



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

ENTERED
Office of Proceedings
April 25, 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:

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,

A handwritten signature in black ink that reads "Bob Zelenka". The signature is written in a cursive, flowing style.

Bob Zelenka
Executive Director

Cc: Parties of Record

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