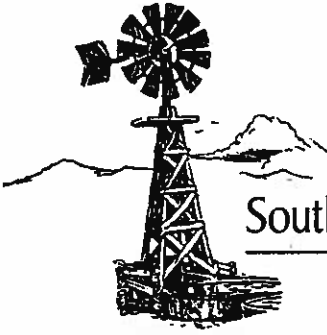




SouthEastern Montana Development Corporation

Growing Montana ~ One Job at a Time

6200 Main Street
P.O. Box 1935
Colstrip, MT 59323
Phone/Fax (406) 748-2990
E-mail: semdc@bhwi.net
Website: www.semdc.org

December 6, 2012

Mr. Ken Blodgett
Surface Transportation Board
ATTEN: Environmental Filing,
Docket No. FD 30186
395 E. Street, SW
Washington, D.C. 20423-0001

Docket No. FD 30186

RE: Tongue River Railroad Project Support and EIS Comments

Dear Mr. Blodgett:

As the President of the Board of Directors for Southeastern MT Development Corporation (SEMDC), I would like to express my strong feelings in support of the Tongue River Railroad Project proposed for southeastern Montana.

As you recall from public testimony during the week of November 12-16, 2012, SEMDC is a regional non-profit economic development group that was established in 1997 to encourage economic activity in the four (4) Counties of **Custer, Powder River, Rosebud and Treasure**. Today, SEMDC continues to work with the private, public and non-profit sectors to help create and retain jobs in these four counties. Our track record has documented over 831 jobs created or retained and over \$25 million dollars in project assistance since 1997. Since 2005, SEMDC has been designated by the State of Montana as a Certified Regional Development Corporation (CRDC) and the federal Economic Development Administration (EDA) as an Economic Development District (EDD).

In our opinion, the **Tongue River Railroad Project** is a vital and much needed economic development opportunity as it relates to the proposed Otter Creek Coal Mine Project. Both SEMDC and I strongly encourage the STB to conduct an effective Environmental Impact Study (EIS) and to move forward with the Route that supports the most economic benefits and the least environmental impacts.

My reasons are as follows:

- * SEMDC recently passed Resolution #712, strongly supporting this project,
- * We feel that most perceived environmental impacts can be properly minimized with effective communication between all stakeholders and pro-active planning,

- * SEMDC already has in-place a proactive planning position called the Impact Mitigation and Planning Position (iMapp) specifically tasked to work with all of the project stakeholders in-order to minimize the impacts, yet maximize the benefits,
- * SEMDC helped form the Eastern Montana Impact Coalition with three (3) other economic development groups in-order to leverage scarce funds and to target impacted areas occurring in a 16 county region, including this EIS area and project. Half of this region is currently within the Bakken oil and gas development area,
- * We feel that the tremendous economic opportunity that these related projects could bring to this economically challenged region would be mutually beneficial to all parties,
- * Plans are being made to offer legislation at the state level to implement additional impact funding programs for Oil / Gas and Coal impacted communities,
- * We know there is strong state-wide support for natural resource development as the job creation and tax base improvements would be tremendous for the local and state governmental units and
- * **SEMDC strongly supports the Northern Routes for the Tongue River Railroad.**

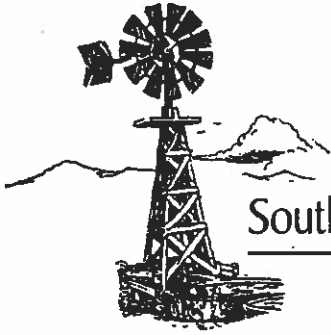
Thank you for the chance to express my comments on this much needed opportunity.



John Williams
President

Enclosure

Cc: Senator Max Baucus
 Senator Jon Tester
 Congressman Dennis Rehberg
 Congressman-Elect Steve Daines
 Governor Brian Schweitzer
 Governor-Elect Steve Bullock
 State Senator Taylor Brown
 State Representative Duane Ankney



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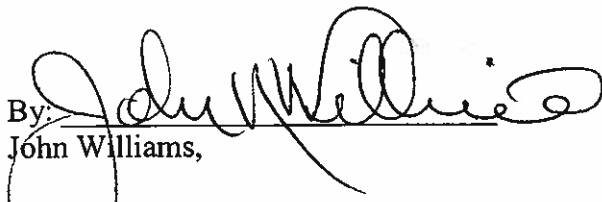
RESOLUTION # 712

WHEREAS, the Southeastern Montana Development Corporation (SEMDC) composed of the Counties of **Custer, Powder River, Treasure, and Rosebud**, including the **Northern Cheyenne Indian Reservation** portion of Rosebud County and the Cities and Towns of **Forsyth, Broadus, Hysham, Miles City and Colstrip**, is a not-for-profit public benefit organization created to encourage economic development in southeastern Montana.

WHEREAS, SEMDC is providing technical and economic development assistance to local units of government and potential and existing businesses in business start-ups and expansions.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Southeastern Montana Development Corporation hereby supports the development of the proposed Tongue River Railroad and related Otter Creek Coal Development Project, including the Environmental Impact Study (EIS) that is currently before the federal Surface Transportation Board (STB). Specifically, SEMDC supports the proposed northern railroad routes. A Letter of Support will also be submitted to the STB before the December 6, 2012 deadline.

THIS RESOLUTION WILL BE DULY ADOPTED BY THE BOARD OF DIRECTORS OF THE SOUTHEASTERN MONTANA DEVELOPMENT CORPORATION AT THE NEXT REGULAR MEETING TO BE HELD ON November 28, 2012 WITH A QUORUM PRESENT.

By: 
John Williams,

Its: President

Date: 11-30-12