



Surface Transportation Board
Washington, D.C. 20423-0001

*Office of Public Assistance, Governmental Affairs,
and Compliance*

October 1, 2010

Ms. Karen Borlaug Phillips
Vice President
Public and Government Affairs
CN
601 Pennsylvania Avenue, NW
Suite 500, North Building
Washington, DC 20004

Dear Ms. Phillips:

Thank you for your letter dated September 17, 2010, requesting the Board to change the day of the month on which CN submits its monthly operating reports. Currently, CN submits the monthly operating reports on the tenth day of the month (or when the tenth day of the month falls on a weekend or holiday, the next business day). CN has asked to change the reporting day to the fifteenth day of the month because it has been challenging for CN to produce its reports on operational matters by the tenth of the month, given the need to obtain the relevant information from various sources, verify the information, and prepare complete final reports under very short time frames.

Changing the reporting deadline to later in the month will allow CN to better assure the accuracy and completeness of the data it submits. As you know, the Board imposed a significant amount of environmental mitigation and instituted a five-year oversight and monitoring period in its decision authorizing the CN/EJ&E acquisition. During which time, CN is required to submit monthly operating reports consisting of the number of cars interchanged on the EJ&E, railroad at-grade crossing delays with other railroads, accidents and injuries that occurred for the month, street crossing blockages, and train volumes. In addition, CN submits quarterly environmental reports, which detail CN's progress in implementing the required environmental mitigation measures.

A key factor in the Board's oversight responsibility of the transaction is the completeness and accuracy of the data submitted each month and each quarter. Therefore, both the monthly operations reports and quarterly environmental reports may be filed on the fifteenth day of each month (or when the fifteenth day of the month falls on a weekend or holiday, the next business day). While you did not specifically ask for

additional time to file the quarterly environmental reports, it makes sense for the Board to receive all of the reports on the same day. Please keep the Board apprised of any difficulties with meeting the new reporting deadline.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Wallen', with a long horizontal flourish extending to the right.

Matthew T. Wallen
Director