

Statement by Rick Richmond  
Alameda Corridor-East Construction Authority  
Before the House Transportation and Infrastructure Committee  
Subcommittee on Highways, Transit and Pipelines  
June 15, 2006

“Freight Movement and Intermodalism”

Thank you, Chairman Petri, Ranking Member DeFazio, and members of the Subcommittee. My name is Rick Richmond and I am the Chief Executive Officer of the Alameda Corridor-East Construction Authority (ACE).

I would like to begin by thanking the Members of this Committee for their leadership on the SAFETEA-LU legislation and your support for the ACE Project. We were very proud to be included as a Project of National or Regional Significance and all that distinction demonstrates. We believe that it was an appropriate action by the Committee as the ACE project truly addresses national and regional needs, as well as meets the criteria set forth by you in the bill.

Today, I want to provide the Subcommittee with a description of the solutions we have employed to address freight congestion, the intermodal approaches we have used, and what has been completed to date.

The ACE Project I oversee is located in the San Gabriel Valley section of Los Angeles County. Our valley includes 31 cities, about two million residents, 750,000 jobs and 66, 000 employers. We lie immediately to the east of the Alameda Corridor and the I-710 freeway which together carry virtually all of the container traffic going to and from the Ports of Los Angeles and Long Beach. The ACE Project is a link from the Ports of Los Angeles and Long Beach to the rest of the nation and was expanded in SAFETEA-LU to cover 282 miles of mainline and three adjacent counties (San Bernardino, Riverside and Orange).

Today, more than \$200 billion in trade, or 40% of the nation's goods, make their way to or from the rest of the nation through our ports and metropolitan area. Economists have determined that two million jobs are created nationally (600,000 locally) by trade through these ports.

International trade and the movement of its goods is, by definition, intermodalism. Goods come and go through our ports on ships, the newest generation of which carries 5,000 containers. The preferred mode of landside transportation for these containers in our case is about evenly split between truck and rail as dictated by distance to their ultimate destination. Generally speaking, goods coming or going within about 500 miles are most efficiently moved by truck, the rest rail. However, far more than 50% of the containers start their trip from the piers by truck since there simply aren't enough on or near-dock facilities to make up trains at the ports, and some containers go through trans-loading before leaving the metropolitan area in any event. So the goods movement system, even working at its optimum

efficiency, is dependent on all components of the transportation system—roads, bridges, freeways, and rail.

International trade will no doubt continue to be debated here in Washington, but for us it is a fact of life. We both benefit and suffer from it. It has been the largest source of job growth in our regional economy--more than 600,000 jobs in Southern California. We, like the rest of the nation, benefit from access to the world's markets. But we are also experiencing worsening air pollution — especially in the immediate ports area and along major freight corridors—and freight related congestion spreads out from the ports north and east to the far reaches of the metropolitan area.

The productivity of rail for container transport is obvious. In our area, trains of up to 8,000 feet in length can be accommodated from the ports eastward. On a double stack train, that equates to about 250 trucks hauling containers. But there are practical problems in achieving the full productivity of rail. The transportation facility which bears the biggest brunt of influx of container traffic, and the most vulnerable link in our goods movement chain, is the southern half of the I-710 freeway. It is the prime route leaving the ports to connect to a series of east-west freeways and large rail classification yards. Not only should it handle the bulk of the 50% container traffic best moved by truck, it moves most of the overflow container traffic which can't be put on trains at the port but instead goes 20-60 miles for intermediate handling before leaving on rail. Currently, about 37,000 trucks a day crawl along the southern portion of the I-710 mixed in with about 125,000 cars. Truck accidents have increased 17% in three years due to the growth

in freight congestion. Increasing the efficiency and capacity of rail freight is a solution given high priority by southern California transportation agencies since a fully loaded freight train takes 250 trucks off the road.

The containers not trucked to their final destination are moved to the rest of the US by two competing railroads, over routes carrying 80-100 trains per day, predicted to increase to 160 trains per day by 2020. Experts predict there will be a tripling of containers moved from the ports to rest of the nation, even assuming that our sister west coast ports double their capacity.

The Alameda Corridor, which opened in 2002, is the first step toward the more efficient movement of freight through our region. It is a high performance, high capacity rail freight artery running 20 miles from the ports northward to three mainline rail routes heading eastward out of our metropolitan area. It is carrying about 30% of the import and export container traffic. The relative lack of on or near dock rail terminals and the need to move containers off the docks as quickly as possible diverts traffic to the highway, if only for a relatively short trip to a rail terminal. The logic and need for the increased use of the Alameda Corridor is being reflected in a 17% increase in train counts and a 34% increase containers on the Corridor in the past year. Without the Corridor, the bulk of the 7,000 containers it carries on a typical day would not have been moved to or from the ports on rail or, if so, at great disruption and environmental degradation as the trains meandered through the 180 some at grade crossings on the previous three rail routes to the ports. The 55 trains it carries on a typical day move the equivalent of more than 7,000 daily truck trips.

But diverting more traffic onto trains without addressing its impact on areas beyond the Alameda Corridor is no panacea either.

That is where the ACE Project comes in. Our agency combined forces with three other counties--San Bernardino, Riverside, and Orange-- to develop an improvement plan dedicated to the construction of the Alameda Corridor-East Project covering 282 miles of mainline freight intersecting with 130 major arterials delivering goods to market locally. Jointly, we worked together to reduce congestion, improve safety and air quality, and balance the movement of goods to markets nationwide with local economic viability.

The San Gabriel Valley project area that I oversee has 54 at grade crossings along 75 miles of mainline. We currently are experiencing as many as 80-90 trains a day. Some at-grade crossings have up to 30 minute delays now, which will only get worse. That is why the local elected officials in our area adopted a multi-faceted, constrained program to address the safety and congestion problems created by rapid freight train growth. It consists of three main elements:

- Safety improvements to 39 crossings (completed);
- Use of advanced technology to optimally route traffic around blockages (trial application in acceptance testing);
- 21 grade separations (one completed, seven in construction or out-to-bid).

We are appreciative that the Department of Transportation is developing a national freight system policy since foreign trade has increased to a \$10 trillion commodity flow. Sustaining the movement of goods is key to securing the nation's economic future and maintaining our competitiveness in world markets. We are a founding member of the Coalition for America's Gateways and Trade Corridors whose goal is to work with your Committee to seek a permanent dedicated funding source for goods movement infrastructure in the re-authorization of SAFETEA-LU.

In California the need for goods movement investment by the State is also getting attention. The Governor and the State Legislature recently passed legislation to put a transportation bond issue before the voters in November which includes \$2 billion for goods movement infrastructure investment and an additional \$250 million for railroad grade separations.

On the positive side, the goods movement sector is primarily a private, for profit enterprise where business growth will generate increased revenues. Dedicating a portion of that revenue growth to the infrastructure it needs to prosper, or mitigate the impacts it is creating, ought to be possible. The Federal government is one of the beneficiaries of trade growth through increased Customs revenues. In the Los Angeles district this will amount to hundreds of millions of dollars over the coming years. These funds could be used as an incentive to local areas to raise matching funds from the other beneficiaries of growing trade (there are many) to make the investments necessary to accommodate goods movement without doing so at the expense of local residents and businesses.

In conclusion, completion of the ACE Project is vital to the \$200 billion in trade going from the Southern California ports to their intended destinations across this country. I believe I have provided an update on projects completed to date and how we are employing intermodal applications to relieve freight congestion in our communities.

Thank you very much for inviting me to share our progress today. I want to thank the Committee for the interest and support you have shown.