

August 28, 2008

Dear STB Board Members:

CN Proposed Acquisition of EJ&E - I understand that change happens; that we all have to work together to solve the rail congestion in the region. But to approve this acquisition as it stands today should frankly get you all fired!

You are hearing from many, many concerned citizens who need your protection from this foreign corporation. I want to focus on three main issues:

1. If this deal is approved, no one, not the STB or any other branch of the government, no one will have any power to regulate the flow of trains through our communities. The STB right now has the power to approve or reject this acquisition. Beyond that, it has NO power. CN will have the absolute authority to run any amount of trains at any time of the day. The proposal calls for the maximum of 24 trains per day and calls that the practical limit on the line as it stands now. Once the acquisition is complete, there is no way of stopping CN from double tracking all the way down the line as well as implementing other improvements to take that count to 35, 40, or even 50 trains per day. Yes, market forces will dictate how many trains are practical, but if you think for one second that anyone can predict how much the current fuel crisis will shift the freight from the highways to the rails, you're living in a fantasy world. If CN should embark on such improvements to increase the traffic through our communities, IT WOULD LITERALLY TAKE AN ACT OF CONGRESS TO PUT IN ANY CONTROLS! That is a ridiculous position to leave our communities in. Now is the time to make the necessary changes to our laws to protect our citizens. In his Gettysburg Address, Abraham Lincoln summed it up right by saying that government is "of the people, by the people, and for the people." It's time that you start taking your job seriously and paying attention to the "for the people" part.
2. The mitigation being offered is, as Congresswoman Melissa Bean put it, "laughable." What an incredible insult! Significant mitigation is REQUIRED for this region to sustain itself. Safety, noise, traffic congestion (which is already out of control in Lake County), watershed, first responders – these are all areas that require significant amounts of money for which mitigation is absolutely necessary. Who's going to pay? CN is saying that it's not their issue. Local governments are on the verge of being broke, and the state is even worse off. If this deal does somehow go through, there are significant mitigation measures that must be put in place before the load is allowed to increase on these tracks; and that should be non-negotiable. There are only three options, and it will likely require a combination of all three:
 - a. CN MUST be held to higher standards and offer hundreds of millions more in mitigation if this deal is approved.

- b. Our own governments will have to assist, which means it will be coming on the backs of hardworking, taxpaying Americans.
 - c. Tariffs or other taxation placed on each and every CN rail car that rolls down the EJ&E that is passed through 100% to fund mitigation expenses up and down the line.
- 3. Safety is absolutely paramount! Yes, improvements can be made to help reduce the likelihood of accidents, but accidents will happen. People being transported to hospitals will die! Something that cannot be protected is our water supply. The region of Hawthorn Woods, Lake Zurich, and Barrington is on a shallow aquifer. If that aquifer becomes contaminated due to a hazardous chemical spill, many families will be forced out of their homes for potentially months. Can you imagine an entire region evacuated for months? Can you imagine you being out of your home for that long? Where would you go? How would you afford additional temporary housing?

School busses cross the EJ&E tracks 840 times per day... in Barrington alone! There are hundreds of children who walk to school... in Barrington alone! How can you even offer any sort of comfort that our children will be safe with those numbers?

You heard from fire officials in Mundelein that the federally mandated rule of “2 in & 2 out” is not feasible under the current staffing levels. Additional fire stations and personnel are going to be needed just to provide essential services because of the proposed increase in freight traffic. Who is going to pay for that?

In Hawthorn Woods, we’re only able to sustain two patrol officers on duty at a given time. That means that the village will have to be divided into two halves with one patrol officer for each side of the tracks. When two-mile trains are rolling through our town, each of those officers will essentially be operating alone! No backup! Lake County Sheriffs recently took 20 minutes to respond to a house fire in an unincorporated part of town adjacent to Hawthorn Woods – they’re not going to be much help. We have curves in the EJ&E track in town that would prevent a train from going 45 mph. How long does it take to get a two-mile train to go from 25 mph to 45 mph and back down again? It’s got to be several miles at least. So the fallacy of faster trains equals less time with the crossing gates down doesn’t apply in this neck of the woods. So, that means hiring more patrol officers. Again, where’s the money going to come from?

This transaction is bad on so many levels... except for CN shareholders. I implore you to really hear the concerns of the affected communities. Sure, there are many NIMBY’s. There will always be that no matter what is being done in the name of progress. What I am raising as well as what many others are raising are legitimate concerns. Some can be addressed through expensive mitigation, which CN should pay both upfront and through tariffs. But the bottom line is that this acquisition is so far beyond bad for the region that it’s not even funny.

I have two other thoughts that I would like you to consider:

1. The relief to the other lines closer into the city of Chicago is guaranteed for only three years. I realize that they do not want to guarantee anything indefinitely, but once this acquisition is complete and the three years is up, our country will have no power to impose any restrictions whatsoever WITHOUT LITERALLY AN ACT OF CONGRESS! How can you have faith in CN given the way that they are working through this process with lies, deceptions, and virtually offering no help at all? Their promise of shifting freight to “outside the Chicago metro area” is empty and short lived. Besides, I consider almost all of these towns and villages to be IN the Chicago metro area.
2. If you are considering approving this acquisition (even conditionally), ask yourselves what it would take for you to reject the deal? What else would push it over the edge and compel you to say “no?” Then take a look at how much or how little that difference between the current deal and the tipping point, and ask yourselves if that’s significant enough to not reject the deal as it stands.

Finally, I’ve heard that the normal DEIS process is 18 months but through pressure from CN this one has taken only 4-5 months. If that is the case, why? Why cut the process so short for this acquisition? Why is this powerful railroad giant referring to this as a “minor deal” and asking for things to be hurried along? When someone like CN tells me that a deal is minor and should be sped through the process, I personally would become suspicious and slow everything down.

In closing, I again implore you to not be the rubber stamp that everyone makes you out to be. You have a difficult job to do, but earn the right to do it by ensuring that the integrity of our region and our country are maintained and not taken advantage of.

Sincerely,

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