



PACIFIC HARBOR

Lines

FALL 2011



From left, Gary Eelman, Progress Rail Services Vice President of Locomotive Sales and Leasing; Kevin Bahnline, Electro-Motive Director Government Funding; and Bobby Doyle, Progress Rail Services Senior Marketing Consultant of Transit Business, take a tour around the ports of Long Beach during a media event Sept. 28.



Greg Peters, Manager Operations Support, opens the side of a Pacific Harbor Line locomotive to display the new ultra clean engine.



Mike Stolzman, Pacific Harbor Line President, and Greg Peters, Manager Operations Support, show off PHL's new Tier 3-plus locomotive.

Re-powered locomotives UNVEILED

Pacific Harbor Line has taken its already clean locomotives a step further by re-powering Tier 2 locomotives to Tier 3-plus.

“We have taken the greenest fleet in America and improved it,” said Andrew Fox, Managing Director.

PHL will put advanced engines and special exhaust systems in 16 of its 23 locomotives to bring them to Tier 3-plus status. The changes will result in an 85 percent reduction in particulate matter and a 38 percent reduction in nitrogen oxide compared with its fleet six years ago.

In 2009, PHL was named Short Line Railroad of the Year by Railway Age magazine for replacing and expanding its entire locomotive fleet with 22 low emission Tier 2 diesel electric units.

PHL partners with Progress Rail Services, a subsidiary of Caterpillar, for the engine. It is paired with a state-of-the-art filter manufactured by Hug Engineering of Switzerland.

The locomotives are being upgraded in Tacoma, Wash.

Four locomotives were back at PHL by the end of September.

According to Gary Eelman, Progress Rail Services Vice President of Locomotive Sales and Leasing, pairing Progress Rail Services’ engines with Hug Engineering’s filters has been done in Europe, but this is a first for the U.S.

The Carl Moyer Memorial Air Quality Standards Attainment Program awarded PHL

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Andrew Fox, Managing Director, and Mike Stolzman, President, pose with one of Pacific Harbor Line’s newly re-powered locomotives.



Re-powered locomotives **UNVEILED**

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an \$11 million grant, which covered 85 percent of the green upgrades.

PHL unveiled its progress during a media event Sept. 28. Guests saw a re-powered locomotive in action and took a ride in a passenger car around Terminal Island hauled by the ultra clean, quiet unit.

Pacific Harbor Line employees and guests enjoy a loop around Terminal Island as part of the Sept. 28 media event to unveil PHL's re-powered locomotives.



A passenger car is pulled around Terminal Island by a newly re-powered locomotive.



Pacific Harbor Line has implemented the 12 Keys to Safety to keep employees aware of critical safety rules.

“These are things we need to know without popping a rule book open,” said Larry Souter, Road Foreman of Engines. “It heightens employees’ awareness level.”

The 12 Keys to Safety will be posted in various places — bulletin boards, locomotives, yard signs and tool boxes. Pocket-sized cards also were printed with the 12 Keys to Safety and emergency contact numbers.



12 Keys to Safety

1. Cell Phone Usage
2. Stopping Within Half the Distance Specified
3. Blue Signal Protection
4. Shoving Movements
5. Restricted Speed and Movement On Other Than Main Track
6. Going Between or Working On the End of Rail Equipment
7. Job Briefing/Communication
8. Stretching Slack to Ensure That All Couplings Are Made
9. Securing Equipment
10. Position of Switches and Derails
11. Sufficient Distances/Line of Fire
12. Riding In and On Moving Equipment



Serving Rio Tinto Minerals



Pete Panna unloads a railcar at the Rio Tinto Minerals facility in Wilmington, Calif. Pacific Harbor Line and Rio Tinto Minerals employees rely on constant communication to get cars switched so vessels can depart on time.

Communication keeps Pacific Harbor Line and Rio Tinto Minerals on the right track.

Since 1998, PHL has helped Rio Tinto Minerals ship borate from its Boron, Calif., mining and refining operation to the bulk port facility in Wilmington, where it is loaded onto large ships for export worldwide.

Normally, Rio Tinto Minerals has 20 inbound and outbound cars per day. During periods of high demand, that number can increase to 30 or more.

When railcars arrive at the port facility, the borate is transferred to silos. A ship comes in once a month, and after three days of loading, it hauls the bulk mate-

rial away. Sometimes a vessel requires more tons than the Wilmington silos can hold. When that happens, railcars must be unloaded straight onto the vessel. That is where PHL's performance is crucial.

"There is a critical time when vessels come in," said Darice Shafer, Distribution Manager. "If they don't get switched in and out, the vessel is delayed. We need to get railcars in and out in a timely manner."

Shafer appreciates regular dialogue with PHL, which strengthens their relationship and enhances the service.

Beefing up infrastructure

Enhanced infrastructure in the Port of Long Beach will allow cargo to move through it more efficiently.

Annually, the port moves trade valued at more than \$140 billion, making it the second busiest seaport in the U.S.

According to Carlo Luzzi, Port of Long Beach Manager of Rail Transportation, a demand came from the marine to increase on-dock rail. Once complete, the port will increase from 21 percent of on-dock rail to 35 percent.

Plans have been in the works since 2005, but construction did not begin until this past year. One existing project, ITS Rail Yard redevelopment at Pier G north working yard, is expected to be completed in Spring 2012.

The next projects to go out to bid be-

ginning in January 2012 are Pier F support yard work and track realignment at Ocean Boulevard. It will take close to 10 years to complete all the projects.

Existing terminals are being upgraded, and a new one, Middle Harbor Terminal Rail Yard, will be built.

The Port of Long Beach and Pacific Harbor Line share a commitment to the environment. PHL is doing its part to be green by utilizing super clean Tier 3-plus locomotives on its trains. The port has been involved in environmental protection programs the past 20 years, and adopted its Green Port Policy in 2005 to reduce the negative impacts of port operations.

Increasing capacity to ship by rail to the port will reduce truck traffic, which is part of the Green Port Policy.

Holiday Q&A

Pacific Harbor Line employees safely transport customers' goods during Peak Season. Employees share their holiday traditions and how they stay focused throughout this busy and joyous season.



What are your holiday traditions?

"For Christmas, we go to my wife's mother's house to celebrate Christmas Eve with her family. Then we celebrate with my mom on Christmas Day. I spend New Year's with friends and some PHL co-workers."

How do you stay focused around the holidays?

"Try to go to bed earlier so I am focused on what I need to do."

- Jimmy Rodriguez, locomotive engineer



What are your holiday traditions?

"Going to my mother's house for both Thanksgiving and Christmas. New Year's, we have a party at my house with a few employees."

How do you stay focused around the holidays?

"It's work. Do it safely and efficiently. No difference in the days, holiday or not."

-Manny Alvarez, locomotive engineer

Port of Long Beach projects

- On-dock marine terminal
- Pier G new north working yard
- Pier G south working yard rehabilitation
- Middle Harbor Terminal Rail Yard
- Pier A on-dock rail yard expansion to Carrack
- Pier A on-dock rail yard east of Carrack
- Pier S on-dock rail yard
- Pier J on-dock rail yard reconfiguration
- POLB rail infrastructure projects outside marine terminals
- Pier F support yard
- Track realignment at Ocean Boulevard
- Pier B street realignment, Phase 1
- Terminal Island wye track realignment
- Re-configuration of CP mole
- Grade separation for Reeves Crossing
- Navy Mole Road storage rail yard
- Pier B Rail Yard, Phase II — 9th Street
- Pier B Rail Yard, Phase III — 10th and 12th streets



Safety luncheon

Pacific Harbor Line employees provide top-notch service to customers, and they do it safely.

Employees worked the entire month of August without a single reportable injury. A Sept. 28 luncheon, featuring a variety of pastas, salads and desserts, served to thank employees for their safety dedication and to celebrate the accomplishment.

Employees are reminded to continue to work safely throughout the holidays by staying focused and avoiding distractions.



1,000 safe days

Congratulations to the Pacific Harbor Line maintenance of way team, which recently reached 1,000 days reportable injury free.

Employees include:

Sergio Beltran
Gabriel Calderon
Osbaldo Contreras
Eubaldo Contreras
Richard Corona
Alex Gomez
Frank Gutierrez
Raymond Gutierrez
Jose Rodriguez
Luis Rodriguez
Pablo Torres

PACIFIC HARBOR LINES

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PHL a valuable Union Pacific partner

Pacific Harbor Line is a little railroad with a big impact.

PHL serves the Ports of Long Beach and Los Angeles, controlling and coordinating all train movement within the ports, including Class I Railroad unit trains operating to and from port intermodal and bulk terminals. It operates most of the terminal and switching trackage in the port area.

The short line's 59 miles of rail is a drop in the bucket for its Class 1 partners, which operate over thousands of miles of rail throughout the United States. However, the way PHL keeps traffic fluid on those tracks is a huge asset to the railroad system.

Trainmaster Craig Cherne said PHL adds value to BNSF Railway and Union Pacific Railroad's operations by knowing those 59 miles so well.

"BNSF and UP are so huge; they know a little about a large part of the railroad, while we know a lot about a little part," said Cherne, a 4 1/2-year employee. "Knowing the ins and outs of getting around on PHL helps trains move more efficiently."

David Simpson, yardmaster at Union Pacific's Mead Yard, located in the middle of PHL, agreed. He has worked closely with PHL the past 11 years. He said the short line coordinates train movement well between BNSF, UP and the Intermodal Container Transfer Facility a near dock international shipping facility located about five miles from the ports of Los Angeles and Long Beach.

"My experience with them has been very positive," he said. "Everyone's great to work with. Switching with them is very seamless; traffic stays very fluid."

Simpson said being a small, tight-knit railroad is an asset.

"They seem to communicate well with each other, and they're very easy to get a hold of," he said.

