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SURFACE TRANSPORTATION BOARD TO PREPARE ENVIRONMENTAL IMPACT STATEMENT RE PROPOSED "DM&E" RAILROAD CONSTRUCTION AND OPERATION PROPOSAL

FOR RELEASE: Contact: Dennis Watson Monday, March 30, 1998 (202) 565-1596 No. 98-20 TDD (202) 565-1695

SURFACE TRANSPORTATION BOARD TO PREPARE ENVIRONMENTAL IMPACT STATEMENT RE PROPOSED "DM&E" RAILROAD CONSTRUCTION AND OPERATION PROPOSAL

The Surface Transportation Board announced today that its Section of Environmental Analysis (SEA) will prepare an Environmental Impact Statement (EIS) relative to the Dakota, Minnesota & Eastern Railroad Corporation's (DM&E) proposed construction and operation of (1) a 262.03-mile line between DM&E's existing main line in western South Dakota and the coal producing region of the Powder River Basin south of Gillette, Wyoming; (2) a 13.31-mile rail bypass around a portion of the line currently used by DM&E in and near Mankato, Minnesota; and (3) a new 2.94-mile rail connection in Owatonna, Minnesota, between DM&E's line and the line of I&M Rail Link, LLC. DM&E also plans several related projects, which it states are not subject to Board jurisdiction, including the comprehensive rebuilding of 597.8 miles of its existing rail lines and the substantial upgrading of an additional 239.3 miles of its lines.

As part of the environmental review of this proposed project, SEA plans to hold several agency and public scoping meetings in Minnesota, South Dakota, and Wyoming. The purpose of the scoping meetings is to invite agency and public participation in identifying significant environmental issues. This will assist SEA in determining the scope of issues that SEA will address in the EIS.

SEA will prepare a Draft EIS (DEIS) addressing the environmental impacts associated with the proposed construction and operation. SEA will serve the DEIS on all the parties to the proceeding and will make it available to the public upon request. There will be a 45-day comment period from the date the DEIS is served to provide the public with an opportunity to comment. After assessing all of the comments to the DEIS, SEA will then issue a final Environmental Impact Statement (FEIS) that will include SEA's final environmental recommendations to the Board. The Board will consider the FEIS and the environmental record in making its decision.

For further information in *Dakota, Minnesota & Eastern Railroad Corporation--Construction and Operation--in Campbell, Converse, Niobrara, and Weston Counties, WY, Custer, Fall River, Jackson, and Pennington Counties, SD, and Blue Earth, Nicollet, and Steele Counties, MN*, Finance Docket No. 33407, contact Elaine K. Kaiser, Chief, Section of Environmental Analysis, or Staff Attorney Victoria Rutson at (202) 565-1545.

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