Wisconsin Central Group
An ad hoc Rail Freight Stakeholders Coalition
www.centralcorridors.com/wcg/

John Duncan Varda, Counsel
DeWitt Ross & Stevens s.c.
2 E. Mifflin Street, Suite 600
Madison, WI 53703
608-212-1103
jdvarda@dewittross.com

DRAFT

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CN/WC Challenge
Potential Means to Promote Solutions/Alternatives

The CN/WC Challenge:
Since 2001, no success, plan or effective commitment to compete for the abundant non-captive, truck competitive freight originating and/or terminating in the CN/WC Region – notwithstanding substantial collaborative effort by CN and shipper stakeholders since 2011.

Action Options:
Marketplace, legislative, regulatory – mix and match, self-help and formal action?

1. Bypass CN/WC via transloads – dramatic evidence of CN/WC competitiveness problems.

2. STB EP 704-1, Revocation of Exemptions Review (comments due 7/26/2016).
   - Revive 2011 statement & update?
   - Add collaborative effort and market place bypass of CN/WC via transloads?
   - Foundation for talking points – legislators, other state/federal policy makers, MI/MN/WI?

3. CN/WC Control – Revisit continuing failure to satisfy STB Docket 34000 conditions?
   - Historically, non-enforceable; but foundation for public official talking points?
   - In combination with other proceedings, petition to reopen Docket 34000?
   - Broad authority and discretion for STB to act in control proceedings.

4. Return of a regional rail carrier? Traditional shortline spin-off(s) of CN/WC segments?
   - Our original position & STB Docket 34000 conditions – a regional railroad able/willing to compete effectively for non-captive, truck competitive freight.
   - Public position on acceptable scope/conditions, e.g., multiple Class I connections?
   - If not acceptable, oppose "exempt" transaction, seek imposition of conditions?
   - Alternative sub-contracting, retention of CN as the rail carrier, subject to conditions?

5. A new railway entity – a "financially responsible person"?
   - New railway entity, capable of seeking sale/conditions, 49 USC § 10907?
   - Capable of seeking scope/conditions that traditional shortline will not?
   - Not a favored path but something to think about and discuss?

6. Key tools – rights/conditions, negotiated and/or imposed by STB?
   - Multiple Class I connections or trackage rights, historic WC gateways, plus Memphis?
   - Pricing authority, all CN/WC origins/destinations and former WC gateways?
   - Power and car service conditions?