

July 8, 2022

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

Submitted via e-filing

Re: STB Finance Docket No. 36500, *Canadian Pacific Railway Limited, et al. – Control – Kansas City Southern et al.*

Dear Ms. Brown:

I am submitting for e-filing in the above captioned proceeding the Correction and Supplemental Statement of the Commuter Rail Division of the Regional Transportation Authority d/b/a Metra, in the above-referenced proceeding.

If you have any questions, please do not hesitate to contact me.

Yours very truly,


Charles A. Spitulnik

Enclosure

cc: All Parties of Record

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Office of Proceedings
July 8, 2022
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Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB Finance Docket No. 36500

**CANADIAN PACIFIC RAILWAY LIMITED; CANADIAN PACIFIC RAILWAY
COMPANY; SOO LINE RAILROAD COMPANY; CENTRAL MAINE & QUEBEC
RAILWAY US INC.; DAKOTA, MINNESOTA & EASTERN RAILROAD
CORPORATION; AND DELAWARE & HUDSON RAILWAY COMPANY, INC. –
CONTROL – KANSAS CITY SOUTHERN, THE KANSAS CITY SOUTHERN
RAILWAY COMPANY, GATEWAY EASTERN RAILWAY COMPANY,
AND THE TEXAS MEXICAN RAILWAY COMPANY**

**CORRECTION AND SUPPLEMENTAL STATEMENT OF
THE COMMUTER RAIL DIVISION OF
THE REGIONAL TRANSPORTATION AUTHORITY D/B/A/ METRA**

Communications with respect to this pleading
should be addressed to:

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Dated: July 8, 2022

**BEFORE THE
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STB Finance Docket No. 36500

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**CORRECTION AND SUPPLEMENTAL STATEMENT OF
THE COMMUTER RAIL DIVISION OF
THE REGIONAL TRANSPORTATION AUTHORITY D/B/A/ METRA**

The Commuter Rail Division of the Regional Transportation Authority d/b/a/ Metra (“Metra”) respectfully submits this Correction and Supplemental Statement to its June 9, 2022, Supplemental Comments (METR-8), which were submitted in response to Applicants’¹ amended Application² filed in these proceedings on May 13, 2022, regarding Applicants’ proposed merger.

This filing is necessitated by Metra’s discovery of an anomaly in the revised Rail Traffic Controller (“RTC”) modeling that Metra submitted as part of its Supplemental Comments on

¹ Applicants in this proceeding are: Canadian Pacific Railway Limited (“Canadian Pacific”), Canadian Pacific Railway Company (“CPRC”), and their U.S. rail carrier subsidiaries Soo Line Railroad Company, Central Maine & Quebec Railway U.S. Inc., Dakota, Minnesota & Eastern Railroad Corporation, and Delaware and Hudson Railway Company, Inc. (collectively, “CP”); and Kansas City Southern and its U.S. rail carrier subsidiaries The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and the Texas Mexican Railway Company (collectively, “KCS”). CP and KCS are collectively referred to as the “Applicants”.

² The “Application” is the application filed by Applicants on October 29, 2021 (CP-25/KCS-13) that was accepted by the Board in Decision No. 11 in Docket No. FD 36500, served November 23, 2021, and as amended and resubmitted by Applicants on May 13, 2022 (CP-47/KCS-34). Unless otherwise indicated, capitalized terms in these comments have the meaning as defined in Board Decision No. 11.

June 9.³ The details of this anomaly are described in further detail in the attached Second Supplemental Verified Statement of Messrs. Crowley and Mulholland, attached as **Attachment A** to this filing. This correction in Metra's modeling requires revision to Metra's Supplemental Comments as indicated in the Errata Sheet attached as **Attachments B, B-1, and B-2**, as well as correction of associated workpapers, which Metra is making available simultaneously with this filing.

As indicated in the attached Second Supplemental Verified Statement, these changes do not impact the analysis and conclusions drawn by Messrs. Crowley and Mulholland, nor do they change any other aspect of the evidence, analysis, conclusions, or requests for conditions submitted by Metra in these proceedings. Metra's position remains that the several-fold increase in anticipated delays to Metra's trains as a result of the Transaction will severely harm essential commuter rail service in the Chicago area, and therefore the Board cannot approve this transaction.

Metra regrets the late discovery of this modeling anomaly, which occurred inadvertently despite Metra's best efforts to provide the most accurate model of expected impacts within the tight constraints of the procedural schedule. Metra has brought the issue to the Board's and other parties' attention as soon and as expeditiously as possible but acknowledges the expected difficulty that parties might have in responding to it given the established procedural schedule, and specifically the reply and rebuttal comments due July 12, 2022. Accordingly, Metra would not oppose a narrow revision in the Board's procedural schedule to allow Applicants and other

³ As discussed further in the Verified Statement of Messrs. Crowley and Mulholland, Metra also discovered a discrepancy in the "warm up" and "cool down" periods used for the future case with Metra's infrastructure improvements in the RTC modeling submitted with Metra's Supplemental Comments. However, the impact on the modeling results for Metra is so negligible as to be insignificant.

interested parties a reasonable extension of time exclusively for the purposes of reviewing and commenting on Metra's revised modeling results.

CONCLUSION

For the foregoing reasons, Metra respectfully submits this Correction and Supplemental Statement in the interest of establishing a complete and accurate record for the Board's consideration in these proceedings, and requests any further relief as determined to be necessary by the Board.

Respectfully submitted,



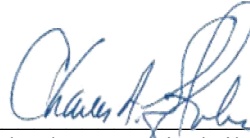
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Dated: July 8, 2022

CERTIFICATE OF SERVICE

I hereby certify that I have on the 8th day of July 2022, caused to be served a copy of the foregoing CORRECTION AND SUPPLEMENTAL STATEMENT, upon all parties of record in this proceeding.



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ATTACHMENT A

**SECOND SUPPLEMENTAL VERIFIED STATEMENT OF
THOMAS CROWLEY AND ROBERT MULHOLLAND**

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. FD 36500

CANADIAN PACIFIC RAILWAY LIMITED; CANADIAN PACIFIC RAILWAY
COMPANY; SOO LINE RAILROAD COMPANY; CENTRAL MAINE & QUEBEC
RAILWAY US INC.; DAKOTA, MINNESOTA & EASTER RAILROAD CORPORATION;
AND DELAWARE & HUDSON RAILWAY COMPANY, INC. – CONTROL – KANSAS
CITY SOUTHERN, THE KANSAS CITY SOUTHERN RAILWAY COMPANY, GATEWAY
EASTERN RAILWAY COMPANY, AND THE TEXAS MEXICAN RAILWAY COMPANY

SECOND SUPPLEMENTAL VERIFIED STATEMENT

of

Thomas D. Crowley
President

and

Robert D. Mulholland
Senior Vice President

L. E. PEABODY & ASSOCIATES, INC.
ECONOMIC CONSULTANTS

On Behalf Of

**THE COMMUTER RAIL DIVISION OF THE
REGIONAL TRANSPORTATION AUTHORITY AND NORTHEAST
ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
(METRA)**

Dated: July 7, 2022

We are Thomas D. Crowley and Robert D. Mulholland, President and a Senior Vice President, respectively, of L. E. Peabody & Associates, Inc. Our credentials are included as Exhibit No. 1 and Exhibit No. 2 to our March 15, 2022, Verified Statement (“VS”).

At the request of Counsel for Metra, we reviewed and analyzed the Application and supporting documents filed by the Canadian Pacific Railway Company (“CP”) and the Kansas City Southern (“KCS”) (jointly “CP/KCS”) in this proceeding, and we submitted Verified Statements in support of Metra’s March 15, 2022, Comments (Exhibit C to METR-7) and its June 9, 2022, Supplemental Comments (Attachment A to METR-8). As part of our analysis, we conducted independent Rail Traffic Controller (“RTC”) modeling to assess the impact of the transaction proposed by CP/KCS, and we included this modeling and its results in our submissions and associated workpapers.

Subsequent review of the revised RTC modeling submitted as part of Metra’s June 9 Supplemental Comments has revealed that Metra’s supporting workpapers included an instance in which the RTC dispatching algorithms failed to efficiently dispatch Metra trains on the last day of the statistical period in the Future Case simulation period due to a long freight train partially blocking the Mannheim platform for an extended period. This resulted in several Metra trains that serve Mannheim in the Future Case, but do not operate in the base case, and other trains operating on the Milwaukee District West line, being delayed significantly by the blocked platform. With the filing of this submission Metra is submitting a revised Future Case simulation that eliminates the blockage by dispatching the unit train earlier than its real-world companion was dispatched, which allows unfettered access to the Mannheim platform to Metra trains during the morning rush. These changes affect the outputs from Metra’s Future Case simulations, and some of the statistics

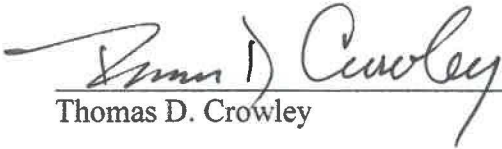
included in the Supplemental Verified Statement of Messrs. Crowley and Mulholland submitted with METR-8, as indicated in the Errata Sheet attached to this submission.

Metra has also discovered an issue related to the alternate Future Case RTC simulation in which the model outputs reflect a one-day warm-up period and a two-day cool down period around the seven-day statistical period. The model outputs should reflect a two-day warm-up period and a one-day cool down period around the seven-day statistical period. This change has a small impact on the alternate Future Case statistics and has been corrected in this filing and the accompanying updated workpapers.

Neither of the two corrections described above in this Second Supplemental Verified Statement change our expert opinion or any other part of the content or analysis provided in our previously submitted Verified Statement and Supplemental Verified Statement, which remains as stated in those submissions.

VERIFICATIONS

The undersigned verify under penalty of perjury that each has read this Second Supplemental Verified Statement on behalf of Metra, that know the contents thereof, and that the same are true and correct. Further, I certify that I am qualified and authorized to file this statement.


Thomas D. Crowley

Executed on 7/7/22


Robert D. Mulholland

Executed on July 7, 2022

ATTACHMENT B

**ERRATA SHEET FOR
COMMUTER RAIL DIVISION OF THE REGIONAL TRANSPORTATION
AUTHORITY'S ERRATA SHEET FOR COMMENTS
FINANCE DOCKET NO. 36500
FILED JUNE 9, 2022 (METR-8)**

Page	Line	Text to be Corrected	Correction
METR-8, p. 3	9-12	“In this proceeding, Applicants seek approval of a proposed Transaction that will increase new freight traffic on Metra-owned rail lines that will serve to materially degrade passenger rail service by causing an approximately estimated 1,200% increase in delays per 100 train miles for Metra trains on the impacted lines.”	“In this proceeding, Applicants seek approval of a proposed Transaction that will increase new freight traffic on Metra-owned rail lines that will serve to materially degrade passenger rail service by causing an approximately estimated 299% increase in delays per 100 train miles for Metra trains on the impacted lines.”
METR-8, p. 3	Footnote 4	“(Future Case Delay Minutes per 100 Train Miles of 15.30 ÷ Base Case Delay Minutes per 100 Train Miles of 1.15 – 1) x 100 = 1,230%.”	“(Future Case Delay Minutes per 100 Train Miles of 4.59 ÷ Base Case Delay Minutes per 100 Train Miles of 1.15 – 1) x 100 = 299%.”
METR-8, p. 9	1-7	“As discussed further in S.V.S. Crowley and Mulholland, the revised analysis shows that reductions in speed and increases in delays for Metra’s trains are even worse than Metra previously predicted. <i>Id.</i> at 16-17. Specifically, with adjusted sidings, the modeling conducted by Messrs. Crowley and Mulholland now projects an approximately 1,200% increase in delays per 100 train miles to Metra trains. Messrs. Crowley and	“As discussed further in S.V.S. Crowley and Mulholland, the revised analysis shows that reductions in speed and increases in delays for Metra’s trains are still projected to increase significantly. Specifically, with adjusted sidings, the modeling conducted by Messrs. Crowley and Mulholland now projects an approximately 299% increase in delays per 100 train miles to Metra trains.”

		Mulholland discuss the reasons for this increase from previous projections in the attached Supplemental Verified Statement. S.V.S. Crowley and Mulholland at 16-17.”	
METR-8, p. 9	Footnote 8	“(Future Case Delay Minutes per 100 Train Miles of 15.30 ÷ Base Case Delay Minutes per 100 Train Miles of 1.15 – 1) x 100 = 1230%.”	“(Future Case Delay Minutes per 100 Train Miles of 4.59 ÷ Base Case Delay Minutes per 100 Train Miles of 1.15 – 1) x 100 = 299%.”
METR-8, Attachment A, S.V.S. Crowley and Mulholland, p. 16	Table 4	Section B “Future Case with Siding Extensions”	See Revised Table 4, attached hereto as Attachment B-1
METR-8, Attachment A, S.V.S. Crowley and Mulholland, p. 17	Lines 1-20	“However, speed was reduced and delays increased substantially for Metra trains. The reduction in speed and increase in delays for Metra’s trains may seem counterintuitive. However, there are a couple of explanations for the unexpected results. First, in our March 15, 2022 VS Future Case, we had to remove 13 CP line-haul freight trains from the system to get the simulation to run, i.e., RTC could not dispatch all trains, demonstrating that the system was over capacity. When we increased the siding lengths on the Marquette Subdivision, we only had to remove 11 CP line-haul freight trains to get	[Deleted]

		the Future Case simulation to run. Although the expansion of physical capacity allowed more CP line-haul trains to operate over the system, those extra trains slowed down some operations, including for Metra trains. Moreover, because the changes did not allow for all CP line-haul trains to be dispatched, the system is still shown to be over capacity even with the increased infrastructure on the Marquette Subdivision. Second, sometimes in RTC modeling (and in the real world), when interference is reduced on one part of the system, fluidity and throughput in that area increase, but this leads to more train conflicts downstream. A simple example would be double tracking 50 miles of a 100-mile single track segment. Although trains would move efficiently over the double track section, this could cause a bottleneck where the single-track section starts. Instead of a steady trickle of trains over the entire segment, the result can be a backup of trains at the new choke point. In our Future Case simulation, increased capacity on the Marquette Subdivision improved performance in that area,	
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		but reduced performance for Metra trains operating hundreds of miles away in Chicago.”	
METR-8, Attachment A, S.V.S. Crowley and Mulholland, p. 19	Table 5	Section B “Future Case with Siding Extensions”	See Revised Table 5, attached hereto as Attachment B-2
METR-8, Attachment A, S.V.S. Crowley and Mulholland, p. 19	Lines 1-4	“As shown in Table 5 above, the Future Case with Additional Milwaukee District Infrastructure plus the siding extensions on the Marquette subdivision resulted in improved performance for both Metra and CP Operating Plan trains, but slightly worse performance for other train groups and overall.”	“As shown in Table 5 above, the Future Case with Additional Milwaukee District Infrastructure plus the siding extensions on the Marquette subdivision resulted in improved performance overall and for all train groups except Unit Train and Other Trains (which includes mostly work trains).”

ATTACHMENT B-1

Table 4
**RTC Future Case with and without
Siding Extensions at Harper's Ferry and Eckards**

Train Group	Average Speed (MPH)	Delay Percent 1/	Delay Per 100 Train- Miles (Minutes)	Total Delay (Hours)
(1)	(2)	(3)	(4)	(5)
<u>A. Future Case without Siding Extensions</u>				
1. Metra	30.83	2.84%	5.37	25.0
2. Amtrak	55.44	7.67%	7.71	22.8
3. Unit Train	20.84	51.68%	98.05	349.6
4. Local	12.68	75.28%	196.94	168.5
5. Operating Plan	18.97	42.33%	94.06	444.9
6. Other	<u>19.83</u>	<u>81.15%</u>	<u>135.52</u>	<u>10.1</u>
7. Total	24.27	32.49%	60.63	1,021.0
<u>B. Future Case with Siding Extensions</u>				
8. Metra	30.95	2.42%	4.59	21.4
9. Amtrak	56.16	6.29%	6.32	18.7
10. Unit Train	21.14	50.29%	96.07	369.8
11. Local	12.29	82.79%	216.67	185.4
12. Operating Plan	19.79	36.29%	80.72	368.0
13. Other	<u>24.44</u>	<u>47.03%</u>	<u>78.51</u>	<u>5.9</u>
14. Total	24.61	30.63%	57.17	969.1

Source: workpaper "Summary Tables for Successful RTC Cases_with Siding
 Extensions_Revised Days.xlsx"

1/ Delay Percent = 100 x True delay / Total elapsed ideal seed run time

ATTACHMENT B-2

Table 5

**Future Case with Additional Milwaukee District Infrastructure
RTC Results with and without Foreign Trains**

Train Group	Average Speed	Delay Percent	Delay Per 100 Train- Miles	Total Delay
(1)	(MPH) (2)	1/ (3)	(Minutes) (4)	(Hours) (5)
<u>A. Future Case with Additional Milwaukee District Infrastructure, without Siding Extensions</u>				
1. Metra	31.13	1.91%	3.62	16.9
2. Amtrak	56.20	6.22%	6.25	18.5
3. Unit Train	21.97	47.55%	90.06	343.4
4. Local	13.65	57.85%	161.69	140.1
5. Operating Plan	19.41	32.09%	75.11	347.5
6. Other	<u>23.10</u>	<u>55.55%</u>	<u>92.77</u>	<u>6.9</u>
7. Total	24.80	26.97%	51.39	873.4
<u>B. Future Case with Additional Milwaukee District Infrastructure, with Siding Extensions</u>				
8. Metra	31.18	1.73%	3.28	15.3
9. Amtrak	56.25	6.12%	6.15	18.2
10. Unit Train	21.10	51.66%	99.05	381.2
11. Local	14.50	55.15%	149.07	127.3
12. Operating Plan	20.20	28.42%	65.76	307.8
13. Other	<u>19.89</u>	<u>80.73%</u>	<u>134.77</u>	<u>10.1</u>
14. Total	24.97	26.52%	50.37	859.8

Source: workpaper "Summary Tables for Successful RTC Cases_with Siding Extensions_Revised Days.xlsx"

1/ Delay Percent = 100 x True delay / Total elapsed ideal seed run time