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SEA

SERVICE DATE – MAY 7, 2010

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

STB Docket No. AB 415 (Sub-No. 2X)

**Escanaba & Lake Superior Railroad Company – Abandonment Exemption –
Line in Ontonagon and Houghton Counties, MICH.**

BACKGROUND

In this proceeding, Escanaba & Lake Superior Railroad Company (ELS) filed a petition under 49 C.F.R. § 1152.20 seeking exemption from the requirements of 49 U.S.C. § 10903 in connection with the abandonment of a line of railroad in Ontonagon and Houghton Counties, Michigan. The rail line proposed for abandonment extends 42.93 miles from milepost 408.02 at Ontonagon to milepost 365.09 at Sidnaw (the Line). A map depicting the Line in relationship to the area served is appended to this Environmental Assessment (EA). If the petition becomes effective, the railroad will be able to salvage track, ties and other railroad appurtenances and to dispose of the right-of-way.

ENVIRONMENTAL REVIEW

ELS submitted an environmental report that concludes the quality of the human environment would not be affected significantly as a result of the abandonment or any post-abandonment activities, including salvage and disposition of the right-of-way. ELS served the environmental report on a number of appropriate Federal, state, and local agencies as required by the Surface Transportation Board's (Board) environmental rules [49 C.F.R. § 1105.7(b)].¹ The Board's Section of Environmental Analysis (SEA) has reviewed and investigated the record in this proceeding.

Diversion of Traffic

ELS states that the only traffic currently on the Line consists of pulpwood trucked to sidings for transfer to rail cars. There is no overhead traffic on the Line. In its environmental report, ELS provides historical data regarding rail traffic on the Line. In 2009, there were five shippers (all shipping pulpwood) consisting of Louisiana-Pacific (128 carloads), Sappi Paper (105 carloads), Lakeshore Forest Products (11 carloads), Domtar Industries (2 carloads), and Thilmany Paper (2 carloads). Based on this data, we have calculated the number of trucks that

¹ The environmental and historic reports are available for viewing on the Board's website at www.stb.dot.gov choosing "E-Library," selecting "Filings," then conducting a search for AB 415 (Sub-No. 2X).

would result from the diversion of train cars to truck loads. Using the maximum total number of railcars moved annually for these five shippers (248, in this case), and a railcar to truck ratio of 1:4, shipping the pulpwood by truck rather than railcar would generate approximately 992 truck trips (or 1984 roundtrips) per year, or just over 5 total truck trips per day. However, according to ELS, since 2009, rail traffic on the Line has decreased even further. ELS estimates that this year (2010), it will handle a combined total of 228 carloads of pulpwood. If so, and using the same ratio shown above, abandonment of the Line would generate 912 truck trips (or 1824 roundtrips), annually or just under 5 total trucks trips per day.

ELS provided its own calculations for assessing the amount of rail traffic that would be converted to truck traffic. Its ratio is based on the number of pulpwood cords that would normally be loaded onto rail cars vs. trucks which is equivalent to 1.67 truckloads of pulpwood to 1 rail car. Based on this ratio, for 2009, just over 2 total truck trips per day would be generated or added to the local road network. Using either ratio, this very limited increase in truck traffic (between 2 and 5 total truck trips per day) would result in negligible impacts to air quality of the local or regional transportation networks. The proposed abandonment would also not adversely impact the development, use and transportation of energy resources or recyclable commodities; or transportation of zone-depleting materials.

Salvage Activities

Impacts from salvage and disposal of a rail line typically include removal of tracks and ties, removal of ballast, dismantling of any bridges or other structures that may be present on the rail right-of-way, and regrading of the right-of-way. Salvage may be performed within the right-of-way, or, if necessary, via the construction of new access points to the right-of-way.

In this case, ELS states that it intends to salvage track and track material (such as tie plates, fasteners, crossties, and possibly the upper layer of ballast) and would dispose of any real estate. ELS does not intend to engage in activities that would disturb the sub-grade or sub-grade structures and no excavation activities are planned. ELS does not plan to complete any dredging or use fill during salvage activities. Access would be made through existing public and private crossings. Upon approval of the abandonment, ELS would also eliminate 52 at-grade rail-highway crossings (14 private crossings and 38 public crossings), thereby improving local road safety and traffic conditions. ELS suggests that subsequent conversion of the Line into a trail would be a good future use for the right-of-way as it would attract tourists to the region.

The Village of Ontonagon strongly opposes the proposed abandonment. In a letter to SEA, the Village states that the Line is a critical link to the future economic development of the Village and the county as it is one of only 3 lines that provide direct rail access to the Port of Ontonagon on Lake Superior. The Village states that the Line is far more valuable as an active rail line than as a trail or for some other non-railroad use as in active use it would lure business

to the area and help revitalize the region. Moreover, the Village explains that the area is already served by an extensive trail network and does not need more trails.

According to ELS, the Line does not traverse any designated Michigan coastal areas. However, the Line originates at the Village of Ontonagon located on the banks of Lake Superior, and crosses 50 water bodies including multiple crossings of the Ontonagon River. Thus, SEA is recommending a condition requiring ELS to consult with the Michigan Department of Environmental Quality prior to beginning any salvage activities to determine with certainty whether state coastal management consistency certification is required. If consistency certification is required, the railroad shall be prohibited from performing any salvage activities until it obtains consistency certification and shall then notify SEA, pursuant to the Coastal Zone Management Act, 16 U.S.C. § 1451 et seq. and the Board's environmental regulations at 49 C.F.R § 1105.9.

The applicant has informed SEA that it does not intend to remove any bridges or culverts along the Line that span waterways. However, given the length of the Line and number of waterways crossed, we are recommending a condition that ELS consult with the Corps prior to the initiation of salvage activities to ensure that any water resources that could be impacted are appropriately considered.

The National Geodetic Survey (NGS) has advised SEA that 31 geodetic station markers have been identified that may be affected by the proposed abandonment. Accordingly, SEA is recommending a condition that requires ELS to notify NGS at least 90 days prior to beginning any salvage activities that would disturb or destroy the geodetic station markers.

ELS submitted the environmental report to several state and Federal agencies from which responses or comments have yet to be received. These include the U.S. Fish and Wildlife Service; the Corps; the U.S. Environmental Protection Agency; the Natural Resources Conservation Service; the Western Upper Peninsula Planning & Development Region; and the Michigan Department of Natural Resources and Environment. SEA is providing copies of this EA to these agencies to ensure that they have an additional opportunity to provide comment. Copies of this EA will also be sent to other relevant agencies cited in this EA.

Based on all information available to date, SEA does not believe that any salvage activities that would be conducted following abandonment of the Line would cause significant environmental impacts. SEA believes that any air emissions associated with salvage operations would be temporary and would not have a significant impact on air quality. Noise associated with salvage activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

HISTORIC REVIEW

ELS served the historic report on the Michigan State Historic Preservation Office (SHPO) pursuant to 49 C.F.R. § 1105.8(c). According to the historic report, the project area includes 51 structures that are at least 50 years or older including a depot, several bridges, and culverts. SEA has not heard from the SHPO regarding its opinion on the potential for the Line to contain properties eligible for listing on the National Register of Historic Places (National Register) pursuant to Section 106 of the National Historic Preservation Act. We are thus recommending a condition requiring ELS to retain its interest in and take no steps to alter the historic integrity of all historic properties including sites, buildings, structures and objects within the project right-of-way (the Area of Potential Effect) eligible for listing or listed on the National Register until completion of the Section 106 process.

SEA conducted a search of the Native American Consultation Database at <http://home.nps.gov/nacd/> to identify Federally recognized tribes that may have ancestral connections to the project area. The following 12 tribes were identified: Bad River Band of Lake Superior Chippewa; Bois Forte Band of Chippewa; Fond du Lac Band of the Minnesota Chippewa Tribe, Minnesota; Grand Portage Band of the Minnesota Chippewa Tribe, Minnesota; Keweenaw Bay Indian Community, Michigan; Lac Courte Oreilles Band of Lake Superior Chippewa Indians of Wisconsin; Lac Vieux Desert Band of Lake Superior Chippewa Indians, Michigan; Leech Lake Band of the Minnesota Chippewa Tribe, Minnesota; Mille Lacs Band of the Minnesota Chippewa Tribe, Minnesota; Red Cliff Band of Lake Superior Chippewa Indians of Wisconsin; Sokaogon Chippewa Community, Wisconsin; St. Croix Chippewa Indians of Wisconsin. SEA will ensure that the above tribes receive a copy of this EA for review and comment.

Guidance regarding the Board's historic preservation review process is available on the Board's website at <http://www.stb.dot.gov/stb/environment/preservation.html>.

CONDITIONS

We recommend that the following four conditions be imposed on any decision granting abandonment authority:

1. Escanaba & Lake Superior Railroad Company shall notify the National Geodetic Survey at least 90 days prior to beginning salvages activities that would disturb or destroy and geodetic station markers.
2. Escanaba & Lake Superior Railroad Company (ELS) shall retain its interest in and take no steps to alter the historic integrity of all historic properties including sites, buildings, structures, and objects within the project right-of-way (the Area of Potential Effect) that are eligible for listing or listed on the National Register of

- Historic Places until the Section 106 process of the National Historic Preservation Act, 16 U.S.C. § 470f, has been completed. ELS shall report back to the Section of Environmental Analysis regarding any consultations with the Michigan State Historic Preservation Office, the public, and any other Section 106 consulting parties that have been identified. ELS may not file its consummation notice or initiate any salvage activities related to abandonment (including removal of tracks and ties) until the Section 106 process has been completed and the Board has removed this condition.
3. Prior to beginning any salvage activities, Escanaba & Lake Superior Railroad Company (ELS) shall consult with Mr. Chris Antieau (517-373-3894 or antieauc@michigan.gov), at the Michigan Department of Environmental Quality, to determine whether state coastal management consistency certification is required. If consistency certification is required, ELS shall be prohibited from performing any salvage activities until it obtains consistency certification and shall then notify the Board's Section of Environmental Analysis, pursuant to the Coastal Zone Management Act, 16 U.S.C. § 1451 et seq. and the Board's environmental regulations at 49 C.F.R. § 1105.9.
 4. Prior to commencement of any salvage activities, Escanaba & Lake Superior Railroad Company shall consult with the U.S. Army Corps of Engineers (Corps) regarding potential impacts to waters of the United States, including wetlands, and shall comply with the reasonable requirements of the Corps.

CONCLUSIONS

Based on the information provided from all sources to date, SEA concludes that, as currently proposed, and if the recommended conditions are imposed, abandonment of the line will not significantly affect the quality of the human environment. Therefore, the environmental impact statement process is unnecessary.

Alternatives to the proposed abandonment would include denial (and therefore no change in operations), discontinuance of service without abandonment, and continued operation by another operator. In any of these cases, the existing quality of the human environment and energy consumption should not be affected.

PUBLIC USE

Following abandonment and salvage of the rail line, the right-of-way may be suitable for other public use. A request containing the requisite four-part showing for imposition of a public use condition (49 C.F.R. § 1152.28) must be filed with the Board and served on the railroad within the time specified in the Federal Register notice.

TRAILS USE

A request for a notice of interim trail use (NITU) is due to the Board, with a copy to the railroad, within 10 days of publication of the notice of exemption in the Federal Register. Nevertheless, the Board will accept late-filed requests as long as it retains jurisdiction to do so in a particular case. This request must comply with the Board's rules for use of rights-of-way as trails (49 C.F.R. § 1152.29).

PUBLIC ASSISTANCE

The Board's Office of Public Assistance, Governmental Affairs, and Compliance responds to questions regarding interim trail use, public use, and other reuse alternatives. You may contact this office directly at (202) 245-0238, or mail inquiries to Surface Transportation Board, Office of Public Assistance, Governmental Affairs, and Compliance, Washington, DC 20423.

COMMENTS

If you wish to file comments regarding this EA, send an **original and two copies** to Surface Transportation Board, Case Control Unit, Washington, DC 20423, to the attention of Catherine Glidden, who prepared this EA. Environmental comments may also be filed electronically on the Board's website, www.stb.dot.gov, by clicking on the "E-FILING" link. **Please refer to Docket No. AB 415 (Sub-No. 2X) in all correspondence, including e-filings, addressed to the Board.** If you have any questions regarding this EA, please contact Catherine Glidden, the environmental contact for this case, by phone at (202) 245-0293, fax at (202) 245-0454, or e-mail at gliddenc@stb.dot.gov.

Date made available to the public: May 7, 2010.

Comment due date: June 7, 2010.

By the Board, Victoria Rutson, Chief, Section of Environmental Analysis.

Attachment