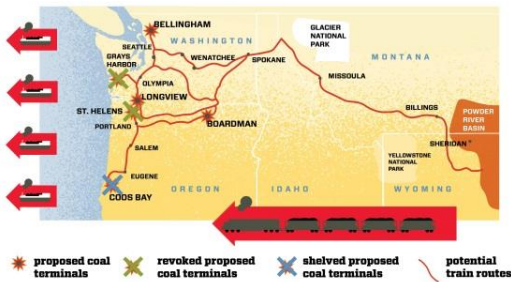


Update on the Status of Proposed Coal Export Terminals in the Northwest



Some of the largest coal companies in the world have three active proposals and one shelved proposal to export coal from the Powder River Basin out of terminals in Washington and Oregon. Below is an update on the status of their proposals. There is currently no word from the Army Corps of Engineers on whether or not they will conduct an area-wide review of the impacts of all three terminals. If all built, it would result in up to 100 million metric tons of coal moving through the Northwest each year – which means some communities like Spokane, WA could see as many as 40 mile-and-a-half long coal trains every day.

Cherry Point, WA: SSA Marine has applied for a Joint Aquatic Resource Permit to annually export 48 million metric tons from the proposed Gateway Pacific Terminal in Cherry Point, near Bellingham, Washington. Peabody Energy and investors including Goldman Sachs plan to strip-mine coal in the Powder River Basin and ship it on rail through the inland Northwest, along the Columbia River, through the Puget Sound and Seattle, and up through Bellingham, resulting in at least 18 round-trips for coal trains each day. Up to 970 massive cargo ships would then navigate the Salish Sea to get to the Pacific Ocean. The U.S. Army Corps of Engineers, Washington Department of Ecology, and Whatcom County conducted a scoping period for the EIS in the Fall of 2012 and will decide the scope of the EIS at some point in 2013.

Longview, WA: Millennium Bulk Logistics (a subsidiary of the Australian-based Ambre Energy) and Arch Coal have a proposal that, if approved, would ship 44 million metric tons of coal/year through a terminal in Longview, WA and mean 18 round-trips for coal trains each day. The company has submitted its application to regulatory agencies, and scoping is expected to start during late fall 2012 (though that is subject to change) and last for several months. The U.S. Army Corps of Engineers, Cowlitz County and the Washington State Department of Ecology will jointly conduct the environmental review process, with scoping starting some time in 2013. This is the second proposal made in Longview, after the first proposal was withdrawn by Millennium and Arch Coal after *The New York Times* revealed that internal company documents showed their initial proposal to the community of 5 million tons of coal per year was a cover for their significantly larger plans.

Port of Morrow, OR: Ambre Energy has filed a permit with the Army Corps of Engineers and the Oregon Department of State Lands and has signed a lease option with the Port of Morrow, near Boardman, OR. The proposal is to send up to 8 million metric tons of coal/year by train from the Powder River Basin to the Port of Morrow, load the coal into barges that would go along the Columbia River, and then load it onto sea-going vessels at Port Westward, increasing the barge traffic by 100%. In September 2012, the Army Corps of Engineers called for an Environmental Assessment of the construction of the dock facility at Morrow, a less comprehensive analysis of the impacts of the proposal than an Environmental Impact Statement, despite the thousands of public comments calling for a full EIS. The OR Dept. of State Lands will decide on the removal fill permit by September 1, 2013.

(cont).

Coos Bay, OR Status: Since October 2010, Port of Coos Bay officials have engaged in secret negotiations with companies bidding to run a coal export terminal there. Earlier in 2013, media stories revealed that the two companies involved in the negotiations, Mitsui Group and Metro Ports (a subsidiary of Nautilus International Holding Corp.), had withdrawn from the terminal plan. The lease agreement for the coal terminal expired 3/31/13. Initial estimates project the proposed coal export terminal would ship 8 million metric tons of coal annually, which would mean four round-trip coal trains per day through some of the most populated areas of the state. This proposal is currently derailed, but being tracked carefully.

Port Westward, OR Status: As of May 2013, Kinder Morgan dropped their proposal to export up to 27 million metric tons annually from Port Westward, near St. Helens, Oregon. Portland General Electric's refused to lease port property to the project, due to concerns around coal dust damage and traffic congestion. *Port Westward would also be used by Ambre Energy in their plan to rail 4-9 million tons of coal to Boardman, OR each year and transfer it to barges which would travel to Port Westward, where the coal would be transferred to ships for export.*

Grays Harbor, WA Status: As of August 2012, RailAmerica has dropped plans to develop a 5.5 million ton coal export facility at the Port of Grays Harbor in Hoquiam, citing "...uses and other opportunities for that terminal that are much more likely to generate jobs, economic development, tax revenues, (and provide a) general increase in business for the Port and, of course, for RailAmerica and for Puget Sound and Pacific Railroad."¹

¹ <http://thedailyworld.com/sections/news/local/railamerica-drops-pursuit-coal-terminal-grays-harbor.html>