



NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION

Together We Make The Difference

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May 22, 2008

Ms. Victoria J Rutson
Chief of the Section of Environmental Analysis
Surface Transportation Board (STB)
395 E Street, Southwest
Room 1106
Washington, D.C. 20423

**RE: Finance Docket No. 35087, Canadian National Railway Company and Grand
Trunk Corporation - Control – Elgin, Joliet, and Eastern Railway West Company**

Dear Ms. Rutson:

The Northwestern Indiana Regional Planning Commission (NIRPC) writes today to thank you for hosting the Stakeholders Informational Meeting on April 30th, 2008 in Portage, IN and to summarize our understanding of the discussion about the Environmental Impact Study (EIS) to be performed by the Surface Transportation Board (STB) in the coming months.

The STB's Section of Environmental Analysis (SEA) expects that the Environmental Impact Statement (EIS) will be completed by the end of summer 2008. The EIS will be made available for public review and its recommendations will be forwarded to the STB. The STB will make a Final Decision on the CN Railroad's proposal to purchase of the EJ&E Railroad by 2010 and it will be one of the following three options: 1) reject the purchase; 2) accept the purchase; 3) accept the purchase with conditions to mitigate certain environmental impacts. This letter is also supplemental information to our letter of January 31, 2008.

The April 30th discussion raised the following information and issues:

NIRPC has offered its help to

- Provide the STB with regional traffic counts and air quality data. NIRPC requests that the EIS includes a separate Indiana air quality analysis, to see if Indiana will be unfairly impacted by air pollutants.
- Collect Northwest Indiana communities' comments, environmental issues and mitigation needs and then forward them to the STB.
- Review the draft EIS at the end of summer 2008 and make a regional statement on the benefits and costs for Northwest Indiana.
- Facilitate the convening of another regional meeting to discuss the draft EIS at a location convenient to our most impacted communities in Lake County.

Other discussion items included the negative impacts that the CN Railroad's purchase of the EJ&E Railroad would have on communities in Northwest Indiana, i.e., Increased traffic delays

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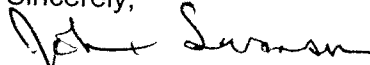
and congestion due to increased train lengths and significantly more frequent trains. There would be more air emissions from idling vehicles at grade crossings which could jeopardize our region's efforts to overturn its non-attainment status and to reach attainment status.

1. There would be increased gasoline consumption, more noise and vibrations, higher crash risks at grade crossings, and more potential health and fire hazards due to emergency vehicle delays. The Town of Griffith, at the southern junction between the east-west CN tracks and the north-south EJ&E tracks, would be severely negatively impacted by the expected increase in train traffic and the Town would need a new fire station on the east side of the EJ&E tracks so the Town's emergency services could remain at existing levels.
2. No written agreement has been reached between the CN and the Gary-Chicago International Airport to relocate the EJ&E tracks along Cline Avenue. NIRPC requests that the STB require a written commitment from the CN that it would agree to the relocation of the EJ&E tracks. The CN is concerned that if the tracks were relocated each of its trains would travel an extra mile further and consume extra fuel. However, CN has not expressed concern for the extra fuel and delays that northwest Indiana residents will pay due to the increased delays and congestion that would be caused by CN's purchase of the EJ&E.
3. Northwest Indiana communities would not receive any economic benefits from the purchase. Although CN would be spending \$100 million to improve their operations and to expand their capacity, there will be few new jobs created and there will be no construction of intermodal facilities or warehouses in northwest Indiana.
4. The Marquette Vision and Plan, Phases I & II, a plan to reclaim the Lake Michigan Lakeshore for new commercial and recreational development and greater public access will be negatively impacted. The Ivanhoe Nature Preserve is also adjacent to the improvements that CN is proposing at the Ivanhoe rail crossing. We hope that this area will be studied to determine whether there will be any negative impacts on the Preserve.

Although the Northwest Indiana region welcomes corporate development and investment, we also expect that a good corporate citizen would share the benefits of its increased efficiency of operations and profits to help mitigate the burdens and costs to the communities of Northwest Indiana.

Thank you for your consideration of our comments.

Sincerely,



John Swanson
Executive Director

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Appendix:

The following stakeholders were present at the Stakeholders Informational Meeting on April 30th, 2008 in Portage, IN:

Phillis Johnson-Ball, STB-SEA
Victoria Rutson, STB/SEA
John Morton, HDR
Dick Gorton, HDR
Tony Randazzo, HDR
Bill Burgel, HDR
Mark Lopez, Office of U.S. Representative Peter Visclosky
Robert Rybicki, Town of Dyer
Geraldine Tousent, City of Gary
Christopher Meyers, City of Gary
Susan Servetson, Law Department, City of Gary
Yusef Shakoor, City of Gary Engineer
Roosevelt Allen, Lake County Commissioner
Delvert Cole, Lake County Administrative Assistant
Stan Dobosz, Town of Griffith
John Bach, Town of Highland
Tim Brown, Town of Merrillville
Dave Shafer, Town of Munster
Bob Volkmann, Town of Schererville
Ed Malinowski, Town of Schererville
Chris Curry, Gary-Chicago International Airport
John Parsons, NICTD
Charles Siar, Izaak Walton League
Edward Cox, UTU #740
Elizabeth McCloskey, US Fish & Wildlife Service
Heather Tarezan
John Foyer
Dan Gardner, NIRPC
Bill Brown, NIRPC
Keith Benman, The Times
Erik Potter, Post-Tribune