

Port of Oakland Seaport Operations and Air Quality

Rick Schart
VP, Director of Transportation
JCPenney Company

JCPenney Overview

- Founded in 1902 by James Cash Penney
- Headquarters in Plano, TX
- 155,000 associates
- 1,067 stores throughout U.S. and Puerto Rico - Internet
- Opening 50 stores per year
- More than 3 million customers each day
- Over \$19 billion annual sales (FY2006)



Interest in Air Quality Planning



- JCPenney wants to be a good neighbor
- JCPenney is already a retail leader in support of environmental initiatives including:
 - Recognized by U.S. EPA as an ENERGY STAR Partner of the Year for energy management in our stores and distribution centers
 - Received EPA 2007 SmartWay Excellence Award for environmental leadership in reducing fuel consumption and lowering greenhouse-gas emissions from trucks
 - Use of technology for dynamic shipment routing to reduce empty miles and rail for large percentage of inland transportation
 - Member of the Coalition for Responsible Transportation

Interest in Oakland?



- New import cross-dock facility opened in Lathrop in August
- 436,000 square feet
- Over 100 associates
- When fully operational will process over 13,000 import containers per year
- These imports will generate over 30,000 hours of work for port area employees and over 25 driver positions in Oakland

Port Decisions – Why Oakland



Many operating and transportation factors considered including:

- Ocean carrier service
- Port operating capacity and productivity
- Business/labor climate
- Proximity of rail intermodal facilities
- Local operating costs – including all fees
- Desire to diversify ports to support business continuity objectives

Port of Oakland Clean Air Plan



JCPenney wants to work with the MAQIP Task Force to help develop a plan that:

- Will reduce emissions in and around the port
- Does not mix environmental issues with other agendas
- Is feasible to implement in a realistic time frame
- Will not face legal challenges
- Is cost effective for all parties
- Will improve the efficiency of port operations

What are we doing now?

- Use of single port drayman – reduces in/out gate moves
- 24 x 7 gate hours at our Lathrop DC
- No idling policy at our Lathrop DC
- Use of multiple ocean carriers – spreads arrivals which increases efficiency of moving inbound and empty containers to/from Lathrop

Future win – win ideas!

- Use of gates at night/weekend – trucks move more efficiently during off hours
- Establish chassis pools
- Improve communication between port operators and carriers on expected activity
- Share real time gate status information
- Set pick-up and delivery appointment times
- Reward drivers with higher productivity
- Set up driver representatives to discuss terminal and carrier productivity issues



Every Day Does Matter
Together We Can Make a Difference!

Thank you!