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Phillis Johnson-Ball
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

RE: STB Finance Docket No. 35087

CN has been touting the "wide ranging benefits" for its proposed acquisition of the EJ&E. I suggest an alternative plan that benefits everyone.

First, CN utilizes 24 miles of the Indiana Harbor Belt (IHB) for its "inner belt" and a feeder line for trains coming from the north. This cuts 45 miles from the proposed EJ&E route and reduces the current trip time through Chicago from 24 to 4 hours. CN would pay trackage fees, but benefit from reduced investment and operating costs.

Then, CN contracts with EJ&E for joint use of the under-used Kirk Yard. This allows CN a site to classify traffic, interchange with eastern carriers, and release its Markham Yard for conversion to an inter-modal facility as planned. If trains are ready upon arrival in Chicago, they can interchange directly as trains from Union Pacific and BNSF currently do.

This proposed route by-passes Chicago, its nearby communities and the lakefront. It avoids conflicts with Metra trains and freight carriers at outlying points on the EJ&E. And, there are already fixed waterway bridges and highway and rail grade separations on the IHB which do not exist on the EJ&E. Right now, the EJ&E has just enough capacity to handle its present volume. Capital costs to upgrade it to support a Class One carrier in addition to the planned STAR commuter line will far exceed the \$300 million price tag CN expects to pay for the entire line. And who will foot the bill?

With this option, CN accomplishes its goal of improving travel time through Chicago on a line better suited to handle its capacity. The City of Chicago and nearby communities are relieved from additional slow-moving, lengthy trains, and the EJ&E remains a terminal railroad available for commuters riding the STAR line.

Win, Win for all parties concerned.

Very truly yours,



Richard H. McDonald
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