



PORT OF OAKLAND

JERRY A. BRIDGES
Executive Director

October 17, 2005

Ex Parte 658

The Honorable Roger P. Nober
Chairman, Surface Transportation Board
1925 K Street NW
Washington, DC 20423-0001

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Dear Chairman Nober:

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The hearings that the Surface Transportation Board will be holding to recognize the 25th Anniversary of the Staggers Rail Act will, no doubt, reflect the many benefits to the nation resulting from the passage of this historic legislation. Additionally, these hearings provide the public with an opportunity to share some concerns about the state of the nation's rail system and the future of transportation in this country.

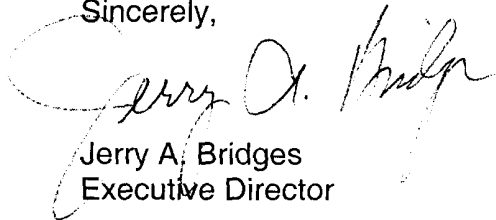
The Port of Oakland is the nation's fourth largest container port. This year we will handle nearly 2.5 million twenty-foot equivalent units of international cargo. The Port, which is a local city agency, has invested nearly \$1.2 billion over the last five years on transportation infrastructure, including deepening our channels and constructing new marine terminals and a rail intermodal terminal. These investments have been necessary to position the Port as a major international gateway for both regional and national cargo. However, our local investments alone cannot provide the infrastructure which will be necessary to move the projected growth of cargo between West Coast ports and inland points. Capacity constraints in the rail system are already affecting the movement of goods through the ports. There needs to be significant new investment in the rail system in order to ensure that there is capacity in the system to serve the phenomenal growth in international trade that the nation is experiencing. These capacity issues have impacts beyond international trade and will affect nearly all segments of the U.S. economy, including energy resources.

To this end, I would urge you and your fellow Board members to ensure that future STB policies reflect this critical need for investment in railroad infrastructure improvements. We ask the Board to support a federal regulatory policy that will enhance the railroad industry's ability to make investments in their plants and that will encourage more public and private sector partnerships to build new capacity into the system. Without this new investment, the full economic benefits that have been afforded by the Staggers Rail Act will be lost

and the inability to move cargo through the nation's ports will contribute to undesirable economic and environmental consequences.

I appreciate this opportunity to address the Surface Transportation Board. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jerry A. Bridges". The signature is written in dark ink and is positioned above the printed name and title.

Jerry A. Bridges
Executive Director

cc: John P. Lanigan, BNSF Railway
John Koraleski, Union Pacific Railroad