PierPASS:
Solving port related truck congestion
at the Ports of Los Angeles and Long Beach

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Agenda

- Southern California’s port challenge – the problem they are trying to solve
- What is PierPASS?
- How does it work?
- What are the results?
- Why is PierPASS significant?
Southern California’s Freight Challenge

- Los Angeles and Long Beach are one of the nation’s largest port complexes
  - 40 percent of U.S. imports

- Traffic congestion is the worst in the nation
  - Los Angeles – Long Beach – Santa Ana ranks first in traveler delays among very large urban areas
  - Riverside – San Bernardino ranks first among large urban areas
PierPASS Overview

Port-Related Problems:

- Congestion
- Pollution
- Capacity Constraints

Innovative Solution:

- Traffic mitigation fee to pay for extended hours of port operations
- Use peak-hour fee to shift truck traffic to new off-peak hours 6 pm to 3 am Monday-Friday
What is PierPASS?

- PierPASS is a not-for-profit organization created in 2004 by marine terminal operators operating in the Ports of Los Angeles and Long Beach.
- The PierPASS charter is to reduce congestion and improve air quality in and around the port region.
What is OffPeak?

- OffPeak is the off-peak hours program created by PierPASS
- Provides an incentive for cargo owners to move cargo by truck at night and on weekends
- Traffic mitigation fees are charged for container moves by truck during designated peak hours – 3:00 AM to 6:00 PM Monday through Friday
- Fees are waived for truck moves during non-peak hours and for rail moves
How Does OffPeak Work?

1. Shippers enroll on www.pierpass.org
2. Terminal systems feed database; shippers identify their containers
3. Determine if exempt, otherwise collect from cargo owner $50/TEU for peak traffic
4. Disburse revenue to MTOs for off-peak labor
Step 1: Customer Enrollment

- **Shippers/Consolidators**
  - a) Enrolls via Web site;
  - b) deposits funds

- **Carriers**
  - Enrolls via Web site

- **MTOs/Port Authorities**
  - Enrolls via Web site

  a) Confirms data;
  b) assigns account number and ID

  Deposit and reconcile funds
Step 2: Cargo Data Submission

Shippers/Consolidators

Submits Bill of Lading (BOL) electronically

Deposits funds

No

Sufficient account funds?

Auto notification of insufficient funds

Generates shipment #; debits account

Yes

Carriers

MTOs/Port Authorities

ACS

ACS
Step 3: Trip & Terminal Data Submission

- Shippers/Consolidators
  - Reconcile data with carrier and shipper

- Carriers
  - Submits Bill of Lading (BOL); 24-hr. rule
  - Data Match?
    - Yes
      - Sends terminal data upon receipt
    - No
      - Auto notification of data discrepancy
      - Sends incoming trip data
      - Reconcile data streams

- MTOs/Port Authorities
System Architecture

- Data Interchange
- Security Layer
- External Interface Processes
- PierPASS Data and Business Processing
- Financial Reporting Systems

- Marine Terminal Reporting
- Beneficial Cargo Owners
- Customer Service Center
- Electronic Payment
- Credit Worthiness
- Banking Institutions
- Intermodal Rail (ACTA)

- PKI Certificates
- Intrusion Detection
- Application Account Security and User Profile
- PierPASS EDI Processing

- User Data Interchange Inbound
- User Data Interchange Outbound

- PierPASS Traffic Mitigation Fee Engine

- Financial Data Interchange Inbound
- Financial Data Interchange Outbound

- PierPASS PeopleSoft Accounts Receivable
- PierPASS QuickBooks General Ledger
Operational Statistics

- 14,000 customers with active accounts
- 13 marine terminal operators have container and gate activity data interface via EDI
- 100,000 EDI transactions are processed per day
- 31,200 containers are processed per day
- $2.7 million in traffic mitigation fees collected per week
- Fees collected via invoice (60%), credit card (35%), and e-check (5%)
- 300+ new jobs supported at night
It’s Beating Expectations

- Two-year goal of 20% reduction in congestion achieved in two months
- 35% of daily container traffic now moves in off-peak hours
- More than 10,000 trucks a day during typical off-peak shift
- Peak-hour traffic on the 710 freeway down 24% (independent study)
Why is PierPASS Significant?

- Private sector solution to a public problem
- Technology based fee collection system
- Supported by the shippers and unions
- Reduced truck idling and pollution
- Natural linkage with RFID/GPS tracking and biometric IDs programs