



Letter to STB commenting on CN Trust Proposal

JUNE 28, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

On behalf of the Harvey Park District which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Harvey, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,

Kisha McCaskill
Dr. Kisha E. McCaskill
Executive Director

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Cc: All Parties of Record