



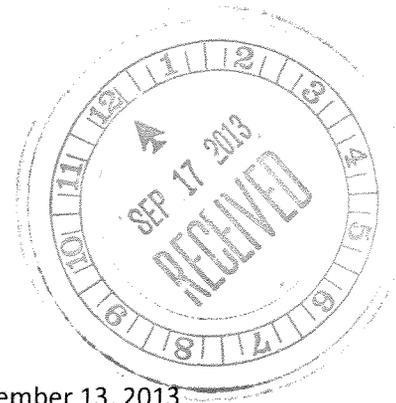
Oahe Grain Corporation

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September 13, 2013

234826

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Office of Proceedings

September 17, 2013

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SURFACE TRANSPORTATION BOARD
395 E. Street, SW
Washington, DC 20423

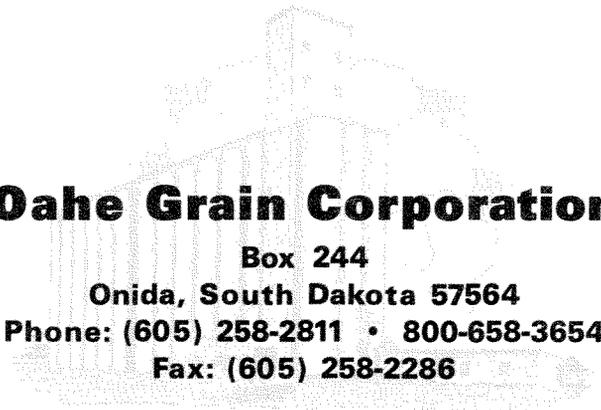
Re: Canadian Pacific Railway Company, et. al. Control – Dakota, Minnesota
& Eastern Railroad Corp., et. al., Finance Docket No. 35081 *SUB No. 2*

Dear Members of the Surface Transportation Board:

I would like to introduce myself; I am Tim Luken, General Manager of Oahe Grain Corporation. Oahe Grain Corporation is located in Onida, South Dakota, in the central part of the state. We handle Winter Wheat, Spring Wheat, Sunflowers, Corn, Milo, Soybeans, and Millet, all of which we buy from area farmers located within 125 miles of Onida. Our distribution chain includes shipping wheat to domestic flour mills in the eastern part of the US- from Winona, Minnesota to Clifton, New Jersey; and all the way south to Indian Town, Florida and points in between. Corn and Soybeans are shipped to the Pacific Northwest for export to Asian countries and also to ethanol plants in the upper Midwest. In 2010, Oahe Grain Corporation invested \$12 million to increase the ability to handle corn and other agriculture commodities. The infrastructure expansion included building 1.8 million bushels of storage and increasing our track capacity from 75 cars to 120 cars-enabling us, among other things, to ship 110 car shuttle trains to the Pacific Northwest. Annually we handle approximately 13-15 million bushels, all through rail cars on the Canadian Pacific Rail system.

Oahe Grain is strongly opposed to the sale of the CP rail line, as proposed, from Tracy, Minnesota to western South Dakota. For one, part of the purchase of this stretch of rail line from the DM&E included an agreement that Canadian Pacific upgrade the existing line. This obligation has not been fulfilled, and the CP should not have the ability to sell or lease the rail line and thus disregard that obligation.

Another reason we oppose the sale or lease of the line has to do with increased costs to us and our shippers because of new switching points. With a sale of this stretch of line, a new



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switching point would occur at Tracy, Minnesota, increasing our costs, and costs to the farmers. Right now we are able to ship all the way to Chicago on the Canadian Pacific. Chicago is our market gateway to eastern markets and without the ability to ship competitively to Chicago, we will lose our marketing advantage not only locally but also in the domestic market to eastern and southern parts of the United States. We would also lose the ability to ship to the Gulf of Mexico. The bottom line is that fees associated with switching our cars to another railroad can be very costly, and are handed down to our local producers affecting their bottom line as well as the bottom line of our industry as a whole.

Lastly I would like to express concern regarding the rail yard in Tracy, Minnesota. Oahe Grain ships approximately 2000 to 2500 cars each year, an average of 48 cars per week. If you were to add all the other shippers' rail car needs on a yearly basis the question is, will the Tracy rail yard be able to handle the traffic? By looking at the yard, it is obvious that the answer is no. We see a problem with bottle necks from normal traffic, not even including the increased traffic during harvest. This will result in service delays costing us and our shippers.

Oahe Grain Corporation supports South Dakota Governor Dugaard's petition and urge the STB to seek answers from the CP before any decisions are made regarding the future of that line. We, along with many others in South Dakota are captive. We ask that you consider the points presented here and respectfully request you consider leaving this rail line as is with Canadian Pacific. If the decision is made to allow a sale, please consider another class I rail line carrier as a replacement. This will at least give us the market advantage our industry needs to survive. The decisions of the STB board affect not only our ability to operate profitably but also area producers. Your decision will also affect the future of the agriculture industry in South Dakota.

Sincerely, Tim Luken

A handwritten signature in cursive script that reads 'Tim Luken'.

General Manager

cc: The Hon. Daniel R. Elliott III
The Hon. Ann D. Begeman
The Hon. Francis P. Mulvey

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of September, 2013, I served copies of the forgoing on all parties of record to this proceeding by U.S. Mail, postage prepaid.



Daniel M. Jaffe