April 11, 2023

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

Dear Secretary Buttigieg:

Lane County fully supports the Oregon International Port of Coos Bay's Pacific Coast Intermodal Port (PCIP) Project. The Port is seeking financing through the Railroad Rehabilitation & Improvement Financing (RRIF) program and funding through the Multimodal Project Discretionary Grant (MPDG) combined application process, which includes the National Infrastructure Project Assistance grants program (Mega), the Nationally Significant Multimodal Freight and Highways Projects grants program (INFRA) and the Rural Surface Transportation Grant program (Rural). While the Port is located in Coos County, two-thirds of their short line railroad, the Coos Bay Rail Link, is located within Lane County.

In addition to the rail improvements, Lane County is enthusiastic about the partnership that the Port has entered into with NorthPoint Development to establish a new multimodal terminal in Coos Bay. This project is going to create thousands of direct and indirect jobs during a multi-year construction process and ongoing operation of the facility will generate tens of millions of dollars in tax revenue, all of which was envisioned when Lane County testified before the National Transportation Surface Board in 2008 to support the Port's acquisition of the railroad.

While the Port of Coos Bay is the largest coastal deep draft port between San Francisco and the Puget Sound, it has been underutilized for decades. It has an existing federal channel that is regularly maintained by USACE, a rail line that connects to the Class I rail system in Eugene, and hundreds of acres of undeveloped industrial land with quick and easy access to open ocean and international markets in Asia and beyond. Moreover, the development plans include renewable energy infrastructure and a focus on minimizing greenhouse gas reduction from all facets of its operations.

The Coos Bay PCIP project would not be possible without the funding provided through the Infrastructure Investment and Jobs Act (IIJA) and initial investments from the Oregon Legislature that proved the Port and its railroad have the potential to transform global supply chains, both on the import and export side. The IIJA gives the U.S. an opportunity to finally catch up and do so in a way that will address rural poverty, reduce greenhouse gas emissions and address a national crisis.

We hope you will fund this critically important project.

Sincerely,

XXXX

copy: Senator Ron Wyden
Senator Jeff Merkley
Representative Suzanne Bonamici
Representative Cliff Bentz
Representative Earl Blumenauer
Representative Peter DeFazio
Representative Kurt Schrader

Oregon's Seaport… Port of Coos Bay
OREGON INTERNATIONAL Port of Coos Bay

NorthPoint™ DEVELOPMENT

PACIFIC COAST INTERMODAL PORT
Frequently Asked Questions

The Pacific Coast Intermodal Port (PCIP) is a project of regional and national significance. We have seen how port congestion affects all aspects of the economy. The additional capacity created by PCIP will reverberate through the entire supply chain, providing additional capacity for imports while creating a new gateway for U.S. exports, all while lifting local communities that have been struggling economically for decades.

LOCATION

Why is Coos Bay the best place to add port capacity to the West Coast?

The Oregon International Port of Coos Bay is the largest deep-water port between San Francisco and Puget Sound. There are three main elements that make Coos Bay the ideal location for establishing a new container port:

- An existing federal channel maintained by the U.S. Army Corps of Engineers (USACE),
- Rail access to a Class I transportation network, and
- Hundreds of acres of undeveloped industrial land with quick and easy access to the open ocean and international markets in Asia and beyond.

Coos Bay is the only location on the West Coast that possesses all these elements. Notably, Coos Bay has the land needed to build a major container port, whereas other West Coast container ports are located in large metropolitan areas with limited ability to significantly expand capacity.

If additional port capacity is so badly needed on the West Coast, why hasn't someone else proposed to build a new container port?

Building a new container port is a huge undertaking. While the opportunity to expand port capacity in Coos Bay surpasses all other options, upgrades to existing infrastructure are needed to capitalize on this location, including deepening and widening the federal channel and modernizing the rail line to accommodate rail cars carrying double-stacked containers. This requires significant federal support. **The Infrastructure Investment and Jobs Act (IIJA) makes a project of this magnitude viable, as the IIJA includes tens of billions of dollars that can be utilized for modernizing the nation's port infrastructure.**

INVESTMENT AND ECONOMIC SUSTAINABILITY

Is the Pacific Coast Intermodal Port economically sustainable?

Increased trade volumes have generally tracked with U.S. population growth. Just as the U.S. population has increased, imports have risen steadily over the last decade and are expected to continue increasing. In fact, the U.S. Census Bureau projects continued U.S. population growth over the next 40 years[1]. Based on historic spending patterns, we can project the level of imports over the same period and extrapolate this to the expected number of imported TEUs at West Coast container ports:

PROJECTED U.S. PROPULATION AND WEST COAST PORT CONTAINER TRAFFIC			
Year	US Pop (million)	TEUs (thousands)	% Increase
2020	332.0	15,841	
2030	355.1	16,943	7.0%
2040	373.5	17,822	12.5%
2050	388.9	18,557	17.1%
2060	404.5	19,299	21.8%

While the container ports along the U.S. West Coast play a major role in moving cargo to its destination, congestion at these gateways has continued to rise. While limited build-out at existing ports may provide small incremental improvement, the reality is that existing West Coast port infrastructure is incapable of handling the expected growth in trade and can't handle any major disruptions. Establishing a container port in Coos Bay would immediately increase West Coast port capacity by up to 10%, which would reverberate through the entire supply chain and significantly alleviate future port congestion and supply chain challenges.

How do transit times at the Port of Coos Bay compare to other West Coast ports?

It is a 90-minute transit from the Pacific Coast Intermodal Port site to the open ocean. This transit time is comparatively favorable based on 5 knots of transit speed. Here are transit times for other West Coast ports (note that Coos Bay is 1 day closer to Asia than Los Angeles/Long Beach):

- Seattle (Neah Bay to Port of Seattle): 24 hours
- Portland (Astoria to Port of Portland): 16-17 hours
- Oakland (Golden Gate Bridge to Port of Oakland): 4-5 hours
- Port of Los Angeles / Long Beach (breakwater to furthest terminals): 90 mins

How does the U.S. compare to Canada with respect to port infrastructure investment?

The ongoing, global supply chain crisis has affected every single state in America, and congestion at our nation's ports is one of the primary factors. Whereas the Canadian federal government has prioritized investments in its ports, the U.S. has underinvested in its own ports. According to a recent study commissioned by ports in Washington and California, Canadian ports have received more than double the federal funding levels compared to U.S. West Coast ports[2]. **If the U.S. government continues to fall behind Canada in terms of port infrastructure investment, more imports to the U.S. will come through Canada, and U.S. ports will lose out on a tremendous opportunity.**

IMPACT

How many jobs will be created by establishing the Pacific Coast Intermodal Port?

The Pacific Coast Intermodal Port represents a $1.7 billion investment in a part of the country that is still reeling from the decline of the forest products industry. This project will serve to diversify the regional economic base and create **3,000 direct construction jobs** and **5,500 direct permanent jobs** in Coos Bay and the greater Eugene area. Permanent jobs include tug pilots, rail crews, longshoremen, stevedoring companies, warehouse workers, yard workers, equipment operators, and clerks. **NorthPoint has signed an MOU with the Oregon State Building and Construction Trades Council and the Lane, Coos, Curry, Douglas Building and Construction Trades Council for the construction of the Pacific Coast Intermodal Port.** Thousands more indirect and induced jobs will result from project construction and long-term operations. This includes 4,000 additional jobs in the Eugene area that will result from the construction of 3,000,000 square feet of warehouse space that NorthPoint will build to handle goods heading to and from the PCIP.

All these jobs will create an economic ripple effect as their income contributes directly or indirectly to state and local payroll taxes, increased spending in local businesses, increased spending with local construction vendors, job training, increased local charitable contributions, increased tourism, and more.

How will the Pacific Coast Intermodal Port reduce GHG emissions?

While other ports in the U.S. will continue to rely heavily on truck transportation, **the Pacific Coast Intermodal Port will be the first fully ship-to-rail port facility on the West Coast, thereby removing trucks from the equation, and providing additional port capacity without a corresponding increase in greenhouse gas emissions.** Using the Coos Bay Rail Line to transport containers instead of trucks will reduce overall emissions by up to seventy-five percent. In addition, the port will be fitted with electric power plug-ins that will power ships at berths during the process of unloading (referred to as cold ironing), which will eliminate ship engine emissions. Also, ships will be unloaded and loaded using electrified ship-to-shore gantry cranes, which will further reduce greenhouse gas emissions and other harmful pollutants.

How does the Pacific Coast Intermodal Port benefit U.S. agriculture exporters?

There are few agricultural and forest products sourced in the United States that cannot be sourced elsewhere in the world. If U.S. producers cannot deliver their products to international markets affordably and dependably, their foreign customers will shift their purchases to alternative sources, often permanently. **Seaport capacity plays a critical role in determining the competitiveness of U.S. agricultural and forest product exports. Unfortunately, supply chain disruptions have exposed shortfalls in U.S. seaport capacity to accommodate current cargo volumes and vessel services.** The leading markets for U.S. agricultural and forest product exports are on the Asia Pacific Rim; thus, West Coast port capacity is essential to keep U.S. agricultural and forest product exports competitive.

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[1] Demographic Turning Points for the United States: Population Projections for 2020 to 2060https://www.census.gov/content/dam/Census/library/publications/2020/demo/p25-1144.pdf

[2] Canadian and US Port Infrastructure Funding and Policy Study Final Report (October 27, 2021) https://s3.us-west-2.amazonaws.com/nwseaportalliance.com.if-us-west-2/prod/2021-11/DTCI%20NWSA%20Port%20Funding%20Final%20Report%20submitted%20Nov%203%20.pdf

PACIFIC COAST INTERMODAL PORT
COOS BAY, OREGON

The Oregon International Port of Coos Bay is seeking $1.240 billion through the FY22 Multimodal Project Discretionary Grant Opportunity (MPDG) (MEGA/INFRA/RURAL) to build a new West Coast container port. This project will provide additional capacity for imports, create a new gateway for U.S. exports, and lift local communities that have been struggling economically for decades.

- Existing West Coast ports can't handle major disruptions and are not equipped to accommodate expected growth in trade.

- PCIP will increase West Coast port capacity by up to 10%, creating resiliency to handle future port congestion and supply chain challenges that can spike inflation and slow the economy.

Coos Bay is the Best Place to Add West Coast Port Capacity, but Federal Investment is Needed

The Port of Coos Bay is the ideal location for establishing a new container port because of:

- An existing federal channel maintained by the U.S. Army Corps of Engineers (USACE); Rail access to a Class I transportation network; and
- Hundreds of acres of undeveloped industrial land with quick and easy access to the open ocean and international markets in Asia and beyond.

While the opportunity to expand port capacity in Coos Bay surpasses all other options, upgrades to existing infrastructure are needed, including deepening and widening the federal channel and modernizing the rail line to accommodate rail cars carrying double-stacked containers.

The Pacific Coast Intermodal Port Will Create Thousands of Union Jobs

PCIP is a $1.7 billion investment in a part of the country that has been struggling for decades.

- This project will create 3,000 direct union construction jobs and 4,000 direct permanent jobs.
- Thousands more indirect and induced jobs will result from project construction and long-term operations.

All these jobs will create an economic ripple effect that will reverberate well-beyond Southern Oregon.

The Pacific Coast Intermodal Port Will Reduce Greenhouse Gas Emissions

The Pacific Coast Intermodal Port will be the first fully ship-to-rail port facility on the West Coast, thereby removing trucks from the equation and providing additional port capacity without a corresponding increase in greenhouse gas emissions.

- In addition, the port will be fitted with electric power plug-ins that will power ships at berths during the process of unloading (referred to as cold ironing), which will eliminate ship engine emissions.
- Ships will be unloaded and loaded using electrified ship-to-shore gantry cranes, which will further reduce greenhouse gas emissions and other harmful pollutants.