



June 5 2015

The Honorable Anthony Foxx, Secretary of Transportation
Office of the Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington D.C.

Dear Mr. Secretary:

On behalf of Watco Companies which operates the Stillwater Central Railroad and the South Kansas & Oklahoma Railroad in Oklahoma, I am writing to express our support for the urban and rural railroad/highway crossings signal upgrades the Oklahoma Department of Transportation is requesting in this Tiger VII application.

This grant will be used to modernize and improve rail safety infrastructure at various urban railroad crossings in the Oklahoma City and Tulsa Metro areas that either experience high volumes of unit trains transporting crude oil or intersect with highway routes that serve Native American health service centers.

U.S. crude oil production has risen sharply in recent years, with much of the increased output moving by rail. In 2008 U.S. Class I railroads originated 9,500 carloads of crude oil. In 2014 they originated 493,126 carloads of crude oil. In 2014 between Burlington Northern Santa Fe (BNSF), Union Pacific (UP) Kansas City Southern (KCS) and various short line railroads, Oklahoma had nearly 100,000 of that nearly half a million oil tanker cars move thru our state. A majority of the increased oil production shipped by rail is coming from North Dakota shale oil fields to refineries in Texas. And not only has the number of carloads gone up they are shipped now in "unit trains" of 100 to 120 carloads at a time. The increased volume and concentration has increased the number of accidents involving oil trains in the U.S. and Canada that have affected the public. The railroads have taken numerous steps to improve their operations while the federal government is changing tank car requirements. The State of Oklahoma thru the Oklahoma Dept of Transportation is doing its part to address this increased train/motor vehicle conflict by up grading the railroad crossings surfaces and signal devices to make them safer for the traveling public and railroad operations.

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In the face of this increased rail traffic the MPO's of OKC and Tulsa respectively are predicting a 33% to 39% increase in population in the metro areas and motor vehicle traffic (cars and trucks) increases of 35 to 40% by 2035. In light of the increases in both railroad and motor vehicle traffics ODOT is attempting with this application to improve the safety of our most critical railroad/road crossings while reducing the potential for crude shipment related incidents. This application for railroad/highway crossing safety upgrades is a positive step for Oklahoma and positive step for the nation. Increased transportation of rail traffic is important to the growth of our nation's economy but protecting our traveling public is paramount.

I appreciate the opportunity to share with you the importance of this project to Oklahoma City, Tulsa and the state of Oklahoma, and I urge your expeditious approval of the Oklahoma Department of Transportation's application for Tiger VII funding.

Sincerely,



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Assistant Vice President – Government Affairs

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