



LaDonna DiCamillo
Director Government Affairs

BNSF Railway Company
One World Trade Center, Ste 1680
Long Beach, CA 90831-1680

tel 323.267.4041
fax 909.946.0490
email ladonna.dicamillo@bnsf.com

August 13, 2008

Via Federal Express

Via E-Mail

U.S. Army Corps of Engineers, Los Angeles District
Regulatory Division
c/o Spencer D. MacNeil, D. Env.
ATTN: CESPL-RG-2004-00917-SDM
P.O. Box 532711
Los Angeles, California 90053-2325
and
915 Wilshire Boulevard, 11th Floor
CESPL-CO-RN
Los Angeles, CA 90017
spencer.d.maneil@usace.army.mil

Dr. Ralph Appy, Director of Environmental Management
Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90731
ceqacomments@portla.org

Re: BNSF Comments on Pacific L.A. Marine Terminal LLC Crude Oil Terminal Draft SEIS/SEIR

Dear Mr. MacNeil and Dr. Appy:

BNSF Railway (“BNSF”) appreciates your consideration of the following comments on the Draft Subsequent/Supplemental EIS/EIR (“SEIS/SEIR”) for the proposed Pacific L.A. Marine Terminal LLC Crude Oil Terminal (“the Project”).

1. Comments regarding sustainable growth and environmental benefits

The SEIS/SEIR addresses the increased demand for transportation fuels in Southern California. The proposed Project addresses this need by improving petroleum product import infrastructure while pursuing the goal of the Port of Los Angeles (“POLA”) to encourage regional growth in a sustainable manner. Expanding petroleum related infrastructure also serves a vital role in running the goods movement infrastructure, which enhances the local quality of life. The point is explained in the Draft 2008 Regional Comprehensive Plan (“Draft 2008 RCP”) recently issued by the Southern California Association of Governments (“SCAG”):

Containerized trade volume is expected to triple to 42.5 million Twenty-Foot Equivalent Units (“TEUs”) by 2030. These forecasts are capacity-constrained significantly below anticipated demand, and are based on an increase of port terminal productivity from 4,700 TEUs per acre per year currently to over 10,000 TEUs per acre per year in the future. The ability of the ports to handle this unprecedented growth in containerized cargo volumes is critical to the continued health of the local, regional, and the national economy.

Draft 2008 RCP at p. 109. SCAG also explained that:

International trade can create good job opportunities and raise real income levels for the SCAG region. Significant investment is necessary to improve the efficiency and capacity of the goods movement infrastructure if we are to benefit from the growth in international trade expected, while remaining globally competitive. Such changes must also occur within a context of environmental quality (see “The Green Economy”), environmental justice and respect for local communities.

Draft 2008 RCP at p. 129. Approval of POLA’s Pacific L.A. Marine Terminal Project will allow the region to benefit from both short-term and permanent economic growth as well as environmental improvements.

2. Comments regarding jobs provided by the Project

As noted in the SEIS/SEIR, construction of the proposed Project facilities would require construction labor equivalent to approximately 732 full-time employees over the course of the construction period, an average of 293 jobs lasting for 30 months. If the Project is not approved these jobs will be lost.

3. Comments regarding lack of justification for rejecting part or all of the Project on environmental grounds

POLA’s further analysis of its proposed environmental mitigation measures demonstrates that the mitigation measures fully support approval of the SEIS/SEIR. POLA calculates that the maximum incremental cancer risk results for the proposed Project after mitigation would be less than 10 in a million, specifically, 5.3 in a million for residential receptors, 4.8 in a million for occupational area receptors, 5.3 in a million for sensitive receptors and 2.4 in a million for student receptors. BNSF supports POLA’s balance of economic and environmental goals in the SEIS/SEIR.

Spencer D. MacNeil, D. Env.
Dr. Ralph Appy
August 13, 2008
Page 3

4. Comments regarding rail and its use for fuel transportation

There are no truck or rail trips as a result of the proposed Project. Project operations would not cause an increase in rail activity because all products would be transported by pipeline. The existing rail systems for the proposed Project include the Terminal Island Container Transfer Facility ("TICTF"). TICTF consists of four intermodal facilities that directly transfer marine cargo containers to on-dock rail yards at the Global Gateway South, Evergreen, Yusen, and APM Terminals container terminals. The SEIS/SEIR notes that the use of rail for long-haul cargo is an air quality benefit. It further notes that four on-dock rail yards at the Port significantly reduce the number of short-distance truck trips (the trips that would normally convey containers to and from off-site rail yards). The SEIS/SEIR notes that combined, these intermodal facilities eliminate an estimated 1.4 million truck trips per year at the Port, and the emissions and traffic congestion that go along with them. The SEIS/SEIR further observes that the use of the Alameda Corridor allows cargo to travel the 20 miles to downtown Los Angeles at a faster pace and promotes the use of rail versus truck.

The SEIS/SEIR also includes the Southern California Petroleum Market Assessment Regarding Rail Operations ("Assessment") (Appendix D3). The Assessment provides that although rail is not used to transport much product or crude oil, rail is the primary transportation method of ethanol transportation to Southern California. The Assessment finds that BNSF has the ability to supply the entire Los Angeles Basin demand via their Ethanol Express Line from the Midwest. BNSF supports the SEIS/SEIR comments regarding rail and their recognition of the key role rail plays in providing sources of fuel to meet the increased demand for fuel in Southern California.

BNSF appreciates your consideration of these comments.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Spencer D. MacNeil".