

SURFACE TRANSPORTATION BOARD SUMMARIZES STATUS OF ENVIRONMENTAL REVIEW PROCESS FOR "DM&E" RAILROAD CONSTRUCTION PROPOSAL

Surface Transportation Board (Board) Chairman Linda J. Morgan today summarized the status of the Board's environmental review process concerning the Dakota, Minnesota & Eastern Railroad's (DM&E) proposed rail line construction into Wyoming's Powder River Basin. Chairman Morgan stated that the Board, through its Section of Environmental Analysis (SEA), has the goal of completing the environmental review as soon as possible and that the agency is committed to doing its utmost to that end. In view of the number of environmental issues that have, and continue to be, raised in this complex case, and the number of public and community comments that have been submitted, a schedule for the completion of the environmental review process has not been established, as certain interested parties have suggested. The Board, through SEA, will continue to conduct its review as necessary to comply with its responsibilities under the environmental laws.

Nevertheless, the environmental review process is actively moving forward in a timely manner. Under the National Environmental Policy Act (NEPA), SEA issued a Notice of Intent to Prepare an Environmental Impact Statement (EIS) on March 30, 1998. SEA issued an Amended Notice of Intent on August 7, 1998, announcing the addition of three cooperating agencies, the Forest Service of the U.S. Department of Agriculture, the U.S. Department of Interior Bureau of Land Management, and the U.S. Army Corps of Engineers. In addition to conducting 14 scoping meetings throughout Minnesota, South Dakota, and Wyoming, SEA issued a Draft Scope of Study for the EIS on June 10, 1998, and a Final Scope of Study on March 10, 1999. SEA and the three cooperating agencies are now preparing a Draft EIS to address potential environmental impacts of DM&E's proposal.

Working with the cooperating agencies, and in accordance with the Board's responsibilities under the environmental laws, SEA has conducted biological surveys for threatened and endangered species and cultural resource surveys for archaeological sites and historic structures. SEA additionally initiated government-to-government consultation with more than 20 Indian tribes, and is gathering extensive data on air quality, grade crossing safety and potential delays, railroad and vehicular traffic volumes, wetlands and aquatic resources, noise receptors, wildlife migration, and potential impacts to ranching operations. SEA's analysis of these data will be included in its forthcoming Draft EIS, which also will contain environmental mitigation recommendations.

In addition to its consultations and technical analyses, the Board has received approximately 4,000 comments from individuals, agencies, tribes, and communities raising concerns about the proposed project that must be considered and assessed, with the attendant potential to delay completion of the Draft EIS. For example, on January 6, 1999, the City of Rochester, Minnesota (Rochester), requested that SEA consider a southern bypass corridor as an alternative to DM&E's proposed plan to rehabilitate its existing rail line and operate additional rail traffic, primarily coal trains, through Rochester. SEA sought additional information to assist it in determining whether Rochester's bypass proposal is a reasonable and feasible alternative designed to meet the purpose and need expressed in DM&E's proposal before the Board. To provide the same opportunity to other interested communities, SEA issued an April 20, 1999 Notice to the Parties providing time frames in which bypass proposals could be submitted, as certain communities had requested.

Three other communities (Owatonna, MN and Pierre and Brookings, SD) concerned about proposed traffic increases on DM&E's existing system submitted alternative bypass proposals that would divert traffic from the communities. Comments from DM&E and others who may be affected by a possible bypass must be submitted to the Board by **July 12, 1999**. Once those comments are received, SEA and the cooperating agencies will review the bypass proposals to determine what alternatives to DM&E's proposal are reasonable and feasible, as required by NEPA. Those alternatives will be discussed in the Draft EIS.

After SEA and the cooperating agencies have issued the Draft EIS, NEPA guidelines require a minimum of 45 days for interested parties to review and submit comments on all aspects of the Draft EIS. Any comments submitted will be made part of the environmental record in this case and must be responded to in the Final EIS, which also will contain further technical analysis, if warranted, and final environmental mitigation recommendations. After the completion of the environmental review process, the Board will issue its final decision in this case.[FOOTNOTE 1: On December 10, 1998, the Board issued a decision finding that, based on the information available to date, DM&E's construction application satisfied the **transportation-related requirements** of 49 U.S.C. 10901. In this first decision, the Board stated that it had addressed **only the transportation aspects** of DM&E's proposed project. The Board made clear that it would consider the **environmental aspects** after the completion of the environmental review process.] That decision will address DM&E's **entire proposal** and will assess potential environmental effects. Even if approved, DM&E may not begin construction until the Board's final decision has been issued and has become effective.

The Powder River Basin Project is DM&E's proposal to construct approximately 280 miles of new rail line in South Dakota and Wyoming and to upgrade approximately 600 miles of existing rail line in South Dakota and Minnesota. The project would allow DM&E to extend its existing system westward to access coal mines in the Powder River Basin.

The decisions discussed above were issued in *Dakota, Minnesota & Eastern Railroad Corporation Construction into the Powder River Basin*, STB Finance Docket No. 33407. Copies are available for a fee by contacting: **D.C. News & Data, Inc., Room 210, 1925 K Street, N.W., Washington, DC 20006, telephone (202) 463-8112**. The decisions are available for viewing and downloading via the Board's website at www.stb.dot.gov.

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