

Southern Region



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Mr. Dennis Gary
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Mr. Gary,

This letter is in response to the meeting between officials involved in the Kankakee Commuter Transit Feasibility Study, Phase II (hereafter KACOT), which is determining the feasibility of commuter service connecting the south-most end of Metra's Electric District service (currently terminating at Stuenkel Road in University Park, IL, possibly extended to a site near Peotone, IL before the Kankakee project commences) to a terminus located somewhere in downtown Kankakee or further south.

On June 1, 2007, KACOT representatives met with CN representatives to discuss the results of the preliminary feasibility study. As a deliverable from that meeting, CN agreed to issue a summation letter, outlining our current position on this project, with the understanding that our position could change by the time the project moves into final design or engineering stages. This is that summation letter.

Overall, CN's position has not materially changed since approached by project organizers in 2005 or 2006. CN is in the business of freight transportation and does not support mixing commuter operations with freight operations. We will cooperate with project officials to negotiate for the use of our existing right of way, either by lease or by outright purchase, and 26' lateral separation of KACOT from CN is a requirement. The ultimate decision on the land acquisition has not yet been made, but a purchase with the right of first refusal by CN is an option.

CN will need a guarantee from KACOT of our ability to serve current and future customers and tracks located to the west of our right of way. Should the KACOT project become feasible, at no time will KACOT officials be allowed to place restrictions on existing or future customers or tracks that may require access by CN, nor will KACOT institute fees or charges on existing or future customers or tracks that require crossing KACOT right of way.

Any locations where existing or future rail customers need modification or relocation of existing rail-related facilities for this project will be solely at KACOT expense.

Any relocation of other structures, utilities, fiber optic lines, or construction of new structures for this project will be at KACOT's sole cost and expense, as will any required relocation of CN trackage.

All environmental studies and any required mitigation or remediation work will be at KACOT sole cost and expense.

The issue of sharing the existing track opening under Court Street in Kankakee is problematic. As indicated in our meeting, CN will not knowingly build in bottlenecks to our mainline operations. Sharing the close clearance opening is not an option we will support.

The issue of KACOT ultimately evolving into a bus route, as opposed to a commuter rail route, was discussed. Our initial reaction is that we have no objections, as long as appropriate clearances are maintained and other safety considerations are included. If the project progresses, we will further discuss the need for crossing protection at those locations where the bus route crosses rail lines. Any costs associated with purchase, installation and maintenance of such devices as well as crossing surfaces will be at KACOT expense.

Operations of a bus agency mentioned by KACOT representatives will not be allowed to negatively impact CN operations, whether said bus agency is providing KACOT service or not.

One other consideration in the feasibility study, that of using our existing yard location north and west of Court St., is not possible as it is an active yard that facilitates interchange with the Norfolk Southern Railroad. None of CN's operations can be adversely affected by commuter operations.

Any negotiations with other railroads, other agencies or private parties will be the full responsibility of KACOT. CN will not negotiate on KACOT's behalf.

All final designs will have to be approved by CN Engineering and Transportation/Operating departments.

Regards,



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