South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: **RECIRCULATED NOTICE OF PREPARATION OF A DRAFT PROGRAM ENVIRONMENTAL ASSESSMENT**

PROJECT TITLE: **PROPOSED RULE 4001 – MAINTENANCE OF AQMP EMISSION REDUCTION TARGETS AT COMMERCIAL MARINE PORTS**

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (SCAQMD), as the Lead Agency, has prepared this Notice of Preparation (NOP) and Initial Study (IS). This NOP/IS serves two purposes: 1) to solicit information on the scope of the environmental analysis for the proposed project; and, 2) to notify the public that the SCAQMD will prepare a Draft Program Environmental Assessment (PEA) to further assess potential environmental impacts that may result from implementing the proposed project.

The NOP/IS is being recirculated because changes were made to the project description and the environmental analysis subsequent to release of the original NOP/IS on July 23, 2013. To allow the public additional time to review and provide comments on the Recirculated NOP/IS, the public comment period has been extended to 38 days, instead of the required 30 days.

This cover letter, the Recirculated NOP, and the attached Recirculated IS are not SCAQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary.

Comments submitted on the July 23, 2013 NOP/IS are included in the administrative record. However, because the Recirculated NOP/IS will replace the July 23, 2013 NOP/IS, the previous comments submitted do not require a written response; thus, responses to those comments will not be prepared. Instead, reviewers of the Recirculated NOP/IS are requested to submit new comments relative to the Recirculated NOP/IS and should include any of the previous comments raised relative to the July 23, 2013 NOP/IS that are still applicable. Responses to these new comments will be prepared and included in the Draft PEA. Comments relative to the NOP/IS should be addressed to Ms. Barbara Radlein (c/o CEQA) at the address shown above, or sent by fax to (909) 396-3324 or by email to bradlein@aqmd.gov. Comments must be received no later than 5:00 p.m. on Thursday, January 2, 2014. Please include the name and phone number of the contact person for your organization.

The Public Hearing for the proposed rule is scheduled for April 4, 2014. (Note: Public meeting dates are subject to change).

Date: November 22, 2013 **Signature:** Michael Krause

Michael Krause
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources

Reference: California Code of Regulations, Title 14, §§ 15082 (a), 15103, and 15375

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765-4178

RECIRCULATED NOTICE OF PREPARATION OF A DRAFT PROGRAM ENVIRONMENTAL ASSESSMENT

Project Title:
Draft Program Environmental Assessment for Proposed Rule 4001 – Maintenance of AQMP Emission Reduction Targets At Commercial Marine Ports

Project Location:
South Coast Air Quality Management District (SCAQMD) area of jurisdiction consisting of the four-county South Coast Air Basin (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin and the Mojave Desert Air Basin

Description of Nature, Purpose, and Beneficiaries of Project:
SCAQMD staff is proposing to adopt Rule 4001 – Maintenance of AQMP Emission Reduction Targets At Commercial Marine Ports, to establish actions to be taken in the event that emissions reductions from port-related sources do not meet or are not on track to maintain the emission targets assumed in the Final 2012 Air Quality Management Plan (AQMP) for the purpose of meeting and maintaining the federal 24-hour PM2.5 standard. Proposed Rule (PR) 4001 would apply to the Port of Los Angeles and the Port of Long Beach. The Recirculated Notice of Preparation/Initial Study (NOP/IS) identifies the topics of aesthetics, air quality and greenhouse gases, biological resources, cultural resources, energy, hazards and hazardous materials impacts, hydrology and water quality, land use and planning, noise, public services, solid and hazardous waste, and, transportation and traffic as areas that may be adversely affected by the proposed project. Impacts to these environmental areas will be further analyzed in the Draft Program Environmental Assessment (PEA).

Lead Agency:	**Division:**
South Coast Air Quality Management District	Planning, Rule Development and Area Sources

Recirculated NOP/IS and all supporting documentation are available at:	**or by calling:**	**or by accessing the SCAQMD's website at:**
SCAQMD Headquarters 21865 Copley Drive Diamond Bar, CA 91765	(909) 396-2039	http://www.aqmd.gov/ceqa/aqmd.html

The Recirculated NOP/IS is provided to the public through the following:

☑ Los Angeles Times (November 26, 2013)
☑ SCAQMD Public Information Center
☑ SCAQMD Mailing List & Interested Parties
☑ SCAQMD Website

Recirculated NOP/IS Review Period (38 days):
November 26, 2013 – January 2, 2014

The proposed project may have statewide, regional or areawide significance; therefore, a CEQA scoping meeting is required (pursuant to Public Resources Code §21083.9 (a)(2)) and will be held on December 17, 2013. See Scheduled Public Meeting Dates below for details.

Scheduled Public Meeting Dates (subject to change):
Public Workshop and CEQA Scoping Meeting: December 17, 2013, 6:30 p.m.; Banning's Landing, 100 East Water Street, Wilmington, CA 90744

SCAQMD Governing Board Hearing: April 4, 2014, 9:00 a.m.; SCAQMD Headquarters

Send CEQA Comments to:	**Phone:**	**Email:**	**Fax:**
Ms. Barbara Radlein	(909) 396-2716	bradlein@aqmd.gov	(909) 396-3324
Direct Questions on Proposed Rule:	**Phone:**	**Email:**	**Fax:**
Mr. Randall Pasek	(909) 396-2251	rpasek@aqmd.gov	(909) 396-3324

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

RECIRCULATED INITIAL STUDY FOR:

DRAFT PROGRAM ENVIRONMENTAL ASSESSMENT FOR PROPOSED RULE 4001 – MAINTENANCE OF AQMP EMISSION REDUCTION TARGETS AT COMMERCIAL MARINE PORTS

November 2013

SCAQMD No. 07232013BAR
State Clearinghouse No: 2013071072

Author:	Barbara Radlein	Air Quality Specialist, CEQA
Reviewed By:	Barbara Baird	Chief Deputy Counsel
	Henry Hogo	Assistant Deputy Executive Officer, Science and Technology Advancement
	Michael Krause	Program Supervisor, CEQA
	Megan Lorenz	Senior Deputy District Counsel
	Randall Pasek, Ph.D.	Planning and Rules Manager, Science and Technology Advancement
	Veera Tyagi	Senior Deputy District Counsel

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD

CHAIRMAN: DR. WILLIAM A. BURKE
Speaker of the Assembly Appointee

VICE CHAIR: DENNIS YATES
Mayor, Chino
Cities of San Bernardino

MEMBERS:

MICHAEL D. ANTONOVICH
Supervisor, Fifth District
County of Los Angeles

BEN BENOIT
Councilmember, Wildomar
Cities of Riverside County

JOHN J. BENOIT
Supervisor, Fourth District
County of Riverside

JOE BUSCAINO
Councilmember, Fifteenth District
City of Los Angeles

MICHAEL A. CACCIOTTI
Councilmember, South Pasadena
Cities of Los Angeles County/Eastern Region

JOSIE GONZALES
Supervisor, Fifth District
County of San Bernardino

JOSEPH K. LYOU, Ph.D.
Governor's Appointee

JUDITH MITCHELL
Mayor Pro Tem, Rolling Hills Estates
Cities of Los Angeles County/Western Region

SHAWN NELSON
Supervisor, Fourth District
County of Orange

DR. CLARK E. PARKER, SR.
Senate Rules Committee Appointee

MIGUEL A. PULIDO
Mayor, Santa Ana
Cities of Orange County

EXECUTIVE OFFICER:
BARRY R. WALLERSTEIN, D.Env.

TABLE OF CONTENTS

CHAPTER 1

PROJECT DESCRIPTION

INTRODUCTION

The California Legislature created the South Coast Air Quality Management District (SCAQMD) in 1977[1] as the agency responsible for developing and enforcing air pollution control rules and regulations in the South Coast Air Basin (Basin) and portions of the Salton Sea Air Basin and Mojave Desert Air Basin referred to herein as the District. By statute, the SCAQMD is required to adopt an air quality management plan (AQMP) demonstrating compliance with all federal and state ambient air quality standards for the District[2]. Furthermore, the SCAQMD must adopt rules and regulations that carry out the AQMP[3]. The Final 2012 AQMP concluded that reductions in emissions of particulate matter (PM), oxides of sulfur (SOx), oxides of nitrogen (NOx), and volatile organic compounds (VOC) are necessary to attain the state and national ambient air quality standards for ozone, and particulate matter with an aerodynamic diameter of 2.5 microns or less (PM2.5).

The Final 2012 AQMP sets forth a comprehensive program for the Basin to comply with the federal 24-hour PM2.5 air quality standard, satisfy the planning requirements of the federal Clean Air Act, and provide an update to the Basin's commitments towards meeting the federal 8-hour ozone standard. It also serves to satisfy the recent requirements promulgated by the United States Environmental Protection Agency (EPA) for a new attainment demonstration of the revoked 1-hour ozone standard, as well as a vehicle miles traveled (VMT) emissions offset demonstration. One of the PM2.5 control measures in the Final 2012 AQMP, Control Measure IND-01 - Backstop Measure For Indirect Sources of Emissions From Ports And Port-Related Facilities, is a measure designed to ensure that projected emissions reductions from emission control efforts at the two commercial ports located in the Basin, the Port of Los Angeles (POLA) and the Port of Long Beach (POLB), are achieved and maintained. The projected emission reductions for these two ports, as adopted in the 2006/2010 San Pedro Bay Ports Clean Air Action Plan, were included in the baseline inventory in the Final 2012 AQMP such that any changes to these emissions reductions could affect the attainment demonstration or the maintenance of the air quality standard in subsequent years.

Control Measure IND-01 contains specific emission reduction targets for port-related emission sources (i.e., ocean-going vessels, on-road trucks, locomotives, harbor craft, and cargo handling equipment), but it does not call for additional emission reductions beyond those realized with existing regulations and emission reductions programs implemented at the Ports to date. Control Measure IND-01 is a backstop measure to ensure that the emission targets are achieved and maintained, and if the backstop is triggered (i.e., if emissions from port-related sources exceed targets for NOx, SOx, and PM2.5), the Ports would be required to achieve additional emission reductions for some or all port-related sources, including but not limited to trucks, cargo handling equipment, harbor craft, marine vessels, and locomotives, to the extent strategies are cost-effective and within the Ports' authority.

The backstop requirement become effective only if the emissions of NOx, SOx and PM2.5 from port-related sources exceed the emissions targets as projected by the Ports. These are the same levels that are assumed in the Final 2012 AQMP emissions inventory. As such, the backstop requirement as implemented in PR 4001, if triggered, could apply to a variety of emission

[1] The Lewis-Presley Air Quality Management Act, 1976 Cal. Stats., ch 324 (codified at Health and Safety Code, §§40400-40540).
[2] Health and Safety Code, §40460 (a).
[3] Health and Safety Code, §40440 (a).

sources and the amount of additional emission reductions that may be needed to achieve the original emission reductions projected in the Final 2012 AQMP is unknown at this time. However, if emissions do not exceed such targets, the Ports will have no further obligations to find additional strategies to reduce emissions.

Proposed Rule (PR) 4001 – Maintenance of AQMP Emission Reduction Targets At Commercial Marine Ports, would implement Control Measure IND-01, by establishing actions to be taken in the event that emission reductions from port-related sources do not meet or are not on track to maintain the emission targets assumed in the Final 2012 AQMP for the purpose of meeting and maintaining the federal 24-hour PM2.5 standard.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The California Environmental Quality Act (CEQA), California Public Resources Code §21000 *et seq.*, requires environmental impacts of proposed projects to be evaluated and feasible methods to reduce, avoid or eliminate significant adverse impacts of these projects to be identified and implemented. The lead agency is the "public agency that has the principal responsibility for carrying out or approving a project that may have a significant effect upon the environment" (Public Resources Code §21067). Since the SCAQMD has the primary responsibility for supervising or approving the entire project as a whole, it is the most appropriate public agency to act as lead agency (CEQA Guidelines[4] §15051 (b)).

CEQA requires that all potential adverse environmental impacts of proposed projects be evaluated and that methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented if feasible. The purpose of the CEQA process is to inform the SCAQMD Governing Board, public agencies, and interested parties of potential adverse environmental impacts that could result from implementing the proposed project and to identify feasible mitigation measures or alternatives, when an impact is significant.

Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of an environmental impact report once the Secretary of the Resources Agency has certified the regulatory program. The SCAQMD's regulatory program was certified by the Secretary of Resources Agency on March 1, 1989, and has been adopted as SCAQMD Rule 110 – Rule Adoption Procedures to Assure Protection and Enhancement of the Environment.

CEQA includes provisions for the preparation of program CEQA documents in connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, including adoptions of broad policy programs as distinguished from those prepared for specific types of projects such as land use projects, for example (CEQA Guidelines §15168). A program CEQA document also allows consideration of broad policy alternatives and program-wide mitigation measures at a time when an agency has greater flexibility to deal with basic problems of cumulative impacts. Lastly, a program CEQA document also plays an important role in establishing a structure within which CEQA review of future related actions can effectively be conducted. This concept of covering broad policies in a program CEQA document and incorporating the information contained therein by reference into subsequent CEQA documents for specific projects is known as "tiering" (CEQA Guidelines §15152).

[4] The CEQA Guidelines are codified at Title 14 California Code of Regulations, §15000 et seq.

A program CEQA document will provide the basis for future environmental analyses and will allow future project-specific CEQA documents, if necessary, to focus solely on the new effects or detailed environmental issues not previously considered. If an agency finds that no new effects could occur, or no new mitigation measures would be required, the agency can approve the activity as being within the scope of the project covered by the program CEQA document and no new environmental document would be required (CEQA Guidelines §15168 (c)(2)).

PR 4001 is considered a "project" as defined by CEQA. PR 4001 will assure that the originally projected emission reductions in the Final 2012 AQMP are achieved and maintained as well as provide an overall environmental benefit to air quality. However, SCAQMD's review of the proposed project also shows that implementation of PR 4001 may also have a significant adverse effect on the environment. Since PR 4001 may have statewide, regional or areawide significance, a CEQA scoping meeting is also required to be held for the proposed project pursuant to Public Resources Code §21083.9 (a)(2). The CEQA scoping meeting will be held on December 17, 2013 at 6:30 p.m. at Banning's Landing, 100 East Water Street in Wilmington, CA 90744.

In addition, since the proposed adoption and subsequent implementation of PR 4001: 1) is connected to the issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program (CEQA Guidelines §15168 (a)(3)); and, 2) contains a series of actions that can be characterized as one large project and the series of actions are related as individual activities that would be carried out under the same authorizing regulatory authority and having similar environmental effects which can be mitigated in similar ways (CEQA Guidelines §15168 (a)(4)), the type of CEQA document to be prepared for the proposed project will be a Program Environmental Assessment (PEA). The PEA is a substitute CEQA document, prepared in lieu of a program environmental impact report (EIR) (CEQA Guidelines §15252), pursuant to the SCAQMD's Certified Regulatory Program (CEQA Guidelines §15251 (l); codified in SCAQMD Rule 110). The PEA is also a public disclosure document intended to: 1) provide the lead agency, responsible agencies, decision makers and the general public with information on the environmental impacts of the proposed project; and, 2) be used as a tool by decision makers to facilitate decision making on the proposed project.

The first step of preparing a Draft PEA is to prepare a Notice of Preparation (NOP) with an Initial Study (IS) that includes an Environmental Checklist and project description. The Environmental Checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. The NOP/IS is also intended to provide information about the proposed project to other public agencies and interested parties prior to the release of the Draft PEA.

On July 23, 2013, the SCAQMD released a NOP/IS for the proposed project for a 30-day public review period which ended on August 21, 2013. In addition, a CEQA Scoping Meeting was held on August 14, 2013. The initial evaluation in the NOP/IS identified the topics of air quality and greenhouse gases, energy, hazards and hazardous materials impacts, hydrology and water quality, solid and hazardous waste, and, transportation and traffic as potentially being adversely affected by the proposed project. At the time of release of the NOP/IS, rule language for PR 4001 had not been developed. However, a copy of Control Measure IND-01 was included in the NOP/IS and formed the basis for the project description, in lieu of the text of PR 4001, as it provided the general concepts and framework necessary for developing the draft rule. During the public comment period of the NOP/IS, the SCAQMD received nine comment letters with

several of the comments requesting the SCAQMD to recirculate the NOP/IS once rule language for PR 4001 was drafted. In addition, the SCAQMD received comments that identified other potentially significant adverse environmental impacts from the proposed project (e.g., aesthetics, biological resources, cultural resources, land use and planning, noise, and public services).

To afford the public the additional opportunity to review and comment on the draft rule, the NOP/IS is being recirculated for a second public review period. The Recirculated NOP/IS includes PR 4001 and a revised preliminary environmental evaluation. Written comments on the NOP/IS will be considered if received by the SCAQMD during the review period from November 26, 2013 to January 2, 2014 (38 days) when preparing the Draft PEA. The Draft PEA will be prepared to analyze further whether the potential impacts to these environmental topics are significant.

Comments submitted on the July 23, 2013 NOP/IS are included in the administrative record and are available for downloading from SCAQMD's website at: http://www.aqmd.gov/ceqa/documents/2013/aqmd/NOP-IS/4001-nop-is-comment-letters.pdf. However, because the NOP/IS has been revised and recirculated, the previous comments submitted do not require a written response in the Draft PEA; thus, responses to the comments received relative to the July 23, 2013 NOP/IS will not be prepared. Instead, reviewers of the Recirculated NOP/IS are requested to submit new comments relative to the Recirculated NOP/IS and should include any of the previous comments raised relative to the July 23, 2013 NOP/IS that they believe are still applicable. Responses to these new comments will be prepared and included in the Draft PEA. Any other potentially significant environmental impacts identified through this Recirculated NOP/IS process will also be analyzed in the Draft PEA.

PROJECT LOCATION

The SCAQMD has jurisdiction over an area of approximately 10,743 square miles, consisting of the four-county South Coast Air Basin (Basin) (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of the SCAQMD's jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto mountains to the north and east. It includes all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. The federal nonattainment area (known as the Coachella Valley Planning Area) is a subregion of Riverside County and the SSAB that is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east (Figure 1-1). While PR 4001 would be applicable to POLA and POLB, both of which are located within Los Angeles County, implementation of control strategies to eliminate the emission reduction shortfall may potentially include actions that will provide air quality benefits to the communities surrounding the Port (which are also located in Los Angeles County) as well as any other strategies proposed by the Ports which could extend beyond Los Angeles County.

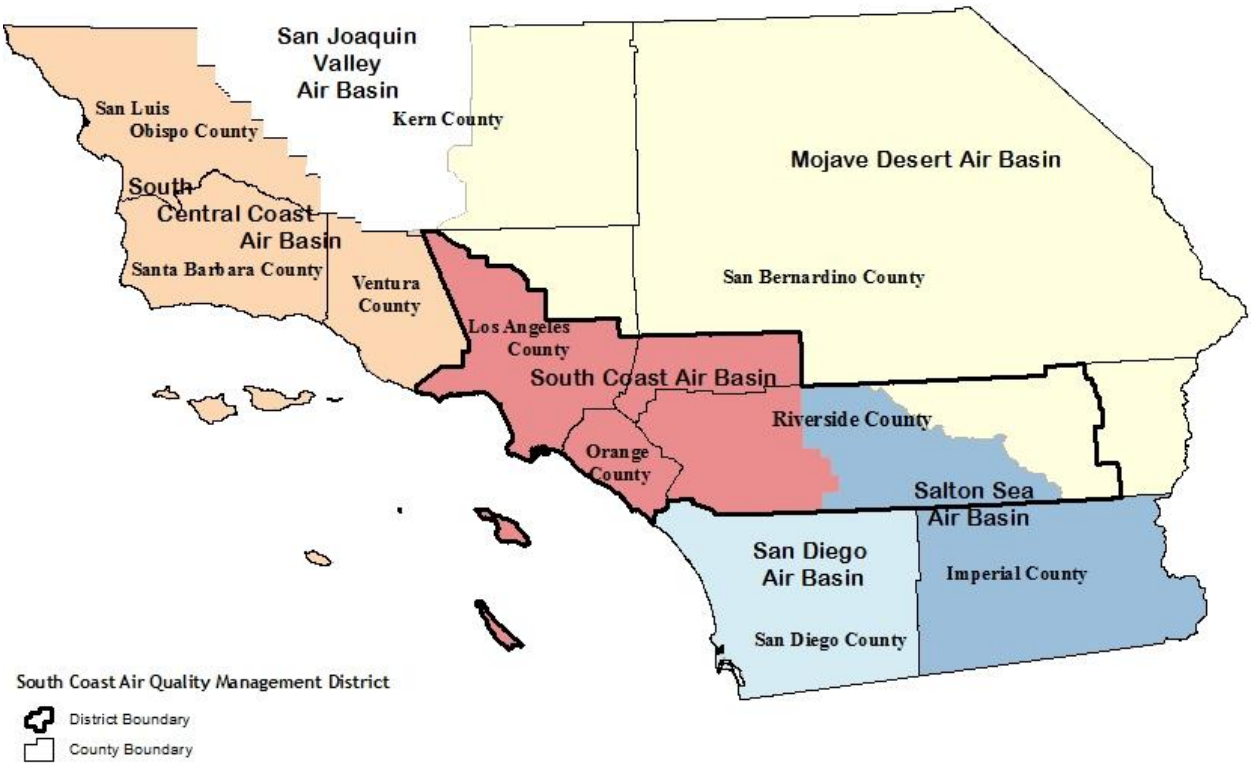

FIGURE 1-1
Southern California Air Basins

PROJECT BACKGROUND

POLA is the largest manmade harbor in the Western Hemisphere, serving as the largest container port in the United States and the eighth largest in the world. Essentially a giant industrial complex, it is a critical hub in the international supply chain, encompassing 7,500 acres and 24 terminals for automobile, container, omni, break-bulk, and cruise ships; liquid and dry bulk facilities; and, extensive transportation infrastructure for moving truck and rail cargo. POLA serves as a landlord to approximately 80 shipping companies and agents along 43 miles of waterfront. POLA leases to over 300 commercial tenants and provides slips for approximately 6,000 pleasure craft, sport fishing boats, and charter vessels. Furthermore, POLA accommodates commercial fishing operations, canneries, shipyards, and boat repair yards.

POLB serves as the second largest container port in the United States and the 16th busiest container port in the world. Similar in operation to POLA, POLB is considered a key transportation hub in the global trade marketplace consisting of 28 miles of waterfront, 3,200 acres of land, 10 piers, and 80 berths.

Overall, POLA and POLB are the largest ports in the nation in terms of container throughput, and operational activities by the Ports' tenants are collectively the single largest fixed source of air pollution in Southern California. Specifically, emission sources at the Ports such as marine vessels, locomotives, trucks, harbor craft, and cargo handling equipment, continue to be among the largest sources of NOx, SOx and PM2.5 in the region. To address this problem, both ports adopted the San Pedro Bay Ports Clean Air Action Plan (CAAP) in 2006 to reduce NOx, SOx

and PM2.5 emissions. In addition, the CAAP was amended in 2010 to update many of the goals and implementation strategies for reduction of air emissions and health risks associated with port operations while maintaining port development and economic growth. As a result, emissions from port-related sources have been substantially reduced since 2006 through regulatory requirements and programs developed and implemented by both ports in collaboration with port tenants, marine carriers, trucking interests and railroads.

The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with NOx and SOx. The goals set forth in the CAAP include:

- Health Risk Reduction Standard: 85% reduction in population-weighted cancer risk by 2020
- Emission Reduction Standards:
  - By 2014, reduce emissions by 72% for DPM, 22% for NOx, and 93% for SOx
  - By 2023, reduce emissions by 77% for DPM, 59% for NOx, and 93% for SOx

In addition to the CAAP, both ports have completed annual inventories of port-related sources since 2005. These inventories have been completed with input from and review by a technical working group composed of the SCAQMD, CARB, and EPA. Based on the latest inventories, estimates from port-related sources show that emissions will meet the Final 2012 AQMP emission targets necessary for meeting the 24-hr PM2.5 ambient air quality standard. The projected emissions from port-related sources are included in the "baseline" emissions assumed in this plan to attain the PM2.5 standards.

While many of the emission reduction targets in the CAAP result from implementation of federal and state regulations (either adopted prior to or after the CAAP), some are contingent upon both ports taking and maintaining actions which are not required by air quality regulations. These actions include the Expanded Vessel Speed Reduction Incentive Program, lower-emission switching locomotives, and incentives for lower emission marine vessels.

Besides state and federal regulations, emission reduction strategies are implemented through new leases or port-wide tariffs, Memoranda of Understanding (MOU), voluntary actions, grants and incentive programs. These measures have included programs to deploy low emission drayage trucks, shore-power, and low emission cargo handling equipment. The Ports have established incentive programs for implementing low emission technologies and operational controls such as preferential routing of new low emission vessels meeting International Maritime Organization (IMO) Tier 2 and 3 NOx standards, and vessel speed reduction inside California waters. In addition, the Ports have implemented a Technology Advancement Program to develop and encourage the deployment of clean technologies through demonstration projects.

Thus, PR 4001 relies on the emission inventories and the emission reductions projected in the Final 2012 AQMP and is designed to provide a "backstop" to the Ports' actions to provide assurance that, if emission reductions from port-related sources do not meet or are not on track to maintain the emission targets, the Ports will develop an Emission Reduction Plans to implement control strategies to get back on track, to the extent the strategies are within the authority of the Ports to implement and are cost-effective. If the backstop requirement becomes effective (i.e., if emissions from port-related sources exceed targets for NOx, SOx, and PM2.5), emission

reduction strategies would be proposed by the Ports and could include some or all port-related sources (i.e., trucks, cargo handling equipment, harbor craft, marine vessels, and locomotives).

PROJECT DESCRIPTION

PR 4001 is a newly proposed SCAQMD rule that will affect commercial marine ports, specifically POLA and POLB. PR 4001 is based on the following key concepts provided in Control Measure IND-01. A copy of Control Measure IND-01 can be found in Appendix A. A copy of PR 4001 can be found in Appendix B.

- The Ports would report emissions of NOx, SOx and PM2.5 on an annual basis.
- The NOx, SOx and PM2.5 emissions are converted to a "PM2.5 equivalent" value and the percent reduction in PM2.5 equivalent emissions from the 2008 Baseline is compared to a reduction target of 75 percent.
- PR 4001 backstop requirement becomes effective only if the emissions from port-related sources do not achieve and maintain the emission targets assumed in the Final 2012 AQMP.
- If the percent reduction meets or exceeds the 75 percent reduction target, the Ports will have no additional obligations under the proposed rule.
- If the percent reduction is less than the 75 percent reduction target, the Ports would be required to submit an Emission Reduction Plan to address the emission reduction shortfall.
- The Ports would be required to propose control strategies in the Emission Reduction Plan to eliminate the shortfall. The control strategies would be implemented within 18 months of the plan approval.
- PR 4001 would not require any strategy that the Ports lack legal authority or is not cost-effective as defined in the rule.
- If an Emission Reduction Plan is submitted, the SCAQMD will approve or disapprove the plan, in whole or in part, based on the requirements set forth in the rule.

The following is a summary of PR 4001.

PR 4001 – Maintenance of AQMP Emission Reduction Targets At Commercial Marine Ports

Purpose - subdivision (a)

This subdivision establishes the actions to be taken in the event that emission reductions from port-related sources do not meet or are not on track to maintain the emission targets assumed in the Final 2012 AQMP for the purpose of meeting and maintaining the federal 24-hour PM2.5 standard in 2014 and maintenance of attainment in subsequent years.

Applicability - subdivision (b)

This subdivision establishes the applicability of PR 4001 to include commercial marine ports located in the District, acting through their respective Boards of Harbor Commissions (e.g., POLA and POLB). The Ports may comply with PR 4001 either jointly or separately.

Definitions - subdivision (c)
The following definitions are proposed for inclusion in PR 4001: "baseline emissions," "commercial marine port (or ports)," "control strategy," "emissions target," "feasible control strategy" "PM2.5 equivalent," "port-related sources," and "reduction target."

Emissions Reporting Requirements - subdivision (d)
Paragraph (d)(1) establishes general timing requirements for the Ports to submit a report of estimated emissions by November 1, 2014 for NOx, SOx, and PM2.5 from port-related sources for calendar year 2014. Paragraph (d)(1) requires the emissions reported for calendar year 2014 to be based on actual activity information available prior to November 1, 2014 and projected activity information available for the remainder of the calendar year.

Paragraph (d)(2) establishes general timing requirements for the Ports to annually submit a report of actual emissions to the SCAQMD beginning on or before July 1, 2015 and each July 1st thereafter ending July 1, 2020 for NOx, SOx, and PM2.5 from all port-related sources for the preceding calendar year. Subparagraph (d)(2)(A) requires the Ports to report progress in meeting the shortfall in the event an Emission Reduction Plan is required pursuant to subdivision (f).

Paragraph (d)(3) requires the emissions calculation methodologies used for developing the reported emissions to be the same methodologies used to prepare the emission inventories in the Final 2012 AQMP.

Paragraph (d)(4) allows new emission calculation methodologies to be proposed and applied to baseline emissions, emissions developed for 2014 and subsequent calendar years, in lieu of the methodologies used for preparing the Final 2012 AQMP, provided that the Ports Emissions Inventory Technical Working Group comprised of staff from the Ports, SCAQMD, CARB and EPA have provided input and the new emission calculation methodologies have been approved by the SCAQMD, CARB and EPA.

Maintenance of Reduction Targets - subdivision (e)
Subparagraph (e)(1)(A) requires the SCAQMD's Executive Officer to notify the Ports within 30 days after the submittal of an annual emissions report that the requirement to submit an Emission Reduction Plan or a revision to the plan shall not apply for the year covered by the report if the percent reduction in actual PM2.5 Equivalent emissions from the baseline emissions met or exceeded the reduction target of 75 percent for the year covered by the report.

Subparagraph (e)(1)(B) requires the SCAQMD's Executive Officer to notify the Ports within 30 days after the submittal of an annual emissions report of the requirement to submit an Emission Reduction Plan or a revision to the plan in the event that the percent reduction in actual PM2.5 Equivalent emissions from the baseline emissions is less than the reduction target of 75 percent for the year covered by the report.

Paragraph (e)(2) requires the SCAQMD's Executive Officer on or before July 1, 2017 to review the reduction target based on the latest available information, including future year emissions in the 2016 AQMP, and develop a proposed amendment to Rule 4001 for consideration by the SCAQMD's Governing Board that would revise the reduction target, as necessary, to conform to the 2016 AQMP reduction target.

Emission Reduction Plan Preparation, Approval, and Implementation - subdivision (f)

Subdivision (f) requires the Ports to prepare and submit to the SCAQMD an Emission Reduction Plan (Plan) or revise an existing Plan, as applicable, within 180 days of notification by the SCAQMD's Executive Officer pursuant to paragraph (e)(1), to implement as soon as possible but not later than 18 months from the date of Plan approval, additional feasible control strategies that would eliminate the emissions reduction shortfall from port-related sources and maintain the reduction target through calendar year 2020.

Subparagraph (f)(1)(A) provides that the Plan include sufficient feasible control strategies to eliminate the shortfall. Clause (f)(1)(A)(i) provides for the Ports to initiate a process for the identification of control strategies and engage CARB, EPA and SCAQMD staff in talks to discuss the nature of emission reduction shortfalls, legal jurisdiction and authority to implement potential strategies that would address the shortfall, and operational, technical, economic, commercial feasibility, and cost-effectiveness of potential strategies.

Subparagraph (f)(1)(B) establishes additional content requirements for the Plan in the event the implementation of the identified control strategies within 18 months cannot fully eliminate the shortfall. For example, clause (f)(1)(B)(i) requires the Ports to demonstrate that the Plan includes all feasible control strategies that can be implemented within 18 months as well as beyond 18 months, but no later than 30 months. Clause (f)(1)(B)(ii) requires the Plan to also include a list of all potential strategies that were identified by the Ports, public agencies, or the public during plan development that were not included in the Plan and an explanation of why they were not included.

Subparagraph (f)(1)(C) requires the Plan to contain, at minimum, the following elements for each control strategy identified: 1) a description of the actions to be taken; 2) the expected emission reductions; 3) the cost and cost-effectiveness; 4) implementation method or methods; and, 5) an implementation schedule.

Subparagraph (f)(1)(D) requires the Plan to contain a process for reporting progress made towards eliminating the emission reduction shortfall when submitting annual emissions required pursuant to subparagraph (d)(2)(A).

Subparagraph (f)(1)(E) requires the Plan to be approved by the Board of Harbor Commissioners for each Port (or jointly) at a noticed public meeting. Clause (f)(1)(E)(i) also requires the Ports to conduct at least one noticed public meeting no later than 60 days prior to the meeting of the Board of Harbor Commissioners' consideration of the Plan.

Paragraph (f)(2) requires the SCAQMD Executive Officer to approve or disapprove the Plan within 45 days of receipt.

Subparagraph (f)(2)(A) allows the SCAQMD Executive Officer to approve a Plan provided that it complies with the plan preparation and submittal requirements pursuant to paragraph (f)(1). Clause (f)(2)(A)(i) requires the Ports to implement the Plan upon approval.

Subparagraph (f)(2)(B) also allows the SCAQMD Executive Officer to partially or wholly disapprove the Plan if it does not comply the plan preparation and submittal requirements pursuant to paragraph (f)(1). Clause (f)(2)(B)(i) requires the SCAQMD's Executive Officer to

provide written notification to the Port(s) if the Plan is disapproved and the reasons for disapproval.

Clause (f)(2)(C)(i) requires the Ports to implement the control strategies in the approved portion of the Plan, in the event the Plan is partially disapproved.

Clause (f)(2)(C)(ii) requires the Ports to submit a revised Plan to the SCAQMD within 60 days of receiving notification that the Plan is disapproved, in whole or in part. Clause (f)(2)(C)(iii) allows the Ports to appeal the disapproved Plan, or portions thereof to the Hearing Board, and, in the event of an appeal, a revised Plan is required within 60 days of the Hearing Board decision if the Hearing Board upholds the SCAQMD's decision.

Subparagraph (f)(2)(D) requires the submitted Plan to be subject to the requirements in SCAQMD Rule 221 – Plans and SCAQMD Regulation II – Permits.

Subparagraph (f)(2)(E) requires the SCAQMD to provide public notice regarding any action on the Plan and contains procedures for mailing the notice.

Subparagraph (f)(2)(F) requires the SCAQMD Executive Officer to approve or disapprove, either entirely or in part, a revised Plan within 45 days of receiving the revised Plan. Clause (f)(2)(F)(i) also requires the Ports to implement the control strategies in the approved portion of the revised Plan, in the event the Plan is partially disapproved and the remaining disapproved portion of the revised Plan will be considered in violation of Rule 4001. Clause (f)(2)(F)(ii) establishes that the Port(s) will be in violation of PR 4001 for the disapproved portions of the revised Plan.

Variance and Appeal Process - subdivision (g)

Paragraph (g)(1) identifies a mechanism for the Ports to petition the SCAQMD Hearing Board for a variance from any provision in PR 4001.

Paragraph (g)(2) provides a mechanism that would allow the Ports to appeal a Plan disapproval to the SCAQMD Hearing Board in accordance with the requirements in SCAQMD Rule 216 – Appeals. In the event the appeal is subsequently denied, within 60 days of the Hearing Board denial, the Ports shall either implement the approved portions of the Plan and submit a revised Plan in accordance with the procedures in subparagraph (f)(2)(C) or subparagraph (f)(2)(F), as applicable.

Severability - subdivision (h)

Subdivision (h) establishes a severability clause in the event any portion of PR 4001 is determined to be invalid by judicial order or inapplicable to certain persons or circumstances such that the remaining, unaffected portion(s) of PR 4001 will remain valid and the persons or circumstances covered by the exception shall be required to comply with the remainder of PR 4001.

TECHNOLOGY OVERVIEW

The Ports, in accordance with the CAAP, identified the following implementation strategies as ways to achieve emission reductions[5]:

- Lease Requirements
- Tariff Changes
- Port Funded Incentives
- Grants
- Voluntary Measures and Recognition Programs
- Regulatory Requirements

The following discussion briefly explains how each of the abovementioned implementation strategies is currently being applied.

Lease Requirements: At the time a facility is renegotiating or amending an existing lease, or entering into a new lease agreement, a port, as a proprietary landlord, during negotiations can impose requirements that would reduce emissions by increasing performance on voluntary or incentive-based measures, or require customers to implement specific emission reduction strategies. Placing a requirement in a lease provides a legally binding mechanism for ensuring that the desired action is achieved and provides remedies for non-compliance. Further, since leases are negotiated on a terminal-by-terminal basis, the mix of requirements can be tailored to terminal-specific considerations.

Tariff Changes: A port tariff is the published set of rates, charges, rules and regulations for those conducting business with a port. Each port publishes its own tariffs. A tariff is generally applicable to all tenants and users of port facilities. However, individual operating leases may set requirements to a specific version or edition of the tariff such that newer changes to tariffs would not be applied to the lease retroactively.

Applying tariff changes has the effect of financially encouraging cargo owners to make more environmentally sound shipping decisions. To be effective at reducing emissions, the tariff or fee typically targets the source of pollution, and not cargo in general, and is higher for those individual sources that cause the greatest impact, while bypassing those sources that meet clearly defined goals and standards. To encourage emission reductions, the Ports may choose to provide discounted tariffs in exchange for activities that provide an air quality benefit. For example, discounted dockage rates could be offered in exchange for reducing vessel speed. Alternatively, a tariff may also act as a deterrent for certain kinds of activities that may harm the environment (such as a prohibition from dumping into harbor waters).

Tariffs are also used to accelerate emission reductions from source categories through the application of impact fees associated with the movement of cargo or sources (e.g., trucks, locomotives, vessels, etc.). For instance, a truck that does not meet the tariff requirements of the Clean Truck Program could be assessed a fee based on how old and/or "dirty" the truck is, while a clean truck meeting the requirements could be assessed no fee or a small administrative fee necessary to cover the costs of monitoring compliance. Fees collected under this type of scheme

[5] San Pedro Ports Clean Air Action Plan, 2010 Update, October 2010.

would be used to clean up the source that generated the fee. In other words, tariffs or fees assessed against a "dirty" truck would fund a clean retrofit or replacement truck.

Port Funded Incentives: Port funded incentives are measures that provide a business incentive for the participant to reduce emissions at an accelerated pace to levels beyond what is currently required by regulation or lease requirements. Incentive funding is targeted at "buying" emission reductions ahead of regulation milestones or lease renewals. Incentive funding can come from several sources including the Ports, local and state regulatory programs, federal agency programs and grants, or an additional use fee that generates money to be used to incentivize emissions reductions. An incentive-based approach makes the adoption of the various strategies cost-neutral for the participant, or provides just enough incentive for a participant to enter the program.

Several of the emission reduction strategies implemented by the Ports to date have been incentive-based and have utilized both port and local/state funds. The advantage of this approach is the accelerated implementation of control measures that will become lease requirements or proposed regulations. The disadvantage is that there is not adequate funding to support all measures, either in the Ports' operating budgets or in regional, state, or federal grant programs. Examples of successfully implemented incentive-based programs at the Ports include: POLB's Green Flag Program and POLA's companion incentive program to encourage increasing levels of vessel speed reduction (VSR) compliance, and the Vessel Main Engine Fuel Incentive Program to encourage use of low-sulfur fuel in main engines.

Grants: Grant programs can offer substantial encouragement and can be used to spur early action by port operators to move forward with replacement, repower or retrofit projects in advance of regulatory or port requirements. The EPA, through their National Clean Diesel Funding Assistance Program, has offered funding to local governments, including the Ports, for diesel emissions reduction projects. Both ports have received funding from this program on behalf of their port operators for cargo handling equipment and harbor craft projects. The Carl Moyer Program, dispersed by local air agencies like the SCAQMD, has been available since 1998, to provide grants for early emission reductions from diesel sources. Over the years, Carl Moyer Program funding has been used by port operators to replace, retrofit or repower cargo handling equipment, harbor craft and rail switcher locomotives.

In accordance with the 2004 Amended Stipulated Judgment between the Natural Resources Defense Council *et al*. and the City of Los Angeles, the POLA established the Air Quality Mitigation Incentive Program (AQMIP) and committed $20 million over five years to pay for air quality mitigation projects that would: 1) reduce DPM and NOx emissions from port operations in the communities of San Pedro and Wilmington; or, 2) develop emission reduction technologies that may be applied in the San Pedro Bay. Additional funding of approximately $8 million was deposited into the AQMIP account as a result of container throughput overages at the China Shipping Terminal. Since adoption of the CAAP in 2006, over $14.5 million has been awarded for repower and retrofit of cargo handling equipment and harbor craft, resulting in an estimated emissions reduction of 610 tons per year of NOx and PM combined. In addition, over $10 million has been awarded for new technology research and development.

Voluntary Measures and Recognition Programs: Voluntary measures are non-compensated actions agreed to and undertaken by operators, and are used or implemented by the participants without legal obligation. The implementation of voluntary measures can provide win-win

situations for participants, whereby emission reductions are achieved and are rewarded with positive press and public relations. There are many examples of voluntary actions taken by operators that have resulted in an emissions reduction, such as increasing procedural efficiency, purchasing new lower-emitting equipment, and using alternative fuels in equipment. A notable example of a voluntary measure that resulted in substantial emission reductions was the decision of Maersk Line to use low sulfur fuel in the engines of its vessels within 24 nautical miles (nm) of California ports while docked, thus paving the way for widespread use of cleaner fuels in vessel main and auxiliary engines and boilers.

In addition, operators that implement voluntary measures may receive recognition or an environmental award by a regulatory agency or environmental group. For example, the SCAQMD recognizes companies, organizations and individuals who go above and beyond the requirements to help achieve clean air through its annual Clean Air Awards program. Awards are given in the following categories: 1) advancement of air pollution control technology; 2) innovative transportation projects; 3) model community achievement; 4) public education on air quality issues; and, 5) promotion of good environmental stewardship. Similarly, to recognize efforts that go beyond existing federal, state, and local regulations and that meet both ports' definition of a "green" terminal or operation by reducing port-related air pollution consistent with CAAP goals, the annual Clean Air Action Plan Air Quality Awards Program was created in 2008.

Regulatory Requirements: Emissions from sources associated with the Ports—marine vessels, harbor craft, cargo handling equipment, locomotives, and trucks—have historically been regulated primarily by international, federal or state authorities. The International Maritime Organization (IMO), an agency of the United Nations, has established NOx emissions limitations and fuel sulfur specifications for oceangoing vessels; the EPA has adopted emission standards for new locomotives, new trucks and some marine engines; and, CARB has adopted standards for new trucks, in-use trucks, in-use off-road equipment, in-use cargo handling equipment, and new and in-use marine engines. Neither federal nor international law explicitly require the EPA or IMO regulations to be sufficiently stringent to meet the needs of a particularly polluted region such as the Basin, and the rules adopted by those bodies have not met those needs. A summary of key regulatory and other actions taken to date regarding port emissions are as follows:

- *International Maritime Organization Emissions and Fuel Standards:* The IMO MARPOL Annex VI, which came into force in May 2005, set new international NOx emission limits on Category 3 (>30 liters per cylinder displacement) marine engines installed on new vessels retroactive to the year 2000. In October 2008, the IMO adopted an amendment which places a global limit on marine fuel sulfur content of 1,000 parts per million (ppm) by 2015 for specific areas known as Emission Control Areas (ECA). The South Coast District waters off of the California coast are included in an ECA and ships calling at POLA and POLB are required to meet this new fuel standard. In addition, the 2008 IMO amendment required new ships built after January 1, 2016 which will be used in an Emission Control Area (ECA) to meet a Tier III NOx emission standard which is 80 percent lower than the original emission standard[6].
- *EPA Marine Vessel Regulations:* The EPA has adopted regulations for small and medium marine diesel engines. Larger ocean going vessel engines are subject to IMO

[6] Recently, Russia proposed to delay this requirement for ships built in 2021 and later. IMO gave tentative approval to the proposal but a final decision will be made in March 2014.

standards described above. EPA, a participating member of IMO, provided input to the fuel sulfur and NOx emission standards adopted by IMO and continues to work with international organizations to establish global engine and fuel standards.

- *EPA Emission Standards for Locomotives:* To reduce emissions from switch and line-haul locomotives, EPA promulgated a series of increasingly strict emission standards for new or remanufactured locomotive engines. The emission standards are implemented by "Tier" with Tier 0 as the least stringent and Tier 4 being the most stringent. EPA also established remanufacture standards for both line haul and switch engines. For Tiers 0, 1, and 2, the remanufacture standards are more stringent than the new manufacture standards for those engines for some pollutants.
- *EPA and CARB Emission Standards for New Trucks:* To reduce emissions from on-road, heavy-duty diesel trucks, EPA promulgated the 2007 Heavy-Duty Highway Rule which contains emission standards for new engines starting with model year 2010 new heavy-duty trucks.
- *CARB In-use Fleet Rules:* Between 2005 and 2010, CARB adopted several rules that reduce emissions at the Ports by requiring accelerated modernization of equipment by replacing, retrofitting, or repowering old equipment with new equipment. These rules include the following: 1) In-Use Truck and Bus Rule; 2) In-use Off-road Equipment Rule; 3) Cargo Handling Rule; 4) Drayage Truck Rule; 5) Commercial Harbor Craft Rule; and, 6) At-Berth Auxiliary Engine (Shorepower) Rule.
- *CARB Marine Fuel Rule:* In December 2005, CARB adopted fuel sulfur standards that limit the sulfur content in marine diesel fuel to 5,000 parts per million (ppm) beginning in 2009 and decreasing to 1,000 ppm beginning in 2014. These standards are applicable to marine auxiliary engines, including those on foreign flag vessels, in waters out to 24 nautical miles.
- *SCAQMD Regulation XXXV – Railroads and Railroad Operations:* The SCAQMD adopted Regulation XXXV – Railroads and Railroad Operations, which consists of three rules that address emissions from locomotives and railyards. Rule 3501 – Recordkeeping for Locomotive Idling, requires recordkeeping of idling events in order to identify opportunities for reducing idling emissions and to assist in quantifying idling emissions. Rule 3502 - Minimization of Emissions from Locomotive Idling, requires railroads to minimize unnecessary locomotive idling. Rule 3503 - Emissions Inventory and Health Risk Assessment for Railyards, requires operators of railroads and railyards to develop emissions inventories, prepare health risk assessments and notify the public of health risks. A federal District Court decision prevents these rule from being implemented until they become federally enforceable. Rules 3501 and 3502 have been submitted to EPA for inclusion into the state implementation plan (SIP).

While none of the aforementioned implementation strategies are prescribed in PR 4001, if the backstop provisions are required, the Ports (either individually or jointly) would be required to prepare an Emission Reduction Plan that identifies control strategies to make up for the shortfall. As a practical matter, the control strategies will likely be similar to those currently included in the CAAP.

ALTERNATIVES

The Draft PEA will discuss and compare a range of reasonable alternatives to the proposed project as required by CEQA Guidelines §15126.6 and by SCAQMD Rule 110 where there are potential significant adverse environmental impacts. Alternatives must include realistic measures for attaining the basic objectives of the proposed project and provide a means for evaluating the comparative merits of each alternative. In addition, the range of alternatives must be sufficient to permit a reasoned choice and it need not include every conceivable project alternative. The key issue is whether the selection and discussion of alternatives fosters informed decision making and public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

SCAQMD Rule 110 does not impose any greater requirements for a discussion of project alternatives in an environmental assessment than is required for an Environmental Impact Report under CEQA. Alternatives will be developed based in part on the major components of the proposed rule. The rationale for selecting alternatives rests on CEQA's requirement to present "realistic" alternatives; that is alternatives that can actually be implemented. CEQA also requires an evaluation of a "No Project Alternative."

SCAQMD's policy document Environmental Justice Program Enhancements for fiscal year (FY) 2002-03, Enhancement II-1 recommends that all SCAQMD CEQA assessments include a feasible project alternative with the lowest air toxics emissions. In other words, for any major equipment or process type under the scope of the proposed project that creates a significant environmental impact, at least one alternative, where feasible, shall be considered from a "least harmful" perspective with regard to hazardous air emissions.

The SCAQMD may choose to adopt any portion or all of any alternative presented in the EA with appropriate findings as required by CEQA. The SCAQMD is able to adopt any portion or all of any of the alternatives presented because the impacts of each alternative will be fully disclosed to the public and the public will have the opportunity to comment on the alternatives and impacts generated by each alternative.

Written suggestions on potential project alternatives received during the comment period for the Initial Study will be considered when preparing the Draft PEA.

CHAPTER 2

ENVIRONMENTAL CHECKLIST

INTRODUCTION

The environmental checklist provides a standard evaluation tool to identify a project's potential adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by adopting PR 4001.

GENERAL INFORMATION

Project Title:	Draft Program Environmental Assessment for Proposed Rule 4001 – Maintenance of AQMP Emission Reduction Targets At Commercial Marine Ports
Lead Agency Name:	South Coast Air Quality Management District
Lead Agency Address:	21865 Copley Drive, Diamond Bar, CA 91765
CEQA Contact Person:	Barbara Radlein, (909) 396-2716
PR 4001 Contact Person:	Randall Pasek, (909) 396-2251
Project Sponsor's Name:	South Coast Air Quality Management District
Project Sponsor's Address:	21865 Copley Drive, Diamond Bar, CA 91765
General Plan Designation:	Not applicable
Zoning:	Not applicable
Description of Project:	SCAQMD staff is proposing to adopt PR 4001 to establish actions to be taken in the event that emission reductions from port-related sources do not meet or are not on track to maintain the emission targets assumed in the Final 2012 AQMP for the purpose of meeting and maintaining the federal 24-hour PM2.5 standard. PR 4001 would apply to the POLA and POLB. The Recirculated NOP/IS identified the topics of aesthetics, air quality and greenhouse gases, biological resources, cultural resources, energy, hazards and hazardous materials impacts, hydrology and water quality, land use and planning, noise, public services, solid and hazardous waste, and, transportation and traffic as areas that may be potentially adversely affected by the proposed project. Impacts to these environmental areas will be further analyzed in the Draft PEA.
Surrounding Land Uses and Setting:	Industrial, commercial, and residential
Other Public Agencies Whose Approval is Required:	Port of Los Angeles Board of Harbor Commissioners and the Port of Long Beach Board of Harbor Commissioners, as applicable

POTENTIALLY SIGNIFICANT IMPACT AREAS

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. Any checked items represent areas that may be adversely affected by the proposed project. An explanation relative to the determination of impacts can be found following the checklist for each area.

☑	Aesthetics	☐	Geology and Soils	☐	Population and Housing
☐	Agriculture and Forestry Resources	☑	Hazards and Hazardous Materials	☑	Public Services
☑	Air Quality and Greenhouse Gas Emissions	☑	Hydrology and Water Quality	☐	Recreation
☑	Biological Resources	☑	Land Use and Planning	☑	Solid and Hazardous Waste
☑	Cultural Resources	☐	Mineral Resources	☑	Transportation and Traffic
☑	Energy	☑	Noise	☑	Mandatory Findings

DETERMINATION

On the basis of this initial evaluation:

☐ I find the proposed project, in accordance with those findings made pursuant to CEQA Guideline §15252, COULD NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts has been prepared.

☐ I find that although the proposed project could have a significant effect on the environment, there will NOT be significant effects in this case because revisions in the project have been made by or agreed to by the project proponent. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.

☑ I find that the proposed project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.

☐ I find that the proposed project MAY have a "potentially significant impact" on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL ASSESSMENT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier ENVIRONMENTAL ASSESSMENT pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL ASSESSMENT, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Date: November 22, 2013

Signature: 

Michael Krause
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources

ENVIRONMENTAL CHECKLIST AND DISCUSSION

POLA and POLB are the largest ports in the nation in terms of container throughput, and operational activities by the Ports' tenants are collectively the single largest fixed source of air pollution in Southern California. Port-related sources such as marine vessels, locomotives, trucks, harbor craft, and cargo handling equipment, continue to be the largest sources of NOx, PM2.5 and PM2.5 precursors in the region. These sources play a major role in the Basin's ability to achieve the national PM2.5 ambient air quality standards. The backstop requirement in PR 4001 is based on Control Measure IND-01 from the Final 2012 AQMP and is designed to ensure that the Basin's largest source of NOx and PM2.5 emissions achieves and maintains its course of emission reductions. The projected emissions from port-related sources are included in the "baseline" emissions assumed in the Final 2012 AQMP to demonstrate attainment of the 24-hour PM2.5 standard. While many of the emission reduction targets may result from implementation of federal and state regulations, some emission reductions may be contingent upon the Ports taking and maintaining actions which are not required by existing air quality regulations.

PR 4001 relies on the emission inventories and the emission reductions projected in the Final 2012 AQMP and is designed to provide a "backstop" to ensure that, if emission reductions do not meet or are not on track to maintain the emission targets, the Ports will develop an Emission Reduction Plan to implement control strategies to get back on track, to the extent the control strategies are within the authority of the Ports to implement and are cost-effective.

Control Measure IND-01 was evaluated in the Program EIR for the Final 2012 AQMP and the following potential adverse environmental topic areas were identified: air quality and greenhouse gases, energy, hazards and hazardous materials impacts, hydrology and water quality, and, solid and hazardous waste. Since Control Measure IND-01 is the basis for development of PR 4001, responses to the following environmental checklist also focus on the abovementioned actions the Ports may take to reduce emissions beyond what would be otherwise required by regulations in the event the backstop requirement in PR 4001 is triggered. Thus, the potential adverse environmental impacts that may occur as a result of implementing PR 4001 are expected to be the same as or similar to the impacts evaluated in the Program EIR for the Final 2012 AQMP that are specific to Control Measure IND-01. In addition to the impacts identified in the Program EIR for the Final 2012 AQMP specific to Control Measure IND-01, implementation of PR 4001 may require construction and operation activities that could increase traffic. For this reason, potential adverse environmental impacts to traffic and transportation were identified in this NOP/IS and this topic, along with the other topics previously identified, will be further evaluated in the Draft PEA.

Lastly, the SCAQMD received a comment relative to the July 23, 2013 NOP/IS suggesting that implementation of the proposed project may also cause potentially adverse signification impacts for the topics of aesthetics, biological resources, cultural resource, land use and planning, noise, and public services. For this reason, potential adverse environmental impacts to these additional topic areas will be further evaluated in the Draft PEA.

As noted in CEQA Guidelines §15144, preparing a CEQA document involves some degree of forecasting. For most projects, forecasting impacts is typically done for a specific project when future actions or decisions are unknown at the time of the analysis, or, more generally, a plan, e.g., general or master plan, where some activities or only land use classifications are known.

SCAQMD staff will make conservative assumptions to estimate the impacts that may occur from the various types of control strategies that the Ports may choose to implement in an Emission Reduction Plan, in the event the emissions target in PR 4001 is not achieved. To the extent that the potential impacts from the individual plans are fully analyzed in the Draft PEA, no further analysis will be required (CEQA Guidelines § 15168 (c)).

To assist in evaluating the potential adverse environmental impacts that may occur, existing CEQA documents will be surveyed to identify projects similar to the types of projects that the Ports may choose to implement in an Emission Reduction Plan. The corresponding impact analysis in those CEQA documents will then be reviewed to augment the determination of potential impacts from the proposed project. In addition, reasonably foreseeable projects will be evaluated on their potential to emit air pollutants, including toxics, as well as their location relative to sensitive receptors and effect on other environmental topics. Finally, the analysis will assume that projects will comply with all applicable laws, rules, regulations, codes, ordinances, required standards and land use designations because, otherwise, the Ports could not obtain a permit or project approval. The potential environmental impacts of these reasonably foreseeable projects will be analyzed and disclosed in the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
I.	**AESTHETICS.** Would the project:				
a)	Have a substantial adverse effect on a scenic vista?	☑	☐	☐	☐
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☑	☐	☐	☐
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?	☑	☐	☐	☐
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☑	☐	☐	☐

Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

Discussion

I. a), b), & c) Potentially Significant Impact. If the emissions target is not maintained in accordance with the requirements in PR 4001, the Ports would be required to prepare a Plan that would achieve additional emission reductions for some or all port-related sources to the extent the strategies are within the Ports' authority and are cost-effective. The port-related emission sources belong to the following source categories: 1) ocean-going vessels; 2) commercial harborcraft (e.g., tug boats, tour boats, etc.); 3) locomotives; 4) heavy-duty trucks; and, 5) cargo handling equipment. The Ports may also choose to reduce emissions elsewhere (e.g., beyond Port property). Thus, the Ports' Plan could include control strategies to reduce emissions from existing heavy industrial or transportation-related sources beyond Port property. For example, the Ports may choose to accelerate the replacement of high emitting on-road and off-road mobile source vehicles with low emitting mobile source vehicles.

PR 4001 could also result in the installation of control devices at port facilities to control emissions from ships at berth. Control devices may include hoods or bonnets on ship

exhaust stacks to capture emissions and could be as high as 150 feet[7]. Thus, projects that may be undertaken to implement the Ports' Plan could also result in either new construction or modification of existing structures. Such projects could potentially result in a scale and mass of the built form that may be inconsistent with adjoining development, the removal of trees or historic buildings, or the obstruction of regionally or locally important views.

To the extent possible, the analysis of impacts in the Draft PEA will be based on conservative assumptions and projections to identify reasonably foreseeable future aesthetic impacts associated with implementation of control strategies that the Ports could propose in an Emission Reduction Plan (e.g., obstruction of scenic vistas and resources, degradation of an area's visual character, etc.). However, in order to identify typical impacts on the scenic and visual quality of an area or a neighborhood that could be expected in the event that implementation of a control strategy occurs in a sensitive area within the District, reasonably foreseeable projects will be identified for the purpose of this assessment. The aesthetic impacts of these projects will be analyzed in the Draft PEA. In addition, implementation of control strategies proposed by the Ports will be evaluated to determine the emission of air pollutants, if any, that could cause impacts on visibility.

I. d) Potentially Significant Impact. There are no components of the proposed project that would directly alter existing work practices or require activities at night. Therefore, the proposed project is not expected to directly create a new source of substantial light or glare that would affect day or nighttime views in an area. However, the proposed project may allow the development of control strategies that, if implemented, could result in new development that may create substantial shade or cast long shadows or result in glare and increased nighttime illumination causing inappropriate light spillover.

To the extent possible, the analysis of impacts in the Draft PEA will be based on conservative assumptions and projections to identify reasonably foreseeable future light and glare impacts associated with implementing control strategies contained in an Emissions Reduction Plan (e.g., increased illumination in sensitive areas, increased glare along transportation corridors, increased shading in areas that need sunlight, etc.). Reasonably foreseeable projects identified for the purpose of this assessment will be used to identify typical light and glare impacts that could be expected in the event that implementation of control strategies occurs in a sensitive area within the District. The impacts of these reasonably foreseeable projects as they relate to shadows, light, and glare will be analyzed in the Draft PEA.

Based upon these considerations, the aesthetics impacts associated implementing the proposed project will be evaluated in the Draft PEA.

[7] Advanced Cleanup Technologies, Inc., Advanced Maritime Emissions Control System (AMECS) demonstration at Port of Long Beach Metropolitan Stevedore berth, June 19, 2008.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
II.	**AGRICULTURE AND FOREST RESOURCES.** Would the project:				
a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency, to non- agricultural use?	☐	☐	☐	☑
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☑
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined by Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code §51104 (g))?	☐	☐	☐	☑
d)	Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☑

Significance Criteria

Project-related impacts on agriculture and forest resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project conflicts with existing zoning for, or causes rezoning of, forest land (as defined in Public Resources Code §12220 (g)), timberland (as defined in Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code § 51104 (g)).
- The proposed project would involve changes in the existing environment, which due to their location or nature, could result in conversion of farmland to non-agricultural use or conversion of forest land to non-forest use.

Discussion

II. a), b), c), & d) No Impact. Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have no potential to generate significant adverse agricultural and forest resources impacts. Because PR 4001 would implement Control Measure IND-01, PR 4001 is also not expected to generate significant adverse agricultural and forest resources impacts as explained in the following discussion.

In the event the backstop requirement in PR 4001 is triggered, the Ports may consider an accelerated replacement of high-emitting mobile sources with low emitting mobile sources as a means to achieving emission reductions. Since these activities would occur at the Ports which contain existing established commercial and industrial facilities, no new construction of buildings or other structures are expected that would require conversion of farmland to non-agricultural use or conflict with zoning for agricultural uses or a Williamson Act contract. Further, implementation of PR 4001 is not expected to conflict with any forest land zoning codes or convert forest land to non-forest uses. No control measures were identified in the Final 2012 AQMP Program EIR that would affect or conflict with existing land use plans, policies, or regulations or require conversion of farmland to non-agricultural uses or forest land to non-forest uses. Likewise, PR 4001, by implementing Control Measure IND-01, is also not expected to affect or conflict with existing land use plans, policies, or regulations or require conversion of farmland to non-agricultural uses or forest land to non-forest uses.

Land use, including agriculture- and forest-related uses, and other planning considerations are determined by local governments and no agricultural land use or planning requirements will be altered by the proposed project. If the Ports choose to reduce emissions elsewhere, PR 4001 may also affect emissions near the Ports from existing heavy industrial or transportation-related sources. However, there are no agricultural or forest uses in the vicinity of these areas. Since Control Measure IND-01 was shown in the Program EIR for the Final 2012 AQMP to have no direct or indirect effects on agricultural or forest land resources, PR 4001, as the implementing agent of Control Measure IND-01, would also be expected to have no direct or indirect effects on agricultural or forest land resources. Lastly, in the event the backstop requirement in PR 4001 is triggered, implementation of PR 4001 will ensure that projected emission reductions will occur and that air quality in the region will improve. Thus, assuring that these air quality improvements occur could provide benefits to agricultural and forest land resources by reducing the adverse oxidation impacts of ozone on plants and animals located in the Basin.

Based upon these considerations, significant agricultural and forest resources impacts are not expected from implementing PR 4001, and thus, this topic will not be further analyzed in the Draft PEA. Since no significant agriculture and forest resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
III. AIR QUALITY AND GREENHOUSE GAS EMISSIONS. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☑
b) Violate any air quality standard or contribute to an existing or projected air quality violation?	☑	☐	☐	☐
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	☑	☐	☐	☐
d) Expose sensitive receptors to substantial pollutant concentrations?	☑	☐	☐	☐
e) Create objectionable odors affecting a substantial number of people?	☑	☐	☐	☐
f) Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?	☐	☐	☐	☑
g) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☑	☐	☐	☐
h) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☑	☐	☐	☐

Air Quality Significance Criteria

To determine whether or not air quality impacts from adopting and implementing PR 4001 are significant, impacts will be evaluated and compared to the criteria in Table 2-1. The project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 2-1 are equaled or exceeded.

Table 2-1
SCAQMD Air Quality Significance Thresholds

Mass Daily Thresholds [a]		
Pollutant	**Construction [b]**	**Operation [c]**
NOx	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM10	150 lbs/day	150 lbs/day
PM2.5	55 lbs/day	55 lbs/day
SOx	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants (TACs), Odor, and GHG Thresholds		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk ≥ 10 in 1 million Cancer Burden > 0.5 excess cancer cases (in areas ≥ 1 in 1 million) Chronic & Acute Hazard Index ≥ 1.0 (project increment)	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	
GHG	10,000 MT/yr CO2eq for industrial facilities	
Ambient Air Quality Standards for Criteria Pollutants [d]		
NO2 1-hour average annual arithmetic mean	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.18 ppm (state) 0.03 ppm (state) and 0.0534 ppm (federal)	
PM10 24-hour average annual average	10.4 $\mu g/m^3$ (construction)[e] & 2.5 $\mu g/m^3$ (operation) 1.0 $\mu g/m^3$	
PM2.5 24-hour average	10.4 $\mu g/m^3$ (construction)[e] & 2.5 $\mu g/m^3$ (operation)	
SO2 1-hour average 24-hour average	0.25 ppm (state) & 0.075 ppm (federal – 99th percentile) 0.04 ppm (state)	
Sulfate 24-hour average	25 $\mu g/m^3$ (state)	
CO 1-hour average 8-hour average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) and 35 ppm (federal) 9.0 ppm (state/federal)	
Lead 30-day Average Rolling 3-month average Quarterly average	1.5 $\mu g/m^3$ (state) 0.15 $\mu g/m^3$ (federal) 1.5 $\mu g/m^3$ (federal)	

[a] Source: SCAQMD CEQA Handbook (SCAQMD, 1993)
[b] Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).
[c] For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds.
[d] Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.
[e] Ambient air quality threshold based on SCAQMD Rule 403.

KEY: lbs/day = pounds per day ppm = parts per million $\mu g/m^3$ = microgram per cubic meter ≥ = greater than or equal to
MT/yr CO2eq = metric tons per year of CO2 equivalents > = greater than

Discussion

Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have a potential to generate significant adverse air quality and greenhouse gas (GHG) emission impacts. The Program EIR identified the following adverse air quality and GHG impacts specific to the implementation of Control Measure IND-01: 1) potential criteria pollutant and GHG emissions from construction; 2) potential criteria pollutant, toxic air pollutant and GHG emissions from electricity generation because the operation of additional emission controls could result in increased electricity use; 3) increased use of alternative fuels for the operation of low emitting mobile source vehicles and reduced use of conventional fuels; 4) potential decrease in fuel economy associated with add-on pollution control equipment; and, 5) potential increase in ammonia emissions due to implementing NOx controls. Since PR 4001 would implement Control Measure IND-01, the potential adverse air quality and GHG emission impacts that may occur as a result of implementing PR 4001 are expected to have the same or similar impacts as evaluated for Control Measure IND-01 in the Program EIR. Nonetheless, these impacts will be analyzed in the Draft PEA.

III. a) No Impact. Control Measure IND-01 contains specific emission reduction targets for NOx, SOx, and PM2.5. Based on the general emission reductions projected in the Final 2012 AQMP overall, including Control Measure IND-01, and the emission reduction advancements currently achieved at the Ports as part of the CAAP, PR 4001, upon full implementation, would fully implement Control Measure IND-01. If the backstop requirement in PR 4001 goes into effect, emission reduction strategies would be proposed by the Ports and potentially could include clean technology funding programs, lease provisions, port tariffs, or incentives/disincentives to implement measures, to the extent the strategies are within the Ports' authority to implement and are cost-effective. Thus, the net effect of implementing PR 4001 would be for the Ports to take additional actions to ensure the emission reduction targets for NOx, SOx, and PM2.5, as prescribed in Control Measure IND-01, are achieved. The anticipated reductions from implementing Control Measure IND-01 are expected to continue under PR 4001 to provide an overall direct air quality benefit. Further, having the Ports meet the projected emission reduction goals will assist the SCAQMD's progress in attaining and maintaining the ambient air quality standards for PM2.5.

If the backstop requirement in PR 4001 is triggered and the Ports identify in the Emission Reduction Plan that control equipment or infrastructure to support low emitting vehicles will be installed to achieve additional emission reductions, for example, the proposed project may have the potential to temporarily increase VOC, NOx, CO, PM10 and TAC emissions (as diesel PM) that could exceed the air quality significance thresholds for construction activities. However, the temporary increase in VOC, NOx, CO, PM10 and TAC emissions (as diesel PM) due to construction would not be expected to impede the emission reductions projected in the Final 2012 AQMP because the inventory prepared for the Final 2012 AQMP already takes into account the future emission estimates from all construction activities associated with implementing the proposed control measures[8]. Further,

[8] SCAQMD's Final Program Environmental Impact Report for the 2012 Air Quality Management Plan, SCH#2012061093, November 2012.

implementation of all other SCAQMD rules along with AQMP control measures, when considered together, is expected to reduce emissions throughout the region overall by 2023. Therefore, implementing the proposed project will not conflict with or obstruct implementation of the Final 2012 AQMP.

Therefore, implementation of PR 4001 is not expected to conflict with or obstruct implementation of the applicable air quality control plan because the Final 2012 AQMP demonstrates that the effects of all existing rules, in combination with implementing all AQMP control measures (including "black box" measures not specifically described in the Final 2012 AQMP) would bring the District into attainment with all applicable national and state ambient air quality standards. Therefore, PR 4001 is not expected to significantly conflict with or obstruct implementation of the applicable air quality plan, but instead, would contribute to attaining and maintaining the PM standards by ensuring that the projected reductions of NOx, SOx, and PM2.5 are achieved.

For these reasons, implementation of all other SCAQMD rules along with AQMP control measures, including Control Measure IND-01, when considered together, is expected to reduce emissions throughout the region overall by 2023. Therefore, implementing the proposed project will not conflict or obstruct implementation of the Final 2012 AQMP. Accordingly this impact issue will not be further analyzed in the Draft PEA.

III. b), c) & g) Potentially Significant Impact. The anticipated emission reductions that may result from implementing the proposed project are expected to ensure that the overall air quality in the Basin is attained and maintained. Since PR 4001 would merely ensure that the emission reduction goals for NOx, SOx, and PM2.5 as outlined in Control Measure IND-01 are achieved, implementing PR 4001 would not violate an air quality standard or contribute to an existing or projected air quality violation. Therefore, the backstop requirement contained in PR 4001 would ensure that the projected emission reductions in Control Measure IND-01 are maintained, and thus, not contribute to violating a standard.

However, if the backstop requirement in PR 4001 is triggered and the Ports identify control strategies in the Emission Reduction Plan that involve, for example, the installation of control equipment or infrastructure to support new low emitting technologies, or modify existing structures as part of installation of this equipment, these actions would have the potential to temporarily increase VOC, NOx, CO, PM10, GHG, and TAC emissions (as diesel PM). In addition, if construction occurs, construction-related activities would also be expected to generate emissions from worker vehicles, trucks, and construction equipment. Thus, if the backstop requirement in PR 4001 is triggered and additional emission reductions of NOx, SOx, and PM2.5 are required that could result in physical modifications, then the emissions that may occur during construction could potentially exceed the air quality significance thresholds for construction activities. Consequently, construction air quality impacts will be analyzed in the Draft PEA for the proposed project.

While the purpose of PR 4001 is to ensure that operational-related activities are expected to reduce emissions in accordance with the emission reduction targets prescribed in Control Measure IND-01, a simultaneous increase in criteria pollutant emissions such as NOx and VOC could occur from the operation of air pollution control equipment, if installed in the event the backstop requirement in PR 4001 is triggered. The operation of low emitting

vehicles is anticipated to generate an air quality benefit. As such, operation air quality impacts will also be analyzed in the Draft PEA for the proposed project.

Thus, the air quality impacts associated with the construction and operational phases of the proposed project are potentially significant and will be evaluated in the Draft PEA. In addition, operational activities associated with the proposed project also have the potential to increase emissions of GHGs; these potential increases will be evaluated in the Draft PEA as part of the cumulative impacts discussion.

III. d) Potentially Significant Impact. Emission sources associated with the construction-related activities as a result of implementing the proposed project may temporarily emit VOC, NOx, CO, PM10, GHG and TAC emissions (as diesel PM). Further, emissions sources associated with the operational-related activities as a result of implementing the proposed project may also generate emissions. The impact of these emissions on sensitive populations, including individuals at hospitals, nursing facilities, daycare centers, schools, and elderly intensive care facilities, as well as residential and off-site occupational areas, will be evaluated in the Draft PEA.

III. e) Potentially Significant Impact. Some individual projects if implemented as part of a control strategy identified by the Ports in an Emissions Reduction Plan could result in combustion-source criteria pollutant emissions from construction activity through the use of heavy-duty construction equipment and from vehicle trips generated by construction workers/haul trucks traveling to and from the project site, as well as fugitive dust emissions related to site work and general grading. Mobile source emissions, primarily NO_x and diesel particulate, typically result from the use of construction equipment such as graders, scrapers, bulldozers, wheeled loaders, cranes, etc. During structure erection/finishing phases, paving operations and the application of architectural coatings (e.g., paints) and other building materials, reactive organic compounds would be released. Operation-period impacts, which could include criteria pollutant emissions from permitted stationary sources, may also occur. Individual projects could potentially result in an increase in vehicle trips (both passenger vehicles and trucks) on local roadways, which could in turn result in an increase in operational-period criteria pollutant emissions. As such, the impacts of implementing any control strategies could create objectionable odors affecting a substantial number of people. Thus, the potential impacts of objectionable odors affecting a substantial number of people will be analyzed in the Draft PEA.

III. f) No Impact. The proposed project would be required to comply with all applicable SCAQMD, CARB, and EPA rules and regulations. Thus, the proposed project is not expected to diminish an existing air quality rule or future compliance requirements. Further, adopting and implementing the proposed project enhances existing air pollution control rules that are expected to assist the SCAQMD in its efforts to attain and maintain with a margin of safety the state and federal ambient air quality standards for PM2.5. Accordingly this impact issue will not be further analyzed in the Draft PEA.

III. h) Potentially Significant Impact. As mentioned in the discussion in Section III. b), c) and g), construction equipment may be utilized as part of implementing PR 4001 and as such, GHG emissions would be generated during their use. Although the primary effect of installing air pollution control equipment is to reduce emissions of a particular pollutant,

some types of control equipment have the potential to create secondary adverse air quality impacts, including GHG emissions. While the purpose of PR 4001 is to ensure that operational-related activities are expected to reduce emissions in accordance with the emission reduction targets prescribed in Control Measure IND-01, a simultaneous increase in GHG emissions could occur from the operation of air pollution control equipment, if installed in the event the backstop requirement in PR 4001 is triggered. In addition, in the event that the backstop requirement is triggered, the Ports could also choose to accelerate the penetration of hybrid and/or alternative-fueled vehicles which would have the potential to reduce GHG emissions. Thus, an analysis will be conducted to determine if there would be a conflict with an applicable plan, policy or regulation adopted for the purpose of reducing GHG emissions. For the aforementioned reasons, the effect of PR 4001 on GHG emissions will be further evaluated in the Draft PEA.

Summary

Based upon these considerations, the air quality impacts associated with increased emissions of criteria air contaminants, TACs and GHGs during construction and operation will be evaluated further in the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IV.	**BIOLOGICAL RESOURCES.** Would the project:				
a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☑	☐	☐	☐
b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☑	☐	☐	☐

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
c)	Have a substantial adverse effect on federally protected wetlands as defined by §404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☑
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☑	☐	☐	☐
e)	Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☑
f)	Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☑

Significance Criteria

Impacts on biological resources will be considered significant if any of the following criteria apply:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

Discussion

IV. a), b), & d) Potentially Significant Impact. PR 4001 would primarily affect emissions from port-related sources at the Ports. However, if the Ports are given the flexibility to reduce emissions elsewhere, PR 4001 may also affect emissions near the Ports from existing heavy industrial or transportation-related sources. In the event the emission

reductions targets are not met and the Ports prepare a Plan containing control strategies to make up for the emission reduction shortfall, the proposed project would allow the development of individual projects which may have direct impacts on plant or animal species or the habitats that support them. Generally, typical impacts of a project on biological resources could include loss or destruction of sensitive species or degradation of sensitive habitat. Habitat degradation, interference with movement of wildlife species or migratory fish, and impacts on migratory wildlife corridors, or wildlife nursery sites may occur through grading or excavation, increases in water or air pollutants, increased noise, light, or vibration, interruption of fresh or salt water supplies, reduction in food supplies or foraging areas, or interference with established wildlife movement patterns on or between habitat areas. Projects that create long-term or episodic impacts to natural areas, such as by generating toxic fumes or fugitive dust, could also result in degradation or destruction of a natural habitat. The analysis of impacts in the Draft PEA will be based on conservative assumptions and projections to identify reasonably foreseeable future impacts to plant or animal species or the habitats that support them. Reasonably foreseeable projects identified for the purpose of this assessment will be used to identify reasonably foreseeable impacts on plant and animal species and the habitats that could be affected in the event that implementation of control strategies occur in an ecologically sensitive area within the District. The potential impacts of these control strategies on sensitive biological resources will be analyzed in the Draft PEA.

IV. c) No Impact. PR 4001, by fully implementing Control Measure IND-01, may have the potential to require air pollution controls at port facilities which are located on the coast or at other areas that have existing heavy industrial or transportation land uses. Port facilities, as well as other areas with heavy industrial and transportation land uses, are considered heavy industrial and commercial facilities (point sources) and the installation of additional controls would be required to be consistent with these land uses (e.g., via a Conditional Use Permit, zoning ordinance, etc.) and would not be allowed to be located on protected wetlands. While it is possible that there may be a potential to generate waste water as a result of implementing the Ports' control strategies (see discussion under Hydrology and Water Quality), past SCAQMD staff experience with analyzing modifications at industrial or commercial facilities is that they are considered "point sources" and must release wastewater into publicly owned treatment works (POTWs), i.e., local sewer systems, and, therefore, are subject to National Pollutant Discharge Elimination System (NPDES) permit program administered by the Regional Water Quality Control Board (RWQCB). Thus, direct discharge into federally protected wetlands as defined by §404 of the Clean Water Act would be prohibited under federal law (Clean Water Act) and state law (Porter-Cologne Act) and, therefore, is not expected to occur.

Further, any release of wastewater into California's ocean waters are subject to water quality standards established in the California Ocean Plan and are also subject to National Pollutant Discharge Elimination System (NPDES) requirements, enforced by the local Regional Water Quality Control Board (RWQCB). For all of the above reasons, the proposed project will not adversely affect protected wetlands as defined by §404 of the Clean Water Act, including, but not limited to marshes, vernal pools, coastal wetlands, etc., through direct removal, filling, hydrological interruption or other means.

IV. e) & f) No Impact. There are no provisions in the proposed project that would adversely affect land use plans, local policies or ordinances, or regulations. Land use and other planning considerations are determined by local governments, and no land use or planning requirements would be altered by the proposed project. It is expected that any individual projects undertaken to implement control strategies in the event the Ports cannot achieve the target emissions in PR 4001 would continue to comply with local land use requirements. Thus, individual projects are not expected to conflict with local policies or ordinances protecting biological resources, habitat conservation plans, and natural community conservation plans due to the loss or destruction of individuals of a sensitive species, or through degradation of sensitive habitat.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
V.	**CULTURAL RESOURCES.** Would the project:				
a)	Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	☑	☐	☐	☐
b)	Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5?	☑	☐	☐	☐
c)	Directly or indirectly destroy a unique paleontological resource, site, or feature?	☑	☐	☐	☐
d)	Disturb any human remains, including those interred outside formal cemeteries?	☑	☐	☐	☐

Significance Criteria

Impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group.
- Unique paleontological resources are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

Discussion

V. a), b), c), & d) Potentially Significant Impact. There are existing laws in place that are designed to protect and mitigate potential impacts to cultural resources. For example, CEQA Guidelines state that generally, a resource shall be considered ”historically

significant" if the resource meets the criteria for listing in the California Register of Historical Resources, which include the following:

- Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- Is associated with the lives of persons important in our past;
- Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values;
- Has yielded or may be likely to yield information important in prehistory or history (CEQA Guidelines §15064.5).

Buildings, structures, and other potential culturally significant resources that are less than 50 years old are generally excluded from listing in the National Register of Historic Places, unless they are shown to be exceptionally important. Although the Ports have existed since the 1800s, they are currently not listed under the National Register of Historic Places. However, the Los Angeles Harbor Department has identified multiple historic architectural individual resources at POLA that are eligible for listing or have been listed in either a federal, state or local register[9]. In addition, the RMS Queen Mary at Pier H in POLB is listed in the National Register of Historic Places.

In the event that the Ports do not achieve the emission reduction targets and the Ports prepare an Emission Reduction Plan containing control strategies that may require control equipment to be installed, construction activities associated with the installation could require disturbance of previously disturbed areas at the Ports or within existing heavy industrial or transportation land use areas if the Ports identify control strategies in the Emission Reduction Plan that would reduce emissions outside of Port property. Depending on the location where these activities may occur, implementation of the proposed project could potentially involve physical changes to the environment, which may cause a substantial adverse change to a historical or archaeological resource, directly or indirectly destroy a unique paleontological resource or site or unique geologic feature, or disturb any human remains, including those interred outside of formal cemeteries. While the specific nature or degree of such impacts is currently unknown, potentially significant adverse impacts to cultural resources will be analyzed in the Draft PEA based on available information.

[9] Port of Los Angeles, Master Plan Update, Draft Program Environmental Impact Report, February 2013.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VI.	**ENERGY.** Would the project:				
a)	Conflict with adopted energy conservation plans?	☐	☐	☐	☑
b)	Result in the need for new or substantially altered power or natural gas utility systems?	☑	☐	☐	☐
c)	Create any significant effects on local or regional energy supplies and on requirements for additional energy?	☑	☐	☐	☐
d)	Create any significant effects on peak and base period demands for electricity and other forms of energy?	☑	☐	☐	☐
e)	Comply with existing energy standards?	☐	☐	☐	☑

Significance Criteria

Impacts to energy and mineral resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.
- The project uses non-renewable resources in a wasteful and/or inefficient manner.

Discussion

Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have a potential to generate significant adverse energy impacts. The Program EIR identified the following adverse energy impacts specific to the implementation of Control Measure IND-01: 1) additional emission controls or clean equipment could result in increased electricity use; 2) incentives to purchase electric or gaseous fueled equipment could cause potential increase in electricity and natural gas demand; 3) accelerating the use of low emitting mobile sources could cause a potential increase in the use alternative fuels and a decrease in the use of conventional fuels; and, 4) potential increase in diesel-fuel use during construction. Since PR 4001 would implement Control Measure IND-01, the potential adverse energy impacts that may occur as a result of implementing PR 4001 are expected to have the same or similar impacts as evaluated for Control Measure IND-01 in the Program EIR. Nonetheless, these impacts will be analyzed in the Draft PEA.

VI. a) & e) No Impact. The proposed project is not subject to any existing energy conservation plans. If the backstop requirement in PR 4001 is triggered and the Ports prepare and submit an Emission Reduction Plan that contains control strategies, a variety of emission reduction strategies on port-related sources or other industrial or transportation-related sources may be implemented. If any of the sources targeted for reductions are also subject to energy conservation plans, it is not expected that the proposed project will affect in any way or interfere with that source's ability to comply with its energy conservation plan or energy standards. Further, it is expected that the installation and operation of any equipment used to comply with the proposed project will also comply with all applicable existing energy standards. Thus, project construction and operation activities will not utilize non-renewable energy resources in a wasteful or inefficient manner. Accordingly, these impact issues will not be further analyzed in the Draft PEA.

VI. b), c) & d) Potentially Significant Impact. Implementing PR 4001 may have the effect of altering energy demand at the Ports or at other affected areas. For example, if the backstop requirement in PR 4001 is triggered, and the installation of control equipment is proposed by the Ports in an Emissions Reduction Plan as a control strategy, a potential increase in the demand for energy may occur if electricity or natural gas is required to operate the control equipment.

In addition, if the Ports choose to accelerate the replacement of high emitting on-road and off-road mobile source vehicles with low emitting or alternative fueled mobile source vehicles at the Ports or elsewhere, the demand for electrical power and natural gas may increase. However, the increased use of alternative fuels would likely reduce demand for traditional petroleum-based fuels.

The net effect of implementing PR 4001 may have the potential to: result in the need for new or substantially altered power or natural gas utility systems; create significant effects on peak and base period demands for electricity and other forms of energy; and, create significant effects on peak and base period demands for electricity and other forms of energy.

Based upon these considerations, the energy impacts associated implementing the proposed project will be evaluated further in the Draft PEA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	☐	☐	☐	☑
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	☐	☐	☐	☑
• Strong seismic ground shaking?	☐	☐	☐	☑
• Seismic–related ground failure, including liquefaction?	☐	☐	☐	☑
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☑
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☑
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	☐	☐	☐	☑
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☐	☑

Significance Criteria

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, compaction or over covering of large amounts of soil.

- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.
- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

Discussion

VII. a) No Impact. If the backstop requirement is triggered, the activities that would be undertaken to remedy the emission reductions shortfall would not be expected to directly or indirectly promote new land use projects that could be located on earthquake faults, seismic zones, et cetera, as explained in the following paragraphs.

Southern California is an area of known seismic activity. Structures must be designed to comply with the California Building Code (formerly referred to as Uniform Building Code Zone 4 requirements) if they are located in a seismically active area. The local city or county is responsible for assuring that a proposed project complies with the California Building Code as part of the issuance of the building permits and can conduct inspections to ensure compliance. The California Building Code is considered to be a standard safeguard against major structural failures and loss of life. The goal of the code is to provide structures that will: 1) resist minor earthquakes without damage; 2) resist moderate earthquakes without structural damage but with some non-structural damage; and, 3) resist major earthquakes without collapse but with some structural and non-structural damage. The California Building Code bases seismic design on minimum lateral seismic forces (e.g., "ground shaking"). The California Building Code requirements operate on the principle that providing appropriate foundations, among other aspects, helps to protect buildings from failure during earthquakes. The basic formulas used for the California Building Code seismic design require determination of the seismic zone and site coefficient, which represent the foundation conditions at the site. The California Building Code requirements also consider liquefaction potential and establish stringent requirements for building foundations in areas potentially subject to liquefaction.

Existing buildings and equipment at the Ports and elsewhere are likely to conform to the California Building Code and all other applicable state codes in effect at the time they were constructed. Thus, the installation of control equipment at the Ports would also be expected to conform to the California Building Code requirements in effect at the time of construction and all other applicable state and local building codes. Nonetheless, the site preparation that is anticipated to occur as part of installing control equipment or infrastructure is not expected to be substantial and would not be expected to adversely affect geophysical conditions in the jurisdiction of the SCAQMD.

In addition, implementation of PR 4001 may accelerate the penetration of cleaner off-road equipment. However, replacing one type of off-road engine with a lower emitting off-road

engine would not be expected to affect construction activities. Further, construction activities are expected to occur for reasons other than complying with PR 4001.

Even if the Ports are located near geological hazards, the hazards are part of the existing setting and are not made worse by installing control equipment or other activities to comply with PR 4001. Thus, no significant adverse geological impacts are expected. For example, tsunamis at the Ports are not expected because the Ports are surrounded by breakwaters that protect the area from wave action. In any event, PR 4001 would not increase potential exposures to tsunamis.

Thus, the proposed project would not alter the exposure of people or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or other natural hazards. As a result, substantial exposure of people or structures to the risk of loss, injury, or death involving the rupture of an earthquake fault, seismic ground shaking, ground failure or landslides is not anticipated and will not be further analyzed in the Draft PEA.

VII. b) No Impact. Since control equipment may be installed, a slight possibility exists for temporary erosion resulting from excavating and grading activities, if required, during construction of the proposed project. These activities are expected to be minor since the existing facilities are generally flat and have previously been graded. Further, wind erosion is not expected to occur to any appreciable extent, because operators at dust generating sites would be required to comply with the best available control measure (BACM) requirements of SCAQMD Rule 403 – Fugitive Dust. In general, operators must control fugitive dust through a number of soil stabilizing measures such as watering the site, using chemical soil stabilizers, revegetating inactive sites, et cetera. The proposed project may involve the installation of control equipment or infrastructure to support low emitting vehicles at the Ports or elsewhere such that grading could be required to provide stable foundations. Potential air quality impacts related to grading are addressed elsewhere in this Initial Study (as part of construction air quality impacts). No unstable earth conditions or changes in geologic substructures are expected to result from implementing the proposed project.

VII. c) No Impact. While PR 4001 does not specify or require physical changes to occur in areas prone to liquefaction, at least some of the activities that may be undertaken to comply with PR 4001 are expected to occur at the Ports. The Ports are located in coastal zones which have existing conditions that indicate a potential for liquefaction-induced impacts. However, the California Building Code requirements consider liquefaction potential and establish more stringent requirements for building foundations in areas potentially subject to liquefaction. Compliance with the California Building Code requirements is expected to minimize the potential impacts associated with liquefaction. The issuance of building permits will assure compliance with the California Building Code requirements. Land use decisions are under the authority of the local jurisdictions, typically cities or counties. Neither the SCAQMD nor CARB has authority over land use decisions except to impose specific air pollution control requirements, which do not drive the land use approval process, and CEQA does not grant an agency new powers independent of the powers granted to the agency by other laws (CEQA Guidelines §15040 (b)).

Subsidence is not anticipated because PR 4001 would not specifically require excavation, grading, or filling activities to occur. Further, the proposed project does not involve drilling

or removal of underground products (e.g., water, crude oil, et cetera) that could produce subsidence effects. Additionally, the Ports or other industrial or transportation-related sources are not envisioned to be prone to landslides or have unique geologic features since the affected facilities are located in heavy industrial areas where such features have already been established with no known history of such activity.

Therefore, no significant impacts from liquefaction, subsidence, and landslides are expected and these potential impacts will not be considered further.

VII. d) & e) No Impact. Since the proposed project may affect existing operations at the Ports or at other industrial or transportation-related sources, it is expected that people or property will not be exposed to new impacts related to expansive soils or soils incapable of supporting water disposal. Further, the Ports have existing wastewater treatment systems that will continue to be used and are expected to be unaffected by the proposed project. Sewer systems are available to handle wastewater produced and treated at the Ports. PR 4001 would not require the installation of septic tanks or alternative wastewater disposal systems. As a result, the proposed project will not require facility operators to utilize septic systems or alternative wastewater disposal systems. Thus, implementation of the proposed project will not adversely affect soils associated with a septic system or alternative wastewater disposal system.

Based upon these considerations, significant geology and soils impacts are not expected from implementing PR 4001, and thus, this topic will not be further analyzed in the Draft PEA. Since no significant geology and soils impacts were identified, no mitigation measures are necessary or required.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VIII.	**HAZARDS AND HAZARDOUS MATERIALS.** Would the project:				
a)	Create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials?	☑	☐	☐	☐
b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment?	☑	☐	☐	☐

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
c)	Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☑	☐	☐	☐
d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would create a significant hazard to the public or the environment?	☐	☐	☐	☑
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☑
f)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☑
g)	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	☐	☐	☐	☑
h)	Significantly increased fire hazard in areas with flammable materials?	☑	☐	☐	☐

Significance Criteria

Impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

Discussion

Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have a potential to generate significant adverse hazards and hazardous materials impacts. The Program EIR identified the following adverse hazards and hazardous materials impacts specific to the implementation of Control Measure IND-01: use of alternative fuels in place of conventional fuels could result in increased hazards associated the increased transport; and, use and handling of alternative fuels. Potential exposure to a toxic air contaminant (ammonia) would be associated with installation and operation of control equipment that utilize selective catalytic reduction (SCR) or selective non-catalytic reduction (SNCR) on industrial combustion sources such as boilers and heaters, as well as large diesel engines on mobile sources to reduce NOx, including off-road diesel engines (e.g., locomotive engines and marine vessel engines). Since PR 4001 would implement Control Measure IND-01, the potential adverse hazards and hazardous materials impacts that may occur as a result of implementing PR 4001 are expected to be the same as or similar to the impacts evaluated for Control Measure IND-01 in the Program EIR.

VIII. a), b), & c) Potentially Significant Impact. If the backstop requirement in PR 4001 is triggered, there are several ways direct or indirect adverse hazard and hazardous materials impacts could occur. For example, the Ports could choose to install control equipment that utilize SCR or SNCR on industrial combustion sources such as boilers and heaters, as well as large diesel engines on mobile sources to reduce NOx, including off-road diesel engines (e.g., locomotive engines and marine vessel engines). Since SCR and SNCR both utilize ammonia, a toxic air contaminant (TAC) and acutely hazardous material, adverse hazard and hazardous materials impacts could occur as a result of the use, transport and storage of ammonia as well as the potential for an accidental release of ammonia into the environment.

In addition, if the Ports choose to accelerate the replacement of high emitting on-road and off-road mobile source vehicles with low emitting or alternative fueled mobile source vehicles at the Ports, the demand for alternative fuels would increase. It is possible that such alternative fuels could have hazardous physical or chemical properties (e.g., highly flammable or acutely hazardous), which could create hazard impacts through the routine use, transport or disposal of these materials or through upset conditions involving the accidental release of these materials into the environment.

Lastly, depending on the location of any construction activities or use, transport, or storage of hazardous materials within the Ports, actions taken by the Ports could potentially be located within one-quarter mile of a sensitive receptor (e.g., a school) or in close proximity to a public/private airport and are located within an airport land use plan.

For these reasons, implementation of PR 4001 may potentially create significant adverse hazards and hazardous materials impacts. Accordingly, these impact issues will be further analyzed in the Draft PEA.

VIII. d) No Impact. If the backstop requirement in PR 4001 is triggered and the Ports choose to install control equipment or infrastructure to support alternative fuel dispensing for low emitting vehicles, some limited grading and excavating may be required which could potentially uncover contaminated soils. In the event that any excavated soils contain

concentrations of certain substances, such as heavy metals and hydrocarbons, the handling, processing, transportation and disposal of the contaminated soils will be subject to multiple hazardous waste regulations such as Title 22 of the California Code of Regulations and other local and federal rules. Title 22 has multiple requirements for hazardous waste handling, transport and disposal, such as requirements to use approved disposal and treatment facilities, to use certified hazardous waste transporters, and to have manifests for tracking the hazardous materials. If contaminated soils are encountered during grading and excavating, the soils would need to be removed for proper decontamination and disposal in accordance with SCAQMD Rule 1166 – Volatile Organic Compound Emissions From Decontamination of Soil.

Government Code §65962.5 typically refers to a list of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits or site cleanup activities. If the Ports are designated pursuant to Government Code §65962.5 as a large quantity generator of hazardous waste, complying with PR 4001 will not alter in any way how the Ports manage their hazardous wastes and they will continue to be managed in accordance with all applicable federal, state, and local rules and regulations. If the Ports are not designated pursuant to Government Code §65962.5 as a large quantity generator, implementing PR 4001 would not change the Ports' status regarding hazardous waste generation. Thus, implementing PR 4001 would not be expected to interfere with site cleanup activities or create additional site contamination. Therefore, this topic will not be further evaluated in the Draft PEA.

VIII. e) No Impact. Federal Aviation Administration, 14 CFR Part 77 – Safe, Efficient Use and Preservation of the Navigable Airspace[10], provides information regarding the types of projects that may affect navigable airspace. Projects may adversely affect navigable airspace if they involve construction or alteration of structures greater than 200 feet above ground level within a specified distance from the nearest runway or objects within 20,000 feet of an airport or seaplane base with at least one runway more than 3,200 feet in length and the object would exceed a slope of 100:1 horizontally (100 feet horizontally for each one foot vertically from the nearest point of the runway).

The proposed project is not expected to adversely affect any airport land use plan or result in any safety hazards for people residing or working at the Ports for the following reasons. There are no airports within 20,000 feet (3.8 miles) of the San Pedro Bay Ports complex. The nearest airport, Zamperini Field Airport, is approximately nine miles (47,520 feet) from the Ports complex. Similarly, Long Beach Airport is approximately 13 miles (68,640 feet) and Los Angeles International Airport is approximately 20 miles (105,600 feet) from the Ports complex. As a result, all local airports are well outside the maximum 20,000-foot navigable space boundaries. Moreover, if the emission reduction strategies identified by the Ports occur near existing airports, the activities would not impact navigable air space and they would not be expected to create any safety hazards for persons residing or working near airports.

[10] Department of Transportation. Federal Aviation Administration, 14 CFR Part 77 [Docket No. FAA–2006–25002; Amendment No. 77–13] RIN 2120–AH31. *Safe, Efficient Use and Preservation of the Navigable Airspace*. 42296 Federal Register / Vol. 75, No. 139 / Wednesday, July 21, 2010 / Rules and Regulations. http://www.gpo.gov/fdsys/pkg/FR-2010-07-21/pdf/2010-17767.pdf.

Lastly, any construction activities associated with installing control equipment or infrastructure, in the event that the backstop requirement in PR 4001 is triggered, would not be expected to result in the construction of tall structures, especially structures 200 feet tall, near airports so no impacts to airport land use plans or safety hazards to people residing or working in the vicinity of local airports are anticipated. This topic will not be further addressed in the Draft PEA.

VIII. f) No Impact. Health and Safety Code §25506 specifically requires all businesses handling hazardous materials to submit a business emergency response plan to assist local administering agencies in the emergency release or threatened release of a hazardous material. Business emergency response plans generally require the following:

- Identification of individuals who are responsible for various actions, including reporting, assisting emergency response personnel and establishing an emergency response team;
- Procedures to notify the administering agency, the appropriate local emergency rescue personnel, and the California Office of Emergency Services;
- Procedures to mitigate a release or threatened release to minimize any potential harm or damage to persons, property or the environment;
- Procedures to notify the necessary persons who can respond to an emergency within the facility;
- Details of evacuation plans and procedures;
- Descriptions of the emergency equipment available in the facility;
- Identification of local emergency medical assistance; and
- Training (initial and refresher) programs for employees in:
    1. The safe handling of hazardous materials used by the business;
    2. Methods of working with the local public emergency response agencies;
    3. The use of emergency response resources under control of the handler;
    4. Other procedures and resources that will increase public safety and prevent or mitigate a release of hazardous materials.

In general, every county or city and all facilities using a minimum amount of hazardous materials are required to formulate detailed contingency plans to eliminate, or at least minimize, the possibility and effect of fires, explosion, or spills. In conjunction with the California Office of Emergency Services, local jurisdictions have enacted ordinances that set standards for area and business emergency response plans. These requirements include immediate notification, mitigation of an actual or threatened release of a hazardous material, and evacuation of the emergency area.

Emergency response plans are typically prepared in coordination with the local city or county emergency plans to ensure the safety of not only the public (surrounding local communities), but the facility employees as well. The proposed project would not impair implementation of, or physically interfere with any adopted emergency response plan or emergency evacuation plan. The Ports already have their own emergency response plans in place. However, depending on the actions that may be taken by the Ports in the event that the backstop requirement in PR 4001 is triggered, the Ports may need to update their emergency response plan to accommodate any changes that may occur. For example, if new hazardous are introduced to the Ports or if additional storage of hazardous materials (e.g., ammonia) is needed at the Ports, then such modifications may require revisions to the Ports'

emergency response plans. However, these modifications would not be expected to interfere with the emergency response procedures in place.

Thus, the proposed project is not expected to impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan, but may require changes or updates. As such, this impact issue will not be further analyzed in the Draft PEA.

VIII. g) No Impact. The proposed project is not expected to increase the existing risk of fire hazards in areas with flammable brush, grass, or trees since the Ports are located at existing, established industrial and commercial sites in urban areas where wildlands are not prevalent. In addition, no substantial or native vegetation typically exists on or near the Ports (specifically because they could be a fire hazard) or in other industrial or transportation-related areas, so the proposed project is not expected to expose people or structures to wild fires. Thus, risk of loss or injury associated with wildland fires is not expected. Accordingly, this impact issue will not be further evaluated in the Draft PEA.

VIII. h) Potentially Significant Impact. The Uniform Fire Code and Uniform Building Code set standards intended to minimize risks from flammable or otherwise hazardous materials. Local jurisdictions are required to adopt the uniform codes or comparable regulations. Local fire agencies require permits for the use or storage of hazardous materials and permit modifications for proposed increases in their use. Permit conditions depend on the type and quantity of the hazardous materials used. Permit conditions may include, but are not limited to, specifications for sprinkler systems, electrical systems, ventilation, and containment. The fire departments make annual business inspections to ensure compliance with permit conditions and other appropriate regulations. Further, businesses are required to report increases in the storage or use of flammable and otherwise hazardous materials to local fire departments. Local fire departments ensure that adequate permit conditions are in place to protect against the potential risk of upset.

If the Ports choose to accelerate the penetration of cleaner off-road equipment, the increased transport, handling, or use of flammable materials, such as alternative fuels, could occur. Similarly, if the Ports choose to install control equipment that utilizes ammonia (e.g., SCR or SNCR), explosion risks resulting from the industrial handling of aqueous ammonia solutions could increase. As such, the potential for increased probability of explosion, fire, or other hazards will be addressed in the Draft PEA. Impacts related to public exposure to toxic air contaminants will be addressed in the "Air Quality" section of the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IX.	**HYDROLOGY AND WATER QUALITY.** Would the project:				
a)	Violate any water quality standards, waste discharge requirements, exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, or otherwise substantially degrade water quality?	☑	☐	☐	☐
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☑	☐	☐	☐
c)	Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or off-site?	☐	☐	☑	☐
d)	Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☑	☐
e)	Place housing or other structures within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would impede or redirect flood flows?	☐	☐	☐	☑

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
f)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, or inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☑
g)	Require or result in the construction of new water or wastewater treatment facilities or new storm water drainage facilities, or expansion of existing facilities, the construction of which could cause significant environmental effects?	☑	☐	☐	☐
h)	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	☑	☐	☐	☐
i)	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☑	☐	☐	☐

Significance Criteria

Potential impacts on water resources will be considered significant if any of the following criteria apply:

Water Demand:

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use more than 262,820 gallons per day of potable water.
- The project increases demand for total water by more than five million gallons per day.

Water Quality:

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.

- The project will cause the degradation of surface water substantially affecting current or future uses.
- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters.

Discussion

Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have a potential to generate significant adverse hydrology and water quality impacts. The Program EIR identified the following adverse hydrology and water quality impacts specific to the implementation of Control Measure IND-01: 1) use of air pollution control equipment that employs water in order to function (e.g., wet ESP or WGS) could increase amount of water demand and wastewater that could be generated; 2) increased use of alternative fuels may have the potential to create water quality or groundwater quality impacts in the event of an accidental release during transport, use, or storage; and, 3) use of air pollution control equipment that employs ammonia in order to function (e.g., SCR or SNCR) may have the potential to create water quality or groundwater quality impacts in the event of an accidental release during transport, use, or storage. Since PR 4001 would implement Control Measure IND-01, the potential adverse hydrology and water quality impacts that may occur as a result of implementing PR 4001 are expected to be the same as or similar to the impacts evaluated for Control Measure IND-01 in the Program EIR.

IX. a), g) & i) Potentially Significant Impact. In the event that the backstop requirement in PR 4001 is triggered, the Ports may install control equipment that could result in increased or altered wastewater streams. In addition, the use of alternative transportation fuels may have the potential to create water quality or groundwater quality impacts in the event of accidental releases of alternative fuels during transport, storage, or handling.

If the backstop requirement in PR 4001 is triggered, there are several ways adverse hydrology and water quality impacts could occur. For example, to control PM2.5 emissions, the Ports could choose to install control equipment on large sources that utilize water and generate wastewater streams such as a wet gas scrubber (WGS) or a wet electrostatic precipitator (ESP). Similarly, to control NOx emissions, the Ports could choose to install control equipment that utilize SCR or SNCR on industrial combustion sources such as boilers and heaters, as well as large diesel engines on mobile sources to reduce NOx, including off-road diesel engines (e.g., locomotive engines and marine vessel engines). Since SCR and SNCR both utilize ammonia, a toxic air contaminant (TAC) and acutely hazardous material, adverse water quality impacts could occur in the event of an accidental release of ammonia into the environment.

In addition, if the Ports choose to accelerate the replacement of high emitting on-road and off-road mobile source vehicles with low emitting or alternative fueled mobile source vehicles at the Ports, the use of alternative fuels could increase and in turn, the potential for adverse water quality impacts could increase in the event of an accidental release into the environment.

Thus, implementing PR 4001 may result in the potential for generating increased volumes of wastewater that could adversely affect water quality standards or waste discharge requirements resulting in the need for new or increased wastewater treatment capacity. Therefore, these topics will be evaluated further in the Draft PEA.

IX. b) & h) Potentially Significant Impact. In the event that the backstop requirement in PR 4001 is triggered, the Ports may install control equipment that could result in increased water demand. For example, to control PM2.5 emissions, the Ports could choose to install control equipment on large sources that utilize water such as a WGS or a wet ESP. Thus, implementing the proposed project would require additional water, some of which could come from ground water supplies, require new water supply facilities, or require an expansion of existing water supply facilities.. This topic is potentially significant and will be evaluated further in the Draft PEA.

IX. c) & d) Less Than Significant Impact. In the event that the backstop requirement in PR 4001 is triggered, the Ports may install control equipment or take other actions as necessary to achieve the required emission reduction targets. Changes to each port's storm water collection systems are expected to be less than significant because the installation of control equipment is not likely to change how storm water is currently collected at the Ports. In addition, most of the areas at the Ports or other industrial or transportation-related areas that are potentially affected by the proposed project are currently paved and are expected to remain paved. In the event that any new units are installed, they will be constructed with curbs and the existing units will remain curbed to contain any runoff. Any runoff occurring will continue to be handled by each area's wastewater system and sent to wastewater treatment system prior to discharge. The surface water runoff is expected to be handled by each port's or other area's current wastewater treatment system. Storm water runoff will be collected and discharged in accordance with each discharge permit's terms and conditions. Storm Water Pollution Prevention Plans may need to be updated, as necessary to reflect operational modifications and include additional Best Management Practices, if required. Further, any construction that may occur as a result of implementing PR 4001 will occur at the Ports, which are adjacent to the ocean, and as such, would not alter the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or off-site. Therefore, less than significant storm water quality impacts are expected to result from the operation of the proposed project. Accordingly, these impact issues will not be further evaluated in the Draft PEA.

IX. e) No Impact. Once implemented, PR 4001 is not expected to require additional workers, except during construction activities. Further, the proposed project is expected to involve construction activities located at the Ports or other industrial or transportation-related areas and does not include the construction of any new housing so it would not place new housing in 100-year flood areas as mapped on a federal Flood Hazard Boundary or

Flood Insurance Rate Map or other flood delineation map. Since the proposed project would not require locating new facilities within a flood zone, it is not expected that implementation of the proposed project would expose people or property to any known water-related flood hazards.

As a result, the proposed project would not be expected to create or substantially increase risks from flooding or expose people or structures to significant risk of loss, injury or death involving flooding. Consequently, this topic will not be evaluated further in the Draft PEA.

IX. f) No Impact. The proposed project does not require construction in areas that could be affected by tsunamis. The port areas are currently protected from tsunamis by existing breakwaters. The breakwaters are expected to minimize the potential impacts of a tsunami or seiche so that no significant impacts are expected. Because the Ports are located adjacent to the ocean, the proposed project does not require construction in areas that are susceptible to mudflows (e.g., hillside or slope areas). Also, construction in other industrial or transportation-related areas is not expected to be near mudflow areas. As a result, the proposed project is not expected to generate significant adverse mudflow impacts. Finally, PR 4001 will not affect in any way any potential flood hazards inundation by seiche, tsunami, or mud flow that may already exist at the Ports or other industrial or transportation-related areas. Accordingly, this impact issue will not be further evaluated in the Draft PEA.

Based upon these considerations, potentially significant adverse impacts to hydrology and water quality are expected from implementation of the proposed project and will be evaluated further in the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
X.	**LAND USE AND PLANNING.** Would the project:				
a)	Physically divide an established community?	☑	☐	☐	☐
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	☑	☐	☐	☐

Significance Criteria

Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

Discussion

X. a) & b) Potentially Significant Impact. While the proposed project does not require the construction of new facilities, in the event that the Ports do not achieve the emission reduction targets and the Ports prepare an Emission Reduction Plan that contains control strategies, control equipment may be installed and construction activities associated with the installation could require disturbance of previously disturbed areas at the Ports or within already developed land use areas if the Ports identify control strategies in the Emission Reduction Plan that would reduce emissions elsewhere. Depending on the location where these activities may occur, implementation of the proposed project could potentially involve physical changes to the environment, which may physically divide an established community or affect land use plans, policies, or regulation. While the specific nature or degree of such impacts is currently unknown, potentially significant adverse impacts to land use and planning will be analyzed in the Draft PEA based on available information.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XI.	**MINERAL RESOURCES.** Would the project:				
a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☑
b)	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☑

Significance Criteria

Project-related impacts on mineral resources will be considered significant if any of the following conditions are met:

- The project would result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.
- The proposed project results in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

Discussion

XI. a) & b) No Impact. There are no provisions in PR 4001 that would result in the loss of availability of a known mineral resource of value to the region and the residents of the state

such as aggregate, coal, clay, shale, et cetera, or of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

Based upon these considerations, significant mineral resource impacts are not expected from implementing PR 4001, and thus, will not be further analyzed in the Draft PEA. Since no significant mineral resource impacts were identified, no mitigation measures are necessary or required.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XII.	**NOISE.** Would the project result in:				
a)	Exposure of persons to or generation of permanent noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☑	☐	☐	☐
b)	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	☑	☐	☐	☐
c)	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	☑	☐	☐	☐
d)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	☑	☐	☐	☐

Significance Criteria

Noise impact will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

Discussion

XII. a), b), c), & d) Potentially Significant Impact. While the proposed project does not require the construction of new facilities, in the event that the Ports do not achieve the emission reduction targets and the Ports prepare an Emission Reduction Plan that contains control strategies, control equipment may be installed and construction activities associated with the installation could cause noise impacts in areas at the Ports or within existing heavy industrial or transportation land use areas if the Ports identify control strategies in the Emission Reduction Plan that would reduce emissions elsewhere.

In the event that the backstop requirement in PR 4001 is triggered, control equipment or new infrastructure may be installed and construction activities associated with the installation may generate some additional temporary noise associated with the use of construction equipment and construction-related traffic. In addition, once the control equipment and new infrastructure such as alternative fueling stations become operational, some additional permanent noise may be expected. Potentially significant adverse impacts to noise will be analyzed in the Draft PEA based on available information.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIII.	**POPULATION AND HOUSING.** Would the project:				
a)	Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?	☐	☐	☐	☑
b)	Displace substantial numbers of people or existing housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☑

Significance Criteria

Impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

Discussion

XIII. a) No Impact. The construction activities associated with the proposed project are not expected to involve the relocation of individuals, require new housing or commercial facilities, or change the distribution of the population. The reason for this conclusion is that operators of the Ports or other industrial and transportation-related sources who need to perform any construction activities to comply with the proposed project can draw from the existing labor pool in the local southern California area. Further, it is not expected that the installation of control equipment or new infrastructure such as alternative fueling stations will require additional employees to operate and maintain the equipment. In the event that new employees are hired, it is expected that the number of new employees needed would be small as most reasonably foreseeable projects involve replacement of mobile sources not requiring the need for additional employees. Human population within the jurisdiction of the SCAQMD is anticipated to grow regardless of implementing the proposed project. As a result, the proposed project is not anticipated to generate any significant adverse effects, either direct or indirect, on population growth in the District or population distribution.

XIII. b) No Impact. Because the proposed project includes modifications and/or changes at the Ports or the surrounding property, the proposed project is not expected to result in the creation of any industry that would affect population growth, directly or indirectly induce the construction of single- or multiple-family units, or require the displacement of people or housing elsewhere in the District.

Based upon these considerations, significant population and housing impacts are not expected from implementing PR 4001, and thus, this topic will not be further analyzed in the Draft PEA. Since no significant population and housing impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIV. PUBLIC SERVICES. Would the proposal result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
a) Fire protection?	☑	☐	☐	☐
b) Police protection?	☑	☐	☐	☐
c) Schools?	☐	☐	☐	☑
d) Other public facilities?	☑	☐	☐	☐

Significance Criteria

Impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

Discussion

XIV. a), b) & d) Potentially Significant Impact. While the proposed project does not require the construction of new facilities, in the event that the Ports do not achieve the emission reduction targets and the Ports prepare an Emission Reduction Plan that contains control strategies, control equipment may be installed and construction activities associated with the installation could cause public services impacts in areas at the Ports or within existing heavy industrial or transportation land use areas if the Ports identify control strategies in the Emission Reduction Plan that would reduce emissions elsewhere.

In the event the backstop requirement in PR 4001 is triggered, the installation of control equipment and new infrastructure such as alternative fueling stations as well as the use of alternative clean fuels (and a commensurate reduction in currently used petroleum fuels) may occur. As first responders to emergency situations, police and fire departments may assist local hazmat teams with containing hazardous materials, putting out fires, and controlling crowds to reduce public exposure to releases of hazardous materials. In addition, emergency or rescue vehicles operated by local, state, and federal law enforcement agencies, police and sheriff departments, fire departments, hospitals, medical or paramedic facilities,

that are used for responding to situations where potential threats to life or property exist, including, but not limited to fire, ambulance calls, or life-saving calls, may be needed in the event of an accidental release or other emergency. While the specific nature or degree of such impacts is currently unknown, potentially significant adverse impacts to public services will be analyzed in the Draft PEA based on available information.

XIV. c) No Impact. As noted in the previous "Population and Housing" discussion, the proposed project is not expected to induce population growth in any way because the local labor pool (e.g., workforce) is expected to be sufficient to accommodate any construction activities that may be necessary, and operation of any new equipment is not expected to require additional employees. Therefore, there will be no increase in local population and thus no impacts are expected to local schools.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XV.	**RECREATION.**				
a)	Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☑
b)	Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment or recreational services?	☐	☐	☐	☑

Significance Criteria

Impacts to recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.
- The project adversely affects existing recreational opportunities.

Discussion

XV. a) & b) No Impact. As discussed earlier under the topic of "Population and Housing," there are no provisions in the PR 4001 that would affect or increase the demand for or use of existing neighborhood and regional parks or other recreational facilities or require the construction of new or the expansion of existing recreational facilities that might have an adverse physical effects on the environment because it will not directly or indirectly increase or redistribute population. Based upon these considerations, including the conclusion of "no

impact" for the topic of "population and housing," significant recreation impacts are not expected from implementing PR 4001, and thus, this topic will not be further analyzed in the Draft PEA. Since no significant recreation impacts were identified, no mitigation measures are necessary or required.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVI.	**SOLID AND HAZARDOUS WASTE.** Would the project:				
a)	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☑	☐	☐	☐
b)	Comply with federal, state, and local statutes and regulations related to solid and hazardous waste?	☐	☐	☐	☑

Significance Criteria

The proposed project impacts on solid and hazardous waste will be considered significant if the following occurs:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

Discussion

Control Measure IND-01, as previously evaluated in the Program EIR for the Final 2012 AQMP, was determined to have a potential to generate significant adverse solid and hazardous waste impacts from the electrification of sources, early retirement of equipment, installation of air pollution control equipment on sources, and the use of alternative fuels. The Program EIR identified the following adverse solid and hazardous waste impacts specific to the implementation of Control Measure IND-01: 1) Potential increase in solid waste due to early retirement of equipment; 2) solid waste associated with the operation of air pollution control equipment; and 3) electric vehicle battery disposal. Since PR 4001 would implement Control Measure IND-01, the potential adverse solid and hazardous waste impacts that may occur as a result of implementing PR 4001 are expected to be the same as or similar to the impacts evaluated for Control Measure IND-01 in the Program EIR.

XVI. a) Potentially Significant Impact. Implementing PR 4001 could increase the generation and disposal of solid and hazardous waste. Specifically, in the event the backstop requirement in PR 4001 is triggered, the Ports may encourage the use of electric vehicles which could result in an increase in waste associated with spent batteries. Similarly, if the Ports encourage the early retirement of older equipment and replacement with newer and lower emission technology equipment, additional waste associated with the older equipment may be generated.

In addition, the generation of solid or hazardous waste could occur if air pollution control equipment is installed that relies on activated carbon, filters, and catalysts to function. Also, construction activities associated with installing control equipment may involve some demolition and site preparation/grading/excavating activities that could generate solid waste. Demolition activities could generate demolition waste while site preparation, grading, and excavating could uncover contaminated soils since the Ports and other potentially impacted areas are located in existing industrial areas.

Excavated soil, if found to be contaminated, will need to be characterized, treated, and disposed of offsite in accordance with applicable regulations. Where appropriate, the soil will be recycled if it is considered or classified as non-hazardous waste or it can be disposed of at a landfill that accepts non-hazardous waste. Otherwise, the material will need to be disposed of at a hazardous waste facility. (Potential soil contamination is addressed in the Hazards and Hazardous Materials discussion in Section VIII. d.)

Solid or hazardous wastes generated from construction-related activities would consist primarily of materials from the demolition and/or alteration of any existing structure to make room for the new equipment to be installed. Construction-related waste, depending on the classification of the waste, would need to be disposed of at a Class II (industrial) or Class III (municipal) landfill.

Solid waste impacts would be considered significant if the impacts result in a violation of local, state or federal solid waste standards. Also, solid waste impacts would be significant if the additional potential waste volume exceeded the existing capacity of landfills in the District. The potential solid and hazardous waste impacts from implementing the proposed project will be analyzed in the Draft PEA.

XVI. b) No Impact. Adopting PR 4001 is not expected to interfere with the Ports' abilities to comply with federal, state, or local statutes and regulations related to solid and hazardous waste handling or disposal. Prior to adopting, amending or repealing a rule, such as PR 4001, Health and Safety Code §40727 requires the SCAQMD Governing Board shall make certain findings. One of these findings is consistency, which requires that SCAQMD rules are in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or federal or state regulations. Further, nothing in PR 4001 would interfere with the compliance requirements for waste handling or disposal. Thus, this specific topic will not be further evaluated in the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVII.	**TRANSPORTATION AND TRAFFIC.** Would the project:				
a)	Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	☑	☐	☐	☐
b)	Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	☑	☐	☐	☐
c)	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	☐	☐	☐	☑
d)	Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	☐	☐	☐	☑
e)	Result in inadequate emergency access?	☐	☐	☐	☑
f)	Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	☐	☐	☐	☑

Significance Criteria

Impacts on transportation and traffic will be considered significant if any of the following criteria apply:

- Peak period levels on major arterials are disrupted to a point where level of service (LOS) is reduced to D, E or F for more than one month.
- An intersection's volume to capacity ratio increase by 0.02 (two percent) or more when the LOS is already D, E or F.
- A major roadway is closed to all through traffic, and no alternate route is available.
- The project conflicts with applicable policies, plans or programs establishing measures of effectiveness, thereby decreasing the performance or safety of any mode of transportation.
- There is an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.
- The need for more than 350 employees
- An increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round trips per day
- Increase customer traffic by more than 700 visits per day.

Discussion

XVII. a) & b) Potentially Significant Impact. Construction activities resulting from implementing the proposed project may generate a temporary increase in traffic due to trips associated with construction workers, construction equipment, and the delivery of construction materials.

Once construction is completed, the work force at each affected facility is not expected to significantly increase during operations of the proposed project because no or very few, new employees are expected to be needed to operate the new control equipment, if installed. As a result, no operation-related traffic due to employee commutes is expected.

However, other types of transportation and traffic impacts are expected to occur during operation. For example, as explained in Section XVII – Solid and Hazardous Waste, implementing PR 4001 could increase the generation and disposal of solid and hazardous waste and in turn, additional trips to handle the disposal of these wastes may occur. Specifically, in the event the backstop requirement in PR 4001 is triggered, the Ports may encourage the use of electric vehicles which could result in an increase in waste associated with spent batteries and an increase in trips in order to transport this waste for disposal. Similarly, if the Ports encourage the early retirement of older equipment and replacement with newer and lower emission technology equipment, additional waste associated with the older equipment may be generated and additional transport trips to dispose of this waste may

occur. The need to transport waste will also increase if air pollution control equipment is installed that relies on disposable items including but not limited to activated carbon, filters, or catalysts in order to function. Lastly, construction activities associated with installing control equipment may involve some demolition and site preparation/grading/excavating activities that could generate solid waste and in turn increase the number of disposal trips.

Thus, the construction and operational traffic impacts will be evaluated further in the Draft PEA.

XVII. c) No Impact. There are no airports within 20,000 feet (3.8 miles) of the San Pedro Bay Ports complex. The nearest airport, Zamperini Field Airport, is approximately nine miles (47,520 feet) from the Ports complex. Similarly, Long Beach Airport is approximately 13 miles (68,640 feet) and Los Angeles International Airport is approximately 20 miles (105,600 feet) from the Ports complex. As a result, all local airports are located well outside the range of the Ports. Moreover, activities away from the Ports are not expected to influence air traffic patterns or create safety issues. Thus, any actions that would be taken at the Ports or at other industrial and transportation-related areas to comply with the proposed project are not expected to significantly influence or affect air traffic patterns. Thus, implementation of the proposed project would not result in a change in air traffic patterns including an increase in traffic levels or a change in location that results in substantial safety risks. Thus, these impacts will not be evaluated further in the Draft PEA.

XVII. d) & e) No Impact. The siting of each port is consistent with surrounding land uses and traffic/circulation in the surrounding areas. Thus, the proposed project is not expected to substantially increase traffic hazards or create incompatible uses. Further, PR 4001 is not expected to require a modification to circulation, thus, no long-term impacts on the traffic circulation system are expected to occur. The proposed project is not expected to involve the construction of any roadways, so there would be no increase in roadway design feature that could increase traffic hazards. Emergency access at each port is not expected to be impacted by the proposed project because each port is expected to continue to maintain their existing emergency access gates. Thus, these impacts will not be evaluated further in the Draft PEA.

XVII. f) No Impact. Construction and operation activities resulting from implementing the proposed project are not expected to conflict with policies supporting alternative modes of transportation since the proposed project does not involve or affect these methods of transportation (e.g., bicycles or buses) because the construction and operation activities related to the proposed project will occur at the Ports which are located in established industrial areas, and involve uses not conducive to alternative modes of transportation.

Based upon these considerations, significant adverse impacts to transportation and traffic are expected from implementation of the proposed project and will be evaluated further in the Draft PEA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVIII.	**MANDATORY FINDINGS OF SIGNIFICANCE.**				
a)	Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☑
b)	Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)	☑	☐	☐	☐
c)	Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	☑	☐	☐	☐

Discussion

XVIII. a) No Impact. The proposed project is not expected to reduce or eliminate any plant or animal species or destroy prehistoric records of the past. As indicated in the biological resources discussion, the proposed project would mainly affect operations at the Ports or other industrial and transportation-related areas, which have been previously graded, such that the proposed project is not expected to extend into environmentally sensitive areas.

XVIII. b) Potentially Significant Impact. The Environmental Checklist indicates that the proposed project has potentially significant adverse impacts on air quality and greenhouse gases, energy, hazards and hazardous materials impacts, hydrology and water quality, solid and hazardous waste, and, transportation and traffic. The potential for cumulative impacts on these resources will be evaluated in the Draft PEA.

XVIII. c) Potentially Significant Impact. To ensure that emission reduction targets in Control Measure IND-01 are met, the proposed project may result in secondary effects, such as emissions of regulated air pollutants and GHGs, in the event that the backstop requirement in PR 4001 is triggered. The potential for these impacts to have adverse impacts on human beings, either directly or indirectly, will be evaluated in the Draft PEA.

APPENDIX A

CONTROL MEASURE IND-01 - BACKSTOP MEASURE FOR INDIRECT SOURCES OF EMISSIONS FROM PORTS AND PORT-RELATED FACILITIES [NO_x, SO_x, PM2.5]

IND-01: BACKSTOP MEASURE FOR INDIRECT SOURCES OF EMISSIONS FROM PORTS AND PORT-RELATED FACILITIES [NO_X, SO_X, PM2.5]

CONTROL MEASURE SUMMARY

SOURCE CATEGORY: IF THE BACKSTOP MEASURE BECOMES EFFECTIVE (I.E. IF EMISSIONS FROM PORT-RELATED SOURCES EXCEED TARGETS FOR NOX, SOX, AND PM2.5), AFFECTED SOURCES WOULD BE PROPOSED BY THE PORTS AND COULD INCLUDE SOME OR ALL PORT-RELATED SOURCES (TRUCKS, CARGO HANDLING EQUIPMENT, HARBOR CRAFT, MARINE VESSELS, LOCOMOTIVES, AND STATIONARY EQUIPMENT), TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE

CONTROL METHODS: IF THE BACKSTOP MEASURE BECOMES EFFECTIVE, EMISSION REDUCTION METHODS WOULD BE PROPOSED BY THE PORTS AND POTENTIALLY COULD INCLUDE CLEAN TECHNOLOGY FUNDING PROGRAMS, LEASE PROVISIONS, PORT TARIFFS, OR INCENTIVES/DISINCENTIVES TO IMPLEMENT MEASURES, TO THE EXTENT COST EFFECTIVE AND FEASIBLE STRATEGIES ARE AVAILABLE

EMISSIONS (TONS/DAY):

ANNUAL AVERAGE	**2008**	**2014**	**2019**	**2023**
NOX INVENTORY*	78.6	51.2	47.2	39.2
NOX REDUCTION*		N/A	N/A	N/A
NOX REMAINING*		51.2	47.2	39.2
SOX INVENTORY*	25.5	1.8	2.3	2.7
SOX REDUCTION*		N/A	N/A	N/A
SOX REMAINING*		1.8	2.3	2.7
PM2.5 INVENTORY*	3.7	1.0	1.0	1.1
PM2.5 REDUCTION*		N/A	N/A	N/A
PM2.5 REMAINING*		1.0	1.0	1.1

CONTROL COST: TBD

IMPLEMENTING AGENCY: SCAQMD

** The purpose of this control measure is to ensure the emissions from port-related sources are at or below the AQMP baseline inventories for PM2.5 attainment demonstration. The emissions presented herein were used for attainment demonstration of the 24-hr PM 2.5 standard by 2014.*

DESCRIPTION OF SOURCE CATEGORY

This control measure is carried over from the 2007 AQMP/SIP. If the backstop measure goes into effect, affected sources would be proposed by the ports and could include some or all port-related sources (trucks, cargo handling equipment, harbor craft, marine vessels, locomotives, and stationary equipment), to the extent cost effective and feasible strategies are available.

Other sources—i.e. sources that are unrelated to the Ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the Ports or port tenants).

Background

Emissions and Progress. The Ports of Los Angeles and Long Beach are the largest in the nation in terms of container throughput, and collectively are the single largest fixed source of air pollution in Southern California. Emissions from port-related sources have been reduced significantly since 2006 through efforts by the Ports and a wide range of stakeholders. In large part, these emission reductions have resulted from programs developed and implemented by the Ports in collaboration with port tenants, marine carriers, trucking interests and railroads. Regulatory agencies, including U.S. EPA, CARB and SCAQMD, have participated in these collaborative efforts from the outset, and some measures adopted by the Ports have led the way for adoption of analogous regulatory requirements that are now applicable statewide. These port measures include the Clean Truck Program and actions to deploy shore-power and low emission cargo handling equipment. The Ports of Los Angeles and Long Beach have also established incentive programs which have not subsequently been adopted as regulations. These include incentives for routing of vessels meeting IMO Tier 2 and 3 NOx standards, and vessel speed reduction. In addition, the ports are, in collaboration with the regulatory agencies, implementing an ambitious Technology Advancement Program to develop and deploy clean technologies of the future.

Port sources such as marine vessels, locomotives, trucks, harbor craft and cargo handling equipment, continue to be among the largest sources of $PM_{2.5}$ and $PM_{2.5}$ precursors in the region. Given the large magnitude of emissions from port-related sources, the substantial efforts described above play a critical part in the ability of the South Coast Air Basin to attain the national $PM_{2.5}$ ambient air standard by federal deadlines. This measure provides assurance that emissions from the Basin's largest fixed emission source will continue to support attainment of the federal 24-hour PM2.5 standard. Reductions in PM2.5 emissions will also reduce cancer risks from diesel particulate matter.

Clean Air Action Plan. The emission control efforts described above largely began in 2006 when the Ports of Los Angeles and Long Beach, with the participation and cooperation of the staff of the SCAQMD, CARB, and EPA, adopted the San Pedro Bay Ports Clean Air Action Plan (CAAP). The CAAP was further amended in 2010, updating many of the goals and implementation strategies to reduce air emissions and health risks associated with port operations while allowing port development to continue. In addition to addressing health risks from port-related sources, the CAAP sought the reduction of criteria pollutant

emissions to the levels that assure port-related sources decrease their "fair share" of regional emissions to enable the Basin to attain state and federal ambient air quality standards.

The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with NOx and SOx. The CAAP includes proposed strategies on port-related sources that are implemented through new leases or port-wide tariffs, Memoranda of Understanding (MOU), voluntary actions, grants or incentive programs.

The goals set forth in the CAAP include:

- Health Risk Reduction Standard: 85% reduction in population-weighted cancer risk by 2020
- Emission Reduction Standards:
  - By 2014, reduce emissions by 72% for DPM, 22% for NOx, and 93% for SOx
  - By 2023, reduce emissions by 77% for DPM, 59% for NOx, and 93% for SOx

In addition to the CAAP, the Ports have completed annual inventories of port-related sources since 2005. These inventories have been completed in conjunction with a technical working group composed of the SCAQMD, CARB, and U.S. EPA. Based on the latest inventories, it is estimated that the emissions from port-related sources will meet the Final 2012 AQMP emission targets necessary for meeting the 24-hr PM2.5 ambient air quality standard. The projected emissions from port-related sources are included in the "baseline" emissions assumed in this plan to attain the PM2.5 standards.

While many of the emission reduction targets in the CAAP result from implementation of federal and state regulations (either adopted prior to or after the CAAP), some are contingent upon the Ports taking and maintaining actions which are not required by air quality regulations. These actions include the Expanded Vessel Speed Reduction Incentive Program, lower-emission switching locomotives, and incentives for lower emission marine vessels. This AQMP control measure is designed to provide a "backstop" to the Ports' actions to provide assurance that, if emissions do not continue to meet projections, the Ports will develop and implement plans to get back on track, to the extent that cost effective and feasible strategies are available.

Regulatory History

The CAAP sets out the emission control programs and plans that will help mitigate air quality impacts from port-related sources. The CAAP relies on a combination of regulatory requirements and voluntary control strategies which go beyond U.S. EPA or CARB requirements, or are implemented faster than regulatory rules. The regulations which the CAAP relies on include international, federal and state requirements controlling port-related sources such as marine vessels, harbor craft, cargo handling equipment, locomotives, and trucks.

The International Maritime Organization (IMO) MARPOL Annex VI, which came into force in May 2005, set new international NO_X emission limits on Category 3 (>30 liters per cylinder displacement) marine engines installed on new vessels retroactive to the year 2000. In October 2008, the IMO adopted an amendment which places a global limit on marine fuel sulfur content of 0.1 percent by 2015 for specific areas known as Emission Control Areas (ECA). The South Coast District waters of the California coast are included in an ECA and ships calling at the Port of Los Angeles and Long Beach have to meet this new fuel standard. In addition, the 2008 IMO amendment required new ships built after January 1, 2016 which will be used in an Emission Control Area (ECA) to meet a Tier III NOx emission standard which is 80 percent lower than the original emission standard.

To reduce emissions from switch and line-haul locomotives, the U.S. EPA in 2008 established a series of increasingly strict emission standards for new or remanufactured locomotive engines. The emission standards are implemented by "Tier" with Tier 0 as the least stringent and Tier 4 being the most stringent. U.S. EPA also established remanufacture standards for both line haul and switch engines. For Tiers 0, 1, and 2, the remanufacture standards are more stringent than the new manufacture standards for those engines for some pollutants.

To reduce emissions from on-road, heavy-duty diesel trucks, U.S. EPA established a series of cleaner emission standards for new engines, starting in 1988. The U.S. EPA promulgated the final and cleanest standards with the 2007 Heavy-Duty Highway Rule. Starting with model year 2010, all new heavy-duty trucks have to meet the final emission standards specified in the rule.

On December 8, 2005, CARB approved the Regulation for Mobile Cargo-Handling Equipment (CHE) at Ports and Intermodal Rail Yards (Title 13, CCR, Section 2479), which is designed to use best available control technology (BACT) to reduce diesel PM and NO_X emissions from mobile cargo-handling equipment at ports and intermodal rail yards. The regulation became effective December 31, 2006. Since January 1, 2007, the regulation imposes emission performance standards on new and in-use terminal equipment that vary by equipment type.

In 1998, the railroads and CARB entered into an MOU to accelerate the introduction of Tier 2 locomotives into the SCAB. The MOU includes provisions for a fleet average in the SCAB, equivalent to U.S. EPA's Tier 2 locomotive standard by 2010. The MOU addressed NOx emissions from locomotives. Under the MOU, NOx levels from locomotives are reduced by 67 percent.

On June 30, 2005, Union Pacific Railroad (UP) and Burlington Northern Santa Fe Railroad (BNSF) entered into a Statewide Rail Yard Agreement to Reduce Diesel PM at California Rail Yards with the CARB. The railroads committed to implementing certain actions from rail operations throughout the state. In addition, the railroads prepared equipment inventories and conducted dispersion modeling for diesel PM.

In December 2007, CARB adopted a regulation which applies to heavy-duty diesel trucks operating at California ports and intermodal rail yards. This regulation eventually will require all drayage trucks to meet 2007 on-road emission standards by 2014.

Areas where the CAAP went beyond existing regulatory requirements or accelerated the implementation of current IMO, U.S. EPA, or CARB rules include emissions reductions from ocean-going vessels through lowering vessel speeds, accelerating the introduction of 2007/2010 on-road heavy-duty drayage trucks, maximizing the use of shore-side power for ocean-going vessels while at berth, early use of low-sulfur fuel in ocean-going vessels, and the restriction of high-emitting locomotives on port property. Each of these strategies is highlighted below.

HDV1 – Performance Standards for On-Road Heavy-Duty Vehicles (Clean Truck Program): This control measure requires that all on-road trucks entering the ports comply with the Clean Truck Program. Several milestones occurred early in the program implementation, but the current requirement bans all trucks not meeting the 2007 on-road heavy-duty truck emission standards from port property. This program has the effect of accelerating the introduction of clean trucks sooner than would have occurred under the state-wide drayage truck regulation framework.

OGV1 –Vessel Speed Reduction Program (VSRP): Under this voluntary program, the Port requested that ships coming into the Ports reduce their speed to 12 knots or less within 20nm of the Point Fermin Lighthouse. The program started in May 2001. The Ports expanded the program out to 40 nm from the Point Fermin Lighthouse in 2010.

OGV3/OGV4 – Low Sulfur Fuel for Auxiliary Engines, Auxiliary Boilers and Main Engines: OGV3 reduces emissions for auxiliary engines and auxiliary boilers of OGVs during their approach and departure from the ports, including hoteling, by switching to MGO or MDO with a fuel sulfur content of 0.2 percent or less within 40 nm from Point Fermin. OGV4 Control measure reduces emissions from main engines during their approach and departure from the ports. OGV3 and OVV4 are implemented as terminal leases are renewed.

RL-3 – New and Redeveloped Near-Dock Rail Yards: The Ports have committed to support the goal of accelerating the natural turnover of line-haul locomotive fleet to at least 95 percent Tier 4 by 2020. In addition, this control measure establishes the minimum standard goal that the Class 1 (UP and BNSF) locomotive fleet associated with new and redeveloped near-dock rail yards use 15-minute idle restrictors and ULSD or alternative fuels, and as part of the environmental review process for upcoming rail projects, 40% of line-haul locomotives accessing port property will meet a Tier 3 emission standard and 50% will meet Tier 4.

PROPOSED METHOD OF CONTROL

The goal of this measure is to ensure that NOx, SOx and PM2.5 emissions reductions from port-related sources are sufficient to attain the 24-hr federal PM2.5 ambient air quality standard. This measure would establish targets for NOx, SOx, and PM2.5 for 2014 that are based on emission reductions resulting from adopted rules and other measures such as

railroad MOUs and vessel speed reduction that have been adopted and are being implemented. These emissions from port-related sources are included in the "baseline" emissions assumed in this plan to attain the 24-hour $PM_{2.5}$ standard. Based on current and future emission inventory projections these rules and measures will be sufficient to achieve attainment of the 24-hr federal PM2.5 ambient air quality standard. Requirements adopted pursuant to this measure will become effective only if emission levels exceed the above targets. Once triggered, the Ports will be required to develop and implement a plan to reduce emissions from port-related sources to meet the emission targets over a time period. The time period to achieve and maintain emission targets will be established pursuant to procedures and criteria developed during rulemaking and specified in the rule.

This control measure will be implemented through a District rule. Through the rule development process the AQMD staff will establish a working group, hold a series of working group meetings, and hold public workshops. The purpose of the rule development process is to allow the AQMD staff to work with a variety of stakeholders such as the Ports, potentially affected industries, other agencies, and environmental and community groups. The rule development process will discuss the terms of the proposed backstop rule and, through an iterative public process, develop proposed rule language. In addition, the emissions inventory and targets will be reviewed and may be refined if necessary. This control measure applies to the Port of Los Angeles and the Port of Long Beach, acting through their respective Boards of Harbor Commissioners. The ports may have the option to comply separately or jointly with provisions of the backstop rule.

Elements of Backstop Rule

Summary: This control measure will establish enforceable nonattainment pollutant emission reduction targets for the ports in order to ensure implementation of the 24-hr PM2.5 attainment strategy in the Final 2012 AQMP. The "backstop" rule will go into effect if aggregate emissions from port-related sources exceed specified emissions targets. If emissions do not exceed such targets, the Ports will have no control obligations under this control measure.

Emissions Targets: The emissions inventories projected for the port-related sources in the Final 2012 AQMP are an integral part of the 24-hr PM2.5 attainment demonstration for 2014 and its maintenance of attainment in subsequent years. These emissions serve as emission targets for meeting the 24-hr PM2.5 standard.

Scope of Emissions Included: Emissions from all sources associated with each port, including equipment on port property, marine vessels traveling to and from the port while in California Coastal Waters, locomotives and trucks traveling to and from port-owned property while within the South Coast Air Basin. This measure will make use of the Port's annual emission inventory, either jointly or individually, as the basis for the emission targets. The inventory methodology to estimate these emissions is consistent with the CAAP methodology. Other sources—i.e. sources that are unrelated to the ports—would not in any way be subject to emission reductions under this measure (including through funding of emission reduction measures, or purchase of emission credits, by the ports or port tenants).

Circumstances Causing Backstop Rule Regulatory Requirements to Come Into Effect: The "backstop" requirements will be triggered if the reported aggregate emissions for 2014 for all port-related sources exceed the 2014 emissions targets. The rule may also provide that it will come into effect if the target is met in 2014 but exceeded in a subsequent year. If the target is not exceeded, the Ports would have no obligations under this measure.

Requirements If Backstop Rule Goes Into Effect: If the "backstop" rule goes into effect, the Ports would submit an Emission Control Plan to the District. The plan would include measures sufficient to bring the Ports back into compliance with the 2014 emission targets. The Ports may choose which sources would be subject to additional emission controls, and may choose any number of implementation tools that can achieve the necessary reduction. These may include clean technology funding programs, lease provisions, port tariffs, or incentives/disincentives to implement measures. As described below, the Ports would have no obligation under this measure to implement measures which are not cost-effective and feasible, or where the Ports lack the authority to adopt an implementation mechanism. The District would approve the plan if it met the requirements of the rule.

RULE COMPLIANCE AND TEST METHODS

Compliance with this control measure will depend on the type of control strategy implemented. Compliance will be verified through compliance plans, and enforced through submittal and review of records, reports, and emission inventories. Enforcement provisions will be discussed as part of the rule development process.

COST EFFECTIVENESS AND FEASIBILITY

The cost effectiveness of this measure will be based on the control option selected. A maximum cost-effectiveness threshold will be established for each pollutant during rule development. The rule will not require any additional control strategy to be implemented which exceeds the threshold, or which is not feasible. In addition, the rule would not require any strategy to be implemented if the Ports lack authority to implement such strategy. If sufficient cost-effective and feasible measures with implementation authority are not available to achieve the emissions targets by the applicable date, the District will issue an extension of time to achieve the target. It is the District's intent that during such extension, the Ports and regulatory agencies would work collaboratively to develop technologies and implementation mechanisms to achieve the target at the earliest date feasible.

IMPLEMENTING AGENCY

The District has authority to adopt regulations to reduce or mitigate emissions from indirect sources, i.e. facilities such as ports that attract on- and off-road mobile sources, and has certain authorities to control emissions from off-road mobile sources themselves. These authorities include the following:

Indirect Source Controls. State law provides the District authority to adopt rules to control emissions from "indirect sources." The Clean Air Act defines an indirect source as a "facility, building, structure, installation, real property, road or highway which attracts, or may attract, mobile sources of pollution." 42 U.S.C. § 7410(a)(5)(C); CAA §

110(a)(5)(C). Districts are authorized to adopt rules to "reduce or mitigate emissions from indirect sources" of pollution. (Health & Safety Code § 40716(a)(1)). The South Coast District is also required to adopt indirect source rules for areas where there are "high-level, localized concentrations of pollutants or with respect to any new source that will have a significant impact on air quality in the South Coast Air Basin." (Health & Safety Code § 40440(b)(3)). The federal Court of Appeals has held that an indirect source rule is not a preempted "emission standard." *National Association of Home Builders v. San Joaquin Valley Unified Air Pollution Control District*, 627 F.3d. 730 (9th Cir. 2010)

Nonvehicular (Off-Road) Source Emissions Standards. Under California law "local and regional authorities," including the Ports and the District, have primary responsibility for the control of air pollution from all sources other than motor vehicles. (Health & Safety Code § 40000). Such "nonvehicular" sources include marine vessels, locomotives and other non- road equipment. CARB has concurrent authority under state law to regulate these sources. The federal Clean Air Act preempts states and local governments from adopting emission standards and other requirements for new locomotives (Clean Air Act § 209(e); 42 U.S.C.§ 7543(e)), but California may establish and enforce standards for other non-road sources upon receiving authorization from EPA (*Id.*). No such federal authorization is required for state or local fuel, operational, or mass emission limits for marine vessels, locomotives or other non- road equipment. (40 CFR Pt. 89, Subpt. A, App.A; *Engine Manufacturers Assn. v. Environmental Protection Agency*, 88 F.3d. 1075 (DC Cir. 1996)).

Fuel Sulfur Limits. With respect to non-road engines, including marine vessels and locomotives, the District and CARB have concurrent authority to establish fuel limits, such as those on sulfur content. As was noted above, fuel regulations for non-road equipment are not preempted by the Clean Air Act and do not require U.S. EPA authorization.

Operational Limits. The District has authority under state law to establish operational limits for nonvehicular sources such as marine vessels, locomotives, and cargo handling equipment (to the extent cargo handling equipment is "nonvehicular"). As was discussed above, operational limits for non-road equipment are not preempted by the Clean Air Act. In addition, the District may adopt operational limits for motor vehicles such as indirect source controls and transportation controls without receiving an authorization or waiver from U.S. EPA.

REFERENCES

San Pedro Bay Ports Clean Air Action Plan, 2010 Update, October 2010

Southern California International Gateway Project Draft Environmental Impact Report, Port of Los Angeles, September 2011

SCAQMD, 2007 Air Quality Management Plan, Appendix IV-A, June 2007

APPENDIX B

PR 4001 – MAINTENANCE OF AQMP EMISSION REDUCTION TARGETS AT COMMERCIAL MARINE PORTS

PROPOSED RULE 4001 MAINTENANCE OF AQMP EMISSION REDUCTION TARGETS AT COMMERCIAL MARINE PORTS

(a) Purpose

The purpose of this rule is to establish actions to be taken in the event that emissions from port-related sources do not meet the emission targets assumed in the Final 2012 Air Quality Management Plan for the purpose of meeting the federal 24-hour $PM_{2.5}$ standard in 2014 and maintenance of attainment in subsequent years.

(b) Applicability

This rule applies to commercial marine ports located in the South Coast Air Quality Management District (District), acting through their respective Boards of Harbor Commissioners. The Ports may comply jointly or separately with the provisions of this rule.

(c) Definitions

(1) BASELINE EMISSIONS of NOx, SOx, or $PM_{2.5}$ means emissions of NOx, SOx, or $PM_{2.5}$, as applicable, from all port-related sources, as calculated in the 2008 annual emissions provided by the Port of Los Angeles and the Port of Long Beach as shown in Appendix IV-A page IV-A-36 of the Final 2012 Air Quality Management Plan (AQMP) for the South Coast Air Basin.

(2) COMMERCIAL MARINE PORT (OR PORTS) means the Port of Los Angeles and the Port of Long Beach.

(3) CONTROL STRATEGY means a strategy that reduces NOx, SOx, or $PM_{2.5}$ emissions and can include incentive-based programs.

(4) EMISSIONS TARGET means the emissions forecast that is based on the Ports' 2008 baseline emissions forecasted for a specific future year as provided in Appendix IV-A page IV-A-36 of the Final 2012 AQMP.

(5) FEASIBLE CONTROL STRATEGY means for the purpose of this rule, a control strategy that:

(A) The Ports have the legal authority to implement; and

(B) Has a cost-effectiveness that is less than or equal to:

(i) the applicable Carl Moyer Program cost-effectiveness for NOx and PM combined; and

(ii) $35,000 per ton of SOx.

(6) PM2.5 EQUIVALENT means the aggregate of the NOx, SOx, and $PM_{2.5}$ emissions (tons/day) as defined by the following formula, as provided in the Final 2012 AQMP:

$$PM_{2.5} \text{ Equivalent} = 0.07 * NOx + 0.53 * SOx + 1.0 * PM_{2.5}$$

(7) PORT-RELATED SOURCES means on- and off-road mobile sources operating at, and to and from, the Ports, which includes ocean-going vessels, locomotives, heavy-duty trucks, harbor craft, and cargo handling equipment that emit NOx, SOx, or $PM_{2.5}$.

(8) REDUCTION TARGET means the percent reduction in $PM_{2.5}$ Equivalent emissions measured between the baseline emissions and the emissions targets. For the purposes of this rule, the percent reduction in $PM_{2.5}$ Equivalent emissions is 75 percent.

(d) Emissions Reporting Requirements

(1) For calendar year 2014, the Ports (either jointly or separately) shall submit to the Executive Officer by November 1, 2014, a report of the emissions for NOx, SOx, and $PM_{2.5}$ from all port-related sources for the 2014 calendar year based on actual activity information available prior to November 1st for the calendar year and projected activity information for the remainder of the calendar year.

(2) Beginning on or before July 1, 2015 and each July 1st thereafter ending July 1, 2020, the Ports (either jointly or separately) shall submit to the Executive Officer a report of the actual emissions for NOx, SOx, and $PM_{2.5}$ from all port-related sources for the preceding calendar year.

(A) If an Emissions Reduction Plan is required pursuant subdivision (f), the Ports shall report the progress in meeting the shortfall based on the process developed pursuant to subparagraph (f)(1)(D).

(3) For purposes of developing the reports pursuant to paragraphs (d)(1) or (d)(2), the Ports shall use the emissions calculation methodologies used to prepare the emissions inventories provided in the Final 2012 AQMP.

(4) Notwithstanding paragraph (d)(3), if newer emission calculation methodologies are developed based on input from the Ports Emissions Inventory Technical Working Group (which consists of Ports staff, District staff, California Air Resources Board, and the U.S. Environmental Protection Agency), the new emission calculation methodologies shall apply to the baseline emissions and the emissions prepared pursuant to paragraphs (d)(1) and (d)(2) once they are

approved by the District, California Air Resources Board, and U.S. Environmental Protection Agency.

(e) Maintenance of Reduction Targets

(1) Within 30 days after the submittal of a report pursuant to paragraph (d)(1) or (d)(2), the Executive Officer shall inform the Ports that:

(A) The requirement to submit an Emission Reduction Plan (or a revised Emission Reduction Plan if a Plan has been prepared and approved) as specified in subdivision (f) shall not apply for the year covered by the report if the percent reduction in actual $PM_{2.5}$ Equivalent emissions from the baseline emissions has met or exceeded the reduction target of 75 percent; or

(B) The Ports shall meet the provisions of subdivision (f) if the $PM_{2.5}$ Equivalent emissions show that the percent reduction in $PM_{2.5}$ Equivalent emissions from the baseline emissions is less than the reduction target of 75 percent.

(2) On or before July 1, 2017, the Executive Officer shall review the reduction target based on the latest available information, which includes the future year emissions in the 2016 AQMP, and shall, if necessary to conform the reduction target to the AQMP, develop a proposed amendment to this rule for consideration by the District Governing Board which would revise the reduction target.

(f) Emission Reduction Plan Preparation, Approval, and Implementation

Upon notification pursuant to subparagraph (e)(1)(B), the Ports (either jointly or separately) shall prepare an Emission Reduction Plan (Plan) (or revise an existing Plan, if a Plan had been prepared to meet the reduction target in a previous year) and submit a Plan within 180 days to implement additional control strategies as soon as possible but no later than 18 months from the date of Plan approval in order to eliminate the emissions reduction shortfall from port-related sources.

(1) Plan Preparation and Submittal

(A) The Plan shall, at a minimum, include sufficient feasible control strategies expected to eliminate the identified shortfall and maintain the reduction target through calendar year 2020.

(i) The Ports shall initiate a process for the identification of control strategies to eliminate the shortfall identified in subparagraph (e)(1)(B). As part of this process, the Ports shall engage the California Air Resources Board, U.S. Environmental Protection

Agency, and the District to discuss the nature of any reduction target shortfalls; legal jurisdiction and authority to implement potential strategies to address the shortfall; and cost-effectiveness and operational, technical, economic, and commercial feasibility of potential strategies.

(B) If the identified shortfall cannot be eliminated despite implementation of all feasible control strategies within 18 months,

(i) The Ports shall show that the Plan includes:

(a) all feasible control strategies that can be implemented within 18 months; and

(b) all feasible control strategies that can be implemented beyond 18 months, but no later than 30 months.

(ii) The Plan submittal shall also include a list of all potential strategies not included in the Plan that were identified by the Ports, public agencies, or the public during the development of the Plan, and an explanation of why the strategies that were not included are not feasible, as defined in this rule.

(C) Each control strategy provided in the Plan shall at a minimum include the following elements:

(i) A description of the actions to be taken;

(ii) The expected emission reductions;

(iii) The cost and cost-effectiveness;

(iv) The method of implementation; and

(v) An implementation schedule.

(D) The Plan shall provide a process for submittal of progress reports detailing progress toward eliminating the emissions reduction shortfall pursuant to subparagraph (d)(2)(A).

(E) The Plan shall be approved by each respective (or jointly) Board of Harbor Commissioners at a duly-noticed public meeting.

(i) The Ports shall conduct at least one duly-noticed public meeting to solicit input and comments on the development of the Plan no later than 60 days prior to the Board of Harbor Commissioners' consideration of the Plan.

(2) Plan Approval

Within 45 days of receiving the Plan, the Executive Officer shall approve or disapprove the Plan.

(A) The Executive Officer shall approve the Plan if the Ports have shown that the Plan complies with paragraph (f)(1).

(i) Upon Plan approval, the Ports shall implement the approved Plan.

(B) The Executive Officer may disapprove the Plan in whole or in part, if the Plan does not comply with any provision provided in paragraph (f)(1).

(i) The Executive Officer shall provide in writing the reasons for the disapproval.

(C) If the Plan is disapproved in whole or in part, the Ports (either jointly or separately) shall:

(i) Implement the control strategies in the approved portions of the Plan, if any; and

(ii) Within 60 days from the date of disapproval, submit a revised Plan or a revision to those portions of the disapproved Plan, or

(iii) If the disapproved Plan (or those portions of the Plan that were disapproved) is appealed to the District Hearing Board and the District Hearing Board upholds the District's disapproval of all or a portion of the Plan, submit a revised Plan or those portions thereof within 60 days after the District Hearing Board decision.

(D) The Plan shall be subject to Rule 221 – Plans and the provisions of Regulation II.

(E) The Executive Officer shall provide notice to the public of the action on the Plan.

(i) The notice shall be mailed at the time that the Executive Officer notifies the Ports of the decision or action.

(ii) The Executive Officer shall provide mailed notice of such decision or action to any person who has filed a written request for notification.

(iii) Requests for notice shall be filed pursuant to procedures established by the Executive Officer.

(iv) The 10-day period to appeal, specified in subdivision (b) of Rule 216, shall commence on the third day following mailing of the notice pursuant to this subdivision.

(v) The requirements for public notice pursuant to this section are fulfilled if the Executive Officer makes a good faith effort to follow procedures established pursuant to this section for giving notice and, in such circumstances, failure of any person to receive

the notice shall not affect the validity of any decision subsequently issued by the Executive Officer.

(F) If the Ports (either jointly or separately) submit a revised Plan (or revised portions of the disapproved Plan) pursuant to clause (f)(2)(C)(ii) or (f)(2)(C)(iii), the Executive Officer shall, within 45 days of receiving the Plan, approve or disapprove the revised Plan as described in this paragraph. If the revised Plan is disapproved, the Ports (either jointly or separately) shall:

(i) implement the control strategies in the approved portions of the revised Plan, if any, and

(ii) be in violation of this rule with respect to the disapproved portions of the revised Plan.

(g) Variance and Appeal Process

(1) A Port, or both Ports jointly, may petition the District Hearing Board for a variance, pursuant to applicable laws and rules, from any provision of this Rule.

(2) If an Emission Reduction Plan is prepared pursuant to subdivision (f) and is disapproved either in whole or in part, a Port, or both Ports jointly, may appeal to the District Hearing Board under Rule 216 – Appeals. If the District Hearing Board denies the appeal in whole or in part, the Ports shall comply with subparagraph (f)(2)(C) [or subparagraph (f)(2)(F)].

(h) Severability

If any provision of this rule is held by judicial order to be invalid, or invalid or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule is held by judicial order to be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.