

October 12, 2022

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Danielle Gosselin
Director
Office of Environmental Analysis
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423-0012

Re: Finance Docket No. 35095: Port MacKenzie Rail Extension

Dear Danielle:

The Port MacKenzie Rail Extension (“PMRE”) is a project funded by the Matanuska-Susitna Borough (“MSB”) through state capital budget appropriations. Between 2008 and 2015, approximately \$184 million was appropriated to the project. When the state-wide economy experienced a downturn, the Alaska State Legislature was financially constrained to further support the project. Once the appropriated funding was exhausted, project construction was placed on a temporary hold pending additional State appropriations.

At the present time, with the exception of a seven-mile segment near the end of the project, all civil construction has been completed for the project (approximately 20 miles). Only the track and some communication infrastructure remain to be constructed to operate railway traffic. All necessary federal permits were obtained, and mitigation was executed in connection with such permits. The remaining civil construction does not include work in any Waters of the US, or other state/federally regulated areas.

As you are aware, quarterly progress reports have been routinely submitted to the Office of Environmental Assessment in accordance with the final decision approving the construction and operation of the line extension. However, given the circumstances described above, we are requesting OEA to suspend the quarterly progress reporting requirements at this time. When more funding becomes available for the project and construction activity resumes, we would be pleased to reengage with OEA and resume submission of the quarterly progress reports.

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Office of Environmental Analysis
October 12, 2022
Page 2

Please let me know if you have any questions.

Best regards,

A handwritten signature in black ink, reading "Kathryn K. Floyd". The signature is written in a cursive, flowing style.

Kathryn K. Floyd

Enclosure

cc: Vicki Rutson, Surface Transportation Board
Diana Wood, Surface Transportation Board
Brian Lindamood, ARRC
Andy Behrend, ARRC
Brad Sworts, MSB