

Mid-Year Progress Report on LAWA/AQMD MOU Implementation

Los Angeles World Airports June 2020

Mid-Year Progress Report on MOU Implementation

MOU Overview:

- On December 6, 2019, a MOU was entered by the South Coast AQMD and Los Angeles World Airports (LAWA)
- LAWA agreed to provide an interim report concerning the progress on the MOU measures.

COVID-19 Impact at LAX

- LAX passenger activity has decreased 95% due to COVID-19
- It is estimated that passenger traffic and corresponding revenues will be down 50-65% from 2019 levels
- Revaluating capital plans and allocation of resources

LAWA continues to implement MOU Measures and Air Quality Improvement Program as part of its overall Sustainability Plan

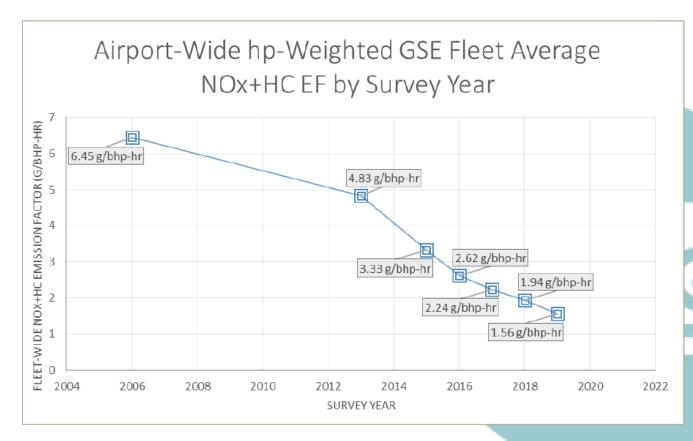


Measure No.1 Ground Support Emission Reduction Policy

Measure: Require that all ground support equipment operators at LAX achieve fleet average NOx + Hydrocarbon (HC) emission factors of 1.8 grams and 1.0 grams per brake horsepower hour (g/bhp-hr of N0x + HC) January 1, 2023 and January 1, 2031

Progress To Date

- ✓ Updated GSE Emissions Reduction Policy per new targets in MOU in November 2019
- ✓ Completed the reporting year 2019 analysis of GSE equipment at LAX
 - 1.56 g/bhp-hr of N0x + HC
 - Exceeds 2023 AQIM target of 1.8 g/bhp-hr of NOx + HC
- ✓ Already reduced NOx emissions on airfield by 337.5 tons per year
 - Equivalent to the daily operation of 235,000 passenger vehicles



LAX Aggregated NOx + HC Emission Factor Trend

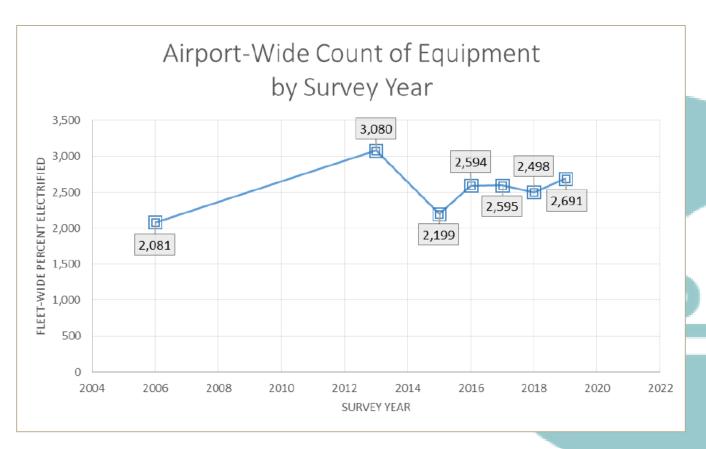
Measure No.1 Ground Support Emissions Reduction Policy

Progress To Date Continued 2019 GSE Equipment Inventory

- 30 entities submitted inventory
- 2,691 pieces of reported equipment
- Over 900 electric GSE pieces
- Approximately 34% of GSE is electric

Launched GSE Incentive Program

- BOAC authorized \$500,000 incentives to encourage replacement of GSE with zero-emission GSE
- LAWA currently working to implement



Airport-Wide Count of Equipment by Survey Year



Measure No.2 Alternative Fuel Vehicle Incentive Program

Measure: LAWA launched an incentive program to distribute \$500,000 in incentive funding to operators of vehicles over 14,000 pounds gross vehicle weight rating at LAX by December 31,2021.

Application Criteria:

- Applicants must replace a conventionally-fueled vehicle already in operation at LAX with either:
 - Zero-Emission Vehicle an on-road vehicle certified as having zero tailpipe emissions, or
 - Near-Zero-Emission Vehicle an on-road vehicle certified as meeting a NOx emission standard of 0.02 grams per brake horsepower-hour (g/bhp-hr);
- The vehicle to be replaced is either scrapped or relocated outside the state of California; and
- The Operator commits to using the vehicle at LAX for no less than 5 years from the date the replacement vehicle is placed into service.

The incentive amount is based on the "incremental cost" difference between zero or near-zero emission vehicles compared to conventionally-fueled equivalents.



Measure No.2 Alternative Fuel Vehicle Incentive Program

Progress To Date

2019:

- BOAC approved the LAX Zero and Near-Zero Emission Heavy Duty Vehicle Incentive Program
- LAWA received and processed applications for the Program

2020:

- BOAC authorized LAWA to distribute funds to the eight successful applicants, replacing 24 heavy-duty vehicles:
 - Air Faayre CA
 - Central Coast Shuttle Services Inc.
 - Hacor Inc.
 - Kotobuki-Ya, Inc.

- Mutual Propane
- CPS
- Royal Airline Linen
- Host International
- Funds will be distributed to applicants upon delivery of the vehicle to LAX for use in the applicant's LAX operations and confirmation by LAWA

The replacement of these 24 vehicles will reduce greenhouse gas emissions and save **0.11 tons of NOx**, which is equivalent to the removal of **8,183 cars** from the road per year

Measure No.3 Zero-Emission Bus Program

Measure: Replace 20% and 100% of LAWA-owned and operated buses with zero-emissions buses by January 1, 2023 and January 1, 2031

Progress To Date

April 2018:

 Board of Airport Commissioners approved purchase of twenty (20) all-electric airfield buses to replace 14 diesel—fueled buses with electric buses and add 6 electric buses to airfield bus fleet

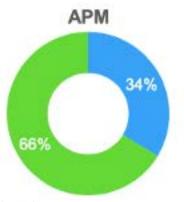
May 2020:

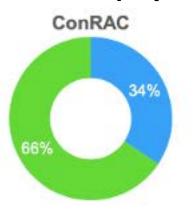
- All 20 electric buses delivered
- These 20 buses comprise nearly 13% of total LAWA's current bus fleet
- LAWA is reevaluating landside shuttle and bus operations due to the impact of COVID-19

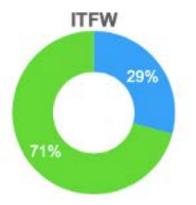


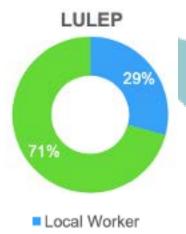
Local Hire Accomplishment's

- LAWA has established a number of initiatives and programs to help local residents
 access job opportunities at the airport.
 - HireLAX is a construction apprenticeship preparation program. Upon completion, graduates are competitively positioned for placement consideration on a LAWA construction project.
 - **First Source Hiring Program (FSHP)** provides residents from the communities surrounding LAX access to airport jobs. FSHP works with community organizations to train residents on how to apply for LAX jobs and provides access to FSHP's database of available opportunities.
- LAWA's Local Worker Inclusivity Target is 30%
 - LAWA's Project Labor Agreement local hire requirements have existed since 1999
 Progress To Date for LAMP projects (May 2020):









Non-Local Worker

