



Long Beach Container Terminal, Inc.

1171 Pier F Avenue
Tel: (562) 435-8585

Long Beach, California 90802-6252
Fax: (562) 437-1206

Industry Leadership in Emission Reduction

Making Sound Business Decisions that
Improve the Environment of the
Community in which We Work and Live

About LBCT

The background of the slide is a photograph of a busy container terminal. In the foreground, a large blue and white container ship is docked at a pier. Several red gantry cranes are visible, extending over the ship and the pier. The sky is a clear, light blue. The overall scene depicts a major port of activity.

Long Beach Container Terminal was completed and opened to the public in 1986. It is currently comprised of 105 acres and eight structures. The terminal is located adjacent to a deep water turning basin on Pier F (formerly known as Pier A), Berths 6 through 10 features 2700 feet of berth line with a minimum 55-foot water depth alongside the dock, the deepest dredged dockside of any U.S. Pacific Coast port. It's proximity adjacent to the southerly end of the Long Beach Freeway between the Harbor and San Diego Freeways provides expedient routes for trucks to speed on their way to the market areas of Los Angeles and surrounding counties.

Fleet Modernization

- Since 1994, LBCCT has maintained their fleet of Diesel Powered Equipment at a maximum age of 10 Years
- LBCCT pioneered the use of On-Road Certified engines in their Yard Tractor fleet beginning in 2005
- By the 3rd Quarter of 2008, 60% of our Yard Tractor fleet will be equipped with On-Road Certified engines

Introduction of Diesel Oxidation Catalysts

- In 2003, working with the Port of Long Beach, LBCT Joined other terminal operators in retro-fitting all possible diesel powered equipment with Diesel Oxidation Catalysts
- Since 2003, LBCT has invested in Diesel Oxidation Catalysts for all new equipment, including the already significantly cleaner On-Road Certified engines

CARB Verified Alternative Diesel Fuel

- In 2004 LBCT introduced O₂[®] Diesel into the Port Industry, prior to the availability of ULSD
- O₂[®] Diesel readily replaces conventional diesel, and exceeds the environmental benefits of ULSD

Pollutant	ULSD	O ₂ [®] Diesel
NOx	Neutral	Reduced 2-6%
PM	Reduced 8%	Reduced 20-46%
CO	Neutral	Reduced 12-30%

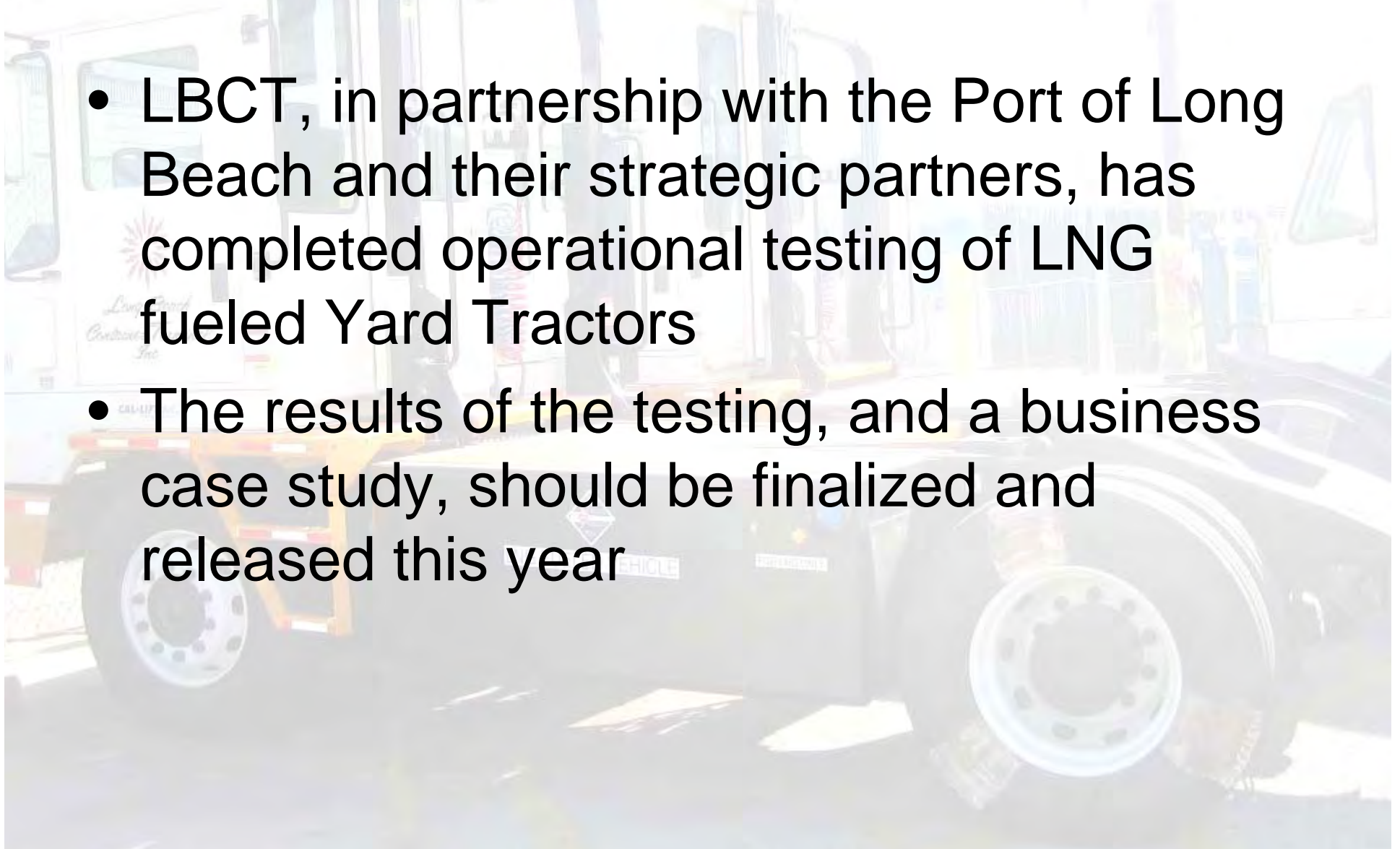


Regenerative Energy Capture

- Diesel-Electric cranes, such as RTGs, typically burn off excess electricity generated when lowering a load as heat through a bank of resistors
- LBCT has fitted 2 RTGs with Vycon[®] Flywheel energy storage units to capture and use this energy
- LBCT Recently ordered an additional 4 units which will complete the deployment of this technology to all applicable units

LNG Yard Tractor Demonstration

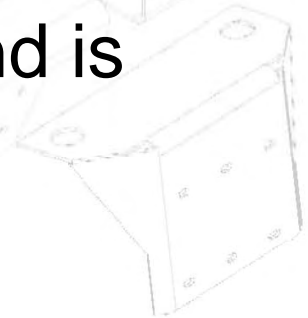
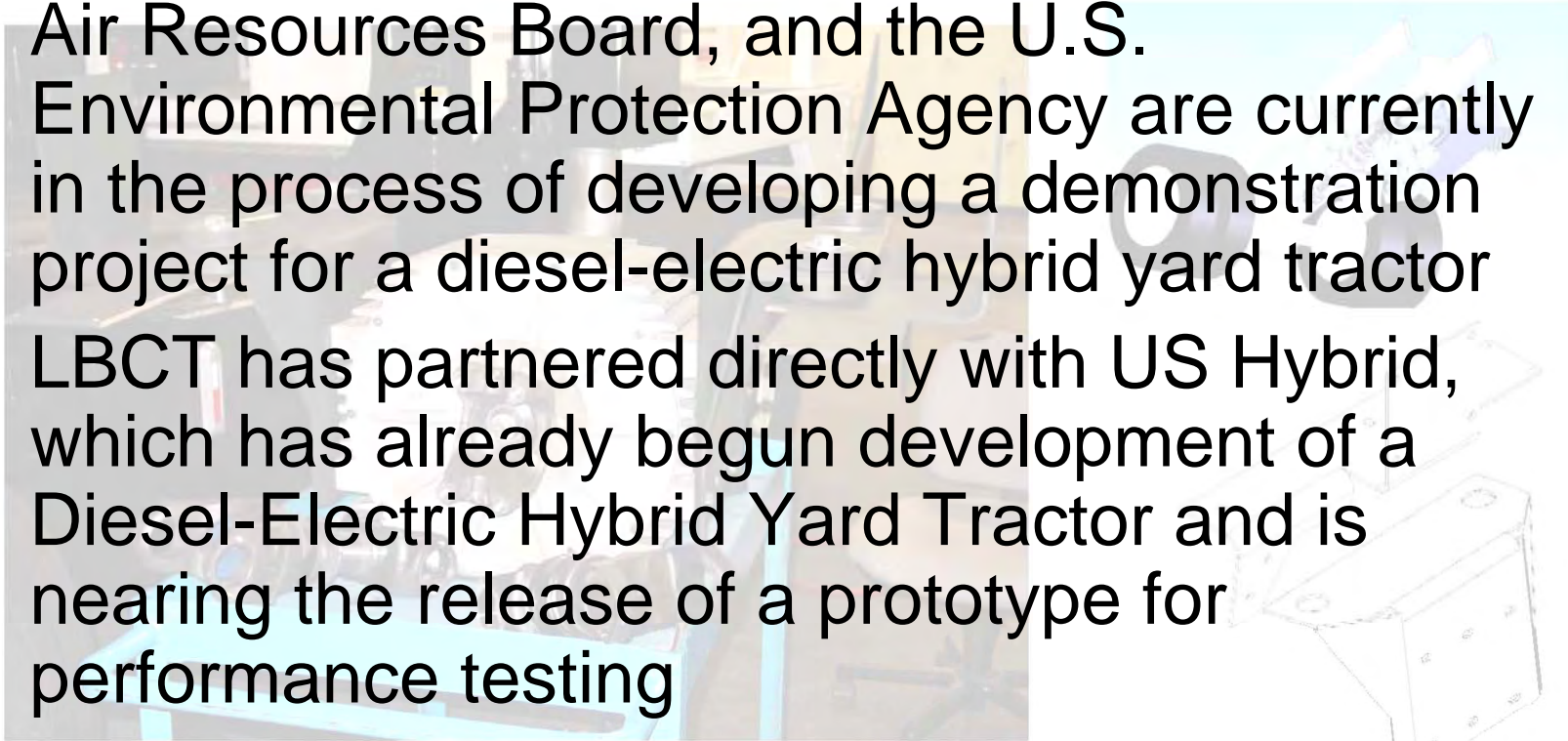
- LBCT, in partnership with the Port of Long Beach and their strategic partners, has completed operational testing of LNG fueled Yard Tractors
- The results of the testing, and a business case study, should be finalized and released this year





Hybrid Yard Tractor Demonstration

- LBCT, in partnership with the Port of Long Beach, the Port of Los Angeles, the California Air Resources Board, and the U.S. Environmental Protection Agency are currently in the process of developing a demonstration project for a diesel-electric hybrid yard tractor
- LBCT has partnered directly with US Hybrid, which has already begun development of a Diesel-Electric Hybrid Yard Tractor and is nearing the release of a prototype for performance testing



Other Hybrid CHE?

- LBCT has begun discussions with a number of manufacturers regarding the possible hybridization of Top-Handlers and Side Loaders

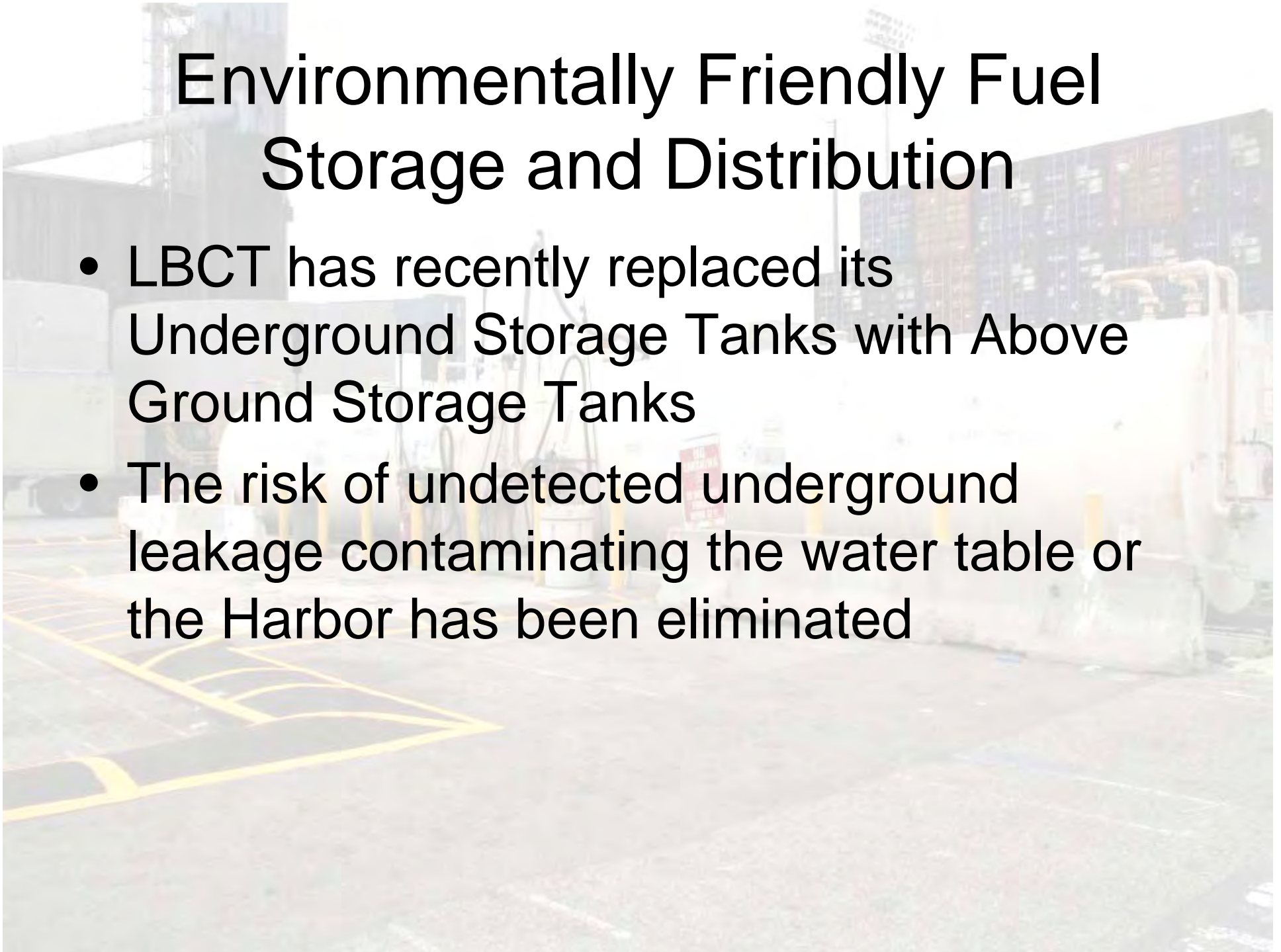


Improved use of Electrical Grid

- LBCT's newest STS cranes are equipped with the most advanced electrical Load Balancing, Harmonic Filtering, and Power Factor Correction
- LBCT's older STS cranes have been retrofitted with the same technology
- LBCT Partnered with Southern California Edison to further enhance our "Quality" of power consumption by upgrading our transformers and switchgear

Environmentally Friendly Fuel Storage and Distribution

- LBCT has recently replaced its Underground Storage Tanks with Above Ground Storage Tanks
- The risk of undetected underground leakage contaminating the water table or the Harbor has been eliminated



The RTG of the Future- Today!

- LBCT has entered into an agreement with Railpower® Technologies Corporation to create the first true Hybrid RTGs in the United States
- The Port of Long Beach is currently considering becoming a partner in this project through the Technology Advancement Program
- This project will include pre- and post-retrofit emissions testing
- A prototype unit operated in Canada has confirmed fuel consumption reduction in excess of 72%
- Emission reductions will probably exceed this 72% level thanks to the advanced engine control system and after-treatment technologies to be employed