

PAN-AMERICAN

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RAILWAY, INC.

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IDAHO PUBLIC
UTILITIES COMMISSION

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December 17 2008

Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Gentlemen:

In regard to case UPR-R-08-01

The Pan-American Railway Inc. is interested in purchasing the railway and developing a log transload facility moving logs from lake Coeur d' Alene to mills north of town particularly the Riley Creek lumber mill at Chilco.

It is our belief that this rail line is critical in maintaining a rail link to the lake as part of an intermodal transportation corridor and freight transload facility. The site chosen for said port operation is located at the end of the track and has a history of industrial activity. We also believe that the site is the only remaining industrial property suitable for such purposes. Any new sites located elsewhere would have a huge impact on adjacent property owners.

We anticipate removing 15,000 truck trips per year from the already crowded US 95 Coeur d' Alene corridor.

Our intension is to develop a passenger ferry operation in addition to the freight operation as the 3rd street marina is too congested for passenger ferry operations.

Assuming that we proceed with our project, we certainly would work with North Idaho Collage so that they can expand their campus on the portion of the site that we do not need. In an effort to co-exist with NIC we would like to operate passenger rail service between their campus and the Post Falls University of Idaho Campus.

Peter Cooper
CEO
Pan-American Railway Inc.