STB DIRECTS CANADIAN NATIONAL TO EXPLAIN WHY IT DID NOT REPORT MAJOR ROAD-CROSSING DELAYS IN CHICAGO AREA

The Federal Surface Transportation Board today directed Canadian National Railway Company to come before the Board and explain the significant differences between information on street-crossing blockages in the Chicago area that the railroad has provided to the Board and the results of an independent audit conducted by the Board.

The Board requires Canadian National to report every street-crossing blockage of 10 minutes or more as a condition of its 2008 acquisition of the Elgin, Joliet and Eastern Railway Company. In its November and December 2009 monthly reports, the railroad reported a total of 14 blockages caused by stopped trains. But an independent audit conducted on behalf of the Board by its third-party consultant, HDR Inc., found 1,457 instances during that same period of crossings blocked for 10 minutes or more by stopped or slowly moving trains.

The Board today directed Canadian National and HDR to appear at a hearing in Washington on April 28 to explain why Canadian National's submissions to the Board on crossing blockages of 10 minutes or more differ from data automatically reported by its own crossing gates and why the railroad did not disclose that it had such information. The Board also ordered the railroad to include all street-crossing blockages of 10 minutes or more, whether as a result of stopped trains or slow-moving trains, in its future reports. The Board also directed the railroad to supplement any previous reports that omit data for lengthy delays caused by slow-moving trains.

As part of the merger approval decision, the Board established numerous environmental and other conditions, including a five-year monitoring and oversight period and the establishment of a Web site, <u>www.stbfinancedocket35087.com</u>, to inform the public on oversight matters.

The Board tasked HDR to audit Canadian National's compliance efforts after numerous complaints by community and elected leaders. The Board also sent questionnaires to the affected communities to solicit comments about concerns about the railroad's operations and compliance.

The decision and conditions are included in the decision <u>Canadian National Ry. and Grand Trunk Corp.,-</u> <u>Control-EJ&E West Co., STB Finance Docket No. 35087</u>. Documents are available at <u>www.stb.dot.gov</u>.