NEWS

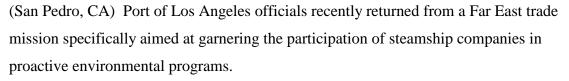
June 14, 2002

FOR IMMEDIATE RELEASE

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Subject: PORT INITIATES VESSEL EMISSION REDUCTION PROGRAM



Los Angeles Commission President Nick Tonsich, Executive Director Larry Keller and Business Development Director Albert Fierstine visited major Asian lines in recent weeks. Shipping officials were asked to commit to a Vessel Emission Reduction Initiative, in line with fulfilling Mayor Jim Hahn's goal of no-net increase in air emissions at the Port.

"This is a tremendous step, "commented Mayor Hahn. "The partnership of our steamship lines and terminal operators with the Port is critical to achieving our air quality goals. Our approach to improving harbor area air quality issues continues to be a multiphased campaign to use new technologies and operational efficiencies to make large inroads into emission reductions for the benefit of the community."

Specifically, the lines were asked to sign letters of intent to use a less-polluting reformulated diesel or its equivalent to run vessel generators while at berth in the Port of Los Angeles, thus significantly reducing particulate matter. International agreements permit ships to use fuels with 4.5% sulfur (by weight), or 45,000 parts per million (ppm). This measure will reduce those sulfur levels below 2000 ppm and in some case below 200 ppm. It is estimated that switching to cleaner fuels will provide a decrease in PM10 by 25 to 50% and NOx reduction of about 7%. In-use testing of generators will confirm the anticipated reduction levels.



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The use of reformulated diesel or an equivalent at berth would be significant since studies have shown that 40% of NOx emissions and 30% of PM10 emissions are generated while vessels are hotelling or alongside the docks in the Port, as compared to emissions levels while cruising or maneuvering.

"Among the lines committing to the clean air initiative are China Shipping (Group) Company, Orient Overseas Container Line, Yang Ming Line and Evergreen Marine Corporation (Taiwan), Ltd.," announced Tonsich. "We believe that this partnership with our customers will bring about much cleaner vessel hoteling operations, making the Port of Los Angeles a model for the entire industry."

The current initiative is part of the Port's aggressive, ongoing Clean Air Program which includes a commitment to alternative fuel use, a vessel speed reduction program, tugboat retrofits and other progressive programs.