

BEFORE THE SURFACE TRANSPORTATION BOARD
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C. 20423

FINANCE DOCKET NO. 35630

WISCONSIN CENTRAL LTD.—INTRA-CORPORATE FAMILY
MERGER EXEMPTION—ELGIN, JOLIET AND EASTERN RAILWAY COMPANY

232486

COMMENTS OF VILLAGE OF BARRINGTON

ENTERED
Office of Proceedings
June 22, 2012
Part of
Public Record

Comes now the Village of Barrington, Illinois, by and through counsel, and files the following Comments regarding the above-captioned matter. In filing its Comments, Barrington wishes to bring to the Board's attention certain commitments that it has been given, namely that "[t]he merger also would not affect or alter in any way the STB's continuing oversight and reserved jurisdiction over CN's 2009 acquisition of the EJ&E, the mitigation conditions imposed by the STB, or the Voluntary Mitigation Agreements reached by CN and numerous communities along the EJ&E arc." E-mail from Jim Kvedaras, CN Director—U.S. Government Affairs to Jeff Lawler, dated May 23, 2012 (Attached hereto).

Such commitment is consistent with Wisconsin Central's repeated observations in its Verified Notice of Exemption at page 5 that "[t]he Board retains full jurisdiction over CN and GTC, which were the Applicants that sought, obtained and exercised the control authority in CN/EJ&E Control and which remain fully subject to the conditions imposed on that approval.*"

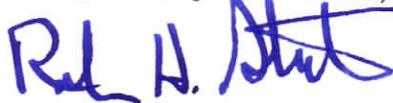
(*Footnote omitted). CN's commitment is also consistent with the further

comment that “[t]o the extent that EJ&E could be construed to have obligations relating to the monitoring and oversight conditions distinct from those of the Applicants, WCL will inherit those obligations upon completion of the proposed merger.” A similar statement is also found at page 4.

Although CN’s commitments were clearly articulated, the Board’s Notice in this proceeding, served June 8, 2012, failed to mention them. Instead, the Notice recites only that “[t]he parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or any change in the competitive balance with carriers outside the corporate family.”

Given CN’s repeated commitments acknowledging that it and its subsidiaries will continue to be bound by the conditions imposed by the Board in CN/EJ&E Control, Barrington respectfully requests that the Board formally acknowledge such commitments.

Respectfully submitted,



Richard H. Streeter
Counsel to the Village of Barrington

Certificate of Service

I, Richard H. Streeter, do hereby certify that a true copy of the Comments of the Village of Barrington have been served this 22nd day of June, 2012, on Thomas J. Litwiler via e-mail at tlitwiler@fletcher-sippel.com.



Richard H. Streeter

> From: jim.kvedaras@cn.ca [mailto:jim.kvedaras@cn.ca]
> Sent: Wednesday, May 23, 2012 01:41 PM
> To: Lawler, Jeff
> Cc: Darch, Karen
> Subject: Fw: Courtesy notification from CN regarding EJ&E

>

> Dear Jeff,

> CN today filed a notice of exemption with the Surface Transportation Board (STB) seeking to merge two of our U.S. operating subsidiaries, the Wisconsin Central (WC) and the Elgin, Joliet and Eastern Railway (EJ&E). The merger is the continuation of an ongoing effort designed to simplify CN's corporate structure and operations by combining these separate connecting railroads into a single entity – the Wisconsin Central. Last year, CN merged the Duluth, Missabe and Iron Range Railway (DMIR) and the Duluth, Winnipeg and Pacific Railway Company (DWP) properties in Minnesota and Northern Wisconsin into the WC.

> The WC/EJ&E merger would allow operational efficiencies and service improvements through the integration of now distinct work forces in the Chicago Terminal where they both operate today. A unified workforce would allow better management of crew staffing and more efficient and reliable rail service to customers.

> This merger would have no negative effect on CN customers or the public, as CN already owns and controls both railroads. It would not result in

reductions in service levels or significant changes in CN operations, including Chicago area train traffic counts projected as part of the EJ&E acquisition. The merger also would not affect or alter in any way the STB's continuing oversight and reserved jurisdiction over CN's 2009 acquisition of the EJ&E, the mitigation conditions imposed by the STB, or the Voluntary Mitigation Agreements reached by CN and numerous communities along the EJ&E arc.

> The transaction is not intended or anticipated to result in reductions in workforce levels. The public benefits of the transaction derive from the enhanced flexibility in train operations, not from the elimination of redundant functions. Should the transaction result in any reductions, those reductions would likely be offset by normal attrition and the enhanced employment opportunities for employees across a larger territory. In addition, labor would be protected through the New York Dock conditions that the STB imposes on transactions of this kind.

> Please contact me if you have any questions on this action.

>

> Jim Kvedaras

> Director - U.S. Government Affairs

> CN

> 708-332-3508 office