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WISCONSIN DOT - 2

BEFORE THE SURFACE TRANSPORTATION BOARD

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STB Finance Docket No. 35081

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CANADIAN PACIFIC RAILWAY COMPANY, ET AL.  
-- CONTROL --  
DAKOTA, MINNESOTA & EASTERN RAILROAD CORP., ET AL.

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**COMMENTS AND REQUEST FOR CONDITIONS  
BY WISCONSIN DEPARTMENT OF TRANSPORTATION**

The Wisconsin Department of Transportation ("WisDOT") appreciates the good working relationship that it has enjoyed with the Canadian Pacific Railway ("CPR") over the years. WisDOT respectfully requests that the Surface Transportation Board ("the Board") impose the following conditions on CPR if it approves CPR's proposal.

CPR works diligently to provide superior freight service to Wisconsin customers and provides outstanding service to Amtrak. In fact, because of the CPR's attention to Amtrak, the Hiawatha Service operating between Milwaukee and Chicago routinely enjoys the best on-time performance of any train in the Amtrak System.

WisDOT is heavily involved in supporting the current Amtrak Hiawatha Service between Milwaukee and Chicago. Although we don't financially support the Empire Builder service between Chicago and St. Paul, we are very interested in its success. We are working with CPR to study the majority of the route between Chicago and St. Paul for additional rail passenger service. We therefore greatly appreciate CPR's comment that "[a]pplicants do not anticipate that any CPR line over which passenger operations are presently conducted would be materially affected by the proposed transaction."<sup>1</sup> We are also heartened by their comment that "...there is an opportunity for train consolidation on the St. Paul, MN - Chicago, IL corridor. This would reduce the number of freight trains on the route used by Amtrak."<sup>2</sup>

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<sup>1</sup>FD\_35081\_0, CANADIAN PACIFIC RAILWAY COMPANY, ET AL - CONTROL - DAKOTA, MINNESOTA & EASTERN RAILROAD CORP., ET AL, Notice Of Intent To Initiate Case, filed 10/5/2007, Page 29

<sup>2</sup> Ibid, Exhibit 13, XI C, Page 40

At the same time WisDOT is concerned by the trend in CPR's handling of traffic that originates or terminates in Wisconsin. Since 1995, traffic with CPR origins in Wisconsin has decreased 46.4% from 2.8 million tons to 1.5 million tons.<sup>3</sup> Traffic terminating at CPR destinations has decreased 49.4% from 16.6 million tons to 8.4 million tons in 2005, the most recent year for which information is available<sup>4</sup>.

This decrease in originating and terminating traffic at CPR's Wisconsin stations has occurred at the same time that the portion of Wisconsin's economy dependent upon transportation services has grown by 12% from 187 billion dollars to 212 billion dollars.<sup>5</sup> During the same period all other rail carriers serving Wisconsin customers have collectively increased their Wisconsin origin traffic from 13.8 million tons to 14.3 million tons. The other carriers have seen their traffic to Wisconsin destinations increase from 57.3 million tons to 65.4 million tons.

It is unclear from the CPR's filing how the routing protocol between CPR and CN announced November 1, 2007<sup>6</sup> would impact traffic in Wisconsin. In the announcement, they identify Milwaukee as one of 14 locations that will experience an increase in interline traffic<sup>7</sup>

### Request for Conditions

WisDOT requests that any approval of the proposed transaction impose the following conditions:

- That CPR provide information about the specific improvements that will be made on the line between Davis Jct. (MP 0.00) and Janesville (MP 45.8)
- That CPR provide information as to whether the line from Davis Jct. (MP 0.00) and Janesville, WI (MP 45.8) is currently capable of handling rail cars loaded to 286,000 lbs. and identify the deficiencies if it is not.
- That the Board ensure that any EIS prepared as a result of CPR's decision to move forward with plans to construct lines to serve the Powder River Basin consider primary, secondary and cumulative impacts on lines and communities in Wisconsin.
- That CPR clarify the impact of the November 1, 2007 CPR/CN routing protocol on traffic movements through Wisconsin.
- That the Board ensure that CPR negotiates in good faith with carriers who may have trackage rights agreements to operate over the lines of CPR, Iowa, Chicago & Eastern Railroad Corporation ("ICE"), or Dakota, Minnesota & Eastern Railroad Corporation ("DM&E") to provide alternative routings, if traffic levels proposed by CPR will degrade the services provided by these other carriers

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<sup>3</sup> Exhibit 1. Inbound Commodity Chart

<sup>4</sup> Exhibit 2. Outbound Commodity Chart

<sup>5</sup> Exhibit 3: Wisconsin's Economic Output Chart

<sup>6</sup> CPR web-site <http://www8.cpr.ca/cms/English/Media/News/General/2007/Routing+protocol+.htm>

<sup>7</sup> Ibid

- That the Board ensure that neither CPR nor ICE will increase speeds on any of their lines through Wisconsin above current speed limits until such time as grade crossing warning devices at at-grade crossings are determined by the Wisconsin Office of the Commissioner of Railroads to provide adequate warning for the proposed speed.

**Respectfully Submitted,**

**Kathleen Chung, Attorney  
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**Attachments**

**Exhibit 1: Inbound Commodity Chart**

**Exhibit 2: Outbound Commodity Chart**

**Exhibit 3: Wisconsin's Economic Output: 1994 – 2005 Chart**

**cc: Secretary Frank Busalacchi, WisDOT  
Congressman David Obey  
Congressman Tom Petri  
State Representative Al Ott**

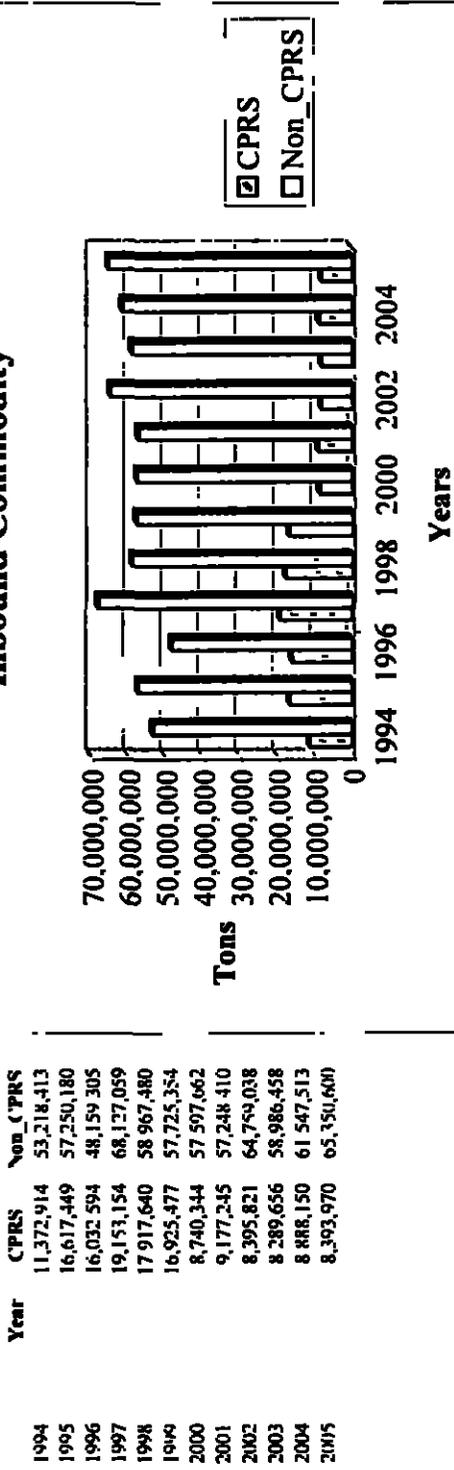
Summary of Inbound Commodity Tonnage (Terminating in Wisconsin) Between 1994 to 2005

Terminating Carrier	Year											
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CN			362,296	626,512		28,720	67,280		3,959,211	13,456,282	12,810,342	12,739,578
SSAM				139,360		154,760	191,840	194,480	115,040			
WC	8,726,001	10,081,614	1,532,484	21,120,283	12,919,316	10,860,169	11,056,173	10,784,192	10,249,068			
FVW	3,018,286	2,703,692	336,636	3,968,357	2,225,660	1,711,028	1,968,868	1,825,396	1,997,884			
CPRS	11,372,914	16,617,449	16,032,594	19,153,154	17,917,640	16,925,477	8,740,344	9,177,245	8,395,821	8,289,656	8,888,150	8,393,970
HIS			134,500		67,300	111,100	75,000	101,300	81,400	73,000	41,600	52,228
BNSI	28,455,430	31,250,356	28,718,548	26,667,558	28,002,304	28,493,721	28,020,079	27,528,138	32,350,549	28,959,981	31,608,658	35,846,199
UP		2,515,437	16,858,041	14,914,449	14,072,790	15,698,522	15,685,082	16,017,024	15,186,726	15,451,505	15,651,198	15,684,599
WSOR		324,400	340,000	326,750	428,070	484,480	362,060	351,000	761,600	491,250	1,384,835	939,636
CNW	12,970,696	10,374,681										
GTW			11,200	19,880			95,360	368,840				
IMRL				209,410	413,668	126,454	75,920	78,040	57,560			
HTB						646,092				54,440	50,880	88,360
DWP												
WICF	48,000											
TOTAL (STATE)	64,591,327	73,867,629	64,191,899	87,280,213	76,885,120	74,650,431	66,338,006	66,425,655	73,154,859	67,276,114	70,435,663	73,744,570

Canadian Pacific Railway

Year	CPRS	Non_CPRS
1994	11,372,914	53,218,413
1995	16,617,449	57,250,180
1996	16,032,594	48,159,305
1997	19,153,154	68,127,059
1998	17,917,640	58,967,480
1999	16,925,477	57,725,354
2000	8,740,344	57,597,662
2001	9,177,245	57,248,410
2002	8,395,821	64,759,038
2003	8,289,656	58,986,458
2004	8,888,150	61,547,513
2005	8,393,970	65,350,600

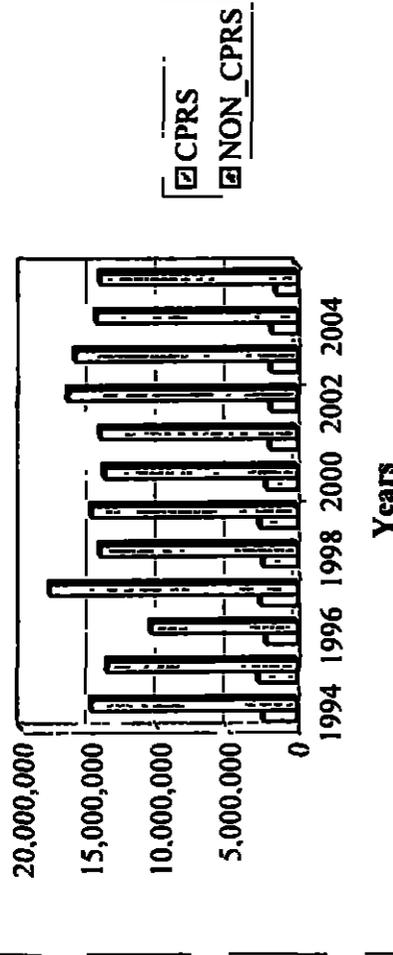
Inbound Commodity



Summary of Commodity Tonnage Originating from Wisconsin between 1994 to 2005

Originating Carrier	Year											
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
CN	5,768,394	6,525,734	3,417,189	11,471,534	8,600,528	9,073,584	8,104,228	8,124,164	7,488,772	8,604,044	7,982,744	7,844,300
WC	1,941,718	1,693,916	1,099,204	2,010,576	1,517,684	1,463,324	1,670,020	1,443,516	1,302,684	912,160	385,400	276,880
FVW	2,426,173	2,774,496	2,276,211	2,663,351	2,449,073	2,688,827	2,221,734	1,935,172	1,880,948	1,932,108	1,876,333	1,543,590
SSAM	19,120	22,640	14,100	10,980	9,840	42,680	9,960	33,300	96,804	96,804	96,400	152,600
HLS	3,598,616	2,263,584	2,785,166	776,814	600,820	660,126	452,936	959,026	629,064	932,703	755,860	983,273
BNSF	484,348	2,955,888	2,859,778	2,790,868	3,009,204	2,605,768	2,736,776	3,438,828	3,839,960	3,490,034	3,443,575	
UP	569,308	724,164	332,944	701,926	571,890	526,020	822,872	550,144	1,427,678	1,578,054	1,877,252	1,586,188
WSON												
ITB												
DWP												
GRW												
IC	1,100							78,540				
ALLS	2,987,092	2,038,520	3,040									
CNW												
DMIR												
DWP		3,080										
GTW		2,840		9,080	3,080		1,920	131,488				
IMRI					7,800		25,480					
TOTAL (STATE)	17,330,481	16,533,322	12,869,642	20,599,679	16,712,967	17,609,265	16,179,498	16,157,026	18,502,462	18,040,753	16,464,023	15,830,406

Outbound Commodity



## **CERTIFICATE OF SERVICE**

I hereby certify that I have caused the foregoing Comments and Request for Conditions, and all previous filings in regards to Financial Docket No. 35081, Canadian Pacific Railway Company, *et al*, – Control – Dakota, Minnesota & Eastern Railroad Corp., *et al.*, to be served by first class mail, postage prepaid, this 4<sup>th</sup> day of March 2008, on all parties of record on the service list.

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**Kathleen Chung, Attorney**  
**Wisconsin Department of Transportation**  
**Office of General Counsel**  
**State Bar No 1032802**