

Miles City Area Economic Development Council, Inc.

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November 16, 2004

Mr. Kenneth Blodgett
Surface Transportation Board
Case Control Unit
Washington, D.C. 20423

Dear Mr. Blodgett:

Re: Public Hearing on Draft Supplement Environmental Impact Statement – Tongue River Railroad
STB Docket No. FD 30186 (Sub – No. 3)

The Miles City Area Economic Development Council stands in support of this Draft Supplemental EIS and the improvements to the Tongue River Railroad alignment contained therein. We believe that the project is improved both environmentally and service wise through these remediation efforts.

Miles City, Southeastern Montana and the State of Montana all stand to gain from the development of this railroad and the natural resources (coal) that will be accessible and economically viable to develop as a result of this proposed railroad. We have been waiting over 26 years to see this happen.

The economy of Eastern Montana is largely dependent upon agriculture and in some instances limited natural resource development in coal and oil. The communities that have benefited from natural resource development are the only communities that are thriving. The rest of our counties have lost 25-30% of their population since 1970 and have seen their average age of population move up almost 10 years. We are losing our young people. We are having trouble keeping our towns afloat because of this lack of economic activity and related loss of population and tax base.

We see the development of the Otter Creek Coal Tracts, which will happen if the Tongue River Railroad is completed, as a means of stabilizing our economies. Coal-fired power plants should follow the accessing of these coal tracts which will provide the new well paying jobs, tax base and diversification we need in Eastern Montana. Our economic advantage lies in the responsible development of our natural resources.

Thank you for the opportunity to comment upon this Draft Supplemental EIS.

Sincerely,



Tom McKerlick
Executive Director