



June 14, 2018

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VIA E-FILING

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

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Office of Proceedings
June 14, 2018
Part of
Public Record

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

Dear Ms. Brown:

United Farmers Cooperative ("UFC") hereby files these comments in response to the Surface Transportation Board's ("Board or STB") May 22, 2018 decision permitting public comments on the Petition for Declaratory Order ("Petition") filed on April 4, 2018 by the Metropolitan Council ("Met Council"). In that Petition, Met Council requests the Board find that certain proposed transactions involving Met Council, Hennepin County Regional Railroad Authority ("HCRRRA") and Soo Line Railroad Company d/b/a Canadian Pacific ("CP") would not require Surface Transportation Board ("Board" or "STB") authorization and would not result in Met Council becoming a rail common carrier. As relevant to us and our concerns, the Board's decision specifically requested comments on whether operational impacts on Twin Cities & Western Railroad Company ("TCW") should be considered as part of the Board's analysis. The unequivocal answer to that question is "yes."

UFC is an active shipper on TCW's line. TCW serves several of our facilities. Including major operations involving grain shipments out of Winthrop and Brownton as well as inbound shipments of critical supplies such as crop inputs at facilities in Winthrop, Brownton and Hector. This year we anticipate shipping over 3,000 car loads of grain as well several hundred car loads of critical fertilizer supplies. All of these carloads traverse some or all of the rail lines that are involved in this proceeding. Efficient and time sensitive rail service is a significant part of our business model. Any activities undertaken by Met Council that could result in a reduction in transit times or delayed shipments would have a financial impact on our bottom line. UFC is a farmer/member owned cooperative and has been in existence since 1915. We are owned and governed by over 2,500 agricultural producers and serve thousands of customers across central Minnesota. We also employ over 500 employees in jobs that in many cases have been created and rely on the critical railroad service.

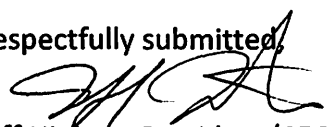
With this in mind, we have two main operational concerns. First, as we understand from public records related to the Southwest Light Rail Transit Project ("Project") and our discussions with TCW, the Project will involve a four-year construction timeline. As part of that process, we understand that the rail line will be relocated and realigned. In order to do that, by necessity, the rail line will have to be taken out of service from time to time during certain construction periods. We also understand that in the future, light rail trains and freight trains will be operating within 25 feet of each other. These two factors give us great concern that our shipments will be delayed during the construction period or that future crashes, without adequate restoration of service plans, could result in the line becoming unusable during the

crash clean-up phase, delaying our rail service. These concerns could be alleviated if there was some sort of construction and operation agreement between Met Council and TCW. We understand, however, that there is no such current agreement. The only existing agreements are trackage rights agreements governing TCW's overhead operations. From what we understand, those agreements were entered into many years ago and do not contain any provisions dealing with what happens during construction of a parallel passenger transit system in the same railroad corridor or how the corridor should operate in the future when you have both passenger and freight operations in the same corridor. To avoid any operational impacts during the construction phase or during future operations, UFC believes that as a condition to any STB approval, Met Council should be required to enter into a construction and operation agreement with TCW that would protect shippers' transit times during the construction phase, provide for safety plans to prevent future accidents that could delay rail service, and sets forth the obligations of the parties with respect to the future shared usage of the corridor.

Our second major operational concern involves Met Council's plans to remove a significant number of the existing sidetracks currently used by TCW. We understand that those sidetracks are an integral component of TCW's service to/from our facility. TCW has informed us that without those sidetracks or the ability to use replacement tracks somewhere else nearby, which do not currently exist, our transit times will be significantly impacted. This will cost us both time and money. This is unacceptable. Either the tracks should not be removed, or if they are removed in order to accommodate light rail, Met Council should be required to work with TCW to come up with a plan for the replacement of those tracks in a manner and location that would not adversely impact rail service, and since it is Met Council's plans that are causing the disruption, they should pay all costs associated with the replacement side tracks. The replacement side tracks should be built and in place before the existing sidetracks are torn up. Otherwise, there could be significant operational disruptions in our service.

United Farmers Cooperative does not take a position on the light rail Project. Our concerns have to do with the operational and safety impacts that will occur due to the realignment of the tracks that TCW operates over and the removal of the sidetracks that TCW currently uses to provide us service. Those concerns must and should be addressed in any STB decision. If not, there could be significant operational problems and financial impacts on our business if the Project moves forward. As a farmer owned cooperative that serves a large portion of central Minnesota we believe it is critical that our voice be heard in decisions that have this much of a potential impact on the agriculture economy.

Respectfully submitted,


Jeff Nielsen, President/CEO

CERTIFICATE OF SERVICE

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

Dated this 14th day of June 2018.

