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For Immediate Release

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Minnesotans Overwhelmingly Support DM&E Railroad Plan to Upgrade Track in Southern Minnesota

New Ulm, Minnesota – By a 7-to-1 margin, Minnesotans favor Dakota, Minnesota & Eastern Railroad’s plan to upgrade its existing tracks in southern Minnesota, according to a new statewide survey of Minnesota voters about the railroad improvement plan. Asked why they favor it, supporters most often said that it would improve rail safety.

The statewide survey found that 74 percent favor the DM&E plan, 10.4 percent oppose it and 15.7 percent did not know or refused to answer. Minnesotans voiced an equally strong conviction that the project would benefit farmers. The survey found that 71 percent believed the DM&E upgrade project would “give the region’s farmers a boost” by increasing production of ethanol, bringing millions of dollars and jobs to Minnesota.

“The survey confirms that Minnesotans overwhelmingly agree with independent evaluations by federal agencies that the DM&E upgrade will benefit farmers and improve safety,” said Randy Rieke of the Southern Grainbelt Shippers Association, who is Minnesota chairman of GOTRAC, a coalition of communities, agriculture and economic development organizations supporting the rail upgrade.

“The DM&E upgrade project will help strengthen the region’s farm economy and the well-being of Minnesota’s overall economy,” Rieke added. “It will increase production of ethanol and, according to the U.S. Department of Agriculture, could add up to 20 cents a bushel to the price of corn and other grains.”

The survey also asked whether Minnesotans “favor or oppose DM&E Railroad’s \$2.4 billion federal loan application to help pay for its track upgrades?” It found that 66.6 percent favor the loan, 20.2 percent oppose it, and 13.2 percent did not know or refused to answer.

“The DM&E will repay the loan in full, with interest, to upgrade the track for better service and safety of all along the DM&E route,” said Rieke.

The survey was conducted last week by Crosslink Strategy Group. It also found:

- Only 12.7 percent agreed with a statement that “upgrading the track will harm the safety of Mayo Clinic patients.” (58.5 percent disagreed with statement; 12.7 percent agreed, and 28.7 percent did not know or refused to answer.)

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- Minnesotans agreed that “government funding to help railroad companies build and improve their tracks is essential to the long-term transportation and rail infrastructure needs of Minnesota and the country.” (67 percent agreed, 21 percent disagreed, and 11.8 percent did not know or refused to answer.)
- Minnesotans vastly favor shipping products and freight by train rather than trucks. (67.2 percent favor trains, 15.5 favor trucks, and 17.3 percent did not know or refused to answer.)
- Minnesotans believe that the DM&E track upgrades would decrease the possibility of train derailments and accidents. (73.5 percent agree, 10.2 percent disagree, and 16.3 percent did not know or refused to answer.)

Project Background

The DM&E Railroad’s upgrade project will rebuild 600 miles of DM&E track and add 260 new miles of main line construction to clean, low-sulfur coal mines in the Powder River Basin of Wyoming. DM&E will privately fund two-thirds of the project, and has applied for a loan from the Federal Railroad Administration – fully backed by the railroad’s assets – to finance the remaining portion, or \$2.4 billion. The \$6 billion project would create an estimated 10,000 direct and indirect jobs. The DM&E plans to begin construction in 2007 and to be operational by 2010.

The loan will be used to modernize DM&E’s track by replacing 80-year-old tracks with a new continuous welded rail that is quieter and will greatly reduce the risk of train accidents. The loan also will help DM&E pay for a new signaling system that will enable train operators to quickly identify broken rails or misaligned switches.

The Federal Surface Transportation Board (STB) granted DM&E regulatory approval to proceed with the upgrade and expansion process. The eight-year Environmental Impact Statement process concluded that the upgrade would reduce safety concerns across the line, including in Rochester.

To help alleviate concerns of communities along the route, DM&E has agreed to 147 compliance regulations including reducing train and whistle noise, implementing emergency response plans, adhering to strict environmental protections, and helping farmers address any track issues that affect their land. Fifty-five of 56 cities along the route – every city except Rochester – have made agreements with the DM&E to address community-specific needs.

Survey Background

The survey of 400 likely voters was conducted August 8 and 9 across Minnesota with a +/- 4.9% margin of error.

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