

SERVICES

PHL offers an array of flexible services including interline, intra-plant, intra-terminal and inter-terminal switching, car storage, unit train movement and intermodal car repositioning. It provides custom intermodal switching services at port terminal facilities and is responsible for neutral coordination and dispatching of all rail movements within the port, including Class 1 unit trains.

SERVICE PACKAGES

PHL maintains a policy of neutral pricing and works closely with customers and connecting railroads to provide the necessary service and equipment packages to meet their requirements. An essential element of these packages is to coordinate operations with connecting railroads to provide seamless service for customers.

RATES

BNSF and UP establish rates for any traffic that originates or terminates on PHL and is interchanged for line-haul movement. Switching charges on such traffic are absorbed by the line-haul carrier in line-haul freight rates. Demurrage for movements via PHL in the Port Zone is billed and collected by the applicable line haul carrier. Private car storage is billed and collected by PHL.

TEAM TRACK

PHL maintains team tracks and distribution facilities at Wilmington, California, which can accommodate transfer of commodities between rail and truck. The facility is minutes from the Harbor Freeway (I-110), Long Beach Freeway (I-710), and other highway connections, and is equipped with a side dock and large staging area.

TRACING

PHL qualified staff is available to assist with a full range of customer service inquiries, including car tracing, forwarding instructions, arrival notifications, reconsignments and diversions.

EDI

PHL maintains state-of-the-art electronic data interchange (EDI) with all connecting rail carriers via the AAR Train II system.

FOR MORE INFORMATION CONTACT. . .

**PHL
BRINGS THE
PORTS OF
LOS ANGELES
AND
LONG BEACH
CLOSER
TO YOU
WITH
SERVICE
EXCELLENCE,
INNOVATION
AND
RELIABILITY**

CONNECTIONS

Carrier	Alpha Code	Interchange
BNSF Railway	BNSF	Watson, CA
Union Pacific Railroad	UP	Dolores, Mead Transfer, CA

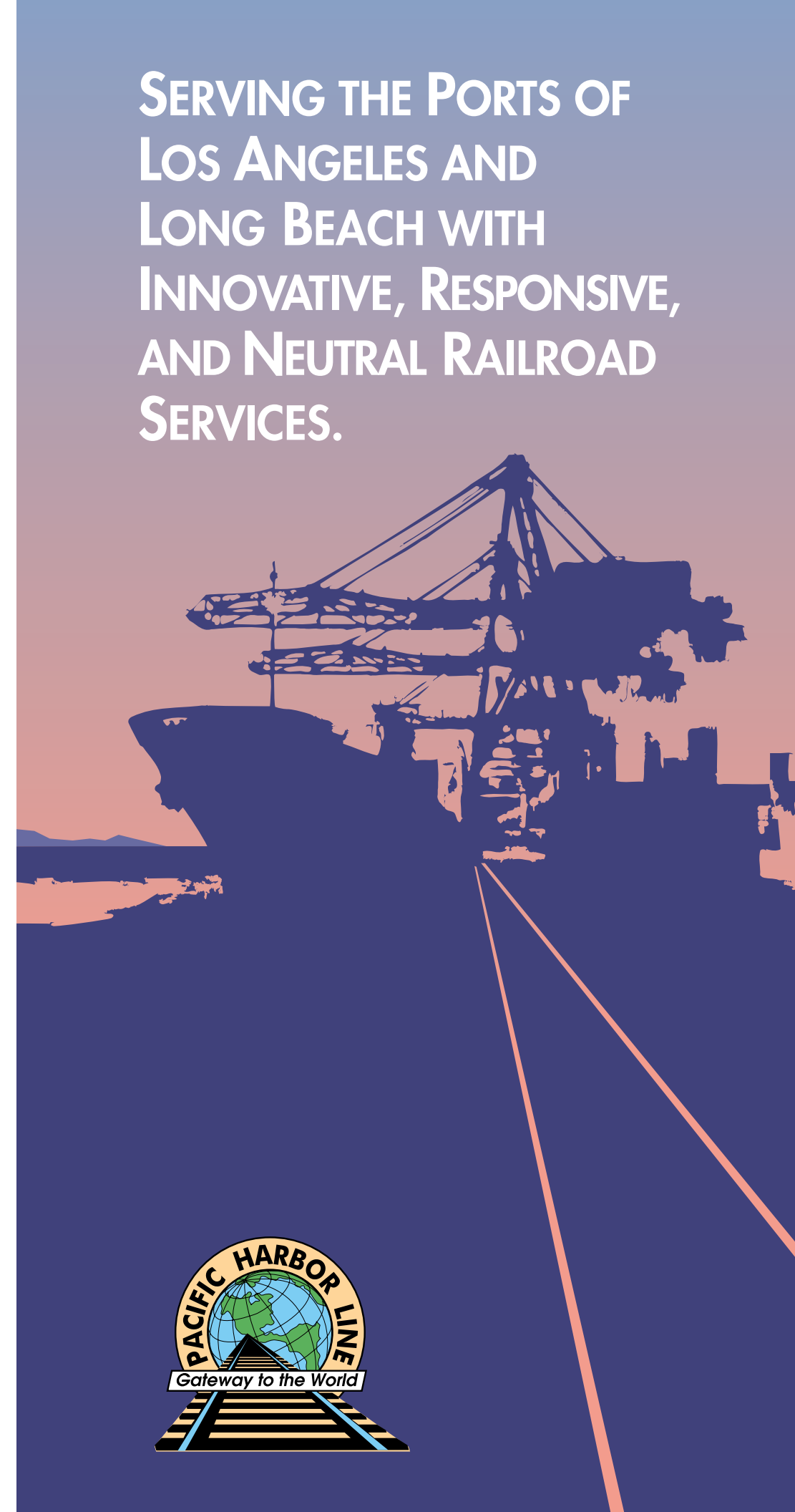
PACIFIC HARBOR LINE GENERAL OFFICES

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Web site: <http://www.anacostia.com/phl/phl.html>

PACIFIC HARBOR LINE ACCOUNTING OFFICES

53 West Jackson Blvd., Suite 335, Chicago, IL 60604
Tel: (312) 324-7352 Fax: (312) 431-0828

An Anacostia Company



**SERVING THE PORTS OF
LOS ANGELES AND
LONG BEACH WITH
INNOVATIVE, RESPONSIVE,
AND NEUTRAL RAILROAD
SERVICES.**



PACIFIC HARBOR LINE RAIL GATEWAY TO THE WORLD

Since 1998, Pacific Harbor Line, Inc. (PHL) has brought to the Ports of Los Angeles and Long Beach a significant improvement in the efficiency and reliability of railroad operations within the ports themselves, as well as adjacent areas.

The Port of Long Beach and the Port of Los Angeles are separate municipal entities that share San Pedro Bay. Combined, they represent the highest volume container port facilities in North America, handling more than 40% of all U.S. waterborne international trade. They have extensive on-dock rail container facilities, including separate facilities for American President Lines, Cosco (PCT), Evergreen America, Hanjin, K-Line (ITS), Maersk, Mediterranean Shipping, Yang Ming/China Shipping (WBCT), and NYK and their alliance partners. Rail served bulk terminals have an annual throughput capacity of over 15 million tons. Additional rail-served facilities are available for movement of virtually any other commodity type, including liquid bulk, minerals, automobiles, agricultural commodities, steel, machinery, and dimensional cargo.

Operating 24 hours a day, locally-based Pacific Harbor Line provides a flexible rail service that is both reliable and responsive to the operating and marketing needs of the port's customers. PHL controls and coordinates all train movement within the Ports of Long Beach and Los Angeles, including Class 1 railroad unit trains operating to and from Port intermodal and bulk terminals. PHL's objective is to provide a neutral service to railroads and customers that coordinates train and ship movements with the maximum amount of efficiency.

PHL, and the expedited rail access that the \$2.4 billion Alameda Corridor Project provides, have helped the ports to position themselves for the 21st century and even more dramatic growth in international trade. Through fuel efficiency, reduction of exhaust emissions, and roadway congestion relief, PHL provides the ports with transportation service that is essential to handling this growth in an environmentally responsible manner.

PHL is an affiliate of Anacostia and Pacific Company, Inc., a leader in the operation of short line and regional railroads.



Pacific Harbor Line Serves the Highest Volume Container Port in North America

OPERATIONS - CARLOAD

Pacific Harbor Line enjoys a diversified traffic base of up to 40,000 carloads annually. Commodities include automobiles, bulk minerals, lumber, scrap, food products, cotton, chemicals, steel, petroleum products and heavy equipment. About 35 PHL freight switching assignments each week provide flexible service that is both reliable and responsive to the operating and marketing needs of its customers. Additional service is provided on an as-needed basis.

OPERATIONS - INTERMODAL

PHL provides intermodal switching services to marine terminals in the Ports of Los Angeles and Long Beach. Over 170 intermodal switching assignments per week block outbound trains for departure, backfill terminals with inbound cars, and make inter-terminal moves for multi-terminal outbound train and inbound car management.

FACILITIES

Track within the PHL service zone is owned by the Ports of Los Angeles and Long Beach. Most of the main lines are laid with 136 lb. welded rail and comply with Federal Railroad Administration standards for Class 3 track. PHL maintains and dispatches this track, which features Centralized Traffic Control (CTC) in principal routes.

SAFETY & SERVICE

Locally-based at Wilmington, California, Pacific Harbor Line has hired experienced and qualified personnel and provides for appropriate training and certification, including hazardous materials handling and emergency response procedures. Pacific Harbor Line operating and maintenance personnel are represented by the Brotherhood of Locomotive Engineers and Trainmen with simple and broad-based job classifications, which gives employees the flexibility to work closely with customers. Providing the best possible service safely, is a paramount objective.

EQUIPMENT

PHL maintains connections with BNSF Railway and Union Pacific Railroad from which a wide range of freight cars are supplied for movements originating on PHL. PHL's locomotive fleet is maintained at an on-site locomotive maintenance facility located at Wilmington, California, and is being upgraded to meet or exceed EPA Tier 2 emissions standards, creating the Nation's first all Tier 2 fleet. PHL is an EPA "SmartWay Transport Partner."