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August 21, 2009

**VIA E-FILING**

Ms. Anne Quinlan, Acting Secretary  
Surface Transportation Board  
395 E. Street, S.W.  
Washington, D.C. 20423

**Re: Finance Docket No. 35264 - Trackage Rights Agreement between Elgin, Joliet & Eastern Railway and Illinois Central Railroad Company**

**Finance Docket No. 35265 - Trackage Rights Agreement between Elgin, Joliet & Eastern Railway and Wisconsin Central, Ltd.**

**Finance Docket No. 35266 - Trackage Rights Agreement between Elgin, Joliet & Eastern Railway and Grand Trunk Western Railroad**

**Finance Docket No. 35267 - Trackage Rights Agreement between Illinois Central Railroad Company and Chicago Central & Pacific Railroad**

**Finance Docket No. 35268 - Trackage Rights Agreement between Illinois Central Railroad Company and Grand Trunk Western Railroad**

**Finance Docket No. 35269 - Trackage Rights Agreement between Illinois Central Railroad Company and Wisconsin Central, Ltd.**

**Finance Docket No. 35270 - Trackage Rights Agreement between Grand Trunk Western Railroad and Illinois Central Railroad Company**

**Finance Docket No. 35271 - Trackage Rights Agreement between Grand Trunk Western Railroad and Illinois Central Railroad Company**

**Finance Docket No. 35272 - Trackage Rights Agreement between Grand Trunk Western Railroad and Illinois Central Railroad Company**

**Finance Docket No. 35273 - Trackage Rights Agreement between Grand Trunk Western Railroad and Wisconsin Central, Ltd.**

Ms. Anne Quinlan  
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**Finance Docket No. 35274 - Trackage Rights Agreement between Grand Trunk Western Railroad and Chicago Central & Pacific Railroad**

**Finance Docket No. 35275 - Trackage Rights Agreement between Chicago Central & Pacific Railroad and Illinois Central Railroad Company**

**Finance Docket No. 35276 - Trackage Rights Agreement between Chicago Central & Pacific Railroad and Illinois Central Railroad Company**

**Finance Docket No. 35277 - Trackage Rights Agreement between Chicago Central & Pacific Railroad and Wisconsin Central, Ltd.**

**Finance Docket No. 35278 - Trackage Rights Agreement between Chicago Central & Pacific Railroad and Grand Trunk Western Railroad Company**

**Finance Docket No. 35279 - Trackage Rights Agreement between Wisconsin Central, Ltd. and Illinois Central Railroad Company**

**Finance Docket No. 35280 - Trackage Rights Agreement between Wisconsin Central, Ltd. and Grand Trunk Western Railroad**

Dear Ms. Quinlan:

Pursuant to the Board's orders of August 17 and 18, 2009, enclosed please find a Supplement to Verified Notices of Exemption.

Please feel free to contact me should any questions arise regarding this filing. Thank you for your assistance on this matter.

Respectfully submitted,



Thomas J. Healey

Enclosures

**[CONTAINS COLOR MAPS AS EXHIBITS A AND B]**

**BEFORE THE  
SURFACE TRANSPORTATION BOARD  
WASHINGTON, DC 20423**

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STB Finance Docket No. 35264

Elgin, Joliet & Eastern Railway Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company

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STB Finance Docket No. 35265

Elgin, Joliet & Eastern Railway Company  
– Trackage Rights Exemption –  
Wisconsin Central, Ltd.

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STB Finance Docket No. 35266

Elgin, Joliet & Eastern Railway Company  
– Trackage Rights Exemption –  
Grand Trunk Western Railroad Company

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STB Finance Docket No. 35267

Illinois Central Railroad Company  
– Trackage Rights Exemption –  
Chicago, Central & Pacific Railroad Company

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STB Finance Docket No. 35268

Illinois Central Railroad Company  
– Trackage Rights Exemption –  
Grand Trunk Western Railroad Company

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STB Finance Docket No. 35269

Illinois Central Railroad Company  
– Trackage Rights Exemption –  
Wisconsin Central, Ltd.

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STB Finance Docket No. 35270

Grand Trunk Western Railroad Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company  
(Harvey to University Park)

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STB Finance Docket No. 35271

Grand Trunk Western Railroad Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company  
(Bridgeport to Belt Crossing)

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STB Finance Docket No. 35272

Grand Trunk Western Railroad Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company  
(Argo to Joliet)

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STB Finance Docket No. 35273

Grand Trunk Western Railroad Company  
– Trackage Rights Exemption –  
Wisconsin Central, Ltd.

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STB Finance Docket No. 35274

Grand Trunk Western Railroad Company  
– Trackage Rights Exemption –  
Chicago, Central & Pacific Railroad Company

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STB Finance Docket No. 35275

Chicago, Central & Pacific Railroad Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company  
(Belt Crossing to University Park)

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STB Finance Docket No. 35276

Chicago, Central & Pacific Railroad Company  
– Trackage Rights Exemption –  
Illinois Central Railroad Company  
(Bridgeport to Joliet)

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STB Finance Docket No. 35277

Chicago, Central & Pacific Railroad Company  
– Trackage Rights Exemption –  
Wisconsin Central, Ltd.

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STB Finance Docket No. 35278

Chicago, Central & Pacific Railroad Company  
– Trackage Rights Exemption –  
Grand Trunk Western Railroad Company

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STB Finance Docket No. 35279

Wisconsin Central, Ltd.  
– Trackage Rights Exemption –  
Illinois Central Railroad Company

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STB Finance Docket No. 35280

Wisconsin Central, Ltd.  
– Trackage Rights Exemption –  
Grand Trunk Western Railroad Company

### **SUPPLEMENT TO VERIFIED NOTICES OF EXEMPTION**

Canadian National Railway Company (CNR), on behalf of itself and its railroad subsidiaries operating within the Chicago metropolitan area,<sup>1</sup> provides this response to the Surface Transportation Board’s orders of August 17, 2009,<sup>2</sup> and August 18, 2009,<sup>3</sup> directing CNR and Applicants to provide “an explanation of how [each] notice relates to the 16 other notices filed simultaneously by carrier subsidiaries of CN[R], [and] an explanation of how these notices would impact the information provided to the Board in [Canadian National Railway Company and Grand Trunk Corporation – Control – EJ&E West Company, STB Finance Docket No. 35087 (‘CN-EJ&E’)]”.

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<sup>1</sup> Illinois Central Railroad Company (IC), Grand Trunk Western Railroad Company (“GTW”), Chicago, Central and Pacific Railroad Company (“CCP”), Wisconsin Central Ltd. (“WCL”), and Elgin, Joliet & Eastern Railway Company (“EJ&E”). IC, GTW, CCP, WCL, and EJ&E are referred to collectively as “Applicants,” and CNR and Applicants are referred to collectively as “CN.”

<sup>2</sup> In Finance Docket Nos. 35264, 35265, 35266, 35267, 35268, 35269, 35270, 35272, 35273, 35274, 35275, 35276, 35277, 35278, 35279, and 35280.

<sup>3</sup> In Finance Docket No. 35271.

CNR is the parent company of Grand Trunk Corporation, a holding company that owns 100% of the stock of IC, GTW, CCP, GTW, and EJ&E. While CNR and its subsidiaries collectively provide freight rail transportation services under the “CN” name, each of the subsidiaries has been maintained as a separate corporation, owning its own real estate and tracks, and each maintains separate collective bargaining agreements with its operating unions (although IC and CCP are covered under one agreement with each union).

Because CN provides service through subsidiaries that have separate corporate identities, it must abide by the terms of each subsidiary’s franchise and labor agreements. To increase the flexibility of its operations among its subsidiaries, CN initially provided for the exchange of trackage rights in the Chicago area between certain Applicants, including all grants of trackage rights now intended over the EJ&E property itself. Thus, six notices of exemption were filed simultaneously with the application in CN-EJ&E, providing for trackage rights for CCP, GTW, IC, and WCL over the EJ&E arc between Leighton and Gary, and for trackage rights for EJ&E over certain CCP and IC lines.<sup>4</sup> Then earlier this year, when WCL sought to extend its operations from Matteson to Homewood to operate on IC’s tracks into IC’s Markham Yard, WCL filed a notice of exemption for authority from the Board to do so. See Illinois Central Railroad Company – Trackage Rights Exemption – Wisconsin Central Ltd., STB Finance Docket No. 35223 (STB served Mar. 13, 2009).

Rather than continue to confront these operating issues individually, Applicants have entered into the trackage rights agreements that are the subjects of the notices of exemption in these dockets, in order to further increase the operating flexibility for all CN railroads within the

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<sup>4</sup> At the time of the filing of the notices, EJ&E was known as EJ&E West Company. EJ&E adopted its present name upon its acquisition by CNR, pursuant to the authority granted by the Board in CN-EJ&E.

arc of the EJ&E. When these agreements become effective, all of the Applicants will have the contractual right and regulatory authority to operate on any CN line on or within the EJ&E arc.<sup>5</sup> Thus, they will be able to structure their operations in the way that is more efficient.<sup>6</sup>

The trackage rights CN seeks here will not have any impact on the authority it received in CN-EJ&E, nor will they have any effect on the Board's review of CN's Operating Plan or of the environmental impacts of the transaction approved in that case. The Operating Plan in that transaction was developed with the assumption that CN would be free to move any of its trains over any of its lines in the Chicago area. The trackage rights at issue in these dockets are intended to ensure further flexibility in carrying out that Operating Plan, and they constitute part of the coordination referred to in the CN-EJ&E Application, where CN said that, in order to better realize the potential efficiencies and service benefits of the proposed acquisition, there could be further post-transaction coordinations to facilitate operations in and through the Chicago terminal.<sup>7</sup>

CN has no plans use these trackage rights to reroute any train whose rerouting was not already taken account in the CN-EJ&E Operating Plan. CN seeks only to further increase its efficiency by having the flexibility to move CN crews throughout the Chicago terminal area. Finally, CN's operations pursuant to these trackage rights, like CN's operations pursuant to the trackage rights that were the subject of the notices of exemption submitted with the CN-EJ&E

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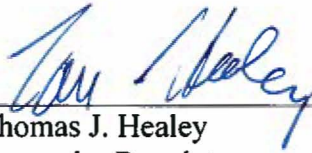
<sup>5</sup> Implementing agreements with Applicants' operating unions are already in place for 14 of the 17 pending trackage rights notices, and Applicants are prepared to negotiate implementing agreements for the three notices wherein EJ&E is to secure trackage rights over other CN carriers.

<sup>6</sup> Color-coded maps, which together show all 17 proposed trackage rights exemptions, as directed by the Board, are provided as Exhibits A and B. (A key identifying the rail segments subject to the new trackage rights grants is provided as Exhibit C.)

<sup>7</sup> Railroad Control Application (CN-2) at 228, 230-35, Canadian Nat'l Ry. – Control – EJ&E West Co., STB Finance Docket No. 35087 (filed Oct. 30, 2007).

application, would be subject to continuing scrutiny under the monitoring and oversight conditions provided by the Board when it approved the CN-EJ&E transaction.

Respectfully submitted,



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Dated: August 21, 2009

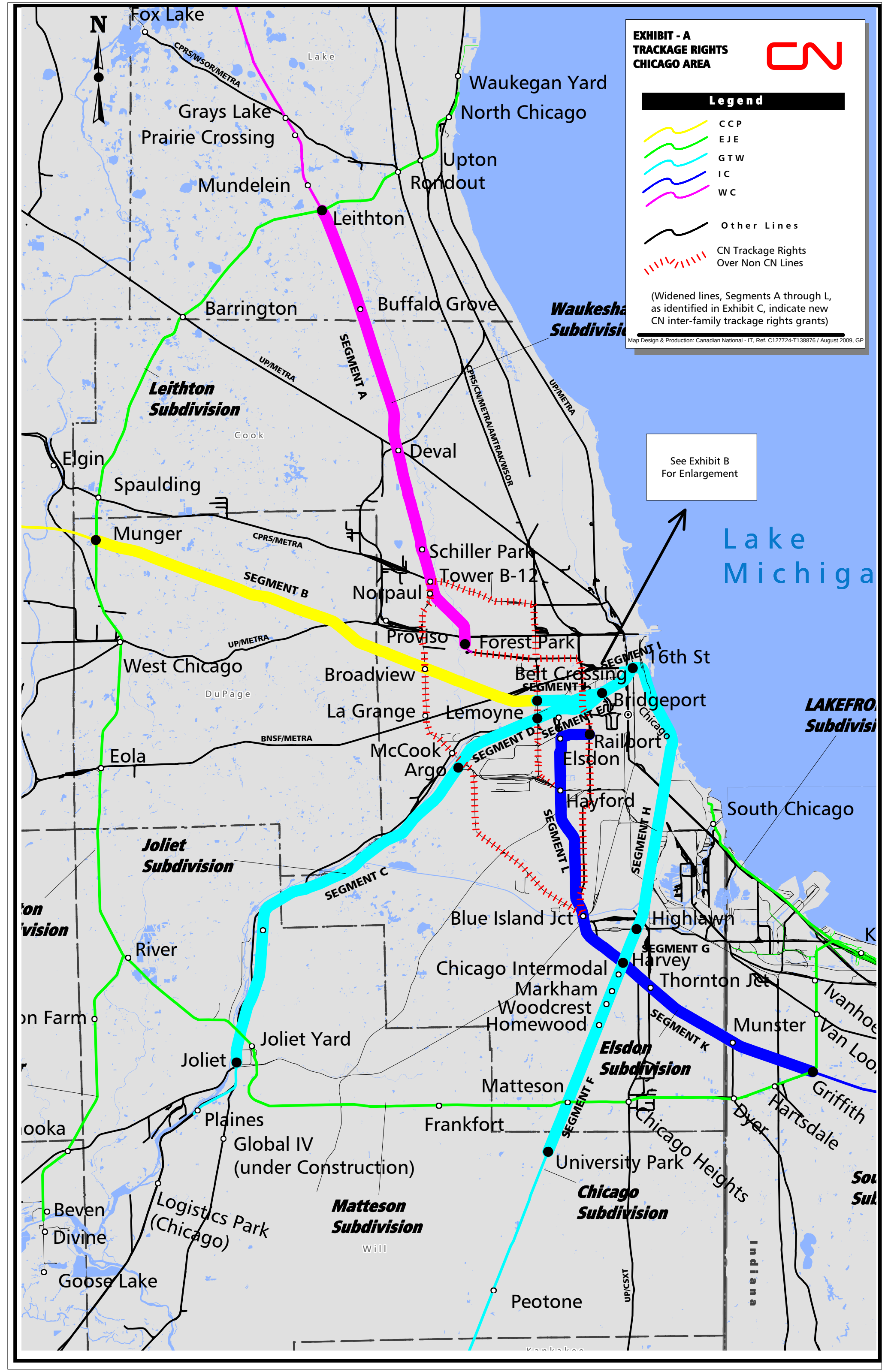


**EXHIBIT - A**  
**TRackage RIGHTS**  
**CHICAGO AREA**

**Legend**

CCP

EJE

(Widened lines, Segments A through L, as identified in Exhibit C, indicate new CN inter-family trackage rights grants)

Map Design & Production: Canadian National - IT, Ref. C127724-T138876 / August 2009, GP

See Exhibit B  
For Enlargement

# EXHIBIT - B TRACKAGE RIGHTS CHICAGO AREA

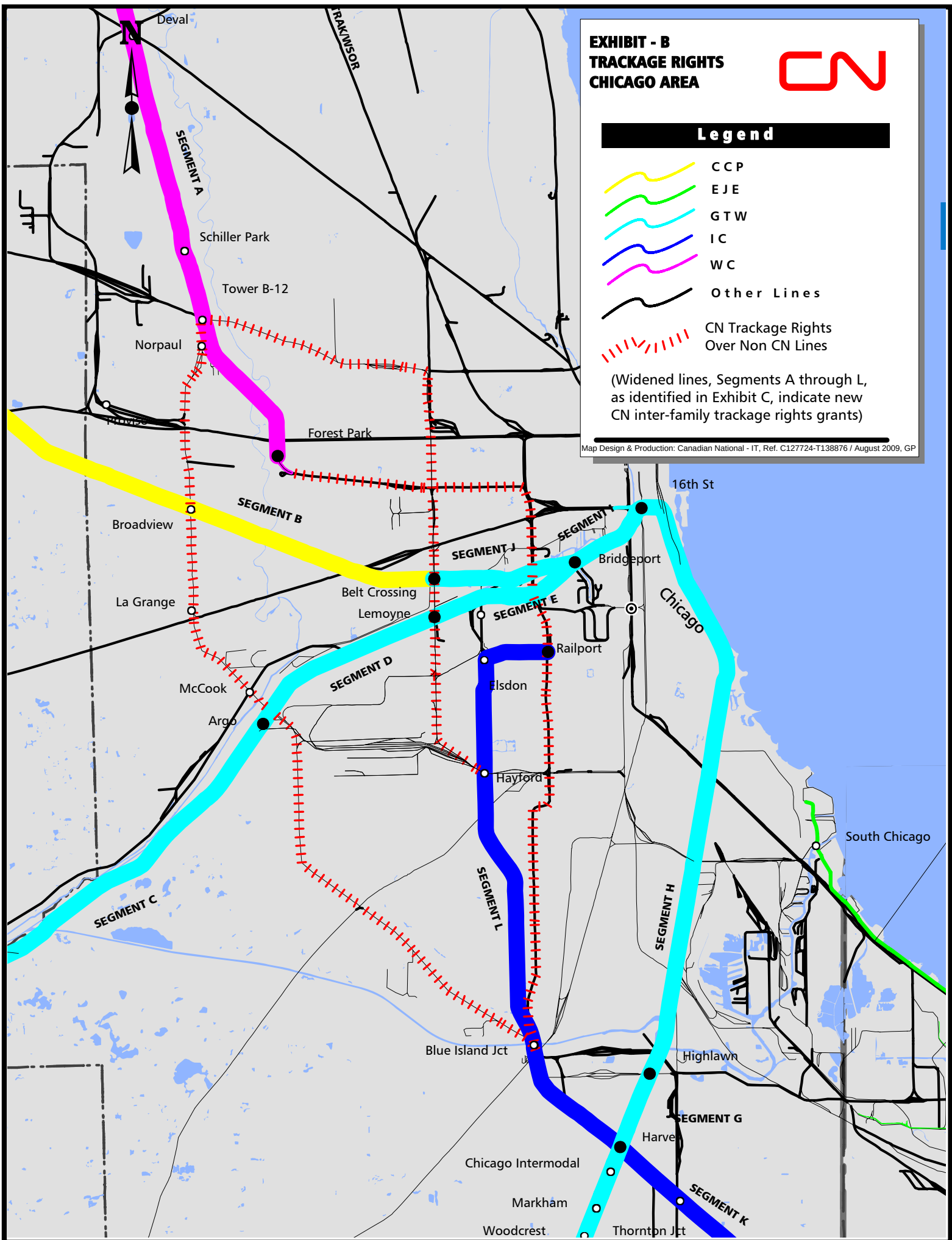


## Legend

-  CCP
-  EJE
-  GTW
-  IC
-  WC
-  Other Lines
-  CN Trackage Rights  
Over Non CN Lines

(Widened lines, Segments A through L,  
as identified in Exhibit C, indicate new  
CN inter-family trackage rights grants)

Map Design & Production: Canadian National - IT, Ref. C127724-T138876 / August 2009, GP



## EXHIBIT C

### Key to Segments Identified in Exhibits A and B

| Segment | Endpoints (Subdivision)                                                  | Owner | Trackage Rights Recipient<br>(Finance Docket No.)        |
|---------|--------------------------------------------------------------------------|-------|----------------------------------------------------------|
| A       | Leighton (MP 37.9) and Forest Park (MP 10.9)<br>(Waukesha Subdivision)   | WCL   | EJ&E (35265)<br>IC (35269)<br>GTW (35273)<br>CCP (35277) |
| B       | Munger (MP 35.7) and Belt Crossing (MP 8.3)<br>(Freeport Subdivision)    | CCP   | IC (35267)<br>GTW (35274)                                |
| C       | Joliet (MP 36.7) and Argo (CP Canal) (MP 13.1)<br>(Joliet Subdivision)   | IC    | GTW (35272)<br>CCP (35276)<br>WCL (35279)                |
| D       | Argo (MP 13.1) and Lemoyne (MP 7.9)<br>(Joliet Subdivision)              | IC    | CCP (35276)                                              |
| E       | Lemoyne (MP 7.9) and Bridgeport (MP 3.5)<br>(Joliet Subdivision)         | IC    | EJ&E (35264)<br>CCP (35276)                              |
| F       | University Park (MP 31.6) and Harvey (MP 19.9)<br>(Chicago Subdivision)  | IC    | GTW (35270)<br>CCP (35275)                               |
| G       | Harvey (MP 19.9) and Highlawn (MP 17.9)<br>(Chicago Subdivision)         | IC    | CCP (35275)                                              |
| H       | Highlawn (MP 17.9) and 16th Street (MP 1.5)<br>(Chicago Subdivision)     | IC    | EJ&E (35264)<br>CCP (35275)                              |
| I       | 16th Street (MP 2.1) and Bridgeport (MP 3.5)<br>(Freeport Subdivision)   | IC    | EJ&E (35264)<br>CCP (35275)                              |
| J       | Bridgeport (MP 3.5) and Belt Crossing (MP 8.3)<br>(Freeport Subdivision) | IC    | EJ&E (35264)<br>GTW (35271)<br>CCP (35275)               |
| K       | Griffith, IN (MP 36.1) and Harvey (MP 23.2)<br>(Elsdon Subdivision)      | GTW   | EJ&E (35266)<br>IC (35268)<br>CCP (35278)<br>WCL (35280) |
| L       | Harvey (MP 23.2) and Railport (MP 6.9)<br>(Elsdon Subdivision)           | GTW   | EJ&E (35266)<br>IC (35268)<br>CP (35278)                 |