



**CANADIAN  
PACIFIC  
RAILWAY**

501 Marquette Avenue  
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June 14, 2011

Mr. Frank Pafko  
Director, Office of Environmental Stewardship  
Minnesota Department of Transportation  
395 John Ireland Boulevard, MS 620  
St. Paul, MN 55155-1899

VIA E-MAIL: frank.pafko@state.mn.us

RE: Comments on MN&S Freight Rail Study Environmental Assessment Worksheet

Dear Mr. Pafko:

Thank you for the opportunity to comment on the environmental assessment of the proposed upgrades to the MN&S rail corridor. As owner and operator of some of the railroad track under study, the Canadian Pacific (CP) will ultimately need to concur in the final design and approve the proposed changes made to our property. These comments are not intended to fulfill that function, nor are they intended to serve as an endorsement or rejection of the proposed project. Rather, by submitting comments, CP would like to ensure that any assumptions about the project are accurate and that the proposal aligns with our expectations about how we manage and operate the MN&S property. In that spirit, we would like to make you aware of the following:

- At this time, CP has not made any commitments to own, operate or maintain the new structures or track proposed in the EAW.
- We have reviewed comments to be submitted by the Twin Cities and Western Railroad (TC&W) and are largely in agreement with their concerns.
- The document fails to recognize impacts to CP of the upgraded infrastructure and increased tonnage. The cost of operating and maintaining the new track, structures, signalization system, and connections from the Bass Lake Spur to the MN&S and from the MN&S to the BNSF will be much more expensive and is expected to exceed any revenue derived from TC&W's use of the track.
- The proposed physical improvements should address the operating needs of the railroads for grade and curvature. Such a significant investment for improvements should result in a design that is not operationally deficient.
- Quiet zones can be an effective tool for improving grade crossing safety while minimizing noise. However, designing and constructing the improvements needed to meet FRA requirements for quiet zones may be difficult – especially considering the site and geometrics in the MN&S corridor.
- CP will experience track outages during construction of the proposed project, particularly during reconstruction of the bridge over Trunk Highway 7. The disruptions will challenge the ability for CP's customers, including Progressive Rail, to receive service

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for almost a month. No plan for phasing construction to accommodate disrupted CP traffic is provided. (page 14)

1-1-4 (cont.)

- There are references to a number of permits that may be required for completion of the project. (page 16) Without analyzing the specifics of any of the identified permit requirements, we simply note that state and local permitting requirements may be subject to preemption by the federal laws regulating rail transportation.
- If any attempts are made to reduce the grade of the new connection from .86% for improved railroad operations, Minnehaha Creek could be impacted. Even existing grades at locations on the MN&S of 1.5% and 1.2% present operating difficulties for the proposed longer, heavier trains.
- Due to the possibility of disturbing contaminants at the Golden Auto National Lead Site, it is unlikely that CP would be interested in taking on responsibility for construction or ownership of the new connection between the Bass Lake Spur and the MN&S.
- Some proposed physical improvements, such as the installation of fencing, are not betterments that the CP would ordinarily agree to make and would have to be built and maintained by others.
- CP has not committed to owning the new retaining walls (page 71). The process of designing these walls will require a high level of community engagement. This is not something CP is in a position to undertake, but that a public entity would need to coordinate.

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If the proposed project moves forward, CP wants to ensure balance between the interests of the railroads, our customers, and those of the community. Based on the scope of the project and characteristics of some of the improvements, CP may decline to take possession of them, as significant cost and liability are shifted to us. We do not make this point to undercut the potential viability of the project if properly carried out, but to caution that there are still significant decisions to be made that will impact private and public expectations going forward.

Respectfully submitted,

*Judy Mitchell*

Judy Mitchell  
Director Strategic Initiatives  
Passenger Rail US  
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TWIN CITIES &amp; WESTERN RAILROAD COMPANY

June 15, 2011

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RE: Comments on MN&amp;S Freight Rail Study Environmental Assessment Worksheet

Thank you for the opportunity to review and submit comments relating to the environmental assessment worksheet. As a freight operator over the proposed and current rail, please accept our comments below in response to the MN&S Freight Rail Study - Environmental Assessment Worksheet (EAW) dated 05.12.2011.

### Licensing and STB Approval

The common carrier operations of Twin Cities & Western Railroad Company ("TCW") are subject to the federal Surface Transportation Board ("STB"), which has "exclusive" jurisdiction over "transportation by rail carriers." 49 U.S.C. § 10501(b). "Transportation" is defined broadly, to include any "property . . . of any kind related to the movement of passengers or property, or both, by rail, regardless of ownership or an agreement concerning use." 49 U.S.C. § 10102 (9) (A). Under the ICC Termination Act of 1995, a common carrier must obtain regulatory authority to conduct operations on the rail lines of a third party. Accordingly, TCW obtained such authority from the STB in 1998 in connection with relocating its rail operations from the Merriam Park Line (also known as the 29<sup>th</sup> Street Corridor, now the Midtown Greenway), also owned by Hennepin County Regional Railroad Authority, to the Kenilworth Corridor prior to commencing operations over the Kenilworth Corridor. Moreover, and of particular importance with respect to the project described in the EAW, a common carrier generally must obtain regulatory authority to discontinue operations over the line of a third party or to re-locate operations onto another rail line. The EAW lists several licenses and permits which must be obtained for the project. (EAW, p. 16). The EAW, however, does not mention or discuss the necessity of seeking and obtaining similar regulatory authority from the STB for this relocation project.

TCW has not approved or accepted the proposed reroute design. We have serious misgivings about the design of the proposed connection between the CP Bass Lake Spur and the CP MN&S Spur and the grade on the MN&S. Those concerns focus on the safety, efficiency and costs of TCW's proposed operations over that connection and the adverse effects on shippers. TCW's customers have expressed similar concerns to senior officials of our company. Under these circumstances, attempts to obtain regulatory authority for this relocation project (including

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authority for TCW to discontinue its current rail operations over the Kenilworth Corridor) could raise opposition from various entities, as well as judicial challenges.

The EAW does not discuss either the need to obtain STB regulatory authority as a condition to completing the proposed project or the prospect that such authority may not be forthcoming. These issues should be carefully considered before HCRRA proceeds along the lines described in the EAW.

**Failure to identify environmental impacts from increased curvature and gradients**

- TCW's existing operations consists of at a maximum ascending eastbound grade of 0.40% and a maximum curve of 3.5 degrees on the Bass Lake Spur, and a maximum eastbound ascending grade of .45% (this is a short segment preceded by a longer segment of descending grade of .65%) and a maximum curvature of 6 degrees on the Kennilworth corridor. The proposed design proposes a maximum ascending eastbound grade of 0.86% (ascent from Bass Lake Spur to the MN&S) and maximum curve of 8 degrees on the new design element. (EAW, p. 8, Proposed Action - Key Design Elements section) On the MN&S, the proposed grade is 1.2%. (EAW, p. 12, Detailed Project Description) 1-2-3
- If the .86% and the 1.2% grades are assumed to be final, the increased noise from accelerating locomotives struggling to make the increased grades will be significant. The EAW fails to discuss or assess the increased noise. (EAW, p. 48 - 55, Noise section) 1-2-4
- The increased curvature creates additional friction, which amplifies the noise emissions including high-frequency squealing and echoing. The EAW again fails to discuss or assess the increase in noise due to greater curvature. This increased noise is not identified or assessed in the EAW. (EAW, p. 48 - 55, Noise Section) 1-2-5
- The greater grades will result in increased diesel emissions due to the need for more horsepower because of the increased grade. (EAW, p. 47, Air Quality Hot Spot Analysis/Mobile Air Source Toxins) The EAW fails to make any assessment of this. 1-2-6
- The EAW does not identify the linear feet associated with increased grades, which has a direct environmental impact on noise, emissions, vibration, etc. (EAW, p. 12, first paragraph) 1-2-7
- The EAW does not identify the grade to traverse from the west-bound BNSF Wayzata Subdivision to the south-bound MN&S. (EAW, p. 8, Proposed Action - Key Design Elements section) 1-2-8
- The EAW does not identify and measure vibration of existing train traffic on the existing TCW route. (EAW, p. 63, Existing conditions) 1-2-9

- The existing connection to BNSF at Cedar Lake Junction is directly to the main line. The proposed project shows the existing BNSF mainline at the Iron Triangle will be converted to a siding track. The emissions, vibration, and nuisance impacts of this siding are not identified. (Track Plan, Sheets 15-22)

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**Inaccuracies in the EAW, EIS, AUAR or other accompanying documents**

- The proposed increased east-bound grade and curvature does not improve TCW's operational efficiency for freight movement through the City of St. Louis Park as stated. (EAW, p. 47, third paragraph) Instead, the increased grade and track curvature lessens our operational efficiency by requiring additional horsepower. The increased curvature would produce increased wear and tear on car and locomotive wheels.

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- The EAW assumes the TC&W freight operations which are to be relocated have an average of 50 carloads/train for CP and an average of 20 carloads/train for UP. (EAW, p. 7, Regular Trains) However, TCW's current carload averages are greater; the average train size of our current operation is 68.5 cars/train for CP and 23.5 carloads/train for UP.

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- Our existing operations would lead the 8-8:15 a.m. scenario to be more common than "relatively rare". (EAW, p. 41, last paragraph)

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- Correction in the sentence, "The times in the table are based on the time when the first car enters the corridor until the time when the first car exits the corridor." (EAW, p. 40, third paragraph) We believe this should read "...when the last car exits the corridor."

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**Environmental impacts that have not been adequately addressed**

- The EAW says TCW trains will be temporarily rerouted during the 1-week to 4-week duration when the MN&S bridge over TH7 and the TH7 South Frontage Rd would be removed and reconstructed but does not discuss what routes would be available or the impacts of such disruption on TCW and its customers. (EAW, p. 14, Disruption of Rail Operations)

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- The "Economics" section does not mention, much less resolve, the increased operating costs to TCW from increased grades and curvatures. (EAW, p. 88, Economics)

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**Possible mitigation measures that could or should be added to the proposal**

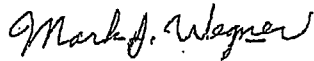
**Quiet Zone:** TCW urges city, county, and state officials to thoroughly and carefully consider the residual safety hazards that are associated with a quiet zone in St. Louis Park versus the associated environmental benefits. We have safety concerns due to a number of factors: 1) increase in train size, speed, and frequency; 2) proximity to schools, business, and residential; 3) an increased number of at grade crossings. While we understand the concern for train whistle and associated noise impacts, we strongly urge consideration of these safety factors when decisions are made. (EAW, p. 44, Mitigation)

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Design review

TCW has not approved the proposed design. We have not thoroughly reviewed the proposed design or hired an engineer to review it. Engaging in such a review does not seem appropriate unless the project is going to proceed. Hennepin County has now represented that the cost of the proposed project is \$76.7 million. We are not aware that Hennepin County or any other government entity has such funds available or committed for this project. We also are not aware of any timetable for obtaining such funds. This cost estimate is, moreover, plainly insufficient since it does not include money to ameliorate the increased costs of operations which will be caused by the proposed design. TCW anticipates retaining an expert to review whatever is the proposed design at the time that adequate funding appears on the horizon. We may have further comments based on that review.

Respectfully submitted,



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