

Kirkpatrick & Lockhart LLP

1800 Massachusetts Avenue, NW
Suite 200
Washington, DC 20036-1221
202.778.9000
www.kl.com

December 9, 2002

BY HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001



Edward J. Fishman
202.778.9456
Fax: 202.778.9100
efishman@kl.com

Re: **Docket No. AB-279 (Sub-No. 3)**
Canadian National Railway Company -- Adverse Discontinuance --
Lines of Bangor and Aroostook Railroad Company and Van Buren
Bridge Company in Aroostook County, Maine

206793

Docket No. AB-124 (Sub-No. 2)
Waterloo Railway Company -- Adverse Abandonment -- Lines of
Bangor and Aroostook Railroad Company and Van Buren Bridge
Company in Aroostook County, Maine

206794

Dear Secretary Williams:

I am enclosing an original and ten copies of the **Trustee of Bangor and Aroostook Railroad Company's Motion to Compel Answers to Interrogatories and Production of Documents By Canadian National Railway Company**, dated December 9, 2002, for filing in the above-captioned proceeding. The Trustee respectfully requests expedited consideration.

Should any questions arise regarding this filing, please feel free to contact me. Thank you for your assistance on this matter.

Respectfully submitted,

Edward J. Fishman

Attorney for Trustee of Bangor and Aroostook
Railroad Company, et al.

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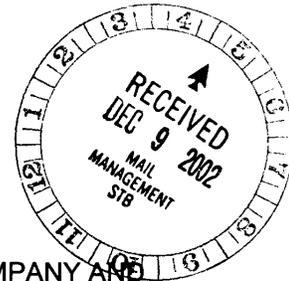
Enclosures

cc: Parties on Certificate of Service

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-279 (Sub-No. 3)

CANADIAN NATIONAL RAILWAY COMPANY
--ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE



DOCKET NO. AB-124 (Sub-No. 2)

WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE

**TRUSTEE OF BANGOR AND AROOSTOOK RAILROAD COMPANY'S MOTION TO
COMPEL ANSWERS TO INTERROGATORIES AND PRODUCTION OF
DOCUMENTS BY CANADIAN NATIONAL RAILWAY COMPANY**

EXPEDITED CONSIDERATION REQUESTED

Charles H. White, Jr.
Attorney at Law
1200 Britania Lane
Annapolis, MD 21403

Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue N.W. - 2nd Floor
Washington, DC 20036
(202) 778-9000

**ATTORNEYS FOR TRUSTEE OF BANGOR
AND AROOSTOOK RAILROAD COMPANY,
ET AL.**

Dated: December 9, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-279 (Sub-No. 3)

CANADIAN NATIONAL RAILWAY COMPANY
--ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
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IN AROOSTOOK COUNTY, MAINE

DOCKET NO. AB-124 (Sub-No. 2)

WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
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IN AROOSTOOK COUNTY, MAINE

**TRUSTEE OF BANGOR AND AROOSTOOK RAILROAD COMPANY'S MOTION TO
COMPEL ANSWERS TO INTERROGATORIES AND PRODUCTION OF
DOCUMENTS BY CANADIAN NATIONAL RAILWAY COMPANY**

Pursuant to 49 C.F.R. §§ 1114.30 and 1114.31, James E. Howard, Chapter 11 Trustee of Bangor and Aroostook Railroad Company, Debtor ("Trustee")¹ hereby moves the Surface Transportation Board ("STB" or "Board") to compel Canadian National Railway Company ("CN") to produce documents in response to the Trustee's First Request for Production of Documents ("Document Requests") and to provide adequate responses to the Trustee's First Set of Written Interrogatories ("Interrogatories") (collectively, "Discovery Requests"). The Trustee's Document Requests and Interrogatories are attached hereto as Exhibits A and B respectively, pursuant to 49

¹ James E. Howard is acting in his capacity at the Chapter 11 Trustee for the Bangor and Aroostook Railroad Company, Van Buren Bridge Company, Canadian American Railroad Company, Northern Vermont Railway Company and Newport & Richford Railroad Company. These railroads along with the Quebec Southern Railway Company, Ltd. ("QSR") are referred to herein collectively as the "BAR System." James E. Howard is not the Chapter 11 Trustee of QSR.

C.F.R. § 1114.21(f). The Trustee respectfully requests that the Board expedite its consideration of this motion to compel so that the Trustee can promptly file the Trustee's adverse application for discontinuance of the CN trackage rights and abandonment of an overlapping freight easement ("Application").

I. BACKGROUND

This action arises out of an involuntary Chapter 11 bankruptcy filing brought against the Bangor and Aroostook Railroad Company ("BAR") on August 15, 2001. In March of that year, BAR and BAR affiliate Van Buren Bridge Company granted CN trackage rights to serve Fraser Papers Inc. ("Fraser") over approximately twenty-three (23) miles of rail line between Madawaska, Maine and the Canadian border (the "Madawaska Line"), and provided CN subsidiary Waterloo Railway Company ("Waterloo") an overlapping freight easement. Fraser owns and operates a paper mill in Madawaska ("Madawaska Mill") that is located on the Madawaska Line. The Madawaska Mill is the only facility CN has the right to serve pursuant to the trackage rights and the only facility that Waterloo could serve pursuant to the overlapping freight easement.

On April 24, 2002, the Trustee filed a petition with the Board to reopen and revoke the notices of exemptions that were filed in March 2001 in connection with the CN trackage rights and Waterloo freight easement on the Madawaska Line. On May 10, 2002, CN filed a reply urging the Board to deny the Trustee's petition without prejudice to the Trustee filing a formal application for adverse abandonment and

discontinuance authority.² CN framed the relief sought by the Trustee as an effort to eliminate “existing competitive rail access to a significant shipper” on the Madawaska Line.³ On November 14, 2002, the Trustee filed its Notice of Intent for Discontinuance of Trackage Rights and Abandonment of Freight Easement (“Notice of Intent”).⁴ As stated in the Notice of Intent, the Trustee intends to establish in its Application, among other things, that the discontinuance of the CN trackage rights and abandonment of the Waterloo freight easement will not adversely affect Fraser, the only shipper covered by those rights. See Notice of Intent at 3.

On November 14, 2002, pursuant to 49 C.F.R. § 1114.26 and § 1114.30, the Trustee also served Discovery Requests on CN. The Trustee will have the burden of proof in the Application and the Discovery Requests are designed to obtain information from CN relevant to the Trustee’s case in chief for the Application. The Trustee has sought information and documents from CN on several relevant subjects, including CN’s provision of rail service to or from the Madawaska Mill (including CN service as intermediate carrier for inbound materials destined to the Madawaska Mill and outbound products originating at the Madawaska Mill) and the rates and other key terms applicable to such service.⁵ Neither the Trustee nor any of the BAR System railroads

² CN was joined in its reply by Waterloo. For convenience, we will continue to refer only to CN except where specifically noted.

³ See Reply of Canadian National Railway Company and Waterloo Railway Company to Petition to Reopen and Revoke Exemptions, filed May 10, 2002, at p. 3.

⁴ A copy of the Notice of Intent was served on CN.

⁵ BAR and BAR System railroads have information about what they earn when they are in the route on Fraser railroad traffic to or from the Madawaska Mill, but they do not know the total rate for CN/BAR rail moves or the rate, volume, routing or service information applicable to rail/intermodal routings not involving BAR (e.g., inbound

has the information sought from CN. The ten (10) document requests and eight (8) interrogatories were narrowly tailored in scope, subject matter, and time frame to elicit relevant information.

CN responded to the Trustee's Discovery Requests on December 2, 2002.⁶ This motion to compel is necessary under 49 C.F.R. § 1114.31 because CN has refused to produce a single requested document and provided inadequate responses to six (6) of the eight (8) interrogatories. The Board should compel CN to respond to all Document Requests and to Interrogatories Nos. 2-3 and 5-7.⁷

II. ARGUMENT

49 C.F.R. § 1114.21(a) provides that parties may "obtain discovery ... regarding any matter, not privileged, which is relevant to the subject matter involved in a proceeding." The scope of discovery is broad, and it is not grounds for objection that the information sought will be inadmissible as evidence if the information sought appears reasonably calculated to lead to the discovery of admissible evidence. 49 C.F.R. § 1114.21(a)(2); see also FMC Corp. v. Union Pacific Railroad Co., STB Docket No. 42022 (STB served February 5, 1998).

Pursuant 49 C.F.R. §§ 1114.26 and 1114.30, the Trustee submitted Discovery Requests to CN. CN failed to produce any documents, and either failed to answer or

products originated on CN to Edmondston, New Brunswick and then trucked to the Madawaska Mill).

⁶ Responses of Canadian National Railway Company and Waterloo Railway Company to Trustee of Bangor and Aroostook Railroad Company's First Request For Production of Documents ("CN Responses"), attached hereto as Exhibit C; Answers of Canadian National Railway Company To Trustee Of Bangor and Aroostook Railroad Company's First Set of Interrogatories ("CN Answers"), attached hereto as Exhibit D.

⁷ The Trustee reserves the right to seek additional information from CN relating to the subject matter of Interrogatories Nos. 1 and 4.

gave inadequate answers to all but two (2) of the written interrogatories. CN based its refusal to produce any documents or give answers to many of the written interrogatories on a number of grounds, none of which have merit. CN objected to all Document Requests on the grounds that the requests are overbroad, unduly burdensome, and either seek information that is irrelevant to this proceeding and not reasonably calculated to lead to the discovery of admissible evidence, or that the Trustee claimed the information sought was irrelevant. With respect to more than half of the Discovery Requests, CN also argued that the Trustee's earlier request for waiver of certain of the Board's abandonment application content requirements constituted an assertion by the Trustee that the completely unrelated information sought from CN through discovery is irrelevant and unnecessary to this proceeding.

The Trustee tendered a proposed protective order to CN in conjunction with the Discovery Requests in order to address any confidentiality concerns. CN has ignored the protective order and instead interposed a general objection to Discovery Requests that call for the production of confidential information.⁸

For the reasons set forth herein and described further below, CN's objections are baseless and this motion to compel should be granted.

A. The Information the Trustee Seeks From CN is Relevant to this Proceeding and the Discovery Requests Are Narrowly Tailored to Obtain That Information

CN objected to all Document Requests and all but three (3) of the Interrogatories on the basis that the information requested by the Trustee is irrelevant to this

⁸ On November 19, 2002, the Trustee's counsel contacted CN's counsel to discuss the protective order. During and since that discussion, CN's counsel has not related any specific concerns about the protective order to the Trustee's counsel. CN's confidentiality objection is not a valid reason for failing to produce responsive material.

proceeding, yet provided no specific grounds for such objections.⁹ In addition, CN objected to all the Document Requests as overbroad and unduly burdensome, yet provided no specific grounds for such objections.¹⁰ CN's objections are baseless.¹¹ The information sought by the Document Requests and Interrogatories is clearly relevant to this proceeding.¹² In addition, the Documents Requests and Interrogatories are narrowly tailored to avoid imposing an undue burden on CN.¹³

In determining whether to grant authority for the discontinuance of the CN trackage rights and the abandonment of the Waterloo freight easement, the Board will determine whether the discontinuance and abandonment is consistent with the public convenience and necessity, which in turn will require a balancing of the potential harm of permitting CN to retain the trackage rights (and Waterloo the easement) against the potential harm of permitting the discontinuance and abandonment of those rights. Apart from Fraser, the only possible beneficiary of the CN trackage rights and Waterloo easement is CN.

The Trustee will have the burden of proof in the Application and the Trustee's case in chief must be filed in the Application. The extent of any harm to Fraser from the discontinuance of the CN trackage rights (and abandonment of the Waterloo freight

⁹ See CN Responses; CN Answers Nos. 2, 3, 5, 6, 8.

¹⁰ See CN Responses.

¹¹ See Minnesota Power, Inc. v. Duluth, Missabe, and Iron Range Railway Co., STB Docket No. 42038 (STB served May 11, 1999) (overruling general objections and "boilerplate" objections of vagueness, relevance, and burden) ("Minnesota Power").

¹² Moreover, information that is not relevant itself but that may lead to the discovery of relevant information is discoverable. See Minnesota Power.

¹³ CN fails to identify any basis for its claim that every Document Request is overbroad and unduly burdensome, and the narrow subject matter and time frame of each Document Request reveals the spurious nature of this boilerplate objection.

easement) and the extent to which any such harm is outweighed by the harm of permitting CN to retain the trackage rights (and permitting Waterloo to retain the freight easement) will be at the center of the Trustee's case and the Board's evaluation and decision. Among other things, it is relevant to this proceeding whether and to what extent the discontinuance and abandonment would cause a deterioration in rail service to Fraser; whether and to what extent the discontinuance and abandonment would cause a material reduction in Fraser's rail transportation routing options; whether and to what extent the discontinuance and abandonment would leave Fraser subject to inadequate transportation competition; whether and to what extent Fraser has bargaining power for transportation service; and whether and to what extent Fraser has transportation options on inbound shipment of materials used in the paper-making process at the Madawaska Mill and outbound paper product transportation from the Madawaska Mill. Many of the Discovery Requests seek information within CN's possession and control on these topics.

Although the transportation alternatives available to Fraser will be a central issue in this proceeding, whether and to what extent CN and Waterloo will be harmed by the discontinuance and abandonment is also relevant to this proceeding. The Trustee has sought information within CN's possession and control relevant to CN's profitability under the haulage arrangement and whether CN has passed along or has agreed in the future to pass along to Fraser any additional revenue that CN now earns under the haulage arrangement (as compared to the revenue CN was earning under the BAR/CN joint rate). This information has a direct bearing on potential harms to Fraser and CN. The Trustee also has sought information within CN's possession and control regarding

CN's own evaluation of whether and to what extent it will be harmed by the discontinuance and abandonment sought in this proceeding, which obviously is relevant to whether CN would be harmed.

1. CN Communications Pertaining to the March 2001 Transaction, the Financial Condition and Pending Sale of the BAR System, and the Consequences of This Abandonment and Discontinuance Proceeding Are Relevant and Producing Such Communications Would Not Be Unduly Burdensome

Document Request Nos. 2, 5, and 6 seek information about CN communications relating to the March 2001 transaction (the negotiation and execution of the CN trackage rights agreement and Waterloo easement) that forms the basis for the relief sought by the Trustee, as well as CN communications relating to these abandonment and discontinuance proceedings and the financial condition and pending sale of the BAR System. CN's unsupported assertion that CN communications about those events and subjects are irrelevant, and that producing such communications would be unduly burdensome, is without merit.

CN's communications on these topics will likely show CN's own assessment of the harm, if any, that the discontinuance of the trackage rights would cause CN. These communications also will likely show CN's future plans for service to and from the Madawaska Mill in the event the trackage rights are discontinued or not discontinued. These issues are clearly relevant to this proceeding.

The requests at issue are narrowly tailored to elicit only communications on these issues within the limited time period from January 1, 1999 to the present. The requests are narrowly focused by subject matter and time frame. CN has failed to

provide any rationale for its assertion that such requests are overbroad and unduly burdensome.

2. Information About the Rates and Certain Other Key Terms Applicable to Transportation Originating From or Terminating at the Madawaska Mill is Relevant and Producing Such Information Would Not Be Unduly Burdensome

The Trustee is seeking information from CN pertaining to the rates applicable to rail transportation by CN on traffic originating from or destined to the Madawaska Mill, the components and division of those rates, and information pertaining to agreements, tariffs, or other key terms applicable to such transportation over a limited time period.¹⁴ These rates and other terms for transportation to and from the Madawaska Mill are directly relevant to whether and to what extent the discontinuance of the trackage rights will adversely affect Fraser.

These Document Requests and Interrogatories are narrowly tailored to exclude bills of lading and waybills.¹⁵ CN has specifically objected to the request for tariff information that may be in the public domain. This information is readily obtainable from CN and, to the extent CN tariffs are replicated in the public domain, it may be difficult to identify which tariffs apply to the Fraser traffic. There is no reason why CN should fail to produce applicable tariff information.¹⁶

¹⁴ Document Requests Nos. 1, 3, 4, 8; Interrogatories Nos. 2, 3, 5, 6.

¹⁵ In addition, Document Request No. 9 excludes railroad industry agreements and other documents of general applicability that do not have any direct impact on rates.

¹⁶ If CN were to establish that the production of the tariffs themselves would be unduly burdensome, then CN at a minimum should be required to identify all applicable tariffs that are publicly available.

3. Whether or Not CN Has Shared Any Portion of Its Additional Revenue Under the Haulage Agreement Is Directly Relevant

Interrogatory No. 8 requests that CN describe to what extent, if any, CN passed on or otherwise distributed to Fraser any additional revenue that CN now earns from Fraser traffic under the haulage arrangement (as compared to the revenue CN earned under the BAR/CN joint rate). CN has touted the trackage rights as a competitive benefit to Fraser. However, CN has not used the trackage rights. Thus, there is no evidence of lower transportation rates to Fraser under the trackage rights. However, there is extant information bearing on how the trackage rights might (or might not) benefit Fraser. In April of 2002, when CN and BAR moved from a joint rate with divisions to the haulage arrangement, a substantial amount of revenue on the Fraser traffic moved from BAR to CN. Whether CN passed any of that additional revenue on to Fraser has a direct bearing on whether CN is likely to pass any of the additional revenue under the trackage rights on to Fraser.

4. Information Relating to Transportation Agreements Between Fraser and CN or Fraser's Ability to Obtain Other Transportation To or From the Madawaska Mill is Relevant

Document Requests Nos. 7 and 10 seek information pertaining to any agreements, leases, contracts, or other documents between CN and Fraser that relate to transportation to or from the Madawaska Mill, as well as any CN communications relating to Fraser's ability or inability to alter its modes of transportation to or from the Madawaska Mill. The information sought is of obvious relevance to the impact, if any, discontinuance of the trackage rights would have on competitive transportation options available to Fraser. These Document Requests are limited in time and scope, and

therefore CN's unfounded assertions that such requests are overbroad and unduly burdensome are without merit.

5. CN's Profit From Transportation On The Madawaska Line Is Relevant

Document Request No. 9 seeks CN communications pertaining to the profit margin of CN attributable to transportation to or from the Madawaska Mill from April 2001 to the present. CN's profit margin has a direct bearing on the viability of Fraser's routing options if the trackage rights are discontinued and the Waterloo easement is abandoned. For example, if CN today enjoys a large profit on Fraser traffic to/from the Madawaska Mill, restoration of BAR's bargaining power on BAR/CN routings via the Madawaska Line (i.e., BAR negotiating for more than what it would earn today or would earn under the trackage rights) will remain viable without the trackage rights (directly bearing on harm rel non to Fraser) and CN's ability to earn reasonable profit from the traffic without the trackage rights. In addition, this request is limited in time and scope, and therefore CN's unfounded objection on the basis of undue burden is without merit.

B. The Trustee's Waiver Petitions Addressed Information Requirements Completely Unrelated To The Discovery Requests And Do Not Justify CN's Refusal To Respond

Many of CN's refusals to respond are based on the vague assertion that the Discovery Requests sought information that the Trustee's waiver petitions said were irrelevant.¹⁷ The Trustee obtained exemptions from and waivers of a number of procedural and informational requirements that otherwise would apply to its

¹⁷ See CN Responses Nos. 1, 3, 4, 7, 8; CN Answers Nos. 2, 3, 5, 6, 8.

Application.¹⁸ CN ignores the very clear difference between the information requirements that were waived and the information that is being sought in the Discovery Requests in order to evade disclosure and further delay this proceeding.

Although CN's Responses and Answers do not identify any specific procedural or informational waiver for which the Trustee argued that information now sought is irrelevant (or otherwise point out any such argument by the Trustee), the only one CN conceivably could mean is the Trustee's waiver from the informational requirements of 49 C.F.R. § 1152.22(d).

Under section 1152.22(d), an application for the abandonment of a railroad line or the discontinuance of rail service must contain a computation of the revenues attributable and avoidable costs for the line in question, for the Base Year (as defined in the Board's regulations). The revenue and avoidable cost information must be provided on a branch basis to the extent branch-level data are available. The Board's regulations describe a methodology for computation of revenue and avoidable costs. See 49 C.F.R. §§ 1152.31 – 1152.33.¹⁹ Generally, the revenue and avoidable costing methodology requires calculating revenue in nine categories and allocating that revenue

¹⁸ The Board exempted the Trustee from the requirements of 49 U.S.C. §§ 10903(a)(3)(B) (notice posting), 10903(c)(2) (system diagram map), and 10904 (financial assistance), and waived the requirements of 49 C.F.R. §§ 1152.20(a)(3) (posting requirements), 1152.22(a)(5) and 1152.10 – 1152.14 (system diagram map), and 1152.22(d) (revenue and cost data). Canadian National Railway Company – Adverse Discontinuance – Lines of Bangor and Aroostook Railroad Company and Van Buren Bridge Company in Aroostook County, ME, Docket No. AB-279 (Sub-No. 3) at pp. 3-6 (STB served Sept. 25, 2002); Canadian National Railway Company – Adverse Discontinuance – Lines of Bangor and Aroostook Railroad Company and Van Buren Bridge Company in Aroostook County, ME, Docket No. AB-279 (Sub-No. 3) et al. at p. 3 (STB served October 23, 2002).

¹⁹ In addition, Section 1152.30 contains requirements for collection of data at the branch level, incorporating the requirements of the STB's Branch Line Accounting System (49 C.F.R. Part 1201).

on a branch basis (1152.31), describes which costs elements are eligible for inclusion in the calculation of avoidable costs, describes the basis for apportioning eligible costs (1152.32) and sets forth apportionment rules for those costs that are partially branch line costs (1152.33). See 49 C.F.R. § 1152.22(d)(1). Section 1152.22(d) also requires the applicant to calculate an estimate of the future revenues attributable, the avoidable costs and reasonable return on the value of the line for a Forecast Year (as defined in the Board's regulations) using the same methodology as required for the Base Year. See 49 C.F.R. § 1152.22(d)(2). Section 1152.22 also requires the calculation of an estimated subsidy payment for the Base Year (again, in the form required using the prescribed methodology) and an alternative estimated subsidy payment reflecting any increases or decreases in attributable revenues and avoidable costs projected for the subsidy year. See 49 C.F.R. § 1152.22(d)(3).

The Trustee sought and obtained a waiver of the above-summarized requirements of section 1152.22(d). The Board granted the waiver because "[t]his requirement is intended to apply to carriers seeking to discontinue their own operations on the grounds that those operations are a burden on interstate commerce, i.e., because they cause the carrier to incur a loss." Canadian National Railway Company – Adverse Discontinuance – Lines of Bangor and Aroostook Railroad Company and Van Buren Bridge Company in Aroostook County, ME, Docket No. AB-279 (Sub-No. 3) et al. at pp. 5-6 (STB served Sept. 25, 2002).

In stark contrast, in the Discovery Requests the Trustee sought information from CN on, inter alia, rates, contracts between CN and Fraser related to CN's rail service to or from the Madawaska Mill, applicable tariffs and other documents related to such

service, and CN's profits on CN's service to Fraser. As noted above, BAR seeks this information because it could have a direct bearing on the impact, if any, the trackage rights have on Fraser's transportation service options and whether the discontinuance of the trackage rights could materially reduce Fraser's transportation service options. This is at the center of the case and completely unrelated to the waived section 1152.22(d) regarding BAR's operations.

CN should not be permitted to ignore the very clear difference between the BAR information requirements that were waived and the CN information that was sought in the Discovery Requests. CN should be ordered to make a proper response and refrain from further delay tactics in this proceeding.²⁰

C. Trustee Requests The Board Expedite Its Consideration of the Motion to Compel, and Shorten the Time For CN's Reply

The Trustee is seeking information from CN that is relevant to the proceeding and that will enable the Trustee to fully develop its case in chief prior to filing its Application. It is in CN's interest to delay the filing of the Application as long as possible, as CN's Responses and Answers aptly demonstrate. Therefore, the Trustee respectfully requests that the Board issue an order making any reply to this motion due by December 16, 2002. See FMC Wyoming Corp. v. Union Pacific Railroad Co., STB Docket No. 42022 (STB served December 12, 1997) (Board reduced time for reply to

²⁰ CN also claims that the Board determined that the profitability of traffic on the Madawaska Line for CN was not relevant. CN Responses No. 9. In actuality, the Board does not discuss the relevance of profitability of CN beyond noting that the BAR does not argue that the exercise of the trackage rights would be unprofitable to CN. Canadian National Railway Company – Adverse Discontinuance – Lines of Bangor and Aroostook Railroad Company and Van Buren Bridge Company in Aroostook County, ME, STB Docket No. AB-279 (Sub-No. 3) et al. at p. 5 (STB served September 25, 2002).

motion to compel in order to expedite discovery and allow the development of a complete record). The Trustee also respectfully requests that the Board order CN to provide adequate answers to Interrogatories Nos. 2-3 and 5-7 within five (5) days of a Board decision on this motion and documents responsive to the Document Requests within ten (10) days of a Board decision on this motion.²¹

The Trustee had intended to file its Application on or about the December 23, 2002 date set forth in its Notice of Intent. The Trustee believes that it would have been able to meet that anticipated filing date if it had received an adequate response to its Discovery Requests from CN (and a response from Fraser). However, due to the refusal of CN (with very minor exceptions noted herein) and Fraser to produce any information sought in discovery, the Trustee will not be in a position to file its Application by the anticipated December 23, 2002 (even under the expedited reply schedule requested above). In order to avoid further delay in this proceeding, assist the Board in developing a complete record and enable the Trustee to file its Application as soon as possible after receiving and evaluating the information produced by CN and Fraser, the Trustee seeks the expedited schedule described above. The Trustee believes that the public interest will be served by expediting discovery under these circumstances.

²¹ The Trustee also requests that all such orders be made effective on their date of service.

III. CONCLUSION

For the foregoing reasons, the Trustee respectfully requests that the Board give expedited consideration to this motion by (1) issuing an order making any reply to this motion due by December 16, 2002; (2) directing CN to provide adequate answers to Interrogatories Nos. 2-3 and 5-7 within five (5) days of the issuance of a Board decision on this motion; and (3) directing CN to provide documents responsive to the Document Requests within ten (10) days of the issuance of a Board decision on this motion.

Respectfully submitted

By:



Charles H. White, Jr.
Attorney at Law
1200 Britania Lane
Annapolis, MD 21403

Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
2nd Floor
Washington, DC 20036
(202) 778-9000

**ATTORNEYS FOR TRUSTEE OF BANGOR &
AROOSTOOK RAILROAD COMPANY, ET.
AL.**

Dated: December 9, 2002

EXHIBIT A

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-279 (Sub-No. 3)

CANADIAN NATIONAL RAILWAY COMPANY
--ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE

DOCKET NO. AB-124 (Sub-No. 2)

WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE

**TRUSTEE OF BANGOR AND AROOSTOOK RAILROAD COMPANY'S FIRST
REQUEST FOR PRODUCTION OF DOCUMENTS FROM CANADIAN NATIONAL
RAILWAY COMPANY**

Pursuant to 49 C.F.R. § 1114.30, James E. Howard, Trustee of the Bangor and Aroostook Railroad Company, Debtor ("Trustee"),¹ by his undersigned attorneys, hereby requests that Canadian National Railway Company produce, in accordance with the Definitions and Instructions set forth below, the documents and tangible things identified in this Request within fifteen (15) calendar days of the service hereof, such production to be at the offices of Kirkpatrick & Lockhart LLP, 1800 Massachusetts Ave., N.W., Second Floor, Washington, D.C. 20036.

¹ The Trustee is acting in the capacity of Trustee for the Bangor and Aroostook Railroad Company ("BAR"), Van Buren Bridge Company ("VBBC"), Canadian American Railroad Company ("CDAC"), Northern Vermont Railway Company ("NVT") and Newport & Richford Railroad Company ("NRR").

GENERAL DEFINITIONS AND INSTRUCTIONS

I. Definitions

A. "BAR" means the Bangor & Aroostook Railroad Company and, unless indicated to the contrary, its directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

B. "BAR System" means the BAR, Canadian American Railroad Company ("CDAC"), Van Buren Bridge Company ("VBBC"), Northern Vermont Railway Company ("NVT"), Newport & Richford Railroad Company ("NRR") and the Quebec Southern Railway ("QSR") and their parent companies, subsidiaries, and affiliates, including without limitation BAR parent company Iron Road Railways, Inc. ("Iron Road") and, unless indicated to the contrary, their directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on their behalf.

C. "CN" or "you" or "your" means the Canadian National Railway Company and its parent company, subsidiaries, and affiliates, including without limitation the Waterloo Railway Company ("Waterloo") and, unless indicated to the contrary, CN's directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

D. "Communication" means any oral, written, or electronic statement of any kind conveyed by one person to another person through any means, any statement made by one person in the presence of one or more other persons, and/or any

document delivered by or for one person to another person through any means. This includes, but is not limited to, voice messages, voicemail, dictation, or any other form of oral or unwritten statement.

E. The term "document" means every type of recorded information dated or prepared prior to or subsequent to this request, including, but not limited to, any letter, intra-company communication, note, e-mail, memoranda, report, analysis, study, record, minutes of a meeting, printed publication, article instruction, work assignment, notebook, draft, work sheet, drawing sketch, photograph, charge, advertisement, catalogue, brochure, news release, trade publication, invoice, and any other written, recorded, electronic, mechanical or electric form of representation of any kind, or graphic material however produced or reproduced and, in the absence of the original, a copy thereof and any copy bearing markings thereon not present on the original or other copy thereof. All drafts, copies or preliminary material that are different in any way from the executed or final document shall be considered to be additional documents as the term is used herein.

F. "Effective Rates" means any and all charges, rates, prices, fees, costs and expenses inclusive of rebates, reclaims, credits, discounts or other adjustments applicable to the transportation of a particular quantity of commodities, products, substances or materials.

G. "Fraser" means Fraser Papers Inc. and its parent company, subsidiaries, and affiliates, including without limitation its parent company Nexfor and, unless indicated to the contrary, Fraser's directors, officers, trustees, employees,

representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

H. "Junction Settlement Agreement" shall mean the agreement so titled that was entered into by and among CN, BAR and VBBC in March 2001.

I. "Madawaska Mill" means the Fraser paper mill in Madawaska, Maine.

J. "March 2001 Transaction" means the negotiation and implementation of the transaction that resulted in a \$5 million payment by CN, the execution of the Junction Settlement Agreement, the execution of the Trackage Rights Agreement and the conveyance of the freight easement to Waterloo.

K. The term "person or entity" means any natural person or legal entity, including without limitation any corporation, partnership, limited liability company, union, proprietorship, trust, association, incorporated or unincorporated organization and any group of persons or entities.

L. The terms "relating to" or "relate to" a given subject mean any document or communication that constitutes, contains, embodies, comprises, reflects, identifies, states, refers to, deals with, comments on, relates to, responds to, describes, analyzes or is in any way pertinent to that subject, including, without limitation, documents concerning the transmittal of other documents.

M. "Trackage Rights Agreement" means the agreement so titled that was entered into by and among CN, BAR and VBBC in March 2001.

N. The term "transportation" or "transported" or any form thereof means the movement, transfer, exchange or delivery of property of any kind by rail, truck or any other mode or combination of modes between two or more locations in either direction,

and includes without limitation (i) any such movement, transfer, exchange or delivery to or from intermediate storage facilities, warehousing facilities, transload facilities, interchange points or other intermediate points between origin and destination, and (ii) any services related to such movement, transfer, exchange or delivery (including receipt, delivery, elevation, transfer in transit, storage, handling and interchange of property or equipment).

II. Instructions

A. This request includes all documents in CN's possession, custody, or control, and the possession, custody and control of any person or entity acting in CN's interest or on CN's behalf, including employees, attorneys, agents and representatives, regardless of the location of the document and includes any draft or copy of such document which differs in any respect from the original, whether because of handwritten notations or otherwise.

B. Organize and label all documents produced to correspond with the categories set forth in this request; identify all binders, folders or containers in which such documents are found prior to their production, including the titles, labels or other descriptions of such binders, folders, or containers; provide all these documents for inspection and copying. Provide every copy of each document which has any writing, figuring, notation or similar marking, all drafts of each document, all attachments or enclosures with each document and every document referred to in such document for inspection and copying.

C. If you assert a claim of privilege with respect to any document hereinafter requested, provide the following information:

- (1) the name of the author of the document;
- (2) the names of all recipients of the document, including all parties receiving undisclosed copies of the document;
- (3) the date appearing on the document and the date the document was created or prepared;
- (4) the nature of the privilege or privileges claimed; including the factual grounds supporting the privilege or the privileges claimed; and
- (5) the names of all persons, whether recipients or not, having knowledge of the factual basis upon which the privilege is asserted.

D. If for any reason, any document responsive to this request has been lost, misplaced, shredded, destroyed, or otherwise disposed of at any time, state the time, place, manner, and reason for loss, misplacement, destruction, shredding, or other disposition of such document. Provide a description of the information contained in the document, including, but not limited to, the author, addressee, any undisclosed recipients, and subject matter.

E. If any document responsive to this request was, but no longer is, in your possession, custody or control, identify it. Such identification shall include to the fullest extent possible, a description of the nature, date, author, length, addressee, or recipient and subject matter of such document, and who has possession, custody or control of such document.

F. Use of the singular shall be deemed to include the plural and use of the masculine shall be deemed to include the feminine, as appropriate, and vice versa.

G. The words "and" and "or" shall be construed conjunctively or disjunctively as necessary to make any document request inclusive rather than exclusive.

H. The past tense includes the present tense where the clear meaning is not distorted by the change of tenses.

I. The term "between", when used in the context of a request for communications between persons and/or entities, or between and among persons and/or entities, refers to communications to, from, shared between or among, or transmitted in any other manner or direction between or among such persons and/or entities.

J. These requests are continuing in nature so as to require CN to produce all additional documents responsive to them that may hereafter come into the custody, possession or control of CN or any person or entity acting on its behalf.

K. Unless otherwise stated, your responses should cover the period from January 1, 1999 to the present.

III. Requested Documents

1. Any and all Communications between CN and Fraser relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

2. Any and all Communications between CN and Fraser relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights on the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by the Montreal, Maine and Atlantic Railway, LLC ("MM&A"), the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or at the Madawaska Mill.

3. Any and all Communications between and among any employees, directors, officers, representatives, or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

4. Any and all Communications between CN and any person or entity other than Fraser relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

5. Any and all Communications between and among any employees, directors, officers, representatives, or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights over the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by MMA, the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or at the Madawaska Mill.

6. Any and all Communications between CN and any person or entity other than Fraser relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights over the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by MM&A, the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or at the Madawaska Mill.

7. Any agreements, contracts, leases or other documents (including additions and modifications thereto) entered into by CN and Fraser or effective between CN and Fraser relating to transportation that originates from or terminates at the Madawaska Mill (including without limitation the Effective Rates applicable to such transportation) but excluding waybills and bills of lading.

8. Any tariffs, rate quotes, circulars, or other documents (including additions and modifications thereto) issued, adopted, executed or ratified by CN relating to the

Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, but excluding railroad industry agreements and any other similar documents of general applicability that do not have any direct impact on Effective Rates applicable to transportation of rail traffic destined to or originating from the Madawaska Mill.

9. Any and all Communications between and among any employees, directors, officers, representatives or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the profitability, margins or other measures of revenue net costs and expenses attributable to transportation of rail traffic to or from the Madawaska Mill by CN (as origin, destination and/or intermediate carrier) during the period from the Changeover Date through the present.

10. Any and all Communications between and among any employees, directors, officers, representatives or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to: (i) the ability or inability of Fraser, CN or any other rail transportation service provider to divert any aspect of transportation to or from the Madawaska Mill from non-rail to rail transportation; and (ii) the ability or inability of Fraser, or any non-rail transportation service provider, to divert any aspect of transportation to or from the Madawaska Mill from rail to non-rail transportation.

Respectfully submitted

By:



Charles H. White, Jr.
Attorney at Law
1200 Britannia Lane

Annapolis, MD 21403
(410) 268-8575

Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
2nd Floor
Washington, DC 20036
(202) 778-9000

**ATTORNEYS FOR TRUSTEE OF BANGOR &
AROOSTOOK RAILROAD COMPANY, ET.
AL.**

Dated: November 14, 2002

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 2002, a copy of the foregoing
**Trustee of Bangor and Aroostook Railroad Company's First Request for
Production of Documents from Canadian National Railway Company** was served
by Federal Express upon:

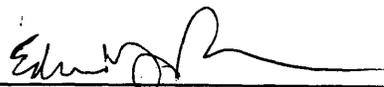
Cynthia A. Bergmann
Sean Finn
Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, IL 60601-5317

William C. Sippel
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, IL 60601-6721

John P. Borgwardt
Austin S. Durant
Fraser Papers, Inc.
70 Seaview Avenue
Stamford, CT 06902

Michael L. Rosenthal
Covington & Burling
1201 Pennsylvania Avenue, NW
Washington, DC 20004-2401

William A. Mullins
David C. Reeves
Troutman Sanders LLP
401 Ninth Street, NW, Suite 1000
Washington, DC 20004-2134



Edward J. Fishman

EXHIBIT B

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-279 (Sub-No. 3)

CANADIAN NATIONAL RAILWAY COMPANY
--ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE

DOCKET NO. AB-124 (Sub-No. 2)

WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE

**TRUSTEE OF BANGOR AND AROOSTOOK RAILROAD COMPANY'S FIRST SET
OF WRITTEN INTERROGATORIES TO CANADIAN NATIONAL RAILWAY
COMPANY**

Pursuant to 49 C.F.R. § 1114.26, James E. Howard, Trustee of the Bangor and Aroostook Railroad Company, Debtor ("Trustee"),¹ by his undersigned attorneys, hereby requests that Canadian National Railway Company, by its duly authorized officers and agents, serve upon counsel for Trustee, within fifteen (15) days after service of this request, sworn answers to Trustee's First Set of Interrogatories set forth below.

¹ The Trustee is acting in the capacity of Trustee for the Bangor and Aroostook Railroad Company ("BAR"), Van Buren Bridge Company ("VBBC"), Canadian American Railroad Company ("CDAC"), Northern Vermont Railway Company ("NVT") and Newport & Richford Railroad Company ("NRR").

I. DEFINITIONS

A. "BAR" means the Bangor & Aroostook Railroad Company and, unless indicated to the contrary, its directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

B. "BAR System" means the BAR, Canadian American Railroad Company ("CDAC"), Van Buren Bridge Company ("VBBC"), Northern Vermont Railway Company ("NVT"), Newport & Richford Railroad Company ("NRR") and the Quebec Southern Railway ("QSR") and their parent companies, subsidiaries, and affiliates, including without limitation BAR parent company Iron Road Railways, Inc. ("Iron Road"), and, unless indicated to the contrary, their directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on their behalf.

C. "Changeover Date" means the date, on or around April 22, 2001, as of which rail traffic (including both Inbound Material destined for the Madawaska Mill and Outbound Product originating at the Madawaska Mill) began moving under the Junction Settlement Agreement.

D. "CN" or "you" or "your" means the Canadian National Railway Company and its parent company, subsidiaries, and affiliates, including without limitation the Waterloo Railway Company ("Waterloo") and, unless indicated to the contrary, CN's directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries,

parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

E. The term "describe" means to explain and report a full account of all aspects of the event, transaction, or subject matter.

F. "Effective Rate" means any and all charges, rates, prices, fees, costs and expenses inclusive of rebates, reclaims, credits, discounts or other adjustments applicable to the transportation of a particular quantity of Outbound Product or Inbound Material.

G. "Fraser" means Fraser Papers Inc. and its parent company, subsidiaries, and affiliates, including without limitation its parent company Nexfor and, unless indicated to the contrary, Fraser's directors, officers, trustees, employees, representatives, agents, affiliates, subsidiaries, parents, predecessors, successors, counsel and all other persons or entities acting or purporting to act on its behalf.

H. "Inbound Material" means any and all substances, products, materials or commodities transported to the Madawaska Mill.

I. "Junction Settlement Agreement" shall mean the agreement so titled that was entered into by and among CN, BAR and VBBC in March 2001.

J. "Madawaska Mill" means the Fraser paper mill in Madawaska, Maine.

K. "Outbound Product" means any and all substances, products, materials or commodities transported from the Madawaska Mill to other intermediate or final destinations, including without limitation printing paper and groundwood paper.

L. The term "person or entity" means any natural person or legal entity, including without limitation any corporation, partnership, limited liability company, union, proprietorship, trust, association, incorporated or unincorporated organization and any group of persons or entities.

M. The term "transportation" or "transported" or any other form thereof means the movement, transfer, exchange or delivery of property of any kind by rail, truck or any other mode or combination of modes between two or more locations in either direction, and includes without limitation (i) any such movement, transfer, exchange or delivery to or from intermediate storage facilities, warehousing facilities, transload facilities, interchange points or other intermediate points between origin and destination; and (ii) any services related to such movement, transfer, exchange or delivery (including receipt, delivery, elevation, transfer in transit, storage, handling and interchange of property or equipment).

II. INSTRUCTIONS

A. These Interrogatories are served upon CN pursuant to 49 C.F.R. § 1114.26. You are required to answer the following Interrogatories separately and fully in writing under oath pursuant to 49 C.F.R. § 1114.26.

B. If any information specified by an Interrogatory below is not available in the full detail requested, such Interrogatory shall be deemed to require information that is responsive to the Interrogatory in such detail as is available.

C. If CN refuses to answer any Interrogatory or part of an Interrogatory on the basis of some type of privilege with respect to the information requested, or if CN refuses to produce a document or any part of a document on the basis of some type of

privilege with respect to the document, CN must state the following with respect to such information or document:

1. The Interrogatory or part of an Interrogatory to which such information responds;
2. The identity of each document that may encompass or be included within the information that CN refuses to provide;
3. The reason for refusing to answer the Interrogatory or part of an Interrogatory; and
4. A statement of facts constituting the basis for any claim of privilege or other ground for nondisclosure with respect to such information.

D. These Interrogatories are of an ongoing nature and should CN obtain, acquire or otherwise come to have any additional or further information or document responsive to these Interrogatories, the answers hereto shall be updated to provide that information in accordance with 49 C.F.R. § 1114.29.

E. Use of the singular shall be deemed to include the plural and use of the masculine shall be deemed to include the feminine, as appropriate, and vice versa.

F. The words "and" and "or" shall be construed conjunctively or disjunctively as necessary to make any Interrogatory inclusive rather than exclusive.

G. The past tense includes the present tense where the clear meaning is not distorted by the change of tenses.

H. Unless otherwise stated, your responses should cover the period from January 1, 1999 to the present.

III. INTERROGATORIES

1. Describe each type of Inbound Material, including without limitation starch, wood pulp, clay, sand/silica, and talc, which is or has been transported to the Madawaska Mill by CN as origin, intermediate and/or destination carrier. Your description should include, without limitation, the STCC codes applicable to such Inbound Material.

2. Describe the Effective Rates applicable to the transportation to the Madawaska Mill of each type of Inbound Material by CN (as origin, destination and/or intermediate carrier) during each of calendar years 1999 and 2000, and during the period from January 1, 2001 through the Changeover Date. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for each time period:

(i) the Effective Rates applicable to the transportation of each type of Inbound Material by origin(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);

(ii) the components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Inbound Material, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and

(iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Inbound Material.

3. Describe the Effective Rates applicable to the transportation to the Madawaska Mill of each type of Inbound Material by CN (as origin, destination and/or intermediate carrier) during the period from the Changeover Date through December 31, 2001 and during the period from January 1, 2002 to the present. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for this period:

(i) the Effective Rates applicable to the transportation of each type of Inbound Material by origin(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);

(ii) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Inbound Material, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and

(iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Inbound Material.

4. Describe each type of Outbound Product, including without limitation printing paper and groundwood paper, which is or has been transported from the Madawaska Mill by CN as origin, destination and/or intermediate carrier. Your description should include, without limitation, the STCC codes applicable to such Outbound Product.

5. Describe the Effective Rates applicable to the transportation from the Madawaska Mill of each type of Outbound Product by CN (as origin, destination and/or intermediate carrier) during each of calendar years 1999 and 2000, and during the period from January 1, 2001 through the Changeover Date. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for each time period:

(i) the Effective Rates applicable to the transportation of each type of Outbound Product by destination(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);

(ii) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Outbound Product, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and

(iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation from the Madawaska Mill of such Outbound Product.

6. Describe the Effective Rates applicable to the transportation from the Madawaska Mill of each type of Outbound Product by CN (as origin, destination or intermediate carrier) during the period from the Changeover Date through December 31, 2001 and during the period from January 1, 2002 to the present. If the Effective Rates changed during any applicable period, describe the changes and when they

occurred. Your response should include without limitation the following information for each time period:

(i) the Effective Rates applicable to each type of Outbound Product by destination(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);

(ii) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Outbound Product, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and

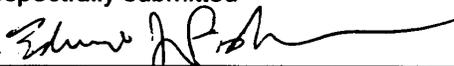
(iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation from the Madawaska Mill of such Outbound Product.

7. For each type of Inbound Material transported to the Madawaska Mill by CN (as origin, destination and/or intermediate carrier) and for each type of Outbound Product transported from the Madawaska Mill by CN (as origin, destination and/or intermediate carrier), describe: (1) the average transit times applicable to such transportation by CN (by applicable origin and destination); and (2) the person or entity that supplies the railcars used in such transportation, the person or entity that is responsible for car hire, rental or other charges relating to the use of such railcars and the nature and amount or percentage of such car hire, rental or other charges (by applicable origin and destination). If the average transit times or railcar arrangements changed during any applicable period, describe the changes and when they occurred.

8. Describe whether and to what extent CN has passed along, shared, credited or otherwise distributed to Fraser any of the transportation cost reduction attributable to the change, as of and subsequent to the Changeover Date, from CN-BAR joint rates to the rates provided in the Junction Settlement Agreement for that portion of transportation to or from the Madawaska Mill that occurs over the railroad line between Madawaska and Van Buren.

Respectfully submitted

By:



Charles H. White, Jr.
Attorney at Law
1200 Britannia Lane
Annapolis, MD 21403
(410) 268-8575

Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
2nd Floor
Washington, DC 20036
(202) 778-9000

**ATTORNEYS FOR TRUSTEE OF BANGOR &
AROOSTOOK RAILROAD COMPANY, ET.
AL.**

Dated: November 14, 2002

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 2002, a copy of the foregoing
**Trustee of Bangor and Aroostook Railroad Company's First Set of Written
Interrogatories to Canadian National Railway Company** was served by Federal
Express upon:

Cynthia A. Bergmann
Sean Finn
Canadian National/Illinois Central
455 North Cityfront Plaza Drive
Chicago, IL 60601-5317

William C. Sippel
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, IL 60601-6721

John P. Borgwardt
Austin S. Durant
Fraser Papers, Inc.
70 Seaview Avenue
Stamford, CT 06902

Michael L. Rosenthal
Covington & Burling
1201 Pennsylvania Avenue, NW
Washington, DC 20004-2401

William A. Mullins
David C. Reeves
Troutman Sanders LLP
401 Ninth Street, NW, Suite 1000
Washington, DC 20004-2134



Edward J. Fishman

EXHIBIT C

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-279 (Sub-No. 3)

**CANADIAN NATIONAL RAILWAY COMPANY
-- ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

DOCKET NO. AB-124 (Sub-No. 2)

**WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

**RESPONSES OF
CANADIAN NATIONAL RAILWAY COMPANY AND WATERLOO
RAILWAY COMPANY TO TRUSTEE OF BANGOR AND
AROOSTOOK RAILROAD COMPANY'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**

Sean Finn
Cynthia A. Bergmann
Canadian National/Illinois Central
55 North Cityfront Plaza Drive
Chicago, Illinois 60601-5317
(312) 755-7613

William C. Sippel
Myles L. Tobin
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, Illinois 60601-6721
(312) 540-0500

**ATTORNEYS FOR
CANADIAN NATIONAL RAILWAY
COMPANY AND WATERLOO
RAILWAY COMPANY**

Dated: December 2, 2002

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-279 (Sub-No. 3)

**CANADIAN NATIONAL RAILWAY COMPANY
-- ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

DOCKET NO. AB-124 (Sub-No. 2)

**WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

**RESPONSES OF
CANADIAN NATIONAL RAILWAY COMPANY AND WATERLOO
RAILWAY COMPANY TO TRUSTEE OF BANGOR AND
AROOSTOOK RAILROAD COMPANY'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**

Canadian National Railway Company and Waterloo Railway Company (collectively "CN") hereby submit their responses to the First Set of Document Production Requests propounded by Trustee of Bangor and Aroostook Railroad Company ("BAR"):

GENERAL OBJECTIONS

The following general objections are made with respect to all of the discovery requests. Additional specific objections are stated in response to individual discovery requests.

1. CN objects to BAR's discovery requests collectively and individually to the extent those discovery requests seek information that is neither relevant to the Adverse Abandonment and related matters pending before the Board in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

2. CN objects to BAR's discovery requests to the extent those discovery requests seek confidential or proprietary information or documents.

3. CN objects to BAR's discovery requests collectively and individually to the extent that BAR requests information that is subject to the attorney-client privilege, the attorney work product doctrine or any other legal privilege.

REQUESTED DOCUMENTS

Subject to and without waiver of the General Objections set forth above, CN responds individually to the discovery requests propounded by BAR to CN as follows:

REQUEST NO. 1.

Any and all Communications between CN and Fraser relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 1 on the basis that it is overbroad, unduly burdensome, and BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

REQUEST NO. 2.

Any and all Communications between CN and Fraser relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights on the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by the Montreal, Maine and Atlantic Railway, LLC ("MM&A"), the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or the Madawaska Mill.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 2 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence.

REQUEST NO. 3.

Any and all Communications between and among any employees, directors, officers, representatives, or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

RESPONSE: In addition to the General Objections set forth above, CN objects to Production Request No. 3 on the basis that it is overbroad, unduly burdensome, and BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

REQUEST NO. 4.

Any and all Communications between CN and any person or entity other than Fraser relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, including without limitation any such transportation provided by or on behalf of CN (as origin, destination and/or intermediate carrier) with respect to rail traffic destined to or originating from the Madawaska Mill but excluding waybills and bills of lading.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 4 on the basis that it is overbroad, unduly burdensome, and BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

REQUEST NO. 5.

Any and all Communications between and among any employees, directors, officers, representatives, or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights over the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by MMA, the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or at the Madawaska Mill.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 5 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence.

REQUEST NO. 6.

Any and all Communications between CN and any person or entity other than Fraser relating to the March 2001 Transaction, the proposed abandonment of the Waterloo freight easement and proposed discontinuance of the CN trackage rights over the railroad line between Madawaska and Van Buren, the proposed acquisition of substantially all of the BAR System by

MM&A, the viability of the BAR or the BAR System, and the consequences of financial distress, bankruptcy, dissolution or other events that might affect service provided by BAR to, from or at the Madawaska Mill.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 6 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence.

REQUEST NO. 7.

Any agreements, contracts, leases or other documents (including additions and modifications thereto) entered into by CN and Fraser or effective between CN and Fraser relating to transportation that originates from or terminates at the Madawaska Mill (including without limitation the Effective Rates applicable to such transportation) but excluding waybills and bills of lading.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 7 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence. To the extent that Request No. 7 seeks information regarding "Effective Rates", CN also objects on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

REQUEST NO. 8.

Any tariffs, rate quotes, circulars, or other documents (including additions and modifications thereto) issued, adopted, executed or ratified by CN relating to the Effective Rates applicable to transportation that originates from or terminates at the Madawaska Mill, but

excluding railroad industry agreements and any other similar documents of general applicability that do not have any direct impact on Effective Rates applicable to transportation of rail traffic destined to or originating from the Madawaska Mill.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 8 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence. To the extent that Request No. 8 seeks information regarding "Effective Rates", CN also objects on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests. CN further objects to the provision of any tariffs on the basis that BAR is in possession of same and/or they are already in the public domain.

REQUEST NO. 9.

Any and all Communications between and among any employees, directors, officers, representatives or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to the profitability, margins or other measures of revenue net costs and expenses attributable to transportation of rail traffic to or from the Madawaska Mill by CN (as origin, destination and/or intermediate carrier) during the period from the Changeover Date through the present.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 9 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence, and further, the Board has determined that the profitability of this traffic to CN is not relevant (Docket No. AB-279 (Sub-No. 3), Canadian

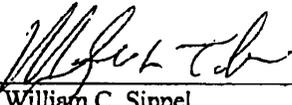
National Railway Company - Adverse Discontinuance - Lines of Bangor & Aroostook Railroad Company and Van Buren Bridge Company, Served September 25, 2002, at pp. 5-6.

REQUEST NO. 10.

Any and all Communications between and among any employees, directors, officers, representatives or other agents of CN (including without limitation any analyses, studies, reports or other documents prepared by such persons) relating to: (i) the ability or inability of Fraser, CN or any other rail transportation service provider to divert any aspect of transportation to or from the Madawaska Mill from non-rail to rail transportation; and (ii) the ability or inability of Fraser, or any non-rail transportation service provider, to divert any aspect of transportation to or from the Madawaska Mill from rail to non-rail transportation.

RESPONSE: In addition to the General Objections set forth above, CN objects to Document Production Request No. 10 on the basis that it is overbroad and unduly burdensome, and seeks information which is irrelevant to this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence.

Respectfully submitted,

By: 

William C. Sippel
Myles L. Tobin
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, Illinois 60601-6721
(312) 540-0500

Sean Finn
Cynthia A. Bergmann
Canadian National/Illinois Central
55 North Cityfront Plaza Drive
Chicago, Illinois 60601-5317
(312) 755-7613

**ATTORNEYS FOR
CANADIAN NATIONAL RAILWAY
COMPANY AND WATERLOO RAILWAY
COMPANY**

Dated: December 2, 2002

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of December, 2002, a copy of the foregoing **Responses of Canadian National Railway Company to Trustee of Bangor and Aroostook Railroad Company's First Request for Production of Documents**, was served by telefax and first class mail, postage prepaid, to:

Charles H. White, Jr.
Attorney at Law
1200 Britannia Lane
Annapolis, MD 21403

Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
2nd Floor
Washington, D.C. 20036

And by first class mail postage prepaid to:

John P. Borgwardt
Austin S. Durant
Fraser Papers, Inc.
70 Seaview Avenue
Stamford, CT 06902

William A. Mullins
David C. Reeves
Troutman Sanders LLP
401 Ninth Street, N.W.
Suite 1000
Washington, D.C. 20004-2134

Michael L. Rosenthal
Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2401


Myles L. Tobin

EXHIBIT D

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-279 (Sub-No. 3)

**CANADIAN NATIONAL RAILWAY COMPANY
-- ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

DOCKET NO. AB-124 (Sub-No. 2)

**WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

**ANSWERS OF
CANADIAN NATIONAL RAILWAY COMPANY AND
WATERLOO RAILWAY COMPANY TO TRUSTEE OF BANGOR
AND AROOSTOOK RAILROAD COMPANY'S
FIRST SET OF WRITTEN INTERROGATORIES**

Sean Finn
Cynthia A. Bergmann
Canadian National/Illinois Central
55 North Cityfront Plaza Drive
Chicago, Illinois 60601-5317
(312) 755-7613

William C. Sippel
Myles L. Tobin
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, Illinois 60601-6721
(312) 540-0500

**ATTORNEYS FOR
CANADIAN NATIONAL RAILWAY
COMPANY AND WATERLOO
RAILWAY COMPANY**

Dated: December 2, 2002

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-279 (Sub-No. 3)

**CANADIAN NATIONAL RAILWAY COMPANY
-- ADVERSE DISCONTINUANCE --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

DOCKET NO. AB-124 (Sub-No. 2)

**WATERLOO RAILWAY COMPANY
-- ADVERSE ABANDONMENT --
LINES OF BANGOR AND AROOSTOOK RAILROAD COMPANY AND
VAN BUREN BRIDGE COMPANY
IN AROOSTOOK COUNTY, MAINE**

**ANSWERS OF
CANADIAN NATIONAL RAILWAY COMPANY
AND WATERLOO RAILWAY COMPANY TO TRUSTEE OF BANGOR
AND AROOSTOOK RAILROAD COMPANY'S
FIRST SET OF WRITTEN INTERROGATORIES**

Canadian National Railway Company and Waterloo Railway Company (collectively "CN") hereby submit their answers to the First Set of Written Interrogatories propounded by the Trustee of the Bangor and Aroostook Railroad Company ("BAR"):

GENERAL OBJECTIONS

The following general objections are made with respect to all of the written interrogatories. Additional specific objections are stated in response to individual interrogatories.

1. CN objects to BAR's interrogatories collectively and individually to the extent those interrogatories seek information that is neither relevant to the Adverse Abandonment and related matters pending before the Board in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.
2. CN objects to BAR's interrogatories to the extent those interrogatories seek confidential or proprietary information or documents.
3. CN objects to BAR's interrogatories collectively and individually to the extent that BAR requests information that is subject to the attorney-client privilege, the attorney work product doctrine or any other legal privilege.

INTERROGATORIES

Subject to and without waiver of the General Objections set forth above, CN responds individually to the interrogatories propounded by BAR to CN as follows:

INTERROGATORY NO. 1:

Describe each type of Inbound Material, including without limitation starch, wood pulp, clay, sand/silica, and talc, which is or has been transported to the Madawaska Mill by CN as origin, intermediate and/or destination carrier. Your description should include, without limitation, the STCC codes applicable to such Inbound Material.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 1 on the basis that this information is already in BAR's possession. Subject to and without waiver of the aforementioned objections, following is the list of commodities transported to the Madawaska Mill by or via CN:

Stcc	Commodity
2621345	PRINTING PAPER, LESS THAN 60 PERCENT GROUND WOOD FI
2816130	TITANIUM DIOXIDE AND WATER MIXED, CONSISTING OF NO
3295230	KAOLIN AND WATER MIXED, NOT MORE THAN 70 PERCENT K
4024115	SCRAP OR WASTE PAPER, NOT SENSITIZED, OR FIBREBOARD
2621216	GROUND WOOD PAPER, UNCOATED, NOT LESS THAN 60 PERC
3295231	KAOLIN, NOT PROCESSED BEYOND WASHING, AIR FLOATING
3295973	SILICA, NEC, SILEX, NEC, OR DRY COLLOIDAL SILICA,
3295974	SILICA, NEC, SILEX, NEC, OR DRY COLLOIDAL SILICA,
3742217	REVENUE MOVEMENT, CARS, RAILWAY FREIGHT, NOT RAIL

3295420	TALC, GROUND OR PULVERIZED
2621990	PAPER, NEC, NOT PRINTED
2046210	CORN STARCH

INTERROGATORY NO. 2:

Describe the Effective Rates applicable to the transportation to the Madawaska Mill of each type of Inbound Material by CN (as origin, destination and/or intermediate carrier) during each of calendar years 1999 and 2000, and during the period from January 1, 2001 through the Changeover Date. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for each time period:

- (i) the Effective Rates applicable to the transportation of each type of Inbound Material by origin(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);
- (ii) the components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Inbound Material, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and
- (iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Inbound Material.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 2 on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

INTERROGATORY NO. 3:

Describe the Effective Rates applicable to the transportation to the Madawaska Mill of each type of Inbound Material by CN (as origin, destination and/or intermediate carrier) during the period from the Changeover Date through December 31, 2001 and during the period from January 1, 2002 to the present. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for this period:

- (i) the Effective Rates applicable to the transportation of each type of Inbound Material by origin(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);
- (ii) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Inbound Material, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and
- (iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Inbound Material.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 3 on the basis that BAR claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petition for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

INTERROGATORY NO. 4:

Describe each type of Outbound Product, including without limitation printing paper and groundwood paper, which is or has been transported from the Madawaska Mill by CN as origin, destination and/or intermediate carrier. Your description should include, without limitation, the STCC codes applicable to such Outbound Product.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 4 on the basis that this information is already in BAR's possession. Subject to and without waiver of the aforementioned objections, following is the list of commodities transported from the Madawaska Mill by or via CN:

Stcc	Commodity
2621345	PRINTING PAPER, LESS THAN 60 PERCENT GROUND WOOD FI
4024115	SCRAP OR WASTE PAPER, NOT SENSITIZED, OR FIBREBOARD
2621216	GROUND WOOD PAPER, UNCOATED, NOT LESS THAN 60 PERC
2621110	NEWSPRINT PAPER, BAGASSE OR BAGASSE AND OTHER FIBR
2621115	NEWSPRINT PAPER, FIBRE CONTENT CONSISTING OF NOTLE
2621215	GROUND WOOD PAPER, UNCOATED, NOT LESS THAN 60 PERC

4024110	CLIPPINGS OR SCRAP, SENSITIZED PAPER
4611110	FREIGHT ALL KINDS, (FAK)
3295231	KAOLIN, NOT PROCESSED BEYOND WASHING, AIR FLOATING
3295420	TALC, GROUND OR PULVERIZED

INTERROGATORY NO. 5:

Describe the Effective Rates applicable to the transportation from the Madawaska Mill of each type of Outbound Product by CN (as origin, destination and/or intermediate carrier) during each of calendar years 1999 and 2000, and during the period from January 1, 2001 through the Changeover Date. If the Effective Rates changed during any applicable period, describe the changes and when they occurred. Your response should include without limitation the following information for each time period:

- (i) the Effective Rates applicable to the transportation of each type of Outbound Product by destination(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);
- (ii) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Outbound Product, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and
- (iii) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Outbound Product.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 5 on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

INTERROGATORY NO. 6:

Describe the Effective Rates applicable to the transportation from the Madawaska Mill of each type of Outbound Product by CN (as origin, destination and/or intermediate carrier) during the period from the Changeover Date through December 31, 2001 and during the period from January 1, 2002 to the present. If the Effective Rates changed during any applicable period,

describe the changes and when they occurred. Your response should include without limitation the following information for each time period:

- (i) the Effective Rates applicable to the transportation of each type of Outbound Product by destination(s), mode(s) if not exclusively by rail, carrier(s), routing(s) and volume transported (in tons, carloads or other relevant measure);
- (iv) the different components of such Effective Rates, including without limitation the standard rate or charge applicable to each shipment of Outbound Product, the nature and amount or percentage of any volume or other credits, discounts, rebates or reclaims, and any other adjustments that affected such Effective Rates; and
- (v) the nature and amount or percentage of any division of such Effective Rates among or between different carriers if more than one carrier was involved in the transportation to the Madawaska Mill of such Outbound Product.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 6 on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petitions for Waiver of Trustee of Bangor Aroostook Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests.

INTERROGATORY NO. 7:

For each type of Inbound Material transported to the Madawaska Mill by CN (as origin, destination and/or intermediate carrier) and for each type of Outbound Product transported from the Madawaska Mill by CN (as origin, destination and/or intermediate carrier), describe: (1) the average transit times applicable to such transportation by CN (by applicable origin and destination); and (2) the person or entity that supplies the railcars used in such transportation, the person or entity that is responsible for car hire, rental or other charges relating to the use of such railcars and the nature and amount or percentage of such car hire, rental or other charges (by applicable origin and destination). If the average transit times or railcar arrangements changed during any applicable period, describe the changes and when they occurred.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 7 on the basis that such interrogatory request is overbroad and unduly burdensome, it calls for a special study on the part of CN, and, in any event, BAR is in

possession of much of this information already. Subject to, and without waiver of, the aforementioned objections, CN responds to Interrogatory No. 7 as follows:

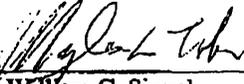
With respect to transit times, CN is investigating whether it has any such information, and will provide that information if it is located and easily accessible. With respect to car supply, the origin carrier supplies cars for inbound movements to Fraser, and, as BAR already knows, BAR supplies most of the cars for outbound movements from Fraser. With respect to car hire, the carrier upon whose lines the traffic was/is moving, is responsible for the car hire for the portion of movement on its lines. With respect to the portion of the movement on BAR, investigation continues, although BAR is already in possession of this information.

INTERROGATORY NO. 8:

Describe whether and to what extent CN has passed along, shared, credited or otherwise distributed to Fraser any of the transportation cost reduction attributable to the change, as of and subsequent to the Changeover Date, from CN-BAR joint rates to the rates provided in the Junction Settlement Agreement for that portion of transportation to or from the Madawaska Mill that occurs over the railroad line between Madawaska and Van Buren.

RESPONSE: In addition to the General Objections set forth above, CN objects to Interrogatory No. 8 on the basis that BAR has claimed that this information is irrelevant and unnecessary, and in consequence thereof has sought a waiver of the requirement to submit this information in its application, (Petition for Waiver of Trustee of Bangor Aroostock Railroad Company, dated August 9, 2002 and September 30, 2002), and the Board has granted these waiver requests. Further, the Board has determined that the profitability of this traffic to CN is not relevant (Docket No. AB-279 (Sub-No. 3), Canadian National Railway Company - Adverse Discontinuance - Lines of Bangor & Aroostock Railroad Company and Van Buren Bridge Company, Served September 25, 2002, at pp. 5-6.

Respectfully submitted,

By: 

Sean Finn
Cynthia A. Bergmann
Canadian National/Illinois Central
55 North Cityfront Plaza Drive
Chicago, Illinois 60601-5317
(312) 755-7613

William C. Sippel
Myles L. Tobin
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, Illinois 60601-6721
(312) 540-0500

**ATTORNEYS FOR
CANADIAN NATIONAL RAILWAY
COMPANY AND WATERLOO RAILWAY
COMPANY**

Dated: December 2, 2002

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of December, 2002, a copy of the foregoing **Answers of Canadian National Railway Company to Trustee of Bangor and Aroostook Railroad Company's First Set of Written Interrogatories**, was served by telefax and first class mail postage prepaid, to:

Charles H. White, Jr.
Attorney at Law
1200 Britania Lane
Annapolis, MD 21403

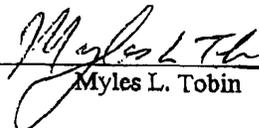
Charles L. Eisen
Kevin M. Sheys
Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
2nd Floor
Washington, D.C. 20036

And by first class mail postage prepaid to:

John P. Borgwardt
Austin S. Durant
Fraser Papers, Inc.
70 Seaview Avenue
Stamford, CT 06902

William A. Mullins
David C. Reeves
Troutman Sanders LLP
401 Ninth Street, N.W.
Suite 1000
Washington, D.C. 20004-2134

Michael L. Rosenthal
Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2401


Myles L. Tobin

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of December, 2002, a copy of the foregoing **Trustee Of Bangor And Aroostook Railroad Company's Motion To Compel Answers To Interrogatories and Production Of Documents By Canadian National Railway Company** was served by facsimile and regular mail upon:

John P. Borgwardt
Austin S. Durant
Fraser Papers, Inc.
70 Seaview Avenue
Stamford, CT 06902
(203) 705-2362 fax

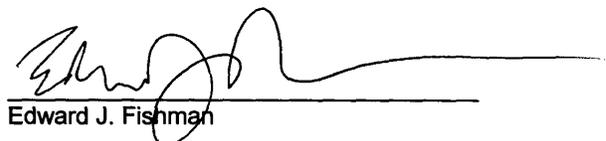
Charles Spitulnik
McLeod, Watkinson & Miller
One Massachusetts Avenue, NW, Suite 800
Washington, DC 20001-1401
(202) 408-7763 fax

Myles L. Tobin
William C. Sippel
Thomas J. Litwiler
Fletcher & Sippel LLC
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, IL 60601-6721
(312) 540-9098 fax

And via regular mail to:

William A. Mullins
David C. Reeves
Troutman Sanders LLP
401 Ninth Street, NW, Suite 1000
Washington, DC 20004-2134

Michael L. Rosenthal
Covington & Burling
1201 Pennsylvania Avenue, NW
Washington, DC 20004-2401


Edward J. Fishman