

SAN PEDRO PORTS: ALAMEDA FREIGHT CORRIDOR

Services Provided: Demand, revenue, economic, and cost/benefit assessment of freight feasibility.

Description of Project: TEMS provided financial and economic advice to PaineWebber and Goldman, Sachs in the preparation of a \$2 billion bond issue to finance a 15-mile freight corridor across the City of Los Angeles. TEMS performed macroeconomic analysis, port and freight traffic projections, tolls and user fees, and assessed the economic benefits of the project. A key TEMS responsibility was preparing the West Coast Ports Competitive Model and assessing the revenue potential of the San Pedro (Los Angeles and Long Beach) port complex, the fourth largest port in the world.



The freight forecasts were based on traffic and trade data developed specifically for the project from a variety of sources, including the U.S. Department of Commerce, Piers Journal of Commerce, and WEFA macroeconomic trade forecasts. TEMS developed a base year origin-destination matrix for freight flows on a commodity and mode basis.

TEMS prepared these forecasts using a range of macroeconomic scenarios and trade regulatory conditions. The analysis considered the impacts of NAFTA on North American trade and traffic, as well as the expansion of European, Asian and Latin American trade blocks. The forecasts were then disaggregated on a mode basis and were evaluated in terms of improvements to new transport technologies and systems and the impact of new infrastructure and tariff systems.

Project Start Date

June 1997

Similar Issues

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