



PORT OF LONG BEACH, SOUND ENERGY SOLUTIONS LAUNCH DEMONSTRATION PROJECT USING LNG-POWERED TRACTORS

FOR IMMEDIATE RELEASE

August 2, 2004

CONTACTS:

Robert Kanter, PhD., Port of Long Beach
Director of Environmental Affairs
(562) 590-4154

Thomas E. Giles, Sound Energy Solutions
Chief Operating Officer, (562) 495-9886

LONG BEACH, Calif. – Bolstering an already strong commitment to reducing harbor-area emissions, the Port of Long Beach and Sound Energy Solutions (SES) have agreed to partner on a pilot program that will test the effectiveness of yard hostlers powered by liquefied natural gas (LNG) in a marine terminal environment.

The Long Beach Board of Harbor Commissioners' Development Committee on Monday approved the demonstration project as part of its Healthy Harbor program, which promotes the use of alternative fuels by Port tenants to improve air quality.

The six-month, \$600,000 project will evaluate the performance of LNG yard hostlers moving cargo in the terminal environment. Three LNG tractors will be tested at Long Beach Container Terminal.

In addition, the team will coordinate its efforts with a parallel project at another terminal to test two LNG yard hostlers in a similar manner. By coordinating activities, the team will collect more data at less cost, thereby buttressing the findings of the study.

Long Beach-based SES, a wholly owned subsidiary of Mitsubishi Corp., is working to develop an LNG receiving terminal and re-gasification facility on a portion of Pier T by 2008. As part of this project, SES will provide vehicle-grade LNG to California's burgeoning natural gas vehicle market, which includes low-emissions trash trucks, transit buses and other vehicles.

-More-

“This demonstration project allows us to determine whether there is a significant reduction in NOx and particulate emissions from this equipment when it is put to the test in the demanding conditions of an import-export terminal,” said port Executive Director Richard D. Steinke. “This project will tell us how effective LNG can be and the overall reliability of the equipment powered by this fuel.”

LNG engines produce substantially lower emissions than today’s diesel-powered engines. On-road tests indicate up to 65 percent less nitrogen oxide, 100 percent less sulfur dioxide and 90 percent less particulate matter. The trial run will determine whether similar results can be achieved in the off-road environment.

“One of SES’s primary targets for the use of natural gas in the transportation market has been off-road cargo handling equipment,” said SES Chief Operating Officer Thomas Giles. “We are proud to be partnering with the Port of Long Beach to make a positive contribution to their Healthy Harbor plan.”

The Healthy Harbor initiative, a comprehensive environmental effort approved by harbor commissioners in March 2003, aims to improve harbor air and water quality and wildlife habitats.

“This alternative fuel demonstration project, along with other recently implemented Port programs, will be key to continued improvement of the harbor environment,” Steinke said. “We believe the results of our study will provide tremendous benefits for the Port employees, tenants and the surrounding communities.”

#