

August 22, 2023

Chair Deldago and Members of the Board Governing Board South Coast Air Quality Management District ("SCAQMD") Cob@aqmd.gov

Re: Commercial Marine Ports Indirect Source Rule

Dear Chair Delgado and Members of the Board:

We would like to thank the South Coast Air Quality Management District (SCAQMD) Board for soliciting public comments on Proposed Rule 2304, a Commercial Marine Ports (Ports) Indirect Source Rule (ISR). We applaud the Board for taking on indirect source pollution at the Ports, but urge you to amend the Proposed Rule to more substantially address and mitigate fossil-fueled ship pollution.

Pacific Environment is a California headquartered non-governmental organization that has earned permanent consultative status at the International Maritime Organization (IMO), the United Nations entity that sets global shipping laws. We are committed to working on shipping decarbonization in the Pacific Rim, with a focus on the San Pedro Bay Ports. Through our Ship It Zero corporate pressure campaign with Stand.Earth, we led passage of Ship It Zero resolutions in Los Angeles, Long Beach, and Minneapolis, calling on major importers to transition to zero emission ships by 2030.

Thank you to staff for all the hard work they have done on the Proposed Rule. A Ports ISR is urgently needed to mitigate fossil-fueled ship pollution, one of the main culprits contributing to climate change and poor air quality in the South Coast. Most ships currently burn heavy fuel oil, the cheapest, most dirty and deadly fossil fuel containing asthma and cancer-causing air pollutants, including nitrogen oxide, sulfur oxide, and particulate matter. As a result, portadjacent neighborhoods, including West Long Beach, experience eight years shorter life expectancy than the Los Angeles County average.

The Proposed Rule will come at a much-needed time, as fossil-fueled ship and port pollution in Southern California has escalated during the pandemic, causing frontline communities to experience higher levels of asthma and cancer-causing air pollutants than ever before. The California Air Resources Board (CARB) conducted an <u>emissions analysis</u> that found that fossil fuel pollution from 2021 cargo ship congestion at San Pedro ports has caused:

- An increase in NOx emissions equivalent to 5.8 million passenger cars in South Coast, and
- An increase in particulate matter (PM) emissions equivalent to 100,000 big rig trucks (or "Class diesel trucks") *per day*

In 2021, the Port of Long Beach saw record shipping traffic and associated toxic pollution. CO2 increased by 87% from 2020, and diesel particulate matter went up by 77% from 2020¹. The Port of Los Angeles was even worse, with diesel particulate matter 143% more than 2020 and CO2 increased by 136%².

SCAQMD's current Proposed Rule 2304 aims to decrease air pollution at the San Pedro Bay ports, with yearly air pollution caps and reduction goals. We were pleased to see that the footprint will include the district boundary which will address transit emissions from ships. However, SCAQMD staff revealed that these yearly emissions caps will be mostly voluntary, except for 2031 and 2038, which will require mandatory air pollution reductions.

Fossil-fueled ships remain the largest, fastest-growing and most unregulated sector of fossil fuel pollution at the San Pedro Bay ports. Given the urgent climate and health threats from ship and port pollution, we are urging SCAQMD to make the following revisions to the Proposed Rule:

- Set mandatory stringent emissions caps in the 2020s, before 2031, to give communities some much needed relief from port air pollution. According to the March 2023 final warning from the United Nations Intergovernmental Panel on Climate Change, global climate emissions must peak before 2025 and be cut in half from 2019 levels by 2030 for humanity to remain on a stable, livable, and Paris-aligned 1.5 degrees C (2.7 degrees F) global warming trajectory. This means that emissions reductions in the 2020s are ultimately most consequential.
- Require shore power for all categories of vessels, as well as retrofits and offshore charging stations for ships. In 2021, dozens of ships were anchored offshore during the congestion crisis at any given time, running their fossil fueled engines while waiting for entry into port. Due to the harm communities faced during this ship congestion crisis, shipper Maersk announced plans to launch the world's first electric offshore charging venture for ships, with plans to reduce CO2 emissions by 5 million tons along with reductions in air pollution at up to 100 ports globally starting in 2028. SCAQMD must follow Maersk's example and mandate offshore charging stations to prevent another ship congestion and pollution crisis from happening again, given that shipping is projected to grow significantly over the next few decades.
- Transition to Tier III engines. As of 2020, only 2% of all port visits at POLA & POLB were made by Tier III vessels, 34% of port calls were made by Tier II vessels, and more than 60% were made by Tier I or unregulated vessels. We urge you to immediately phase out the dirtiest ships, Tier 0/I/II vessels, and require ships visiting a California port to run on Tier III engines by 2028, or the best available technology, but not allowing for Liquefied Natural Gas (LNG) ships. Study from ICCT shows that NOx emissions would drop by 58% if all ships that anchor at LA ports were to comply with Tier III.
- Increase the Clean Trucks Fund Rate. The San Pedro Bay Ports Clean Truck Fund Rate could be raised from \$10 per TEU to \$70 per TEU without any cargo diversion of drayage trucks. Increasing this rate will provide crucial funding for an accelerated transition to zero-emission trucking at the San Pedro Bay ports, which would benefit community health and climate.

¹ Port of Long Beach 2021 Air Emissions Inventory Report

² Port of Los Angeles <u>2021 Inventory of Air Emissions</u>

We want to address claims we've seen from Pacific Merchant Shipping Association that the South Coast's proposed indirect source rule emission cap is a cargo cap. This is a misleading claim as the ISR is an emissions cap, which does NOT mean it will force cargo throughput at ports to decrease. What it does mean is that to comply with the rule, vessels and port infrastructure will need to transition to zero-emissions, which is necessary to mitigate ports' contribution to climate change and local air pollution.

Thank you for your consideration of these comments. Future generations will be grateful for your decisive climate action during the 2020's, the most decisive years of world climate history.

Sincerely,

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