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September 26, 2008

By E-Filing

The Honorable Anne K. Quinlan, Esq.
Acting Secretary
Surface Transportation Board
Office of the Secretary
395 E Street SW
Washington, DC 20423-0001

**Re: STB Finance Docket No. 35087 Canadian National Railway Company and
Grand Trunk Corporation's Acquisition of Control of the EJ&E West Company**

Dear Acting Secretary Quinlan:

Thank you for this opportunity to comment on the Draft Environmental Impact Statement (DEIS) for the proposed Canadian National Railway Company's (CN) acquisition of the EJ&E-West Company (EJ&E). These comments reflect the position of the Regional Transportation Authority of Northeastern Illinois. The RTA was created by the State of Illinois to ensure adequate public transportation in the six county area surrounding Chicago. The RTA provides funding, strategic planning, and oversight for three operators, Metra Commuter Rail, Pace Suburban Bus, and the Chicago Transit Authority.

In February 2008, RTA commented on the proposed scope of the EIS. We requested a careful analysis of the acquisition's impacts on the reliability of existing passenger rail operations, consideration of actions to ensure reliable operations, and expansion of the analysis to include planned upgrades to the UP-West and Northwest Lines and proposed new services on the STAR and South East Service alignments. We are pleased that the scope of the analysis was expanded to examine most of these issues. After a careful review of the DEIS some issues remain, which merit careful consideration by the STB in completing the EIS and reaching a decision.

Impact on Current, Expanded and New Passenger Rail Service

There are a number of locations where Metra commuter trains cross the EJ&E at grade. These interlockings are currently operated to ensure that there is minimal freight train interference with commuter operations. Reliable on-time performance is critical to the continued success of our commuter rail services in attracting passengers. CN's planned operations would significantly increase the number and length of trains operating through these crossings increasing the potential for delays and disruptions to commuter rail service.

We are pleased that the DEIS included an analysis of the capacity of five locations and concluded that it would be physically possible for the CN to operate the increased train numbers proposed while maintaining Metra's current operations, planned upgrades on the UP-West and Northwest lines, and proposed South East Service. The DEIS noted for all of these crossings that it would be important for CN and Metra to work together to ensure efficient freight operation while maintaining a high level of on-time performance for commuter operations. We do note that the Union Pacific is the senior railroad where they cross the EJ&E and thus have priority regarding their freight traffic and Metra commuter traffic. The DEIS recognizes this in VM-72, "that the CN shall operate the key interlockings at West Chicago and Barrington according to current agreements".

Additionally, we also note that there are potential benefits to the North Central Service ("NCS") Line because freight traffic would be reduced thus providing Metra with an opportunity to discuss with the Canadian National the concept of adding more commuter traffic on the NCS Line.

We are disappointed with the level of analysis presented in the DEIS on the impact of the acquisition on the proposed STAR Line. The EJ&E alignment would be used by the STAR Line from Hoffman Estates to Joliet. The DEIS only concludes that the acquisition would not preclude the implementation of the STAR line, but offers no assessment of the impact on STAR Line operations or infrastructure cost.

RTA requests that the DEIS approach, which relies on Metra and CN to resolve these issues, be strengthened in the final EIS and STB decision. Metra has a long history of working collaboratively with the freight railroads and a negotiated resolution is the best approach to efficient and reliable freight and commuter operations in our region. We recommend that CN be required to reach agreements with Metra which ensure that current and future commuter rail operations will receive priority at all junctions and on existing and future shared rights-of-way, prior to STB approval. Furthermore, STB oversight should continue for a period of 10 years with regular reporting of delay to commuter trains resulting from operations on the EJ&E. The STB should retain jurisdiction for the ten-year period so that there be a swift means of enforcing these agreements if needed.

EJ&E Capacity and Reliable Operations

The DEIS includes an extensive analysis of the capacity of EJ&E to accommodate proposed traffic levels. This analysis demonstrates that, with CN's proposed improvements and operating plan, the EJ&E would be operated at or very near to capacity, and that constraints on the EJ&E will prevent rail traffic from growing beyond CN's forecast. The analysis also shows that, under some scenarios with increased Metra / UP traffic and longer trains, the practical capacity would be exceeded.

RTA is concerned that there is a danger that CN's proposed traffic levels on the EJ&E will push the line too close to capacity resulting in increased delays to Metra, other rail traffic, and at highway grade crossings. This potential for less reliable operations on the

EJ&E is a function of both the number of trains and their length. Since a detailed operating plan has not been provided by the CN, it is difficult to assess the likelihood of disruptive delays.

RTA requests that a condition be added which would require enhanced monitoring of total rail traffic (both the number of trains and their length), delays to other rail traffic and at highway grade crossings. The length of STB's oversight of the transaction should be extended to ten years and the STB should consider performance-based penalties or other back-up remedies in the event that CN's operations result in excessive delays to other traffic.

Mitigation of Rail - Highway Delay

Auto delay at rail highway grade crossings would increase under the acquisition. While there would be reductions in delay at crossings on existing CN lines within the EJ&E arc, total delay would increase because of the larger number of crossings on the EJ&E. The DEIS identified 15 of these which would be "substantially affected". These impacts and responsibility for their mitigation has been a very sensitive issue in our region.

The DEIS lays out a range of possible mitigation actions and financial participation by the CN. STB has indicated that it will consider specific actions in the final EIS. The Chicago Metropolitan Agency for Planning (CMAP) has proposed that CN commit to a formal enforceable mitigation plan focusing on strategic arterials, and that they contribute to a traffic impact mitigation fund to cover their share of costs for a 10-year period.

RTA supports the CMAP approach and thinks that it should be given serious consideration by the STB. It would provide a regional focus and avoids the difficulty of negotiating many agreements with individual communities in a short time period.

Level of Mitigation Required

The RTA Board has considered the DEIS and urges the STB to take the strongest possible position in requiring mitigation measures. This proposed acquisition will have impacts that exceed those normally encountered in railroad acquisitions. The breadth and magnitude of these impacts make it imperative that the STB seriously consider a level of mitigation which are higher than customarily imposed.

Sincerely,

Stephen E. Schlickman
Executive Director