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SERVICE DATE – JANUARY 31, 2025

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36744<sup>1</sup>

CANADIAN NATIONAL RAILWAY COMPANY AND GRAND TRUNK CORPORATION  
—CONTROL—  
IOWA NORTHERN RAILWAY COMPANY

Decision No. 4

Digest:<sup>2</sup> This decision corrects the employee protective conditions imposed in the Board's earlier decision approving, subject to certain conditions, an application for Canadian National Railway Company and Grand Trunk Corporation to acquire control of the Iowa Northern Railway Company.

Decided: January 30, 2025

By decision served on January 14, 2025 (Approval Decision), the Board authorized, pursuant to 49 U.S.C. §§ 11323-25, Canadian National Railway (CNR) and Grand Trunk Corporation (GTC) to acquire control of the Iowa Northern Railway Company (Iowa Northern or IANR), a Class III rail carrier that operates a total of approximately 218 route miles in the state of Iowa. In the application, CNR, GTC, and IANR (collectively, Applicants) noted that, should the proposed transaction be approved, they would agree to imposition of labor conditions in accordance with New York Dock Railway—Control—Brooklyn Eastern District Terminal (New York Dock), 360 I.C.C. 60 (1979), aff'd New York Dock Railway v. United States, 609 F.2d 83 (2d Cir. 1979). (Appl., Ex. 15 at 31-32.)

The Board agrees that New York Dock is the appropriate level of employee protection for this control transaction involving a Class I carrier. In the Approval Decision, however, the Board inadvertently applied New York Dock as modified by Wilmington Terminal Railroad—Purchase & Lease—CSX Transportation Inc. (Wilmington Terminal), 6 I.C.C. 2d 799, 814-26 (1990), aff'd sub nom. Ry. Labor Execs.' Ass'n v. ICC, 930 F.2d 511 (6th Cir. 1991). See

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<sup>1</sup> This decision embraces the following dockets: Chicago, Central & Pacific Railroad—Trackage Rights Exemption—Iowa Northern Railway, Docket No. FD 36744 (Sub-No. 1), and Iowa Northern Railway—Trackage Rights Exemption—Chicago, Central & Pacific Railroad, Docket No. FD 36744 (Sub-No. 2).

<sup>2</sup> The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol'y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

Approval Decision, slip op. at 26, 28. The employee protective conditions outlined in Wilmington Terminal, however, are typically imposed only in line sale transactions. By letter filed on January 29, 2025, Applicants informed the Board that the Approval Decision imposed the wrong employee protective conditions.

Pursuant to 49 U.S.C. § 1322, the Board may change a decision due to material error. Consequently, the Board reopens this proceeding solely to amend the Approval Decision to impose the New York Dock employee protective conditions instead of the employee protective conditions described in Wilmington Terminal.

It is ordered:

1. This proceeding is reopened.
2. Approval of the acquisition of Iowa Northern by CNR and GTC is subject to the employee protective conditions set out in New York Dock Railway—Control—Brooklyn Eastern District Terminal, 360 I.C.C 60, aff'd New York Dock Railway v. United States, 609 F.2d 83 (2d Cir. 1979), as discussed above.
3. This decision is effective on its date of service.

By the Board, Board Members Fuchs, Hedlund, Primus, and Schultz. Board Member Primus dissented with no further comment.