



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service
P.O. Box 21668
Juneau, Alaska 99802-1668

E1 - 18069

March 9, 2010

David Navecky
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

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

Dear Mr. Navecky:

The National Marine Fisheries Service (NMFS) has reviewed the Port MacKenzie Rail Extension Biological Assessment (BA) from the Surface Transportation Board's Section of Environmental Analysis (STB). STB, the lead federal agency, has requested consultation with NMFS under Section 7 (a)(2) of the Endangered Species Act of 1973, as amended (ESA), regarding the proposed Port MacKenzie Rail Extension. The Port MacKenzie Rail Extension would involve the construction and operation of a new rail line connecting the Matanuska-Susitna Borough's Port MacKenzie in Knik Arm, Cook Inlet to a point on the Alaska Railroad Corporation existing main line between Wasilla and north of Willow, Alaska.

No direct effects to the beluga whales (*Delphinapterus leucas*) would occur as a result of the proposed Port MacKenzie Rail Extension. The BA evaluated this activity and determined that indirectly, it may affect the endangered Cook Inlet beluga whale and the proposed Critical Habitat via two mechanisms: 1) potential degradation of forage fish species habitats (anadromous fish resources), and 2) potential increased noise and disturbance from vessel loading and unloading, and increases in vessel traffic and anchorage near Port MacKenzie. STB has determined that the Port MacKenzie Rail Extension, if authorized, may affect, but is not likely to adversely affect the beluga whales or proposed Critical Habitat (74 FR 63080, December 2, 2009) in Knik Arm. NMFS concurs with your determination based on the following information and a review of pertinent literature and research.

Listed Species Affected by the Action

Cook Inlet beluga whales are the only ESA-listed species occurring within the area that may be affected by the action. NMFS has recently proposed designating Critical Habitat in Cook Inlet for this species.



Discussion

The proposed Port MacKenzie Rail Extension would provide freight services between Port MacKenzie and interior Alaska and would support Port MacKenzie's continued development as an intermodal and bulk material resources export and import facility.

Although no marine habitat would be directly affected by the Port MacKenzie Rail Extension, the BA did evaluate two activities to determine possible effects on the endangered Cook Inlet beluga whales and proposed Critical Habitat, with mitigation and conservation measures:

- 1) The proposed rail line would include 30-45 miles of new railroad track within a 200 foot wide right-of-way; crossing local roads, streams, trails, and utility corridors; sidings; and associated facilities. The proposed rail line project potentially crosses: 1) Susitna drainages (Willow Creek and Fish Creek); 2) Little Susitna River drainage; 3) Knik Arm drainages (Lucille Creek, Fish Creek, and Goose Creek); and 4) several other small Cook Inlet drainages. These rivers and creeks are anadromous fish-bearing water bodies that provide prey to the endangered beluga whales.

To mitigate for crossing the anadromous fish-bearing rivers and creeks, STB has stated that all river and stream crossings (bridges and culverts) would be designed to allow fish passage in accordance with state and federal laws.

- 2) Based on current market opportunities, Alaska Railroad Corporation estimated that ship traffic to export bulk commodities from the Port MacKenzie Rail Terminal would include five Panamax class ships per year at approximately 4-week intervals during an approximately 20 week period. Increased shipping has the potential to displace belugas whales from the Port MacKenzie area due to noise and disturbance. However, Panamax ships move slowly and injuries to beluga whales from strikes by ships calling at Port MacKenzie would be highly unlikely.

To mitigate for increased ship traffic, STB has stated that a) beluga whales shall not be exposed to sound levels in excess of 160 dB re: 1 μ Pa without a Small Take Authorization; 2) no ships or boats working with Port MacKenzie should anchor or travel north of Cairn Point in Knik Arm; and 3) in consultation with NMFS, an underwater noise reduction plan will be developed through the use of structural design, operational procedures, and encouraging vessel modifications to reduce propeller cavitation noise.

Cumulative Effects

Under ESA, cumulative effects are future state, tribal, local, or private activities, not involving federal activities, that are reasonably certain to occur within the action area of the federal action considered in this assessment (50 CFR 402.02). The Cook Inlet basin is used for many federal and non-federal recreational and commercial uses: oil and gas exploration, development, and production; commercial, sport, subsistence fishing and fish processing; timber harvest and timber restoration; mining and reclamation; agriculture; aquaculture; recreation; tourism; and public works projects. The areas in Knik Arm, where at least 60 percent of the beluga whale population are seasonally found, has

experienced increases in industrial, shipping, and aircraft noise, and disturbance, but also continues to be regularly used by beluga whales.

Given that the proposed Port MacKenzie Rail Extension will not directly affect the beluga whales or their proposed Critical Habitat, its contribution to the cumulative effects in Cook Inlet is negligible.

Conclusion

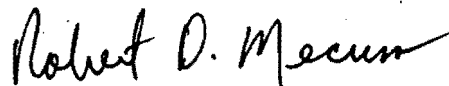
NMFS concurs with your determination that the proposed action, as described in your BA, is not likely to adversely affect the endangered Cook Inlet beluga whale or its proposed Critical Habitat. A complete administrative record of this consultation is on file in this office. While the action may indirectly affect this species, our assessment finds any such effects are insignificant (such effects could not be meaningfully measured or detected) or discountable (such effects would not reasonably be expected to occur).

This concludes our 1) consultation for this action on the endangered Cook Inlet beluga whales and 2) conference for this action on the proposed Critical Habitat. On issuance of Final Regulations for Critical Habitat designation, our conclusion (that the proposed project may affect, but is not likely to adversely affect Critical Habitat) will be considered the official position of our agency relative to Critical Habitat for the Cook Inlet beluga whales.

Reinitiating consultation is required where discretionary federal agency involvement or control over the action has been retained (or is authorized by law) and if: 1) take of a listed species occurs, 2) new information reveals effects of the action that may affect listed species or critical habitat in a manner or to an extent not previously considered, 3) the action is subsequently modified in a manner that causes an effect to the listed species or critical habitat not previously considered, or 4) a new species is listed or critical habitat is designated that may be affected by the action.

If there are any questions please contact Barbara Mahoney in our Anchorage office at 907-271-3448.

Sincerely,



James W. Balsiger, Ph.D.
Administrator, Alaska Region

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