

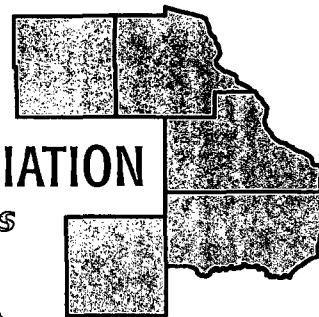
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EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION

A Regional Response to Local Needs

June 30, 2006

Hon. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW, Room 700
Washington, D.C. 20006



Suite 200
3999 Pennsylvania Avenue
Dubuque, IA 52002

RE: Finance Docket No. 34871

Wyoming Dakota Railroad Properties, Inc. – Acquisition and Operation
Exemption – Dakota, Minnesota & Eastern Railroad Corp.

ENTERED
Office of Proceedings

JUL 20 2006

Dear Secretary Williams:

Part of
Public Record

The Dubuque Metropolitan Transportation Study Area (DMATS) is writing to comment on the recent petition of the Wyoming Dakota Railroad Properties, Inc. (WDR) regarding the proposed Powder River Basin (PRB). While the DMATS region is many miles away from the PRB, we believe once this project is completed, it will have a significant impact on the City of Dubuque as well as other member communities in the DMATS region.

DMATS, a multi-state and multi-jurisdictional Metropolitan Planning Organization for the region, is not opposed to the overall PRB project or the new construction as we currently understand it. However, we are opposed to lifting any of the conditions requiring environmental impact studies and mitigation in the State of Iowa. It is our understanding the STB's original intent of the IC&E routing restriction was to ensure full environmental study of the impacts which could be expected from allowing coal traffic onto a route passing through Dubuque and other Iowa communities. We are opposed to the transfer of building rights to the WDR which undermine the environmental conditions and mitigation measures imposed by the Surface Transportation Board (STB) on the DM&E in Finance Docket 33407.

DMATS asks the Surface Transportation Board to consider the following factors in rendering their decision on the Petition of the WDR.

The proposed transfer of authority allowing the WDR to construct 280 miles of track from South Dakota to Wyoming is not an independent project and should not be treated as such; its impact extends far beyond the 280 miles of new track. When completed the PRB project will result in a significant increase in train traffic extending as far East as Chicago. Currently the DM&E Corporate Family runs trains through the City of Dubuque and other communities in our region with access to Chicago. The potential impact is not only the City of Dubuque but also impacts the rail corridor throughout Iowa along the Mississippi River and those communities on the rail corridor in our region and up down the Mississippi. Impacted communities in both Illinois and Wisconsin such as

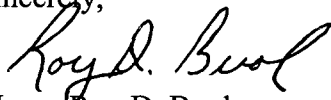
East Dubuque and Praire Du Chien should also be taken into consideration as to the impacts they will experience from the DM&E coal train traffic. While they may not directly experience increase coal train traffic depending on the train routing, they will experience delays in their regular freight traffic as more trains are using the lines.

Secondly, and our most important issue in our opposition of the transfer to the WDR is that while all of the areas along the proposed track in Wyoming, South Dakota and Minnesota have had environmental studies completed, no such opportunity has been afforded Iowa communities, including communities such as Dubuque in the DMATS region. These Iowa communities will experience serious environmental impact when the coal is moved from the PRB to the Midwest. DMATS believes it is imperative the DM&E, IC&E and the WDR recognize the need for environmental mitigation as part of the construction and urges the Surface Transportation Board to preserve the measures put in place by the STB in 2002 and require a full environmental study for fairness to those Iowa communities that may be affected by the PBR project.

Finally, DMATS appreciates the economic importance the DM&E and WDR project has but we ask that the Surface Transportation Board balance the economic interest with the lives and economics of the citizens and businesses in the DMATS region as well as across Iowa, Illinois and Wisconsin.

Thank you for your time and consideration of this matter. If you have questions regarding this filing, please contact me at 563-588-4265 or Kelley Deutmeyer, Executive Director at 563-556-4166.

Sincerely,



Mayor Roy D. Buol

Chairperson

Dubuque Metropolitan Transportation Study(DMATs)

cc: DMATS Policy Board Members

Fred Dean, Iowa Dept. of Transportation

Steward Sandstrom, Dubuque Area Chamber of Commerce

Jerry Enzler, National Mississippi River Museum and Aquarium

Terry Goodman, National Mississippi River Museum and Aquarium

Bill Baum, Greater Dubuque Development Corporation

Cindy Steinhauser, Assistant City Manager

Senator Charles Grassley

Senator Tom Harkin

Congressman Jim Nussle

Iowa Legislators

Wisconsin Legislators

Illinois Legislators