

Congress of the United States

Washington, DC 20510

June 10, 2022

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

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Office of Proceedings
June 10, 2022
Part of
Public Record

Re: Docket No. AB 1305X: North Coast Railroad Authority-Abandonment Exemption in Mendocino, Trinity, and Humboldt Counties, California.

Dear Ms. Brown:

We are writing in support of the Great Redwood Trail Agency (GRTA)/North Coast Railroad Authority (NCRA)'s application for abandonment/railbanking and to express concern related to the Notices of Intent (NOI) to file Offers of Financial Assistance (OFA).

The Northwestern Pacific Railroad (NWP) has not operated for 24 years since winter storms devastated the tracks through the Eel River Canyon. The line has fallen into extreme disrepair. Geologic instability and slides have destroyed long stretches of track. Indeed, because of landslides the ground that used to support many track segments through the canyon are now simply gone, leaving the tracks hanging in the air high above the Eel River. While the State of California has authorized the use of the NWP tracks south of Windsor for passenger and freight, restoration of rail operations between Willits and Humboldt Bay for freight is clearly not feasible. The NCRA has previously attempted to bring that dilapidated freight rail back to life and failed.

The NCRA estimated it would cost \$2.35 billion to rehabilitate the line, which would still remain prone to the exceedingly high maintenance costs it experienced during its former operation. The NCRA is seeking to railbank the tracks from Willits north for the Great Redwood Trail – a major recreation development authorized by the California legislature in October 2021. As a result of that legislation, the NCRA officially transitioned to the GRTA and is overseen by the California State Coastal Conservancy.

Three NOI to file OFA were submitted to take over the line and attempt to block the NCRA's railbanking application. None of these entities operate freight rail or have engaged in interstate rail activities.

Two entities which submitted NOI operate primarily for tourism and recreation. Both Seeker Enterprises and the Mendocino Railway provide, or are seeking to provide, rail bike excursions. Mendocino Railway also provides passenger rail services; however, these are limited to excursion purposes. Neither the Surface Transportation Board nor Congress intended for an OFA purchasing a line to continue rail service to include excursion rail.

Of particular concern is the NOI submitted by the “North Coast Railroad Company” which was filed late and should be dismissed on that fact alone. This entity has not yet disclosed its identity or its source of financing. It is our understanding that this applicant has no ties to the North Coast of California nor experience with freight rail services but is seeking to haul coal across the functionally abandoned rail line for shipment abroad. Its egregious lack of transparency was further evidenced with its NOI filing which included a bank statement that was at best misleading and at worst fraudulent. In the bank statement, the viewable beginning and ending balances appeared to be above \$15million. However, under further examination of the documentation, it was discovered that the average rotating balance of the account appears to be closer to \$1,000.

The complete lack of freight traffic on the line since 1998, high risk, and improbable restoration of the tracks for freight warrants abandonment and railbanking of the line from Willits to Humboldt Bay. We urge the STB to continue to give the GRTA/NCRA’s abandonment/railbank application full and fair consideration and reject the Notices of Intent to file. Thank you for your attention to this most important matter.

Sincerely,



Jared Huffman
Member of Congress



Alex Padilla
United States Senator



Mike Thompson
Member of Congress