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BY E-MAIL (rutsonv@stb.dot.gov)

Ms. Victoria J. Rutson, Chief
Section of Environmental Analysis
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

**Re: Canadian National Railway Company and Grand Trunk Corporation –
Control – EJ&E West Company (STB Finance Docket No. 35087)**

Dear Ms. Rutson:

Enclosed are the comments of Canadian National Railway Company and Grand Trunk Corporation (together, "CN") on the redacted draft description of the purpose of and need for the Transaction proposed in this proceeding, as provided in your letter of April 18, 2008, to Normand Pellerin of CN.

We appreciate the opportunity to review and comment on this draft.

Very truly yours,

Paul A. Cunningham /jmg
Paul A. Cunningham
Counsel for Canadian National Railway Company
and Grand Trunk Corporation

Enclosure

cc: Phillis Johnson-Ball
John H. Morton
Normand Pellerin

**Comments on Chapter 1 (Purpose of and Need for the Proposed Action)
of Draft EIS, as Redacted for CN's Review (April 2008)**

Section 1.1, para. 1, lines 3-4: The draft states that CN's application sought STB approval "to acquire control of EJ&E West Company, a wholly owned noncarrier subsidiary of Elgin, Joliet and Eastern Railway Company (EJE)." This sentence is potentially confusing. We suggest revising it to refer to "EJ&E West Company, which today is a wholly owned noncarrier subsidiary" (While it is true that EJ&EW is today a noncarrier, the only reason regulatory approval is needed at all is that it will be a rail carrier when and if CN acquires it.)

Section 1.1, para. 1, lines 6-7: The draft states that "[t]he EJ&E rail line . . . extends in an arc around Chicago as follows:" We suggest changing this to refer to "EJ&E's principal rail line". (There are other EJ&E rail lines, including ones that CN proposes to acquire, besides the one extending from Waukegan to Gary, then along the Lake.)

Section 1.1, para. 2, lines 6-7: We recommend changing "this Environmental Impact Statement (EIS) refers to the proposed acquisition of EJ&E" to "this Environmental Impact Statement (EIS) refers to the proposed acquisition of EJ&E West Company." (CN does not propose to acquire EJ&E, although it anticipates that at the time of the acquisition, EJ&EW will be the owner of most of what are now most of EJ&E's assets.)

Section 1.1, para. 3, lines 4-5: We recommend changing "construction of six new rail connections, siding extensions, and second mainline track" to "construction of six improved rail connections, as well as to three extensions of sidings and installation of second mainline track". (As written, it appears that the number six applies to the siding extensions and double-trackings as well as to the connections. Also, CN prefers to describe the connections as improvements to existing connections rather than new ones. At all six locations, the existing connections could be used for the movements that the new construction is intended to facilitate, although much less efficiently, and CN therefore regards the proposed construction as improvements to those connections.)

Section 1.1, para. 3, line 7: We note that, in fact, CEQ and STB rules only require an EIS for actions "significantly affecting the quality of the human environment," 42 U.S.C. § 4332(2)(C), 49 C.F.R. § 1508.11, not those that only "may significantly affect the environment."

Section 1.2.1, para. 2, line 2: We note that the identification of Figure 1.2-1 as "Chicago Terminal District" may be misleading, as Figure 1.2-1 does not appear to show the entire Chicago Terminal District. (The CORA Chicago Terminal District Map, by way of contrast, extends as far as Waukegan in the north, West Chicago Yard and Eola Yard in the west, the Cook-Will county line in the south, and Kirk Yard in the east.) It may be more appropriate to identify the map as "Major Routes Used by CN Through Chicago."

Section 1.2.2, para. 1, line 5: We suggest changing "Port Huron, Michigan" to "Port Huron and Detroit, Michigan".

Section 1.2.2., para. 3, lines 7-8: We suggest changing “To move from one CN rail line to another, CN trains must travel on other rail lines” to “Most CN trains moving from one CN rail line to another must travel on other rail lines”. (Trains may move from the Joliet or Freeport Subdivisions to the Chicago Subdivision and vice versa without using any other railroads’ lines, although relatively few trains make this movement.)

Section 1.2.3, para. 2, line 2: We suggest striking the words “‘Chicago’s Outer Belt’ or”. To the best of our knowledge, EJ&E has not referred to itself as Chicago’s Outer Belt since about 1974.

