



Coalfields Expressway & ADHS Corridor Q



CFX/Corridor Q Briefing

May 13, 2014

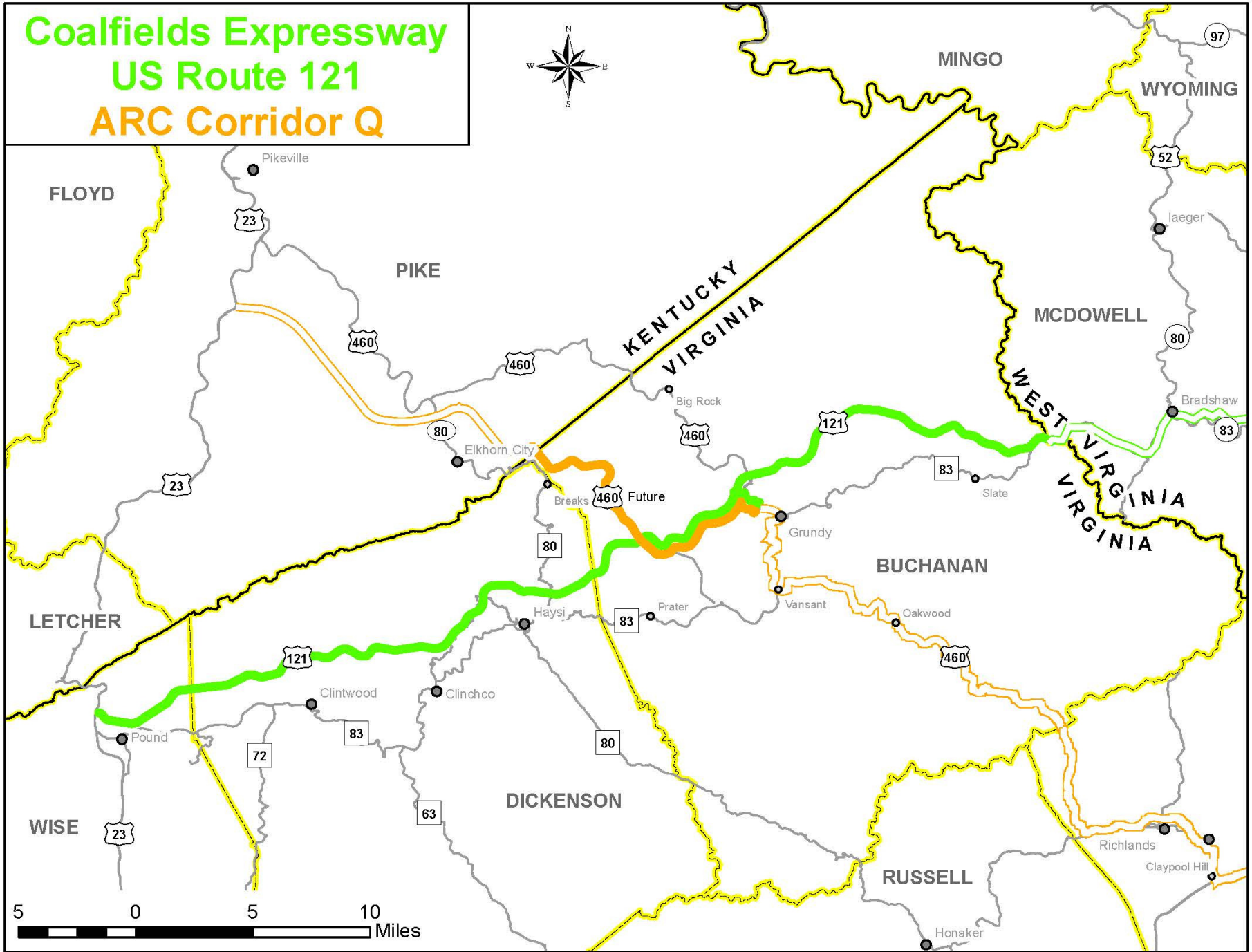
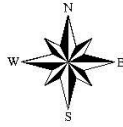
Mandy Cox

CFX/Corridor Q Program Manager

Coalfields Expressway Corridor Q

- Overview of the CFX and Corridor Q
- Coal Synergy
- Procurement
- Environmental Status
- Funding Status
- Individual Construction Segment Status

Coalfields Expressway US Route 121 ARC Corridor Q



Corridor Q (US 460)

- Appalachian Development Highway System
- National Highway System
- **Centerpiece of Appalachian Regional Commission's Economic and Social Development in 13 state Appalachian Region**
- 127.5 miles - VA/KY to Interstate 81 near Christiansburg
- Approx. 14 miles remain uncompleted in VA.
- Five Construction Segments
 - 2 miles completed to rough grade (Hawks Nest)
 - 7 miles under contract (460 Phase I and II)
 - 5 miles negotiation stage(CFX/Q Connection and Poplar Creek)
- Kentucky has 16 of 17 miles under construction
- 100% Federal Funds thru MAP 21

Coalfields Expressway (US 121)

- Congressional High Priority Corridor & National Highway System
- 50 miles-US Rte 23 near Pound to WV line near Slate, VA
- Currently 8 construction segments
- 2 miles Constructed to Rough Grade
 - Hawks Nest
- Approx 12 miles – Under PE Design
 - Pound Connector (*partially funded*)
 - Doe Branch (*fully funded*)
- Approx 20 miles – Negotiating PE Design
 - Cranes Nest (*partially funded*)
 - CFX/460 Connection (*fully funded*)
 - Poplar Creek (*Working with Programming Division to align allocations with anticipated spend plan.*)

Regional Connectivity



Coal Synergy: Only Practicable Alternative

- Coal Synergy ...
 - Construction methodology common to the mining industry
 - Large scale earth moving equipment
 - Incidental coal recovery
 - **Saves 45%** of the costs
 - Provides adjacent flat land to help the region diversify its economy and reduce dependence on coal (Southern Gap Development)

“A once-in-a-lifetime opportunity...”

VA Coalfield Economic Development Authority

With Coal Synergy
\$2.8 Billion

VS.

Without Coal Synergy
\$5.1 Billion

Note: 2013 estimated costs of CFX, connectors, and connections to Corridor Q.

Coal Synergy

Southern Gap Development Site

- Three Phase Development Site developed with coal synergy
- Buchanan County investment made based on CFX/Q infrastructure
- 1,300 Acre Site versus 90 Acre total within county
- Proposed Local Access Road for connection with CFX/Q
- **Call Center that employs 320 , housing, ball park, fair grounds and small race track**



Three Procurement Vehicles

1) PPTA Comprehensive Agreement – CFX

- Pound Connector – Alpha Natural Resources
 - PE Underway
- Cranes Nest – Alpha Natural Resources
 - Currently negotiating PE Task Order
- Doe Branch – Alpha Natural Resources
 - PE Underway
- Hawks Nest – Alpha Natural Resources
 - Dually Designated as Corridor Q
 - Complete to Rough Grade
- Poplar Creek – Bizzack Construction
 - Dually Designated as Corridor Q
 - PE task order negotiations complete
- Elkins – Bizzack Construction
- Rockhouse – Bizzack Construction

2) Traditional Design-Build – CFX & Corridor Q

- 460 Connector Phase I – Under Contract
- Final Grade for 460 Connector Phase II, CFX/Q Connection, Hawks Nest

3) Sole Source Design-Build Using Coal Synergy – Corridor Q

- 460 Connector Phase II (Rough Grade) – Under Contract

Projects advanced by task order which limits obligation to only that work currently underway.

Environmental Status

Final EIS of CFX completed in September, 2001 and Record of Decision issued by FHWA in November, 2001

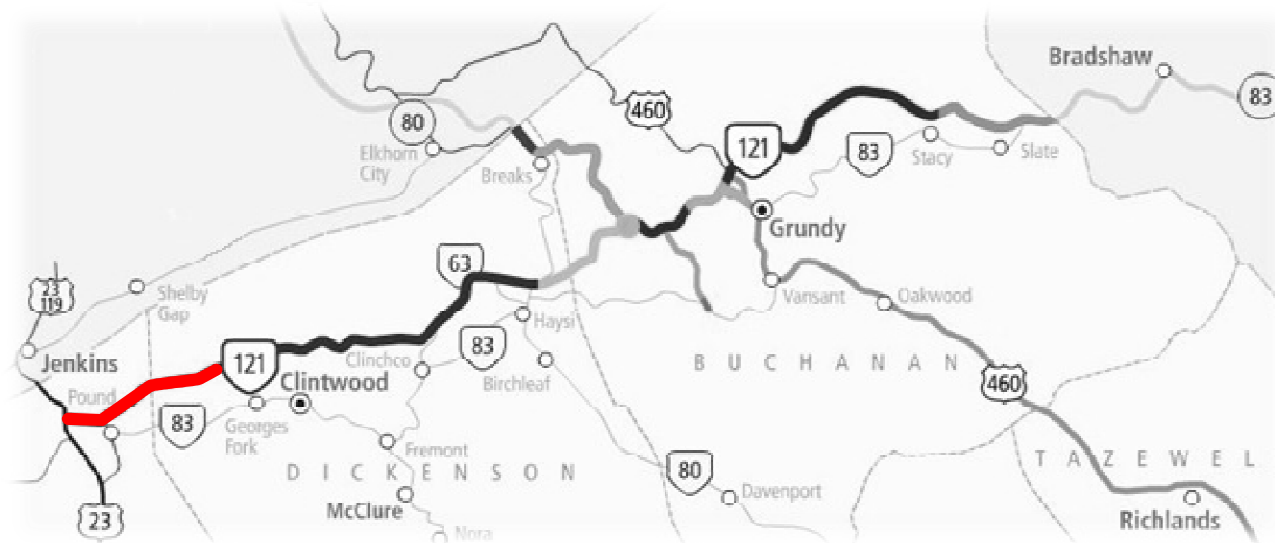
Original alignment in the Environmental Impact Statement (EIS) has been revised to align with mineral reserves owned by coal synergy partners. NEPA environmental reevaluations for CFX divided into five (5) sections.

- **Section I – first 2 miles of the Pound Connector**
 - Reevaluation completed and signed by FHWA January 8, 2009
- **Section II – remainder of Pound Connector and Doe Branch**
 - Coordinating with FHWA and COE to update Environmental Assessment
- **Section III(A) – Hawks Nest**
 - Reevaluation completed and signed by FHWA on March 26, 2008
- **Section III(B) – Poplar Creek and Elkins**
 - Reevaluation expected to be complete in July 2014
- **Section III(C) - Rockhouse**
 - Reevaluation completed and signed by FHWA October 29, 2008
- **460 Connector Phase II and CFX/Q Connection**
 - Environmental Assessment completed and signed by FHWA on January 24, 2010

Status:

CFX Pound Connector

- Mileage: 6.8 miles
- Estimate: \$140 million (Rough and Final)
- Current Stage: Preliminary Engineering
- PE Begin Date: December 2011
- PE Completion Date: July 2014
- Anticipated DB Begin Date(Rough Grade): Spring 2015 (NEPA Section I)
- Private Sector Partner: Alpha Natural Resources



Status: CFX Cranes Nest

- Mileage: 15.3 miles
- Subdivided into three 5 mile construction segments with independent utility
- 3 bridges:
 - Georges Fork Height 180'
 - Cranes Nest Height 220'
 - Russell Fork Height 340'
- Estimate: \$690 million (Rough and Final)
- Funding: \$10 million - Limited Preliminary Engineering (PE) Only
- PE Begin Date: August 2014
- PE Completion Date: August 2016
- Current Stage: Negotiating Contract
- Private Sector Partner: Alpha Natural Resources



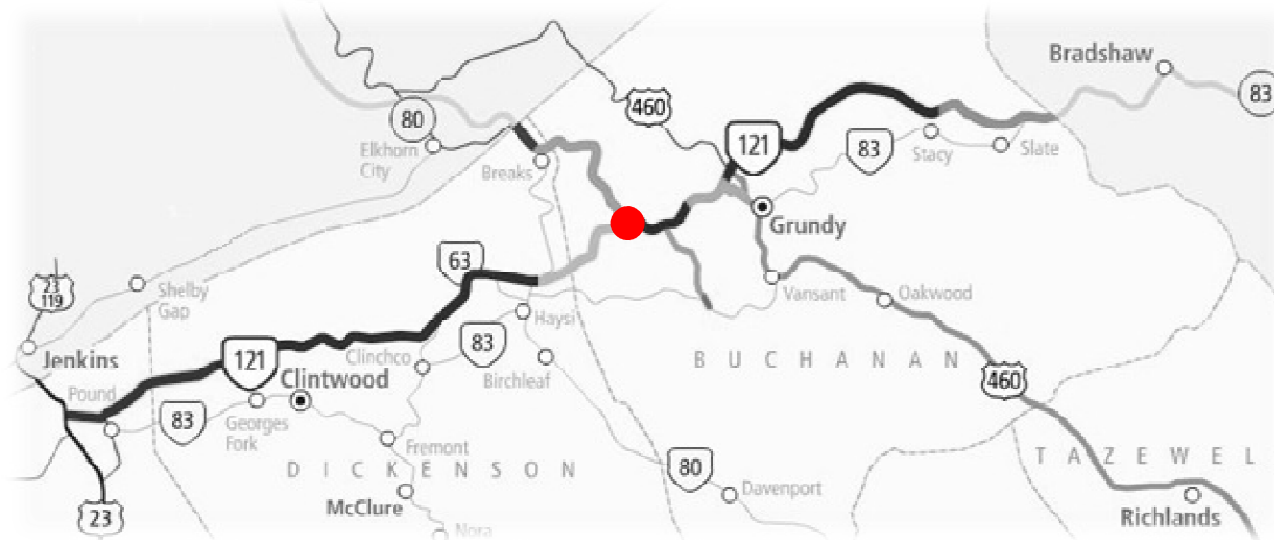
Status: CFX Doe Branch

- Mileage: 5 miles
- Estimate: \$81.5 million (Rough and Final)
 - Approx. 2 miles within existing mine permit – provides additional savings
- Current Stage: Preliminary Engineering
- Begin PE: December 2011
- PE Completion Date: June 2014
- Private Sector Partner: Alpha Natural Resources



Status: CFX/Corridor Q Connection

- Mileage: 0.3 miles
- Cost Estimate: \$24.5 million (Rough Grade)
- Anticipated Begin: Spring 2015
- Anticipated Completion: Spring 2017
- Current Stage:
 - Negotiations for Design Build Contract to Rough Grade
 - Coordinating with FHWA type of connection via Safety & Mobility Analysis
- Private Sector Partner: Alpha Natural Resources



Status: CFX/Q Hawks Nest

- Mileage: 2.0 miles
- Cost: \$10 million (Rough grade on existing mine permit)
- Began: April 2008
- Current Stage: Rough Grade Construction Complete
- Completion Date Finish Grade: Summer 2019
- Private Sector Partner: Alpha Natural Resources

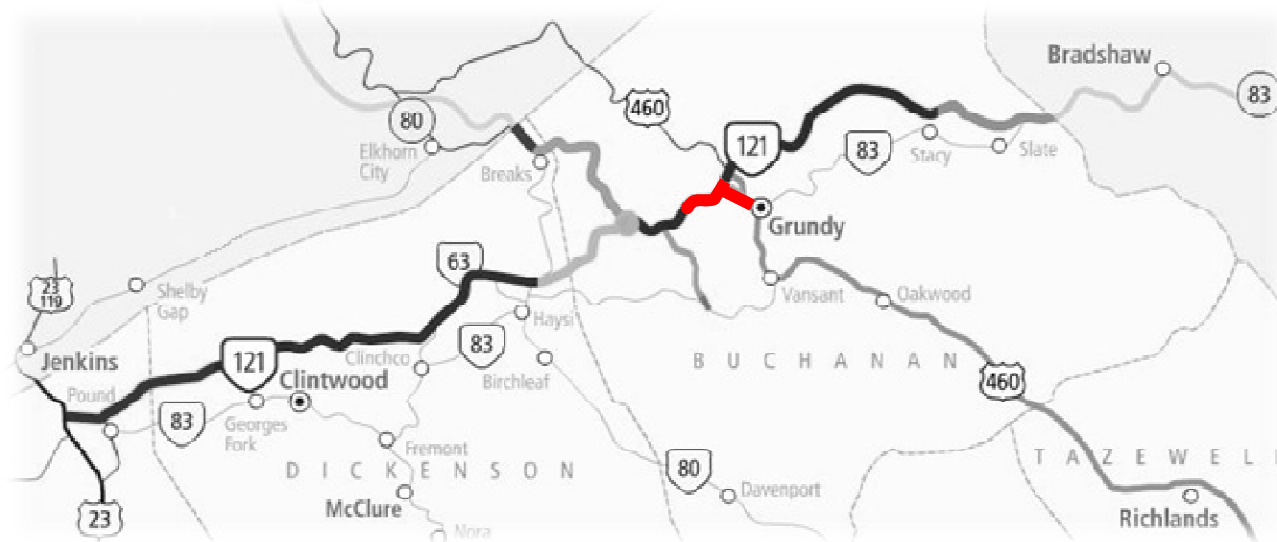


Hawks Nest Section of CFX and Corridor Q



Status: CFX/Q Poplar Creek

- Mileage: 4.5 miles
- Cost Estimate: \$248 million (Rough and Final Grade)
- Anticipated PE Begin Date: May 2014
- Anticipated Completion Date: Summer 2021 (Rough and Final Grade)
- Current Stage: Contract Negotiation for Preliminary Engineering
- Private Sector Partner: Bizzack Construction Company
- Poplar Creek Bridge – Height 310'



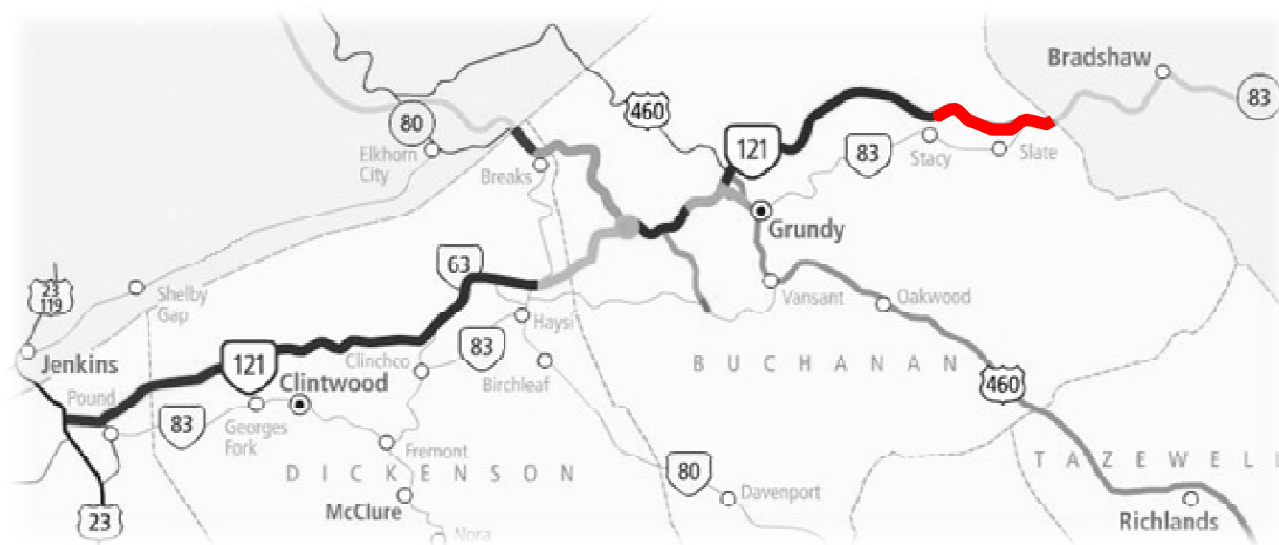
Status: CFX Elkins

- Mileage: 11 miles
- Coordinate Construction with WV CFX
- Current Stage: No funding
- Private Sector Partner: Bizzack Construction Company



Status: CFX Rockhouse

- Mileage: 5.0 miles
- Coordinate Construction with WV CFX
- Current Stage: No funding
- Private Sector Partner : Bizzack Construction Company



Status:

Corridor Q 460 Connector Phase I

- Mileage: 0.83 miles
- Budget: \$129 million
- Contract : \$94 Million
- Traditional Design Build
- Begin Date: Summer 2009
- Anticipated Completion Date: June 2015
- Current Stage: Under construction
- Tallest Bridges in Virginia, 265 feet
- D-B: Bizzack Construction Company



Corridor Q 460 Connector Phase I



Status:

Corridor Q 460 Connector Phase II

- Mileage: 6.2 miles
- Budget: \$125.4 (Rough Grade)
- Contract: \$108 Million
- Contract Executed July 2013
- Coal Synergy Construction
- Anticipated Completion Date: Spring 2018
- Current Stage: Preliminary Engineering
- Private Sector Partner: Bizzack Construction Company



Status: Finish Grade Contract

- Mileage: 8.5 miles
 - Hawks Nest
 - CFX/Q Connection
 - 460 Phase II
- Cost Estimate: \$52.3 million
- Traditional Design Build Competitive Procurement
- Anticipated Begin: Spring 2018
- Anticipated Completion: Summer 2020





Coalfields Expressway Corridor Q

Questions