



June 28, 2016

241123

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423

ENTERED
Office of Proceedings
July 14, 2016
Part of
Public Record



RE: *STB Docket No. 36036, Valero Refining Company - California Petition for Declaratory Order*

Dear Ms. Brown:

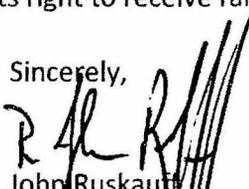
QEP Energy is a crude oil producer in the Williston Basin of North Dakota and has been a consistent supplier to Valero Refining and Marketing for several years. Our crude oil, along with crude oil from other producers, is moved by rail to Valero's refineries, particularly in California, striving to reduce the cost of petroleum products to consumers on the West Coast.

On May 31, 2016 Valero petitioned the Board requesting that the Board institute a proceeding and declare that the City of Benicia Planning Commission's denial of certification of the Environmental Impact Report and denial of the Valero land use application for a crude oil off-loading facility are preempted under the Interstate Commerce Commission Termination Act ("ICCTA"). Valero seeks a Board order that the Planning Commission's actions are preempted by ICCTA because ICCTA does not permit the City of Benicia Planning Commission to indirectly regulate uprail transportation.

Our business depends on Valero and will benefit from Valero's access to North American crude oil on the UPRR because a more competitive Valero allows our business to be more competitive. There currently is insufficient pipeline capacity to transport all of the oil produced in North Dakota by pipeline and the continued development of rail facilities in markets such as California would provide QEP with access to more competitive outlets, enabling QEP to continue to explore for and produce oil in North Dakota. This will not only further the U.S. goal of energy independence, but also continue to provide jobs to hundreds of oil workers and the myriad of other businesses that support them.

QEP supports the Valero Petition and respectfully request the Board institute a proceeding and grant Valero's Petition affirming its right to receive rail service.

Sincerely,


John Ruskaut
Vice President, Marketing

CERTIFICATE OF SERVICE

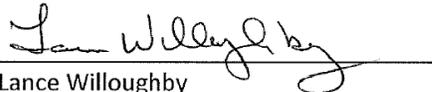
I hereby certify that I have this day served a copy of QEP Energy Company's letter dated June 28, 2016 by using the following service:

See attached service list.

- [x] U.S. Mail Service: Mailing by first class mail with postage prepaid to all known parties of record who did not provide electronic mail addresses.

Executed on July th14 2016 at Denver, Colorado.

QEP Energy Company


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