

WHY PORTLAND?

COMMERCIAL AND OPERATIONAL ARGUMENTS FOR ADDITIONAL DIRECT-CALL TRANSPACIFIC CONTAINER SERVICE AT PORTLAND

Lack of competition = significant market share opportunity. Compete with 1 weekly transpacific service in Portland compared to 24 in the Puget Sound.

- **The Port of Portland has more existing available capacity than any port on the West Coast and no congestion:**
 - Terminal 6 can easily handle an additional two to three container services with enough existing capacity to handle 500,000+ TEUs annually.
- **Terminal 6's berths, container yard, and intermodal facility enjoy fluid connections to two interstate highways and the UP and BNSF mainline railroads. Portland offers fast and reliable freight transport to the Midwest and East Coast:**
 - Two mainline railroads—Burlington Northern Santa Fe and Union Pacific—have direct access to on-dock intermodal yard at Terminal 6.
 - Water-level tracks through the Columbia Gorge provide the only even-grade route through the Cascade Mountains from California to Canada, resulting in reduced transit time to key inland destinations.
 - Convenient access for trucks to two north-south and east-west interstate highways—Interstates 5 and 84.
 - Quick gate turns at Terminal 6.
 - Corps of Engineers plans to start deepening the Columbia River navigation channel from 40' to 43' in 2005.
 - One new post-panamax crane will be added to Terminal 6 in 2006, with options to buy two to three additional post-panamax cranes and plans to extend dock by 600'.
- **Excellent intermodal connections through Portland afford ocean carriers and intermodal marketing companies opportunities to reduce time and costs through their supply chains:**
 - Competitive east/west intermodal train schedules.
 - More rail originations and terminations than any other Pacific Northwest point due to thriving auto business and domestic rail connections.
- **Portland is a convenient, inexpensive gateway for repositioning empty containers back to Asia.**
 - Significant volume of domestic intermodal freight terminating in Portland allows for domestic repositioning programs that will save roughly \$150 to \$200 on a standard 40' reposition.
- **The local import market in Portland continues to grow from 74,000 TEUs in 2003 to 100,000 TEUs in 2004.**