

SERVICE DATE – DECEMBER 3, 2019

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 34936

PORT OF MOSES LAKE—CONSTRUCTION EXEMPTION—MOSES LAKE, WASH.

Digest:¹ This decision authorizes the Port of Moses Lake to modify the route of a rail construction project in the City of Moses Lake, Wash., which the Board authorized in 2009, subject to environmental mitigation measures.

Decided: November 26, 2019

On August 28, 2008, the Port of Moses Lake (the Port) filed a petition seeking an exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10901 to construct approximately 7.6 miles of rail line as part of its Northern Columbia Basin Railroad Project (NCBRP) in the City of Moses Lake, Wash. The Port's petition involved construction of two lines, the first between the community of Wheeler, Wash., and Parker Horn, Wash. (Segment 1), and the second between existing trackage of the Columbia Basin Railroad Company, Inc. (CBRW), and the east side of the Grant County International Airport (Segment 2). Following the completion of the environmental review process, which was conducted in conjunction with the Washington State Department of Transportation, the Board authorized construction of the environmentally preferred routes for Segments 1 and 2, subject to environmental mitigation measures, finding that the construction project met the standards for an exemption under 49 U.S.C. § 10502.² Port of Moses Lake—Constr. Exemption—Moses Lake, Wash. (August 2009 Decision), FD 34936 et al. (STB served Aug. 27, 2009).

On November 2, 2018, the Port filed a petition to reopen. In that petition, the Port requested authorization from the Board under 49 U.S.C. § 10502 for route modifications that

¹ 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 Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² In the same 2008 petition, the Port also sought an exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10901 to acquire from CBRW approximately three miles of rail line from Parker Horn near Stratford Road to a point near the Grant County International Airport (Segment 3), which would connect Segments 1 and 2. See Port of Moses Lake—Constr. Exemption—Moses Lake, Wash., FD 34936 et al., slip op. at 1, 3 (STB served Aug. 27, 2009). The Board considered the acquisition request in Docket No. FD 34936 (Sub-No. 1) and granted the acquisition exemption in its August 2009 Decision.

account for land development that has occurred along and near the proposed rail line since the Board's August 2009 Decision.³ (Port Pet. 5-6, Nov. 2, 2018.) The Port also sought to enable the Federal Railroad Administration (FRA) to participate in a supplemental environmental review process for a modified route.⁴ By decision served on January 28, 2019, the Board reopened this proceeding to consider the Port's proposed route modifications. Port of Moses Lake—Constr. Exemption—Moses Lake, Wash., FD 34936 (STB served Jan. 28, 2019). The Board found that the Port had presented new evidence and changed circumstances that warranted reopening. Id. at 3. The Board found that it could not have considered the proposed route modifications previously, as the proposed revisions to the original route were designed to consider development of the land along and near the originally proposed rail line that had not occurred before the August 2009 Decision. Port of Moses Lake, FD 34936, slip op. at 3. OEA, along with the FRA participating as a cooperating agency, then prepared a Supplemental EA to consider what, if any, environmental impacts the proposed route modifications would have and whether additional or different environmental conditions should be recommended to mitigate those impacts.

In this decision, the Board authorizes the proposed modifications to the Port's construction project, subject to OEA's final recommended environmental mitigation measures. The environmental mitigation measures are set forth in the Final Supplemental EA, as discussed below.

BACKGROUND

The Port is a noncarrier municipality of the State of Washington that is chartered for economic development. It operates the Grant County International Airport and the Grant County International Airport Industrial Park, which has over one million square feet of building space and over 1,000 acres of industrial and commercial land. (Port Pet. 2, Aug. 28, 2008.) The Port states that NCBRP is one of the means by which the Port seeks to promote economic development on industrial lands near the airport and on land zoned for industry along Wheeler Road. (Port Pet. 2, Nov. 2, 2018.) The Port further states that NCBRP serves the purpose of moving rail traffic out of the downtown area of the City of Moses Lake. (Id.)

³ The petition sought to reopen only the proceeding relating to construction authority (Docket No. FD 34936); the part of the Port's project involving acquisition of the existing rail line (Docket No. FD 34936 (Sub-No. 1)) remains unchanged.

⁴ To meet the Board's obligations under the National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321-4370i, and related environmental laws, the Board prepares an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) addressing the potential environmental impacts of all proposed rail constructions. 49 C.F.R. § 1105.6(a) & (b). The environmental review process, which is undertaken by the Board's Office of Environmental Analysis (OEA), is separate from the agency's consideration of the transportation merits of the proposed modified project.

Prior to the Board authorizing construction in 2009, OEA conducted an environmental review that analyzed the environmental impacts associated with the proposed project. After preparing, issuing, and receiving public comment on a Preliminary EA, OEA issued a Final EA recommending the environmentally preferred alignments for Segments 1 and 2 as well as proposed mitigation measures.⁵ OEA also issued a Post EA that contained an executed Programmatic Agreement setting forth the process to address any adverse effects to historic properties.

In its August 2009 Decision, the Board adopted the analysis and conclusions of the Preliminary EA, Final EA, and Post EA, and imposed the recommended mitigation measures. As noted above, the Board authorized construction of the environmentally preferred routes for Segment 1 and Segment 2. The Board found that, subject to the Port's compliance with the mitigation measures, the construction, acquisition, and operation of the proposed line would not significantly affect the quality of the human environment. See August 2009 Decision, FD 34936 et al., slip op. at 6-7.

According to the Port, the Board's authorization of the construction of the route in 2009 coincided with a significant economic downturn, which slowed implementation of the project and hampered the Port's efforts to secure funding. (Port Pet. 3, Nov. 2, 2018.) The Port indicates that it received state funding in 2015 and federal funding from the U.S. Department of Transportation (USDOT) (administered by the FRA) in 2017 and is now ready to proceed with the NCBRP. (*Id.*) However, according to the Port, in the years since the Board's authorization, the land along and near the proposed rail line has been developed, and some modifications to the route originally proposed are necessary to avoid the relocation of several new commercial enterprises. (*Id.* at 3, 5.) Additionally, the Port states that new development near the end of Segment 2 warrants a minor route modification to ensure that the NCBRP can access all of the businesses that would make use of rail service. (*Id.* at 5.)

Specifically, the Port proposes the following adjustments to the proposed route, which it claims would reduce the impacts of the rail project on the environment and the local community: (1) an adjustment westward of the western end of Segment 1 to avoid buildings and reduce the acreage of wetlands affected; (2) adjustments to Segment 1 to enable the rail line to cross local roads at right angles, rather than diagonally, which the Port claims would improve visibility, increase safety, and otherwise reduce local impacts; and (3) modifications to Segment 2 to better reach existing and future development in the Grant County International Airport area, minimize impacts, and slightly reduce the amount of track required. According to the Port, the proposed

⁵ For full descriptions of Segment 1 and Segment 2, see Final EA 3-19 to 3-20, May 8, 2009, Port of Moses Lake—Constr. Exemption—Moses Lake, Wash., FD 34936 et al. OEA's 2009 environmental review included analysis of the environmental impacts associated with the proposed acquisition of Segment 3. As stated above, however, the acquisition of Segment 3 is not at issue here.

route modifications would reduce the impact of the rail line on existing land uses and better fulfill the objectives of the NCBRP. (*Id.* at 3, 5-6.)

DISCUSSION AND CONCLUSIONS

Rail Transportation Analysis

The construction of new railroad lines requires prior Board authorization, through either a certificate under 49 U.S.C. § 10901 or, as requested here, an exemption under 49 U.S.C. § 10502 from the prior approval requirements of § 10901. Section 10901(c) directs the Board to grant authority for rail line construction proposals unless it finds the proposal “inconsistent with the public convenience and necessity.” See Alaska R.R.—Constr. & Operation Exemption—A Rail Line Extension to Port MacKenzie, Alaska, FD 35095, slip op. at 5 (STB served Nov. 21, 2011), *aff’d sub nom. Alaska Survival v. STB*, 705 F.3d 1073 (9th Cir. 2013).

Under § 10502(a), the Board must exempt a proposed rail line construction from the prior approval requirements of § 10901 when it finds that: (1) those procedures are not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and (2) either (a) the proposal is of limited scope, or (b) the full application procedures are not needed to protect shippers from an abuse of market power.

In the August 2009 Decision, the Board found that the Port met the standards of 49 U.S.C. § 10502 for an exemption from the prior approval requirements of 49 U.S.C. § 10901 for the construction of the proposed rail line. The Board concluded that the requested exemption would reduce the need for federal regulation (49 U.S.C. § 10101(2)), ensure the development of a sound rail transportation system with effective competition to meet the needs of the shipping public (49 U.S.C. § 10101(4)), foster sound economic conditions in transportation (49 U.S.C. § 10101(5)), and reduce regulatory barriers to entry (49 U.S.C. § 10101(7)). See August 2009 Decision, FD 34936 et al., slip op. at 4. The Board also found that other aspects of the rail transportation policy would not be affected. Finally, the Board found that regulation of the proposed construction is not necessary to protect shippers from the abuse of market power. *Id.*

No party has challenged the Board’s 2009 conclusions on the transportation merits of the proposal, and nothing in the record developed since then calls those conclusions into question.⁶

⁶ On February 19, 2019, Ronald S. Piercy filed a comment proposing an alternative route for Segment 1. On March 11, 2019, the Port replied to Mr. Piercy’s comment, noting that the issues raised by Mr. Piercy are not relevant to the transportation merits of the proposal. The Port further notes that the Board previously considered and rejected an alternative routing, known as the “Piercy Alternative,” almost identical to that proposed now by Mr. Piercy, in the Final EA, published in May 2009. (Port Reply 1-2.) OEA addressed Mr. Piercy’s comment in the Final Supplemental EA, as discussed below.

The Board therefore reaffirms those conclusions here and now turns to consideration of the environmental aspects of the proposed modifications to the project.

Environmental Analysis

NEPA requires Federal agencies to examine the environmental effects of proposed federal actions and to inform the public concerning those effects. Balt. Gas & Elec. Co. v. Nat. Res. Def. Council, 462 U.S. 87, 97 (1983). Under NEPA and related environmental laws, the Board must consider significant potential beneficial and adverse environmental impacts in deciding whether to authorize railroad construction as proposed, deny the proposal, or grant it with conditions (including environmental mitigation conditions). Lone Star R.R.—Track Constr. & Operation Exemption—in Howard Cty., Tex., FD 35874, slip op at 4 (STB served Mar. 3, 2016). While NEPA prescribes the process that must be followed, it does not mandate a particular result. Robertson v. Methow Valley Citizens Council, 490 U.S. 332, 350 (1989). Once the adverse environmental effects, if any, of a proposed action have been adequately identified and evaluated, an agency may conclude that other values outweigh the environmental costs. Id.

The Environmental Review Process. On July 11, 2019, following the reopening of this proceeding, OEA, with the FRA as a cooperating agency, issued for public review and comment a Draft Supplemental EA focusing on potential impacts arising from the Port's proposed modifications to the original alignments of Segments 1 and 2 that had been authorized by the Board in 2009. (Draft Supp. EA 1-2.) The Draft Supplemental EA did not reevaluate components of the project that were unchanged from those evaluated in the prior EA, including any potential environmental impacts associated with Segment 3, which the Port is not proposing to modify. (Id. at 1-3.) OEA preliminarily found the proposed modifications to Segments 1 and 2, designated as Modification 1B for Segment 1 and Modification 2B or 2C for Segment 2, to be preferable to the original alignment that the Board authorized in 2009. (Id. at 7-1.) OEA determined that the proposed modifications would avoid or limit the project's impacts to the land development that has occurred in the vicinity since 2009 and would increase the project's effectiveness by ensuring that the new rail line is constructed near existing businesses and facilities that are likely to use freight rail transportation. (Id.) To avoid or minimize the potential environmental impacts of the proposed project, the Draft Supplemental EA preliminarily recommended revising certain mitigation measures imposed in the August 2009 Decision, removing one condition, and adding three new environmental mitigation measures. (See Draft Supp. EA 6-1 to 6-12.) Based on the analysis in the Draft Supplemental EA, OEA preliminarily concluded that the proposed project, as conditioned, would not result in any significant environmental impacts and that, therefore, an EIS would be unnecessary in this proceeding. (Id. at 7-1.) OEA received five comments on the Draft Supplemental EA.

On November 5, 2019, OEA issued the Final Supplemental EA. In the Final Supplemental EA, OEA identified the environmentally preferred alternative for the proposed modifications to the rail line—Modification 1B for Segment 1 and Modification 2C for

Segment 2 (incorporating design changes the Port proposed in comments on the Draft Supplemental EA)⁷—based on the entire environmental record, including the comments received on the Draft Supplemental EA and the final recommended mitigation measures. (Final Supp. EA 5-1 to 5-2.) OEA considered and responded to the five comments received on the Draft Supplemental EA, which raised issues pertaining to fish, wildlife, and vegetation; hazardous materials; socioeconomics and environmental justice; traffic and transportation; water resources; and wetlands. (*Id.* at 3-1 to 3-11.) OEA also responded to Mr. Piercy’s comment on the Port’s petition to reopen, which raised issues pertaining to alternatives and traffic and transportation. (*Id.* at 3-1 to 3-2.) Lastly, OEA set forth its final recommended mitigation measures in Chapter 6 of the Final Supplemental EA. (*Id.* at 6-1 to 6-12.)

The Board’s Analysis of the Environmental Issues. The Board adopts the analysis and conclusions in both the Draft Supplemental EA and Final Supplemental EA, and the final recommended mitigation measures. The Board is satisfied that OEA, together with the FRA, has taken the requisite hard look at the potential environmental impacts associated with the Port’s proposal and properly determined that, with the recommended environmental mitigation in the Final Supplemental EA, the proposed project will not have potentially significant environmental impacts, and that preparation of an EIS is unnecessary.

Conclusion

In conclusion, after weighing the transportation merits and environmental issues, and considering the entire record, the Board authorizes the proposed route modifications to the Port’s project that have been assessed in the Draft and Final Supplemental EAs, subject to compliance with the mitigation measures listed in Chapter 6 of the Final Supplemental EA.

This action, as conditioned, will not significantly impact the quality of the human environment or the conservation of energy resources.

It is ordered:

1. Under 49 U.S.C. § 10502, the Board exempts construction of the Port’s proposed route modifications from the prior approval requirements of 49 U.S.C. § 10901.
2. The Board adopts the environmental mitigation measures set forth in the Final Supplemental EA and imposes them as conditions to the exemption granted here.
3. Notice will be published in the Federal Register on December 3, 2019.
4. Petitions for reconsideration must be filed by December 23, 2019.

⁷ Final Supp. EA 1-3 to 1-6, 5-1 to 5-6.

5. This decision is effective January 2, 2020.

By the Board, Board Members Begeman, Fuchs, and Oberman.