



Great Lakes Basin Transportation, Inc.

243001

May 1, 2017

Rachel D. Campbell
Director, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

ENTERED
Office of Proceedings
May 1, 2017
Part of
Public Record

RE: Finance Docket No. 35952, Great Lakes Basin Transportation, Inc.—
Application to Construct and Operate a Railroad Line in Wisconsin, Illinois, and
Indiana

Dear Ms. Campbell:

Enclosed for filing are the original and ten copies of the application of Great Lakes
Basin Transportation, Inc. to construct and operate a line of railroad in Wisconsin,
Illinois and Indiana, along with the required filing fee.

Please contact our counsel of record, Mr. Michael Blaszak, with any questions
concerning this filing.

Best Regards

Frank Patton
Chairman
Great Lakes Basin Transportation Inc.



FILED
May 1, 2017
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
May 1, 2017
SURFACE
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BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35952

GREAT LAKES BASIN TRANSPORTATION, INC.
APPLICATION TO CONSTRUCT AND OPERATE A RAILROAD LINE
IN WISCONSIN, ILLINOIS AND INDIANA

APPLICATION

Michael W. Blaszak, Esq.
Legal Counsel
Great Lakes Basin Transportation, Inc.
23860 State Line Road
Crete, Illinois 60417
(708)308-5159

Attorney for Applicant



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Great Lakes Basin Transportation, Inc., by its counsel, hereby submits its application under 49 U.S.C. §10901(a) and 49 C.F.R. §1150.1 *et seq.* to construct and operate as a common carrier a new line of railroad in the states of Wisconsin, Illinois and Indiana.

OVERVIEW (Section 1150.2)

(a) A brief narrative description of the proposal.

“A Hog Can Cross the Country Without Changing Trains -But YOU Can’t!” – 1946 advertisement

When the Chesapeake & Ohio Railway ran this famous ad in national magazines, Chicago was the quintessential midcontinent meeting point of most of the Class 1 railroads, the city where passengers climbed off incoming trains at one station and hailed taxicabs or buses to board outbound trains at another one. The process of changing trains was slow, inefficient and time-consuming, requiring a layover of hours if not a full day. Nonetheless, America put up with the delay and expense until most through passengers defected to automobiles and aircraft that bypassed Chicago.

Today relatively few intercity passengers, and virtually no live hogs, arrive in Chicago by rail. But freight trains still do, some 500 per day, carrying far more cargo than the railroads of the 1940s did. About 25% of United States rail freight moves to the Chicago area; 28.8% to nearly 50% of that, depending on the source, merely passes through it.¹ And the current volume of rail traffic is only expected to grow in time, by 80-90% from 2015 to 2040-2050.²

But the process of moving railroad shipments through Chicago remains slow, inefficient and time-consuming. Chicago’s current rail infrastructure is woefully inadequate to transfer the current volume of freight traffic from railroad to railroad. The rail network serving the Chicago area hasn’t had

¹ See Verified Statement of William E. Miller.

² See Section 1150.5 Operational Data, Traffic Projection Studies.

any significant additions since 1907. Despite continued investment by the carriers, shared in recent years by the public through the CREATE program,³ that network remains much the same today⁴. A freight train can take 30 hours—more during periods of severe weather—to pass through the Chicago area, resulting in added inventory cost for shippers, suboptimal equipment utilization, air pollution, delayed passenger trains and billions of dollars in wasted productivity.⁵

If Chicago's rail facilities are overwhelmed by today's freight volume, they will be even less adequate to handle the much greater traffic levels projected for future years. New solutions are needed to augment these overburdened facilities and keep rail traffic, and the American economy, moving. Great Lakes Basin Transportation, Inc. ("Great Lakes Basin" or "GLBT"), the applicant in this proceeding, offers one such solution in this application.

Great Lakes Basin proposes to construct and operate an entirely new railroad, approximately 261 miles in length, around the Chicago area at a distance of 38 to 89 miles from downtown. The purpose of the railroad is to carry rail traffic moving through Chicago without stopping there. The railroad would be built to the standards of the 21st Century, not the 19th Century. GLBT would be completely grade separated from major intersecting rail lines and major highways which did not exist when the current network was built. It would interchange with each major rail line operated by the six Class I railroads serving Chicago, along with six regional railroads—a total of 26 potential points of interchange, based on GLBT Preferred Route Two, filed with the OEA on September 20, 2016. It would permit a train to travel between any two of those interchanges in eight hours or less. Construction of GLBT's railroad would create new capacity permitting up to 110 trains a day to bypass the existing Chicago terminal, allowing the existing rail infrastructure to move freight and passenger trains originating and terminating in Chicago more efficiently and reliably.

³ Chicago Region Environmental and Transportation Efficiency Program (www.createprogram.org).

⁴ Indeed, the network has shrunk over the years due to abandonments and downgrading of certain lines.

⁵ CREATE, supra; Sachdev, Aneet, "Rail Efficiency Making Big Strides, Administrator Says," *Chicago Tribune*, March 6, 2014.

(b) The full name and address of applicant(s).

The full name and address of the applicant is

Great Lakes Basin Transportation, Inc.
23860 State Line Road
Crete, Illinois 60417

INFORMATION ABOUT APPLICANT (Section 1150.3)**(a) The name, address, and phone number of the representative to receive correspondence concerning this application.**

Correspondence relating to this application should be directed to the following representatives:

Michael W. Blaszak, Esq.
Legal Counsel
Great Lakes Basin Transportation, Inc.
23860 State Line Road
Crete, Illinois 60417
(708) 308-5159

(b) Facts showing that applicant is either a common carrier by railroad or has been organized to implement the proposal for which approval is being sought.

Great Lakes Basin is a corporation that was formed to construct and operate the proposed rail line.

Copies of its articles of organization and certificate of good standing are attached as Exhibit A-1. Great Lakes Basin was organized, among other things, to design, plan, arrange financing for, and obtain all necessary federal, state, and local permits and authorizations for the construction and the operation of, to secure rights-of-way for, and to construct, equip and operate the proposed railroad. Great Lakes Basin intends that its line be operated as a common carrier line.

(c) A statement indicating whether the rail line will be operated by applicant. If not, the operator which has been selected must join in the application, and provide all information required for an applicant. If the operator has not yet been selected, state who is being considered.

Great Lakes Basin intends to be the operator of the proposed rail line.

- (d) A statement indicating whether applicant is affiliated by stock ownership or otherwise with any industry to be served by the line. If so, provide details about the nature and extent of the affiliation.**

Great Lakes Basin, nor any of its stockholders, is not affiliated in any way with any industry that may be served by the proposed rail line.

- (e) Date and place of organization, applicable State statutes, and a brief description of the nature and objectives of the organization.**

Great Lakes Basin was incorporated in the State of Delaware on February 26, 2016 pursuant to Delaware General Corporation Law. The corporation was organized for the purpose of constructing and operating the proposed rail line.

- (f) If a corporation, submit:**

- (1) A list of officers, directors, and 10 principal stockholders of the corporation and their respective holdings. A statement whether any of these officers, directors or major shareholders control other regulated carriers. Also a list of entities, corporation(s) individual(s), or group(s) who control applicant, the extent of control, and whether any of them control other common carriers.**

A list of Great Lakes Basin's directors and officers is attached as Exhibit A2. None of these officers or directors control other regulated carriers. Great Lakes Basin is controlled by Frank Patton, who owns a majority of Great Lakes Basin's shares.

Neither Great Lakes Basin, nor Mr. Patton, nor any of its shareholders controls other regulated carriers.

- (2) As exhibit A, any resolution of the stockholders or directors authorizing the proposal.**

The resolution of Great Lakes Basin's Directors representing the stockholders authorizing this application is attached as Exhibit A-3.

INFORMATION ABOUT THE PROPOSAL (Section 1150.4)**(a) A description of the proposal and the significant terms and conditions, including consideration to be paid (monetary or otherwise). As exhibit B, copies of all relevant agreements.**

Great Lakes Basin proposes to construct and operate an entirely new, mostly two-track railroad, approximately 261 miles in length, around the Chicago area at a distance of 38 to 89 miles from downtown. The total mileage includes 244 miles of mainline plus 17 miles of branch lines to connect with the City of Rochelle Railroad (at Rochelle, Ill.) and Chicago South Shore & South Bend Railroad (at Kingsbury, Ind.). GLBT expects the project to be financed entirely from private sources, excluding other rail carriers, with the objective of being entirely independent of its major railroad connections. The cost of securing STB authority (including completion of the Environmental Impact Statement), right of way acquisition and construction is estimated at \$2.8 billion (base case).⁶ GLBT has not yet obtained financing commitments for this entire amount and does not anticipate doing so until it receives STB authority to construct the proposed line. There are no relevant agreements.

(b) Details about the amount of traffic and a general description of commodities.

Great Lakes Basin will offer railroads serving Chicago, and their shipper customers, a new and more efficient means of interchanging traffic not destined to or from the Chicago area. Any traffic currently interchanged between railroads at Chicago-area junctions may be routed via GLBT instead.

See Appendix I for details concerning projected train traffic volume over each segment of the proposed rail line in years 1 through 3 following construction.

⁶ See 1150.6 (c), Financial Information.

(c) The purposes of the proposal and an explanation of why the public convenience and necessity require or permit the proposal.⁷

Under the current public convenience and necessity statutory provision in 49 U.S.C. § 10901(c), the Board must approve a construction application unless it finds that the construction is “inconsistent with the public convenience and necessity.” Under the prior provision in effect before 1995, the Board’s predecessor was required to approve a construction application if it found that “present or future public convenience and necessity require[d] or permit[ted]” it.⁸ The current public convenience and necessity standard is more relaxed than the previous standard and creates “a statutory presumption that rail construction is to be approved.”⁹

Great Lakes Basin would help alleviate endemic rail traffic delays and congestion in the Chicago area by providing a new railroad linking every major rail line that enters the city. Railroads and shippers that choose to route traffic currently moving through Chicago via GLBT instead will reduce the time required to deliver that traffic to Chicago-area connections from as much as 30 hours or more currently (under normal weather conditions) to eight hours or less. Equipment productivity would be improved, shippers’ inventory costs would be reduced, service reliability and public safety would be enhanced, and air pollution from idling locomotives would be diminished—all of which are public benefits justifying approval of the application. GLBT also would provide additional capacity as the volume of rail traffic grows a projected 80 to 90% or more from 2015 through 2040,¹⁰ reducing the number of trains that would otherwise be attempting to operate over the current Chicago-area rail network and in doing so mitigating delays and improving reliability for those trains. These are additional public benefits that would flow from construction of the proposed line.

⁷ As explained herein, the language of 49 C.F.R. § 1150.4(c) does not reflect the current statutory standard as modified by the Interstate Commerce Commission Termination Act of 1995 (“ICCTA”).

⁸ See former 49 U.S.C. § 10901(a) (1988).

⁹ See, e.g., *Mid States Coal. Progress v. Surface Transp. Bd.*, 345 F.3d 520, 552 (2003).

¹⁰ See Verified Statement of William E. Miller.

- (d) As exhibit C, a map which clearly delineates the area to be served including origins, termini and stations, and cities, counties and States. The map should also delineate principal highways, rail routes and any possible interchange points with other railroads. If alternative routes are proposed for construction, the map should clearly indicate each route.**

A map of the preferred GLBT route is attached as Exhibit C.

- (e) A list of the counties and cities to be served under the proposal, and whether there is other rail service available to them. The names of the railroads with which the line would connect, and the proposed connecting points; the volume of traffic estimated to be interchanged; and a description of the principal terms of agreements with carriers covering operation, interchange of traffic, division of rates or trackage rights.**

Great Lakes Basin will not be constructed through the populated areas of any incorporated city.

The counties to be served by the proposed GLBT line are:

Wisconsin: Rock

Illinois: Winnebago, Ogle, Lee, LaSalle, Grundy, Kankakee

Indiana: Lake, Porter

All of these counties have other rail service, primarily rail lines running to/from Chicago.

Subject to conclusion of interchange agreements, GLBT intends to connect with the following railroad lines (listed from west to east):

Rock County: Wisconsin & Southern, near Milton; Union Pacific and Wisconsin & Southern southeast of Janesville (if traffic justifies); Canadian Pacific, north of Beloit (if traffic justifies)

Winnebago County: Canadian National (Chicago Central & Pacific), between Winnebago and Rockford; Illinois Railway, between Rockford and Kings

Ogle County: Canadian Pacific (Dakota, Minnesota & Eastern), near Davis Junction; Union Pacific, between Creston and Dement (Rochelle); City of Rochelle Railroad, east of Rochelle

Lee County: BNSF, between Steward and Lee

LaSalle County: BNSF, between Earlville and Leland; UP, north of Earlville

Grundy County: CSX Transportation, between Morris and Seneca¹¹; BNSF, between Mazon and Verona; Union Pacific, between Gardner and Dwight

Kankakee County: Canadian National (Illinois Central), between Peotone and Manteno; Union Pacific and CSX Transportation, between Beecher and Grant Park

Lake County: Norfolk Southern, between North Hayden and Cedar Lake; CSX Transportation, between Lowell and Creston

Porter County: Norfolk Southern, between Valparaiso and South Wanatah; Central Railroad of Indianapolis d/b/a Chicago, Fort Wayne & Eastern, between Valparaiso and Wanatah; Canadian National (Grand Trunk Western), between Valparaiso and Union Mills; CSX Transportation, between Alida and Wellsboro; Norfolk Southern, between Pinola and Otis¹²; Chicago South Shore & South Bend, at the Kingsbury industrial park

The volume of traffic estimated to be interchanged at each of these locations will ultimately be determined by interchange, rate division, haulage, and operating rights agreements to be negotiated with each railroad, decisions of each railroad and their shipper customers with respect to routing, and day to day operating conditions in the Chicago terminal. GLBT has entered into no agreements with any railroad regarding operation, interchange of traffic or rates. For purposes of developing the operating

¹¹ Iowa Interstate exercises trackage rights over CSXT at this location. It is GLBT's understanding that IAIS does not have local service rights, but GLBT intends to discuss with CSXT and IAIS the possibility of IAIS also using this connection.

¹² Canadian Pacific exercises trackage rights over Norfolk Southern at this location. GLBT intends to discuss with Canadian Pacific and Norfolk Southern the possibility of Canadian Pacific also using this connection.

plan attached hereto as Exhibit D, GLBT made certain assumptions regarding present and future railroad traffic based on data obtained from the Chicago Metropolitan Agency for Planning ("CMAP") web site.¹³

(f) The time schedule for consummation or completion of the proposal.

Great Lakes Basin anticipates the line would be constructed and portions placed in service within 24 months and the complete route in service within 36 months after final STB approval and acquisition of construction financing and right of way.

(g) If a new line is proposed for construction:

(1) The approximate area to be served by the line.

Great Lakes Basin's rail line would extend through Wisconsin, Illinois and Indiana at a distance of 38 to 89 miles from downtown Chicago. For further detail, see discussion under §1150.4(e).

(2) The nature or type of existing and prospective industries (e.g., agriculture, manufacturing, mining, warehousing, forestry) in the area, with general information about the age, size, growth potential and projected rail use of these industries.

The area traversed by Great Lakes Basin's proposed line is primarily rural and agricultural. Great Lakes Basin's purpose is to construct a new line around Chicago to transport overhead traffic between its connecting lines. The GLBT preferred route is generally not adjacent to any existing industry.

(3) Whether the construction will cross another rail line and the name of the railroad(s) owning the line(s) to be crossed. If the crossing will be accomplished with the permission of the railroad(s), include supporting agreements. If a Board determination under 49 U.S.C. 10901(d)(1) will be sought, include such requests.

Sixteen crossings of high traffic density rail lines will be grade separated. Ten crossings of low traffic density (six trains per day or less) railroads would be at grade unless the railroad being crossed negotiates an agreement to construct a grade separation.

¹³ See Verified Statement of William E. Miller.

Great Lakes Basin has concluded no agreements with any of the railroads it would cross regarding the terms and conditions of such crossings. No Board determinations under 49 U.S.C. §10901(d)(1) are anticipated at this time.

OPERATIONAL DATA (Section 1150.5)

As exhibit D, an operating plan, including traffic projection studies; a schedule of the operations; information about the crews to be used and where employees will be obtained; the rolling stock requirements and where it will be obtained; information about the operating experience and record of the proposed operator unless it is an operating railroad; any significant change in patterns of service; any associated discontinuance or abandonments; and expected operating economies.

Exhibit D, attached hereto, contains an Operating Plan that sets out in general terms Great Lakes Basin's operating plan.

FINANCIAL INFORMATION (Section 1150.6)

(a) The manner in which applicant proposes to finance construction or acquisition, the kind and amount of securities to be issued, the approximate terms of their sale and total fixed charges, the extent to which funds for financing are now available, and whether any of the securities issued would be underwritten by industries to be served by the proposed line. Explain how the fixed charges will be met.

GLBT plans to build the proposed railroad using the latest technology and construction methods without public funding. The company presently has 24 stockholders who contributed funds, services or both during the project's startup phase. GLBT has been discussing, and continues to discuss, options for financing the permitting phase of the project and land acquisition and construction following approval with private investors. It is anticipated that such financing would be accomplished through sales of equity interests in the company, or combinations of equity and debt, as may be negotiated between GLBT and each investor. Financing for the construction phase would be accomplished primarily through the issuance of debt securities.

(b) As exhibit E a recent balance sheet. As exhibit F, an income statement for the latest available calendar year prior to filing the application.

Because GLBT has no business operations or revenue, it is not filing a current balance sheet or income statement.

(c) A present value determination of the full costs of the proposal. If construction is proposed, the costs for each year of such construction (in a short narrative or by chart).

It is currently estimated that the present value cost for the construction of the GLBT project is approximately \$2.8 billion, to be spent over three years. A table identifying the projected construction costs by year is displayed below.

GLBT Construction Costs and Timetable (all values in \$000s)

	Year 1	Year 2	Year 3	Total
Grading & Bridge Construction	\$314,138	\$314,138		\$628,275
Track Construction		\$568,847	\$568,847	\$1,137,694
Signal & Communications Construction		\$113,117	\$113,117	\$226,234
Other (including IT, Land, Consulting, Legal)	\$584,524	\$176,131	\$50,000	\$810,655
Total	\$898,661	\$1,172,232	\$732,964	\$2,802,857

Note: All costs shown are 2017 dollars and are not adjusted for inflation.

(d) A statement of projected net income for 2 years, based upon traffic projections. Where construction is contemplated, the statement should represent the 2 years following completion of construction.

Exhibit G is a pro forma income statement which shows anticipated revenues, operating costs and debt service costs in years one through five after completion of construction, assuming a financing structure of 37% equity and 63% debt. The assumed interest rate on debt would be 6%, fully amortizing over a 30-year period. Fixed charges would be paid from operating revenues:

Regardless of the final financing structure, GLBT forecasts that it will be able to effectively create positive cash flow to cover its debt service obligations, operating expenses and other pertinent costs related to the project as it builds volume and throughput across the entity during the first five years following construction. After this initial period, it is anticipated that GLBT's operations will continue to improve and fixed charge coverage will also improve at an increasing rate.

ENVIRONMENTAL AND ENERGY DATA (Section 1150.7)

As exhibit H, information and data prepared under 49 CFR Part 1105, and the "Revision of the Nat'l. Guidelines Environmental Policy Act of 1969," 363 I.C.C. 653 (1980), and in accordance with "Implementation of the Energy Policy and Conservation Act of 1975," 49 CFR Part 1106.

ICF International has been retained as a third-party contractor pursuant to 49 C.F.R. § 1105.10(d) to work with OEA staff in preparing an EIS under the National Environmental Policy Act relative to Great Lake Basin's construction and operation proposal. A notice of intent to prepare an EIS was published in the Federal Register on March 15, 2016, and the scoping process is underway.

ADDITIONAL SUPPORT (Section 1150.8)

Any additional facts or reasons to show that the public convenience and necessity require or permit approval of this application. The Board may require additional information to be filed where appropriate.

GLBT is not filing any additional support at this time.

NOTICE (Section 1150.9)

A summary of the proposal which will be used to provide notice under § 1150.10(f).

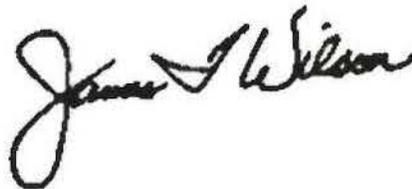
Following is a summary of the proposal:

Surface Transportation Board Finance Docket No. 35952, Great Lakes Basin Transportation, Inc. Application to Construct and Operate a Railroad Line in Wisconsin, Illinois and Indiana: Applicant Great Lakes Basin Transportation, Inc. ("GLBT") has filed an application with the Surface Transportation Board ("STB") for authority to construct and operate a new railroad line extending from Pinola, Indiana

through Illinois to a point near Milton, Wisconsin, a distance of approximately 261 miles (including branch lines), through Porter and Lake Counties, Indiana; Winnebago, Ogle, Lee, LaSalle, Grundy and Kankakee Counties, Illinois; and Rock County, Wisconsin. A copy of the Application, including a map of the preferred route of the proposed railroad line, can be found on the STB's web site, www.stb.dot.gov. Interested parties may submit comments on the Application to the STB by mailing the original and 10 copies to "Chief, Section of Administration, Surface Transportation Board, Washington, D.C. 20423," or by E-filing as described at <https://www.stb.gov/stb/efilings.nsf>, by June 5, 2017. The docket number (Finance Docket No. 35952) should appear on the first page of the filing, as should the name and address of the person submitting the filing. Additional copies of the comments must be mailed to counsel for GLBT:

Michael W. Blaszak, Esq.
Legal Counsel
Great Lakes Basin Transportation, Inc.
23860 State Line Road
Crete, Illinois 60417

GREAT LAKES BASIN TRANSPORTATION, INC.

A handwritten signature in black ink that reads "James T. Wilson". The signature is written in a cursive style with a large, looped initial "J".

By: James T. Wilson

Vice Chairman and President

EXHIBIT A-1

GLBT ARTICLES OF ORGANIZATION, AND CERTIFICATE OF GOOD STANDING

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "GREAT LAKES BASIN TRANSPORTATION, INC.", FILED IN THIS OFFICE ON THE TWENTY-SIXTH DAY OF FEBRUARY, A.D. 2016, AT 2:17 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.



5974409 8100
SR# 20161229223

You may verify this certificate online at corp.delaware.gov/authver.shtml

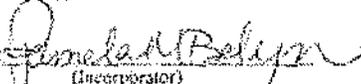
Handwritten signature of Jeffrey W. Bullock, Secretary of State.

Jeffrey W. Bullock, Secretary of State

Authentication: 201909822
Date: 03-01-16

STATE of DELAWARE
CERTIFICATE of INCORPORATION
A STOCK CORPORATION

- First: The name of this Corporation is Great Lakes Basin Transportation, Inc.
- Second: Its registered office in the State of Delaware is to be located at 169 Greenwood Dr., #101 Street, in the City of Dover County of Kent Zip Code 19904. The registered agent in charge thereof is National Registered Agents, Inc.
- Third: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.
- Fourth: The amount of the total stock of this corporation is authorized to issue is 1,000,000 shares (number of authorized shares) with a par value of 0.000000000 per share.
- Fifth: The name and mailing address of the incorporator are as follows:
 Name Pamela M. Belvin, Esq.
 Mailing Address 153 N. Clark St., Ste 1850
Chicago, IL Zip Code 60642
- I, The Undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 26th day of February, A.D. 20 14.

BY: 
 (Incorporator)

NAME: Pamela M. Belvin, Esq.
 (type or print)

EXHIBIT A-2**GLBT DIRECTORS AND OFFICERS****GLBT Directors (Board Members)**

Name	Title
Frank Patton	Founder and Chairman
James T. ("Jim") Wilson	Vice Chairman and President

GLBT Officers

Name	Title
Frank Patton	Chairman (Founder)
Jim Wilson	Vice Chairman and President
Timothy M. ("Tim") Befort	Chief Operating Officer
Michael W. ("Mike") Blazak, Esq.	Chief Legal and Administrative Officer
William E. Miller	Chief Commercial Officer
Tom Duffy, CPA, PA	Chief Financial Officer
Greg Frezados	Counsel to the Chairman

EXHIBIT A-3

GLBT DIRECTORS RESOLUTION AUTHORIZING APPLICATION

April 27, 2017

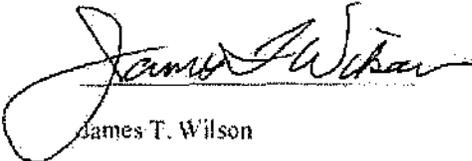
To: Surface Transportation Surface Board

The Board of Directors of Great Lakes Basin Transportation unanimously authorize the officers of the company to prepare and file an application with the Surface Transportation Board of the United States for a certificate of public convenience and necessity authorizing the construction of the Great Lakes Basin Railroad in accordance with CFR 1150.



Frank Patton

Chairman and Director-Great Lakes Basin Transportation, Inc



James T. Wilson

Vice Chairman and Director-Great Lakes Basin Transportation, Inc

EXHIBIT B

GLBT RELEVANT AGREEMENTS

There are no relevant agreements.

EXHIBIT C

GLBT PREFERRED ROUTE MAP

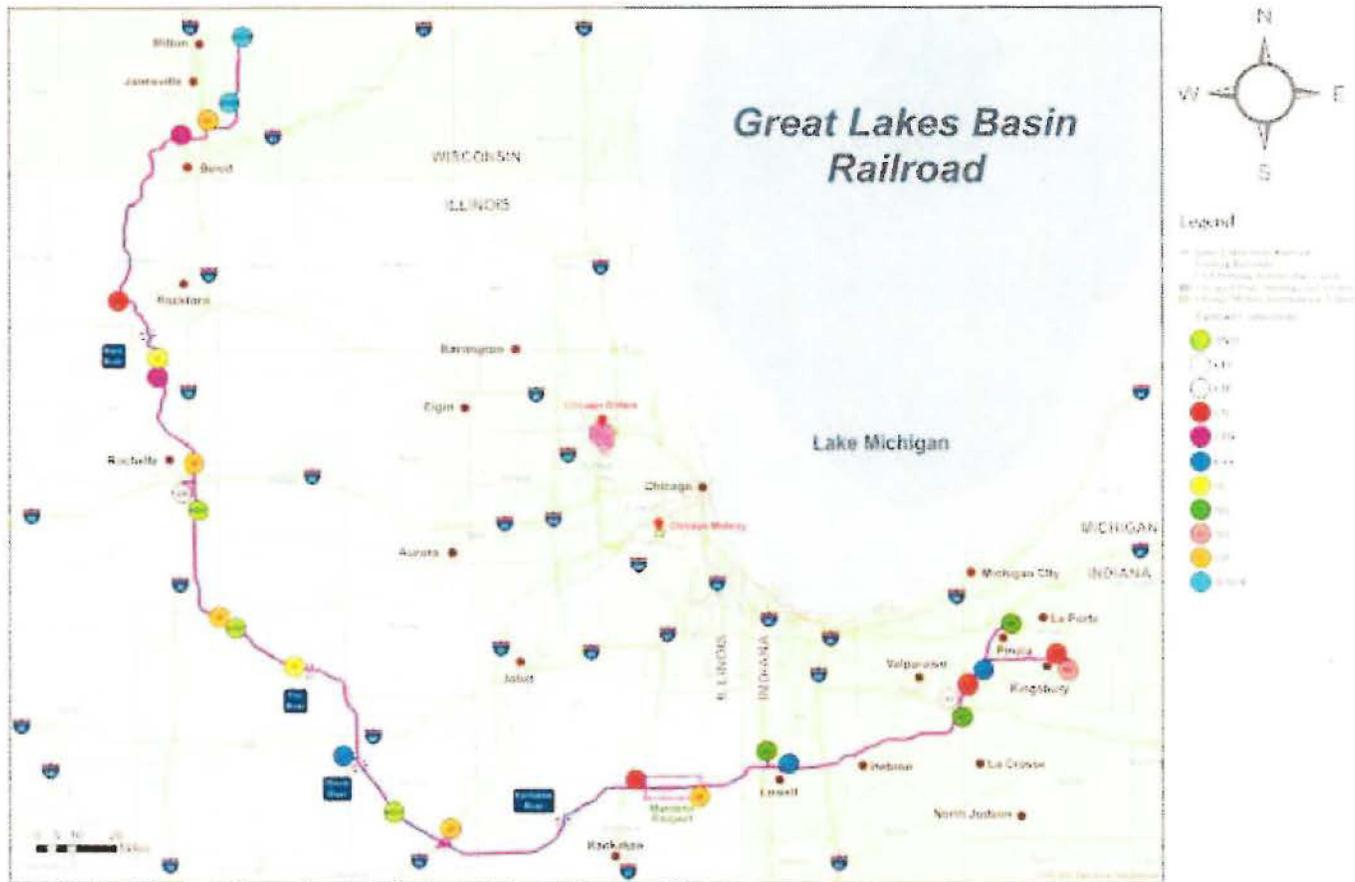


EXHIBIT D
GLBT OPERATING PLAN

GLBT will provide customized services to each connecting rail carrier and the rail carriers' shippers, based on the unique service requirements for the freight traffic to be handled (different train types, crew requirements, schedule requirements, and operating characteristics such as maximum speeds, multiple locomotive consists, high-wide loads, etc., and interchange reception/delivery point (between two carriers or moving a train between two points of connection for the same carrier) pairs. GLBT customers would have the option of having GLBT provide haulage services between two railroad interchanges, utilizing customer or railroad owned locomotives and train consists provided by the railroad(s), and GLBT crews, or negotiating agreements. Alternatively, connecting railroads or their customers could be granted operating rights between two or more GLBT interchanges, using their own crews to operate trains over GLBT. GLBT would interchange traffic with its six short line and regional connections at times and on days to be determined through negotiation.

Projected train density by segment (interchange point to interchange point) is shown in Exhibit D-1.

At the Manteno Railport, GLBT would offer a menu of services to railroads and shippers, including yard tracks where incoming freight trains could be broken up and switched, or swap blocks, an intermodal terminal where trailers and containers could be loaded or unloaded, locomotives fueled, facilities for mechanical inspections and light repairs for cars and locomotives, switching services for reducing/filling/blocking cars, and operating personnel to supplement operating rights crews as requested or required by agreement.

Traffic Projection Studies:

As provided in GLBT's November 10, 2016 response to STB Information Request 2, GLBT's initial estimate of traffic was based on CMAP Trains Per Day maps of September 2012¹⁴ and aggregate volume was compared to CMAP "Update on Freight Rail Activity", October 9, 2015¹⁵ to maintain consistency with published numbers. A summary estimate and relevant commentary is provided below. Please see the Verified Statement Mr. William E. Miller's for further explanation of the methodology and assumptions underlying these studies.

Chicago freight traffic: 500 trains/day on average. The CMAP traffic density maps suggest the range is 363 to 575 (based on past experience, it is assumed that this range reflects seasonal and day-of-week variations)
 37,500 cars/day divided by 500 trains/day = 75 cars per train on average.

Interchange traffic: 25-30%¹⁶ overall on average, or 125-150 trains/day

Assuming east-west and arrival-departure balance the 500 trains per day breaks down as follows:

88-94 trains/day	Western carrier eastbound terminating arrivals
88-94 trains/day	Western carrier westbound originating departures
88-94 trains/day	eastern carrier eastbound originating departures
88-94 trains/day	eastern carrier westbound terminating arrivals
63-75 trains/day	Eastbound interchange trains
63-75 trains/day	Westbound interchange trains

¹⁴ "Freight Trains per Day, 7-Cpunity Chicago Region, 2011 (Map 1 of 2)", Prepared by Chicago Metropolitan Agency for Planning, September 2012, http://www.cmap.illinois.gov/documents/10180/19427/Chicago-region-freight-trainsperday_20120917_draft.pdf/0668884b-02c3-4b77-93ec-12f0dd232c05, and "Freight Trains per Day, Chicago Terminal Area, 2011 (Map 1 of 2)," Prepared by Chicago Metropolitan Agency for Planning, September 2012, http://www.cmap.illinois.gov/documents/10180/19427/Chicago-region-freight-trainsperday-Map2_20120917_draft.pdf/2b4cbea3-3e8b-423e-b69d-f3aa0d6759ef

¹⁵ CMAP "Update on Freight Rail Activity", October 9, 2015, http://www.cmap.illinois.gov/about/updates/-/asset_publisher/UIMfSLnFfMB6/content/update-on-freight-rail-activity

¹⁶ CREATE Presentation to Chicago EPA, August 2014, <https://www.epa.gov/sites/production/files/2014-08/documents/volcy.pdf>

GLBT portion of interchange traffic: Assumed to be 50% of interchange traffic, or 63-75 trains/day total, or 31-38 eastbound interchange trains and 31-38 westbound interchange trains (based on CMAP traffic density maps and extra care to eliminate double counting). The GLBT portion would range from 45 to 72 trains per day, or 23 to 36 eastbound and 23-36 westbound, not counting GLBT generated trains. Including GLBT generated trains and 2% annual escalation, GLBT traffic would be 54 to 96 trains/day total, or 27 to 48 eastbound and 27 to 48 westbound trains. This is broken down by segment for the base year (pre-escalation) in the previously noted Appendix A.

Traffic distribution: For the purpose of estimating projected traffic, it was assumed that the proportion of interchange traffic (25-30% of total traffic) would be evenly distributed amongst the 26 proposed connections in proportion to each connection's traffic (i.e., the 25-30% was applied to the traffic at each connection).

The volume of traffic will vary greatly depending on individual segment, with the volume reaching its peak near the traffic balance point of the Manteno Railport. In other words, the central portion of the railroad will accommodate the most traffic while the volumes at the east and west ends would be somewhat less. In practice, the exact distribution will depend on traffic types, train types, individual railroad requirements and preferences, pricing, etc. Until it becomes possible to negotiate terms with each individual railroad, it is not practical to make any other assumption. See Exhibit D-2 for a visual reference, estimated steady state, year 3, traffic density.

Schedule of Operations:

The railroad would operate 24 hours per day, 365 days per year to meet customer service specifications. The railroad would operate trains according to customer schedule requirements and have capacity to operate non-scheduled trains presented for movement due to unplanned service interruptions, shipper reroutes, and off-line maintenance windows. It should be noted that train operations would be largely dependent on the needs and requirements of GLBT's connecting carriers and their shippers, which cannot be predicted several years in advance (when GLBT is constructed, assuming this application is approved). Therefore, GLBT has not attempted to produce a detailed schedule of freight train operations. Instead, our approach has been to design the GLBT main line between its eastern terminus at Pinola, Ind. and Milepost 166 near Rochelle, Ill. as a double track railroad under Centralized Traffic Control ("CTC") and Positive Train Control ("PTC") which will have capacity for approximately 110 trains per day, or nearly 100% of the volume of traffic currently moving through the Chicago terminal (i.e., interchange traffic not originating or terminating within the current Chicago network). Thus, no matter how successful GLBT is in attracting this traffic, or which pairs of interchange points this traffic flows through, GLBT will have sufficient capacity to handle it. Operations north of Milepost 166 are expected to be of considerably lower density (10-12 trains per 24 hours), and this single track CTC/PTC portion of the proposed railroad will have adequate siding capacity to handle this volume of traffic expeditiously. Anticipated average train speeds are summarized in Exhibit D-3.

Crew Resources:

Employees will be recruited from the Chicago region and other population centers around the route (such as Rockford, Ill. and Michigan City, Ind.). GLBT will train new operating employees in the skills required to safely operate locomotives and trains, switching duties, and succeeding in establishing a customer service oriented culture for our connecting railroads and shippers. GLBT will meet or exceed all Federal Railroad Administration rules and requirements for certifying employees for train operations duties. Engineering, mechanical and office employees would likewise receive training appropriate to

their responsibilities. GLBT will organize an internal training division within our People Group to establish recruiting, hiring, and training standards and execute our plan to hire quality people to meet the safety and service goals of GLBT.

Rolling Stock Requirements:

GLBT anticipates initially acquiring 10-4,400 Horsepower AC Traction Locomotives and 10- non-powered road slugs to handle construction trains for ballast, ties, rail, bridge material, and logistics support for construction materials. These trains would likely travel off line to sources of supplies, completing round trips to load, unload, and reload required materials. The 10 locomotives and 10 slugs would be used for revenue railroad operations after construction to handle interchange trains between connections and provide emergency assistance to operating rights trains experiencing locomotive malfunctions. They also would power work trains to support maintenance projects. In addition, GLBT would initially acquire 4-3,000 Horsepower DC Locomotives and 4 slugs for on-line work trains supporting construction, switching cars, and supplementing locomotive consists as necessary. These 4 locomotives and 4 slugs also would be used for switching operations at the Manteno Railport to support customer service blocking and interchange requirements, and for service on the Kingsbury Subdivision. Additional locomotives would be acquired as traffic levels ramp up including an estimated additional 30-4,400 Horsepower AC Traction Locomotives by end of year three of operation to work off horsepower hours in agreement with connecting railroads.

GLBT will secure sufficient rolling stock (ballast cars, flat cars, gondolas, welded rail trains, specialty cars, etc.) and equipment (cranes, loaders, trucks, etc.) to support efficient and successful construction of the route. This fleet will be implemented through a combination of acquisition/leasing and through vendor/supplier negotiation for delivery of materials and supplies. It is further anticipated, that GLBT will secure a small fleet of some of these car types and equipment on a permanent basis for on-going maintenance following the start of operations. The precise amount of cars and equipment will be determined during future engineer and procurement contracting stages.

No other equipment is required as GLBT does not anticipate originating or terminating traffic for its own account, with the connecting railroads and shippers providing all required freight cars for any such traffic.

Information about GLBT's officers is provided below:

James T. ("Jim") Wilson, Vice Chairman and President of Great Lakes Basin Transportation:

Mr. Wilson started his railroad career as a brakeman working for The Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") during the summer of 1973. After graduating from Wichita State University with a Bachelors of Business Administration in 1977, he rejoined the Santa Fe and began an 18-year career in the Operating Department with several field supervisory positions and at headquarters in Chicago, Ill. and other locations as listed below. Mr. Wilson was involved in operations and technology and served as co-leader of the operating team that created the Transportation Support System ("TSS"), which is still the operating system for Santa Fe successor BNSF Railway, as well as Canadian National and Deutsche Bahn. Listed below are the positions Mr. Wilson held at Santa Fe:

Assistant Vice President-Automotive – Chicago, IL	Assistant Trainmaster – Barstow, CA
Asst. Vice President-Operations Support – Chicago, IL	Safety Supervisor – Fresno, CA
Assistant Vice President-Operations – Chicago, IL	Transportation Inspector – Winslow, AZ
Director System Operations Center – Chicago, IL	Management Trainee-System – 18 months CA, KS, TX
Director Service Design – Chicago, IL	Brakeman-Switchman – Wichita, KS
Superintendent Transportation – Los Angeles, CA	Santa Fe Locomotive Engineer-System Duty
Assistant Superintendent – Richmond, CA	Southern Pacific Cajon Locomotive Simulator Training
Power Distribution Supervisor – Chicago, IL	Train Dispatcher School – Amarillo, TX

Mr. Wilson left the Santa Fe in 1995 and started providing operating and technology consulting services to the railroad industry. He performed two terminal assessment studies of Chicago's railroad

facilities and operating capacities for the Belt Railway Company (“BRC”) of Chicago. He built a database of all scheduled freight trains, commuter trains, and passenger trains operating in Chicago as part of the BRC project. In 1999, he was a member of the first consulting team to do an operational assessment study of the Chicago railroads for the Association of American Railroads. As a Senior Manager in the Distribution Consulting Practice for Ernst and Young, Mr. Wilson was a member of the consulting team assisting CSX in the integration of Conrail.

Mr. Wilson led a start-up company to manufacture a new line of writing instruments and distribute the products in the big box office supply stores.

Mr. Wilson joined Infosys Consulting in 2005 as a Principal in its Logistics Practice. BNSF Railway was Infosys’s primary customer, utilizing Infosys for technology consulting and support. He worked with the Infosys team to lead Infosys into long-term engagements with Canadian Pacific Railway, CSX, Norfolk Southern, and Ferromex.

In 2011 Mr. Wilson joined the Xtrain in Las Vegas, Nev. as Chief Operating Officer with the goal of operating passenger trains between Los Angeles and Las Vegas. He was responsible for coordinating operations, service design, station design, equipment acquisition, and working with owner railroads over whose tracks Xtrain would operate. The service was not implemented and Mr. Wilson joined GLBT as Vice Chairman in 2014. At GLBT he has led the planning effort for the business, staffing, route design, Surface Transportation Board Office of Environmental Assessment filings, and relationships with rail carriers, shippers, and other key stakeholders.

William E. Miller, Chief Commercial Officer of Great Lakes Basin Transportation:

Mr. Miller joined Great Lakes Basin in June 2016. He has been involved in nearly all aspects of the GLBT start-up with emphasis on general business and organization design; traffic estimating, route design, and financial analysis; communications including STB filings and responses; and shipper, carrier, supplier, and investor outreach. Mr. Miller will be responsible for establishing the marketing, sales, customer service and business development elements of GLBT.

Mr. Miller came to GLBT after four years as Vice President Global Transportation with Cliffs Natural Resources, where he was responsible for trans-ocean and Great Lakes shipping, Class 1 railroad contracts and service to Cliffs' mines in U.S. and Canada, and coordination of six Cliffs-owned short line railways (including common carriers Lake Superior and Ishpeming in Michigan and Chemin de fer Arnaud in Quebec), as well as strategic planning and special projects related to transportation and logistics of Cliffs' mining business. Project work included planning, analysis and facilitation of capital improvements, including improvements to the Cliffs-owned Pointe Noire, Quebec rail terminal and port facilities, and the Jean River bridge replacement. Mr. Miller also led planning and coordination of the first Chinamax vessel loaded in North America at Cliffs' Pointe Noire port facilities.

Mr. Miller is a third-generation railroader and began his railroad career at Santa Fe as a summer intern for the Industrial Engineering Department in 1981. After graduating with a B.S. in Industrial Engineering from Kansas State in 1983, Mr. Miller joined Santa Fe as an Industrial Engineer conducting special studies for the Mechanical, Maintenance of Way, and Operations departments, and as Senior Industrial Engineer-Computer Applications developed operations management decision support, measurement and performance reporting systems. He moved to the Operations Center as a Power Distributor managing locomotive distribution in the late 1980's and on to Manager of Schedules and service design in 1991 and finally Director Operations, first on a system basis in the System Operations Center, and later for the Carload Business Unit. During his career at Santa Fe, Mr. Miller was part of the team that designed and implemented the Transportation Service System (TSS), the operating system used by BNSF, Canadian National, and Deutsche Bahn. Positions held at Santa Fe Railway include:

Industrial Engineering Intern	Topeka, KS
Industrial Engineer	Los Angeles, CA
Industrial Engineer – Computer Applications	Los Angeles, CA
Senior Industrial Engineer	Los Angeles, CA
Power Distributor	Systems Operations Center, Chicago, IL
Manager Schedules	Schaumburg, IL
Director Operations – Service Design	Schaumburg, IL
Director Operations – Carload Business Unit	Schaumburg, IL

Mr. Miller left Santa Fe on the eve of the BNSF merger in January 1995 and joined Andersen Consulting (Accenture since 2000) as a strategy and operations consultant with its Supply Chain Strategy Practice. There he worked with both shippers and carriers developing solutions to transportation and logistics challenges in the U.S., Canada, Venezuela, Brazil, Germany, Belgium, Australia and South Africa. He led a project team shortly after the BNSF merger to integrate the purchasing and materials departments of Santa Fe and Burlington Northern; led portions of Canadian National's enterprise resource planning systems (ERP) work in the late 1990's; led a team in the design and justification of linear management capability for Queensland Rail ("QR") maintenance of way and mechanical departments; and helped design and organize comprehensive integrated operations, maintenance, organizational, commercial, and financial measurements for QR's freight spin-off QR National (now d/b/a Aurizon).

For shippers in the oil and refining, chemicals, paper and forest products, aluminum, and consumer products industries Mr. Miller led teams in the development of transportation and logistics performance improvement programs, go-to-market and vertical integration strategies, and transportation contract negotiations across rail, truck, and marine shipping modes.

As an independent consultant, Mr. Miller continued consulting to shippers and carriers from 2003 to 2010 before rejoining Accenture. Major engagements as an independent transportation and logistics consultant included co-authoring the re-write of Union Pacific's carload service plan; drafting a marketing plan and sales strategy for 3rd party logistics start-up TTS; drafting an outward facing supply chain strategy and market offering for PepsiCo's logistics organization; co-authoring the service plan re-write and providing operational improvement advice for Transnet Freight Rail (TFR South Africa), and the design of coal spurs and operations in downstate Illinois and the West Slope of Colorado.

Timothy M. ("Tim") Befort, Chief Operating Officer of Great Lakes Basin Transportation:

Mr. Befort joined Great Lakes Basin Transportation in September 2016. Most recently, he was Vice President Yield Management at Kansas City Southern Railway ("KCS"), focusing on responsibilities for intermodal and network operations, asset management, carrier relations and strategic planning. His role concentrated on optimizing the efficiency and profitability of the KCS franchise, concentrating on asset utilization and distribution, cost and profitability identification, financial modeling, operational process execution, and marketing optimization. After joining KCS in 1998, Mr. Befort worked in intermodal and automotive operations, strategic studies, finance and sales and marketing. Listed below are the positions held at Kansas City Southern Railway:

Vice President, Yield Management	Director, Strategic Analysis
Assistant Vice President, Financial Planning & Analysis	Manager, Strategic Analysis
General Director, Strategic Analysis	General Manager, Intermodal Operations

Mr. Befort began his transportation career in 1988 with APL, Ltd working in managerial positions across each of its transportation companies in the international ocean carrier, wholesale

domestic rail and retail intermodal marketing company subsidiaries. His work covered rail operations, logistics, business development, customer service and business analysis.

Mr. Befort graduated from Northwestern University with a bachelor's degree in Economics. He also graduated from DePaul University, earning an MBA in Operations Management.

Douglas G. ("Doug") De Berg, Design Engineer¹⁷

Mr. De Berg is a railroad construction, maintenance and design engineer with management experience in railroad operations and engineering. Motivated by challenge, analytical by nature and just plain enthused by the vibrant railroad industry in general has been his key to success in motivating others to rise to their best in the successful completion of projects. Almost all of the major projects Mr. De Berg has been associated with have been large construction and maintenance projects requiring close coordination with not only team members, but also outside public and private stakeholders and always with operations and the logistics of procurement, supply and distribution as key components for success.

Safety has played a major role in Mr. De Berg's career from designing the projects to managing those projects through to completion. He has not had a serious lost time injury associated with any of his projects.

Experience

Transportation Consultants, Inc.

2000-present

Mr. De Berg established his own company in 2000 providing clients with transportation engineering expertise. He works as a consultant for the major Class 1 railroads, regional and short lines, industrial clients, and government agencies in inspecting, planning improvements, designing new and

¹⁷ Mr. De Berg is not an officer of GLBT, but as its consultant he led the effort to locate the proposed rail line.

realigned trackage and managing contract preparation, and supervision of contractors. Examples of projects secured and completed include:

- Ford Motor Company track realignment in Dearborn, Mich. 50 track yard and perimeter trackage as part of Heritage 2000 project.
- Louis Dreyfus Grain Marketing realignment of elevator trackage in the Port of Houston and 49 other projects for this client.
- California and Arizona Railroad, Parker, Arizona, assessment of rail conditions and developed rail replacements program.
- Network Rail in the United Kingdom, assessment of its Infrastructure Improvement Program and recommendations for further improvements and better work methods.
- Union Pacific Railroad, bridge situation surveys in western Iowa and southern New Mexico to determine bridge replacement criteria.
- Conceptual design work at NRG's Limestone – Texas coal generating plant, installing second unloading loop, increasing track/train capacity on BNSF connection and establishing new connection to the Union Pacific Railroad.
- Conceptual and initial design for establishing unit train rail service to Mission Energy's mine-mouth power plant at Homer City, PA. Redesign of the existing plant and connecting trackage to lower ruling grade, establish loop unloading for coal, create unloading facilities for limestone and create loading facilities for out bound gypsum.
- Conceptual design, cost estimating and operations planning on new 90-mile long coal line in Southern Illinois.
- Conceptual design, estimating of costs and analysis of operations on 16-mile new coal line in western Colorado.
- Project Manager on Nashville Commuter rail design and planning.
- Operations planning for several major industrial clients in complex plant operations.

- Assisted major client in locating, inspecting, supervising repairs and purchasing locomotives for several plant locations within the U.S.
- Conceptual design, provisional design, budgeting, planning and submitting for environmental study for a 247-mile long line extension to bring additional service and competition to the Powder River Coal fields.
- Chief Rail Planner and negotiator for CORail (Colorado Freight Railroad Consolidation) to design freight rail corridors to move freight off of existing corridors identified as Higher Speed Rail Corridors.
- Chief Designer of passenger rail terminals in Las Vegas, NV and Fullerton, CA for Las Vegas Rail Express (X Train).

MK Centennial, Kansas City, Mo.

1998 to 2000

As the National Rail Director, Mr. De Berg established a new office to coordinate all railroad maintenance, construction and engineering work in one location. This work was on a nationwide basis. The projects listed below were business opportunities he pursued, with proposals written, key personnel assembled and managed, and interviews attended.

Achievements:

- Secured contract and began work on the Chicago Freight Traffic Improvement project.
- Design of the new KCS freight yard in Wylie, Texas
- Bridge surveys, hydrology and hydraulic studies on waterways and recommendations for bridge renewals on the BNSF.
- Initiated permitting process on engineering projects on BNSF and follow to conclusion of permits being issued.

- Bridge surveys, hydrology and hydraulic studies on waterways and recommendations on bridge renewals for the Union Pacific Railroad.

Dakota, Minnesota and Eastern Railroad

1995 - 1998

Located in Brookings, South Dakota from 1995 to 1998, Mr. De Berg was hired to be the Chief Engineer of this 1135- mile long railroad. Responsibilities included track, bridges, signal, communications and equipment maintenance. Mr. De Berg managed 150 people and one shop facility. The position was crucial to planning and implementing the major reconstruction effort of rebuilding the entire railroad. Mr. De Berg served as a key interface with public and private interests involving the operations of the railroad.

Achievements:

- Complete rehabilitation of 105-mile long portion of one subdivision increasing train speeds from 5 and 10 mph to 49 mph. Mr. De Berg estimated and planned the project, which had been budgeted for \$27 million over three construction seasons; the project was completed in one construction season for \$24 million.
- Design and Replacement of 3 key railroad bridges, one destroyed by a derailment the other two inadequate to handle today's heavier cars and trains. All three structures were constructed under traffic, within budget and capable of 315,000 lb. loading.
- Elimination of 75% of main line slow orders.
- Prioritized all maintenance work by assessment of conditions and improvements best benefiting operating needs.
- Implemented FRA inspections and remedial actions for the Signal Department.
- Assisted in securing funding from State sources on both track and signal improvements.

- Assisted in initial design of 260-mile expansion of the railroad into the Wyoming Powder River Coal Basin.
- Built a stronger, younger and more focused Maintenance of Way Team.

The Atchison, Topeka and Santa Fe Railway Company

1974 to 1995

Mr. De Berg's assignments were on a system basis beginning as an Assistant Roadmaster in charge of major track rehabilitation programs.

Achievements:

- Major Track rehabilitation programs such as; under track plowing, undercutting, rail renewals, surfacing and bridge rehabilitations.
- Entire subdivision rehabilitations with one specific project almost 157 miles long. Mr. De Berg coordinated all of the major work with the bridge construction and signal improvement and with the operating department to maximize effort and reduce costs, reduce train delays, and shorten elapsed time of work.
- Promoted to Assistant Chief Engineer of the 305-mile long subsidiary Toledo, Peoria and Western Railway with the express task of rebuilding the entire railroad to FRA Class 4 standards for 49 mph operations.
- Assistant Division Engineer/Acting Division Engineer on mainline division with 60 freight trains/day and two Amtrak trains/day with major rehabilitation projects completed.
- Construction Engineer on a 42-mile long new coal line in the mountains of Northwest New Mexico. Work included coordination of all Santa Fe disciplines with contractors and supervision along with scheduling of all work.
- Assumed new position in Chief Engineer's office to assess and plan the maintenance of the rail assets of the entire railway.
- Director of Rail Planning and Testing for the entire 15,000-mile system.

Illinois Terminal Railroad ("IT")

1973 - 1974

The IT, located in St. Louis, MO., was owned by the Chicago and North Western and eight other railroads. Mr. De Berg was assigned to and involved in the major rehabilitation of Illinois Terminal's physical plant as Assistant Chief Engineer in charge of all track, bridge, signal and communications in maintenance and construction activities.

Achievements:

- Strengthening of bridges
- Major tie renewals
- Major surfacing
- Procurement of materials and equipment for the specialized projects
- Removal of most major slow orders improving train times and crew utilization.

Chicago and North Western Railway

1957 - 1973

Mr. De Berg began his railroad career as a trackman at Chicago and North Western Railway {"CNW"} a major upper Midwest railroad headquartered in Chicago, IL, while at the same time continuing his education and has worked continuously in the industry since then. He advanced through maintenance ranks to Assistant Division Engineer, and engineering ranks from Rodman through Designer to Office Engineer.

Achievements:

- Tie gang Foreman in charge of a 25-man tie gang working under traffic on a joint passenger and freight line. Project completed ahead of time and under budget.
- Rail gang foreman and Assistant Roadmaster installing Continuous Welded Rail on various subdivisions.

- Assistant Roadmaster in charge of an undertrack plow gang ultimately rehabilitating approximately 350 miles of track.
- Assistant Design Engineer of a new intermodal facility on 54 acres of property. Facility had 16 tracks, two truck scales, 50,000 square yards of reinforced concrete paving, 50,000 linear feet of curb and gutter along with sanitary and storm water sewer water control, and communications infrastructure.
- Construction Manager for the above facility responsible all daily activities including planning, execution and inspection.
- Design Engineer and Project Manager of 4 major industry greenfield track projects with major clients including General Motors, Anchor Hocking Glass, and American Motors
- Project Manager on new yard and office construction in Madison, Wisconsin.

Education:

- Attended Iowa State University – Ames, Iowa majoring in Mechanical Engineering 1961-1962
- Attended Illinois Institute of Technology in Mechanical Engineering discipline going to night school 1962 – 1964
- Attended Milwaukee School of Engineering continuing in Mechanical and Civil Engineering going to night school 1964 – 1968
- Penn State University – State College, PA completed Railway post graduate engineering short courses 1978
- University of Wisconsin – Madison, WI completed Railway Engineering short courses 1977 to 1995

- Advanced education resulted in completing all work but being about one semester short of BS degree in 1978

Special Honors/Affiliations

- Member of Roadmaster and Maintenance of Way Association, 1973 – 1997
- Member of American Railway Bridge and Building Association, 1976 – 1997
- Director of this organization for 2 years, 1988 - 1990
- Member of American Railway Engineering Association, 1972 – 1997
- Member of American Railway Engineering and Maintenance of Way Association
 - Chairman of Committee 4 – Rail, 1996 - 2000
 - Member of Committee 02 Track Measuring systems
 - Member of Committee 18 Regional and Short Line Railroads

Changes in Patterns of Service:

Analysis of Chicago freight rail traffic movements shows that 28% to 50% of the traffic moving within the Chicago terminal does not originate or terminate in the region. Instead, such traffic moves through Chicago either in unit trains, long distance intermodal trains, or mixed destination carload trains, or is interchanged to connecting carriers to move to destinations beyond Chicago. GLBT's study of through traffic volume and waybill samples makes a conservative case for this through traffic to move off the Chicago terminal and move over the GLBT to shorten transit time of non-Chicago destined or originating traffic. Once through traffic has migrated to GLBT, we expect the railroads to reassess and adjust their network movements, switching, blocking, locomotive, rolling stock and crew assignments to further optimize their service plans and fully utilize the new capabilities provided by GLBT. These decisions naturally will be made by the individual railroads, and GLBT cannot speak for them. However, the additional capacity that GLBT will free on the existing Chicago terminal trackage will provide the railroads with an opportunity to backfill with additional traffic destined to or originating from Chicago proper, increase their revenue opportunities, and meet future demand.

Any Associated Discontinuances or Abandonments:

All new track construction. No discontinuances or abandonments are expected to result from construction and operation of GLBT.

Expected Operating Economies:

GLBT is attempting to predict the future of putting a new railroad in operation over a period of 3 to five years. As explained above, GLBT anticipates that construction and operation of its proposed railroad would improve locomotive and car utilization, permitting railroads and shippers to reduce their car fleets. GLBT also expects that shippers would be able to reduce the cost of inventory in transit and that railroads will be able to develop new services using the swifter connections and additional capacity.

EXHIBIT D-1

GLBT AVERAGE TRAINS PER DAY, BY SEGMENT

Average Trains Per Day, by Segment											
Connection Segment	Miles	Year 1 (25%)			Year 2 (50% of Base + 2%)			Year 3 (100% of Base + 2% x 2 years)			Trains/Day Legend
		Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	
WSOR & CN-Milton MP 244 MP 234 244	10	1	1	1-4	1	3	1-4	2	7	5-10	1-4
UP-East Janesville MP 234 MP 228 234	6	1	1	1-4	1	4	1-4	2	7	5-10	5-10
WSOR-La Prairie MP 228 MP 223 228	5	1	2	1-4	1	4	1-4	3	8	5-10	11-20
CPR-Beloit MP 223 MP 195 223	28	1	2	1-4	1	4	1-4	3	8	5-10	21-35
CN-Rockford MP 195 MP 185 195	10	1	2	1-4	2	5	5-10	4	10	5-10	36-55
Rockford Orig/Dest MP 185 MP 182 185	3	1	3	1-4	2	6	5-10	5	13	11-20	56-85
IR-Rockford MP 182 MP 181 182	1	1	3	1-4	3	7	5-10	5	13	11-20	86-125
CPR-Davis Jct. MP 181 MP 166 181	15	2	4	1-4	3	8	5-10	7	16	11-20	
UP-Creston MP 166 MP 164 166	2	4	8	5-10	8	16	11-20	17	32	21-35	
CORR-Rochelle MP 164 MP 160 164	4	4	8	5-10	8	17	11-20	17	34	21-35	
BNSF-Steward MP 160 MP 141 160	19	5	10	5-10	10	20	11-20	21	40	36-55	
UP-Earlville MP 141 MP 140 141	1	5	10	5-10	10	20	11-20	21	40	36-55	
BNSF-Earlville MP 140 MP 129 140	11	7	14	11-20	15	28	21-35	30	55	36-55	
IR-Sheridan MP 129 MP 111 129	18	7	14	11-20	15	28	21-35	31	56	56-85	
CSX & IAIS-Seneca MP 111 MP 102 111	9	8	14	11-20	15	29	21-35	31	58	56-85	
BNSF-Mazon MP 102 MP 94 102	8	11	19	11-20	23	38	36-55	47	77	56-85	
UP-Gardner MP 94 MP 63 94	31	12	20	11-20	24	40	36-55	49	80	56-85	
CN-Manteno MP 63 MP 57 63	6	13	21	21-35	26	43	36-55	52	86	56-85	
Manteno Orig/Dest MP 57 MP 53 57	4	12	19	11-20	25	39	36-55	50	80	56-85	
UP-Sollitt MP 53 MP 43 53	10	10	15	11-20	19	30	21-35	40	62	56-85	
NS-North Hayden MP 43 MP 41 43	2	9	15	11-20	19	30	21-35	38	60	56-85	
CSX-Lowell MP 41 MP 14 41	27	9	14	11-20	18	29	21-35	37	59	56-85	
NS-South Wanatah MP 14 MP 13 14	1	8	12	11-20	16	25	21-35	33	52	36-55	
CFER-Wanatah MP 13 MP 9 13	4	8	12	11-20	16	25	21-35	33	51	36-55	
CN-Alida MP 9 MP 7 9	2	7	10	5-10	14	21	21-35	29	44	36-55	
CSX-Alida MP 7 MP 5 7	2	4	6	5-10	9	13	11-20	18	26	21-35	
Kingsbury Jct MP 5 MP 0 5	5	4	5	5-10	9	11	11-20	18	22	21-35	
NS-Pinola MP 0											
Kingsbury Branch MP 0 12	12	1	2	1-4	2	3	1-4	3	4	1-4	

EXHIBIT D-2

GLBT TRAFFIC DENISTY MAP (YEAR 3, STEADY STATE)

Trains Per Day: Year 3

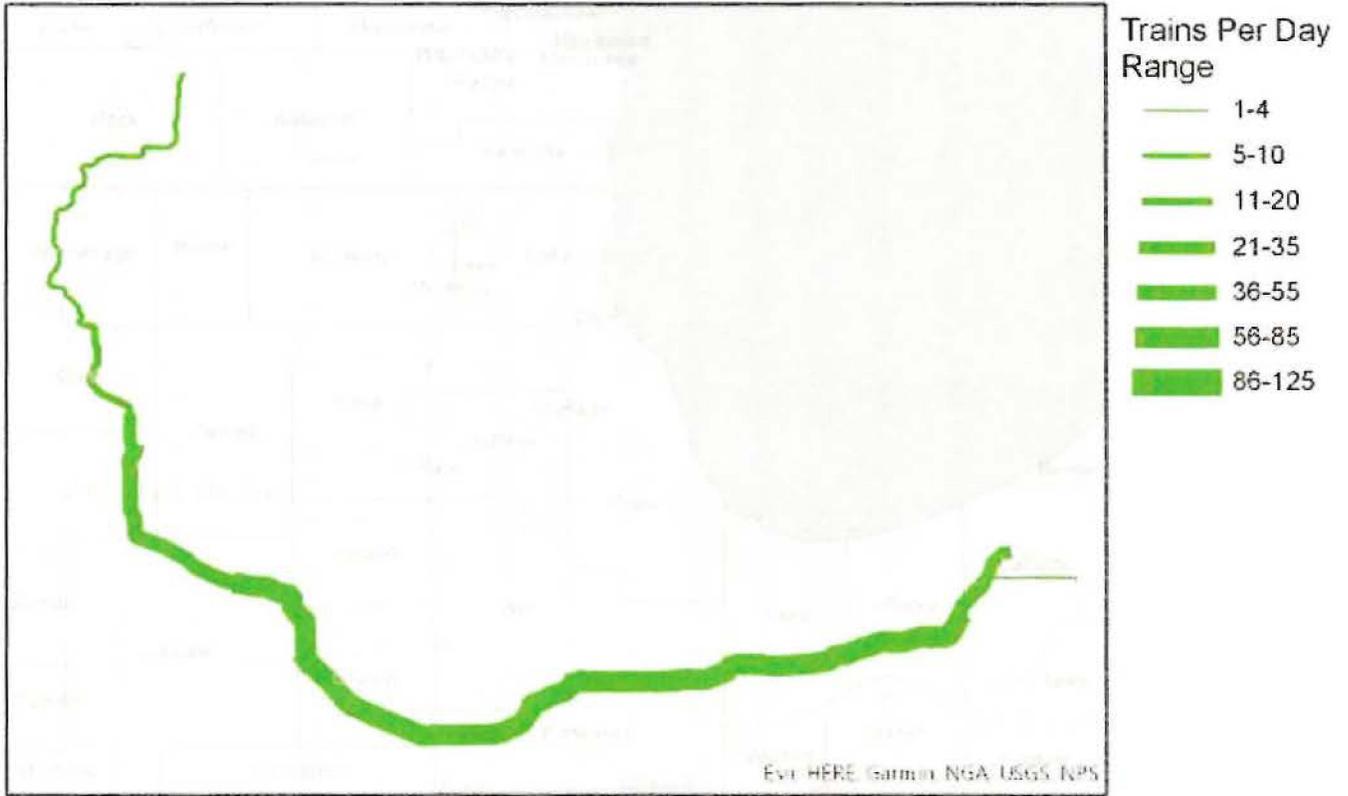


EXHIBIT D-3

GLBT AVERAGE TRAIN SPEED, BY SEGMENT (YEAR 3, STEADY STATE)

Connection Segment		Miles	Year 3 (100% of Base + 2% x 2 years)										
			Low 1 Est Train/Day	Traffic Type(s)	Avg Max Speed	Speed Factor	Avg Speed	High Est Trains/Day	Traffic Type(s)	Avg Max Speed	Speed Factor	Avg Speed	
WSOR & CN-Milton MP 244													
MP-234-244		10	2	G, O	50.0	0.70	35.0	7	2I, 2G, 2U, O	56.4	0.70	39.5	
UP-East Janesville MP 234													
MP 228-234		6	2	G, O	50.0	0.75	37.5	7	2I, 2G, 2U, O	56.4	0.93	52.4	
WSOR-La Prairie MP 228													
MP 223-228		5	3	G, O	50.0	0.80	40.0	8	2I, 3G, 2U, O	56.3	0.93	52.0	
CPR-Beloit MP 223													
MP 195-223		28	3	G, O	50.0	0.96	48.2	8	2I, 3G, 2U, O	56.3	0.99	55.5	
CN-Rockford MP-195													
MP 185-195		10	4	G, O	50.0	0.93	46.3	10	2I, 4G, 3U, O	55.5	0.93	51.3	
Rockford Orig/Dest MP 185													
MP 182-185		3	5	2G, O	51.7	0.80	41.3	13	2I, 6G, 4U, O	55.0	0.77	42.3	
IR-Rockford MP-182													
MP 181-182		1	5	2G, U, O	51.3	0.60	30.8	13	2I, 6G, 4U, O	55.0	0.85	46.5	
CPR-Davis Jct. MP 181													
MP 166-181		15	7	2G, 2U, O	51.0	0.94	48.1	16	3I, 7G, 5U, O	55.6	0.96	53.5	
UP-Creston MP 166													
MP 164-166		2	17	4I, 4G, 6U, O	56.3	0.18	9.9	32	8I, 12G, 11U, O	56.7	0.63	35.4	
CORR-Rochelle MP 164													
MP 160-164		4	17	4I, 4G, 6U, O	56.3	0.91	51.4	34	8I, 13G, 12U, O	56.5	0.93	52.7	
BNSF-Steward MP 160													
MP 141-160		19	21	6I, 4G, 7U, 2O	56.8	0.98	55.5	40	10I, 13G, 15U, 2O	56.4	0.98	55.0	
UP-Earlville MP 141													
MP 140-141		1	21	6I, 4G, 7U, 2O	56.8	0.86	48.7	40	10I, 13G, 15U, 2O	56.4	0.85	47.9	
BNSF-Earlville MP 140													
MP 129-140		11	30	8I, 8G, 11U, 2O	56.6	0.92	51.9	55	15I, 18G, 20U, 2O	56.9	0.95	54.1	
IR-Sheridan MP 129													
MP 111-129		18	31	8I, 8G, 11U, 2O	56.6	0.99	55.9	56	15I, 19G, 20U, 2O	56.9	0.99	56.4	
CSX & IAIS-Seneca MP 111													
MP 102-111		9	31	8I, 8G, 11U, 2O	56.6	0.98	55.3	58	15I, 21G, 20U, 2O	56.8	0.97	55.2	
BNSF-Mazon MP 102													
MP 84-102		8	47	13I, 12G, 18U, 2O	56.9	0.87	49.6	77	21I, 27G, 27U, 2O	57.1	0.91	51.8	
UP-Gardner MP-94													
MP 63-94		31	49	14I, 12G, 19U, 2O	57.0	1.00	56.8	80	22I, 28G, 28U, 2O	51.6	1.00	51.4	
CN-Manteno MP 63													
MP 57-63		6	52	15I, 13G, 20U, 2O	57.0	0.76	43.1	86	24I, 30G, 30U, 2O	51.6	0.65	33.6	
Manteno Orig/Dest MP 57													
MP 53-57		4	50	15I, 13G, 20U, 2O	57.0	0.63	35.9	80	21I, 27G, 30U, 2O	51.6	0.49	25.5	
UP-Sollitt MP 53													
MP 43-53		10	40	12I, 12G, 14U, 2O	57.3	0.98	56.0	62	16I, 22G, 22U, 2O	51.6	0.97	50.1	
NS-North Hayden MP-43													
MP 41-43		2	38	11I, 12G, 13U, 2O	57.1	0.95	54.1	60	16I, 21G, 21U, 2O	51.6	0.93	48.1	
CSX-Lowell MP 41													
MP 14-41		27	37	11I, 11G, 13U, 2O	57.2	0.99	56.7	59	16I, 20G, 21U, 2O	51.5	0.98	50.7	
NS-South Wanatah MP 14													
MP 13-14		1	33	10I, 10G, 11U, 2O	57.3	0.88	50.3	52	14I, 18G, 18U, 2O	51.5	0.92	47.6	
CFER-Wanatah MP 13													
MP 9-13		4	33	10I, 10G, 11U, 2O	57.3	0.91	52.1	51	14I, 17G, 18U, 2O	51.5	0.90	46.2	
CN-Alida MP-9													
MP 7-9		2	29	9I, 9G, 9U, 2O	57.4	0.43	24.7	44	12I, 15G, 15U, 2O	51.5	0.59	30.4	
CSX-Alida MP 7													
MP 5-7		2	18	5I, 6G, 6U, O	56.9	0.92	52.2	26	7I, 9G, 9U, O	51.5	0.77	39.6	
Kingsbury Jct MP 5													
MP 0-5		5	18	5I, 5G, 6U, O	57.1	0.40	22.8	22	7I, 7G, 7U, O	51.4	0.40	20.5	
NS-Pinola MP 0													
Kingsbury Branch													
MP 0-12		12	3	2G, U	53.3	0.83	44.4	4	2G, 2U	52.5	0.83	43.8	
Train Speeds			Max Speed										
Intermodal (I)			70	mph									
Unit Coal & Grain (U)			50	mph	avg	Loads 45, Empties 55							
Oil Trains - ids & mtys (O)			45	mph									
General Carload (GL)			55	mph	assumes	All general carload train have empties							
Speed Restricted Cars (below 45 mph) not included in analysis													

EXHIBITS E & F

GLBT CURRENT BALANCE SHEET AND INCOME STATEMENT

As there are no revenues or operations; there are no current relevant balance sheets or income statements.

EXHIBIT G

GLBT PRO FORMA INCOME STATEMENT

ESTIMATED INCOME STATEMENT (all values in \$000s)

	2021	2022	2023	2024	2025
Revenues	164,362	338,587	697,489	732,782	769,860
Transportation Department	29,081	59,616	118,774	124,147	129,763
Maintenance of Way	7,830	8,026	8,226	8,432	8,643
Maintenance of Eqpt & Freight Car	7,817	15,618	31,244	32,658	34,136
Cost of Goods Sold	44,728	83,259	158,245	165,237	172,543
Gross Profit	119,635	255,328	539,244	567,544	597,318
G & A Costs	\$15,045	\$19,842	\$22,624	\$23,189	\$23,769
Depreciation Capital	\$243,817	\$189,029	\$157,048	\$141,576	\$123,582
Operating Expenses	258,862	208,871	179,672	164,766	147,351
Income (Loss) from Operations	(139,228)	46,457	359,572	402,779	449,966
Other Income (Expense), Net	-	-	-	-	-
Interest	106,054	104,723	103,306	101,800	100,201
Income (Loss) Before Income Taxes	(245,282)	(58,266)	256,266	300,979	349,765
Benefit due to Loss Carryforward/(Inc Tax Exp) Tax-Expense	93,820	22,287	(98,022)	(115,124)	(133,785)
Net Income (Loss)	(151,461)	(35,979)	158,245	185,854	215,980
Depreciation	243,817	189,029	157,048	141,576	123,582
Interest	106,054	104,723	103,306	101,800	100,201
Taxes	(93,820)	(22,287)	(98,022)	(115,124)	(133,785)
Adjusted EBITDA	104,590	235,486	320,576	314,106	305,978

BEFORE THE
SURFACE TRANSPORTATION BOARD

APPLICATION OF GREAT LAKES BASIN)	
TRANSPORTATION, INC. FOR AUTHORITY)	Finance Docket No.
TO CONSTRUCT AND OPERATE A RAIL LINE)	35952
IN WISCONSIN, ILLINOIS AND INDIANA)	

Verified Statement

of

James T. Wilson
Vice Chairman, Great Lakes Basin Transportation, Inc.

I am James T. Wilson, Vice Chairman of Great Lakes Basin Transportation, Inc., applicant in this proceeding ("GLBT"). I have extensive experience in the railroad industry, beginning my career as a brakeman with The Atchison, Topeka and Santa Fe Railway Company in 1973. At Santa Fe I held positions of increasing responsibility through 1995. After leaving Santa Fe, I held a variety of positions in the railroad and consulting industries. I joined GLBT in 2014. The application in this proceeding has been prepared under my supervision and control.

GLBT has applied for authority to do something no one has attempted for over a century: to build a new common carrier freight railroad bypassing the Chicago area. The need for such a new railroad is clear. The economy of the United States is growing and will continue to grow. Its population demands more and more tangible goods: more food products, more clothing, more lumber, more cars and trucks, more appliances and more electronics. And businesses need more raw materials to produce those goods: more cement, metal, stone, sand, plastics, chemicals and fuels.

The nation's railroads are a critical component of the national transportation system that delivers these products. Nationally, rail freight traffic is projected to expand 80% by 2040. About 40% of all railroad traffic in the United States—some 37,500 cars per day—moves to or through the Chicago metropolitan area, and there is no reason to think this percentage will change as traffic increases.¹⁸ But in Chicago, consumers, businesses, and logistics service providers are confronted with aging, landlocked railroad infrastructure that is already overburdened by current traffic levels and cannot reasonably be expanded to meet the anticipated future demand. The result is delays that mushroom during peak traffic periods and inclement weather, costing shippers and railroads millions in inventory costs, equipment productivity and wasted fuel—and those delays will only get worse as traffic grows.¹⁹

GLBT offers a 21st century solution to this national transportation dilemma. Our proposed railroad was designed from a blank sheet of paper to take advantage of new concepts, new materials, rapid construction methodologies, new operating techniques, new safety technology, and new operating systems, all supported by contemporary data management systems. Specifically, the proposed railroad would have the following characteristics:

- The main line would have a 200-foot wide right of way to allow development of up to six main tracks to handle future demand, along with adequate space for maintenance of way vehicles and machinery. Tracks will be on ___-foot centers to permit maintenance activities on one track without impeding operations on the others. Track and bridges will be designed for 315,000 pound loaded railcars.
- The main line would be engineered for Federal Railroad Administration ("FRA") Class 5 track standards, allowing 70 mph freight train operations. The main line would have maximum curves of three degrees and maximum grades of 1%. The proposed railroad would accommodate trains of up to

¹⁸ CREATE website (www.createproject.org).

¹⁹ See, for example, <https://www.bloomberg.com/news/articles/2014-11-25/railroads-sound-alarm-ahead-of-chicago-gridlock-redux-freight>

15,000 feet in length to stay ahead of the current industry trend of operating longer trains. Crossovers and switches to change tracks or enter/exit main tracks will handle trains at 50 mph. As a result, trains would be able to operate between any two interchanges on the proposed line in eight hours or less.

- The railroad has been designed to continue operating in snow and heavy rains. The route avoids flood plains and wetlands to the extent possible, and crosses major rivers at heights that will not affect train operations during high water or flooding events. The railroad does not parallel any rivers or bodies of water which could flood and interrupt service. Cuts have been planned to minimize snow accumulation, and the railroad would have switch heaters to prevent switches from icing up. During major snow storms, a winter operating plan would be implemented to keep the railroad operating.

- Safety would be enhanced by installing Positive Train Control over the entire route. The Network Operations Center in the railroad's operating headquarters at Manteno, Ill. would coordinate any incident response on a 24/7 basis. The railroad would have its own fire department, based in Manteno, to respond to any service interruption incident and support local first responders. We would consult with local fire departments and county emergency management personnel regarding the placement of road overpasses and grade crossings to assure emergency responder access to the right of way when necessary. We plan to team with law enforcement agencies to establish a security interface with the Network Operations Center and GLBT's police department and train first responders to assure that shipments will be safe. Third party environmental and derailment remediation services would be on call to respond to any on-line incident. All employees would be required to take operating, job function, and safety training, along with drug testing as required by regulation and GLBT's drug and alcohol policy. Crossings with all major highways would be grade separated to minimize potential for train-vehicle and train-pedestrian collisions.

The new railroad would provide the railroads serving Chicago and the shippers moving freight through the region with precise information, competitive pricing, and excellent service, saving up to 24 hours over average current transit times. Improving velocity by this magnitude would permit railcars, containers and trailers to complete more loaded cycles each year, in turn allowing railroads and shippers to transport the same volume of freight with fewer assets. The railroads themselves would benefit from improved locomotive utilization and fuel savings from shortened cycle times, with the added public benefits of reducing diesel exhaust and noise exposure from idling units at Chicago's congested terminals and crossings. The new railroad also would offer the potential to reduce wasteful cross-town movement of intermodal traffic over the roadways between the railroads' Chicago-area intermodal terminals, since GLBT would offer a direct connection between any combination of routes entering the city. In addition to expediting the movement of existing traffic flows through Chicago, the new line would enable railroads and shippers to identify new origin-destination pairs for truck competitive rail hauls that are presently impractical, given the current performance of the Chicago terminal. All of these benefits would promote the public convenience and necessity.

We are well aware of the CREATE program that Chicago's Class 1 railroads have been supporting since 2003. GLBT fully supports the CREATE program and believes its completion will have a positive effect on operations within the Chicago terminal area. However, CREATE does not significantly address future rail growth and capacity needs. Its primary purpose is to adequately handle system throughput for Chicago's current rail volumes. Besides, the CREATE program will not be built out for many years. Construction of GLBT is needed to assure that future traffic levels can be accommodated efficiently.

From a business standpoint, we are confident that the current traffic base of rail shipments moving through Chicago will generate sufficient revenue to adequately fund the operation and maintenance of the proposed railroad and repay its construction debt. We do not plan to request any Federal, State, or local government funding. The development and construction stages are being

financed through private placement. We feel one of the great advantages of this project is that GLBT's ownership will be totally independent of the railroads, unlike the existing belt lines serving the Chicago terminal. GLBT would have no incentive not to treat all of its connections equally and equitably; conversely, competitive considerations would not hold any railroad back from working with us to improve its traffic flow.

GLBT would have 26 points of interchange with existing railroads. At 16 of these, bridges would carry the new railroad over high density main lines. Connecting tracks permitting 50 mph operations would be constructed at each of these locations, along with holding tracks for less than trainload interchange volumes and trains awaiting crews or authority to proceed. The other ten crossings, with lower density lines (six trains per day or less), would be at grade. Because GLBT's route remains subject to environmental review and may change, we have not prepared detailed designs for each of these connections or negotiated agreements with the existing railroads to build them, although we anticipate doing so once the route is finalized.

When we began planning the GLBT route, we gave special consideration to the potential environmental impact of the project. We specified an all-greenfield route (with very few exceptions) which avoided all population centers and environmentally sensitive locations while meeting the footprint, gradient and curvature standards described above. Indeed, our goal was not to displace a single homeowner. The path to the route we are proposing was not direct, as the environmental record in this proceeding demonstrates. As we learned more about the area GLBT would serve, we made significant changes in the preferred route and identified a number of route alternatives for the Board's Office of Environmental Analysis to consider in developing the Environmental Impact Statement for the project.

We understand our preferred route will cross parcels of farmland and some landowners have expressed concern about access and water drainage. GLBT will work with all landowners to establish

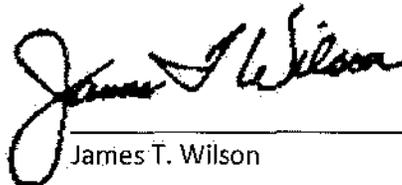
private crossings or alternative access to divided parcels. Cooperating with adjoining landowners and drainage districts, we will address water management issues with culverts, drain tiles and other appropriate measures to minimize flooding. We have a common interest with landowners in effective water management, since flowing and ponding water can be just as damaging to roadbed and track structure as it can be to standing crops. Our goal is to be excellent neighbors, good stewards of our land and the land around us, and safe operators.

To summarize, GLBT is proposing an audacious and challenging project to construct an all-new railroad around the Chicago area. The railroad would greatly improve the velocity of existing freight traffic, speeding shipments from coast to coast and from Canada to Mexico. Just as important, it would provide new capacity to carry the higher traffic volumes of the future safely and efficiently. The substantial transportation benefits of the project would be enjoyed by shippers, industries and consumers throughout the nation.

VERIFICATION

I, James T. Wilson, declare under penalty of perjury that the foregoing is true and correct.

Further, I certify that I am qualified and authorized to file this pleading.



James T. Wilson

April 25, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

APPLICATION OF GREAT LAKES BASIN)	
TRANSPORTATION, INC. FOR AUTHORITY)	Finance Docket No.
TO CONSTRUCT AND OPERATE A RAIL LINE)	35952
IN WISCONSIN, ILLINOIS AND INDIANA)	

Verified Statement

of

William E. Miller

Chief Commercial Officer, Great Lakes Basin Transportation, Inc.

My name is William E. Miller, and I am Chief Commercial Officer for Great Lakes Basin Transportation, Inc., applicant in this proceeding ("GLBT"). My background includes 12 years with The Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") in railroad operations analysis, planning and management; 17 years in transportation and logistics consulting and in private practice with Accenture providing operational, technical, and strategic planning advice and solutions to shippers and railroads in North and South America, Africa, Europe and Australia; and four years as Vice President Global Transportation with Cliffs Natural Resources ("Cliffs") directing the management of ocean and Great Lakes shipping, six short line railways owned by Cliffs, and Class 1 railroad contracts. I am a graduate of Kansas State University with a B.S. in Industrial Engineering.

As GLBT's Chief Commercial Officer, I am responsible for establishing the corporate, commercial, and operating strategies of the company and the proposed railroad project, and have had the primary responsibility for estimating the traffic potential of the railroad, utilizing the traffic estimates to drive the financial modeling of the project, and developing and refining the operating plan and its underlying assumptions. Upon approval of the application, I will be responsible for GLBT's marketing and sales, commercial development, customer service, and corporate strategy. The traffic projections on which GLBT's operating plan and pro forma financial statements are based were developed through the process described in this statement.

As a railroad manager and transportation consultant, I have experienced firsthand the challenges of managing rail traffic into, out of and through the Chicago region. As a former rail shipper, I am well aware of the potential delays and frustrations associated with shipping via the Chicago rail hub. Under the best of circumstances, it is a marvel of coordination and execution, but when traffic surges, unexpectedly or not, or when adverse weather disrupts normal operations with the Chicago Terminal or in adjoining regions, the network slows to the point of causing major disruptions not only in Chicago, but also throughout the North American network.

Unfortunately, in my personal experience and that of my consulting clients, Chicago-related disruption and delay was frequent and costly. This was true in the mid-1980's when I managed locomotive distribution for the Santa Fe, it was true for my clients in the late 1990's and 2000's, and it is true today. Natural traffic growth, shifting markets, and the railroads' own marketing successes have too often outpaced three decades of physical improvement and operating innovation in the industry. Better coordination among railroads and programs such as CREATE have done much to, and will continue to, help rail traffic performance in the region. However, future growth in the region and

throughout the country, as well as the rail industry's ongoing efforts to compete successfully with trucks and other modes of freight transportation, demand further answers to the Chicago network challenges.

In my discussions with shippers, industry experts, and railroad managers, there is a recurring theme: Chicago's railroad plant is landlocked and very expensive to expand, and it becomes a national bottleneck when the network is stressed. The need for additional "rail on the ground" has been a frequently repeated critique of the Chicago rail network, both in my personal experience as a railroad manager and as a consultant to the shipping community.

A new by-pass railroad like the one GLBT proposes to build, providing a permanent safety valve of additional capacity, is an obvious answer to the current and future needs of the Chicago network. A key question is estimating how much traffic would be rerouted around the Chicago Terminal on this new railroad if it were built. The theoretical answer is all interchange traffic flowing through but not destined to or originating from the Chicago region, since the new railroad would provide superior speed and efficiency. Estimates of the amount of such interchange traffic (as a percentage of all rail traffic entering the Chicago terminal) range from 28.8%²⁰, to 35.7%²¹, to "half,"²² depending on the source.

To estimate the potential traffic volume for GLBT, we begin with a conservative projection of 25% of the current total freight volume of approximately 500 trains per day²³, as pure through traffic, or

²⁰ CREATE Presentation to Chicago EPA, August 2014, <https://www.epa.gov/sites/production/files/2014-08/documents/volcy.pdf>, 28.8% against a base of 45,000 cars per day = approximately 13,000 cars per day interchanged.

²¹ Norfolk Southern Presentation to Midwest Association of Rail Shippers, July 15, 2014, "Trends in the U.S. Rail Network", 35.7% against a base of 9,458, 185 cars per year = 3,383,209 cars per year interchanged.

²² CMAP "Update on Freight Rail Activity", October 9, 2015, http://www.cmap.illinois.gov/about/updates/-/asset_publisher/UIMfSLnFfMB6/content/update-on-freight-rail-activity, states "CMAP estimates that half of all freight traffic in the region is simply through-traffic". Backing out the passenger trains and cars [37,500 total cars/day – (760 passenger trains x 5 cars/train or 3,800 cars/day) = 33,700 freight cars/day.

²³ CMAP "Update on Freight Rail Activity", October 9, 2015, http://www.cmap.illinois.gov/about/updates/-/asset_publisher/UIMfSLnFfMB6/content/update-on-freight-rail-activity

a theoretical maximum of 125 trains per day. This acknowledges that under current service design scenarios a significant amount of interchange traffic would still flow through the Chicago Terminal--e.g. carload traffic requiring classification at the Belt Railway of Chicago, automotive traffic requiring sorting at the Indiana Harbor Belt Railroad, and mixed intermodal traffic that may be better served in the near term with rubber wheel interchange²⁴ between the railroads. While the amount of traffic which would divert and flow across GLBT would be driven in large part by pricing, we conservatively estimate that half of the theoretical maximum, or 63 trains per day, would naturally divert to the swifter GLBT route.

This portion of the through traffic which we project would be rerouted over GLBT was mapped to the 26 points of interchange along the GLBT route by way of the Chicago Metropolitan Agency for Planning ("CMAP") "Freight Trains per Day, Chicago Terminal Area" traffic density maps²⁵. The methodology employed was to apply the half of the 25% factor to the upper and lower limit of the traffic volume on each connecting line as shown on the traffic density maps. Summing the lower and upper estimate from each connection resulted in a range of 45.3 to 71.9 trains per day which brackets the overall average of 63 trains per day. This information was provided to STB in our response letter of November 10, 2016²⁶ which provided Average Trains Per Day by Segment, Traffic Density Maps, and Average Train Speed by Segment in response to the STB's information request number 2.

freight-rail-activity, cites "the movement of 1,300 trains each day, including 500 freight and 760 passenger trains for a total of 37,500 railcars" per day.

²⁴ UP Intermodal Glossary, <https://www.up.com/customers/intermodal/intgloss/index.htm>

²⁵ "Freight Trains per Day, 7-County Chicago Region, 2011 (Map 1 of 2)", Prepared by Chicago Metropolitan Agency for Planning, September 2012, http://www.cmap.illinois.gov/documents/10180/19427/Chicago-region-freight-trainsperday_20120917_draft.pdf/0668884b-02c3-4b77-93ec-12f0dd232c05, and "Freight Trains per Day, Chicago Terminal Area, 2011 (Map 1 of 2)," Prepared by Chicago Metropolitan Agency for Planning, September 2012, http://www.cmap.illinois.gov/documents/10180/19427/Chicago-region-freight-trainsperday-Map2_20120917_draft.pdf/2b4cbea3-3e8b-423e-b69d-f3aa0d6759ef

²⁶ Appendix 1, letter to OEA, of November 10, 2016, Re: Finance Docket No. 35952, Great Lakes Basin Transportation, Inc. Information Request Number 2

Given that the CMAP traffic density maps were based on through traffic only, the figures were adjusted further with estimates of GLBT network traffic, with the result ranging from 50.1 trains per day to 88.9 trains per day. Given the ups and downs in traffic levels over the past several years, these figures were not indexed up for overall traffic in the interest of remaining conservative in our estimates and were used as the 2016 baseline for estimating future traffic growth.

Like other estimates regarding Chicago rail traffic, there is a wide range of projections regarding future rail traffic growth. At the lower end are railroad executives' statements to the Midwest Association of Rail Shippers and to various industry publications of 2% per year growth²⁷ year over year over the long term to traffic doubling by 2025²⁸. For the purpose of feeding our financial analysis conservative growth estimates, we used a 2% per year growth factor, slightly more conservative than CMAP and CREATE estimates of 80-90% traffic growth by 2040²⁹.

While our revenue projections are based on these conservative figures, our route and track configuration is being designed for considerably more traffic in the short run, and with room to expand in the future to double or triple capacity, thus being able to accommodate the more optimistic traffic growth projections without falling into the trap of becoming land-locked and unable to economically expand.

Though we did not factor these mathematically into our traffic estimates, population growth projections support the traffic growth expectations as well. The U.S. Census Bureau and CMAP Population Forecast project Chicagoland growth of 2.7 million and overall U.S. growth of 89 million by

²⁷ find the 2% reference

²⁸ 2014 Report Card for Illinois Infrastructure (ISASCE), April 2014, <http://www.isasce.org/wp-content/uploads/2014/04/2014-Illinois-Rail-Final-Report.pdf>, also CP NS-merger white paper "The Opportunity to Alleviate Congestion in Chicago", January 2015.

²⁹ find the CMAP & CREATE references

2040³⁰ (v. 2010 baseline). Whether rail freight traffic volumes double by 2025 or 2050, a significant increase in rail freight is going to happen over the coming decades. Our approach is to err on the side of being ready to handle the freight sooner rather than later, while retaining the ability to fund the GLBT project if traffic grows more slowly than we anticipate.

Per CMAP's "Update on Freight Rail Activity" of October 9, 2015, "The density of the rail network here provides unparalleled opportunities to make connections among the railroads, as well as connections to trucking and other modes, providing choices and access to markets for shippers in our region. [Furthermore] CMAP estimates that half of all freight traffic in the region is simply through-traffic, making diversion around downtown a potentially attractive way to reduce rail congestion."

This is exactly what GLBT proposes. And while GLBT supports the completion of the CREATE program, and the capital programs of the individual railroads, more is needed to support the growth of Chicago, the surrounding region, and the nation—and soon. Now is the time to act. There will never be a better combination of opportunity and availability of resources from capital and land, to equipment and technology, to people and leadership, to demand and necessity. Without this capacity and capability, the anticipated growth and economic vitality of the city, the region and beyond may very well be stifled to the detriment of current and future inhabitants of Chicago and the surrounding region, who will feel the cost in stock outs and higher prices for essential goods, and reduced economic opportunity and growth for workers and entrepreneurs.

As one shipper said in a meeting with GLBT officials, "What's good for Chicago is good for us. And more rail on the ground is good for Chicago."

³⁰ CMAP Population Forecast, updated October 2014,
<http://www.cmap.illinois.gov/data/demographics/population-forecast>

VERIFICATION

I, William E. Miller, declare under penalty of perjury that the foregoing is true and correct.

Further, I certify that I am qualified and authorized to file this pleading.



William E. Miller

April 29, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

APPLICATION OF GREAT LAKES BASIN)	
TRANSPORTATION, INC. FOR AUTHORITY)	Finance Docket No.
TO CONSTRUCT AND OPERATE A RAIL LINE)	35952
IN WISCONSIN, ILLINOIS AND INDIANA)	

Verified Statement

of

Timothy M. Befort

Chief Operating Officer, Great Lakes Basin Transportation, Inc.

My name is Timothy M. Befort. I am Chief Operating Officer of Great Lakes Basin Transportation, Inc. In this capacity, I work with the GLBT team to financially model the project and, using my past experience, apply operating and market-based revenue assumptions to the analysis. Going forward, I will jointly work with the GLBT team to handle strategy, operations implementation and management, carrier, customer, and vendor relations. I have been fortunate to enjoy a 29-year career thus far in the transportation industry, with the majority of this tenure working nine years with APL, Ltd (a major steamship line) and most recently for 17 years with a Class 1 rail carrier, Kansas City Southern Railway. I am a graduate of Northwestern University with a B.A. in Economics and have an M.B.A in Operations Management from DePaul University.

My tenure at KCS has proven invaluable to the GLBT initiative as I have utilized my business experience as Vice President, Yield Management and Assistant Vice President, Financial Planning &

Analysis, to reasonably estimate the revenue and operational costs that the GLBT project would generate. Particularly helpful was my experience regarding KCS' initiative to re-build the Rosenberg-Victoria line in south Texas, where KCS strategically acquired and reactivated a disused 90-mile link to its Tex-Mex subsidiary, thus avoiding 160 miles of trackage rights exposure on the Union Pacific. This highly successful project was a key element in KCS' overall strategy to increase velocity, add capacity, and open new markets for the company to capitalize on the burgeoning U.S-Mexico cross border trade opportunity.

I began my transportation career working with APL, Ltd's Stacktrain Services at the then Chicago & North Western Railway (now UP) Global 1 Intermodal Terminal, located at 14th Street and South Western Avenue in the industrial heart of Chicago. During this time, in 1988, the intermodal industry was undergoing a rapid transition to double-stack equipment. As a Rail Operations Supervisor, I regularly saw stack trains with 28 five-well cars traverse the Chicago terminal on their way from the west coast to Chicago and the eastern markets served by Conrail. Back then, Chicago was the critical operational link to success in this transcontinental supply chain. However, if the operating windows of the scheduled train slots were missed due to congestion, weather or other factors, unforgiving negative "ripple effects" would be felt as commuter trains filled the shared network twice each work day. Even though the "hotshot intermodal" trains had highest priority amongst the railroad freight movements, these trains still waited multiple hours to gain the next available slot after the commuter window was complete. Freight availability, steel wheel interchanges and crosstown cutoffs would be missed, causing scheduled deliveries to be missed. These failures caused shortages in distribution centers and manufacturing plants, disrupting industrial production. Non-intermodal freight (e.g., coal, grain, manifest, automotive) was even more adversely affected, as it was not prioritized and had to wait for both the commuter trains and the intermodal trains until an available window opened.

Fast forward 29 years to today. Chicago remains the epicenter of the national rail freight network, yet it is still impacted by the increased levels of commuter traffic and overall rail freight flowing to and through its rail network. According to the 2014 Report Card for Illinois's Infrastructure authored by the American Society of Civil Engineers, Illinois Section, "Every day 500 freight trains with 37,500 cars and 700 passenger and commuter lines pass through Chicago....and nearly one quarter of the nation's rail-shipped goods and services move through the city."³¹ For the 25 year period from 1990 to 2014, the Class 1 railroads reported an increase of 41.2% in Carloads Originated, from 21.4 to 30.2 million loads.³² The Chicago rail network has been challenged to handle its share of this volume increase. Although CREATE is attempting to address the congestion issue, only 28 of the 70 projects included in that program have been completed over 14 years, and public funding has not been provided for much of the remainder. Moreover, CREATE's objective is to improve the flow of existing rail traffic. The program doesn't address Chicago's future capacity requirements. GLBT is looking to fill that "big picture" industry need.

The financial information presented in GLBT's application is based on conservative assumptions from publicly available data presented by the Chicago Metropolitan Agency for Planning ("CMAP")³³. As explained by William E. Miller in his verified statement, GLBT estimated traffic volumes from this actual data. Realizing that not all traffic would be available, the model conservatively estimated that approximately half of the interchange traffic (25% of total traffic) could flow onto the GLBT. Furthermore, the model anticipates that only 25% of this potential traffic would be handled in Year 1 of operations and 50% would be handled during Year 2. Given the merits of the GLBT network, including

³¹ 2014 Report Card for Illinois's Infrastructure. American Society of Civil Engineers, Illinois Section <http://www.isasce.org/wp-content/uploads/2014/04/2014-Illinois-Rail-Final-Report.pdf>. P. 1.

³² Railroad Facts 2016 Edition Copyright 2016 by the Association of American Railroads. P. 26.

³³ Chicago Metropolitan Agency for Planning, http://www.cmap.illinois.gov/documents/10180/19427/Chicago-region-freight-trainsperday_20120917_draft.pdf/0668884b-02c3-4b77-93ec-12f0dd232c05

consistency, velocity, capacity, effective capital utilization and risk aversion (just to name a few), we are confident that shippers, rail carriers, and ultimately the general public will all benefit from this privately financed venture.

Using the anticipated traffic plan, the model was further populated with cost estimates for the operational and management requirements of the railroad (i.e. locomotive, crew, fuel, maintenance, SG&A, etc.). The resulting calculations have been placed against the estimated capital expenditures and construction costs to ascertain and evaluate GLBT's future key performance and management indicators including internal rate of return, net present value, and return on invested capital. A sensitivity analysis was also evaluated using a Base Case, Worst Case, and Best Case scenario utilizing varying factors of capital expenditure and traffic volumes. In all scenarios, GLBT projects strong returns for its current and future investors. As identified in Exhibit G, pro forma financial statements have been prepared under my supervision as well as reviewed and validated by GLBT's Chief Financial Officer, Thomas Duffy

The congestion issues affecting Chicago and its local and transcontinental traffic have been an industry migraine for decades, becoming even worse in recent years with adverse weather, such as 2014. Space constraints, urban planning issues, public safety and competing interest groups have created a very difficult environment to address capacity shortfalls, let alone the oncoming volume challenges of the not too distant future. Simply stated, capital spent in the city does not go nearly as far as capital spent in the outlying areas. GLBT proposes a key solution to the congestion equation, without any public price tag. By expediting through freight around the city rather than cramming trains through it, traffic flows will improve and capacity will be created for growth of Chicago freight and passenger traffic. This would create a "win-win" for shippers, rail carriers and Chicago's economy.

VERIFICATION

I, Timothy M. Befort, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this pleading.



Timothy M. Befort

April 27, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

APPLICATION OF GREAT LAKES BASIN)	
TRANSPORTATION, INC. FOR AUTHORITY)	Finance Docket No.
TO CONSTRUCT AND OPERATE A RAIL LINE)	35952
IN WISCONSIN, ILLINOIS AND INDIANA)	

Verified Statement

By

Douglas G. De Berg

My name is Douglas G. De Berg. I headed up the engineering team that located the preferred route of the rail line proposed by Great Lakes Basin Transportation, Inc. ("GLBT"). I was charged with the responsibility of designing an economical and environmentally friendly route for the railroad while adhering to strict railway engineering principles and standards. These engineering standards and principles have evolved over the years for the purpose of creating a rail transportation system that is safe, reliable, efficient, and profitable to both the owner and to the shippers who will use this system, while being friendly to the environment.

I am a third generation railroader and have had a long and interesting career in the railroad industry. My career spans over 40 years in the railway engineering field, from initial surveying to designing, building and maintaining many sensitive projects. My career began in the Engineering Department of the Chicago and North Western Railway ("C&NW"), where I rose from a Rodman/Draftsman to Assistant Division Engineer. I left C&NW after 14 years to continue my career with The Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") in its Engineering Department, beginning as Division Engineer and transferring to a staff position in the Chief Engineer's office. From this staff position I was assigned to a newly created position of System Director of Rail Planning and Testing. Following the creation of the Burlington Northern and Santa Fe Railway ("BNSF"), I became the Chief Engineer of the Dakota, Minnesota and Eastern Railroad ("DM&E"). I was responsible for managing DM&E's engineering budget, planning all maintenance and construction projects and working with employees and local, state and federal agencies. We took a long suffering Granger carrier and made it a safer and more efficient regional railroad. While at DM&E I began the preliminary location and design of a planned DM&E railroad extension from western South Dakota into the Powder River Basin of Wyoming.

After leaving DM&E I began consulting in the field of railway engineering. My projects have been varied and interesting, including advising the French National Railway on wheel/rail interaction on its high speed passenger lines. I also advised Network Rail in the United Kingdom, along with railroads in Germany and Italy, on improving their engineering practices. In 2000 I started my own railway engineering consulting company and offered my services to many Class 1, regional and short line rail companies as well as industrial customers. Locating, designing and planning for construction and eventual maintenance of new rail lines are my main interests in serving the railroad industry.

In designing GLBT's proposed railroad, we have taken into consideration all facets of railroad engineering learned and practiced for the past 150 years and combined that experience into the design of this 21st Century high capacity, heavy tonnage, and efficient railroad. In addition to these past and learned experiences, we relied on today's Standards and Recommended Practices as outlined in American Railway Engineering and Maintenance Association (AREMA) manuals and bulletins coupled with practices which comply with applicable Federal Railroad Administration rules. The result would be a safe, high speed, high capacity and heavy tonnage transportation corridor which would be efficient to operate and maintain. We have designed the railroad to have multiple tracks where needed, minimal grades, minimal curvature, and heavy duty all season turnouts. The railroad south and east of Milepost 166 near Rochelle, Illinois is designed for double track except in several locations where additional main track capacity is needed to maintain efficient and fluid operations. The railroad would use 136 lb. continuous welded rail in its entirety, with the exception of low density branches and low speed yard tracks. The railroad is designed for 70 mph freight train speeds with high speed low angle turnouts with diverging speeds of 50 mph, including turnouts at connections with other railroads. Trains would enter and leave this rail corridor at a reasonable speed and flow into the main line operation with minimum restrictive interference to existing traffic. The railroad is designed to handle the future weight limit standard of 315,000 LB. vehicles or vehicles with 39-ton axle loading.

The overall railroad operation would be governed by Centralized Traffic Control (CTC) and would be under Positive Train Control (PTC). Subject to regulatory approval, all at-grade public crossings would have four quadrant signaling and private crossings would be protected with automatic signal devices. We have strived to design an all-weather transportation system that will be able to continue operating while other ground transportations systems may be temporarily shut down. In order to accomplish this we designed the railroad to be able to operate through heavy rainfall and flooding conditions by either avoiding flood plains or mitigating potential flooding issues. In the open plains areas of the railroad

where heavy snow and drifting could be an issue, we will plant natural snow barriers, design the cuts to have room to blow free and in general, grade the right of way to minimize the accumulation of drifting and blowing snows. I have personally taken not only pride but also genuine concern in the design so that the railroad's impact on its neighbors also will be minimized.

In short, the GLBT transportation corridor will be the safest, most efficient and most modern railroad that we presently have the technology and experience to build. If approved, the future of safe, high speed, efficient and congestion free transportation around congested Chicagoland and its ring of suburban communities will be in the design and construction of the GLBT railroad.

VERIFICATION

I, Douglas G. De Berg, declare under penalty of perjury that the foregoing is true and correct.

Further, I certify that I am qualified and authorized to file this pleading.

Douglas G. De Berg

Douglas G. De Berg

April 25, 2017

APPENDIX 1

GLBT AVERAGE TRAINS PER DAY, BY SEGMENT

Average Trains Per Day, by Segment											
Connection Segment	Miles	Year 1 (25%)			Year 2 (50% of Base + 2%)			Year 3 (100% of Base + 2% x 2 years)			Trains/Day Legend
		Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	Low 1 Est Train/Day	High Est Trains/Day	Trains/Day Range	
WSOR & CN-Milton MP 244 MP 234 244	10	1	1	1-4	1	3	1-4	2	7	5-10	1-4
UP-East Janesville MP 234 MP 228 234	6	1	1	1-4	1	4	1-4	2	7	5-10	5-10
WSOR-La Prairie MP 228 MP 223 228	5	1	2	1-4	1	4	1-4	3	8	5-10	11-20
CPR-Beloit MP223 MP 195 223	28	1	2	1-4	1	4	1-4	3	8	5-10	21-35
CN-Rockford MP 195 MP 185 195	10	1	2	1-4	2	5	5-10	4	10	5-10	36-55
Rockford Orig/Dest MP 185 MP 182 185	3	1	3	1-4	2	6	5-10	5	13	11-20	56-85
IR-Rockford MP 182 MP 181 182	1	1	3	1-4	3	7	5-10	5	13	11-20	86-125
CPR-Davis Jct. MP 181 MP 166 181	15	2	4	1-4	3	8	5-10	7	16	11-20	
UP-Creston MP 166 MP 164 166	2	4	8	5-10	8	16	11-20	17	32	21-35	
CORR-Rochelle MP 164 MP 160 164	4	4	8	5-10	8	17	11-20	17	34	21-35	
BNSF-Steward MP 160 MP 141 160	19	5	10	5-10	10	20	11-20	21	40	36-55	
UP-Earlville MP 141 MP 140 141	1	5	10	5-10	10	20	11-20	21	40	36-55	
BNSF-Earlville MP 140 MP 129 140	11	7	14	11-20	15	28	21-35	30	55	36-55	
IR-Sheridan MP 129 MP 111 129	18	7	14	11-20	15	28	21-35	31	56	56-85	
CSX & I&S-Seneca MP 111 MP 102 111	9	8	14	11-20	15	29	21-35	31	58	56-85	
BNSF-Mazon MP 102 MP 94 102	8	11	19	11-20	23	38	36-55	47	77	56-85	
UP-Gardner MP 94 MP 63 94	31	12	20	11-20	24	40	36-55	49	80	56-85	
CN-Manteno MP 63 MP 57 63	6	13	21	21-35	26	43	36-55	52	86	56-85	
Manteno Orig/Dest MP 57 MP 53 57	4	12	19	11-20	25	39	36-55	50	80	56-85	
UP-Sollitt MP 53 MP 43 53	10	10	15	11-20	19	30	21-35	40	62	56-85	
NS-North Hayden MP 43 MP 41 43	2	9	15	11-20	19	30	21-35	38	60	56-85	
CSX-Lowell MP 41 MP 14 41	27	9	14	11-20	18	29	21-35	37	59	56-85	
NS-South Wanatah MP 14 MP 13 14	1	8	12	11-20	16	25	21-35	33	52	36-55	
CFER-Wanatah MP 13 MP 9 13	4	8	12	11-20	16	25	21-35	33	51	36-55	
CN-Alida MP 9 MP 7 9	2	7	10	5-10	14	21	21-35	29	44	36-55	
CSX-Alida MP 7 MP 5 7	2	4	6	5-10	9	13	11-20	18	26	21-35	
Kingsbury Jct MP 5 MP 0 5	5	4	5	5-10	9	11	11-20	18	22	21-35	
NS-Pinola MP 0											
Kingsbury Branch MP 0 12	12	1	2	1-4	2	3	1-4	3	4	1-4	

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of May 2017, I have caused a copy of the foregoing Application to Construct and Operate a Railroad Line in Wisconsin, Illinois and Indiana to be served by first-class mail, postage prepaid, on each party of record in STB Finance Docket No. 35952, as listed in the attached.



Michael W. Blaszcak

STB Finance Docket No. 35952 - Parties of Record

- Party Of Record: Block Glb Railroad Lasalle County, Ill.
P.O. Box 538
Earlville, IL 60518
- Party Of Record: Chung, Kathleen
Wisconsin Department Of Transportation
4802 Sheboygan Ave., Room 115B P. O. Box 7910
Madison, WI 53707-7910
- Party Of Record: Citizens Against The Glb Railroad, Boone County, Ill.
9498 Edson Road
Capron, IL 61012
- Party Of Record: Cochart, Lacey
Wisconsin Dept. Of Agriculture, Trade And Consumer Protection
2811 Agriculture Drive
Madison, WI 53718-6777
- Party Of Record: Conard, Bennett
4802 Sheboygan Avenue, Room 115-B P.O. Box 7910
Madison, WI 53707
- Party Of Record: Downing, Karley
Wisconsin Dept Of Agriculture, Trade And Customer Protection
2811 Agriculture Drive
Madison, WI 53718-6777
- Party Of Record: Kankakee County, Ill. Block Glb
3156 North 9000 West Road
Bonfield, IL 60913
- Party Of Record: Kelly, Honorable Robin
1239 Longworth House Office Building
Washington, DC 20515
- Party Of Record: Kinzinger, Honorable Adam
1221 Longworth Hob
Washington, DC 20515

Party Of Record: Loudenbeck, Honorable Amy
Wisconsin State Representative 31st Assembly District
306 East State Capitol
Madison, WI 53708-8952

Party Of Record: Mcfarland, Thomas F.
Thomas F. Mcfarland, P.C.
208 South Lasalle Street, Suite 1666
Chicago, IL 60604-1228

Party Of Record: Railed, Laporte, Porter & Lake Counties, Inc.
112 West 450 South
Kouts, IN 46347

Party Of Record: Rock Against The Rail, Llc (Rock County, Wis.
8608 East Rye Drive
Clinton, WI 53525

Party Of Record: Winnebago County Against The Glb Railroad
7889 Cemetery Road
Winnebago, IL 61088-8860