



June 19, 2015

The Honorable John Thune
U.S. Senate
511 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bill Nelson
U.S. Senate
716 Hart Senate Office Building
Washington, DC 20510

RE: Comments on S. 1298 – Nationally Consistent Port Performance Measures

Dear Senators Thune and Nelson:

As you consider S. 1298, legislation to establish nationally consistent measures of performance for the Nation's ports, we are pleased to offer the following comments:

- Supporting Integration of Ports into a National Freight Program: We support the collection and use of port performance metrics as part of a coordinated effort to develop a national freight plan and a dedicated funding program for the multi-modal freight system. Specifically, we support collection of data that informs the national freight planning process and we encourage Congress to ensure such integration occurs.
- Development and Evaluation of Key Indicators: The legislation directs the Bureau of Transportation Statistics (BTS) to work with other entities to obtain recommendations for port performance measures. We encourage you to formalize this process, strengthen it with more port and industry representation, and task it with ongoing evaluation, revision, and refinement of the port performance indicators. As an example, the ports of Los Angeles and Long Beach continue to meet under the auspices of the Federal Maritime Commission to develop, among other things, recommendations for key performance indicators.
- Balancing Transparency for System Users with Proprietary Nature of Terminal Operations: The provision of fast and efficient service to our customers is one of our highest priorities. While we support measures that provide system users with a view into the overall speed and efficiency of our port complex, we would strongly encourage the use of port or corridor-level metrics rather than equipment or terminal-level metrics.
- Addressing Implementation Issues: In many cases, the data you seek to collect is not available to landlord ports, but resides with the marine terminal operators. We recommend that responsibility for data collection reside with the entities best positioned to supply the information. Furthermore, assuming that annual reports will cover the preceding calendar year, we recommend you provide adequate time for data collection to occur and final submittal of an annual report.

With these comments in mind, we recommend a focus on the following categories of measures:

- 1) Port-wide Capacity and Utilization;
- 2) Port-wide Ship Productivity;
- 3) Port-wide Gate Productivity; and
- 4) Port-wide Rail Productivity.

We believe these metrics, appropriately defined, can capture the overall speed, efficiency, and congestion at our port and support integration of ports into the national freight planning discussion. We would be happy to discuss these in additional detail with you or your staff.

Lastly, we would like to highlight the complex role ports play in the supply chain. The common understanding about the cause of the recent West Coast port congestion places the responsibility primarily on the recently concluded labor negotiations. However, it is understood within the industry that there are other contributing causes – including the advent of larger ships, chassis divestment, and cargo alliances. We encourage you to consider examining these issues as well.

Thank you for your consideration and we stand ready to provide support to you as you continue to educate others about the important role ports play in the international and national economy.

Sincerely,



EUGENE D. SEROKA
Executive Director
Port of Los Angeles



JON W. SLANGERUP
Chief Executive Officer
Port of Long Beach



J. CHRISTOPHER LYTLE
Executive Director
Port of Oakland

cc: Senator Dianne Feinstein
Senator Barbara Boxer