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To: [Uinta Basin Rail Environment](#)
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Attachments: [railroad letter.docx](#)

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To Whom It May Concern,

I am writing today in opposition to the proposed Uinta Railway Docket Number FD 36284. I feel this project is not feasible financially or environmentally. It also could have dire consequences for the local agriculture community.

It is a long explanation why I feel it is not financially feasible and will involve a lot of math so please bear with me. This math was done using the railway's statements of running 7 trains a day. We are assuming each train will have 50 cars. Each car holds 660 barrels of oil. Each train would then transport 33,000 barrels, that would mean 231,000 barrels of oil a day shipped out of the area. 84,315,000 barrels shipped annually (at full capacity of their proposal).

The price to build this line is supposed to be 1.2 billion. 1.2 billion financed for 30 years at 5% interest (which is low, investment firms want to see 10% return or better on their money) would be a payment of \$86,400,000. That payment divided by the barrels shipped would be \$1.02 a barrel just to make the payment.

At the present time there is a rail head with oil shipping capacity in Wellington, Utah, which is only 80 miles from the proposed Myton facility. If you apply the \$1.02 per barrel to the 280 barrels a load that a semi hauls that would be 285.6, which is equivalent to \$3.57 a mile. Oil Tanker Companies in our area are currently charging about \$4-4.50 a mile. This looks cheaper to ship per rail but this price of 1.2 billion does not include the transloading facility and is only taking into consideration what it takes to pay the loan. The private companies that will be running the railroad are going to want to make a profit. These numbers are also assuming the railroad will be running at maximum capacity continually which is not a realistic assumption.

At the current rate of \$4.50 it costs \$1.29 a barrel to ship by truck to the existing railhead in Wellington.

At current rates it would cost \$.27 a barrel to ship on the railroad to Wellington but then it will take an

extra \$1.02 to pay back construction costs. So now the costs to ship via railroad and truck are equal. By our figures the cost is the same. So if costs are equivalent, if there is a current market in the Gulf Coast it is not being used right now even though it could be. Building the railroad won't change that. Oil Companies operate on a dollars and cents deal. Cost of transportation is minor. World Oil Prices determine when companies drill and how much they produce, not transportation costs.

As stated above, all of this is based on maximum usage. If they don't maximize the railroad with the full 7 trains a day the costs go up drastically. It is unrealistic to think the line will instantly go into maximum usage. They have to maximize usage with 7 trains a day for 30 years steady to be at an even cost.

The proposed line would be detrimental to the local environment. Oil production takes water, quite a lot of it. This area is a desert with very little water. Currently all available water in the area is already allocated to users. They are talking about increasing production 10 times the current rates. That is 10 times more water that will need. Where will it come from?

To fill 7 trains a day (again, 50 cars per train, 660 barrels per car, 231,000 barrels per day) would take 825 truck loads per day. 825 loads divided between 2 facilities is 415 trucks per facility per day. It takes an hour to unload a truck. These facilities, running 24 hours a day, would need to be capable of unloading 17 trucks at a time. 17 trucks 24 hours a day! The largest facility in the state currently can only handle 6 trucks at a time.

This is 17 incoming and 17 outgoing trucks every hour, 34 trucks an hour on local, secondary roads. Many of these roads are dirt. The dust particles and emissions from ramping production up 10 times its current rate or more will have disastrous effects on local air quality, especially in the winter months when we are already prone to inversions.

This crosses into the economics of it again as well. Our county roads were not built to handle this kind of traffic, the number of vehicles or the weight of those heavy loads. These are rural counties that

already have tight budgets. The roads will fall apart. Who will pay to rebuild and upgrade these secondary roads?

They claim the railroad isn't just for the oil companies but will benefit agriculture as well. Here is why that claim is false. Cattle are not shipped by rail and haven't been since the late 60's. All feed producers in the basin require is already grown here. There is no shortage. Soybeans are the #1 ag commodity shipped by rail. Soybeans cannot be grown here. We do not have the right climate. Fertilizer and other ag products are not feasible to ship via rail. Commodity dealers who use rail to ship products in other parts of the country have told us that those products are only shipped by TRAIN load not CAR load. This area does not use a train load of those products at a time. We just don't use enough or produce enough to send receive full train loads or to build the loading and unloading facilities.

The area around the Myton facility is known as Pleasant Valley. There are 11,000 acres of farm ground in this area as well as a large dairy and large feedlot. The proposed Wells Draw route runs on top of the Uintah Basin Irrigation Company's (UBIC) main canal. This is a cement lined pipeline. It was not engineered to withstand the weight of a railroad crossing or the vibrations caused by trains. If that line breaks, if the cement inside crumbles and causes a blockage, water would have to be shut off to 11,000 acres of farm ground. This would not be a quick fix. The time and engineering involved could take a month or more. This would result in potential economic losses of 8-15 million dollars.

The Indian Canyon route transverses the UBIC open canal at a location known as "the cut." The cut is a 60-foot-deep cut through a hillside. This area is already very unstable. There are several slides every spring and repairs are difficult because of the unstable ground and steepness of the area. Vibrations of trains crossing this cut 14 times a day would cause a catastrophic failure resulting in water shut off to 11,000 acres indefinitely while repairs were made. This could be 8-15 million dollars in losses.

Both proposed routes pass within 100 yards of large cattle operations, both feedyards and dairies.

Stress has drastic negative effects on all classes of cattle. Loud noises cause reductions in milk production in dairy cows. Loud, sudden noises can cause stampedes in newly weaned calves causing major damage to facility fencing as well as cause injury to calves that fall and are trampled. The loud noises will also cause stress levels to rise. Stress is the largest determinant of cattle health. Stressed cattle do not respond to vaccine, their immune system is suppressed so their body won't naturally fight off illness and they do not consume feed at proper rates. The dust created from stampedes or cattle milling because they are upset will increase the rates and severity of pneumonia in the cattle. This has the potential to put these operations out of business.

Thank you for taking the time to read our concerns and take them into consideration.

Tom Henderson

Henderson Cattle Company