

Subject: CN Effort to End Run Environmental Process

Date: Saturday, May 17, 2008 1:38 PM

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Conversation: CN Effort to End Run Environmental Process

COALITION SAYS CN'S WARNING OF MERGER BEING 'AT RISK'

IS PR SCARE TACTIC AT ITS BEST

Stock Purchase Agreement contradicts claim that US Steel can walk away from deal after Dec. 31

BARRINGTON, IL (May 15, 2008) – Barrington Village President Karen Darch, said today that Canadian National Railway's claim that a delay beyond December 31, 2008 in the issuance of the final Environmental Impact Statement (EIS) and a Surface Transportation Board (STB) decision on the purchase of the Elgin Joliet and Eastern Railway (EJ) puts the merger 'at risk' is nothing more than a scare tactic being used by the Montreal-based company to push this deal through without the required in-depth environmental review.

Darch, who represents a coalition of suburban communities that will be negatively affected by the purchase, says the Stock Purchase Agreement between CN and United States Steel Corp., the parent company of the EJ, says United States Steel cannot walk away from the deal December 31 or at any time thereafter because of delay in the EIS or STB decision, as CN suggests.

"Based on our reading of the Stock Purchase Agreement it seems to contradict CN's claim that any such delay will jeopardize the deal," says Darch. "This fits the trend of CN being not completely forthcoming and stretching the truth in an attempt to build alliances. We will not allow them to continue in this fashion at the expense of thousands of people who stand to be adversely impacted by their self serving attempt to rush the review process, presuppose the outcome, and cram this deal down on the public without the established review process being honored."

CN submitted a request to the STB to expedite the EIS and make a final decision by Dec. 1. CN said that any further delay will put the merger 'at risk' and warned that Chicago and the region will suffer great loss in 'significant public benefits' as a result. A full EIS requires detailed analysis and careful consideration of all reasonable alternatives, including project denial and Darch along with other leaders who represent communities along the EJ line see no benefit other than CN's profit margin in rushing a decision.

"We think CN may be creating a pretense to rush the environmental process," added Darch. "It's clear that after all of the public hearings that have been held there are serious environmental concerns that need to be considered and addressed before a final decision is made. CN's audacity to request the process be expedited to serve their interest is indicative of their lack of concern for working with our communities."

Barrington Communities Against CN Rail Congestion is leading the charge to hold CN accountable and to ensure that the best interest of impacted communities are represented. The coalition is also a member of The Answer to Canadian National, bringing more than 40-impacted communities together to represent the more than thousands of residents opposed to the proposed acquisition.