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SCOPING MEETING FOR THE PROPOSED CANADIAN  
NATIONAL RAILWAY COMPANY ACQUISITION OF THE  
ELGIN, JOLIET AND EASTERN RAILWAY COMPANY

STATEMENT OF:

JAMES C. LA BELLE

JANUARY 22, 2008

Surface Transportation Board

CN-EJ&E EIS - FD-35087

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REPORTED BY: Fran Okrei, 84-1074

1 MR. LABELLE: My name is Jim LaBelle  
2 and I'm Vice President of Chicago Metropolis  
3 2020. We are a business led civic  
4 organization that was created by the  
5 Commercial Club of Chicago to deal with  
6 regional issues.

7 We will be submitting written  
8 comments, but today I wanted to at least list  
9 some questions that have to do with data that  
10 would be helpful as the EIS prepare.

11 One is -- has to do with the benefits  
12 to the other railroads and the economic  
13 benefits that result from that for the region.  
14 If traffic is diverted from the interior rail  
15 lines to the EJ&E, SCN's application states,  
16 reduce the use by the CN of the IHB and some  
17 of the other interior railways. That would  
18 make that capacity available for the other  
19 freight railroads.

20 As a result, there would be more  
21 efficient movements for the other railways.  
22 It would be worth understanding what goes --  
23 how much time they would save as a result of  
24 having that capacity more readily available to

1    them and how that translates into economic  
2    benefits for the region. So that's one.

3           The second has to do with the  
4    connections between the EJ&E and the --  
5    freight railroads. I would like to see better  
6    connections that would make -- that would make  
7    it possible for the other freight railroads to  
8    use portions of the EJ&E to divert traffic  
9    from the interior in the same way that the CN  
10   is wanting to do it for its own purposes.

11           So to the extent that that capacity  
12   could be made available to other railroads to  
13   relieve congestion on the interior freight  
14   system in the Chicago area worth knowing and  
15   worth pursuing.

16           We are interested in the regional  
17   benefits to this. Certainly what the CN is  
18   proposing has benefits for its own operations  
19   and there are regional benefits that result  
20   from that making the EJ&E available for the  
21   other railroads to use, as well, would  
22   maximize those regional benefits.

23           We are concerned about the effect of  
24   this on Amtrack service and would like to

1 understand better what the alternatives are  
2 for Amtrack service, not only to continue with  
3 the volumes that it has now but to be able to  
4 provide increased levels of service as  
5 demanded for inter-city passenger rail line  
6 increases.

7 And I'd like to understand how -- what  
8 the STB can do in working with the CN and the  
9 other owners of the St. Charles Airline and  
10 the other railroads to make sure that Amtrack  
11 service is continued and strengthened.

12 Another data issue has to do with  
13 historic volumes on the EJ&E. I'd be  
14 interested in knowing how the volumes that the  
15 CN is projecting for the EJ&E after this  
16 change compare with peak volumes the EJ&E has  
17 had in its history.

18 I would certainly expect that when US  
19 Steel was operating its steel plant in  
20 Waukegan and Joliet and South Works, that  
21 there must have been a lot more trains running  
22 on it than now.

23 It would be worth understanding how  
24 that -- what's proposed compared to those peak

1 volumes in different segments of the EJ&E.

2 This is another point but related to  
3 that is how the proposed volumes and the EJ&E  
4 compare with existing volumes of freight  
5 trains than some of the other major rail lines  
6 in the Chicago region and how those volumes  
7 impact neighboring communities where they  
8 exist today to give some perspective on how  
9 big this is. Is it like the other railroads  
10 have or less? I don't know. It would be  
11 worth finding out how big this is.

12 Another point. The EJ&E crosses all  
13 or at least most of the Metra passenger lines  
14 that are in place now. I'd like to understand  
15 better where those crossings are now at grade,  
16 what can be done to make sure that with the  
17 increased volumes, that Metra services  
18 maintained and the potential for expanded  
19 Metra service on those lines is also  
20 maintained.

21 And whether it would need to be grade  
22 separated or so other actions that need to be  
23 made to make sure that Metra service options  
24 continue to be available would be worth

1 understanding.

2 I'd like to understand better what the  
3 EJ&E could do now if a major railroad wanted  
4 to go through trackage right agreements, if a  
5 major railroad through that wanted to use  
6 portions or all of the EJ&E, what approval  
7 would be needed for the EJ&E to do that.

8 I'd like to understand how the EJ&E  
9 would relate to some of the new major  
10 intra-modal facility developments that are  
11 being proposed in the region. Most of these  
12 are in the south suburban area.

13 There's one near Crete. There's  
14 another north of the BNSF facility at Elwood  
15 and there are others proposed in the south  
16 land and those kind of major developments  
17 should be contemplated as the improvements to  
18 the EJ&E are made.

19 This is a general question about  
20 mitigation and how it's paid for. Are there  
21 examples of use of some kind of mitigation fee  
22 that would be assessed on a per car load or  
23 per container basis where a railroad should  
24 raise money to pay for mitigation that is

1 needed to minimize the negative impacts on  
2 certain communities?

3 What's been used elsewhere, what might  
4 be the opportunities for some kind of  
5 reasonable mitigation fees that could address  
6 some of those negative issues.

7 Finally, on balance, I think that this  
8 acquisition can offer significant benefits to  
9 the region in terms of increasing its capacity  
10 to handle more freight volume, for relieving  
11 congestion on the existing system that has  
12 choked particularly the central parts of the  
13 Chicago system.

14 And so it's an opportunity that we  
15 should take advantage of for the region and,  
16 of course, the objective is to maximize the  
17 benefits and minimize whatever negative  
18 impacts it might have.

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