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June 8, 2022

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VIA E-FILING

Cynthia T. Brown, Chief of Section
Administration Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

Re: North Coast Railroad Authority – Abandonment Exemption in Mendocino, Trinity, and Humboldt Counties, California AB-1305X.

Dear Ms. Brown:

The City of Eureka is writing to express strong support for the Great Redwood Trail Agency's/North Coast Railroad Authorities (GRTA/NCRA) motions to reject the pending notices of intent to file offers of financial assistance received by your office.

Three offers of financial assistance have been filed attempting to force GRTA/NCRA to sell its real property interest, purportedly to resume freight operations. None of them have or can establish any continued need for freight rail service through this "mud glacier" over which they seek ownership. The 24-year and counting embargo puts the lie to the assertion that freight traffic is necessary on this line, as does the 25+ year period that the North Coast Railroad Authority attempted to bring the freight rail back to life and failed. There has been no freight rail service on the line since 1998.

The former Northwestern Pacific rail line runs from the San Francisco Bay Area through some of the most scenic, environmentally important, and impassible terrain in coastal California as it makes its way to Humboldt Bay along the Eel River Canyon. The line is both a 300-mile gem in the heart of California, and a treacherous former timber line that has bankrupted several companies attempting to operate freight rail service. Because of the precarious terrain and collapse of the timber industry in Northern California, service on the line has been financially and logistically infeasible for decades. The Federal Railroad Administration embargoed the line for safety reasons in 1998, and the embargo has never been lifted as to any portion of the line at issue here.

The speciousness of the argument that the market requires freight service on the applicant's line is clear in light of the following facts:

- No active freight carriers seek ownership of the line. None of the three offerors have ever engaged in interstate rail activities or currently operate freight rail.
- No active shippers or any possible shippers are located on the line. None of the three offerors demonstrate any specific continued need for freight rail service on the line.
- Two of the three offerors have never pulled a single carload of any cargo in any location.
- No product in the modern era has successfully been shipped along former North Coast Railroad Authority line.
- The entire line at issue has been embargoed for safety for over 20 years without serious effort from shippers or resources from private carriers to have the connection reestablished.

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- The astronomical cost of a rehabilitating the line, several portions of which have fallen into canyons or waterways, would require exponentially more freight activity to be generated on the North Coast to rehabilitate and operate the line than has ever existed.

For the Surface Transportation Board (Board) to compel a state-created agency to sell its interest in this critical environmental and economic resource on the basis of such demonstrably absurd claims of a need for freight, would do grave injustice to the people of the State of California, and run afoul of the intent and terms of STB's regulatory authority.

Moreover, with respect to the request by the North Coast Railroad Company (NCRCo) for leave to file out of time its Notice of Intent to File an OFA, we respectfully urge the Board to reject this request outright. The Notice of Exemption in this abandonment proceeding was filed on May 14, 2021, so NCRCo has had ample notice about this proceeding which has been pending before the Board for over a year.

Based on the foregoing, we urge the Board to grant the GRTA/NCRA's motion to reject the notices of intent to file offers of financial assistance.

Certificate of Service. I hereby certify service by email attachment on June 8 on all parties of record in AB 1305X as of June 8, 2022.

Thank you for your attention to this most important matter.

Sincerely,



Susan Seaman
Mayor