



ILLINOIS CHAMBER  
OF COMMERCE



September 9, 2014

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Ms. Cynthia T. Brown  
Chief, Section of Administration  
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Surface Transportation Board  
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Washington Dc 20423

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Re: STB Finance Docket No. 35087, Canadian National Ry. & Grand Trunk Corp. –Control–  
EJ&E West Co.

Dear Ms. Brown:

As the broadest and largest business association in Illinois, the Illinois Chamber of Commerce strongly recommends that the Surface Transportation Board (STB) allow the oversight period of Canadian National's (CN) acquisition of the Elgin, Joliet & Eastern (EJ&E) to expire as scheduled at the end of January 2015. We believe that there has been sufficient oversight and it is now time for CN to invest in their Illinois assets while running a safe and efficient railroad.

We strive to work alongside our state, local, and federal government toward a safe environment while remaining concerned about issues that negatively impact the ability of Illinois businesses to compete. We recently became aware of a filing submitted to the STB by a local party encouraging extended oversight of the CN/EJ&E transaction in addition to the previous six years of strong oversight.

The environment of regulatory and legislative uncertainty from Washington, DC, has resulted in delayed private investment in Illinois and across America. At a time when businesses need certainty to contribute to our economy and put people back to work, their energy and resources are spent navigating red tape. However, it is far more problematic when private parties try to impose their vision on the broader business community by asking governmental agencies to take action that suits their purposes.

This minor transaction has been under stringent oversight far longer than oversight for any acquisition of this size and many larger ones. Applying the potential impacts of this issue beyond its local focus, the ability to extend oversight despite the relative size of the transaction casts a troublesome precedent on private investments overall in Illinois. Additionally, it is our understanding that at any time the STB has the full authority to revisit any of its previous decisions.

Businesses across Illinois continuously evaluate the risks vs. rewards of capital investment. Additional administrative functions against CN will have a chilling impact on investment across the state. Instead of focusing on operations and job creation, businesses will hold back investment and instead focus on possible new and additional requirements. Imposing additional oversight without strong evidence necessitating it indicates to us and our members that the federal government will at times impose additional requirements on private transactions without justification, a chilling thought.



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Illinois faces many challenges today, including an increase in the amount of freight moving through state by truck, waterways, and rail. At a time when public investment in our aging infrastructure is constrained, government should work with—not against—private companies including CN that want to invest in capital projects to improve our transportation networks.

We strongly recommend that the Surface Transportation Board allow their current oversight period for CN's acquisition of the EJ&E railroad to expire at the end of January, 2015, as currently scheduled. Thank you for your consideration of our concerns and your attention to this important issue.

Sincerely,

Benjamin J. Brockschmidt  
Executive Director, Infrastructure Council  
Director Federal Affairs

cc: Richard H. Streeter, Esq.  
Paul A. Cunningham, Esq.  
David A. Hirsh, Esq.