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March 13, 2008

By e-filing

Anne K. Quinlan, Esq
Acting Secretary
Surface Transportation Board
395 E Street, S W , Suite 1149
Washington, DC 20024

Re. Finance Docket No 35087, *Canadian National Railway Company and Grand Trunk Corporation -- Control -- EJ&F West Company*

Dear Ms Quinlan

Hereby transmitted is a Reply In Opposition To Condition Requested By Wisconsin & Southern Railroad Co. in behalf of Metra for filing with the Board in the above referenced matter

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Replicant

TMcF kl enc wps 01/270'efstb4

cc All parties of record

BEFORE THE
SURFACE TRANSPORTATION

CANADIAN NATIONAL RAILWAY)
COMPANY AND GRAND TRUNK) FINANCE DOCKET
CORPORATION - CONTROL - EJ&E) NO. 35087
WEST COMPANY)

REPLY IN OPPOSITION TO CONDITION REQUESTED
BY WISCONSIN & SOUTHERN RAILROAD CO.

NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION
AND
THE COMMUTER RAIL DIVISION OF THE
REGIONAL TRANSPORTATION AUTHORITY,
BOTH d.b.a. METRA
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Attorneys for Replicant

DUE DATE. March 13, 2008

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BEFORE THE
SURFACE TRANSPORTATION

CANADIAN NATIONAL RAILWAY)	
COMPANY AND GRAND TRUNK)	FINANCE DOCKET
CORPORATION – CONTROL – EJ&E)	NO 35087
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**REPLY IN OPPOSITION TO CONDITION REQUESTED
BY WISCONSIN & SOUTHERN RAILROAD CO.**

Pursuant to the Board's procedural decision served November 26, 2007, the
COMMUTER RAIL DIVISION OF THE REGIONAL TRANSPORTATION AUTHORITY
AND NORTHEAST ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION,
both doing business as METRA (Metra), hereby oppose a condition requested by WISCONSIN
& SOUTHERN RAILROAD CO. (WSOR) in Comments filed by WSOR on January 28, 2008

WSOR has requested, as a condition to approval of the CN-EJ&E transaction, that
WSOR acquire the CN 41 9 mile rail line between Grayslake and the Belt Railway of Chicago's
Clearing Yard. If such an ownership transfer were to be made, unlike WSOR, Metra can offer
years of historic financial investment into an infrastructure meant to promote a public benefit by
the provision of an asset to the commuting public and the municipalities in the area surrounding
the corridor. In addition, Metra has a successful record of maintaining and dispatching Chicago
terminal railroad corridors and would be a logical successor to all or a portion of the CN corridor
between Franklin Park and Antioch.

Metra began operating its North Central Service (NCS) in August of 1996 over the
former Wisconsin Central Railroad, now Canadian National Railroad (CN) between Franklin

Park and Antioch. Service was not able to begin until the single track railroad was expanded with the installation of fifteen miles of double track, upgrade of existing track, new bridges and new signals to accommodate commuter rail service. Under the Federal Transit Administration's New Starts Program, this investment in the corridor allowed the operation of ten Metra trains during AM and PM rush hours. Metra and the commuting public desired additional service but were restrained by the Railroad's lament of insufficient capacity.

In 2006, Metra increased its investment to expand upon the initial work and added another 16.3 miles of second track, 2.3 miles of third track, new interlockings to improve flexibility and capacity and new signal systems in the new main tracks. This expansion allowed Metra to expand service and develop express and reverse commute options. During these periods of construction, Metra invested over \$300 million in the corridor between Franklin Park and Antioch. In addition to Metra's New Starts contribution to this corridor, Metra and CN annually address other corridor needs with joint capital projects on an ongoing basis.

Since service began, commuter ridership has continued to increase. In 2006, the NCS provided 1.2 million passenger trips which was a 19% increase from 2005. In 2007, ridership increased to 1.4 million passenger trips and is only expected to continue rising as the area served continues its extreme population and employment growth. Metra has approached CN to expand service further and CN has declared repeatedly that this corridor is at capacity and has continually refused to allow Metra to add any additional trains until further capacity improvements are implemented.

For the same reason and based upon the glut of existing traffic on the CN corridor, Metra is opposed to the possibility of admitting WSOR as a tenant to any portion of the corridor. It

would be inconceivable that CN could admit another freight carrier operating slower moving freight trains when a faster moving commuter train is denied any additional service. In addition, WSOR currently has trackage rights over Metra to reach the crossing of the CN at Grayslake and the existing track arrangement at Grayslake does not allow WSOR to operate a direct connection between Metra and CN. Without the proper connection, WSOR would have to execute a "back-up" move which consumes extra capacity on both corridors and would not be allowed on the Metra portion of this track. As this area of CN track will not see a reduction in CN service, it is doubtful that CN would allow such an operation to occur either

If the CN acquisition of the EJ&E proceeds and CN reduces its operations on a portion of its corridor, Metra is currently in negotiation with CN to increase its commuter service during week days and weekends. Metra's long term goal since the inception of commuter service was to expand service to coincide with the demand of commuters in the corridor. This goal will continue as our annual capital investment continues to make Metra a contributing partner in this corridor and a natural successor should any ownership transfer occur

Respectfully submitted,

NORTHEAST ILLINOIS REGIONAL
COMMUTER RAILROAD CORPORATION
AND
THE COMMUTER RAIL DIVISION OF THE
REGIONAL TRANSPORTATION AUTHORITY,
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DUE DATE: March 13, 2008

CERTIFICATE OF SERVICE

I hereby certify that on March 13, 2008, I served the foregoing document, Reply In Opposition To Condition Requested By Wisconsin & Souther Railroad Co., on David A. Hirsh, Esq , Harkins Cunningham, LLP, 1700 K Street, N W , Suite 400, Washington, DC 20006-3804, *dhirsh@harkinscunningham.com*, and John D Heffner, Esq., John D. Heffner, PLLC, 1750 K Street, N W , Suite 350, Washington, DC 20006, *jheffner@verizon.net*, by e-mail and by first-class, U S mail, postage prepaid, on all other parties of record

Thomas F. McFarland

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