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STATE OF COLORADO
DEPARTMENT OF LAW

Office of the Attorney General

April 21, 2023

The Honorable Pete Buttigieg
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590

RE: Uinta Basin Railway Application for Private Activity Bonds

Dear Secretary Buttigieg:

As the U.S. Department of Transportation (“USDOT” or “Department”) weighs transportation projects worthy of federal investment, I urge the Department not to devote resources to the proposed Uinta Basin Railway. This rail project to transport waxy crude oil through Colorado poses significant risk to our State, our communities, and our natural resources. I ask that the Department reject any use of tax-exempt Private Activity Bonds—or any other source of federal funds—for this project.

The proposed route would construct an 88-mile rail line that would connect existing rail lines. This connection would transport up to 350,000 barrels of waxy crude oil on two mile-long trains through Colorado daily. The proposed route would run directly along sensitive and critical waterways including the Colorado River and its headwaters. Oil trains would also travel through other important ecosystems including the Fraser River and Arkansas River.¹ The plan has drawn resolute opposition from throughout Colorado,² particularly from communities that would be most impacted by the proposed rail line.³

The Colorado River serves as the most critical water source for Colorado homes and is core to our agricultural and outdoor recreation sectors. The proposal would steer the rail line project along the Colorado River headwaters—resulting in high numbers of train cars running daily alongside the river through mountains and narrow twisting canyons already prone to flooding, fire, and rockslides. The risk of rail car oil leaks, fire hazards, or potential

¹ Jason Blevins, *Railroad’s Plan to Haul Waxy Crude Through Colorado’s Mountains Needs \$2 Billion in Government-approved Bonds*, COLO. SUN, Feb. 24, 2023.

² Letter from Sen. Michael Bennet, Sen. John Hickenlooper, and Cong. Joe Neguse to Secretary Pete Buttigieg, available at https://www.bennet.senate.gov/public/_cache/files/9/3/9314b634-4a57-4ec2-baf6-1e48d9c6ed35/9FF00B2C65664A220F1299FA2EB447C6.2023.03.09-uintaletter-dot-final.pdf (Mar. 9, 2023).

³ Jason Blevins, *Eagle County Carries the Torch for Colorado in Last-ditch Attempt to Block Utah Waxy-crude Rail Cars Traversing Colorado River*, COLO. SUN, Sept. 22, 2022.

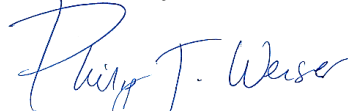
derailments poses an extreme risk to Colorado's most important water source and the surrounding environment. And a spill in Colorado could impact more than just our State—water from the Colorado River serves six other states, ten federally recognized tribes, and Mexico.

This risk is even more alarming given the recent catastrophic train derailment in East Palestine, Ohio. The major and lasting damage to the East Palestine community shows how an oil train accident can devastate a community and inflict permanent harm to residents.⁴

The Private Activity Bonds program has successfully invested billions to date in transportation projects throughout the Nation by leveraging private sector investment in public infrastructure projects. Under your leadership and past secretaries, this program serves as a model for how the public and private sectors can partner to deliver critical infrastructure projects—including high-occupancy vehicle lanes, managed lanes, light rail transit, and bridge and highway replacements. Projects funded through this program provide significant value to the traveling public. Yet, the Uinta Basin Railway offers no such mobility value to the public, but only to private sector interests. Federal Private Activity Bonds should benefit the public and prioritize moving people, not goods for a private industry actor. Furthermore, if approved, tax-exempt bonds devoted to the Uinta Basin Railway would have taxpayers subsidize a private venture, and one with significant community opposition. Such an approval would erode confidence in an important USDOT program that has aided so many critical projects and benefited the public.

I strongly encourage the USDOT to not invest Private Activity Bonds in such a risky and unsupported project. Should you or your staff have questions as you review this matter, please contact me or Kurtis Morrison, Deputy Attorney General, Department of Law at kurtis.morrison@coag.gov. Thank you for your consideration.

Sincerely,



Phil Weiser
Attorney General

cc: Mr. Carlos Monje, Under Secretary for Transportation Policy, USDOT
Mr. John Putnam, General Counsel, USDOT

⁴ Tami Abdollah, *Trains Are Becoming Less Safe: Why the Ohio Derailment Disaster Could Happen More Often*, USA TODAY (updated Feb. 16, 2023); Timothy Cama, *Trump Officials Roll Back Obama Oil Train Safety Rule*, THE HILL (Sept. 24, 2018).