

LEONARD
STREET
AND
DEINARD

219163
150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335 1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM
RECEIVED
APR 24 2007
59

April 20, 2007

The Honorable Vernon Williams
Secretary, Surface Transportation Board
1925 K Street NW, Room 711
Washington D.C. 20423-00001

Re: Abandonment of Trackage Located in Green Island, New York
STB Docket No. AB-156 (Sub. No. 26X)

Dear Secretary Williams:

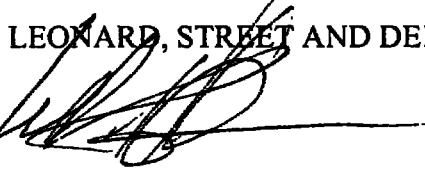
Please find enclosed for filing the unbound original and ten copies of Delaware and Hudson Railroad Company's Environmental and Historic Reports pursuant to 49 C.F.R. Part 1105. A copy of the transmittal letter pursuant to 49 C.F.R. § 1105.11 is also enclosed.

I also enclose a duplicate copy of this letter and self-addressed stamped envelope to be stamped with the filing date and returned to the undersigned.

Please contact me if you have any questions.

Very truly yours,

LEONARD, STREET AND DEINARD



W. Karl Hansen

Enclosure

cc: Parties on the Attached Service List
Bill Tuttle
Judy Mitchell
Steve Fisk
Gerry Edwards

3753470 1

ENTERED
Office of Proceedings
APR 24 2007
Part of
Public Record

SERVICE LIST

U.S. Environmental Protection Agency

Jane Kenny
Regional Director
U.S. Environmental Protection Agency
290 Broadway, Floor 26
New York, NY 10007

U.S. Fish and Wildlife Service

Marvin Moriarty
Regional Director
U.S. Fish and Wildlife Service
300 Westgate Center Drive
Hadley, MA 01035

U.S. Army Corps of Engineers

Col. Aniello L. Tortora
U.S. Army Corp of Engineers
New York District
26 Federal Plaza
New York, NY 10278

National Park Service

National Park Service Northeast Region
US Customs House, 3rd Floor
200 Chestnut Street
Philadelphia, PA 19106

U.S. Soil and Conservation Service

Ronald Alvarado
State Conservationist
Natural Resources Conservation Service
441 S. Salina Street, Suite 354
The Galleries of Syracuse
Syracuse, NY 1320

National Geodetic Survey

David B. Zilkoski
Director
National Geodetic Survey
1315 East-West Highway
Silver Springs, MD 20910-3282

U.S. Geological Survey

Mark Myers
Director
U.S. Geological Survey Headquarters
John W. Powell Federal Building
12201 Sunrise Valley Drive
Reston, Virginia 20192

State Clearinghouse

The State of New York has no designated clearinghouse

State Department of Transportation for New York

Astrid C. Glynn
Acting Commissioner
New York State Department of Transportation
5-504 Harriman State Office Campus
1220 Washington Ave.
Albany, NY 12232

State Environmental Protection Agency for New York

Pete Grannis
Commissioner
New York State Department of Environmental Conservation
625 Broadway
Albany, NY 12233

State Historic Preservation Office for New York

Carol Ash
Acting Commissioner
New York State Office of Parks, Recreation and Historic Preservation
Empire State Plaza, Agency Building 1
Albany, NY 12238

State Coastal Zone Management Agency

George R. Stafford
Director
Division of Coastal Resources
New York State Department of State
41 State Street
Albany, NY 12231

Albany County

Michael Breslin
County Executive
112 State Street, Room 200
Albany, NY 12207

Village of Green Island

Mayor Ellen McNulty-Ryan
Village of Green Island
20 Clinton Street
Green Island, NY 12183

Town of Colonie

Mary Brizzell
Town Supervisor
Town of Colonie
Memorial Town Hall
534 Loudon Road
Newtonville, New York 12128

Local and Regional Planning Agencies

Capital District Regional Planning Commission
5 Computer Dr. West
Albany, NY 12205

Capital District Transportation Committee
5 Computer Dr. West
Albany, NY 12205

LEONARD
STREET
AND
DEINARD

219163
150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

APR 20 2007
APR 24 2007
MANAGEMENT
STB

To: Persons on the attached Service List

Re: ***Delaware and Hudson Railway Company – Notice of Intent to File – Notice of Exemption Abandonment of Trackage located in Green Island, New York
STB Docket No. AB-156 (Sub-No 26X)***

Dear Sir/Madam:

On May 10, 2007, Delaware and Hudson Railway Company ("D&H") expects to be filing with the Surface Transportation Board ("STB") a Verified Notice of Exemption seeking authority to abandon approximately 1.98 miles of trackage located in Albany County, New York between milepost A. 6.95 + (in Colonie) and milepost A 7.13 and milepost T 0.0 +/- and milepost T 1.81 +/- (in Green Island).

Attached is an Environmental Report and a Historic Report describing the proposed action and any expected environmental and historic effects, as well as a map of the affected area. D&H is providing this report so that you may review the information that will form the basis for the STB's independent environmental analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the Board's environmental review process, please contact the Section of Environmental Analysis (SEA), Surface Transportation Board, 1925 K Street NW, Washington, DC 20423, telephone (202) 245-0295 and refer to the above Docket No. AB-156 (Sub-No 26X). Because the applicable statutes and regulations impose stringent deadlines for processing this action, your written comments to SEA (with a copy to the undersigned) would be appreciated within 3 weeks. Your comments will be considered by the Board in evaluating the environmental and/or historic preservation impacts of the contemplated action. If there are any questions concerning this proposal, please contact the undersigned directly.

Very truly yours,

LEONARD STREET AND DEINARD

W. Karl Hansen
Enclosure

3753849 1

April 20, 2007
Page 2

cc: Bill Tuttle
Judy Mitchell
Steve Fisk
Gerry Edwards

SERVICE LIST
ENVIRONMENTAL AND HISTORIC REPORTS
Delaware & Hudson Railway Company – Abandonment of
Trackage Located in Albany County, New York
STB Docket No. AB-156 (Sub-No. 26X)

U.S. Environmental Protection Agency

Jane Kenny
Regional Director
U.S. Environmental Protection Agency
290 Broadway, Floor 26
New York, NY 10007

U.S. Fish and Wildlife Service

Marvin Moriarty
Regional Director
U.S. Fish and Wildlife Service
300 Westgate Center Drive
Hadley, MA 01035

U.S. Army Corps of Engineers

Col. Aniello L. Tortora
U.S. Army Corp of Engineers
New York District
26 Federal Plaza
New York, NY 10278

National Park Service

National Park Service Northeast Region
US Customs House, 3rd Floor
200 Chestnut Street
Philadelphia, PA 19106

U.S. Soil and Conservation Service

Ronald Alvarado
State Conservationist
Natural Resources Conservation Service
441 S. Salina Street, Suite 354
The Galleries of Syracuse
Syracuse, NY 13202

National Geodetic Survey

David B. Zilkoski
Director
National Geodetic Survey
1315 East-West Highway
Silver Springs, MD 20910-3282

U.S. Geological Survey

Mark Myers
Director
U.S. Geological Survey Headquarters
John W. Powell Federal Building
12201 Sunrise Valley Drive
Reston, Virginia 20192

State Clearinghouse

The State of New York has no designated clearinghouse

State Department of Transportation for New York

Astrid C. Glynn
Acting Commissioner
New York State Department of Transportation
5-504 Harriman State Office Campus
1220 Washington Ave.
Albany, NY 12232

State Environmental Protection Agency for New York

Pete Grannis
Commissioner
New York State Department of Environmental Conservation
625 Broadway
Albany, NY 12233

State Historic Preservation Office for New York

Carol Ash
Acting Commissioner
New York State Office of Parks, Recreation and Historic Preservation
Empire State Plaza
Agency Building 1
Albany, NY 12238

State Coastal Zone Management Agency

George R. Stafford
Director
Division of Coastal Resources
New York State Department of State
41 State Street
Albany, NY 12231

Albany County

Michael Breslin
County Executive
112 State Street, Room 200
Albany, NY 12207

Village of Green Island

Mayor Ellen McNulty-Ryan
Village of Green Island
20 Clinton Street
Green Island, NY 12183

Town of Colonie

Mary Brizzell
Town Supervisor
Town of Colonie
Memorial Town Hall
534 Loudon Road
Newtonville, New York 12128

Local and Regional Planning Agencies

Capital District Regional Planning Commission
5 Computer Dr. West
Albany, NY 12205

Capital District Transportation Committee
5 Computer Dr. West
Albany, NY 12205

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.**



DELAWARE AND HUDSON RAILWAY
COMPANY – ABANDONMENT OF
TRACKAGE LOCATED IN ALBANY
COUNTY, NEW YORK

DOCKET NO. AB-156
(SUB-NO 26X)

VERIFIED NOTICE OF EXEMPTION TO ABANDON PURSUANT TO 49 C.F.R. § 1152.50
A 1.98 +/- MILE LINE OF RAILROAD BETWEEN MILEPOST A 6.95 +/- (IN COLONIE)
AND MILEPOST A 7.13 +/- AND MILEPOST T 0.00 +/- AND MILEPOST T 1.81 +/- (IN
GREEN ISLAND) WHICH TRAVERSES THROUGH UNITED STATES POSTAL SERVICE
ZIP CODES 12183 AND 12189 IN ALBANY COUNTY, NEW YORK

ENVIRONMENTAL AND HISTORIC REPORTS
IN COMPLIANCE WITH
49 C.F.R. PART 1105

**DELAWARE AND HUDSON RAILWAY
COMPANY (d/b/a Canadian Pacific Railway)**

**LEONARD, STREET and DEINARD
Professional Association**

W. Karl Hansen
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402
Tel. (612) 335-7088
Fax. (612) 335-1657

Attorney for Applicant
Service Date: April 20, 2007

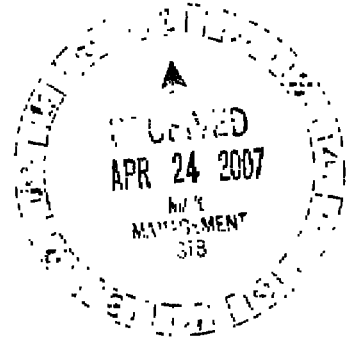
ENTERED
Office of Proceedings

APR 24 2007

Part of
Public Record

THIS FILING CONTAINS COLOR PRINTING

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.**



DELAWARE AND HUDSON RAILWAY
COMPANY – ABANDONMENT OF THE
TRACKAGE LOCATED IN ALBANY
COUNTY, NEW YORK

)
)
)
)
)
)

DOCKET NO. AB-156
(SUB-NO 26X)

VERIFIED NOTICE OF EXEMPTION TO ABANDON PURSUANT TO 49 C.F.R. § 1152.50
A 1.98 +/- MILE LINE OF RAILROAD BETWEEN MILEPOST A 6.95 +/- (IN COLONIE)
AND MILEPOST A 7.13 +/- AND MILEPOST T 0.00 +/- AND MILEPOST T 1.81 +/- (IN
GREEN ISLAND) WHICH TRAVERSES THROUGH UNITED STATES POSTAL SERVICE
ZIP CODES 12183 AND 12189 IN ALBANY COUNTY, NEW YORK

**ENVIRONMENTAL AND HISTORIC REPORTS
IN COMPLIANCE WITH
49 C.F.R. PART 1105**

The following information is submitted to the Surface Transportation Board by Delaware and Hudson Railway Company (“D&H”) in accordance with the Board’s reporting requirements as set forth in 49 C.F.R. Section 1105.7, for the purpose of assisting the Board in its preparation of an environmental document regarding D&H’s Verified Notice of Exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10903, permitting the abandonment of a 1.98 +/- mile line of railroad between milepost A 6.95 +/- (in Colonie) and milepost A 7.13 and milepost T 0.0 +/- and milepost T 1.81 +/- (in Green Island) that traverses through United States Postal Service Zip Codes 12183 and 12189, in Albany County, New York.

REQUIREMENTS OF 49 C.F.R. SECTION 1105.7

Section 1105.7(b)(1) – (11) Distribution:

(b) At least 20 days prior to filing with the Board a notice of exemption, petition for exemption, or an application for abandonment or discontinuance the applicant must serve copies of the Environmental Report on:

(1) The State Clearinghouse of each State involved (or other state equivalent agency if the State has no clearinghouse);

- (2) The State Environmental Protection Agency of each State involved;
- (3) The State Coastal Zone Management Agency for any state where the proposed activity would affect land or water uses within that State's coastal zone;
- (4) The head of each county (or comparable political entity including any Indian reservation) through which the line goes;
- (5) The appropriate regional offices of the Environmental Protection Agency;
- (6) The U.S. Fish and Wildlife Service;
- (7) The U.S. Army Corps of Engineers;
- (8) The National Park Service;
- (9) The U.S. Soil Conservation Service;
- (10) The National Geodetic Survey (formerly known as the Coast and Geodetic Survey) as designated agent for the National Geodetic Survey and the U.S. Geological Survey; and;
- (11) Any other agencies that have been consulted in preparing the report.

See List of Parties Consulted and Certificate of Service, attached as Exhibit No. 1.

Section 1105.7(c) Certification of Service of Environmental Report: In its Environmental Report, the applicant must certify that it has sent copies of the Environmental Report to the agencies listed and within the time specified in paragraph (b) of this section and that it has consulted with all appropriate agencies in preparing the report. These consultations should be made far enough in advance to afford those agencies a reasonable opportunity to provide meaningful input.

See List of Parties Consulted and Certificate of Service, attached as Exhibit No. 1.

Section 1105.7(c) Publication of Newspaper Notice of Intent to Abandon: Finally, in every abandonment exemption case, applicant shall certify that it has published in a newspaper of general circulation in each county through which the line passes a notice that alerts the public to the proposed abandonment, to available reuse alternatives, and to how it may participate in the STB proceeding.

The *Albany Union Times* in Albany, New York published the Notice for Publication specified at 49 C.F.R. § 1105.12 on March 30, 2007. A copy of the newspaper notice, Certificate of Counsel, and Affidavit of Publication are attached as Exhibit No. 2.

Section 1105.7(d) Documentation: Any written responses received from agencies that were contacted in preparing the Environmental Report shall be attached to the report. Oral responses from such agencies shall be briefly summarized in the report and the names, titles, and telephone numbers of the persons contacted shall be supplied. A copy of, or appropriate citation to, any reference materials relied upon also shall be provided.

All the agencies referenced at 49 C.F.R. Section 1105.7(b) were contacted by letters dated March 16, 2007 to solicit comments. See Exhibit Nos. 1 and 4.

Responses received to date have been incorporated along with D&H's analysis. Copies of responses are attached as Exhibit No. 3. Subsequent written comments may be received by SEA and D&H.

Status of written and oral comments received:

1105.7(b)(1) State Clearinghouse:

The State of New York has no designated clearinghouse. The New York State Department of Transportation, the New York State Department of Environmental Conservation, the New York State Department of State, Division of Coastal Resources, and the New York State Office of Parks, Recreation and Historic Preservation have all been solicited for comments.

1105.7(b)(2) State Environmental Protection Agency:

The New York State Department of Environmental Conservation ("DEC") was contacted by letter on March 16, 2007, and its response is included in Exhibit 3.

1105.7(b)(3) State Coastal Zone Management Agency for New York:

The New York Department of State, Division of Coastal Resources was contacted by letter on March 16, 2007. There have been subsequent telephone discussions with Division staff members William Feldhusen and Bonnie Devine concerning the proposed abandonment. To date, the Division has not determined whether a consistency evaluation will be required. If the Division so determines, D&H will undertake a federal consistency evaluation.

1105.7(b)(4) Head of Each County Through Which The Line Goes:

The head of each county and the city executives through which the tracks run were contacted by letter on March 16, 2007, and the responses received are included in Exhibit No. 3.

1105.7(b)(5) Appropriate Regional Offices of the Environmental Protection Agency:

The Regional Director of the U.S. Environmental Protection Agency was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(6) U.S. Fish and Wildlife Services:

The Regional Director of U.S. Fish and Wildlife Service was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(7) U.S. Army Corps of Engineers:

The U.S. Army Corps of Engineers, New York District was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(8) National Park Service:

The Northeast Region of the National Park Service was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(9) U.S. Soil Conservation Service:

The Natural Resources Conservation Service was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(10) National Geodetic Survey:

The National Geodetic Survey was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(b)(10) U.S. Geological Survey:

The U.S. Geological Survey was contacted by letter on March 16, 2007, but no response has been received to date.

1105.7(e)(3) Local and Regional Planning Activities:

The Capital District Regional Planning Committee and the Capital District Transportation Committee were contacted by letter on March 16, 2007, but no responses have been received to date.

Other Comments Received:

The New York State Office of Parks, Recreation and Historic Preservation was contacted by letter on March 16, 2007, and its response is included in Exhibit 3.

Section 1105.7(e) Content: The Environmental Report shall include all of the information specified in this paragraph, except to the extent that applicant explains why any portion(s) are inapplicable. If an historic report is required under § 1105.8, the Environmental Report should also include the Historic Report required by that section.

The Historic Report pursuant to 49 C.F.R. § 1105.8 is attached as Exhibit No. 5.

Section 1105.7(e)(1) Proposed Action and Alternatives: Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also

describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

The proposed action is the abandonment of a 1.98 mile length of track located within Albany County. The track has been out of service and no traffic has moved over the line for over five years. Any overhead trackage has already been rerouted over other lines. Following abandonment, any remaining ties and rails will be removed. Ties and rail will be either recycled or disposed of in an appropriate manner. The Village of Green Island has indicated an interest in purchasing the right of way for residential and economic redevelopment. Detailed maps and drawing of the project are included as Appendices A and B to the Historic Report attached as Exhibit No. 5.

Section 1105.7(e)(2) Transportation System: Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

No effects on rail traffic are anticipated by the abandonment of this out-of-service line of railroad. The Village of Green Island's transportation system will be improved because the elimination of five grade crossings will be a substantial improvement in public pedestrian and vehicle safety.

Section 1105.7(e)(3)(i) Land Use: Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.

The Capital District Regional Planning Committee and the Capital District Transportation Committee were contacted by letter on March 16, 2007, but no response has been received to date. The Village of Green Island has indicated that the proposed abandonment "will have a tremendously positive effect" on its land use plans. D&H has been involved in active discussions concerning the Village's intention to purchase the railroad right-of-way for commercial and residential redevelopment.

Section 1105.7(e)(3)(ii): Based on consultation with the U.S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land.

The proposed action will not have an effect on any prime agricultural land.

Section 1105.7(e)(3)(iii): If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 49 C.F.R. § 1105.9.

The New York Department of State, Division of Coastal Resources, was contacted by letter on March 16, 2007, with several follow up telephone contacts.

To date, the Division has not determined whether it will require D&H to conduct a consistency evaluation.

Section 1105.7(e)(3)(iv): If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. 10906 and explain why.

The right-of-way is suitable for alternative public use, and the Village of Green Island is planning to redevelop the corridor for residential and commercial uses.

Section 1105.7(e)(4)(i) Energy: Describe the effect of the proposed action on transportation of energy resources.

The proposed abandonment will have no effect on the development and transportation of energy resources, or on the movement and/or recovery of recyclable commodities because no such energy resources or recyclable commodities are presently transported over this line.

Section 1105.7(e)(4)(ii): Describe the effect of the proposed action on recyclable commodities.

No impact is anticipated.

Section 1105.7(e)(4)(iii): State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

No impact is anticipated.

Section 1105.7(e)(4)(iv): If the proposed action will cause diversions from rail to motor carriage of more than:

- A. 1,000 rail carloads a year; or
- B. An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in § 1105.7(e)(4)(iii) need not be supplied if the more detailed information § 1105.7(e)(4)(iv) is required.

The proposed action will not cause any diversion from rail to motor carriage.

Section 1105.7(e)(5)(i) Air: If the proposed action will result in either:

- A. An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal; or

B. An increase in rail yard activity of at least 100 percent (measured by carload activity); or

C. An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions. For a proposal under 49 U.S.C. 10901 (or 10505) to construct a new line or reinstitute service over a previously abandoned line, only the eight train a day provision in subsection (5)(i)(A) will apply.

The proposed abandonment:

A. Will not result in an increase in rail traffic of at least 100 percent or an increase of at least eight trains per day on any segment of rail line affected by the proposed abandonment.

B. Will not result in an increase in rail yard activity of at least 100 percent (measured by carload activity).

C. Will not result in an average increase in truck traffic by 10 percent or 50 vehicles per day for any affected road segment.

Section 1105.7(e)(5)(ii): If the proposed action affects a class I or non-attainment area under the Clean Air Act, and will result in either:

A. An increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line;

B. An increase in rail yard activity of at least 20 percent (measured by carload activity); or

C. An average increase in truck traffic or more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan. However, for a rail construction under 49 U.S.C. 10901 (or 49 U.S.C. 10505), or a case involving the reinstitution of service over a previously abandoned line, only the three train a day threshold in this item shall apply.

The proposed abandonment:

A. Will not result in an increase in rail traffic of at least 50 percent or an increase of at least three trains per day on any segment of rail line affected by the proposed abandonment.

B. Will not result in an increase in rail yard activity of at least 20 percent (measured by carload activity).

C. Will not result in an average increase in truck traffic by 10 percent or 50 vehicles per day for any affected road segment.

Section 1105.7(e)(5)(iii): If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity; the frequency or service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

Transportation of ozone depleting materials are not involved.

Section 1105.7(e)(6) Noise: If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause:

- (i) An incremental increase in noise levels of three decibels Ldn or more; or
- (ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

None of the thresholds identified in item (5)(i) of this section will be surpassed.

Section 1105.7(e)(7)(i) Safety: Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).

Public health and safety will not be affected adversely by the proposed abandonment.

Section 1105.7(e)(7)(ii): If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials.

No hazardous materials are currently transported over this line segment.

Section 1105.7(e)(7)(iii): If there are any known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved.

There are no known hazardous waste sites and there are no known hazardous material spills on the right of way. All batteries have been removed from the signal bungalows at the five at-grade crossings on the line. A Phase I Environmental Site Assessment was completed in October 2006, which revealed

no Recognized Environmental Conditions (RECs) on the site. A copy of the assessment will be made available upon request. There is a hazardous waste site located adjacent to the property (Ford Motor Company, NYS DEC Site No. 401007). D&H will consult with the DEC prior to work in that area.

Section 1105.7(e)(8)(i) Biological Resources: Based on consultation with the U.S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.

The Regional Director of U.S. Fish and Wildlife Service was contacted by letter on March 16, 2007, but no response has been received to date. The NYS DEC has indicated that "there are no significant or regulated natural resources present along the railway corridor, including freshwater or streams" and "there do not appear to be any significant environmental concerns related to the proposed work."

Section 1105.7(e)(8)(ii): State whether wildlife sanctuaries or refuges, National or State parks or forests be affected, and describe any effects.

No sanctuaries, state parks, or refuges will be adversely affected by the proposed abandonment as none exist along the right-of-way.

Section 1105.7(e)(9)(i) Water: Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

The proposed abandonment will not be inconsistent with applicable federal, state, or local water quality standards. D&H will take proper care during salvage activities to prevent any impact on water quality.

Section 1105.7(e)(9)(ii): Based on consultation with the U.S. Army Corps of Engineers, state whether permits under Section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

Permits under Section 404 of the Clean Water Act are not required for the proposed action. No designated wetlands or 100-year flood plains will be adversely affected. The U.S. Army Corps of Engineers has been notified of the proposed abandonment.

Section 1105.7(e)(9)(iii): State whether permits under Section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the State Environmental Protection or Equivalent Agency if they are unsure whether such permits are required).

Because no in-stream salvage activities are contemplated, no permits under Section 402 of the Clean Water Act (NPDES permit requirements) are required. The NYS DEC will not require D&H to obtain any permits to perform the work.

Section 1105.7(e)(10) Proposed Mitigation: Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

D&H does not anticipate any adverse effect to the environment. Other than using appropriate care in conducting salvage operations, no mitigation will be necessary.

Section 1105.7(e)(11) Additional Information for Rail Constructions: The following additional information should be included for rail construction proposals (including connecting track construction).

Not applicable.

Section 1105.8 Historic Reports: (a) An applicant proposing an action identified in § 1105.6(a) or (b), or an action in § 1105.6(c) that will result in the lease, transfer, or sale of a railroad's line, sites or structures, must submit (with its application, petition or notice) the Historic Report described in paragraph (d) of this section, unless excepted under paragraph (b) of this section. This report should be combined with the Environmental Report where one is required. The purpose of the Historic Report is to provide the Board with sufficient information to conduct the consultation process required by the National Historic Preservation Act.

The Historic Report is attached as Exhibit No. 5.

Section 1105.9 Coastal Zone Management Act Requirements: If the proposed action affects land or water uses within a State coastal zone designated pursuant to the Coastal Zone Management Act (16 U.S.C. 1451 et seq.) applicant must comply with the following procedures.

The New York Department of State, Division of Coastal Zone Management was contacted by letter on March 16, 2007. The Division has not yet determined whether it will require D&H to conduct a consistency evaluation.

END OF REPORT

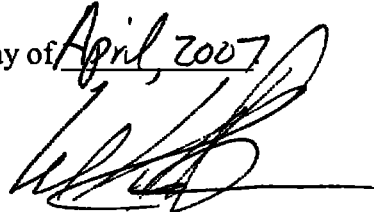
Exhibit No. 1

**List of Parties Consulted and
Certificate of Service of Environmental and Historic Report**

CERTIFICATE OF SERVICE OF ENVIRONMENTAL AND HISTORIC REPORTS

I hereby certify that on April 20, 2007, I served the Environmental Report and Historic Report relative to STB Docket No. AB-156 (Sub-No 26X), pursuant to 49 C.F.R. §§ 1152.50; 1105.7(b), (c); and 1105.11, by First Class U.S. Mail properly addressed and with postage prepaid upon the parties listed on the attached List of Parties Consulted.

Dated at Minneapolis, Minnesota this 20th day of April, 2007



W. Karl Hansen

ENVIRONMENTAL & HISTORICAL REPORT

LIST OF PARTIES CONSULTED

STB DOCKET NO. AB-156 (SUB-NO 26X)

Parties consulted in preparing Environmental and Historical Reports – Delaware & Hudson Railway Company (d/b/a Canadian Pacific Railway) - Abandonment of a 1.98 +/- Mile Line of Railroad between milepost A 6.95 +/- (in Colonie) and milepost A 7.13 +/- and milepost T 0.00 +/- and milepost T 1.81 +/- (in Green Island) in Albany County, State of New York which traverses through United States Postal Service Zip Codes 12183 and 12189.

FEDERAL AGENCIES CONSULTED

Appropriate Regional Office(s) of the U.S. Environmental Protection Agency

Jane Kenny
Regional Director
U.S. Environmental Protection Agency
290 Broadway, Floor 26
New York, NY 10007

U.S. Fish and Wildlife Service

Marvin Moriarty
Regional Director
U.S. Fish and Wildlife Service
300 Westgate Center Drive
Hadley, MA 01035

U.S. Army Corps of Engineers

Col. Aniello L. Tortora
U.S. Army Corp of Engineers
New York District
26 Federal Plaza
New York, NY 10278

National Park Service

National Park Service Northeast Region
US Customs House, 3rd Floor
200 Chestnut Street
Philadelphia, PA 19106

U.S. Soil and Conservation Service

Ronald Alvarado
State Conservationist
Natural Resources Conservation Service
441 S. Salina Street, Suite 354
The Galleries of Syracuse
Syracuse, NY 13202

National Geodetic Survey

David B. Zilkoski
Director
National Geodetic Survey
1315 East-West Highway
Silver Springs, MD 20910-3282

U.S. Geological Survey

Mark Myers
Director
U.S. Geological Survey Headquarters
John W. Powell Federal Building
12201 Sunrise Valley Drive
Reston, Virginia 20192

STATE AGENCIES CONSULTED

State Clearinghouse

The State of New York has no designated clearinghouse

State Department of Transportation for New York

Astrid C. Glynn
Acting Commissioner
New York State Department of Transportation
5-504 Harriman State Office Campus
1220 Washington Ave.
Albany, NY 12232

State Environmental Protection Agency for New York

Pete Grannis
Commissioner
Department of Environmental Conservation
625 Broadway
Albany, NY 12233

State Historic Preservation Office for New York

Carol Ash
Acting Commissioner
New York State Office of Parks, Recreation and Historic Preservation
Empire State Plaza
Agency Building 1
Albany, NY 12238

State Coastal Zone Management Agency

George R. Stafford
Director
Division of Coastal Resources
New York State Department of State
41 State Street
Albany, NY 12231

Other Political Entities and/or Indian Reservations through which the line runs

Albany County

Michael Breslin
County Executive
112 State Street, Room 200
Albany, NY 12207

Village of Green Island

Mayor Ellen McNulty-Ryan
Village of Green Island
20 Clinton Street
Green Island, NY 12183

Town of Colonie

Mary Brizzell
Town Supervisor
Town of Colonie
Memorial Town Hall
534 Loudon Road
Newtonville, New York 12128

Local and Regional Planning Agencies

Capital District Regional Planning Commission
5 Computer Dr. West
Albany, NY 12205

Capital District Transportation Committee
5 Computer Dr. West
Albany, NY 12205

Exhibit No. 2

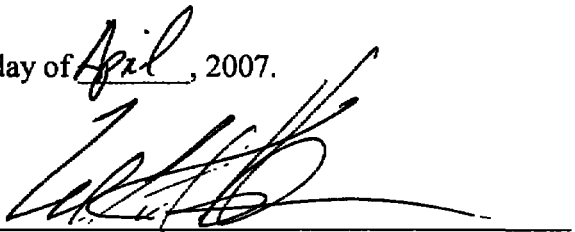
**Certification of Publication of Newspaper Notice in Newspaper of General Circulation in
Counties where Line is Situated and Affidavits of Publication**

(49 C.F.R. Section 1105.12)

CERTIFICATE OF PUBLICATION OF PUBLIC NOTICE
IN NEWSPAPER OF GENERAL CIRCULATION IN ALBANY COUNTY, NEW YORK

I hereby certify that relative to STB Docket No. AB-156 (Sub-No 26X), pursuant to 49 C.F.R. Sections 1152.50 and 1105.12, on March 30, 2007, a public legal notice was published in the *Albany Times Union*, a newspaper of general circulation in Albany County, New York, the county in which the subject trackage is located.

Dated at Minneapolis, Minnesota this 20th day of April, 2007.



W. Karl Hansen

TIMES UNION

In Print. Online. All the Time.

Albany Times Union
News Plaza
Box 15000
Albany, New York 12212

LEONARD STREET AND DEINARD
150 S 5TH ST STE 2300
MINNEAPOLIS, MN 55402

Account Number: 094987001
Order Number: 0003056083
Order Identifier: NOTICE Delaware and

T Dollard / D Hess / D LaCoppla of the city of Albany, being duly sworn, says that he/she is principal Clerk of THE TIMES UNION, a daily newspaper printed in the county of Albany, Town of Colonie, and Published in the County of Albany, Town of Colonie and the city of Albany, aforesaid and that notice of which a printed copy is annexed has been regularly published in the said ALBANY TIMES UNION on the following dates

03-30-2007

[Signature]

Sworn to before me, this Monday, April 02, 2007

[Signature]

Notary Public
Albany County

Notary Public, State of New York
No. 01TC0087062
Qualified in Saratoga County
My Commission Expires Aug. 25, 2007

NOTICE

Delaware and Hudson Railway Company, Inc., (d/b/a Canadian Pacific Railway) gives notice that on or about May 10, 2007, it intends to file with the Surface Transportation Board, Washington, DC 20423, a Notice of Exemption under 49 C.F.R. 1152 Subpart F - *Exempt Abandonments* permitting the abandonment of a 1.98 +/- mile line of railroad between milepost A 6.95 +/- (in Colonie) and milepost A 7.13 and milepost T 0.0 +/- and milepost T 1.81 +/- (in Green Island) and which traverses through United States Postal Service Zip Codes 12183 and 12189, in Albany County, New York. The proceeding will be docketed as No. AB-156 (Sub No. 26X).

The Board's Section of Environmental Analysis (SEA) will generally prepare an Environmental Assessment (EA), which will normally be available 25 days after the filing of the Notice of Exemption. Comments on environmental and energy matters should be filed no later than 15 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to the Section of Environmental Analysis (SEA), Surface Transportation Board, 1925 K Street NW, Washington, DC, 20423, or by calling that office at 202 245 0295.

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 1925 K Street NW, Washington, DC 20423 [See 49 CFR 1104.1(a) and 1104.3(a)], and one copy must be served on applicant's representative [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at 202 245 0230. Copies of any comments or requests for conditions should be served on the applicant's representative, W. Karl Hansen at Leonard, Street and Delnard, 150 South Fifth Street, Suite 2300, Minneapolis, MN 55402, 612-335-1500.

Delaware & Hudson Railway Company, Inc.
(d/b/a Canadian Pacific Railway)
Minneapolis, Minnesota

TU 11 (56083)

Exhibit No. 3

Responses to Environmental Scoping Correspondence Sent March 16, 2007

New York State Department of Environmental Conservation

Division of Environmental Permits, Region 4

1130 North Westcott Road, Schenectady, New York 12306-2014

Phone: (518) 357-2069 · FAX: (518) 357-2460

Website: www.dec.state.ny.us



April 18, 2007

W. Karl Hansen
Leonard, Street and Deinard
150 South Fifth Street
Suite 2300
Minneapolis, MN 55402

Re: Abandonment of D & H Rail line - Colonie and Green Island
Between Mile Posts A 6.95 and T 1.81
Town of Colonie, Albany County

Dear Mr. Hanson:

This is in response to your letter addressed to Denise Sheehan, dated March 16, 2007, regarding the proposed abandonment of a section of railroad line at the above referenced location.

I reviewed the map you provided, which identifies the railway corridor you referenced in your letter, and found that there are no significant or regulated natural resources present along the railway corridor, including freshwater wetlands or streams.

The work that is proposed, as explained in your letter, would be restricted to the railroad right-of-way, and abandoned railroad structures would be removed from the property and reused or recycled.

Therefore, based on this information, there do not appear to be any significant environmental concerns related to the proposed work, and no permits would be required from this office to perform the work.

Feel free to contact me should you have any further questions or concerns.

Sincerely,

Angelo Marcuccio
Environmental Analyst



New York State Office of Parks, Recreation and Historic Preservation
Historic Preservation Field Services Bureau
Peebles Island, PO Box 189, Waterford, New York 12188-0189

518-237-8643

April 02, 2007

Karl Hansen
Leonard, Street & Deinard
150 South Fifth St, Suite 2300
Minneapolis, Minnesota 55402

Re: STB
Partial Rail Line Abandonment
Green Island/Maplewood
COLONIE, Albany
GREEN ISLAND, Albany County
07PR01740

Dear Mr. Hansen:

Thank you for requesting the comments of the State Historic Preservation Office (SHPO). We have reviewed the project in accordance with Section 106 of the National Historic Preservation Act of 1966.

Based upon this review, it is the SHPO's opinion that your project will have No Effect upon cultural resources in or eligible for inclusion in the National Registers of Historic Places.

If further correspondence is required regarding this project, please be sure to refer to the OPRHP Project Review (PR) number noted above.

Sincerely,

Ruth L. Pierpont
Director



Mary E. Brizzell
Town Supervisor

TOWN OF COLONIE

Office of the Supervisor

Memorial Town Hall

P.O. Box 508

Newtonville, New York 12128

Phone (518) 783-2728 Fax (518) 782-2360

www.colonie.org/supervisor

March 29, 2007

Mr. W. Karl Hansen
Leonard, Street and Deinard
150 South Fifth Street Suite 2300
Minneapolis, Minnesota 55402

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Code 12183 and 12189) ---STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Hansen:

This letter is in response to your March 16, 2007 letter requesting comment on the environmental impacts of the proposed abandonment of 1.98 +/- miles of rail line in Albany County. The Town of Colonie appreciates the opportunity to comment on the proposed abandonment of this rail line, a portion of which falls within the Town. We understand from your letter that the Delaware and Hudson Railway Co., Inc., (D&H) d/b/a Canadian Pacific Railway anticipates filing, on or about May 10, 2007, a Notice of Exemption to Abandon with the United States Department of Transportation - Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 miles of rail.

The Town of Colonie has the following comments that we request be considered in the preparation of the Environmental Report and Analysis for this proposed petition:

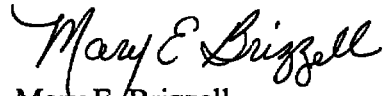
- The March 16th letter soliciting comments states that certain structures (bridges, etc.) will remain in place to facilitate "transit" use. It is unclear from this statement what the intended future uses of these structures will be and this should be clarified. Similarly, the future ownership and maintenance responsibilities for the structures should be explicitly outlined.

- The environmental analysis should include an assessment of the potential impacts on businesses utilizing the line, including: an evaluation of potential costs to businesses, an analysis of available alternatives for moving goods and materials in the absence of this rail line, and any resultant increases in truck/vehicular traffic as a result of the abandonment.
- An environmental investigation should be conducted along the line to ensure all potential sources of contamination are identified and properly remediated.
- Disposal of equipment and materials from along the rail line should be properly disposed at an off-site regulated facility; and
- The environmental assessment should identify potential impacts to other connecting rail lines or spurs resulting from this abandonment

We understand that these comments will be incorporated into D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document.

Again, the Town of Colonie appreciates the opportunity to comment on the proposed petition and thanks you for your consideration of these comments.

Sincerely,


Mary E. Brizzell

Cc: Michael Breslin, Albany County Executive
Denise M. Sheehan – Director, Town of Colonie Planning and Economic Development

ELLEN M. McNULTY-RYAN
Mayor
mayor@villageofgreenisland.com

OFFICE OF THE MAYOR

SEAN E. WARD
Executive Assistant
seanw@villageofgreenisland.com

VILLAGE OF GREEN ISLAND
20 Clinton Street
Green Island, New York 12183

March 28, 2007

W. Karl Hansen, Esq.
Leonard, Street and Deinard
150 South Fifth Street Suite 2300
Minneapolis, Minnesota 55402

Re: Request for Comments on Potential Impact of Proposed Line Abandonment
In Green Island, Albany County, New York
STB Docket No. AB-156 (Sub-No. 26X).

Dear Mr. Hansen:

This will acknowledge receipt of your letter on the above captioned matter dated March 16, 2007.

I will address the items listed in your letter as requested.

Local land use: The abandonment of the line as proposed will have a tremendously positive effect on our land use plans. More than three acres will become available for residential development which is a critical need in our community. The existing line bisects the community and prevents the residential use of adjoining parcels.

Existing transportation systems: The existing line has not been used in more than seven (7) years and permanent abandonment will have no impact.

Energy use: There will be no negative effects on energy usage.

Air emission and ambient air quality: Abandonment will have a positive effect as there will be no further emissions of diesel fumes throughout the Village as trains move along the track.

Water quality and wetlands: The elimination of the line will put an end to the washing of run off from the trains into the municipal storm sewer system.

Biological resource: There are nesting bald eagles located within the Village boundaries. The abandonment can only improve the ambient habitat for wildlife.

Ambient noise level: The elimination of trains will be the concurrent elimination of the obvious noise that is generated within 20 to 25 feet of existing residential housing units.

Public health safety: The elimination of five grade crossings will be a substantial improvement in public pedestrian and vehicle safety. The grade crossings are in a very deteriorated condition, which is a hazard for pedestrians and very rough traveling for vehicles. The removal of crossings will allow continuous paving of the streets and the elimination of the old crossing devices.

Historic, cultural and archaeological sites: There are no known sites along the rail line.

Socioeconomics : The line has not been in use for more than seven years and permanent abandonment will have no effect.

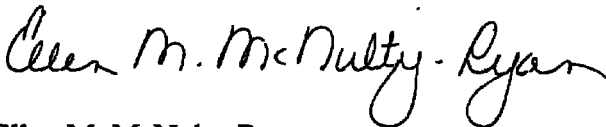
For all of the above reasons the Village is in complete agreement that the line should be abandoned. There will be no negative effects and the overall quality of life in the Village will be substantially improved.

There are no hazardous spills on the right of way to my knowledge. The proposed action will be compliant with local water quality standards. I am not aware of any permits required by the Army Corps of Engineers or by the Clean Water Act.

Again I firmly believe that the abandonment of this line is in the best interests of the Village of Green Island and its residents.

Thank you very much for the opportunity to express my views on this very important subject. The Village has placed a high priority on support of the abandonment and the acquisition of the railroad property as part of our comprehensive plan for increased housing and local economic development.

Very truly yours,

A handwritten signature in cursive script that reads "Ellen M. McNulty-Ryan". The signature is written in dark ink and is positioned above the printed name.

Ellen M. McNulty-Ryan
Mayor

Exhibit No. 4

**Environmental Scoping Correspondence Required By 49 C.F.R. Section 1105.7(b)
For Which Responses Were Not Received**

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

George R. Stafford
Director
Division of Coastal Resources
New York State Department of State
41 State Street
Albany, NY 12231

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Stafford:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

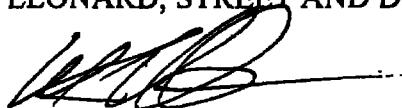
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in black ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Michael Breslin
Albany County Executive
112 State Street, Room 200
Albany, NY 12207

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Breslin:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

3682533.1

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

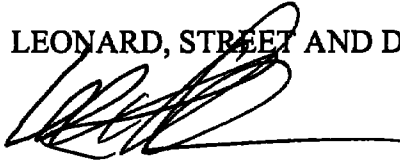
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in dark ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

**LEONARD
STREET
AND
DEINARD**

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Jane Kenny
Regional Director
U.S. Environmental Protection Agency
290 Broadway, Floor 26
New York, NY 10007

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Ms. Kenny:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

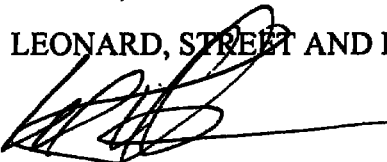
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in black ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Marvin Moriarty
Regional Director
U.S. Fish and Wildlife Service
300 Westgate Center Drive
Hadley, MA 01035

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Moriarty:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

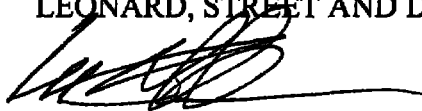
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD



W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Col. Aniello L. Tortora
U.S. Army Corp of Engineers
New York District
26 Federal Plaza
New York, NY 10278

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Col. Tortora:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

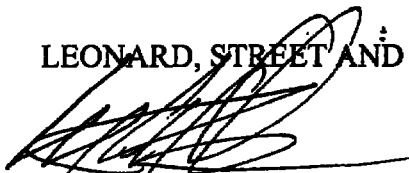
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in black ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

National Park Service Northeast Region
United States Customs House, 3rd Floor
200 Chestnut Street
Philadelphia, PA 19106

Re: *Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)*

Dear Sir/Madam:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

3682533.1

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action: (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

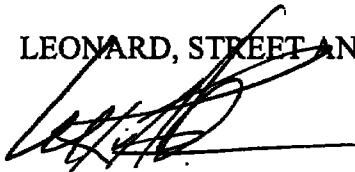
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in dark ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Ronald Alvarado
State Conservationist
Natural Resources Conservation Service
441 S. Salina Street, Suite 354
The Galleries of Syracuse
Syracuse, NY 13202

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Alvarado:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

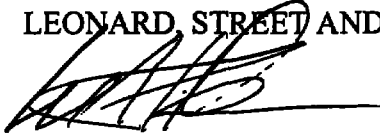
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in dark ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

David B. Zilkoski
Director
National Geodetic Survey
1315 East-West Highway
Silver Springs, MD 20910-3282

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Mr. Zilkoski:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

March 16, 2007

Page 4

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

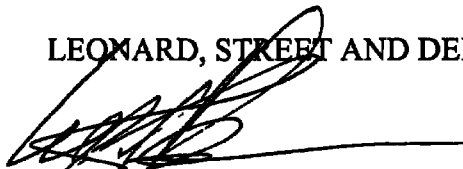
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in dark ink, appearing to be 'W. Karl Hansen', written over a horizontal line.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Astrid C. Glynn
Acting Commissioner
New York State Department of Transportation
5-504 Harriman State Office Campus
1220 Washington Ave.
Albany, NY 12232

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Ms. Glynn:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on, or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile

3682533.1

March 16, 2007

Page 2

Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and

quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

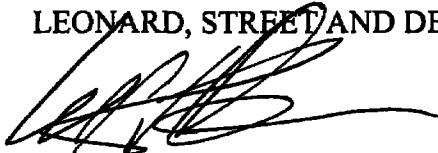
March 16, 2007

Page 5

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD

A handwritten signature in black ink, appearing to be 'W. Karl Hansen', written over the printed name.

W. Karl Hansen

Enclosures

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335 1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Capital District Regional Planning Commission
One Park Place, Suite 102
Albany, NY 12205

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X)

Dear Sir/Madam:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

3682533.1

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should

be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

Thank you very much for your assistance.

Very truly yours,

LEONARD STREET AND DEINARD



W. Karl Hansen

Enclosures

March 16, 2007

Page 5

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

LEONARD
STREET
AND
DEINARD

150 SOUTH FIFTH STREET SUITE 2300
MINNEAPOLIS, MINNESOTA 55402
612-335-1500 MAIN
612-335-1657 FAX

W. KARL HANSEN
612-335-7088 DIRECT
KARL.HANSEN@LEONARD.COM

March 16, 2007

Capital District Transportation Committee
One Park Place, Suite 102
Albany, NY 12205

Re: Request for Comments on Potential Environmental Impact of Proposed Line Abandonment Located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), in Albany County, State of New York (U.S. Postal Zip Codes 12183 and 12189) — STB Docket No. AB-156 (Sub-No. 26X).

Dear Sir/Madam:

Delaware and Hudson Railway Co., Inc. (D&H) d/b/a Canadian Pacific Railway on or about May 10, 2007, anticipates filing a Notice of Exemption to Abandon pursuant to 49 U.S.C. Section 10502 with the United States Department of Transportation – Surface Transportation Board (STB) to discontinue and abandon all freight rail operations over approximately 1.98 +/- miles of rail line located in Albany County, New York. A map of the proposed abandonment is enclosed.

This proposed petition for rail line abandonment exemption requires review by the Surface Transportation Board (STB). I will be preparing an Environmental and Historic Report that will provide the basis of the environmental review that the STB's Section of Environmental Analysis (SEA) will conduct for this proceeding. In preparing this report, consultation with agencies or organizations that may have specific interest in or knowledge of the potential environmental impact is essential. This letter is, therefore, intended to solicit your comments regarding potential environmental impact, if any, of the proposed rail line abandonment.

Your comments on the potential impact of this abandonment will be incorporated into our Environmental Report to be filed on or about April 20, 2007. A copy of this report will be provided to you, after which additional comments can be submitted directly to the SEA.

As shown on the attached maps, the line that is proposed to be abandoned is located between Mile Post A 6.95 +/- (in Colonie) and Mile Post A 7.13 +/- and Milepost T 0.00 +/- and Mile Post T 1.81 +/- (in Green Island), a distance of approximately 1.98 miles, in Albany County, New York. It traverses through U.S. Postal Zip Codes 12183 and 12189.

3682533.1

March 16, 2007

Page 2

For purposes of evaluating the environmental impact that would result from abandonment of the line, the proposed action includes discontinuing freight service and salvaging equipment and materials that are present on the line.

Most of the line consists of single and removed track with an average right-of-way width of 82 feet. The right-of-way exists in fee ownership. In addition to the right-of-way, the rail line includes one overhead highway bridge, five at-grade public road crossings, two railroad bridges over public roads, one bridge over the South Sprout of the Mohawk River, and no buildings. To facilitate transit use, all of these structures would remain in place. The proposed action includes the removal of all rails, ties, spikes, plates, railroad-related utilities, and signaling devices. The ballast would remain in place. All equipment and materials that are removed from the line would either be reused, sold as scrap, or disposed of in accordance with applicable environmental regulations.

The Environmental Report for the proposed abandonment is being prepared pursuant to STB regulations (49 C.F.R. Chapter X, Part 1105) (copy of which is enclosed), the National Environmental Policy Act, 42 U.S.C. 4332; the Energy Policy and Conservation Act, 42 U.S.C. 6362(b); and related laws including the National Historic Preservation Act, 16 U.S.C. 470f, the Coastal Zone Management Act, 16 U.S.C. 1451, and the Endangered Species Act, 16 U.S.C. 1531. Areas of concern that you and other interested parties are invited to address in your comments include any potential impact of the proposed action on the following:

- Local land use
- Existing local and regional transportation systems
- Energy use
- Air emissions and ambient air quality conditions
- Water quality and wetlands
- Biological resources including threatened or endangered species
- Ambient noise levels
- Public health safety
- Historic, cultural, or archaeological sites listed or eligible for inclusion on the National Register of Historic Places
- Socioeconomics, including local and regional employment

We are soliciting your comments with regard to: (1) any permitting/approval authority which your agency has over the proposed action, and (2) any specific concerns which you feel should

be addressed in the STB environmental document prepared after our Report is submitted. As required by applicable STB regulations (49 C.F.R., Chapter X, Part 1105.7(e)(9)(iii)) and Part 1105.7(c), we also request that you comment on and describe the effects, if any, of our proposed action on those resources or areas of concern within the authority of your agency.

Specifically, the Board's regulations state that, with respect to the area of concern within the jurisdiction of your agency, D&H must address the following:

"49 C.F.R. Part 1105.7(e)(4)(i)-(iv) Energy:

(i) Describe the effect of the proposed action on transportation of energy resources.

(ii) Describe the effect of the proposed action on recyclable commodities.

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.

(iv) If the proposed action will cause diversions from rail to motor carriage of more than:

(A) 1,000 rail carloads a year; or

(B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Section 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Section 1105.7(e)(4)(iv) is required."

"49 C.F.R. Part 1105.7(e)(5)(ii) Air:

(ii) If the proposed action affects a class I or non-attainment area under the Clean Air Act."

"49 C.F.R. Part 1105.7(e)(6)(ii) Noise:

(ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed."

"49 C.F.R. Part 1105.7(e)(7)(iii) Safety:

March 16, 2007

Page 4

(iii) If there are known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved."

"49 C.F.R. Part 1105.7(e)(9)(i), (ii), & (iii) Water:

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.

(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)" (emphasis added)

Any written comments should be submitted to the undersigned at the address on this letterhead. They will be appended to the Environmental Report being submitted to the STB if received prior to April 20, 2007. Thereafter, please submit them directly to the Section of Environmental Analysis as follows: SEA, Surface Transportation Board, 1925 K Street NW, Washington D.C. 20423-0001, or by calling that office at (202) 565-1526, and forward a copy to the undersigned.

Any comments or information that you provide will be included in D&H's Environmental Report and will be considered by the STB in the preparation of the draft environmental document and in its evaluation of the overall environmental and energy impact of the proposed action. Your cooperation will help ensure that all environmental concerns are thoroughly addressed.

Thank you very much for your assistance.

Very truly yours,

LEONARD, STREET AND DEINARD



W. Karl Hansen

Enclosures

March 16, 2007

Page 5

cc: Joseph F. Legnard
William Tuttle
Judy Mitchell
Steve Fisk
Gerald Edwards

Exhibit No. 5
Historic Report

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.**

DELAWARE AND HUDSON RAILWAY	)	
COMPANY – ABANDONMENT OF	)	
TRACKAGE LOCATED IN ALBANY	)	
COUNTY, NEW YORK	)	DOCKET NO. AB-156
	)	(SUB-NO 26X)
	)	

VERIFIED NOTICE OF EXEMPTION TO ABANDON PURSUANT TO 49 C.F.R. § 1152.50
A 1.98 +/- MILE LINE OF RAILROAD BETWEEN MILEPOST A 6.95 +/- (IN COLONIE)
AND MILEPOST A 7.13 +/- AND MILEPOST T 0.00 +/- AND MILEPOST T 1.81 +/- (IN
GREEN ISLAND) WHICH TRAVERSES THROUGH UNITED STATES POSTAL SERVICE
ZIP CODES 12183 AND 12189 IN ALBANY COUNTY, NEW YORK

HISTORIC REPORT
IN COMPLIANCE WITH
49 C.F.R. SECTION 1105.8

**DELAWARE AND HUDSON RAILWAY
COMPANY d/b/a Canadian Pacific Railway)**

**LEONARD, STREET and DEINARD
Professional Association**

W. Karl Hansen
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402
Tel. (612) 335-7088
Fax. (612) 335-1657

Attorney for Applicant
Service Date: April 20, 2007

THIS FILING CONTAINS COLOR PRINTING

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.**

DELAWARE AND HUDSON RAILWAY)
COMPANY – ABANDONMENT OF)
TRACKAGE LOCATED IN ALBANY)
COUNTY, NEW YORK)

DOCKET NO. AB-156
(SUB-NO 26X)

HISTORIC REPORT

Pursuant to 49 C.F.R. Sections 1105.7(e) and 1105.8, Delaware and Hudson Railway Company, Inc. hereby submits the following Historic Report regarding the Verified Notice of Exemption to Abandon a 1.98 +/- mile line of railroad between milepost A 6.95 +/- (in Colonie) and milepost A 7.13 +/- and milepost T 0.00 +/- and milepost T 1.81 +/- (in Green Island) which traverses through United States Postal Service zip codes 12183 and 12189 in Albany County, New York.

Section 1105.8(c) Distribution: The applicant must send the Historic Report to the appropriate State Historic Preservation Officer(s), preferably at least 60 days in advance of filing the application, petition, or notice, but not later than 20 days prior to filing with the Board.

See Certificate of Service effecting service on April 20, 2007, Attached as Exhibit No. 1 to Environmental Report.

Section 1105.8(d)(1)-(8) Content: The Historic Report should contain the information required by § 1105.7(e)(1) (Environmental Report - See Preceding Report) and the following additional historic information:

Section 1105.8(d)(1) U.S.G.S. Topographic Maps: A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action;

See Appendices A and B

Section 1105.8(d)(2) Right-of-Way: A written description of the right-of-way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristics of the surrounding area;

The right of way is on average 82 feet wide and is single-tracked for the majority of its length where trackage is still in place. The line runs primarily through urban industrial areas in the Village of Green Island and the Town of Colonie.

Section 1105.8(d)(3) Photographs: Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area;

See Appendix C

Section 1105.8(d)(4): The dates of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known.

The bridge structures remaining on the line are listed in the table below. The New York State Office of Parks, Recreation and Historic Preservation has determined that the proposed line abandonment will have no effect on cultural resources in, or eligible for inclusion in, the National Register of Historic Places.

Structure Number	Location	Over	Number of spans	Length in feet	Type of Bridge	Year Built
No. 6.95	Town of Colonie	Route 32	1	79	Through plate girder	1894
No. 7.00	Town of Colonie	I-787	2	160	Ballasted through plate girder	1970
No. 7.06	Town of Colonie / Village of Green Island	South Sprout Mohawk river	1	36	Concrete/stone	1863/1936

Section 1105.8(d)(5) History: A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action.

The line to be abandoned was originally owned by the Rensselaer and Saratoga Railroad Company ("R&S"), incorporated April 14, 1832 to construct a railroad between Troy, NY, and Ballston Spa, NY. The railroad was opened October 6, 1835. The line to be abandoned was a part of the original Main Line route of the R&S.

This line of railroad was operated by the R&S until 1871, and since that time by predecessors of Delaware and Hudson Railway Company, Inc., under a perpetual lease dated May 1, 1871. The R&S was eventually merged into D&H by Agreement of Merger dated May 1, 1944.

In 1978, a portion of the line to be abandoned to the north of this segment of the line was abandoned from milepost T 3.11, in the City of Cohoes, Albany County, to milepost T 4.55, in the Village of Waterford, Saratoga County. Shortly after

that abandonment, the one remaining rail customer on the portion of the line in the City of Cohoes ended rail service. The section of railroad from milepost T 1.81, in the Village of Green Island, northerly to the south line of Ontario Street at milepost T 3.11, in the City of Cohoes, ceased operation. The STB authorized abandonment of that section in Docket No. AB-156 (Sub-No 24X) in 2004 and D&H served its Notice of Consummation on January 12, 2005. For safety reasons, in 2001, D&H ceased operations on the segment from milepost A 6.95 to milepost A 7.13 and milepost T 0.00 to milepost T 1.81. There has been no rail traffic on this segment since.

Section 1105.8(d)(6) Documents: A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic.

The carrier's files consist primarily of maps and photos of the line, some engineering drawings, and recent maintenance records. Canadian Pacific purchased the assets of the Delaware and Hudson in 1991 following the bankruptcy of the former Delaware and Hudson Railway company, limiting the historic documentation in the possession of the Carrier.

Section 1105.8(d)(7) Opinion: An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. § 60.4), and whether there is a likelihood of archaeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities).

It is the opinion of the railroad that this line would not meet the criteria for listing in the National Register of Historic Places. The New York State Office of Parks, Recreation and Historic Preservation has also determined that the proposed line abandonment will have no effect on cultural resources in, or eligible for inclusion in, the National Register of Historic Places.

Section 1105.8(d)(8) Archaeological Resources: A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or manmade) that might affect the archaeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.

There are no known ground disturbances or fills other than those which would have occurred during original construction of this line or any subsequent maintenance or rehabilitation. There are no known toxic waste areas within the right way of this line segment.

The following excerpt from ICC document *Assessment of Environmental Impacts Associated with Railroad Abandonment Proposals* discusses archeological evaluations:

“Salvaging an abandoned railroad line is normally confined to the limits of the right of way and rarely involves major excavation work. If the right of way is to be leveled at all, only the roadbed built up during actual construction of the line would be affected. It is unlikely that there are any historic track structures under the roadbed since old rails and ties are salvaged during maintenance and rehabilitation operations. Likewise, there is usually neither significant damage to the vegetation found within the right of way nor any effect on land adjacent to the railroad property. By confining salvage operations of a rail line as discussed above, it is not anticipated that any archaeological sites in or immediately adjacent to the right of way, would be affected by the abandonment.”

END OF REPORT

Appendix A
Consolidated U.S.G.S. Topographic Map

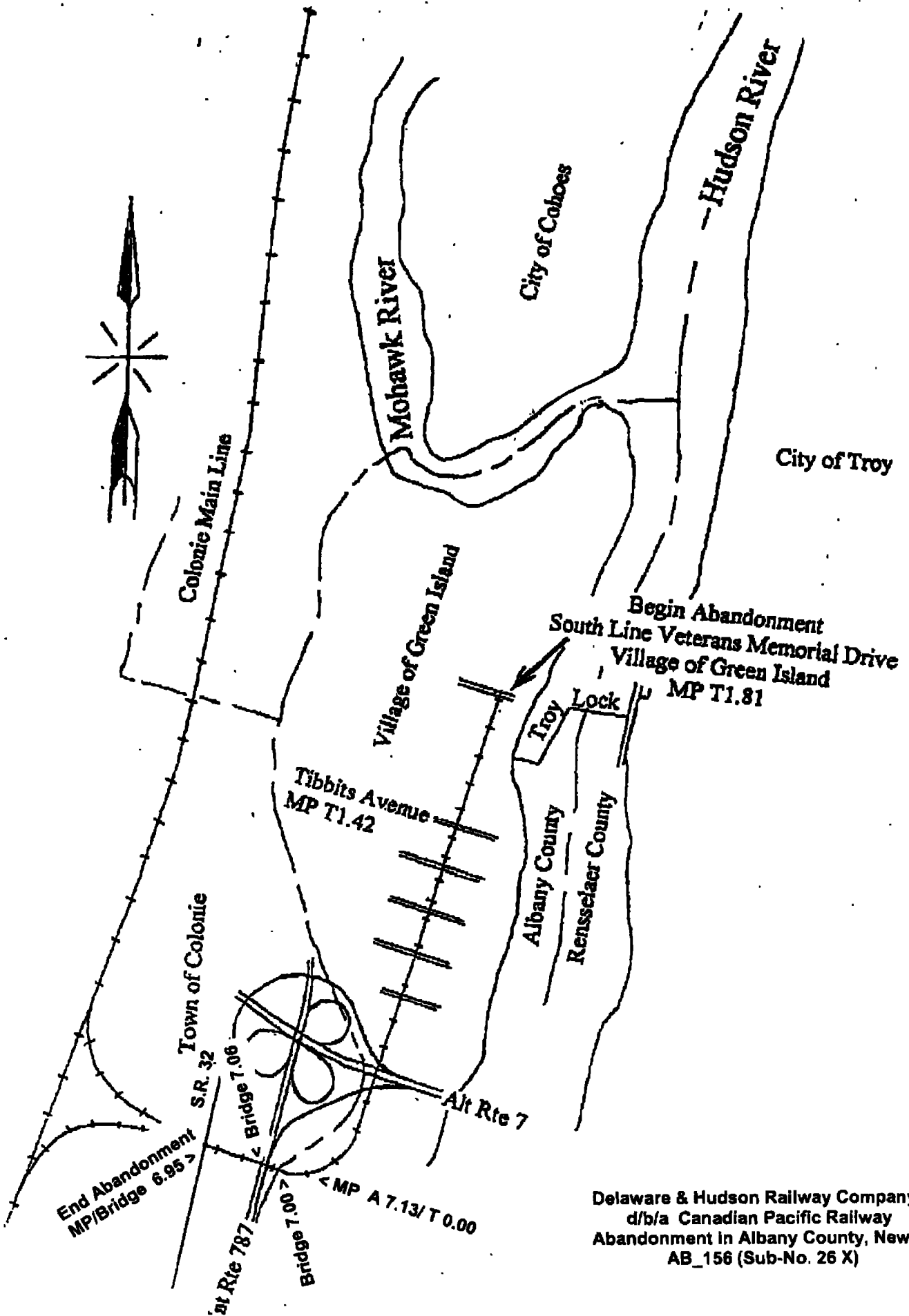
End Abandonment
South Line Veterans' Memorial Drive
Village of Green Island
Milepost T 1.81

Begin Abandonment
West Edge of Route 32 Bridge
Town of Colonie
Milepost A 6.95

Milepost T 0.00 / A 7.13
Village of Green Island

STB Docket No. AB-156 (Sub-No. 26X)
Line abandonment between milepost A 6.95 +/- (in Colonie)
and milepost A 7.13 +/- and milepost T 0.00 +/- and milepost T 1.81 +/- (in Green Island)
Albany County, State of New York (U.S. Postal Service Zip Codes 12183 and 12189)

Appendix B
Location Map



Delaware & Hudson Railway Company
 d/b/a Canadian Pacific Railway
 Abandonment in Albany County, New York
 AB_156 (Sub-No. 26 X)

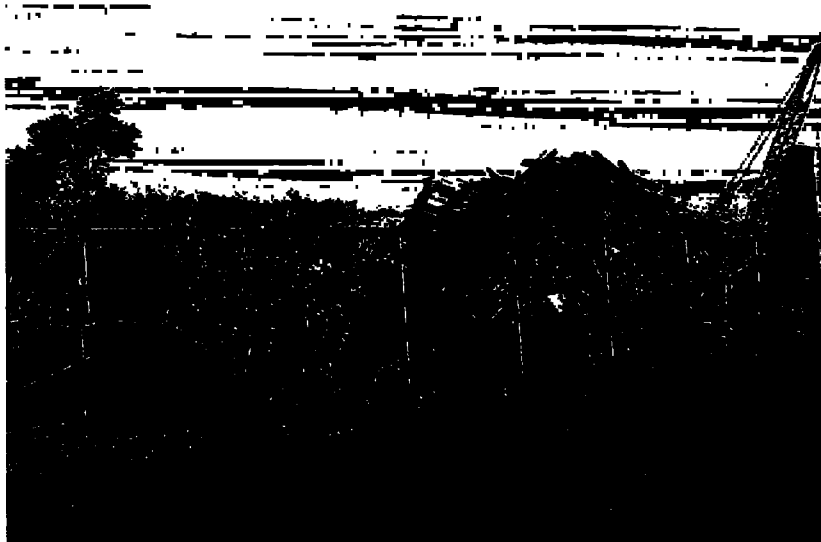
Appendix C
Photographs of Railroad Structures

ARCADIS

CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



1. Site at Veteran's Memorial Highway, looking south along Cannon Street.



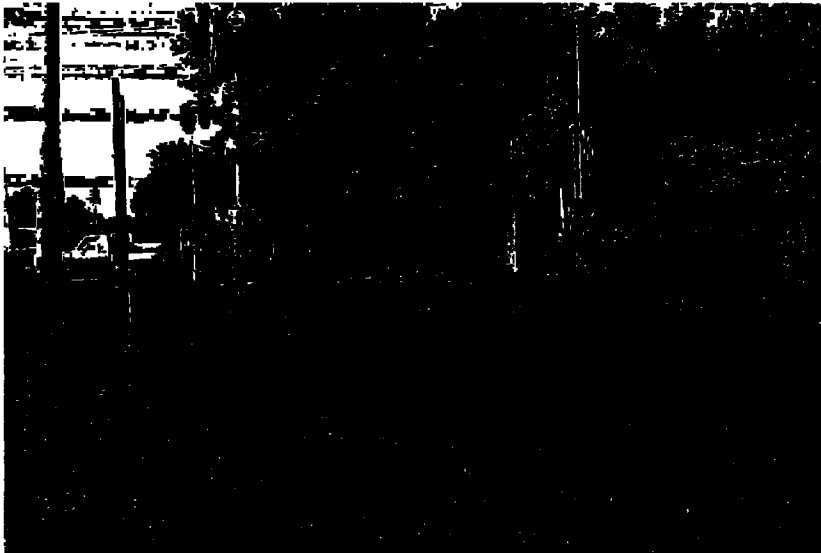
2. R. Freedman and Sons Scrap Metal Yard, looking west (west of Cannon Street).



3. Former Ford plant, looking east (east of Cannon Street).

ARCADIS

CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



4 Crossing at Tibbets Avenue,
looking south.



5. Between Tibbets Avenue and
Bleecker Street, looking south.



6. Signal Bungalow at Bleecker
Street, looking west.

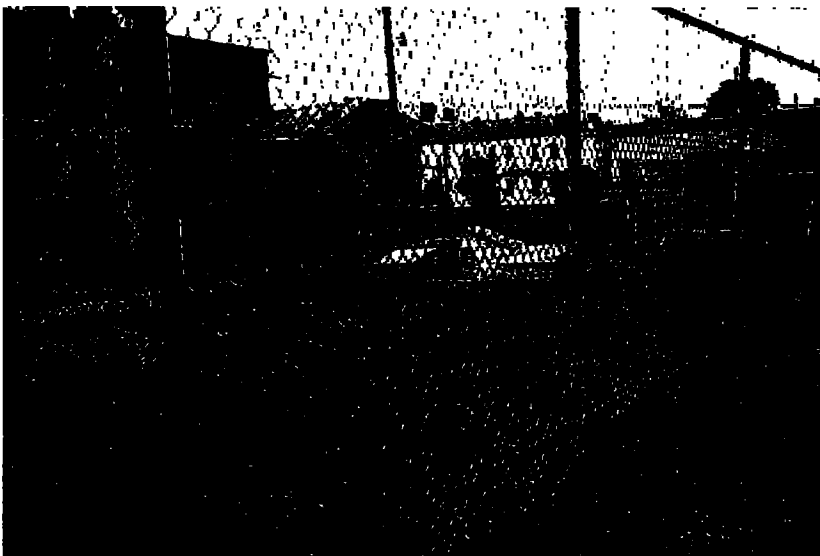
ARCADIS



CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



7 Ernie's Auto Service, Swan Street (looking north).



8. Site between Centre Street and Clinton Street, looking south.

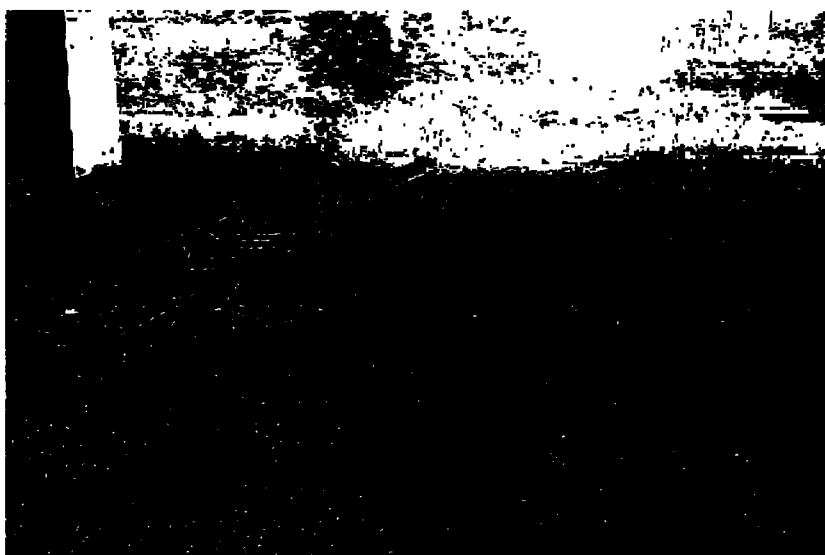
9. Underground propane tanks on adjacent property between Centre and Clinton Street, looking southeast

ARCADIS

CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



10 Route 7 Overpass, looking south.



11. Area of stained soils, under Route 7 overpass, looking north.



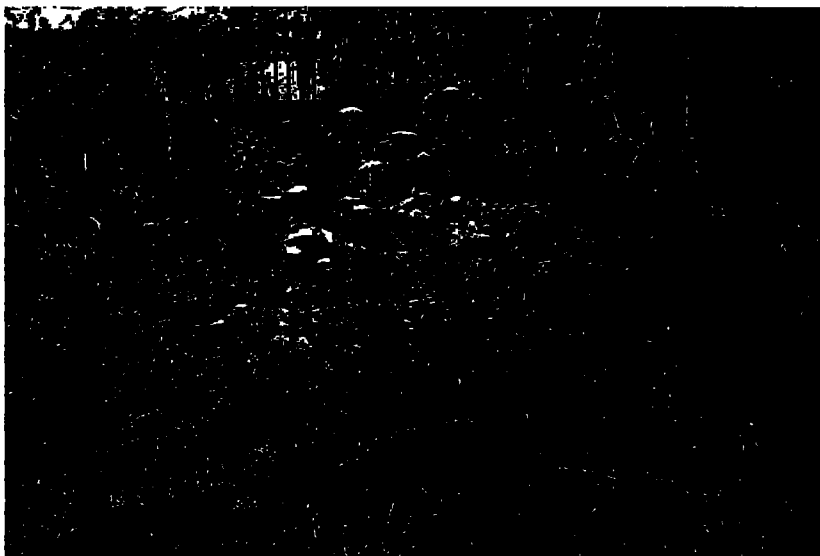
12. Area of multiple former tracks, immediately south of Route 7 overpass, looking south.

ARCADIS

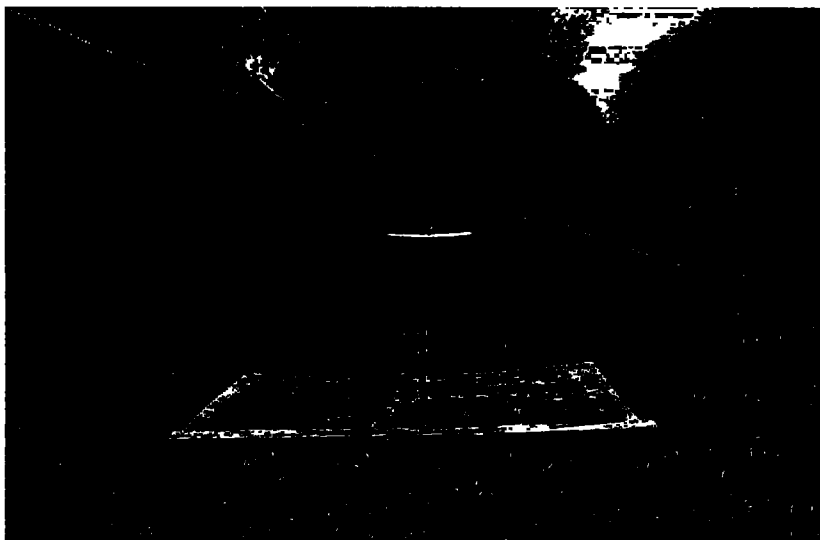
CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



13. General household debris encroaching on Right-of-Way, south of Market Street, looking south.

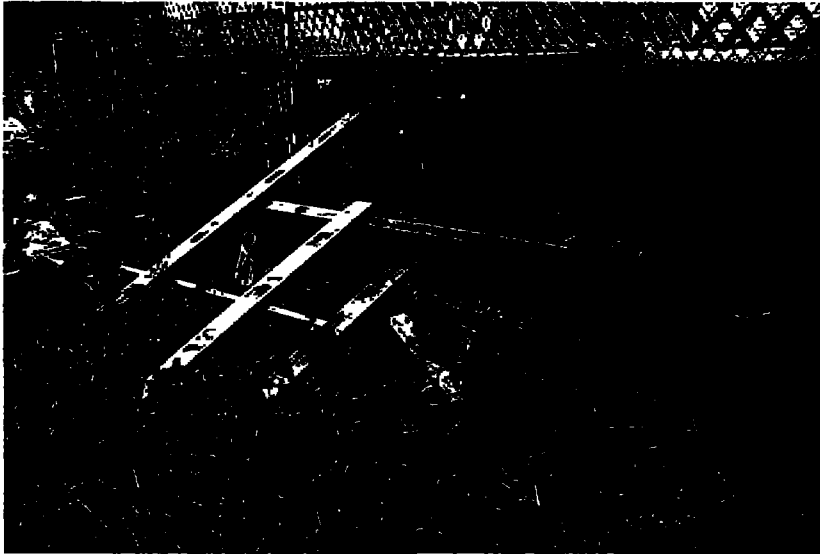


14. Former deck/debris encroaching on Right-of-Way, south of Market Street, looking east.



15. Horseshoe pits encroaching on Right-of-Way, south of Market Street, looking south.

ARCADIS

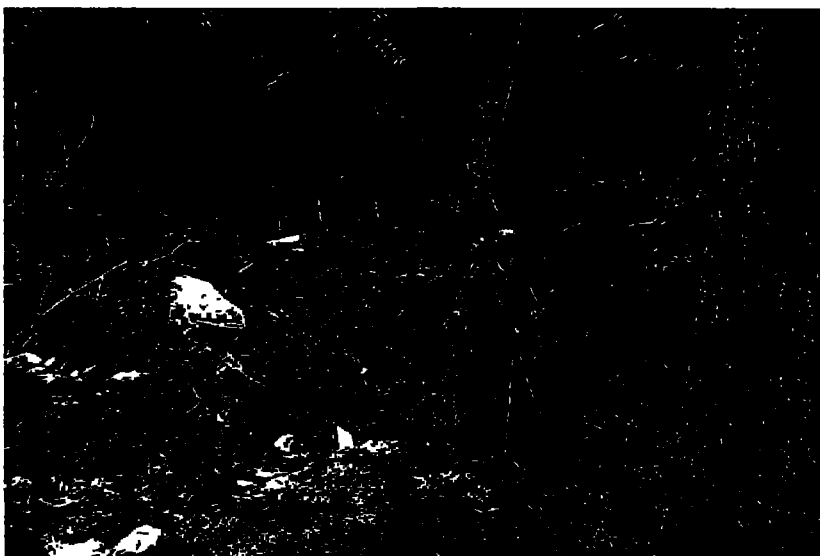


CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006

16. Wood/deck remnants
encroaching on Right-of-Way,
south of Market Street, looking
north.



17. Adjacent business, just south
of Hamilton Street, looking east.



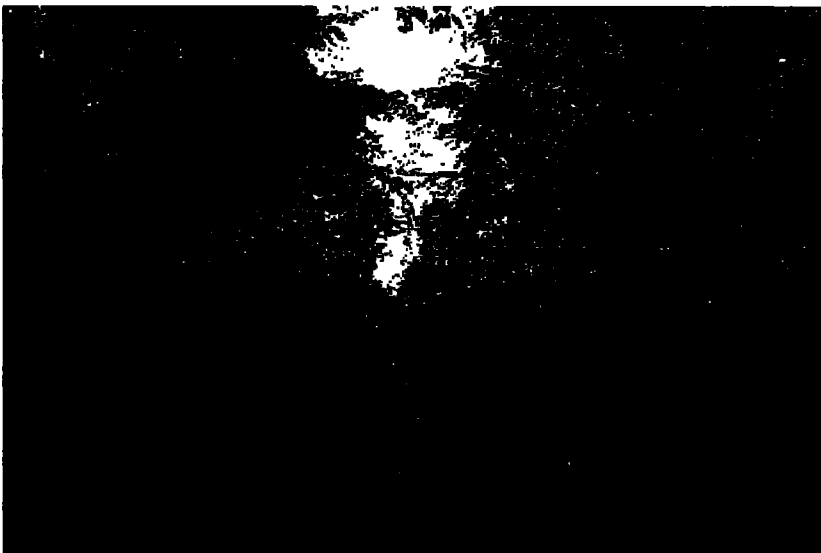
18. Railroad ties and asphalt, on
and adjacent to Right-of-Way,
south of Hamilton Street (near
creek bridge), looking east.

ARCADIS

CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



19. Bridge over Route 787,
looking west.



20. Right-of-way west of I-787
bridge, looking west



21. Route 32, looking north

ARCADIS

CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



22. Bridge over Route 32,
looking west.



23. Green Island Branch west of
Route 32 bridge, looking west



24. Right-of-Way near split of
tracks, Green Island Branch

ARCADIS

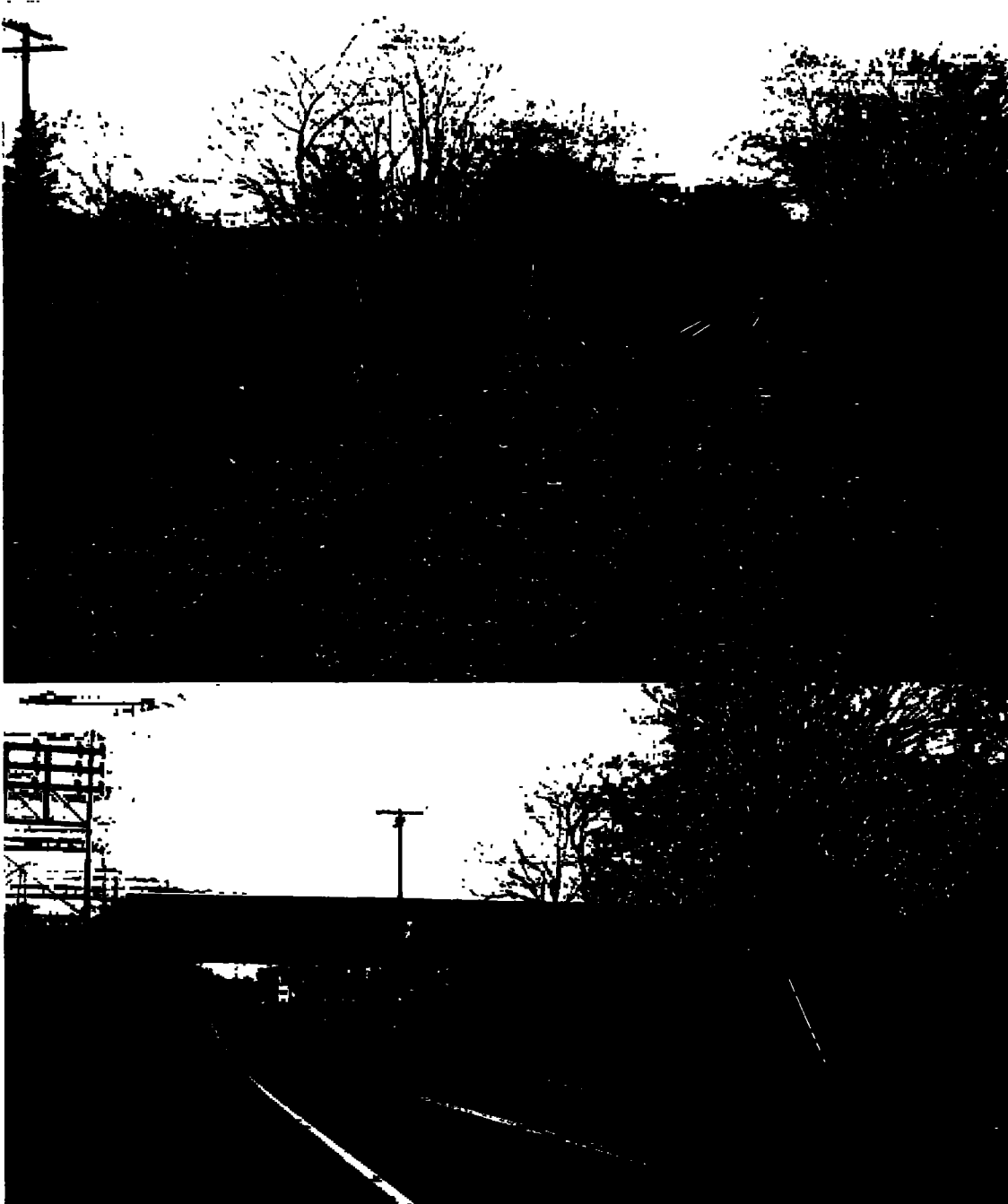
CPR Green Island/Troy Branch, NY
Site Reconnaissance Photographs
July 27, 2006



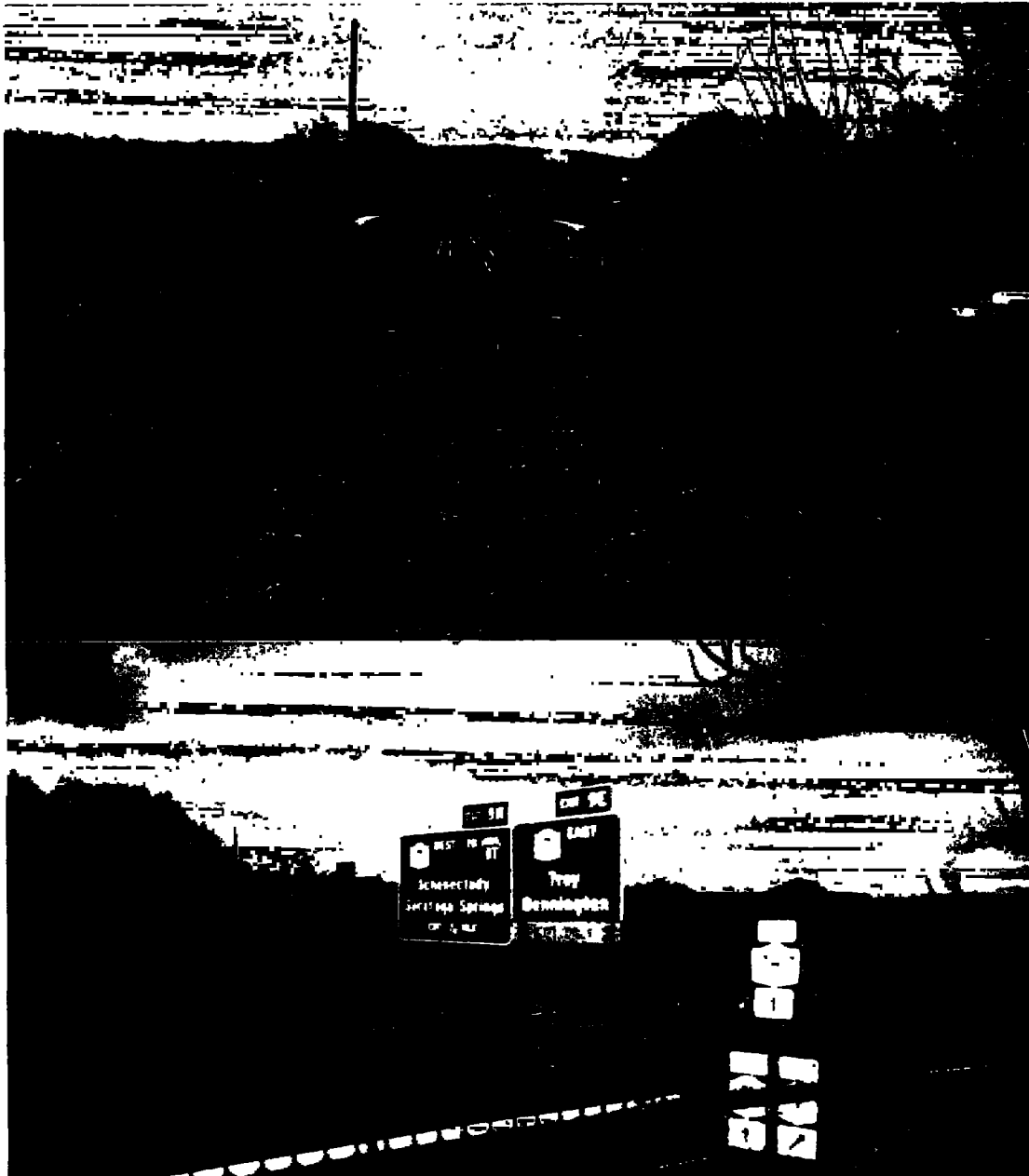
25. Monitoring well located on Alden Street, near split of railroad tracks.



26. Southern branch of railroad tracks, Green Island Branch, looking west.



Bridge 6.95
Spanning Route 32



Bridge 7.0
Spanning I-797



Bridge 7.06
Spanning South Sprout of Mohawk River