

Argus Leader
BUSINESS

6C Thursday ♦ Jan. 8, 2004

M O N E Y
DIGEST

**DM&E
gets \$233M
federal loan**

The Dakota, Minnesota & Eastern Railroad has secured a \$233 million federal loan to repair tracks and bridges along part of its existing route.

The Federal Rail Administration money gives the DM&E a huge boost, railroad president Kevin Schieffer said Wednesday. Some of the money also will be used to refinance debt.

The DM&E wants to extend its track to the Powder River Basin coal fields in Wyoming and ship coal eastward. The \$2 billion project would involve building about 280 miles of new track and upgrading 600 miles of existing track.

Schieffer said DM&E would not spend federal loan money to build new track.

According to the Rail Administration, funding provided by the 25-year loan will be spread among several projects:

■ \$194 million will go to refinance debt for rail line acquisition.

■ \$25 million is for improving track between Wolsey in South Dakota and Tracy, Minn.

■ \$6 million goes to bridge repair between Wolsey and Springfield, Minn.

■ \$9 million is for refurbishing track from Owatonna, Minn. to Mason City, Iowa, and from Lawler, Iowa to Calmar, Iowa.