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Via email

March 24, 2022

Ms. Danielle Gosselin
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

Re: STB Docket No. FD 36501, Union Pacific Railroad – Construction and Operation Exemption-
In Maricopa County, Arizona; Request for Reclassification

Dear Ms. Gosselin:

Pursuant to 49 C.F.R. § 1105.6(d), I am requesting on behalf of Union Pacific Railroad Company ("UPRR"), petitioner in the above-captioned proceeding, to request that the Surface Transportation Board (STB) waive the requirement of 49 C.F.R. § 1105.6(a) of the preparation of an Environmental Impact Statement (EIS) in favor of the preparation of an Environmental Assessment (EA). UPRR submits that a reclassification is appropriate because of the proposed construction of Pecos Industrial Rail Access and Train Extension Project ("PIRATE Project") is not likely to have a significant environmental impact such that a waiver under 49 C.F.R. § 1105.6(a) and the preparation of an EA will be sufficient to address the impacts of the proposed construction. In support of this request, UPRR submits the following information in accordance with § 1105.6(b)(1) and § 1105.7(e).

Background

UPRR intends in the near future to file with the STB a petition to construct and operate a new industrial lead rail line in Maricopa County, Arizona. UPRR has been in discussions with the Office of Environmental Analysis (OEA) regarding the project for several months. Presently, UPRR serves Commercial Metals Company (CMC) at other locations in the United States. CMC closed their Rancho Cucamonga, CA mill in 2020 and is replacing that production with a new mill for straight and merchant bar production in Mesa, AZ. CMC is requesting rail service to support two adjacent mills with production of inbound scrap and outbound bar.

The purpose of the UPRR construction is to provide the new and existing CMC mill rail access. Potential rail development would connect the existing Pecos Advanced Manufacturing Zone (PAMZ)

directly to the UPRR main line just west of the project area, running six miles through the PAMZ with a terminus at the border between Maricopa County and Pinal County. This PIRATE project will include a six-mile industrial lead extending from the UPRR Phoenix Subdivision (milepost 935) to CMC's new facility. In addition to granting access to CMC, it will also provide rail development opportunities as the lead cuts through two thousand acres of industrial zoned land.

On April 30, 2021, the OEA approved a waiver of the six-month pre-filing notice otherwise required under 49 C.F.R. § 1105.10(a)(1), and separately approved the selection of Jacobs as the third-party contractor to assist with the preparation of the environmental documentation and review. Currently, the environmental documentation and review process is ongoing. Jacobs and OEA staff have performed preliminary investigations, with onsite inspections to follow in the next few months. Jacobs, as directed by OEA staff, has also helped prepare and send out the environmental notification letters to local, state, and federal agencies. Based on the feedback received from OEA staff to date and UPRR's understanding of the natural resources within the project footprint, UPRR does not believe there will be a significant environmental impact, and therefore UPRR is submitting this request that the OEA prepare an EA instead of an EIS.

UPRR's Proposal is Not Likely to Have a Significant Impact on the Environment

Under 49 C.F.R. § 1105.6(a), an EIS "will normally be prepared for rail construction proposals." However, 49 C.F.R. § 1105.6(d), provides that an applicant can request that the STB instead evaluate a project through an EA, rather than an EIS, if the applicant demonstrates that a proposal is not likely to have a significant environmental impact. Further, under 49 C.F.R. § 1105.6(d), "any request for reclassification must be in writing and, in a rail construction, should be presented with a prefilling notice required by 49 C.F.R. § 1105.10(a)(1) (or request to waive that prefilling notice period)." Pursuant to 49 C.F.R. § 1105.10(c), on April 30, 2021, OEA granted UPRR's request for waiver of the six-month prefilling notice generally required for rail line construction projects.

As stated, the PIRATE project site is an extension to provide additional industrial opportunities. The PIRATE project will result in new rail connection to CMC, as well as potentially new customers locating on the line extension, creating a modest reduction in energy use for train operations versus trucking.

UPRR anticipates traffic to be limited to two trips per day, five days per week once the PIRATE project is operational and therefore does not expect that traffic to be handled over the PIRATE project will exceed the threshold of 8 trips per day for an attainment area as per 49 C.F.R. § 1105.7(e)(5)(i)(A).

Anticipated traffic volume can be expected to lead to a corresponding increase in noise levels. However, the PIRATE project site is situated near the Phoenix-Mesa Gateway Airport and as such it is not anticipated that the PIRATE project will impact sensitive noise receptors.

UPRR does not believe that the PIRATE project is likely to adversely affect endangered or threatened species or areas designated as critical habitat.

UPRR understands that a very small portion of the property is in a Zone A floodplain and that wetlands do not appear to exist in the proximity to the PIRATE project. UPRR is prepared to mitigate or design the project to address any concerns that arise related to the PIRATE project.

UPRR knows of no historic or cultural resources that may be impacted by the PIRATE project but will work with the OEA and the Arizona State Historic Preservation Office to identify any potential impacts. Cultural efforts are on-going and UPRR is prepared to mitigate or design the project to address any concerns that arise related to the PIRATE project.

UPRR does not believe that an environmental impact statement will be necessary because the environmental conditions of this property are known, and the impacts of the PIRATE project are negligible based on the information provided above. Accordingly, UPRR respectfully requests OEA waive the requirement of 49 C.F.R. §1105.6(a), Preparation of an Environmental Impact Statement (EIS), in favor of the preparation of an Environmental Assessment (EA).

Sincerely,



Tanya Spratt
Senior General Attorney - Law