

EL- 6750

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March 8, 2008

David Navecky  
STB Finance Docket No. 35095  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 205423

REFERENCE: Economic Studies

Dear Sir:

Thank you for this opportunity to express my views.

Point MacKenzie was first studied by the borough in 1978 as a port. Many studies were done to determine the economic potential of the port. In 1993 the borough Assembly adopted the Point MacKenzie Area Which Merits Special Attention Plan. In this plan the long-term roadway access alternative crossed the Little Susitna River and extended north to the Willow area.

Since that time there have been numerous studies, transportation plans, master plans and design studies done by the Matsu Borough, the Alaska Railroad and the Knik Arm Crossing (KABATA). Virtually all studies discussed the long range plan of a rail corridor north of Willow. In June, 2003, the corridor study results were published with the Willow Route approved by the Assembly

The Mat-Su Comprehensive Economic Development Strategy (June 2006 Update) formally adopted by the Assembly and the Mat-Su Borough Long-Range Transportation Plan all support this route because of 20 years of exhaustive study. Until January 2008, Alaska Statewide Transportation Plan stated that the line connecting the Port and the Alaska Railroad would connect at Willow.

In a letter from Bruce Carr of Alaska Railroad to Tryck Nyman Hayes dated 12/11/02, the railroad officially endorsed the Willow route. The reason stated are just as valid today as when the letter was written.

***The Alaska Railroad (ARR) supports the newly defined Corridor 3. It is the only corridor which now fulfills the appropriate purpose of a rail link to the port: to move natural resource into and out of the port with a minimum of disruption to current and projected transportation corridors servicing economic development in the Pt MacKenzie area.***

- The letter said that all the other corridors still end up in the immediate Wasilla area.
- The railroad stated that the market is from the north.

- All other corridors will force ARR to bring all trains through the growing Nancy Lake Wasilla area before gaining the Pt. MacKenzie spur.
- ARR is facing re-alignment in Wasilla area now to foster a better economic development environment. (“ARR has no desire to try and re-align another spur in the next twenty years which is likely to happen with the other corridors”)
- Corridor 3 appears to be favored by the public
- It appears ownership concerns are less of an obstacle
- Geography/geology appears to favor this route more
- Corridor 3 places the connection far north of Wasilla.
- Corridor 3 has the added benefit of appearing to align with the Knik Arm Crossing more favorably as a transportation link from Anchorage to Fairbanks.

The latest study presented to the STB has been slanted to make it appear that there is more public support for the Houston South route. That there has been some great changes that has made less ownership concerns and less geographic and geological concerns. I am sure that your study will show that this route has not changed. The wetlands have not dried up, the soil has not improved, the earthquake fault is still active, the connectors at Big Lake, Houston South and Houston North are still in the fastest growing area in the State of Alaska, and more homes and quality of life will be affected should any of these routes be chosen.

The intent of the rail spur was to open up the interior of Alaska. We currently have a railroad to Fairbanks but it was installed in the early 1900's and even with upgrades, is not up to the 60 miles an hour specifications. In order to utilize the old line for a high speed train, there must be major improvements made. When all the calculations have been made on this project, this seems to be overlooked. To compare apples to apples, we must look at a route from Port MacKenzie to the exact same point on the current line. This means that we must look at the old rail line from each connector to the Willow connector. It stands to reason that there will be numerous environmental issues to be handled. The proposed high speed train must travel 18.6 miles on old track from the proposed Big Lake connector to the Willow connector, 14.9 miles from Houston South and 9.2 miles from Houston North. The scope of this study must look at the environmental and socio-economic impact on that portion of the existing railroad from each connector to the farthest North connector in Willow for a FAIR AND BALANCED COMPARISON.

Port MacKenzie to Willow Connector is 44.8 miles long, The Houston North to Willow Connector is 44.3 miles long, Houston South is 49.4 miles long and Big Lake is 54.4 miles long. This means that trains to the interior must travel an additional 4.6 miles on the Houston South corridor and 9.6 miles on the Big Lake corridor, a total of 110% further for Houston South and 121% further for the Big Lake Corridor than the Willow Corridor.

Per the study done for the Borough by Shannon & Wilson, Inc dated October 26, 2007, if the current rail line was up to a 60 MPH specification, train energy used to go from Port MacKenzie to the Willow connector by each of the corridors shows the Willow Route saves the most train energy. Using the Mac East examples, the Willow route will save total train energy over the other routes from 5.4% (Houston North) to 16.5% (Houston South) and 26.2% (Big Lake). The

Mac West example demonstrates the Willow route will save 6.1%, 17.7% and 43.6% respectively. The additional capital expense of the shorter Willow route should be repaid through the substantially lower operating costs in a relatively short timeframe. This means the railroad will realize higher net returns and less operating cost (fewer lines to maintain and a shorter travel time for less personnel expense).

The Willow Route makes the most economic sense, therefore we urge you to choose the Willow Route.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Grace Whedbee". The signature is written in a cursive, flowing style.

Grace Whedbee