

## The Register-Guard

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### Coal: Road to riches or the wrong track?

#### Eugene City Council plans to hear both sides of the train debate

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John Jordan-Cascade of Eugene sees a grim future:

Coal trains more than a mile long rumbling through Eugene on the way to the Port of Coos Bay, spewing unhealthy coal dust and diesel fumes while transporting an energy source that contributes to global warming.

“Coal is lousy for everyone,” said Jordan-Cascade, a member of Beyond Toxics, a Eugene-based environmental group. “It’s lousy for climate change, and it’s lousy for health and safety issues. The only thing that it’s good for is the coal industry.”

Coos Bay Mayor Crystal Shoji sees a better future:

A valuable international commodity responsibly transported on trains to a new \$250 million export terminal on Coos Bay. More than 100 well-paying permanent coal-related jobs at the terminal and vitally needed economic activity in the financially struggling coastal region.

“Except for small business, maritime commerce is our best hope for developing an economic base for our community,” she said. “We have had chronic unemployment for three decades.”

Jordan-Cascade and Shoji represent opposite sides of the coal-train debate that is erupting across the Northwest. The arguments are being sparked by plans to ship massive quantities of Wyoming and Montana coal for export to Asian countries through yet-to-be developed terminals in Oregon and Washington ports, including Coos Bay.

Other potential terminals could be built near Boardman and St. Helens, on the Oregon side of the Columbia River, plus in the Washington communities of Longview, Grays Harbor and Bellingham.

The possible coal exports have generated a complex controversy that is fast catching fire. The dispute has community leaders scrambling to weigh the respective merits of environmental protection and job creation.

The arguments soon could become overheated in Eugene as the City Council next month

considers a resolution opposing the shipment of coal through the city.

In a rare move, Coos Bay officials who support the coal export project and environmentalists who oppose it have been asked to sit down with the City Council on Oct. 8 and make their best arguments for their respective positions.

Eugene's resolution would direct city attorneys to research whether the city could use state and federal public health and safety laws to prevent the transport of coal in its boundaries.

### **Beyond city's control**

Eugene is one of several Northwest cities that have either passed or are considering resolutions opposed to coal shipments.

But the City Council's upcoming debate could turn out to be a symbolic exercise.

State and local governments "cannot enact laws which would significantly interfere with railroad operations, such as prohibiting the movement of trains on an existing rail line," according to a statement from the Surface Transportation Board, the federal agency that regulates railroads.

The Oregon International Port of Coos Bay, which also owns the rail line and railroad that operates between Eugene and Coos Bay, says it can't deny access to a shipping customer that's willing to pay fees and meet state and federal regulations.

"It's understandable that people have an ideological position (about coal and coal trains)," said Elise Hamner, the port's spokeswoman. "But we can't address that. We can only deal with projects if they meet state and federal regulations, and permitting standards. If they do, it's not our job to say 'No.'"

Coal opponents in Eugene — including Mayor Kitty Piercy — acknowledge that the city may not be able to ban coal trains. Yet they say it's valuable for Eugene and other cities to oppose the shipments.

"I'm fairly sure that all of these communities that are taking on these resolutions will have some kind of effect," Piercy said.

### **Coos Bay bound**

Coos Bay officials hope exporters will start loading coal onto ships in the deep water harbor by 2017.

Their hopes are part of a plan by mining companies Ambre Energy, Kinder Morgan and Arch Coal, along with other coal industry firms, to extract vast amounts of coal from the Powder River Basin in Wyoming and Montana and sell it to Asian electricity producers.

Coos Bay-bound coal would move west on Union Pacific trains up to 135 cars in length. The trains would follow the Columbia River in Northeast Oregon to Portland and then branch south to Eugene.

In UP's sprawling west Eugene railyard, Coos Bay Rail Link engineers would climb aboard the UP locomotives and drive them for the final 111-mile stretch past Florence and Reedsport and into Coos Bay.

By 2021, two coal trains a day could be traveling through Eugene to Coos Bay. There would be two daily return trips of empty coal trains heading east.

Over a year's time, the trains could haul 10 million tons of coal through Eugene, according to an economic analysis conducted for the Port of Coos Bay.

### **A boost for economy**

Port officials late last year reached an "exclusive negotiating agreement" with three firms interested in developing an export terminal on the north spit of Coos Bay, Hamner said.

The firms are Mitsui & Co., U.S.A., a New York City-based subsidiary of a Japanese conglomerate; California-based Metro Ports, a terminal operator at several West and East Coast ports, including Longview, Wash; and Korea Electric Power Corp., a Seoul, South Korea, firm that would burn the coal to produce electricity in South Korea.

An economic study for the Coos Bay port by consultants Paul Sorensen and Brian Winningham of Kenmore, Wash., estimated the developers' cost of developing the terminal at \$250 million, with \$182 million more spent upgrading the Coos Bay rail line so it can carry coal shipments.

Moving coal through the port would provide jobs and business activity for Coos County communities, where unemployments hovers at about 11 percent, Hamner said.

So many Coos Bay and North Bend families are poor that most of the cities' elementary students qualify for free or reduced lunches, she said.

The terminal and rail line construction would create 1,433 jobs in Coos County, with 1,155 elsewhere in the state, Sorensen and Winningham estimated.

At startup, the terminal would export 3 million tons of coal annually, the consultants predicted.

In the first year, 82 permanent Coos Bay jobs would be created, including longshoremen, ship's pilots, tugboat crews and train crews, the consultants estimated. The jobs would have average annual wages and benefits of \$109,000, they said.

By 2021, the number of permanent jobs created by the export operation would reach 165, Sorensen and Winningham said.

Business, personal and property taxes would generate \$4.9 million in tax revenue during the first year of operation, rising to \$5.4 million by the fifth year, Sorensen and Winningham said.

### **The big picture**

Jordan-Cascade, a spokesman for Beyond Toxics, said the economic benefits promised from

the coal export project offer the “illusion of a narrow choice.”

Officials are falsely told that they must choose “between jobs or clean air; economic growth or a healthy environment,” he said. But “this is an outdated paradigm,” he said.

Jordan-Cascade and others are concerned about the health effects of coal dust blowing from train cars and diesel fumes from locomotives. They also say burning coal exacerbates global climate change, and that air pollution from coal burning in Asia is carried to the Pacific Northwest.

Hammer said port officials are sensitive to the concerns about coal dust, so they would require coal to be covered in transport, either with sticky polymer or covers on train cars.

The port also may impose a fee on every train car to raise between \$1 million and \$2 million annually for greenhouse gas emissions projects in Eugene and other communities along the Coos Bay rail line, Hammer said.

Union Pacific spokesman Aaron Hunt said 17 trains travel through Eugene daily.

Even with the addition of four coal trains traveling daily through Eugene — two loaded and two unloaded — locomotive emissions would be less than six years ago, when 23 trains moved through the city, Hunt said.

But such proposals and facts aren’t likely to satisfy coal critics who say burning carbon-based coal is contributing to dangerous climate change.

“The bigger picture is that we are very much opposed to coal in general,” Jordan-Cascade said. “It’s an energy source from the past, and we need leadership to move America toward a clean, green energy future.”

## **A split City Council**

Eugene’s anti-coal resolution was introduced by southeast Councilor Alan Zelenka.

The City Council two months ago delayed voting on the resolution at the request of Piercy. The mayor had heard from an alarmed David Koch, the Port of Coos Bay’s chief executive, and Reedsport Mayor Keith Tymchuk, the chairman of the South Coast Regional Solutions Committee, a job-creation advisory group to the governor.

Piercy says she recommended the delay in order to give coastal officials a chance to share information with Eugene’s City Council before it voted.

Piercy has invited Koch and Tymchuk to meet with the City Council on Oct. 8. She also has invited representatives from Physicians for Social Responsibility and Climate Solutions, an environmental group.

A vote on the resolution would take place on a later date, Piercy said.

The resolution is likely to split the council along conservative and liberal lines, which means moderate councilors Chris Pryor and Andrea Ortiz could decide the outcome.

Ortiz, who represents the ward that contains much of the city's railroad lines, said she needs more information before deciding.

Ortiz said she's concerned about the health effects of coal dust, but wants to know what can be done to reduce or eliminate it.

"I need more information because I haven't talked to anybody outside of (environmental) activists," she said.

If the council deadlocks, Piercy said she's likely to vote for the resolution.

"I can't imagine that there is anything that I could learn that would make me think those coal trains are a good idea," she said.

*"I need more information because I haven't talked to anybody outside of (environmental) activists."*

— ANDREA ORTIZ, EUGENE CITY COUNCILOR

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## WHAT'S NEXT

The Eugene City Council will hear from people on both sides of the coal-train debate

When: 5:30 p.m. on Oct. 8

Where: Bascom/Tykeson Room, Public Library, 100 W. 10th Ave.

Watch: Metrovision Comcast Channel 21

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