

SURFACE TRANSPORTATION BOARD FINES CANADIAN NATIONAL FOR MISREPORTING STREET-CROSSING DELAYS IN CHICAGO AREA

The Surface Transportation Board today fined Canadian National Railway Company \$250,000 for "knowingly violating Board orders" regarding the reporting of street-crossing blockages in the Chicago area. The Board also extended its oversight regarding the CN-EJ&E merger for an additional year.

The fine is the first ordered by the Board since its inception in 1996.

The Board requires Canadian National to report every street-crossing blockage of 10 minutes or more as a condition of the Board's approval 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 held a hearing on April 28 to hear from both CN and the consultant.

In today's decision, the Board found that the record "supports the conclusion that CN has knowingly violated the Board's orders that CN report, on monthly and quarterly bases, the date and descriptive information for each crossing blockage exceeding 10 minutes in duration. CN's alleged 'good faith' interpretation that the reporting requirements regarded only stopped trains is contradicted by both the CN staff admissions and the plain text of the Approval Decision."

The Board's [decision](#) today to extend the original five-year oversight period to January 2015 will also require additional reporting from Canadian National and another audit to be conducted next year.

Commissioner Charles D. Nottingham dissented from the decision to impose the fine.

As part of the merger approval decision, the Board established numerous environmental and other conditions, including the establishment of a Web site, www.stbfinancedocket35087.com, to inform the public on oversight matters. The decision and conditions are also included in the decision Canadian National Ry. and Grand Trunk Corp.,-Control-EJ&E West Co., STB Finance Docket No. 35087. Documents are available at www.stb.dot.gov.