

tie lines – February 2006

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

Breaking a year-old record for container cargo volume, marine terminals at the Port of Long Beach moved 6,709,818 twenty-foot equivalent units (TEUs) in 2005, an increase of 16.1 percent over a record-breaking 2004.

With strong U.S. demand for low-cost Asian-made consumer goods, and more 8,000-TEU ships bringing those products to Long Beach, the inbound container count climbed 12 percent to 3.3 million TEUs.

With Asia scrambling for raw materials, exports jumped 21.2 percent to 1.2 million TEUs. The gap between imports and exports meant that the number of empty containers (most headed overseas to be re-filled) increased 20.1 percent to 2.1 million TEUs.

The Port's container totals dipped slightly in December 2005 compared to the same month a year ago, declining 1 percent to 545,772 TEUs – the first year-to-year decrease since February 2004.

Whether a one-month anomaly or the beginning of a slowing, imports were off slightly, down 1.2 percent to 266,358 TEUs. Exports remained strong, climbing 11.6 percent to 104,184 TEUs. Empties dropped 7 percent to 175,230 TEUs.

Led by gains in containerized cargo, the total cargo tonnage at the Port in 2005 climbed 9.5 percent to a record-breaking 159.2 million metric revenue tons, compared with 2004.

General cargo shipments, which include containers, steel, vehicles and lumber, increased 12.5 percent to 117.3 million MRTs. Petroleum/liquid bulk shipments were flat, increasing 0.9 percent to 34.7 million MRTs. Dry bulk shipments such as industrial salt and cement rose 6.2 percent to 7.2 million MRTs.

Allowing the Port to make its calculations based on weight or volume, a metric revenue ton is a measure for cargo based on 1,000 kilograms or one cubic meter.

Cargo moved smoothly through the Port in 2005, unlike 2004, because of adequate labor and a couple of notable changes in trucking and rail operations.

The PierPASS OffPeak truck gate program organized by San Pedro Bay terminal operators channeled one-third of their truck moves into night and Saturday shifts when there was less traffic. From its launch in July through early December, PierPASS diverted more than 1 million truck trips from daytime traffic.

Long Beach marine terminal operators also increased their on-dock rail activities, going from 11.3 percent of all container moves in 2003 to 15.3 percent in 2004 to an estimated 19 percent in 2005. There was an increase from 870,000 TEUs in 2004 to about 1.3 million TEUs in 2005 – eliminating more than 200,000 truck trips.

The Port's busiest container terminal in 2005 was Total Terminals International's Pier T facility, home to Hanjin, China Shipping, Sinotrans, U.S. Lines and most recently Wan Hai.

TTI reported more than 1 million container moves, and a 30 percent increase in its on-dock activity to more than 236,000 rail lifts.

State and Port officials are seeking public comment for an environmental impact review that will address a soil and groundwater cleanup project at Pier A West, a 123-acre Port-owned oil field.

To gather public comment, the state Department of Toxic Substance Control and the Port are hosting a “scoping” meeting 7 p.m. February 8 at Banning’s Landing Community Center, 100 E. Water St., Wilmington.

Pier A West, located outside of Long Beach northwest of the Terminal Island Freeway and Cerritos Channel, was purchased by the Port in 1994 after decades of oil production and industrial disposal. The Port is proposing to stabilize, treat or remove the contaminated soil and groundwater, increase the elevation by about 16 feet, and pave the area.

Public documents on the project are available on the DTSC web site, http://www.dtsc.ca.gov/SiteCleanup/Projects/Port-of-Long-Beach-Pier-A-West_Area-2.cfm; and also the Port web site, www.polb.com, or at the Port Administration Building, 925 Harbor Plaza.

The Port has scheduled a second “scoping” meeting to gather public comments on a proposed project to increase cargo-handling efficiency and environmentally friendly operations at its Middle Harbor container terminals.

The meeting -- 7 p.m. February 6 at Cabrillo High School, 2001 Santa Fe Ave., Long Beach – will gather input for a draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS). An earlier meeting was held in January.

The Port’s Middle Harbor terminals are the California United Terminals facility at Piers D and E, and the Long Beach Container Terminal at Pier F. The redevelopment project proposes to reconfigure the two irregularly shaped facilities to create one, more efficient rectangular-shaped terminal. The project also would expand on-dock rail and upgrade other equipment to meet environment guidelines in the Port’s Green Port Policy.

The Project’s 50-page Notice of Proposal is available at the Port web site, www.polb.com, and the Port offices, 925 Harbor Plaza.

The Port of Long Beach was a big winner in Marine Digest & Cargo Business News’ Fourth Annual Customer Service Platinum Awards Readers Poll.

The 300 readers taking part in the poll selected Long Beach for best gate/terminal operations, best on-dock/near-dock operations, most adept at problem resolution, best response to Peak Season congestion – and best overall.

Representatives of the twin ports of Long Beach and Los Angeles met in January for an update on existing joint programs and to explore opportunities for additional cooperative programs.

The briefing at the Port of Long Beach was attended by Long Beach Harbor Commission President Doris Topsy-Elvord, Commission Vice President James C. Hankla, Port Executive Director Richard D. Steinke and Executive Officer to the Board Gus T. Hein. From Los Angeles were Harbor Commission President S. David Freeman, Commission Vice President Jerilyn Lopez Mendoza and Port Executive Director Geraldine Knatz.

Officials were updated on such joint efforts as security emergency response, infrastructure needs and environmental partnerships to reduce air emissions and health risks.

The Long Beach Board of Harbor Commissioners has voted final approval for a coordinated air quality monitoring network which, together with the Port of Los Angeles, will provide comprehensive, real-time data on port-related emissions in the San Pedro Bay.

The accord calls on the two ports to share air monitoring information from four existing stations in and around the Port of Los Angeles and at least two stations under development in Long Beach.

The air quality data will be made available to the public on the Port of Long Beach's web site, www.polb.com, beginning in the spring.

The Board of Harbor Commissioners has approved a resolution supporting new state regulations that will dramatically cut air pollution from ships and cargo-handling equipment at California seaports in coming years.

The California Air Resources Board (CARB) approved regulations that will require ocean-going vessels and cargo-handling equipment to use cleaner-burning, low-sulfur fuels. Port of Long Beach officials worked with CARB officials in the development of the rules, set to take effect in 2007.

In its resolution, the Board asked CARB to also develop an aggressive program to reduce emissions from diesel-powered trucks.

To assess electrical power needs in the Port, the Board of Harbor Commissioners has awarded an \$807,500 contract to the Earth Tech environmental engineering firm to develop an electrical power master plan.

With the Port planning shore-side electricity for ships, the board wants a long-range forecast of power demand, an assessment of the Port electrical network including terminal substations, a strategy for infrastructure improvements, an examination of alternative power sources, and preliminary cost estimates.

Earth Tech is expected to submit a completed plan by the end of 2006.

Designs are nearing completion for upgrades at the BP T-121 oil terminal on Terminal Island so that early next year ships at berth will be able to plug into shore-side electricity.

BP is currently modifying two of its oil tankers to use shore-side electricity. T-121 would be the Port's first facility offering shore-side electricity.

The Port is airing a new edition of its "Pulse of the Port" cable TV show, which features a profile on Hanjin regional manager Beth Ann Savre and a behind-the-scenes look at petroleum coke operations.

The half-hour news magazine program airs 7:30 p.m. each Monday and Saturday, and 7 p.m. Friday on Long Beach Television 8, the city's Channel 8 government access channel hosted by Charter Communications. The program airs in Spanish at 7:30 p.m. Wednesday, and occasionally at 6 p.m. on Tuesdays and Thursdays.

The show also can be viewed by going to the Port web site at www.polb.com.

Mediterranean Shipping Co. has announced plans to upgrade its New Orient Service from North Asia direct to Long Beach beginning in March with the addition of larger, faster vessels.

MSC will deploy five 6,750-TEU ships in the weekly express service. The service will call in Yantian, Shanghai and Ningbo, China; Tokyo, Long Beach and back across the Pacific to Busan, Korea, and back to China and Qingdao and Yantian.

The service touts transit times of 13 days from Shanghai to Long Beach, and nine days from Tokyo to Long Beach.

Long Beach Mayor Beverly O'Neill, Harbor Commissioners and Dallas city council members celebrated the maiden call of the Hanjin Dallas, the Hanjin Shipping Co.'s newest 8,000-TEU container ship, at the Port of Long Beach.

The Dallas is the fifth of five 8,000-TEU vessels deployed in Hanjin's transpacific Pacific Express Service (PSX). Officials said the naming of the Hanjin Dallas signifies the growing role of Dallas as a major hub in U.S. shipping and international trade routes. Of the five PSX vessels, the Dallas is the only ship named for an inland city.

Newer, larger vessels such as the Dallas deliver goods more efficiently, generating less pollution than previous container ships.

With the launch of a new transpacific service, the 4,250-TEU Wan Hai 506 container ship made its first call on January 20 at the TTI facility at Pier T.

Wan Hai Lines, a Taiwan-based ocean carrier known for its intra-Asia service, has expanded into the transpacific.

The NYK bulk ship, Ocean Virgo, unloaded a shipment of cement from China at Mitsubishi's facility on Pier F during its maiden call to Long Beach on January 10.

PierPASS, the organizers of the OffPeak truck gates, has launched a TruckTag program to enhance security at San Pedro Bay marine terminals by improving the process of checking trucks and drivers entering the terminals.

PierPASS is distributing Radio Frequency Identification (RFID) electronic tags to be installed on trucks. At terminal gates, the tags will be read by an electronic reader while truckers insert their driver's license into a machine to verify that both the truck and driver have authorized business.

Terminal operators will cover the \$1.2 million cost of the program, which is expected to begin by March. The tags, provided by WhereNet Corp., are being distributed through eModal, a database company that tracks trucking companies and drivers.

The Wildlife Habitat Council has recognized the THUMS Long Beach Co. for its outstanding work in creating an ecologically diverse area with native California plants on oil islands White and Grissom.

THUMS was honored as one of 317 international wildlife certificated sites. The oil islands ecological diversity is attracting more birds, insects and butterflies to the Long Beach Harbor oil islands. For two years, THUMS has hosted Long Beach Poly High School science students in a study program.

Los Angeles County Sheriff Lee Baca will be the speaker at the February 16 meeting of the Harbor Transportation Club at the Reef Restaurant in Long Beach Harbor. For more information, call (562) 434-7393.

PORT PEOPLE . . .

Don Snyder, the Port's director of trade and maritime services, took third at the Harbor Transportation Club's Winter Golf Outing at Rio Hondo Country Club. Proceeds support the club's scholarship fund.