

1-22-08 James LaBelle.txt

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1 SCOPING MEETING FOR THE PROPOSED CANADIAN
2 NATIONAL RAILWAY COMPANY ACQUISITION OF THE
3 ELGIN, JOLIET AND EASTERN RAILWAY COMPANY
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9 STATEMENT OF:

10 JAMES C. LA BELLE

11 JANUARY 22, 2008
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14 CROWN PLAZA CHICAGO
15 733 WEST MADISON STREET
16 CHICAGO, ILLINOIS

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Surface Transportation Board

CN-EJ&E EIS - FD-35087

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HDR

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1 MR. LABELLE: My name is Jim LaBelle
2 and I'm Vice President of Chicago Metropolis

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2020. We are a business led civic

organization that was created by the
Commercial Club of Chicago to deal with
regional issues.

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

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

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

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

The second has to do with the
connections between the EJ&E and the --
freight railroads. I would like to see better
connections that would make -- that would make
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

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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

□

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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

□

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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

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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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