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FUELING UTAH'S GROWTH & PROSPERITY

July 30, 2019

Joshua Wayland
Surface Transportation Board
c/o 9300 Lee Highway
Fairfax, Virginia 22031

Attention: Environmental filing, **Docket No. FD 36284**

Dear Mr. Wayland:

I am writing to voice the Utah Petroleum Association's (UPA) support for the Uintah Basin Railway Project. This project is important to the UPA, its members, the state of Utah, local communities in the Uinta Basin, and the broader U.S. energy industry. While UPA members have a direct interest in this project, we also ask that you recognize the national and international benefits that increased U.S. oil production, a likely result stemming from approval and subsequent construction of this project, can play in underpinning U.S. energy dominance – a national priority position under this Administration.

In determining the range of alternatives and potential impacts to be included in the scope of this NEPA analysis, we respectfully request that the Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) carefully consider the positive safety and air quality impacts that could result from this project. The Uinta Basin Railway will provide a safe, efficient alternative to freight transportation, which is currently only offered through trucking. As oil production in the basin is poised to grow, the number of trucks transporting oil, water, machinery, equipment and related items will also increase, unless this project is approved and additional volumes can be transported out of the Uinta Basin to markets via rail. Combining the current truck volumes with the road sizes and condition, routes through communities, and at times dangerous weather conditions, an increase in truck traffic related to growth in future oil production could pose growing safety risks. Approval and construction of the Uinta Basin Railway will only serve to mitigate a measure of these safety concerns.

Similarly, the oil and gas industry acknowledges that the Uinta Basin airshed is challenged with winter inversions, and at times elevated ozone concentrations, and was recently designated as a non-attainment area by the Environmental Protection Agency (EPA). Ozone formation is driven primarily by NOx and volatile organic compound (VOC) emissions, both of which would be assumed to increase in the case of increased truck transport. In evaluating the air quality impacts, we urge the OEA to undertake a thoughtful and detailed "netting" evaluation, which should not

only consider emission reductions associated with removing the current truck fleet, but also the larger emission reductions from the anticipated increased future number of trucks and related emissions.

The Uinta Basin holds a massive oil and gas resource and there are significant local, regional, national economic and societal benefits that could result from developing that oil and gas and taking it to national as well as international markets. According to a PricewaterhouseCoopers study, in 2015 the oil and natural gas industry contributed 66,800 jobs and \$3.5 billion in employee wages in Utah. These jobs represent the truck drivers, engineers, rig hands, construction workers and contractors who make oil and gas production and delivery possible. The Uinta Basin Railway would help sustain and likely build this employee base. The rail project's own operations would create 100 long term direct jobs and 300 additional indirect jobs, not including railway construction jobs or the significant job creation enabled by the growth in related economic activity. The Railway will also connect various Uinta Basin industries to regional and national markets and will provide economic stability to communities in the Uinta Basin by creating well-paying jobs and increasing opportunities for the Basin's main industries to grow: oil and gas, agriculture and livestock, and mining.

UPA understands that the Board's enabling statute—the Interstate Commerce Act as amended by the ICC Termination Act, Pub. L. No. 104-188, 109 Stat. 803 (1996) provides that the agency must approve a construction application unless it finds that the construction is “inconsistent with the public convenience and necessity.” In considering the safety and air quality improvements that would be likely to result from the project construction, UPA believes the Board should determine the project to be consistent with the public convenience and necessity as it allows increased economic development which benefits various segments of the public, while also improving safety and air quality.

We appreciate the opportunity to provide comments on the Uintah Basin Railway Project, a project of significant importance for Utah and the United States of America. Please do not hesitate to contact me for additional information or questions about these comments.

Kind Regards,

A handwritten signature in black ink, appearing to read "Rikki Hrenko-Browning". The signature is fluid and cursive, with the first name "Rikki" being more prominent.

Rikki Hrenko-Browning
President
Utah Petroleum Association