



Chicago Metropolitan Agency for Planning

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December 22, 2008

By E-Filing

The Honorable Anne K. Quinlan, Esq.
Acting Secretary
Surface Transportation Board
Office of the Secretary
395 E Street SW
Washington, DC 20423-0001

Re: STB Docket No. FD 35087 Canadian National Railway Company
and Grand Trunk Corporation's Acquisition of Control of the
EJ&E West Company

Dear Acting Secretary Quinlan:

On December 10, 2008, the Board for the Chicago Metropolitan Agency Planning had a thorough discussion regarding the proposed Canadian National Railway Company's (CN) acquisition of the EJ&E-West Company (EJ&E). By virtue of its enabling legislation, CMAP is required to consider the regional and intergovernmental impacts of proposed major developments, infrastructure investments, and major policies and actions by public and private entities on natural resources, neighboring communities, and residents. Despite the best efforts of the Board, they were unable to reach a consensus regarding a position either supporting or opposing the acquisition. However, during their discussion, they identified a number of reasons supporting both sides of this very important regional, and to a great degree, national issue. Should you wish to see the full deliberations of the Board, upon request we will forward a copy of the minutes once they have been approved.

The Board clearly recognizes that the economic viability of northeastern Illinois is reliant upon its role as North America's rail freight hub. Annually this region handles more than 224 million tons of freight valued at over \$350 billion. The transportation and warehousing sector of northeastern Illinois' economy provides for over 215,000 jobs yielding nearly \$12 billion in private sector earnings and \$1 billion in personal income for the region's residents. Nearly five percent of the total private sector employment is in the transportation and warehousing sector.

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Northeastern Illinois' position as a transportation and logistics center also plays a critical role in manufacturing and trade in the region. These industries account for over 30 percent of the region's private sector employment generating nearly \$80 billion in personal income for residents.

The freight hub here in northeastern Illinois has national impacts as well. Nearly one-third of all freight carried in the U.S. passes through the Chicago region. Just as delays at O'Hare International Airport can disrupt air travel throughout the nation, inefficient freight movements through this region have far-reaching implications.

As with our highway system, CMAP recognizes that the region cannot build its way out of congestion and must make more efficient use of existing regional facilities. The acquisition of the EJ&E by CN will provide some additional needed freight capacity.

However, there were also areas of concern voiced by the CMAP Board. Many of these concerns stem from the limited scope of the Environmental Impact Statement (EIS) required by the STB and outlined in our previous correspondence on the draft EIS. First, the short-term analysis timeframe for EJ&E operations is inadequate. It is not feasible to properly analyze the impacts of this acquisition by only looking three to five years beyond the date of STB approval. We previously stated this position during the scoping of the EIS and during the comment period for the Draft EIS. The EIS analysis is not nearly robust enough for us to accept as credible its assertions about EJ&E traffic.

Second, our concerns remain regarding the impact on the Chicago Region Environmental and Transportation Efficiency (CREATE) Program. Primarily this stems from the diversion of scarce resources that will be necessary to mitigate the negative impacts on local communities of the CN's acquisition of the EJ&E. Additionally, regional resources for freight improvements and for improving the fit between rail services and local communities have been set aside for CREATE, not the EJ&E. Diverting state, regional and local resources on improvements to facilitate CN control of the EJ&E is not consistent with the 2030 Regional Transportation Plan for northeastern Illinois at this time.

Third, in addition to the impact on other freight improvements, the Board still has concerns regarding the impact on passenger service both existing and programmed for Amtrak and Metra. The conclusion that there will be no impact on either the STAR Line or the Southeast Service is not consistent with the fact that the CN operating plan will reach capacity on the line within three years.

Regarding mitigation, CMAP is eager to see CN's detailed commitments to mitigate anticipated negative impacts. CN's mitigation commitments should address real community concerns about safety, noise, vibration, and traffic congestion, along with the quality of air, water, and other natural resources.

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Impacts to the Strategic Regional Arterial System (SRA) could be significant. Because the Strategic Regional network was designed to provide regional mobility, the additional delay caused by the proposed action should be mitigated. We have identified the following as at-grade highway crossings on the SRA network:

- Hough Street (Illinois Route 59), Barrington
- Ogden Avenue (U.S. Route 34), Aurora
- Chicago Road (IL 1), Chicago Heights
- Lincoln Highway (U.S. 30), Lynwood
- Stearns Road (New Bridge over Fox River in preliminary construction. Major construction is expected in 2009.)
- IL 83/IL 60 in unincorporated Lake County (Currently at-grade, 2-lane, skewed angle.)
- US 14 in Barrington (Currently at-grade, 4-lane + median, skewed angle.)
- 119th Street in Plainfield

Ultimately, any mitigation plan must take a regional approach to best utilize public and private funds to resolve our most critical issues.

Finally, we are concerned about the impact of the acquisition on numerous bicycle and pedestrian facilities that currently exist and many that are planned for the region. Safety of the public is of the utmost importance.

To summarize, the CMAP Board did not reach consensus on a position regarding the acquisition of the EJ&E by the CN. However, the CMAP Board recognizes that the economic viability of northeastern Illinois is reliant upon its role as North America's rail freight hub. With this role, the region must consider how to improve the freight system and its vital importance to the regional economy, while also minimizing impacts to local communities. Therefore, in the event that the STB approves this acquisition, we respectfully request that the preceding concerns be required conditions of the applicant. Our agency remains committed to helping all parties reach an outcome that maximizes benefits of the region's freight system while minimizing impacts on the region's communities.

Sincerely,

Randall S. Blankenhorn
Executive Director

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