

Canadian Pacific (CP) and Kansas City Southern Merger (KCS)

MPO & RPA Quarterly Meeting March 23, 2022

CP/KCS merger

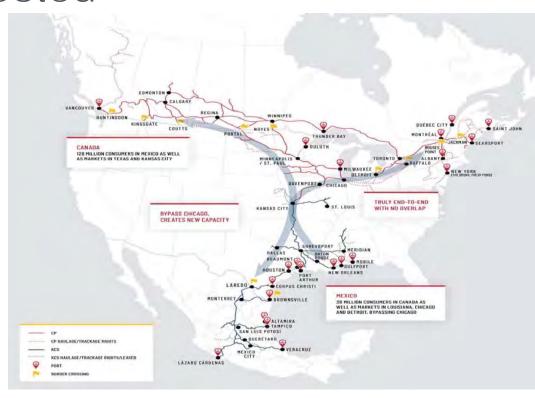
• On October 29, 2021, Canadian Pacific Railway Limited, Canadian Pacific Railway Company, and their U.S. rail carrier subsidiaries Soo Line Railroad Company; Central Maine & Quebec Railway U.S. Inc.; Dakota, Minnesota & Eastern Railroad Corporation; and Delaware & Hudson Railway Company, Inc. (collectively, CP) and Kansas City Southern, The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and The Texas Mexican Railway Company (collectively, KCS) filed an application with the Surface Transportation Board (Board) seeking the Board's approval of the acquisition of control by CP of KCS (Proposed Acquisition)



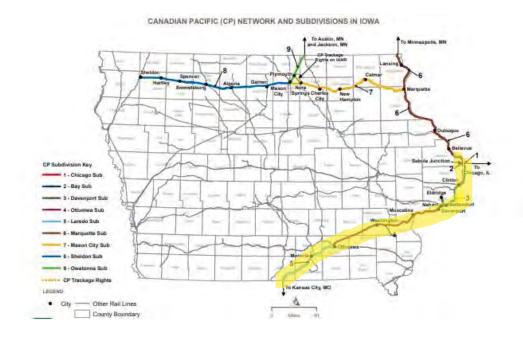
Rail Lines Affected

Red = CP Black = KCS

Rail Lines Affected



Route affected in Iowa



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Documents

- Notice of Intent
 - https://cp-kcsmergereis.com/docs/CP-KCS-NOI.pdf
- Scope of Study
 - https://cp-kcsmergereis.com/docs/CP-KCS-Scope-of-Study.pdf
- Surface Transportation Board Environmental Website for CP-KCS
 - https://cp-kcsmergereis.com/

Procedural Schedule

Docket No. FD 36500

APPENDIX

PROCEDURAL SCHEDULE

Octo	ber 29, 2021	Application filed.
Nove	ember 26, 2021	Board notice of acceptance of Application to be published in the $\underline{\text{Federal Register}}$
Dece	ember 13, 2021	Notices of intent to participate in this proceeding due.
Dece	ember 28, 2021	Proposed Safety Integration Plan (SIP) to be filed with OEA and FRA.
Janu	ary 12, 2022	Descriptions of anticipated responsive, including inconsistent, applications due. Petitions for waiver or clarification with respect to such applications due.
Febr	uary 22, 2022	Responsive environmental information and environmental verified statements for responsive, including inconsistent, applicants due.
Febr	uary 28, 2022	Comments, protests, requests for conditions, and any other evidence and argument in opposition to the Application due. This includes any comments from the U.S. Department of Pustice (DOJ) and U.S. Department of Transportation (USDOT).
		Responsive, including inconsistent, applications due.
Marc	ch 30, 2022	Notice of acceptance of responsive, including inconsistent, applications, if any, published in the <u>Federal Register</u> .
Apri	122, 2022	Responses to comments, protests, requests for conditions, and other opposition due, including to DOJ and USDOT filings.
		Rebuttal in support of the Application due.
		Responses to responsive, including inconsistent, applications due.
May	23, 2022	Rebuttals in support of responsive, including inconsistent, applications due.
		Final briefs due 12

¹² The Board will also determine the page limits for final briefs in a later decision after the record has been more fully developed.

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Environmental Schedule

Steps of the Environmental Review Process

- •NOI (Notice of Intent) November 12, 2021
- •Scoping November 2021 January 2022
 - Public Meetings November 30 December 9, 2021 [Meeting details]
 - Scoping Comment Period November 12, 2021 January 3, 2022
- •Final Scope of Study February 18, 2022
- Draft EIS Spring 2022
- •Public Comment Period on Draft EIS including Public Meetings Spring 2022
- •Final EIS Fall 2022
- Board's Decision on Acquisition

Note: Schedule subject to change as the project progresses. Please check back for current available information.

CP Website to Learn More

https://futureforfreight.com/

Quiet Zones

- 49 CFR Parts 222 and 229 guidelines require train engineers to sound the train horn when approaching railroad crossings. Included in the regulations are ways in which communities can make safety improvements to silence the horns through the establishment of a <u>quiet</u> <u>zone</u>. The Federal Railroad Administration (FRA) has sole jurisdiction pertaining to the establishment of quiet zones.
- Railroad crossing safety enhancements that may justify establishing a quiet zone include construction of active warning devices such as lights and gates, medians, and other such safety treatments. (A typical two-quad gate and light system can cost \$250,000-\$350,000 per crossing.)
- Link to FRA quiet zone web page, "How to create a quiet zone"
 - https://railroads.dot.gov/elibrary/how-create-quiet-zone

Section 130 Program

23 USC Section 130 Safety Program

- This is a Federally funded program, administered by states improves the safety at highway-railroad grade crossings. A 10% non-federal match is required from either the railroad company or public roadway jurisdiction.
- The program is application based, whereas the railroad and roadway authority must submit an application to the program for funding consideration by July 1st of each year.

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Projects are selected through the combination of an accident prediction formula as well as a <u>Benefit-Cost</u>

Analysis.

- Projects that are solely for the establishment of Quiet Zones are not eligible for funding through Section 130.
- · Link to Iowa DOT program web page
 - https://iowadot.gov/iowarail/safety/federal-aidcrossing-safety-program

Highway – Railroad Crossing Surface Repair Program

- This is a State funded program to replace railroad crossing surfaces and roadway approaches. The lowa DOT pays 60% of the total project cost and each the railroad company and roadway authority pay 20%.
- The railroad is responsible for replacing the ballast, ties, rail, and surface through the railroad crossing and the roadway authority is responsible for removal and placement of the roadway approaches to match any track raise resulting from the railroad's replacement of the railroad crossing structure.
- Link to Iowa DOT program web page
 - https://iowadot.gov/iowarail/safety/gradecrossing-surface-repair-program

Federal Funding Programs

- Railroad Crossing Elimination Program Discretionary Grant Program for highway-rail or pathway-rail grade crossing improvements that focus on improving the safety and mobility of people and goods. Project eligibility includes grade separation or closure of crossings frequently blocked by trains, track relocation, installation of a bridge, protective devices, signals, technology, planning, PE, etc. Requires approval of the rail carrier or property owner (except for planning projects with an agreement for collaboration)
 - https://railroads.dot.gov/elibrary/railroad-crossingelimination-grant-program-fact-sheet
 - https://railroads.dot.gov/sites/fra.dot.gov/files/2022 -03/RRCrossingFlim Grade Grassing Safety March 2022 PDFa. pdf
 - Elim GradeCrossingSafety March2022 PDFa.pdf

Federal Funding Programs

- CRISI Discretionary Grant Program for improvements to safety, efficiency, and reliability of intercity passenger and freight rail.
 - https://railroads.dot.gov/elibrary/consolidated-railinfrastructure-safety-improvements-grant-programfact-sheet
- INFRA Discretionary Grant Program for highway and freight projects of national or regional significance
- RAISE (previously BUILD) Discretionary Grant Program for Surface Transportation Projects that will have significant local or regional impacts
 - NOFO was published in February, applications are due on April 14, 2022
 - https://www.transportation.gov/sites/dot.gov/files/ 2022-02/FINAL-2022-RAISE-NOFO.pdf

Communities that CP has met with or reached out to

- Dubuque
- Bellevue
- Clinton
- Princeton
- LeClaire
- Bettendorf
- Davenport
- Muscatine
- Fruitland
- Ottumwa
- Marquette
- Washington
- Camanche
- Riverdale
- Buffalo

Contact information

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