

tie lines – July 2006

The monthly newsletter from the Port of Long Beach

AROUND THE PORT . . .

Taking an unprecedented step to improve air quality, the ports of Long Beach and Los Angeles have developed a plan to significantly reduce the health risks posed by air pollution from port-related ships, trains, trucks, terminal equipment and harbor craft.

The San Pedro Bay Ports Clean Air Action Plan, released in draft for public review, was created with the participation of the staff of local, state and federal regulatory agencies: South Coast Air Quality Management District, California Air Resources Board and U.S. Environmental Protection Agency.

The Plan proposes hundreds of millions of dollars in investments by the ports, the local air district, the state and port-related industry to cut particulate matter (PM) pollution from port-related sources by more than 50 percent within five years. The measures will reduce smog-forming nitrogen oxide (NOx) emissions by more than 45 percent, and result in reductions of other harmful air emissions such as sulfur oxides (SOx).

Under the Clean Air Action Plan, the ports propose to eliminate “dirty” diesel trucks from San Pedro Bay cargo terminals within five years by joining with state and local agencies to finance a new generation of clean or retrofitted vehicles.

The ports, along with the South Coast Air Quality Management District, propose to allocate more than \$200 million toward this \$1.7 billion effort targeted at more than 16,000 harbor trucks.

The Plan also calls for all major container cargo and cruise ship terminals at the ports to be equipped with shore-side electricity within five to 10 years so that vessels at berth can shut down their diesel-powered auxiliary engines.

For vessels that cannot use shore-side electricity, the Ports will require new technologies possibly including exhaust gas scrubbers that capture vessel stack emissions while at berth. Other emissions reduction technologies may include sea water scrubbers and selective catalytic reduction.

Ships also would be required to reduce their speeds in the harbor region, use low-sulfur fuels and employ other measures and technologies.

The Ports will implement the measures in the Clean Air Action Plan through lease requirements, incentive programs, environmental mitigation and tariffs.

For example, the truck modernization program could include incentives to replace vehicles. Lease requirements could mandate the use of “clean trucks.” Terminals could provide a “green lane” to expedite clean trucks. A “medallion” program could limit “dirty trucks” from using port terminals. The Ports could adopt tariff changes or a sliding fee mechanism that favors “clean trucks.”

The comprehensive 230-page San Pedro Bay Ports Clean Air Action Plan Technical Report and a more concise 36-page Overview are available for review at the web sites of the two ports, www.polb.com and www.portofla.org, as well as at the port headquarters and at local libraries.

To present the Clean Air Action Plan to the public and to gather comment, the Ports will host a series of four meetings.

The Port of Long Beach will hold two meetings in Long Beach at 7 p.m. July 12 at the Long Beach City Council Chambers, 333 W. Ocean Boulevard; and 7 p.m. July 19 at Cesar Chavez Park, 401 Golden Avenue.

The Port of Los Angeles will hold meetings at 6 p.m. July 10 at Banning's Landing Community Center, 100 Water St., Wilmington; and 6 p.m. July 25 at Peck Park, 560 N. Western Avenue, San Pedro.

Comments about the Plan also can be submitted via e-mail at either caap@portla.org or caap@polb.com. Following a 30-day period for public review, then subsequent staff revisions to the Plan (as appropriate), the Boards of Harbor Commissioners at both ports will vote on whether to adopt the Clean Air Action Plan.

Led by the best month ever for imports, container terminals at the Port of Long Beach in May topped the monthly record for total container cargo shipments for a second consecutive month.

The total number of containers shipped through Long Beach in May jumped 14 percent compared to the same month a year ago, rising to the equivalent of 644,066 twenty-foot-long container units. With importers confident the U.S. economy will remain strong this summer, the number of inbound containers climbed 14 percent, increasing to 328,314 twenty-foot equivalent units (TEUs).

With strong demand in Asia for U.S. raw materials, the port's exports rose to its second-best total ever, increasing 8.6 percent to 115,158 TEUs. However, with import gains outpacing export growth, the trade gap continued to increase and the number of empty containers (almost all headed overseas) rose 17.4 percent to 200,594 TEUs.

The Port of Long Beach honored its seven container terminals with clean-air awards last month for cargo-handling equipment improvements that cut emissions of the most harmful air pollutants.

The Port and its tenants have reduced smog-forming nitrogen oxides emissions from cargo-handling equipment by 24 percent compared to 2002 levels, and cut diesel particulate matter, a pollutant linked to cancer and respiratory ailments, by 50 percent.

The Port, U.S. Environmental Protection Agency and the California Air Resources Board spent more than \$2 million to retrofit more than 600 pieces of equipment with cleanup technology and transition to cleaner fuels.

The awards were presented to SSAT/Long Beach Terminal (Pier A), SSA Marine/Matson (Pier C), California United Terminals (Piers D/E), Long Beach Container Terminal (Pier F), International Transportation Service (Pier G/J), Pacific Container Terminal (Pier J) and Total Terminals International (Pier T).

The Port also has honored three of its container terminals for topping 1 million TEUs in 2005: International Transportation Service, Pacific Container Terminal and Total Terminals International.

The Port's seven container terminals moved a total of 6.7 million TEUs in 2005.

China Shipping's 8,500-TEU vessel, Europe, made its first call in Long Beach on June 26 at the Total Terminals International facility on Pier T.

The Europe is one of five 8,500-TEUs ships that China Shipping is shifting from Europe to its Asia/America South (AAS) transpacific service, replacing 5,500-TEU ships.

The AAS service calls in Busan (South Korea), then the Chinese ports of Xiamen, Yantian and Nansha, Hong Kong, Long Beach, Oakland and back to Busan.

In its European service, China Shipping is deploying 9,500-TEU ships.

Newly appointed BP America Chairman and President Robert A. Malone, the London-based company's top U.S. executive, joined Long Beach port and city officials last month in a Green-Flag raising ceremony aboard the Alaska Navigator tanker at BP's Berth T121 oil terminal.

The Port awards Green Flags to vessels that achieve 100 percent compliance with voluntary speed limits to improve air quality. Long Beach Mayor Beverly O'Neill and Harbor Commissioners recognized BP's environmental stewardship.

In addition to compliance with the Green Flag program, BP is spending more than \$2 million to retrofit two of its Alaska-class tankers to "cold-iron" in Long Beach. When docked, the tankers will be powered by shore-based electricity.

Port officials also presented Green Flags to "K" Line officials on June 19 and to Matson officials on June 26 for their success in the voluntary speed reduction program to improve air quality.

With the recent approval of a new lease with International Transportation Service, the Long Beach Board of Harbor Commissioners has authorized Port staff to advertise for bids for the next phase of the Pier G/J redevelopment program.

The project will include construction of a deep-water berth at the southern end of ITS' Pier G/J container terminal, and infrastructure to support shore-side electricity (cold ironing). The 18-month project is expected to cost \$47 million to \$52 million.

Prompted by the redevelopment, Port staff proposes to rename the ITS complex as a combined Pier G terminal, rename all of ITS' berths to begin with "G," and re-name Pier J Avenue as Pier G lane. The changes will require approval by the Board of Harbor Commissioners.

The Metropolitan Transportation Agency Board of Directors has authorized a \$30 million environmental impact study for the 18-mile-long Long Beach (710) Freeway improvement project between the Port of Long Beach and the Pomona (60) Freeway.

The document will include community involvement, incorporate a health risk assessment and assess advanced cargo technologies such as magnetic levitation.

The following agencies each contributed \$5 million to the study: MTA, Caltrans, Gateway Cities Council of Governments, and the ports of Long Beach and Los Angeles. The I-5 Joint Powers Authority contributed \$2 million; Southern California Association of Governments (SCAG) committed \$1 million, plus \$2 million in-kind; and the Port of Los Angeles committed an additional \$1 million to develop an advanced container technology transportation project.

The 710 project calls for 10 mixed-flow lanes, four exclusive truck lanes, interchange improvements and direct truck ramps to rail yards in Vernon and Commerce.

The majority of drivers working the San Pedro Bay port complex report an overall positive opinion of PierPASS' OffPeak truck gate program and the benefits of night and Saturday shifts, according to a recent PierPASS poll.

The poll surveyed 480 drivers representing more than 180 trucking companies. Among these truckers, 66 percent view the addition of night gates and Saturday operations as a positive development for their work.

Seventy-one percent report overall reduced traffic, while 65 percent say they have more flexible work schedules. Additionally, a full one-third of those truck drivers surveyed report higher earnings since the program was introduced in July 2005.

Under revised PierPASS procedures beginning Aug. 7, exporters delivering containers to port facilities during peak hours will be required to claim their booking numbers before the containers arrive at the marine terminals.

To improve the system's efficiency, exporters must claim their booking numbers by visiting the PierPASS website, www.pierpass-tmf.org, and enter the booking numbers into their accounts.

Export containers subject to the Traffic Mitigation Fee (TMF) that arrive at terminals during peak hours (Monday through Friday, 3:00 a.m. to 6:00 p.m.) without having been claimed in this manner will be turned around and encouraged to use the OffPeak hours of operation.

Sea Launch, which is home ported in Long Beach, has launched a communications satellite for PanAmSat into orbit from an oceangoing platform floating on the equator in the Pacific.

The Harbor Transportation Club will host a dock-side tour beginning at 9 a.m. July 25 at the International Transportation Service container terminal at Piers G/J. To make a reservation, call (562) 438-2355, ext. 2#.

PORT PEOPLE . . .

The Long Beach Board of Harbor Commissioners has elected Commissioner James C. Hankla, a former Long Beach city manager, as the board's president for a one-year term.

The commissioners also voted Mario Cordero as the vice president of the five-member port governing board. John W. Hancock was elected as the commission's secretary. Dr. Mike Walter was chosen as the assistant secretary. The other board member is Doris Topsy-Elvord, the outgoing president.

As board president, Hankla will preside over the weekly board meetings, make committee appointments and serve as chief spokesperson for the Port of Long Beach.

Port of Long Beach Chief Financial Officer Mike Slavin will be retiring on Sept. 1 after 25 years at the Port. He and his wife plan to move to the Denver area to be close to their grandkids.

At Mitsubishi Cement, Eric Jen was promoted to Terminal Manager, succeeding Marty Marcum who will retire in March 2007.

Don Brand was named Terminal Supervisor, Jen's former position. Marcum will continue to oversee operations at the Berth F208 facility until his retirement.

Help us improve the monthly Tie Lines newsletter by taking a survey at the Port web site at http://polb.com/about/publications/tie_lines_newsletter.asp.

Let us know what you find interesting in Tie Lines, what kinds of stories you'd like to see, or anything else you'd like to suggest.