

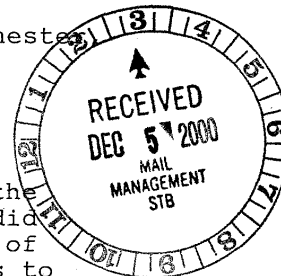
ENVIRONMENTAL DOCUMENT

001723

200989

Testimony before the Surface Transportation Board in Rochester, Minnesota, on Thursday November 16th, 2000.

By Doug Kolbe
1014 Almar Place
Owatonna, MN 55060



My first reaction upon reading the executive summary of the DEIS was that it was written by a bunch of lawyers that did not want to be sued. The document is just like the rest of the process--it leaves cities and counties in the dark as to what the scope of the project is and exactly what the STB will do to mitigate the environmental effects of this project.

I believe the entire process is flawed in favor of the railroad and the private investors financing the project at the expense of the private citizens and communities along the route. I served on the city of Owatonna's task force that conducted negotiations with representatives of the DM&E. We were told outright by those representing the DM&E "sign our partnership agreement where you have some idea what you will get or take your chances with the STB and get less." It was not negotiation, it was extortion. Extortion that the STB is a party to.

In Owatonna there are at present 15 streets that the DM&E crosses as it passes through town. Its current number of trains is approximately 3 trains per day and it has been that number of trains or less for as long as I have lived in the community. Railroads have through past practice lead their neighbors to believe they would not increase traffic, that we could co-exist with the present rail traffic. Now, the DM&E is going to change that co-existence--change the current environment--change the impact they have on their neighbors--change the value of their neighbors property by changing the way they do business.

No longer can we live with the premise that railroads were here first, that they can do whatever they want with their property. They changed their usage to 3 trains per day over a course of many years and have given up that right. Now neighborhoods exist there, they are now there first and railroads--coal trains are the newcomers. They should be subject to the rights of the neighborhoods and communities.

We have the potential in Owatonna, according to everybody's figures, of 37 trains per day going from east to west and west to east, and several more switching to the Iowa & Minnesota Railroad and coming back through town from south to north. A condition, by the way, that is not even mentioned in the DEIS submitted by the STB. These trains will change our quality of life and our property values and they will change our environment. If you allow this change to take place, then you must require this railroad to internalize all the marginal social cost, that is all the new additional costs resulting from this

ENTERED
Office of the Secretary

DEC 12 2000

Part of
Public Record

change. These costs include noise, viabration, pollution, safety hazzards, traffic delays, street upgrades, and a loss of property values. They also include future costs like another ambulance service on the north side of town, another fire station on the north side of town, and more police cars for the north side of town. All of the social costs must be internalized by the railroad and become part of the private cost born by the DM&E. By forcing this railroad to internalize these costs, you are requiring the market to capture the true cost of shipping this coal from Wyoming to the East. When this coal is sold for the true market value, I will guess, even bet, that the market will make other wiser choices, possibly build the power plants in Wyoming and transport the electricity or find alternative sources of energy. So long as you allow the rape of the communities along the path of this railroad, another words allow the DM&E to pass these costs on to the communities along the way, you force the communities to subsidize the price of the coal for others, changing the market choice.

Please consider all of the costs, please help the market to act as it should, making the wisest choice on the allocation of resources. Do not make our communities pay so that others can have cheap coal and the DM&E can reap huge profits at our expense. The environmental impact study of the STB must speak to these costs.

A handwritten signature in cursive script, appearing to read "Doug Folber". The signature is written in dark ink on a white background.