

June 25, 1999

The Honorable Linda J. Morgan, Chairman
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Dear Chairman Morgan:

As an organization that advocates increased competition among rail carriers, the Alliance for Rail Competition has supported the Dakota, Minnesota and Eastern Railroad's Application to construct and operate approximately 260 miles of new railroad ("extension"). ARC believes this extension would increase the competitive choices available to rail customers throughout South Dakota, Minnesota and Wyoming. Thus, ARC and its members applauded the STB's December 10, 1998, decision to approve the DM&E's application. However, as that decision was conditioned upon the completion of an environmental review, rail customers continue to await with some skepticism the final outcome of this process.

Undoubtedly, the environmental review process is an important element to any project of this nature, and in this case, there is no question that issues remain to be resolved. ARC concurs that the environmental review process should be undertaken in a responsible manner that is sensitive to all affected parties, and that provides appropriate mitigation as needed. However, ARC also believes that one of the best ways to ensure that the process achieves these laudatory goals is to publish a procedural schedule that would clarify for all involved parties when and how this process will be brought to a final conclusion. A clearly stated "critical path" for completing the review process would go far to alleviate concerns that the fate of this project may be determined more by the delay tactics of opponents, rather than by the outcome of unbiased analyses of the legitimate National Environmental Protection Act (NEPA) review issues.

As the lead federal agency responsible for completing the Environmental Impact Statement (EIS) under NEPA, the STB has the authority to develop a schedule of the milestones in the EIS process, such as publication dates for the Draft and Final EIS as well as an estimated Record of Decision date. ARC and its members urge the Board to exercise this authority. The many rail customers who are looking to the DM&E extension to improve their rail service options through increased choice would applaud the establishment of a procedural schedule for this project.

Thank you for your consideration of this matter.

Sincerely,

Terry C. Whiteside
Chairman

Diane C. Duff
Executive Director