



UPDATE ON RAIL YARD FACILITY BASED MOBILE SOURCE MEASURES

OCTOBER 6, 2023 BOARD MEETING

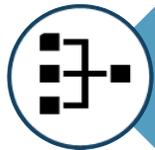
OVERVIEW



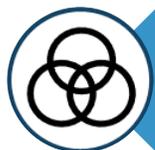
Update on New Rail Yard



Preliminary Concepts of Potential MOU



Preliminary Concepts of Proposed ISRs



Preliminary Estimates of Emission Reductions

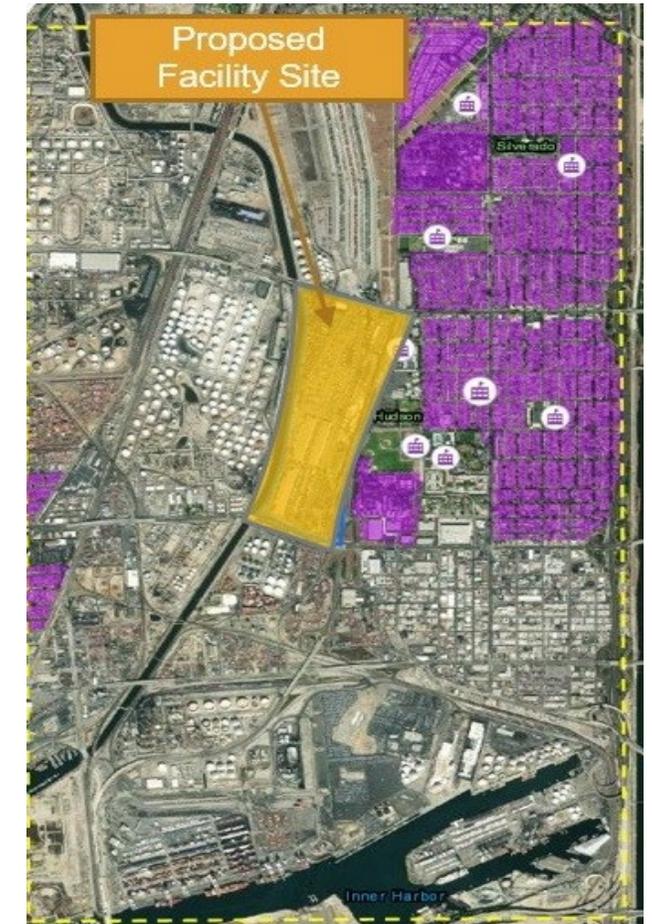


Next Steps

MOU = Memorandum of Understanding
ISR = Indirect Source Rule

UPDATE ON SOUTHERN CALIFORNIA INTERNATIONAL GATEWAY

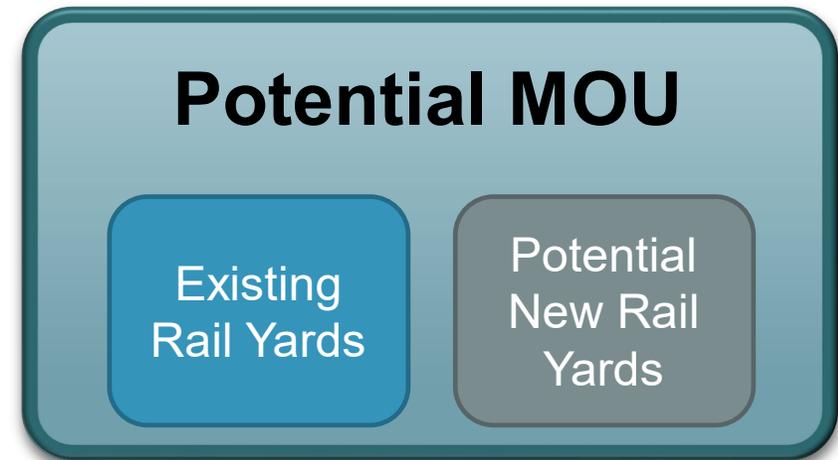
- The Southern California International Gateway (SCIG) is a near-dock intermodal rail yard facility proposed by BNSF
 - On land owned primarily by Port of Los Angeles
- 2012 Final Environmental Impact Report (EIR) was set aside after successful lawsuit filed by South Coast AQMD and others*
 - Port of LA released Revised Draft EIR in 2021
- BNSF indicated at a recent U.S. EPA community meeting, that SCIG remains under consideration



*Petitioners include: (1) Fast Lane Transportation, Inc.; (2) City of Long Beach, (3) Coalition for a Safe Environment, Apostolic Faith Center, Community Dreams, and California Kids IAQ; (4) East Yard Communities for Environmental Justice, Coalition for Clean Air, Century Villages at Cabrillo, Elena Rodriguez, Evelyn Deloris Knight, and Natural Resources Defense Council, Inc.; (5) Long Beach Unified School District; (6) South Coast Air Quality Management District; and (7) California Cartage Company, Inc., Three Rivers Trucking, Inc., and San Pedro Forklift

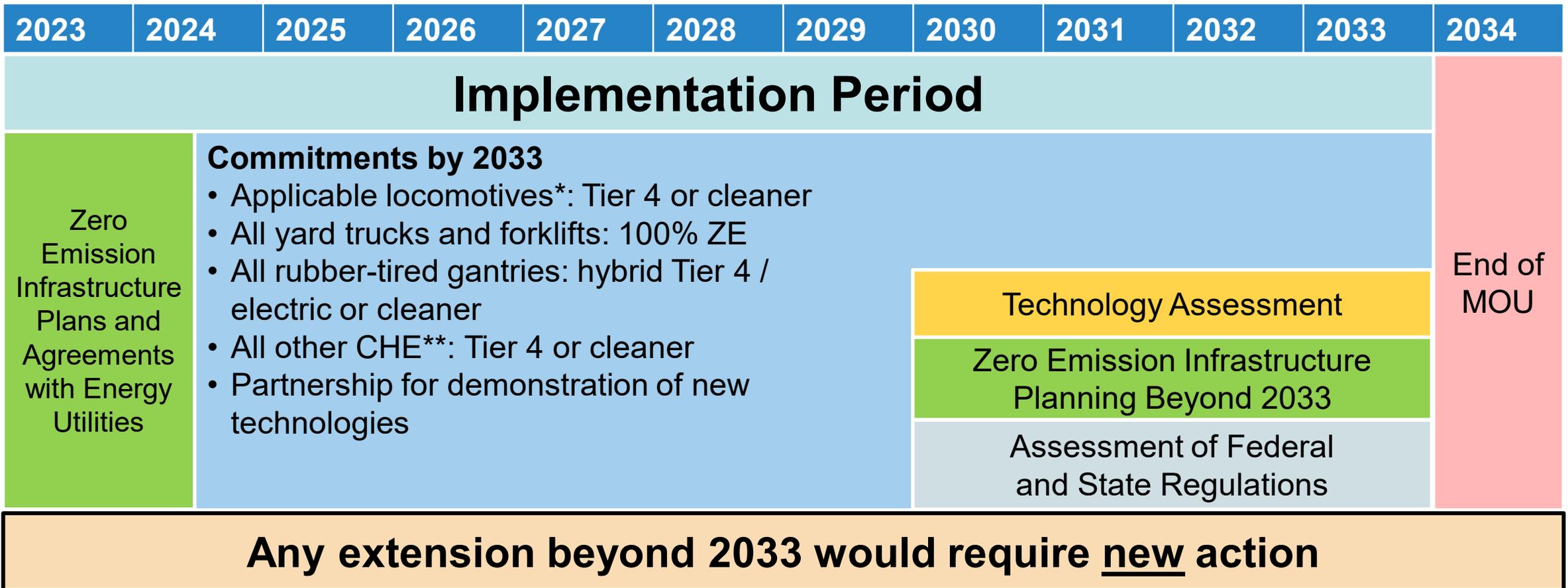
SCOPE OF POTENTIAL MOU

- The MOU aims to reduce air quality impacts from **existing** and **new** rail yards by reducing emissions from:
 - ❖ Applicable Locomotives*
 - ❖ Yard Trucks and Forklifts
 - ❖ Rubber Tired Gantry Cranes (RTG)
 - ❖ All Other Cargo Handling Equipment (CHE)
- Potentially additional community benefits



* Locomotives staying within the South Coast AQMD during normal business operations

PRELIMINARY CONCEPTS ON MOU TIMELINE



* Locomotives staying within the South Coast AQMD during normal business operations

** CHE = cargo-handling equipment

CONSIDERATIONS FOR INTERIM MILESTONES

2023



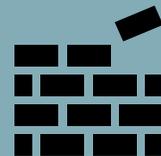
2033

Staff and Railroads agree
interim milestones of emission reductions
are necessary and will consider factors such as:

Continual emission
reduction progress



Deployment of feasible
ZE technologies



Transparency and
accountability



PRELIMINARY ENFORCEABILITY CONCEPTS



Enforce on committed actions to reduce rail emissions, implement ZE infrastructure, etc.



Dispute resolution part of the enforcement process



Enforceable by U.S. EPA and citizen suit



Included in Potential MOU



If Approved into SIP by U.S. EPA*

*SIP = State Implementation Plan

PRELIMINARY CONCEPTS OF RAIL YARD ISRs

Proposed Rule 2306 – New Rail Yard Indirect Source Rule

Initial Preliminary Draft Rule (Jan 2023):

- Establish a facility-based mass emissions limit that will decline over time
- Submit periodic reporting to demonstrate compliance with emission limit
- Submit zero emission infrastructure plan and progress report

Proposed Rule 2306.1 – Existing Rail Yard Indirect Source Rule

Initial Concepts (Nov 2019):

- Reduce exposures from locomotive maintenance emissions
- Establish an incentive program focused on cleanest locomotive use
- Require engineering plans for zero emissions operations
- Evaluate new monitoring approaches for in-use locomotives

APPLICABILITY FOR PROPOSED RULES, MOU, CARB'S IN-USE LOCOMOTIVE REGULATION

	PR 2306 <i>(Jan 2023 Concepts)</i>	PR 2306.1 <i>(Nov 2019 Concepts)</i>	Proposed MOU	CARB In-Use Locomotive Regulation
New/Existing Rail Yards	New	Existing	New and Existing	New and Existing
Locomotives	Yes, consistent with CARB Regulation	No, except locomotive maintenance	Yes, 100% Tier 4 or cleaner by 2033 for in-basin locomotives*	Yes, allows alternative compliance option
Cargo Handling Equipment (CHE)	Not yet determined	Not contemplated	Yes, cleaner than currently required**	No
Zero-Emission Infrastructure	Plans	Plans	Plans and agreements with electric utilities	May be funded by spending account

* Including both switching and line-haul locomotives performing only in-basin activities.

**Currently subject to the existing statewide CHE Regulation.

PRELIMINARY ESTIMATES OF EMISSION REDUCTIONS

Preliminary NOx Reductions Between Now and 2033 (*tons per day*)

	PR 2306* (Jan 2023 Concepts)	PR 2306.1 (Nov 2019 Concepts)	Proposed MOU**	CARB In-Use Locomotive Regulation***
Locomotives	?	<0.1 <i>Assuming reduced maintenance emissions</i>	~2.4 <i>Commitment of 100% Tier 4 in- basin line-haul and switchers</i>	Up to 8.2 <i>Assuming maximal purchase of:</i> <ul style="list-style-type: none"> • Tier 4 line-haul, and • Tier 4 and ZE switchers
Cargo Handling Equipment****	?	0	~0.1	0

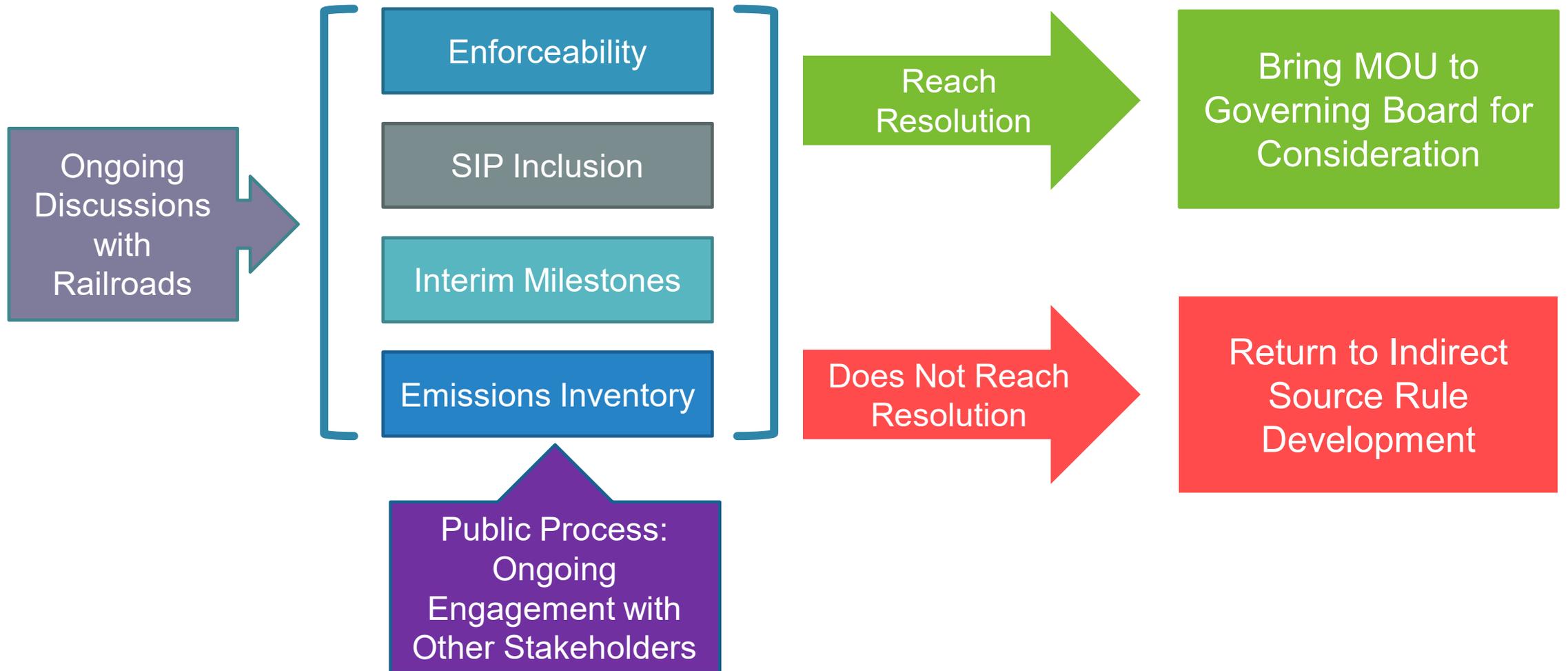
* Emission reductions from PR 2306 concepts are undetermined due to proposed new intermodal rail yards with uncertain futures.

** Preliminary estimates were based on existing rail yards only while the proposed MOU will cover new rail yards as well. Further refinements are underway.

*** 2022 State Implementation Plan emissions inventory for Class 1 switching and line haul activities in South Coast Air Basin: CY 2022 vs. CY 2033.

**** Estimated reductions for Cargo Handling Equipment under the proposed MOU are in excess of the existing CARB CHE regulation.

DECISION PATHWAY FOR MOU DEVELOPMENT



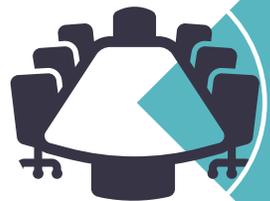
UPCOMING ACTIVITIES



Status Updates to
Mobile Source Committee in October



Community Meetings Anticipated in
Late October



Board Consideration of MOU in
January