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January 28, 2008

Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S W
Washington, D C 20423

RE. Finance Docket No 35087, *Canadian National Railway Company and
Grand Trunk Corporation—Control—EJ&E West Company*

Dear Acting Secretary Quinlan

CSX Transportation, Inc., on behalf of itself and its subsidiaries, (jointly "CSXT") hereby submits its comments in the above-entitled proceeding. CSXT is participating before the Surface Transportation Board (the "Board") in this proceeding for two reasons. First, the increased traffic in the Chicago, IL area resulting from this proposed transaction without mitigation will cause operational problems for CSXT's operations in the Chicago area, which will reverberate throughout the CSXT system. Trains delayed in the Chicago area will have a ripple effect of slowing the velocity, increasing the dwell time, and creating congestion throughout the CSXT system. Second, CSXT and CN have attempted to resolve these concerns, but have been unable to do so before the filing deadline in this proceeding. Although CSXT is reasonably confident that it can reach an accommodation with CN, prudence dictates that CSXT file with the Board as a prophylactic measure.

CSXT interchanges traffic in the vicinity of Chicago, IL with (1) the Elgin, Joliet and Eastern Railway Company ("EJ&E") at Curtis Yard, and (2) Canadian National Railway Corporation and its affiliates and subsidiaries ("CN") at Barr Yard, Clearing Yard, Riverdale Yard, and other interchange points. CSXT and CN have been negotiating an agreement to maintain these interchange points under the current arrangements, including existing practices, terms, and conditions, with changes, if any, subject to mutual consent. CN has agreed in principal to this request of CSXT as evidenced by the attached email dated January 23, 2008 from David Novak of CN to Christopher Maffett of CSXT (the "Email").

In the Application in this proceeding filed on October 30, 2007, CN committed to "keep all gateways affected by the Transaction open on commercially reasonable terms " Application at 24 The Board has also held railroads to the commitments made to parties in consolidation proceedings ¹

The Chicago gateway is the largest gateway in the United States Operation through the Chicago gateway occurs through the use of numerous specific interchanges between railroads In order to keep the Chicago gateway open, CSXT is requesting the Board to require CN to fulfill its commitment to the Board by keeping open on commercially reasonable terms those interchanges that allow for the efficient operation between CSXT and CN of the Chicago gateway

The relief that CSXT is seeking from the Board is merely to hold CN to the commitment CN made to the Board to keep gateways open for those gateways in the Chicago, IL area that are used for interchange today between CSXT, on the one hand, and CN and EJ&E, on the other, and the commitment made to CSXT in the Email CSXT is not seeking to resolve a condition that exists today CSXT is concerned about the affect of the Transaction on CSXT's operations, which will in turn affect CSXT's ability to compete for rail traffic and offer efficient service

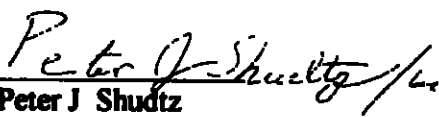
Therefore, CSXT respectfully requests the Board to impose a condition requiring CN to keep all gateways affected by the Transaction open on commercially reasonable terms, which will include existing practices, terms, and conditions, until there is mutual consent between CSXT and CN to change the interchange and to abide by the commitments that it made to CSXT in the Email

Specifically, CSXT requests that the following interchange locations for the following railroads and or specified traffic will continue to be (1) Clearing Yard for interchange between CSXT and Wisconsin Central Ltd , (2) Clearing Yard for interchange between CSXT and Minnesota and Western Canada freight, (3) Barr Yard and Riverdale Yard for interchange between CSXT and Illinois Central Railroad Company, and (4) all other existing CN and CSXT interchange properties will be handled in accordance with existing agreements The interchange between CSXT and EJ&E that exists as of the date of this letter at Curtis Yard will be utilized only for EJ&E West Company ("EJ&EW") traffic after consummation of the Transaction

CSXT is e-filing this comment. Thank you for your assistance If you have any questions please call me

¹ See *Canadian National, et al -Control-Illinois Central, et al* , 4 S T B 122, 128 (1999)

Sincerely yours,


Peter J Shultz

January 28, 2008

Enclosure

CERTIFICATE OF SERVICE

**I hereby certify on January 28, 2008, that I have caused the foregoing document
to be served upon parties of record by first class mail pre-paid**


Steven C Armbrust