





VOTE SOLAR











VIA ELECTRONIC MAIL ONLY

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RE: PROPOSED RULE 2304—INDIRECT SOURCE RULE FOR COMMERCIAL MARINE PORTS—RECOMMENDATIONS FOR DEVELOPING A STRONG RULE AND RELEASING DRAFT LANGUAGE

Dear Assistant Deputy Executive Officer MacMillan:

The undersigned organizations write to provide comments on the development of Proposed Rule 2304 the Indirect Source Rule for Commercial Marine Ports and Container Terminals ("Ports ISR"). We applaud South Coast Air Quality Management District ("SCAQMD") Staff and SCAQMD Governing Board Members for prioritizing community health and safety by adopting the Warehouse Indirect Source Rule ("Warehouse ISR") in May 2021, the Freight Rail Yards ("Rail Yards ISR") in August 2024, and now advancing the long-awaited Ports ISR.

The shift to zero-emission technology and infrastructure is a challenging endeavor. However, what is even more challenging is the public health crisis that is plaguing communities living near ports, rail yards, and warehouses. We have known for decades that pollution from the region's freight industry is gravely harming frontline communities.¹ The diesel exhaust, particulate matter, and ozone that these emissions sources contribute to are known to lead to more emergency room visits and hospitalizations due to heart attacks, aggravated asthma, decreased lung function, restricted airways, and premature death.² SCAQMD's Ports ISR rule provides an unparalleled opportunity to improve utility, terminal operator, and port coordination—while bolstering state requirements targeting individual pieces of equipment to reduce emissions. We urge SCAQMD to stand in solidarity with environmental justice communities and public health advocates by committing to strengthening the draft rule concept and releasing draft language this fall. This rule has the potential to lay the foundation for a zero-emission infrastructure system that will power Southern California's freight sector and lock in a competitive advantage. We urge SCAQMD to adopt the strongest possible Ports ISR and start delivering on the promise of the 2022 Air Quality

¹ See Trade, Health, Environment, *Making the Case for Change* (June 2009,) <u>Trade, Health, Environment: Making the Case for Change</u>.

² See T.H.E. Impact Project Policy Brief Series, <u>THE Impact Project – Environmental Justice Research Lab</u>: Tracking Harm: Health and Environmental Impacts of Rail Yards (January 2012), Importing Harm: U.S. Ports' Impacts on Health and Communities (January 2012), Driving Harm: Health and Community Impacts of Living near Truck Corridors (January 2012), Storing Harm: the Health and Community Impacts of Goods Movement Warehousing and Logistics.

Management Plan ("AQMP") to ensure communities, workers, and families have access to clean air regardless of zip code.

1. SOUTH COAST NONATTAINMENT HARMS COMMUNITY HEALTH AND SAFETY

PR 2304 is well-positioned to identify additional emissions reductions that will help to bring air in the South Coast into compliance with federal and state air quality standards. As you know, the U.S. Environmental Protection Agency ("EPA") is proposing to determine that the Los Angeles-South Coast Air Basin ozone nonattainment area failed to attain the 1997 8-hour ozone national ambient air quality standard by its June 15, 2024 "Extreme" area attainment date.³ Similarly, EPA proposed to disapprove the state implementation plan ("SIP") revision containing SCAQMD's Contingency Measure Plan to account for "Black Box" placeholders.⁴ Further, CARB and SCAQMD withdrew the SIP, leaving the region without an enforceable plan to address nearly 108 tons per day ("tpd") of NOx reductions left unaccounted for. Meanwhile, communities throughout the South Coast region continue to breathe harmful air—with high pollution burdens concentrated in communities of color and low-income communities.

2. SCAQMD MUST ADVANCE THE TARGET TO FULL ZERO-EMISSION OPERATIONS BY 2040

PR 2304⁵ must make Clean Air Action Plan goals enforceable to ensure a long-term shift to significant emissions reductions from port sources to achieve regional attainment deadlines, maximize co-benefit of DPM reductions to lower local health risk, and deploy zero-emission technology at scale for on-terminal operations. To achieve these goals, the proposed rule must include the following key elements:

- 1. Targeted reductions of each Port's NOx and diesel emissions;
- 2. Targeted reduction of each terminal's emissions;
- 3. Mandatory reporting requirements;
- 4. A viable system for enforcing regulatory requirements; and
- 5. The expansion of zero emissions infrastructure.

Following additional stakeholder discussions and working group meetings, SCAQMD has also identified several elements to add to the proposed ISR (as of September 2023):

- 1. Establish further NOx emissions targets beyond the ports' own 2023 targets;
- 2. Facilitate investments in zero-emission ports;
- 3. Allow ports and terminals to set their own plans to self-determine path toward emission reduction targets (within reasonable limits);

³ Federal Register: Finding of Failure To Attain the 1997 8-Hour Ozone Standards; California; Los Angeles-South Coast Air Basin (as of Oct. 31, 2024).

⁴ <u>Federal Register: Air Plan Disapproval; California; Los Angeles-South Coast Air Basin; 1997 8-Hour Ozone</u> (as of Oct. 31, 2024).

⁵ South Coast Air Quality Mgmt. Dist., Proposed Rule 2304 Marine Port Indirect Source Rule Working Group Meeting (June 1, 2023), <u>https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/pr-2304---6-1.pdf?sfvrsn=6</u>.

- 4. Ensure no cap on port cargo volume, so ports and terminals are not required to delay or turn away cargo;
- 5. Require zero-emission infrastructure planning and implementation to meet federal, state, and local goals and requirements; and
- 6. Develop compliance flexibility with multiple options to allow for technological and economic uncertainties.⁶

Though SCAQMD staff has not shared draft rule language nor formalized these elements, including an emissions limit, recent comments suggest the agency may be considering a different direction for the Ports ISR. In July 2024, SCAQMD signaled the potential for the Ports ISR to incorporate more specific, achievable, and measurable actions that the ports could take to comply with emissions reductions targets set by SCAQMD. To some extent, this shift aligns with T.H.E. Impact's work: since February 2024, SCAQMD staff and Impact Project have been working to identify a menu of potential emissions reductions strategies to integrate into the ISR.⁷ However, SCAQMD eventually acknowledged that the shift in rule concept was in response to concerns raised by the ports. Furthermore, when probed, SCAQMD was uncertain whether the rule will continue to center around a strict emissions limit or waive emissions targets in lieu of an entirely action-based rule.⁸ Moreover, SCAQMD also considered walking back the ISR language and calling the rule another name, citing industry challenges to prior ISRs.

While integrating concrete actions and incentives can encourage the ports to take specific actions to support a ZE transition, this shift away from emissions targets threatens SCAQMD's coordinated approach to mobile sources of pollution, as reaffirmed in the 2022 AQMP, and endangers communities, particularly in light of surges of air pollution at the ports.⁹ Without specific, facility-wide emission reduction targets, the Ports ISR may allow the ports to avoid taking the necessary actions to achieve 100% zero-emission operations, such as turning over fleets and equipment. The failure to organize the rule around emission targets would severely weaken the Ports ISR, and hinder efforts to hold the ports accountable to improving air quality to protect community health.

3. POLA AND POLB CONTINUE TO EXPAND—PUBLIC HEALTH REGULATIONS MUST BE ESTABLISHED TO PREVENT AN INCREASE IN PORT POLLUTION

POLA and POLB have long been, and continue to be, two of the busiest seaports in the Western Hemisphere. The ports combined employ thousands of Southern Californians and play a critical role in the vast supply chain supporting both the California economy and the United States as a whole. The San Pedro

⁶ South Coast Air Quality Mgmt. Dist., Proposed Rule 2304 Indirect Source Rule for Commercial Marine Ports – Container Terminals Working Group Meeting 4 (Jan. 24, 2024), <u>https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/pr2304_wgm-no-6.pdf?sfvrsn=9</u>.

⁷ See e.g., South Coast Air Quality Mgmt. Dist., Potential Port Emission Reduction Strategies – Discussion Draft (Mar. 15, 2024), <u>https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/ud-potential-port-emission-reduction-strategies---discussion-draft-(pdf).pdf?sfvrsn=4</u>.

⁸ Eliminating the emissions limit would undermine the core concept of SCAQMD PR 2304. Guide to understanding and resisting false solutions to the climate crisis, <u>https://www.mapafalsassoluciones.com/saber/guia-para-entender-y-resistir-a-las-falsas-soluciones-a-la-crisis-climatica-ingles/</u>.

⁹ For example, substantial increase in cargo imports at the Ports have resulted in significant congestion. This resulted in increases of 20 tons per day of NOx and 0.5 tpd of particulate matter in the South Coast Air Basin, in comparison to pre-pandemic baseline levels. Cal. Air Res. Bd., *Emissions Impact of Ships Anchored at Ports of Los Angeles and Long Beach* (Nov. 9, 2021).

Bay complex, including the POLA and POLB, handles approximately 17 million Twenty-Foot Equivalent Units ("TEUs") each year,¹⁰ nearly 36% of all U.S. imports,¹¹ and 40% of the container traffic from continental Asia.¹² Despite the substantial utilization of these ports, there are plans for further development and usage. As both ports continue to expand, the production will continue to increase, accompanied by an increase on the trucks and rail traffic towards the Inland Empire, generating more emissions as well as the negative environmental, health and social impacts attached to them, unless sufficient regulations are set to control it.

POLA and POLB have experienced record-setting summers regarding each ports' respective cargo volume. Without sufficient regulation, the residents nearby will continue to pay the price with their lives. Failing to act now will only further lead to the detriment of surrounding communities, and the impact will only worsen as Southern California, specifically the Los Angeles area, continues to be a beacon for entertainment—as the area will be hosting both the World Cup and the Olympics in the coming years, which will likely cause a significant surge in cargo volume over an extended period.

Moreover, the residents of the Inland Empire will also pay the price. Because of the Inland Empire's proximity to the largest port complex in the U.S., the Inland Empire has become the largest "dry port" or "inland port" on the west coast. The POLA and POLB create more than half a million daily truck trips into the Inland Empire to get to the multiple rail yards in the Inland Empire or the 4,000 warehouses in the region—that have a total footprint of 1.5 billion sq. ft., with more than 600 schools within half a mile from warehouses. Every year, the Inland Empire is burdened with more than 300,000 pounds of diesel particulate matter, 30 million pounds of nitrogen oxide and 15 billion pounds of carbon dioxide. This is why the Inland Empire is called a diesel death zone, and community members and workers in the region are at a higher risk of having air pollution related illnesses. While T.H.E. Impact Project and its allies anticipate that the recently adopted SCAQMD Warehouse and Rail Yards ISRs will reduce warehouse and rail emissions, SCAQMD must complete its indirect source rule framework by advancing the Ports ISR—to account for the growing amounts of pollution coming from the ports and contributing to secondary formation of ozone in the Inland Empire.¹³

This past year the POLA experienced its busiest July ever and busiest month in the last two years, as cargo volume spiked this summer. In July 2024, a record-breaking 939,600 TEUs were moved, a huge 37% increase from the previous July. In comparison to July 2023, there was a 38% increase in loaded imports, totaling 501,281 TEUs; there was a 4% increase in loaded exports, totaling 114,889 TEUs; and a 54% increase of empty containers processed, totaling 323,431. Through the first seven months of 2024, POLA moved 5,671,091 TEUs, 18% ahead of its 2023 pace.¹⁴

¹⁰ James A. Fawcett, *Why We Have Two Major Seaports in San Pedro Bay*, USC Dornsife (Aug. 31, 2020), dornsife.usc.edu/uscseagrant/.

¹¹ Mike A. Gipson, *Assembly Select Committee on Ports and Goods Movement, Chair's Interim Report*, at 25 (Jul. 2024).

¹² Don Lee, *In 'generational moment,' Port of L.A. faces shifting winds in business and politics*, Los Angeles Times (Jul. 18, 2024) <u>www.latimes.com/business/story/</u>.

¹³ Pargoal Arab, Climate Equity Associate, Climate Equity Initiative Report, *Community Health Impacts of Air Pollution in the U.S.* (Jan. 2024), <u>Community Health Impacts of Air Pollution in the U.S.</u> at p. 24.

¹⁴ A Record-Setting July At Port of Los Angeles As Cargo Soars 37%, Port of Los Angeles, https://www.portoflosangeles.org/references/2024-news-releases/.

The POLB also experienced its busiest July and third busiest month in its history due to the surge in cargo volumes.¹⁵ In July alone, 882,376 TEUs were moved, an increase of 52.6% from July 2023, which surpassed the previous record set in July 2022 by 12.4%. The surge is evidenced by a massive 60.5% increase of imports landed to 435,081 TEUs, a 16.3% increase of loaded exports to 104,834 TEUs, and a 57.8% increase of empty containers processed to 342,462 TEUs. Overall, through the first seven months of 2024, POLB moved 5,174,002 TEUs, a staggering 20% increase from the same period last year.

Both ports continue to handle massive volumes of cargo. Unfortunately, as port profits increase community health suffers. The San Pedro Bay port complex is the region's largest single source of smog-forming pollution¹⁶ and is a significant threat to public health and the environment. These harmful port-related emissions disproportionately affect the health of portside communities daily.¹⁷

SCAQMD began considering a Ports ISR after the San Joaquin Valley Air Pollution Control District adopted its ISR in 2005. SCAQMD staff issued a draft Ports ISR (Proposed Rules 4010 and 4020) in 2010. For decades, the ports have managed to escape regulations that would reduce port-related emissions. This trend cannot continue. A Ports ISR is a feasible regulatory measure. In order to come into compliance with state air quality standards, the California Clean Air Act requires SCAQMD to adopt and implement all feasible air pollution control measures as expeditiously as practicable.¹⁸ The Ports ISR is needed, legally mandated, and it has the potential to be a powerful and enforceable tool that can help reduce the emissions that are severely harming communities and establish necessary milestones for the transition to zero emissions technology. In addition to the health benefits the ISR would provide, it would also create opportunities for better coordination with utilities to increase power/charging infrastructure at the ports.

A lack of coordination with utilities have caused port power outages. These outages are not reasons to shy away from electrification. Rather, recent outages should incentivize ports to invest in better infrastructure and coordination with local utilities. As a Los Angeles Department of Water and Power official explained, outages are consistently caused by an issue on the user's side, like blown transformers, but investing in equipment like underground power lines would enhance reliability.¹⁹ The Warehouse ISR is evidence that this approach can be effective. Improving infrastructure, increasing zero-emission operations, and creating regulations that will cut emissions is critical. Since Warehouse ISR adoption, hundreds of zero-emission units have been deployed reducing harmful NOx and DPM emissions associated with warehouse operations.²⁰ Meanwhile, the warehouse industry continues to thrive.²¹

¹⁵ *Port of Long Beach Sees Busiest July on Record*, Port of Long Beach (Aug. 14, 2024) <u>Port of Long Beach Sees</u> <u>Busiest July on Record (polb.com)</u>.

¹⁶ Los Angeles Times Editorial Board, *How to end SoCal's smog streak? Slash pollution from railways and ports,* (Aug. 2, 2024) Editorial: Los Angeles Times (latimes.com).

¹⁷ Particularly, the communities of San Pedro, Wilmington, and West Long Beach, which experience up to 8 years lower life expectancy than the Los Angeles County average and the highest risk of cancer regionally. Even with this knowledge, the ports continue to be a major source of air pollution. And as both ports continue to grow, the adjacent communities continue to face increasing rates of asthma, cancer, heart disease, and premature death.

¹⁸ Title 17, Cal. Code of Regulations §70600(b)(5)(A). See also, Cal. Health & Safety Code §40920.5.

¹⁹ Don Lee, *The power keeps going out at the Port of Los Angeles, raising worries about its green future*, (Aug. 16, 2024) <u>www.latimes.com/business/story/power-outages</u>.

²⁰ SCAQMD Mobile Source Committee Agenda Item 2, WAIRE Program Annual Report (Oct. 18, 20240) slide 13, <u>https://www.aqmd.gov/docs/default-source/Agendas/Mobile-Source/msc-agenda-101824.pdf?sfvrsn=18</u>.

²¹ SCAQMD Mobile Source Committee Agenda Item 2, WAIRE Program Annual Report (Oct. 18, 20240) slide 4.

4. THE PORTS ISR MUST MAKE CLEAN AIR ACTION PLAN ("CAAP") GOALS ENFORCEABLE AND DRIVE COORDINATION BETWEEN RESPONSIBLE PARTIES TO EXPEDITE TRANSITION TO ZERO-EMISSION PORT OPERATIONS

PR 2304 can utilize specific actions to incentivize and encourage the ports to affirmatively act to reduce emissions. The attached chart ("Proposed Ports ISR Actions") outlines action and incentive-based elements that SCAQMD should consider incorporating into the final rule.

Building on the ongoing discussions by SCAQMD to identify emissions reduction strategies, the chart organizes interventions in three categories: (1) charging infrastructure, (2) cargo-handling equipment, and (3) transmission and energy planning. These categories ensure the Ports ISR includes the necessary interventions to transition the ports to 100% zero-emission operations.²²

These activities are mapped against desired outcomes (Column B), including ensuring sufficient access to zero-emission charging infrastructure and reducing emissions and indirect sources of pollution at the port. The proposed mechanisms utilize a variety of interventions to push the ports to act. These mechanisms range from providing additional incentives, re-allocating funding to support infrastructure development and acquisition of equipment, to requiring both ports and terminal operators to conduct infrastructure assessments or engage in energy-specific planning. Specifically, transmission planning activities seek to encourage the ports to invest in the necessary electricity and transmission infrastructure to support a transition to zero-emission operations, including by encouraging the ports to consider where electricity upgrades are needed and to plan for equipment turnover. Together, these actions seek to create numerous mechanisms to compel the ports to actively consider and pursue zero-emission initiatives, in line with SCAQMD goals surrounding emissions reductions.

In addition, building on T.H.E. Impact Project's work²³ Column F identifies a variety of potential tools for mechanism implementation grounded in the ports' authority over terminal operators. Ports may argue that such mechanisms, particularly lease-based controls, are redundant with their authority, as they could simply make these changes themselves. However, as discussed, contractual agreements at the ports have historically lacked enforceability. Embedding these mechanisms directly into the ISR will ensure that actors at the ports, particularly industry players, are accountable to emission targets set forth by SCAQMD. Additionally, leveraging the ports' contractual agreements will not exceed the scope of SCAQMD's authority.

Similarly, Columns G and H identify how these measures are aligned with the ports' existing emission reduction initiatives and regulatory authority over terminal operators. The various interventions are mapped onto the stated priorities from the CAAP, Green Port Policy, and other zero-emission projects across both ports to demonstrate how these activities are not forcing the ports to take unfounded action.

²² See Comment Letter from Fernando Gaytan et al. to Ian MacMillan, Assistant Deputy Exec. Officer, South Coast Air Quality Mgmt. Dist., Proposed Rule 2304- Marine Port Indirect Source Rule- Recommendations for Developing a Strong Rule Following Technical Working Group Discussion 4 (May 1, 2024), <u>https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/24-5-1-ip-port-isr-ltr-to-scaqmd-staff.pdf?sfyrsn=6</u>.

²³ See e.g., South Coast Air Quality Mgmt. Dist.; South Coast Air Quality Mgmt. Dist, Potential Port Emission Reduction Strategies – Discussion Draft (Feb. 15, 2024), <u>https://www.aqmd.gov/docs/default-</u> source/planning/fbmsm-docs/ud-potential-port-emission-reduction-strategies---discussion-draft-pdf.pdf?sfvrsn=10.

Instead, this demonstrates that the interventions align with the ports' existing zero-emission plans. Identifying these areas of overlap further illustrates that the proposed activities and elements can provide enforceability to zero-emission actions undertaken by the ports. Additionally, Column H identifies the ports' statutory basis for action, primarily the city charters. This column affirms that integrating the proposed actions into the ISR would not force the ports to exceed their scope of authority. Instead, Column H reiterates that the ports' broad authority empowers them to take bolder action to electrify their operations, reduce emissions, and compel terminal operators to comply with zero-emission targets.

The proposed elements are grounded in the ports' existing authority. Though more work must be done to identify enforceable timelines, embedding these specified actions within the ISR can help solve the historic lack of enforcement and introduce strategic alignment among the port actors and activities.

5. ELECTRIFYING ON-DOCK RAIL OPERATIONS MUST BE INCLUDED AS MECHANISM TO ACHIEVE EMISSION REDUCTION TARGETS UNDER THE PORTS ISR

Early in the rulemaking process, T.H.E. Impact Project recommended keeping rules concerning rail such as the Rail Yards ISR under one "umbrella." Staff have since determined that on-dock rail operations at the ports should fit under the Ports ISR rule umbrella, given the direct role that on-dock rail plays in port and terminal operations. With this new direction, we expect rail operations within the port boundaries, including switcher operations and on-dock loading and unloading activities, to be fully integrated into the Ports ISR in a way that will incentivize early action towards zero emissions.

The Rail Yard ISR specifically defined "Freight Rail Yard" to exclude on-dock rail facilities located on marine terminals because, as the staff report noted, "these facilities are operated by terminal operators who do not operate locomotives outside of their terminals, if at all."²⁴ We trust that staff will stand by its commitment to ensure that the measures tied to the Rail Yard ISR and those of the Ports ISR will be designed to promote actions to be taken by "separate, non-overlapping groups of freight hubs."²⁵ We take staff at their word that this will mean that a freight rail yard operator that takes action to reduce its facility's emissions from the locomotive and other freight rail yard sources that travel between a freight rail yard and the ports, for example, will not be allowed to "transfer" or "assign" credit for that action to another facility portside. A "banking" scheme will not work—especially considering on-dock rail operations. Instead, we fully expect rail-assisted port facilities to independently work through the Ports ISR to develop plans, deploy necessary technology, and take additional actions to reduce overall emissions directly tied to those facilities. This means locomotives, cargo handling equipment, trucks, and any other category tied to cargo movement, people, and equipment.

For the Ports ISR to work, on-dock rail installations ("on-dock rail operations") must be covered by the same system designed by SCAQMD to ensure terminal operator compliance. On-dock rail operations at the ports should be measured like terminal operations—considering on-dock rail's primary function of

²⁴ PR 2306 PR 316.2 Draft Staff Report July 2024, p. B-49; <u>https://www.aqmd.gov/docs/default-source/rule-book/Proposed-Rules/pr-2306/dsr pr2306-pr316-2.pdf?sfvrsn=4</u>.

²⁵ Id. at p.B-50.

loading and unloading cargo from ships and transporting cargo within the port facility to or from a freight forwarder. On-dock rail operations should not be permitted to dodge Ports ISR requirements and must be treated as terminal operators and subject to terminal-specific emission reduction targets. These targets should recreate the same action-oriented commitments from operators that will shift to zero-emissions over time, require robust data collection and reporting, and incentivize early commitments to developing zero-emission infrastructure.

A. With On-Dock Rail Operations Expanding Across the South Coast, the Ports ISR Must Catalyze a Shift to Zero-Emission Operations

The POLA and POLB have multiple projects underway to expand their capacity, preparing both facilities to receive record cargo volumes more efficiently. In fact, several of these projects display what is possible when creating a zero-emissions future. These projects demonstrate both the opportunity and the urgency the Ports ISR represents. With a firm rule that puts port operations on a path to fully zero-emission operations ("Target Zero")—one that calls for infrastructure planning, zero-emissions technology deployment, and robust reporting to ensure facilities are on a path to Target Zero. Port expansion projects must be designed to eliminate harmful pollution from the outset.

Examples of port expansion projects currently underway include the following non-exhaustive list:

- POLB Pier B expansion project: The first of ten projects at the port that make up a \$1.567 billion program that would allow POLA to move 35% of containerized cargo by rail. The facility would double the size of the existing Pier B rail yard from 82 acres to 171 acres and more than triple the volume of on-dock rail cargo the Port can handle annually, from 1.5 million to 4.7 million TEUs.²⁶
- POLA Pier 400: POLA is already changing on-dock rail support. In July, the Port announced that it had completed a \$73 million on-dock rail expansion project on Pier 400. The project added 31,000 linear feet of track, five new railroad storage tracks, and a concrete rail bridge with lighting.²⁷
- POLA, Board of Harbor Commissioners for LA, greenlit a \$53 million on-dock rail project at Fenix Marine Terminal. This project is expected to increase on-dock capacity and add five loading and unloading trucks in the intermodal yard at the Pier 300 terminal, enabling more cargo to be loaded directly onto rail.

Of course, many of these projects also include elements for incorporating more zero-emission technology into their operations, and both ports have committed to an ongoing demonstration of zero-emission locomotive technology with Pacific Harbor Line. These expansions illustrate the importance of having rules that can help guide the early deployment of zero-emission infrastructure and transportation technology so that the ports' expanding footprint is set to meet future demands while achieving emission reduction goals. We need a system to ensure this broad expansion in capacity can deliver the benefits of investing in zero-emissions today and not lock in outdated combustion-based modalities.

²⁶ Port of Long Beach, Port News Brief (Jun. 27, 2024). <u>https://polb.com/port-info/news-and-press/port-news-briefs-06-27-2024/</u>.

²⁷Donna Littlejohn, *LA Port Finishes Pier 400 on-dock rail project and Port of Long Beach gears up for Pier B Launch*. (Jul. 10, 2024). <u>https://www.dailybreeze.com/2024/07/10/la-port-finishes-pier-400-on-dock-rail-project-as-port-of-long-beach-gears-up-for-pier-b-launch/</u>.

B. The Ports ISR Must Require a Demonstration of Progress on Zero-Emission Infrastructure Plans

Our coalition has consistently called for SCAQMD to integrate zero-emission infrastructure planning and deployment into its ISRs because we know that success of these rules hinges on charting a path to a successful zero-emission future. That requires locking in charging and transmission infrastructure today to make the accelerated growth of zero-emission technology possible. The on-dock rail component of the Ports ISR should be no different. Grid planning is also vital for the proper allocation of charging facilities and associated land use decisions that will be necessary to ensure sufficient power is available to account for local circuit constraints that may arise. The needs of both ports will be substantial, relative to neighboring uses. The ports must proactively plan and account for the level of power needed, to ensure ports, terminal operators, and local communities are prepared for the shift to zero-emission port operations.

Like the Rail Yard ISR, the Ports ISR should require reporting on infrastructure planning as well as demonstrating the utilization of any installed and operative zero-emissions infrastructure. The rule should require details on infrastructure projects under design and development for each terminal, including on-dock rail facilities. This information will help inform the planning of future zero-emission energy needs and the infrastructure required to supply growing demand.

The benefit of having on-dock rail incorporated into the PR 2304 is that under this rule, rail operations at the ports will be relatively insulated, allowing for better coordination, and planning to push for expedited electrification efforts. To accomplish these goals, utility companies must be brought in early to ensure that any unique opportunities for electrifying locomotives are supported in the early phases of rule implementation. We strongly urge staff to bring in representatives of both utilities to one of the forthcoming working group meetings to discuss the opportunities available to improve grid capacity.

C. Electrifying On-dock Rail Will Help Transform Polluting Freight Hubs to Zero-Emission Operations

The technology to electrify on-dock rail operations at the ports is available today.²⁸ The transition to zero emissions cargo handling equipment, switchers, and other mechanisms at on-dock rail facilities can also offer substantial emission reductions that will help the port complex achieve its goals and reach Target Zero by 2040.²⁹ T.H.E. Impact Project is familiar with the types of initiatives that can help expedite this transition. For example, we supported Pacific Harbor Line's ("PHL") successful grant application for the California Air Resources Board's Consolidated Rail Infrastructure and Safety Improvements ("CRISI") program to invest in a wide range of projects to improve rail safety, efficiency, and reliability. Under this

²⁸ "PHL is contributing \$6.37 million toward the \$34.2 million cost to acquire five ZE locomotives and two charging stations that are included in CARB's application, for a total of eight ZE locomotives. The remaining three units would be used in Sacramento, Imperial, and San Bernardino, California by other operators," See <u>Pacific Harbor Line</u> Moves Toward Zero-Emission Operations with More Green Locomotives; Receives 12th ASLRRA Safety Award – Anacostia Rail Holdings (as of Oct. 29, 2024).

²⁹ See Port Electrification Handbook (May 2024), <u>https://www.pnnl.gov/projects/port-electrification-handbook</u>.

CRISI award, PHL's deployment of battery-electric locomotives will bring even more confidence to the industry by proving the reliability and benefits of electric rail operations—making clear that electric locomotives are capable of a wide range of operations. PHL's proposal is slated to eliminate approximately 28.5 tons per year ("tpy") of NOx—and 0.535 tpy of fine particulate matter will be removed from transportation sources, improving the quality of life in surrounding frontline communities. This project is also projected to eliminate 590 metric tons of carbon dioxide equivalent per year, in part through efforts to electrify operations further.

However, older, more polluting fossil-fueled equipment must be retired to achieve long-term emission reductions. The Ports ISR can play a role here by setting reduction targets that consider the possibility of removing more polluting equipment—as electric replacements and supporting infrastructure is integrated into the port complex. Emission reduction targets are vital to achieve Target Zero. We urge SCAQMD to integrate the early retirement of diesel-powered locomotives at the ports and accelerated adoption of zero-emissions versions for on-dock operations.

6. CONCLUSION

It has been over seventeen years since the San Pedro Bay ports adopted the CAAP, and the ports are still far from achieving the CAAP goal of (1) 100% zero-emission cargo handling equipment by 2030 and (2) 100% zero-emission drayage trucks by 2035.³⁰ The ports remain the "single largest fixed source of air pollution in Southern California," creating over 100 tons of smog and particulate-forming pollution a day.³¹ Following a surge in cargo imports post-pandemic, the ports facilitated increased levels of carcinogenic particulate matter equivalent to exhaust emissions from 100,000 diesel trucks per day and an increase in NOx emissions equivalent to 5.8 million passenger cars.³² Therefore, despite some progress toward a transition to zero-emission operations, the ports need to do much more to clean the air.

In summary, the ports exercise broad authority over terminal operators through legal mechanisms and voluntary initiatives. The ports are exercising this broad authority to mandate and encourage terminal operators to engage in zero-emission planning and development. However, a lack of enforceable timelines, interim steps, and accountability structures has hindered emissions reduction efforts and enabled rising emissions. A lack of coordination between ports and terminal operators further limits efforts to implement zero-emission infrastructure, technology, and emissions-reducing improvements to operational procedures at the ports. SCAQMD has the legal authority and moral responsibility to develop

³² Cal. Air Res. Bd., *Emissions Impact of Ships Anchored at Ports of Los Angeles and Long Beach*, Cal. Air. Res. Bd. 1-2 (Nov. 9, 2021), https://ww2.arb.ca.gov/sites/default/files/2021-

³⁰ Beth Kent & Gabi Rosenfeld, *Climate Change and Business Research Initiative. A Heavy Lift: Policy Solutions to Accelerate Deployment of Zero-Emission Cargo Handling Equipment at the Ports of Long Beach and Los Angeles and Beyond*, Berkeley Law 11 (Nov. 2023), p. 12, <u>https://www.law.berkeley.edu/wp-content/uploads/2023/11/A-Heavy-Lift-DIGITAL-2.pdf</u>.

³¹ Clean Port, South Coast AQMD, <u>https://www.aqmd.gov/nav/about/initiatives/clean-port</u> (as of Oct. 31, 2024).

^{11/}SPBP_Congestion_Anchorage_Emissions_Final.pdf.

strong ISRs that set robust, enforceable emissions reduction targets and coordinate ZE activities to accelerate port electrification and human-operated equipment.³³

A strong Ports ISR will go beyond a voluntary framework. It will strengthen the San Pedro Bay ports' ability to implement a transition to 100% zero-emission operations, consistently achieve emission reduction targets outlined in the 2022 AQMP, and ensure that all parties at the ports are accountable for protecting the air and collective health of community members, workers, and families.

Sincerely,

Trade, Health, and Environment (T.H.E.) Impact Project:

Marven Norman, Policy Coordinator, Center for Community Action and Environmental Justice

Lucia Marquez, Associate Policy Director, Central Coast Alliance United for A Sustainable Economy

Jesse Marquez, Executive Director, Coalition For A Safe Environment

Fernando Gaytan, Senior Attorney, Earthjustice

Paola Vargas, Long Beach Organizer, East Yard Communities for Environmental Justice

Sylvia Betancourt, Program Manager, Long Beach Alliance for Children with Asthma

Alison Hahm, Staff Attorney, Natural Resources Defense Council

Jamal Jackson, Attorney, Natural Resources Defense Council

Cristhian Tapia-Delgado, Climate Campaigner, Southern California, Pacific Environment

Fernando David Márquez Duarte, PhD Candidate at University of California, Riverside, Interpreter & Policy Researcher, **Peoples Collective for Environmental Justice**

Peter Warren, Advocate, San Pedro & Peninsula Homeowners Coalition

Yassi Kavezade, Senior Advisor, Clean Transportation for All, Sierra Club

Theral Golden, Treasurer, West Long Beach Association

³³ Re: SCAQMD ISR authority, see, for example, *Authority to Adopt Indirect Source Rule for Railyards*, Memorandum from Barbara Baird, Chief Deputy Counsel, to Dr. William A. Burke, Chair, and SCAQMD Governing Board Members, dated March 19, 2018.

T.H.E. Impact Project Allies:

Scott H. Takahashi, PharmD, FCSHP, FASHP, Co-Chair, Asthma Coalition of Los Angeles County

David Diaz, Executive Director, Active San Gabriel Valley

Luis Amezcua, Principal, Better World Group

David Pettit, Senior Attorney, Center for Biological Diversity

Roger Lin, Senior Attorney, Center for Biological Diversity

Natalia Ospina, Legal Director, Center on Race, Poverty & the Environment

Dori Chandler, Policy Advocate, Coalition for Clean Air

Bahram Fazeli, Director of Research and Policy, Communities for a Better Environment

Magali Sanchez-Hall, MPH, Executive Director, EMERGE

Gracyna Mohabir, Clean Air and Energy Regulatory Advocate, EnviroVoters

Andrea Marpillero-Colomina, Sustainable Communities Program Director, GreenLatinos

Javier Hernandez, Executive Director, Inland Coalition for Immigrant Justice

Andre Donado, Project Director, Long Beach Residents Empowered

Eli Lipmen, Executive Director, Move LA

Gaby Hernandez, MA, Executive Director, ÓRALE (Organizing Rooted in Abolition Liberation and Empowerment)

Sheheryar Kaoosji, Executive Director, Warehouse Worker Resource Center

Darby Osnaya, Community Organizer and Programs Coordinator, PCEJ, Co-founder, We Are Colton

Joel Ervice, Associate Director, Regional Asthma Management & Prevention

Cheyenne Rendon, Senior Policy Officer, Society of Native Nations

Janet Scoll Johnson, Co-Coordinator, Sunflower Alliance

Amy Vasquez, Founder, Unite Fore Colton

Dr. Ellen Reese, PhD, Professor and Acting Vice Chair of the Department of Society, Environment, and Health Equity and Chair of Labor Studies at the **University of California, Riverside**, faculty co-director of the UCR Inland Empire Labor & Community Center (ielcc.ucr.edu)

Dr. Dana Simmons, PhD, Associate Professor, Society, Environment, and Health Equity Department, University of California, Riverside

Dulce A. Alarcón Payán, Co-Director, Decolonial Praxis Collective Zaira Vidal Cortes, Co-Director, Decolonial Praxis Collective Paolina Ochoa, Organizer, Decolonial Praxis Collective Daniel Alarcón Mares, Organizer, Decolonial Praxis Collective Andrea Mendoza, Organizer, Decolonial Praxis Collective Eloy Neira, Organizer, Decolonial Praxis Collective Matthew Simmons, Climate Attorney, Environmental Protection Information Center Danny Gamboa, Executive Director, Healthy Active Streets Marc Carrel, President and CEO, Breathe Southern California Caroline Bonfield, Shipping Emissions Analyst, Ocean Conservancy Richard Parks, MBA, President, Redeemer Community Partnership Adan Garcia, MPP, Air Quality Program Manager, Physicians for Social Responsibility-Los Angeles Martha Dina Argüello, Executive Director, Physicians for Social Responsibility-Los Angeles Elizabeth Sena, Founder, South Fontana Concerned Citizens Coalition Andrea León-Grossmann, Deputy Program Director, West, Vote Solar Attachment: Proposed Ports ISR Actions (Excel Sheet)

CC:

SCAQMD Chair Vanessa Senator (Ret.) Delgado SCAQMD Vice-Chair Michael A. Cacciotti, South Pasadena City Council Member SCAQMD Governing Board Member Curt Hagman, San Bernardino County Supervisor SCAQMD Governing Board Member Gideon Kracov, CARB Board Member SCAQMD Governing Board Member Patricia Lock Dawson, Mayor of Riverside SCAQMD Governing Board Member Mayor Larry McCallon, Mayor of Highland SCAQMD Governing Board Member Holly J. Mitchell, Los Angeles County Supervisor SCAQMD Governing Board Member Veronica Padilla-Campos, Pacoima Beautiful Executive Director SCAQMD Governing Board Member Victor Manuel Perez, Riverside County Supervisor SCAQMD Governing Board Member Nithya Raman, Los Angeles City Council Member SCAQMD Governing Board Member Carlos Rodriguez, Yorba Linda City Council Member SCAQMD Governing Board Member José Luis Solache, Lynwood City Council Member SCAQMD Governing Board Member Donald P. Wagner, Orange County Supervisor SCAQMD Executive Officer Wayne Nastri SCAQMD Chief Operating Officer Susan Nakamura

| Port Vehicle / Emission Source | Desired Outcome | Potential Mechanisms | Potential Tools for Mechanism Implementation | Strategic Alignment (e.g. Green Port Policy, CAAP, Current or Planned Zero-Emissions Initiative) | Legal Authority |
|-----------------------------------|--|--|---|--|--|
| | Ensure sufficient access to zero-emission charging infrastructure | Require terminal operators to conduct annual charging infrastructure assessment | Require as part of annual procurement plan submitted to Ports; lease-based control | CAAP 2017 requires that, beginning in 2019, terminal operators submit to Ports equipment inventory and 10-year procurement schedule to help ID opportunities to invest in cleaner equipment for new purchase and ID turnover schedules. POLB Conducted "Public Truck Charging and Fueling Assessment" to identify opportunities and challenges in deploying public charging and leuling infrastructure to support transition to ZE trucks. POLA conducted assessment of existing CHE equipment and tenant zero emissino modeling/ tenant CHE loads as part of "Zero-Emission Planning and Grid Assessment Study for the Port of Los Angeles" conducted by EPRI. CAAP 2017 requires that, beginning in 2019, terminal operators submit to Ports equipment inventory and 10-year procurement schedule to help ID opportunities to invest in cleaner equipment for new purchase and ID turnover schedules. | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(c). Charter Article XII, section 1207(b) "Notwithstanding any other provision of this Charter to the contrary, the Commission shall not be required to operate directly all of the properties, facilities and utilities under its control or jurisdiction, and shall have the power to authorize the operation of any of such properties, facilities and utilities under its control or jurisdiction, and shall have the power to authorize the operation of any of such properties, facilities and utilities under its control or jurisdiction, and shall have the power to authorize the operation of any of such properties, facilities and utilities by a private person, firm, association or corporation, whether by lease, franchise, license, assignment, permit or otherwise, upon such terms and conditions as the Commission shall prescribe, which terms and conditions shall include control over the rates, charges and practices of said private party to the extent permitted by law." Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions reductions strategies, thus empowering ports to use lease-based controls. Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all improvements, utilities, structures, watercraft, facilities and services for Departmental Purposes and to acquire and take, by purchase, lease, condemnation or otherwise, in the name of the City, any property, real or personal, or any interest therein, and to designate the site for any public buildings, structures or facilities in the Harbor District. The power of condemnation shall only be exercised with the approval of Council, (section 652((Development of the Harbor District)). |
| Charging Infrastructure | | Increase funding or allocate funding for charging infrastructure installation and development | Tariff; redistribute non-attainment fees | CAAP 2017: Transition up to 100% of the terminal equipment to zero emissions by 2030. Transition up to 100% of the drayage trucks to zero emissions by 2035 (4) POLB and POLA plan to allocate \$12.5 million each from Clean Truck funds to contribte to SCAQMD MObile Source Air Pollution Reduction Review project to install 207 charging units. Can add in ISR to enforce funding allocation. Rate collection set at \$10 per twenty foot equivalent unit or \$20 per forty-foot equivalent unit. | City of Long Beach Charter Monies credited to the Harbor Revenue Fund may be appropriated and used for the following purposes, including: for the acquisition, construction, completion and maintenance, to the extent and in the manner permitted by all applicable law, of harbor and port improvements, buildings, work, utilities, appliances, facilities, and water craft, for the promotion and accommodation of commerce, navigation, recreation or fishery, or used in connection therewith, and for all other improvements and betterments authorized by law to lands and property under the control, supervision and management of the department, including the purchase or condemnation of necessary lands and other property and property rights, except that condemnation of property outside of the Harbor District shall require the consent of the City Council. (Article XII, section 1209(c)(2)) Los Angeles City Charter Section 656(b)(2): Use of funds shall not be appropriated or used for any purposes except the following: (2) Development of Assets. For the acquisition, construction, completion and maintenance of Harbor Assets for Departmental Purposes, and for the acquisition or taking by purchase, lease, condemnation or otherwise of property, real or personal, or other interest necessary or convenient for Departmental Purposes. |
| | | Develop charging standards | Tariff; policy change | CAAP 2017 notes that both Ports are working to develop a charging standard for electric terminal equipment to deploy electric equipment on a large scale and standardized infrastructure (74) Port of Long Beach EV Blueprint identifies several near-term steps for EV transition, including "working with associations and state agencies to dryadoption of heavy-duty charging standards | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(t)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |
| | | Require Port to build charging infrastructure at highest emitting terminals / largest container terminals / on-dock rail served terminals | Port Master Plan; contractual agreements; obtain grant funding to support infrastructure procurement | The CAAP includes strategies to reduce emissions from ships, harbor craft, rail, cargo handling equipment, and trucks, and establishes goals to transition to the use of 100 percent zero- emissions trucks serving the Port by 2035 and 100 percent zero- emissions cargo handling equipment by 2030 | City of Long Beach Charter "Direct, control, and supervise the Harbor District, including all waterfront properties, and adjacent lands and water, which are now or may hereafter be owned or possessed by the City, both inside and outside of the Harbor District" (Article XII, section 1203(c) Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all improvements, utilities, structures, watercraft, facilities and services for Departmental Purposes and to acquire and take, by purchase, lease, condemnation or otherwise, in the name of the City, any property, real or personal, or any interest therein, and to designate the site for any public buildings, structures or facilities in the Harbor District. The power of condemnation shall only be exercised with the approval of Council. (section 652(f) Development of the Harbor District). |

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| | Incentivize ZE charging / fueling infrastructure | Allocate funds collected from Clean Truck Fee to build ZE charging / fueling infrastructure | MOU between SCAQMD and Ports to provide continued funding (in light of \$25 million already committed) | POLB and POLA plan to allocate \$12.5 million each from Clean Truck funds to contrible to SCAQMD MObile Source Air Pollution Reduction Review project to install 207 charging units. Can add in ISR to enforce funding allocation. Rate collection set at \$10 per twenty foot equivalent unit or \$20 per forty-foot equivalent unit. Adopted to advance CAAP goals. | allocated for in POLA Tariff Section 20 AB2766 (passed in Sept. 1990) authorizes \$4 vehicle surcharge on annual registration fees, and money is used to fund implemenation of programs to reduce air pollution from motor vehicles pursuant to AQ plans and California CAA. Also created the Mobile Source Air Pollution Review Committee to evaluate programs and ID what should be funded. Los Angeles City Charter Section 656(b)(2): Use of funds shall not be appropriated or used for any purposes except the following: (2) Development of Assets. For the acquisition, construction, completion and maintenance of Harbor Assets for Departmental Purposes, and for the acquisition or taking by purchase, lease, condemnation or otherwise of property, real or personal, or other interest necessary or convenient for Departmental Purposes. |
| | | Strengthen / enhance clean trucks programming for terminal operators | Increase funding for rebates and incentives program (e.g. voucher); obtain grant funding | CAAP - There are ongoing demonstrations of zero-emission truck technologies as part of the Zero Emission Cargo Transport programs (I and II) being led by the SCAQMD and financially supported by the Ports' TAP. START is a broad, multi-port demonstration project funded by CARB to showcase emission reduction tech that can be replicated throughout Ports. Since 2016, POLA has engaged in numeroous, CARB-funded demonstration projects to deploy and assess benefits of zero- emissions drayage trucks including the Green Omni Terminal project, ZANZEF, Zero-Emission Freight Vehicle Advanced Infrastructure Demonstration (AD). POLA has also collaborated with SCAQMD/ received funding for demonstration projects, including a demonstration with Volvo for hbrid, plug-in drayage trucks (POLA Zero Emissions White Paper Draft) | City of Long Beach Charter To fix all rates, dockage, rentals, tolls, pilotage, wharfage, and charges for the use and occupation of the public facilities or appliances of the port, and for services rendered by the Harbor Department, and to provide for the collection thereof. (Article XII, section 1203(f)) Los Angeles Charter Rules and Regulations, Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) Rates. Fix and collect rates and charges for the use of the Harbor Assets, pilotage and towage, and any other service provided by the department. (section 652(e) Rates). |
| Cargo Handling Equipment | Zero Emissions Fleet and Equipment at the Port | Allocate funding collected from Clean Truck Fee/ other fees and rebate programs for demonstration projects of ZE equipment (e.g. trucks, charging, microgrids) | Tariff; lease-based control | CAAP - There are ongoing demonstrations of zero-emission truck technologies as part of the Zero Emission Cargo Transport programs (I and II) being led by the SCAQMD and financially supported by the Ports' TAP.) POLA has deployed numerous demonstration projects for ZE trucks with terminal operators (above). Furthermore, POLB and POLA plan to allocate \$12.5 million each from Clean Truck funds to contrible to SCAQMD MObile Source Air Pollution Reduction Review project to install 207 charging units. Can add in ISR to enforce funding allocation. Rate collection set at \$10 per twenty foot equivalent unit or \$20 per forty-foot equivalent unit. | City of Long Beach Charter Monies credited to the Harbor Revenue Fund may be appropriated and used for the following purposes, including: for the acquisition, construction, completion and maintenance, to the extent and in the manner permitted by all applicable law, of harbor and port improvements, buildings, work, utilities, appliances, facilities, and water carfs, for the promotion and accommodation of commerce, navigation, recreation or fishery, or used in connection therewith, and for all other improvements and betterments authorized by law to lands and property under the control, supervision and management of the department, including the purchase or condemnation of necessary lands and other property and property rights, except that condemnation of property outside of the Harbor District shall require the consent of the City Council. (Article XII, section 1209(c)(2)) Los Angeles City Charter Section 656(b)(2): Use of funds shall not be appropriated or used for any purposes except the following: (2) Development of Assets. For the acquisition, construction, completion and maintenance of Harbor Assets for Departmental Purposes, and for the acquisition or taking by purchase, lease, condemnation or otherwise of property, real or personal, or other interest necessary or convenient for Departmental Purposes. |
| | | Fine aging trucks to incentivize replacement of aging trucks with zero emissions trucks | Add fee; Charge non-exempt trucks \$10 per twenty- foot equivalent unit (as part of Clean Trucks Program) | Port of Long Beach Clean Trucks Program Alignment with CARB Advanced Clean Fleets Regulation POLA/ POLB demonstration projects for ZE trucks. | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(1)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) Rates. Fix and collect rates and charges for the use of the Harbor Assets, pilotage and towage, and any other service provided by the department. (section 652(e) Rates). |
| | | Include requirement of turnover of fleets in terminal leases | Port Policy change; lease-based control; contractual negotiations | alignment/ consistency with California's Sustainable Freight Action Plan, which calis for "ZE eqipment everywhere feasible, and near-zero emission equipment powered by clean, low- carbon renewable fuels everywhere else." Lease-based agreeements align with Green Port Policy | City of Long Beach Charter "Enter into contracts, agreements, leases, or stipulations, germane to the scope of its powers and duties" Article XII, section 1203(o) Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions reductions strategies, thus empowering ports to use lease-based controls. Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all improvements, utilities, structures, watercraft, facilities and services for Departmental Purposes and to acquire and take, by purchase, lease, condemnation or otherwise, in the name of the City, any property, real or personal, or any interest therein, and to designate the site for any public buildings, structures or facilities in the Harbor District. The power of condemnation shall only be exercised with the approval of Council. (section 652(f) Development of the Harbor District). |

| | Increase funds toward accelerating replacement of existing equipment with near- zero and zero-emissions equipment | Obtain grant funding, re-allocation of fines / non- attainment fees | CAAP 2017 requires that, beginning in 2019, terminal operators submit to Ports equipment inventory and 10-year procumenent schedule to help ID opportunities to invest in cleaner equipment for new purchase and ID turnover schedules. | City of Long Beach Charter Monies credited to the Harbor Revenue Fund may be appropriated and used for the following purposes, including: for the acquisition, construction, completion and maintenance, to the extent and in the manner permitted by all applicable law, of harbor and port improvements, buildings, work, utilities, appliances, facilities, and water craft, for the promotion and accommodation of commerce, navigation, recreation or fibency, or used in connection therewith, and for all other improvements and betterments authorized by law to lands and property under the control, supervision and management of the department, including the purchase or condemmation of necessary lands and other property and property rights, except that condemnation of property outside of the Harbor District shall require the consent of the City Council. (Article XII, section 1209(c)(2)) Los Angeles City Charter Section 656(b)(2): Use of funds shall not be appropriated or used for any purposes except the following: (2) Development of Assets. For the acquisition, construction, completion and maintenance of Harbor Assets for Departmental Purposes, and for the acquisition or taking by purchase, lease, condemnation or otherwise of property, real or personal, or other interest necessary or convenient for Departmental Purposes. |
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| | Terminal prioritizes contracts with customers (e.g. ocean carriers) that work with freight forwarders who can send ZE fleets | Contractual agreements and negotiations; lease- based controls | Zero-emissions trucks aligns with the Clean Truck Fund Rate and can support compliance with CARB's Advanced Clean Fleets regulations to deploy ZEV everywhere feasible and includes drayage truck requirements. | City of Long Beach Charter "Enter into contracts, agreements, leases, or stipulations, germane to the scope of its powers and duties" Article XII, section 1203(o) Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions reductions strategies, thus empowering ports to use lease-based controls. Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all improvements, utilities, structures, watercraft, facilities and services for Departmental Purposes and to acquire and take, by purchase, lease, condemnation or otherwise, in the name of the City, any property, real or personal, or any interest therein, and to designate the site for any public buildings, structures or facilities in the Harbor District. The power of condemnation shall only be exercised with the approval of Council. (section 652(f) Development of the Harbor District). |
| | Incentivize ZE by providing "priority access" to terminal operators through efficiency lanes | Tariff, contractual agreements | Alignment with CARB Advanced Clean Fleets Regulation (by requiring ports and terminal operators to plan for ZE priority lanes) | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(!)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |
| Reduce emissions/ pollution at the Port | Ocean carrier / terminal / on-road carrier (truck) who share same corporate structure coordinate dedicated Z Edrayage fleet to sibling terminal (e.g. APM and Maersk and Performance Team) | Contractual agreements; lease-based controls | The CAAP includes strategies to reduce emissions from ships, harbor craft, rail, cargo handling equipment, and trucks, and establishes goals to transition to the use of 100 percent zero-emissions trucks serving the Port by 2035 and 100 percent zero-emissions cargo handling equipment by 2030 | City of Long Beach Charter "Enter into contracts, agreements, leases, or stipulations, germane to the scope of its powers and duties" Article XII, section 1203(o) Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions reductions strategies, thus empowering ports to use lease-based controls. Los Angeles City Charter Regulate and control the construction, maintenance, operation and use of any railroad, wharf, warehouse or other facility, utility, structure or improvement used in connection with the Harbor District. (section 652(c) Control Over Harbor Facilities). |
| | Introduce incentive for use of technologies or methods to control emissions during anchorage | Tariff; contractual agreements; obtain grant funding | Both Port tariffs includes provision that lessee will comply with emission reductions measures, including speed reduction provisions for emissions and incorporate CAAP policies into the tariffs. | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(1)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |

| Limit increases in "Vehicle Miles Travelled" (VMT) | Lease-based controls; include provision in development permit; Tariff | Align with CARB 2022 Scoping Plan for achieving carbon neutrality | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(t)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |
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| Feebate or incentive programs to reduce truck queue time (e.g. reward dual transactions and decreased truck turnaround times) | Tariff | POLB Green Flag Program already awards vessel operators for slowing down to reduce emissions; similar scheme can be implemented for truck queueing. POLA similarly provides incentives for speed reduction. POLB Port Master Plan notes potential mitigation measures include "idling restrictions" (10-6) | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |
| Complementary mechanism to ensure compliance with Heavy-Duty Vehicle Inspection and Maintenance Regulation | Tariff; Modify Clean Truck Program to include feebate/ incentive | Aligns with Clean Truck Program/ Rate | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(t)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |
| Require developers to disclose and address odor-generating emissions sources (e.g. diesel) | Lease-based control; contractual negotiations | CAAP includes air monitoring programs, and both Ports maintain Air Emissions Inventory and reporting. | City of Long Beach Charter "Enter into contracts, agreements, leases, or stipulations, germane to the scope of its powers and duties" Article XII, section 1203(o) Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions reductions strategies, thus empowering ports to use lease-based controls. Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all improvements, utilities, structures, watercraft, facilities and services for Departmental Purposes and to acquire and take, by purchase, lease, condemnation or otherwise, in the name of the City, any property, read or personal, or any interest therein, and to designate the site for any public buildings, structures or facilities in the Harbor District.). |
| Provide incentive for on-site renewable generation (e.g. microgrids, roottop solar, battery storage) | Public-private partnership, grant funding, Tariff | POLB + Schneider Electric constructed microgrid at POLB's Joint Command and Control center, noting importance of limiting blackout and desire to utilize greener energy sources. Port received \$5 million grant from CEC to help Port learn about design, installation, and operation of microgrids (Microgrid Resilience for Critical Facilitites). Aligns with Port of Long Beach's Energy initiative Roadmap, which adopted to optimize generation of atternative and renewable energy, foster innovative energy technologies, and ensure a safe and reliable energy supply to support Port operations. POLA deployed microgrid as part of Green Omni Terminal Project demonstration in 2016, partially funded through a \$14.5 million | City of Long Beach Charter "Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper administration and discharge of its duties and powers, or for the management and government of the Harbor District and its facilities." (Charter Article XII, section 1203(t)) Los Angeles Charter Rules and Regulations. Make and enforce all necessary rules and regulations governing the maintenance, operation and use of the Harbor District, and enforce penalties for the violation of those rules and regulations (section 652(a) Rules and Regulations) |

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| | Encourage utility-Port interaction | Require energy alternatives assessment study | Lease-based agreement; contractual negotiations | Aligns with Port of Long Beach's Energy Initiative Roadmap, which adopted to optimize generation of alternative and renewable energy, foster innovative energy technologies, and ensure a safe and reliable energy supply to support Port operations. Port of LA Commissioned Zero Emission Planning and Grid Assessment, which identified upgrades to grid infrastructure to meet potentially new electrification loads and idnetify CHE electrification opportunities. | District" (Article XII, ovements, utilities, oy purchase, lease, rein, and to designate nation shall only be |
| | | Require Port-wide annual electricity infrastructure audits (e.g. transmission line, cranes and other CHE, energy load assessment) including loads and operations that may require back up power, restrictions on interconnection or deployment of microgrids | Port Master Plan | Aligns with Port's Energy Initiative Roadmap, which adopted to optimize generation of alternative and renewable energy, foster innovative energy technologies, and ensure a safe and reliable energy supply to support Port operations. Adopt and enforce such ordinances, orders, regulations, and practices as are necessary for the proper discharge of its duties and powers, or for the management and government of the Harbor District and i Achive Network with ESRI to assess extent of electrification efforts at 6 POLA container terminals and identify cost-effective CEH electrification opportunities, Furthermore, also assessed what upgrades to LADWP infrastructure needed to meet new electrification loads. | its facilities." (Charter ance, operation and |
| Transmission/ Energy Planning | Encourage utility-tenant interaction | Develop and implement terminal-specific energy infrastructure assesment and plans, includiing loads and operations that may require back up power, restrictions on interconnection or deployment of microgrids | Contractual agreements; negotiations; lease-based control | CAAP 2017 includes roadmap of energy infrastructure and energy resource planning programs to meet a 2050 GHG goals. Aligns with Port of Long Beach Energy initiative Roadmap, which adopted to optimize generation of alternative and renewable energy, foster innovative energy technologies, and ensure a safe and reliable energy support Port operations. In 2023, POLA and LADWP worked with ESRI to assess extent of electrification efforts at 6 POLA container terminals and identify cost-effective CEH electrification opportunities. Furthermore, also assessed what upgrades to LADWP instructure needed to meet new electrification loads. | its facilities." (Charter ance, operation and |
| | | Require terminal operators to conduct annual energy infrastructure inventory / assessments | Lease-based control | CAAP 2017 includes roadmap of energy infrastructure and energy resource planning programs to meet a 2050 GHG goals. Aligns with Port's Energy initiative Roadmap, which adopted to optimize generation of alternative and renewable energy, to support Port operations. Port of LA commissioned EPRI to conduct an Zero Emission Planning and Grid Assessment for CHE electrification that included identifying inventory of CHE, zero-emission modeling for various terminals; can build on these efforts by adding similar study for other types of Port equipment. City of Long Beach Charter Enter into contracts, agreements, leases, or stipulations, germane to the scope of its powers and duti 1203(o) Green Port Policy and CAAP both identify lease based agreements as a way to implement emissions in thus empowering ports to use lease-based controls. Los Angeles City Charter Development of the Harbor District. Acquire, provide for, construct, maintain and operate all impro- sondemnation or otherwise, in the name of the City, any property, real or personal, or any interest ther the stef or any public buildings, structures or facilities in the Harbor District. The power of condem- rent real way builts of the marker of the Harbor District. The power of condem- rent y public buildings, structures or facilities in the Harbor District. The power of condem- rent real provide for Council. (section 652(f) Development of the Harbor Dis- | eductions strategies, overments, utilities, ov purchase, lease, rein, and to designate nation shall only be |
| | | Feebate or incentive programs for terminal operators to install electric equipment | Tariff; obtain grant funding | CAAP 2017 recognizes the need to work with manufacturers and regulators to support electrification. SCE Charge Ready program provides incentives / rebates to support installation of equipment at Ports, including Port of Long Beach. Aligns with recent effort to re-allocate Clean Truck Funds to the purchase and installation of charging equipment, in collaboration with the Mobile Source Air Pollution Reduction Committee | its facilities." (Charter ance, operation and |