

## FINAL ENVIRONMENTAL IMPACT STATEMENT

Docket No. FD 35095

Alaska Railroad Corporation Construction and Operation of a Rail Line Extension to Port MacKenzie, Alaska

**Lead Agency:** Surface Transportation Board (STB or Board).

**Cooperating Agencies:** Federal Railroad Administration (FRA); U.S. Army Corps of Engineers, Alaska District (USACE); U.S. Coast Guard (USCG).

**Proposed Action:** The proposed action is the construction and operation of a rail line to connect the Port MacKenzie District to a point on the existing Alaska Railroad Corporation (ARRC) main line to provide a rail connection for freight services between Port MacKenzie and Interior Alaska.

**Location:** The proposed rail line's southern terminus would be approximately 2 or 3 miles from the Port MacKenzie docks in the Port MacKenzie District and the northern terminus would be at 1 of 4 locations along the existing ARRC main line between Wasilla and just north of Willow, Alaska, depending upon the alternative.

**Abstract:** On December 5, 2008, ARRC filed a petition with the STB pursuant to 49 United States Code (U.S.C.) §§ 10502 and 10901 for the authority to construct and operate approximately 31 to 46 miles of rail line to connect the Port MacKenzie District in Matanuska-Susitna Borough to a point on the existing ARRC main line. The Applicant has stated that the purpose of the proposed rail line is to provide rail service to Port MacKenzie and connect the Port with the existing ARRC rail system, providing Port MacKenzie customers with rail transportation between Port MacKenzie and Interior Alaska. The proposed rail line would thus provide Port MacKenzie's customers with multi-modal options for the movement of freight to and from Port MacKenzie similar to that offered by other ports handling large vessels. As stated by the Applicant, the focus of Port MacKenzie is bulk commodity shipments, many of which it believes would be the result of new economic activity. The proposed project would also support ARRC's statutory goal to foster and promote long-term economic growth and development in Alaska.

The Board's Office of Environmental Analysis (OEA) and the cooperating agencies have prepared this Final EIS, which identifies and evaluates the potential environmental impacts associated with the proposed action and alternatives, including the No-Action Alternative. The proposed action and alternatives, with the exception of the No-Action Alternative, could adversely affect surface water, wetland, biological, cultural and historic, land use, and parks and recreation resources. OEA has included final recommended mitigation measures in this Final EIS. The mitigation measures will be considered by the Board as potential conditions if the Board decides to grant ARRC authority to construct and operate the rail line. The proposed action and alternatives would cause negligible impacts on all other resource areas.

The cooperating agencies' Federal actions could include an FRA decision to provide funding to ARRC for rail line construction through a grant, USCG's decision on issuing bridge permits under section 9 of the Rivers and Harbors Act of 1899 (33 U.S.C. § 401 et seq.), the General Bridge Act of 1946 (33 U.S.C. § 525 et seq.), and the USACE decision to issue a discharge permit under section 404 of the Clean Water Act of 1977 (33 U.S.C. §§ 1251-1376) and a permit to perform work or place a structure in navigable waters under section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. § 403).

If the Board decides to grant final approval for this project, OEA's recommended alternative is the Mac East Variant-Connector 3 Variant-Houston-Houston South Alternative. OEA recommends that the Board impose the Applicant's voluntary mitigation measures and OEA's additional recommended mitigation measures in any decision granting the Applicant authority to construct and operate the rail line.

OEA anticipates that the U.S. Environmental Protection Agency will publish a notice of availability of the Final EIS in the *Federal Register* on April 1, 2011.