

# Gateway Pacific Terminal: The Issues

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The Gateway Pacific Terminal is proposed as an extension of the nation's existing transportation infrastructure in order to expand America's export capacity. The terminal will be an improved link between rail and ships and will help producers of dry bulk commodities (like coal, potash, grains, corn, and wood biofuels) to be more competitive in the global marketplace. Increasing American exports is key to economic recovery.

This terminal is not only one of the most talked about projects in our community, it's one of the largest job-producing industries to ever be proposed in Whatcom County. Because of this, we'd like to address the most commonly cited issues and questions so that our community members can stay informed about the project and equip themselves with the facts.

## Jobs and Tax Revenues

- \$600-\$700 million privately-funded project that will create **3,500-4,400 new jobs<sup>1</sup>** and \$74-\$92 million in state and local tax revenues just during the two-year construction period.
- Once operational, the terminal will sustain 294-430 permanent direct jobs, with an average annual salary of over \$90,000. These direct jobs, along with induced and indirect employment generated by the GPT, will sustain **860-1,250 permanent jobs<sup>2</sup>** in our community.
- The terminal will also generate \$8 to \$11 million annually in local and state tax revenues once operational, providing a much-needed boost to our tax-base that will benefit schools, fire districts, and the public services our community relies upon.
- GPT will exhaust the **local workforce first**—putting local union workers back on the job.

## Terminal Basics

- The project will undergo a thorough two-year environmental review that ensures **the project complies with a multitude of federal, state, and local environmental laws and regulations.**
- The terminal is designed to handle more than one commodity at a time such as U.S. coal, grains, corn, potash, calcined coke, and wood bio-fuels, which makes it adaptable to changing markets.
- The staging area is 1/2 a mile from the shoreline, and 2/3 of the site will remain as a natural buffer.
- The Terminal's shoreline permit requires zero dust at the property line; it states: "No odors, dust, dirt, or smoke shall be emitted that are detectable at or beyond the property line...to cause a nuisance."
- All materials will be unloaded in enclosed, air-controlled structures, and moved in conveyor systems that are either tightly covered (over land) or fully enclosed (over water).
- Open storage area (coal) will use additional dust control systems including a wind wall, sprayers, foggers, and berms—these measures are far superior to Canadian terminals (such as the Westshore terminal built 40 years ago at Tsawwassen).

## Air Quality

- Locomotives are the most fuel efficient means of ground transportation in America; they're four times more fuel efficient than the trucks we pass by every day on I-5, and only account for 0.6% of total U.S. greenhouse gas emissions.<sup>3</sup> A single train can carry the load of 280 trucks.<sup>4</sup>

- Locomotives are subject to new stringent standards by the EPA that are projected to reduce diesel emissions by 90 percent.<sup>5</sup>
- Of the 19 activities monitored by the Washington Department of Ecology (DOE), locomotives rank among the three smallest contributors of air particulate emissions.<sup>6</sup>
- According to the DOE's Comprehensive Air Emissions Inventory, trains only contribute 0.3% of the state's total PM10 emissions (coarse particles), and only 0.8% of the PM2.5 emissions (fine particulate matter) —way behind wood stoves (19%) and farming equipment (17%).
- Even if current train counts doubled, they would still represent less than 1% of the state's total particulate emissions.
- In regards to commodity transportation, studies show that coal dust loss from untreated railcars occurs with the most frequency close to loading points at the mines and materially decreases as the railcars move farther from the mining areas in the Powder River Basin (PRB).
- BNSF has issued a new rule that requires PRB coal shippers to implement measures that will reduce coal dust loss by 85 percent.<sup>7</sup>

**Trains carrying coal have been travelling through Western Washington on their way to B.C. ports for years, yet the Northwest Clean Air Agency and the Puget Sound Clean Air Agency have *no record of coal dust complaints.***

## Rail Traffic

- Trains are literally the engines of our economy and train volumes ebb and flow depending on market demand and economic conditions—these drivers operate separately from the GPT.
- At maximum capacity—**9 trains per day can be serviced at the terminal (18 roundtrip)**, half capacity will be 4-5 trains per day (trains arrive full and leave empty for the return trip).
- A study generated for the Port of Bellingham found that the typical delay for a mile-long train is around 4 minutes.<sup>8</sup> Even at maximum capacity, this makes for a total wait time of just over an hour throughout an entire 24-hour period, in exchange for over 1,000 new jobs.
- Any increased freight traffic will not come at the expense of existing passenger traffic. BNSF has a long, successful history of working with passenger rail authorities.
- Train horns are required by federal law to be blown at public crossings for the protection of motorists and pedestrians.
- Ports in British Columbia are investing millions of dollars in increasing coal export capacity over the next few years<sup>9</sup>, which means that even if the Gateway terminal is not built, coal trains will increasingly continue to pass through Western Washington on their way to B.C. ports, although our community won't reap the economic benefits.

## Waterfront Redevelopment

- Charlie Sheldon, the Executive Director of the Port of Bellingham, stated the Terminal will *not* affect the waterfront redevelopment project. Sheldon stated: **"We spent six years planning this thing to be consistent with an active, main rail line."**<sup>10</sup>
- Similarly, Michael McAuley, Port of Bellingham Commission President, reiterated that this is not an either/or situation. He stated: "During the recent community debate about the proposed Gateway Pacific project, some people stated that the waterfront redevelopment in Bellingham will not be successful if rail traffic increases. We disagree. We have spent several years planning to make sure rail traffic and this critical project can coexist."<sup>11</sup>

## Marine Life

- Impacts on marine life at Cherry Point have been extensively studied and will be examined further during the EIS process over the next two years. The NEPA/SEPA Environmental Impact Statement (EIS) will thoroughly evaluate potential impacts on wildlife and wetlands, and mitigations will be established as part of the permitting process.
- The Pacific Herring population was studied by academics, the NOAA Fisheries Northwest Regional Office, and the WA Department of Fish & Wildlife, which conclude that factors other than industry are responsible for impacts on herring.<sup>12</sup>
- To prevent any non-native species from entering our shores and causing potential damage to marine life, vessels will be required to discharge their ballast water at least 200 miles off shore and will be government inspected at the company's expense—something not required at other ports.

## Vessel Transportation

- 80 feet of naturally deep water (no dredging) will accommodate Capesize bulk ships; the scale of these ships reduces vessel costs 25-30% for U.S. exports.
- The location of the terminal reduces shipping time to Asia by 1-2 days over more southerly sites, further enhancing U.S. competitiveness.
- Cherry Point is located next to an International Shipping channel, in which traffic is carefully controlled by U.S. and Canadian Coast Guards.
- Each ship is guided by a Puget Sound Pilot, and then guided to the berth by a tug boat—ensuring water traffic is efficient and safe. Puget Sound Pilots have been navigating Puget Sound for over 25 years without major incident.
- Commercial shipping is the world's most fuel efficient means of transportation. It accounts for 90% of world trade, yet represents only 2.7% of global CO2 emissions.<sup>13</sup>
- According to the WA State DOE, commercial shipping only accounts for less than 2% of total fine particulate emissions (PM2.5).

## British Columbia Increases Exports

- B.C.'s Ridley Island Terminal (Prince Rupert) is undergoing a \$300 million infrastructure project that would increase the port's capacity to ship to Asian markets six fold and double their coal export capacity.<sup>14 15</sup> Westshore Terminals (Tsawwassen) also have a \$40 million expansion plan in the works that will increase coal capacity from 21 million tons to 33 million tons annually,<sup>16</sup> while the Neptune terminals (Vancouver) are investing \$63.5 million in new equipment that will increase coal handling capacity by 2012.<sup>17</sup>
- BC expansion is nothing new—their goal of increasing exports is part of a \$22 billion effort to expand port, rail, road, and airport facilities.<sup>18</sup>
- With an estimated 300 million people projected to move into the middle class in China and India, the importance of coal to electricity generation worldwide is set to continue with coal fueling 44% of global electricity in 2030.<sup>19</sup>
- Ports in British Columbia are investing millions of dollars in increasing coal export capacity over the next few years, which means that **even if the Gateway terminal is not built, coal trains will increasingly continue to pass through Western Washington on their way to B.C. ports, although our community won't reap the economic benefits.**

## For more information

- If you would like to receive email updates about the Gateway Pacific Terminal project, please email your request to: [info@gatewaypacificterminal.com](mailto:info@gatewaypacificterminal.com)
- For general information about the Project, visit [www.gatewaypacificterminal.com](http://www.gatewaypacificterminal.com)
- If you have specific questions, please email [info@gatewaypacificterminal.com](mailto:info@gatewaypacificterminal.com) or call (360) 738-7229
- Become a fan of the [Northwest Jobs Alliance Facebook Page](#)
- For questions regarding the railroad, contact BNSF at (817) 867-6275

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