

FD 35952

Scott A Thorsen
3256 East 1951st Rd
Ottawa, IL 61350
sandtthorsen@gmail.com

ENTERED
Office of Proceedings
May 15, 2017
Part of
Public Record

This is not a “Which came first the chicken or egg” scenario. Many times when speculation capital attempts to invest in infrastructure projects, they make this argument that they are working at a disadvantage because the industry is not letting them into their circle of friends. Speculation capital’s argument they cannot gain financing and funding without a Certificate of Public Convenience and Necessity from a regulatory board. Do not accept this argument from Great Lakes Basin Transportation. GLBT has no financing, no investor funding, and no customers and this is not a chicken-egg scenario.

This is speculation capital attempting to gain a Certificate of Public Conveniences and Necessity. Once GLBT has a CPCN, it has a tangible asset and can go to Illinois, Wisconsin, and Indiana to begin the process of eminent domain to gain the easement. The CPCN is a huge asset. It’s the hammer of eminent domain.

Many times regulatory boards will wash their hands of the situation and justify it’s not their job to bless the business plan as a good plan. Unfortunately, that is exactly what speculation capital spin a CPCN to the banks and potential shareholders. The CPCN is a huge asset of blessing a business plan.

Would BNSF go to the STB and request a CPCN without showing customers, financing, funding?

No.

If any Class 1 railroad went before the Surface Transportation Board with a Financial Application to build a railroad bypassing Chicagoland, the application would list all three in depth. GLBT does show a schedule of anticipated traffic from all 6 Class 1 railroads which they are “confident” to be a source of income, but they have no letter from any of the existing railroads indicating intent to use GLBT. There is no proof of their “confident” assumptions.

Does the GLBT intend to come back to the STB requesting to force the Class 1 railroads to use the proposed GLBT bypass in the name of equity and fairness?

One has to wonder if GLBT refusal to list shareholders in the company is an attempt to hide the lack of funding as “proprietary information”. As controversial as this project is, it needs to be truly open and transparent. Hiding behind Orders of Protection only prolongs the process.

We as a society do have a problem with infrastructure siting taking too long. This process lasts way too long. The proposed Tongue River project lasted at the STB for 35 years before it was denied. Tongue River at least had a guaranteed customer. GLBT doesn't even have one guaranteed customer.

Landowners must endure the stress of the unknown when proposed projects are in limbo before regulators for what feels like perpetuity. Landowners must delay financial decisions, including delaying potential sale of property when the siting process drags on too long. To keep the process quick, efficient, and reduce the potential of further appeals and lawsuits, I urge the STB to deny GLBT the request of an Order of Protection. Let's keep this process open to the public. Speculation Capital should not play by a different set of rules than other railroads.