

April 25, 2012

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Chairman Daniel R. Elliott, III  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

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Office of Proceedings  
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Public Record

Re: Tongue River Railroad, Finance Docket 30186

Dear Chairman Elliott:

I am writing to express support for the supplemental application submitted by the Tongue River Railroad Company in December 2012 for the construction of a 42-mile rail line in Powder River and Rosebud Counties, Montana called the Colstrip Alignment.

The state of Montana has some of the most significant reserves of low sulfur, sub-bituminous coal in the United States. The Colstrip Alignment would provide rail service to a planned coal mine in the Otter Creek area of Montana that is in the process of permitting and any future coal mines in the Otter Creek and Ashland, Montana areas. Such rail service is the only viable transportation alternative for bringing Otter Creek and Ashland area coal to market.

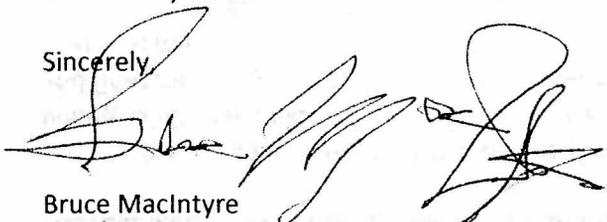
A key to energy development in Montana is the ability to move natural resources from area of development to the ultimate market. For the past 30 years the Tongue River Railroad project has been studied, dissected and discussed, and roadblocks have been thrown in front of the progress at every step of the way.

Responsible energy exploration and development on public and private lands is crucial to resolving our nation's energy crisis and building Montana's economy. We recognize the significance of coal production to the state economy and financial assistance it affords local communities throughout Montana. The responsible and timely development of new coal mines will provide a much needed economic boost to Montana. We therefore support efforts that will enable new coal production to occur, including the development of railroad infrastructure and securing access to federal and state-owned coal reserves.

The economic impact to Eastern Montana in general and the Billings area specifically is enormous and we need to facilitate, not hinder this process. A June 2012 University of Montana study of the potential of Otter Creek, shows the economic impact to Montana would be \$200 million yearly. The mine would generate \$92 million in state and local taxes, create hundreds of jobs locally and across the state, and increase the state's population by nearly 3,000 people

On behalf of our 1,170 members and their employees who number over 44,000, the Billings Chamber of Commerce/Convention & Visitors Bureau encourages the forward progress of this spur.

Sincerely,



Bruce MacIntyre  
Director, Business Advocacy and Government Affairs



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