

# Update on Ports to Plains (P2P) Trade Corridor and IH 27

Permian Basin Metropolitan Planning Organization (PBMPO)

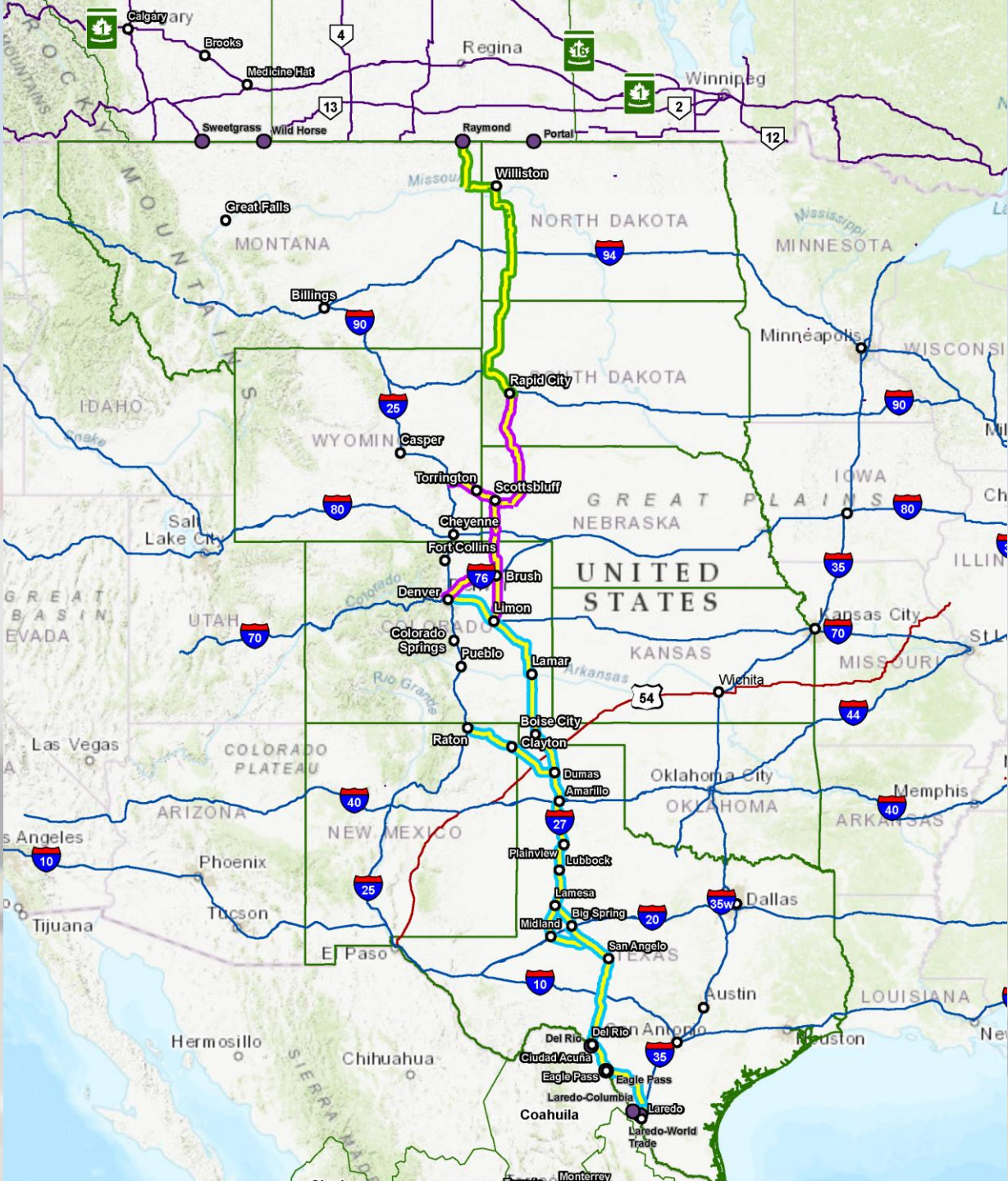
February 21, 2023



# Trade Corridor History

- **Heartland Expressway** designated by Congress as High priority Corridor on the NHS in 1991 from Denver, CO to Rapid City, SD Via Scottsbluff, NE
- **Ports-to-Plains Corridor** designated by Congress as High priority Corridor on the NHS in 1998 from Laredo, TX, via I-27 to Denver, CO
- **Theodore Roosevelt Expressway** designated by Congress as High priority Corridor on the NHS in 2005 from Rapid City, SD through Williston, ND to Canada through the Port of Raymond in Montana
- Ports-to-Plains Alliance formed in 2009

# P2P Trade Corridor



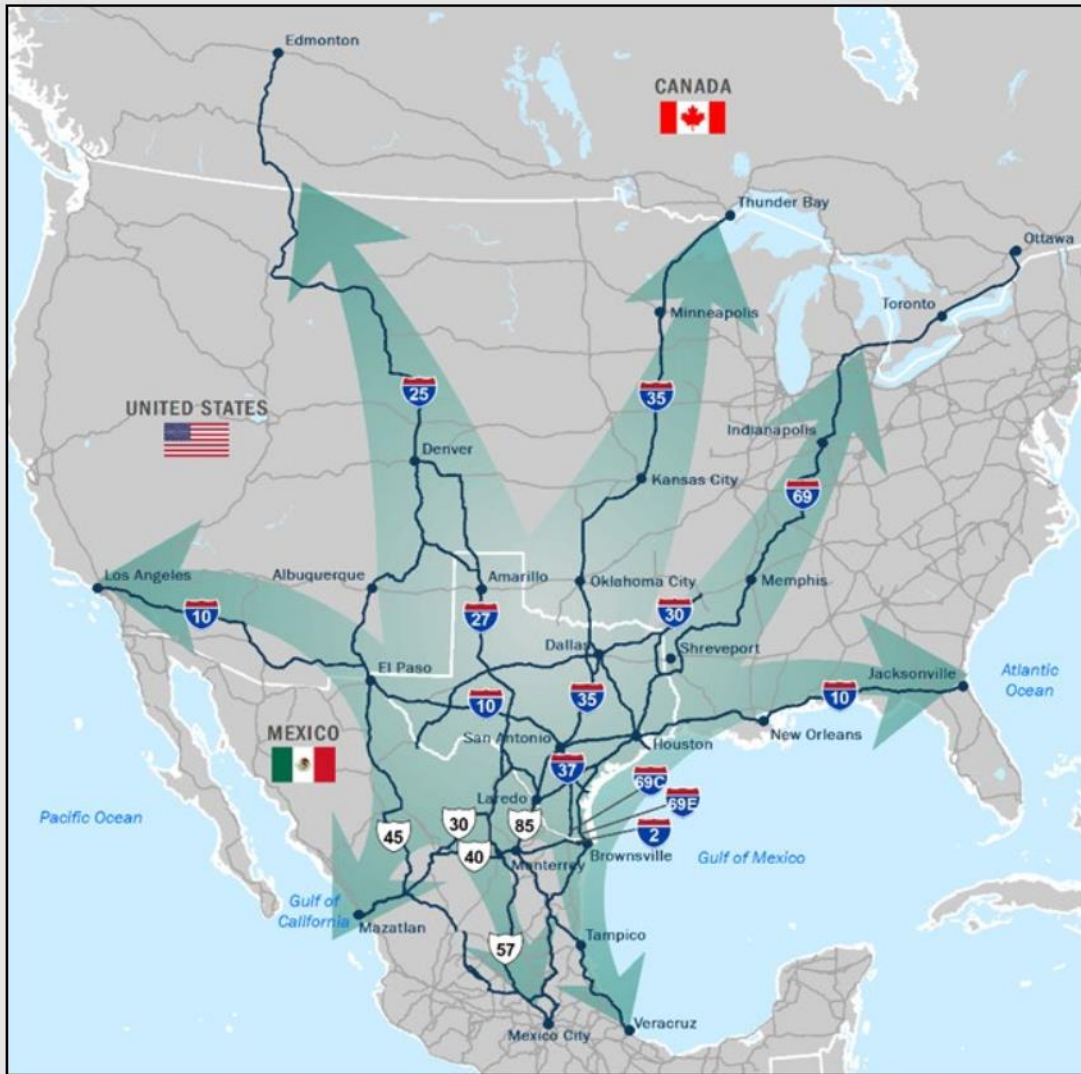
# Future Impact of P2P Corridor on Economy, Freight, and Trade

- The next four slides demonstrate the potential build out of the P2P corridor will have on the economy, and trade in Texas and the Permian Basin.





# Statewide/Rural Connectivity Corridors Supports Texas-Mexico Border Trade Flows

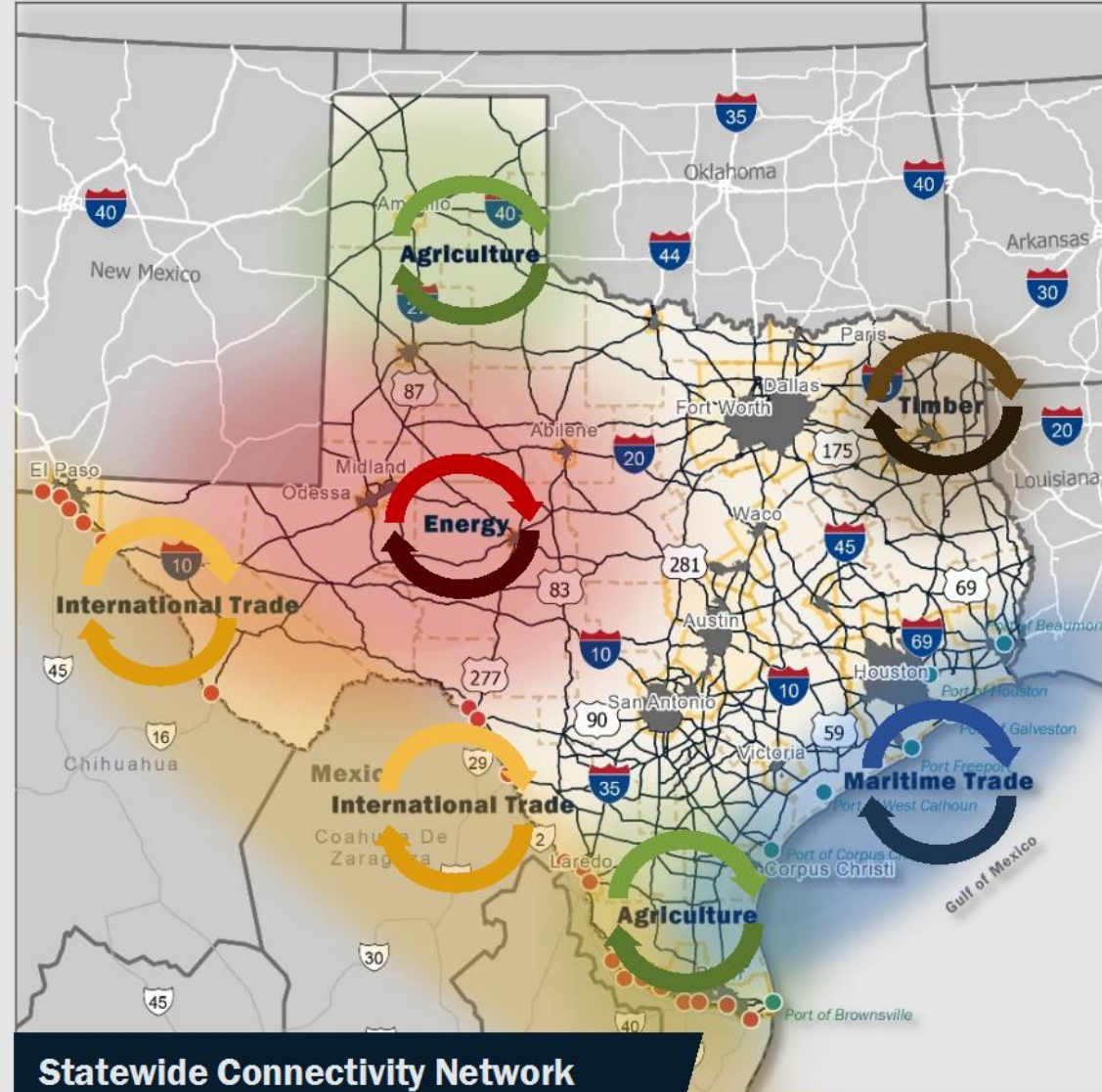


- Texas plays a vital role in the US - Mexico relationship.
- Texas-Mexico **shares 1,254 miles (64%)**.
- Texas-Mexico border **connects people and facilitates trade** between the two countries.
- US - Mexico trade has grown almost **7 times** between 1994 and 2021, increasing from \$98 billion to \$661 billion.
- **69% of trade** between the two countries passes through the Texas-Mexico border.
- Texas-Mexico trade value **increased by 298%** from \$58 billion in 1994 to \$231 billion in 2021.

Source: 2020 BTS Transborder Freight Data



# Statewide and Rural Connectivity Corridors Supports the State's Key Economic Sectors



## Agriculture Production

- Generates approximately \$25 billion a year in sales statewide and \$12.6 billion in GSP as of 2017 agricultural census.

## Energy Production

- Texas accounted for 42% of U.S. crude oil production in 2021.
- In 2021, the Texas oil and gas industry paid \$15.8 billion in taxes and royalties.

## Timber and Lumber Production

- In 2021, the forest sector contributed \$41.6 billion in total industry output, including \$10.5 billion in income and 172,000 jobs.

## International Trade

- In 2021, Texas ports-of-entry supported 69% of U.S.-Mexico international trade or \$459 billion of total \$661 billion U.S./Mexico trade.

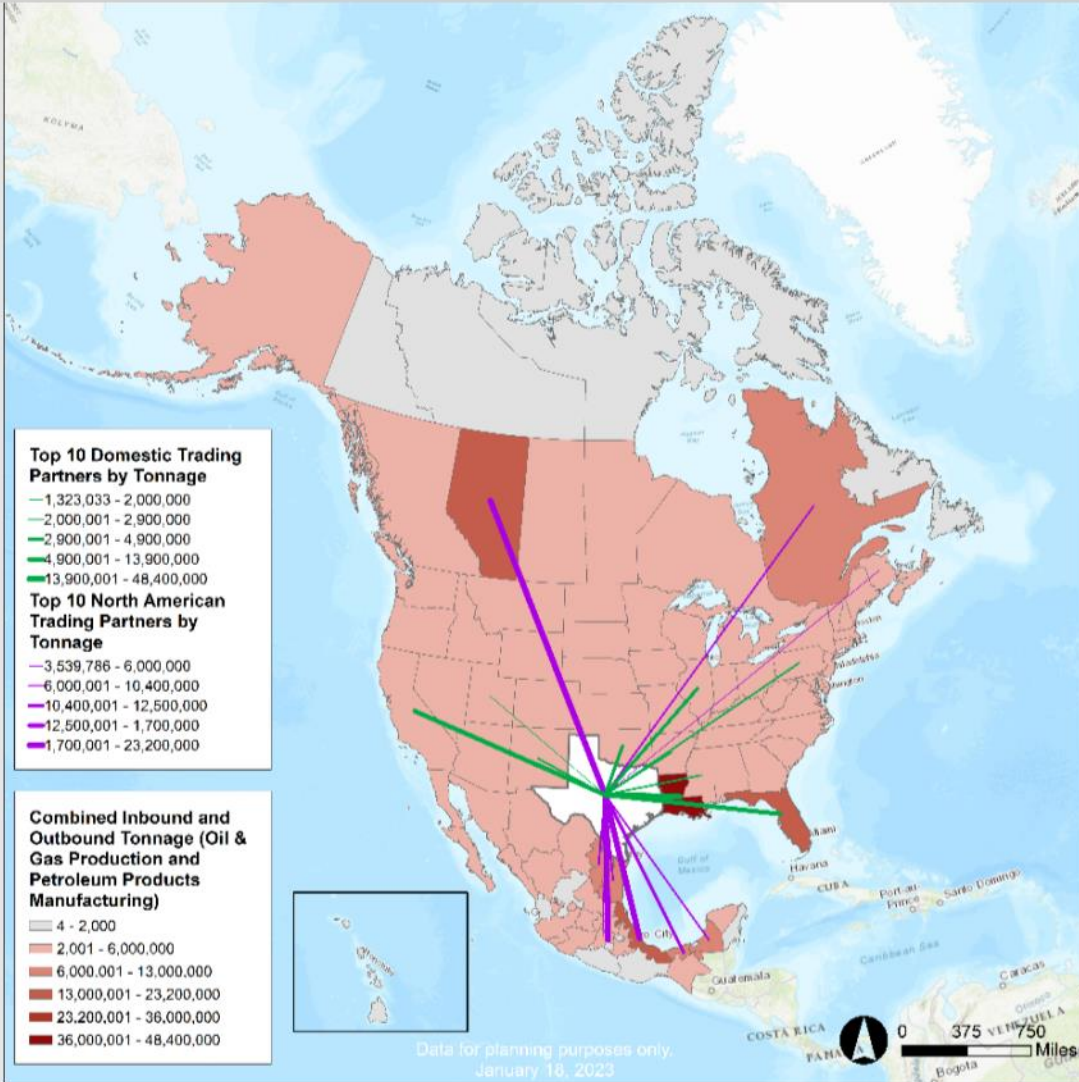
## International Maritime Trade

- In 2021, Texas maritime ports accounted for \$328 billion in trade value, including over \$200 billion in exports and \$127 billion in imports.

## National Defense and Security

- In 2019, Texas military bases generated over 600 K direct and indirect employment and added \$75 B to the State's GDP.

# Energy Sector Sphere of Influence – North America, 2019



North American trading partners for oil & natural gas and petroleum products

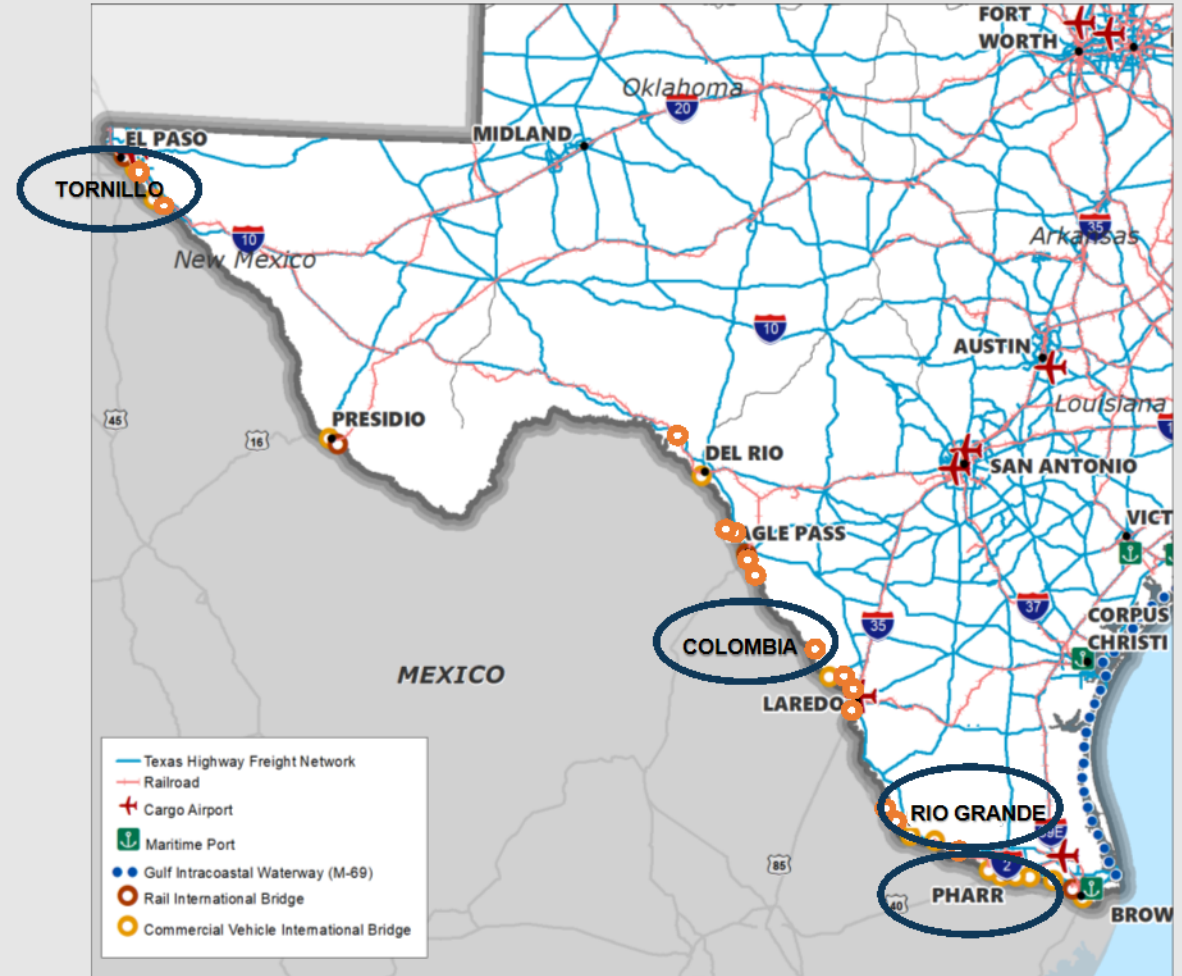
- Louisiana is the top domestic trading partner for import and exports of oil and natural gas, same for petroleum products. Major movements between TX and LA via pipeline and barge.
- Florida is a top destination for Texas products such as gasoline (FL has no refineries)
- Exports to Mexico – 62.0 million tons worth \$24.9 billion

Source: 2019 Transearch database updated to reflect energy-related commodities (sand, brine, and water), and international water and air cargo.

# Energy Sector Exports to Mexico



International Border Crossing	Oil and Natural Gas (Tonnage)	Petroleum Products (Tonnage)
Colombia-Laredo Solidarity in Laredo	71,790	675,815
Pharr-Reynosa in Pharr	16,159	702,455
Roma-Miguel Aleman in Rio Grande	27,695	117,724
Tornillo-Guadalupe in El Paso	35,353	116,799



Source: Cambridge Systematics analysis of Transearch 2019 data enhanced with sand, water, and brine using the Statewide Analysis Model (SAM V-4).



# Future Interstate Highway

- In June of 2019, **HB 1079** was approved by the Texas State Legislature and signed by the Governor directing TxDOT to complete an **Interstate Feasibility Study** for the Ports-to-Plains Corridor in Texas
- The **Ports-to-Plains Corridor Feasibility Study** evaluated the feasibility of, and the costs and logistical matters associated with, improvements that create a continuous flow, four-lane divided highway that meets interstate highway standards to the extent possible, including improvements that extend I-27

# Future Interstate Highway

- The Feasibility Study was completed in October, 2020



# Future Interstate Highway

**2.4** BENEFIT-COST RATIO → ANYTHING OVER 1 IS CONSIDERED A SIGNIFICANT, WORTHWHILE INVESTMENT.

**21%** DECREASE IN CRASH RATE = **\$450 MILLION** IN SAFETY IMPROVEMENTS

**17,710** JOB INCREASE IN IN THE CORRIDOR

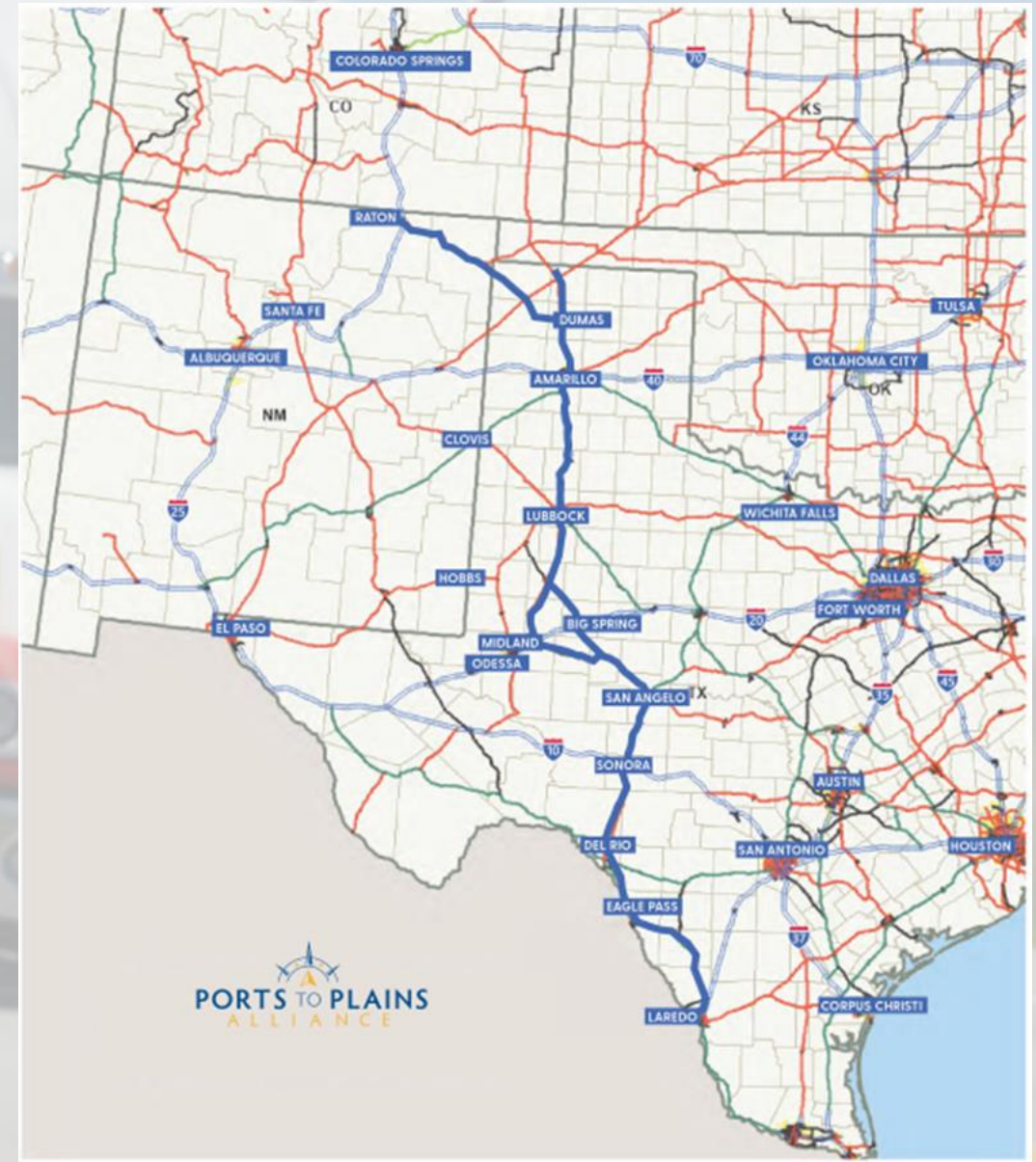
EXPANSION OF REGIONAL TRUCK DELIVERY MARKET

REDUCTION IN TRAVEL TIME  
+ EXPANDED MARKET =

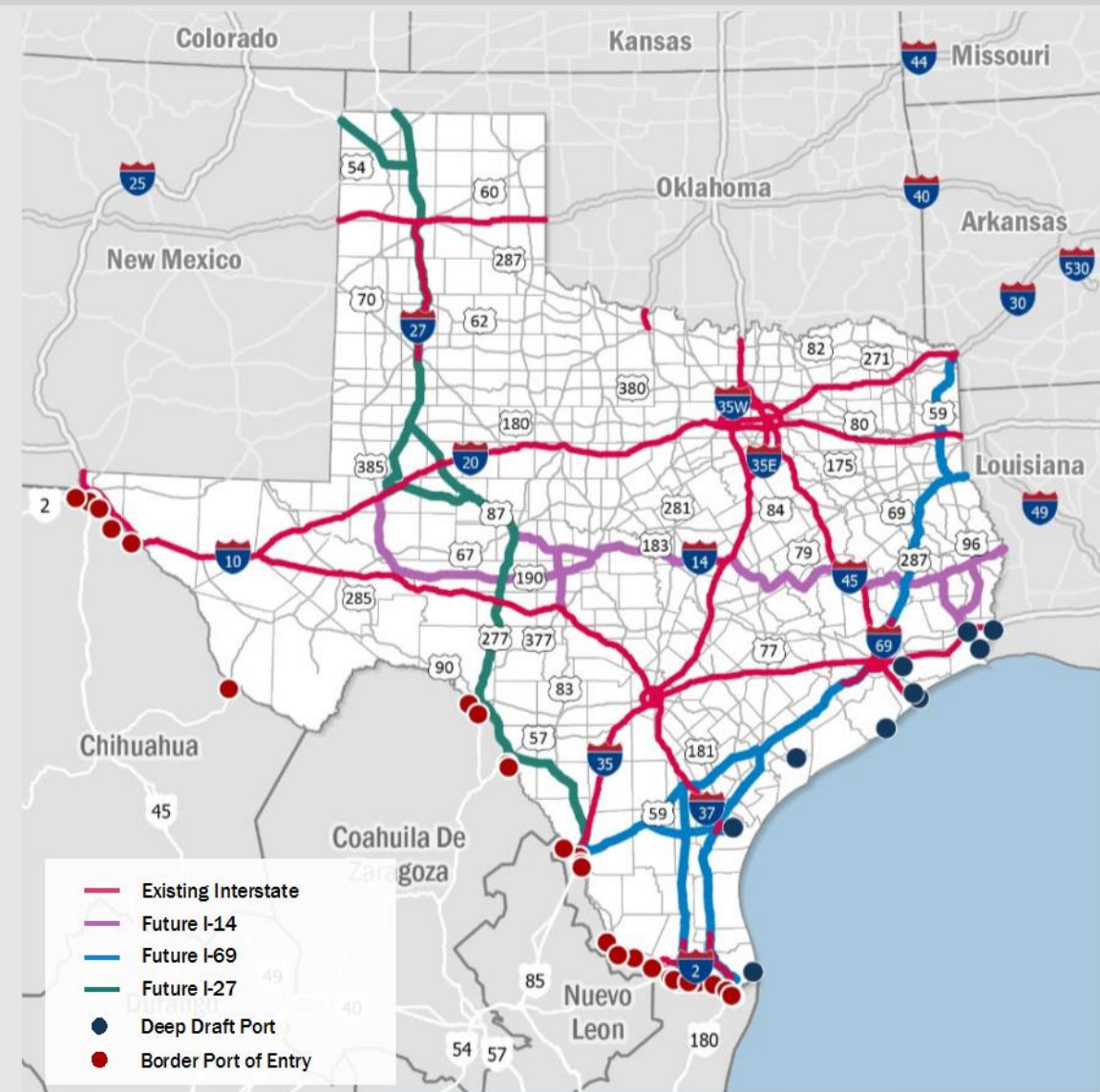
EFFICIENT EXCHANGE OF GOODS

# Future Interstate Highway

- In 2022, the **TEXAS** and **NEW MEXICO** portions of the Ports-to-Plains Corridor were **designated** by Congress as a **Future Interstate Highway**.



# Designated and Future Interstates in Texas



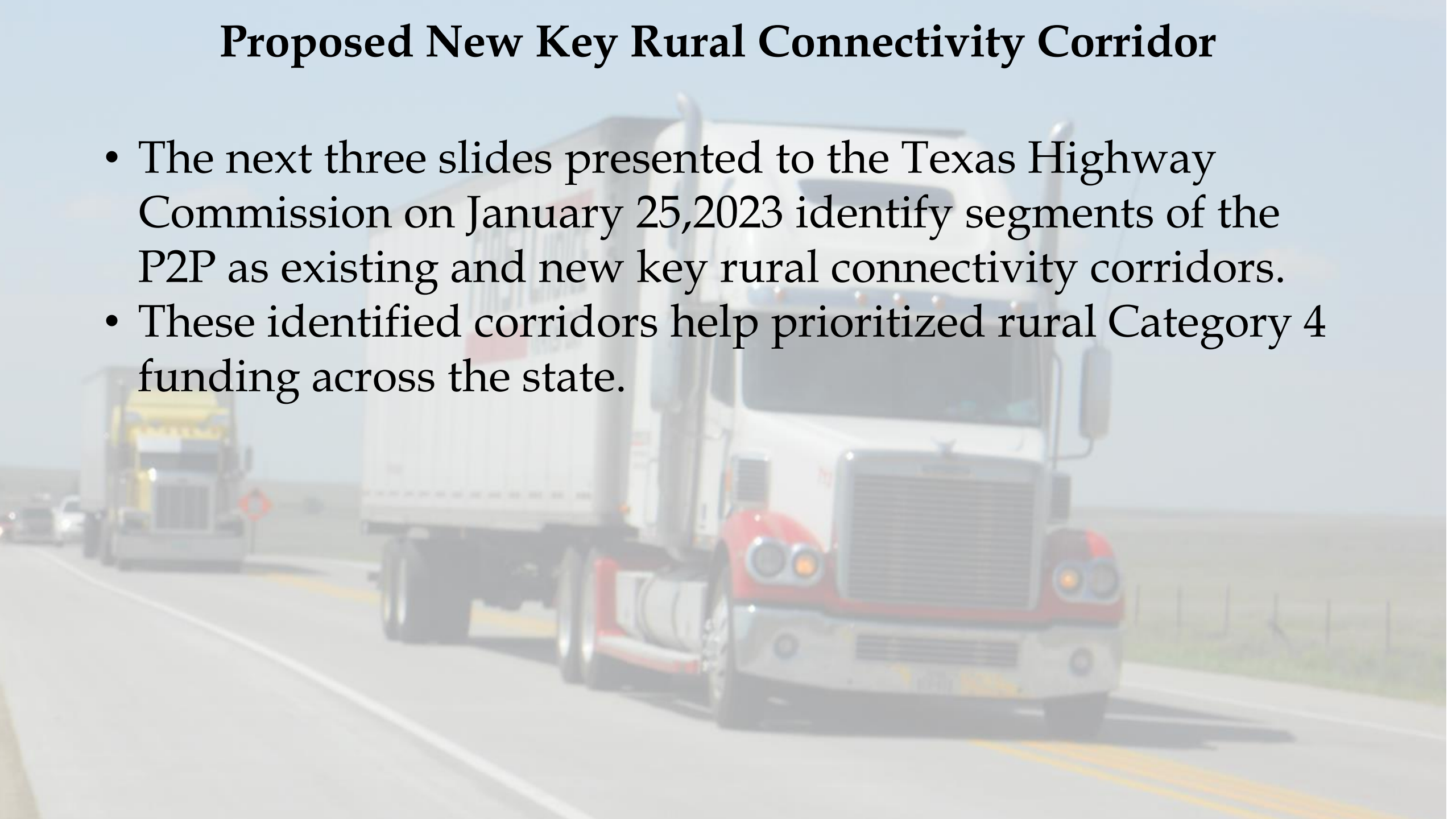
Future IH Corridor	Corridor Length (mi.)	Current Interstate Highway Designation (mi.)	Shared Designation with Other Interstates
I-69	1,134	161	0
I-14	1,031	26	53
I-27*	963	124	28
<b>Total**</b>	<b>3,003</b>	<b>311</b>	<b>382</b>

\*Ports-to-Plains Corridor designated as a Future Interstate in the FY 22 omnibus appropriations bill and assumed will be designated as I-27

\*\* The I-27 and I-14 corridors overlap along I-20 in Midland-Odessa, SH 158 from Midland to Sterling City, and US 87 from Sterling City to San Angelo. Totals have been adjusted to avoid double-counting.

# Proposed New Key Rural Connectivity Corridor

- The next three slides presented to the Texas Highway Commission on January 25, 2023 identify segments of the P2P as existing and new key rural connectivity corridors.
- These identified corridors help prioritize rural Category 4 funding across the state.



# Proposed New Key Statewide/Rural Connectivity Corridor: US 83 and Ports-to-Plains (P2P)

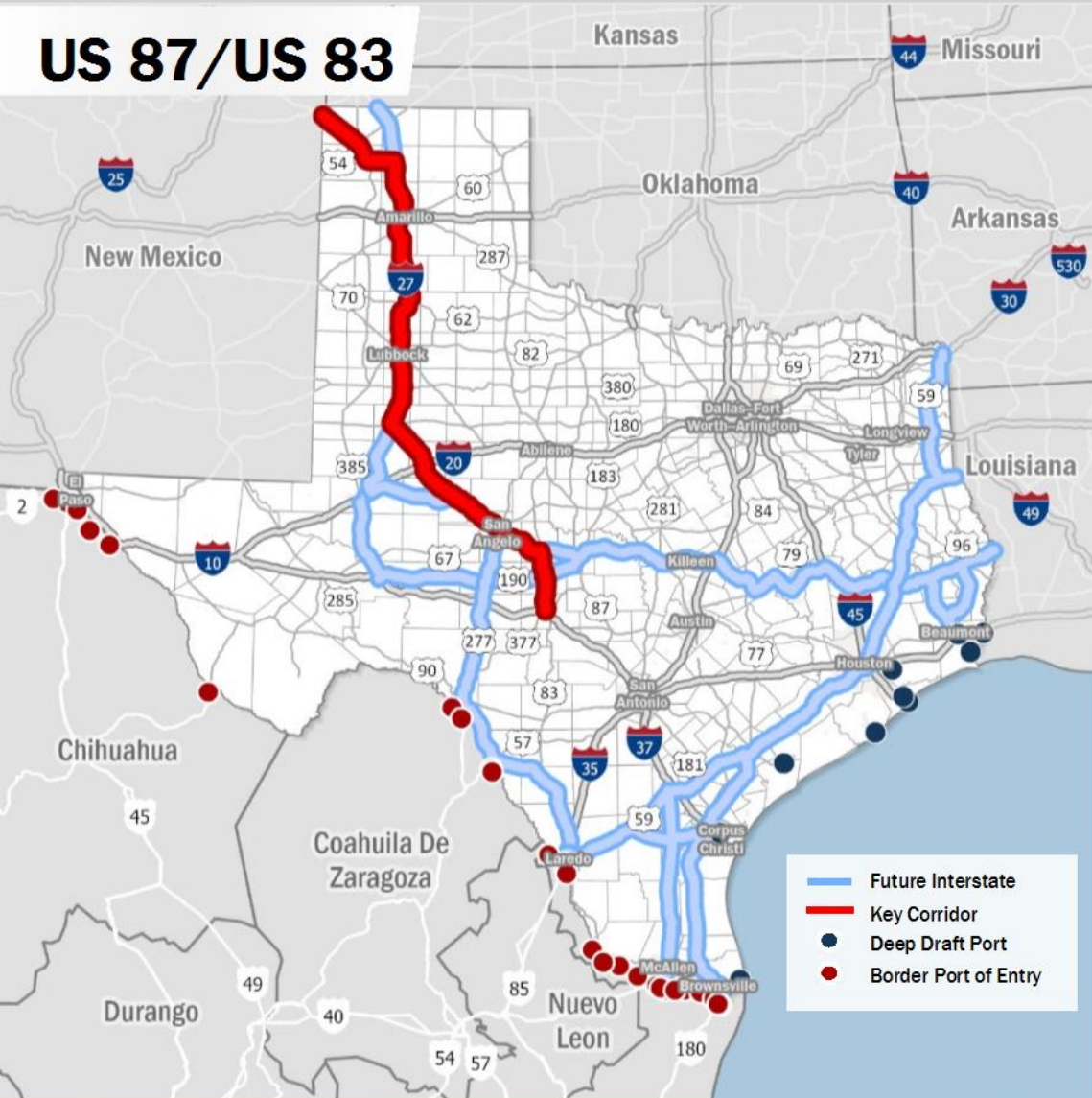


- **US 87 & US 83**  
TX/NM State Line to I-10
- **US 69 & US 175**  
Beaumont to Dallas
- **US 59**  
Laredo to Houston
- **US 281**  
San Antonio to I-20
- **US 83 and P2P – New Key Corridor**  
I-2 to I-10

# US 87 & US 83 – TX/NM State Line to I-10



## US 87/US 83



## CROSS SECTION

Candidates for upgrade		4+ lane divided	Total
2 lanes	4+ lane undivided		
59 mi	28 mi	398 mi	485 mi

## TRUNK SYSTEM STATUS

- ✓
**398 mi.**  
COMPLETE
- ⌚
**3 mi.**  
PARTIAL/UNFUNDED UNDER DEVELOPMENT
- **0 mi.**  
UNDER CONSTRUCTION
- \$
**59 mi.**  
FUNDED IN '23 UTP
- ▢
**25 mi.**  
ADDITIONAL CANDIDATES FOR UPGRADE\*

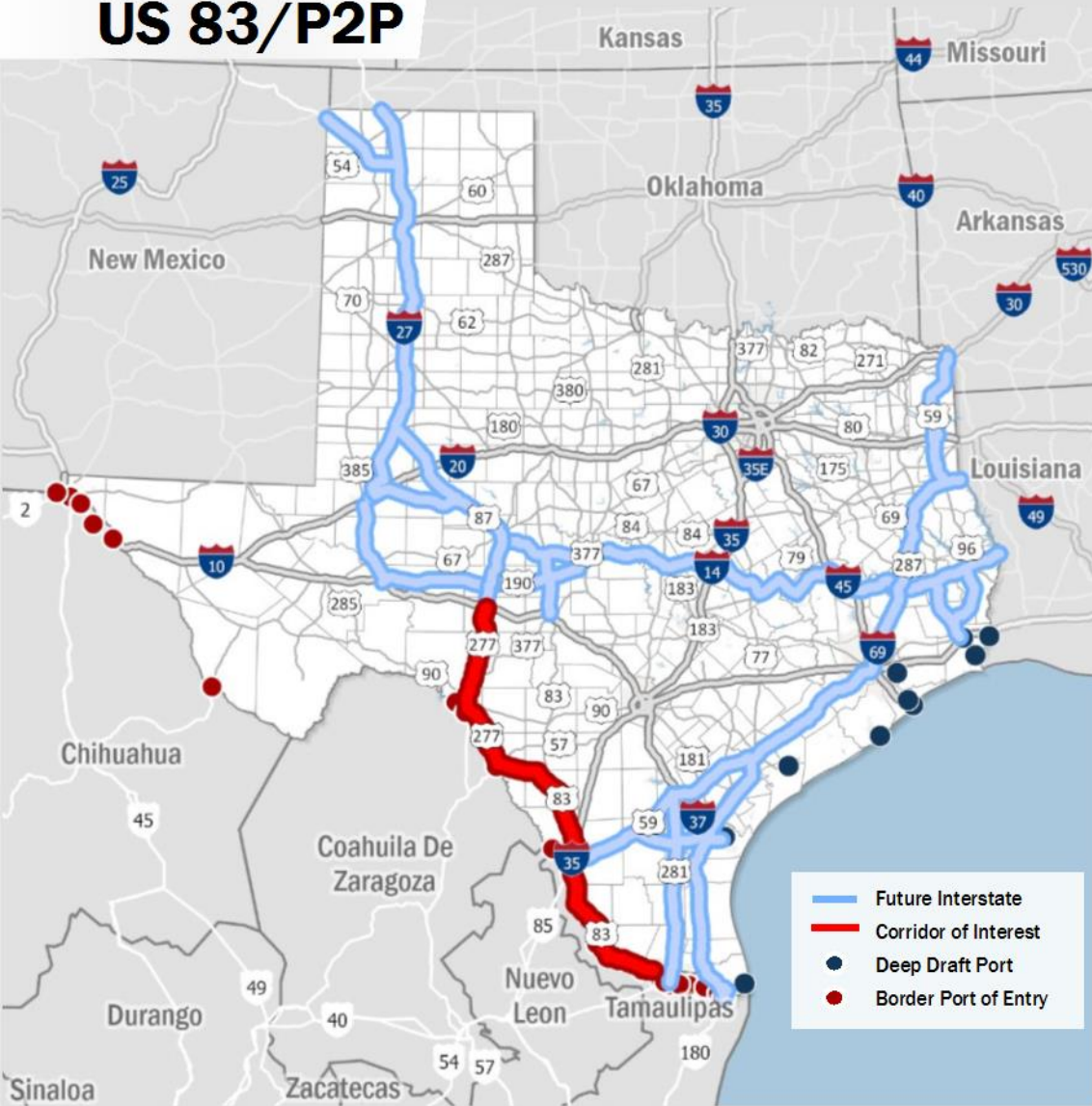
\*Includes portions passing through communities



# US 83 & Ports-to-Plains (P2P) – I-2 to I-10








## US 83/P2P



## CROSS SECTION

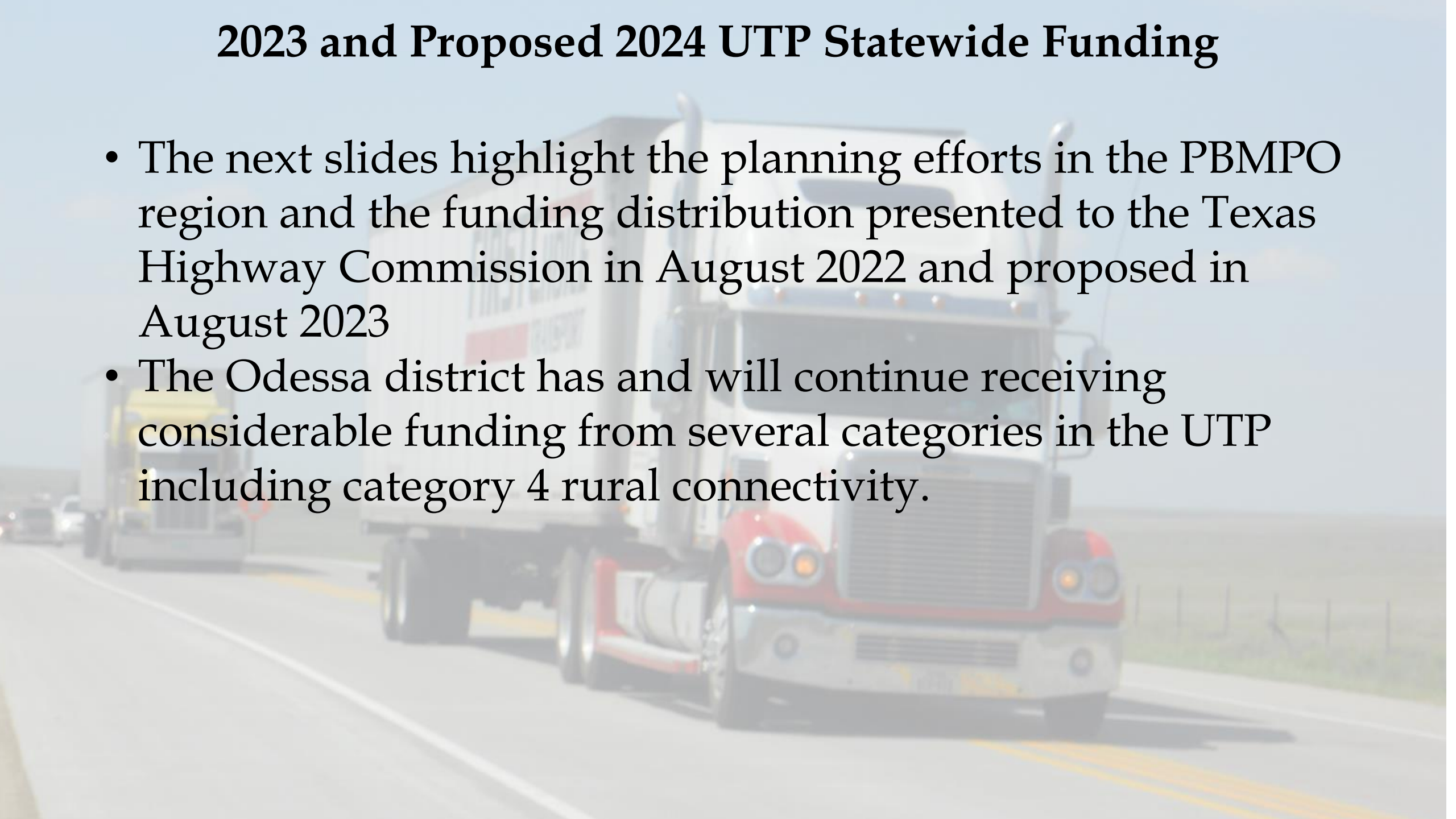
Candidates for upgrade		4+ lane divided	Total
2 lanes	4+ lane undivided		
269 mi	70 mi	62 mi	401 mi

## TRUNK SYSTEM STATUS

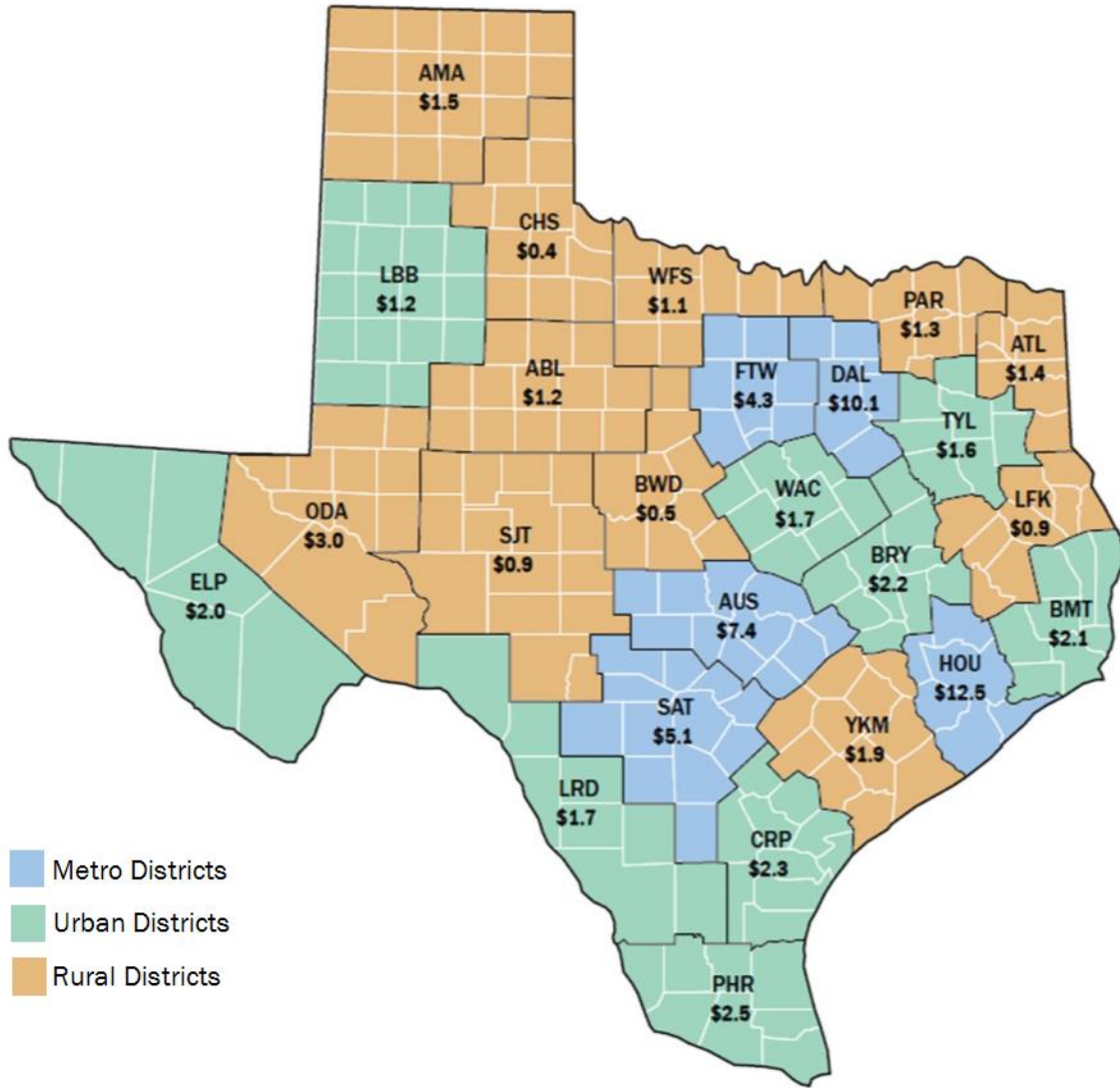
- 
**62 mi.**  
 COMPLETE
- 
**243 mi.**  
 PARTIAL/UNFUNDED  
 UNDER DEVELOPMENT
- 
**17 mi.**  
 UNDER  
 CONSTRUCTION
- 
**14 mi.**  
 FUNDED IN '23 UTP
- 
**65 mi.**  
 ADDITIONAL  
 CANDIDATES  
 FOR UPGRADE

# 2023 and Proposed 2024 UTP Statewide Funding

- The next slides highlight the planning efforts in the PBMPO region and the funding distribution presented to the Texas Highway Commission in August 2022 and proposed in August 2023
- The Odessa district has and will continue receiving considerable funding from several categories in the UTP including category 4 rural connectivity.



# 2023 UTP Recommended Funding Distribution



District Type	Distribution (B\$)	Population (M)	Area (Sq Miles)	Distribution (%)	Population (%)	Area (%)
Rural	\$14.0	3.0	125,242	16.4%	10.3%	47.0%
Urban	\$17.3	6.4	100,199	20.4%	21.9%	37.6%
Metro	\$39.3	19.8	41,049	46.3%	67.8%	15.4%
Statewide	\$9.5			11.1%		
Category 3	\$4.9			5.8%		
<b>Total</b>	<b>\$85.1</b>	<b>29.1</b>	<b>266,491</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Statewide includes remaining balances in categories 4R, 6, 8, 9, 10 and 12.

Rural, Urban and Metro are TxDOT District types and do not indicate actual rural vs. urban areas. Most districts combine a mixture of rural and urban areas.

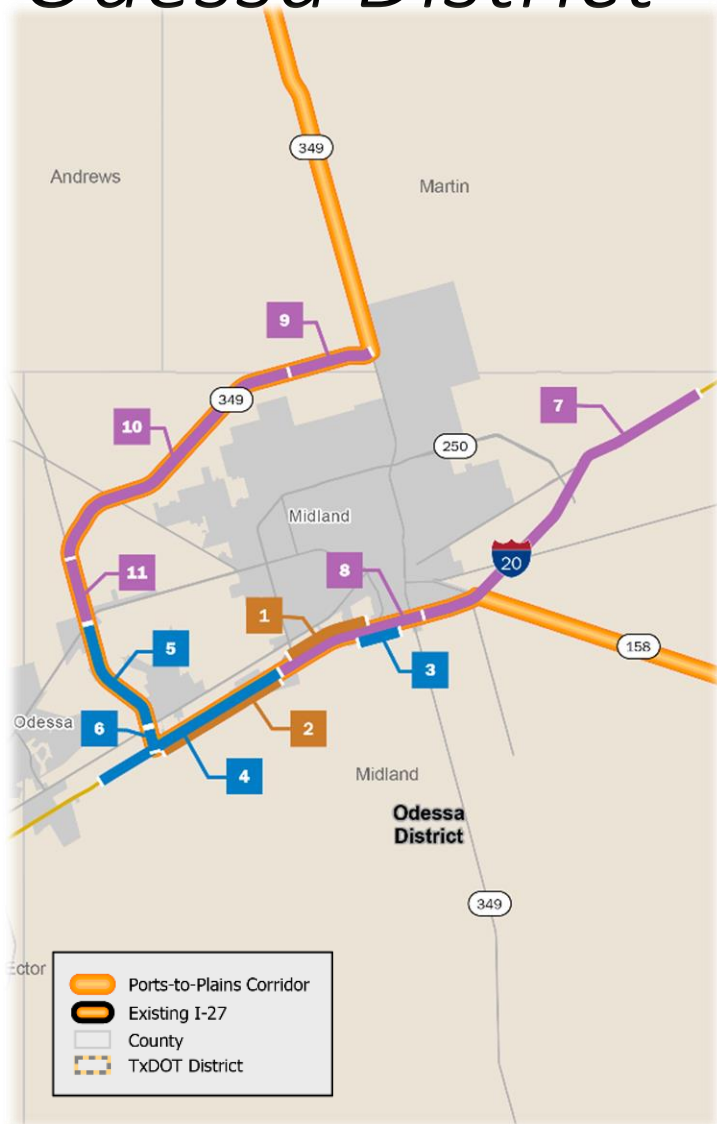
# Draft 2024 UTP Distribution Comparisons



Category and Description		2023 UTP Distribution	Draft 2024 UTP Distribution	Difference (\$)
1	Preventive Maintenance & Rehabilitation	\$16,648,909,956	\$16,970,800,000	\$321,890,044
2	Metro and Urban Corridor Funding	\$10,751,683,174	\$11,487,980,409	\$736,297,235
4R	Statewide Connectivity (Rural)	\$6,885,499,478	\$8,358,093,948	\$1,472,594,470
4U	Statewide Connectivity (Urban)	\$5,345,074,880	\$6,081,372,115	\$736,297,235
5	Congestion Mitigation and Air Quality	\$2,322,790,000	\$2,322,790,000	\$0
6	Bridge	\$4,178,006,000	\$4,681,612,746	\$503,606,746
7	Federal Metropolitan Mobility	\$5,740,408,284	\$5,751,838,385	\$11,430,100
8	Safety	\$3,739,951,654	\$3,747,421,009	\$7,469,355
9	Transportation Alternatives	\$1,716,889,577	\$1,736,508,188	\$19,618,611
10	Supplemental Transportation Projects	\$734,554,873	\$1,183,035,507	\$448,480,634
10CR	Carbon Reduction Program	\$0	\$1,250,492,601	\$1,250,492,601
11	District Discretionary	\$1,400,000,000	\$1,400,000,000	\$0
11ES	Energy Sector	\$2,494,143,000	\$3,291,143,000	\$797,000,000
11SF	District Safety	\$496,638,346	\$1,191,932,030	\$695,293,684
11CO	Cost Overruns/Change Orders	\$0	\$780,000,000	\$780,000,000
12	Strategic Priority	\$12,677,859,790	\$13,780,000,000	\$1,102,140,210
12CL	Strategic Priority (Texas Clear Lanes)	\$5,000,000,000	\$6,000,000,000	\$1,000,000,000
	Sub-Total Distribution (Less Cat 3)	\$80,132,409,011	\$90,015,019,936	\$9,882,610,925
3	Non-traditional (SUBJECT TO CHANGE)	\$4,932,482,742	\$5,000,000,000	\$67,517,258
	Total UTP Distribution	\$85,064,891,753	\$95,015,019,936	\$9,950,128,183

# Ports-to-Plains Corridor Updates

## Odessa District



FUTURE POTENTIAL PROJECTS UNFUNDED OR PARTIALLY FUNDED											
#	CSJ	HWY	Limits	Description	Project Stage <sup>1</sup>	Let Year	Est Cst Cost <sup>2</sup>	CAT Funding <sup>3</sup>	Funding Status	Funding Gap	
7	0005-15-093	IH 20	East of SH 349 to East of FM 1208	Reconstruction of Frontage Roads, Ramps, U Turns, Interchanges. Convert Frontage Roads to One-Way Operation. Widen From 4 To 6 Lanes	PS&E	2029	\$343.8 M	\$72.1 M <sup>4</sup>	Partial	\$271.7 M	
8	0005-14-092	IH 20	East of CR 1250 to East of SH 349	Reconstruction of Frontage Roads, Ramps, U Turns, Interchanges. Convert Frontage Roads to One-Way Operation. Widen From 4 To 6 Lanes	PS&E	2027	\$123.5 M	\$38.5 M <sup>4</sup>	Partial	\$85.0 M	
9	0380-17-007	SH 349	SH 349C to Midland County Line	Upgrade to Freeway, Add Main Lanes & Frontage Roads	P	2035	\$22.5 M	—	None	\$22.5 M	
10	0380-18-010	SH 349	Martin County Line to FM 1788		P	2035	\$80.0 M	—	None	\$80.0 M	
11	1718-07-046	SH 349	FM 1788 to SH 191		P	2035	\$17.5 M	—	None	\$17.5 M	
Total							\$587.3 M	\$110.6 M <sup>4</sup>		\$476.7 M	
Grand Total							\$866.6 M	\$389.9 M <sup>1</sup>		\$476.7 M	

**Disclaimer: estimates are not current**

1 Project Stage Key: CST = Construction; P = Planning; PE = Preliminary Engineering (studies have begun including environmental, surveys, traffic, etc); PS&E = Developing design (plans, specifications and estimates); R = ready for construction  
 2 Construction costs only include construction for a traditional Design-Bid-Build. Low bid amount shown for projects under construction. For other projects, estimated construction cost is based on the Future UTP Minimum Funding amount in the TxDOT Connect database.  
 3 Includes total authorized construction funding. For projects not under construction, includes funding from one or more UTP funding category through the 2022 UTP.  
 4 Listed funding is provisional pending approval of the 2023 UTP.

# Contacts

**Lauren Garduño**  
President/CEO  
Ports-to-Plains Alliance  
325-514-4114  
lauren.garduno@portstoplains.com

**Joe Kiely**  
Vice President of Operations  
Ports-to-Plains Alliance  
719-740-2240  
joe.kiely@portstoplains.com

**Duffy Hinkle**  
Vice President of Marketing  
Ports-to-Plains Alliance  
806-790-7196  
Duffy.Hinkle@portstoplains.com

## Thank You!

