

Congress of the United States
Washington, DC 20515

September 29, 2021

The Honorable Pete Buttigieg
Secretary
U.S. Department of Transportation
1200 New Jersey Ave. SE
Washington, D.C. 20590

Dear Secretary Buttigieg:

We write to express our concern that a consortium of coal interests are, according to public reporting, pursuing a federal loan from your agency to finance their controversial scheme to restore freight rail service on a dilapidated and functionally abandoned North Coast rail right of way in order to export their Powder River basin coal to Asia. The North Coast Railroad gave up on restoring freight service to this line many years ago because of cost and environmental factors. The line has fallen into extreme disrepair. Geologic instability and slides have destroyed long stretches of track. Indeed, because of landslides the ground that used to support many track segments through the canyon is simply gone, leaving the tracks hanging in the air high above the Eel River.

The right of way is in the process of being converted into something that can sustainably traverse the fragile Eel River canyon: the Great Redwood Trail. Once completed, it will be the longest continuous rail-banked trail in America. But just as the Surface Transportation Board was considering the North Coast Railroad Authority's application for abandonment and motion for exemption from the Offer of Financial Assistance process, a shadowy LLC registered as "North Coast Railroad Co." emerged to oppose the request. This entity, which did not disclose its identity or its source of financing, represented to the STB that it planned to provide an Offer of Financial Assistance to take over the line and that it had sufficient funding to restore the line and resume freight rail service.

Thanks to investigative reporting by the *Salt Lake Tribune*, we now have a much clearer picture of this scheme. Moreover, internal memos discuss a plan to pursue a \$1 billion loan from the U.S. Department of the Transportation's Railroad Rehabilitation and Improvement Financing program to finance their proposal.

We cannot imagine that your Department of Transportation, with your strong commitment to climate protection and a bold transition to clean energy, would provide financial support for a coal export project that directly undermines the Biden administration's climate and clean energy agenda. Nevertheless, we want to make it very clear: we strongly oppose federal funding for this project and urge you to personally ensure that it receives no federal support, including any loans from the department's Railroad Rehabilitation and Improvement Financing program.

Finally, to the extent that the department is even considering any loan or grant funding request for this disastrous project, we respectfully request that you notify us immediately so that we can discuss the matter more fully.

Thank you for your leadership.

Sincerely,



Jared Huffman
Member of Congress



Mike Thompson
Member of Congress