

Proposed Rule 2304 – Commercial Marine Ports

Working Group Meeting
February 28, 2025
GB Conference Room



Join Zoom Webinar Meeting
- from PC or Laptop

<https://scaqmd.zoom.us/j/91542075443>

Zoom Webinar ID: 915 4207 5443

Teleconference Dial In +1 669 900 6833

Agenda



PR 2304 Development Status



PR 2304 Overview



Rule Language Components

- Requirements
- Port Wide Charging and Fueling Infrastructure Plan
- Reports
- Plan Modifications & Time Extensions
- Others



Next Steps

PR 2304 Development Status

New Incremental Approach

- Starting with infrastructure planning and installation
 - Foundational to furthering emission reductions
- Presented preliminary concept at:
 - November 2024 working group meeting
 - February 2025 Governing Board meeting
 - February 2025 Wilmington, Carson, West Long Beach Community Steering Committee meeting
- Ongoing stakeholder engagement

Released Initial Preliminary Draft Rule Language on February 21

- Focus of today's Working Group Meeting – seeking stakeholder input

Stakeholder Feedback on PR 2304 Approach

Community and Environmental Groups

- ❑ Prioritize public health
- ❑ Accelerate emission reductions from port operations
- ❑ Clarify when emission reductions will occur in the proposed incremental approach
- ❑ Achieve more than the work already undertaken by ports and industry
- ❑ Require enforceable implementation of the infrastructure plan

Ports

- ❑ Echoing Mayors' joint statement
- ❑ Some infrastructure planning efforts are already under way

Industry

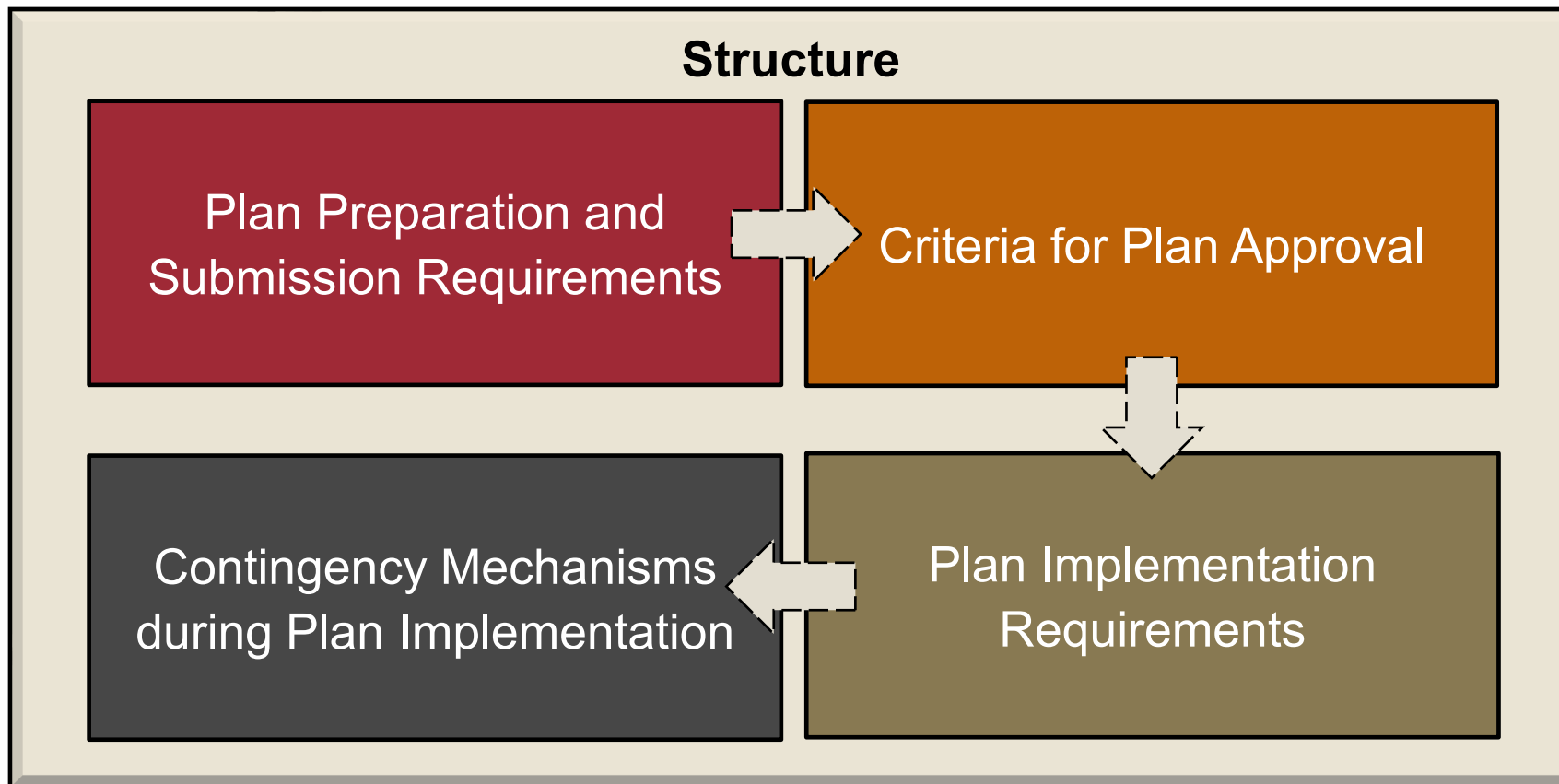
- ❑ Support a non-regulatory approach for a one-time infrastructure planning agreement
- ❑ Question the District's authority

Labor

- ❑ Workers have first-hand knowledge how zero-emission equipment operates
- ❑ Importance of human-operated equipment
- ❑ Prioritize economic justice with environmental justice

Overview of Preliminary Concept

*Each port develops a **Port-wide Charging and Fueling Infrastructure Plan***



Key Considerations – Planning

Plan Preparation

- Ports establish Infrastructure Planning Target(s) for each category of Port Sources
 - Guide Plan development and ensure alignment of infrastructure build out with technology deployment
 - Include default targets, with options for alternatives and/or additional target(s)
 - **No emission reduction requirements or cargo caps**
- Include various assessments, including potential environmental impacts

Plan Approval

- Ability of Plan to meet Infrastructure Planning Targets

Key Considerations - Implementation

Plan Implementation

- Port is responsible for carrying out processes and meeting milestones within their control
- Annual reporting after Plan submittal

Contingency Mechanisms

Compliance Flexibility:

- Address unforeseeable feasibility challenges or delays due to factors outside of Port's control
- Allow **modifications** to Plan after approval, as well as **time extension** requests

Preliminary Concept to Rule Language Structure

Preliminary Concepts

Seeking stakeholder input for all sections

Initial Preliminary Draft Rule Language

(a) Purpose

(b) Applicability

(c) Definitions

Establishes scope of PR 2304 and defines key terms in rule

(d) Requirements

(e) Plan

(f) Reports

- Lays out how to prepare, submit, and implement Plan and due dates
- Includes procedures for Plan approval and modifications*

(g) Notification

(h) Time Extension

Specifies information to be submitted for Plan modifications or time extension* requests during implementation

PR 2304 Overview

Purpose

Plan for and Install Charging and Fueling Infrastructure to Support Anticipated Clean Energy Transition of Port Sources

- Require development of a comprehensive port wide infrastructure plan with milestones and dates
- Require that each Port takes action within their control to install the charging and fueling infrastructure



Applicability and Port Sources

PR 2304 applies to:

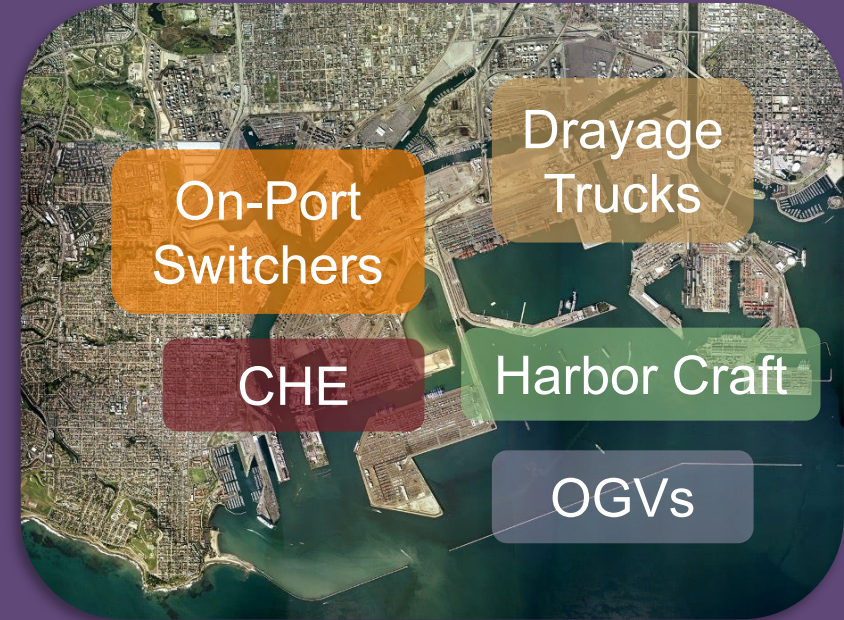
Port of Long Beach



Port of Los Angeles

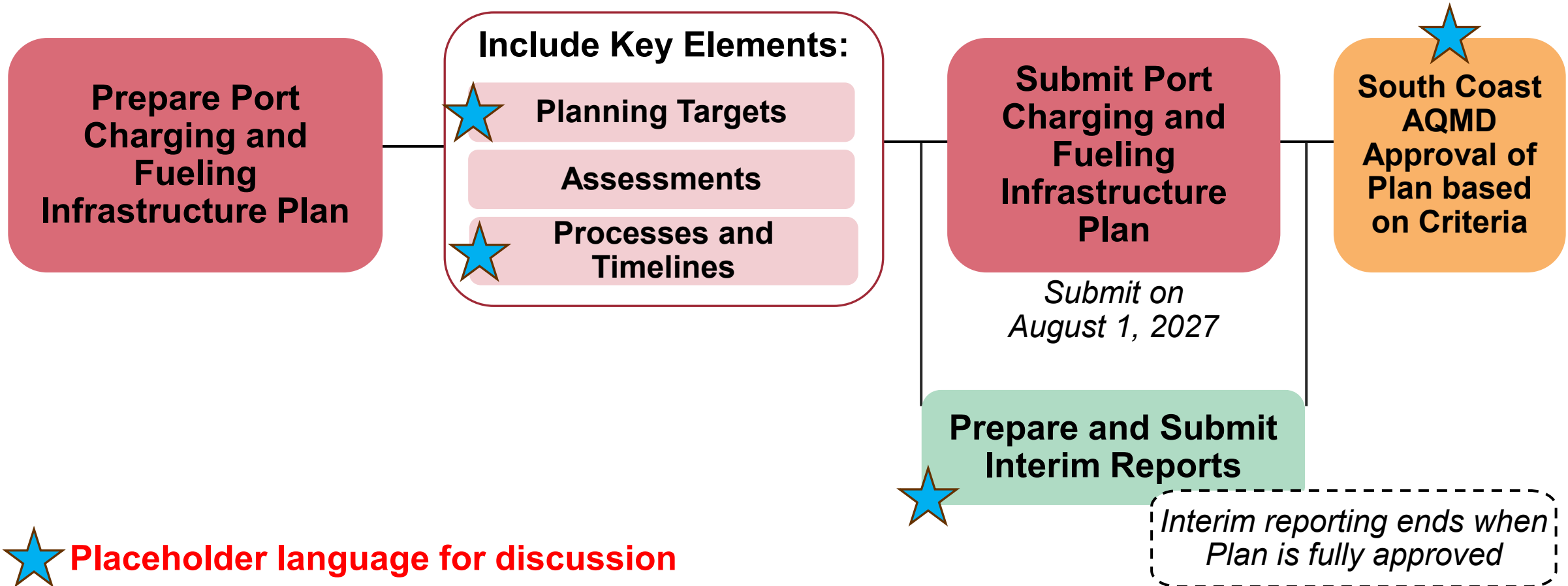


Port's infrastructure plan must have planning milestones and dates for each port source*:



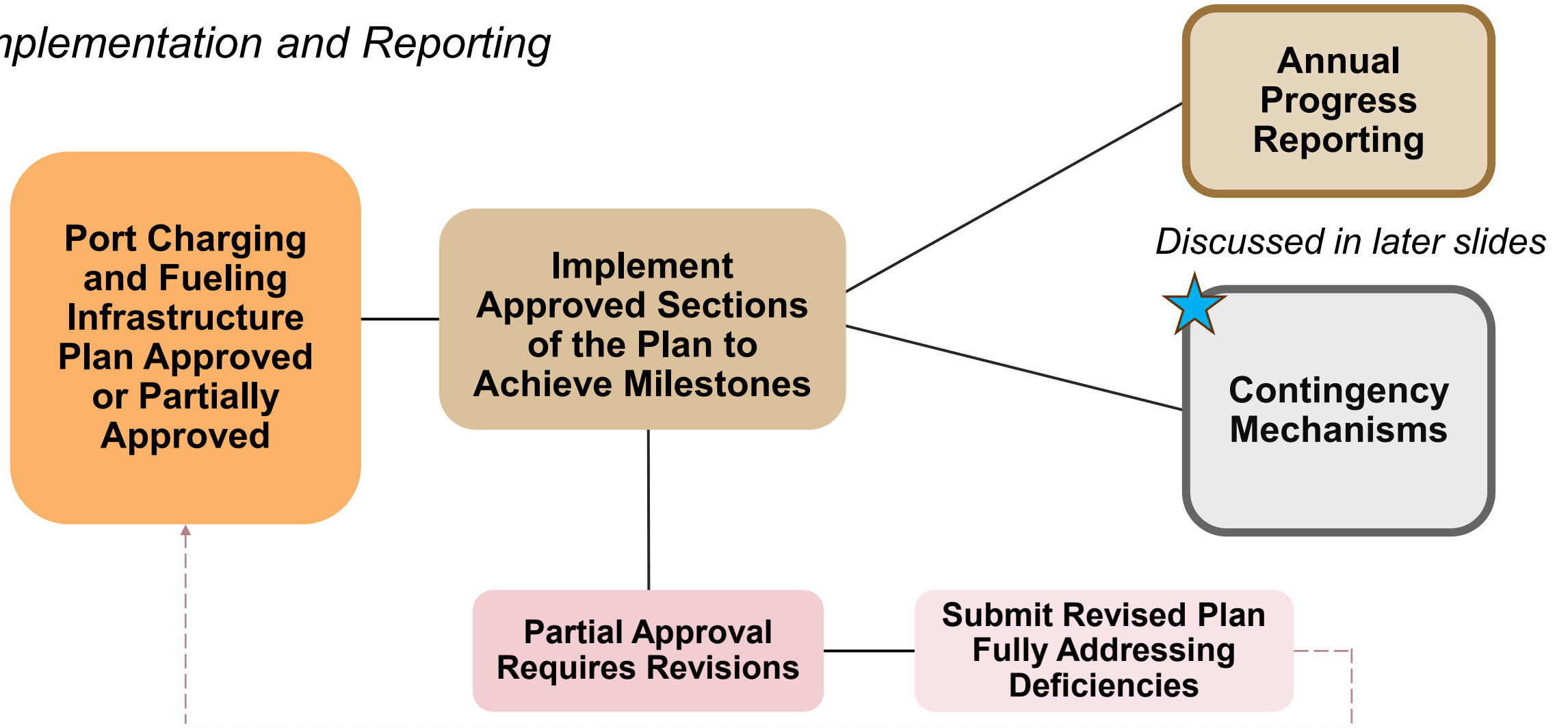
PR 2304 Overview

Plan Preparation and Submission



PR 2304 Overview

Implementation and Reporting



 Placeholder language for discussion

Rule Requirements

Plan Preparation and Submittal

Prepare Plan for Submittal

Prepare Plan Key Elements*

- ✓ Scope: all port sources and clean energy types
- ✓ Sets planning targets and milestones
- ✓ Conducts assessments
- ✓ Lays out processes and timelines



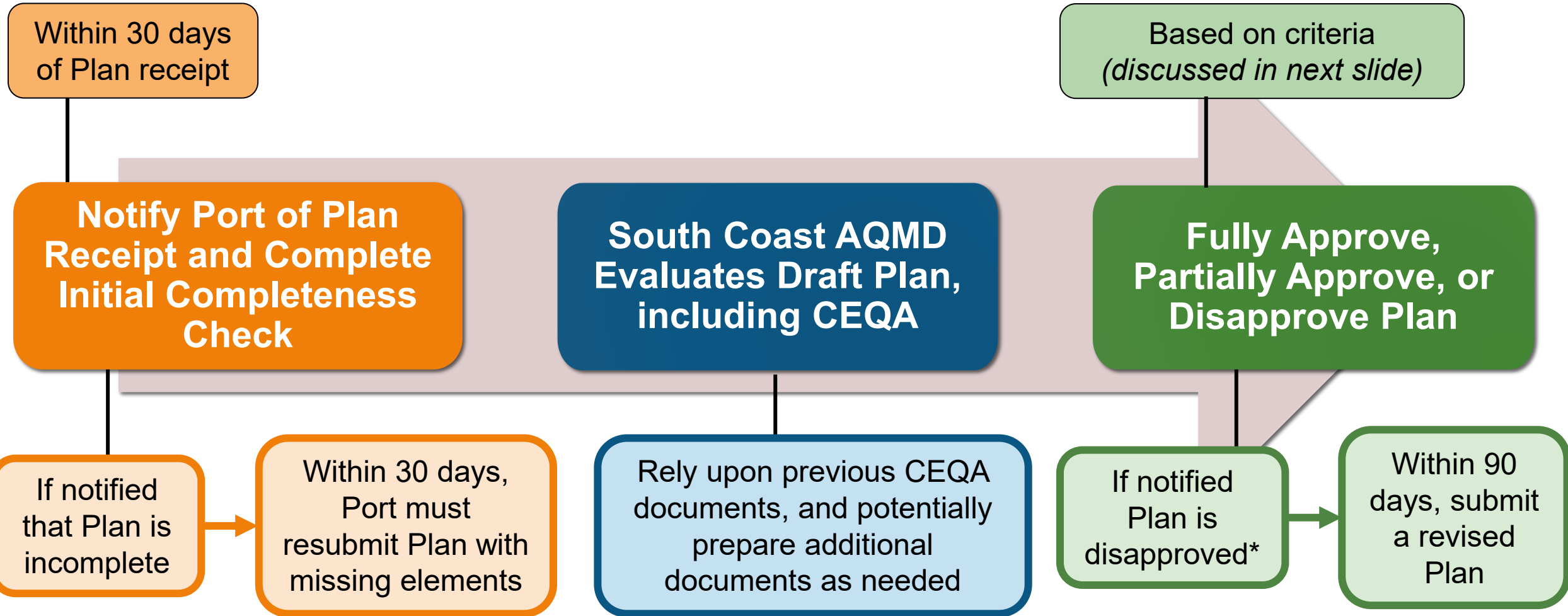
Submit Plan no later than
August 1, 2027

Submit in 2 formats

Unredacted version
with business
confidential information

Redacted version
with justification for
redaction

South Coast AQMD Plan Approval Process



* Any or all sections

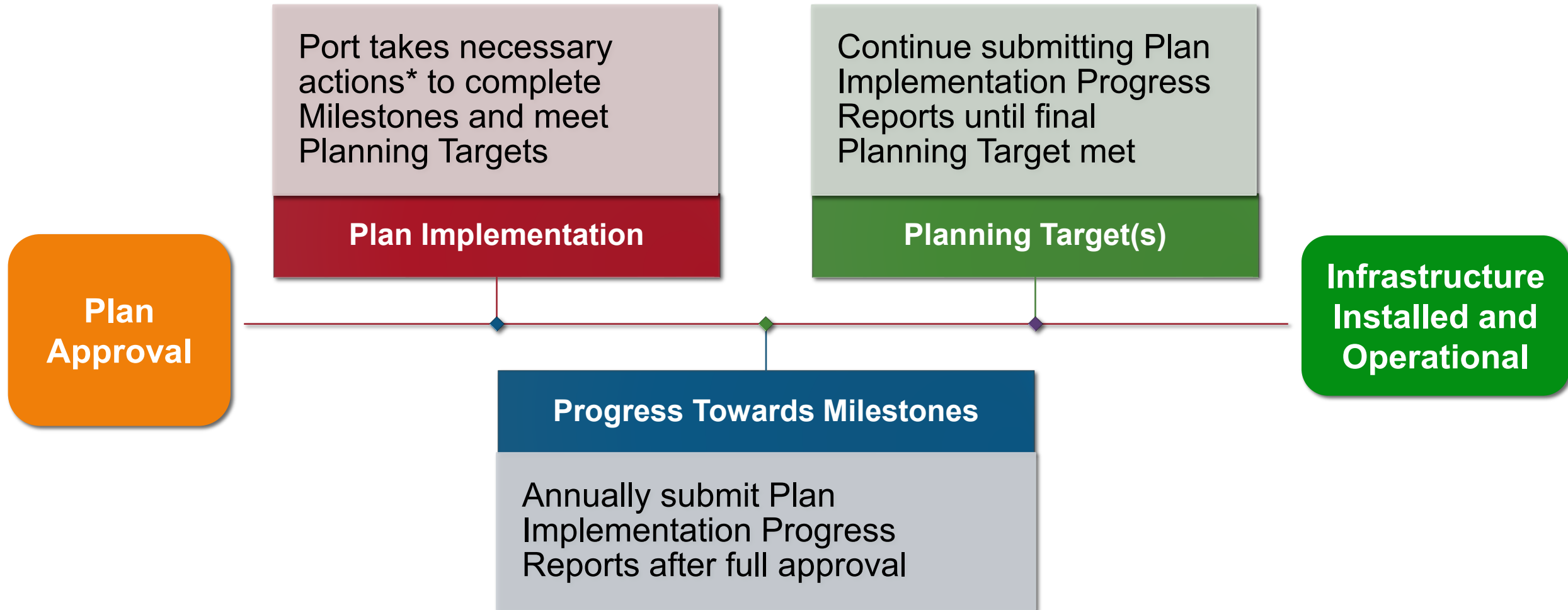
Potential Plan Approval Criteria

Criteria could include the following:



- ✓ Plan meets requirements of the rule
- ✓ Ability of Plan to meet its planning targets
 - ✓ Review of analysis on how planning targets are set
- ✓ Appropriate CEQA and/or NEPA analysis conducted for the Plan

Plan Implementation and Reporting



Plan Elements

Planning Targets

Port must set at least one Planning Target for each Port Source

- Total amount of on-port energy supply to support an **action level** by a **target year**
- Default targets set in rule
- Able to set **alternative action level(s) and/or target year(s)** in lieu of defaults
 - Justification must be provided
- Able to set **additional targets** for a Port Source in consideration of other relevant initiatives

Potential Default Targets:

2017 CAAP Update and 2017 Joint Mayor Declaration:

- **100% ZE** CHE by **2030**
- **100% ZE** Drayage Trucks by **2035**

XX% ZE On-Port Switchers

OGV target(s) consistent with latest IMO Strategies

Planning targets are not emission reduction requirements or cargo caps

Assessments

Plan must include 4 types of assessments:

Energy Demand and Supply

- Baseline information on existing infrastructure and anticipated infrastructure projects
- Quantitative forecast of on-port energy* demand and supply needed to meet planning targets
- Additional capacity of on-port supply needed to meet demand, including infrastructure components

Cost Estimates and Funding Sources

- Estimated total costs, primary payer of each cost, and how costs are expected to be funded

Workforce

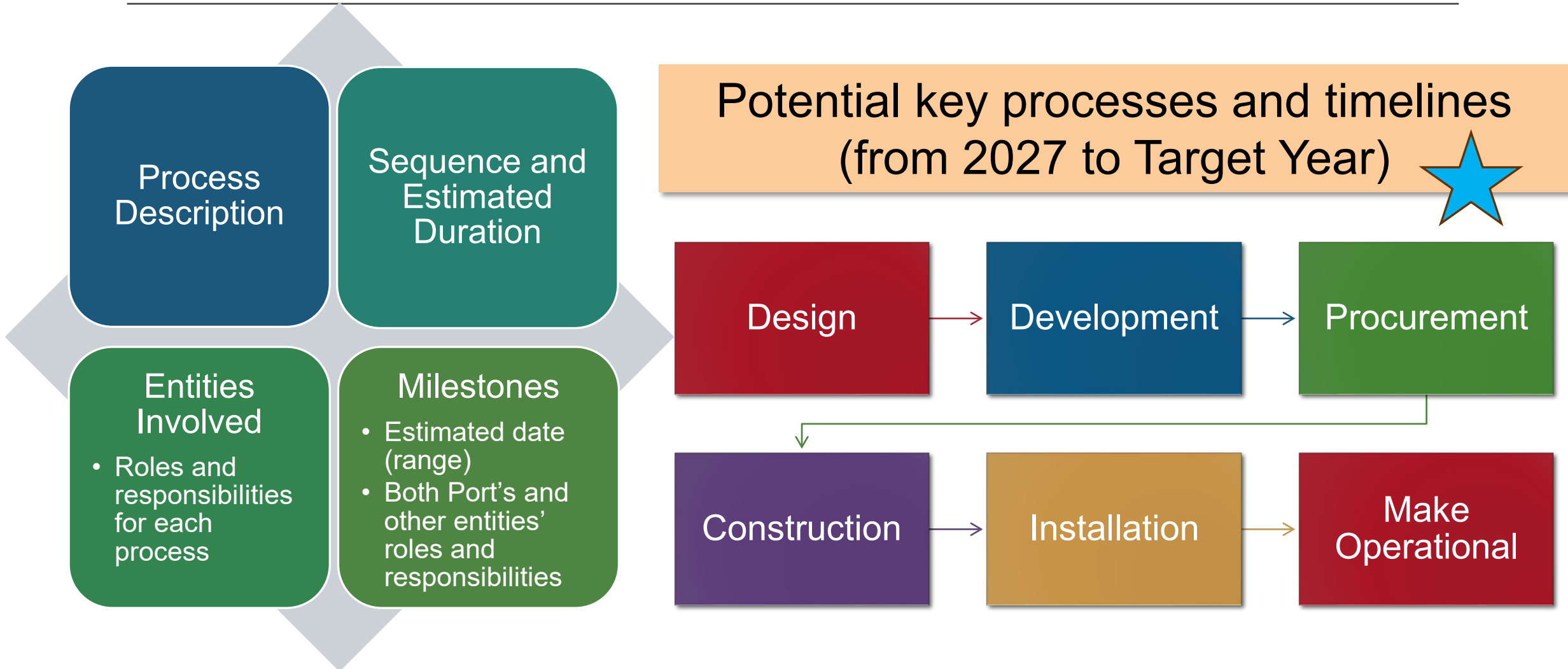
- Workforce needed to build out additional infrastructure
- Expected impact on On-Port workforce once additional infrastructure in operation (e.g., safety, human-operated)

Environmental

- Potential environmental impacts
- Include any existing or future CEQA and/or NEPA Documents intended to be relied upon by the Plan

* *Electricity, hydrogen, and each type of alternative marine fuel*

Processes and Timelines



Reports

Interim Report



Reporting Begins
August 1, 2026



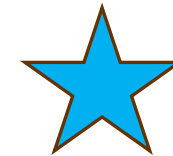
Submit Report
Annually Every
August 1st



Interim
Reporting Ends
When Plan is
Fully Approved

Potentially to Report on:

- Progress on infrastructure projects that have been initiated
- Initiated projects:
 - Completed infrastructure projects
 - Ongoing infrastructure projects, for example:
 - Funding allocated
 - CEQA/NEPA certified
 - Projects in partially approved Plan (if applicable)



Plan Implementation Progress Report

After full approval of Plan, submit annually starting no later than **August 1st** of next Calendar Year

Report includes the following information:

List of any project that has become operational

Description of any existing infrastructure retirement, decommissioning, or demolition

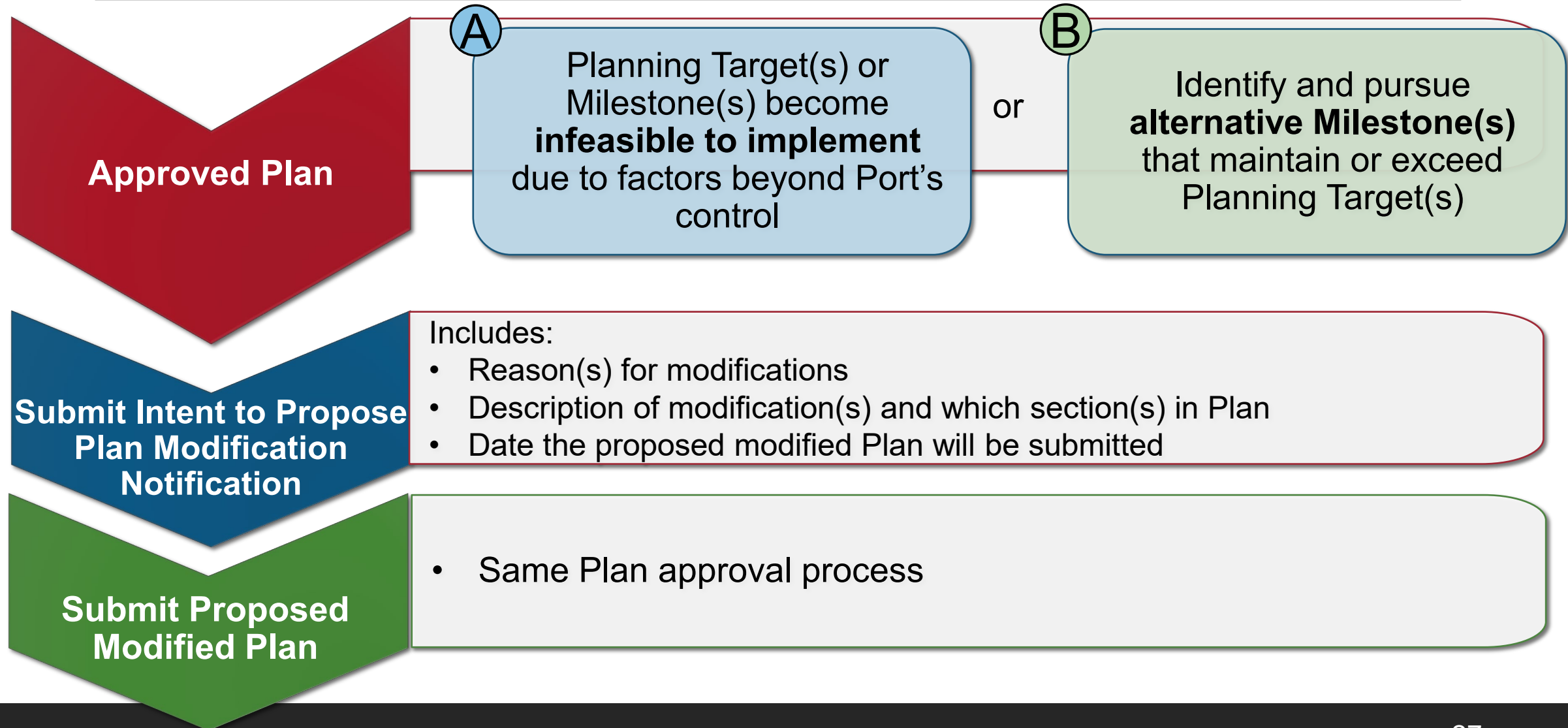
Description of the progress towards Milestones

Revised Processes and Timeline, if applicable

Status of CEQA and/or NEPA Process, if applicable

Plan Modification & Time Extension

Proposals for Plan Modification



Time Extension

Allow streamlined requests for time extension to meet Milestones in the approved Plan due to delays beyond the Port's control

Request time extension no later than 90 calendar days before Milestone date



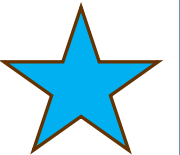
Approval or disapproval notification within 30 days before Milestone date

Required Elements in a Request:

- Which milestone and why
 - E.g., anticipated funding not available, energy supply not available, submitted permit application still under review
- Length of extension (up to 3 years per request), and demonstrate why less is not possible
- Recent progress made towards milestone
- Impacted processes and timelines

Approval Criteria:

- Request includes all required elements
- Detail why more time is needed
- Demonstration of continued progress towards affected milestone



Next Steps

Follow up on feedback received

- Individual and small group follow-ups
- Expected topics at future working group meetings
 - Rule implications on incentive funding
 - Rule enforcement processes

Updates to Mobile Source Committee (next: March)

Two in-person community meetings in Spring

Public Workshop in late Spring – early Summer

- Release revised preliminary draft rule language and draft staff report

Anticipated Public Hearing for Board Consideration for Adoption in 3rd Quarter, 2025

Staff Contacts

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<p>Sign up for the mailing list at: https://www.aqmd.gov/sign-up (select "Rule 2304")</p> <p>For more information, visit: www.aqmd.gov/fbmsm (click into "Commercial Marine Ports")</p>		