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June 20, 2018

Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington DC 20423-0001



Re: **FD 36178 Metropolitan Council - Petition for Declaratory Order**

Dear Ms. Brown:

Pilot Travel Centers LLC ("PTC") previously filed a letter in support of Twin Cities and Western Railroad Company's ("TC&W") initial reply requesting that the Board set a procedural schedule to permit public comment and a full hearing on the Metropolitan Council's ("Met Council") Petition for Declaratory Order ("Petition") seeking to acquire ownership of the Bass Lake and Kenilworth corridors in Hennepin County, Minnesota (collectively the "Corridor") without approval from the Surface Transportation Board ("Board"). On May 21, 2018, the Board issued its decision allowing for additional public comments on the Petition. This letter is submitted pursuant to the Board's invitation for additional public comment.

PTC is the largest operator of travel centers in North America with more than 750 locations in 43 states and 6 Canadian provinces. A fundamental function of PTC's business is the supply and distribution of fuels and other products to its customers at its travel centers across the United States and Canada. A critical product for PTC's commercial truck drivers is diesel exhaust fluid, or "DEF", which is required by all modern diesel engines and used to lower the nitrogen oxide concentration in diesel exhaust emissions. PTC relies on the rail system for delivery of raw materials to its DEF blending plants across the country, as well as for delivering DEF to customers. Rail service serves as a means to ensure efficient and cost-effective delivery of DEF to PTC's customers throughout the United States and Canada.

One of PTC's DEF blending facilities was recently constructed in Arlington, Minnesota. PTC invested close to \$2 million in building the DEF terminal and rehabilitating the industry track line serving that facility. PTC has a track agreement with TC&W to provide rail service to not only provide raw materials for the Arlington blending facility, but also to transport the finished DEF through the Twin Cities to connect with major Class I carriers for transport to other states. A critical section of that route includes the Corridor.

The Board's May 21, 2018 decision specifically requests comments on whether operational impacts on TC&W should be considered as part of the Board's analysis. PTC, as a shipper on the affected line, believes that the Board must consider impact of the proposed acquisition by the Met Council and subsequent acquisition of the Corridor by the Hennepin County Regional

Railroad Authority (“HCRRA”) on TC&W’s ability to continue to provide uninterrupted rail service in a cost-effective manner.

PTC is concerned that there will be disruptions within the Corridor during the four year construction period currently proposed for the construction of the Southwest Light Rail Transit Project (“Project”). From public records, it appears that the current plan is to construct parallel tracks within the Corridor to accommodate both passenger and freight traffic. In PTC’s discussions with TC&W, it is our understanding that neither the Met Council nor the HCRRA has provided TC&W with concrete plans on how they will prevent disruptions of freight traffic through the Corridor during the construction of the Project. Given that it will be inevitable that the rail line will have to be taken out of service from time to time during construction in order for the rail line will be relocated and realigned, TC&W (as well as its shippers) will be adversely impacted.

In addition to the disruptions which will occur during the construction of the Project, PTC has concerns with respect to TC&W’s freight traffic sharing the Corridor with passenger traffic. There have been multiple instances of protesters blocking other LRT lines in the Twin Cities, incidences of vehicular and pedestrian collisions with LRT trains and other disruptions to LRT traffic that could adversely impact TC&W’s ability to provide freight service to its shippers. The Met Council and HCRRA must provide adequate restoration of service plans so that such incidents will not cause the freight line within the Corridor to be unusable for any length of time. These concerns could be alleviated if there was some sort of construction and operation agreement between Met Council and TC&W, but it is our understanding that no such agreement currently exists.

The existing agreements are trackage rights agreements governing TC&W’s overhead operations and we have been informed that they do not contain any provisions dealing with what happens during construction of a parallel passenger transit system in the same railroad corridor or how the Corridor should operate in the future to accommodate both passenger and freight operations. At a minimum, the Board should require that the Met Council be required to enter into a construction and operation agreement with TC&W that will protect shippers’ transit times during the construction phase; provide for safety and security plans to prevent future accidents or blockage that would delay rail service, and sets forth the obligations of the parties with respect to the future shared usage of the Corridor.

The second area of concern to PTC is the Met Council’s plans to remove a significant number of the existing sidetracks currently used by TC&W. TC&W has explained how it relies on the existing sidetracks in order to provide timely and efficient rail service along the line. Without those sidetracks, or the ability to use replacement sidetracks nearby, which do not currently exist, TC&W has informed us that our transit times will be significantly impacted, which will increase our costs to transport our product which we believe is not acceptable. The Met Council must be

required to replace any sidetracks that are removed such that there is no adverse impact to TC&W's ability to provide freight service to PTC and other shippers.

PTC appreciates the opportunity provide additional public comment to the Board regarding the economic impact to shippers such as PTC who utilize TC&W's freight services along the line as the Board considers the Met Council's Petition. Efficient, economical and reliable freight rail service along the line should be preserved and PTC believes that this can be achieved if the concerns discussed in this letter are addressed in a thoughtful and equitable manner.

Sincerely,

PILOT TRAVEL CENTERS LLC



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CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of these comments via prepaid first class mail to all parties of record in this proceeding or by more expeditious means of delivery.

Dated this 20th day of June, 2018.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned over a horizontal line.