Port Sustainability

Balancing Competing Priorities

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Port of Houston Background

- 16th largest port in the world
- 1st in US in foreign waterborne tonnage
- 2nd in US in total tonnage
- Largest petrochemical complex in nation
- ~150,000 barges/ 8,000 vessels per year
- $11 billion in economic impact
- 200 million tons cargo
Port of Houston Authority Background

- Political subdivision of the State
- Board of 7 commissioners
- 12 facilities
- Own over 9,000 acres
- Operating and Landlord port
- 150 tenant properties w/ 75 tenants
- General cargo to containers
- 500 employees

Seen one port, you’ve seen one port!
Presentation Goals

• Give a broad definition of what sustainability might mean to a port
• Explain PHA programs and involvement
• Describe our key programs
• Future Possibilities
Definitions

• Sustainable Development
  – meeting the needs of the present without compromising the needs of the future generations (Bruntland Commission 1987)

• Sustainable Corporation:
  – one that creates profit for its shareholders while protecting the environment and improving the lives of those with whom it interacts (Savitz, 2006)

• AAPA Sustainability Resolution (2007)
Triple Bottom Line
(People, Planet, Profit)
Minimize negative impacts on the community that results from port activities.

Collect and re-invest user fees to provide operational efficiencies.

Understand and comply with all applicable local, state, and federal regulations.

Triple Bottom Line for Ports

Social

- Bearable
- Equitable

Economic

- Viable

Environment

- Sustainable
Port Capital

“A sustainable organization is one that lives off interest rather than depleting capital.”

Examples of port capital:

- Natural resources (air, water, energy, building materials)
- Customers
- Community Support
- Ability to finance (bond rating, insurance)
- Employee satisfaction
Suggested Reading

– *Natural Capitalism*

– *The Sustainability Advantage, Vol 1*
  – Bob Willard (2002)

– *Walking the Talk: The Business Case for Sustainable Development*
  – Holliday and Schmidtheiny (2002)

– *The Business Guide to Sustainability: Management and Implementation for Businesses and Organizations*
  – Hitchcock and Willard (2006)

– *The Triple Bottom Line*
  – Savitz (2006)
Sustainability and Regulators

- USEPA’s Strategy for Sustainable Ports

- Texas Legislation has tasked TCEQ to develop State Sustainability Program

- Each state agency in California has a webpage or strategy dedicated to sustainability

- AAPA Resolution
AAPA Resolution: Guiding Principles

1. Communicate the goals of sustainability across the organization and allocate resource requirements for implementation;
2. Integrate sustainability throughout port activities and in both near-term and long-term planning process;
3. Build upon and share existing sustainability best practices, keys to success, lessons learned and approaches for implementation;
4. Communicate and engage with internal and external stakeholders to encourage open dialogue, accountability and collaboration;
5. To the extent possible, use appropriate data and metrics as part of the process for implementing sustainability;
6. Evaluate the total life cycle costs of projects and decisions;
7. Recognize that sustainability is a dynamic effort requiring flexibility and continuous improvement.
AAPA Resolution: Resolution

WHEREAS, Sustainability involves the simultaneous pursuit of economic prosperity, environmental quality of social responsibility; and

WHEREAS, Ports hold a unique role in transportation, logistics and infrastructure development; and

WHEREAS, Port must be financially viable in order to achieve their missions and contribute to the economic prosperity of their regions and nations; and

WHEREAS, Ports recognize that their activities may impact the environment and natural resources; and

WHEREAS, Ports recognize that they have responsibilities as members of the communities in which they operate; and

WHEREAS, Ports recognize that a long-term balanced approach is required;

Now THEREFORE: AAPA embraces the concept of sustainability as a standard business practice for ports and the Association. For ports, sustainability means business strategies and activities that meet the current and future needs of the enterprise and its stakeholders, while protecting and sustaining human and natural resources; and further Recognizing that each port operates within a unique business, political, environmental and social context, we further our sustainability resolve by putting forth guiding principles for consideration by member ports.
Sustainability Programs

Respond to a crisis

Ease in, Starting with low hanging fruit

Implement a well-thought-out program
PHA’s Program

1st US Port with ISO 14001 Environmental Management System
Corporate Balanced Scorecard

8 Strategic Goals

• Financial Strength
• Economic Development
• A Premier Container, Cargo, & Cruise Port
• Constantly Improving Facilities & Waterways
• A Safe and Secure Port
• Environmental Protector and Steward
• Strong Community, Industry and Government Relations
• A Strong Workforce
Environmental Responsibility

“Planet”

- Air Quality Improvements
- Water Quality Improvements
- Pollution Prevention
- Energy Efficiency – fuel efficiency
Social Responsibility

“People”

- Community Outreach & Involvement
- Stakeholder Participation
- Job Creation/Retention
- Human Health Risk Reductions
Financial Responsibility
“Profit”

- Bonds
- Grants
- Equitable distribution of financial burden
- Helps ports maintain “license to operate”
- Ports are major economic drivers in their areas

* For many ports this is area of weakness
Sustainability Tools

- Environmental Management System
- Balanced Scorecards – Strategic Plans
- Sustainability Matrix tool
Ideas for the Future:

• Improve collaboration with tenants and users
• Develop Clean Air Strategy Plan
• Develop Water Improvement Strategy Plan
• Improve upon Recycling program
• Engage Stakeholders in all programs
• Expand programs into Community
• Secure Grant funding for programs
Thank you!

Join AAPA’s HNE Committee!!!!