

**COURT OF APPEALS AFFIRMS SURFACE TRANSPORTATION BOARD DECISION
APPROVING "DAKOTA, MINNESOTA & EASTERN'S" POWDER RIVER BASIN
EXPANSION PROJECT**

The Surface Transportation Board announced that its decision granting final approval to Dakota, Minnesota & Eastern Railroad (DM&E) to construct a 280-mile rail line into Wyoming's Powder River Basin, subject to extensive environmental mitigation conditions, was affirmed today by the United States Court of Appeals for the Eighth Circuit. Several parties had challenged the adequacy of the Board's most recent environmental review in the matter. In its decision, the court rejected those challenges and upheld the Board's decision in all respects.

Commenting on the decision, Board Chairman Charles D. Nottingham stated:

"We are pleased with the court's ruling, which is a significant step in allowing this important project to go forward. DM&E now has the opportunity to introduce additional competition and capacity into the Powder River Basin and to rehabilitate its existing line to help meet our Nation's growing freight rail needs."

The court's decision was issued in *Mayo Foundation, et al. v. STB*, No. 06-2031 (8th Cir. Dec. 28, 2006). For more information, contact Dennis Watson at (202) 565-1596.

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