Study highlights proposed coal terminal impacts on transportation and the economy within the central Puget Sound region

SEATTLE, WA – The Puget Sound Regional Council released a new study today that evaluates the economic effects of the proposed Gateway Pacific Terminal on the central Puget Sound region.

Pacific International Terminals’ (a subsidiary of SSA Marine) proposed terminal would be a dry bulk commodity export-import facility at Cherry Point, Washington, approximately 100 miles north of Seattle. The proposed terminal expects to result in an additional 18 trains per day, each 1.6 miles long, between the Powder River Basin in Montana and Wyoming through Washington State. The terminal is expected to primarily transfer coal to ships for export.

“The PSRC’s regional land use, economic development and transportation planning supports the vital role of international trade in our region’s economy. We also recognize the importance of our railways in keeping our seaports competitive. That’s why we need to stay on top of changes that could impact our economy and communities up and down the Sound,” said Pierce County Executive Pat McCarthy, President of the PSRC.

The study found that most of the proposed terminal’s direct economic benefits accrue to Whatcom County.

Much of the direct costs to King, Pierce and Snohomish counties would be related to increased train traffic – traffic delays at rail crossings and infrastructure improvements.

The study assessed long term traffic impacts. Findings include:

- Gateway Pacific Terminal traffic impacts due to increased times for passing trains would vary on the BNSF Railway mainline by an increase of 41 percent in Steilacoom to 147 percent in Marysville, with a regional average 65 percent increase.

- The amount of additional time roads could be blocked by Gateway Pacific Terminal trains would range from 38 minutes to one hour and 26 minutes per day.

- The study found that 34 of 101 rail crossings within the region could potentially benefit from mitigation related to Gateway Pacific Terminal impacts.

- Grade separation (new under crossings or overcrossings) can be a desirable solution. Grade separation projects would likely cost between approximately $50 million and $200 million each – predominately public funds.
• The study identified 21 crossings in the region where additional waits for trains could impact the delivery of emergency response service due to close proximity to fire stations or emergency medical facilities.

• The study found that low income and minority population in Kent and Seattle would have the highest disproportionate impacts from train operations. Low income and minority populations in Everett, Auburn, Algona, Pacific and Fife would also be impacted by the additional trains travelling to and from the proposed terminal.

The study also found that the region’s economy depends on robust rail service and that demands for increased service, for both freight and passengers, is likely to increase regardless of whether the Gateway project is approved and built.

The PSRC retained a consultant team to provide a comprehensive, independent evaluation of the economic effects of the proposed Gateway terminal on King, Pierce, Snohomish and Kitsap counties.

The study’s two main purposes are to:

1. Better inform decision-makers and the public regarding the effects of the proposed terminal for the central Puget Sound region in advance of the project’s draft environmental impact statement due next year, and

2. Inform ongoing transportation planning within the region.

The study looked at the incremental economic effects of the Gateway project – it did not evaluate emerging issues related to proposed additional crude oil shipments by rail.

The study indicates that the proposed terminal could impact rail capacity within the region, depending on whether the BNSF Railway responds to the increase in demand for service by increasing capacity.

Rail freight and passenger traffic is projected to grow in Washington state and the central Puget Sound region.

Rail service is critical to maintaining the region’s growing economy and creating jobs, the study found. In 2012, the value of goods moving through the ports of Seattle, Tacoma and Everett were valued at more than $105 billion. Exports accounted for nearly $40 billion – everything from agricultural products to Boeing parts.

More than 4 million people board an Amtrak or Sounder train annually and the study says passenger growth is expected to continue.

The study is available at www.psrc.org.

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