

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

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202/463-5310

July 11, 2008

Ms. Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Re: STB Finance Docket No. 35087, *Canadian National Railway
Company and Grand Trunk Corporation – Control – EJ&E West Company*

Dear Secretary Quinlan:

The U.S. Chamber of Commerce respectfully submits this letter in support of Applicants' Request for Establishment of Time Limits for NEPA Review and Final Decision, filed May 13, 2008.

The U.S. Chamber of Commerce is the world's largest business federation, representing more than three million businesses of all sizes, sectors, and regions. It includes hundreds of associations, thousands of local chambers, and more than 100 American Chambers of Commerce in 91 countries. Thorough, fair, yet expeditious consideration of matters before government agencies is a key priority of the Chamber.

Another major concern of the Chamber is the need for sufficient transportation infrastructure to meet the nation's transportation needs. In fact, the Chamber released a report earlier this year, *The Transportation Challenge: Moving the U.S. Economy*, and we have launched a substantial initiative to promote sufficient investment in the nation's transportation infrastructure. As we note in our report, if we fail to address our infrastructure challenge, the U.S. will lose jobs and industries to other nations, we will pollute our air, and destroy the free, mobile way of life we cherish.

It is clear that more rail efficiency is needed to support maintenance and growth of the economy and efforts to reduce greenhouse gases. Chicago is a major metropolitan area that requires efficiency and transportation infrastructure improvement. Government officials and the transportation community have recognized this need, through the development of programs such as the CREATE public/private partnership, which the Chamber supports. Unfortunately, in the SAFETEA-LU legislation, Congress provided only a fraction of the funding needed to implement the CREATE program. The Chamber is hopeful that additional funds will be made available for this important purpose during Congressional consideration next year of the surface

transportation reauthorization legislation. However, congestion relief and infrastructure improvement are needed now. By enhancing existing, currently underutilized infrastructure, CN offers a private sector solution to provide some of the congestion relief so desperately needed in the Chicago region.

I am aware that concerns have been raised by residents and representatives of communities located along the EJ&E line about the impacts associated with increased train traffic, and it is appropriate that the Board undertake a thorough and meaningful assessment of these impacts. With the extraordinary resources available to the Board's Section of Environmental Analysis (SEA) to conduct its environmental analysis, however, SEA should be able to complete this environmental review expeditiously. SEA's analysis has been underway since at least December 2007 and SEA has provided many opportunities for interested citizens, community officials, and government agencies to provide comments, including the scoping meetings held in January 2008 throughout the region and the opportunity to comment on the draft Scope of Study.

The Board also should be careful not to let "concerns," as opposed to facts, stand in the way of expedition. Everyone has concerns, but those who want to hold up the regional and national interest in efficiency of the entire rail system should have presented solid grounds for delay, and none have been shown here.

Given the scope of this transaction, which the Board determined to be a "minor" transaction in November 2007 from a regulatory perspective, the extensive analysis conducted and opportunity for public comment provided over the past several months, as well as the fact that there will again be an opportunity for public comments in response to the draft EIS, there appears to be no reason why this proceeding cannot be concluded in the near future. To not do so would allow the bureaucratic process to drive the outcome, rather than the merits of the transaction itself. Further, it reduces the confidence of investors when an agency cannot meet deadlines and adhere to sound precedents. This tends to lead capital to other, less regulated areas. Reduced investment in regulated sectors, which are largely infrastructure industries, is an especially bad result with respect to rail transportation, which is a critical sector of our nation's transportation system.

The importance of moving this process forward is supported by comments filed by the U.S. Department of Transportation (DOT) in this proceeding, which noted that, "clear, efficient procedural schedules in administrative proceedings are a hallmark of sound policy generally." DOT noted its support of adoption of an expedited schedule with specific dates to complete the environmental review process and issue a final decision in this case.

Governmental processes should not be open-ended. CN is entitled to a final decision within a reasonable timeframe. The national business community, like the business community in the Chicago region, is entitled to know whether it can expect a less congested, more efficient rail system in the foreseeable future through implementation of this transaction or whether it will have to wait and hope that the government at some point in the future will provide the investment necessary to improve the situation in Chicago.

The Chamber urges the Board to adopt a timetable that will allow completion of the EIS and issuance of a final decision before the end of 2008. Thank you for your consideration of the Chamber's views.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first name "R." and last name "Josten" clearly distinguishable.

R. Bruce Josten

cc: Ms. Victoria J. Rutson, Chief, Section of Environmental Analysis