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PIERPASS OFFPEAK PROGRAM DIVERTS 5 MILLION TRUCKS FROM LOS ANGELES DAYTIME TRAFFIC

LONG BEACH, Calif., May 7, 2007 – PierPASS Inc. today announced that its OffPeak program has diverted more than 5 million truck trips from peak daytime traffic since the program’s start in July 2005. The program has eliminated costly bottlenecks at the Ports of Los Angeles and Long Beach, reduced gridlock on area freeways and curtailed air pollution from idling traffic. In an average week, OffPeak removes 60,000 truck trips from the freeways during busy commuting hours, reducing congestion and benefiting local air quality.

OffPeak uses a congestion pricing model that provides an incentive for cargo owners to move shipments at night and on weekends. Cargo owners moving containers at the two ports during peak daytime hours are required to pay a Traffic Mitigation Fee, which helps fund the cost of operating five new shifts per week at marine terminals (Monday through Thursday nights, and Saturdays).

Local, state and Federal officials and business leaders have lauded OffPeak as a model for industry-led initiatives to mitigate impacts on communities and the environment. The new night and Saturday truck gates help alleviate port congestion while giving government, community and business stakeholders a window of opportunity to work together on longer-term solutions.

“The OffPeak program has achieved real results in reducing traffic congestion and air pollution near the ports,” said Los Angeles Mayor Antonio Villaraigosa. “OffPeak has helped keep the



economic engine of the ports running, while reducing the impacts on Los Angeles residents. It is hard to conceive of going back to the days before OffPeak.”

“Participation in the OffPeak program continues to grow and make a noticeable difference in reducing truck traffic around America’s Ports of Los Angeles and Long Beach,” said Mayor Bob Foster of Long Beach. “Given the projected increases in throughput at our ports, PierPASS will continue to play an important role in the efficient movement of goods.”

In 2006, more than 2.9 million truck trips used OffPeak operation hours. This represents more than 13,000 trucks per OffPeak shift, or about 36 percent of all container traffic at the ports.

PierPASS achieved the milestone of 5 million truck trips – enough trucks to circle the earth 2.6 times – with the support of community leaders, elected officials, regulatory agencies, and the goods movement industry. The input of the PierPASS Advisory Committee, composed of a broad representation of goods movement industry sectors, has been particularly important in guiding OffPeak.

Together, the adjacent ports of Los Angeles and Long Beach are the fifth-largest in the world, handling more than 40 percent of the nation’s total import traffic and 24 percent of its total exports. They are the primary gateway for trade between the United States and Asia. Container traffic at the ports surged more than 33 percent between 2003 and 2006, increasing by 1.5 million TEUs (twenty-foot equivalent units, or half the size of a typical container) in 2006 alone to more than 15 million TEUs, according to the Journal of Commerce. In 2007, PierPASS estimates that up to 38 percent of all container truck trips to and from the ports will be diverted to OffPeak operation hours. This means that approximately 3.4 million trucks trips will be taken off the roads during busy commuter periods this year.

Officials at other U.S. ports and in the Federal government have paid close attention to the success of the OffPeak program, as growth continues to strain the capacity of many U.S. ports to operate efficiently and satisfy community concerns.

“The OffPeak program demonstrates that legislation isn’t always the best solution to problems,” said Yolanda Benson, Deputy Secretary for Jobs and Economic Development at California’s Business, Transportation and Housing Agency. “When an industry bands together to achieve a common goal, it can achieve tremendous success and efficiency.”

How OffPeak Works

Under the OffPeak program, all international container terminals at the Los Angeles and Long Beach ports implemented five new shifts per week -- Monday through Thursday nights, and during the daytime on Saturdays. In addition, a Traffic Mitigation Fee was created, and is required for cargo movement through the ports during peak hours (Monday through Friday, 3:00 a.m. to 6:00 p.m.) The TMF is a congestion pricing mechanism providing an incentive to use the OffPeak shifts.

The fee is \$50 per TEU (20-foot equivalent unit) or \$100 for all containers larger than a 20-foot unit. The fee helps pay for five OffPeak shifts per week (Monday through Thursday from 6:00 p.m. to 3:00 a.m. and Saturday from 8:00 a.m. to 6:00 p.m.)

About PierPASS

PierPASS is a not-for-profit company created by marine terminal operators at the Los Angeles and Long Beach ports to address multi-terminal issues such as congestion, security and air quality. For more information, please visit www.pierpass.org.

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