



**PORT OF OAKLAND
SEAPORT**

OCTOBER 2018

MARITIME e-NEWS

Cool Port Oakland opens in November



Cool Port Oakland opens Nov.1 with four rail tracks for temperature-controlled unloading of chilled and frozen products.

A record peak season, so far, in Oakland

A record-breaking peak season continues at the Port of Oakland. The Port said that last month was the busiest September for import cargo in its 91-year history. That followed another all-time record in August.

The Port said it has handled the equivalent of 168,289 20-foot loaded import containers in the past two months. That breaks the previous August-September record of 158,320 20-foot loaded import containers set back in 2006. One more month of import growth could give Oakland its busiest peak season in Port history.

"We're encouraged by this outcome and guardedly optimistic that the trend will continue throughout peak season," said Port of Oakland Maritime Director John Driscoll. "Economic indicators lead us to believe that import volumes should remain healthy."

Maritime observers follow cargo volumes closely in the August-through-October period. That's considered the traditional peak shipping season. It's the time of year when U.S. retailers accelerate import orders for holiday merchandising.

The Port reported that import volume increased 5 percent last month over September 2017 totals. August 2018 imports were up 9.2 percent compared to the same month last year, the Port added. Continued strength in the U.S. economy, spurred

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November is a big month in Oakland

November will be a milestone month at the Port of Oakland. Cool Port Oakland, the 283,000-square-foot refrigerated distribution center opens. TraPac's two-year marine terminal expansion project concludes. CenterPoint begins preparations to construct the first building at the Seaport Logistics Complex. Here's a status update:

Cool Port Oakland - The temperature-controlled distribution center is scheduled to formally begin operations Nov. 1. Located next to three international marine terminals, Cool Port will be a gateway for U.S. agricultural exporters. The facility is designed as a transfer hub for perishables— notably chilled or frozen beef, pork and poultry. Cargo shipped via rail from the U.S.

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Peak season from page 1

by consumer spending, is driving the import surge, the Port said.

While it's too soon to project the impact of 2018 tariff increases on cargo from China, tariffs could affect \$2 billion in imported goods, the Port said.

Total container volume—which includes imports, exports and empty containers—is up 3.4 percent this year, the Port reported. If the trend holds, Oakland would break its all-time total volume record established in 2017.

Status update from page 1

interior would be transloaded at Cool Port into 40-foot ocean containers. From there, it would be whisked across the street to Asia-bound ships. It's projected that Cool Port would ship more than 50,000 TEUs annually to Asian markets.

TraPac – Oakland's second largest marine terminal expects to complete a two-year expansion in November. The project doubles the size of the terminal operator's Oakland footprint. TraPac has opened a new gate complex for truckers. It has installed new racks to plug in

refrigerated containers. It will soon open another berth for vessel operations. The terminal plans to introduce night gates for truck drivers beginning Oct. 15.

Seaport Logistics Complex –

CenterPoint Properties is building a 460,000-square-foot distribution center within the Port at a decommissioned Army Base. The developer completed demolition of abandoned buildings on the property this month. Further preparation begins shortly before the start of construction in the second quarter of 2019.

Cargo volume up, vessel calls down

Cargo volume is up. Vessel calls are down. That's the trend at the Port of Oakland. Oakland vessel calls declined 2.5 percent during the first nine months of 2018, the Port said. Overall cargo volume, however, was up 3.4 percent.

If the trend holds, Oakland would set a cargo record in 2018 while working fewer ships than last year. That would not be a surprise. Oakland reported record container volume in each of the past two years. Meanwhile, vessel calls have declined in five of the past seven years.

Over the past decade, ship visits to Oakland are down 15.5 percent. The reason? Shipping lines are consolidating more cargo on fewer but larger vessels. That saves vessel operators money. It also eases berth crowding at ports while curbing vessel exhaust emissions.

Vessels with cargo capacity of 10,000-to-14,000 TEUS arrive daily in Oakland. It's expected that ships up to 18,000 TEU could make regular calls within 2-to-3 years.

Executive Director to step aside temporarily

Port of Oakland Executive Director Chris Lytle will be on a leave of absence beginning Friday, Oct. 19. He's expected to return in six weeks. Port Attorney Danny Wan will serve as Acting Executive Director in Chris' absence.

Electric trucks

More battery-powered trucks should enter the Port of Oakland fleet by 2020 thanks to a new state grant.

The California Air Resources Board has preliminarily awarded a \$50 million grant to the Port of Long Beach for the Sustainable Terminals Accelerating Regional Transformation (START) Project. The START Project will demonstrate nearly 100 pieces of zero-emissions terminal equipment and trucks at three California seaports, including Oakland, develop a near-zero emissions tugboat, deploy two of the cleanest ships ever to call the West Coast, and advance workforce development programs to support sustainable goods movement.

The START Project is part of **California Climate Investments**, a statewide initiative that puts billions of cap-and-trade dollars to work reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment — particularly in disadvantaged communities.

Oakland is expected to receive about \$9 million in grant funds. Here's how the money would be used:

- Shippers Transport Express, a Port tenant, would get 10 zero-emission, battery-powered trucks to haul containers.
- Another tenant, SSA, would acquire five zero-emission yard trucks to shuttle containers within Matson marine terminal, which SSA operates.

As part of the agreement, the Port of Oakland expects to spend up to \$2 million to construct battery-charging stations. Long Beach and Stockton are other California ports participating in the grant program.

"Our goal is to minimize the impact of containerized freight transportation on air quality," said Richard Sinkoff, Director of Environmental Programs and Planning at the Port. "Zero-emission vehicles play a big role in that effort."

Oakland drafted a clean air plan this summer calling for further reduction in diesel emissions from cargo operations. The plan is out for public review. Among other things, it recommends a conversion to zero-emission vehicles when technology is readily available and financially practical. Electric vehicles don't emit diesel exhaust contributing to air pollution.

A handful of electric trucks currently operate in Oakland hauling containerized cargo. The state grant will increase the number. The Port projected that new battery powered trucks could be in service by mid-2020.

State of the Port Luncheon

Featuring
Chris Lytle
Executive Director
Port of Oakland

PMSA & WIL 5th Annual Luncheon

Wednesday, January 16, 2019
11:00-2:00pm
Scott's (Pavillion)
Jack London Square, Oakland, CA

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