



Philadelphia Regional Port Authority



Background: Philadelphia Region



Philadelphia Regional
Port Authority

- Marine facilities on the Delaware River worked over 60,000,000 tons of cargo in 2009.
- The Delaware River handled 2,808 ships in 2010.



Background: Philadelphia Regional Port Authority



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- A Pennsylvania state agency, PRPA owns seven marine cargo facilities on the Delaware River in Pennsylvania.
- Terminals are leased to private operators. PRPA provides maintenance, marketing, and other services.



Port Facilities: PRPA Terminals

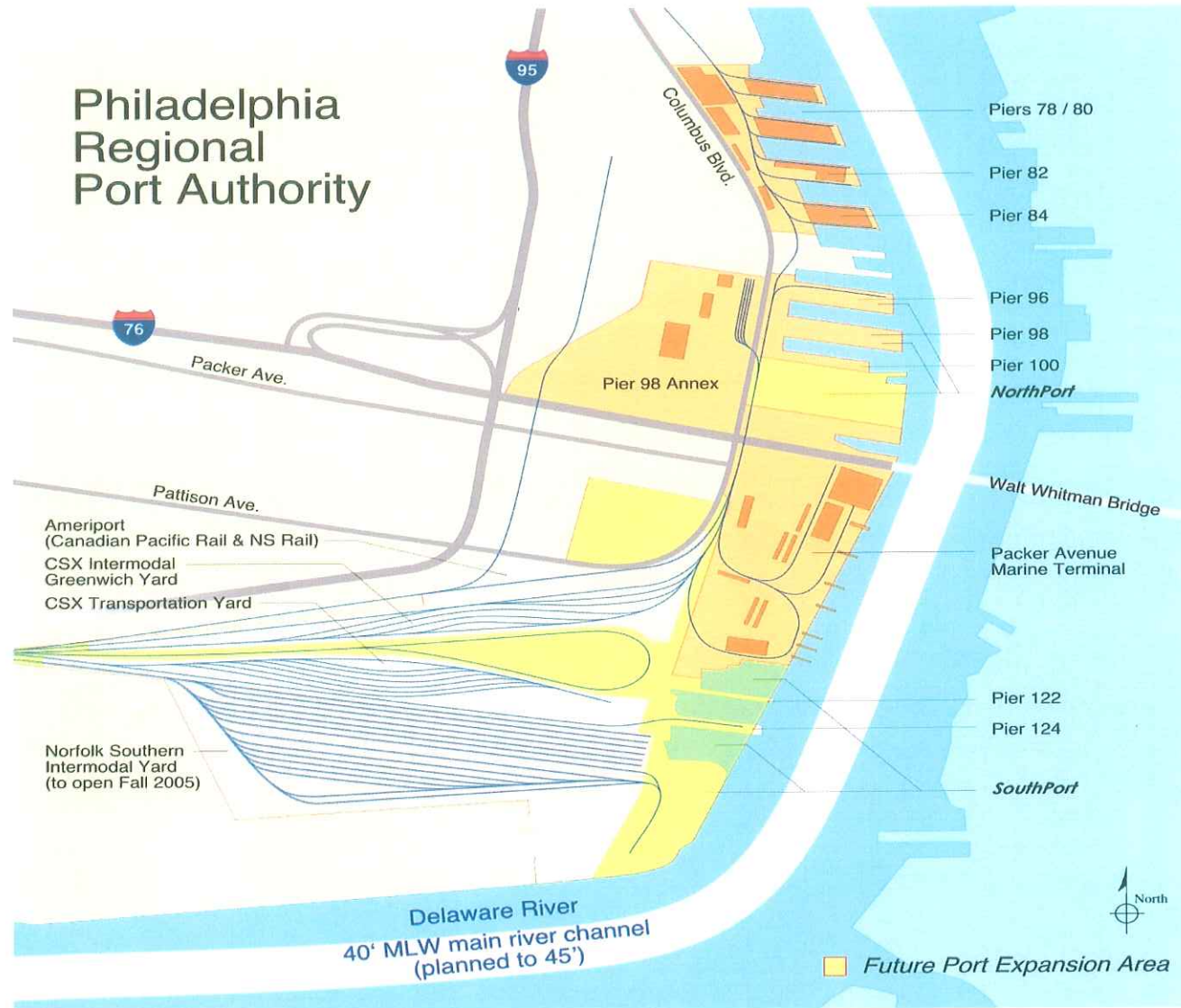


- 3.2 million tons of cargo, including 223,000 TEUs, passed through PRPA facilities in 2009.
- In 2010, PRPA facilities worked over 515 merchant ships – an increase of 14% over 2009.

Port Facilities: South Philadelphia Port Complex



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Packer Avenue Marine Terminal



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Tioga Marine Terminal



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Piers 38-40 / 78-80



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Pier 82



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Pier 84



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New Automotive Business



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Philadelphia Regional Produce Market

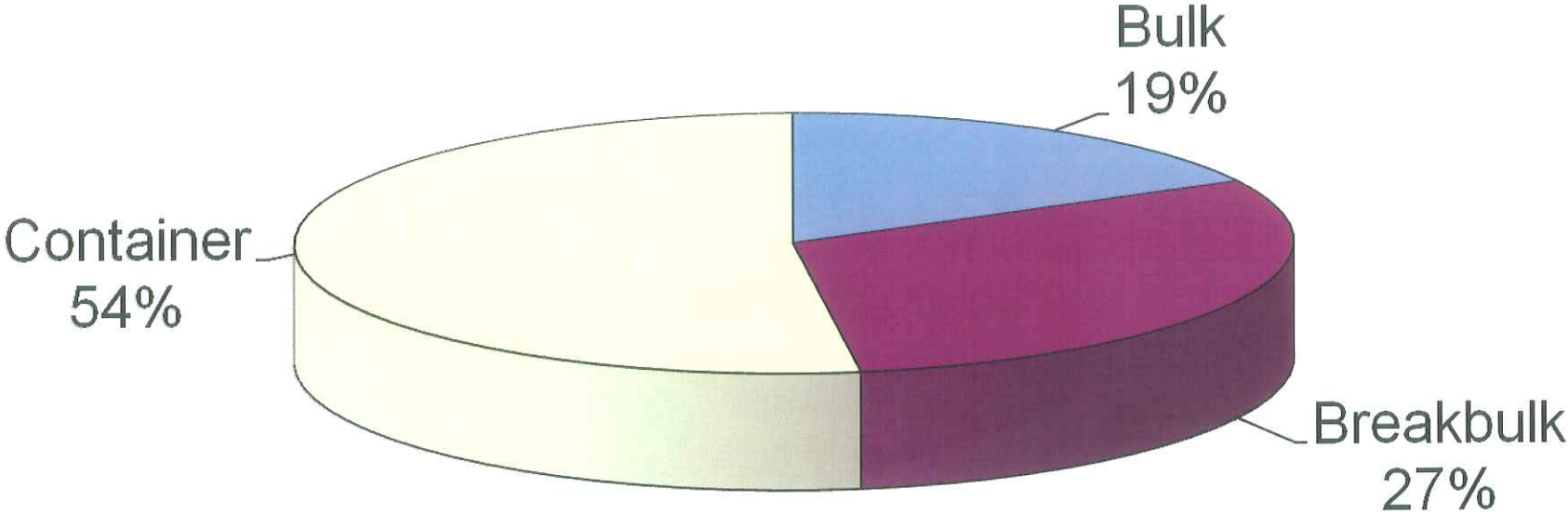
- 678,000 square feet facility
- 50 foot wide dock areas
- Constant refrigeration throughout entire building
- Opening planned for early 2011



The Port of Philadelphia Cargo Breakdown



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PRPA Facilities 2009

Port Facilities: The Philadelphia Advantage



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Philadelphia	New York
Air draft of 188 ft (57.3 m)	Air draft of 150 ft (45.7 m) (Bayonne Bridge)
No assessment	NYSA assessment – on average an additional charge of \$130 per container
19 ILA start times	5 ILA start times
7 hours from sea buoy	4 hours from sea buoy
No pension withdrawal liability	Pension withdrawal liability
Gross production of 33 moves an hour with individual vessel gross production reaching 40 moves an hour	Gross moves per hour typically less than Philadelphia
Truck turn time favorable due to lower density operation (42 minutes)	Truck turn time unfavorable due to high density operation and overall congestion
\$50 per container or \$3 metric ton for cargo sourced or manufactured in Pennsylvania	

PRPA Current Services



Philadelphia Regional
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 <ul style="list-style-type: none"> • East Coast South America • Australia – New Zealand 	 <ul style="list-style-type: none"> • Australia – New Zealand • West Coast South America  <ul style="list-style-type: none"> • East Coast South America
 <ul style="list-style-type: none"> • West Coast South America • North Europe 	  <ul style="list-style-type: none"> • French Polynesia – Australia – New Zealand • North Europe • West Coast South America
 <ul style="list-style-type: none"> • Australia – New Zealand  <ul style="list-style-type: none"> • Finland - Sweden 	 <ul style="list-style-type: none"> • East Coast South America • West Coast South America
 <ul style="list-style-type: none"> • Eastabout-Round the World • North East Asia 	 <ul style="list-style-type: none"> • Colombia – Caribbean Coast  <ul style="list-style-type: none"> • The Netherlands - Sweden
 <ul style="list-style-type: none"> • Scandinavia  <ul style="list-style-type: none"> • Germany 	 <ul style="list-style-type: none"> • Puerto Rico  <ul style="list-style-type: none"> • Japan

Southport



Southport Site Description



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Port Authority



Southport Site Description



- Located in Philadelphia on the Delaware River
- Core footprint consists of approximately 119 acres
- Approximately an additional 120 acres could be made available for development
- Southport site is immediately adjacent to Norfolk Southern intermodal yard at Mustin Field and proximate to CSX Greenwich Yard facility
- Site is within 1 mile (1.6 km) of US interstate highway system – I-95 North/South and I-76 East/West

The Southport Advantage



- *45 Foot Channel* – The current Southport design contemplates a 45 ft (13.8 m) channel depth. The first phase of the Deepening Project began in March 2010 and is scheduled for completion by early 2015
- *Site Access* – 3 Class I railroads are located within the vicinity of the Southport site and provide access to the US Midwest and eastern Canada
- *Ample Air Draft* – There are no air draft restrictions below 188 ft (57.3 m) mean high water (Delaware Memorial Bridge)
- *No Assessments* – There are no equivalent New York Shipping Association assessments for container cargos in Philadelphia, thereby reducing overall cost of transportation
- *Trained, Experienced and Flexible Workforce* – The current International Longshoremen's Association (ILA) contract establishes 19 ILA start times within the Port of Philadelphia, providing significant operational flexibility and time savings
- *Productivity and Efficiency* – The operations at existing Philadelphia Regional Port Authority facilities are efficient and productive

Philadelphia Market



- The Port of Philadelphia is located in the fifth largest metropolitan area in the United States, based on population and total personal income.
- Greater Philadelphia has a population of more than 6.1 million residents, and total employment of 2.9 million jobs.
- 100 million people live within one day's drive of the Port.
- Greater Philadelphia is the fourth largest retail market in the U.S. and had the seventh largest gross metropolitan product in 2009.
- The Port of Philadelphia is less than two hours by truck from the New York metropolitan market and less than 3 hours from the Washington DC market.

Philadelphia



Hinterland Northeast Asia TEUS

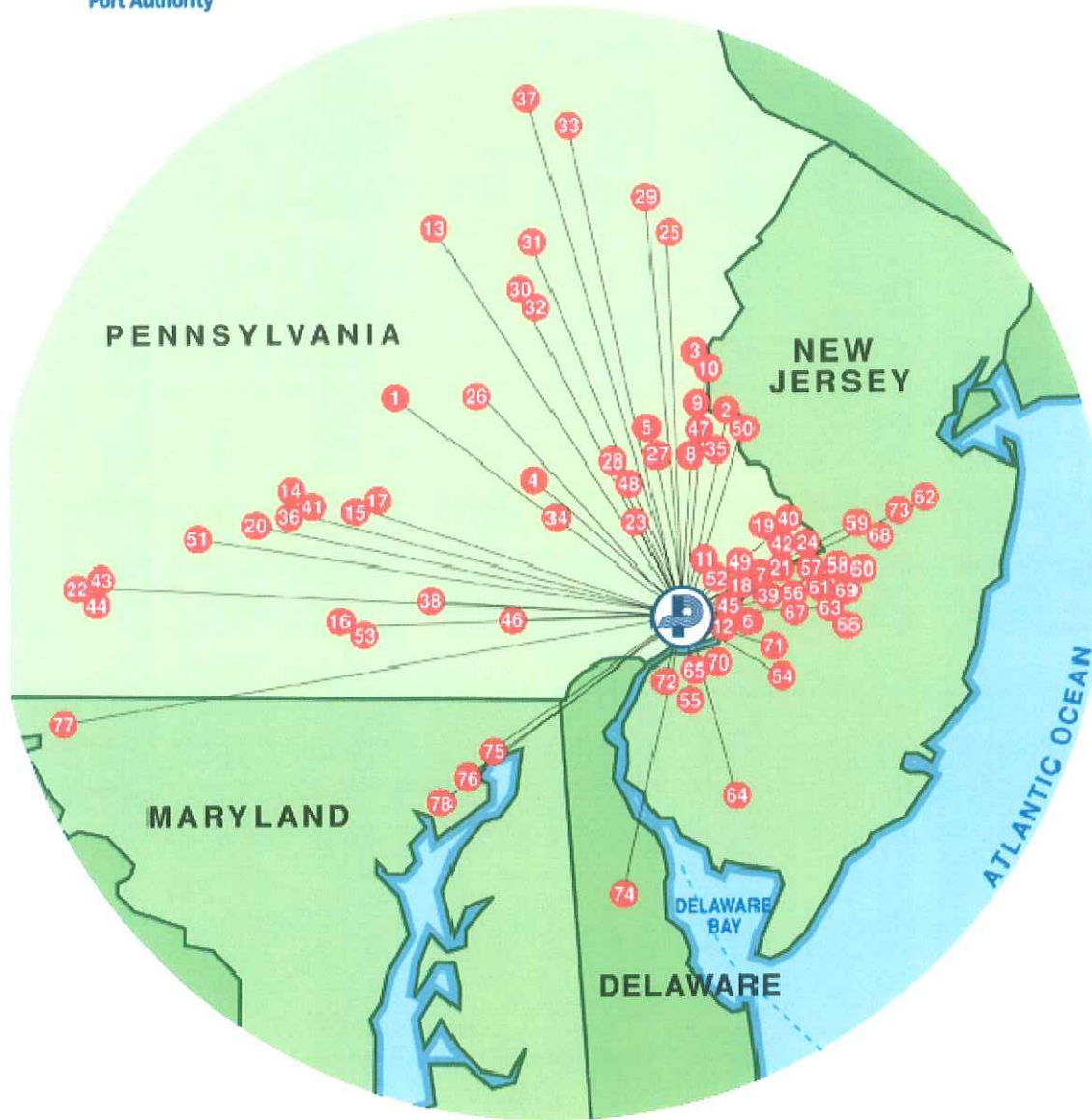
NORTHEAST ASIA TEUS	Import (TEUS)	Export(TEU)	Total (TEUS)
Immediate Hinterland	154,010	36,602	190,612
Land-bridge	71,192	32,741	103,933
Total	225,202	69,343	294,545
200 Mile Hinterland	334,229	147,914	482,143
Land-bridge	255,070	176,385	431,455
Total	589,299	324,299	913,598



Philadelphia Regional
Port Authority

DISTRIBUTION CENTERS - IMPORTS

Over 300 distribution centers lie within PRPA's immediate hinterland



Pennsylvania

1. Big Lots
2. BMW
3. Bon-Ton Department Store D.C.
4. Boscov's
5. Bridgestone-Firestone, Inc.
6. Case Paper
7. Charming Shoppe
8. Cooper Tire and Rubber Co.
9. Crayola
10. Crayola
11. Deb Shops, Inc.
12. Destination Maternity Corp.
13. Dollar Tree Stores Inc.
14. Foot Locker
15. General Mills
16. Harley-Davidson Motor Company
17. Hershey Foods
18. Home Line Furniture Wholesaler
19. JC Penney
20. Johnson & Johnson
21. Jones Apparel/Nine West
22. Kmart Resource Center
23. Kuhne & Nagel
24. Lanxess
25. Liz Claiborne Inc.
26. Lowe's
27. Mack Truck
28. Mack Truck
29. Maytag Appliances RDC
30. Michaels Stores, Incorporated
31. Office Depot
32. Office Max
33. Paper Magic Group, Inc.
34. Phillips-Van Heusen Corp
35. Porsche North America
36. PPG Auto Glass
37. Proctor & Gamble Paper
38. QVC, Inc. (Apparel)
39. RIO Brands
40. Rite Aid
41. SC Johnson Wax
42. Sears

43. Staples
44. Target
45. T.J. Maxx Distribution Center
46. Urban Outfitters Distribution Center
47. Walgreen's Distribution Center
48. Walgreen's Distribution Center
49. Westinghouse Lighting Solutions
50. Weyerhaeuser
51. Whirlpool
52. World Imports
53. York Barbell Company

New Jersey

54. A. C. Moore Arts & Crafts, Inc.
55. Becton Dickinson
56. BJ's Wholesale Club
57. Burlington Coat Factory Warehouse Corp.
58. Costco Wholesale Corp.
59. Crate & Barrel
60. CVS
61. Home Depot
62. Howard Berger
63. IKEA
64. National Refrigerants
65. Nine West
66. Office Depot
67. OfficeMax
68. Petco
69. Sports Authority Distribution Center
70. Raymour & Flanagan
71. Subaru
72. Trek Bicycles
73. Volkswagen

Delaware

74. Playtex

Maryland

75. IKEA
76. Pier 1 Imports
77. Radio Shack
78. Rite Aid



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MAJOR REGIONAL EXPORTERS



Pennsylvania

1. Air Products
2. Alcoa
3. Ames True Temper Hardware
4. Arkema
5. Armstrong World Industries
6. Craftmaster Manufacturing
7. CRC Industries
8. Crown Hardwood Veneer Corp.
9. Defense Distribution Center
10. Erex Corp.
11. Filmtech
12. FMC Chemicals
13. Gemcor International, Inc.
14. Geo Specialty Chemicals
15. Harley-Davidson
16. JLG Industries, Inc.
17. Kraft Foods
18. LWB Refractories
19. Mack Trucks, Inc.
20. Pennsylvania Crusher Corporation
21. Pfizer
22. Pride Mobility Products
23. Rohm & Haas (Dow Chemical)
24. Sartomer
25. Specialty Minerals

26. Sunoco

27. Tyco Healthcare

28. York International

New Jersey

29. Alcan
30. Conair Corp
31. Innophos
32. L'Oreal
33. Lund's Fisheries, Inc.
34. Mallinckrodt Baker Inc.
35. Volkswagen

Delaware

36. Allen Family Foods
37. DuPont
38. Hercules
39. Invista
40. Mountaire Farms
41. Uniqema

Maryland

42. Mack Trucks, Inc.
43. Perdue

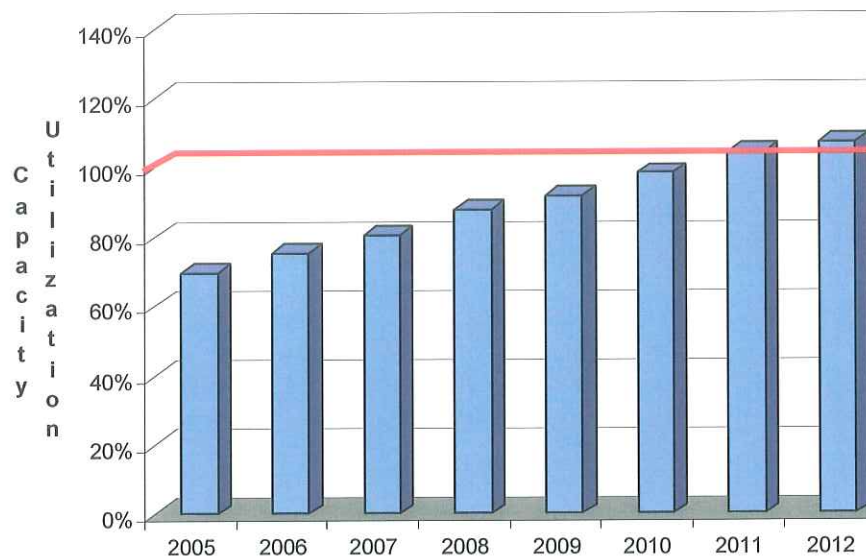
Infrastructure Analysis – NY/NJ Terminals



Future Capacity Utilization Rates: 2007 thru 2012

The combination of modest capacity increases and expected strong volume growth is likely to result in capacity shortages and/or material congestion problems by 2011

	2005	2006	2007	2008	2009	2010	2011	2012
All PA NY/NJ Terminals	6,862	6,862	6,862	6,862	7,062	7,062	7,062	7,242
Volume Forecast TEUS (000)	4,793	5,163	5,533	6,019	6,503	6,955	7,370	7,782
Utilization Rate	70%	75%	81%	88%	92%	98%	104%	107%



Even with 10-15% improvements in land productivity rates at the larger terminals, aggregate utilization rates will climb to nominal capacity levels by 2012

Source: Mercator Transport Group

Southport Development Team



- In October of 2010 it was announced that Delaware River Stevedores (DRS) along with the consortium of Ports America Group, Carrix, and Hyundai Merchant Marine were the bidders chosen by the Commonwealth of Pennsylvania to develop and operate the Southport Marine Terminal
- DRS brings with it significant local experience and a strong working relationship with the ILA locals
- Ports America Group and Carrix bring operating experience and development capacity to the project
- Hyundai Merchant Marine, as a key member of the New World Alliance (NWA) shipping line consortium, brings a worldwide cargo network and the ability to provide anchor cargo volumes



Key Development Dates

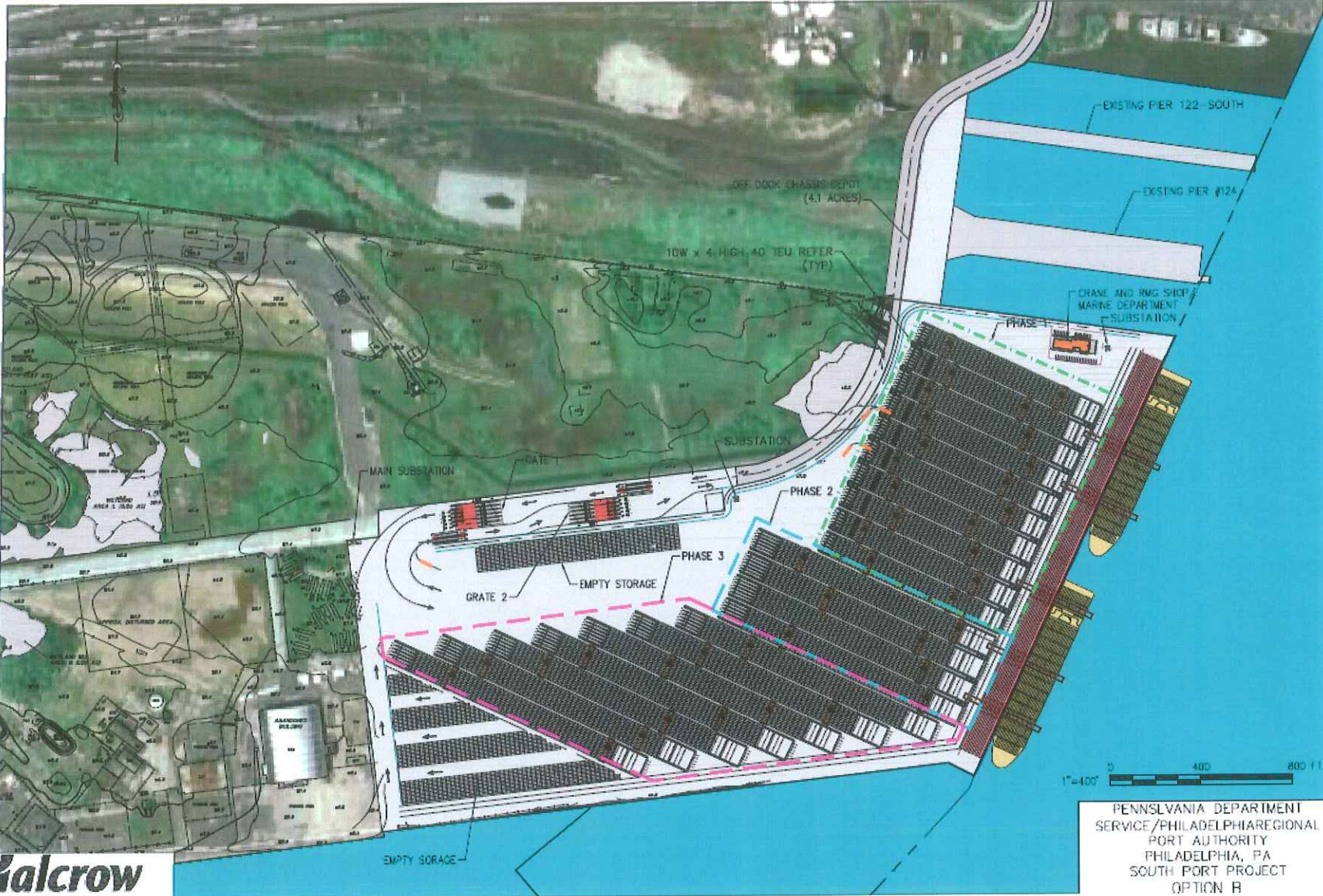


- **November 2010 – June 2013 - Pre-Construction Period**
All permitting, demolition of abandoned Naval housing, project design, financing, and potential construction of an access road into the project site will be completed
- **June 2013 – March 2016 – Site Prep and Dredge Work**
- **March 2016 – March 2017 – Phase I Construction**
Phase I will consist of one berth, three gantry cranes, and approximately 70 acres of container yard. The primary mode of container movement in this phase will be top-pick and bomb carts, however the yard will be constructed to accommodate RMGs or RTGs in the future. Estimated throughput of Phase I would be approximately 400,000 TEU annually.
- **March 2017 – March 2019 – Phase II Construction**
This phase will add a second berth, approximately 20 acres of container yard, and three additional gantry cranes. Upon completion of Phase II, throughput at the terminal is expected to be approximately 800,000 TEU annually.
- **March 2019 – March 2020 – Phase III Construction**
Phase III would add approximately 30 acres of container yard. Upon completion of Phase III estimated throughput at the terminal would be 1,000,000 TEU annually.

Southport Container Facility



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PENNSYLVANIA DEPARTMENT
SERVICE/PHILADELPHIAREGIONAL
PORT AUTHORITY
PHILADELPHIA, PA
SOUTH PORT PROJECT
OPTION B

Philadelphia Regional Port Authority



Philadelphia Regional
Port Authority

Proudly Managing Pennsylvania's International Seaport

For additional information please contact the PRPA at

(215)-426-2600 or

www.philaport.com

