PORTS-TO-PLAINS
CORRIDOR UPDATE

Michael Reeves, President
Ports to Plains Corridor

- 1,390 miles corridor length
- Upgrade existing highways to 4-lane
- 15 Relief routes planned, totaling 113 miles
- About 50% of upgrades completed
Over 275 member coalition of cities, counties, economic development agencies, chambers of commerce, businesses, colleges and universities that pay fair share

Volunteer board from throughout the corridor
Agriculture Corridor
Who Buys US Ag Products

2016 Top 10 US Ag Export Markets

Source: USDA, March 2017
NAFTA is Critical for Agriculture

**Canada**

$20.5 billion U.S. Agricultural Exports, 2016

Top 5 U.S. Exports
1. Prepared Food ($3.5 billion)
2. Fresh & Processed Vegetables ($2.4 billion)
3. Fresh & Processed Fruit ($2.4 billion)
4. Pork ($793 million)
5. Beef ($758 million)

Export Growth 2006-2016
$12.0 billion to $20.5 billion (70% Increase)

#2 Among U.S. Agricultural Export Markets, 2016

**Mexico**

$17.9 billion U.S. Agricultural Exports, 2016

Top 5 U.S. Exports
1. Corn ($2.6 billion)
2. Soybeans ($1.5 billion)
3. Pork ($1.3 billion)
4. Dairy Products ($1.2 billion)
5. Prepared Foods ($1.0 billion)

Export Growth 2006-2016
$10.9 billion to $17.9 billion (64% Increase)

#3 Among U.S. Agricultural Export Markets, 2016
PTP is North America’s Energy Corridor

- 5 of top 6 gas producing states
- 6 of top 10 oil producing states
- 9 of top 12 states for wind power potential
Infrastructure Demands

- 8-10 permitted and escorted loads per tower
- 5 regular loads per tower
- 13 to 15 total truck loads per wind tower
- 4000 MW farm with 2667 towers would require up to 40,005 trucks and 53,340 pilot cars
## Oil and Gas Trip Generation
(Average Trips Per Well)

<table>
<thead>
<tr>
<th>Phase</th>
<th>Crude Oil</th>
<th>Natural Gas</th>
<th>Coal Bed Methane</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development 1,2</td>
<td>1,710</td>
<td>1,721</td>
<td>684</td>
</tr>
<tr>
<td>Production (annual)</td>
<td>974</td>
<td>111</td>
<td>782</td>
</tr>
<tr>
<td>Reclamation 2</td>
<td>250</td>
<td>73</td>
<td>146</td>
</tr>
</tbody>
</table>

1. Development Phase includes all activities prior to production (site preparation, drilling and completion)
2. Development and reclamation trips represent a single occurrence

Texas Freight Mobility Plan

- “By 2040 over 73 percent of Texas’ population and 82 percent of the state’s employment is projected to be located within five miles of an interstate.”
- “The state must focus not only on improving existing facilities, but also on developing future freight corridors to move products to markets and exports.”
- “Give additional consideration to the extension or designation of other interstate routes. Examples include I-27 and upgrades to portions of US 190 to interstate standards.”
- “…Ports-to-Plains roadways (US 277 and US 287) are vital non-interstate Primary Freight Network Corridors.”
- “Examples of vital Secondary Freight Network / Emerging Freight Corridors include:…US 87 a Ports-to-Plains roadway…”
- Update expected in September
Interstate 27

- Paving of state highway began in 1929 completed in 1940’s
- 4-laning completed in 1960’s
- Designated at interstate in 1968 federal highway bill
- Construction ran from 1975 – 1992
- Total cost $453 million
Interstate 27 Expansion

- Projected cost estimate around $7 billion to expand to full controlled-access interstate in Texas
- Extension to Laredo projected at $5 billion
- Cost estimate for 4-lane divided with relief routes for Texas is $2 billion
- Nearly 1,000 miles in Texas, 500 miles from Lubbock to Laredo
Compare to I 35 costs

- I 35 E Project – Dallas - $4.8 billion to rebuild 28 mile section of I 35 E from I 635 to US 380
- I 35 - $1.56 billion for 94-mile corridor expansion through Bell, McLennan, and Hill counties
- North Tarrant Express I 35 W - $1.73 Billion for 18 miles in Fort Worth
US-Mexico Trade Supports Extension of Interstate 27

- US–Mexico trade increased by 99% between 2005 and 2015
- 2015 US–Mexico goods and services trade totaled $583.6 billion
- Trucks move 82% of US-Mexico trade
- No major north-south interstate in Texas west of I-35
- I-35 in Austin is the number 1 ranked corridor for truck congestion in the state
Don’t Forget About Canada

- Canada is the #1 market for most U.S. states.
- In 2016, Canada purchased nearly $322 billion in goods and services from the United States.
- Canada buys more from the United States than does any other nation – including China, Japan, Mexico, and the United Kingdom.
- #1 Foreign oil supplier to the US.
- “Agriculture, in particular, saw a boost. Canada is the leading importer of U.S. agricultural products, and one of NAFTA’s biggest economic effects for Canada has been to increase bilateral U.S.-Canada agricultural flows. Canadian agricultural trade with the United States more than tripled since 1994, as did Canada’s total agriculture exports to NAFTA partners.”
  - NAFTA’s Economic Impact – Council on Foreign Relation, January 24, 2017
Timing is right for I-27 extension

- TxDOT has more funding available because of Prop 1 ($594 million – $1.75 Billion) and Prop 7 ($2.5 – $3 Billion)
- Trump administration proposing trillion dollar infrastructure package
- TxDOT and latest federal highway bill place new emphasis on freight movement
- Overlap with Interstate 14
What can you do?

- Let your elected officials know that you support the extension on I-27
  - Local, state and federal
- Join Ports-to-Plains Coalition
- Sign up for updates from Ports-to-Plains
Ports-to-Plains Alliance

Michael Reeves
5401 N. MLK #395
Lubbock, TX 79403
(806) 775-2338

www.portstoplains.com
michael.reeves@portstoplains.com