

# Insight Terminal Agrees to Coal Ban

## Insight Terminal has agreed to a 100% phase out of all coal shipments through the Oakland Terminal

◆ 910 million tons of coal shipments will be eliminated as a result of the Insight Terminal Environmental Commitment



- **100% phase out** of coal
- Compliance with **California Senate Bill 100**
- Establishment of the “Oakland Protocol” to ensure **covered rail cars** and **fully enclosed** material handling facility



- 400 to 500 high-paying construction jobs
- 150 long-term union jobs

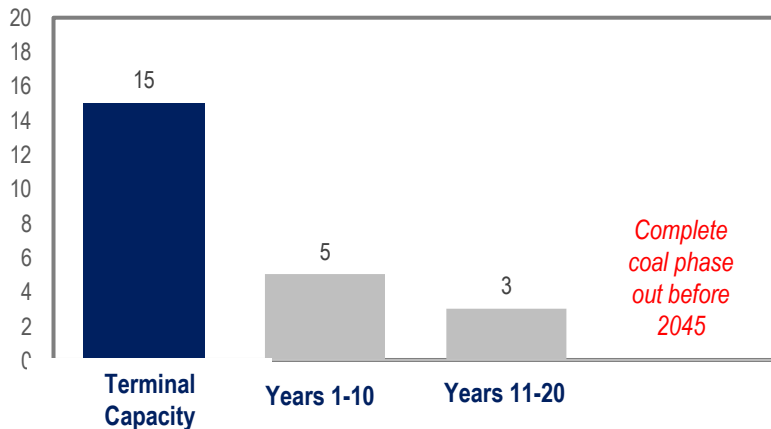


- Oakland Initiatives Fund could generate more than **\$5 million annually** for community needs
- Sponsorship of job training programs with local unions and high schools

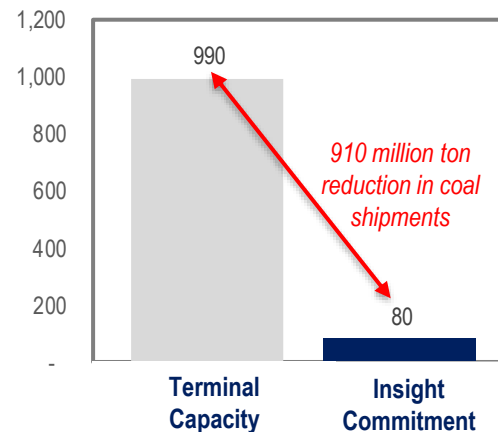


- **\$250 million** initial investment
- \$0.50 contribution per ton shipped to the Oakland Initiatives Fund

Annual Coal Throughput (million tons)



Total Coal Shipments (million tons)



# A Unique Opportunity To Build And Operate A Deep Draft West Coast Multi-Commodity Bulk Terminal

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The terminal property is leased for 66-years from the City of Oakland and is permitted as a multi-commodity bulk terminal

- ◆ Construction permits required from City but not to be unreasonably withheld
- ◆ Terminal development has stalled as a result of opposition regarding coal

**The Project will have the ability to handle multiple tenants & commodities with 540K tons a storage**

- ◆ Coal exports to Japan will likely be anchor customer providing up to 3 to 5 million tons of baseload business subject to final negotiations with the City and Utah producers
- ◆ Discussions with other prospective tenants are in process covering, iron ore, alumina, fertilizer, grains that are all produced and available for export from various Utah Counties

**Attractive logistics is key to full utilization**

- ◆ Dual Rail service provided by UP and BNSF providing single service from virtually the entire Western US
- ◆ Former Oakland Army base location just 8 miles from open Ocean that will reduce vessel transit times versus other Bay Area alternatives

**The 50 foot draft and berth provide a competitive advantage on the US West Coast**

- ◆ There is negligible excess capacity at existing ports on the US West Coast to accommodate market and shipping growth
- ◆ Draft provides ability to fully load Panamax vessels thus reducing the per ton shipping cost
- ◆ Berth provides Capesize loading capability, thus expanding the market reach for Bay Area bulk exporters

**World Class port facility will reduce shipping cost and improve net cash flow**

- ◆ Terminal should provide dramatic reduction in shipping cost with improved draft and lower demurrage given highest loading rate in Bay Area
- ◆ Covered facility will reduce exposure to elements for customer commodities
- ◆ Dome option provides the ability to separately store different quality specs and blend to maximize profit
  - Phase 1 configuration allows for separate storage domes for various tenants