

Item No 24

Update on Proposed Rule 2304 – Commercial Marine Ports

**Board Meeting
August 1, 2025**



Background

- ❑ South Coast AQMD does not attain federal or state air quality standards (ozone and PM2.5)
 - Board approved 2016 and 2022 Air Quality Management Plans that includes port-focused Facility-Based Mobile Source Measure
 - Priority action item for the neighboring AB 617 community
- ❑ Mobile sources are ~80% of smog-forming emissions
 - Trucks, ships, locomotives, etc.
- ❑ San Pedro Bay Ports are largest source of smog-forming emissions in the state

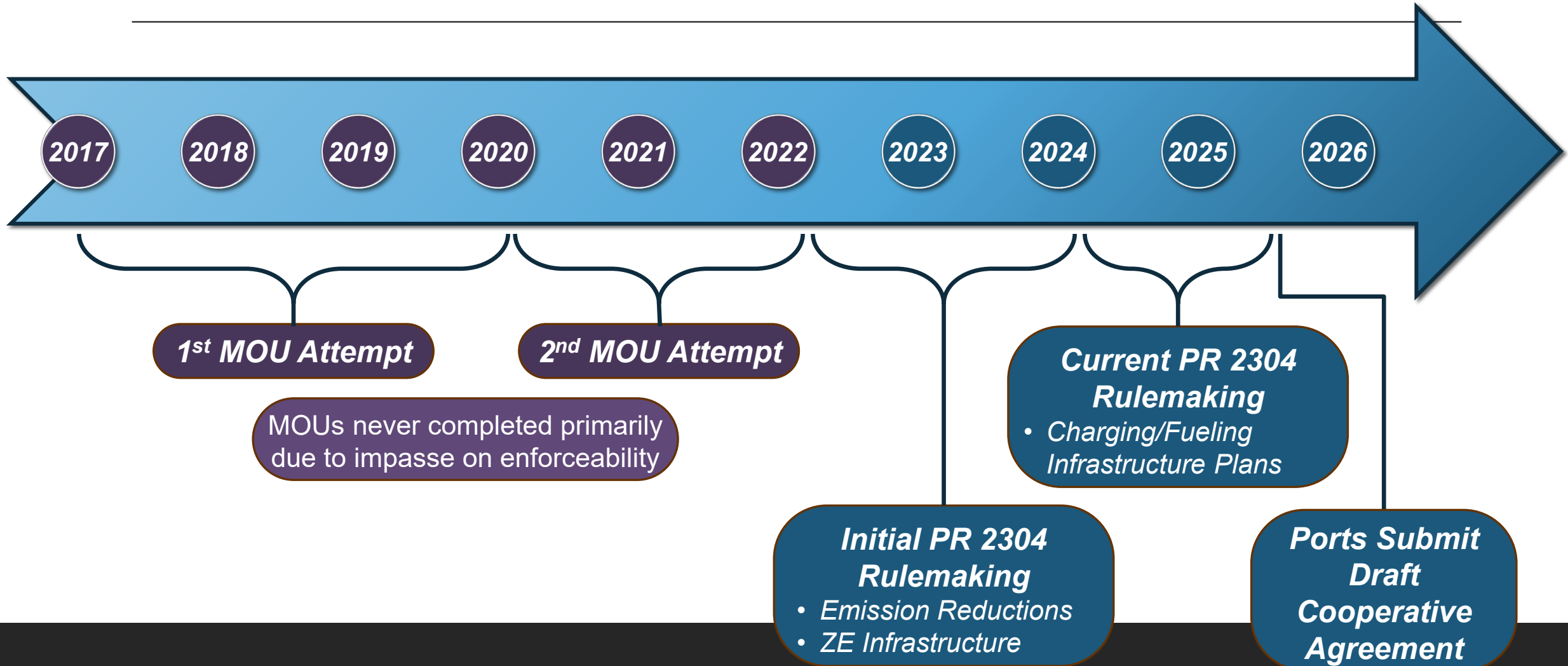
Prior Actions Affecting Port Emissions

- ❑ 37% reduction in ports' NOx emissions between 2017-2023
 - Primarily from CARB regulations and bigger ships
- ❑ Ports Clean Air Action Plans (CAAP)
 - 2010 CAAP – achieved 2023 emission reduction goals
 - Goals tied to 'defined' measures from AQMP, but not 'black box' measures
 - 2017 CAAP did not include additional emission reduction goals beyond 2023, despite multiple new EPA standards

Why Action Is Still Needed

- ❑ Pathway to attainment is impossible without significant emission reductions from the ports – well beyond currently planned CAAP actions
- ❑ Next generation of cleaner mobile sources needs fueling and charging infrastructure
- ❑ Facility-based measures are increasingly important given loss of waivers

Port Facility-Based Mobile Source Measure Development Since 2016 AQMP



PR 2304 Development Status

Since February 2025 update to full Board:

Two drafts of rule released*

(February 21 and June 13)

Two updates to Mobile Source Committee
Three working group meetings (in-person + virtual)

Considering further revisions to draft rule and
preparing supporting documents

PROPOSED RULE 2304 COMMERCIAL MARINE PORTS

(a) Purpose
This rule requires the Ports of Long Beach and Los Angeles each to develop a comprehensive plan for charging and fueling infrastructure for equipment, vehicles, and vessels attracted by or used in commercial marine port operations, and whose source of propulsion energy and/or other use of energy is not, or is not primarily, derived from combustion of conventional fuels. This action is necessary to facilitate emission reductions associated with commercial marine ports and from the mobile sources attracted by or used in port operations to meet state and federal air quality standards.

(b) Applicability
This rule applies to the Port of Long Beach and the Port of Los Angeles as defined in (c)(46) and (c)(47), respectively.

(c) Definitions
For the purpose of this rule, the following definitions shall apply:

- (1) ACTION LEVEL means, for the purpose of Charging and Fueling Infrastructure planning, a future target level, or target proportion, of a Port Source category population whose source of propulsion energy and/or other use of energy will not be primarily derived from combustion of Conventional Fuels.
- (2) ALTERNATIVE MARINE FUELS means marine fuels that are not residual oil, gas oil, nor distillate, and used by Ocean Going Vessels.
- (3) BASIN means the South Coast Air Basin, with its boundaries defined by 40 Code of Federal Regulations, Section 81.305.
- (4) CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DOCUMENT means any environmental document prepared by the applicable Lead Agency in accordance with the CEQA Statute and Guidelines as set forth in the Public Resources Code, Division 13 Section 21000 et seq. and in the California Code of Regulations, Title 14 Section 15000 et seq.
- (5) CAPACITY means the maximum amount of a specific Energy Type that can be dispensed over a set period of time.
- (6) CARGO means containerized or noncontainerized goods and merchandise that are transported by or transferred between Port Sources and may include empty containers and chassis.
- (7) CARGO HANDLING EQUIPMENT (CHE) means any self-propelled vehicle or equipment primarily used at a Port Facility, to lift or move Cargo that is carried to or from the Port Facility by other Port Sources.

Overview of PR 2304

Ports Prepare Fueling and Charging Infrastructure Plan

- Due in 2 years
- Evaluate all port sources (ships, trucks, etc.)
- Ports set their own timelines and level of implementation

South Coast AQMD Approves Plan

- Specific approval criteria limiting Executive Officer discretion included in rule
 - Completeness
 - Internal consistency

Ports Implement Approved Plan

- Time Extensions and Plan Modifications allowed
- Ports only responsible for what is in their control

Ports' Draft Cooperative Agreement

- *Developed by the Ports and submitted on July 18, 2025**

Parties

- City of Long Beach**
- City of Los Angeles**
- South Coast AQMD

*** By and through each City's respective Board of Harbor Commissioners*

Term and Effect

- Through 12/31/2035
- Upon signing, South Coast AQMD:
 - Stops PR 2304 rulemaking
 - No future rulemaking or AQMP control measure on enforcing Ports' Clean Air Action Plan (CAAP) goals

Enforceability

- Pending discussion among all parties

Measures in Ports' Draft Cooperative Agreement

- *Six “CAAP Plus” Measures*

Port Source Specific Measures

- Implement grant funded projects and existing commitments/programs
- Evaluate enhancements to Ports' current programs (e.g., OGV incentives)
- Comply with regulations
- Identify and potentially pursue emission-reducing or related facilitating actions beyond existing regulations
 - Seek more grant funding
 - Conduct technical assessments

ZE Infrastructure Plans*



Container Terminal CHE and Drayage Trucks by 10/1/2027



Other Terminal CHE and Local Switchers by 10/1/2029



Harbor Craft and OGV by 10/1/2030

- *Ports approve own Plans*
- *South Coast AQMD receives annual reports*

**Delivery dates for ZE Infrastructure Plans may be modified by the Ports as necessary.
ZE = Zero Emission CHE = Cargo-Handling Equipment OGV = Ocean-Going Vessel*

Initial Comparison Between PR 2304 and Ports' Draft Cooperative Agreement

Key Elements	PR 2304	Draft Cooperative Agreement
General Scope	<ul style="list-style-type: none"> •Infrastructure plans and implementation 	<ul style="list-style-type: none"> •Infrastructure plans and implementation •Some CAAP measures •Existing funding programs
District role to ensure actions occur	<ul style="list-style-type: none"> •District approves plans, time extensions, and plan modifications •District ensures ports comply with approved plans 	<ul style="list-style-type: none"> •District is an observer
Flexibility in infrastructure planning and implementation	Similar	

Initial Staff Concerns on Ports' Draft Cooperative Agreement

- ❑ Enforceability is left open as placeholder for further discussion
- ❑ 10-year prohibition on rulemaking
- ❑ District role limited to quantifying emission reductions and making info available to the public
 - District solely liable for any State Implementation Plan emission reduction shortfalls
- ❑ Several provisions should be revised if Board is going to consider adoption
- ❑ All SIP control measures related to ports must cease if agreement adopted
- ❑ Public process critical for finalizing agreement

Potential Options

A

Pursue rulemaking

B

Pursue Cooperative Agreement in a public process

C

Parallel path approach - Continue to pursue rulemaking and work with Ports in a public process on Draft Cooperative Agreement

- ❑ Goal to bring an action to Board for consideration by December
- ❑ Regularly update Mobile Source Committee on effort and schedule