

202726



Illinois Department of Transportation

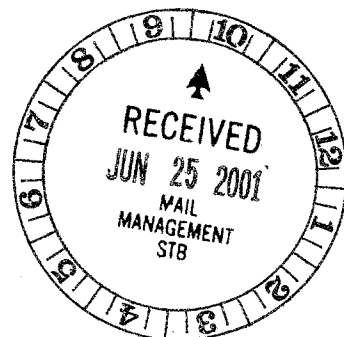
Office of Planning and Programming
2300 South Dirksen Parkway / Springfield, Illinois / 62764

June 22, 2001

ENTERED
Office of the Secretary

JUN 25 2001

Part of
Public Record



Surface Transportation Board
Office of the Secretary
Case Control Unit
1925 K Street, N.W.
Washington, DC 20423-0001

Attention: Case Control Branch, STB Finance Docket No. 34000

Dear Secretary:

Enclosed for filing in Finance Docket No. 34000 are an original and 25 copies of the Verified Statement of Kirk Brown, Secretary of the Illinois Department of Transportation (IDOT-2). Also enclosed are an original and 25 copies of the Certificate of Service, along with an electronic copy.

Sincerely,


Gary W. Williams
Chief, Bureau of Railroads

ENTERED
Office of the Secretary

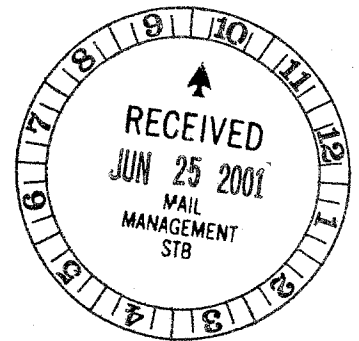
JUN 25 2001

Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 34000

CANADIAN NATIONAL RAILWAY COMPANY
GRAND TRUNK CORPORATION, AND WC MERGER SUB, INC.
-CONTROL AND MERGER-
WISCONSIN CENTRAL TRANSPORTATION CORPORATION
WISCONSIN CENTRAL LTD., FOX VALLEY & WESTERN LTD.,
SAULT STE. MARIE BRIDGE COMPANY, AND
WISCONSIN CHICAGO LINK LTD.



VERIFIED STATEMENT OF KIRK BROWN, SECRETARY OF THE
ILLINOIS DEPARTMENT OF TRANSPORTATION

My name is Kirk Brown, and I am Secretary of the Illinois Department of Transportation (IDOT). IDOT is the agency responsible for both rail policy and rail planning activities in Illinois, which requires us, among other things, to analyze any proposed rail merger, consolidation, or acquisition in order to determine its potential effects on the adequacy of transportation for the public in our state. The proposed acquisition by Canadian National Railway Company (CN) to acquire the Wisconsin Central Transportation Corporation (WC) is of vital interest to our state.

IDOT has the responsibility under Illinois law for rail planning and programming. IDOT represents the public interest in the transportation system of the State of Illinois and expresses its concern for a continued growth in competitive transportation alternatives for Illinois shippers.

The Illinois Department of Transportation (IDOT) submits the following statement of support for the CN/WC merger:

1. CN has assured shippers that service levels will be as good as or better than current service and has committed to keeping open all active gateways affected by this transaction. The Transaction represents the best opportunity for WC's shippers to be assured that their present and future transportation needs will be well met. It would be an end-to-end connection of two railroad systems that do not overlap but instead complement each other and, together, would create a stronger competitor. There would be no 2-1 or 3-2 shippers on the CN/WC system, no reduction in effective source competition and no increase in market power.
2. New single-line service across the CN/WC system could better meet the needs of companies that rely on the movement of commodities that are sensitive to transportation costs and that are highly truck-competitive. The Transaction will enable CN to become more flexible in the utilization of cars and may enable CN to find new efficiencies that will make CN more competitive for the movement of such traffic.
3. To accommodate Amtrak and commuter passenger service, CN and WC conferred with the local commuter representatives at METRA in the Chicago area to address the potential impact of the Transaction on lines over which

they operate. There will be no adverse impact, as the integrated system will add only one train each way (three days per week) to lines used for passenger (including commuter) operation, and there will be fewer trains per week on the WC segment used by METRA between Antioch and Chicago.

4. IDOT believes that the new CN/WC system will bring more efficient service to WC served shippers of corn and soybeans who rely on rail transport to reach markets in the Chicago area. Today, WC-originated corn can only reach facilities in the Chicago area via a switching carrier in the Chicago terminal. The current intra-terminal handling increases overall transit time and limits WC's ability to ensure the most responsive and expeditious service. The CN/WC transaction would streamline the handling of WC-origin products to the facilities. WC-originated corn will also benefit from single-line access to markets south of Chicago such as A.E. Staley's and ADM's corn processing plants in Decatur, Illinois.
5. Today, intermodal traffic handled between CN and WC is sometimes delayed in Chicago while awaiting the transfer of loading and routing information between the two railroads. With a common Information Technology (IT) platform, IDOT believes data-related delays for intermodal shipments will be eliminated, thereby reducing in-terminal dwell time. With the merged system, intermodal shippers will have access to a single point of contact to monitor the progress of their shipments.
6. The merger will primarily affect employment levels in WC's Rosemont, Illinois corporate headquarters, and to some extent clerical and professional ranks.

IDOT is concerned with the loss of jobs due to the merger, as 69 jobs will be abolished in Illinois over a three-year period. As stated in the application, these estimated reductions do not take into account potential business growth as well as other employment opportunities unrelated to the transaction; however, IDOT expects that these estimated employment reductions in Illinois will be accomplished through normal attrition.

In summary, IDOT supports the proposed CN/WC merger on the condition that the estimated employment reductions in Illinois will be accomplished through normal attrition. IDOT believes that the proposed merger will provide significant benefits to the shipping public and, together, would create a stronger competitor. Merging CN with WC will increase the financial strength of WC and will assure that it has the necessary resources to continue to invest in maintaining high quality, safe service to customers, and to ensure that WC's prior successes can continue.

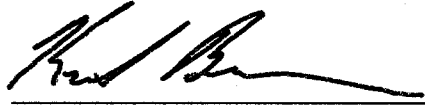
A handwritten signature in black ink, appearing to read "Kirk Brown", written over a horizontal line.

Kirk Brown
Secretary

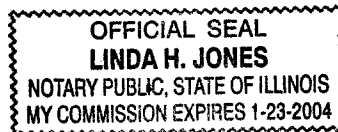
Verification

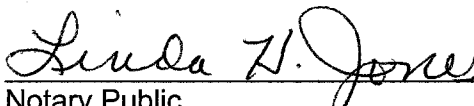
State of Illinois)
) SS
County of Sangamon)

I, Kirk Brown, being duly sworn, depose and state that I have read the foregoing statement, know the contents thereof, and the statements made therein are true and correct, to the best of my knowledge and belief.


Kirk Brown

Subscribed and sworn to
Before me this 22nd day
of June, 2001




Notary Public

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of June 2001, I served the foregoing "Verified Statement of Kirk Brown on behalf of the Illinois Department of Transportation" by first class mail, postage prepaid, upon all parties as listed on the service list.



Gary W. Williams
Chief, Bureau of Railroads