



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

EQ-1839

Office of Environmental Analysis

February 3, 2012

Ms. Allison Arnold
U.S. Fish and Wildlife Service
107011 Burnet Road, Suite 200
Austin, TX 78758

Re: STB Docket No. FD 35554, Eagle Pass Railroad, LLC – Proposed Rail Line
Construction and Operation – Maverick County, Tex.

Dear Ms. Arnold:

The Eagle Pass Railroad, LLC (EPRR or Applicant) intends to file a petition with the Surface Transportation Board (Board) pursuant to 49 U.S.C. § 10502 for authority to construct and operate a new rail line in Maverick County, Texas. Pursuant to the National Environmental Policy Act (NEPA) and the Board's environmental rules, the Board's Office of Environmental Analysis (OEA) will prepare an environmental document that evaluates the potential environmental impacts of the proposed project. The purpose of this letter is to advise you of the proposed rail line, request information from your agency on the resources under your jurisdiction that could be affected by the proposed project, and identify permits and approvals that could be required of the Applicant.

Project Background

EPRR's proposed rail line would be constructed between points near Eagle Pass, Texas and Piedras Negras, Mexico. At its northern terminus, the line would intersect with an existing Union Pacific Railroad Company line. Under the Applicant's preferred alternative, the proposed rail line would pass north of the Eagle Pass city center and cross U.S. Route 277. The EPRR rail line would also traverse a new international rail bridge to be built by EPRR across the Rio Grande River.

In Mexico, the EPRR rail line would connect at its southern terminus near Mexico Highway 57 at Piedras Negras with another rail line to be constructed in Mexico, which would in turn connect with the existing Mexican rail network. Approximately 2 trains per day (one loaded and one empty) would use the line. The line would operate 7 days per week. The Board's jurisdiction over the proposed rail line would end at the border between the U.S. and Mexico.

The U.S. portion of the proposed rail line would cross mostly rangeland and agricultural land. The U.S. routes considered by the Applicant vary in length from approximately 4 to 8

Note from OEA: This letter was sent to approximately 50 different addressees representing Federal, state and local agencies, elected officials, and other potentially interested parties. The full list of recipients is attached to this copy of the letter.

miles. The attached map shows the Applicant's preferred alternative (Corridor 5) for the proposed rail line, as well as 4 other corridors or alternatives considered by the Applicant. During the environmental review for this proposal, OEA will determine whether other reasonable and feasible alternatives exist that should be assessed in the NEPA document.

The proposed rail line would be used to transport coal from a proposed mine near Eagle Pass, Texas and the planned northern terminus of the proposed rail line, to a coal-fired power plant in Mexico. The coal mine would be known as the Dos Republicas Mine and would be operated by Dos Republicas Coal Partnership (DRCP). DRCP would also be the owner of EPRR. In addition, EPRR has identified a need for rail transport of raw materials necessary for Mexico's metallurgical industry from the U.S. to Mexico, as well as a need to transport beer and beer-related products from a new brewery in northern Mexico to the U.S. Any northbound EPRR traffic would be interchanged with the Union Pacific Railroad Company at the northern terminus of EPRR's proposed rail line.

Environmental Review Process

This letter begins the process by which OEA will assess the potential environmental impacts of constructing and operating the proposed rail line. The process will include the preparation of a draft and final environmental document, which for rail construction proposals is normally an environmental impact statement (EIS), as specified in the Board's environmental rules at 49 C.F.R. § 1105.6(a). Your response to this inquiry will assist OEA in verifying that an EIS is appropriate for this particular case (alternatively, an environmental assessment, or EA, could be prepared). In addition to your response, OEA will complete an independent review of an Applicant-prepared environmental report on its 5 alternative (expected to be delivered to OEA this winter) prior to making the EIS decision. OEA will also conduct a site visit to the project area early in the environmental review process.

The draft environmental document will be distributed to agencies and the public for review and comment pursuant to the requirements of NEPA and Board's environmental rules. The NEPA document will provide the Board's independent environmental review of the build alternatives and the no-build or no-action alternative. Furthermore, the alternatives to be considered in the environmental document will be determined by OEA (in consultation with any cooperating agencies), may not include all 5 of the Applicant's alternatives, and, as noted above, may include new alternatives developed by OEA. Our agency's process will conclude with the Board's decision on whether to authorize the proposed rail line. In reaching this decision, the Board will consider the entire environmental record, including all public comments, the draft and final environmental documents, and OEA's recommended environmental mitigation.

The Board will be the lead Federal agency in the preparation of the NEPA document. Several agencies with jurisdiction by law or special expertise may assist the Board in the NEPA process as cooperating agencies. These agencies could include the U.S. Department of State, U.S. Coast Guard and U.S. Army Corps of Engineers. Because of the proposed new international crossing, EPRR would need to obtain a Presidential Permit from the U.S. Department of State. EPRR would also require approval by the U.S. Coast Guard under the International Bridge Act. Additional permits from the U.S. Army Corps of Engineers could also

be required under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act.

Request for Comments

We would like to hear from you whether any resources under your jurisdiction could be affected by the proposed project, and whether this proposal would require permitting or approval requirements from your agency. Please send your comments to:

Dave Navecky
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001
Attn: Docket No. FD 35554

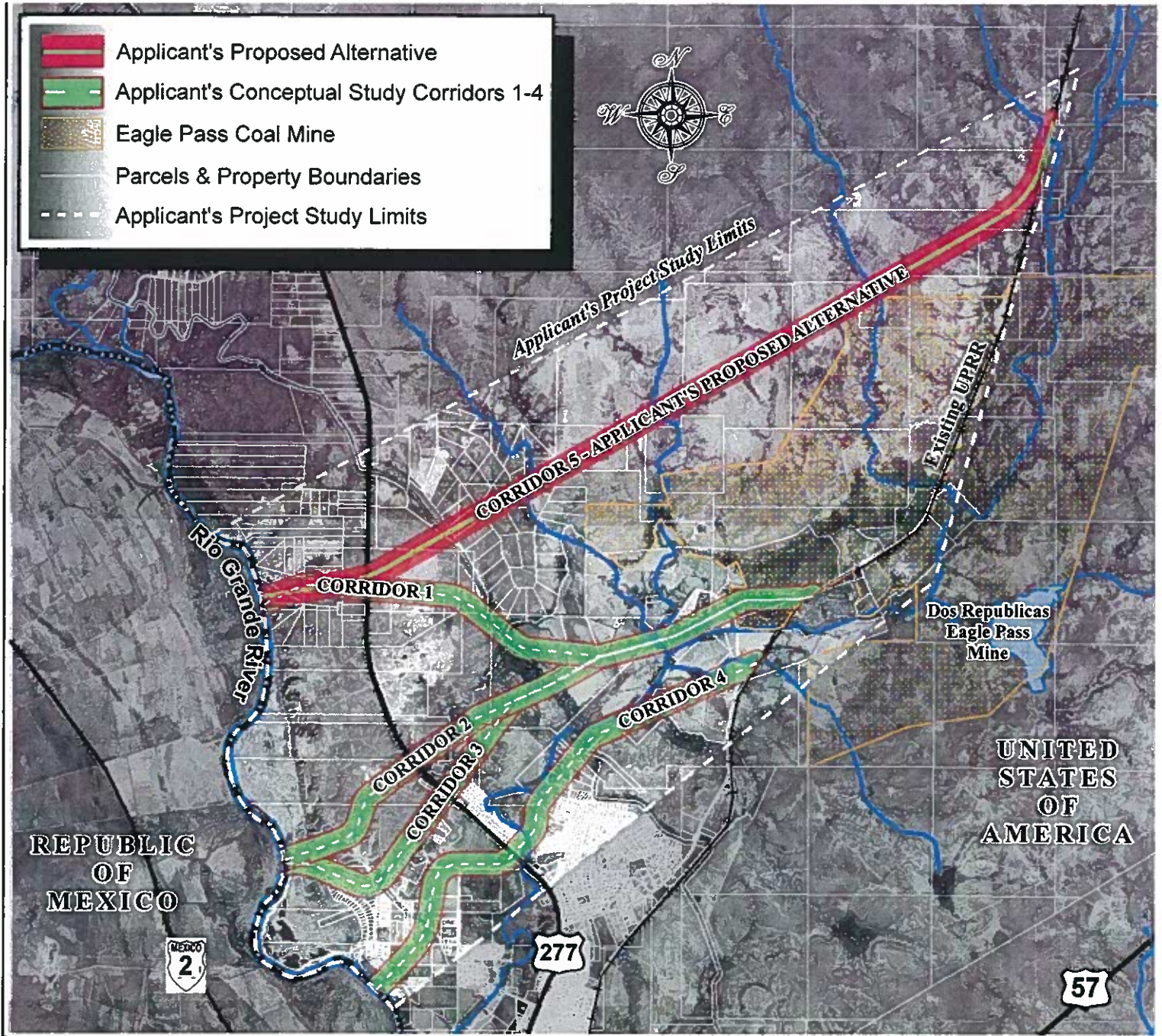
You may also submit comments electronically through the Board's Web site at www.stb.dot.gov by clicking on the "E-Filing" quick link on the right-hand side of the home page and then selecting "Environmental Comments." Brief comments may be typed within the comment field provided, or alternatively, you may attach comments as Microsoft Word or Adobe Acrobat files. We request your response by **March 5, 2012**.

We look forward to working with you on this proposed project. If you have any questions, please do not hesitate to contact me or Dave Navecky of my staff at 202-245-0294.

Sincerely,

A handwritten signature in black ink, appearing to read "Victoria Rutson". The signature is fluid and cursive, with a large initial "V" and "R".

Victoria Rutson
Director
Office of Environmental Analysis



APPLICANT'S STUDIED ALTERNATIVES

PROPOSED EAGLE PASS RAILROAD LINE

STB DOCKET NO. FD 35554

**LIST OF RECIPIENTS
PRELIMINARY CONSULTATION LETTER
FEBRUARY 3, 2012
STB Docket No. FD 35554**

Tribes

Mr. Juan Garza, Jr.
Kickapoo Traditional Tribe of Texas
HC 1, Box 9700
Eagle Pass, TX 78852

Mr. Mark R. Chino
Mescalero Apache Tribe
P.O. Box 227
Mescalero, NM 88340

Federal Agencies

Mr. Alexander Yuan OES/ENV
Bureau of Oceans, Environment and Science
U.S. Department of State
2201 C Street, NW
Washington, DC 20520

Dr. Al Armendariz
Administrator, Region 6
U.S. Environmental Protection Agency
1445 Ross Avenue, Suite 1200
Dallas, TX 75202

Ms. Liz Agpaoa
USDA Forest Service
Southern Region
1720 Peachtree Road, NW
Atlanta, GA 30309

Mr. Robert Abbey
Director
Bureau of Land Management
1849 C Street, NW
Washington, DC 20240

U.S. Army Corps of Engineers
Ft. Worth District
Regulatory Branch, CESWF-PER-R
819 Taylor Street, Room 3A37
Ft. Worth, TX 76102-0300

Ms. Allison Arnold
U.S. Fish and Wildlife Service
107011 Burnet Road, Suite 200
Austin, TX 78758

Ms. Alexandra Newcomer
Federal Railroad Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

Rear Admiral Mary E. Landry
Commander
8th Coast Guard District
Hale Boggs Federal Building
500 Poydras Street
New Orleans, LA 70130

Mr. Serafin Aguirre
Eagle Pass Field Office
Natural Resources Conservation Service
2210 Veterans Boulevard, Suite 130
Eagle Pass, TX 78852

Ms. Cynthia Rodriguez
Port Director, Port of Eagle Pass
U.S. Customs and Border Protection
160 Garrison Street
Eagle Pass, TX 78852

Mr. Michael T. Leary
Federal Highway Administration
300 East Eighth Street, Room 826
Austin, TX 78701-3233

Mr. Edward Drusina
Commissioner
International Boundary and Water Commission
4171 North Mesa, Suite C-100
El Paso, TX 79902-1441

State Agencies

Mr. Mark Wolfe
State Historic Preservation Officer
Texas Historical Commission
P.O. Box 12276
Austin, TX 78711-2276

Mr. Carter Smith
Executive Director
Texas Parks and Wildlife Department
4200 Smith School Road
Austin, TX 78744

Mr. Mark Vickery
Executive Director
Texas Commission on Environmental Quality
Mail Code 109
P.O. Box 13087
Austin, TX 78711-3087

Ms. Elizabeth Ames Jones
Chairman
Railroad Commission of Texas
P.O. Box 12967
Austin, TX 78711-2967

Mr. Todd Staples
Commissioner
Texas Department of Agriculture
P.O. Box 12847
Austin, TX 78711-2847

Mr. Steve McGraw
Director
Texas Department of Public Safety
P.O. Box 4087
Austin, TX 78773-0001

Mr. Mario Medina
Laredo District
Texas Department of Transportation
1817 Bob Bullock Loop
Laredo, TX 78043

Mr. Thomas Boggus
State Forester and Director
Texas Forest Service
200 Technology Way, Suite 1281
College Station, TX 77845

Ms. Melanie Callahan
Executive Administrator
Texas Water Development Board
P.O. Box 13231
Austin, TX 78711-3231

Mr. Rex Isom
Executive Director
Texas State Soil and Water Conservation Board
P.O. Box 658
Temple, TX 76503-0658

Ms. Donna Nelson
Chairman
Public Utility Commission of Texas
P.O. Box 13326
Austin, TX 78711-3326

The Honorable Hope Andrade
Texas Secretary of State
P.O. Box 12697
Austin, TX 78711-2697

County/Local Governments

Mr. Daniel Valenzuela
Eagle Pass City Manager
100 S. Monroe
Eagle Pass, TX 78852

Mr. Hector Chavez
Director
Eagle Pass Public Works Department
1100 Eidson Road
Eagle Pass, TX 78852

Mr. Jorge Sanchez
Director
Eagle Pass Parks and Recreation Department
480 S. Adams Street
Eagle Pass, TX 78852

Mr. Brian Shea
Director
Eagle Pass Planning and Development Department
3295 Bob Rogers Drive
Eagle Pass, TX 78852

Elected Officials

The Honorable John Cornyn
517 Hart Senate Office Building
United States Senate
Washington, DC 20510

The Honorable Kay Bailey Hutchison
284 Russell Senate Office Building
United States Senate
Washington, DC 20510

The Honorable Francisco Canseco
1339 Longworth House Office Building
United States House of Representatives
Washington, DC 20515

Senator Carlos I. Uresti
Texas State Senate
P.O. Box 12068, Capitol Station
Austin, TX 78711

Representative Tracy O. King
Texas State House of Representatives
P.O. Box 2910
Austin, TX 78768

Mr. David Saucedo
Maverick County Judge
500 Quarry Street, Suite 3
Eagle Pass, TX 78852

Mr. Eliaz Maldonado
Commissioner, Precinct 1
Maverick County
744 S. Bibb Avenue
Eagle Pass, TX 78852

Mr. Rodolfo Heredia
Commissioner, Precinct 2
Maverick County
P.O. Box 913
Eagle Pass, TX 78852

Mr. Jose Luis Rosales
Commissioner, Precinct 3
Maverick County
500 Quarry Street, Suite 2
Eagle Pass, TX 78852

Mr. César Flores
Commissioner, Precinct 4
Maverick County
1210 Grand Haven
Eagle Pass, TX 78852

Mr. Ramsey English Cantu
Mayor
City of Eagle Pass
100 S. Monroe
Eagle Pass, TX 78852

Ms. Asalia Casares
Councilmember Place 1
City of Eagle Pass
100 S. Monroe
Eagle Pass, TX 78852

Mr. Rudy Villaipando
Councilmember Place 2
City of Eagle Pass
100 S. Monroe
Eagle Pass, TX 78852

Mr. Billy Davis
Councilmember Place 3
City of Eagle Pass
100 S. Monroe
Eagle Pass, TX 78852

Mr. Luis Sifuentes
Councilmember Place 4
City of Eagle Pass
100 S. Monroe
Eagle Pass, TX 78852

Other Organizations and Parties

Eagle Pass Chamber of Commerce
P.O. Box 1188
Eagle Pass, TX 78853-1188

Mr. Leodoro Martinez, Jr.
Executive Director
Middle Rio Grande Development Council
P.O. Box 1199
Carrizo Springs, TX 78834

Mr. Roy Cooley
General Manager
Maverick County Water Control and Improvement District No. 1
Rt. 2, Box 4700
Eagle Pass, TX 78852

Mr. Raul Perez
Executive Director
Maverick County Development Corporation
P.O. Box 3693
Eagle Pass, TX 78852

Mr. David Coburn
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
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