

May 23, 2024

The Honorable Amit Bose, Administrator Federal Railroad Administration 1200 New Jersey Avenue, SE Washington, DC 20590

Re: Watco's 2023/2024 CRISI Grant Program Application: "Strategic Bridge Improvement and Sustainability Project"

Dear Administrator Bose;

On behalf of U.S. Energy[™], I want to extend my full support for Watco's 2023/2024 CRISI Grant Application - *Strategic Bridge Improvement and Sustainability Project*. This project proposes to complete at least 30% preliminary engineering and design work, including all environmental work, for 116 strategic railroad bridges that traverse waterways across the entire Watco network. These bridges are critical to safe and efficient railroad service to our facility (or facilities).

At U.S. Energy, we've established ourselves as a leading provider of refined products, alternative fuels, and environmental credits over our 70-year tenure. Vertically integrated across the energy supply chain, we provide energy project development, distribution, and marketing services through wholesale, commercial, and retail channels. We rely on rail movements to support our 35+ owned and operated fuel terminals, 200+ third-party terminals, and nationwide customer network—using multimodal logistic capabilities to ensure fuel supply, where and when needed.

Further weight restrictions and/or rail service disruptions, due to the condition of the bridge(s) that serve our facility (or facilities), would severely impact the economics of our business model and would result in more truck traffic navigating local roads through business, commercial, and residential areas to reach our plant. I understand Watco is applying for a federal CRISI grant of \$15.2M and will provide a local match of \$3.8M if awarded. I applaud Watco for taking this big step forward in trying to address its infrastructure challenges today and in the future.

U.S. Energy supports modern infrastructure that helps our economy grow and enhances the safety of the communities we call home, and certainly supports this CRISI grant application.

Respectfully,

Katie Eckersley

Katie Eckersley Director of Trading and Operations—Rail U.S. Energy, a U.S. Venture company