

February 24, 2022

The Honorable Daniel Maffei  
Chairman  
Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

**Re: Examination of PierPASS and Public Hearing on Gate Management at the San Pedro Bay Port Complex**

Dear Chairman Maffei:

At the beginning of 2021, approximately six months into the pandemic-induced cargo surge, gate productivity at the ports of Los Angeles and Long Beach was identified as a contributing factor to supply chain disruption and consequent port congestion. Today, gate utilization and productivity remain a critical supply chain issue for the American shipper. To that end, we are encouraged that the Federal Maritime Commission (FMC) is closely examining this issue beginning with your session on February 25, 2022.

In 2004, we saw the establishment of the West Coast Marine Terminal Operating Agreement (WCMTOA) and subsequent creation of PierPASS in response to public concerns about long gate queues and associated truck emissions. At that time, we observed a significant shift of gate activity to nights and weekends, thus avoiding daytime roadway congestion and improving gate productivity. In 2018, with renewed public concern over long gate queues and accountability for increases in the Traffic Mitigation Fee (TMF), PierPASS engaged in a stakeholder effort to reform their system. At the conclusion of this effort, PierPASS moved to a new fee regime, but several remaining underlying issues were not addressed. Therefore, we ask the FMC to examine the PierPASS program, including the underlying business practices and relationships, to assess impacts on cost, competitiveness, and choice in the San Pedro Bay.

Furthermore, we request you hold a public hearing to consider long-term solutions for the management of terminal gates at the ports of Los Angeles and Long Beach, including a proposal by the ports of Los Angeles and Long Beach to assume this responsibility. We urge the FMC to initiate these proceedings with the aim of 1) improving gate fluidity and productivity, 2) increasing transparency and public accountability, 3) enhancing customer value, and 4) addressing environmental and quality of life issues. This is critical to renew public trust in the gate management regime employed in the San Pedro Bay.

Thank you for your consideration,

Chairman Maffei  
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Agriculture Transportation Coalition (AgTC)  
Association of Food Industries  
California Retailers Association  
CAWA – Representing the Auto Parts Industry  
Home Fashion Products Association  
International Dairy Foods Association (IDFA)  
National Retail Federation (NRF)  
North American Association of Food Equipment Manufacturers (NAFEM)  
Retail Industry Leaders Association (RILA)  
Port of Long Beach  
Port of Los Angeles

Cc:  
Commissioners, Federal Maritime Commission