

BOARD MEETING DATE: January 7, 2022

AGENDA NO. 18

REPORT: Marine Port Committee

SYNOPSIS: The Marine Port Committee held a meeting remotely on Wednesday, December 15, 2021. The following is a summary of this meeting.

RECOMMENDED ACTION:
Receive and file.

Rex Richardson, Co-Chair
Joe Buscaino, Co-Chair
Marine Port Committee

IM:rb

Committee Members

Present: Vice Mayor Rex Richardson/Co-Chair
Council Member Joe Buscaino/Co-Chair
Supervisor Lisa Bartlett
Board Member Veronica Padilla-Campos
Mayor Pro-Tem Larry McCallon

Absent: Senator (Ret.) Vanessa Delgado

Call to Order

Co-Chair Richardson called the meeting to order at 9:00 a.m.

INFORMATIONAL ITEMS:

1. Preliminary Analysis of Air Quality Impacts from Recent Port Congestion

Dr. Sang-Mi Lee, Program Supervisor/Planning, Rule Development and Area Sources, presented on the estimated increase in emissions associated with port congestion and ongoing efforts to quantify the resultant air quality impacts.

Board Member Comments:

Co-Chair Buscaino commented that the port backlog has led to an expected spike in emissions, and the primary concern is the resultant impacts throughout the region and particularly in Wilmington. He commended the new vessel queuing system which encourages ships to stay at least 150 miles away from shore before calling the Ports of Long Beach (POLB) and Los Angeles (POLA) (collectively “the Ports”). He expressed his wish that the system could have been introduced sooner and added that port congestion could be possibly resolved in the second to third quarter in 2022.

Board Member Padilla-Campos asked staff to elaborate on the new vessel queuing system. Dr. Lee and Wayne Natri, Executive Officer, explained the changes being implemented with the new system. Co-Chair Richardson commended on the new system and asked staff to provide the committee with updates on the associated emission reduction benefits.

Public Comments:

Thomas Jelenić, Pacific Merchant Shipping Association (PMSA), commented on the new queuing system initiated by PMSA, with the Pacific Maritime Association and the Marine Exchange of Southern California. He stated that the number of container ships within 40 nautical miles from the Ports had declined from 86 to 29 since the new system was implemented on November 16. Mr. Jelenić mentioned that South Coast AQMD staff received a full briefing on December 3, and that more information can be provided to Board Members upon request.

Fernando Gaytan, Earth Justice, commented that the emissions increase was likely underestimated and that port communities have suffered from many consecutive days of unhealthy air while there is no comprehensive solution to address congestion-related emissions at the nation’s largest port complex. He stated that congestion would not be resolved soon, and that the latest MOU proposals from both Ports does not address the increased Port emissions and would further limit South Coast AQMD in future rulemaking. He advocated for a comprehensive emission reduction strategy for the whole Port complex via an indirect source rule (ISR).

Adrian Martinez, Earth Justice, echoed comments about congested-related emissions increases. He added that the new queuing system would only partially mitigate the increase in congestion-related emissions by moving emissions further away offshore, and that the new system would not result in reductions already needed from the pre-pandemic levels. He urged the Committee to consider the emissions inventory and the increase in Port emissions since 2019 when evaluating the benefits of the new queuing system.

Jesse Marquez, Coalition for a Safe Environment, stated that ship emissions can be calculated, and the increase has been significant. While acknowledging the dispersion of

emitted pollutants as a complicating factor, he indicated that staff's statement about the complexity of evaluating air quality impacts could be misleading. He stated that staff has not acknowledged all air pollutants emitted from ships and their associated health impacts and that ships waiting further offshore would still increase emissions of greenhouse gases (GHG) and impact local environment and public health. He commented on his organization's participation in the Ports' public process for the environmental impact reports for Port projects and the perceived lack of planning for foreseeable labor and equipment shortages.

Madeline Rose, Pacific Environment, stated that Port congestion is not a short-term problem and that major retailers expected port congestion to continue well into 2022 due to pandemic-induced changes in consumer behavior and the continued rise in e-commerce. She concurred with prior speakers regarding the contingent nature of the new vessel queueing system as a solution to increased emissions. She urged South Coast AQMD to mandate ships transition off fossil fuels by requiring dual fueled ships that can run on zero-carbon fuels do so within the responsible jurisdictions. She added that such ships are being built today and can be deployed as early as 2024.

Theral Golden, West Long Beach Association, agreed with prior speakers about the new vessel queuing system being a short-term solution. He indicated that the longer transit time due to slower vessel cruising speeds would cancel out the direct emission reduction benefits resulted from the new system. He commented that the "new normal" of record container throughput requires immediate and long-lasting actions, and that new zero-carbon ships would not meaningfully address the thousands of in-service ships for another 30 years. He asked what the plan is for the region to meet federal clean air standards by the attainment deadlines and that any plan would require the ports to fulfill their clean air obligations.

Sylvia Betancourt, Long Beach Alliance for Children with Asthma, commented that increased diesel pollution from ships and trucks triggers and exacerbates children's asthma in the port community and they already have a higher-than-average rate of asthma-related emergency room visits. She expressed concern that an MOU is not enforceable and advocated for a strong ISR.

Chris Chavez, Coalition for Clean Air, commented that pollution from port backlog is pushing the region increasingly further away from attainment. He attributed South Coast AQMD's halting of PM2.5 attainment re-designation request to port congestion and referenced CARB's estimate that increased anchorage emissions have outweighed the reductions achieved by the At-Berth Regulation. He urged South Coast AQMD to take into consideration the increased emissions when formulating a strategy for the Ports and indicated that the shipping industry can afford clean air solutions due to record profits.

Board Member Comments:

Co-Chair Richardson asked staff to clarify why the air quality impacts of port congestion would need further investigation. Dr. Lee explained the differences between pollutant emissions and ambient concentrations, the latter of which is impacted by complex interactions of atmospheric chemistry and meteorology and therefore needs further analysis. Richardson asked staff to continue working with relevant parties to identify methods that can minimize congestion-related impacts and update the committee on staff's recommendations. Mr. Nastri mentioned that PMSA offered to work with staff to quantify emission reduction benefits of the new queuing system, and that staff expects to have more to report at the February committee meeting.

2. Update on Port MOU Process

Ian MacMillan, Assistant Deputy Executive Officer/Planning, Rule Development and Area Sources, provided an update on MOU discussions with POLA and POLB. He explained the history and recent actions related to emission reduction efforts related to port sources. He described the latest MOU proposals submitted by POLB and POLA, respectively, summarized staff's key concerns with each proposal and compared the latest proposals to the clean air strategies included in the Ports' 2017 Update to Clean Air Action Plan (CAAP).

Public Comments:

Rick Cameron, POLB, commented on POLB's track record in reducing emissions under the CAAP and its commitment to continuing emission reduction efforts to protect the health of port-adjacent communities. He stated that the best way to accomplish clean air goals is to continue the collaborative partnerships. Mr. Cameron referred to POLB's latest MOU proposal as advancing 2017 CAAP implementation and highlighted the offer to advance clean truck funding totaling \$100 million as POLB's commitment to take immediate clean air actions. He urged the committee and the Board to support POLB's MOU proposal. Mr. Jelenić further argued that an MOU approach can be successful as he maintained that the Ports' CAAP, which is a voluntary plan and originally started in 2005, was the basis for all future regulations.

Jacqueline Moore, PMSA, commented on the success of the Ports' Vessel Speed Reduction (VSR) program and that participation in the existing program cannot be increased much further. She stated that staff's July redline MOU proposal was infeasible and added that the associated emission reduction estimation had not been vetted by the Technical Working Group (TWG) for Ports MOU. She further indicated that emission reduction estimates associated with MOU proposals should be reviewed by the TWG before estimates are released to the public.

Mr. Chavez voiced opposition to an MOU approach and stated that the local community prefers an ISR for the Ports as demonstrated in the AB617 process. He commented that POLA's MOU concept letter does not offer enough to meet the region's attainment

needs, and that POLB's offer of \$100 million advanced funding to accelerate the turnover of drayage trucks is insufficient in preventing turnover to diesel trucks. He added that the Ports' offers also included little to hold the Ports accountable for emission reductions. He stated that the discretionary actions included in the proposals should go through the CEQA process and be evaluated for the SIP.

Eli Lipmen, Move LA, opposed an MOU approach. He highlighted the clause in POLB's latest proposal where South Coast AQMD would need to return to POLB all of the advanced clean truck funding if it terminates the MOU early. He further questioned the Ports' commitment to implement their CAAP and that the proposed funding levels for early deployment of ZE/NZE trucks fall short of the vision laid out in the 2017 CAAP. He indicated that the state and federal funding recently made available to the Ports should be used for clean air goals while also addressing port capacity issues. He also argued that the Ports' clean air strategies must address emissions from ocean-going vessels.

Elliot Gonzales spoke in support of an ISR. He expressed discontent in the lack of public process in the Ports' development of their respective MOU proposals, and in the Ports' lack of implementing meaningful clean air actions. Citing concerns over the past transition to natural gas trucks and associated labor disputes, he stressed the importance of public participation in ISR rulemaking to concurrently achieve clean air goals and secure good jobs for the community.

Yassi Kevezade, Sierra Club, criticized the lack of public process and accountability in the ongoing MOU negotiation. Pointing to the lack of emission and health benefits as a result of the four-year MOU process, she stressed that regulations are needed to change the business-as-usual operations at the Ports and to implement the clean air actions at the Ports that the community has been waiting for.

Mandeera Wijetunga, Pacific Environment, called for enforceable regulations to ensure emissions reduction from port sources. He commented that the Ports' latest proposals fail to meet AQMP emission reduction needs and fall short of the 2017 CAAP, and they are further weakened with unacceptable provisions. He stated that enforceable regulations are needed to protect public health, attain air quality standards, and achieve 100-percent zero emission from port sources by 2035.

Resa Barillas, California Environmental Voters, echoed support for a Ports ISR by stating that the latest MOU proposals would not meet attainment needs and the MOU proposals would not hold the Ports accountable for emission reductions.

Ms. Betancourt stated that MOU proposals are unenforceable and expressed support for rulemaking to address the root of the public health problem for children with asthma.

Teresa Bui, Pacific Environment, yielded her time to Mr. Marquez. Mr. Marquez indicated that the South Coast AQMD staff brought up the MOU approach in 2018 and deliberately delayed the development of a Ports ISR. He commented on the inadequacy of the Ports' MOU proposals in achieving emission reductions and claimed that the Ports had not adequately invested in capture-and-control systems as an alternative to using shore power at berth. He stated that it is both technically and economically feasible to transition over 90 percent of vehicles and equipment today to zero emission technologies. He urged the Ports to adopt a budget for the transition to zero-emission operations and expressed support for the contribution of public funds to facilitate the transition.

Mr. Gaytan stated that accepting either of the MOU proposals would be worse than no actions at all because the proposed MOUs would hamstring South Coast AQMD from future rulemaking. He urged staff to develop an ISR with community input as soon as possible.

Board Member Comments: Co-Chair Richardson stated appreciation for staff's presentation in summarizing the Ports' latest MOU proposals and highlighting the different areas of importance to reach both CAAP goals and the region's attainment goals. He commented on the significant progress observed over the past few months and emphasized the urgency to continue putting more on the negotiation table in relation to actual reduction needs. He reiterated the importance of addressing concerns over automation and misclassification in a potential MOU to ensure good jobs at the ports during the transition to clean air. After referencing a total of \$600 million needed to turn over 6,000 port drayage trucks from diesel to ZE/NZE and POLB's proposed advanced funding \$100 million, Co-Chair Richardson encouraged POLA to offer higher amounts for early clean truck deployment while South Coast AQMD and the Ports would partner on advocacy for additional funding.

Co-Chair Richardson referred to several public comments where the Ports' MOU proposals were described as unenforceable and added that staff can still present counter offers to include enforceable terms within the MOU. In addition, he stated that a working group should be convened to allow for public inputs outside of the Committee meetings. He encouraged all parties to continue with the MOU process and address the outstanding issues within the next month, with the goal of achieving emission reductions more quickly.

Mayor Pro Tem McCallon urged the Ports to take timely actions and get the MOU done.

Board Member Padilla-Campos commented that the new vessel queuing system would only push ships further offshore and would not reduce overall emissions. She stated that the same urgency to resolve supply chain issues should be applied to emission reductions and urged both ports to come back in January with meaningful and impactful

measures to reduce emissions from port sources. She expressed her concern over the combined time limit for public comments on the agenda items, and she would like to bring up this concern to the full Board. Co-Chair Richardson shared the same concern.

Supervisor Bartlett commented that South Coast AQMD needs to continue to push for a substantial MOU, and in the meantime, also understand that the vessel backlog would be alleviated over time. Citing examples of warehouse owners and big retailers potentially looking for areas to store goods that are outside of California or our jurisdiction. She expressed concerns about potential cargo diversion away from POLA and POLB if overly stringent regulatory requirements are to be implemented in our region and advocated for a balanced long-term solution for both the environment and the regional economy.

Co-Chair Richardson reiterated that the Ports' MOU proposals are not their final offer and encouraged all parties to continue negotiating and making progress.

OTHER MATTERS:

3. Other Business

There was no other business to report.

4. Public Comment Period

Mr. Gaytan stated his interpretation of the Brown Act as allowing the public to use full commenting time of three minutes to speak on each agenda item. He stated that the draft MOU language appeared to allude to a public process where public input was provided to the development of the latest MOU proposals. He clarified that the only public process had been through this committee.

5. Next Meeting Date

TBD

Adjournment

The meeting adjourned at 11:11 a.m.

Attachment

Attendance Record

ATTACHMENT 1

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MARINE PORT COMMITTEE MEETING**

Attendance – December 15, 2021

Board Member Veronica Padilla-Campos.....	South Coast AQMD Board Member
Vice Mayor Rex Richardson	South Coast AQMD Board Member
Mayor Pro Tem Larry McCallon.....	South Coast AQMD Board Member
Supervisor Lisa Bartlett.....	South Coast AQMD Board Member
Council Member Joe Buscaino.....	South Coast AQMD Board Member
Genevieve Amsalem Gale	Board Consultant (Kracov)
James Dinwiddie	Board Consultant (Bartlett)
Jacob Haik	Board consultant (Buscaino)
Matthew Hamlett	Board Consultant (Richardson)
Amy Wong	Board Consultant (Padilla-Campos)
Ross Zelen	Board Consultant (Kracov)
Lorraine Lundquist	Board Consultant (Kuehl)
Angie Balderas	Sierra Club
Christopher Cannon.....	Port of Los Angeles
Morgan Caswell.....	Port of Long Beach
Chris Chavez	Coalition for Clean Air
Fernando Gaytan	Earthjustice
Elliot Gonzales	Public Member
Yassamin Kavezade.....	Sierra Club
Sudhir Lay	City of Long Beach
Erick Martell.....	Port of Los Angeles
Dawn McIntosh	City of Long Beach
Jacqueline Moore.....	PMSA
T. Pisano	Port of Los Angeles
Leela Rao.....	Port of Long Beach
Mandeera Wijetunga	Pacific Environment
Jesse Marquez.....	Coalition for a Safe Environment
Dan McGivney	SoCalGas
Thomas Jelenic	Pacific Merchant Shipping Association
Theral Golden.....	West Long Beach Association
Eli Lipmen	Move LA
Michele Grubbs.....	Pacific Merchant Shipping Association
Jen Simmons	Sierra Club
Adrian Martinez	Earthjustice
Madeline Rose	Pacific Environment
Julia Smithins	Public Member
Amber Aviles	Port of Los Angeles
Ana Dragin	City of Los Angeles

Christine Batikian	Sierra Club
David Libatique	Port of Los Angeles
Eleanor Torres	Port of Long Beach
Greg Roche	Clean Energy Fuels
Joe Lyou	CCA/CTC
John Ungvarsky	EPA
Marvin Pineda	Lobby California
Megan Jamerson	KVCR
Mike DiBernardo	Port of Los Angeles
Peter Whittingham	Public Member
Regina Hsu	Earthjustice
Resa Barillas	EnviroVoters
Rick Cameron	Port of Long Beach
Stephanie Magnien	Port of Los Angeles
Sylvia Betancourt	Long Beach Alliance for Children with Asthma
Teresa Bui	Pacific Environment
Tim DeMoss	Port of Los Angeles

Barbara Baird.....	South Coast AQMD Staff
Aaron Katzenstein	South Coast AQMD Staff
Angela Kim	South Coast AQMD Staff
Ian MacMillan	South Coast AQMD Staff
Karin Manwaring.....	South Coast AQMD Staff
Matt Miyasato.....	South Coast AQMD Staff
Ron Moskowitz	South Coast AQMD Staff
Wayne Nastri	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Veera Tyagi	South Coast AQMD Staff
Vicki White	South Coast AQMD Staff
Jill Whynot	South Coast AQMD Staff
Rachel Ballon	South Coast AQMD Staff
Sang-Mi Lee	South Coast AQMD Staff
Denny Shaw	South Coast AQMD Staff
Elaine Shen	South Coast AQMD Staff
Scott Epstein	South Coast AQMD Staff
Sheri Hanizavareh	South Coast AQMD Staff
Jeff Inabinet	South Coast AQMD Staff
Randon Lane	South Coast AQMD Staff
Alicia Lizarraga	South Coast AQMD Staff