



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

EO-1466

Office of Economics, Environmental Analysis and Administration

June 10, 2010

Kathryn Kusske Floyd, Esq.
Dorsey & Whitney LLP
1801 K Street, Suite 750
Washington, D.C. 20006

Re: STB Finance Docket No. 35095, The Alaska Railroad Corporation – Petition for Exemption to Construct and Operate a Rail Line to Port MacKenzie, Alaska

Dear Ms. Floyd:

Consistent with 40 C.F.R. § 1506.5(a), we are requesting additional information needed for the Section of Environmental Analysis' (SEA) on-going environmental review of the above-referenced proceeding. The requested information will enable SEA to respond more fully to comments on the Draft Environmental Impact Statement (EIS). As appropriate, you may need to consult with Matanuska-Susitna Borough, co-sponsor of the proposed rail line, to respond fully to SEA's request. The requested information includes:

1. Purpose and need

A number of commenters including the Port of Anchorage and the U.S. Environmental Protection Agency raised concerns regarding the Purpose and Need of the proposed rail line (Note: all comment letters on the Draft EIS are available on the Board's Web site at www.stb.dot.gov). Following your review of these comment letters, please provide any additional information that you may have regarding the Purpose and Need and data or references to data sources for information and statements provided in your reply.

Provide updates, if any are available, regarding potential shippers interested in utilizing Port MacKenzie and the proposed rail line. If updated information on specific commodities is available, please address how the commodities would be moved from the terminus of the proposed rail line to ships at Port MacKenzie.

2. Route alternatives

Expand on the information that you provided to SEA on July 3, 2008 to describe ARRCs evaluation of the feasibility of an alignment between Knik Goose Bay Road (but not adjacent to the road) and the Big Lake Segment.

Address the feasibility of shifting the southern end of the Connector 3 Segment and the northern end of the Mac West Segment to the west, as suggested in the Draft EIS comments submitted by Cook Inlet Region, Inc. (CIRI), dated May 10, 2010. If the Applicant considers a shifted alignment to be feasible, provide a suggested alignment

location and preliminary project footprint through this area. If the Applicant considers the shifted alignment to be infeasible, explain the basis for this conclusion.

Provide a discussion of the feasibility of an alignment “as far west as possible – more nearly along the east bank of the Susitna River.”

Provide a description of the feasibility of an alignment along the first north-south section line to the east of Guernsey Road. If such an alignment would be feasible, provide a suggested alignment location and preliminary project footprint through this area, including adjustments to the Connector 2, Connector 3, and Big Lake segments, as required. If the Applicant considers the shifted alignment to be infeasible, explain the basis for this conclusion.

3. Access road

In the Applicant’s opinion, would it be feasible for the proposed rail line to be constructed and operated without an access road? Explain. Would it be feasible to limit the access road to certain portions of the proposed rail line? Explain.

If an access road were constructed in the proposed rail line right-of-way, how does ARRC intend to prevent general public use of the road?

4. Elevated track

Address the feasibility of elevating the proposed rail line on a trestle across wetlands and floodplains and provide supporting cost information. Include information to document the basis for the estimated cost.

5. Water crossings

Update the information on the water crossing structures that ARRC would propose to use at each potential water crossing identified in the Draft EIS based on currently available information and the National Marine Fisheries Service 2008 publication “Anadromous Salmonid Passage Facility Design” identified in ARRC’s voluntary mitigation measures.

6. Trail crossings

Provide a preliminary design and cost estimate for typical crossing(s) that would accommodate snowmachiners, dog sleds, other recreationists and/or moose and other wildlife. Include information to document the basis for the estimated cost.

7. Matanuska Electric Association (MEA)

What is ARRC’s position on MEA’s proposal to collocate a power line with the proposed rail line ROW?

8. Property acquisition

Describe how ARRC would identify and acquire property to replace public park and refuge land if such land were taken for construction of the proposed rail line.

Describe the process that ARRC plans to follow for acquiring or vacating section line easements where the proposed rail line would cross such an easement and ARRC does not propose to provide a trail or road crossing.

Identify the private property parcels that ARRC plans to acquire for each alternative and the acquisition process that ARRC plans to follow.

Include verification of whether the residences and businesses identified on the enclosed maps would or would not be acquired if that segment were part of an alternative authorized by the Board. Identify and provide maps of any additional residences or businesses not highlighted on the enclosed maps that would also need to be acquired.

9. Town center site

Provide a description of the feasibility of locating a future town center at a location other than the intersection of Point MacKenzie and Burma roads.

10. Wetlands

In your May 28, 2010 comment letter on the Draft EIS (Kusske Floyd to Rutson, May 28, 2010), the Applicant proposed revised numbers for potential wetland impacts based on embankment construction rather than use of the entire 200-foot right-of-way. Please provide the GIS shape file of the project (e.g., embankment) footprint that the Applicant used to create the revised wetland impact numbers.

11. Unexploded Ordinance (UXO)

In your May 28, 2010 comment letter on the Draft EIS (Kusske Floyd to Rutson, May 28, 2010), the Applicant noted it has been working with the military concerning the possibility of UXO within the project area. Provide a copy of the Applicant's UXO training and procedures referenced in your comments.

12. Port MacKenzie

In its comments on the Draft EIS, the U.S. Environmental Protection Agency referred to "... compressed or liquefied natural gas storage/export facilities being planned for the Port MacKenzie area." Provide available information on the description, location, and schedule of development for such a facility.

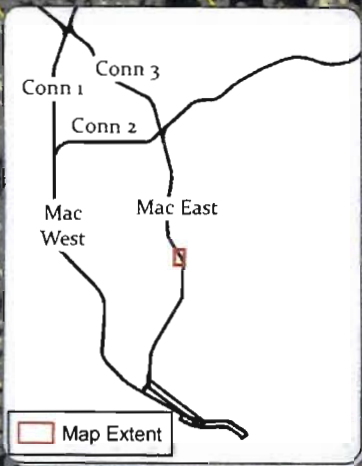
If you have any questions, please do not hesitate to contact Dave Navecky, SEA's Project Manager, at 202-245-0294, or Alan Summerville, ICF's Project Manager, at 703-934-3616.

Sincerely,



Victoria Rutson
Chief
Section of Environmental Analysis

cc: John Duffy, MSB



Mac East

Legend

X Home

N



Legend

- Business
- Home
- Home Outside ROW



Hollywood Rd

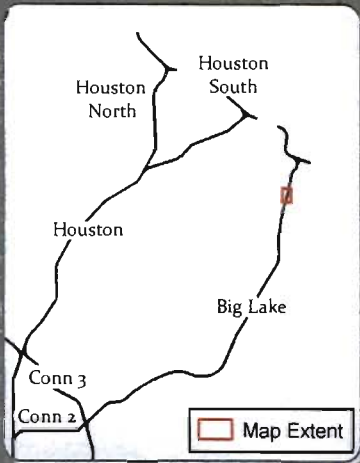
Big Lake



Legend

-  Business
-  Home
-  Home Outside ROW

0 250 500 Feet



Legend

-  Business
-  Home
-  Home Outside ROW

0 250 500 Feet



Larae Rd

Kenlar Rd

Big Lake

Calonder Way

Birch Rd

N

Legend

- ★ Barn
- Business
- × Home
- ▲ Home Outside ROW
- Parcel to be Acquired



Bear Paw Lake

Existing Main Line

W Parks Hwy



0 250 500 Feet



Cheri Lake Dr

Existing Main Line

Loon Lake

W Parks Hwy

Legend

-  Business
-  Home
-  Home Outside ROW
-  Parcels to be Acquired

250 500 Feet