

Office
des transports
du Canada



Canadian
Transportation
Agency

Bureau du
Président

Office of the
Chairman

July 28, 2010

Surface Transportation Board
395 E. Street SW
Washington, DC
20423

Attention: Chairman Daniel R. Elliott III

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Office of Proceedings

DEC 15 2010

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Public Record

Dear Mr. Elliott:

AB 1043 (Sub No. 1)

Re: Montreal, Maine & Atlantic Railway, Ltd. – Discontinuance of Service and Abandonment – in Aroostook and Penobscot Counties, Maine

In reference to the recent Surface Transportation Board (STB) hearing into the above-noted matter, it has been brought to my attention that the STB is considering the imposition of access rights to a railway line in Maine. In this regard, I note STB Decision Docket No. AB 1043 (Sub-No.1) released on July 20, 2010 which indicates that, given that the terminus of this line is located in St. Leonard, New Brunswick, the STB is now seeking comments on its authority to order access over a carrier's lines into a foreign country. I am writing to you to provide information about the federal regulatory regime governing rail transportation in Canada.

The Canadian Transportation Agency (Agency) is an independent, quasi-judicial tribunal that makes decisions on a wide range of economic matters involving, amongst others, federal railway companies and railway lines. The Agency's mandate is derived from the *Canada Transportation Act* (CTA), S.C. 1996, c.10, as amended.

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Amongst other functions, the Agency:

- issues certificates of fitness under sections 87 and 92 of the CTA, for the operation of railways in Canada;
- administers a statutory process contained in Part III, Division V of the CTA for the transfer or discontinuance and abandonment of railway lines, including resolving disputes that may arise between railway companies and other affected parties such as municipalities, provincial governments, and shippers; and,
- processes applications by railway companies under section 138 of the CTA for the right to use land, right of way or operate trains over a portion of the railways of any other federally-regulated railway company when no negotiated agreement exists.

On August 7, 2003, the Agency issued to Montreal, Maine & Atlantic Railway, Ltd. a Certificate of Fitness No. 02004-2 to operate the railway between Canada/United States border near Saint-Léonard, New Brunswick, in Canada. On September 9, 2005, this certificate was varied by Agency Decision No. 561-R-2005 to include passenger operations.

Should MMA wish to transfer or discontinue the operation of the Canadian portion of this line, an application must be made to the Agency in accordance with the process set out in Part III, Division V of the CTA.

I hope you will find this information regarding Government of Canada regulatory approval requirements helpful in considering the above-noted application. Thank you for the opportunity to comment. I look forward to our ongoing cooperation on railway-related matters.

If you have additional questions or concerns arising from this letter, please do not hesitate to contact me.

Yours truly,



Geoffrey C. Hare
Chair and Chief Executive Officer