

SURFACE TRANSPORTATION BOARD

Memorandum

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DATE: March 31, 2002

TO : Joe Collins, Printing Officer
Section of Facilities Management
Office of Economics, Environmental Analysis, and Administration

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

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

Attached is the latest public data filing provided to this office by CN/WC, as required in the above proceeding, which is to be committed to the docket for public reference. As requested, I am providing two copies 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 Nober
Chief of Staff Scheib

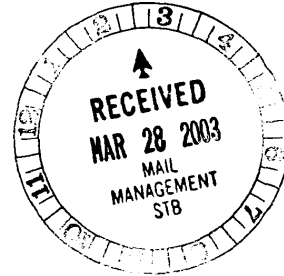


Canadian National Railway Company
455 North Cityfront Plaza Drive
Chicago, Illinois 60611-7600
Tel: (312) 755-7600
Fax: (312) 755-7669

Via E-mail and Hand Delivery

March 28, 2003

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.; Monitoring Report Submitted in March, 2003.

Dear Mr. Clemens:

Pursuant to your letter of October 3, 2002, Canadian National Railway Company ("CN") submits a Monitoring Report for March, 2003, in order to discuss progress on IT integration and issues of interest in Chicago.

Per your office's request, we are submitting the report electronically. In the Information Technology Systems Integration and Customer Service Report, we discuss the progress of projected SAP and SRS implementation on Wisconsin Central ("WC").

In Chicago, we are currently seeing congestion and heavy volumes between CN and its connections. In particular, service interruptions on railroads throughout the country, particularly adverse weather-related service interruptions, are creating congestion on CN's operations in Chicago.

CN continues to be pleased with the merger's progress and continues to look for ways to capitalize on the merger's efficiencies and enhance customer service.

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

Yours very truly,

Sean Finn
Senior Vice-President Law, Public Affairs,
and CLO, and Corporate Secretary

Encl.

**INFORMATION TECHNOLOGY INTEGRATION AND CUSTOMER
SERVICE REPORT UPDATE FOR MARCH, 2003**

In CN's previous report on information technology integration, we informed the Board that we would implement CN's SRS (for Service Reliability Strategy) system on WC. We are currently planning a cutover of WC's operating systems onto the SRS system in early September of 2003. Program development is in progress, as is substantial testing so as to ensure a smooth cutover.

CN also plans to send notice to other railroads about the projected cutover date for WC well in advance of the cutover date. Upon the successful cutover of WC onto the SRS system, CN and WC will be treated as a single line for billing purposes.

On SAP (for the Germany company that developed the software) implementation on WC, CN is continuing to prepare for the cutover of WC back office systems onto SAP. We project that this cutover will occur in early June, 2003.

At this point, WC's and CN's respective customer service centers continue to operate as before, and there are no plans at this time to combine the customer service centers. WC's customer service operations will, of course, be heavily involved in the SRS implementation on WC.

CN will continue to strive for an information technology integration which is smooth, user-friendly, and as error-free and efficient as possible.