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November 5, 2003



BY HAND

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Office of the Secretary
1925 K Street, N.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings

NOV - 5 2003

Part of
Public Record

**Re: Canadian National Railway Company, et al. – Control – Duluth,
Missabe and Iron Range Railway Company, et al. (STB Finance
Docket No. 34424)**

Dear Mr. Williams:

Enclosed for filing in the above-referenced docket please find an original and 10 copies of a Petition Suggesting Procedural Schedule (designated as CN-4). Applicants Canadian National Railway Company and Grand Trunk Corporation respectfully request expedited handling for this Petition.

Although the text of this Petition is not one of 20 pages or more, I have also enclosed a diskette containing the text of this pleading in WordPerfect 6/7/8/9/10 format, consistent with 49 C.F.R. § 1104.3(b).

Very truly yours,

Paul A. Cunningham

Enclosures

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EXPEDITED TREATMENT REQUESTED

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34424

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CANADIAN NATIONAL RAILWAY COMPANY,
AND GRAND TRUNK CORPORATION
- CONTROL -
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY,
BESSEMER AND LAKE ERIE RAILROAD COMPANY,
AND THE PITTSBURGH & CONNEAUT DOCK COMPANY

PETITION SUGGESTING PROCEDURAL SCHEDULE

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November 5, 2003

EXPEDITED TREATMENT REQUESTED

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 34424

CANADIAN NATIONAL RAILWAY COMPANY,
AND GRAND TRUNK CORPORATION
– CONTROL –
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY,
BESSEMER AND LAKE ERIE RAILROAD COMPANY,
AND THE PITTSBURGH & CONNEAUT DOCK COMPANY

PETITION SUGGESTING PROCEDURAL SCHEDULE

Applicants CNR and GTC (together, “CN” or “Applicants”)¹ have filed this day an application (CN-2) seeking Board authorization under 49 U.S.C. §§ 11323-11325 and 49 C.F.R. Part 1180 for a transaction involving the acquisition by CN of control of DMIR, B&LE, and P&C Dock, railroad subsidiaries of Great Lakes Transportation, LLC (“GLT”).

In the Application, Applicants request that the Board treat this Transaction as “minor” under the Board’s rules. 49 C.F.R. § 1180.2(b). If the Board accepts that characterization, the Board will be required to issue its decision within 180 days from the filing of the Application. 49 U.S.C. § 11325(d). Applicants suggest that the Board establish the following schedule to govern the proceeding on their Application. The proposed schedule closely tracks that adopted by the Board for its review, as a minor transaction, of CN’s acquisition of control of the rail carrier subsidiaries of Wisconsin Central Transportation

¹Applicants incorporate by reference the short forms and abbreviations set forth in the Table of Abbreviations at CN-2 at v-viii.

Corporation.²

PROPOSED PROCEDURAL SCHEDULE

November 5, 2003	Application and petition to establish procedural schedule filed.
December 5, 2003	Board notice of acceptance of the application published in the <i>Federal Register</i> .
December 15, 2003	Safety Integration Plan (SIP) due.
December 22, 2003	Due date for filing notices of intent to participate in this proceeding.
January 20, 2004	All comments, protests, requests for conditions, and any other evidence and argument in opposition to the application, including filings of the U.S. Department of Justice (DOJ) and the U.S. Department of Transportation (DOT), due.
January 21, 2003	Comments on SIP due to Section of Environmental Analysis.
February 19, 2004	Responses to comments, protests, requests for conditions, and other opposition due. Responses to comments of DOJ and DOT due. Rebuttal in support of application due.
March 30, 2004	Date of service of final decision (if no environmental review is required and no oral argument is held).

This schedule would permit issuance of a final decision before the statutory deadline of 180 days after the filing of the Application. *See* 49 U.S.C. §11325(d). The proposed schedule also leaves ample time for the Board to hold a public hearing should the Board conclude such a hearing is warranted. Although this schedule does not provide for oral argument, if the Board chose to hold such an argument here, it could readily do so and still meet the proposed March 30, 2003, date for issuance of a final decision (or, if necessary as a result of a hearing, provide a brief extension of that date).

² *See Canadian Nat'l Ry. – Control – Wisc. Cent. Transp. Corp.*, STB Finance Docket No. 34000, Decision No. 2, at 15 (STB served May 9, 2001).

CN respectfully submits that an expedited disposition is appropriate here. As the Application shows, the Transaction would enable DMIR, B&LE, and P&C Dock to become part of a larger rail system with substantial financial and other resources to support their continued service of their customers, and would secure CN's ownership of a relatively short but crucial element of its rail system, where it now is dependent upon a trackage rights agreement with DMIR. The Transaction would also give CN ownership of two parallel lines in northeastern Minnesota that it could operate as a double-track line for maximum operational flexibility, affording efficiencies, improved transit time, and enhanced safety due to reduction of train meets. The Transaction would eliminate the need for interchange between DMIR and CN, permitting some single-line rail operations to and from shippers on both CN and on DMIR, resulting in reduced handling and shortened car transit times.

Further, as the Application shows, the Transaction would not harm competition. There are no 2-to-1 shippers affected by the proposed Transaction, and there is only one shipper that even arguably could be characterized as a 3-to-2 shipper; that shipper would suffer no competitive harm as a result of the Transaction, for which it has declared its support. Indeed, except for Virginia, MN, and Duluth, MN/Superior, WI, which each receive rail service from three or more rail carriers, the CN and GLT lines serve *no* common metropolitan areas or cities.

Finally, Applicants have consulted with the Board's Section of Environmental Analysis ("SEA") regarding the environmental effects of their proposed Transaction. Applicants believe that the Transaction has no potential for significant environmental impacts, as explained in the Environmental Appendix it has submitted to SEA and is serving on local, state, and federal environmental agencies in the area where operational changes will occur, and thus should not

require environmental review.³ Applicants are not seeking authority to abandon any rail lines in connection with the Application. Nor are Applicants seeking authority for any control-related line construction.

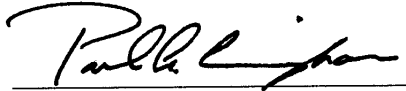
The positive public benefits of the Transaction, the lack of competitive harm, and the evident absence of complicating environmental factors or related applications from this proceeding supports a more expedited disposition than the 180-day maximum procedural schedule. Accordingly, Applicants request that the Board adopt their proposed schedule.

³In addition, Applicants propose to submit a Safety Integration Plan (“SIP”) within 40 days of the Application, describing the plans for maximizing the safe integration and operation of the combined systems.

Respectfully submitted,

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*Counsel for Canadian National Railway Company
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November 5, 2003

CERTIFICATE OF SERVICE

I certify that I have this 5th day of November, 2003, served copies of the Petition Suggesting Procedural Schedule (CN-4) upon all known parties of record in this proceeding by first-class mail or a more expeditious method.

Amanda Hollander