

January 18, 2008

Surface Transportation Board
395 E. Street, SW
Washington, D.C. 20423

Attention: Phillis Johnson-Ball
Environmental Filling
STB Finance Docket No. 35087

Surface Transportation Board

CN-EJ&E EIS - FD-35087

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STB EIS

Case No. _____

Dear Board Members:

The proposed sale of the Elgin, Joliet & Eastern Railway (EJE) to the Canadian National Railway (CN) is important to the U.S. transportation network and thus worthy of review. I think I have some unique insights into this, having spent seven years in the Sales & Marketing Department with the Chicago & North Western Railroad and five years with the Canadian National Railroad also in Sales & Marketing. While I'm no longer employed in the railroad industry, my extensive background in railroading and understand of the rail network, the competition between railroads and the trucking industry, and the customers they serve should have a different perspective than the general public.

There are three main concerns that need to be addressed. First is the background on the rail industry, specifically within the Chicago area. Second are the environmental concerns, which should start on a national scope. Third are commuters and the proposed Star Line.

The background for the rail industry is unique, as their heyday was in the 1910's. Since that time the industry has gotten smaller and less profitable, due to the technological growth of automobiles, trucking and even the airline industries. In the late 1970's, an overhaul of the transportation industry occurred with deregulation. Two significant results occurred from this. One is the maximum size of the truck trailers increased from 40 feet to 53 feet long, and allowances were made for double trailers. The result was a tremendous amount of freight came off the rails and into truck traffic on our highways. To remain viable, the rail industry consolidated with mergers and acquisitions. They also dramatically reduced the number of employees. I left the industry as a result of their shrinking market share as compared to the trucking industry.

The environment was also significantly impacted as a result. Since the railroads consume far less fuel to move a ton of freight than the trucking industry, a considerable increase in the amount of oil was needed to create diesel fuel for trucks. That then resulted in more air pollution from the motor vehicles than would have occurred from locomotives. Also, since the U.S. consumes more oil than it produces, we end up importing foreign oil. (That in effect also consumes a tremendous amount of fuel just to ship it here). Also, since there are more and more trucks on the road, we have built more roads to accommodate them, which from an environmental standpoint, is never good. Also roads and bridges

need to be built to withstand several trucks on them at the same time. This then resulted in a huge, largely, unknown subsidy, since the general public (automobiles) pays large gasoline taxes to fund this. Since the railroads pay all the expenses for their tracks and infrastructure, this hidden subsidy has forced the railroads to abandon what were once profitable lines. (See various prairie paths around the Chicago area.).

The proposed acquisition of the EJE by the CN will lead to a more efficient rail industry, and will enable the railroads to better compete against the trucking industry. Improved rail service will result in fewer trucks on the road nationwide. Because of the need to get around Lake Michigan and the other great lakes, Chicago grew to be a world class city, and our nation's transportation hub. Since it is the hub, the congestion for the rail industry is tremendous. It's very similar to I-94 and O'Hare. Since it's virtually impossible to build new rail lines, utilizing the current EJE tracks to bypass the city is both desirable and necessary. It's just like I-294 and the I-355 for automobiles. By reducing the amount of time necessary to get through Chicago, will not only result in better rail service, but reduce the amount of diesel fuel consumed, thus improving the environment.

It is my strong opinion that this Board, and any other agency, approves the acquisition Of the EJE by the CN. I would put two stipulations on the CN: (1) they must work in good faith to implement the proposed Star Line, if it's economically viable, and (2) work to improve grade crossings on the EJE. This merger will result in less pollution, less congestion on our highways, less dependency on foreign oil, and avoidance of future tax increases.

Please feel free to contact me if you have any questions or comments.

Sincerely,



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