



Domtar
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March 31, 2021

Honorable Pete Buttigieg
U.S. Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Buttigieg:

The program of investments outlined in the North Carolina Department of Transportation's (NCDOT's) Future I-87 Resiliency, Innovation, Safety, Economy Project (the "Future I-87 RISE Project" or "the Project" hereafter) application to the U.S. Department of Transportation's INFRA Program offers an opportunity for eastern North Carolina to Build Back Better. Domtar Corporation strongly supports this innovative and cost-effective Project. The Future I-87 RISE Project will improve freight mobility and rural access by providing an interstate highway connection between the Port of Virginia, CSX's new Carolina Connector (CCX) Intermodal Rail Terminal, and Raleigh, NC while supporting regional and national economic vitality, resiliency, and environmental justice through the deployment of innovative technology and creative infrastructure investments. By strategically upgrading the Future I-87 and US 64 corridors, the project will provide much needed investment to serve and fortify an underserved, rural region of North Carolina that has not proportionally shared in the state's prosperity.

The Project will improve 179 miles of US 64 and US 17 to interstate standards while fortifying a section of US 64 that is part of the United States Army Corps of Engineers (USACE) levee system protecting the vulnerable Town of Princeville, a historic African-American town that is experiencing increasingly frequent and severe flooding events due to climate change. These improvements will mitigate road flooding and address environmental justice concerns being exacerbated by climate change. Collectively, the Project will offer rural residents a safer and faster travel option to access the Raleigh job market. Moreover, Future I-87 and the U.S. 64 extension out to the coast are important evacuation routes; the Project's upgrades will ensure these roadways function optimally during weather emergencies to safely and efficiently allow eastern North Carolina residents to get out of harm's way.

The Project is a large step forward in realizing North Carolina's vision to build out a resilient network of freight distribution corridors in eastern North Carolina. The future I-87 corridor traverses rural eastern North Carolina, connecting Raleigh, NC at

its southern terminus and the Hampton Roads-Norfolk region in Virginia at its northern terminus. When fully completed, this corridor will serve as an interstate connection between the Port of Virginia and I-95. This corridor is critical to connecting northeastern North Carolina industries and farms to their best export option through the Port of Virginia. Improvements along the future I-87 corridor will also capitalize on the \$270M investment in the Carolina Connector Intermodal Rail Terminal (CCX) by strengthening the highway connections between CCX, the I-95 corridor, and the Port of Virginia. It is projected that activity at CCX will increase access to national and global markets for North Carolina ports and businesses and increase the efficiency of the movement of goods, producing regionally significant economic trade benefits.

The Project will install fiber optic cable along the entire length of the future I-87 corridor, as well as the extension of U.S. 64 from Williamston to Whalebone. This investment will permit NCDOT to implement state-of-the-art wind and flood monitoring, traveler information signs, and integrated corridor management system to better manage the vehicular movement in a coordinated manner with I-95 and U.S. 70 (future I-42) where fiber is already being installed, prepare for the future implementation of connected and autonomous vehicles, enhance broadband capability in this underserved rural area, and offer the potential for revenue opportunities to NCDOT through the lease of excess fiber capacity. Furthermore, the expansion of fiber into North Carolina's more rural counties will work to ameliorate the inequities of access that have been highlighted during the COVID-19 pandemic. The installation of fiber will also represent a sound investment due to the projected revenue generation the state will see from providing a fiber/broadband "backbone" for additional incremental private investment in network expansion to rural areas.

While the Project addresses multiple evaluation criteria for the INFRA program, improving the economic competitiveness of eastern North Carolina's rural communities along future I-87 lies at the heart of this project. This INFRA grant, when combined with significant state investment in resilience measures throughout the Project corridors and an 39.6 million investment by the United States Army Corps of Engineers to protect Princeville from flooding, would position North Carolina to immediately move forward to improve safety, address key bottlenecks, and further build out the backbone of its eastern freight network while simultaneously improving the resiliency of communities along 2 key evacuation routes used by residents of North Carolina and neighboring states during extreme weather events. The Project is a prudent investment that will increase the return on prior federal investments and proactively protect existing transportation assets, thereby preventing future losses.

Domtar is a leading provider of a wide variety of fiber-based products including communication, specialty and packaging papers, market pulp and airlaid nonwovens. With approximately 6,600 employees serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day. Domtar's annual sales are approximately \$3.7 billion, and its common stock is traded on the New York and Toronto Stock



Exchanges. Domtar's Plymouth pulp mill straddles North Carolina's Martin and Washington counties, and will be minutes away from the proposed I-87 corridor. Access to interstate highways provides a more direct path to the Port of Virginia where we export pulp products to our customers overseas.

For these reasons, we strongly urge you to support the Future I-87 Resiliency, Innovation, Safety, Economy Project and the NCDOT's application for federal INFRA grant funding to accelerate its construction.

Sincerely,

A handwritten signature in black ink that reads "Jan Martin". The signature is fluid and cursive, with the first name "Jan" and last name "Martin" clearly distinguishable.

Jan Martin
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