



SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office Environmental Analysis

September 13, 2013

Kathryn Kusske Floyd, Esq.
Venable LLP
575 7th Street, NW
Washington, D.C. 20004

Re: Docket No. FD 35095, Alaska Railroad Corporation - Construction and Operation
Exemption - A Rail Line Extension to Port MacKenzie, Alaska: Comments on
Quarterly Report No. 6

Dear Ms. Floyd:

In its November 17, 2011 decision granting the Alaska Railroad Corporation (ARRC) the authority to construct and operate the Port MacKenzie rail line extension, the Board imposed 100 mitigation measures on the project. Mitigation Measure #98 requires ARRC to submit quarterly reports to the Board's Office of Environmental Analysis (OEA) on the progress of, implementation of, and compliance with the Board-imposed mitigation measures. On August 27, 2013, OEA received ARRC's Quarterly Report No. 6 for the quarter ending June 30, 2013.

OEA has reviewed Quarterly Report No. 6 and our comments are attached. OEA requests that these comments be addressed in Quarterly Report No. 7, which will cover July 1, 2013 through September 30, 2013.

If you have any questions, please contact Dave Navecky, OEA's Project Manager, at 202-245-0294.

Sincerely,

Victoria Rutson
Director
Office of Environmental Analysis

cc: Jay Johnson, Venable LLP

ATTACHMENT
Docket No. FD 35095
Port MacKenzie Rail Line Extension

I. OEA Comments on Quarterly Report No. 6
(Quarter Ending June 30, 2013)

Project Progress, General, Bullet #7 (Page 2): Please clarify whether and when the Alaska Department of Natural Resources' (ADNR) administrative decision for permitting public access easements and land use was finalized. On April 1, 2013, the ADNR issued an administrative decision for approval, but allowed for a 20-day appeal period. In ARRC's monitoring report for the first quarter of 2013, it was stated that two appeals were filed with ADNR. However, the current Quarterly Report does not state whether those appeals were addressed by ADNR or if ADNR has finalized their administrative decision since April 1, 2013; the current report simply states that the ADNR issued their administrative decision on April 1, 2013.

Schedule, Segment 6 (bullet #2 on page 3): Please briefly describe the fish passage enhancement project at Teddy Creek and clarify how it is associated with the Port MacKenzie Rail Extension project.

Mitigation Measures (MM) #38, 39, 42, 48, 50, 68 and 83: Based on the letter from Venable LLP, dated March 7, 2013 addressing comments on Quarterly Report No. 4, ARRC was coordinating bi-weekly meetings with the U.S. Fish and Wildlife Service and ADNR to address OEA's concerns regarding the plans described in these MMs and ARRC would provide updated status information regarding these meetings in this quarterly report. ARRC provided updated status information in Quarterly Report No. 5, indicating in the Mitigation Checklist Table that these plans have been submitted to the agencies, but that no comments have been received and agency concurrence is assumed until otherwise notified. No update of this information is included Quarterly Report No. 6. The intent of the MMs is to ensure adequate consultation with the appropriate agencies. Please clarify in the next Quarterly Report what additional contacts/meetings have occurred with each agency in an effort to confirm that that agency has no additional input on the plans and that the plans are adequate.