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**Executive Office**  
Telephone: 907-265-2403  
Facsimile: 907-265-2312

July 29, 2011

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Chief  
Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street S.W.  
Washington, DC 20423-0001

**RE: STB Finance Docket No. 35095, Alaska Railroad Corporation – Petition for Exemption To Construct And Operate A Rail Line Extension To Port MacKenzie, Alaska**

Dear Chief:

I am writing to respectfully request that the Board waive 49 U.S.C. § 1121.4(e)'s 30-day waiting period between the service of a decision in the above-named proceeding and that decision's effective date. As detailed below, this waiver is needed because the narrow timing windows of the Alaska construction season may make it more difficult for the Alaska Railroad Corporation's ability to complete the project on-time and on-budget.

As you are aware, the Alaska Railroad Corporation (ARRC), has petitioned the Board for permission to construct and operate a project known as the Port MacKenzie Rail Extension—approximately 30-45 miles of new rail line that will connect ARRC's main line to the facilities at the Matanuska-Susitna Borough's Port MacKenzie. With the release of the Final Environmental Impact Statement (FEIS) on March 25, 2011, the environmental review process for the project is now complete. As soon as notice of the FEIS appears in the Federal Register, and the Programmatic Agreement for the project is executed, the Board will be free to issue a decision on ARRC's petition. See 40 C.F.R. § 1506.10(b).

The applicable regulations state that an exemption will become effective 30 days from service "[u]nless otherwise specified in the decision." 49 U.S.C. § 1121.4(e). In prior matters, the Board has been willing to make expedited decisions when faced with external project timing deadlines. For example, the parties involved in Finance Docket No. 35087, *Canadian Railway Co. & Grand Trunk Corp.—Control—EJ&E West Co.*, were facing a December 31 transaction deadline. Notice of the Board's Final EIS appeared in the Federal Register on December 12, 2008, and the Board made a final decision on December 24, only twelve days later. The Board also moved up the effective date of its decision in

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Docket No. AB-1, *Chicago & Northwestern Transp. Co.—Abandonment Exemption—Blackhawk County, IA*, where delay would have risked a loss of \$11.9 million in federal funding, and in Finance Docket No. 32761, *Union Pacific Corp.—Securities Exemption*, where the Board made its decision effective on 3 days notice “in view of the uncertainties presently existing in the financial markets.”

ARRC is making this request to ensure that it can meet the external deadlines relevant to the Port MacKenzie Rail Extension Project. The Board’s decision is an important step in a series of interconnected actions. ARRC has already advertised bids for construction of the first segment of

the project, with the expectation that an award will be made in time for construction to begin this summer. Bids for Segment 3 and 6 construction will likely be awarded this fall, which will allow construction on those segments to commence in June 2012. Because Alaska’s construction seasons are so short, a Board decision that does not become effective in time for Segment 1 construction to start during this year’s season could delay all three segments for a full year. For these reasons, even a relatively short delay in the effective date of the Board’s final decision may have a ripple effect that could delay the entire project and risk the loss of state funding. ARRC therefore respectfully asks the Board to waive the usual 30-day waiting period between service of the final decision and its effective date.

Thank you for your time and attention to this matter. If I can be of assistance in any way, please do not hesitate to contact me.

Sincerely,



Christopher Aadnesen  
President and Chief Executive Officer

## **CERTIFICATE OF SERVICE**

I hereby certify that on this 1st day of August, 2011, I served a copy of the foregoing letter and all attachments on the following members of the service list in this matter, U.S. Mail postage prepaid:

**Begich, Honorable Mark**  
United States Senate  
Washington, DC 20510

**Perrin, Don**  
Alaska Department Of Natural Resources  
550 W. 7Th Avenue, Suite 1430  
Anchorage, AK 99501

**Reichgott, Christine B.**  
United States Environmental Protection Agency Region 10  
1200 Sixth Avenue, Suite 900  
Seattle, WA 98101-3140

**Robertson, Daniel B.**  
11301 Snowline Dr.  
Anchorage, AK 99507

**Shoaff, Nathaniel**  
Sierr Club Environmental Law Program  
85 Second St., Second Floor  
San Francisco, CA 94105

**Adams, Kenneth**  
6700 Paula Place  
Anchorage, AK 99507

**Bostwick, Colleen**  
PO Box 877312  
Wasilla, AK 99687

**Faulkner, Audrey H.**  
2825 Illiamna Avenue  
Anchorage, AK 99517

Haltmann, Sven  
P. O. Box 882  
Willow, AK 99688

Hecker, Todd  
189 E. Nelson Avenue Pmb 117  
Wasilla, AK 99654

Payne, Jean C.  
6636 Foothill Drive  
Anchorage, AK 99504

Quante, Donna  
17438 N. Heights Place  
Willow, AK 99688

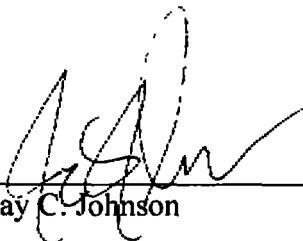
Ruaro, Randall P.  
Office Of Governor Sean Parnell, Deputy Chief Of Staff  
3Rd Floor State Capitol  
Juneau, AK 99811

Sharrock, Patrick L.  
8731 Solar Drive  
Anchorage, AK 99507

Shumaker, Robert  
PO Box 1183  
Willow, AK 99688

Sims, Stephen M.  
1769 Wickersham Drive  
Anchorage, AK 99507-1739

Thompson, Gary Dean  
P. O. Box 877453  
Wasilla, AK 99687



Jay C. Johnson