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August 25, 2008

Ms. Anne Quinlan
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Dear Ms. Quinlan,

On January 29 and on March 21 of this year, I wrote you to register a formal complaint against the business practices of the Canadian National Railroad, CN. I have not received a response from the S.T.B.

Our dissatisfaction with the CN continues. The CN has created quite a lucrative situation for them selves. In 2005, they reduced our train service from five to three days per week. Now we cannot cycle rail cars through our facility fast enough to avoid their excessive demurrage charges, the rate of which has increased 56% since 2005. They created this situation and then penalize us as a result. They attempt to justify this as an effort to counter act the rail car shortage. They want car users to cycle cars quickly or be penalized for extended use, while at the same time limiting the number of days that they will provide service to those same customers.

On July 1, 2008, the CN moved to a weekly billing cycle for car use/demurrage issues. This is just another money maker for the CN. Previously, it was a monthly billing cycle, where we could accumulate "credits" for unloading rail cars quickly during low volume weeks. We could use these credits to offset "debits" accumulated during high volume weeks. Now with weekly billings, we are not allowed to carry credits over into the next week or billing cycle. As a result, they removed the one small mechanism that we had to offset busy periods and reduce the CN's excessive demurrage charges.

On April 16, 2008, I attended a customer meeting hosted by the CN Railroad. The purpose of the meeting was for the CN to explain their poor performance over the previous winter months. Their excuses were all weather related. They excused their performance without any financial implications, while during the same weather conditions, their customers were expected to operate efficiently or pay demurrage charges as the consequence. I estimate that fifty to sixty companies were represented at this meeting. Everyone had similar complaints of poor service and increased operating costs. I previously thought that the CN's poor service was limited to the Wausau area, but apparently the majority of CN customers are dissatisfied and suffering financial implications.

Over the past few months I have received correspondence from your office in regard to the CN proposed acquisition of the E.J. & E. Railroad, finance docket #35087. My recommendation to you is that the CN not be permitted to purchase another foot of track in the U.S. until they agree to provide acceptable service levels to its customers. As owners of the rail system, they have an obligation to the businesses on that track, as well as to the economic well-being of this country. I believe their only interest is to acquire major corridors through our country to link Canada with our major ports and that they have little interest in the supporting their many smaller customers along the way.

I would appreciate your comments and your immediate attention in this matter.

Respectfully,

Jerry Berenz
Logistics Manager
PDM Bridge, LLC, Wausau, WI