



NEWS

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FOR IMMEDIATE RELEASE

New BNSF Rail Facility Will Provide Significant Economic, Air Quality and Traffic Benefits for Southern California

\$500 Million Facility Exceeds Port of Los Angeles' Goals for New Projects

LOS ANGELES, September 23, 2011 – BNSF Railway's proposed Southern California International Gateway (SCIG) reached an important milestone today with the release of the Draft Environmental Impact Report (DEIR) for public review and comment. The SCIG project is designed to be the greenest intermodal facility in the United States. SCIG will allow containers to be loaded onto rail just four miles from the docks, rather than traveling 24 miles on local roads and the 710 freeway to downtown rail facilities. SCIG will allow 1.5 million more containers to move by more efficient and environmentally preferred rail through the Alameda Corridor each year, greatly reducing truck traffic congestion in Southern California.

The report concludes that SCIG reduces health risk to a far greater extent than even the port's own goals for new projects. SCIG will also create thousands of good local jobs, remove more than 1.5 million truck trips from the 710 freeway every year, providing significant benefits for local and regional air quality and congestion relief.

In building SCIG, BNSF will clean up an existing industrial site and replace it with a state of the art facility featuring wide-span all-electric cranes, ultra-low emission switching locomotives and low-emission rail yard equipment.

In addition to these innovations, BNSF has committed to initially allow only trucks meeting the Port's Clean Air Action Plan (CAAP) goal of 2007 or newer trucks to transport cargo between the marine terminals and the facility. Ultimately, by 2026, 90 percent of the truck fleet will be LNG or equivalent emissions vehicles. Trucks will be required to avoid residential areas by traveling on designated, industrial routes with GPS tracking to ensure adherence.

“The release of this report is a significant moment for green growth in Los Angeles,” said Matthew K. Rose, Chairman, and Chief Executive Officer of BNSF. “Railroads are the most environmentally-friendly mode of surface transportation. We have worked closely with the Mayor and other elected officials, staff and stakeholders to develop a \$500 million facility that will be an important contributor to the rail system, the port and the regional economy, while at the same time benefitting our community and the environment. We believe that this facility proves that ‘green’ and ‘growth’ can go together as the mayor and the ports have long promised.”

The draft environmental impact report, which analyzes potential impacts from the project on topics ranging from air quality to traffic, includes the following key findings:

- The Port of Los Angeles has set a health risk goal for new projects of not more than an additional 10 in a million excess cancer risks. SCIG far surpasses the Port’s stated goal with a *reduction* of cancer risk of 160 in a million.
- SCIG will have a significant positive impact on traffic, both locally and regionally.
 - SCIG will eliminate more than 1.5 million truck trips from the 710, reducing congestion and improving air quality.

SCIG to Generate Green Growth and New Jobs

“With unemployment at 12 percent in Los Angeles County, opportunities to develop infrastructure while creating well-paying local jobs should be a high priority,” said Gary Toebben, President and CEO of the Los Angeles Area Chamber of Commerce. “This project is just the type of growth that is critically needed in the region and will send a signal to the business community that sensible growth is possible in the city of Los Angeles.”

During the three-year construction phase, approximately 1,500 jobs annually would be created, contributing more than \$85 million in federal, state and local taxes. Upon completion, SCIG will create up to 14,000 new direct and indirect jobs in Los Angeles and 22,000 new direct and indirect jobs in Southern California by 2036, according to a study by IHS Global Insight.

BNSF is in the process of finalizing a Project Labor Agreement with the Building and Construction Trades Council for the construction of SCIG. BNSF has also committed to create a local jobs training program and offer priority hiring for new jobs to qualified local job applicants.

BNSF looks forward to continued engagement with stakeholders at its updated [website](#), [BNSFConnects.com](#), on [Facebook](#) and on [Twitter](#). As part of the environmental review process, stakeholders are also encouraged to submit their written comments for the official record to the Port of Los Angeles by December 22, 2011 to Christopher Cannon, Director of Environmental Management via mail or e-mail to ceqacomment@portla.org. They will be included in the Final Environmental Impact Report.

About BNSF

BNSF Railway is one of North America's leading freight transportation companies operating on 32,000 route miles of track in 28 states and two Canadian provinces. BNSF is one of the top transporters of consumer goods, grain, industrial goods and low-sulfur coal that help feed, clothe, supply, and power American homes and businesses every day. BNSF and its employees have developed one of the most technologically advanced, and efficient railroads in the industry. And we are working continuously to improve the value of the safety, service, energy, and environmental benefits we provide to our customers and the communities we serve. You can learn more about BNSF at www.BNSF.com.



Frequently Asked Questions

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Why does BNSF want to construct a new facility at the Port of Los Angeles?

Currently, much of the freight transported from the port to other destinations by rail must travel by truck to rail yards near downtown Los Angeles more than 24 miles away. A new intermodal facility within four miles of the ports will allow trucks loaded with cargo containers from ships to travel just a short distance before transferring the containers to rail cars that would then travel through the Alameda Corridor and on to destinations in the Midwest, Southeast and beyond.

Where will the facility be located?

Southern California International Gateway (SCIG) would be located between the Terminal Island Freeway, Sepulveda Boulevard and Pacific Coast Highway with direct access to the Alameda Corridor. View area map here [\[link\]](#).

What are the benefits of this project?

By transferring cargo to rail closer to the port complex, the new facility will eliminate millions of truck miles annually from the 710 freeway. SCIG will also use proven state-of-the-art and environmentally-friendly technology, including electric cranes, ultra-low emissions switching locomotives, and low-emission yard equipment, while creating thousands of jobs.

What new job opportunities will SCIG create?

Approximately 1,500 jobs annually (direct and secondary) could be added to the regional economy during the construction phase. IHS Global Insight forecasts the facility will create 14,000 new direct and indirect jobs in Los Angeles and 22,000 new direct and indirect jobs in Southern California by 2036. BNSF is also in the final stages of negotiating a Project Labor Agreement with the Building Trades Council for the construction of the facility.

BNSF is also committed to offering a jobs training program and giving priority to qualified local job applicants interested in new jobs at SCIG.

How will this benefit our economy?

SCIG will result in a \$500 million investment in the Los Angeles metro region. In addition, aggregate wages and salaries during construction would reach over \$39.4 million annually. This equates to an average annual wage or salary for each worker related to proposed project (both direct and secondary) of \$46,600 per year (2010 dollars). Overall, the construction of the project is estimated to contribute \$57.6 million in federal taxes, \$28.9 million in state and local taxes.

Aggregate wages and salaries for facility personnel would reach more than \$48 million in 2016 and increase to \$80 million by 2042. This equates to an average annual wage or salary for each worker related to the proposed Project (both direct and secondary) of approximately \$73,500 per year in 2016.

The ports are a significant contributor to the local economy, with local “re-spending” by workers employed by port users and the industries they impact totaling approximately \$4.1 billion. Each dollar of spending for port user goods and services produces about 79 cents of additional industry sales in the southern California region. Port customers contribute about \$760 million to the local economy.

What impact will this project have on the environment?

The Port of Los Angeles has prepared a Draft Environmental Impact report that you can review at http://www.portoflosangeles.org/EIR/SCIG/DEIR/deir_scig.asp. The environmental review process evaluates what impacts, if any, the project will have on the environment. This process is guided by the California Environmental Quality Act (CEQA).. CEQA is a legislative statute passed in 1970 to identify the potential environmental impacts of proposed projects and to avoid or mitigate those impacts, if feasible, before final approval. It requires that each project undergo a rigorous process to prove that it meets strict local and state guidelines to protect the well-being of the surrounding community. You can find out more about what the Draft EIR says about SCIG and issues such as traffic, noise and air quality in the following sections.

How will the project affect traffic?

The proposed intermodal facility will eliminate millions of truck miles annually from the 710 freeway. SCIG will have a significant positive impact on traffic, both locally and regionally.

The Port’s Draft EIR found that SCIG will eliminate more than 1.5 million truck trips from the 710, reducing congestion and improving air quality. A traffic study is included in the environmental review.

How will the project affect air quality?

The Port’s environmental report concludes that SCIG results in far greater health risk reductions than even the Port’s own goals for new projects. SCIG proves that cleaning up the environment and providing good area jobs and economic growth can go hand in hand. SCIG would result in the

elimination of more than 1.5 million truck trips from the 710 freeway each year, improving air quality and decreasing congestion along the 710 corridor and around BNSF's Hobart Yard in Commerce.

Is rail an environmentally efficient way to move goods?

Yes, rail is the most environmentally efficient way to move goods. Trains are now two to three times less polluting than trucks handling equivalent loads. For each gallon of fuel used, trains move the same ton of freight two to four times as far as trucks. Trains can move one ton of freight 500 miles on a single gallon of diesel fuel.

Will old diesel trucks travel to SCIG?

No, only trucks meeting the Port's Clean Air Action Plan (CAAP) goal of 2007 or newer will be used to transport cargo between the marine terminals and the facility. In addition, BNSF is going beyond the CAAP and will also require that by 2023, 75% of the trucks moving cargo between the marine terminals and SCIG will be LNG or equivalent emissions vehicles, and by 2026, 90% of the truck fleet serving SCIG will meet this requirement.

Will the trucks serving the facility travel in my neighborhood?

No, trucks are strictly prohibited from traveling on residential streets. BNSF will require trucks serving SCIG to travel on specified non-residential truck routes and be equipped with global positioning satellite (GPS) devices to monitor and enforce compliance. Please click here to view the designated truck route map [link].

How will the project affect noise in the surrounding area?

A noise analysis is included in the environmental review. SCIG has been designed to minimize operational noise, including use of all-electric cranes to transfer freight directly onto rail, welded rails to reduce clicking, lubricated wheels, no switching of locomotives or banging of rail cars.

BNSF placed the truck queuing lanes along the western edge of the facility, with the entrance off PCH to keep trucks off the Terminal Island Freeway north of PCH and ensure trucks wouldn't be entering or idling close to neighborhoods in West Long Beach.

The Port's Draft EIR found that daytime noise at SCIG will be mitigated to less than significant through construction mitigation and installation of a sound wall.

When will the facility be completed?

The facility is still in the process of environmental review, but the facility is anticipated to become operational in 2016.

Why can't BNSF develop an on-dock rail facility?

The Ports have already maximized the size of planned and proposed on-dock railyards and support infrastructure and additional capacity is needed close to the ports.

Despite the efforts by the Ports to increase on-dock capacity and by the railroads to increase utilization of on-dock rail, on-dock rail isn't an alternative to SCIG. Not only is there currently a shortage of on-dock capacity, but such capacity is limited by marine terminal design, shipper and steamship logistics and railroad operations. There will always be a need for near-dock/off-dock facilities, and expansion of this capacity is necessary to accommodate expected cargo volumes.

Will SCIG be incorporating zero-emissions technology to move containers from the Port to the facility?

A study by the USC Keston Institute for Public Finance and Infrastructure Policy concluded that Zero Emissions Container Movement System technology is not currently feasible because none of the systems are proven yet to commit valuable port and other public rights-of-way for a full-scale operational deployment at this time.

The Port of Los Angeles is planning to continue investigating these technologies as they develop and BNSF intends to participate with the port in studying these technologies as they evolve.

What is the process from this point?

The draft environmental impact report (EIR) was released in September 2011 and will have to be approved before construction can begin. BNSF Railway first proposed our green facility back in 2005 and to follow state environmental requirements, the Port of Los Angeles issued a public notice and held community meetings on the Southern California International Gateway that same year. The next phase of this review is what is called a Draft Environmental Impact Report, which will be released in the summer of 2011. Through this process, the Port of Los Angeles Harbor Department will assess many key issues important to us and our neighbors, such as traffic, noise, air quality. After the review is complete, the Final Environmental Impact Report will go before the Los Angeles Harbor Commissioners for approval. If you support our project complete our online support card at www.bnsfconnects.com.

Who can I talk to if I have other questions or concerns?

Please contact Lena Kent, our Regional Director of Public Affairs at (909) 386-4140 or via email at Lena.Kent@bnsf.com.