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**Meeting Increased Demand,
Reducing Emissions and
Relieving Rail Congestion**



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About BNSF Railway

- Headquartered in Fort Worth, Texas; operates in 28 states and two Canadian provinces
- Employs more than 40,000 people nationwide, with major Southern California operations in Los Angeles, San Bernardino and Barstow
- Moves more intermodal traffic than any other rail system in the world
- BNSF is North America's largest grain-hauling railroad and also carries plastics, building and construction materials and consumer goods.

Efficiencies of Rail

- **Capacity:** 1 double-stack train can equal the volume of approximately 280 trucks
- **Fuel Efficiency:** Trains are 2-4 times more fuel efficient than trucks handling equivalent loads
- **NOx Emissions:** Trains are 3 times cleaner than trucks handling equivalent loads

From an environmental, economic, congestion and safety perspective, rail is the best way to move goods – today and in the future

Hobart Intermodal Facility

- Busiest single intermodal yard in the world
- Located approximately 20 miles north of the ports
- Handles international and domestic containers for delivery nationwide
- Currently handles more than 1.3 million lifts per year
- Nearly 60% of its containers come from or go to the ports

Current Situation

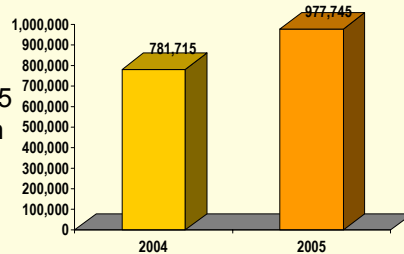
- The Ports of Los Angeles and Long Beach are the world's fifth busiest port complex
 - 14.1 million TEUs of cargo last year
 - \$185 billion in trade revenue
- Trade-related transportation is the 2nd largest source of jobs in the greater five county region
- Cargo arriving at the Los Angeles/Long Beach is often transported by truck
 - Except for ICTF, railyards are located 20 miles north of the ports
- Alameda Corridor encourages use of trains instead of trucks by providing an alternative to congested highways

BNSF's Efforts to Handle Cargo

- \$2.4 billion capital plan for 2006
- Process and procedural changes to take advantage of existing capacity
- Hobart has improved efficiency to increase capacity 25% since 2000
 - BNSF now requires 24 hours notice of shipments by customers using Hobart and Commerce
- BNSF has also reduced free storage time from 48 to 24 hours
 - This policy resulted in a 24% increase in parking capacity per month at Hobart
- BNSF is double- and triple-tracking rail to reduce bottlenecks and speed cargo movement

On-Dock Usage

- Since 2002, BNSF has increased on-dock volume at the ports 133%
 - This includes a 25% increase from 2004 to 2005
 - Nearly 1 million on-dock lifts in 2005
 - For 2006, BNSF expects more than 1 million on-dock lifts
- Unfortunately, on-dock capacity cannot meet demand
- Therefore, additional near-dock intermodal capacity is needed



Project Overview

- Development of a new near-dock rail facility – Southern California International Gateway (SCIG)
- Consistent with the Los Angeles Harbor Commission Rail Policy to help increase intermodal capacity and increase rail usage
- Bounded by Sepulveda Blvd, PCH, Dominguez Channel and the Terminal Island Freeway
- BNSF is committed to making the SCIG project an industry leading facility in terms of capacity per acre and sensitivity to the environment

Conceptual Facility Overview

- Truck access at south end of site off Pacific Coast Highway (PCH)
- Automated kiosks at gates to move trucks through efficiently
- No truck queuing on public streets



Facility Technology

- Greenest intermodal facility in the country
- Sets a new standard for environmental stewardship in Southern California
- Electric Rail-Mounted Gantry (RMG) cranes
 - Reduced noise and lighting
- LNG (or equivalent) hostler tractors
- LNG, multi-engine or “hybrid” switch engines
- Low-sulfur fuel and idle shut-down feature for road locomotives

Project Benefits

- Eliminate millions of truck-miles annually on the I-710 and other freeways, reducing traffic congestion
- Improve air quality through reduced emissions, increased use of more efficient cleaner-burning locomotives, and facility's environmentally-friendly technology
- Provide additional near-dock capacity with direct access to the Alameda Corridor
- Optimize use of the Alameda Corridor by transferring cargo on rail closer to the port

Project Support

- SCIG is on the list of Preliminary Action Recommendations in the Governor's Goods Movement Action Plan (12/05)
- "A better way to reduce pollution and truck traffic is to build more on-dock or near-dock rail yards and send cargo by rail along the underused Alameda Corridor; BNSF Railway has proposed building just such a yard."
- "The Road to Gridlock," *Los Angeles Times*, 1/7/06
- "The International Gateway terminal would lessen localized pollution by using ultra-clean on-site equipment, such as electric cranes and locomotives fueled by liquefied natural gas. ... Building the proposed BNSF terminal is one way to ease the impact on the region."
- "Terminal's tradeoffs; Rail center proposal balances regional benefits against local problems," *Long Beach Press-Telegram*, 10/4/05

Project Status

- In September 2005, the Port of Los Angeles issued a Notice of Preparation (NOP) for the environmental impact report for the project
- Public scoping meetings were held in October and November
- The public review period for the NOP ended in December 2005
- The next step will be the development of an environmental impact report before approval and construction can occur

Conclusion

- Despite BNSF's efforts to improve efficiency, additional rail infrastructure is crucial to supporting the economic and environmental health of the Los Angeles region
- A new near-dock facility helps increase use of the Alameda Corridor, reduce traffic congestion, improve air quality and create jobs