

**SURFACE TRANSPORTATION BOARD & COOPERATING AGENCIES ISSUE FINAL SCOPE OF STUDY FOR ENVIRONMENTAL IMPACT STATEMENT RE PROPOSED "DM&E" RAILROAD CONSTRUCTION AND OPERATION PROPOSAL**

The Surface Transportation Board (Board) announced today that its Section of Environmental Analysis (SEA) has issued the final scope of study for the Environmental Impact Statement (EIS) regarding the Dakota, Minnesota & Eastern Railroad Corporation's (DM&E) proposed railroad line construction and operation to coal mines in Wyoming's Powder River Basin. Working with the U.S. Department of Agriculture's Forest Service, the U.S. Department of Interior's Bureau of Land Management, and the U.S. Army Corps of Engineers (cooperating agencies), SEA issued the final scope as part of the environmental review process under the National Environmental Policy Act (NEPA).

The final scope reflects issues raised both orally and in writing by agencies and the public during numerous scoping meetings held in Minnesota, South Dakota, and Wyoming. The final scope also takes into account all comments received on environmental issues concerning DM&E's proposal.

In addition to issuing the final scope of the EIS, the Board and the cooperating agencies are providing a 30-day comment period for interested parties to submit comments on two new, proposed alternatives. This comment period is in addition to the public comment period that will be provided on all aspects of the Draft EIS (DEIS) when that document is made available. Specifically, DM&E has developed a Modified Proposed Action (also referred to as "Alternative C"). The Modified Proposed Action includes an alternative alignment in Wyoming and South Dakota for the mainline extension developed by DM&E in response to environmental issues and concerns raised by agencies, local landowners, and other interested parties. The Board and the cooperating agencies are seeking views of all commenters to assess potential environmental impacts of this alternative.

The City of Rochester, MN (Rochester) also has submitted a proposal to construct a rail line that would pass south around that city (South Bypass Proposal). The Board and the cooperating agencies are seeking additional information to assist it in determining whether the South Bypass Proposal is a reasonable and feasible alternative designed to meet the purpose and need of DM&E's proposed action, and will consider such comments.

A DEIS addressing all environmental issues and containing recommended mitigation will be made available for public review and comment. A Final EIS (FEIS) will then be prepared reflecting further analysis and the comments on the DEIS. In reaching their future decisions in this case, the Board and each cooperating agency will take into account the full environmental record, including the DEIS, the FEIS, and all public and agency comments received.

DM&E's proposal involves the construction of approximately 280 miles of new rail line in South Dakota and Wyoming and the upgrading of 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. On June 10, 1998, SEA issued a draft scope for the EIS and provided a period for submission of written comments on it. On December 10, 1998, the Board issued a decision finding that DM&E's application had satisfied the transportation-related requirements of Section 10901 of Title 49, United States Code (49 U.S.C. 10901), and stated that it would issue a subsequent decision on the entire proposed project after completion of the environmental review process.

Written comments addressing DM&E's Modified Proposed Action and Rochester's South Bypass Proposal must be submitted to the Board by **April 10, 1999**. For further information on how to file comments on these two new alternatives, telephone the Board's toll-free environmental hotline at **1-877-404-3044**.

The Board issued its June 10, 1998 draft scope of the EIS, its December 10, 1998 finding, and today's decision on the final scope of study for the EIS in the case entitled *Dakota, Minnesota & Eastern Railroad Corporation Construction into the Powder River Basin*, STB Finance Docket No. 33407.

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