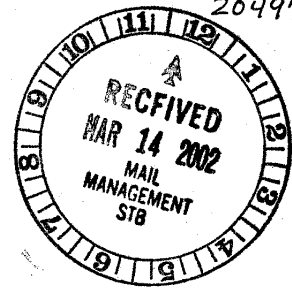


SURFACE TRANSPORTATION BOARD

Memorandum



DATE: March 14, 2002

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM : Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 34000 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the latest weekly public data files provided to this office by CN/WC as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for Da 2 Da Legal. If there are any questions, please don't hesitate to contact Ed Nelson at 565-1574.

Attachments

cc: Chairman Morgan
Vice Chairman Burkes
Richard Armstrong
Ron Douglas
Charles Renninger

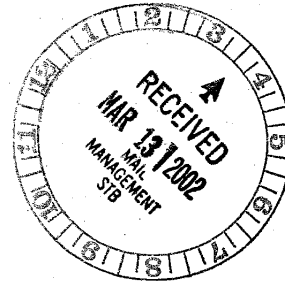
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Canadian National/Illinois Central Railroad
455 N. Cityfront Plaza Drive
Chicago, Illinois 60611-5317
Telephone: (312) 755-7600
Fax: (312) 755-7669



Via Email and Hand Delivery

March 13, 2002

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: STB Finance Docket No. 34000; Canadian National Railway Company, Grand Trunk Corporation, and WC Merger Sub, Inc. – Control – Wisconsin Central Transportation Corporation, Wisconsin Central Ltd., Fox Valley & Western Ltd., Sault Ste. Marie Bridge Company, and Wisconsin Chicago Link Ltd.; Operational Monitoring Reports Submitted in March, 2002.

Dear Mr. Clemens:

Pursuant to the Board's Order in the above-referenced docket served on September 7, 2001, Canadian National Railway Company submits the Operational Monitoring Reports for March, 2002.

Per your office's request, we are submitting the reports electronically as attachments in one transmission as follows: the monthly Benchmarking and Performance Data Report and the weekly Average Terminal Dwell Time Report. There are no updates this month to the Information Technology Systems Integration and Customer Service Report.

In the Benchmarking and Performance Data Report, we provide data on the performance of traffic flows on major routes measured against historical benchmarks. The data demonstrate that overall the combined CN-WC continues to maintain transit times comparable to benchmarks in several key corridors and continues to provide quality service to shippers.

Similarly, the Average Terminal Dwell Time Report shows that the weekly overall dwell time averages remain at consistent levels at the principal yards and terminals identified in the application as potentially affected by the merger.

CN's and WC's operations in the Chicago Terminal continue to run smoothly since consummation of the merger.

After five months, the CN and WC continue to be pleased with the merger's progress.

Feel free to call me at 514-399-7091 should you have questions.

Yours truly,

Sean Finn
Senior Vice President, Chief Legal Officer
and Corporate Secretary

Encl.

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AND ENFORCEMENT
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ORIGIN SEGMENT	DESTINATION SEGMENT	FEBRUARY, 2001		FEBRUARY, 2002	
		FEBRUARY, 2001 CARLOAD BENCHMARK	AVERAGE ELAPSED TIME FOR LOADED MOVEMENTS BENCHMARK (IN HOURS)	CARLOADS FOR FEBRUARY, 2002	AVERAGE ELAPSED TIME FOR LOADED MOVEMENTS, FEBRUARY, 2002 (IN HOURS)
SUPERIOR INTERCHANGE	CHICAGO INTERCHANGE	8064	42.7	8239	53.4
CHICAGO INTERCHANGE	SUPERIOR INTERCHANGE	1645	42.1	1329	44.8
FOX RIVER VALLEY	CHICAGO INTERCHANGE	2660	45.4	1771	47.5
CHICAGO INTERCHANGE	FOX RIVER VALLEY	3663	52.7	3492	50.3

CN-WC Integration reporting**AVERAGE TERMINAL DWELL TIME****Definition**

Average Terminal Dwell Time is the average time a car spends within an operating yard from arrival to departure. Measurement of the car dwell time starts with the arrival of the car at the operating yard as a result of a train arrival, transfer from a satellite yard, or interchange received event. The measurement of car dwell within the operating yard stops with the departure of the car as a result of a train departure, transfer to another yard, or interchange delivered event. Excluded from the terminal dwell measures are cars placed in hold, constructive placement, bad order, and stored status following their arrival and prior to their departure from the operating yard.

The figures below are expressed in hours.

<i>Terminal</i>	<i>Historical Average</i>		<i>Week Ending</i>			
	<i>Jan, 2002*</i>	<i>Feb, 2002*</i>	<i>17-Feb-02</i>	<i>24-Feb-02</i>	<i>3-Mar-02</i>	<i>10-Mar-02</i>
Fond du Lac, WI	14.8	15.7	16.9	14.4	14.0	17.8
Stevens Point, WI	9.2	10.6	12.6	10.4	9.9	9.7
Neenah, WI	2.9	3.6	3.1	4.4	3.1	3.3
Pokegama, WI	10.3	11.1	14.4	9.8	10.1	12.9

*The statistics for January and February cover from the first to the last day of each month.

BENCHMARKING AND PERFORMANCE DATA REPORT

FEBRUARY, 2002

Pursuant to the Board's order approving the CN-WC merger, CN submits the Benchmarking and Performance Data Report for February, 2002. The attached matrix provides the February, 2001, historical benchmarking data for WC as well as actual performance data for February, 2002. The data reflect flow volumes and average elapsed times for loaded movements on two key WC routes: between Superior and Chicago and between the Fox River Valley and Chicago. In the measurement of average elapsed time for loaded movements, we include time moving in a train and time spent in a yard or terminal under our control.¹

The line segments represent service territories that cover a large volume of traffic and diverse commodity groups. By virtue of this measurement methodology, the data will reflect a large sampling of customers, while at the same time depict performance over a wide area rather than at isolated points. The underlying data are drawn from the waybills.

The Superior Interchange segment extends from interchange at Superior, Wisconsin to Rocky Run, Wisconsin (just west of Stevens Point). The Chicago Interchange segment runs between the Illinois-Wisconsin State Line and interchange in Chicago. This is WC's central corridor.

The Fox River Valley segment includes Neenah to Manitowoc, Neenah to Howard (including Green Bay), Appleton to Shawano, Hilbert to Chilton, Black Creek to Manawa, Appleton to New London and DePere to Denmark. This segment encompasses a concentrated urban area with a good mix of customers. This aggregate

¹ Neither the benchmarks nor the actual performance data include bad order time/time for repair, which are variables not within our control, and in any event are not relevant to measurement of transit performance of trains in WC corridors.

area also represents a significant portion of the business on the WC Division and is off the main line from Superior to Chicago, so the data provide an indication of service performance on parts of WC other than the main Chicago-Superior route.

The performance data indicate that we are generally maintaining transit times comparable to the pre-merger benchmarks. The increase on the average transit time running from the Superior Interchange segment to the Chicago Interchange segment was attributable, in particular, to a derailment in Pewaukee, Wisconsin on January 31 that temporarily took WC's main line out of service. In addition, two other derailments off WC resulted in some unusually long transit times on this corridor due to the bunching up of traffic at WC interchange points that manifested itself in the average transit time for this month's report. We believe these factors to be anomalous and anticipate transit times on this corridor will be more comparable to the benchmarks in future reports.

As we move forward with the merger, we look to maintain CN's and WC's reputation for providing quality service to customers. Furthermore, in implementing the operating plan, we continue to look for and implement opportunities to expand on this already high level of service.