

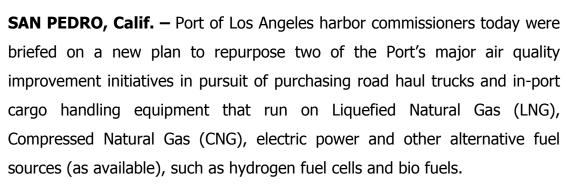
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Contact: Theresa Adams Lopez

(310) 732-3507

PORT OF LOS ANGELES ANNOUNCES SHIFT TOWARD AIR QUALITY IMPROVEMENT INITIATIVES POWERED BY NATURAL GAS, ELECTRICITY AND ALTERNATIVE FUELS





Bruce E. Seaton, interim executive director at the Port of Los Angeles, announced the Port's plans to pay the full price of new CNG or LNG trucks (and comparable electric vehicles if and when they become available) up to a specified annual budget as approved by the Harbor Commission. The Port has approximately \$20 million in its current fiscal year budget to initiate the change in its clean air strategy.

"This groundbreaking shift away from diesel powered trucks and yard equipment in and around the Port of Los Angeles is what I mean by clean growth," says Harbor Commission President S. David Freeman. "We have some funds to move forward in this new direction, but we are also looking forward to partnering with the Air Resources Board and the South Coast Air Quality Management District for both technical and financial support."



425 S. Palos Verdes Street San Pedro, CA 90731 Tel: 310/732-3508 After 5:00 p.m.: 310/732-3500

Shift In Air Emissions Initiatives 2-2-2

"We're clearly responding to a commission that wants to set a higher benchmark for achieving cleaner air as soon as possible here at the Port of Los Angeles," says Seaton. "There are a lot of details to be worked out, but this is an effort that we are committed to making succeed, and the technology is out there to tap and develop."

Similar to the Port's current truck modernization program, in conjunction with Gateway Cities Council of Governments, the primarily LNG-focused truck modernization program would target truck owner-operators that have the oldest, dirtiest diesel rigs and make the highest frequency of calls to Los Angeles container terminals. Those owner-operators would turn in their old rigs for disposal, in exchange for new trucks with alternative fueled engines.

The Port will do the same for CNG, LNG and electric cargo handling equipment used by its tenants as part of a redirection of its 2005-2006 Near-Term Air Quality Measures, which include modernizing yard tractor and cargo handling equipment used in terminals throughout the Port.

The Port will explore the development of one or more LNG and CNG fueling stations within the Port, as well as a delivery system for a sustaining supply of such fuels. Seaton also confirmed that the Port would explore other alternative fuels for powering road haul trucks and yard equipment, such as hydrogen fuel cells and the use of biofuels.

The Port of Los Angeles is America's premier port. As the leading container port in the nation and a critical hub in the international supply chain, the Port generates thousands of stable jobs and billions of dollars in annual wages and tax revenues. The Port of Los Angeles also places a high priority on responsible growth initiatives combined with high security, environmental stewardship and community outreach. The Port of Los Angeles is a proprietary, self-supported department of the City of Los Angeles. The Port of Los Angeles. . . Anchoring a bright future.