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SEA

SERVICE DATE – APRIL 6, 2009

SURFACE TRANSPORTATION BOARD

NOTICE

STB Finance Docket No. 34836

ARIZONA EASTERN RAILWAY - CONSTRUCTION AND
OPERATION - GRAHAM COUNTY, AZ

Decided: April 6, 2009

AGENCIES: Lead: Surface Transportation Board. **Cooperating:** Federal Railroad Administration.

ACTION: Notice of Availability of Post Environmental Assessment.

SUMMARY: On August 4, 2006, the Arizona Eastern Railway (AZER) filed a petition with the Surface Transportation Board (Board) seeking an exemption under 49 United States Code (U.S.C.) 10502 from prior approval requirements of 49 U.S.C. 10901 for authority to construct and operate 12 miles of new rail line in Graham County, Arizona (AZ). The Board, pursuant to 49 U.S.C. 10901, is the agency responsible for granting authority for the construction and operation of new rail line facilities. On February 25, 2008, the Board's Section of Environmental Analysis (SEA) and the Federal Railroad Administration, a cooperating agency, issued an Environmental Assessment (EA) in this proceeding. The EA was made available to agencies, the public, and interested parties for a 36-day public comment period. The Board extended the comment period by another 30 days to May 1, 2008 in response to stakeholders' requests. SEA received 25 comments on the EA. The Post EA responds to those comments and makes final environmental recommendations to the Board.

Based on its independent analysis of all information available to date, SEA concludes that the Applicant's Proposed Action would not result in any significant environmental impacts if the mitigation measures recommended in this Post EA are imposed and implemented. Accordingly, SEA recommends that any decision by the Board approving the proposed construction and operation of the Proposed Action should be contingent upon AZER complying with the mitigation set forth in Chapter 1 of the Post EA. SEA recommends 40 mitigation measures in the Post EA that are either new mitigation measures based on SEA's additional analysis or modifications of the 39 mitigation measures previously proposed in the EA. These conditions, which SEA developed in response to comments and additional analysis, address a broad range of issues including traffic safety, flooding impacts, and the transportation and handling of hazardous materials. Because the Proposed Action, as mitigated, would not have the potential for significant environmental effects, preparation of an EA for this case is appropriate and the full Environmental Impact Statement (EIS) process is unnecessary.

The Board will now consider the entire environmental record, including SEA's final recommended mitigation measures and all environmental comments received in this proceeding, in making its final decision as to whether to approve the Proposed Action, and if so, what mitigation to impose.

FOR FURTHER INFORMATION CONTACT: Diana Wood, SEA Project Manager, at (202) 245-0302; e-mail: woodd@stb.dot.gov. Federal Information Relay Service for the hearing impaired: 1-800-877-8339. Copies of the Post EA have been served on all interested parties and will be made available to additional parties upon request. The entire EA is also available for review on the Board's Web site (www.stb.dot.gov) by clicking on the "Decisions and Notices" link, then "E-LIBRARY" and searching by the Service Dates (February 25, 2008, April 6, 2009) or Docket Number (FD 34836).

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

Anne K. Quinlan
Acting Secretary