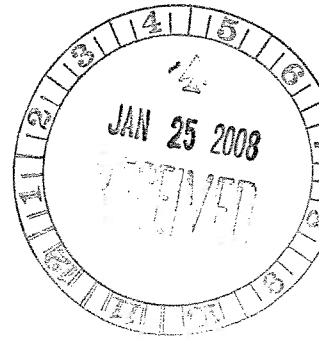


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January 25, 2008

Surface Transportation Board
395 E Street, NW
Washington, DC 20423

RE: FD-35087-0 Canadian National Railway – Control – EJ&E West Company

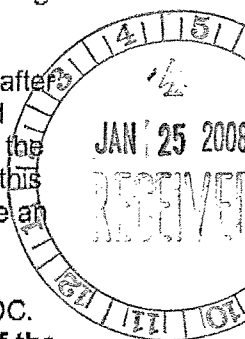
Members of the STB:

The Transportation for Illinois Coalition is a diverse group of statewide and regional business, organized-labor, industry, governmental and not-for-profit organizations that have joined together in a united effort to support a strong transportation alliance for Illinois. With more than 70 organizations as members, the coalition takes a comprehensive approach and seeks to speak with one voice for all of Illinois regarding transportation issues at both the state and federal levels. The coalition believes that transportation is critical to the economy of Illinois. Our comprehensive approach involves all modes of transportation, including rail, air, water, highways and mass transit.

We write today asking the Surface Transportation Board to be thorough in its deliberations as it considers the merits of the Canadian National Railway's purchase of the Elgin, Joliet & Eastern Railway. **If done right, CN's acquisition of the EJ&E will provide significant benefits for rail traffic flows through the congested Chicagoland rail network.** But we ask the STB to exercise great caution as it, in effect, realigns the nation's rail hub. Conditions must be required that result in a clean and efficient outcome that improves freight rail flow, maintains efficient Amtrak service, and mitigates negative impacts to suburban communities.

Of major concern is the impact upon Amtrak service in Illinois, as six trains running south from Chicago to Carbondale will be negatively impacted by the proposed abandonment of the St. Charles Airline. Four of these trains are funded by the State of Illinois and have shown an explosive 75% increase in ridership in the past year. The two other trains are part of the national Amtrak network and connect Chicago to New Orleans. TFIC considers high-quality Amtrak service essential to the economic and environmental well-being of the state, region and nation. We note the comments filed by many others in this proceeding and particularly those filed by the City of Chicago expressing *"concern regarding the impact of this acquisition on Amtrak."*

In order to ensure a direct Amtrak route from Southern Illinois into Chicago Union Station after abandonment of the St. Charles Airline, a connection will need to be constructed at Grand Crossing (75th Street) from the CN mainline to the Norfolk Southern mainline. In addition, the NS mainline will need additional capacity to accommodate the rerouted Amtrak trains, as this NS line is already highly congested. Any failure to provide additional capacity would place an undue burden on NS freight service and cause additional delays for Amtrak's eight daily regional trains between Chicago and Michigan, as well as Amtrak national network trains serving Eastern destinations such as New York, Pittsburgh, Cleveland and Washington, DC. **As a condition of approval, the STB should require CN to fund a significant share of the cost of the Grand Crossing connection and NS capacity improvements.**



Of additional concern is the impact of the train traffic that will shift off of certain CN lines throughout the region and its consolidation on the EJ&E. In itself, it is this shift of traffic that has the potential to better balance and improve the flow of rail traffic through the Chicagoland rail hub and provide significant benefits to shippers, the flow of goods, and the region's economy. However, there is no debating the negative impact on several communities along the EJ&E from additional train traffic. The substantial cost of grade crossing improvements, underpasses, overpasses and sound barriers should not fall exclusively upon the State of Illinois or local communities. **As a condition of approval, the STB should ensure that unintentional negative impacts are addressed, with CN required to fund a fair share of these costs.**

The STB should further ensure that any approved mitigation plan minimize the differential impact between "winners and losers" and provide the highest return of benefits – to all parties – for the costs invested. CN should not be allowed to "cherry pick" a few projects. We believe the opportunity is ripe for a Public-Private partnership that results in both a more efficient flow of freight rail traffic as well as auto traffic. A regional plan should be developed by the Illinois Department of Transportation and CN to review auto traffic flow and significant points of auto/rail congestion. Overpasses, underpasses and grade crossing investments should be targeted to areas where maximum benefits are received for improved traffic flow, vehicle and community safety, as well as, environmental mitigation. The EJ&E was built 100 years ago as an "Outer Belt Line" through what was then open country. Without substantial rail-highway grade separations it is not fully prepared to become a high-volume freight train route through some of Chicago's most densely settled residential suburbs.

On behalf of our statewide membership, if the above conditions are met, the Transportation for Illinois Coalition would offer its support for CN's acquisition of the EJ&E.

Sincerely,

Michael T. Carrigan
President, Illinois AFL-CIO
TFIC Co-Chair

Surface Transportation Board Douglas L. Whitley
CN-EJ&E EIS - FD-35087 President, Illinois Chamber of Commerce
TFIC Co-Chair

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