



AAPA
SEATTLE

The logo is contained within a dark teal square with a thin white border. The text 'AAPA SEATTLE' is in white, bold, sans-serif font. A green ribbon graphic is draped over the 'A' and 'P' of 'AAPA'. Below this, the number '100' is rendered in a large, green, stylized font where the two zeros are interlocking. A small 'TH' is positioned to the upper right of the second zero. At the bottom of the square, the word 'Convention' is written in a white, cursive script, and the dates 'SEPT. 11~15, 2011' are in a white, sans-serif font.

100TH

Convention

SEPT. 11~15, 2011





SSAMarine
A Carris Enterprise

“The Greening of the Cargo Supply Chain”
A Terminal Operator’s Perspective
Mark Knudsen – SSA Marine



Fundamental Challenge

- *Port Systems need to reduce emissions from ships, yard operations, and trucks in an environment that is increasingly politicized and in an environment of shrinking public funding*

Current Situation

- Public funding for solutions is drying up
- Transportation industry is under rate pressures in all sectors
- Political agendas override rational solutions
- Environmental regulations developed for other problems apply at marine terminals
- Ships, trucks, trains, & terminals are visible

Potential Solutions

- Regulatory Agencies adopt practical ROI approach
- Ports take leadership role in developing solutions
- New funding approaches developed
- Facility utilization and increased density are key
- Port Planning as a tool

Regulatory Agencies

- Adopt an overall ROI approach for emission reduction, spend resources to achieve the best ROI
- Base decisions on best information available, but make decisions and move forward
- Ports are in unique position to work with and influence Agencies

Port's Leadership Role

- Ports have unique capacity to develop consensus with regulators
- Port Funding has been a key driver of environmental improvements
- Ports provide the opportunity for a neutral forum for Terminal Operators, Shipping Lines, Truckers, and Railroads to develop solutions

Funding

- Outlook for public funding is bleak
- Financial health of the marine industry is not robust
- New taxes to support environmental cleanup and improvements are not likely
- Consider redirecting Harbor Maintenance Tax Funding; retain locally to be applied to environmental grants

Terminal Density as a Tool

- Create economics that allow for reinvestment in clean equipment and facilities
- Higher density and utilization allows equipment to run at temperature and increase efficiency
- Allows for terminal automation to be financially feasible
- Increased density accommodates growth without new terminal construction

Port Planning can Drive Density

- Multi user terminals drive higher density
- Terminal consolidation and land banking of underutilized terminals
- Ports can structure leases to drive density by incentivizing throughput
- Ports should take into account the nexus of transportation, electrical supply, and other factors to encourage growth in the overall environmentally friendly areas of their Port

Emerging Challenge

- Growing pressure to require the analysis of the effects outside the terminal of the commodity being moved
- Coal as an example, move to analyze the GHG emissions from mine to end user
- Emerging challenge if this applies to every commodity we move through our ports

New Approach

- Collective marine transportation industry needs to adopt new approaches
- Underlying economics and challenges will fundamentally change how we have done business

Thank you!

