

DAVID & MELINDA LOMAS

MEMORANDUM

250 Maple Road Barrington IL 60010

Date: January 23, 2008

To: STB Att P. JOHNSON-BALL

Environmental Filing STB Finance Docket # 35087

From: DAVID & MELINDA LOMAS

250 Maple Road

Barrington, IL. 60010

Subject: Barrington, IL. Scoping meeting for the proposed CNR Acquisition of EJ&E Railway.
STB Finance Docket# 35087

HDR

Issue: CONTROLLING ENVIRONMENTAL & HUMAN IMPACTS WITH
OPERATING CONSTRAINTS, PERMITS AND CONTAINMENT.

SUMMARY:

We appreciate STB conducting the evaluation and open house forum. However, we still feel that the data supplied by CNR in their sworn affidavit and those being used by STB to be inadequate for conducting environmental impact studies associated with the CNR acquisition or any future use of this EJ&E rail segment. Impact studies using ACTUAL rather than average trains, with realistic variations in operating conditions like number, length, speed, and time of day need to be explored. The type of Freight and its toxicity must also be included. Strict operating permits can then be issued that prevent future capacity creeps or operating variances from exceeding those found to be acceptable within the STB environmental and human impact study.

First priority should be to keep these industrial complexes, freight corridors, and accidents resulting in hazardous spills and ground contamination within their current parallel network and locations, that avoid highly congested, same grade, intersections thus mitigating future accidents and maintaining their generally contained environmental/human impacts. According to the report, CNR's acquisition of EJ&E is based on a \$300 million investment, minimal overall freight increase, and reduced freight time and diesel fuel with an increase in their profitability by \$14.5/yr. In exchange, they get to spread presently contained environmental issues and hazards to previously clean, environmentally safe suburban communities.

The inner belt, like many transport systems, is congested yet environmentally contained. Let's solve this congestion problem at its source. CNR and the government should invest their dollars to improve and relieve this existing congestion, reduce further accidents and spills, and provide clean-up and land reclamation within the present inner corridor. Such actions would provide ALL involved with an environmentally safer future.

SUPPORTING COMMENTS & DATA:

We recently attended an open house scoping meeting concerning the subject acquisition and would like to make the following comments regarding its potential environmental impact on our local community of Barrington, Illinois.

We were disappointed regarding some of the facts that could not be obtain from either STB or CNR concerning capacity increases not just in trains, but freight tons and carloads per day as well as the type of freight being transported and how operating limits and restrictions are set.

Later, we went online and actually read the CNR proposed acquisitions 527 page report including the sworn affidavits. Overall we feel a fair summary of the report would be:

- CNR acquisition of EJ&E will not affect the overall competition within the rail freight business in and around the Chicago area or lead to any substantial job loss.
- The combined CNR/EJ&E total rail freight will only increase marginally by 9500 carloads/year.
- Relieve the congestion in the inner corridor by shifting freight traffic to the newly acquired but seldom used EJ&E line
(See estimated freight listings on following Page).
- Transport times including holdups will be reduced and even though travel distances are increased, fuel consumption and diesel emissions are reduced due to less idling times.
- Net increase in CNR's profitability \$14.5 million/year.

There's no doubt that the entire American road, rail and air transportation systems are highly congested with the frequency of delays and backups mounting daily. These issues are serious and the entire transportation infrastructure needs to be reviewed impartially and from all perspectives. Increased and improved rail transportation may look very attractive, not just for freight, but also people. However these important issues are way beyond the scope of this brief, but hopefully meaningful memo.

Buried in the report, we found some alarming numbers that will affect our local communities substantially. On page 247, attachment A.2 of the operating plan are the following projections in traffic changes on the EJ&E line segments that will pass through the Barrington Area.

This data appears to be based on the 2006 WAYBILL TRAFFIC DATA:

Rail integration: EJ&E to CN/EJ&E
Rail line segment: 14 Leighton to Spaulding
Trains/Day: 5.3 to 20.3
Freight tons/day: 20,457 to 158,701
Carloads/yr: 10.1 to 174.4

Although CNR is only marginally increasing its overall freight loads, it's moving a substantial portion from the inner belt to the suburbs. Everyone knows the projected train count increases by a factor of 3.83, but the average train is $(174.4 \times 5.3) / (10.1 \times 20.3)$ or 4.51

times longer. They also have less weight/car by a factor of 2.03 to 0.91, but that's probably because CNR typically transports the more hazardous chemical type material requiring smaller freight cars than granite and coal. There's a general listing of the type of freight presently shipped by CNR on the highly congested inner belt. Freight varies from coal, petroleum coke, granite, naphtha, petrochemicals, sodium hydroxide and other non-specific specialty chemicals and even though the list lacks the necessary details, it's very disturbing.

STB are the impartial experts that will be viewing the entire transportation picture. We would therefore appreciate your review and possible feedback on the following comments while performing Due Diligence for this acquisition.

1. Let's first take the train since without it there's no impact on the community. We presume a line segment permit will be issued. For future environmental reasons this should occur with or without the acquisition. The impact on the community would require the permit to specify:

- Average Train #/day with maximum/minimum
- Average Train length with max/min
- Average Train velocity with max/min
- Average Train schedules and times
- Average Freight Tons/day with max/min type/material/toxicity tons/train.

Without such operating specifications and this unknown variance it makes it impossible to evaluate the overall impact on our communities. Typical averages quoted in the CNR report are misleading since that average train of that length, velocity and freight never exist in reality. Potential variations in the above operating averages need to be explored by the STB team for their environmental impacts.

Here's an example with the averages in red/brackets:

Within the averages there could be 2 or 3 actual trains per day (20.5) that are carrying 31,271 tons of freight (7,817.8tons) , up to 4X longer , travelling at only 5MPH (40MPH) and the freight is 40% (10%) petrochemicals, HF acid and sodium hydroxide. The SHORT & LONG TERM environmental impact on our communities is considerably different than any proposed averages including those estimated by CNR. Could such actual trains simultaneously cross Lake Zurich Road or Northwest Highway or Route 59, and Main Street, and for how long, needs to be determined.

If such trains cause unsatisfactory environmental impacts to the existing communities infrastructure or require expensive modifications to the infrastructure (tunnels, overpasses or embankments) they can easily be eliminated by setting the necessary Max/Min operating limits within the permit. This kind of permit specification should also tend to limit any future unauthorized CREEP or variance impacting the environment.

2. Environmental impacts on a community come from many sources: noise, vibration, traffic congestion, chemical pollutants, urban expansion and large corporations. In the last 50 years, Barrington and the surrounding communities have seen unprecedented

growth. Along with that growth, came its share of environmental challenges. The citizens and local governments have tried with great success to preserve the village infrastructure, park districts, wet lands, lakes and streams. However, issues do exist. Traffic congestion from the surrounding and inner roads is now particularly problematic and the village well water is in short supply during periods of drought.

The proposed acquisition and increase in rail freight through the village is the latest environmental challenge. Rail freight can be quite diverse being anything from humans to toxic waste. Unfortunately non human freight tends to be moved in larger shipments, at slower speeds, and has greater toxicity with FEWER SAFEGUARDS. The increased traffic congestion, noise, and vibration are serious. However, the potential toxicity of the freight moving through our community is frightening. A collision with, or spill of such materials as coal, gasoline, fuel oil would certainly be horrendous. Accidents involving petrochemicals, PCBs, nuclear waste and certain exotic chemicals would be catastrophic. Such an occurrence would affect the environment and community for years and make it look just like the landscape in and around the inner corridor. There's obviously big money on the table that unfortunately gets bigger with this type and volume of the freight. CNR, and EJ&E for that matter, have the potential of putting a multi capacity coal mine, oil refinery, or exotic highly toxic chemical plant on wheels and driving it, along with its risks to the environment and humans, right through our established, moderately populated and road congested community.

3. Granted these materials have to be made, processed, stored and shipped somewhere, somehow. For many years, CNR and others have used the now highly congested inner corridor. If you take an historic look at any transport system or industrial complex in the USA including the inner corridor, the surrounding human and wild life communities have always seen limited growth. We've all seen the odd house or two surrounding freight tracks, refineries, chemical plants and quarries. However, due to the poor environment, ground and water contamination, repeated accidents, health risks from toxic spills and explosions; local community developments ranging from schools, libraries and housing are thankfully sparse. Even the various ground and air transport systems are typically paralleled not inter-twined with one another. Yet, as recently experienced at Midway Airport, in December, 2006, planes still run into cars. We need to keep these industrial zones and transportation systems PARALLEL TO ONE ANOTHER AND CONTAINED.

Freight lines certainly don't cross at the same grade, over multiple, highly congested roadway intersections. However, as experienced within the inner corridor, capacities and the type of freight will always be operated up to and beyond their limits for maximum profitability. We realize that accidents and spills unfortunately still occur in these zones. Yet, the safety and environmental hazards are contained and the local infrastructure is both designed for and adequate to react and mitigate its potential impact. Let's not spread these environmental issues and contamination zones to moderately populated, clean suburban communities like Barrington with its surrounding park districts, lakes, streams and forest preserves.