



**Montana Fish,  
Wildlife & Parks**

EI-1574  
LBS

P. O. Box 200701  
Helena, MT 59620-0701  
406-444-3186  
FAX:406-444-4952  
Ref:DO0271-05  
June 9, 2005

Mr. Patrick Davison  
Tongue River Railroad Company, Inc.  
P. O. Box 80902  
Billings, Montana 59108-0902

RE: TRRC EASEMENT APPLICATION

Dear Mr. Davison:

Pursuant to our recent conversations, the purpose of this letter is to clarify Montana Fish, Wildlife & Parks' (FWP) position relative to FWP's preparation of an environmental assessment in connection with the processing of Tongue River Railroad Company's (TRRC) application for an easement through property near the Miles City Fish Hatchery. In FWP's letter to you dated March 29, 2005, the general steps necessary for granting an easement to TRRC were summarized, which included the following: conduct current appraisal; negotiate terms of the easement; address the federal aid requirements for disposition of property acquired, upgraded or maintained with federal funds; prepare an environmental assessment and solicit public comment on the easement; and, present the proposed easement to the MT FWP Commission for its action.

FWP would like to clarify its intent relative to preparing the environmental assessment to which was alluded in the March 29 letter. As you are aware, the MT Department of Natural Resources and Conservation (DNRC), acting as lead agency for other Montana state agencies, including FWP, requested and was granted cooperating agency status in connection with the environmental reviews being undertaken in the Surface Transportation Board (STB) proceedings in STB Finance Docket No. 30186 (Sub-No. 3). The purpose of this cooperating agency participation was to aid this agency in fulfilling our regulatory responsibilities and functions, and to avoid duplicative environmental analyses. FWP has actively participated in the STB's environmental processes, which will culminate in the issuance of a Final Supplemental Environmental Impact Statement ("SEIS") in the coming months. In order to comply with the Montana Environmental Policy Act ("MEPA"), FWP will prepare an environmental assessment ("EA") associated with processing the TRRC easement application. The purpose of the EA will not be to duplicate the work reflected in the environmental documents prepared by the STB and the cooperating agencies. Rather, the purpose of the EA is to analyze those steps needed to determine any necessary mitigation measures at the hatchery. The original permit for TRR1 required mitigation of impacts to the hatchery and the EA is the tool FWP uses to analyze those impacts.

Davison – DO0271-05

June 9, 2005

Page 2 of 2

Hopefully this clarifies the intent of FWP with respect to environmental matters relative to the processing of TRRC's easement application related to the Miles City Fish Hatchery. FWP looks forward to working with you and your colleagues in connection with the issuance of that easement.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Jeff Hagener". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

M. Jeff Hagener  
Director

c: Ms. Victoria Rutson, STB  
Mr. Kenneth Blodgett, STB  
Mike Volesky  
FWP Hatcheries  
FWP Lands Unit