



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

November 21, 2007

Ms. Kathryn Kusske Floyd
Mayer Brown
1909 K Street, NW
Washington, DC 20006-1101

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

Dear Ms. Floyd:

Pursuant to 49 CFR 1105.10(c), we are granting your request of November 13, 2007 for a waiver of the six-month prefiling notice generally required for construction projects under 49 CFR 1105.10(a)(1).

The Surface Transportation Board's (Board) Section of Environmental Analysis (SEA) met with you and several Alaska Railroad Corporation (ARRC) representatives on October 31, 2007. The ARRC representatives included Eileen Reilly, Vice President, Projects, Engineering, Technology and Signal, and Brian Lindamood, Project Manager, Capital Special Projects. Also present were Brad Sworts, Transportation and Environmental Manager for Matanuska-Susitna Borough (MSB) and Joe Perkins, consultant to MSB. MSB is the project sponsor and is administering state funds that have been appropriated to support preliminary engineering and environmental reviews for the proposed rail line. At the meeting, you and the ARRC and MSB representatives explained that ARRC would seek authority from the Board to construct and operate approximately 30 to 45 miles of new rail line that would connect ARRC's existing line to Port Mackenzie, Alaska. The proposed project would support Port Mackenzie shippers and customers with rail transportation between the existing port facility and Interior Alaska. At the October 31, 2007 meeting, SEA also provided a general overview of the Board's environmental review process, SEA's role in the process, and the use of third-party consultants.

Based on the information from this initial meeting, SEA believes that it has adequate information and both ARRC and MSB are sufficiently aware of the environmental process to grant this request. If you have any questions, please feel free to contact me at 202-245-0295 or Dave Navecky of my staff at 202-245-0294.

Sincerely,

A handwritten signature in black ink, appearing to read "Victoria Rutson". The signature is fluid and cursive, with a large initial "V" and a stylized "R".

Victoria Rutson
Chief
Section of Environmental Analysis