

Improved Access To Rail Data

NEW TOOLS FOR FIRST RESPONDERS

Union Pacific Railroad helps America thrive by providing safe and efficient transportation of the products that power the country including crude oil, coal, ethanol, wind turbines and solar panels.

Crude oil represents about 1 percent of Union Pacific's overall freight revenue. Though accidents are extremely rare, all of us at Union Pacific work diligently to follow strict safety practices in an effort to keep trains moving safely with zero derailments.

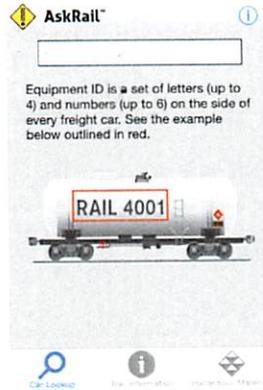
An important part of Union Pacific's efforts to move crude oil safely is the Union Pacific Hazardous Materials Management Group (HMM). This team of 30 consists of highly trained experts in hazardous material transportation safety, securement and response. The HMM Group has a four-part mission: prevention, preparedness, response and recovery.

Union Pacific is introducing first responders on its rail network to AskRail™, a new real-time mobile application produced by the Association of American Railroads (AAR). In addition, Union Pacific will soon launch its Emergency Preparedness Network Map (EPNM), a desktop application for state Emergency Operations Centers (EOC).

AskRail is a handheld tool for response and training purposes. The EPNM helps state and local emergency management professionals prepare for potential incidents by providing a current snapshot of the type and location of hazardous materials being transported in a state.

ASKRAIL RESPONSE TOOL

HMM team members will work with local emergency responders along Union Pacific rail lines to grant access to the AskRail app. Once first responders have downloaded the AskRail app onto their mobile device, they will simply enter the identification number located on a tank car into the app to identify what commodity is inside the car. AskRail will supplement the existing response process Union Pacific's HMM Group uses to collaborate and communicate with emergency responders during a hazardous materials-related incident.



AskRail's rail car ID query can be used to obtain rail car information, including:

- Loaded/empty status
- Contents' shipping name
- Contents' hazard class
- Railroad name
- Railroad emergency contact information

UNION PACIFIC'S PREPAREDNESS TOOL

Developed by Union Pacific, the EPNM will give emergency management professionals at state EOCs an hour-by-hour snapshot of hazardous materials moving on Union Pacific track within state boundaries.

The tool will show the location of tank cars carrying hazardous materials, helping emergency response teams in their efforts to prepare for potential incidents. Each state EOC will be granted access to the EPNM upon signing a confidentiality agreement. The EPNM crude oil data is proprietary, and some EPNM data may include sensitive security information.

The EPNM illustrates the following information about the Union Pacific network within an EOC's state:

- Trains and rail cars carrying crude oil, ethanol and other hazardous materials
- Detailed information regarding the hazardous material in a rail car
- Rail car's waybill, recipient and special conditions
- Train and rail car ID numbers
- Train and rail car origin stations, including city/state
- Train and rail cars current city location
- Current train statistics (e.g., loaded cars, empty cars, weight, length and number of cars per train)

AGENDA ITEM: _____

DATE: 4/15/10

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PLANNING COMMISSION

Union Pacific Protects Bridge Integrity with Rigorous Inspections



Union Pacific's bridge safety starts with thousands of annual inspections. These inspections ensure the structural integrity of our bridges.



Exceeding federal bridge inspection requirements is part of our commitment to safely move every train on our railroad. Nearly 600-member team of bridge maintenance and inspection professionals works daily to maintain bridges on our 32,000-mile network.

We have full-time bridge inspection teams and dedicated "snooper" trucks working in each of the 23 states UP operates in. We also have bridge maintenance professionals who work daily to structurally maintain our roughly 18,000 bridges.



in bridge engineering, function and design to assure that all of our bridges are structurally sound and capable of bearing the weight of freight trains.

Union Pacific bridges are constructed of steel, concrete or timber using designs such as beam, truss, swing span and lift. The height of our bridges ranges from 20 to 400-plus feet. Many railroad bridges were designed and constructed when freight trains were powered by steam locomotives, which are three

times heavier than modern freight locomotives.

Union Pacific bridges are inspected twice annually by one of 29 two-person railroad bridge teams. Elevated bridge inspections include a detailed "snooper" examination conducted from a truck-mounted articulated basket crane that gives

Bridge inspectors carefully examine each component of our bridges looking for corrosion or cracks in trusses, decking, and other components. Our bridge maintenance professionals perform proactive maintenance and repairs throughout the year.

Union Pacific's bridges span roads, rivers, canyons, estuaries and other geographic features to help us efficiently deliver America's goods from fruits and vegetables, to smart phones and automobiles.

Our bridge inspection and maintenance teams are led by licensed civil engineers who supervise all bridge-related work and processes. Our civil engineers leverage their expertise

inspectors optimum access to bridge components above and below the bridge deck.



29 TWO-PERSON RAILROAD BRIDGE INSPECTION TEAMS

Union Pacific's railroad bridge inspection teams perform quarterly inspections of bridges in our busiest corridors. Special inspections are made following severe weather, earthquakes and wildfires.



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SUPPLYING ENERGY SAFELY

SANTA MARIA REFINERY RAIL PROJECT

PLANNING COMMISSION

AGENDA ITEM: 3

DATE: 4/15/10

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Everything we do at Phillips 66 has safety in mind, and the Santa Maria Rail Extension project is no different. We've been managing train movements on site for decades with an excellent safety record. Currently, we are modernizing our rail fleet to meet the newest safety standards.

The Santa Maria Refinery plays an integral role in both the local economy as well as California's energy infrastructure. Due to a decline in California crude oil production and transportation infrastructure challenges, we need other reliable sources of transporting crude to support the long-term viability of the site and the jobs it provides.

Ceramic thermal protection and steel jacket for additional protection.

One of the **most modern** railcar fleets in the industry.

Full head shields and reinforced protective housing for valves and fittings.



Began modernizing fleet in **2012**

3rd party inspection of all cars

99.99%
safety record across Phillips 66 rail operations

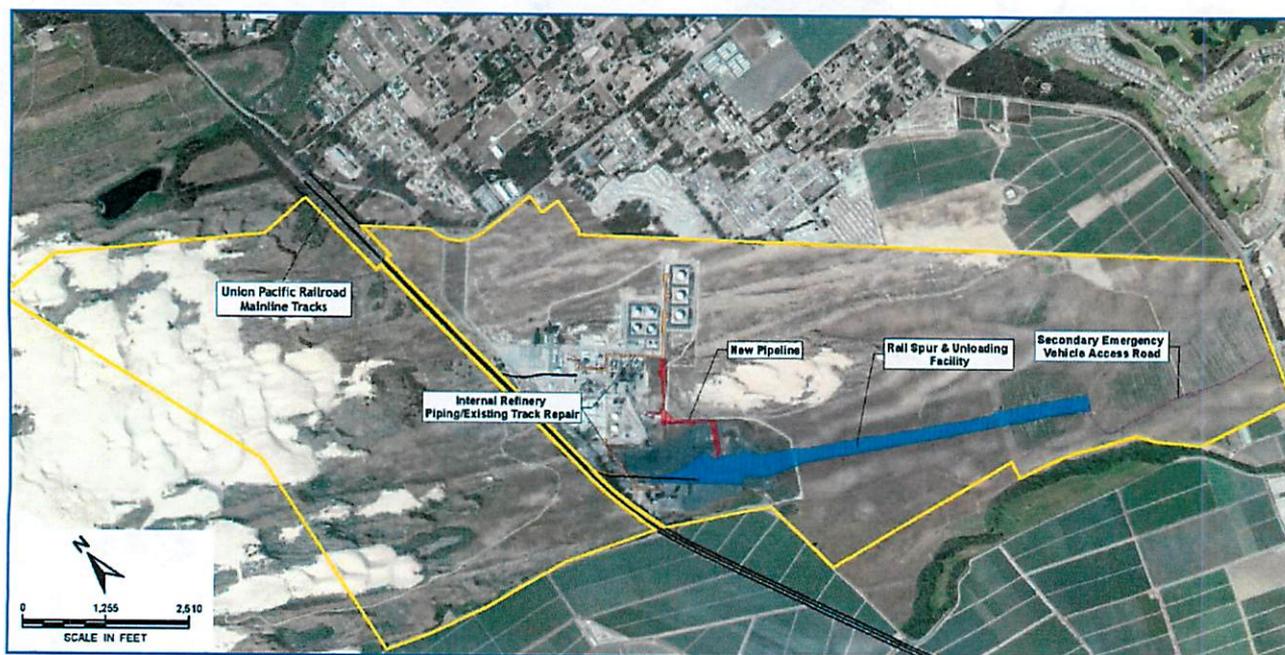


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Facts About the Phillips 66 Rail Extension Project

- The Phillips 66 Santa Maria Refinery has operated on the Nipomo Mesa for 60 years. The facility employs approximately 200 people and pays more than \$2.2 million in state and local taxes.
- Changes in the California oil industry are affecting the way the Phillips 66 Santa Maria Refinery does business. There are no pipelines that connect the refinery to alternate sources of crude oil and the refinery does not have a marine offloading facility. One solution is to utilize and enhance our existing rail facility to enable rail delivery of crude oil.
- The project will create 30-50 temporary positions during the nine-month construction period. Depending on the final approved project, several new full-time operating positions could also be added.
- Trains will enter the refinery via a spur from the existing rail track and be secured for 24-hour turnaround unloading. The project will extend the refinery's existing track and include construction of an "unloading rack" used to move the oil into the refinery's storage tanks. The amount of oil refined at the facility will not increase.
- Phillips 66 continues to work with the California Office of Emergency Services to create appropriate legislation that will provide resources to first responders for hazardous materials shipments by rail.
- The Union Pacific Railroad will be responsible for delivering the crude oil railcars to the refinery. Union Pacific safely transports a variety of products, including crude oil, through San Luis Obispo County every day. We have confidence in Union Pacific's capabilities and are working closely with the railroad on this project.



PHILLIPS 66
Santa Maria Refinery
2555 Willow Road
Arroyo Grande, CA 93420
805-343-1776



April 14, 2016

PLANNING COMMISSION

AGENDA ITEM: 3
DATE: 4/15/16

Members of the Planning Commission
San Luis Obispo County
Department of Planning and Building
976 Osos Street, Room 200
San Luis Obispo, CA 93408-2040

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Attention: Ramona Hedges, Planning Commission Secretary

Re: Phillips 66 Rail Spur Extension Project

Dear Commissioners:

I have recently replaced Bill Schroll as the acting Site Manager for Phillips 66's Santa Maria Refinery. As you prepare for the next session of hearings on the Rail Spur Extension Project, scheduled for April 15, 2016, I would like to update you on our company's transition to rail crude oil tank cars meeting the new, more rigorous standards adopted in May 2015. Transition of our owned and leased rail tank car fleet to upgraded cars is proceeding apace. At the same time, it has taken longer than we expected to complete the permitting process for the Project, and we estimate that Project construction will take 9-10 months after the Project receives full approval. Due to the confluence of these two things, we expect that by the time we complete construction, our upgraded tank car fleet will be large enough that only the upgraded tank cars will be used in unit trains delivering crude to the refinery. Therefore, we are willing to commit to the following mitigation measure, in lieu of Mitigation Measure HM-2a in the Final EIR:

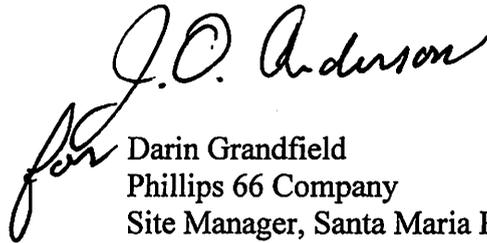
Crude oil unit trains shall not be allowed to unload crude oil at the Santa Maria Refinery unless all the tank cars in the train are designed or retrofit to meet or exceed the DOT 117, 117P or 117R standards set forth in 49 CFR § 179.202 (as published May 8, 2015 at 80 Fed. Reg. 26644); except that ECP brakes shall not be required prior to the compliance date for such equipment as enforced by the Federal Railroad Administration and the federal Pipeline and Hazardous Materials Safety Administration.

Compliance with the referenced federal standards means that all the tank cars in unit trains delivering crude oil to the refinery will have the latest ceramic thermal protection and steel jackets for additional protection from puncture or rupture, and will have full head shields and reinforced protective housing for valves and fittings.

At this time, we cannot commit to accelerated compliance with the ECP braking requirements because there is continuing uncertainty regarding these requirements. In December 2015, Congress enacted the Fixing America's Surface Transportation ("FAST") Act, which requires the Comptroller General of the United States to conduct an independent evaluation of ECP brake systems, including examination of pilot program data and the research and analysis conducted by the Department of Transportation regarding costs, benefits and effects of ECP brake systems. The FAST Act also directs the Comptroller General to commission the National Academy of Sciences to test ECP brake systems during emergency braking applications, including scenarios involving unit trains with DOT 117 or 117R tank cars. Per the current regulations, the ECP braking standards are scheduled to go into effect in 2021 or 2023, depending upon the train configuration and the cargo; however these standards may be affected by the independent evaluation and testing mandated by The FAST Act. Rest assured that we will comply with the braking requirements in the regulations at or before the deadline enforced by the federal agencies.

Thank you for the time you and your staff have taken in considering our project.

Sincerely,

Handwritten signature of J.O. Anderson in cursive script.

Darin Grandfield
Phillips 66 Company
Site Manager, Santa Maria Refinery

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