



STATE OF ARKANSAS

House of Representatives

REPRESENTATIVE

Mike Holcomb

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DISTRICT 10

Counties:

Part Jefferson
Part Cleveland
Part Drew
Part Grant
Part Lincoln

COMMITTEES:

Chairperson,
Public Transportation
City, County and Local Affairs
Planning Subcommittee

Rules

Joint Budget
2nd Alternate,
Arkansas Legislative Council

June 24, 2021

Ms. 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:

I am writing regarding Canadian National's (CN's) proposed voting trust in connection with its acquisition of Kansas City Southern (KCS). The plan is to adopt a more cautious approach to CN's proposed voting trust. After which, the Surface Transportation Board (STB) will determine if this trust is in the public's best interest.

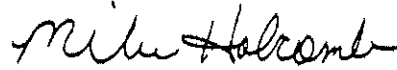
As the chairman of the Arkansas House Committee on Public Transportation, I believe the use of a trust in this proceeding will do little in favor of the public interest and that a CN-KCS merger will hurt Arkansas-based shippers and limit competition.

Specifically, a CN-KCS merger will reduce the number of independent routing options from four to three between the Midwest and the Gulf Coast. Because CN and KCS currently compete assertively, combining the two networks would decrease competition and leave shippers in Arkansas in a vulnerable position to price hikes and low-quality service. Furthermore, the voting trust proposal by CN will burden a great debt to pay for KCS, which could lead to harmful price hikes for Arkansas customers post-merger.

Ms. Brown
6/24/2021
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It is my hope that the STB will reject CN's voting trust and explain the concerns listed above that are shared by many. Until then, I cannot support a CN-KCS combination.

Sincerely,

A handwritten signature in cursive script that reads "Mike Holcomb".

Mike Holcomb
State Representative
District 10

MH/bbd