October 6, 2014

RE: Waiver request of non-Federal funding match for SP&R Funds.

FHWA Texas Division Office

300 East 8th Street,

Rm 826
Austin, Texas 78701

Dear Kirk,

In support of the current pooled fund solicitation #1383, "State Responses to Energy Sector Developments" the TxDOT is requesting the waiver of the non-Federal funding match for State Planning and Research Funds for use on the proposed project. TxDOT will serve as the lead agency of this proposed project. The estimated number of partners will be five, including the lead agency, and the approximate level of funding required to complete the research is $90,000.

New and expanding energy sector developments – oil, natural gas, coal, wind, biofuels, and solar – are occurring in numerous states throughout the country. Hydraulic fracturing (fracking) for crude oil and natural gas and extracting the sand used in the fracking process is underway in many states. Increased shipments of crude oil by rail and barges are occurring in still other states. Supply chains serving energy installations in one state often originate in another state.

While states, counties, and communities are realizing economic benefits from these activities, the impacts from energy development on transportation systems are immediate and extensive. Rural roads and bridges are especially vulnerable to the increased volumes of trucks, but additional demands are also being placed on the rail, port, and aviation networks. State departments of transportation and other agencies are responding in numerous ways to increased truck traffic, infrastructure deterioration, and safety concerns.

We request that participating states contribute $20,000 each for the fiscal years 2015 and 2016.

The expected outcomes for this project are:

1. Provide communication and information sharing among member states related to proactive and reactive responses to energy sector developments, including industry engagement, infrastructure management, funding and financing, safety, planning and forecasting tools, and other related topics.
2. Provide a technology and knowledge exchange forum on the practical applications available to member states to better respond to ongoing demands on the transportation system from energy exploration, extraction, and production.
3. Conduct research on high-priority topics identified by the member states. Examples of possible research topics include methods to forecast future energy development and impact locations, improved asset management methods, infrastructure hardening and resiliency, estimating truck and rail traffic, and addressing safety and environmental concerns.

So that states may use 100% State Planning and Research (SPR) funds for the conduct of this study, I request that you approve a waiver of the requirement that states provide matching state funds. If you have any questions or need further information please contact me.

Kind regards,

Joe Adams

Research and Implementation Project Manager

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