

tie lines – January 2007

A monthly newsletter from the Port of Long Beach

AROUND THE PORT . . .

The Port of Long Beach marked its fifth straight year of record-breaking containerized cargo movement in 2006.

Port terminals moved 6.72 million twenty-foot equivalent unit (TEU) containers between January and November 2006, ensuring a year-end increase over the previous record set in 2005, of 6.71 million TEUs. Port terminals have increased the total number of TEUs, which includes import, export and empty containers, every year since 2001.

November's container activity continued the year's upward trend, as Port terminals increased their container trade by 7.3 percent over the same month a year ago.

The total number of cargo containers increased in November to 654,997 TEUs. Imports increased by 9.1 percent to 332,806 TEUs, while exports increased by 0.6 percent to 107,738 TEUs. Empty containers, nearly all headed overseas to be refilled with products, increased by 8.1 percent, to 214,453 TEUs, compared to the same month a year ago.

Trade analysts said the Port of Long Beach's cargo surge in 2006 was driven by continued U.S. demand for products manufactured in Asia and increased vessel capacity supplied by the new generation of 8,000-TEU container ships.

The Port's strong import figures for the year show a continued confidence in the U.S. economy on the part of importers, Port officials said. Meanwhile, the increase in exports reflected Asia's continued demand for raw materials, which are generally returned to the U.S. in the form of finished products.

The Marine Exchange of Southern California, which monitors vessel traffic, expects to report a record-breaking number of ships calling at the San Pedro Bay ports in 2006 when its final figures for the year are counted.

In 2007, West Coast ports should expect to see steady growth, albeit at a more moderate pace, Global Insight reports.

The business research firm, which specializes in international trade, expects that overall container volume for 2007 is likely to exceed that of 2006 at ports along the West Coast of the U.S. However, the growth in monthly TEUs is expected to slow somewhat during the first several months of 2007, compared to the dramatic increases seen in 2006, Global Insight reports.

With the approval of the San Pedro Bay Ports Clean Air Action Plan in November, the Port of Long Beach is pursuing upgrades at some of its terminals to create more efficient and environmentally friendly operations.

Among the proposed projects to be launched in 2007 are the Middle Harbor Redevelopment Project (at Piers D, E and F), and the Pier S Development Project. If approved, both projects would implement environmental measures contained in the Clean Air Action Plan, including increased on-dock rail, electrical substations for

shoreside electricity, “green” leases and clean truck programs to phase out the use of older, dirtier trucks.

The Middle Harbor Environmental Impact Report is expected to be released for public review and comment by the spring. The Port expects to conduct “scoping” meetings for Pier S, in preparation for an Environmental Impact Report, this winter.

As part of a \$65 million construction project, the Ocean Boulevard and Terminal Island (47) Freeway interchange will be closed for a weekend while crews reconnect traffic lanes to the newly reconstructed Ocean Boulevard.

The interchange will be shut down from 7 p.m. on January 19 until 5 a.m. on January 22.

During the closure, Total Terminals International’s container terminal and Pier T Avenue can be accessed via the Gerald Desmond Bridge; Yusen Terminal’s facility and New Dock Street can be accessed via the Commodore Heim Bridge; and Sea Launch, Piers 300 and 400, the federal prison, the Evergreen terminal, and Seaside Avenue in the Port of Los Angeles can be accessed via the Vincent Thomas Bridge.

A new California rule on cleaner-burning ship fuel, which went into effect January 1, is expected to provide immediate emissions reductions in the harbor area.

The new regulation, adopted by the California Air Resources Board in 2005, requires large ocean-going vessels, including container and cruise ships, to use low-sulfur fuels in their auxiliary engines within 24 nautical miles of the California coastline.

The change will reduce emissions of harmful diesel particulate matter (PM), smog-forming nitrogen oxides (NOx) and sulfur oxide (SOx). The new regulation addresses emissions from ships operating near shore and at berth. Auxiliary engines are used to provide electricity for ship operations such as lighting, cooling and other on-board functions.

The new cleaner-fuel regulation is an important interim step for air quality, while the Port implements shoreside electricity for ships at berth as well as its own, more stringent low-sulfur fuel requirements, said Harbor Commission President James C. Hankla.

“This is a significant step forward for cleaner air,” Hankla said. “To achieve greater emissions reductions we count on our state partners, such as CARB, to set and enforce standards. We applaud CARB for taking this crucial step.”

An upcoming University of Southern California study may provide additional insight into the origins of diesel Particulate Matter (PM) from port-related sources.

USC researchers, working with Port staff, are preparing to capture and analyze airborne particulates to determine how much of the emissions come from specific sources, such as ships, trucks and trains.

While the Port now gathers PM data through its air monitoring system, the USC study is expected to provide more in-depth analysis by collecting particulate samples for research. The study will begin early this year and is expected to be completed in 2008.

The Port’s air monitoring system can be viewed at http://www.polb.com/environment/air_quality/air_monitoring.asp.

The Port’s first shoreside electricity (“cold-ironing”) project is now under construction, at BP’s Pier T facility.

Port officials expect the system to be operational by fall 2007. The project will allow ships to use electricity while at berth rather than burning diesel fuel.

As part of the newly adopted Clean Air Action Plan, the Port has pledged to provide electrical infrastructure at most of its terminals within the next 5-10 years.

Southern California Edison has said that it will be able to meet increased electrical demands by the Port as it implements shoreside electricity projects.

A new Marriott Residence Inn hotel near the Queen Mary will take advantage of some of the Port's most spectacular views of downtown Long Beach.

The planned \$32-million, 11-story Residence Inn project, approved by the Harbor Commission in December, will be located along Queensway Bay near the Queen Mary and the Coast Hotel. Construction is expected to begin this month and be completed in late 2008. While the site is located within the Harbor District, the property is managed by the Long Beach City Manager's office.

Long Beach Container Terminal has ordered six environmentally friendly power systems for Rubber Tyred Gantry (RTG) cranes for use at its Pier F facility.

The system, built by Vycon Energy of Cerritos, has proved successful in reducing diesel emissions and conserving fuel with RTG cranes, which are used to move containers within port terminals.

Vycon's "Regen" system uses a "flywheel-based energy storage system" to capture power when a RTG crane lowers a container.

A three-month field test conducted last summer at International Transportation Service's Pier G facility resulted in a 66 percent reduction in particulate matter (PM), a 25 percent reduction in nitrogen oxides (NOx), and cut fuel consumption by 25 percent, Vycon reported. The testing showed improvement in container lifting capabilities. For more information: www.vyconenergy.com.

Port Ambassadors prepared and donated more than 200 gift bags in December for sailors at the Port during the holidays.

Ambassadors filled the bags with various toiletries, candy and food for sailors who were away from their homes at Port during Christmas. The bags were distributed aboard ships at berth by "Santa," on behalf of the International Seafarers Center. Port Ambassadors is a volunteer program coordinated by the Port of Long Beach.

Port officials presented a "first call" plaque to the China Shipping vessel "Africa" at Total Terminals International's Pier T facility on December 11.

The "Africa" has a carrying capacity of 8,000 TEUs. The vessel is part of China Shipping's Asia America South Service, with calls in Nansha (China), Hong Kong, Yantian (China), Xiamen (China), Busan (Korea), Long Beach and Oakland.

Two Wan Hai vessels, the "Wan Hai 302" and the "Wan Hai 306," were greeted with "first call" plaques at Total Terminals International's Pier T facility on December 14 and December 29, respectively.

Both vessels have capacities of 2,496 TEUs and are part of Wan Hai's China Transpacific Service, with rotations of Long Beach, Oakland, Yantian (China), Hong Kong, Kaohsiung (Taiwan) and Qingdao (China).

The award-winning cable television show, *Pulse of the Port*, provides a fascinating look at the Port of Long Beach's gee-whiz world of unique people, billions in international trade, enormous ships and giant Star Wars-like cranes.

Pulse of the Port airs on Long Beach Television Channel 8 Mondays at 7:30 and 11 p.m.; Wednesdays at 7:30 p.m. and 11 p.m.; Fridays at 7 p.m. and (in Spanish) at 7:30 p.m.; Saturdays at 7:30 p.m.; and Sundays at noon. Programs are also available through streaming video on the Port's web site, www.polb.com.

Recent episodes featured the Port's landmark clean air initiative and Capt. Manny Aschemeyer of the Marine Exchange, which monitors vessel traffic.

PORT PEOPLE . . .

The Long Beach Board of Harbor Commissioners has appointed Sam Joumblat to the position of Port Chief Financial Officer.

Joumblat had served in the position of acting CFO since September, when longtime CFO Mike Slavin retired. As CFO, Joumblat will oversee accounting responsibilities for the Port's \$474-million annual budget.

Joumblat joined the Port in February 2006 as Revenue Manager in the Finance Division. Previously, he had worked on financial and revenue audits for the Port as a Deputy City Auditor with the City of Long Beach.

Prior to his career in public service, Joumblat held senior accounting and managerial positions with Arthur Andersen and Atlantic Richfield Co. He holds an MBA in Finance and Accounting from the University of Southern California, along with two Master's Degrees in Engineering.

Toni Whitesell, the Port's longtime Director of Human Resources, retired in December after 32 years with the City of Long Beach.

Whitesell worked for the City's personnel office for seven years before she was hired as the Port's Director of Human Resources (formerly Administration) in 1981.

Assistant Director Cynthia Stafford has been named Acting Director of Human Resources while the Port conducts a search for a permanent director.

Port Executive Director Richard D. Steinke will present the keynote speech at the International Business Association's "State of the Port Address" January 26.

The event will be at the Long Beach Airport Marriott, 4700 Airport Plaza Dr, from 11:30 a.m. to 1:30 p.m. Information: (562) 432-8128.

Richard Steinke will be a featured speaker at the Harbor Association of Industry and Commerce (HAIC)'s annual "State of the Ports" luncheon on January 18.

The luncheon will be at the Ports O' Call Restaurant in San Pedro (Berth 76 at the Port of Los Angeles) from 11:30 a.m. to 1:30 p.m. The HAIC will also install its new Board of Directors and officers for 2007. For more information: (818) 951-6088 or info@harborassn.com.

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