



# PORTS-TO-PLAINS ALLIANCE

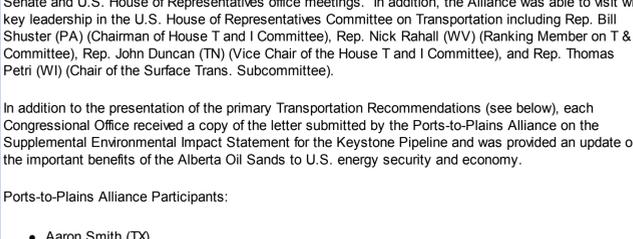
Securing the Benefits of Commerce to North America's Energy & Agriculture Heartland

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## Upcoming Activities of the Ports-to-Plains Alliance

- **May 15 -- Heartland Expressway Annual Meeting, Alliance, NE (re-scheduled due to weather)**
- **June 20-21 -- Northern Ports-to-Plains Alliance Working Group, Wainwright, AB**
- **July 18-19 -- Ports-to-Plains Regional Meeting and Board Meeting in Sonora, TX**
- **October 1-3 -- 16th Annual Ports-to-Plains Conference in Amarillo, TX**



Click above to see additional photos from the Ports-to-Plains Alliance Fly-in and Energy Conference

## Alliance at Washington DC Fly-in from April 22-26, 2013

Transportation and energy were on the table as the Ports-to-Plains Alliance delegation attended 24 Senate and U.S. House of Representatives office meetings. In addition, the Alliance was able to visit with key leadership in the U.S. House of Representatives Committee on Transportation including Rep. Bill Shuster (PA) (Chairman of House T and I Committee), Rep. Nick Rahall (WV) (Ranking Member on T & I Committee), Rep. John Duncan (TN) (Vice Chair of the House T and I Committee), and Rep. Thomas Petri (WI) (Chair of the Surface Trans. Subcommittee).

In addition to the presentation of the primary Transportation Recommendations (see below), each Congressional Office received a copy of the letter submitted by the Ports-to-Plains Alliance on the Supplemental Environmental Impact Statement for the Keystone Pipeline and was provided an update on the important benefits of the Alberta Oil Sands to U.S. energy security and economy.

Ports-to-Plains Alliance Participants:

- Aaron Smith (TX)
- Beverly Haggard (CO)
- Bob Sivertsen (MT)
- Coby Beckner (NM)
- Chris Cornell (TX)
- Cal Klewin (ND)
- Dave Quest (AB)
- Cathy Shull (CO)
- Deb Cottier (NE)
- Duffy Hinkle (TX)
- David Manning (AB)
- Daniel Valenzuela (TX)
- Glen Robertson (TX)
- Jacque Daly (TX)
- John Friess (TX)
- Joe Kiely (CO)
- Jack Schenendorf
- Mary Ballentyne (AB)
- Marlin Johnson (NE)
- Michael Reeves (TX)
- Teresa Schanzenbach (SD)

## PORTS-TO-PLAINS RECOMMENDATIONS

With the Moving Ahead for Progress in the 21st Century Act (MAP-21) set to expire on September 30, 2014, the 113th Congress will need to reauthorize the program by that date. While we recognize that much of the reauthorization work will take place next year, we offer at this time our thoughts on the direction that the reauthorization should take.

### Recommendation #1: Aggressive Oversight of MAP - 21

MAP - 21 made many important policy reforms. The cumulative impact of these reforms were intended to give states greater flexibility to address priority needs on the national surface transportation network and allow them to deliver projects more efficiently and more quickly. The Ports - to - Plains Alliance supports aggressive congressional oversight to ensure that the Administration implements MAP - 21 in accordance with congressional intent and that increased state flexibility does not undermine investment in the national surface transportation network, especially multi-state rural corridors.

### Recommendation #2: Fix the Highway Trust Fund

There is a looming Highway Trust Fund deficit. The challenge will be to develop a long - term fix for the Trust Fund that provides a stable, adequate revenue stream sufficient to facilitate the modern, efficient, and safe national surface transportation system that America needs. In Roll Call, House Transportation and Infrastructure Committee Chairman Bill Shuster described the challenge as follows: With the Highway Trust Fund facing its own version of a fiscal cliff in the coming years, we must find a way to pay for transportation improvements without borrowing from our children. We cannot borrow our way to a better future. We must work together, listen to all ideas and opinions, and build a consensus on what is best for America and our future prosperity. The Ports to -Plains Alliance agrees. Forging a consensus on a long-term solution is critical.

### Recommendation #3: Increase Overall Investment

It is not enough to simply make the Highway Trust Fund solvent. Virtually every study, including studies by two bipartisan national commissions established by Congress, has concluded that there must be a significant increase in investment from the federal, state, and local governments, as well as the private sector. Recognizing that preserving and upgrading our national transportation infrastructure will be costly, we support significantly increased transportation investment and continued user financing through the Highway Trust Fund. We agree that a consensus must be forged on the best way pay for the increased investment. We are prepared to support a reasonable solution that addresses the needs of rural transportation corridors like the Ports-to-Plains Corridor in a fair and equitable manner.

### Recommendation #4: Focus Resources to Achieve Network Benefits

The Federal program should go back to its roots by focusing its resources on upgrading our national highway system on a network basis. There is no greater example of the benefits that can accrue to the Nation from system - wide transportation improvements than the Interstate Highway System. It is a big reason why America is as prosperous as it is today. The challenge for the future will be upgrading the key portions of the National Highway System, including rural freight/energy corridors, to meet the challenges of the 21st Century. This would require sustained, adequate investment that produces network effects, as opposed to ad hoc local improvements. The investment should raise the productivity of the system as a whole, as was the case with the Interstate Highway System. The Interstate Construction Program, built on a federal-state partnership and a cost-to-complete basis, could serve as a model.

### Recommendation #5: Ensure Focused Resources for Critical Rural Freight/Energy

Corridors Rural Freight Corridors, especially rural corridors that are critical to energy development, like the Ports-to-Plains Alliance Corridor, must be a key focus of the next reauthorization bill. This could be accomplished in a number of ways:

- A cost - to - complete type of system - wide improvement program as discussed above;
- A separate freight highway program, with adequate resources set aside for rural freight/energy corridors; or
- A targeted rural freight/energy corridor investment program backed up by adequate resources.

To the extent the next bill relies on innovative financing (PPPs, tolling, pricing, enhanced-credit facilities), it is important to remember that these options do not generally help rural corridors. Most of these options require that the project generate a revenue stream (usually tolls) to repay the investment, which is not an option in most rural corridors. Therefore, to the extent the bill gives urban areas increased financing flexibility, it should also take steps to require that states give priority to rural corridors in obligating its federal highway grants.



## Ports-to-Plains Alliance Energy Conference Attended by Eleven Congressional Offices

U.S. Representative Cory Gardner (CO) headlined the 4<sup>th</sup> Annual Ports-to-Plains Energy Conference in Washington DC on April 26, 2013. Gardner highlights the importance of energy to the economy of the Ports-to-Plains region and to the United States in general.

The Ports-to-Plains Alliance is pleased to thank Conoco-Phillips, MEG Energy, Valero Energy and TransCanada for sponsoring this event.

The Ports-to-Plains Region is the core opportunity to create a secure North American energy future and an improved energy future through renewables. As you can see from the agenda and presentations that future is bright and our communities can benefit economically from the development of its natural resources.

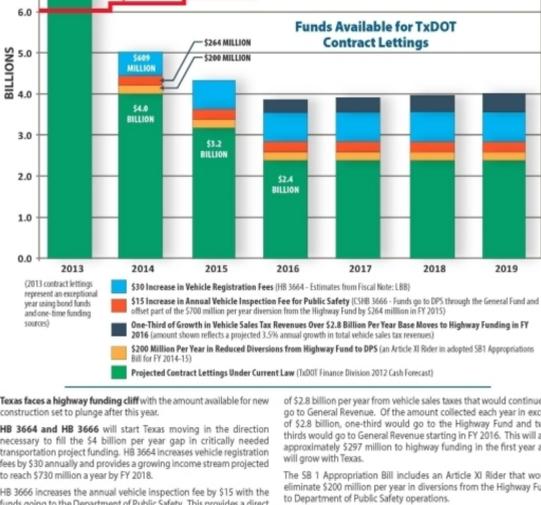
## Presentations:

- Energy Issues Overview / Renewable Fuel Standards
  - Michael Whately, Executive Vice President, Consumer Energy Alliance
- Keystone XL Pipeline Update
  - Paul Elliott, Director of Government Relations, TransCanada
- Transportation and Energy
  - Scott Haywood, Chief of Staff, Texas Department of Transportation
  - Barry Brown, Vice President, Alpine Group
- Taxes and Budget Battles Impact on the Energy Industry
  - Michael Zehr, Vice President of Government Relations, HBW Resources
- Compressed Air Wind Energy Storage
  - Alissa Oppenheimer, Managing Director, Chamisa Energy
- Wind Energy's Future and the Impact on U.S. Manufacturing
  - Noel Davis, CEO, Vela Gear Systems LLC

[Click here to access to the presentations](#)



## Addressing the Texas Transportation Funding Cliff



Texas faces a highway funding cliff with the amount available for new construction set to plunge after this year. HB 3664 and HB 3666 will start Texas moving in the direction necessary to fill the \$4 billion per year gap in critically needed transportation project funding. HB 3664 increases vehicle registration fees by \$30 annually and provides a growing income stream projected to reach \$730 million a year by FY 2018. HB 3666 increases the annual vehicle inspection fee by \$15 with the funds going to the Department of Public Safety. This provides a direct offset to current diversions from the State Highway Fund, leaving that money for highway projects.

Transportation Advocates of Texas recommends bringing a portion of the vehicle sales tax into the Highway Fund through a floor amendment to HB 3664. The amendment would set a base amount of \$2.8 billion per year from vehicle sales taxes that would continue to go to General Revenue. Of the amount collected each year in excess of \$2.8 billion, one-third would go to the Highway Fund and two-thirds would go to General Revenue starting in FY 2016. This will add approximately \$297 million to highway funding in the first year and will grow with Texas. The SB 1 Appropriation Bill includes an Article XI Rider that would eliminate \$200 million per year in diversions from the Highway Fund to Department of Public Safety operations. The net result of these proposals is illustrated in the chart above with additional funding available for highway contracting of approximately \$1 billion a year in FY 2014 and FY 2015. The annual total will increase in future years with growth in the number of vehicles sold, registered and inspected in Texas.

Chairman: Jim Bevel, (512) 614-3724 • Vice Chairman: Vic Sulvan, (817) 262-7230  
Treasurer: Jennifer McEwan, (512) 786-9096 • Secretary: Brandon James, (512) 236-2095  
Transportation Advocates of Texas, Inc. (TAT), 13526 George Road, Suite 107, San Antonio, Texas 78239

## Ports-to-Plains Alliance Northern Work Group Meeting

June 20-21, 2013

Location: Wainwright, AB Communiplex Hall 2

Invitations are being extended to:

- Alberta Premier Alison Redford
- Alberta Minister of International and Intergovernmental Relations Cal Dallas
- Alberta Minister of Municipal Affairs / MLA Battle River-Wainwright Doug Griffiths

Registration Fee: \$20 (US or CAD)

Please RSVP to:

Jacque Daly (jacque.daly@portstoplains.com; 806-775-3369)

Please direct your questions to:

Joe Kiely, Vice President of Operations, Ports-to-Plains Alliance, joe.kiely@portstoplains.com, 719-740-2240

Or

Len Mitzel, Event Coordinator, len.mitzel@portstoplains.com, 403-580-1181

JUNE 20-21 2013 ~ WAINWRIGHT, AB

Due to Wainwright Stampede, hotels will be booked quickly. We have a block of room at the following two hotels:

Best Western Wainwright Inn & Suites  
Call: 780-842-9934. Rate: \$140

R & R Inn  
Call: 780-842-2277

Reference the Ports to Plains Booking



## Ports-to-Plains Alliance Northern Work Group Meeting

June 20-21, 2013

Theme: **Creating a Business Case for the Northern Ports-to-Plains Corridor**

Meeting on Thursday Evening  
Meeting all day on Friday  
Wainwright Stampede Rodeo on Friday Night

Mark your Calendars

Final Agenda Coming Soon!

Block of Rooms available under Ports-to-Plains at  
Wainwright Best Western (780-845-9934)  
R & R Inn (780-842-2277)

Since it is Wainwright Stampede Week, please make your hotel as soon as possible.

## THANK YOU VISIONARIES

Without your leadership and support, our continued success would not be possible.

## Current Members

## Membership Opportunities

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