To: Millennium Bulk Terminals-Longview EIS,
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Seattle, WA 98104

Sent via email to: comments@millenniumbulkeiswa.gov

From: Aart Dolman
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Date: November 18, 2013
Re: Additional Scoping Testimony on the Millennium Bulk Terminals-Longview, EIS

Please note that this statement is in addition to my scoping testimony I presented on September 25, 2013, in the Hearing held in Spokane, WA.

My main request is that the People of Montana be included in the Environmental Impact Study (EIS) of the Millennial Bulk Terminals-Longview.

As stated earlier, I am a City of Great Falls resident and am retired. In my long academic career with the Montana University System, I have visited many countries on the American and Eurasian continents. In addition, I am a member of several environmental organizations dealing with subjects related to local and international issues. I have written the historical background to the Fort Peck-Havre Transmission Line and have presented another published paper at an International Law Conference of The Effects of North American Free Trade Agreement (NAFTA) in the Canadian Paliser Triangle (Alberta, Canada) with the Golden Triangle (North Central Montana).

As an active Board member of Citizens for Clean Energy (CCE) and Missouri River Citizens (MCR), both located in north central Montana, I have been requested to present this testimony requesting that the People of Montana be included in the Millennium Bulk Terminals-Longview.

My request is to include the People of Montana into this the EIS process for the Millennium Bulk Terminals-Longview, and this is based on three issues: first, the planned, or proposed, Longview Coal Terminal as a component of the integrated global transportation network. The building of the coal shipping harbor terminals cannot be treated as a single component. The coal originating in southeastern Montana and northwestern Wyoming is shipped via the BNSF rail system to an international transportation network. The shipments of coal via the antiquated BNSF rail system is much more expensive than the Chinese and Eurasian contemporary rail transportation network and this will impact negatively the coal industry's competition in the global market place. Second, before any thought can be given to the construction of the Millennium Bulk Terminals-Longview, an EIS study must deal with the issue of how the BNSF antiquated rail system can be improved in the northwestern states to be competitive in the global market transportation network. And third, or finally, the EIS must deal

with the public health and safety issues as well as the Chinese government's future policies in regard to the importation of United States coal.

Issue I: BNSF rail network and costs of international rail competition.

Since the purpose of the proposed Millennium Bulk Terminals-Longview EIS is to examine the domestic increases in coal production to satisfy the Asian Chinese demand for its expanding economy, it must analyze the economic feasibility of future demand for coal on the Eurasian continent. It should take into consideration the demand for coal by the Chinese government. However, the Chinese Government has decided recently to deal with pollution issues caused by coal-fired electric generation plants. This will impact the coal export suppliers in Montana and Wyoming. This declining demand for fossil fuel will not only impact Chinese domestic coal production but also the new railways from mines to ports and falling investments coal-fired generation facilities.[1]

Another issue that is related to the EIS is that the Eurasian rail network is in direct competition with the BNSF rail system in the northwestern United States. This was already forecast before the 2008 economic crisis, but it has intensified recently when the rail connections between the harbors of Hamburg, Germany and the Europort, Rotterdam, The Netherlands had come into existence. This transportation has cut container shipments from 30 days by ocean vessel to 15 days by rail. The electrification of the Russian Siberian railway, connecting it with both the western European and Chinese systems, this method of freight transportation is competitive with sea going vessels not only in speed but also in solving the costs in fossil fuel consumption. Electrification of locomotive propulsion and an accommodating straight and high speed track system has led to tremendous cost savings. It is here that the US railroad industry is long overdue in making sufficient investments to up-date its system so that it can be competition in the global market transportation system.[2]

China has also in recent years added several high speed electric passenger trains to its rail network. This has given its rail industry the ability and opportunity to expand and improve its freight hauling system. And this means that it can expand its coal mining operations. Although he high speed passenger trains depend on electricity coming from alternative electric generation facilities, there will be drastic declines in future pollution issues by the coal-fired electric

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[1] Fayen Wong, "China's Pollution threatens health of global coal projects," Reuters, SHANGHAI Nov 14, 2013 http://www.reuters.com/article/2013/11/14/us-china-coal-idUSBRE9AD19L20131114

[2] See also: Keith Dierkx, "The Smarter Railroad: an opportunity for railroad," IBM Institute for Business Value, 2007.

See also: DB Chairman Dr. Rüdiger Grube: **"**First freight train from Zhengzhou arrived in Hamburg." http://www.dbschenkerusa.com/ho-en/news_media/press/news/4261694/2013-08-02-chinatrain.html

generation facilities. There practices will have the promise of the decline in the demand for coal on the Eurasian continent.[3]

The EIS must also examine the BNSF ability to seek investments for bringing its rail network up to the standards of its competitors. The burning of diesel fuels by several locomotives waiting on sidings adds to the cost of transportation. The rail beds running on the landscape need to be straightened for higher speed freight train traffic. The recent financial investments for grain terminals accommodating longer grain trains for international markets add to the severe congestion in Montana. The result is that the domestic transportation network infrastructure is not competitive with other nations.[4]

Even though BNSF likes to claim that it is North America's leading freight transportation companies, the corporation claims to be the most technologically advanced, and efficient railroads in the industry, it fails to mention that its transportation costs are higher than on the Eurasian continent.[5] In its current, News Release, February 2013, BNSF states that its corporate economic development team had worked with customers and state and local economic development organizations to locate hundreds of new or expanded facilities in communities across BNSF's network in 2012. This had generated approximately $1.8 billion in new investment and created over 6,200 new U.S. jobs in 23 states. This included 44 projects to support the agricultural industry in 12 states and erected ten (10) new grain shuttle facilities to accommodate the more than a hundred car grain shipment trains. This document recognized that as demand for crude oil from the various U.S. shale formations continues to rise, so do investments in new rail facilities. “In response to this demand, last year the BNSF economic

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[3] See IBSWorld, 07/03/2013, http://www.ibisworld.com/industry/china/freight-rail-transport.html,

[4] For instance, the Danish shipping conglomerate, Maersk, has been for decades the pace setter in the development of a variety of cargo ocean going vessels. In response to the Exon-Valdese oil disaster of the Alaska coast, it developed a generation of double hull oil vessels. Today, the corporation has coming from South Korea some twenty container ships which not only carry more containers but also its hull design and propulsion system has cut the fossil fuel consumption. This new generation of ocean going vessels use less diesel fuel than the older generation.

These Triple-E ships will emit 20% less CO2 per container and 50% less than the industry average on the Asia-Europe trade lane. They are equipped with a waste heat recovery system, saving up to 10% of main engine power. http://www.maersk.com/innovation/leadingthroughinnovation/pages/buildingtheworldsbiggestship.aspx

[5] For instance, the Danish shipping conglomerate, Maersk, has been for decades the pace setter in the development of a variety of cargo ocean going vessels. These Triple-E ships will emit 20% less CO2 per container and 50% less than the industry average on the Asia-Europe trade lane. They are equipped with a waste heat recovery system, saving up to 10% of main engine power.
http://www.maersk.com/innovation/leadingthroughinnovation/pages/buildingtheworldsbiggestship.aspx

development team assisted customers in locating and completing five new crude oil unit train terminals in North Dakota and Montana."[6]

The EIS should make the recommendation that of bringing the BNSF infrastructure to the level of the Eurasian rail systems, it would call for huge investments. This is beyond the capability of the traditional "private" funding from individuals or government grants. The development of up-to-date rail infrastructures calls for huge government investment and long term planning. This system has to competitive with the Eurasian rail network.[7]

Issue II: The Reality of Rail Transportation in Montana

The EIS must include a study pertaining to the conditions of the BNSF antiquated rail system in Montana. Several issues, ranging from conditions to the rail bed, the track designs, and communications that are important to the People of Montana. It was a system designed for the Age of Steam. It was a time when locomotives pulled smaller trains and cars. The rail system was designed to use the river bottoms because it was more level. An additional issue is the congestion of trains on Montana's rail tracks. The Montana Department of Transportation (MDT) is well aware that the increasing rail traffic through urban areas has become a real issue for Public Safety. The problem is that most of the track system consist of one track with numerous sidings where trains with multiple engines have to wait their turns.

On the one rail network between Laurel, Great Falls, and Shelby the trains have to wait a long time before they are by voice authorized via The Track Warrant Control (TWC) system allowed to enter the main line.[13] This track system for both the Laurel and

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[6]See News Release, "BNSF 2012 Economic Development Efforts Lead to Record Investments and Jobs," Fort Worth, Texas, February 6, 2013, http://www.bnsf.com/media/news-releases/2013/february/2013-02-06a.html

[7]IBSWorld, "Freight Rail Transport Market Research Report," May 2013, states that "between 2006 and 2010, the Chinese government allocated $160.0 billion to the expansion of the railway network enlarging it by an estimated 90,000 kilometers. It is expected that by 2020, the total Chinese governmental investment in its rail network is expected to be $216.0 billion enlarging it to some 120,000 kilometers."
http://www.ibisworld.com/industry/china/freight-rail-transport.html,

See also, Kevin Smith, "China to invest Yuan 600bn in railway infrastructure in 2013," International Railway Journal, 08/09/2013, writes that that "around 5500km of new railway lines will be placed into operation by the end of 2013 bringing the size of the conventional network to approximately 103,500km, while the high-speed network will exceed 10,000km." http://www.railjournal.com/index.php/financial/china-to-invest-yuan-600bn-in-railway-infrastructure-in-2013.html

Keith Bradsher, "High-Speed Rail Poised to Alter China," Global Business, New York Times, 06/22/11. This means that the shift to this Chinese development has freed up congested older rail lines for the coal freight. That has allowed coal mines and shippers to switch to cheaper rail transport from costly trucks for heavy cargos.
http://www.nytimes.com/2011/06/23/business/global/23rail.html?pagewanted=all&_r=0

Great Falls Sub-Divisions was originally designed for steam locomotives when the trains were much shorter and its wagons were not nearly the weight of today's cars. The current long trains while going through the rural landscape and must negotiate through several tunnels, travel next to creeks and rivers which they must cross several times, and negotiate around natural barriers. In some areas the trains can go at a top speed is 49 mph but most of the time they are allowed to proceed at 25 to 40 MPH. The other problem is that there are a limited amount of sidings, and it takes a train longer to navigate the 317 miles of track than the contemporary high speed tracks on the Eurasian continent. In addition, trains on this route must cross US Highway #2 on the immediate outskirts of Shelby.[8]

In the Great Falls Subdivision train assembly rail yard is too small to accommodate more than a hundred rail cars and several diesel engines. For instance, in switching operations the trains must be backed up to cross the Missouri River rail bridge making a more than a ninety (90) degree turn. The trains are in the close vicinity of the Police Station and a restaurant, and a little more than a year ago there was a minor derailment. The added danger is that coal and oil trains in case of crossing this bridge can derail and create serious damage to the bridge and the river environment. It is a bridge that was built across the Missouri River to accommodate the shorter freight and passenger trains of a previous railroad system. Derailments are a strong possibility not only as the result of switching operations but also it must be questioned for its structural safety to accommodate the heavier current coal and oil cars. One example was that a little more than a year ago an empty freight train derailed during yard switching operations. This was also near the city's Police Station and a restaurant located with a short distance from the derailment on October 7, 2012. This incident points directly to an environmental and a public safety issues if loaded coal and oil cars derails and its contents falls into the Missouri river.[9]

Issue III: Public health, safety, and future policies of China's coal consumption

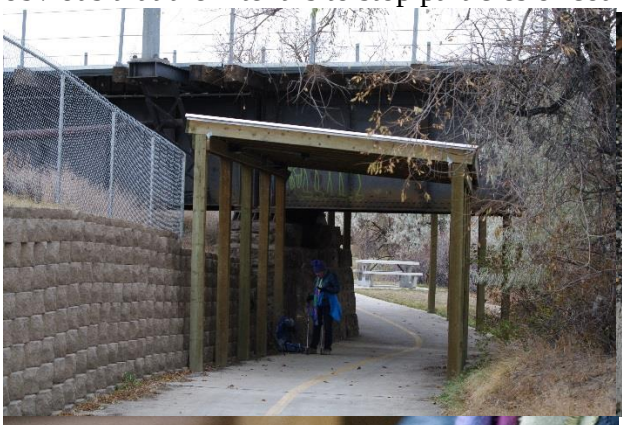
In Montana coal shipments through the rural and urban areas threatens Public Health and Safety. The rail track of the Laurel and Great Falls BNSF divisions travels has been designed for the Age of Steam is a micro example of the entire rail network in the northwestern United States. The rail track through cattle and grain producing areas in which often strong winds blow along the Rocky Mountain Front. The topography requires that the tracks must go through several tunnels and skirt for long areas flowing streams. Trains must cross several major rivers such as the Missouri, Teton, and Marias. Coal and oil trains travel near small towns and go through cities such as Great Falls and Shelby. At one place, near Shelby, it must cross the heavily travelled US Highway #2 in all hours of the day. Sometimes a more than a 100 car train hold up traffic for quite a long time before it enters at a top speed of 5 MPH the Great Northern rail yard.

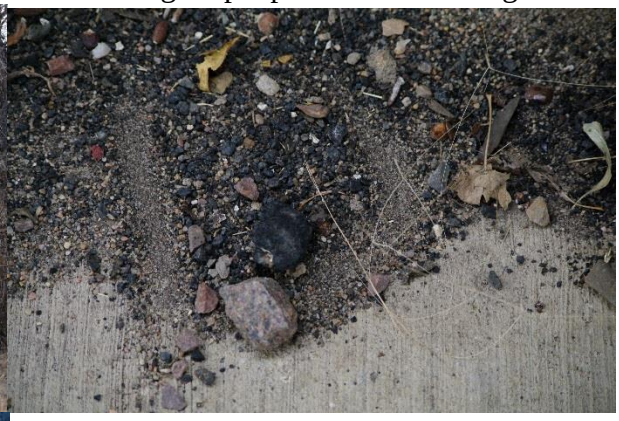
In spite of BNSF and coal mining official claims that there is no coal dust coming from the trains, this must be seriously questioned by the EIS. On November 3, 2013, I walked with my

[8] IBID. 2010 Montana State Rail Plan.

[9] See, Richard Ecke, "Coal Train Derailment" Great Falls Tribune, October 7, 2012 and KRTV News Broadcast.

spouse of the River's Edge Trail which goes up river of the Missouri. When I came to the BNSF Rail Bridge which crosses the Missouri river, I noticed that on both sides of the rail bridge there was a proactive cover spanning the trail which is used by both hikers and bicyclers. It was obvious that the intent is to stop particles of coal from falling on people below the bridge.





Looking down on the River's Edge Trail pavement, I saw small pieces of coal and coal dust laying on the ground next to the wall. Taking the pictures with my powerful camera I use for wildlife photography, I made several photos. I also requested that my spouse who had picked up some pieces of larger coal and I photographed them.

Listening to testimonies presented by medical experts during the Spokane Hearing on September 25, 2013, I had become familiar with the coal dust particulars in that area. As in Great Falls this month, November, and completing some more research on the hazards of coal dust it did not surprise me to learn about the dangers of coal dust upon the environment.

What did surprise me was the failure of BNSF to protect the city of Spokane in the same way that it protected the Great Falls' Rivers Edge Trail. The photograph below shows not only an antiquated viaduct crossing the street accommodating a coal train but that there was no protective cover to stop coal dust and pieces of coal falling on cars. It is here that BNSF fails to protect the population from harm.

Notice there is no protective roof covering the street in Spokane.

Dolman Photo 09/25/13

Surely, the EIS must address the issue of coal dust and pieces along the entire rail track deposited by coal trains. This is a public health and safety issue.

A recent issue that must be examined by the EIS is the fact that the demand for coal by Eurasian countries will continue to decline. It could very well be that within a decade of the planned Millennium Bulk Terminals-Longview could be out of service. Even though it is difficult to project the demand for coal imports into China, the fact is that this demand has been in a decline and that the government has this week decided to implement policies to curb its pollution issue.

Already the Chinese government has learned that the operation of several of its electric driven high speed passenger trains have not only become popular but also that it has freed the freight train congestion. The older passenger tracks can now be used for freight trains and this means that it can expand its alternative electric generation facilities. In short, the government would introduce in the near future policies that would "correct the bias towards assessing (officials) on the speed of economic growth and increase the weight placed on other indicators such as resource use, environmental damage, ecological benefits, industrial overcapacity, scientific innovation, work safety and newly-added debt."[10]

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[10] Fayen Wong, "China's Pollution threatens health of global coal projects," Reuters, SHANGHAI Nov 14, 2013 http://www.reuters.com/article/2013/11/14/us-china-coal-idUSBRE9AD19L20131114

David Stanway, "To tackle pollution, China to drop pursuit of growth at all costs," Reuters, 11/18/13 http://news.yahoo.com/tackle-pollution-china-drop-pursuit-growth-costs-074608099.html

Dave Forest, "Coal: It's the World's Most Hated Natural Resource ... and It's a Buy, Street Authority, 111213. http://www.dailyfinance.com/2013/11/12/coal-hated-natural-resource-smart-investment/