

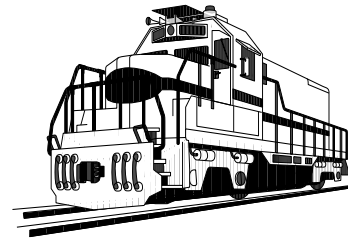
# Western Rail, Inc.

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February 16<sup>th</sup>, 2024

Michael Fong, Director  
Washington State Department of Commerce  
1011 Plum Street SE  
Olympia, WA 98504

**RE: Accelerating Washington State's Climate Commitments: A Bold & Inclusive Path to Net Zero Emissions**



Dear Director Fong:

Western Rail Inc and the Port of Pend Oreille, dba Pend Oreille Valley Railroad (POVA), have a long history of working together on locomotive rebuild projects during the last 30 years. So, on behalf of Western Rail, we are committed to partnering with the Port of Pend Oreille on the programs that are outlined in your grant application, *Accelerating Washington State's Climate Commitments: A Bold & Inclusive Path to Net Zero Emissions*, for the EPA's Climate Pollution Reduction Grant Program's (CPRG) Implementation Grants throughout the lifetime of the project period (up to 5 years after funds are awarded). Western Rail and POVA are committed to the goals of this grant application and our rail programs to implement ambitious, scalable measures to achieve significant reductions in greenhouse gas emissions and substantial community benefits across the transportation, built environment, and waste management sectors in alignment with the Washington State Priority Climate Action Plan (PCAP).

POVA and Western Rail have joined in partnership with Cummins Diesel to complete upgrades and conversions on older locomotives to Tier 3 and Tier 4 emissions meeting the requirements for new national clean energy standards. These conversions provide Class 2, Class 3, and other industrial railroads with the lower cost option of converting their existing locomotives to meet the new state and federal clean energy requirements rather than trying to finance the cost of new locomotives. This new and exciting partnership has already successfully completed 4 locomotive conversions / engines and/or Tier 0 to Tier 4 engine rebuilds for 4 different railroad companies. We have also ordered three more Tier 4 engines from Cummins and one more Tier 0 engine kit for upcoming projects for 4 more different railroads. We foresee the possibility of rebuilding 4 to 5 locomotives / engines per year, but we need more shop space to meet these goals. As an established shop, with a good reputation for quality products and workmanship, the opportunity to expand operations is excellent. A larger facility will allow POVA to increase their labor force, turn out more converted locomotives / engines, and allow for additional reductions of emissions in multiple states with multiple railroads and port authorities. We are currently in line to do about (30) Tier 4 and (5) Tier 3 conversions in the next 3 years with many more to come in the next 5 years and beyond.

For these reasons, Western Rail strongly supports and commits to partnering with the Port of Pend Oreille and the Washington State Department of Commerce on its joint application for the CPRG Implementation Grant to accelerate the state's implementation of its climate goals. Thank you in advance for your time and consideration.

Regards,

**Todd Havens**

Todd Havens, President

**Locomotive Sales, Leasing & Engine Division**

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