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December 15, 2008

VIA COURIER

Karen V. Gregory
Secretary
Federal Maritime Commission
800 North Capital Street, N.W.
Washington, D.C. 20573

Re: Petition No. P2-08: Petition of APM Terminals Pacific Ltd., California United Terminals Inc., Eagle Marine Services Ltd., International Transportation Services Inc., Long Beach Container Terminal Inc., Seaside Transportation Service LLC, Total Terminals LLC, West Basin Container Terminal LLC, Pacific Maritime Services LLC, SSA Terminal Long Beach LLC, Trans Pacific Container Service Corporation, Yusen Terminals Inc., and SSA Terminals LLC ("Marine Terminal Operators"), and PortCheck LLC

Dear Ms. Gregory:

Pursuant to the Notice of Filing and Request for Comments served on November 26, 2008, in the above referenced petition, the City of Los Angeles and the City of Long Beach (collectively, the "Ports") submit their reply in response to Petition No. P2-08.

The Ports, the Marine Terminal Operators (defined above), and PortCheck LLC are parties to the Port Fee Services Agreement, FMC Agreement No. 201199, filed with the Commission on November 3, 2008 (the "Agreement"). The Ports hereby support the arguments made by the Marine Terminal Operators and PortCheck LLC in their Petition that the Agreement clearly meets the requirements set forth in FMC regulations for exempt marine terminal agreements (46 C.F.R. § 535.308) and is, therefore, effective upon filing. It is the position of the Ports that the Agreement is currently in effect.

If the Commission wishes to change the standards on how the exemption for marine terminal agreements may be applied in the future, we would urge the Commission to address those proposed changes in a notice of rulemaking process and request for comments, rather than changing those standards retroactively in the context of this Agreement.

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Without prejudice to the foregoing, we note that even under the staff's position, the Agreement is scheduled to go into effect on December 18th, eliminating any prospective concerns regarding its effectiveness. The Commission has amassed an extraordinary volume of information regarding the Clean Truck Program, and the Ports responded fully last week to all questions that BTA staff had regarding this Agreement; accordingly, we see no basis for any further steps to seek to delay the effectiveness of this Agreement.

Please feel free to contact me (202) 274-2862 if you have any questions about this filing.

Yours very truly,



Matthew J. Thomas

*Counsel for the City of Los Angeles and the City of
Long Beach*

cc (via email): David F. Smith
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