



Minnesota Department of Transportation

Office of Freight, Railroads, & Waterways

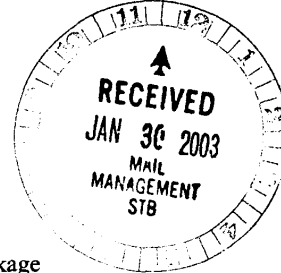
395 John Ireland Blvd., MS 470  
St. Paul, MN 55155-1899

Phone: 651/296-0355

Fax: 651/297-1887

January 23, 2003

Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street N.W.  
Washington, D.C. 20423-0000



Re: STB Finance Docket No. 34178 (Sub-No. 2), Dakota,  
Minnesota & Eastern Railroad Corporation – Terminal Trackage  
Rights – Union Pacific Railroad Company

Dear Secretary Williams:

I'm writing this letter in support of the Dakota, Minnesota and Eastern Railroad's application for terminal trackage rights over a segment of Union Pacific Railroad track. Although Mn/DOT has chosen to not be party to this proceeding, we feel compelled to reiterate our comments submitted in a letter to the STB dated December 4, 2002.

Mn/DOT agrees with the City of Owatonna's assertion that using the "in town" connection and granting the DM&E unrestricted terminal access would permit Owatonna to protect the health, safety, and tranquility of its community, encourage economic development in the greater Owatonna area consistent with community plans, and promote the strength of the DM&E and Iowa, Chicago & Eastern Railroad Corporation (IC&E). Furthermore, Mn/DOT identifies the existing "in town" route as the environmentally preferred option.

By gaining trackage rights over the existing UP tracks, the DM&E isn't forced to consume land the City of Owatonna could otherwise use for future development. Thus, this alternative serves the public interest and represents the best alternative for the DM&E and the City of Owatonna.

Furthermore, the common ownership of DM&E and IC&E makes the approval of the terminal trackage rights over the short segment of Union Pacific Railroad track so logical that any other decision to provide a connection between the two railroads is unreasonable.

Additionally, the application for terminal trackage rights is of substantial economic interest to producers and shippers located on both railroads since this link will open new markets previously difficult to access from Minnesota.

I strongly encourage the STB to approve the DM&E's terminal trackage rights request. Thank you for your time and consideration.

Respectfully,

Al Vogel, Director  
Office of Freight, Railroads & Waterways

cc. Carol Molnau, Commissioner  
Cecil Selness, Modal Operations Division Director  
Lynn Anderson, DM&E

An equal opportunity employer

ENTERED  
Office of Proceedings  
JAN 30 2003  
Part of  
Public Record