SEVEN COUNTY INFRASTRUCTURE COALITION
RETREAT MINUTES
Sevier County Fairgrounds
Richfield, Utah
July 17, 2020 at 7:00 a.m.
(435) 219-1362

Board Members Present: Casey Hopes (Carbon County), Jack Lytle (Daggett County), Greg Miles (Duchesne County), Lynn Sitterud (Emery County), Willie Grayeyes (San Juan County, Garth (Tooter) Ogden (Sevier County), and Brad Horrocks (Uintah County)
Also, in attendance: Mike McKee, Eric Johnson, Brian Barton, Daniel Hawley, and.
Attended telephonically: None
Absent: None

Others Present: Reed Page, Alair Emory, Adam Perschon, Andrew Browning, Andrew Fry, Brad Talk, Derek Holmstead, Davis Filfred, Hank Stevens, Joel Yellowhorse, Matt Memmott, Reed Page, Rob Simmons, Vince Memmott, Becca Fordham, Darrell Fordham, Chad McWilliams, and Merrial Johansen (Please notify staff at 435-219-1362 of any spelling corrections or names to be added.)

1. Welcome (Lynn Sitterud)

2. Motion to enter closed (executive) session pursuant to Section 59-1-404 related to real estate acquisition, potential litigation, professional competency, personnel, and trade secrets was made by Commissioner Lytle, seconded by Commissioner Ogden.

Roll call vote was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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Unanimously approved. 7-0-0 absent.
Motion to leave closed/executive session was made by Commissioner Grayeyes, seconded by Commissioner Hopes.

Roll call vote was as follows:

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Unanimously approved. 7-0-0 absent.

3. **Retreat Welcome** (Lynn Sitterud)

4. **Workshop Overview** (Mike McKee)

Executive Director McKee began by saying he was excited to have an opportunity to give these updates and to talk about these projects. He expressed his desire for this to be an informal process. No decisions would be made during this retreat. It is merely an information gathering process.

5. **Review of Board Tools** (Brian Barton)

To date, Jones and DeMille has created a GIS database, a project ranking matrix, and other project analysis tools. They have worked this past year to update these with the goal of making them more useful to the Coalition board members.

He turned the time over to Adam Perschon, the lead GIS person with the company. Adam began by talking about the GIS database that had been created. They have collected an immense amount of public and private data to create this web-based planning tool. Some data sets are available to anyone through the website and some are specifically for the use of the board and staff. If one were to go to the website (scic-utah.org) and click on “maps”, then “view maps”, this would take you to the themed data section where different data types can be selected. This is a unique resource created specifically for the Coalition.

Brian Barton next talked about project analysis tools and the project ranking matrix. Over the past couple of years, the Coalition has looked at many projects and opportunities. Its focus has been regional projects, leaving the cities and counties to handle projects within their jurisdictions. The Coalition is unique in its capabilities. These tools help to educate and unify the board in its decision-making process. It also helps the board diversify and consider other types of projects. It helps provide confirmation that the board is selecting the right project at the right time. These tools also help make the board’s decisions defensible, if the Coalition is ever challenged about its project selection.
Time was next turned over to Daniel Hawley and Derek Holmstead who addressed the work done this past year to refine the matrix, tailoring it specifically to the Coalition’s needs and visions. Daniel began by saying the scope of projects coming before the Coalition are very diverse. The ranking tool needs to be flexible when ranking projects relative to each other. It’s important to understand the Coalition’s priorities and have the ranking tools reflect the same.

Derek next projected a matrix template and reviewed it with the board. He showed the board how the matrix helped rank projects according to a pre-determined objective set of data.

Brian Barton finished stating that these are very powerful tools. The goal is to continually refine them and make them more useful for the board. Director McKee has brought project concepts to consider on a regular basis. The matrix allows him to be able to quickly assess them and focus on those projects most inline with the Coalition’s pre-determined objectives. It is hoped, in the future, as new projects come along, to be able to use these tools to prepare a 2- or 3-page briefing for the board.

6. Project Discussions

Navajo Mountain Regional Transportation Planning – Time was turned over to Commissioner Grayeyes who provided the highlights of this project. First, he wanted to talk about the roads to be improved. Although, currently, they are dirt roads that cut up and down the canyons, through this project they would be improved and connected. The road improvement plan would allow for water lines to be placed in the same alignment to upgrade the water system. Many Navajo homes do not have running water. Second, this plan would include going to the Navajo Nation Water Resources to apply for and obtain water out of the San Juan River. This water could be used in the near future for road construction and in the long term to irrigate fields and grow crops. Third, there would have to be negotiations with the President of the Navajo Nation to obtain the rights-of-ways for the road contraction. Due to COVID19 they are limited in their ability to meet and talk with some of these people. These projects will provide great benefit to the people, the schools, and the Monument Valley Health Center. They would also provide improvements for the school bus routes.

Hank Stevens from Navajo Mountain next spoke. He thanked the Coalition for giving them the opportunity to come and collaborate some more on the road project. Mr. Stevens referred the board to a project summary he provided (this is posted with the meeting documents on the website). It showed that the vision for this road began back in the 1960’s. Harold Drake was a young community leader. Prior to this time there were horse trails crossing the canyon lands. With Harold Drake’s leadership, and help from local members, plans began to build a road across Piute Canyon. That road was built and still serves the community today. But the road now needs a lot of work and rehabilitation. In addition, for years there has been the vision of a road between NaaTsis’ Aan and Oljato, along with a bridge across the San Juan River.

It is estimated that over 50% of the homes on the Navajo Nation are without reliable water and/or power and adequate transportation. People must travel long distances for food. This road project would pave the way for many of these challenges to be addressed. Right now, to get from Navajo Mountain to I90 it takes about 8 hours. The completion of this road and bridge

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would reduce that time to about 3 hours, a substantial improvement. In addition, these would open up economic opportunities through travel and tourism and provide a much more rapid response for emergency services.

Brian Barton said that the total cost of this project is between $50 and $120 million dollars. That would be for the road and bridge. The Bureau of Indian Affairs has a right-of-way through much of the area which could save a lot of time and money as this project is developed.

Executive Director McKee rhetorically asked, what is Seven County Coalition’s roll in such a project? How might it support and help? He answered that the Coalition’s role would be high-level planning. Every project requires a certain level of planning. There have been discussions with Senator Hinkins who has said that the State does want to help. This is obviously a project with a great need. A great need for a road, as well as a great need for a water system.

As a result of COVID19 there are some large infrastructure bills making large amounts of funding available. In the end, the success of this project will come down to partnerships. The hope is that the Coalition will continue with the high-level planning and support. The Coalition can help work with the State of Utah and the Navajo Nation Transportation Department to find answers and bring this project together. It appears that the cooperation needed between parties does exist.

Commissioner Grayeyes finished this presentation stating that this is an important project for the Navajo Nation. Once completed it would improve living conditions for the Navajo people and open the area up to economic opportunities.

**Regional Logistics Planning - Commissioner Ogden** began by stating that in Sevier County there is no rail access. So, for them, it’s important to develop transportation corridors. As a result, they have a Regional Transportation Plan. An RFP was just put out seeking the best consultant to help identify logistic opportunities for the region.

Sevier County has a proposed site for a project which will also be evaluated within the RFP Scope of Work. Existing is the Salina Industrial Park that offers a myriad of potential and opportunity. This location is close to both I70 and I15. Through the RFP, they are looking to identify the kinds of products and materials that are already being moved along these highways and how they might develop opportunities that capitalize on these. For example, if it is found that there are a lot of refrigerator trucks moving along these highways, would there be a financial benefit to constructing a refrigerated storage facility? What other opportunities might be afforded by this location?

Brian Barton added that in the Scope of Work there is some planning to help all the Coalition counites look at the possibilities of a satellite facility, along with an opportunity to assess how these rural satellites might interact with the State’s overall plan. The RFP is posted on the Coalition website (scic-utah.org) for those wanting to take a look.

**Eastern Utah Regional Connection (Seep Ridge Road) –** This project is in the EIS stage. There are still biological assessments that need to be completed. Currently, there is a paved road that goes south, from Uintah County to the County line. From there it is another 35 miles south
to I70 in Grand County. There is a 4-wheel drive road that will take you to I70 but it’s a rough ride!

The completion of a paved road to I70 would offer a great travel and tourism opportunity. It would open up a beautiful, recreation route from southern Utah, through Moab, up to Vernal, then north to Flaming Gorge all the way to Yellowstone National Park. This project is moving forward. There is an RFP seeking a 3rd Party NEPA Contractor to help with the environmental process. It is estimated the total cost of this project could be $125 to $150 million dollars.

**Uinta Basin Railway Update** – Brian Barton began stating that the board is aware that this is a huge project. The schedule has been very aggressive and everyone has done an incredible job of keeping the project on schedule and moving it along. This project could not have happened without the financial support of the Community Impact Fund Board (CIB) - $27.9 million dollars. We are all very grateful to them for their support.

The Surface Transportation Board (STB) is the licensing authority from the federal government tasked with authorizing the construction of a railroad. We are in the middle of working with them on an Environmental Impact Statement (EIS). There is a parallel licensing process that has to occur for them to authorize the project. The Coalition accepted responsibility for gathering all of the required environmental information and providing it to the STB. Then, a 3rd Party NEPA Contractor was selected to work with the STB in assessing and evaluating all of this environmental information. Out of this process will come the EIS. The Coalition hired HDR to help it collect all of this data. In addition, HDR continually evaluates the project to make sure it is as efficient as possible.

In addition, there is an ongoing operation and maintenance plan being worked on. The end goal is to have a rail project that can be operated cost effectively and efficiently. There has been a lot of time spent looking at rights-of-way and an operation corridor that reduces the impact, as much as possible, to property owners. Utah’s topography and terrain has presented a unique set of challenges.

Another emphasis has been on public outreach and keeping the public informed about the project’s story. The cost of this project is substantial and the need for capitalization is critical. It’s important that the rail gets used and generates income to pay its way. It’s also important that the public sees it as a benefit. The railways web page (uintabasinrailway.com) has the anticipated project schedule. When the draft EIS comes out there will be another opportunity for the public to review and give comment.

We have come very far but there is still a long way to go.

**San Rafael Energy Research Center** – Commissioner Sitterud began by informing those in attendance that although COVID19 had slowed down the project, things were picking back up. The Coal Lab is ready to begin testing. Construction is happening on the Molten Salt Lab. Time was turned over to Dr. Andrew Fry to talk about the coal projects. After he finished he would be followed by Dr. Matt Memmott to talk about the Molten Salt Lab.
Dr. Fry stated that he is a professor at Brigham Young University (BYU), a Chemical Engineer, specifically focused on combustion. He said that he was passionate about the energy industry and the way energy is produced from fossil fuels. He has several research grants from the Department of Energy studying the generation of electricity from fossil fuels.

This research lab is very exciting and is in close proximity to the Hunter Power Plant. The Research Center has acquired a large watt thermal combustor from the University of Utah. It has been relocated to the Research Center, installed, had the testing shake down performed and is ready to go to work. This piece of equipment has been in service since the mid-90’s. Its purpose is to perform research on clean coal combustion technologies. There is a lot of life left in this piece of equipment and a lot of questions that can still be answered through its use.

The first project for this equipment has just been announced. There is a grant, a total of more that $6 million dollars, that will last for 3 years beginning this October. It involves a consortium of researchers looking at clean energy from coal. This project will be part of the Department of Energy’s Coal 1st Initiative. Typically, power plants use water to create steam in the production process. Through this grant they are going to try replacing water with CO2. This process is known as a Super Critical CO2 Cycle. On paper it looks to be much more efficient a process than steam. The goal will be to build an advanced power plant using Super Critical CO2.

This piece of equipment at the Research Center will be able to help us solve a couple of critical barriers present in this project. Although not all the grant money will go to the Research Center, it will all be spent in Emery County. The publicity and spotlight will, also, be on Emery County. This project has future implications for all types of power generation, not just coal.

Another project set to go for this facility comes by way of a power station in the UK, called DRAX. They have converted the power station from coal to bio-mass combustion. Great Britain has issued a directive that they will be coal free by 2021. DRAX will be importing all of the biomass to burn in their units from the USA and Canada. It is hard to find adequate amounts of biomass in just one location. They have entered into a framing agreement with the San Rafael Energy Research Center to test the efficiency of the biomass fuels. They will be combining various types of wood products with additives to find the one that gives them the best energy output.

This will be a 4 to 5-year contract where they will test fuels approximately 3 to 4 weeks per year at a cost of $60,000 a week for the testing. This will be fuel quality testing and once the word is out about this lab it should generate more contracts and use. There is only one other similar lab in the world and it is in South Africa. There is a lot of opportunity for this lab in the future.

Dr. Fry, in finishing, reminded everyone that he had earlier referred to the Super Critical CO2 project which is part of the Department of Energy’s (DOE) Coal 1st Initiative. DOE believes that Coal 1st will develop the power plant of the future to provide stable power with almost zero emissions. Toward that end, DOE has been seeking out those with the technologies to help them get to this future goal. The funding we just received is to help overcome some of those technological challenges in getting to this full-scale demonstration. Dr. Fry’s goal is to have the
power plant of the future demonstrated in Utah, for Coal 1st to come to Utah. The Hunter Power Plant would be a great location.

Time was next turned over to Dr. Matt Memmott. His interest in nuclear began in his younger years when he would descend from the ski resorts into the valley blanketed in an ugly inversion. He wondered if it had to be this way. He later attended BYU studying Technical Engineering. During his fourth year of college some scientists came from the National Lab to teach a nuclear energy course. He was just amazed at some of the things he learned. One tiny nuclear pellet, he was told, had the ability to produce the same amount of energy as 3 barrels of oil, 1800 pounds of coal or 17,000 cu.ft. of natural gas. Nuclear is dependable producing consistent energy 92% of the time. With nuclear there are no shipment challenges or shut downs to deal with. Even though it gets bad press, nuclear is a safe form of energy. In addition, there are no emissions or pollutants.

Radioactive Isotopes (used in medicine) only come from nuclear reactors. There are several treatment and diagnostic procedures done in hospitals using these isotopes. But they are not produced in this country and Congress has mandated that this has to change.

Despite nuclears benefits it isn’t used extensively because it does have some drawbacks. One, it requires a lot of water to cool the plants. Second, there are a lot of concerns about the water once it’s been used. Then, the question remains, what do we safely do with nuclear waste? And, last, there is proliferation. The same material that makes power and isotopes can be used to make weapons. There are a lot of high security challenges surrounding nuclear power. Another challenge is that plants can produce power or isotopes but they can’t produce both.

Most people are only familiar with one way to produce nuclear energy. But there is a second way that is less volatile and fraught with problems. In the 1960’s, Alvin Weinberg a scientist at the Oak Ridge National Laboratory, found that instead of using big machines that use high pressure water to create this energy, you could make Uranium or nuclear fuel directly from molten salt. When the salt is melted it can’t “melt down” and cannot produce weapons.

Because this fuel is dissolved in salt it is possible to pull out and separate all of the natural elements and most of them are very valuable. One of the byproducts is the medical isotope needed in this country. In a salt reactor it is really easy to extract these isotopes. There are about 12 companies working on producing these products and one of them is in Utah - Alpha Tech. In addition, using this molten salt process, they can build a reactor that will produce 15 megawatts of power and power up to 1,000 homes. Its footprint is only 1 1/2 feet by 1 1/2 feet. It cannot melt down and puts off very little radiation. It’s super safe.

Another challenge is licensing with the Nuclear Regulatory Commission (NRC). The NRC requires everything be proved about the process. Licensing is a long and expensive process. The NRS has a whole quality assurance program that must be followed in proving the safety of using molten salt. This has opened up a perfect opportunity the for the San Rafael Energy Research Center. The lab is under construction and is almost ready to begin testing – probably 6 months from now. In this process, we will extract all of the required information about the salts then
feed that information to the companies like Alpha Tech. This lab in Emery County will do this research, explore this technology, and eventually produce isotopes.

The purpose of these future, efficient power reactors will not be to replace coal but to have a great energy alternative for places that are too small for a coal fired powerplant. This one-of-a-kind lab, where coal and nuclear energy research are happening together, will open a myriad of doors for innovative technologies that will use both coal and nuclear technologies to solve their problems. This lab provides the opportunity to study multiple forms of energy and make medical isotopes. It's possible, in the future, this lab could be used by companies all around the world. This has the potential to create a lot of jobs in Emery County and a significant revenue stream.

If it is proved that these salt reactors are feasible, it will be an amazing step forward for medical isotope supplies and cancer treatment. Another byproduct of this process is rare earth minerals currently used in all sorts of electronic production. Right now, China has the corner on this market producing these rare earth elements. In the end, if this is successful, we will produce more than enough supply of these rare earth minerals eliminating a dependence on China. The San Rafael Research Center is key in making all of these things happen. The molten salt technology solves many of the problems with nuclear. The lab will be a place where we can gather the needed data and do these experiments. This lab provides the missing piece of research and several companies are excited about the potential outcome.

The licensing application was signed today and the process will take about 6 months. There will be a CIB application heard by their board in September requesting funds to purchase more of the essential equipment needed in the lab. This is a very exciting, cutting edge project that could change life for many in Emery County.

Alair Emory, the Office of Energy's Director of Special Projects, next addressed the group to talk about some potential funding opportunities. The funding opportunity previously mentioned by Dr. Fry involved the Carbon or Rare Earth Elements and Critical Minerals Program administered by the National Energy Technology Lab which recently announced its intent to fund a project. The RFP has not been released as of yet.

The Research Center in Emery County is very exciting but will go nowhere without funding to keep it moving forward. The RFP for this funding, once it is released, will provide a perfect opportunity for this group to move forward. The Office of Energy has very strong ties and relationships with the entity releasing this RFP. Now is the time to be building relationships with various energy offices because there are a lot of funding opportunities coming up in the future.

Alair offered several tips for large government grant proposal team writing. Some of them were that you have to start preparing long before the RFP is released. Another is that you must work backwards – figure out what you want now, then work backwards in preparing the proposal. A third was that you must develop a differentiation strategy – what make you different? Why should the Department of Energy consider your project over others?
Time was next turned over to Rob Simmons, Energy Advisor and Executive Director of the Governor’s Office of Energy. Rob began by saying that Utah has done a good job of building a strong relationship with the Department of Energy. As such, they have a good idea of what they are looking for when they release an RFP. They know what has been funded in the past. Many of the components for a successful funded proposal are available in Utah. One of them is natural resources. 28 of the 35 minerals considered as critical by the federal government are available in Utah. Next would be infrastructure and Seven County Coalition is working hard on this front. The work being done helps to assure that these natural resources can be developed in a cost-effective manner and gotten to market. Out of that need came the plans to develop hubs – like the Inland Port Hub. Out of this main hub will come regional hubs. These, together, will help Utah get these products to global markets.

The next thing Utah is looking at is an investment in technology. Utah is well positioned for this. Then comes the investment in workforce development and education. Finally, we need to look at how all of these things tie together.

Going back to technology, where Utah has so many energy resources, it only makes sense to develop technology hubs. In Delta, Utah they are looking at having one of the world’s premiere hubs studying next generation energy technologies – hydrogen, renewable energy, energy storage, etc. But, despite all of these possibilities, still 95% of the world depends on fossil fuels for energy. So, there is a lot of opportunity looking at diverse energy options.

In addition to the hub in Delta, the Uintah Basin has the Bingham Energy Research Center. Despite plunging oil prices and COVID19, research continues and it is believed the future is bright for the Uintah Basin.

The Department of Energy wants to spend up to $123 million dollars developing coal innovation centers. Utah is well positioned to get a large part of that money. The San Rafael Energy Research Center will be a part of that. To create a successful grant, it will take partnerships including the Seven County Infrastructure Coalition. These will all work together to drive this project.

If everyone decides they want to move forward with this grant then Rob’s team will work to put together a winning proposal. Time is of the essence. The time is right now. There is no way to know what will happen after the Presidential election.

The tough truth is that we have a lot of great assets and exciting things happening in Utah, but the only way to know if they really matter is to put them out there to the market place and see if anyone else thinks they have value.

**Natural Gas Infrastructure Opportunities** – Reed Page introduced himself as an Independent Energy Market Supply Consultant. He is an expert in marketing natural gas. He began by informing the group that the Uintah Basin has the cheapest natural gas in the world. He has been looking at how natural gas moves and how it has been marketed across the Western United States, Canada and Mexico. Specifically, he has been looking at how Utah natural gas moves within that geographical area. One challenge is that Utah’s gas is constrained – there are choke
points in the pipelines when it comes to delivery. It’s not uncommon to see, at one end of the pipeline, an oversupply, while the other end is undersupplied. Another challenge occurs when the supply at one end of the pipeline is interrupted. Example, in October 2018 there was a massive pipeline explosion in British Columbia. It created supply issues. This northwest pipeline actually passes through San Juan County and Grand County. That is how their supply gets to market. Gas from Uintah, Duchesne, Emery and Carbon counties is marketed through the Dominion Energy pipeline. Technology to alleviate these choke points would cost millions of dollars. There is no easy answer.

The best approach may be to look for some creative marketing ideas. The Basin has a lot of gas. We need to look for some low-cost ways to utilize this gas. One thought might be to convert a Uintah Basin power plant to gas. Another might be the construction of a nitrogen fertilizer plant. These both are major gas intensive ideas.

Reed mentioned that during the height of COVID, when he was forced to be at home, he spent a lot of time on the phone talking to people about the nitrogen fertilizer plant idea. There is a lot of interest in such a project. The fertilizer plant would take gas that cost $40 to $50 and turn it into a $500 ton fertilizer.

The biggest competitors for the nitrogen fertilizer plant would be the countries of Trinidad and Tobago. These countries export a lot of natural gas and nitrogen/ammonia products. They actually supply Southern California with nitrogen products. In these past, weather on the high seas has delayed their shipments. So, there may be some advantages for California to get their supply from a Utah plant instead.

The next step, in exploring this possibility, would be a high-level study. It is probably time to run this project through the Coalition matrix to assess its feasibility. There may be the possibility of a grant from USDA to do the study.

As to the gas produced in San Juan and Grand County, there is a natural gas processing plant in San Juan County that hasn’t been used for a while. They are in the process of trying to get that up and going again.

Time was turned to Andrew Browning joining from the shores of Lake Michigan!! Andrew is the Chief Operating Officer of the Consumer Energy Alliance. The goal of his project is to develop additional markets related to natural gas, both within the United States and globally. Right now, they are focusing on markets from British Columbia south to Mexico. There is a prospective project to supply natural gas to Tijuana. An area to be assessed would be gas transportation outside of the Uintah Basin, which could include the rail.

The Jordan Cove Project will feature a Liquid Natural Gas (LNG) terminal in Coos County, Oregon and a pipeline for the transportation of natural gas sourced from the United States and Canada. It is slated to be an export facility. Gas from the Uintah Basin could be part of the natural gas sourced from the United States and could provide an incredible opportunity to move Uintah Basin natural gas to new markets.
During the Environmental Impact Statement (EIS) public hearings for the Jordan Cove Project a group of Rocky Mountain Stakeholders were present. In addition, there were about 120 letters delivered to the Federal Regulatory Commission concerning the draft EIS. To date, Jordan Cove has received its export permit.

The focus of another study is exporting Liquid Natural Gas (LNG) to 10 different power generation markets including Asia, China, Taiwan, India, Japan and South Korea. Currently, there is nothing being exported. This is an important project. If it is accomplished there would be significant improvement in the movement and price of LNG.

**Uintah Advantage Update** – Next *Vince Memmott* addressed the group concerning the Uintah Advantage Uintah Basin refinery. Mr. Memmott is a Chemical Engineer with many years of work on refineries. This Basin refinery project is located in Uintah County on Leland Bench. This would be a specialty refinery. One of the most valuable petroleum products is high quality synthetic lube oil. Worldwide there is a very high demand for this product consequently it has a very high value.

Over 70% of the synthetic oil consumed in the United States is produced in South Korea. Crude oil, produced in the Uintah Basin, is a pain for the Salt Lake refineries to deal with. They are currently consuming all of this product and turning it in to gas and diesel, but there are some challenges.

The viscosity of this waxy crude oil makes it more valuable as a synthetic oil product. Mr. Memmott stated that he has been working on this process for years. They have approached the big producers who, for years, have said if this was a good idea, they would already be doing it. But, not so. It’s been hard to get the big refineries to get the vision. Mr. Memmott stated that they are well on their way and now have acquired property, permits, and process engineering is almost finished. They’ve been working on financing and they think they are close to having that finalized. Once that is in place, they are looking at a year for construction engineering. Then, 2 years of actual construction, so about 3 years total.

Phase 1 will be to clean up and export the heaviest part of the crude oil to existing producers. At this point, the Uinta Rail becomes very important. They will need the rail to most efficiently move the product to producers. Phase 2 would involve building the processing facilities at the site. That facility would produce the finished base oil and distribute it throughout the United States. This would cut into the 70% currently being imported from South Korea.

They are looking at processing 40,000 barrels per day. Of that, 23,000 barrels a day would potentially be exported to South Korea for making the synthetic oil. Once into Phase 2, with a facility built, the product would no longer have to go to South Korea and could be processed right here in the Uintah Basin. For this purpose, the Uintah Basin has some of the best oil in the world. The high viscosity makes it very valuable.

As to job creation, they are looking at around 1,500 jobs during the 2 years of construction. Once the plant is up and running, they estimate about 150 full-time jobs for operation.
Other Concepts – time was turned over to Brian Barton to discuss other concepts. He stated that there is no shortage of infrastructure needs within the Coalition boundaries. There are also lots of opportunities for regional concepts. He discussed a few:

Air Quality Enhancing – The number one legislative concern in Utah is air quality. In looking at potential solutions, there have been some quiet discussions about the possibility and value of moving North Salt Lake refineries to a rural area. It’s a concept that is worth exploring. Carbon and Emery Counties might provide good future locations to consider.

Moab to Winslow, Arizona Rail – This concept has been looked at for a few years. Presently, there is a rail that dead ends at Moab. The next rail south dead ends in Winslow, Arizona. The opportunities created by connecting those two lines could be huge. Most of the rail lines in the United States run east and west. There are very few rails that run north and south.

Regional Recreation Planning – visitors are already coming to Utah and to the Seven County regions. The natural resources in these regions are immense. The question becomes, how might we work regionally to create more travel and tourism opportunities?

Improving Water Resources Infrastructure – as one looks at water there is the storage perspective, the transmission perspective and the growth perspective. There are a lot of projects to consider as one looks at water resources.

Highway Improvement Projects – there is the Navajo Mountain project, the Seep Ridge Road South project, etc. As one looks at the map there is no limit to potential road projects.

Electrical Transmission and Generation Enhancement

Distributed Logistics Facilities in Southern Utah

Broadband – Daggett County, as well as San Juan County, have a huge need for broadband projects. In addition, there are many other areas still in need of this service. COVID has just taught us that people can work from just about anywhere if they have broadband. It’s the ability to connect to the world!!

Director McKee took over the discussion concerning concepts. He had some things for everyone to consider. There are millions of dollars of grants out there. The Coalition use to have a grant writer who has since moved on. It would benefit the Coalition to hire another part-time grant writer. A little bit of money spent could bring in great benefits.

When the Coalition organized, it’s directive from the Community Impact Fund Board (CIB) was to find and develop revenue generating projects. Over time that vision has changed a little bit. Possibly, the Coalition’s value is as a project incubator? Possibly in the future it should be a little bit of both?

Instead of developing and operating a project, as with the rail, it appears that the Coalition functions best at high level planning and preparing projects to be turned over to private industry to finish growing and operate. There are several Coalition projects that will be going through this transition process in the next few years. So, it seems prudent to evaluate whether projects
are best to stay under the ownership and operation of the Coalition or best served by transitioning? This will be an ongoing evaluation process. One thing to consider is what is the best ownership for a project in order to have access to the most funding? Director McKee thanked all of the speakers. He noted that it had been an impactful few hours with a lot of vision and information shared. He thanked Sevier County, and specifically Commissioner Ogden, for hosting this retreat.

**Motion to Adjourn**

A motion to adjourn was made by Commissioner Hopes.
A motion to approve the July 17, 2020 retreat minutes was made by Commissioner Lytle, seconded by Commissioner Ogden.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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Co-Chair: Brad Horrocks

Co-Chair: Lynn Sitterud

ATTEST:

Eric T. Johnson (Legal Counsel)
A motion to approve the July 17, 2020 retreat minutes was made by Commissioner Little, seconded by Commissioner Ogden.

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ATTEST:

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