and rights to Soo Line Railroad Company, a Minnesota corporation doing business as Canadian Pacific Railway ("**Soo**") and TCW to conduct railroad operations over the portion of the HCRRRA Property depicted on Exhibit B and legally described on Exhibit C (the "**Freight Rail Corridor**"). The portions of the Freight Rail Corridor that are located within the boundaries of the City of Minneapolis are hereinafter referred to as the "**Freight Rail Property**." The 1998 Trackage Rights Agreement has since been amended by that certain Supplement to Trackage Rights Agreement dated July 30, 2002, among HCRRRA, TCW and Soo, denominated A16541 – 1st Supplement (the "**Supplemental Agreement**") and further legally clarified with respect to certain rights and obligations of HCRRRA and TCW in that certain Settlement Agreement dated August 1, 2012, between HCRRRA and TCW, denominated Contract A121128 (the "**Settlement Agreement**").

The 1998 Trackage Rights Agreement as amended by the Supplemental Agreement and as legally clarified by the Settlement Agreement are collectively referred to herein as the **"Trackage Rights Agreement."**

- D. Pursuant to that certain Permit Agreement (No. 73-31016) effective August 19, 1998, HCRRA granted certain rights and benefits to City to construct and operate a bicycle/pedestrian trail over the portion of the HCRRA Property depicted on Exhibit D (the **"Kenilworth Trail"**).
- E. The Metropolitan Council (the **"Council"**) is a public corporation and political subdivision of the state of Minnesota.
- F. The Council has been designated by the governor of Minnesota as the entity responsible for planning, designing, acquiring, constructing, and equipping the Southwest Light Rail Transit Project (the **"Project"**). The Council is also the entity responsible for operating all light rail transit facilities and services located in the metropolitan area upon completion of construction of the facilities and the commencement of revenue service using the facilities.
- G. The Council has released preliminary design plans for the Project, the route for which includes some or all of the Corridor in the vicinity of the Freight Rail Property and includes co-location of freight rail, light rail and a bicycle/pedestrian trail.
- H. As a result of mediated negotiations between the City and Council, the Council approved, at its July 9, 2014 meeting, a Memorandum of Understanding between the City and Council to address various City concerns related to preserving public ownership and control over any freight rail land in the Corridor and the granting of a permanent easement for a pedestrian and bicycle trail through the Corridor at the completion of the Project.
- I. In Resolution 13-HCRRA-0059, the HCRRA Board passed the following resolution: "BE IT RESOLVED, that HCRRA's conveyance of property interests for the light rail project must assure that HCRRA is relieved of all obligations, liabilities or risks for freight rail or light rail in the corridor."
- J. The City wishes to assure, to the extent permitted by law and subject to the provisions of this MOU, that the Freight Rail Property stays in public ownership and that Section 2.3 of the Trackage Rights Agreement is utilized to limit detrimental changes in the frequency or nature of freight service over the Freight Rail Property.
- K. In recognition of the fact that freight rail was intended to be relocated from the Corridor, HCRRA shares the City's objectives, to the extent lawfully permissible, not in breach of the Trackage Rights Agreement, and as provided herein to preserve public ownership of the Freight Rail Property and to limit detrimental changes in the frequency or nature of freight service over the Freight Rail Property.

NOW, THEREFORE, in consideration of the foregoing, and for other valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, HCRRA and City agree as follows:

1. Use Restrictions. HCRRA will, to the extent lawfully permissible and not in breach of the Trackage Rights Agreement, (i) enforce its rights under Section 2.3 of the Trackage Rights Agreement to prevent Soo and TCW from admitting additional railroads to use of the Freight Rail Property; and (ii) not admit additional railroads to the joint use of the Freight Rail Property; provided, however, that nothing herein shall be construed to prevent the HCRRA Property from being utilized for light rail use for the Project.
2. Trackage Rights Agreement Modifications. To the extent lawfully permissible and not in breach of the Trackage Rights Agreement, HCRRA will not terminate Section 2.3 of the Trackage Rights Agreement or make or allow any modifications, amendments or supplements to the Trackage Rights Agreement that would extend or expand railroad use of the Corridor without prior written consent from City; provided, however, that nothing herein shall be construed to prevent the HCRRA Property from being utilized for light rail use for the Project or to prevent the Project from temporarily or permanently moving some or all of the trackage in order to accommodate the Project and amending the Trackage Rights Agreement accordingly.
3. Public Ownership. HCRRA will not sell or offer the Freight Rail Property for sale in a manner that would create an obligation to offer a right of first refusal under Minnesota Statutes, Section 222.632 (2014), or as that provision may be subsequently recodified or renumbered ("**Section 222.632**"). This restriction is not intended to prevent HCRRA from transferring all or any part of the Freight Rail Property to the State of Minnesota, the Council or other governmental entity through an intergovernmental transfer or in any other transaction that would not create an obligation to offer a right of first refusal under Section 222.632. HCRRA further agrees that any transfer of ownership of the Freight Rail Property shall be to another governmental entity and contingent upon assumption by the governmental entity transferee (i) of the commitments by HCRRA herein with respect to the Freight Rail Property and (ii) of the Trackage Rights Agreement.
4. Bicycle/ Pedestrian Trail. In order to perpetuate and maintain the connection to local and regional trails in the area, HCRRA agrees it will, after completion of necessary environmental review and approvals of the Project and determination of the final Project route, work cooperatively with the City and any future owner of the Corridor to assure continued availability and use of the Kenilworth Trail. The Parties understand and agree that the needs of the Project will likely require the temporary closure of the Kenilworth Trail during construction.
5. MOU to Run with the Land. The Corridor shall be held, transferred and used subject to and together with the covenants and restrictions described in Sections 1-3, subject to Section 7, which shall run with the land, burden those portions of the Corridor to which the covenants and restrictions apply, and be binding on any person or entity who now owns or hereafter acquires any right, title or interest in or to all or any portion of the

Corridor to which the covenants and restrictions apply. The covenants and restrictions described in Sections 1-3, subject to Section 7, inure to the benefit of and may be enforced by City.

6. Term. This MOU is effective as of the date that City grants municipal approval of the Council's preliminary design plans for the Project as provided in Minnesota Statutes, Section 473.3994 and upon execution (the "Effective Date"), and shall continue for so long as Soo, TCW, or any successors or assigns of Soo or TCW use any portion of the Freight Rail Property for freight rail purposes, and in no event less than thirty (30) years after the Effective Date, except to the extent any of the following occurs:
 - a. Freight rail rights in the Corridor no longer exist and the termination of such rights and obligations has been approved or confirmed by the Surface Transportation Board or any successor agency with jurisdiction over the matter, in which case HCRRA may convey the Freight Rail Property to a non-public owner with the express limitation that the property is not to be used for freight rail purposes;
 - b. The Council terminates the Project or it is highly unlikely, based on objective factors, that the Project will be constructed;
 - c. The Project does not co-locate freight rail and light rail in the Corridor or, if the Project is constructed, transit use in the Corridor is subsequently abandoned.

On or after the Effective Date, City may record this MOU or a memorandum of this MOU in the office of the Hennepin County Recorder. Upon the occurrence of any of the above termination events, the parties will cooperate in filing an appropriate instrument to evidence termination of this MOU.

7. Acknowledgments. HCRRA and City acknowledge that their agreements herein shall be implemented and interpreted based on the following:
 - a. The Parties understand and acknowledge that the exact boundaries and dimensions of the Freight Rail Property may change in accordance with the Project, and will work cooperatively to amend Exhibits B and C as appropriate. If HCRRA or a subsequent owner amends the railroad easement area described in the Trackage Rights Agreement to reflect such changes to or relocation of the trackage, HCRRA or the subsequent owner shall prepare a corresponding amendment to this MOU in recordable form. City will execute and deliver the amendment upon receipt of such information as is necessary to determine that the revised legal description and/or depiction of the Freight Rail Property is accurate, complete and consistent with the provisions of this MOU. HCRRA or the subsequent owner shall be responsible for filing or recording the amendment.
 - b. The Parties further understand and acknowledge that the exact location of the Kenilworth Trail may change within the Corridor as a consequence of the Project and that the obligations set out in Paragraph 4 above will apply to the bicycle/ pedestrian trail wherever it may ultimately be located within the Corridor.

- c. The Project may necessitate amending the Trackage Rights Agreement or the taking of other actions not yet known or defined.
 - d. The purpose of this MOU is to limit, to the extent lawfully permissible, detrimental changes in the frequency or nature of freight service over the Freight Rail Property. Nothing in this MOU, however, requires HCRRA to take any action or decline to take any action that would be in breach of the Trackage Rights Agreement or in derogation of any rights of TCW or Soo in the Trackage Rights Agreement.
 - e. The parties acknowledge and agree that contractual relations with railroads, and matters collateral thereto, are governed by various federal and state laws, rules and regulations and decisions of various regulatory bodies, as well as by general law. Nothing in this MOU shall be construed to require HCRRA to take any action or decline to take any action in whole or in part if to do so would be contrary to any applicable federal or state law, rule, or regulation or any applicable decision of any court or any decision or order of any regulatory authority of appropriate jurisdiction.
8. Injunctive Relief; Specific Performance. HCRRA acknowledges and agrees that the rights conveyed by this MOU and the covenants hereunder are of a unique and special nature, and that a breach or violation of this MOU shall result in immediate and irreparable harm. In the event of any such actual or threatened breach or violation of this MOU, the City shall be entitled as a matter of right to seek an injunction or a decree of specific performance from any equity court of competent jurisdiction without the posting of any bond. HCRRA waives the right to assert the defense that a breach of this MOU can be compensated adequately in damages in an action at law.
9. No Waiver. The failure of a party hereunder to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies that the party may have hereunder, at law or in equity, and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.
10. Additional Documents and Approval. The parties, whenever and as often as any shall be reasonably requested to do so, shall execute or cause to be executed any further documents and take any further actions as may be reasonably necessary or expedient and within their lawful obligation in order to carry out the purpose and intent of this MOU. Furthermore, the parties shall take all ministerial actions and proceedings reasonably necessary or appropriate to remedy any apparent invalidity, lack, or defect in authorization, or illegality, or to cure any other defect.
11. Notices. All notices and demands given or required to be given by any party hereto to any other party shall be deemed to have been properly given if and when delivered in person, the next business day if sent by reputable national overnight courier (e.g. UPS or FedEx), or two (2) business days after having been deposited in any U.S. Postal Service and sent by registered or certified mail, postage prepaid, addressed as follows (or sent to

such other address as any party shall specify to the other party pursuant to the provisions of this paragraph):

TO CITY:

City of Minneapolis
Department of Public Works
350 South Fifth Street, Room 203
Minneapolis, MN 55415
Attn: Director of Public Works

TO HCRRA:

HCRRA
Attn: Executive Director
A-2300 Government Center
300 South 6th St.
Minneapolis, MN 55487

With a copy to:
Hennepin County Attorney Office
Attn: County Attorney
A-2000 Government Center
300 South 6th St.
Minneapolis, MN 55487

12. **Amendment.** This MOU may be amended or modified only by a written instrument executed by the City and HCRRA or its successors in title to all or any part of the Freight Rail Property, each during its period of fee ownership.
13. **Governing Law.** This MOU shall be governed by and construed in accordance with the laws of the State of Minnesota.
14. **Severability.** If any term of this MOU or any application thereof shall be invalid or unenforceable, the remainder of this MOU and any other application of such term shall not be affected thereby.
15. **Reformation.** If any provision contained in this MOU is or would be deemed invalid under or would otherwise violate applicable law, such provision shall *ipso facto* be automatically reformed sufficient to comply with applicable law and such reformed provision shall be enforceable to the fullest extent permitted by applicable law.
16. **Time.** Time is of the essence hereof with respect to each of the dates, terms and conditions of this MOU.
17. **Incorporation of Recitals.** The Recitals set forth above are incorporated into and deemed to be a part of this MOU.
18. **No Presumption against Drafter.** This MOU has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, this MOU shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this MOU. Further, counsel for the parties found it advantageous and efficient in the course of drafting to exchange drafts and ideas, often without prior consultation with their respective client entities; accordingly, no previous drafts or comments regarding drafts

shall be relevant evidence of the meaning of this MOU, as executed, or the intent of the parties.

19. Incorporation by Reference. All exhibits referenced in this MOU are hereby incorporated into this MOU and are deemed to be an integral part of this MOU.
20. Entire Agreement. This MOU, together with the exhibits attached hereto, constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all other prior written and oral agreements, letters of intent, understandings, negotiations and discussions of the parties with respect to such subject matter.
21. Relationship of Parties. It is agreed that nothing contained in this MOU shall be deemed or construed as creating a partnership or joint venture among the Parties.
22. Counterparts. This MOU may be executed in multiple counterparts, all of which shall be originals and all of which together shall constitute one and the same instrument.

*[Remainder of Page Intentionally Left Blank]
Signature pages follow.*

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MINNEAPOLIS AND THE
HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY
(Execution Page for HCRRRA)

HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY

By: Peter McLaughlin
Its: Chair

Dated: August 26, 2014

And
By: David Hough
Its: Executive Director

Dated: August 26, 2014

Attest:
Kelly Allen
Its: Deputy Clerk of its Board

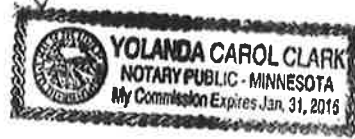
Reviewed by:

Howard J. Clark
Its Attorney

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing agreement was acknowledged before me on this 26th day of August, 2014, by Peter McLaughlin and David Hough the Chair and Executive Director of the Hennepin County Regional Railroad Authority, a political subdivision and local government unit of the State of Minnesota, on behalf of the political subdivision and local government unit of the State of Minnesota.

Yolanda Carol Clark
Notary Public



CITY OF MINNEAPOLIS

Dated: August 10/10, 2014

for Monitoring Contract:



Director, Public Works

Dated: ^{10/10} August, 2014

Gary M. Connor
Assistant City Attorney

Dated: ~~Aug~~ ^{10/10} ~~2014~~, 2014

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing agreement was acknowledged before me on this 10 day of October, 2014, by Kevin Carpenter, the Finance Officer of the City of Minneapolis, a Minnesota municipal corporation, on behalf of the municipal corporation.

Notary Public

*This instrument was drafted by:
Minneapolis City Attorney's Office (NMN)
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401-2534*

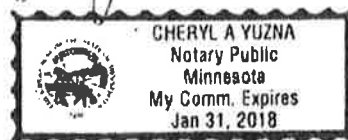


EXHIBIT A

DESCRIPTION OF HCRRA PROPERTY

Tract 1

(refer to HCRRA Property Map No. 9 and a portion of HCRRA Property Map No. 10

plus acquisitions and except dispositions)

(From Pages 3 and 4 of CR Doc No. 4928955):

That part of Government Lots 2 and 4 of Section 28, and of Government Lot 1, and the East one-half of the Southeast Quarter of Section 29, Township 29 North, Range 24 West of the Fourth Principal Meridian, bounded and described as follows: Beginning at a point on the North line of Government Lot 4, of Section 28, distant 50 feet Southeasterly, measured radially, from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence Southwesterly parallel with said center line to the most Northerly corner of Lot 8, in Block 2, of Lakeview Addition to Minneapolis; thence Southeasterly along the Northeasterly line of said Lot 8 to its intersection with a line drawn parallel with and distant 25 feet Southeasterly, measured at right angles, from the Northwesterly line of said Lot 8; thence Southwesterly along said parallel line to the Northeasterly line of Lot 9, in said Block 2; thence Southeasterly along the Northeasterly line of said Lot 9 to its intersection with a line drawn parallel with and distant 50 feet Southeasterly, measured at right angles, from the Northwesterly line of Lots 9, 10, and 11, of said Block 2; thence Southwesterly along said parallel line to the Northeasterly line of Lot 10, in said Block 2; thence Southwesterly to a point on the Southwesterly line of said Lot 10, distant 20 feet Southeasterly from its intersection with said parallel line; thence Southwesterly to a point on the Westerly line of Lot 11, distant 35 feet Southerly from its intersection with said parallel line; thence Northerly along said Westerly line of Lot 11 a distance of 35 feet; thence Southwesterly to a point in the Easterly line of Lot 13, of said Block 2, distant 75 feet Southerly, measured at right angles, from the Northerly line of said Lot 13; thence Southwesterly to a point in the Easterly line of Lot 16, of said Block 2, distant 190 feet Northerly from Southeast corner of said Lot 16; thence Southwesterly to the Southwest corner of said Lot 16; thence Southerly along an Easterly line of Lot 1, in Block 1, of Kenwood a distance of 60.02 feet; thence

Southwesterly to the most Southerly corner of said Lot 1; thence Southwesterly to the most Southerly corner of Lot 9, of said Block 1; thence Southerly to the Northwest corner of Lot 8, of said Block 1; thence Southwesterly along the Westerly extension of the Northerly line of said Lot 8, to a point distant 20 feet West, measured at right angles, from the West line of said Lot 8; thence South parallel with said West line to the Northerly line of Kenwood Parkway; thence Southwesterly to a point distant 362.68 feet due North from a point in the South line of Section 29, distant 1327.4 feet West from the Southeast corner of said Section 29; thence Southwesterly a distance of 390.29 feet to a point in the South line of Section 29, distant 1471.7 feet West from the Southeast corner of said Section 29; thence West along the South line of Section 29, to a point distant 6 feet Easterly, measured radially, from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence Northeasterly parallel with said center line a distance of 1060.64 feet; thence deflecting right 91 degrees 35 minutes, a distance of 16.02 feet, to a point distant 22 feet Southeasterly, measured radially, from said center line; thence Northeasterly parallel with said center line to a point on the North line of Government Lot 4, of said Section 28; thence East along said North line to the beginning.

ALSO

(From Pages 4 and 5 of Exhibit A of CR Doc No. 9682077):

Together with those parts of Government Lots 4 and 5, Section 28, Township 29 North, Range 24 West of the 4th Principal Meridian, Hennepin County, Minnesota, described as follows:

Commencing at the west quarter corner of said Section 28; thence southerly on an assumed bearing of South 0 degrees 03 minutes 27 seconds East, along the west line of said Section 28 a distance of 493.63 feet; thence North 70 degrees 57 minutes 00 seconds East a distance of 655.76 feet to the point of intersection with the northwesterly line of HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 10, according to the recorded map thereof, said intersection being the point of beginning of the parcel to be described; thence North 74 degrees 58 minutes 02 seconds East, along said northwesterly line, a distance of 399.89 feet; thence North 70 degrees 57 minutes 00 seconds East 233.34 feet; thence northeasterly a distance of 305.01 feet along a non-tangential curve concave to the northwest having a radius of 2504.87 feet, a central angle of 6 degrees 58 minutes 36 seconds and a chord bearing of North 64 degrees 04 minutes 56 seconds East, to the point of intersection with a line drawn 40.00 feet north of and parallel with the east-west quarter line of said Section 28; thence North 89 degrees 45 minutes 06 seconds West along said parallel line a distance of 57.61 feet to the point of intersection with a line drawn 50.00 feet southeasterly of and parallel with the BNSF Railway Company main track centerline as

now located and constructed; thence southwesterly a distance of 250.70 feet along a non-tangential curve concave to the northwest having a radius of 2476.87 feet, a central angle of 5 degrees 47 minutes 57 seconds and a chord bearing of South 64 degrees 39 minutes 06 seconds West; thence South 70 degrees 57 minutes 00 seconds West a distance of 631.21 feet to the point of beginning.

EXCEPT

(From Pages 3 and 4 of Exhibit A of CR Doc No. 9682078):

Together with that part of Government Lot 4 of Section 28, Township 29 North, Range 24 West and LAKEVIEW ADDITION TO MINNEAPOLIS, according to the plat thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, described as follows:

Beginning at a point on the north line of said Government Lot 4 distant 50.00 feet southeasterly, measured radially, from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence southwesterly parallel with said center line to the most northerly corner of Lot 8, Block 2, said LAKEVIEW ADDITION TO MINNEAPOLIS; thence southeasterly along the northeasterly line of said Lot 8 to its intersection with a line drawn parallel with and distant 25.00 feet southeasterly, measured at right angles, from the northwesterly line of said Lot 8; thence southwesterly along said parallel line to the northeasterly line of Lot 9, said Block 2; thence southeasterly along the northeasterly line of said Lot 9 to its intersection with a line drawn parallel with and distant 50.00 feet southeasterly, measured at right angles, from the northwesterly line of Lots 9, 10 and 11, said Block 2; thence southwesterly along said parallel line to the northeasterly line of Lot 10, said Block 2; thence southwesterly to a point on the southwesterly line of said Lot 10, distant 20.00 feet southeasterly from its intersection with said parallel line; thence southwesterly to a point on the westerly line of Lot 11, said Block 2, distant 35.00 feet southerly from its intersection with said parallel line, said point also being the northwest corner of Lot 3, Block 1, ROONEY AND ROONEY ADDITION TO KENWOOD, according to the plat thereof on file and of record in the office of the Registrar of Titles in and for Hennepin County, Minnesota; thence northerly along the northerly extension of the west line of said Lot 3 to the intersection with a line run parallel with and distant 22.00 feet southeasterly from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence northeasterly parallel with said center line to a point on the north line of said Government Lot 4; thence east along said north line to the point of beginning; (Said described property shown as part of HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 10 recorded with the County Recorder for Hennepin County, Minnesota as Document No. 5523297 and filed with the Registrar of Titles for said Hennepin County as Document No. 4687650);

EXCEPT that part thereof described as:

Commencing at the west quarter corner of said Section 28; thence southerly on an assumed bearing of South 0 degrees 03 minutes 27 seconds East, along the west line of said Section 28 a distance of 493.83 feet; thence North 70 degrees 57 minutes 00 seconds East a distance of 655.76 feet to the point of intersection with the northwesterly line of HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 10, according to the recorded map thereof; thence North 74 degrees 58 minutes 02 seconds East, along said northwesterly line, a distance of 340.03 feet to the intersection with the northerly extension of the west line of Lot 3, Block 1, said ROONEY AND ROONEY ADDITION TO

KENWOOD, said intersection being the point of beginning of the parcel to be described; thence continuing North 74 degrees 58 minutes 02 seconds East, along said northwesterly line, a distance of 280.67 feet; thence South 70 degrees 59 minutes 47 seconds West a distance of 288.30 feet to the intersection with the northerly extension of the west line of said Lot 3; thence northerly along said northerly extension a distance of 19.11 feet to the point of beginning.

Tract 2

(refer to HCRRRA Property Map No. 8 and plat of Hennepin Rail Authority

plus acquisitions and except dispositions)

(From Pages 4 and 5 of CR Doc No. 4928955):

Lots 1 to 17 inclusive in Block 12 of Kenwood; and Lots 1 to 6 inclusive of Block A, Kenwood Rearrangement, Minneapolis, Minnesota; also that part of Section 32, Township 29 North, Range 24 West of the Fourth Principal Meridian, bounded and described as follows: Beginning at a point on the North line of Government Lot 3, in said Section 32, distant 50 feet Easterly, measured at right angles, from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence Southerly parallel with said center line to a point on the North line of Government 4, in said Section 32; thence Easterly along the North line of said Government Lot 4 to a point distant 230 feet Easterly, measured at right angles, from said center line; thence Southerly parallel with said center line a distance of 742 feet; thence Southwesterly a distance of 700 feet to a point distant 75 feet Southeasterly, measured at right angles, from said center line; thence Southwesterly parallel with said center line to a point on the South line of said Government Lot 4; thence Westerly along said South line to a point distant 50 feet Southeast-erly, measured at right angles, from said center line; thence Southwesterly to a point on the West line of Government Lot 5, in said Section 32, distant 645 feet South from the Northwest corner of said Government Lot 5; thence Southerly along the West line of said Government Lot 5, to a point distant 50 feet Southeasterly, measured at right angles, from the center line of the original main track of the Minneapolis and St. Louis Railroad Company; thence Southwesterly parallel with the center line of said main track to a point on the Westerly extension of the North line of West 28th Street; thence Westerly along said Westerly extension to a point distant 40 feet Southeast-erly, measured radially, from the center line of said main track; thence Southwesterly parallel with the center line of said main track a distance of 995 feet, more or less, to a point on a line drawn radially to the center line of said main track from the point of intersection of the Northwest-

erly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company with a line drawn 50 feet Southeasterly, measured radially, from the center line of said main track; thence Southeasterly along said radial line a distance of 10 feet; thence Southwesterly parallel with the center line of said main track to a point distant 567.38 feet Northeasterly, measured along said parallel line from a point on the South line of said Section 32; thence Southwesterly a distance of 580.15 feet to a point on said South line distant 37.5 feet Southeasterly, measured at right angles, from the center line of said main track; thence Westerly along the South line of said Section 32, to a point distant 50 feet Northwesterly, measured at right angles, from the center line of said main track; thence Northeasterly parallel with the center of said main track to a point on the North line of West Lake Street; thence Easterly along said North line to a point distant 12 feet Northwesterly, measured at right angles, from the center line of said main track; thence Northeasterly parallel with the center line of said main track to a point on the Southerly line of Cedar Lake Boulevard; thence Westerly along said Southerly line to a point distant 50 feet Southeasterly, measured radially, from the center line of the St. Paul, Minneapolis & Manitoba Railway as originally located; thence Northeasterly parallel with said center line to a point distant 250 feet Southwesterly, measured along said parallel line from the East line of Government Lot 7, of said Section 32; thence Northwesterly radially to said center line a distance of 28 feet; thence Northeasterly parallel with and distant 22 feet Southeasterly, measured radially, from said center line to a point distant 51.85 feet Northeasterly, measured along said parallel line, from the West line of Government Lot 5, of said Section 32; thence Northwesterly, measured radially, to a point distant 6 feet Southeasterly, measured along said radial line, from said center line; thence Northeasterly parallel with said center line to a point on the North line of Government Lot 3, in said Section 32; thence Easterly along said North line to the beginning.

ALSO

(From Page 1 of CR Doc No. 7253473):

THAT PART LYING NORTH OF CEDAR LAKE
BOULAVARD AS OPENED BY CITY LOT A "WEST
END" SUBDIVISION, MINNEAPOLIS, MINNESOTA".
IN HENNEPIN COUNTY

ALSO

(From Page 1 of CR Doc No. 6696611):

THAT PART OF GOVT LOT 7 SEC 32 T 29 R 24 BOUNDED AND DESC AS FOLLS BEG AT A PT ON NWLY R/W LINE OF C M ST P & P RR CO DIST 50 FT SELY MEAS RADIALLY FROM CTR LINE OF MAIN TRACK OF M & ST L RR CO (NOW C & NW TRANS CO) AS SAID TRACK CTR LINE WAS ORIGINALLY LOCATED TH NELY PAR WITH SAID ORIGINAL MAIN TRACK CTR LINE DIST 1005 FT MORE OR LESS TO A PT ON WLY EXTS OF N LINE OF W 28TH ST TH WLY ALONG SAID N LINE EXT DIST 10 FT MORE OR LESS TO A PT DIST 25 FT SELY MEAS RADIALLY FROM CTR LINE OF MOST SELY OR N BOUND MAIN TRACK OF C&NW TRANS CO AS SAID TRACK IS NOW LOCATED TH SWLY PAR WITH SAID LAST DESC MAIN TRACK CTR LINE DIST 995 FT MORE OR LESS TO A PT ON A LINE DRAWN RADIALLY TO SAID LAST DESC MAIN TRACK CTR LINE THROUGH PT OF BEG TH SELY TO BEG. IN HENNEPIN COUNTY

ALSO

(Note: Lots 7, 8, 9 and 10, Block A, "Kenwood Rearrangement, Minneapolis, Minn." has been replatted into Hennepin Rail Authority)

Lots 1 and 2, Block 1, and Outlot A, Hennepin Rail Authority

EXCEPT

(From Page 1 of CR Doc No. 6254163):

Lot 1, Block 1, Hennepin Rail Authority

Tract 3

(refer to HCRRRA Property Map No. 7)

(From Page 5 of CR Doc No. 4928955):

That part of the North Half of the Northwest Quarter of Section 5, Township 28 North, Range 24 West of the Fourth Principal Meridian, bounded and described as follows: Beginning at a point on the North line of the Northwest Quarter of said Section 5, distant 37.5 feet Southeasterly, measured at right angles, from the center line of the original main track of the Minneapolis and St. Louis Railway Company; thence Southwesterly a distance of 715.3 feet to a point distant 25 feet Southeasterly, measured radially, from the center line of said main track; thence Westerly parallel with the center line of said main track to a point on the West line of the Northwest Quarter of said Section 5; thence Northerly along said West line to a point distant 25 feet Northerly, measured radially, from the center line of said main track; thence Northeasterly parallel with the center line of said main track to a point on the center line of Chowen Avenue, now vacated; thence North along said center line of Chowen Avenue, now vacated,

to a point distant 5.75 feet Northerly, measured at right angles, from said parallel line; thence Northeasterly to the Northeast corner of Block 1, Bebb's Addition to Minneapolis; thence Northeasterly parallel with the center line of said main track to a point on the North line of said Section 5; thence Easterly along said North line to the beginning.

ALSO

That part of the North 24 feet of Block 1, of Bebb's Addition to Minneapolis, lying Westerly of a line running from the Northeast corner of said Block 1, to a point on the center line of Chowen Avenue, now vacated, distant 5.75 feet Northerly, measured at right angles, from the Southwesterly extension of the Southeasterly line of said Block 1.

Tract 4

(refer to a portion of HCRRA Property Map No. 6)

(From Page 5 of CR Doc No. 4928955):

A strip of land 50 feet in width extending over and across the North Half of the Northeast Quarter of Section 6, Township 28 North, Range 24 West of the Fourth Principal Meridian, said strip of land being 25 feet in width on each side of the center line of the main track of the Minneapolis and St. Louis Railway Company (now the Chicago and North Western Transportation Company), as said main track center line was originally located and established over and across said Section 6.

ALSO

A strip of land 100 feet in width extending over and across the Southwest Quarter of the Northeast Quarter, of said Section 6, said strip of land being 50 feet in width on each side of said original main track center line.

ALSO

(From Page 1 of CR Doc No. 5474897):

That part of the Southwest Quarter of the Northeast Quarter of Section 6, Township 28 North, Range 24 West of the Fourth Principal Meridian, bounded and described as follows: Beginning at a point on the West line of said Southwest Quarter of the Northeast Quarter of Section 6, distant 299.7 feet Southerly from the Northwest corner thereof, said point being also on a line parallel with and distant 50 feet Northwesterly, measured at right angles, from the center line of the Southbound main track of the Minneapolis and St. Louis Railroad Company (later the Chicago and North Western Transportation Company, now the Hennepin County Regional Railroad Authority), as said main track center line was originally located and established over and across said Section 6; thence Northeasterly parallel with said original main track center line a distance of 46 feet; thence Westerly along a straight line a distance of 43 feet, more or less, to a point on the West line of said Southwest Quarter of the Northeast Quarter of Section 6, distant 11 feet Northerly from the point of beginning; thence Southerly along said West line of the Southwest Quarter of the Northeast Quarter of Section 6 a distance of 11 feet to the point of beginning.

Tract 5

(refer to HCRRRA Property Map No. 40)

(From Page 1 of CR Doc No. 7786115):

That part of the Northeast Quarter of Section 6, Township 28, Range 24 lying northerly of the northerly line of the plat of BELTLINE BUSINESS PARK and southerly of the southerly line of HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 6 recorded as Document Number 5504276 in the Hennepin County Records Office which lies easterly of the following described line and its southeasterly extension.

Commencing at the intersection of the east line of Section 6, Township 28, Range 24 and the main track centerline of the SOO Line Railroad as described in Document 5360776 and said point being depicted as Railroad Engineers Station 402+10 on the CANADIAN PACIFIC RAILWAY Map of proposed track changes at Bass Lake Yard dated 6/05/2001; thence westerly along said main track centerline a distance of 2020 feet to the Point of Switch at Station 381+90 on said Railway Map and being the point of beginning of the line to be described; thence northwesterly at right angles to said main track centerline to the southerly line of said HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 6 and said line there terminating.

Tract 6

(refer to HCRRRA Property Map No. 31)

(From Page 3 of CR Doc No. 6128880):

**All that part of the Soo Line Railroad Company right of way passing through the
North Half of the Northwest Quarter of Section 5, Township 28, Range 24.**

(Note: Includes that portion of Lot 24, Block 2, Calhoun Boulevard Addition to Minneapolis, Minn. not included within the plat of Calhoun Greenway Addition)

Tract 7

(refer to a portion of HCRRRA Property Map No. 32)

(From Page 3 of CR Doc No. 6128880):

**All that part of the Soo Line Railroad Company right of way passing through the
Southeast Quarter of the Southwest Quarter, (Government Lot 7) of
Section 32, Township 29, Range 24,**

DEPICTION OF FREIGHT RAIL PROPERTY

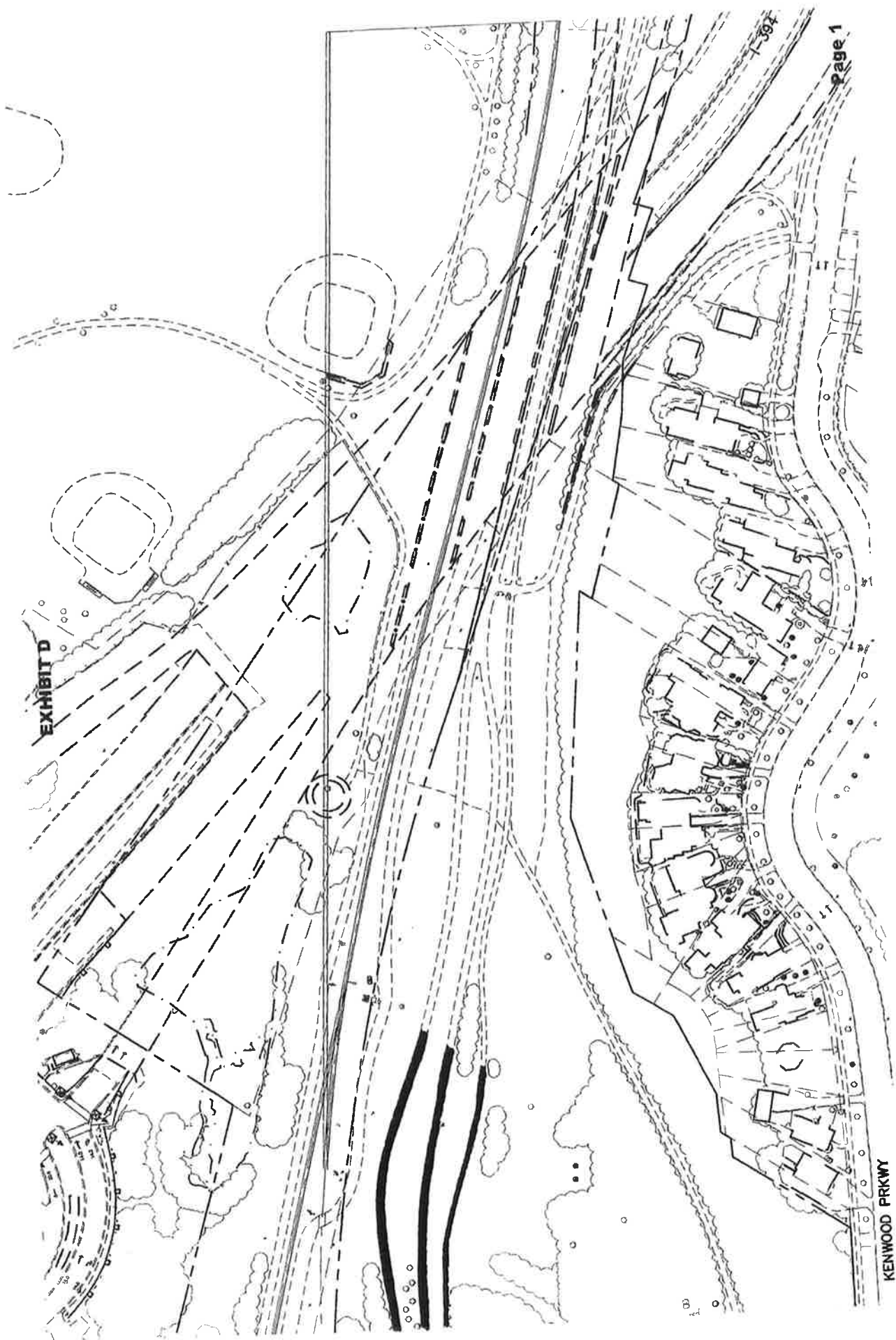


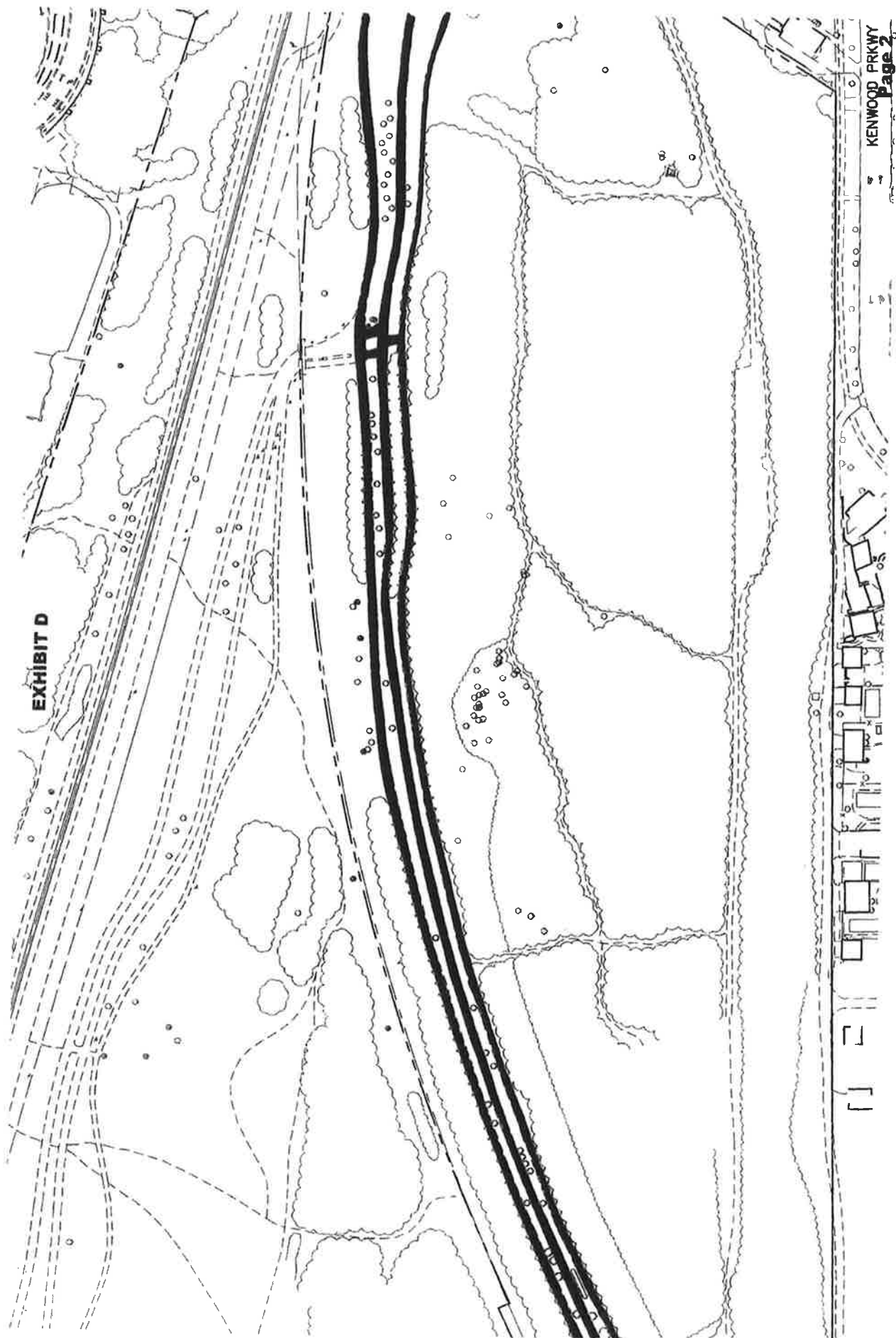
EXHIBIT C

Description of Freight Rail Corridor

A strip of land 50.00 feet in width lying within 25.00 feet on each side of the centerline of the railroad tracks currently in place extending from the point of connection with Soo Line Railroad Company trackage at or near former Chicago North Western Railway milepost 16.2 in the City of St. Louis Park, Minnesota, easterly to former Chicago North Western Railway milepost 13.7 at a point of connection with Burlington Northern Santa Fe Railway (now BNSF Railway) trackage in the City of Minneapolis, Minnesota, except as the width is limited by the Trackage Rights Agreement between the Twin Cities and Western Railroad, Soo Line Railroad Company and the Hennepin County Regional Railroad Authority dated August 10, 1998, and Supplement to Trackage Rights Agreement, dated July 30, 2002, across a portion of the HCRRA Property described in above Exhibit A.

EXHIBIT D
DEPICTION OF KENILWORTH TRAIL





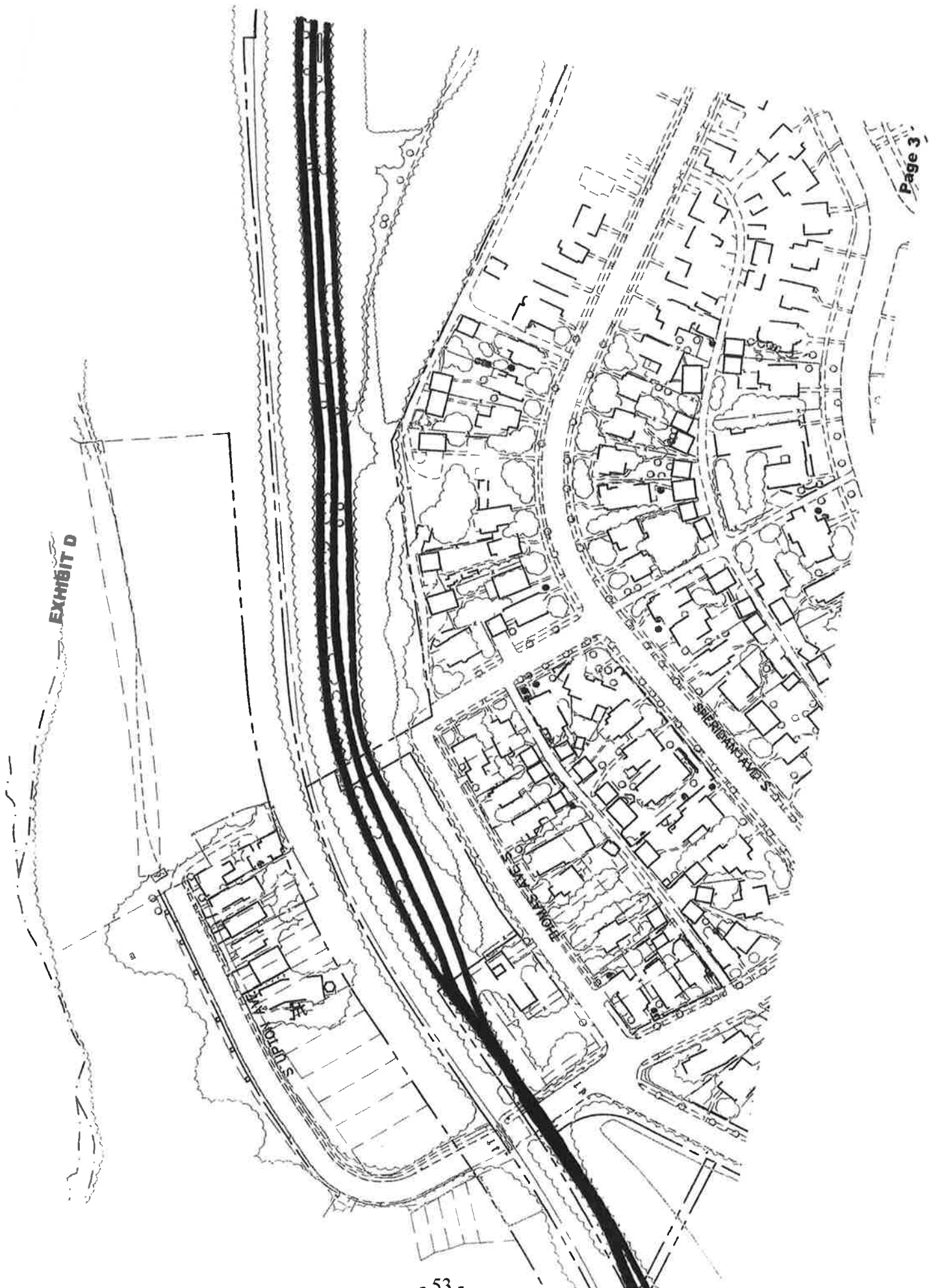
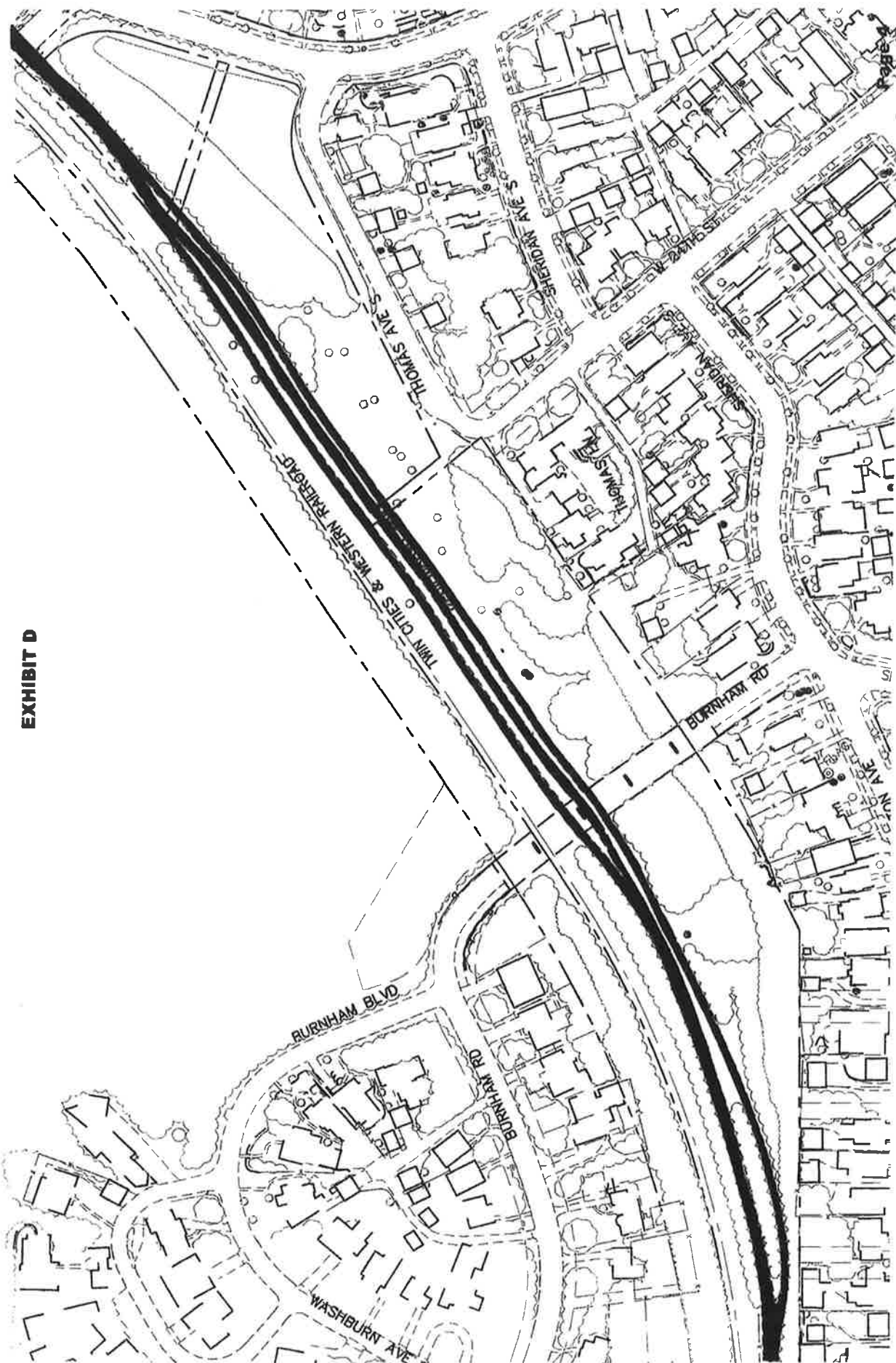
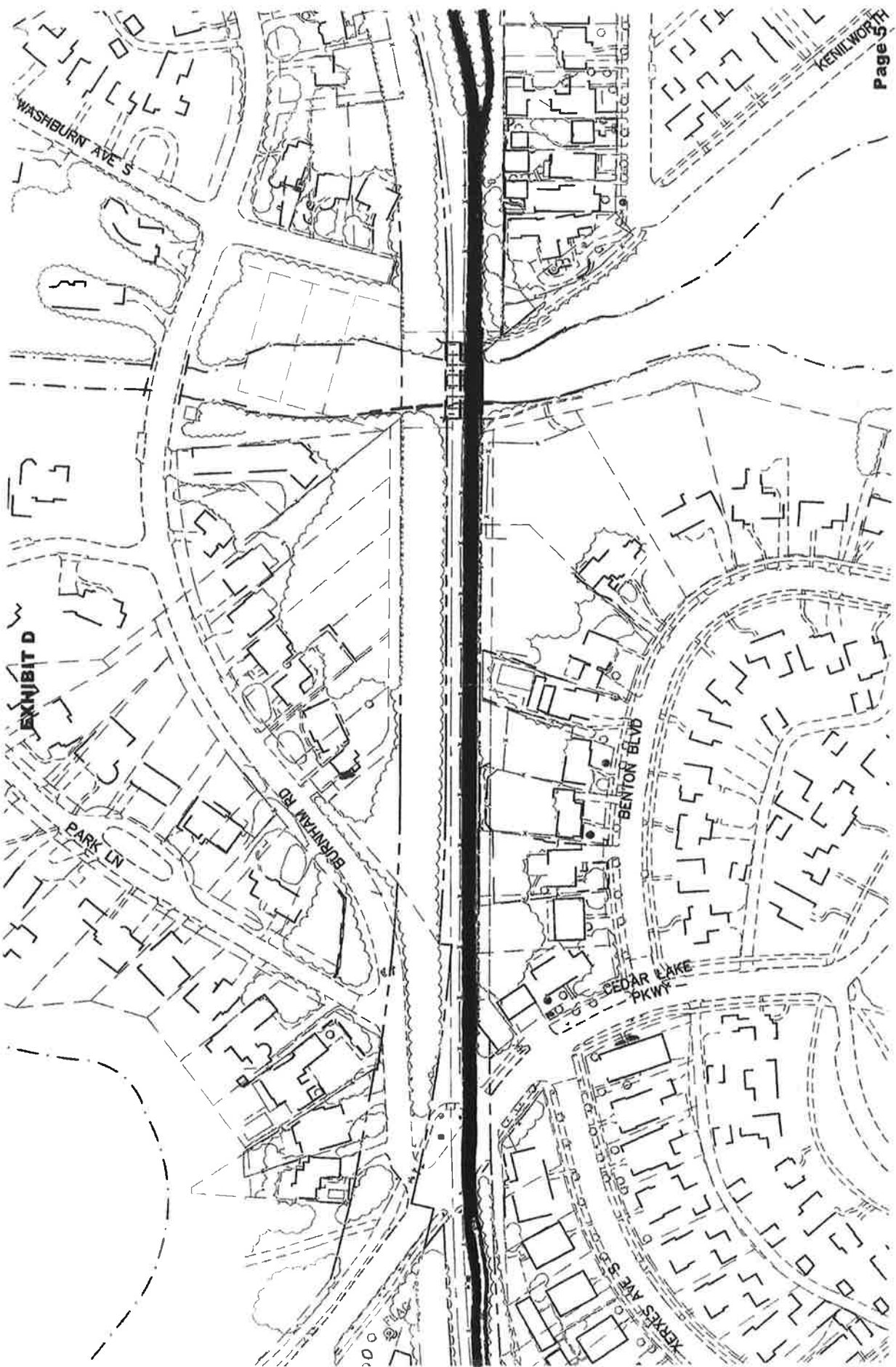
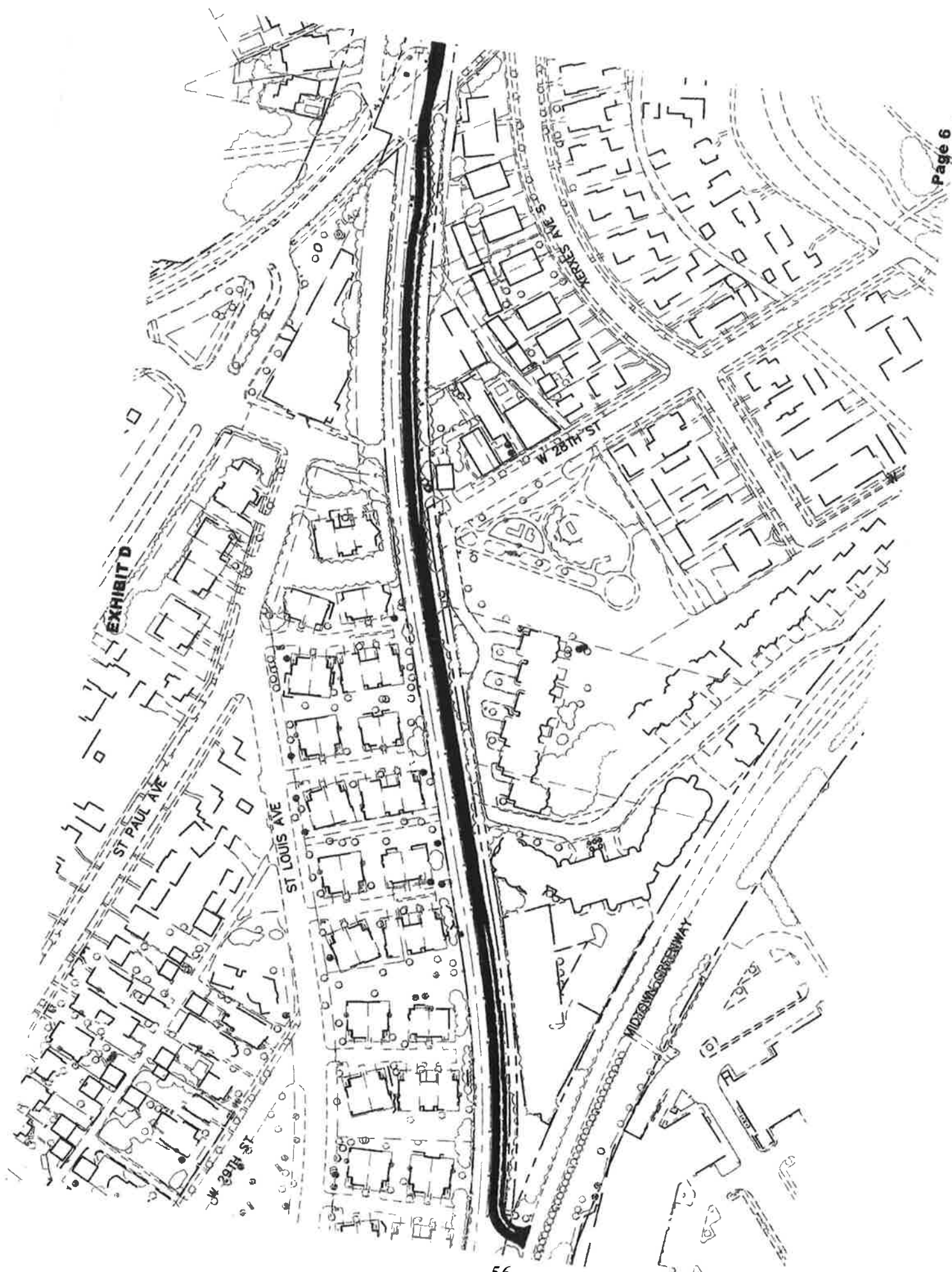


EXHIBIT D







**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36177

**HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY -- ACQUISITION
EXEMPTION -- IN HENNEPIN COUNTY, MINNESOTA**

PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

EXHIBIT B

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

TWIN CITIES & WESTERN
RAILROAD COMPANY,

Court File No. _____

Plaintiff,

v.

COMPLAINT

METROPOLITAN COUNCIL,
HENNEPIN COUNTY REGIONAL
RAILROAD AUTHORITY, AND SOO
LINE RAILROAD COMPANY D/B/A
CANADIAN PACIFIC RAILWAY,

Defendant.

For its Complaint against Defendants Metropolitan Council (“Met Council”), Hennepin County Regional Railroad Authority (“HCRRA”), and Soo Line Railroad Company d/b/a Canadian Pacific Railway (“CP”), (collectively, “Defendants”), Plaintiff Twin Cities & Western Railroad Company (“TCW”) states and alleges as follows:

INTRODUCTION

1. TCW provides a gateway for Minnesota’s farmers and manufacturers to world markets. It does so by operating the largest shortline railroad in Minnesota, connecting some of the most productive agricultural counties with the Class I railroads in the Twin Cities. The Southwest Light Rail Transit project, under agreements proposed to be entered into and performed by the Defendants, will substantially and unreasonably interfere with TCW’s ability to provide rail common carrier service to its shippers by significantly changing the alignment, track capacity, and current operating structure of

the Bass Lake Spur and Kenilworth Corridor, which TCW uses to operate its railroad as a common carrier. The Interstate Commerce Commission Termination Act of 1995, 49 U.S.C. § 10501(b), prohibits local and state governments from regulating freight railroad transportation as Defendants are attempting to do. To protect its rights and ensure TCW can continue to serve shippers in eastern South Dakota and central and western Minnesota and bring their freight to the St. Paul rail yards, TCW brings this action.

PARTIES AND JURISDICTION

2. Plaintiff TCW is a Minnesota corporation with its principal place of business in Minnesota.

3. Defendant Met Council is a public corporation and political subdivision of the state, organized under Minn. Stat. Ch. 473.

4. Defendant HCRRA is a political subdivision and local government unit of Minnesota, organized under Minn. Stat. Ch. 398A.

5. Defendant CP is a Minnesota corporation with its principal place of business in Minnesota.

6. This Court has subject matter jurisdiction because of the Court's federal question jurisdiction under 28 U.S.C. § 1331. The Court has supplemental jurisdiction over TCW's state law claims.

BACKGROUND

7. TCW's line runs from Milbank, South Dakota, east across the state of Minnesota to the St. Paul rail yards, where it interchanges freight with the Nation's Class I railroads, such as BNSF Railway Company. This ability to interchange with Class I

railroads gives TCW's shippers and customers access to the interstate freight network throughout the United States.

I. TCW ACQUIRED ITS TRACK FROM CP.

8. TCW got its start in 1991 when it purchased track from CP¹ pursuant to a May 7, 1991 Asset Purchase Agreement between TCW and CP (the "1991 Purchase Agreement") and became a "common carrier" pursuant to the authority of the Interstate Commerce Commission ("ICC") (now the Surface Transportation Board ("STB")).

9. As a common carrier, TCW is required to provide rail service at reasonable rates and upon reasonable request by any person. TCW's common carrier status comes with numerous other federal law rights and obligations as well. *See* 49 U.S.C. Subtitle IV – Interstate Transportation.

10. The 1991 Purchase Agreement included the rail from Appleton, Minnesota to Minnetonka, Minnesota. In order to accomplish TCW's goal of accessing the Twin Cities market to the east, the 1991 Purchase Agreement between TCW and CP also required that the parties enter into a Twin Cities Trackage Rights Agreement, which was Appendix 1 to the 1991 Purchase Agreement.

¹ The Soo Line Railroad Company was the seller of the 143.87 miles of track to TCW in 1991. Later, in the mid-1990s after TCW was formed, Canadian Pacific, who was already the majority shareholder of the Soo Line Railroad Company, acquired the non-CP-owned shares. Today, Soo Line Railroad Company operates as Soo Line d/b/a Canadian Pacific.

11. Generally, a trackage rights agreement is an agreement between railroad companies whereby the owner of tracks grants another railroad company some use of those tracks.

12. The trackage rights agreement was entered into by the parties on July 26, 1991 (the “1991 Trackage Agreement”). Under Section 1.3 of the 1991 Trackage Agreement, CP granted TCW “nonexclusive rights to use the Subject Trackage for the operation of its freight trains and the locomotives and cabooses of said trains.”

13. Section 1.2 of the 1991 Trackage Agreement broadly defined the Subject Trackage to include “*all* of [CP’s] trackage, track connections, facilities and appurtenances, signals and switches . . .” (emphasis added). Trackage includes side tracks.

14. Railroad side tracks are a type of parallel secondary track, adjacent to the main track, used by railroads to sort, stage, block, switch and park railcars and trains to allow for other railroad operations.

15. As part of the 1991 Trackage Agreement, CP agreed to not take action that would “materially interfere” with TCW’s right to use the Subject Trackage. 1991 Trackage Agreement, Section 2.1.

16. The acquisition of trackage rights was authorized by the ICC, the predecessor to the STB, which resulted in TCW having common carrier rights and obligations over the Subject Trackage (as that term is defined in the 1991 Trackage Rights Agreement).

A. The Trackage Rights Obtained by TCW Include the Bass Lake Spur.

17. Included in the trackage rights acquired by TCW are rights to use the Bass Lake Spur, which has been used by TCW as a common carrier for almost 27 years.

18. The Bass Lake Spur consists of 6.2 miles of railroad, including more than 16,000 feet of side tracks located in southwestern Hennepin County running from Minneapolis to the suburb of Minnetonka.

19. The side tracks on the Bass Lake Spur are necessary for TCW to allow for trains to pass one another and to sort rail cars to and from St. Paul. Without access to the Bass Lake Spur side tracks, TCW will be materially injured in its functioning as a common carrier, because (a) it will be unable to sort, stage, block, switch or park railcars, (b) it will be unable to park a train with locomotives when the receiving railroad in St. Paul or a shipper's facility cannot accept the train, and (c) it will be unable to park a train and clear the mainline to allow another train to proceed.

B. The Merriam Park Line was Sold and TCW Obtained Alternate Routes.

20. Part of the trackage rights that TCW obtained in the 1991 Trackage Agreement is the right to use what was referred to as the Merriam Park Line. Under Section 1.3(d) of the 1991 Trackage Agreement, TCW has "the right to use that portion of the Merriam Park Line between Tower E-14 and Milepost 427 for setting out, picking up and switching of cars; [TCW] shall have the right to use other parts of the Subject Trackage as necessary from time to time for purposes of setout, pickup and switching, only with the prior consent of [CP]." Anticipating the sale of the Merriam Park Line, the

1991 Trackage Agreement provided that while CP could abandon or sell any portion of the Merriam Park Line, CP must then “secure . . . [an] alternate route [sic] for [TCW]” 1991 Trackage Agreement, Section 8.2

21. In 1992, CP sold a portion of the Merriam Park Line to HCRRA. Pursuant to the 1991 Agreement, trackage rights agreements for alternate routes were obtained for TCW.

22. TCW and CP entered into a supplemental agreement in July of 1993 regarding the trackage rights agreements for the alternate routes (the “1993 Supplemental Agreement”). Section 7 of the 1993 Supplemental Agreement states that “[CP’s] obligation under Section 8.2 of the [1991 Trackage Agreement] to provide TCW with an alternative route to St. Paul Yard . . . shall be and are ongoing obligations. In the event that . . . operations over the Alternate Route are materially adversely affected by acts or omissions of parties other than TCW, [CP] shall have the obligation under Section 8.2 [of the 1991 Agreement] to provide TCW a replacement route to St Paul Yard”

C. TCW Acquired Trackage Rights in the Kenilworth Corridor, Including the Exclusive Right to “Manage, Direct, and Control[.]”

23. TCW continued to operate over the portion of the Merriam Park Line that was sold to HCRRA until 1998 when it became necessary to switch to the alternative route which had been rehabilitated to allow for freight rail traffic.

24. On or about March 10, 1998, CP filed a petition with the STB for an exemption to abandon its Hiawatha/Cedar avenue wye, the effect of which would sever TCW’s route along the Merriam Park Line to St. Paul.

25. A “wye” is a triangular joining arrangement of three rail lines with a railroad switch at each corner. A wye allows a train to pass from one line to another line.

26. In order to adjust to the abandonment of CP’s Hiawatha/Cedar Avenue wye, in August of 1998, TCW, CP, and HCRRA entered into a trackage rights agreement (the “1998 Trackage Agreement”) related to the Kenilworth Corridor and granting TCW non-exclusive rights to conduct railroad operations over the rail lines in the Kenilworth Corridor.

27. The Kenilworth Corridor is a railroad right-of-way approximately 2.5 miles long that runs from the east end of the Bass Lake Spur near the border of Minneapolis and St. Louis Park north and east between Lake of the Isles and Cedar Lake until it connects to the BNSF Wayzata subdivision at Cedar Lake Junction. The Kenilworth Corridor narrows to approximately 27 feet wide near Cedar Lake in Minneapolis. The Kenilworth Corridor was and is owned by HCRRA.

28. In addition to trackage rights, the 1998 Trackage Agreement provides TCW with the exclusive managerial role over the Kenilworth Corridor. Section 4.1 of the 1998 Trackage Agreement grants TCW “the exclusive management, direction and control of the Rail Corridor, including the obligation to dispatch rail traffic, at its sole cost and expense.” Section 4.2(1) provides that “TCW shall perform all construction, derailment and wreck clearing, maintenance, repair and renewal of the Trackage” with HCRRA reimbursing TCW for costs, as outlined in Section 4.3.

29. Under Section 4.3 of the 1998 Trackage Agreement, HCRRA agreed that if the payments were ever “not sufficient to permit the safe and continued operation of the rail line, the additional maintenance and repair costs will be borne by [HCRRA].”

30. As part of the 1998 Trackage Agreement, HCRRA granted TCW a railroad easement throughout the Kenilworth Corridor. That permanent easement “may not be terminated by [HCRRA], except in accordance with [the 1998 Trackage Agreement]” under Section 5.1 and the terms of the easement are synonymous with the 1998 Trackage Agreement.

31. The 1998 Trackage Agreement was authorized by the STB.

32. After HCRRA’s purchase of additional rail from CP in 2002, HCRRA, CP, and TCW entered into an agreement to supplement the 1998 Trackage Agreement to include the additional rail (the “2002 Supplemental Agreement”).

33. Because TCW is a carrier subject to the STB’s jurisdiction over this trackage, TCW has common carrier rights and obligations over it, including in the Kenilworth Corridor.

II. THE SOUTHWEST LIGHT RAIL TRANSIT PROJECT, AS PROPOSED, WILL INTERFERE WITH TCW’S RIGHTS.

34. The Southwest Light Rail Transit project (the “Plan”), also known as the METRO Green Line Extension (“SWLRT”), is a proposed light rail line on a route from downtown Minneapolis through the communities of St. Louis Park, Hopkins, Minnetonka, and Eden Prairie. The light rail line, for much of its length, will be built within the existing freight rail right-of-way which is part of TCW’s route from eastern

South Dakota and western Minnesota to St. Paul, including the Kenilworth Corridor and the Bass Lake Spur.

35. This route – through the Bass Lake Spur and the Kenilworth Corridor is TCW's only route to interchange in the St. Paul rail yards. No reasonable alternative is currently available.

36. The Plan will interfere with TCW's rights and responsibilities as a common carrier. Specifically, the Plan will substantially and unreasonably interfere with TCW's ability to provide rail common carrier service to its shippers by significantly changing the alignment, track capacity, and current operating structure in both the Kenilworth Corridor and the Bass Lake Spur and by removing critical side tracks on the Bass Lake Spur that are vital to TCW's common carrier service.

A. The Parties Entered into Negotiations to Address the Plan's Interference with TCW.

37. In connection with the formation of the Plan and in recognition of the contemplated impact on TCW and the need for TCW to relinquish rights under existing agreements, Defendants entered into negotiations with TCW. During the negotiations, the parties contemplated that TCW would continue its common carrier responsibilities over the lines. The parties also discussed additional agreements addressing the interference with TCW's operations resulting from the four-year construction and realignment project and to resolve concerns regarding the permanent removal and relocation of most of the side tracks. These agreements would have met Defendants' obligations under prior agreements and would have allowed TCW to continue its

operations without unreasonable interference with TCW's common carrier obligations to its shippers.

38. Defendants proposed that, as the only operating railroad in the corridor, TCW would acquire additional rights and obligations over the involved rail lines. The proposed agreement also involved negotiated construction, relocation, maintenance, liability, indemnity and insurance terms and conditions so as to limit the impact of the Plan on TCW's shippers.

39. Because the parties were close to ready a final agreement, TCW submitted its labor certification to the STB on August 21, 2017, in advance of submitting the planned notice of exemption for its acquisition of additional rights and obligations over the involved rail lines.

B. Defendants Ceased Negotiations.

40. TCW sent Met Council a letter on September 29, 2017, outlining five areas yet to be agreed upon, and a path towards achieving agreement. After five months of silence, on March 8, 2018, Met Council sent a proposed settlement demand which would eliminate TCW's ability to meet its common carrier obligations. TCW had no choice but to reject the proposed settlement demand, which it formally did on April 13, 2018.

41. Defendants attempted an end-run around TCW's common carrier obligations and rights by negotiating and proposing agreements with each other that would result in (a) Met Council purchasing the Bass Lake Spur and Kenilworth land and physical rail assets from CP and HCRRA, (b) entering into agreements related to the acquired rail assets, and (c) petitioning the STB to provide HCRRA with the common

carrier rights on both the Bass Lake Spur and the Kenilworth Corridor. HCRRA's rights would be in addition to TCW's common carrier rights on those same lines.

42. Met Council has the power of eminent domain and, on information and belief, elected to purchase CP's rail assets in lieu of condemnation. Met Council Resolution No. 2016-28 authorizes the acquisition and condemnation of all real property necessary. Upon information and belief, TCW's easement in the Kenilworth Corridor is located in the project plan and project work maps. The Plan will infringe upon and interfere with TCW's easement rights.

C. The Plan Violates TCW's Rights.

43. The Plan will require (a) the removal or relocation of almost all existing rail trackage in the Kenilworth Corridor and a significant portion of the Bass Lake Spur, (b) the elimination of approximately 16,000 feet of side tracks critical to TCW's common carrier operations, (c) the location of two new light rail transit tracks and new rail freight tracks in close proximity and directly adjacent to each other in the shared corridor, and (d) the construction of an underground tunnel for a portion of the light rail tracks. The Plan does not include building a crash barrier wall of any type along the Kenilworth Corridor or Bass Lake Spur between the freight rail track and the light rail tracks. This is in sharp contrast to BNSF's Wayzata subdivision immediately north of the Kenilworth Corridor where Met Council plans to build a ten-foot high concrete crash barrier wall between its light rail tracks and BNSF freight tracks.

44. Defendants plan to enter into a Real Estate Purchase Agreement that includes the purchase of the Bass Lake Spur by Met Council and provides HCRRA with

the exclusive right to use any remaining side tracks that are not removed (“Defendants’ Planned Purchase Agreement”). TCW has had a contractual right to use these side tracks and has used them daily since 1991.

45. Defendants also plan to enter into a new HCRRA Freight Rail Operating Easement and Consent to LRT, (“Defendants’ Planned Operating Agreement”). In Section 2.1.1 of Defendants’ Planned Operating Agreement, HCRRA reserved to itself the exclusive right to provide service as a rail carrier. This is inconsistent with the 1998 Trackage Agreement granting the exclusive rights in the Kenilworth Corridor to TCW. Two entities cannot both have exclusive control.

46. Under Defendant’s Plan, HCRRA would assume the common carrier obligations on the Bass Lake Spur and the Kenilworth Corridor. HCRRA, however, is not a rail carrier with common carrier obligations and rights. It does not meet the definition of “rail carrier” under 49 U.S.C. §10102(5) because it does not “provide common carrier railroad transportation for compensation.” Instead, HCRRA’s website states it “was established as a separate political entity to plan, design and implement light rail transit in Hennepin County.” <https://www.hennepin.us/your-government/leadership/rra>. In prior proceedings before the ICC, HCRRA claimed it was not a carrier and did not want to be a common carrier. In response, the ICC denied HCRRA’s request and treated HCRRA as a carrier for the purchase of its acquisition of the Kenilworth Corridor, but in the same decision exempted HCRRA from the duties of a common carrier. In its current filings with the STB, HCRRA now says it is a common

carrier. It does not acknowledge that it is exempt from the requirements of Subtitle IV to provide common carrier service.

47. HCRRA has never operated as a carrier. It has no experience or knowledge to perform the activities of a common carrier such as dispatching trains, flagging, track maintenance and inspection, and signal operations. Upon information and belief, HCRRA has no interchange agreements with any common carrier. There are currently no local customers along the Bass Lake Spur and Kenilworth Corridor who request common carrier service. If there was a request for rail service in the future, HCRRA would have no ability to provide the requesting party with common carrier service, as HCRRA has no locomotives, cars, or track maintenance equipment.

48. HCRRA's own actions show that it has no interest in fulfilling common carrier obligations and has no interest in providing freight service or developing freight rail transportation through the Kenilworth Corridor and the Bass Lake Spur. In fact, HCRRA has demonstrated a hostile attitude towards rail freight transportation. For example, in October 2014, HCRRA and the City of Minneapolis entered into a Memorandum of Understanding ("MOU"). The MOU commits HCRRA to making efforts to specifically prohibit TCW and CP from admitting additional railroads and to limit TCW's ability to extend or expand railroad use. MOU at 3, ¶¶ 1 & 2. The MOU provides that the HCRRA Board passed a resolution specifically stating that "HCRRA's conveyance of property interests for the light rail project *must assure that HCRRA is relieved of all obligations, liabilities or risks for freight rail or light rail in the corridor.*"

MOU at 2, ¶ 1 (emphasis added). These are not the actions of an entity that is committed to fulfilling a common carrier obligation.

49. Unlike HCRRA, TCW *is* an operating common carrier with corresponding obligations and rights on the Kenilworth Corridor and the Bass Lake Spur. If the proposed transactions move forward, HCRRA has no agreement with TCW guaranteeing that TCW can fulfill its common carrier obligations to its shippers. The Plan will result in tracks being taken out of service, line embargoes, service delays, line relocations, line reconstructions, and disruptions in TCW's overhead trackage rights and its ability to provide services to its shippers and interchange with its connecting carriers. The Plan will also result in the taking of TCW's easement in the Kenilworth Corridor and the abrogation of the 1998 Trackage Agreement, resulting in termination of the rights granted by the STB. These actions will substantially and unreasonably interfere with TCW's common carrier rights and obligations to its shippers.

50. Defendants also plan to enter into a new Bass Lake Spur Freight Rail Easement Agreement ("Defendants' Planned Bass Lake Spur Agreement," along with Defendants' Planned Purchase Agreement, Defendants' Planned Operating Agreement, and any other agreements among Defendants, or any two of Defendants, related to the Plan, collectively "Defendants' Planned Agreements") includes a permanent and exclusive easement for HCRRA in the Bass Lake Spur.

51. While Defendants' Planned Agreements contemplate TCW continuing to have overhead trackage rights on the Bass Lake Spur, Defendants' Planned Agreements will cause substantial service disruptions during the four-year construction period and

will take away TCW's rights to use the associated Bass Lake Spur side tracks. This is not only an interference with TCW's common carrier obligations and rights, these actions will also violate the 1991 Trackage Agreement.

52. In the Bass Lake Spur, the Plan proposes to remove most of the side tracks and not replace them. Other side tracks will be relocated or reconfigured. Those that remain will be given to HCRRA for its exclusive control. The removal of any of the existing side tracks will unreasonably interfere with TCW's current common carrier operations and cause damage to TCW.

53. The overall scheme of realignment and relocation of parts of the Bass Lake Spur and the Kenilworth Corridor without an agreement with TCW will cause substantial interference with TCW's overhead operating rights and its provision of common carrier service for customers who rely upon TCW for rail freight service.

54. Defendants are aware that the Plan is inconsistent with TCW's contractual and common carrier rights. Under Section 2.4 of Defendants' Planned Purchase Agreement, Met Council has agreed to indemnify CP for breaching various agreements, including the 1991 Trackage Agreement and the 1998 Trackage Agreement:

2.4 TCWR INDEMNITY

In addition to the indemnity provided by Section 5.4 below, [Met Council] agrees to indemnify, hold harmless and defend [CP] and its respective directors, officers, stockholders, employees, divisions, agents, affiliates, subsidiaries, predecessors, successors and assigns, ([CP] and the forgoing are referred to as the "Seller Indemnitees", all of which shall be third party beneficiaries) for, from and against any and all actual or threatened liabilities, suits, claims, counterclaims, causes of action, or demands, related to the Claims (as

defined below) asserted, brought, made or arising at or after Closing (regardless if any such Claim relates to pre-Closing or post-Closing matters or both) and asserted, brought or made by Twin Cities and Western Railroad or its directors, officers, stockholders, employees, divisions, agents, affiliates, subsidiaries or, successors and assigns (“**TCWR**”), together with any and all related penalties, obligations, fines, judgments, arbitration awards, damages, consequential damages, incidental damages, special or indirect damages, punitive damages (to the extent permitted by law), amounts paid or payable in settlement, including any interest, losses, costs, and Expenses of every kind.

“Claims”, as used in this Section 2.4, means actual or threatened liabilities, suits, claims, counterclaims, causes of action, or demands directly or indirectly arising out of resulting from or relating to the following:

- A. this Real Estate Purchase Agreement;
- B. the Freight Easement Agreement;
- C. the Freight Rights;
- D. the Connecting Track Agreement appended as Exhibit H;
- E. the future track construction described in Section 2.3;
- F. the Twin Cities Trackage Rights Agreement between Seller and TCWR dated July 26, 1991, as modified by a Supplemental Agreement dated July 27, 1993, a Relinquishment Agreement dated July 27, 1993 and a Second Supplemental Agreement dated April 30, 1996 (collectively, the “**TCWR TRA**”);
- G. the Partial Assignment Agreement for Bass Lake Spur Trackage between Seller and HCRRA;
- H. the Trackage Rights Agreement among Seller, TCWR, and HCRRA dated August 10, 1998 and as amended by that certain Supplement to Trackage Rights Agreement dated July 30, 2002 (collectively, the “**HCRRA TRA**”);
- I. the Services described in Article I of that certain Freight Rail Reimbursement Agreement No. 17M215 by and between

Buyer and Seller dated February 27, 2018 (the “Reimbursement Agreement”); or

J. amendments, modifications and restatements to the foregoing and agreements, instruments and documents executed in connection with the foregoing, whether at the Closing or in the future.

COUNT ONE

Declaratory Judgment (28 U.S.C. § 2201)

Federal Preemption under ICCTA (49 U.S.C. § 10102(9))

(Against HCRRA and Met Council)

55. The preceding paragraphs are incorporated herein by reference.

56. A justiciable controversy exists between the parties regarding the planned disruptions and interferences with TCW’s federal common carrier rights as an STB licensed carrier and the anticipatory breaches that will occur under the existing agreements between TCW and CP.

57. Fed. R. Civ. P. 57 and 28 U.S.C. § 2201 provide this Court with the authority to declare the rights and other legal relations of the Parties with respect to this controversy.

58. Pursuant to the Interstate Commerce Commission Termination Act of 1995 (“ICCTA”), the actions to be undertaken by Met Council and HCRRA are specifically preempted by federal law and cannot be undertaken because they would substantially and unreasonably interfere with TCW’s rail operations directly contrary to federal law.

59. Specifically, under 49 U.S.C. § 10501(b):

“The jurisdiction of the [STB] over—

(1) transportation by rail carriers, and the remedies provided in this part with respect to rates, classifications, rules

(including car service, interchange, and other operating rules), practices, routes, services, and facilities of such carriers; and

(2) the construction, acquisition, operation, abandonment, or discontinuance of spur, industrial, team, switching, or side tracks, or facilities, even if the tracks are located, or intended to be located, entirely in one State,

is exclusive. Except as otherwise provided in this part, the remedies provided under this part with respect to the regulation of rail transportation are exclusive and preempt the remedies provided under Federal or State law.”

60. “Transportation” is broadly defined in ICCTA, 49 U.S.C. § 10102(9), and

includes:

(A) a locomotive, car, vehicle, vessel, warehouse, wharf, pier, dock, yard, property, facility, instrumentality, or equipment of any kind related to the movement of passengers or property, or both, by rail, regardless of ownership or an agreement concerning use; and

(B) services related to that movement, including receipt, delivery, elevation, transfer in transit, refrigeration, icing, ventilation, storage, handling, and interchange or passengers and property.

61. ICCTA defines “rail carrier” in 49 U.S.C. § 10102(5) as a person providing common carrier railroad transportation for compensation, but does not include street, suburban, or interurban electric railways not operated as part of the general system of rail transportation.

62. TCW is a “rail carrier” as defined in 49 U.S.C. § 10102(5).

63. Defendants’ Plan, including Defendants’ Planned Agreements, resolutions by HCRRA and the Met Council, and the plans to realign, relocate, reconstruct, and remove side tracks that are critical to TCW’s common carrier operations will constitute

the interference of and regulation of TCW's operations in violation of Section 10501(b). Defendant's Plan also contemplates the infringement and condemnation of TCW's easement rights in the Kenilworth Corridor. Defendants' actions in reaching agreements that would regulate and interfere with TCW's common carrier obligation are preempted *per se*. See e.g., *Soo Line R. Co. v. City of St. Paul*, 827 F.Supp.2d 1017, 1022 (D. Minn. 2010); *Wisconsin Central Ltd. v. City of Marshfield*, 160 F.Supp.2d 1009, 1013 (W.D. Wis. 2000); *Petition of Union Pacific Railroad Company for Declaratory Order*, FD 35960 (served Sept. 30, 2016); *Pinelawn Cemetery – Petition for Declaratory Order*, FD 35468 (served April 21, 2015).

64. Because TCW continues to hold easement rights under the 1998 Trackage Agreement that will need to be acquired for Defendants' Plan to proceed, and because Met Council has authorized eminent domain, Met Council and HCRRA should be enjoined from any attempt to take TCW's property as would occur under the Plan as they are *per se* preempted under ICCTA. See *Soo Line R. Co. v. City of St. Paul*, 827 F.Supp.2d 1017, 1022 (D. Minn. 2010).

65. Defendants' Plan will destroy the Bass Lake Spur side tracks and TCW's rights in the Kenilworth Corridor, materially interfering with TCW's rights and responsibilities as a common carrier. This Plan would violate the broad and express preemptive language of ICCTA. Thus, the Plan is also preempted under an as-applied analysis, because the Plan would unreasonably interfere with TCW's rights and obligations as a common carrier.

66. Defendants are impermissibly attempting to subject TCW's trackage rights – rights which were specifically placed outside of Defendants' reach by ICCTA – to the Met Council and HCRRA's control and regulation by way of the acquisition.

67. TCW lacks an adequate remedy at law because damages for injuries it will sustain if the Plan goes forward would be difficult, if not impossible, to determine.

68. Plaintiff requests that the Court declare that Defendants' Plan is preempted and cannot go forward in its current form.

COUNT TWO
Federal Commerce Clause
(Against HCRRA and Met Council)

69. The preceding paragraphs are incorporated herein by reference.

70. All actions of HCRRA and Met Council alleged herein have been and will be under color of state law.

71. In executing the Plan, Defendants are attempting to directly regulate interstate commerce and/or are engaging in regulatory activities that discriminate against and unduly burden interstate commerce.

72. Such activity violates the Commerce Clause of the United States Constitution.

73. TCW lacks an adequate remedy at law because damages for injuries it will sustain would be difficult, if not impossible, to determine.

COUNT THREE
42 U.S.C. §§ 1983 and 1988
(Against HCRRA and Met Council)

74. The preceding paragraphs are incorporated herein by reference.

75. Acting under color of the authority conferred by the laws of the State of Minnesota, HCRRA and Met Council have acted and will act officially and intentionally under the Plan to deprive TCW of certain rights, privileges, or immunities secured by the Constitution of the United States and federal law.

76. TCW has suffered damages and will continue to suffer damages due to HCRRA and Met Council's unlawful Plan.

77. TCW is entitled to an award of attorney's fees and costs for HCRRA and Met Council's attempts to deprive TCW of its rights, privileges, and immunities secured to it by the Constitution of the United States and federal law.

COUNT FOUR
Breach of Contract
(Against CP)

78. The preceding paragraphs are incorporated herein by reference.

79. TCW and CP entered into the 1991 Trackage Agreement and the 1993 Supplemental Agreement. CP breached these agreements by proposing to enter into Defendants' Planned Agreements which materially interfere with TCW's rights under the 1991 Trackage Agreement and the 1993 Supplemental Agreement.

80. Specifically, among other potential breaches to be determined at trial, Defendants' Planned Agreements materially interfere with TCW's right to use the Bass Lake Spur side tracks, in breach of Sections 1.2 and 2.1 in the 1991 Trackage Agreement.

81. In addition, Defendants' Planned Agreements breach CP's continuing obligation to secure alternate routes for TCW under Section 8.2 of the 1991 Trackage Agreement and Section 7 of the 1993 Supplemental Agreement.

82. As a direct result of the breach, TCW will be damaged in an amount to be determined at trial.

COUNT FIVE
Breach of Contract
(Against HCRRA)

83. The preceding paragraphs are incorporated herein by reference.

84. TCW, CP, and HCRRA entered into the 1998 Trackage Agreement and 2002 Supplemental Agreement which gave TCW the exclusive management, direction and control of the Kenilworth Corridor. HCRRA has breached these agreements by proposing to enter into agreements with Met Council and CP which materially interfere with TCW's rights under the agreements.

85. Specifically, among other potential breaches to be determined at trial, HCRRA has breached the 1998 Trackage Agreement, the railroad easement granted in 1998, and the 2002 Supplemental Agreement by agreeing to enter into Defendants' Planned Agreements and to take action that will divest TCW from the control granted to it under the 1998 Trackage Agreement, the railroad easement granted in 1998, and the 2002 Supplemental Agreement.

86. HCRRA has breached the 1998 Trackage Agreement and 2002 Supplemental Agreement by taking action preventing the "safe and continued operation of the rail line" contrary to Section 4.3 of the 1998 Trackage Agreement.

87. HCRRA has breached the 1998 Trackage Agreement and 2002 Supplemental Agreement by taking action against TCW's easement rights, contrary to Section 5.1 of the 1998 Trackage Agreement.

88. As a direct result of the breach, TCW will be damaged in an amount to be determined at trial.

JURY DEMAND

89. TCW demands a jury trial.

REQUEST FOR RELIEF

WHEREFORE, TCW respectfully requests that the Court:

90. Enter judgment in favor of TCW and against Defendants;

91. Declare that Defendants' Plan is preempted by the United States Constitution and the ICCTA and would discriminate against and unduly burden interstate commerce;

92. Enjoin Defendants from taking action that would materially interfere with TCW's operation of its railroad as a common carrier;

93. Award damages to TCW in an amount to be determined at trial;

94. Award TCW its attorneys' fees and costs; and

95. Enter an Order for any such other and further relief as allowed by law or determined to be just and appropriate.

Dated: April 24, 2018

s/David R. Marshall

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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 36177

**HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY -- ACQUISITION
EXEMPTION – IN HENNEPIN COUNTY, MINNESOTA**

PETITION TO REJECT OR STAY THE EXEMPTION NOTICE

EXHIBIT C

Entity	Date Filed
Farmward Cooperative	4/16/18
City of Stewart	4/16/18
Glacial Plains Cooperative	4/16/18
Carver County, Office of County Commissioner	4/16/18
Southern Minnesota Beet Sugar Cooperative	4/17/18
National Sugar Marketing LLC	4/18/18
Heartland Corn Products	4/18/18
CHS Inc	4/18/18
Minnesota AgriGrowth Council	4/18/18
Central Region Cooperative	4/18/18
Finger Lakes Railway Corp.	4/18/18
Poet Nutrition	4/18/18
City of Franklin	4/19/18
Minnesota Grain and Feed Association	4/19/18
City of Renville	4/19/18
Minnesota Valley Regional Rail Authority	4/19/18
Form A Feed Inc.	4/19/18
Granite Falls Energy, LLC	4/19/18
Midwest Agri-Commodities Company	4/19/18
Pilot Travel Centers LLC	4/19/18
The City of Montevideo	4/19/18
AmeriGas Propane, L.P.	4/20/18
Cooperative Network	4/20/18
F.W. Cobs Company	4/20/18
Renville County Board of Commissioners	4/23/18
Farmers Co-operative Elevator Company	4/23/18
The Mosaic Company	4/23/18
United Farmers Cooperative	4/23/18
Renewable Products Marketing Group, LLC	4/23/18
McLeod County Board of Commissioners	4/23/18
Step Saver Inc	4/23/18
Farmers Union Oil Company of Montevideo	4/23/18
Collin C. Peterson, Member of Congress	4/23/18
Midwest Shippers Association	4/23/18
Consolidated Grain & Barge Company	4/24/18
Archer Daniels Midland	4/24/18



FARMWARD
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245470
245471

April 16, 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 16, 2018
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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:

Farmward Cooperative 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.

Farmward Cooperative is located in Renville, Redwood and Brown Counties in MN. We are a full service grain marketing and farm supply cooperative shipping grain and receiving crop nutrients at our facilities in Olivia, Danube, Renville and Sacred Heart which are located along the Twin Cities & Western Railroad Company ("TCW"). For over 130 years (our roots go back to 1886), we have relied on the TCW and its predecessors for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate that in previous years we shipped over 2,500 carloads a year over this route. In 2017 we expanded our rail loading capacity at our Danube location to load shuttle trains. With this expansion we anticipate that our car loading will increase to over 5,000 carloads per year. Depending on the price of corn and soybeans, the value of these shipments exceeds \$80 million annually. Over the past 15 years we have invested in excess of \$30 million in our infrastructure (grain storage, rail siding, loading capabilities, etc.) so that we can service the farmers of this area and get their products to market. The investment we made at Danube alone last year was \$7.6 million. The TCW allows us to access markets throughout the United States and in to Mexico. Without them, there is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Farmward Cooperative, to subsidize the expense of adding light rail to the corridor.



FARMWARD

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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,

Craig Hebrink
Senior Vice President – Grain & Feed
Farmward Cooperative
PO Box 604
Renville, MN 56284
320-329-8377

Cc: Parties of Record



FARMWARD

COOPERATIVE

Advancing farming for generations

By mail to the STB:

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

By email delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
1055 Thomas Jefferson Street, N.W.
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Washington, DC 20007

Charles A. Spitulnik
Kaplan Kirsch & Rockwell LLP
1001 Connecticut Avenue, N.W.
Suite 800
Washington, DC 20036

William A. Mullins
Baker & Miller PLLC
2401 Pennsylvania Avenue, N.W.
Suite 300
Washington, DC 20037

David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006

245465

245466

City of Stewart

551 Prior Street

PO Box 195

Stewart, MN 55385

Phone & Fax – 320-562-2518

TDD – 711

City E-Mail – cityofstewart@gmail.com

City Web Page – www.stewart.mn.citygovt.org

ENTERED

Office of Proceedings

April 16, 2018

Part of

Public Record

April 16, 2018

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

**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:

The City of Stewart 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.

Stewart is located in McLeod County, MN. Stewart is located on the Twin Cities & Western Railroad Company ("TCW") railway. For as long as TCW has been in business, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. Businesses in Stewart ship and receive multiple carloads of product a year over this route. There is no other economically viable rail route for our businesses products to move to and from the Twin Cities rail terminal.

An equal opportunity provider

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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, 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 businesses located in Stewart, 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,

City Council of Stewart, Minnesota

Cc: Parties of Record

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By e-file to the STB:

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

Parties of Record:

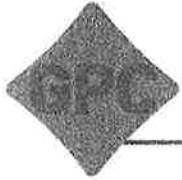
Edward D. Greenberg
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David F. Rifkind
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Washington, DC 20006

An equal opportunity provider



Glacial Plains Cooperative

Partners you can count on

www.glacialplains.com

April 16, 2018

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

**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:

Glacial Plains Cooperative 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.

Glacial Plains Cooperative is located in Lac Qui Parle County, MN. We are a grain marketing and supply cooperative providing a competitive market for locally grown corn and soybeans. We receive on average 2,880,000 bushels of grain valued at over \$14,136,000 from 165 local farmers. Glacial Plains is located on Twin Cities & Western Railroad Company ("TCW"). For over 17 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 800 carloads a year over this route. Our company has spent over \$5,400,000 in upgrading our facilities so that we could ship on the TCW Railroad. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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

T 320-875-2811 ♦ F 320-875-2813 ♦ 543 Van Norman Ave. ♦ Murdock, MN 56271

Benson (Station/Shop) 320-843-3999	(Energy) 320-842-5311	Benson (Agronomy) 320-843-4820	Benson West 320-843-2563 320-843-3285	Clontarf 320-843-3949	DeGraff 320-843-5364	Kerkhoven 320-264-3831	Milan 320-734-4435	Murdock (Agronomy) 320-875-2810	Sunburg 320-366-3456
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Glacial Plains Cooperative

Partners you can count on

www.glacialplains.com

provide service or force shippers, such as Glacial Plains Cooperative, 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,

Thomas Traen, General Manager

Cc: Parties of Record

T 320-875-2811 ♦ F 320-875-2813 ♦ 543 Van Norman Ave. ♦ Murdock, MN 56271

Benson (Station/Shop) 320-843-3999	(Energy) 320-842-5311	Benson (Agronomy) 320-843-4820	Benson West 320-843-2563 320-843-3285	Clontarf 320-843-3949	DeGraff 320-843-5364	Kerkhoven 320-264-3831	Milan 320-734-4435	Murdock (Agronomy) 320-875-2810	Sunburg 320-366-3456
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Randy Maluchnik
Office of County Commissioner
Carver County Government Center
Human Services Building
602 East Fourth Street
Chaska, MN 55318-1202
Phone: 952 361-1510
Fax: 952 361-1581

April 16, 2018

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

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:

As a Carver County Commissioner, I urge the Surface Transportation Board (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.

Carver County is located on the southwest side of the Twin Cities metropolitan area and has a population of over 100,000 citizens. One of Twin Cities Western's (TC&W) key routes runs through Carver County and connects with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. This route has provided efficient and effective rail access to the Twin Cities for decades and is one of the keys to Carver County's economic vitality. There is no other economically viable rail route for products to move to and from Carver County to the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail corridor, TC&W 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 to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council recently abruptly ended negotiations with TC&W 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,

A handwritten signature in black ink, reading "Randy Maluchnik". The signature is fluid and cursive, with the first name "Randy" being more prominent than the last name "Maluchnik".

Randy Maluchnik
Carver County Commissioner

Cc (via e-mail): Carver County Board of Commissioners
Mark Wegner, President & CEO, Twin Cities & Western Railroad

Cc (via US Mail): Edward D. Greenberg, GKG Law, P.C.
Charles A. Spitulnik, Kaplan Kirsch & Rockwell LLP
William A. Mullins, Baker & Miller PLLC
David F. Rifkind, Stinson Leonard Street LLP



Southern Minnesota Beet Sugar Cooperative

83550 County Road 21, Renville, Minnesota 56284

245473

245474

April 17, 2018

ENTERED
Office of Proceedings
April 17, 2018
Part of
Public Record

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

**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:

Southern Minnesota Beet Sugar Cooperative ("SMBSC") 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.

SMBSC is located in Renville, Minnesota a city of Renville County, Minnesota. SMBSC is a beet sugar producer owned and operated by 500+ farm families since 1975 and is located on Twin Cities & Western Railroad Company ("TCW"). SMBSC employs approximately 375 full-time benefit-rated employees, with an additional 475 seasonal employees during the harvest season. SMBSC contributes over \$25 million to the local economy in payroll. Total economic impact of SMBSC is approximately \$930 million considering each agricultural dollar rolls over 5-6 times.

The current factory site was chosen back in 1975 due to its location on what was then the Milwaukee Road which is now TCW. For over 40 years, we have relied on the Milwaukee Road and now TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We ship over 6,000 plus carloads per year via this route with a delivered commodity value in excess of \$160 million. Since 2000, SMBSC's 500+ farm families have invested upwards of \$200 million into their facility at Renville based on the long-term availability of TCW's competitive rail freight service. Any changes in TCW's route that increases costs and reduces the railroad's ability to deliver goods safely and on time will jeopardize the economic sustainability of SMBSC.

SMBSC greatly depends on the TCW to access our domestic and foreign customers. SMBSC's rail customers are not accessible in an economical manner by truck. SMBSC greatly depends on the TCW to have a safe, economic and viable route into the Twin Cities to connect with all rail carriers which include the BNSF Railway, Canadian Pacific Railway, Canadian National Railway, and the Union Pacific Railroad. Our customers, grower owners, employees, and families rely on the safe, economic and sustainable transportation the TCW provides today to all Class I carriers in the Twin Cities. TCW is the ONLY economically viable rail route available for our products to move to and from the Twin Cities rail terminal. A change to TCW's freight structure increasing costs and risk will put SMBSC at a competitive disadvantage while compromising the viability of our business and the livelihood of many families in south central Minnesota.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 SMBSC, to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council recently and 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. Both the Council nor HCRRA has ever sought our input on freight rail needs on the corridor; and now we 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,

A handwritten signature in black ink, appearing to read "S Domm", with a long horizontal flourish extending to the right.

Steven Domm
President and CEO
Southern Minnesota Beet Sugar Cooperative
83550 County Road 21
Renville, MN 56284

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street S.W., Room 1034
Washington, D.C. 20423-0001

Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
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Charles A. Spitulnik
Kaplan Kirsch & Rockwell LLP
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Washington, D.C. 20006



April 17, 2018

245488

245489

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 18, 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:

National Sugar Marketing LLC ("NSM") 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.

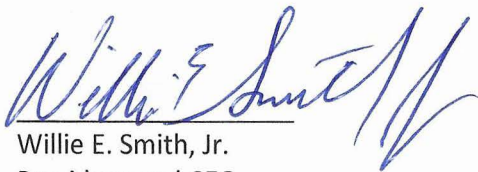
NSM is located in Savannah, GA and markets sugar on behalf of Southern Minnesota Beet Sugar Coop ("SMBSC") which is located at Renville, MN. SMBSC is rail served by Twin Cities & Western Railroad Company ("TCW"). NSM has been marketing sugar for SMBSC for the past 2 years and relies on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers, a route that includes the Bass Lake/Kenilworth corridor. NSM utilizes all of TCW's connecting carriers in the Twin Cities: BNSF Railway, Canadian National Railway, Canadian Pacific Railway and the Union Pacific Railway to deliver its finished products and to serve its customers. NSM rail customers are not competitively serviceable by truck and need the service TCW currently provides into the Twin Cities Terminal area to insure their competitive survival.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 NSM and its customers, 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,

A handwritten signature in blue ink, reading "Willie E. Smith, Jr.", with a stylized flourish at the end.

Willie E. Smith, Jr.

President and CEO

National Sugar Marketing LLC

700 Wilmington Island Rd
Savannah, GA 31410

werobinson@natsugar.com

Cc: Parties of Record

By mail to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
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Washington, DC 20423-0001

By overnight delivery to the STB:

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1001 Connecticut Avenue, N.W.
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2401 Pennsylvania Avenue, N.W.
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David F. Rifkind
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HEARTLAND CORN PRODUCTS

53331 State Hwy. 19 • P.O. Box A • Winthrop, MN 55396
Phone: 507-647-5000 • Fax: 507-647-5010

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April 18, 2018

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April 18, 2018
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Public Record

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

**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:

Heartland Corn Products ("HCP") 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.

HCP is located in Winthrop, Sibley County, MN. HCP began operations as a fuel grade ethanol plant in 1995, and is a cooperative owned by 900 local farmer members. HCP produces over 100,000,000 gallons of ethanol, 275,000 tons of DDGS animal feed, and 3,500,000 gallons of corn oil used in the feed and biodiesel industries. HCP is located on Twin Cities & Western Railroad Company ("TCW"). HCP has invested in excess of \$100,000,000 in capital improvements since 1995 to increase production and improve efficiencies. For over 12 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. HCP ships an estimated 5200 carloads a year over this route. This represents 100% of HCP's ethanol production and approximately 50% of the DDGS feed production. HCP does not have another viable option to ship finished goods into the market. Any changes that could negatively impact HCP's ability to reach the global marketplace will prohibit additional capital improvements in Winthrop.

With 53 employees, the impact of HCP to the local rural economy is substantial. Through processing and the sale of ethanol, DDGS feed and corn oil, HCP has been able to increase the value of corn to its farmer members by an average of \$.75 per bushel, or about \$30,000,000 in additional value realized in the local

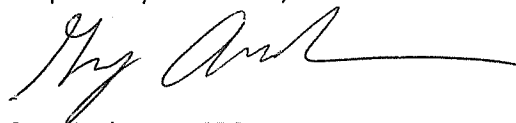
economy every year. Given the current suppressed farm economy, this additional \$.75 per bushel value to HCPs members can be the difference on their ability for continued success.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 HCP, 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,

A handwritten signature in black ink, appearing to read "Gary Anderson", with a long horizontal flourish extending to the right.

Gary Anderson, CEO
Heartland Corn Products

Cc: Parties of Record

April 20, 2018

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

**Re: Docket No. FD 36178, Metropolitan Council – Petition for Declaratory Order
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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:

As a farmer member of Heartland Corn Products ("HCP"), I urge 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.

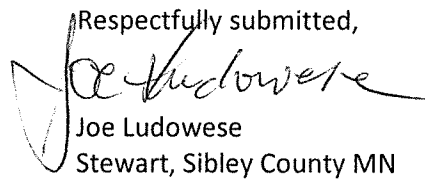
HCP is located in Winthrop, Sibley County, MN. HCP began operations as a fuel grade ethanol plant in 1995, and is a cooperative owned by 900 local farmer members. I have been a member of HCP for many years. HCP is an important part of my farming operation, allowing vertical integration into value added processing of my corn production into ethanol, DDGS feed, and corn oil. On average HCP has been able to increase my value per bushel \$.75 over any other local market options, allowing me to reinvest into my own personal farming operation. The impact of HCP on my family, farming, and community has been substantial. Any changes to the ability of HCP to continue to reach the global market will have an adversely negative impact on my operation.

HCP is located on Twin Cities & Western Railroad Company ("TCW"). For over 12 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. HCP ships an estimated 5200 carloads a year over this route. This represents 100% of HCP's ethanol production and approximately 50% of the DDGS feed production. HCP does not have another viable option to ship finished goods into the market.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 HCP, to subsidize the expense of adding light rail to the corridor.

I 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.

I would 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,

Joe Ludowese
Stewart, Sibley County MN

Cc: Parties of Record

April 20, 2018

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

**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:

As a farmer member of Heartland Corn Products ("HCP"), I urge 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.

HCP is located in Winthrop, Sibley County, MN. HCP began operations as a fuel grade ethanol plant in 1995, and is a cooperative owned by 900 local farmer members. I have been a member of HCP for many years. HCP is an important part of my farming operation, allowing vertical integration into value added processing of my corn production into ethanol, DDGS feed, and corn oil. On average HCP has been able to increase my value per bushel \$.75 over any other local market options, allowing me to reinvest into my own personal farming operation. The impact of HCP on my family, farming, and community has been substantial. Any changes to the ability of HCP to continue to reach the global market will have an adversely negative impact on my operation.

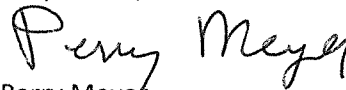
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Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth 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 HCP, to subsidize the expense of adding light rail to the corridor.

I 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.

I would 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,

A handwritten signature in black ink that reads "Perry Meyer". The signature is fluid and cursive, with the first name "Perry" and last name "Meyer" clearly distinguishable.

Perry Meyer
New Ulm, Brown County MN

Cc: Parties of Record

April 20, 2018

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

**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:

As a farmer member of Heartland Corn Products ("HCP"), I urge 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.

HCP is located in Winthrop, Sibley County, MN. HCP began operations as a fuel grade ethanol plant in 1995, and is a cooperative owned by 900 local farmer members. I have been a member of HCP for many years. HCP is an important part of my farming operation, allowing vertical integration into value added processing of my corn production into ethanol, DDGS feed, and corn oil. On average HCP has been able to increase my value per bushel \$.75 over any other local market options, allowing me to reinvest into my own personal farming operation. The impact of HCP on my family, farming, and community has been substantial. Any changes to the ability of HCP to continue to reach the global market will have an adversely negative impact on my operation.

HCP is located on Twin Cities & Western Railroad Company ("TCW"). For over 12 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. HCP ships an estimated 5200 carloads a year over this route. This represents 100% of HCP's ethanol production and approximately 50% of the DDGS feed production. HCP does not have another viable option to ship finished goods into the market.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 HCP, to subsidize the expense of adding light rail to the corridor.

I 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.

I would 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,

A handwritten signature in cursive script that reads "Greg Schwarz".

Greg Schwarz

LeSueur, LeSueur County MN

Cc: Parties of Record



245483
245479

5500 Cenex Drive
Inver Grove Heights, MN
55077

April 18, 2018

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

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**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:

On behalf of CHS Inc., the nation's largest farmer-owned cooperative, I am writing to urge the Surface Transportation Board ("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.

CHS is a large, geographically diverse shipper of agricultural and energy products, including grain and fertilizer, whose success is closely tied to the efficient operation of rail service on the Twin Cities & Western Railroad Company ("TCW") rail network. We depend on TCW rail service for efficient and effective rail access to move various agricultural commodities to/from the Twin Cities to connect with major Class I carriers such as BNSF, Canadian Pacific, and Union Pacific, via a route that includes the Bass Lake/Kenilworth corridor.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 TCW's operational and economic ability to provide service, or force shippers, such as CHS, to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council 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.

We urge the Board to delay HCRRA's request to acquire the common carrier obligation and set a procedural schedule to solicit the views of others affected by this transaction – 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 and 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 scrutiny by the Board.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dan Mack".

Dan Mack
Vice President
Rail Transportation & Terminal Operations
CHS Inc.
5500 Cenex Drive, MS 320
Inver Grove Heights, MN 55077
Phone: (651) 355-6511

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
1055 Thomas Jefferson Street, N.W.
Suite 500
Washington, DC 20007

Charles A. Spitulnik
Kaplan Kirsch & Rockwell LLP
1001 Connecticut Avenue, N.W.
Suite 800
Washington, DC 20036

William A. Mullins
Baker & Miller PLLC
2401 Pennsylvania Avenue, N.W.
Suite 300
Washington, DC 20037

David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006

April 16, 2018

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245481

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

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**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:

The Minnesota AgriGrowth Council ("AgriGrowth") 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. AgriGrowth further requests the Board stay the Hennepin County Regional Rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

AgriGrowth is a nonprofit, nonpartisan member organization which advocates for Minnesota's agriculture and food sector. Located in Saint Paul, MN, AgriGrowth's industry-wide perspective is essential in a state where the agriculture and food sector are the second largest economic driver. Many of our members are growers and processors of corn, soybeans, wheat, and other commodities and farm inputs that have relied on the Twin Cities & Western Railroad Company (TCW) for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. There is no other economically viable rail route for our commodities and farm inputs to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Metropolitan 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 the state's agricultural industry, to subsidize the expense of adding light rail to the corridor.

AgriGrowth is disappointed that 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 AgriGrowth has learned they have no agreements in place with TCW on how freight service will be handled on this proposed "shared corridor" route.

AgriGrowth strongly urges 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 the agricultural sector who rely on 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,



Perry Aasness
Executive Director
Minnesota AgriGrowth Council

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

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David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
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Washington, DC 20006

245477

245478

April 16, 2018

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395 E Street, S.W.
Washington, DC 20423-0001

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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:

Central Region Cooperative (CRC) 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.

Central Region Cooperative is located in Sleepy Eye, Minnesota with branch offices in Fairfax and Buffalo Lake. Central Region Cooperative has facilities in Sleepy Eye, Cobden, Fairfax, Gibbon, Hector, Buffalo Lake, Stewart and Cosmos; Minnesota. Central Region Cooperative served 4,728 patrons in the counties of Brown, Watonwan, Blue Earth, Redwood, Nicollet, Renville, Sibley, McLeod, Meeker and Kandiyohi; in the calendar year ending 12/31/2017.

Central Region Cooperative utilizes the Twin Cities & Western Railroad to ship corn (26,102,667 bushels/\$91,359,335) soybeans (9,303,148 bushels/\$88,379,906) and wheat (148,000 bushels/\$740,000) to destination markets to add monetary value for the 4,728 patrons it serves. Additionally, Central Region Cooperative utilizes the Twin Cities & Western Railroad to receive railcars of fertilizer for crop production needs on the 234,000 plus acres that Central Region Cooperative patron's farm.

For over 17 years, CRC has relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. CRC averaged 375 car loadings for the years 2002 through 2011. In 2012 Central Region Cooperative invested in excess of \$8,000,000 at the Buffalo Lake facility to achieve shuttle loading capabilities so that the patrons of the cooperative may benefit from the additional markets that the TCWR provides access to. After CRC made the investment in the Buffalo Lake facility, the cooperative has averaged 36 shuttle (100-110 cars/shuttle) loadings annually, or 3,780 car loadings annually.

The Central Region Cooperative board of directors recently approved a capital expenditure project which entails construction of a Greenfield Agronomy Facility on land directly east of the CRC Fairfax facility. Project costs will exceed \$12,000,000. This site was selected specifically because of the existing rail line and the capability to 'stage' a loop track in the future to accommodate receiving shuttles of crop nutrients as well as shipping shuttles of grain.

Without the rail access and service that the TCW provides to Central Region Cooperative for the behalf of the 4,728 patrons; there is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Central Region Cooperative, 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,



David Peters
CEO/GM
Central Region Cooperative
david.peters@centralregioncoop.com
Mobile: 507-649-0895

Central Region Cooperative
64908 State HWY 4
P.O. Box E
Fairfax, MN 55332
Land Line: 507-426-8263, extension 1125

Central Region Cooperative
27875 County Road 27
P.O. Box 429
Sleepy Eye, MN 56085
Land Line: 507-794-3031 extension 1125

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

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David F. Rifkind
Stinson Leonard Street LLP
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April 18, 2018
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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

**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:

Finger Lakes Railway Corp ("FGLK") 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.

Seneca Foods is located in Glencoe, (McCloud) County, MN. Their facility is located on Twin Cities & Western Railroad Company ("TCW"). For over 23 years FGLK has been operating it's 167 Mile rail line in the Central New York State Fingerlakes region and we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor connectioning to either CSX or NS at Chicago, IL. This is a fully integrated move from a Seneca Foods cannery in MN to our Seneca Foods Facility in Geneva, NY. Together FGLK and TCW have handled an average of 30 carloads per year for the last 5 years. There is always more opportunity based upon the harvest, to handle more product from this MN origin to FGLK. Additionally FGLK has invested in its Geneva NY, Auburn, NY and Solvay NY Yards and the track, ties and bridges on FGLK to handle 274,000 pound carloads, and soon 286,000 pound carloads to keep its Seneca Foods' Distribution Center competitive for this move. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal. FGLK and its connecting railways have worked hard to keep this commodity in boxcars and direct rail access is important as transloading cars at another origin point is just not cost effective for the customer. Seneca Foods distribute out of Geneva most of their canned goods to Northeast markets. Without a rail rail option this Midwest to Northeast distribution would not be economical.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Seneca Foods to subsidize the expense of adding light rail to the corridor. This unwarranted action by the Metropolitan Council will kill the lane's business.

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 as a connecting railway 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,



Michael V. Smith
President Finger Lakes Railway

68 Border City Road
Geneva, NY 14456

Cc: Parties of Record

Historical 5 Year traffic history includes these canned good carloads shipped by year from Glencoe, MN to FGLK at Geneva, NY.

2017	29
2016	41
2015	35
2014	13
2013	35

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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

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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:

POET Nutrition("POET") 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.

POET operates a trans-load facility in Montevideo, Chippewa County, MN. With a corporate office in Sioux Falls, SD POET is a proud leader in the sustainable energy industry. POET is the largest producer of ethanol and co-products including DDGs (Distiller's Dried Grains) and Distiller's Corn Oil (DCO). Specifically within POET Nutrition, our site is located on Twin Cities & Western Railroad Company ("TCW") at Montevideo, MN. For over four years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as Union Pacific, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 100 carloads a year over this route. Together with TCW, we have developed some previously under utilized track and created an opportunity to bring DCO from our bio-processing facilities to Montevideo and transload into railcars there. This partnership has created access to the New Orleans market for use in renewable bio-diesel production there. This lane has created approximately \$16mm of value to our business and is critical to our continued success.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 POET, 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,



Matt Reiners
Vice President of Business Development
POET Nutrition

Cc: Parties of Record

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Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W.
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City of Franklin

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Fax: (507) 557-2255
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Web: franklinmn.us

The City of Franklin is an equal opportunity employer and provider.

April 19, 2018

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

**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:

The City of Franklin, Minnesota, 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.

The city of Franklin is located in Renville County, MN and is serviced by Twin Cities & Western Railroad Company ("TCW"). We rely on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. TCW has made capital investments in the rail and there is no other economically viable rail route for products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 SW Transfer, 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,

A handwritten signature in cursive script that reads "Wendy Pederson".

Wendy Pederson
City Clerk/Treasurer

Cc:

Edward D. Greenberg
Charles A. Spitulnik
William A. Mullins
David F. Rifkind



April 19, 2018

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

**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:

The Minnesota Grain and Feed Association, which has been representing the interests of the Minnesota grain elevator and feed mill industry since 1907, 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.

We have several association members who rely on the TC&W for efficient and effective rail access to the Twin Cities to connect with not one but three major Class I carriers. This unique access has offered unparalleled access to a wide variety of both domestic and export markets. The five unit train loading facilities located on the line have each spent approximately \$20 million on upgrading their facilities to accommodate loading unit trains. The unwarranted actions by the Metropolitan Council, places these facilities and their investments at great risk! In our estimation, these five unit train loading facilities alone move over 20 million bushels of soybeans and corn on this rail corridor so any disruption of service will certainly lead to an economic hardship on both the facilities and their hundreds of farmer customers. There is no other economically viable rail route for these products to move to and from the Twin Cities rail terminals by these "captive shippers".

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. We were never approached by either the Council or the HCRRA, seeking 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 those operating on the line who need this vital rail route to move grain 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 will be protected. In addition, deciding on this matter without reaching an agreement with the TC&W is certainly disconcerting! We urge the STB to take a closer look at this unfortunate situation and consider its impact on the vulnerable grain shippers on the line. Thank you.

Respectfully submitted,



Bob Zelenka
Executive Director

Cc: Parties of Record

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April 19, 2018

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

**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:

The City of Renville 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.

Renville is located in Renville County, MN and is located on Twin Cities & Western Railroad Company ("TCW"). Renville currently has 2 large cooperations that use this rail system to ship and receive products, Farmward Cooperative Elevator and Southern Minnesota Sugar Beet Co-op. Without rail service or even limiting the current service could decimate our local economy in the form of lost jobs, lost tax base, increased costs to these cooperations and limiting the market potential for them to sell their products. There is no other economically viable rail route for these cooperations to move their products to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 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 our local shippers who need this vital rail route to move their 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,

A handwritten signature in black ink, reading "Janette Wertish", written over a horizontal line.

Janette Wertish, Mayor
City of Renville

A handwritten signature in black ink, reading "Shane Wohlman", written over a horizontal line.

Shane Wohlman, City Administrator
City of Renville

221 North Main Street
Renville, MN 56284
shanewohlman@ci.renville.mn.us

Cc: Parties of Record

By mail to the STB:

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395 E Street, S.W.
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Minnesota Valley Regional Rail Authority



200 S Mill Street
PO Box 481
Redwood Falls, MN
56283

Phone: 507-637-4084

E-mail: julie@radc.org

Serving the communities and counties of Carver, Sibley, Renville,
Redwood, and Yellow Medicine in Minnesota

April 16, 2018

245511

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

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April 19, 2018
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**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:

The Minnesota Valley Regional Rail Authority (MVRRA) which represents Carver, Sibley, Renville, Redwood, and Yellow Medicine Counties as owners of our 94.7 miles of track which was purchased from the Chicago Northwestern (CNW) Railroad back in 1982, 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. MVRRA negotiated track rights through these corridors at the time of the purchase from CNW Railroad so we could still ship our freight rail through these corridors of commerce back in 1982.

The Minnesota Valley Regional Rail Authority owns the 94.7 miles of track from Norwood Young America to Hanley Falls, MN, and contracts to TC&W/Minnesota Prairie Line to be the rail operator and serve all of our shippers along our line. We serve 16 communities, and our shippers represent thousands of patrons and shareholders of their companies and cooperatives who are heavily dependent on TC&W for getting their shipments to their end users all over the US and the global economy that we serve. For over 15 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, Canadian Pacific, and Union Pacific, a route that includes the Bass Lake/Kenilworth corridor. Our shippers generate over 6500 carloads a year over this route. Our shippers have made millions of dollars of private investment along our rail line in their own facilities which depend on rail service on a daily basis. There is no other economically viable rail route for our shippers products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 our shippers 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 shippers input on freight rail needs on the corridor or our input as the owners of the track, 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 the shippers located on the Minnesota Valley Regional Rail Authority's track 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,



Bob Fox, Renville County Commissioner
Chairman of Minnesota Valley Regional Rail Authority

Cc: Parties of Record

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Office of Proceedings
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April 19, 2018

245504

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Ms. Cynthia T. Brown
Chief, Section of Administration
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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:

Form A Feed Inc, 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.

Form A Feed, Inc is located in Stewart, McCloud County, MN. Form A Feed, Inc operates a rail receiving facility in Stewart, located on Twin Cities & Western Railroad Company ("TCW"), in which we receive various ingredients and products for mixing or packaging serving agriculture across all of our neighboring states. For many years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we receive thousands of tons of product via rail a year over this route. This business is important to us. We built a new facility in Stewart 9 years ago with the intent to serve the market place for the long term. Abandonment of this line would render this facility useless and should NOT be allowed to happen without due process.

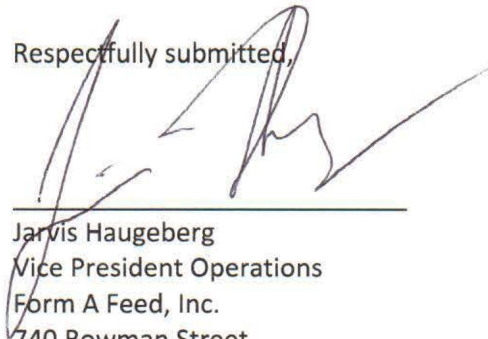
Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail 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 TCW's operational and economic ability to provide service or force shippers, such as Form A Feed, Inc, 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,



Jarvis Haugeberg
Vice President Operations
Form A Feed, Inc.
740 Bowman Street
Stewart MN 55385

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
1055 Thomas Jefferson Street, N.W.
Suite 500
Washington, DC 20007

Charles A. Spitulnik
Kaplan Kirsch & Rockwell LLP
1001 Connecticut Avenue, N.W.
Suite 800
Washington, DC 20036

William A. Mullins
Baker & Miller PLLC
2401 Pennsylvania Avenue, N.W.
Suite 300
Washington, DC 20037

David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006



GRANITE FALLS ENERGY, LLC

P.O. BOX 216 • 15045 HIGHWAY 23 SE • GRANITE FALLS, MN • 56241-0216

PHONE: 320/564-3100 • FAX: 320/564-3190



April 16, 2018

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April 19, 2018
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Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W.
Washington, DC 20423-0001

**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:

Granite Falls Energy, LLC 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.

Granite Falls Energy, LLC is located in Chippewa County, Granite Falls, MN. Granite Falls Energy, LLC is a fuel ethanol manufacturer which not only ships the majority of its ethanol to U.S. coastal areas for market but DDGS (Dried Distillers Grains w/Solubles) by rail and is located on Twin Cities & Western Railroad Company ("TCW"). For over 12+ years, we have relied on TC&W RR for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 6600 rail car loads and returning empty cars a year of our main products over this route. Granite Falls Energy, LLC has expended over \$7 million in rail spurs, siding and rail loop tracks land and rail car moving equipment since our initial start of business to stage and ship our products via unit trains and relies heavily on TC&W RR to get our cars to the main switching yard in So. St. Paul to continue on to its destination and return to the same yard via 1st class carriers. Rail transportation of our products is the most economical means of transportation for our company and there is no other economically viable rail route from our plant site for our products to move to and from the Twin Cities rail terminal.

Several years ago, TC&W RR informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail corridor, TC&W RR 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 Granite Falls Energy, to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council recently abruptly ended negotiations with TC&W RR 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 TC&W RR 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,

The block contains two handwritten signatures. The first signature is in cursive and appears to read "Steve A. Christensen". The second signature is also in cursive and appears to read "Eric Baukol".

Mr. Steve Christensen, CEO/GM
Mr. Eric Baukol, Risk Manager

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
1055 Thomas Jefferson Street, N.W.
Suite 500
Washington, DC 20007

Charles A. Spitulnik
Kaplan Kirsch & Rockwell LLP
1001 Connecticut Avenue, N.W.
Suite 800
Washington, DC 20036

William A. Mullins
Baker & Miller PLLC
2401 Pennsylvania Avenue, N.W.
Suite 300
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David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006

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245499

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April 19, 2018
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Midwest Agri-Commodities Company
999 Fifth Avenue, Suite 500
San Rafael, California 94901
Phone 415-259-2720 Fax 415-259-2712

MIDWEST AGRI



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



**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:

Midwest Agri-Commodities Company ("MAC") 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.

MAC is located in San Rafael, CA. MAC markets, distributes and finances well over 1.5 million tons of solid and liquid sugar beet products a year to North, South and Central America, along with European, African and Asian countries for its members including Southern Minnesota Beet Sugar Cooperative ("SMBSC") which is located at Renville, MN. For over 39 years, SMBSC and the TCW have been a vital channel to MAC's European and African business. SMBSC rail service is provided by Twin Cities & Western Railroad Company ("TCW"). MAC and SMBSC rely on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers in the Twin Cities, a route that includes the Bass Lake/Kenilworth corridor. MAC requires efficient and effective rail service to serve its customers throughout the United States and abroad.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass

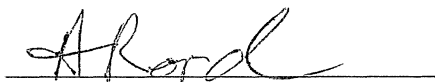
Lake/Kenilworth corridor for a joint light rail /freight rail corridor, TCW committed that it would work with the Council to reach agreements both to minimize disruption to freight rail service during construction and thereafter to assure that the presence of light rail in the freight rail corridor would not negatively impact TC&W's operational and economic ability to provide service or force shippers, such as MAC and its members, 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,

A handwritten signature in dark ink, appearing to read "A Ford", is written over a horizontal line.

Andy Ford, President
Midwest Agri-Commodities
999 Fifth Ave. Suite 500
San Rafael, CA 94901

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
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245493

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

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April 19, 2018
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**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

Pilot Travel Centers LLC
5508 Lonas Drive
Knoxville, TN, 37909
1-800-562-6210

CITY OF



★ All-America City ★

103 Canton Ave., P.O. Box 517 Montevideo, Minnesota 56265 Telephone: 320 / 269-6575 Fax: 320 / 269-9340

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245503

April 17, 2018

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April 19, 2018

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

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:

The City of Montevideo 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.

Montevideo is located in Chippewa County, MN, and is served by the Twin Cities & Western Railroad Company ("TCW") line. For over 20 years our area has relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. Both agricultural and industrial users in our area rely on the TCW. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal. Any issues with access to these markets will put an economic strain on our community.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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, 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.

For the city,

Steven C. Jones
City Manager

Cc: Parties of Record
Mayor and Council

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April 20, 2018
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April 19, 2018

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

**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:

AmeriGas Propane, L.P. ("AmeriGas") 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.

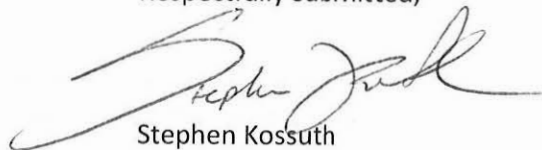
AmeriGas Propane, L.P. is the largest propane retailer in the United States, serving approximately two million customers in all fifty states from approximately 2,000 propane distribution locations. AmeriGas has 650 district offices with approximately 8,500 employees nationwide. AmeriGas relies heavily on rail to ensure the adequate and safe delivery of propane to our customers. We have collaborated with TCW for rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 7.4MM gallons a year over this route.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail corridor, we understand that 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 AmeriGas, to subsidize the expense of adding light rail to the corridor.

We understand the Metropolitan Council recently 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.

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,

A handwritten signature in dark ink, appearing to read "Stephen Kossuth", written over a horizontal line.

Stephen Kossuth
Vice President of Supply & Logistics
AmeriGas Propane, L.P.

11450 Compaq Center West Dr., Suite 400
Houston, TX 77070
torri.stuckey@amerigas.com

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

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Chief, Section of Administration
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395 E Street, S.W., Room 1034
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Parties of Record:

Edward D. Greenberg
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1055 Thomas Jefferson Street, N.W.
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1001 Connecticut Avenue, N.W.
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William A. Mullins
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David F. Rifkind
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1 South Pinckney Street, Suite 810, Madison, WI 53703-2869
608.258.4400 fax 608.258.4407

145 University Avenue West, Suite 450, St. Paul, MN 55103-2044
651.228.0213 fax 651.228.1184

www.cooperativenetwork.coop

April 20, 2018

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

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April 20, 2018
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**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:

Cooperative Network is one of the largest associations of its kind in the country and serves more than 400 member-cooperatives. Our members are owned by more than 6.1 million residents of Minnesota and Wisconsin and include member-owned farm supply, dairy marketing, livestock marketing, financial, health care, mutual insurance, processing, consumer, electric utility, housing, and worker-owned cooperatives, among others.

Cooperative Network respectfully urges the Surface Transportation Board (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. We would also respectfully urge the Board to stay the Hennepin County Regional Rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

Cooperative Network members rely on the Twin Cities & Western Railroad (TC&W) for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. Several years ago, TC&W was informed that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail/freight rail corridor, TC&W committed that it would work with the Council. This included agreements to both 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 for force shippers to subsidize the expense of adding light rail to the corridor.

Cooperative Network understands the Metropolitan Council recently abruptly ended negotiations with TC&W 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 input on freight rail needs on the corridor. In addition, we have now learned that they have no agreements in place with TC&W on how freight service will be handled on this proposed “shared corridor” route.

Cooperative Network urges 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 agricultural co-op shippers who need this vital rail route to move 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, TC&W, is a matter of significant concern and warrants close scrutiny by the Board.

Sincerely,

A handwritten signature in cursive script, reading "Daniel R. Smith".

Dan Smith
President & CEO

Cc: Parties of Record

245516
245517

April 16, 2018

ENTERED
Office of Proceedings
April 20, 2018
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Public Record

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

**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:

F.W. Cobs Company 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.

Our grain elevator is located in Stewart, MN. This elevator allows us to access organic markets in Minnesota that we have not had access to before. We are a primary supplier of Organic Grain for animal feed to customers on both the East and West Coasts. The TCWR gives us access to all markets as it interchanges with mostly all class 1 railroads and the elevator is located on Twin Cities & Western Railroad Company ("TCW"). Since purchasing our facility in December 2017, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we will ship over 200 carloads a year over this route. We selected this specific site because of the TCWR's efficiency and access to interchange with the other larger railroads. We have invested hundreds of thousands of dollars to get the operation running in Stewart, MN in the past year, and have already well exceeded our goals for shipping in the region due to the reliable service we get from the TCWR. This allows us to provide a boost to local farmers as well as competitive pricing to our customers on both coasts.

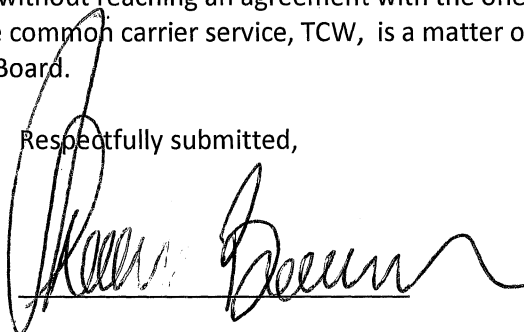
TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. When it was determined that the Metropolitan Council had selected the Bass Lake/Kenilworth corridor for a joint light rail /freight rail corridor, TCW

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 F.W. Cobs Company, 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,

A handwritten signature in black ink, appearing to read "Karen Brooks", is written over a horizontal line.

Cc: Parties of Record

PO Box 30
Saint Albans Bay, VT 05481
brooks@fwcobs.com

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

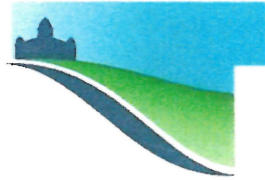
Parties of Record:

Edward D. Greenberg
GKG Law, P.C.
1055 Thomas Jefferson Street, N.W.
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Washington, DC 20037

David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
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Washington, DC 20006



Renville

COUNTY

Service · Stewardship · Shared Responsibility

Randy Kramer, Chair
Renville County Board of Commissioners
Renville County Government Services Center
Suite 315
105 South 5th Street
Olivia, MN 56277-1484

Phone: 320-523-3710

April 17, 2018

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

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April 23, 2018
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**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:

Renville County 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. We also respectfully request that the Board stay the Hennepin County Regional Rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

Renville County is an agricultural county located in southwestern MN. For over 27 years, Renville County businesses have relied on Twin Cities & Western Railroad Company ("TCW") for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. In 2017 Renville County was the largest producer of corn and second largest producer of soybeans, with 53.3 million bushels and 11.9 million bushels respectively being transported over this route. We are also home to the world's largest sugar refinery, processing 3.6 million tons of sugar beets annually. In addition, there are new facilities being proposed and built in our county based on the availability of this rail access, resulting in an even greater demand placed on this rail line. There is no other economically viable rail route for our county's products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 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 the 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 who need this vital rail route to move 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,

A handwritten signature in black ink, appearing to read "Randy Kramer", with a long horizontal flourish extending to the right.

Randy Kramer, Chair
Renville County Board of Commissioners

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

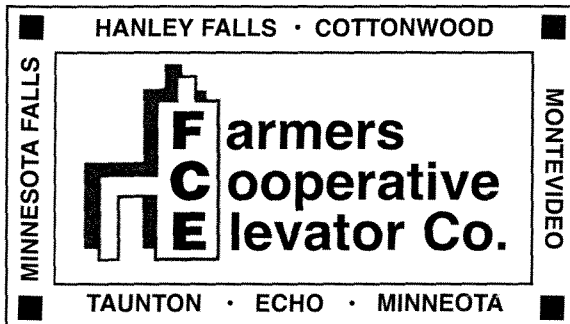
Parties of Record:

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Stinson Leonard Street LLP
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Farmers Co-operative Elevator Co.

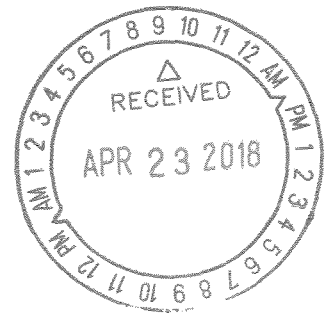
1972 510th Street
Hanley Falls, MN 56245
507-768-3448

Cottonwood	507-423-6235
Echo	507-925-4126
Minneota	507-872-6134
Minnesota Falls	320-564-3835
Montevideo	320-269-6531
Taunton	507-872-6161

April 16, 2018

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

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:

Farmers Co-operative Elevator Company ("FCE") 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.

FCE is located in Montevideo, Chippewa County, MN. Farmers Co-operative Elevator Company is an agricultural cooperative with \$200M in sales each year. Our patrons rely on us to offer them the best attainable market for their crops and the ability to move their commodities in a timely manner. FCE Montevideo is located on Twin Cities & Western Railroad Company ("TCW"). For over 26 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 1500 carloads a year. FCE has made substantial investment in the Montevideo facility to efficiently serve our patrons. In 2016 FCE completed a \$30M expansion for the purpose of reaching previously unattainable markets. The access via TCW to these new markets creates additional revenue for the cooperative, and in turn for our 2000+ members.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 FCE, 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,


William Doyscher
Assistant General Manager

Cc: Parties of Record

By mail to the STB:

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

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13830 Circa Crossing Drive,
Lithia, Florida 33547
www.mosaicco.com
Phone: 813-500-6489
Fax: 813-571-6923

April 20, 2018

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

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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 7 WESTERN RAILROAD COMPANY'S INITIAL REPLY REQUESTING THE
BOARD TO SET A PROCEDURAL SCHEDULE

Dear Ms. Brown:

The Mosaic Company 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.

The Mosaic Company is the world's leading integrated producer and marketer of concentrated phosphate and potash. We mine and process phosphate and potash minerals into crop nutrients, and then ship to our customers in the major agricultural centers of the world.

Many farmers depend on the fertilizer we ship to customers located on TCW. We depend on TCW rail service for efficient and effective rail access to move various fertilizer products to the Twin Cities to connect with Major Class I carriers such as BNSF, Canadian Pacific, and Union Pacific, via a route that includes the Bass Lake/Kenilworth corridor.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 TCW's operational and economic ability to provide service, or force shippers, such as Mosaic, to subsidize the expense of adding light rail to the corridor.



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Lithia, Florida 33547
www.mosaicco.com
Phone: 813-500-6489
Fax: 813-571-6923

We understand the Metropolitan Council 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.

We urge the Board to delay HCRRA's request to acquire the common carrier obligation and set a procedural schedule to solicit the views of others affected by this transaction – shippers like ourselves who need to 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,

A handwritten signature in blue ink, appearing to read "Jeff Christoffersen", is written over the typed name.

Jeff Christoffersen
Vice President Supply Chain
The Mosaic Company
13830 Circa Crossing Drive
Lithia, FL 33547
(813) 500-6489

Cc: Parties of Record

By mail to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board



13830 Circa Crossing Drive,
Lithia, Florida 33547
www.mosaicco.com
Phone: 813-500-6489
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395 E Street, S.W.
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395 E Street, S.W.
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Parties of Record:

Edward D. Greenberg
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1055 Thomas Jefferson Street, N.W.
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1001 Connecticut Avenue, N.W.
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Washing, DC 20037

David F. Rifkind
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006



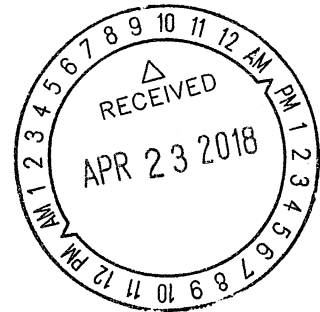
April 16, 2018

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

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**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:

United Farmers Cooperative (UFC) 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.

UFC is located in several counties in Central Minnesota serving thousands of customer members from Litchfield on the north to New Ulm on the south and from New Prague on the east to Bird Island on the west. UFC is a farmer owned cooperative and has been in existence since 1915. As a cooperative, we are owned by the members we serve and are governed by over 2,500 agricultural producers who elect a member Board to oversee the operations. UFC provides services in grain, agronomy, livestock feed, equipment, fuels and energy as well as credit services to our agricultural producers. In addition, we operate convenience stores, a cooperative natural gas company and retail centers in several communities serving farmer producers as well as consumers. For over ten years, we have relied on the TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, UP, and CP; a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 3,000 carloads of grain per year as well as several hundred carloads of crop nutrients to serve our members. Over the past ten years, the farmer owners of UFC have invested over \$50 million dollars in new facilities located directly on the rail that TCW serves. These facilities along with TCW service are critical to get the best value for agricultural products raised by our farmers and to gain access to critical markets that are only accessible today through the TCW corridors in Hennepin County. Without this critical access, not only would the members of UFC suffer significant consequences, but the loss of this critical service would have far reaching effects on many industries and communities along these rail lines. There is simply no other alternative if we were to lose this critical service.

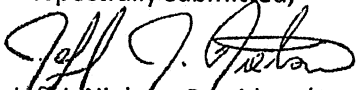
UFC

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 TCW's operational and economic ability to provide service or force shippers, such as UFC, 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. UFC as a cooperative that is owned by the members it serves feels it is critical that our farmers and community voices be heard before any final decisions are made. We strongly agree that a mutually beneficial solution must be made to avoid severe economic impacts on our rural agricultural businesses and communities.

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,



Jeff J. Nielsen, President/CEO

Cc: Parties of Record



245536

April 16, 2018

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April 23, 2018
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Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W.
Washington, DC 20423-0001

**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:

Renewable Products Marketing Group, LLC (RPMG) 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 Hennepin County Regional Rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

RPMG is located in Shakopee, MN, Scott County, MN. As a Minnesota based company established in 1996, RPMG has been marketing ethanol and co-products for over 20 years. We currently market: nearly 2 billion gallons of ethanol; in excess of 2.2 million tons of Dried Distillers Grains; and over 300 million pounds of Distillers Corn Oil on an annual basis. We provide essential marketing and supply services to our members and marketing partners. RPMG is a leader in renewable fuels, with an unwavering commitment to renewable energy as a whole. One of our member plants, Heartland Corn Products (HCP), Winthrop, MN is located on Twin Cities & Western Railroad Company ("TCW"). For over 20 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, CPRS and UP, a route that includes the Bass Lake/Kenilworth corridor. We ship over 4,700 carloads a year over this route. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 that:



(1) minimized disruption to freight rail service during construction, and (2) 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 RPMG on behalf of Heartland Corn Products (HCP), 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,

A handwritten signature in black ink, appearing to read "Douglas E. Punke". The signature is fluid and cursive, with the first name "Douglas" being more prominent.

Douglas E. Punke, CEO
Renewable Products Marketing Group, LLC

Cc: Parties of Record



By mail to the STB:

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

By overnight delivery to the STB:

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County of McLeod

830 11th Street East
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FAX (320) 864-1809

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1st District
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Silver Lake, MN 55381
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COMMISSIONER DOUG KRUEGER

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COMMISSIONER PAUL WRIGHT

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COMMISSIONER RICH POHLMEIER

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COMMISSIONER JOE NAGEL

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COUNTY ADMINISTRATOR

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Cindy.Schultz@co.mcleod.mn.us

April 16, 2018

245538

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Ms. Cynthia T. Brown
Chief, Section of Administration
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Office of Proceedings
395 E Street, S.W.
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**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:

McLeod County Board of Commissioners 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.

McLeod County, Minnesota is located west of the Twin Cities metropolitan area adjacent to the County of Carver. The Twins Cities & Western Railroad Company (TCW) rail lines travel through the county. We have three (3) companies located on and depend on the freight rails to ship their commodities; Seneca Foods Corporation located in the City of Glencoe, United Farmers Cooperative located in near the City of Brownton and Form-A-Feed located in the City of Stewart. For over fifty (50) years, they have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as

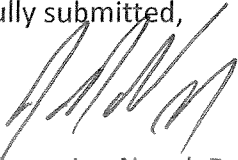
BNSF, a route that includes the Bass Lake/Kenilworth corridor. Not to mention the capital investments that these companies have made. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Seneca Foods Corporation, United Farmers Cooperative and Form-A-Feed, 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,



Commissioner Joe Nagel, Board Chair

Cc: Parties of Record

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April 23, 2018
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April 16, 2018



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

**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:

Step Saver Inc 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.

Step Saver Inc is located in Morton, MN located in Renville County, MN. Step Saver Inc is a Salt delivery company, that brings in bulk solar salt via covered hopper bottom rail cars that originates from Salt Lake City Utah, and delivers it to customers located thru out southern MN and Eastern SD. Step Saver Inc is located on MPL located which is operated by the Twin Cities & Western Railroad Company ("TCW"). For over 22 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 120 carloads a year over this route. Step Saver Inc has invested approximately \$900,000 into its rail site that has storage capacity of over 3,000 tons of salt storage capacity. Step Saver Inc then distributes this salt without the need to either haul it direct from Utah or send trucks from the TC metro area. If Step Saver would lose this access, and it would have a catastrophic financial burden to maintain a profitable company. Step Saver Inc employees 12 full time employees in the South West area in MN that provides an excellent living for its employees and also provides retirement and health insurance. Step Saver Inc is also a family owned business.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 Step Saver Inc, 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 nor have we now 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,

A handwritten signature in black ink, appearing to read 'CJ Steffl', written over a horizontal line.

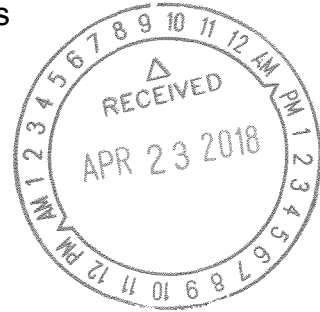
Charles J Steffl, President and Owner
Step Saver Inc

Cc: Parties of Record

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Office of Proceedings
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April 16, 2018

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

**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:

Farmers Union Oil Company of Montevideo 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.

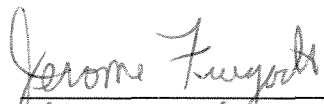
Farmers Union Oil Company is located in Chippewa County, MN. Farmers Union Oil Company is an related business which sells fertilizer, propane etc. Farmers Union Oil Company is located on Twin Cities & Western Railroad Company ("TCW"). For over 40 years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. We estimate we ship over 20 carloads a year over this route. There is no other economically viable rail route for our products to move to and from the Twin Cities rail terminal.]

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 ADM., CHS, 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,



Agronomy Manager
Farmers Union of
Montevideo, MN

Cc: Parties of Record

COLLIN C. PETERSON
7TH DISTRICT, MINNESOTA

COMMITTEE ON AGRICULTURE
RANKING MEMBER

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

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FD 36178
FD 36177

April 18, 2018

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Director Lucille Marvin
Office of Public Assistance, Governmental Affairs, and Compliance
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

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April 23, 2018
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Dear Director Marvin:

I am writing to urge the Surface Transportation Board (STB) to establish a public comment period and conduct a thorough analysis of Metropolitan Council's efforts to acquire ownership of the Bass Lake and Kenilworth corridors in Hennepin County, Minnesota.

Many of my constituents rely on the Twin Cities & Western Railroad Company (TC&W) for rail access to the Twin Cities in order to connect with major Class I carriers including BNSF, Canadian Pacific, and Union Pacific. These shippers are concerned that Metropolitan Council's plans to remove freight side tracks in favor of light rail passenger tracks along the Bass Lake and Kenilworth freight rail corridor could negatively impact TC&W's ability to provide efficient rail service.

The light rail project is complicated and impacts freight rail commerce. It is important that the STB not take expeditious action without providing the public with a full and thorough opportunity to voice their concerns. STB needs to carefully consider the long-term needs of TC&W and its shippers preserve their ability to operate effectively.

Sincerely,



Collin C. Peterson
Member of Congress

DISTRICT OFFICES

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FAX: (218) 847-5109

1420 EAST COLLEGE DRIVE
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13892 AIRPORT DRIVE
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THIEF RIVER FALLS, MN 56701
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FAX: (218) 847-5109

324 3RD STREET SW
SUITE 4
WILLMAR, MN 56201
(320) 235-1061
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April 19, 2018

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

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April 23, 2018
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**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:

The Midwest Shippers Association (MSA) urges the Surface Transportation Board to set a procedural schedule in the above referenced proceeding (FD 36178) to permit public comment and a full hearing on the 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.

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 Twin Cities & Western Railroad Company ("TC&W"). 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 serves an absolutely vital role in transporting bulk agricultural commodities from one of the most productive areas of Minnesota through to the main Class One railroads and river barge shipping operations in the Twin Cities. The TC & W railroad section the Metropolitan Council is seeking to abruptly take over is a main artery for shipping a large volume of Minnesota farmers' grain production on to customers nationally, and to international destinations. In attempting to do this, the

Met Council would shortcircuit proceedings that would allow adequate time for understanding and comment by affected parties.

Twin City & Western's main line and Minnesota Prairie Line serves five large shuttle loading elevators that load unit trains, plus processing plants that ship large trains of ethanol fuel and distillers grain feed products, and other agricultural and industrial/warehouse shippers. These shippers are dependent upon having timely, reliable service from TC&W to be able to serve their customers timely and reliably.

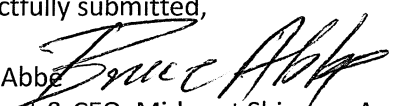
Moreover, shippers of all kinds today are experiencing major challenges for the trucking industry -- from a shortage of drivers, to rising costs and the unsettling impact of mandatory electronic monitoring devices limiting their flexibility when facing congestion and time delays in the metropolitan area. The trucking industry challenges of today are projected to get worse in the future, and experts say that portends an increasingly important role for railroad shipping of bulk ag commodities. The need for the service TC&W provides now, will increase in the future.

Several years ago, TC&W informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 jeopardize TC&W's operational and economic ability to provide vital service to agricultural shippers.

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 TC&W on how freight service will be handled on this proposed "shared corridor" route. The manner in which this has all recently come about causes us grave concern that the Council and related government entities have little comprehension and appreciation for the vital freight rail shipping role this section of rail tracks, owned and operated ably by the TC&W, holds for a large region of Minnesota agriculture. The responsibility to equally serve freight rail needs of shippers must not be diminished by operations of the new passenger rail service.

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,


Bruce Abbe
President & CEO, Midwest Shippers Association

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, S.W., Room 1034
Washington, DC 20006

Parties of Record:

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Washington, DC 20007

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Kaplan Kirsch & Rockwell LLP
1001 Connecticut Avenue, N.W.
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William A. Mullins
Baker & Miller PLLC
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ENTERPRISES, INC.

POST OFFICE BOX 249 / MANDEVILLE, LA 70470-0249 / (985) 867-3500

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April 23, 2018

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

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April 24, 2018
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**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:

My name is Charlie Threlkeld. I am the General Manager of Rail Transportation for Consolidated Grain & Barge Company (CGB). Consolidated Grain and Barge Company is the 5th largest grain company in the United States. We provide a market for our farmer customers at our 90+ grain elevators scattered throughout the Midwestern U.S.

One of our grain elevators is located in Savage, MN. This elevator is owned by Riverland AG. CGB has a put through agreement in place with Riverland AG. This location receives grain from grain elevators served by the Twin Cities & Western Railroad (TCWR). In 2017, CGB originated approximately 2500 car loads of grain from TCWR origins. This represents roughly 10,000 trucks that did not come into the Twin Cities area. We hope to expand our rail volume going forward.

It has come to our attention that the negotiations between the TCWR and the Metropolitan Council regarding operations over some segments of track owned by the Council have ceased. We support the need for increased light rail usage, but putting more trucks on the road to replace the commuter's automobiles is not the path forward.

Consolidated Grain & Barge Company 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 rail Authority's ("HCRRA") request in FD 36177 to acquire the common carrier obligations for the line.

Respectfully submitted,

Via E-File to the STB:

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

Parties of Record:

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GKG Law, P.C.
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Gregory Webb
Vice President - State Government Relations
Archer Daniels Midland Company
Global Headquarters
77 W. Wacker Drive, Suite 4600
Chicago, Illinois 60601
Webb@adm.com
t (312) 634.8465 / f (312) 634.8498

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Office of Proceedings
April 24, 2018
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Public Record

April 23, 2018

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



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:

Archer Daniels Midland “ADM” 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.

ADM operates in Renville & Swift, Counties, Minnesota and is in the business of shipping dry beans grown in Minnesota from our Appleton and Olivia, MN plants located on Twin Cities & Western Railroad Company (“TCW”) lines. For years, we have relied on TCW for efficient and effective rail access to the Twin Cities to connect with major Class I carriers such as BNSF, a route that includes the Bass Lake/Kenilworth corridor. A material amount of the product shipped from these plants is transported via the TCW. Our ability to serve customers may be interrupted with any disruption on the TCW.

Several years ago, TCW informed us that the Metropolitan Council was seeking to expand its light rail service from Minneapolis west to certain suburban communities. 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 TCW's operational and economic ability to provide service or force shippers, such as ADM, to subsidize the expense of adding light rail to the corridor.

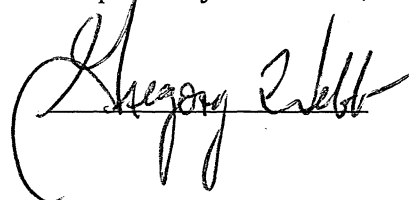
We understand the Metropolitan Council recently ended negotiations with TCW and has filed its present Petition asking the Board to approve an arrangement whereby the Council will acquire ownership of the rail line but will ask the Board to transfer the common carrier obligation to HCRRA.

This is a very complicated transaction that needs full public input and understanding. Neither the Council nor HCRRA has sought our input on the freight rail needs on the corridor. We now have learned that there are 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 ADM who need this vital rail route to move 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.

We are not opposed to co-locating passenger rail service with freight service. The intent of this letter is to ensure a balance is struck in this corridor between the needs of shippers and the needs of the travelling public.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregory E. Webb", written over a horizontal line.

Cc: Parties of Record

By mail to the STB:

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

By overnight delivery to the STB:

Ms. Cynthia T. Brown
Chief, Section of Administration
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