



PORTS-TO-PLAINS

ALLIANCE

Securing the Benefits of Commerce to
North America's Energy & Agriculture Heartland



Heartland

EXPRESSWAY



Theodore Roosevelt

EXPRESSWAY



Ports-to-Plains Annual Meeting

September 8, 2010



Advocacy Efforts



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- These existing highways are inadequate to meet current and future needs of the region and the nation
- To promote economic security and prosperity throughout America's energy and agricultural heartland, these high priority corridors must be upgraded and modernized

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An improved transportation network will produce significant benefits:

- It will improve safety, cutting accidents by 50 percent from today's levels
- It will increase the efficiency of agricultural freight flow. Our corridor runs through six of the top ten farm states that produce nearly a quarter of all U.S. agriculture products

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An improved transportation network will produce significant benefits:

- It is necessary for the development of the traditional energy resources essential to our nation's energy security
- We serve seven of the top ten oil producing states
- The corridor also goes through five of the top six natural gas producing states
- A single oil well requires an estimated 1,200 truck movements to develop

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An improved transportation network will produce significant benefits:

- **It is essential to developing the growing renewable energy industry.**
- **We serve nine of the top ten states for wind energy potential, and five of the top twelve installed wind generation states.**
- **A single wind tower requires eight trucks for major parts, not including the crane, concrete or rebar.**

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An improved transportation network will produce significant benefits:

- It is a cost-efficient way to take pressure off of highly-congested parallel corridors, such as the I-25 and I-35 corridors
- It will promote economic development in a region of the country that has the highest rate of population loss over the last decade and ensure that America's heartland and its communities are connected to America by a modern, efficient and safe transportation facility

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We support significant reform of the federal surface transportation programs, including development of a clear and compelling federal vision.

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We support significantly increased transportation investment and continued user financing through a dedicated trust fund.

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We inherited one of the best transportation systems in the world.

A system bought and paid for by a user fee on fuel purchased by the users of the system.



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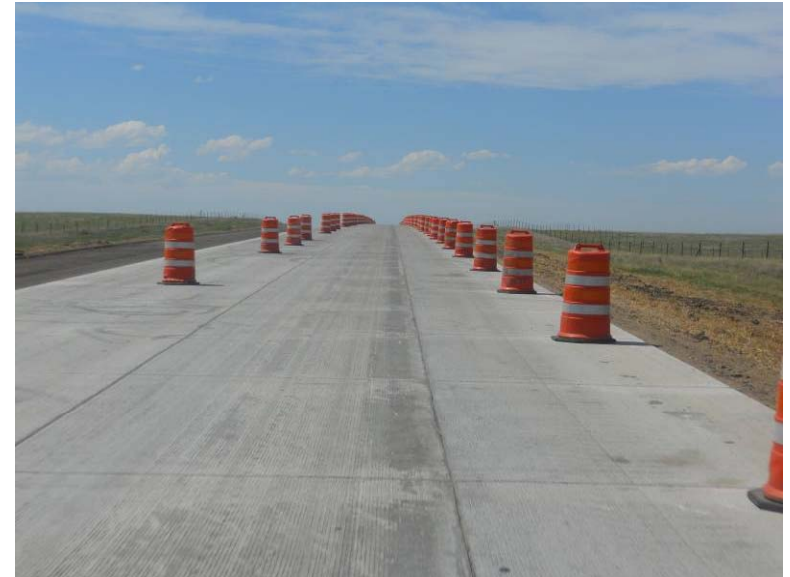
Shortfall in the Federal Highway Trust Fund in 2010 = \$18 billion from General Fund (identified as a payback of funds borrowed for deficit reduction)

2011 ... 2012 ... 2013 etc.?????

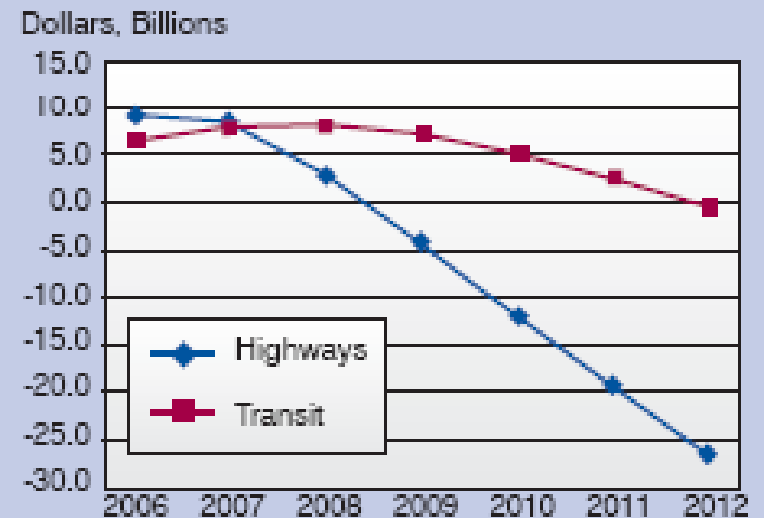


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Programs would have to be cut by 25 percent or so over long term (without increased revenue)



Projections of Highway and Transit Account Balances Through 2012



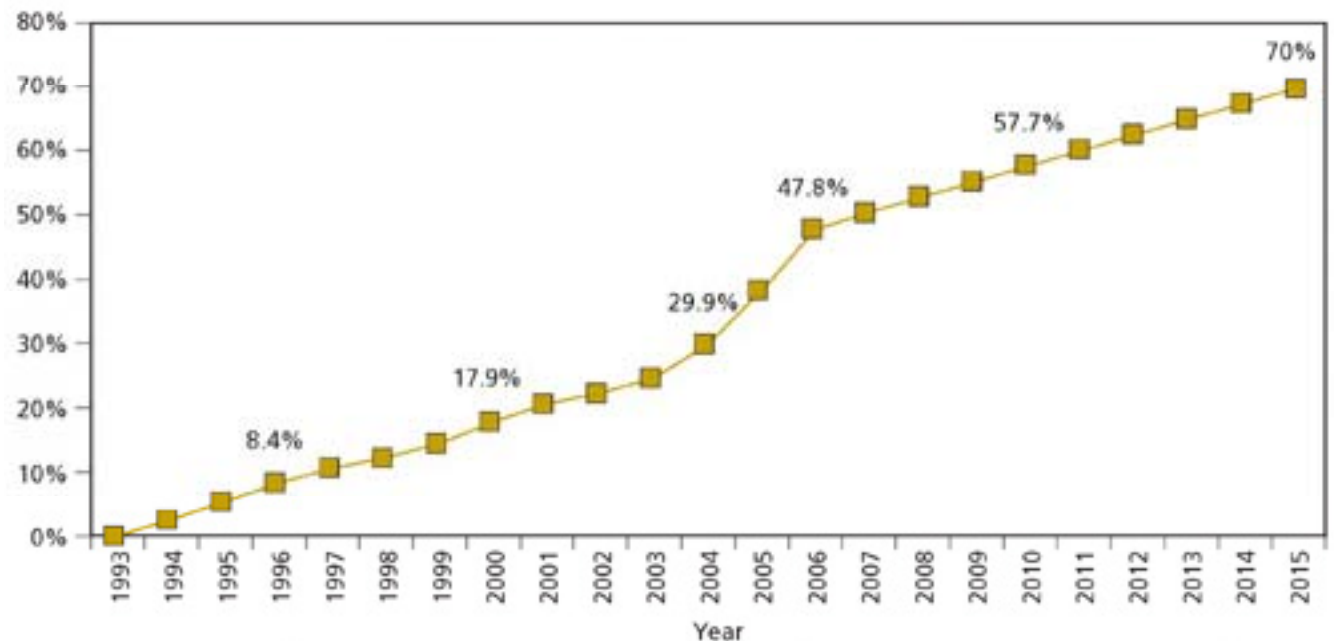
This exhibit shows projected balances in the Highway and Transit Accounts of the Highway Trust Fund through 2012 assuming no change in revenues or program levels.

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Each 1 cent of fuel tax buys 40% of what it did in 1993.



Construction Inflation Rate



Note: Projected change from 2007 to 2015 based on the Consumer Price Index. Data for 2004 to 2006 based on the Producer Price Index for highway construction.





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Demographics

- Vehicles: 246 million today; 400 million by 2055
- Travel: 3 trillion vmt today; may hit 7 trillion vmt by 2055
- Truck Freight: Tonnage to increase by 114 % by 2035
- Trucks: average 10,500 on Interstates today; 22,700 by 2035
- Rail tonnage: Grow by 63 % by 2035; market share down slightly
- Trade: Container traffic up from 42 million today to 110 million by 2020
- Population: Increase by 140 million over next 50 years

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Choices:

- Do Nothing ... Defer Infrastructure Investment
- 25% or more less Transportation Funding into future years
- Pushing the cost to a later generation

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Choices:

Cover the Shortfall from the General Fund

- Creates debt thereby increases deficit
- Highway funding becomes less of a user pay system that must now compete for general tax dollars annually and more politically driven

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Choices:

Increase Revenue

- Tolling, Public Private Partnerships, Bonding and other Debt Tools provide little for rural corridors.
- Urban areas which may benefit want their share of the Fuel tax also
- Gas tax is the only current funding ... requires 10 cents per gallon to remain even with SAFETEA-LU

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Policy Recommendations:

Rural Connectivity and Mobility

- A major focus on upgrading and modernizing the transportation infrastructure that provides connectivity and mobility for America's small communities and rural areas

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Policy Recommendations:

- **Freight Transportation – The new legislation should also include a major focus on freight movement, including freight corridors in rural areas, especially High Priority Corridors on the National Highway System.**

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Policy Recommendations:

- **Border Infrastructure --** Border infrastructure is critical to promote the safe, efficient movement of goods, facilitating trade and supporting jobs in North America.

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Policy Recommendations:

- **Rural Safety --** The new legislation should include a major focus on highway safety, especially safety on two-lane rural roads which often have fatality rates well above urban interstates.
- **These overburdened two-lane roads are carrying much of the food and fuel destined for our nation's major metropolitan areas.**

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Policy Recommendations:

- Environment/Energy – It is critically important, however, that climate change requirements—whether included in surface transportation legislation, climate change legislation, or energy legislation—recognize that the options in rural areas are different than the options in major metropolitan areas.
- A one size fits all approach to climate change will not work.

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Permitting Pilot Program

- We support a pilot program for streamlined transport of overweight and oversize equipment along the Ports-to-Plains Corridor, the Heartland Expressway and the Theodore Roosevelt Expressway.
- One of the key challenges facing transporters of the heavy equipment used in the energy and agriculture industry is permitting oversized loads.



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Thank You from the
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Communities!