



PortViews

Trade with India on the Rise

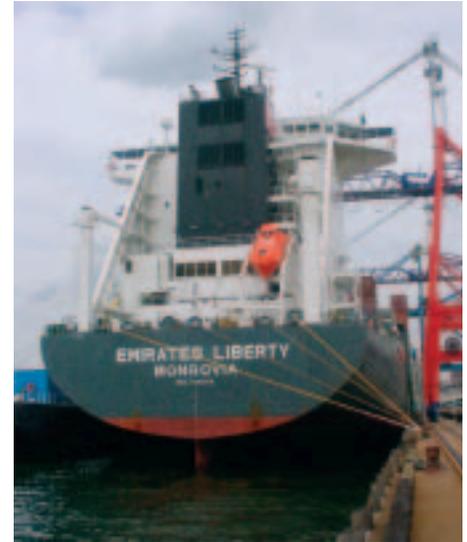
Since Henry Hudson and the Half Moon first sailed into New York harbor in 1609 in a quest to find a shorter route to the silks of China and the spices of India, and ever since the merchants of 18th and 19th Century New York vied with competitors from Boston and Salem, Massachusetts for predominance in the spice trade, India has held an important position in our region's international trade.

While spices still play a role in today's trade with India, more mundane articles ranging from Belgian block (yes, Belgian block comes from India today, not Belgium) to electronics filled the more than 100,000 TEUs imported into our Port in 2005. Textile products, especially increased as large US importers continue to diversify their sourcing areas and become more confident in purchasing from Indian suppliers. As with most of our trades, the import leg is the dominant one, but

exports are also benefiting from the growth on this route with more than 60,000 TEUs shipped in 2005.

Overall trade with New York & New Jersey has doubled since 2001. In 2005, containerized cargo was 19 percent higher than 2004, with exports growing a bit faster than imports. New York/New Jersey's share of the US market was approximately 25 percent. Cargo increased over 10 percent in the first half of 2006, versus the same period in 2005.

This growth is fueled by 9 services via the Suez Canal presently calling our Port. Transit times are excellent, with the shortest voyages being 18 and 22 days between New York/New Jersey and Mumbai and Colombo, respectively. Three of these services were initiated this year. It should also be noted that there are no direct services from India to the U.S. West Coast. ☺



The Port welcomed the EMIRATES LIBERTY on its Maiden Voyage. It's the first vessel of the newly established Emirates Shipping Line to call at a US port.



Being Green Makes Cents

EAST COAST WAREHOUSE'S GREEN INITIATIVE GENERATES BIG SAVINGS

For every successful business, energy expenses can translate into big operating costs. For East Coast Warehouse, keeping its 350,000 square-foot warehouse facility at Elizabeth-Port Authority Marine Terminal cool is no different. But with the installation of solar energy panels, East Coast Warehouse can anticipate savings of at least 40 percent on its utility bill once its solar panel project is fully completed. The installation, the largest of its kind worldwide, consists of putting more than 5,000 flexible panels in the channels of East Coast's standing seam roof.

Installation of a solar panel by Turtle & Hughes. First the area is cleaned and then in teams of two, solar strips are carefully adhered to the roof so that each one is lined up avoiding any kinks.

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Established in 1921, The Port Authority of NY & NJ is a bistate public agency that strives to meet the transportation and commerce needs of the region. It operates some of the busiest and most important transportation links in the region. They include: John F. Kennedy International, Newark Liberty International, LaGuardia and Teterboro airports; the Downtown Manhattan Heliport; AirTrain JFK and AirTrain Newark; the George Washington Bridge; the Lincoln and Holland tunnels; the three bridges between Staten Island and New Jersey; the PATH rapid-transit system; Port Newark; the Elizabeth-Port Authority Marine Terminal; the Howland Hook Marine Terminal on Staten Island; the Auto Marine Terminal, the Brooklyn Piers/Red Hook Container Terminal; and the Port Authority Bus Terminal in midtown Manhattan. Economic Development operations include The Teleport, waterfront development, and ferry transportation. The Port Authority also owns the 16-acre World Trade Center site and is developing the new WTC Transportation Hub and permanent PATH terminal as part of both the redevelopment of the site and Lower Manhattan revitalization. The Port Authority is self-supporting and receives no tax revenue from either state.

Friend of the Port—Bi-State

*FRIEND OF THE PORT IS A
REGULAR FEATURE IN PORTVIEWS*

With an average of 15,000 truck moves daily, the Port of New York and New Jersey depends—and really relies on—the Association of Bi-State Harbor Carriers.

“Roughly 80 percent of our members,” said Dick Jones, “help move cargo through the Port. The association is dedicated to ensuring truckers at the port are heard by serving as their voice to improve intermodal services in the region.

“Monthly Bi-State issues a monthly report that grades the terminals on their activities for the prior month in five categories,” explained Jones. “Rating terminals on turn times, hours of operation, ease of operation, equipment availability and customer service affords our organization with a tool for discussing issues and developing solutions with our terminal partners.”

As a result of their collaborative efforts, turn times at the gates have been reduced dramatically. “We noticed that drivers were being held up for providing improper paper work, but drivers are really the last ones in the chain,” explained Jones, “so we worked with shippers, carriers and logistics firms to improve data recording.” As a result, visits to trouble windows was cut in half.

When President Jeff Bader was approached by terminal operators with trucker safety issues at the gates, Bi-State launched a campaign to ask truckers to wear reflective vests. “This has improved visibility tremendously,” noted Bader.

Each year Bi-State holds a golf outing and awards luncheon. This year’s event was held on September 19, 2006. The organization’s



Congressman Mike Ferguson receives the Malcom McLean Award from Tom Heimgartner, Secretary of Bi-State, and Mrs. Patricia McLean Mendenhall (Malcom McLean’s daughter).

highest honor, the prestigious Malcom McLean Award, was presented to Congressman Michael Ferguson in recognition of his major contributions to the industry and the New York-New Jersey port community.



Mrs. Brenda Fallon presents the William Fallon Award to New York Container Terminal.

The William F. Fallon Award, named in honor of the Port Authority’s General Manager of Strategic and Industry Relations who was tragically lost on September 11, 2001 in the World Trade Center, was presented to New York Container Terminal. The terminal operator was cited as having “the most outstanding on-pier intermodal terminal in the Port.”

Other awards included:

- **Most Outstanding Off-Pier Intermodal Terminal:**
American President Lines
- **Best Equipment in the Port:**
Maersk Equipment Service Company
- **Terminal Showing the Most Improvement:**
Global Terminals and New York Container Terminals
- **Most Consistent Level of Service:**
APM Terminal
- **Bi-State Chairman’s Award:**
Robert LaMura of Port Newark Container Terminal

Membership consists of trucking companies and other businesses tied to the trucking industry. The group meets on the second Tuesday of every month at 10 AM. Please refer to www.bistatemotorcarriers.com for meeting locations. ☺

The panels will be interconnected to multiple connection boxes, wired to three large inverter relays. The power will then be converted from DC to AC power and then connected directly to the utility main incoming bus.

This family-owned business has always had a greener side, with extensive recycling programs and organic certification by Oregon Tilth. "Not only are these programs environmentally responsible," commented Marc Lebovitz, President of the warehouse firm, "Often times East Coast Warehouse is fiscally rewarded for its initiatives."

"Initially," explained Richard Gomez, East Coast Warehouse's plant manager, "We were exploring heavy crystalline systems. While very productive, these types of products would have added significant load weight to the roof of our building. We were also concerned about the sturdiness of the metal supports since the area is often times faced with heavy winds."

“By working closely with the Port Authority’s engineering staff during the development of this project, East Coast was able to avoid many of the additional expenses and construction delays...”

The solution was to use thin layers of flexible solar panels manufactured by Uni Solar and installed by Turtle & Hughes, a division of Turtle Energy. Although these panels require more square footage than the crystalline systems, the load weight is less than five-tenths of a pound per square foot. Further, the State of New Jersey's BPU offers up to 57 percent rebates for renewable energy system installation. There is also a Federal tax credit.

When East Coast first investigated the use of solar energy, their thoughts went to "What would be required by the Port Authority's Tenant Alteration Application (TAA) process?"

"Once I was aware that East Coast would be submitting a TAA with new technology to review," said Victoria Giancaspro, Coordinator of the Tenant Alteration Process at the Port



A site inspection: from left to right are Marc Lebovitz, Andy Saporito and Vicki Giancaspro.

Authority, "I reached out to the Quality Assurance Division (QAD) of the Engineering Department who guided the code review by encouraging a meeting with the tenant and the tenant's consultants. The meeting proved fruitful in clarifying code analysis, but the customer service provided by the team was the real story because East Coast was given an immediate green light to move forward. I followed up with QAD for a field visit so that they could preview the actual work. As customary for large projects, I host bi-weekly meetings with the tenant, their consultants and a representative from the Resident Engineer's office to communicate the progress and mitigate any potential problems."

East Coast was able to get started on time, and the resubmissions required under the TAA process were minimal.

"By working closely with the Port Authority's engineering staff during the development of this project," added Andrew Saporito, Manager, NJ Marine Terminals, "East Coast was able to avoid many of the additional expenses and construction delays generally associated with redoing engineering documents for approval. Our staff is willing and able to assist our customers during the development of any project. These advantages equate to East Coast saving cumbersome costs on engineering resubmissions, and costs associated with delay of project penalties. Customer service

is at its finest when we are able to provide consistent customer support at the facility level and with our Engineering and Port Planning partners."

“Customer service is at its finest when we are able to provide consistent customer support...”

There were numerous other savings for East Coast. "Since I am in charge of our bottom line," said Howard Berly, Vice President, Finance at East Coast, "I like the fact that for every watt of energy the new system produces, East Coast will be able to sell renewable energy credits (RECs) back to utility companies that are required by law to produce a certain amount of renewable energy each year. This makes the up front project costs tolerable." East Coast Warehouse is installing over 5,148 panels, which will cover about 37 percent of its roof, at a total cost of \$4 million. Utilities pay anywhere from \$.16 to \$.30 per kilowatts for RECs. The system is designed to produce over 810,000 kilowatts, so the savings potential is incredible. ☺

Port of New York and New Jersey Sets Cargo Record During First Six Months of 2006

Fueled by a continuing increase in Asian trade, the Port of New York and New Jersey set a new cargo record during the first six months of 2006, surpassing 1.7 million loaded 20-foot equivalent units (TEUs).

During the first half of 2006, the Port's overall loaded containerized cargo rose by 8 percent, exceeding projections of 7 percent growth. The increase was due primarily to Asian trade, which accounted for 48 percent of the port's total trade in the period. Approximately 860,000 TEUs to and from Asia were handled in the Port during the first half of the year.

“The tremendous cargo growth we continue to experience presents us with a major challenge.”

Port Authority Executive Director Kenneth J. Ringler Jr. said, “The tremendous cargo growth we continue to experience presents us with a major challenge. We're responding with a \$600 million investment in rail infrastructure that will help us to improve productivity at the port, and we continue to work closely with the

private terminal operators to provide longer gate hours and new technology that will allow cargo containers to be moved on and off the port more efficiently.”

Port Authority Port Commerce Director Richard M. Larrabee attributed the growth in containerized cargo to increasing demand for all-water shipment directly to the New York-New Jersey region. “As large and small importers find that direct all-water service from Asia to our region is the best method to secure a reliable supply chain, we will continue to see growth in these important markets.”

Mr. Larrabee said that as cargo volumes grow, the Port Authority will continue its vigilance and activities to enhance port security. “We have spent nearly \$85 million since 2001 on port-related security initiatives. Together with our partners in the local, state and federal governments, as well as in the maritime industry and labor, we are working closely to ensure a safe and secure port.”

Overall, the Port of New York and New Jersey handled 1,787,963 loaded TEUs for the first six months of 2006, compared to 1,654,483 TEUs for the same period in 2005, according to the Port Import-Export Reporting System (PIERS). Imports for the



One of the top cargo-growth trading partners during the first half of the year was Belgium, volumes were up 28.6 percent.

period were up 9.2 percent—from 1,164,338 TEUs in 2005 to 1,271,110 TEUs in 2006. Exports rose by 5 percent—from 490,145 TEUs in 2005 to 514,847 TEUs in 2006.

Leading the growth of containerized imports were paper and paperboard (35,330 TEUs), up by 41 percent over 2005; women's and infant clothing (41,416 TEUs), up 46 percent; and beer and ale (30,929 TEUs), up 31 percent over 2005. The top export categories were paper and paperboard (106,810 TEUs), up 8 percent over 2005; and automobiles (38,656 TEUs), up 18 percent. ☺

Port of NY/NJ Creating “Virtual Container Yard” System to Give Truckers Easy Access to Empty Cargo Containers

The Port Authority is creating an online system, or Virtual Container Yard, that will allow truckers to locate an empty cargo container near their point of origin rather than having to make an extra trip to a Port of New York and New Jersey terminal to get one.

The system, being created by eModal.com LLC of Irvine, Calif., will serve as a clearinghouse for cargo containers. It will allow trucking companies to locate an empty container close to the site where they have an export pickup, rather than having to make an unnecessary trip to a port terminal, where empties are typically stored. The system also will alleviate the need for a trucker to return an empty container to the port. The system

is designed to save truck operators time and money, and will reduce traffic and its impact on local communities.

Funding and operational support for the program will be provided by the Port Authority, the I-95 Corridor Coalition, the New York State Department of Transportation, the New Jersey Department of Transportation, the Association of Bi-State Motor Carriers and ocean carriers.

Port Commerce Director Richard M. Larrabee said, “This system requires the cooperation of many partners, including ocean carriers serving our port and the trucking industry, if it is to be successful. We believe this program, combined with steps that already have been

taken to expand the port's rail capacity and to extend terminal gate hours, will allow us to improve the port's productivity and efficiency.”

The Port of New York and New Jersey will be the first East Coast port to launch this system when it goes online in spring 2007. Under the system, ocean carriers and trucking companies would provide information on the location of an empty container. When this information is compiled, it would provide truckers with a master list of empty containers that would be available to them and where the containers are located. The virtual exchange will be done via the Internet, with eModal's existing Web-based port community system providing the platform for the application. ☺

State-of-the-Art Emergency Call Boxes Installed at the Port

The Port Authority of New York and New Jersey takes great care in providing for the safety and well being of all port employees as well as for the cargo that we handle. Since the terrorist attacks on September 11, the Port Authority has invested more than \$2.3 billion in capital and operating expenses to enhance security at all of its facilities. One of the most recent initiatives is the installation of 37 new emergency call boxes in all public areas and in the terminals.

Red boxes are for calling the local fire department and yellow boxes are also for the local fire department as well as Port Authority Police.

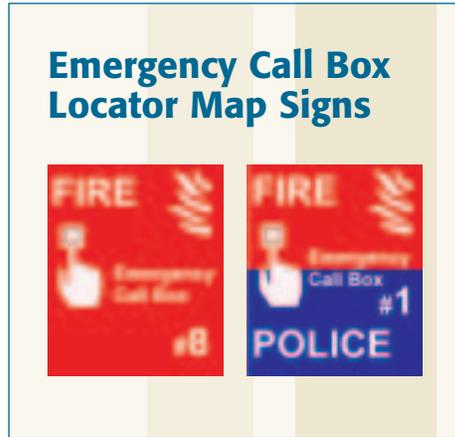
"In the event of an emergency," said Andy Saporito, Manager of NJ Marine Terminals, "our tenants and port customers will have more direct access to emergency personnel. Rather than connecting to a 911 operator, our call boxes reach the dispatch desks of

the Elizabeth or Newark Fire Departments and the Port Authority Police."

The call boxes are environmentally friendly too. "With the new system, we didn't want to have cables and wires interfering with our tenants' operations, so we opted to use wireless, cell phone technology that is powered by solar panels that are a little larger than a sheet of paper," added Mike Kulik, Senior Engineer, NJMT Facility Services.

Under the maintenance agreement with Comarco Wireless Technologies, the call boxes are tested daily through a self-monitoring system, and Port Authority maintenance staff conducts separate tests once a month.

"We're asking all of our tenants and customers who use the port daily to post the map printed in this newsletter in lunchrooms and other common areas so that everyone becomes familiar with the location of these call boxes," stressed Mr. Saporito.



"The operation of the call box is simple," states Mr. Kulik, "It's a hands-free design, you just push the button and it makes a direct call to the dispatch desk where you report the emergency. The system also knows the location of the call, and you can't get any easier than that!"

Emergency Call Box Locator Map



Land Preservation Efforts Spread to NJ

ENVIRONMENTAL PROGRESS REPORT FOR THE PORT OF NY & NJ

Efforts by the US Army Corps of Engineers and The Port Authority of New York and New Jersey to preserve local wetlands have expanded into Woodbridge, New Jersey. The Woodbridge Creek Ecosystem Restoration Project is being undertaken to support the New York & New Jersey Harbor Deepening Project. The restoration site is located in the midst of a residential area in the Township of Woodbridge. The site is bordered, respectively, on the eastern and southern sides, by the New Jersey Turnpike and a truck parking area. Residential properties lie to the north and west.

The Port Authority and the Army Corps of Engineers are restoring approximately 23 acres of tidal wetlands as well as an additional 27 acres at the Woodbridge site. This restoration work will offset potential, unavoidable wetlands impacts related to the deepening of the Port of New York and New Jersey. Additionally, the National Oceanic Atmospheric Administration (NOAA) and the NJ Department of Environmental Protection (NJDEP), are restoring approximately 17 acres of tidal wetlands, to provide compensatory restoration for the 1991 Bayway Oil Spill. The combined NOAA/DEP and PA/Corp sites total nearly 67 acres and will be set aside as a wetland conservation area for the State of New Jersey. The cost of the construction of the project is estimated to be \$6.4 million.

The Township of Woodbridge owns most of the degraded wetlands, and was able to purchase an additional 13 acres from the New Jersey Turnpike Authority, all of which were donated for the wetlands mitigation project.

"The Port Authority and US Army Corps are responsible for developing approximately 50 acres of degraded wetlands into a more productive site," noted Ms. Heller. "During the past summer months and into the fall, our team of Wetlands Specialists have been removing the invasive phragmites species, lowering the elevation of the tidal wetlands and creating additional creeks which will allow for greater tidal exchanges and for recolonization of more abundant varieties of wetland species. Planting of the *Spartina Alterniflora*—a high quality marsh grass—and other fauna took place this summer and will be planting upland species such as trees and shrubbery next spring." The *Spartina* must be planted during the summer months to allow it sufficient time to take root before



Woodbridge Creek Ecosystem Restoration Project. *This is a view facing northward toward Port Reading Avenue and the NOAA/NJDEP parcel. The parcel that the Port Authority and US Army Corps is restoring is in the foreground.*

winter comes. "In a year from now, we expect that at least 80 percent of the newly planted grass will be flourishing," she added.

In addition, the material that is being excavated is being placed on site in the southern portion of the area. This placement of the material is creating a hill, which will be seeded and planted with trees and shrubbery. Not only will this add a nice visual touch, but the hill will also create a sound barrier from the New Jersey Turnpike parking area.

"Unlike the project we undertook in Jamaica Bay," explained Atef Ahmed, Manager, Port Commerce Environmental Programs for the

Port Authority, "this property is a tidal wetland in the middle of a residential area. Unfortunately before the mitigation project, people were using the land for ATV racing. The township was encouraged to post 'no ATV's' signs to protect the land."

While the project is about three quarters completed, there are ongoing discussions of developing a viewing area, with possibly constructing a boardwalk and posting plant and animal descriptive signs. So in addition to mitigating a degraded wetland, our team of experts will also be educating the local Township about wetland habitats. ☺

Grand Alliance ECN Service Growing

The M/V NYK Cosmos made its maiden voyage arrival to the United States on Wednesday, August 30, 2006. The German-owned, Korean-built, Liberian-flagged 4130 TEU vessel arrived at the New York Container Terminal, Staten Island directly from Hong Kong, its last Asian port. The vessel joins its sister, the M/V NYK Galaxy, which arrived two weeks ago in the Grand Alliance East Coast North Express (ECN) service, providing service from Hong Kong to New York via Panama in 22 days. The Grand Alliance members are NYK, OOCL and Hapag-Lloyd. Bill Cronin, Manager, Shipper Sales at the Port Authority of NY & NJ, presented the traditional maiden voyage plaque to the Master, Captain Stefan B. Swetnik and Chief Engineer, Mr. Zarzecki Dariusz. Several representatives of the NYK



Bill Cronin, Manager, Shipper Sales (right) presents commemorative Maiden Voyage plaque to Dan Sheehy, Director Marine and Terminals, NYK Line and Captain Stefan B. Swetnik, Master, M/V Cosmos.

staff and port agent, Barwil Unitor Ships Service, were also present during the presentation made on the ship's bridge. ☺

First Stop: New York

William G. Cronin, Manager Shipper Sales at The Port Authority of New York and New Jersey, presented a maiden voyage plaque to the Chief Officer, Mr. Klaus W. Frescura of the M/V NYK Galaxy on its maiden voyage arrival to the Port of New York and New Jersey at the Howland Hook Container Terminal on Thursday, August 17, 2006. Arriving at its first United States port directly from Hong Kong on the NYK East Coast North Express (ECN) service of the Grand Alliance, the transit was 22 days. The vessel was built by Hyundai Heavy Industries Ltd., Korea and delivered to its owners, NSB of Germany on May 22, 2006. The vessel called at Busan, Qingdao, Shanghai, Shekou and Hong Kong before going through the Panama Canal. The Hamburg registered, 25,000 DWT vessel, has a capacity of 4300 TEU and a service speed of 24 knots. Arriving in the Port of New York and New Jersey first, the vessel will proceed down the coast and return to Asia. This vessel was followed by a new sister-ship, the NYK COSMOS two weeks later. ☺



At the maiden voyage plaque presentation ceremony are from left to right, *Ralph Pena, Manager of Terminal Operations, NYK Line; Jonas Lyborg, Owner's Rep/CSO, NSB USA (ship's owner); Klaus W. Frescura, Chief Officer, M/V NYK Galaxy; William G. Cronin, Manager, Shipper Sales, PANYNJ and Francisco Plata, Marine Agent, Barwil Unitor Ships Service.*



APL Adds Larger Vessels on India-America Service via Suez-Canal

On August 26th, The Port Authority of NY & NJ presented its traditional maiden voyage plaque to the Master of the M/V President Adams, upon its initial arrival at the Port Newark Container Terminal. The vessel is one of five built by American President Lines in the late-1980's, each with the carrying capacity of 4,800 TEUs. Due to their post-Panamax size, these vessels have been utilized solely on the Pacific trade routes; however, the M/V President Adams and her sister ship, M/V President Polk, have now been placed in the India-America Express service through the Suez Canal to US East Coast ports. In what is becoming somewhat of a rarity in the maritime industry, the vessels are sailing under the American flag and are crewed by U.S. merchant mariners. ☺





Four towers at Port Newark. *These massive 193-foot-tall silos are state-of-the-art for temporarily storing and distributing cement into trucks. Truck scales underneath enable truckers to pick up their loads.*

Essex Cement Upgrades at Port Newark

Essex Cement, part of Titan America, replaced its warehouse at Port Newark with four 193-foot-tall silos for cement storage. The new silo facility is capable of holding up to 62,000 tons of cement that arrives in the form of a fine powder from Greece. The silos occupy about a third of the land of the company's former cement warehouse. At the grand opening ceremony held on July 17th, Takis Tsanglis, Vice President of Essex Cement, said, "This makes the business faster, more reliable and more efficient."

"The silo facility not only enables Essex Cement to expand its business," noted Rick Larrabee, Director of Port Commerce, "it also creates space for other business uses at the growing port." 🌐



Port Authority Port Commerce Director
Richard Larrabee offers congratulations at the ribbon cutting ceremony.



THE PORT AUTHORITY
OF NEW YORK & NEW JERSEY

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