



Steven Smith
Chief Operating Officer
403.514.0956
ssmith@torqenergy.com

January 20, 2016

Via Electronic Mail

The Honorable Daniel R. Elliott III
Chairman, United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Ann D. Begeman
Vice Chairman, United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Deb Miller
Member, United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Support for CP Acquisition of NS

Dear Chairman Elliott and Surface Transportation Board Members,

We are writing you today, to express our firm's support regarding Canadian Pacific Railway Limited's ("CP") proposal to acquire Norfolk Southern Corporation ("NS").

Torq Energy Logistics Ltd. ("Torq") subsidiary, Torq Transloading Inc. was a first mover in the crude-by-rail industry in Canada and has established the leading position in Western Canada crude-by-rail terminals, shipping upwards of 40,000 bpd of Canadian crude oil from a portfolio six crude-by-rail terminals spread across key energy regions in Alberta and Saskatchewan.

Together with affiliates that operate over 350 tractors and trailers, Torq focuses on being a one stop energy logistics services provider for the crude supply chain, helping to alleviate pipeline capacity constraints within Canada. Torq is Canada's largest independent operator of crude-by-rail terminals and is supported by global private equity firm, Kohlberg Kravis Roberts & Co. ("KKR") in Torq's capital program and acquisition strategy. With KKR's backing, Torq is focused on accretive acquisitions and new opportunities to further integrate the upstream and downstream supply chain with the addition of complementary energy products, infrastructure and services within North America.

Tel: 403.514.0956; Fax: 403.295.7121
240, 6715 - 8th Street NE
Calgary, AB T2E 7H7
www.torqenergy.com

Our firm believes a CP-NS combination will create a transcontinental railroad with the scale and reach to deliver improved levels of service to our customers and enable us to better serve our own customers and communities, while improving safety and enhancing competition.

CP's proposal is a timely one that introduces a number of positive, future-focussed ideas to vastly improve North America's transportation network. We believe the proposal is in the public interest as it would improve overall service while creating meaningful competition amongst the Class 1's. Specifically, we believe the following points in CP's proposal are key to our and our customer's businesses:

- alleviating the long-standing issue of congestion in Chicago between western Canada and the northeast US
- Better access to tidewater for Canadian crude oil – connections to both Pacific Coast and Atlantic ports
- increasing capacity for all shippers without creating the need for more infrastructure
- creating efficient, reliable single haul service
- eliminating the “bottleneck approach” when quoting rates and instead providing timely rates to which gateway the shipper requests
- reducing highway congestion while lowering fuel consumption on the joint network, improving cost efficiencies to the overall supply chain
- offering unparalleled customer service and competitive freight rates to key end refining regions
- allowing another railroad access to CP served shippers in terminal areas when service is not adequate and/or rates are non-competitive

For the above reasons, Torq Energy Logistics Ltd., supports the proposed CP-NS combination. We urge the Surface Transportation Board to judge the proposal on its merits and we look forward to a positive outcome.

Please contact us at (403) 514-0956 for more information.

Sincerely,

TORQ ENERGY LOGISTICS LTD.



Steve Smith
Chief Operating Officer

cc: Keith Creel
President and Chief Operating Officer
Canadian Pacific