

ConnectOregon Program

Application

PART B - Applicant Qualifications

1. CONTACT INFORMATION

APPLICANT

ORGANIZATION NAME Wyoming Colorado Railroad/Oregon Eastern Railroad	PRIMARY CONTACT PERSON AND TITLE G. L. Kissel-Exec VP/Loren Canaday-Manager
ADDRESS 164 Washington Street East	TELEPHONE 801-621-5311/541-473-2570
CITY, STATE AND ZIP CODE Vale, OR 97918	FAX 801-393-7733/541-473-3790

CO-APPLICANT / CO-SPONSOR

ORGANIZATION NAME	PRIMARY CONTACT PERSON AND TITLE
ADDRESS	TELEPHONE
CITY, STATE AND ZIP CODE	FAX

2. IS / ARE THE APPLICANT(S) CURRENT ON ALL STATE AND LOCAL TAXES, FEES AND ASSESSMENTS?

YES NO If NO, Explain:

PART C - Project Description

3. PROJECT DESCRIPTION AND PURPOSE: Summarize the project's description and purpose.
Provide maps in 8 1/2 "X 11" format as hard copy only.

The Oregon Eastern Railroad is constructing a mainline siding at approximately M.P. 2.2 in order to serve Treasure Valley Renewable Resources, LLC, a biorefinery in Ontario, Oregon. As required by law, 90% of the ethanol will be shipped by rail and thus for the need of the mainline siding, to gain access to and from the facility.

4. ConnectOregon (CO) Project Budget

SOURCES OF FUNDS: Please identify the source and amount of moneys comprising your project budget in terms of grants, loans, match and other funds.

SOURCES:	Amount	Percent of Total	DATE AVAILABLE	
			Cal Year	Quarter
a. ConnectOregon Grant	\$260,000.00	80%	2006	3
b. ConnectOregon Loan	\$	%		
c. Required Match (Grants -20% of Total Project) 1	\$65,000.00	20%	2006	3
d. Other Leveraged Funds (2)	\$	%		
e. Other Leveraged Funds (2)	\$	%		
f. Other Non-Leveraged Funds (Describe)	\$	%		
g. Other Non-Leveraged Funds (Describe)	\$	%		
TOTAL*	\$325,000.00	100%		

(1) Please describe the source and timing of the 20% match shown above. If applicable include the cost basis of property.

Cash on hand

(2) If your project leverages other funds beyond the ConnectOregon grants, loans and match required for your project, please describe the source, timing and basis for valuing the other funds. Leveraged funds must be shown in 1(d) and 1(e) above.

USES OF FUNDS: Please identify the proposed uses and amount of moneys comprising the project budget.

USES:	Amount	Percent of Total	DATE AVAILABLE	
			Cal Year	Quarter
Labor (Payroll)	\$24000.00	7.38%	2006	3
Contracted Services (If Known)	\$75,000.00	23.08%	2006	3
Materials and Supplies	\$226,000.00	69.54%	2006	3
Capital Outlay (Land)	\$	%		
Capital Outlay (Buildings)	\$	%		
Capital Outlay (Equipment)	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
TOTAL*	\$325,000.00	100%		

**Totals for Sources of Funds and Uses of Funds must be equal*

5. REAL ESTATE

EXACT ADDRESS OR LEGAL DESCRIPTION:

a. IS PROPERTY OWNED BY APPLICANT(S)? YES NO

PURCHASE PRICE	DATE
Included w/Railroad	Oct 1989

b. IS PROPERTY TO BE PURCHASED? YES NO

PURCHASE PRICE	DATE

c. IS PROPERTY TO BE LEASED? YES NO

d. DOES THE PROJECT INCLUDE
EASEMENTS OR DONATED PROPERTY? YES NO

Provide any additional details here:

The Wyoming Colorado Railroad purchased the Oregon Eastern Railroad in October 1989. Right-of-way was included in the purchase.

PART D - Project Considerations

NOTE: The independent review consultant who will evaluate the project may consider other published or publicly available information when conducting this review.

6. TRANSPORTATION COST REDUCTION: Describe how the project reduces transportation costs for Oregon businesses.

With the addition of this mainline siding, it will expedite the direct interchange of traffic to the Union Pacific Railroad and alleviate truck traffic congestion on the highway system. Per information from John Hamilton, T.V.R.R. Facility, the .78 per bushel savings in freight when multiplied by 15 million bushels (number necessary to operate the facility), is 11.7 million more money for the grain growers in Eastern Oregon and Western Idaho.

7. MODAL CONNECTIVITY: Describe how the project benefits or connects two or more modes of transportation.

This mainline siding will enable the Oregon Eastern Railroad to service the Treasure Valley Renewable Resources Plant and expedite the traffic to and from the Union Pacific Railroad. This siding will also enable the Oregon Eastern Railroad to provide more dependable service to the other shippers in Malheur County by significantly reducing truck traffic.

8. STATEWIDE OR REGIONAL TRANSPORTATION LINK: Describe how the project creates a critical link in a statewide or regional transportation system.

Malheur County has the largest number of irrigated acres and thus the rotation of crops such as onions and sugar beets with grain will be utilized locally and then exported to other states and countries.

9. COST BORNE BY APPLICANT(S): Provide the amount by which the project will exceed, or, provide a match beyond *ConnectOregon's* minimum grant-match requirement of 20%.

10. PERMANENT AND CONSTRUCTION JOBS CREATION/RETENTION: Describe how the project creates and retains permanent and construction jobs in Oregon.

The Oregon Eastern Railroad will add approximately 3 full time positions with an annual salary in the range of \$29,000 plus benefits. Depending on other industry locating on our line, more jobs may be needed.

11. ANTICIPATED CONSTRUCTION START DATE OR EQUIVALENT:

12. ANTICIPATED PROJECT COMPLETION DATE:

13. CONSTRUCTION READINESS: Provide a project timeline and describe where the project is on this timeline in relation to planning, design and permitting issues.

The preliminary design is complete for the mainline siding. Constructing should begin by May 2006 depending on the schedule of T.V.R.R. (Treasure Valley Renewable Resources). The siding will need to be in service in order to receive construction material for T.V.R.R.

14. PROJECT OPERATIONS: How will the ongoing maintenance, operation and replacement of the project be financed?

This will be operated and maintained by the Oregon Eastern Railroad as well as the cost for preventative future maintenance. Future maintenance will come from operations.

15. OTHER CONSIDERATIONS AND INFORMATION: Describe any other considerations and information you would like taken into account about the project.

Hopefully with the addition of this mainline siding, we will be able to solicitate additional industry to locate on the Oregon Eastern Railroad to enhance the economic growth of Malheur County and the State of Oregon.

PART E - Supporting Materials: Provide a list here of supporting materials that will be provided as part of your hard copy submission.

Map of proposed mainline siding and project.

A large, empty rectangular box with a thin black border, intended for the submission of supporting materials. The box is currently blank.

ADDENDUM PAGE 8: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

Location and Project

The mainline siding would be located approximately 1.5 miles south of the city of Ontario at approximately M.P. 2.2 on the Oregon Eastern Railroad.

ADDENDUM PAGE 9: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 10: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 11: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 12: Attach additional text here as necessary, identifying the corresponding application question number you are completing.