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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:

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

120 2nd Street W
Morton, MN 56270

Cc: Parties of Record