

PROJECT NUMBER: DTMA1G11002 / TITLE: Coos Bay Rail Line Rehabilitation
TIGER II Quarterly Report / 4th quarter 2014 – October-December / 2014 Annual Report
Report submitted to: U.S. Department of Transportation – Maritime Administration

The **Coos Bay Rail Line**, owned by the **Oregon International Port of Coos Bay**, serves industrial operations and commodity shippers in the western Lane, western Douglas and Coos Counties region of southwest Oregon and marine terminals in the deep-draft Coos Bay harbor. Freight rail service on the Coos Bay rail line is provided by **Coos Bay Rail Link – CBR**, a business unit of ARG Transportation Services, Inc., of Eugene, Oregon. The rail line is operated by CBR/ARG through a management agreement with the Port of Coos Bay.

4th Quarter 2014 - October-December / Monthly Revenue Carloads
Equivalent Highway Truck Loads – Highway Miles NOT traveled by Use of Rail

One (1) revenue carload = 3.3 highway truck loads

2014 – 4th Quarter / October- December 2014 / 2014 Annual Report

	2014	2014	2014
Month	rail car loads	equivalent truck loads	highway miles NOT traveled by use of rail -- one way/round trip
Jan	638	2,105.4	158,298 / 316,596
Feb	546	1,801.8	139,050 / 278,100
March	643	2,121.9	156,573 / 313,146
1stQ-2014	1,827	6,029.1	453,921 / 907,842
April	732	2,415.6	183,369 / 366,738
May	641	2,115.3	154,866 / 309,732
June	608	2,006.4	144,927 / 289,854
2ndQ-2014	1,981	6,537.3	483,162 / 966,324
July	612	2,019.6	134,724 / 269,448
Aug	660	2,178.0	154,359 / 308,718
Sept	569	1,877.7	130,218 / 260,436
3rdQ-2014	1,841	6,075.3	419,301 / 838,602
Oct	679	2,240.7	160,941 / 321,882
Nov	521	1,719.3	130,728 / 261,456
Dec	661	2,181.3	162,543 / 325,086
4thQ-2014	1,861	6,141.3	454,212 / 908,424
Jan-Dec 2014	7,510	24,783	1,810,596 / 3,621,192

Explanatory notes regarding revenue rail carloads, equivalent truckloads and highway miles NOT traveled by use of rail shipping versus truck shipping.

Revenue rail carloads. Revenue rail carloads are reported to the Oregon International Port of Coos Bay by Coos Bay Rail Link-CBR, the operating railroad on the Coos Bay rail line through western Lane, western Douglas and Coos Counties in southwest Oregon. Coos Bay Rail Link-CBR operates as a connecting freight railroad, and is the d/b/a for Coos Bay Railroad Operating Company LLC, a business unit of ARG Transportation Services, Inc. of Eugene, Oregon. Coos Bay Rail Link-CBR provides freight rail service through a management agreement with the Oregon International Port of Coos Bay.

Revenue carloads represent any commercial commodity moved outbound or inbound by CBR and interchanging with other railroads in the Eugene area of Lane County, Oregon. This includes the Class 1 Union Pacific (UP) Railroad through the UP Eugene rail yard, as well as the Portland & Western (PNWR) Railroad and the Central Oregon & Pacific (CORP) Railroad, also through the Eugene UP rail yard. A limited number of revenue carloads move between points on the Coos Bay rail line for shippers doing business with other shippers on the line. Starting on March 1, 2014, some interchanges between the CBR and the PNWR and CORP Railroads now occur at the newly built Greenhill Siding in west Eugene. The

siding is adjacent to the Greenhill Reload Facility, which will both originate and terminate revenue carloads for inbound and outbound moves by the CBR on the Coos Bay rail line.

Equivalent truck loads. The equivalent truckloads figure is extrapolated from the revenue carloads based on the fact that a fully-loaded rail car can move between three and four truckloads of the same commodity. The figures used in the reporting and comparison chart represent 3.3 highway truckloads per loaded revenue rail car.

Coos Bay Rail Link-CBR operates at the U.S. short line railroad industry standard of 286,000 lbs/143 short tons (weight of car plus commodity weight) per loaded revenue car. The majority of cars currently moving on the rail line weight 66,000 to 86,000 lbs/33 to 43 short tons, resulting in a carrying capacity of 200,000 to 220,000 lbs/100 to 110 short tons.

Using 200,000 lbs/100 short tons as an average weight of commodity per rail car, the tonnage figures for the years 2011, 2012, 2013 and 2014 are as follows:

2011	194 revenue car loads = 19,400 short tons
2012	2,480 revenue car loads = 248,000 short tons
2013	4,845 revenue car loads = 484,500 short tons
2014	7,510 revenue car loads = 751,000 short tons

Highway miles NOT traveled by use of rail shipping versus truck shipping. Highway miles NOT traveled reflects the difference between the highway miles that would be traveled if the same volume of a commercial commodity was moved by truck(s) from a rail-served shipper on the Coos Bay line to a rail transload/reload facility in the Eugene/Springfield area of Lane County, or in some cases from a truck transload/reload facility to a rail-served site in the Coos Bay rail line service area.

Two figures are shown under this heading in the comparison chart. The first figure represents a single direction truck haul from a shipper location to the nearest transload/reload facility. The second figure represents the additional mileage traveled if a truck moves empty (dead-head) either to or from the cargo origination/destination point. While the rail line was out of service prior to October 2011, the majority of shippers were forced to pay dead-head charges in order to continue using rail as a component of their logistics program for both inbound and outbound commodities.

Providing both mileage totals more accurately reflects the difference between rail miles and equivalent highway miles, and illustrates the significant benefits of moving appropriate commodities by rail.

The Coos Bay rail line is comprised of a mainline originating in the Union Pacific (UP) Railroad Yard in Eugene, Oregon, and running to end of track at Coquille, Oregon. Total length of the line, including a portion in west Eugene owned by UP is 136 miles, including the Coquille Branch Line. Coos Bay rail line shippers served by Coos Bay Rail Link-CBR are located at various points on the line.

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