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SIERRA CLUB • SOUTHERN UTAH WILDERNESS ALLIANCE
UTAH PHYSICIANS FOR A HEALTHY ENVIRONMENT
WESTERN COLORADO ALLIANCE • WILDEARTH GUARDIANS
WILDERNESS WORKSHOP**

July 24, 2023

Greg Sheehan, Utah State Director
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Re: BLM Should Prepare an Environmental Impact Statement on Wildcat Loadout Right-of-Way Amendment.

Director Sheehan:

On behalf of the undersigned organizations representing millions of members, we urge the Bureau of Land Management to prepare an environmental impact statement (EIS), rather than an environmental assessment (EA), on the Wildcat Loadout right-of-way amendment, a proposal designed to increase oil production in the Uinta Basin by one billion gallons per year, and to increase oil sent on railcars along the Colorado River by that same amount. We would appreciate the opportunity to meet with you at your earliest convenience to discuss this issue.

In June, we learned that BLM's Price Field Office intends to prepare a short EA to evaluate an industry proposal to increase the capacity of the so-called "Wildcat Loadout" facility west of Price, Utah. BLM is considering granting approval to Coal Energy Group 2 LLC (Coal Energy Group) to vastly increase the Loadout's capacity to hold and transport Uinta Basin crude oil on railcars – from 30,000 barrels per day (current capacity) to 100,000 barrels per day.¹ That's an increase of *one billion gallons a year*.² The right-of-way amendment would allow Coal Energy Group to add oil holding tanks, additional rail tracks, and other infrastructure all designed to expand oil production, transportation and eventual combustion. The Loadout operator estimates the project life to be 20 years.

We are greatly concerned about this proposal because it will increase air pollution and truck traffic in Utah, and will threaten spills and pollution into the Colorado River, along which oil trains will run for over 100 miles. If approved, Coal Energy Group's proposal will result in a

¹ See BLM eplanning page, <https://eplanning.blm.gov/eplanning-ui/project/2025436/510> (DOI-BLM-UT-G020-2023-0013-EA) (last viewed July 24, 2023).

² 70,000 barrels/day X 365 days/year X 42 gallons/barrel = 1.07 billion gallons/year.

significant increase in the number of tanker trucks hauling oil between the Uinta Basin and Price, Utah. With capacity increased to 100,000 barrels per day, that means as many as 700 loaded truck trips a day (350 loaded, 350 returning) will move between the two points.³ That equals an oil truck every 2 minutes and 3 seconds all day, every day, between Price and the Uinta Basin. The Loadout right-of-way amendment will also drive a significant increase in oil production in the Basin, where transportation bottlenecks currently limit producers' ability to get their product to refineries outside of Salt Lake City. Increasing production in the Basin will worsen public health there; the area already suffers from some of the worst air quality in the nation due to existing oil and gas development.⁴

By increasing the volume of rail traffic carrying oil in railcars along the Union Pacific line running east from Price, the Loadout right-of-way amendment will also increase the risk of spills in the Colorado River, and the risk of other accidents. The Colorado River is a source of water for 40 million people, habitat for endangered fish, and an economic engine driving Colorado's recreation economy; any accident or spill there could be disastrous. As the East Palestine rail disaster has sadly demonstrated, the risk to communities posed by railcars carrying hazardous materials can be catastrophic. Any National Environmental Policy Act (NEPA) analysis that BLM prepares must disclose these downstream impacts.

Increasing oil production in the Basin also means increasing the volume of oil refined, combusted or otherwise used after the oil trains reach their destination. Refining results in harmful air pollution; end use of the transported oil that would otherwise remain in the ground will unlock greenhouse gas pollution that will poison the planet for centuries, worsening the climate crisis. BLM's environmental analysis must disclose these impacts as well.

Our concerns about the use of an EA are heightened by the fact that there are several connected and cumulative actions which BLM should address in one environmental review document, rather than in piecemeal fashion. The Loadout right-of-way amendment appears to be part of a multi-prong industry effort to significantly increase oil production in the Uinta Basin. For example, industry allies have also recently proposed to construct a "Hydrocarbon Highway" through Gate Canyon, connecting the Uinta Basin to Nine Mile Canyon and then on to Price, Utah (where the Wildcat Loadout and two other similar facilities are located).⁵ Nine Mile Canyon is world-renowned for its remarkable density and diversity of prehistoric sites and artifacts, including petroglyphs, pictographs, and granaries. A significant increase in oil truck traffic next to "the world's longest art gallery" would threaten archeological resources and a

³ Assuming oil trucks will carry 285 barrels/truck. See Seven County Infrastructure Coalition, Uinta Basin Oil Pipeline Study Final Report (Sep. 2017) at 18, available at <https://scic-utah.org/wp-content/uploads/2020/08/Uinta-Pipeline-Summary-Report.pdf> (last viewed July 24, 2023). 100,000 barrels/day / 285 barrels/truck = 351 trucks/day.

⁴ Additional Air Quality Designations for the 2015 Ozone National Ambient Air Quality Standards, 83 Fed. Reg. 25776-01 (June 4, 2018) (designating the majority of the Uinta Basin as non-attainment of the National Ambient Air Quality Standard for ozone because, in large part, of existing oil and gas activity in the Basin); Emma Penrod, *Feds give Utah three years to bring ozone pollution down to acceptable levels*, Salt Lake Tribune (May 1, 2018), <https://www.sltrib.com/news/environment/2018/05/01/feds-give-utah-three-years-to-bring-ozone-pollution-down-to-acceptable-levels/> (explaining that oil and gas activities are the primary factors in the Uinta Basin for the designation) (last viewed July 24, 2023).

⁵ Available at <https://eplanning.blm.gov/eplanning-ui/project/2022551/510> (last viewed July 24, 2023).

high-quality visitor experience, and threatens to undermine the important cultural, scenic, and other values that led BLM to designate Nine Mile Canyon as an Area of Critical Environmental Concern and Special Recreation Management Area in applicable resource management plans.

Any environmental review document must also address this proposal's relationship to another plan to transport vast quantities of oil out of the Basin: the Uinta Basin Railway. The Wildcat Loadout will likely have many of the same upstream impacts (on increased oil development, air pollution in the Basin, etc.) and downstream impacts (on Colorado communities threatened by oil spills, on communities where refining will occur, and on greenhouse gas pollution) as the Railway. BLM's approval of the Loadout expansion would result in a total of 1.5 billion gallons of oil per year on railcars (the existing 30,000 barrels per day already moving on rails, together with the 70,000 enabled by the Loadout right-of-way amendment), about 30% of the oil expected to be transported from the Basin via the Railway.⁶ Any NEPA document BLM prepares must address how the Loadout expansion and the Railway fit together, and have overlapping, cumulative, and/or synergistic impacts.⁷

Because the Wildcat Loadout right-of-way amendment will have significant impacts upstream in the Uinta Basin (to air quality, truck traffic, public health, and habitat destruction) and downstream in Colorado and beyond (due to the increased risk of oil spills and accidents along the Colorado River, and increased air and climate pollution when the transported oil is refined and utilized), BLM must prepare an EIS.

Thank you for your consideration. We request a meeting with you to discuss this issue and look forward to your reply.

Sincerely,

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⁶ Surface Transportation Board, Final EIS, Uinta Basin Railway at 2-35 (Railway may transport up to 350,000 barrels/day), available at https://icfbiometrics.blob.core.windows.net/uinta-basin/02_Proposed_Action_FEIS.pdf (last viewed July 24, 2023).

⁷ Because the Uinta Basin Railway EIS inadequately addressed numerous impacts, and its EIS is being challenged in court, BLM can neither blindly defer to, nor incorporate by reference, that flawed analysis. *See Eagle County, Colorado v. Surface Transportation Board*, D.C. Circuit case no. 22-1019.

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