

Kevin V. Schieffer
President & Chief Executive Officer

26 April 2006

Ms. Evelyn Kitay, Attorney
Office of General Counsel
U.S. Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Dear Ms. Kitay:

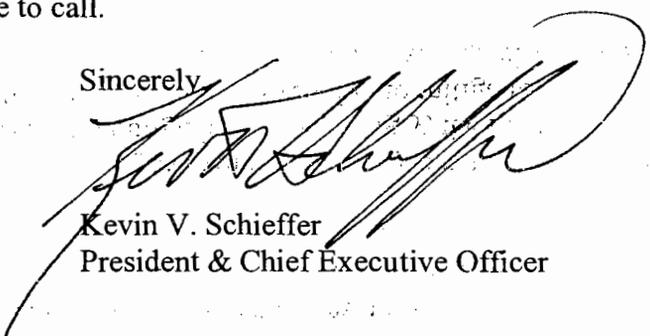
Thank you for your inquiry with respect to the Community Agreements we entered into in recent months with Pierre, SD, Eagle Lake, MN and Brookings, SD.

In negotiating each of those, we relied on the fact that the STB decision made clear that any conditions imposed by the STB for community-specific mitigation would be superseded by these agreements. While some of the agreements refer back to the STB mitigation, that is done only in the context of the agreement between the railroad and communities as a matter of contract. If the STB does need to issue a subsequent order relative to mitigation, we do not think it should include an attempt to define or interpret what these agreements mean, or re-write STB's version of what site-specific mitigation remains in place as a result of these agreements. Each agreement has its own arbitration clause in the event there are irresolvable questions of that nature (which we do not expect).

The intent of each of these three agreements is that they constitute the "Negotiated Agreements" referenced in the Board's mitigation. Accordingly, the intent is to look only to the four corners of each of these community agreements relative to mitigation for each respective community – not any new or supplemental STB order that has site specific mitigation.

I hope this helps address your inquiry in this regard. Should you have any further questions, please do not hesitate to call.

Sincerely,


Kevin V. Schieffer
President & Chief Executive Officer

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✓C: Victoria Rutson, Chief, Section of Environmental Analysis