AAPA Joint Port Operations Safety and Information Technology Seminar

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Our objectives today are to surface possible solutions / actions to:

1. How commercial ports can effectively handle the short notice, large volume and time sensitive deployment of U.S. military (DOD) cargo.

2. How commercial ports can meet the needs of the DOD while maintaining the service level and capabilities required for commercial cargo customers.

3. How commercial ports can gain assistance from government and industry to take positive action now to improve U.S. port throughput capabilities.
Criteria of Commercial Strategic Ports

- **Right facilities**—access and capability
- **Right attitude**—stakeholder perspective
- **Right time**—availability of facilities
- **Right price**—cost of terminal operations and workforce
- **Right background**—history of use
- **Right location**—proximity of seaport to DoD shippers
- **Right resources**—personnel
Setting the Stage

Historically the military utilized dedicated marine terminals for large scale deployments.

In the early 1990s base closure initiatives removed the military ports of Bayonne and Oakland. This led to increasing the shift of more DOD cargo to commercial port facilities. This strategy has both pros and cons.
First, look at the loaded container growth at four of the strategic ports since Desert Storm...

<table>
<thead>
<tr>
<th>Loaded TEUs</th>
<th>CY2004</th>
<th>CY1990</th>
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<tbody>
<tr>
<td>Charleston</td>
<td>1,409,073</td>
<td>516,217</td>
</tr>
<tr>
<td>Savannah</td>
<td>1,301,008</td>
<td>351,002</td>
</tr>
<tr>
<td>Virginia Ports*</td>
<td>1,299,202</td>
<td>483,969</td>
</tr>
<tr>
<td>Jacksonville **</td>
<td>661,582</td>
<td>352,243</td>
</tr>
</tbody>
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* Includes Norfolk, Newport News and Portsmouth

** Includes estimated Puerto Rico cargo that is not tracked by Port Horizons

Source: JOC Port Horizons, PIERS
Mobility Investment Program

“Recipe for Port Congestion”

Port Infrastructure

- Insufficient to Match New Fort Capabilities

- Improved RRF
- 20 New LMSRs

$ Billions spent on increasing Sealift

Sealift

- All RO-RO Ship Fleet used for OIF

Railroads

- 1000+ DODX flat-cars purchased
- Improved Marshalling Areas

No DoD $ Spent to Increase Seaport Capabilities

Fort

- Improved Railheads $250+ Million

15 Power Projection Platforms PLUS Other DoD Shippers

South Carolina Ports

PORT CHARLESTON
Impact of Military Surges on Commercial Ports
Presented by Fred Stribling
South Carolina State Ports Authority
5 Categories of Impacts

1) Rail/road reception process and capacity.
2) On-terminal constraints at the port.
3) Berthing constraints at the port.
4) Labor availability and expertise.
5) Information flow for planning.
Future Actions

• First, the commercial strategic ports have identified Federal funding as the next step in DOD’s use of the commercial port network to build on the previous Federal investments in vessels and origin (Forts and Depots) rail loading sites.

• Secondly, the commercial ports are interested in being involved early in the deployment planning process, similar to the process that ocean carriers participate in preparing to handle surge cargo movement. An effort to improve the communications and involvement of the ports is being organized through the creation of a Strategic Seaport Sub-Committee of the NDTA’s Surface Transportations Committee.
Emerging Questions

TWIC – Has it reduced the “ready reserve” of longshore labor to rapidly expand?

Commercial First – If “unit moves” can be booked/moved aboard a US flag commercial vessels, then more of the DOD flow will be over fewer ports.

Note: For updates on the Commercial Strategic Ports, attend the November 3-4 Workshop jointly sponsored by AAPA and MARAD
Thank You